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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, February 21, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, by whose grace we are worthy and by whose love we live each day, may Your spirit undergird our spirits and Your will our wills, that we will not grow weary in well doing. May not the disappointments, frustrations, or anger that attend our lives cause us to miss the faith and hope and love that are Your gifts to us. So encourage us, O God, to be the people You would have us be and do those good things that are pleasing in Your sight. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. COBEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 189, nays 144, not voting 99, as follows:

[Roll No. 10]

YEAS—189

Addabbo	AuCoin	Boggs
Akaka	Barnes	Boland
Alexander	Bates	Bonior (MI)
Andrews	Bennett	Bonker
Applegate	Berman	Borski
Aspin	Bevill	Boucher
Atkins	Biaggi	Boxer
Breaux	Hefner	Ray
Brown (CA)	Hertel	Reid
Bruce	Howard	Richardson
Bustamante	Hoyer	Roberts
Byron	Hughes	Rodino
Carper	Hutto	Roe
Carr	Jenkins	Rose
Chappell	Jones (TN)	Rostenkowski
Coelho	Kaptur	Rowland (GA)
Coleman (TX)	Kastenmeier	Russo
Collins	Kildee	Sabo
Cooper	Kleczka	Scheuer
Daniel	Kolter	Schumer
Darden	Kostmayer	Seiberling
Daschle	Leath (TX)	Sharp
Derrick	Lehman (CA)	Shelby
Dingell	Lehman (FL)	Sisisky
Dixon	Leland	Skelton
Dorgan (ND)	Levin (MI)	Slattery
Downey	Levine (CA)	Smith (FL)
Durbin	Lloyd	Smith (IA)
Dwyer	Lowry (WA)	Solarz
Dyson	Lundine	Spratt
Early	MacKay	Stallings
Eckart (OH)	Manton	Stangeland
Edgar	Markey	Stark
Edwards (CA)	Martinez	Stenholm
English	Mavroules	Stokes
Erdreich	Mazzoli	Stratton
Evans (IL)	McCurdy	Studds
Fascell	McHugh	Swift
Fazio	Mikulski	Synar
Feighan	Miller (CA)	Tallon
Flippo	Mineta	Tauzin
Florio	Mitchell	Thomas (GA)
Foley	Mollohan	Torres
Ford (TN)	Montgomery	Torricelli
Frank	Moore	Traxler
Frost	Mrazek	Udall
Garcia	Murphy	Valentine
Gaydos	Murtha	Vento
Gejdenson	Natcher	Visclosky
Gibbons	Neal	Volkmer
Glickman	Nelson	Walgren
Gonzalez	Nowak	Waxman
Gordon	Oakar	Weaver
Gradison	Oberstar	Weiss
Guarini	Obey	Whitten
Hall (OH)	Olin	Wilson
Hall, Sam	Panetta	Wirth
Hamilton	Pease	Wolpe
Hansen	Perkins	Wright
Hartnett	Pickle	Wyden
Hatcher	Price	Yates
Hawkins	Rahall	Yatron
Hayes	Rangel	Young (MO)

NAYS—144

Archer	Brown (CO)	Combest
Armey	Burton (IN)	Conte
Badham	Callahan	Courter
Bartlett	Campbell	Craig
Barton	Carney	Daub
Bateman	Chandler	Davis
Bereuter	Cheney	DeLay
Bilirakis	Clinger	DeWine
Bliley	Coats	Dickinson
Boehlert	Cobey	DioGuardi
Boulter	Coble	Eckert (NY)
Broomfield	Coleman (MO)	Edwards (OK)
Emerson	Lujan	Rowland (CT)
Evans (IA)	Luken	Saxton
Franklin	Lungren	Schneider
Gallo	Mack	Schroeder
Gekas	Madigan	Schuette
Gilman	Martin (IL)	Schulze
Gingrich	McDade	Sensenbrenner
Goodling	McKernan	Shaw
Green	McMillan	Shumway
Grotberg	Meyers	Sikorski
Gunderson	Michel	Skeen
Hammerschmidt	Miller (OH)	Slaughter
Hendon	Miller (WA)	Smith (NE)
Henry	Molinari	Smith (NH)
Hiler	Monson	Smith (NJ)
Holt	Moorhead	Smith, Denny
Hopkins	Morrison (WA)	Smith, Robert
Horton	Myers	Snowe
Huckaby	Nielson	Solomon
Hunter	O'Brien	Spence
Hyde	Oxley	Staggers
Ireland	Packard	Strang
Jeffords	Parris	Stump
Jones (OK)	Pashayan	Swindall
Kasich	Penny	Tauke
Kindness	Porter	Taylor
Lagomarsino	Pursell	Thomas (CA)
Latta	Quillen	Vander Jagt
Leach (IA)	Regula	Walker
Lent	Ridge	Weber
Lewis (FL)	Rinaldo	Whitehurst
Lightfoot	Ritter	Wolf
Livingston	Roemer	Wortley
Loeffler	Rogers	Wylie
Lott	Roth	Young (AK)
Lowery (CA)	Roukema	Zschau

NOT VOTING—99

Ackerman	Fields	McEwen
Anderson	Fish	McGrath
Annunzio	Foglietta	McKinney
Anthony	Ford (MI)	Mica
Barnard	Fowler	Moakley
Bedell	Frenzel	Moody
Beilenson	Fuqua	Morrison (CT)
Bentley	Gephardt	Nichols
Boner (TN)	Gray (IL)	Ortiz
Bosco	Gray (PA)	Owens
Brooks	Gregg	Pepper
Broyhill	Hall, Ralph	Petri
Bryant	Heftel	Robinson
Burton (CA)	Hillis	Roybal
Chappie	Hubbard	Rudd
Clay	Jacobs	Savage
Conyers	Johnson	Schaefer
Coughlin	Jones (NC)	Shuster
Coyne	Kanjorski	Siljander
Crane	Kemp	Snyder
Crockett	Kennelly	St Germain
Dannemeyer	Kolbe	Sundquist
de la Garza	Kramer	Sweeney
Dellums	LaFalce	Towns
Dicks	Lantos	Traficant
Donnelly	Lewis (CA)	Vucanovich
Dornan (CA)	Lipinski	Watkins
Dowdy	Marlenee	Wheat
Dreier	Martin (NY)	Whitley
Duncan	Matsui	Whittaker
Dymally	McCain	Williams
Fawell	McCandless	Wise
Fiedler	McCollum	Young (FL)

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

□ 1120

Messrs. CHENEY, GUNDERSON, MOLINARI, SMITH of New Jersey, IRELAND, LIVINGSTON, HAMMERSCHMIDT, MADIGAN, CALLAHAN, QUILLEN, THOMAS of California, and GEKAS changed their votes from "yea" to "nay."

Mr. MITCHELL changed his vote from "nay" to "yea."

Mr. ROWLAND of Georgia changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PERMISSION FOR THE COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON H.R. 1189, SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FARM CREDIT

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on the bill (H.R. 1189) to provide additional emergency credit to farm producers, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHEL. Mr. Speaker, reserving the right to object, I do so in order to inquire of the distinguished chairman of the Committee on Appropriations what his plans are for bringing up the legislation next week, particularly on the day on which we would be considering that emergency credit bill that was reported from his committee.

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, may I say that by arrangement with the majority leadership, it is my understanding that this legislation has been scheduled for next Thursday, February 28.

Mr. MICHEL. Mr. Speaker, could we have that assurance, that that would not be up before Thursday? Even though I would be the first to recognize the emergency nature of the legislation, what I would like to make certain is that our Members are fully apprised of what we are talking about here, because there have been several propositions advanced, including an acceleration of payments that were otherwise due rather than the guarantee approach that I understand the gentleman takes.

In order that the Members might get better acquainted with the legislation, I would think it would serve the whole legislative process better if we could have the assurance that we would not bring that up until Thursday. If we have that assurance, then I would have no objection.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the majority leader.

Mr. WRIGHT. Mr. Speaker, it is our plan to bring that supplemental appropriation bill and any other supplemental appropriation bill that the committee may report on Thursday, subject to the granting of a rule, and I imagine that a rule will so provide.

Further, at a later point, after agreeing to this unanimous-consent request, I would be happy to discuss next week's schedule in full with the gentleman.

Mr. MICHEL. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. WALKER. Mr. Speaker, reserving the right to object, I just understood the majority leader to say that there may be other items of a supplemental nature that would be included in the bill. Could the gentleman give us some idea of what might be in the bill beyond the matters previously stated by the gentleman?

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, we have two bills that the full Appropriations Committee will act on in a few moments. One of them concerns famine relief in Africa. The other has to do with extending or directing that loan guarantees be used by the Department of Agriculture to enable farmers to plant their crops this year.

They are separate bills, but they are both strictly emergency and badly needed. It is my undestanding that both bills will be scheduled for floor consideration next Thursday, and I anticipate that there will not be much argument about them.

Mr. WALKER. Mr. Speaker, further reserving the right to object, those are the only two items that are in the supplemental?

Mr. WHITTEN. Those are the two separate bills which the committee will consider today.

Mr. WALKER. Are both of those items going to be done within the budget?

Mr. WHITTEN. Well, we have a budget request for the famine relief bill. I do not know that we have any budget requests on the other, but this is a directive to use authority which is already available in time so that farmers may plant crops this year.

Mr. WALKER. But the gentleman is telling me that both items will be within the limits of the House-passed budget?

Mr. WHITTEN. The bills will be within the budget resolution, within the limits of the budget resolution as adopted by the Congress last fall, may I say.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

□ 1130

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL FOR SUPPLEMENTAL APPROPRIATIONS FOR AFRICAN FAMINE RELIEF

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on a bill making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHEL. Mr. Speaker, I reserve points of order on both requests.

The SPEAKER. Points of order are reserved on both requests.

Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to proceed for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked permission to proceed for 1 minute for the purpose of inquiring of the distinguished majority leader the program for next week, in view of the fact that we have touched on it, and why not just wrap it up while we have the Members' attention.

Mr. WRIGHT. If the minority leader would yield.

Mr. MICHEL. I am happy to yield.

Mr. WRIGHT. When we adjourn today, we will adjourn to meet at noon on Monday. We have a pro forma session scheduled for Monday. It will be our hope and plan that there will be no votes Monday. There will be no legislative votes, unless perchance someone should insist upon a vote on approving the Journal or something of that kind.

On Tuesday we will meet at noon. There are two bills scheduled under suspension of the rules.

H.R. 1096, the African famine relief bill, and H.R. 607, Cost Savings Disclosure Awards Extension and Dependent Care Study Act.

On Wednesday we would ask unanimous consent following this colloquy to meet at 1 o'clock and we would take up an authorization for the emergency farm credit, a bill which we expect to be reported by the Committee on Agriculture, or it may already have been reported by the Committee on Agriculture. I believe it has been.

On Thursday, as we have just discussed, the House would meet at 11 o'clock. On Thursday, Members should be advised to come well dressed, wear ties and photogenic smiles and shirts and suits because we will have the official portrait of the 99th Congress on Thursday.

Following that auspicious occasion, we will take up the two supplemental appropriation bills, that providing for African famine relief and that providing for emergency farm credit, both subject to the granting of a rule, of course.

On Friday, March 1, the House will not be in session and any further program, of course, will be announced later.

Mr. MICHEL. I thank the gentleman.

Of course, our normal meeting time on Wednesday would be 3 p.m. and in consultation with the other side, since it is the gentleman's understanding that not only will his side have a caucus, but we would expect to have a conference on our side in order to give our Members a little bit more time to assimilate what was discussed in both those meetings, we have requested that rather than meeting at noon, that it be delayed until 1 o'clock, and that is still a 2-hour advance on our normal meeting time.

I think Members then probably on Thursday ought to be prepared to work, well, maybe late on both Wednesday and Thursday nights, depending on the extent of Members' requests for time.

With that, I yield back the balance of my time, Mr. Speaker.

ADJOURNMENT TO MONDAY, FEBRUARY 25, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. I reserve the right to object, Mr. Speaker.

The SPEAKER. The gentleman reserves the right to object.

Mr. WALKER. Mr. Speaker, I reserve the right to object to inquire of the gentleman about a situation that relates to the seating of Mr. McIntyre. It is our understanding that the colloquy that took place on the floor the other day would indicate that we are operating on a 45-day calendar with regard to the committee's action on the McIntyre situation. It was our understanding at that time that we were operating on a 45-calendar day criteria.

There is not some understanding, and I am seeking clarification from the gentleman, as to whether or not that has been changed to a legislative day calendar, and if so, then I will be constrained to object to the gentleman's request, because then we will want to have sufficient numbers of legislative days being on the schedule each week to assure that that calendar runs more quickly.

Can the gentleman tell me what his understanding of that situation is?

Mr. WRIGHT. If the gentleman would yield.

Mr. WALKER. I would be glad to yield to the gentleman.

Mr. WRIGHT. I was not a party to the understanding of a precise 45 days and I do not know whether it applied to calendar days or to legislative days. I presumed at the time that it had reference to calendar days.

Assuming that the Committee on House Administration is able to assemble and properly review all the material pertinent to the election contest, I can assure the gentleman of three things.

No. 1, it will be done as quickly, as expeditiously as it can be done, possibly consistent with the integrity of the proceedings of that committee and getting an honest, fair answer.

The second thing I assure the gentleman is that it will be done fairly and with an even consistent application of the rules.

The third thing I assure the gentleman is that the results of that tabulation, whatever they may be, will be honored by the leadership of the House and that whichever of the two contestants truly turns out to be the winner of that contest, be he Republican or Democrat, he will be seated.

These are the three assurances I can give to the gentleman.

Mr. WALKER. Well, I thank the gentleman for his explanation. It does not exactly answer my question.

The problem many of my constituents have is the fact that we are paying both gentlemen $75,000 a year for doing nothing at this point. They are somewhat concerned that the House has not properly moved to get this matter resolved.

It was the gentleman himself who in the CONGRESSIONAL RECORD first raised the 45-day issue in the CONGRESSIONAL RECORD of February 7.

My concern is that we do need to have some understanding as to whether or not this is 45 calendar days, which the gentleman, I think, just indicated was his understanding, or whether or not it is legislative days.

I wonder if the gentleman would withdraw his request at this point until we can find out the precise answer to that question.

Mr. WRIGHT. Well, I would have to say to the gentleman, if he would yield.

Mr. WALKER. I would be glad to yield.

Mr. WRIGHT. That when we adjourn today, and I presume that is going to be sometime in the foreseeable future, we have got to know whether we adjourn to meet tomorrow or whether we adjourn to meet Monday and I do not think it makes a whole lot of difference.

If the gentleman wants to have a pro forma session tomorrow, if it would satisfy the gentleman, it costs money. It will cost a whole lot of money to have a session tomorrow, if that is what the gentleman wants. We can do that, though there is no business scheduled for tomorrow. If the gentleman wants to take it on his shoulders to run the taxpayers to the expense of holding a session of the House tomorrow just to satisfy his count of a separate day, we can do that; but it will be on the gentleman's back. I am trying to save the taxpayers money by not having a session when we have no business.

Mr. WALKER. Could the gentleman specify how much money it is going to cost the taxpayers to do that?

Mr. WRIGHT. I would be hard pressed, if the gentleman would yield, to answer that, because I have no idea how long winded will be some of our colleagues while those television cameras are focused upon them. Not knowing that, of course, I find it very difficult to give the gentleman a recitation with any precision as to how much money it is going to cost the taxpayers.

Mr. WALKER. The gentleman has raised the issue and the gentleman, of course, knows that we have been meeting a lot of pro forma days here scheduled by the leadership, so I assume that then the gentleman from Texas and the gentleman from Massachusetts will take it upon their shoulders for all the legislative days we have held thus far that have cost the taxpayers the same amount of money, where we have done absolutely nothing.

Mr. WRIGHT. Well, if the gentleman will yield.

Mr. WALKER. I would be glad to yield to the gentleman.

Mr. WRIGHT. My request is that since there is no business scheduled, no legislative business available for our consideration——

Mr. WALKER. Is that not true for today as well?

Mr. WRIGHT [continuing]. That we adjourn to meet tomorrow.

Now, I will answer the gentleman's precise question about how much it costs to operate the House. An estimate made by the Clerk is that it costs approximately $10,000 per hour to the taxpayers of this country for us to be in session. Now, if we are conducting business, that is fine.

Mr. WALKER. Would the gentleman tell me what is included in that figure?

Mr. WRIGHT. But as long as the gentleman just wants to talk, you know, the gentleman can talk for an hour and cost the taxpayers $10,000 an hour.

□ 1140

Mr. WALKER. Would the gentleman—

I would be glad to yield further to the gentleman in just a moment. Would the gentleman tell us what figured into that calculation? I mean, does that include all the salaries of the staff that would be salaried even though we weren't meeting?

Mr. WRIGHT. I think that is approximately correct.

Mr. WALKER. That is right, and so the figure——

Mr. WRIGHT. No, no, I——

Mr. WALKER. The figure changes substantially——

Mr. WRIGHT. I am sorry. I misunderstood the gentleman's question. I think the gentleman is incorrect in that estimate. I think it is said that it costs about $10,000 an hour to be in session, and I am not——

Mr. WALKER. That is how much it costs to light this Chamber? I suggest the gentleman had better hire, we had better hire a new electrician, if that is what it costs, because operating the lights is about the only thing that I can think of that would change with regard to the salaries of people or anything else around here.

Mr. WRIGHT. If the gentleman would yield.

Mr. WALKER. And so if the gentleman is telling us that that is the case, then I would say to the gentleman that he has scheduled a session that is costing the taxpayers $10,000 today. Is the gentleman prepared to take that on his shoulders?

Mr. WRIGHT. If the gentleman would yield.

Mr. WALKER. I will be glad to yield to the gentleman.

Mr. WRIGHT. I would suggest first to the gentleman that it is not this gentleman from Texas who is extenuating this somewhat meaningless discussion, but rather the gentleman from Pennsylvania.

Second, let me respond to the precise inquiry——

Mr. WALKER. If I may regain my time, further reserving the right to object.

Mr. WRIGHT. I would like to answer the gentleman's question.

Mr. WALKER. I will be glad to yield back to the gentleman, but further reserving the right to object, I was simply trying to ask what I think is a reasonable question of the gentleman with regard to a matter that this side of the aisle regards as very important.

I realize that the gentleman from Texas is perfectly willing to make a joke out of the McIntyre situation. This gentleman feels as though we are on very shaky constitutional grounds with what we are doing on the McIntyre situation; that it ought to be resolved immediately.

But that we have a certified winner of a race in Indiana that we are refusing to seat in this body. We thought we had an assurance that we were going to resolve that situation within 45 days. Now it is my understanding that the gentleman is telling us, through a rather long-winded answer on his part, that we may not have a 45-day assurance; that instead what we have is an assurance that when the Democrats decide to act, we are going to act. And that is not a sufficient assurance for this gentleman.

I think, rather than trying to make a joke out of the situation, or assure us that somehow we are acting responsibly around here when we meet in pro forma session scheduled by the leadership but not in pro forma sessions that would deal with the McIntyre issue, then I have reason to believe that the gentleman has gotten his priorities a little off base as well.

I will be glad to yield to the gentleman.

Mr. WRIGHT. Since the gentleman has imputed to me and to others certain motives, I think it is necessary that I respond. Under no circumstances did I consider it a joke, when there is a contest in an election. It is not a joke, and citizens of the United States are arbitrarily denied the right to the most sacred thing we guarantee them in our Constitution, and that is the ballot; 5,000 citizens were denied that privilege in that recent election. I do not think that is a joke; I think that is very serious.

The second thing I want to say is this: The gentleman raised the point about how much it costs to operate the House.

Mr. WALKER. No, the gentleman from Texas raised that point. I did not raise it; the gentleman from Texas raised the point.

Mr. WRIGHT. The gentleman asked the question as to what that included. It includes, among other things, the necessity for security of the Chamber; it includes the number of pages that must be transcribed and printed by the Government Printing Office, in the CONGRESSIONAL RECORD, it includes the operation of the House and of the television equipment by which the public is permitted to see these proceedings.

All those things, of course, are included in the cost of operating the House. Now, I do not know the precise answer. I am merely reciting for the gentleman's information in response to his question an analysis made by the Clerk of the House.

Now the other thing I have to say is this:

Mr. WALKER. I want to say, if I may take back my time for a moment, I would say to the gentleman, we continue to pay the pages, whether they are here or not; the pages in the CONGRESSIONAL RECORD would in fact be an additional expense even though they are inaccurate pages, even though we have the right to revise and extend, and even though many Members add pages to the RECORD on those pro forma days that are not spoken on the House floor; you know, I realize that that does increase the expense of the House marginally.

Operating the television cameras, we pay those people by salary and so it does not mean whether they are here operating the cameras or not, they are still being paid; the fact is that those kinds of figures are phonies on the whole thing, and it seems to me that it cheapens the argument that we are dealing—doing something serious about the McIntyre issue to raise that point.

I will be glad to yield to the gentleman from Georgia.

Mr. GINGRICH. I just want to make the point, first of all, that when the senior leadership on the other side wants to go on major trips, which are of course educational and not "junkets," vastly more money is spent visiting significant places such as Ireland on appropriate ceremonial days, and no one says much about it.

Now, our side simply wants to register—and this was the purpose of the vote on the Journal today—that there is in fact no election contest in Indiana. That in fact the gentleman's earlier statements were not correct; that if every district in which we questioned the voting was refused seating, there will be 20 or 30 seats that might well not be filled in this body; that this House is now engaged in an unconstitutional action in terms of breaking precedent, and that we clearly have a man who has won both the election and has won the recount, and has been certified by the secretary of state.

Mr. PENNY. Regular order is demanded, Mr. Speaker.

Mr. WALKER. Reserving the right to object, which is the regular order, I have yielded. That is the regular order.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the unanimous-consent request of the gentleman from Texas?

Mr. WALKER. I reserve the right to object, Mr. Speaker, until I can get an answer about what the situation is with regard to the 45 days that this House has committed itself to for the purpose of resolving the McIntyre situation.

The SPEAKER pro tempore. When regular order is demanded, the reservation is no longer in order.

Is there objection to the request of the gentleman from Texas?

Mr. WALKER. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

Mr. WRIGHT. Mr. Speaker, in that case, we will have a pro forma session tomorrow. For those Members who wish to be here at 11 a.m., we will have a pro forma session.

Mr. WALKER. Regular order, Mr. Speaker.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that I may proceed out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman may proceed.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WRIGHT. Reserving the right to object.

If in fact we do not have a session after the pro forma session tomorrow, if that unanimous consent is not proceeded, would that allow us to meet on legislative day on Saturday? That then would be counted toward the legislative days to resolve the McIntyre matter.

Mr. WRIGHT. If the gentleman would yield.

Mr. WALKER. I will be glad to yield to the gentleman.

Mr. WRIGHT. One might have a legislative day on Saturday and on Sunday. I would like to suggest to the gentleman that one of our colleagues has a son that is getting married on Saturday, and I have a daughter who is getting married on Sunday, and I shall not be here, whether you have a session or not.

If the gentleman wants to put his colleagues to the extremes of canceling their engagements and coming back and not being in their home districts where they had promised their constituencies that they would be, then the gentleman may do that.

Mr. WALKER. If the gentleman would yield, we have one certified Member of Congress that is not even granted that privilege, I would say to the gentleman.

I yield to the gentleman from Georgia.

Mr. GINGRICH. If the gentleman will yield to me, I just want to make the point to the distinguished gentleman from Texas that when I talked to Mr. McIntyre about 10:30 last night, it was his 2-year-old son who was also sitting in his lap talking, and that that gentleman who is being stripped of his rightful seat at this time, although he has been certified by the Secretary of State and won both the election and the recount, that gentleman probably has as many feelings as other gentlemen who have been allowed to be seated.

There is something I think a little wrong about a double standard that says that Mr. McIntyre's 2-year-old son somehow can be denied seeing his dad seated after he is certified, but gentlemen who have been allowed to be seated should not have a session on Saturday because it would inconvenience them.

MOTION OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Speaker, I move that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. WRIGHT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 194, nays 137, not voting 101, as follows:

[Roll No. 11]

YEAS—194

Addabbo	Early	Leath (TX)
Akaka	Eckart (OH)	Lehman (CA)
Alexander	Edgar	Lehman (FL)
Andrews	Edwards (CA)	Leland
Applegate	English	Levin (MI)
AuCoin	Erdreich	Levine (CA)
Barnes	Evans (IL)	Lloyd
Bates	Fazio	Lowry (WA)
Bedell	Feighan	Luken
Bennett	Flippo	Lundine
Berman	Foley	Manton
Bevill	Ford (TN)	Markey
Biaggi	Frank	Martinez
Boggs	Frost	Mavroules
Boland	Garcia	Mazzoli
Bonior (MI)	Gaydos	McCurdy
Bonker	Gejdenson	McHugh
Borski	Gibbons	Mikulski
Boucher	Glickman	Miller (CA)
Boxer	Gonzalez	Mineta
Breaux	Gordon	Mitchell
Brown (CA)	Guarini	Mollohan
Bruce	Hall (OH)	Montgomery
Bustamante	Hall, Sam	Mrazek
Byron	Hamilton	Murphy
Carper	Hansen	Murtha
Carr	Hatcher	Natcher
Chappell	Hayes	Neal
Coelho	Hertel	Nelson
Coleman (TX)	Howard	Nichols
Collins	Hoyer	Nowak
Cooper	Huckaby	O'Brien
Coyne	Hughes	Oakar
Daniel	Hutto	Oberstar
Darden	Jenkins	Obey
Daschle	Jones (OK)	Olin
Dickinson	Jones (TN)	Ortiz
Dingell	Kanjorski	Panetta
Dixon	Kaptur	Pease
Dorgan (ND)	Kastenmeier	Penny
Downey	Kildee	Pepper
Durbin	Kleczka	Perkins
Dwyer	Kolter	Pickle
Dyson	Kostmayer	Price
Rahall	Sisisky	Traxler
Rangel	Skelton	Udall
Ray	Slattery	Valentine
Reid	Smith (FL)	Vento
Richardson	Smith (IA)	Visclosky
Robinson	Solarz	Volkmer
Rodino	Spratt	Walgren
Roe	Staggers	Watkins
Roemer	Stallings	Waxman
Rose	Stark	Weaver
Rostenkowski	Stenholm	Weiss
Rowland (GA)	Stokes	Whitten
Russo	Stratton	Wilson
Sabo	Studds	Wirth
Scheuer	Swift	Wolpe
Schroeder	Synar	Wright
Schumer	Tallon	Wyden
Seiberling	Tauzin	Yates
Sharp	Thomas (GA)	Yatron
Shelby	Torres	Young (MO)
Sikorski	Torricelli	

NAYS—137

Archer	Gradison	Packard
Armey	Green	Parris
Badham	Gunderson	Pashayan
Bartlett	Hammerschmidt	Porter
Barton	Hendon	Pursell
Bateman	Henry	Quillen
Bereuter	Hiler	Ridge
Bilirakis	Holt	Rinaldo
Bliley	Hopkins	Ritter
Boehlert	Horton	Roberts
Boulter	Hunter	Rogers
Broomfield	Hyde	Roukema
Brown (CO)	Ireland	Rowland (CT)
Burton (IN)	Jeffords	Saxton
Callahan	Kasich	Schuette
Campbell	Kindness	Schulze
Carney	Lagomarsino	Sensenbrenner
Chandler	Latta	Shaw
Cheney	Leach (IA)	Shumway
Clinger	Lent	Siljander
Coats	Lewis (FL)	Skeen
Cobey	Lightfoot	Slaughter
Coble	Livingston	Smith (NE)
Coleman (MO)	Loeffler	Smith (NH)
Combest	Lott	Smith (NJ)
Conte	Lowery (CA)	Smith, Denny
Courter	Lujan	Smith, Robert
Craig	Lungren	Snowe
Daub	Mack	Solomon
DeLay	Madigan	Spence
DeWine	Marlenee	Stangeland
DioGuardi	Martin (IL)	Strang
Duncan	McDade	Stump
Eckert (NY)	McKernan	Swindall
Edwards (OK)	McMillan	Tauke
Emerson	Michel	Taylor
Evans (IA)	Miller (OH)	Thomas (CA)
Fawell	Miller (WA)	Vucanovich
Fish	Molinari	Walker
Franklin	Monson	Whitehurst
Frenzel	Moore	Wolf
Gallo	Moorhead	Wortley
Gekas	Morrison (WA)	Wylie
Gilman	Myers	Young (FL)
Gingrich	Nielson	Zschau
Goodling	Oxley	

NOT VOTING—101

Ackerman	Dellums	Hefner
Anderson	Derrick	Heftel
Annunzio	Dicks	Hillis
Anthony	Donnelly	Hubbard
Aspin	Dornan (CA)	Jacobs
Atkins	Dowdy	Johnson
Barnard	Dreier	Jones (NC)
Beilenson	Dymally	Kemp
Bentley	Fascell	Kennelly
Boner (TN)	Fiedler	Kolbe
Bosco	Fields	Kramer
Brooks	Florio	LaFalce
Broyhill	Foglietta	Lantos
Bryant	Ford (MI)	Lewis (CA)
Burton (CA)	Fowler	Lipinski
Chappie	Fuqua	MacKay
Clay	Gephardt	Martin (NY)
Conyers	Gray (IL)	Matsui
Coughlin	Gray (PA)	McCain
Crane	Gregg	McCandless
Crockett	Grotberg	McCollum
Dannemeyer	Hall, Ralph	McEwen
Davis	Hartnett	McGrath
de la Garza	Hawkins	McKinney

Meyers	Rudd	Traficant
Mica	Savage	Vander Jagt
Moakley	Schaefer	Weber
Moody	Schneider	Wheat
Morrison (CT)	Shuster	Whitley
Owens	Snyder	Whittaker
Petri	St Germain	Williams
Regula	Sundquist	Wise
Roth	Sweeney	Young (AK)
Roybal	Towns	

□ 1200

Mr. DOWNEY of New York and Mr. MILLER of California changed their votes from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House convenes on Wednesday, February 27, 1985, it convene at 1 o'clock p.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

BILL FROM COMMITTEE ON AGRICULTURE WILL BE CALLED UP UNDER CALENDAR WEDNESDAY RULE

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, inasmuch as the Calendar Wednesday rule brings up legislation reported by committees in an alphabetical order, and inasmuch as the bill we have scheduled is from the Committee on Agriculture, that is fine. We may do it under the Calendar Wednesday rule.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES ON WEDNESDAY, MARCH 6, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, according to the agreement entered into between the Speaker and the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL], and the President of the United States, it may be in order, the objection of any Member to the contrary notwithstanding, at any time on Wednesday, March 6, 1985, for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint meeting the Prime Minister of the Republic of Italy.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1210

RESIGNATION AS MEMBER OF COMMITTEE ON THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on the District of Columbia:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 19, 1985.

THOMAS P. O'NEILL, JR.,
Speaker of the House, Room H-204, The Capitol, Washington, DC.

DEAR MR. SPEAKER: Effective immediately, I hereby resign from the House Committee on the District of Columbia. My involvement in other committee assignments and caucuses has grown considerably and no longer affords me the time needed to deal with the complex issues which face the Committee.

Sincerely,

MICKEY LELAND,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT AS MINORITY MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER pro tempore. Pursuant to clauses 6 (f) and (i) of rule X, the Chair, without objection, on behalf of the Speaker, appoints as minority members of the Select Committee on Aging the following Members of the House:

Mr. RINALDO of New Jersey;
Mr. HAMMERSCHMIDT of Arkansas;
Mr. REGULA of Ohio;
Mr. SHUMWAY of California;
Ms. SNOWE of Maine;
Mr. JEFFORDS of Vermont;
Mr. TAUKE of Iowa;
Mr. WORTLEY of New York;
Mr. COURTER of New Jersey;
Mrs. SCHNEIDER of Rhode Island;
Mr. RIDGE of Pennsylvania;
Mr. MCCAIN of Arizona;
Mr. GEKAS of Pennsylvania;
Mr. SILJANDER of Michigan;
Mr. SMITH of New Jersey;
Mr. BOEHLERT of New York;
Mr. SAXTON of New Jersey;
Mrs. BENTLEY of Maryland;
Mr. LIGHTFOOT of Iowa;
Mr. FAWELL of Illinois;
Mrs. MEYERS of Kansas;
Mr. BLAZ of Guam;
Mr. SWINDALL of Georgia;
Mr. HENRY of Michigan;
Mr. KOLBE of Arizona; and
Mr. SCHUETTE of Michigan.

There was no objection.

WE SHOULD EXTEND AND EXPAND THE STUDENT LOAN PROGRAM TO INSURE OUR CHILDREN'S FUTURE

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, the Guaranteed Student Loan Program is the largest of the student aid programs, providing assistance to 3.3 million students. It has become a necessity to many middle- and low-income students, without which they would be unable to attend college.

The administration wants to cut 1 million students from this program by limiting eligibility to family income of $32,500 or less. Can a family with two children in college feed a brother and sister at home on $32,600 a year? What if there are three to attend college at the same time? Don't these questions need to be answered before we arbitrarily set an income limit?

Obviously, every family has its own situation. The present program allows us to look at each situation and base a decision on the family's true needs. It does not force us to deny an education based on an arbitrary figure set in concrete. The GSL Program is a cornerstone for higher education. Instead of chopping it in two, we should extend and expand the student loan program to ensure our children's future.

CAREFUL STUDY ON WATER MATTERS IS NEEDED

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STRANG. Mr. Speaker, my predecessor in office, Congressman Wayne N. Aspinall, from Palisade, CO, served as chairman of the House Interior Committee for 13 years. During that time he authored landmark water resource and environmental legislation. Chief among them were the Colorado River Storage Project Act and the Wilderness Act.

Today, the issues of water reclamation project development, Federal reserved water rights, and wilderness, are matters which Members from every Western State considering wilderness legislation should study carefully.

During the recent district work period, I spoke to the Annual Convention of the Colorado Water Congress

about the concerns I have for Colorado. I hope other Members will consider the potential impacts in their States as well. The following is the text of my speech from February 14 in Denver, CO:

PREPARED REMARKS OF CONGRESSMAN MICHAEL L. STRANG, THIRD DISTRICT COLORADO

Members of the Water Congress and guests, I couldn't be more honored and pleased than to be with you today, especially upon this particular occasion. Thank you for the opportunity.

Wayne Aspinall was many things to many people. Above all, he prided himself as an educator. In addition to his friendship and the memories that will remain with many of us forever, we all learned from him, and were instructed by him. As I sit in the Committee Room, as a Member of the House Interior Committee, the Chairman's portrait is there to watch over all of us; always a reminder of his far reaching legacy. Our individual characters are stronger, and our spectacular and beloved State of Colorado more beautiful and productive because of him.

I would like to concentrate on two basic issues today. They are issues to which Wayne Aspinall devoted his life—water and public land management.

WATER CONSERVATION PROJECTS

First of all, water. Twenty years ago, Chairman Aspinall spoke to a Grange meeting in Cortez and said: "Water continues to be Colorado's most important natural resource. The future growth of Colorado agriculture and industry will be measured by the sum total of her available water supplies . . . The future economic development of our state depends upon protecting and holding our water from encroachment of use by others during the years before it is put to final use. I am fearful that if it is temporarily put to use elsewhere, it will be permanently lost."

These prophetic words carry a poignant relevance today. "I am fearful that if it is temporarily put to use elsewhere, it will be permanently lost."

To protect and to hold. Mr. Aspinall was more than a teacher; he was a visionary.

The compromises Wayne Aspinall crafted and the promises others made to Colorado for construction of the participating projects authorized in the Colorado River Storage Project Act (CRSPA) have not been met, thirty years later. It is clear to most of us, they will never be met as originally proposed and planned. But Colorado's allotment of water must be captured.

One year ago at this luncheon, Senator Bill Armstrong spoke with you about the federal deficit; the lack of appropriations to start new federal water reclamation projects; and the fact that Western water projects are still at the center of a natural resources war, pitting the West against the rest of the Union, with continuing rhetorical charges of "pork barrel", and debate over project cost-sharing.

A year later, that remains pretty much the status quo as I see it. In fact, with regard to the deficit, matters are clearly worse. This does not bode well for new water reclamation projects, which are continually under attack. There are no new starts contained in the Administration's Fiscal 1986 budget proposal. Nonetheless, it is my responsibility and firm commitment to pursue vigorously our entitled share of funding. Critics must be educated to the fact that these reclamation projects are investments in economic productivity; that they can bring resolution to some long standing American Indian water right claims; that they will play a critical role in mitigating the effects of prolonged drought. We are fortunate in Colorado to have two quality projects—Animas-LaPlata and Narrows—authorized decades ago, ready for construction funding now. We will fight for funding of those projects this year.

The Energy and Water Appropriations Subcommittee of the Interior Appropriations Committee has tentatively scheduled public hearings and testimony on water projects for March 28th and April 1st through the 3rd. We are told markup of water project appropriations will come around Memorial Day, with House Floor action expected sometime in mid-June. I encourage you, individually or collectively, to contact the Subcommittee to indicate your desire to testify. Our message must be loud and clear and you help is essential.

TO PROTECT AND HOLD

I believe the vision and warnings voiced by Wayne Aspinall, in terms of threats to Colorado water rights and water allotments, are coming true. Therefore, in the area of water and public land management the time has come to make very serious efforts to accept the challenge of changing times. We must all recognize that our responsibilities to proper stewardship of these precious resources are many-fold. Indeed, we must be most careful that our responses to various proposals and advocacies recognize this broader duty.

You may recall the virtual war Chairman Aspinall presided over in the early fifties, while crafting the Colorado River Storage Project Act and selecting the participating projects. The major battle of that war was whether to include Echo Park Reservoir, within Dinosaur National Monument, on the project list. Wayne lost that particular battle, but he won the war that saw passage of that historic Act. But, if you recall, those who objected based a large part of their opposition to Echo Park on their contention that the Dam could be placed elsewhere, outside the Monument, at a better location in what is now the general area of the long proposed Cross Mountain Project in Moffat County. You will next recall that these same folk subsequently opposed the Juniper-Cross Project, having forgotten, if not their promise, at least their earlier arguments in favor of alternate sites during the battle over Echo Park. It is crucial that all parties in these discussions be candid with each other.

In addition to the conventional funding, which has been used to complete the Central Arizona Project, and which should be used for construction of Animas-LaPlata and Narrows, I believe we must look at new or revised methods of funding future projects. If the authorized projects are not going to be built with Congressional appropriations, we have to face that reality. Alternate methods seem rather limited. Among the options is increased state participation. Colorado, to its credit, is setting a good example. Another option involves a renewed appreciation of water problems on both sides of the Continental Divide, recognizing much progress has been made, and an increased willingness to work together for our collective water needs. Perhaps that could involve some funding from the private sector. We must also make a strong push to obtain Colorado River Storage Project funds for construction of Upper Basin Projects. Whatever the methods, we must develop an alternative construction funding pool to provide the equivalent level of development agreed to and authorized back in 1956, by the Congress and the seven Basin states.

FEDERAL RESERVED WATER RIGHTS

I cannot turn from water projects to a discussion of public land management without first building a prominent bridge using the issue of federal reserved water rights. The issue is at hand. It must be resolved, as failure to do so has potentially catastrophic implications for the future of Colorado resource management.

The matter of federal reserved water rights in Colorado is an issue of crucial importance to me. Let no one within this room or beyond, doubt my sincerity nor the vigor with which I will pursue a just resolution. A good part of my living has been made from the land and water, and so it is with many of you. It is part of my life. It is vital to our future. If we—you and I, the people of Colorado—lose this battle, the ramification of the threat to individual, municipal, and other water rights, may be overwhelming. We must not be deterred; we must be united in our resolve and determination.

I will not recount the history of this issue over the past year. We were all involved to one degree or another. Many of you were kind enough to step up and speak out in support of my efforts to bring this issue to public attention and debate. Of course, all of us supported the leadership and diligence of Bill Armstrong in standing up for Colorado water rights last year.

On the specific issue of whether the overlay of a Congressionally designated wilderness area on a National Forest carries with it additional federal reserved water rights, and whether the federal government should be forced into Colorado water courts to claim such rights, I believe we are of one mind—the answer is no.

Colorado already has a minimum stream flow law. I helped write it and was the House sponsor of Senate Bill 97 while I was in the State Legislature in 1973. We do not need or want the federal government intrusion into this matter.

I still do not agree with the contention that the creation of a wilderness within an existing National Forest carries with it an automatic requirement that the federal government must claim additional reserved water rights. The principle is dangerous; the potential retroactive nature of it in Colorado, frightening. Colorado is unique in all the fifty states in its water circumstances, rising as it does at the headwater of four great river basins. We have managed through great care and diligence to protect the rights to these precious resources, resisting the efforts of individuals, other states, and the federal government to alter or weaken those cherished rights. Any proposition to recognize an "automatic right", federal or otherwise, is potentially a threat to the entire fabric of 109 years of hard won water doctrine and rights. It is vital that Colorado retain its sovereignty over its own water resources.

It must be remembered that there are another 802-thousand acres under various degrees of wilderness study by the Bureau of Land Management in Colorado. These proposals will be coming forth from the Administration in the near future. The practical, negative effects of federal reserved water right claims are extraordinarily awesome in any BLM wilderness designations. Such designations will result in the FIRST with-

drawal of previously unreserved public lands. The situation is even more severe than with the wilderness overlay on high altitude forest lands. On BLM lands, there are undeniable individual and other water rights above, in, and below areas of potential wilderness designation. They have the potential of being wiped out or placed in serious jeopardy if federal reserved water rights are claimed in BLM wilderness areas. There is no reason to expect these lands to escape the same pressure to force the federal government to claim those rights and quantify them in Colorado water courts. This must be understood by all parties.

WILDERNESS

In 1980, the Colorado Wilderness Act added 1.4-million acres to the national wilderness system in this state. The legislation doubled Colorado's total federal wilderness areas with one swift stroke of the President's pen. During the Washington, D.C. and Colorado hearings on the legislation, the question was often asked, "How much wilderness is enough?" Similar questions were asked during the debate last year.

Back in the early 60's, Chairman Aspinall, who considered himself a conservationist, was the primary author of, and crafted the compromises embodied in the Wilderness Act of 1964. He adumbrated his view of public land management as follows: "I am a firm believer in the multiple-use theory for our natural resources. This includes a place for those who desire to enjoy the values of a wilderness experience. Such people are, of course, a very small minority of the overall population of the United States, and the amount of land set aside for such use should be in somewhat of a fair ratio to the amount of users, as well as taking into consideration protecting such values for future generations," and he said such areas should be confined to a "limited area."

I fully endorse Wayne's concept of federal land management. We must not, however, allow wilderness to be designated simply for the sake of convenience. Colorado now has a 2.6-million acres of designated wilderness. All lands under federal management total about 36% of the acres within the confines of our borders.

How much wilderness is enough? Who knows? The key question is: are we discharging our responsibilities to future generations for resource management, for protection of water resources, indeed, for protection from uncontrolled or thoughtless mismanagement?

Until the crucial issue of federal reserved water rights is resolved in favor of the people of the sovereign State of Colorado, either by the courts or by the Congress, and until we can answer the hard questions of public and private responsibilities to all our resources, I as a Member of Congress must respectfully urge that we defer consideration of addition wilderness designations.

After twenty years of excellent compromise, the advocates of wilderness have done a magnificent job. I ask them to join us in a mutual discussion of these issues, in a candid and diligent examination of the imperatives of the future.

I hope the issue is equally important to all of you, because I need your help. My sense is, based on initial contacts I've had with some of my Colleagues from neighboring states, that they are not aware of the vast potential dangers involved. I ask all of you to discuss the matter with your friends and counterparts in other states. Discuss with them the explosive and far reaching issue with which we are dealing. Ask them to contact their Representatives and Senators, and educate them as to the problem. Without greater support from my Colleagues, we will not be able to generate much of a discussion, and we are talking about the future for generations to come. I need your active participation.

PUBLIC RECREATION CONCEPTS

Paramount in redefining our goals and redirecting our energies is what I believe is a necessary rethinking of the basic concepts of public land management. Former Congressman Jim Johnson, one of the primary architects of the 1980 Colorado Wilderness Act, once spoke of the notion of a "rotating wilderness." A system based on the natural life cycle of forest ecosystems. I believe we must look at that and other inventive initiatives to meet our national recreation needs. Is wilderness the only answer to providing solitude and communion with nature? Is there really no alternative? Why not look at managed roadless areas which would provide a similar experience, perhaps for a greater number of people, but would be less restrictively managed. Perhaps an expansion of the concept of national recreation areas. I welcome your thoughts and those of others, as we attempt to address the whole traditional views of these values and demands on our land resources.

CONCLUSION

There are issues I just do not have time to get into, but which are obviously important. Matters such as the Corps of Engineers intrusion into non-navigable waters in Colorado; water and property rights associated with irrigation ditches crossing federal lands; endangered species; salinity, and many more. These are issues about which I will be seeking your valuable guidance over the next two years.

I ask again that you give serious thought to these two major issues—water resource development and how to finance the projects; and public land management issues and alternatives. I am sure they will be among the topics many of you will discuss in greater detail during the Upper Basin States seminar on Saturday. I am pleased that, with the leadership of the Water Congress and Senator Armstrong, such a gathering of water interests and experts has been brought together to discuss our mutual concerns.

Let me know your views on these matters and how you may be able to help accomplish our vital mission—to protect and hold our natural resources for the use and enjoyment of all our people, and to produce a positive base and climate for economic growth which is vital to the future of Colorado.

Again, thank you for letting me share this moment with you.

DO NOT ALTER THE 10 REGIONAL UNIT PLAN

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, President Nixon put a plan in for operating the Federal Government that I think brought an awful lot of efficiency and certainly helped bring services to the local level. That was his 10 regional unit plan, where he tried to decentralize Government and get it off the banks of the Potomac and out near the people it was serving.

That whole plan is now under great jeopardy. All of you have in your office the new "Management of the United States Government" pamphlet that just came out from the Office of Management and Budget. It is an attempt to try and consolidate very many of these offices and bring all of them back to the Potomac or back to very large cities. I think it is absolutely the reverse way of how we should be going.

Over and over we find that productivity increases when it is out in the region and also sensitivity and all sorts of things in that order. So I think that that is the way we should be going; not the other way. I hope all of the Members read this document because I think it could make a great difference in the areas that you represent if it were to be enacted.

PRODUCTS LIABILITY

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the issue of products liability is not one that is likely to fan the fires of passion or imagination or even movement in the U.S. Congress, but nevertheless it is upon us, and it is one that calls for our immediate action. Products liability has a direct connection with the economic recovery and the ability of business and the working man to hold onto their enterprises.

The cost of products liability insurance and now even the availability of products liability insurance both are of grave concern to the economic recovery. The individual States have failed, for the most part, to come up with some kind of saving features for this vital issue, so now it falls back on the Congress to come up with a uniform plan that will protect the working man, protect the businessman, and keep our economic recovery on the upswing.

THE ADMINISTRATION IS ANTI-SMALL BUSINESS BUT FOR BIG CORPORATIONS

(Mr. MITCHELL asked and was given permission to address the House for 1 minute.)

Mr. MITCHELL. Mr. Speaker, just before I get into my 1 minute, I am going to save the CONGRESSIONAL RECORD for today; I think some future students would be interested in learning how the obstructionist process can be utilized in this House. That is not what I plan to talk about this morning.

Mr. Speaker, the plans to eliminate the U.S. Small Business Administra-

tion [SBA] are ill-conceived and a product of an optimistic economic forecast that has no basis in fact.

The administration's overly optimistic economic assumptions, tout an unrealistic 4-percent economic growth rate that is not only historically out of line, but skirts such nagging economic problems as the unprecedented trade deficits and persistently high interest rates.

The administration proposes a structure of Federal aid to small business that amounts to compromise and noncommitment, while offering no measures to improve the success and effectiveness of existing programs. Nor has the administration offered any proposals, including any new tax measures, that would facilitate investments and capital gains.

To the dismay of nonpartisan observers, including many in the President's own political camp, this administration persists in pursing the most unsound fiscal policies this Nation has experienced since predepression days.

Consider the dire consequences to small businesses—against obvious negligible benefits—of the administration's proposal to: transfer salaries and administrative expenses totaling $300.1 million into a $73.96 million line item at the Treasury Department and $52.91 million at the U.S. Department of Commerce and to spend $97.1 million in the first quarter of 1986 in phasing out SBA.

Even the most sympathetic analysis of the proposed lop-sided distribution of Federal spending under Reagan's $973.7 billion budget shows these proposals to be uneconomical and fiscally unsound.

Many small and minority businesses find it virtually impossible to get bank and other kinds of commercial loans, no matter how meritious their proposal or credit circumstances might be. The SBA direct loan program fills an important gap in helping these businesses compete in the mainstream of the economy.

Now, exercising no restraint in its military build-up, the administration is proposing a policy of strangulation of aid to the cities, to education, agriculture, veterans benefits, health services, transportation, energy and the environment. President Reagan—as if absolved by the empty rhetoric of this State of the Union Address—is asking Congress to become a willing accomplice, as he slams the door of opportunity in the face of small business. This Congress must not be a party to this nefarious act.

MAJORITY PARTY STANDS IN THE WAY OF SEATING CERTIFIED WINNER OF A CONGRESSIONAL ELECTION

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, it is alarming to note that as every day passes in this new Congress we are stained with the reality that the political party holding the majority of the votes in this body is standing in the way of seating a certified winner of a congressional election. This is history.

Never before in our country have the people, in this case the people of the Eighth District of Indiana, been denied proper constitutional representation. This is a flagrant misuse of the people's trust and an affront to democracy.

When this Member arrived here in Washington, I, along with many other freshman Members, met with leaders of the majority party who assured us of their desire to work together in a bipartisan manner. If this is what they mean by bipartisan, then this Member wants none of it. When the people of this great Nation really understand what is going on here, and the unwillingness of one party to duly seat Mr. McIntyre, I believe that they will realize the threat that is imposed upon them.

□ 1220

CONSUMER CREDIT CARD DESERVE LOWER FINANCE CHARGES

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, American consumers are paying through the teeth every time they use their credit cards. That is why I am introducing a bill today that would lower the finance charges on credit card accounts by at least 5 percentage points.

Talk about greedy, Mr. Speaker, while banks are obtaining money to loan to their customers at a discount rate of about 8 percent from the Federal Reserve, those same banks are turning around and charging their credit card customers as much as 19 percent interest. Obviously, that is wrong.

My bill is both simple and fair. It states that the rate of interest charged on any credit card account shall not be more than 5 percentage points higher than the discount rate on 90-day commercial paper. This means that under current conditions, credit card issuers would be able to charge their customers no more than 13.55 percent in finance costs, not the 18 to 24 percent interest now being charged.

Mr. Speaker, last year American consumers charged some $293 billion worth of goods on their cards. Our economy benefits from such spending habits and we should encourage those habits to continue. My bill would do just that, and I urge its prompt and favorable consideration.

THE 49TH DAY OF NO REPRESENTATION FOR INDIANA'S EIGHTH CONGRESSIONAL DISTRICT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. BARTON of Texas. Mr. Speaker, today is the 49th day that there is not a Member in this Congress representing the Eighth Congressional District of Indiana. Mr. Speaker, there is a declared winner in that race. The winner is Mr. Rick McIntyre. He has a certificate of election that he has won by 418 votes.

Mr. Speaker, I realize that there is a resolution before this House requesting that that election be reviewed in the House Administration Committee. In spite of that resolution, I find it is without precedent in the rules of this House that the certified winner has not been seated while such an investigation is going on.

Mr. Speaker, I think that justice demands that we seat Mr. Rick McIntyre until the House Administration Committee can determine who the winner is, and I think the winner is Mr. Rick McIntyre.

REMOVAL OF BLACK SOUTH AFRICANS TO "HOMELANDS"

(Mr. MRAZEK asked and was given permission to address the House for 1 minute.)

Mr. MRAZEK. Mr. Speaker, today I am reintroducing a resolution calling upon the Government of South Africa to cease its policy of forcibly removing black South Africans from their ancestral lands and relocating them in so-called black homelands.

Thousands of black South Africans live and work on lands that they have farmed, or that have been farmed by their families for generations. This love for the land is something that American family farmers can well identify with.

In protecting its apartheid system, the Government of South Africa has attempted to eliminate these so-called black spots by forcibly removing these Africans to distant and desolate homelands. The tragedy and injustice of the homelands policy is epitomized by the death of a black South African farmer named Saul Mkhize. Mr. Mkhize led his people in peaceful protest against

this brutal homelands policy. He was shot and murdered for his beliefs.

During the 98th Congress, this body passed a similar resolution that I introduced condemning this appalling practice. It is particularly fitting that we again send a signal to the Government of South Africa of our continued abhorrence of the homelands policy in light of Monday's tragic news that 16 people were slain in police action at the Crossroads squatter camp outside Capetown after refusing Government attempts to resettle them in a black slum outside the city.

The Government of South Africa must know that we will not sit idly by as it continues this inhumane practice. I invite my colleagues to join me in cosponsoring this homelands resolution.

GIVE VOTERS OF INDIANA REPRESENTATION THEY DESERVE

(Mr. MILLER of Washington asked and was given permission to address the House for 1 minute.)

Mr. MILLER of Washington. Mr. Speaker, unanswered questions haunt the Halls of these Chambers, unanswered about Rick McIntyre and the voters of the Eighth District of Indiana.

How is it that a man can win an election once for Congress and not be seated?

How is it that a man can win an election not only once, but a second time on a recount, and still not be seated?

How is it that a man can be certified the winner of a congressional election by the secretary of state of his State and not be seated?

And how is it that this can all happen when there has not been one allegation of fraud?

Beyond that, there is an even bigger question. How is it that a half million voters, residents of the Eighth District of Indiana, can go unrepresented in this body? They pay taxes, they are American citizens, they vote, but they are not represented.

With each day that these questions go unanswered, suspicion grows, Mr. Speaker, that the majority are trying to steal a seat. It is time for the House to give one-half million voters of Indiana the representation that they deserve.

THE DOMESTIC SPENDING MYTH

(Mr. MINETA asked and was given permission to address the House of 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, there is an expensive myth in this country.

It is the myth that this deficit is caused by bloated welfare spending, and that the national debt had doubled because of the extravagance of the Government in domestic spending.

The truth is that this deficit exists because taxes were cut and defense spending has skyrocketed. That is not partisan hyperbole. That is the fact of the balance sheet.

President Reagan has proposed that $2.5 billion be cut from Federal funding for mass transit. Results: fares will rise; old buses won't be replaced; existing transit systems won't be extended; and new transit systems won't be built. $2.5 billion will buy two new amphibious assault ships for the Pentagon.

Mr. Speaker, why should the needs of our citizens be shortchanged to finance Pentagon extravagance?

Certainly many domestic programs will have to be reduced or frozen. But no progress can be made unless, and until, we acknowledge the true causes and the fair solutions.

ELECTION PROCESS SUBJECTED TO ABUSE OF POWER

(Mr. MONSON asked and was given permission to address the House for 1 minute.)

Mr. MONSON. Mr. Speaker, as a former chief election officer from the State of Utah, I would like to read to you what the chief election officer and secretary of state of the State of Kansas has written to one of my Democratic colleagues, without mentioning the name of that colleague.

DEAR REPRESENTATIVE: I urge you to reconsider your vote to refuse to seat Indiana Republican Rick McIntyre as a member of the House of Representatives.

Petty, partisan politics must give way to greater concerns when the stakes are representation in the U.S. House for a half million people.

And there is no doubt that partisan politics are behind your vote, for the facts clearly show that Mr. McIntrye should be seated. Mr. McIntyre won the election in Indiana's 8th Congressional District by 34 votes and was certified the winner. Later, a recount not only confirmed his victory, but widened his lead to 418 votes.

Never before in history has the House refused to recognize a valid election certificate issued by a sovereign state. Never before have I seen the election process subjected to such brazen and arrogant abuse of power.

I ask that you recognize the will of the people of Indiana, respect the electoral process and reverse your decision.

With every good wish.

Cordially,

JACK H. BRIER,
Secretary of State of Kansas.

□ 1230

MRS. THATCHER'S APPROACH TO PROBLEMS IN NORTHERN IRELAND FOUND WANTING

(Mr. MANTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MANTON. Mr. Speaker, I rise to make a short response to the address made yesterday by Prime Minister Margaret Thatcher of Great Britain.

While I generally agree with much of what Mrs. Thatcher had to say regarding the relationship between the United States and Great Britain in today's world, I take exception with those portions of her remarks which dealt with the situation in Northern Ireland.

Her assertions demonstrated little that is new in dealing with the oppression of the Catholic minority in that troubled land or in alleviating the killing that is coming from both factions and I emphasize both factions.

All reasonable people deplore terrorism but to simply level that charge at one side is no answer to the pleas for political and economic justice for the ever-growing Catholic minority, now estimated to be 40 percent of the population in Northern Ireland.

Furthermore, to accuse, without proof, the American friends of the wives and children of dead or imprisoned people who struggled for liberty and justice, of supporting the purchase of weapons, is irresponsible. It also represents nothing new in the Prime Minister's approach toward resolving this intolerable situation.

The violence of the Royal Ulster Constabulary on peaceful civil demonstrators and their visiting American friends on August 12, 1984, is a classic example of how not to resolve this situation and how not to move toward justice and freedom.

Again, Mr. Speaker, I share Mrs. Thatcher's belief in the hallowed institutions of trial by jury, protection from unreasonable search and seizure, and unlawful imprisonment and detention. However, her support for these principles rings hollow so long as the Special Powers Act deny these basic human rights to people living in Northern Ireland.

I am hopeful that the Prime Minister will take the steps necessary to end this tragic situation. As with all of my colleagues, I condemn the use of violence by either side in this conflict. However, I believe the only solution to this problem is the creation of an Ireland which is free, united and able to enjoy the same human rights our country so deeply cherishes.

IRS RULE ON VEHICLE MILEAGE DOCUMENTATION SEEN AS OPPRESSIVE

(Mr. ROTH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, would you like to do your constituents a good turn, one that will not cost a penny? Well, if the answer is yes, I have a positive suggestion.

Yesterday the Federal Register brought us news of an oppressive and bureaucratic IRS regulation which is

going to hurt our farmers and our small business people. These revised regulations stem from the 1984 Deficit Reduction Act.

Under these rules, farmers and business people will have to document every mile their vehicle or vehicles are driven. This will be exceedingly onerous on the working people of our Nation.

At the very beginning of this session I introduced legislation to avert this burdensome paperwork. Hundreds and hundreds of letters have been received here on Capitol Hill in support of that legislation, and I invite everyone to cosponsor this legislation.

We do not want the IRS regulators to make pencil pushers or paper generators out of the American farmers or out of the American business people. Therefore, the repeal of 179B would be in the best interest of our constitutents. Actually it is the only appropriate action for this House to take.

CHANGES NEEDED IN POLICY AT UNITED STATES-MEXICO BORDER

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, in the wake of persistent delays along the United States-Mexico border as a result of the administration's new inspection policy, the congressional border caucus held an emergency meeting this morning.

As a result, we are calling on the President to halt the new inspection policy and seek direct negotiations with the Government of Mexico to find other means by which to locate the kidnaped DEA official. I fear that unless such action is taken immediately, the present situation could have lasting and adverse affects on our international communities along the border and United States-Mexico relations as a whole.

Let me state from the outset that as chairman of the caucus, I do not intend to criticize the administration for its efforts to gain the release of the Drug Enforcement Administration official who was kidnaped last week in Guadalajara, Mexico, but rather to call attention to the adverse affects of the present policy and request that the administration seek other means by which to find clues about the kidnaping. The interdiction of drugs smuggled into this country is a paramount concern of this caucus, as is the life of U.S. officials acting in the line of duty. The scope of this meeting is, however, to explain the present situation and seek other solutions.

To compound these delays, tensions along the border have flared. In Ciudad Juarez, the fourth largest city in Mexico, the local government, unions, and the chamber of commerce have organized a boycott against El Paso merchants. I have also been informed that veterinary health inspectors of cattle are refusing to enter Mexico to inspect cattle to be shipped to the United States for fear of retaliation as a result of the delays. To me, the situation demonstrates an insensitivity by our Government to the needs of the United States-Mexico border. I am concerned the situation could deteriorate to the point where U.S. citizens' well-being could be endangered in Mexico.

Further, I am again asking the President to immediately enter into ongoing bilateral negotiations with Mexico, our third largest trading partner. These obviously vitally necessary talks, I am convinced, would have prevented this intolerable crisis.

PRESIDENT'S BUDGET LONG ON SHIFTS, NOT CUTS

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, the President's budget has been in our hands for several weeks. Much has already been said about nearly every aspect of the document. I would like to call attention to a very significant budget fact that has caught my eye.

One of the companion documents contains a chart entitled, "Composition of 1986 Aggregate Program Spending Freeze." The chart compares fiscal year 1985 spending with fiscal year 1986 requests in 10 domestic and 5 defense and national interest accounts. A mere glance at these accounts makes me wonder whether or not the President is serious about reducing the deficit.

There is no real change in spending. The only changes occur in the areas where money will be spent. Spending in domestic accounts will be reduced by about $30.4 billion in fiscal year 1986 while defense and national interest spending will increase by about $30.2 billion in fiscal year 1986. That is assuming the President has his way.

I completely agree that the budget is ripe for more cuts, but everything must be open to budget cuts. We cannot simply shift economic resources from one area to another and proclaim to be taking bold steps toward reducing the deficit. Mr. Speaker, let's take the bold step of approaching the deficit problem by reducing spending in every facet of the budget.

TRAINING INITIATIVE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, the third initiative which I have developed to improve the readiness of our National Guard and Reserve Forces pertains to training. Members of our Reserve Forces often have inadequate time to perform their required training. While increased training time may be appropriate in some cases, I believe the 15-day annual training period should remain as the foundation for unit training.

We must, therefore, concentrate on finding ways to better utilize the time currently available. The best way to do this is through use of state-of-the-art training devices and simulators which can offset the adverse effects of limited time, space and equipment.

In order to secure this type equipment, I plan to urge our Research and Development Subcommittee of House Armed Services to establish a specific R&D line item for simulators and training devices designed to meet the specific needs of the Reserve Forces. I will also urge the Procurement Subcommittee to add funds to procure additional simulators and training devices which are currently available.

PARTISANSHIP BETWEEN MAJORITY AND MINORITY MEMBERS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I realize that there are a number of Members who will feel that what took place today was extremely partisan, and that by turning a pro forma session into a confrontation, somehow the House was abused in a partisan way. I would suggest to those Members that they just consider one thing, and that is that it gives the majority side a little bit of a feeling of how we feel on our side when we are treated in an extremely partisan way, when we are treated with a procedure that says with rules that we are going to be treated unfairly and then we are literally stripped of a rightfully gained seat by the majority.

That is what the exercise was all about today—to say fundamentally that we are disturbed at the way by which the minority in this House is treated, and that we are particularly disturbed by a situation which strips us of a seat which was rightfully won in the State of Indiana, and we ask if we are going to continue to have those kinds of situations arise in this House until that Member who has legitimately won his seat in the House has been given his seat in the House.

Mr. KANJORSKI. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Pennsylvania.

The SPEAKER pro tempore (Mr. KILDEE). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

A REPLY TO CHARGES OF PARTISANSHIP

(Mr. KANJORSKI asked and was given permission to address the House for 1 minute.)

Mr. KANJORSKI. Mr. Speaker, I have listened to the gentleman from Pennsylvania [Mr. WALKER], and I also represent the Commonwealth of Pennsylvania. I suggest that perhaps there are strong emotional issues on the other side of this aisle in regard to the seating of the gentleman from Indiana, and I share that emotion that this House has an obligation to perform its function constitutionally and with honor.

But I have to assume that the traditions of this House will prevail and we will do that, unless the gentleman from Pennsylvania [Mr. WALKER] and his colleagues are suggesting that all other Members of the House other than themselves are lacking in honor.

I think that the occurrences of today reflect some of the weaknesses that are starting to cause the breakdown of the basic legislative system of this constitutional government when the leadership of the minority party entered into an agreement of the nature and function of how the business will be carried on, on one particular day, pro forma as it was today, and those of us who are tending to committee hearings and subcommittee hearings to find out why, when we expend——

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. KANJORSKI] has expired.

Mr. KANJORSKI. Mr. Speaker, will the Chair yield 1 additional minute to me?

The SPEAKER pro tempore. The Chair cannot extend time during this 1-minute period.

Mr. KANJORSKI. Mr. Speaker, I would just, by unanimous consent, ask the Chair that I be given the right to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUSE PRECEDENTS BROKEN BY ACTION ON INDIANA ELECTION CONTEST CASE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, let me just say to the distinguished gentleman from Pennsylvania who just spoke that we do not question the honor of Members who may have voted the wrong way recently, but in fact if the gentleman will check, he will find that this House is already currently breaking the precedents. The tradition of this House is that when a certificate is filed by the secretary of state that the State believes that a Member has won an election, at that point the word of the secretary of state is taken as honorable, the Member is seated, and then the House Administration Committee begins an election task force.

□ 1240

This House is today currently violating the precedents of this House in an extraordinarily dangerous manner.

I have a 60-minute special order later and I would be delighted at that time to yield to the gentleman from Pennsylvania as much time as he would like to take to really discuss this issue.

We are not playing a game, and I do not think the gentleman from Pennsylvania is, either; but I think the gentleman ought to ask his leadership what possible gain there is by failing to seat the gentleman from Indiana, Mr. McIntyre, who has now won twice, both the original election and the recount, who has been certified by the State, what possible gain is that in not going ahead and seating him?

I think if the gentleman would like to join us later, I believe the distinguished gentleman from Maryland has a special order first and then we would be following and we would be delighted to yield to the gentleman.

THE INDIANA ELECTION

(Mr. TAUZIN asked and was given permission to address the House for 1 minute.)

Mr. TAUZIN. Mr. Speaker, I yield to my colleague, the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Speaker, I thank the gentleman for yielding.

I say to the gentleman from Georgia, I did not have an opportunity to end my remarks. I just want to tell the gentleman what my remarks are.

I am a freshman and I was elected by my electorate in Pennsylvania to come down here and help cut the deficit, to help provide for the defense of this country, and I have got to spend all the time I can in studying those heavy issues so that I can understand eventually what I am going to be voting on on this House floor, and when we get the antics that are being carried on by some of the less responsible Members of the minority party that call us away from these committee hearings, that cause us to lose our train of thought and to lose the valuable testimony of these people that we are calling before these committees, I want to suggest to these individuals on the other side of the aisle that they worry about the cost of Government. Every Representative in this House, every hour, is expending over $500 of the taxpayers' money and when we are walking back and forth on nonsense votes to be here and to listen to nonsense material when there is a proper procedure, the House Administration Committee. I do not know the merits or demerits of the issue. I will listen to the committee report.

THE INDIANA ELECTION

(Mr. COBLE asked and was given permission to address the House for 1 minute.)

Mr. COBLE. Mr. Spearker, I yield my time to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding, because I think it is extremely important for the gentleman from Pennsylvania, my colleague from Pennsylvania, to understand that he did receive a certificate of election to come here to do something about the deficit and national defense.

Mr. McIntyre in Indiana got the same certificate. His certificate by a party line vote was denied to him in this body. It was his certificate that was thrown out. Despite the fact that this side of the aisle voted for Mr. STALLINGS, who had exactly the same problem, Mr. STALLINGS is sitting in this body able to participate in those committee deliberations, able to do all the things that a Member of Congress importantly should be doing who was elected by his constituents. Only Mr. McIntyre has been denied that particular situation.

These are not antics on the floor. This is an extremely serious question. This is an extremely serious matter and for the gentleman to suggest that the House does not have an obligation to deal with that matter, it seems to me is exactly what the gentleman's leadership would have him say at this point. That is exactly what the leadership wants to do. They want to bury it in the House Administration Committee in a task force that is not fairly distributed, in a task force that is 2 to 1 for his party, a task force that is considering this matter that has a ratio of membership larger than the House as a whole.

INTRODUCTION OF THE CONSUMER RAIL EQUITY ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. TAUZIN] is recognized for 5 minutes.

Mr. TAUZIN. Mr. Speaker, I am pleased today to be introducing, with my colleagues, the gentleman from West Virginia [Mr. RAHALL] and the

gentleman from Kentucky [Mr. ROGERS], the Consumer Rail Equity Act of 1985. Joining us as original cosponsors are Mr. STENHOLM, Mr. MURTHA, Mr. BEVILL, Mr. BOSCO, Mr. BOUCHER, Mr. PICKLE, Mr. JACOBS, Mr. KINDNESS, and Mr. ECKART.

The Consumer Rail Equity Act of 1985 will assure that shippers and consumers who have no alternative to transportation on a single railroad are protected from abusive railroad pricing practices and assures further that competition between railroads is maximized. In 1980, when the Congress enacted the Staggers Rail Act, railroad rates for captive shippers—those shippers without transportation alternatives—were not deregulated. The Congress recognized that captive shippers were without market alternatives, and, thus, could not rely on market forces to discipline rates. Therefore, Congress directed the ICC to provide regulatory protection for such shippers after their rates reached a certain jurisdictional level which assured that captive shippers would make a substantially greater contribution to railroad revenue needs than would shippers with competitive alternatives.

Captive shippers do not complain about the basic decisions made by Congress in 1980. Nonetheless, captive shippers complain bitterly that the ICC is not providing the protections required by the Staggers Act—either because our instructions were not clear in 1980 or because the Commission refuses to accept the need for the balanced implementation that was envisioned in Staggers. The result has often been unreasonably high rates being paid to railroads which the ICC considers to be revenue inadequate although these same railroads appear to be financially sound to most observers.

The result has been particularly difficult for States like my own which are in the process of shifting from natural gas and petroleum as their basic electric utility fuel to the use of coal as a primary fuel. During the mid-1970's, following the Nation's disastrous crude oil supply interruption, Federal policy called for utilities to shift to coal as a primary fuel and, where possible, to low sulfur coal to avoid environmental problems. As many of our utilities entered the coal market for the first time in the late 1970's, they encountered great difficulty. The experience of Cajun Electric Power Cooperative, Inc. is typical of a number of experiences in my region.

Cajun Electric is a nonprofit rural electric generation and transmission company that provides power to 1 million Louisianans through 13 member cooperative distribution companies. In the late 1970's, Cajun, which needed additional power generation, turned to Wyoming's Powder River basin, the principal source of low sulfur coal in our country. Cajun had relatively little difficulty obtaining a competitive long-term coal contract from the numerous coal producers in the basin. Unfortunately, however, only one railroad, the Burlington Northern [BN], was available to move the coal to Louisiana.

The Cajun officials recognized their vulnerability and attempted to negotiate a long-term agreement with the BN, even though the legal authority of the BN to enter into long-term contracts was questionable. After receiving assurances from the BN and reaching an agreement pursuant to which the BN agreed to move the coal from Wyoming to Louisiana for $10.53 a ton, beginning March 1, 1979, with only escalation of the rate for inflation, Cajun executed a long-term coal contract in the Powder River basin.

Unfortunately, within a year after March 1, 1979, BN had raised the rate three times to $12.54 a ton, a 20-percent increase. From the middle of 1980 to January 1, 1983, the BN increased its rates six more times to $18.13 a ton. The nine increases between March 1, 1979 and January 1, 1983 amounted to a total increase of approximately 73 percent. During this same period, inflation adjustments would have yielded an increase of only about 36 percent or a rate of approximately $15 in January 1983.

Until mid-1984, Cajun had no competitive alternative to the BN. Last year, after years of struggle, the Chicago & Northwestern Railroad [C&NW] was able to overcome the BN's opposition and obtain an ICC order enabling the C&NW to provide competition to BN in part of the Powder River basin. Although Cajun's coal was not in that portion of the basin, Cajun was finally able, in the last few months, after threatening to break its contract, to obtain a contract for rail haulage at more reasonable rates.

Others have not been so fortunate and nothing assures that Louisiana's consumers will be as fortunate with our future coal needs. Most notably, the system of law we established in 1980 did not protect Cajun and would not be protecting Cajun today if they were still subject to tariff rates. One additional factor that makes these rates hard to take is that the justification of ever higher rates for captive shippers is the need to obtain revenue adequacy for our Nation's railroads. Yet, to most observers, based on the performance of their stock, their bond ratings and their recent acquisition history, the BN appears to be revenue adequate. The ICC has consistently determined that the BN is revenue inadequate, however, ever since the enactment of the Staggers Act.

The Consumer Rail Equity Act will provide protection for the Cajun's of the world by assuring that the ICC uses a more accurate revenue adequacy test; by providing that the railroad, rather than the captive shipper, must prove that a captive shipper's challenged rate is reasonable, and by providing a more equitable "rate reasonableness" test than the test being applied by the ICC.

Many of my constituents are encountering a second problem under the present implementation of the Staggers Rail Act. Shippers that have access to two or more rail systems are protected by marketplace competition and want nothing more than to retain their railroad shipping options. Unfortunately, shipper access to more than one rail system often depends upon the railroads willingness and ability to enter into arrangements that facilitate competition. Among these arrangements are the quoting of joint and proportional rates, reciprocal switching agreements and arrangements concerning the use of terminal facilities. These arrangements have been customary in the railroad industry for decades.

In the Staggers Act, Congress provided the ICC with discretionary authority to order these arrangements at reasonable prices when the shippers could show that these arrangements were necessary to preserve and enhance competition. Unfortunately, the ICC has not been exercising these authorities, even when shippers made the requisite showings. The Consumer Rail Equity Act assures maximum competition between the railroads by making the ICC authority in these areas mandatory after the shippers make appropriate showings. For those of us like myself who believe in regulation by the marketplace, the railroads cannot have it both ways: They cannot have both deregulation and reduced competition.

Finally, the Consumer Rail Equity Act addresses four other areas in which problems have been encountered under the Staggers Act. The bill restricts the ability of the ICC to exempt rail traffic from regulation in those instances in which the ICC finds a lack of railroad "market dominance" and makes the ICC exemption authority discretionary rather than mandatory. At least two of the recent ICC exemption actions have been overturned by the court of appeals.

Second, the bill expands the goals of the Staggers Act implementation to include the attainment of competitive transportation rates for both domestic energy sources and domestically produced agricultural commodities. The ICC is required, under both present and proposed law, to make affirmative findings that captive shipper rates that it finds to be reasonable are consistent with the achievement of the 15 stated national objectives.

Third, the bill assures that the proper balance is struck between the

Federal interest and the traditional State interest in governing intrastate rates. In the Staggers Act, the State's authority to regulate intrastate rail rates was recognized, but the Staggers Act required that the State regulatory authority apply the Staggers Act to intrastate rates. The State agency implementation was to be overseen by the ICC. Unfortunately, the ICC implemented this provision by adopting a burdensome certification process and has substituted its judgment for that of the State agencies when the State agency has found against the railroads. This legislation will protect the dignity of the States authority while protecting the Federal interest in this area by providing an appellate review function for the ICC. The State agencies must continue to apply the Staggers Act to intrastate rates. The ICC may reverse the State agency only when the State agency fails to apply the law properly or when the State agency has acted arbitrarily or capriciously.

Fourth, many of us have heard complaints about the ICC's abandonment process. This legislation will preserve the present substantive law on abandonments, but will provide three procedural modifications that should provide balance to the process. First, the ICC is directed to allow an opportunity for deposition type hearings in one or more communities affected by the abandonment, when requested by protestants. The cost is to be borne by the railroad. Second, the ICC is directed to assure that specific data on the facility to be abandoned is used to determine if the facility is economic. Today, industry wide or railroad wide data is sometimes used when more specific data might change the economic analysis of the facility. Finally, if the ICC rejects the abandonment request, the railroad is required to wait 1 year before filing to abandon the same facility, unless the railroad can earlier show a substantial change in circumstances that would materially affect the abandonment decision.

Mr. Speaker, the Staggers Act has been a good act overall. However, our constituents are encountering some problems with its implementation that should be addressed immediately. Failure to make these midcourse corrections to the act will cause our Nation's electric ratepayers, our hard-pressed farmers, many of our manufacturers and our consumers to continue to pay unreasonably high rail rates. The impacts on our Nation's unemployment, our balance-of-trade deficit, our ability to compete effectively in the world markets, which increasingly include our own domestic marketplace, all will continue to be significant.

Mr. Speaker, we invite all our colleagues to join in supporting this important and balanced legislation and call on the leadership of the House and the relevant committees to assure that this legislation receives early and positive consideration. I ask that a copy of the bill, a section-by-section analysis of the bill, and a list of those firms and associations that have already stated their support for this legislation be printed in the RECORD.

CONSUMER RAIL EQUITY ACT—SECTION-BY-SECTION ANALYSIS, FEBRUARY 18, 1985

INTRODUCTION AND OVERVIEW

The Consumer Rail Equity Act is a midcourse adjustment in the operation and implementation of the Staggers Rail Act of 1980. The purpose of this legislation is to reaffirm the balance that was carefully struck in the Staggers Rail Act of 1980 between the needs of large and small railroads, shippers, receivers and consumers, while preserving the fundamental structure and premises of the current law. The legislation's goal is to continue and enhance the Stagger's Act's emphasis on permitting competitive market forces to govern the terms and conditions of rail freight service wherever possible, while providing a measure of practical protection for those shippers who remain subject to railroad monopoly power—as Congress also intended in enacting the Staggers Act.

The bill does not change the present statutory threshold for Interstate Commerce Commission jurisdiction over maximum rail rates, and thus does not seek to extend regulatory authority to any rates that are not subject to Commission review under present law. This legislation does not extend regulation to rates that are below the Commission's present jurisdictional threshold and continues the deregulation of contract rates that was established by the Staggers Act.

The most significant changes from present Commission practice and law that are proposed in the bill include a more realistic and market-based test of railroad revenue adequacy than the test being employed by the Commission, a simplification of the Commission's interpretation of the market dominance test to eliminate consideration of product and geographic competition, a shifting of the burden of proof with respect to rate reasonableness from the captive shipper to the railroad, and a standard for maximum rate reasonableness to assure that those shippers, receivers and consumers who must bear most of the burden of helping the railroads achieve revenue adequacy are treated equitably.

The bill also enhances the availability of competitive rail opportunities for shippers and receivers and assists in the current transition to more accurate and cost-based railroad accounting. Several procedural improvements are proposed, including improvements in abandonment proceedings and the standard for ICC review of State commission rulings on intrastate rail rates. Finally, the bill assures that the national rail transportation policy which is embodied in the Staggers Act is consistent with other national goals of assuring competitive transportation rates for domestic energy supplies and domestically produced agricultural commodities.

SECTION 1—SHORT TITLE

This section provides that the bill may be cited as "The Consumer Rail Equity Act."

SECTION 2—PURPOSE

This section reaffirms the goals of the Railroad Revitalization and Regulatory Reform Act of 1976 (the 4R Act) and the Staggers Rail Act of 1980, and declares the intent of Congress that this bill shall assure that the previous two Acts are administered in a balanced manner that both provides adequate protection for those subject to railroad monopoly power and maximizes the opportunities for intramodal competition.

SECTION 3—MARKET DOMINANCE

This section is intended to simplify and streamline the procedure by which the Commission determines whether a rail carrier has market dominance over the transportation to which a rate applies. Under both present and proposed law, the Commission has jurisdiction over only those rates where the shipper is paying above a specified amount *and* the ICC finds the shipper to be subject to railroad market dominance. There is no change proposed to the provision of present law (49 USC 10701a(b)(1)) that a rate may not be challenged as exceeding a reasonable maximum unless the Commission first finds market dominance. There is also no change proposed to the conclusive presumption in 49 USC 10709(d) that market dominance is presumed not to exist if the rate yields a revenue-variable cost ratio below an annually calculated figure known as the cost recovery percentage, which is currently 180 percent, the maximum allowed under the Staggers Rail Act.

This section would eliminate, however, the current Commission practice of allowing a railroad to challenge the presence of market dominance by alleging that the shipper can use a different product (such as fuel oil instead of coal) or purchase the same product from a different geographic region (such as grain from the midwest rather than grain from the northern tier states). Under the present ICC practice, the shipper must prove the absence of product and geographic competition when the railroad has made the allegation. In effect, the shipper must prove all the elements of an antitrust case, which is costly, time consuming and intimidating, particularly to smaller shippers. Perhaps for that reason, the Commission that implemented the 4R Act, which first introduced the concept of "market dominance", determined to consider only competition in transportation.

The bill directs the Commission to confine its market dominance inquiry to the assessment of whether the rail transportation is subject to competition from other rail carriers or other modes of transportation such as trucks or barges. Under the "market dominance" test provided in the legislation, there will be a rebuttable presumption of market dominance when the shipper or receiver challenging the rate demonstrates that its shipment is captive to a single rail facility for at least part of the movement. The rail carrier or carriers can then rebut the presumption by demonstrating that economically viable alternatives exist for rail transportation from other rail carriers or other modes of transportation.

This section also requires that the Commission make its market dominance determination within ninety days of the initiation of all proceedings challenging the reasonableness of a rate that is charged to a captive shipper. Under current law and practice, the Commission must complete its determination within ninety days only if it institutes an investigation of the rate after a complaint is received.

SECTION 4—RATE REASONABLENESS

A persistent complaint about the present administration and interpretation of the law has been the Interstate Commerce Commission's standard for determining the reason-

ableness of a rate that is being charged a captive shipper. The Commission has embraced a philosophy of maximum rate reasonableness based almost entirely on demand for rail freight service, rendering the cost to the railroad of providing the transportation nearly irrelevant as a rate-making consideration. No other regulated industry enjoys such freedom from cost scrutiny. In almost all other instances in which a company possesses monopoly power—and Congress recognized in Staggers that railroads continue to possess monopoly power with regard to captive shippers—cost-based regulation has been employed to discipline abuses of that monopoly power.

The intent of this bill is *not* to impose utility-type rate of return-based regulation upon market dominant carriers. The conclusive presumption that no market dominance can be found for a rate yielding revenues between 170 and 180 percent of variable cost, which precludes the Commission from even entertaining a complaint about a rate below that level, represents a fundamental policy judgment of the Staggers Rail Act that some shippers and receivers will be required to pay a greater share of the revenues needed to develop and sustain a sound national rail transportation system.

This bill does not revisit that policy decision of the Congress. This legislation does not quarrel with the jurisdictional threshold of the Staggers Act or with the judgment that some shippers and receivers, and by extension some consumers, should pay more than others for rail transportation. Section 4 of the bill does, however, alter the method by which the Commission has been reviewing the reasonableness of rates of carriers possessing monopoly power. The Consumer Rail Equity Act requires the Commission to give careful attention to the railroads' costs and revenue needs and to the manner in which the burden of producing needed revenues is allocated among captive shippers.

To assure that captive shippers are provided the protections intended by Congress in the Staggers Rail Act, the Consumer Rail Equity Act proposes several changes to present Commission practice. First, section 4 shifts the burden of proving the reasonableness of a challenged rate in all instances to the rail carrier, which is in a better position to supply the necessary information, including the cost of providing the service and the amount of traffic that is captive. This section also directs the Commission to make affirmative findings in support of its rate reasonableness decision, on the consistency of the rate with any of the fifteen elements of the national rail transportation policy (49 USC 10101a) that have been put in issue, and on the consistency of the rate with the "Long-Cannon factors." (The Long-Cannon factors were the result of a careful compromise during the Senate debate on the Staggers Rail Act. These provisions direct the Commission, in determining maximum rate reasonableness, to consider the amount of a railroad's traffic that is inefficiently priced and whether one commodity is bearing a disproportionate share of the carrier's revenue burden.)

If the challenged rate is above the railroad's fully allocated cost of providing the service (as well as above the jurisdictional threshold provided in the Staggers Act) the Commission must make certain findings in order to approve the rate as reasonable. It must find that the carrier needs to charge rates above its fully allocated cost to achieve or maintain revenue adequacy, and if so, it must also find that the rate being charged is no greater than it would be if the railroad's revenue adequacy burden were equitably distributed, to the maximum extent practicable, across all of its captive traffic, including the traffic in question. This standard, together with conforming changes to the national rail transportation policy, is designed to end the current regulatory focus on demand-based rate reasonableness to the exclusion of cost considerations, and, in particular, to end the use of any "stand-alone cost" standard of maximum rate reasonableness.

To assure accurate and expeditious proceedings, the Commission is directed (1) to continue to use its existing Rail Form A costing methodology until it has implemented the standards that shall be promulgated by the Railroad Accounting Principles Board which is authorized under 49 USC 11163, and (2) to complete any rate reasonableness proceeding within twelve months. The current time limits for completing an investigation would continue to apply to those proceedings. The Railroad Accounting Principles Board was constituted in November, 1984 and should complete its work in approximately two years.

Finally, this legislation expands one of the fifteen national goals to be achieved in the implementation of the Staggers Rail Act of 1980. This legislation provides that the fifteenth stated goal is expanded to include "competitive transportation rates for both domestic energy supplies and domestically produced agricultural products." When making a rate reasonableness determination, the ICC must make an affirmative finding that the rate is consistent with the achievement of these goals.

SECTION 5—STANDARDS AND PROCEDURES FOR DETERMINING REVENUE ADEQUACY

A critical goal of both the Railroad Revitalization and Regulatory Reform Act of 1976 and the Staggers Rail Act of 1980 was the attainment, by our nation's railroads, of "revenue adequacy." Section 10704 thus directs the Interstate Commerce Commission to determine regularly which carriers are receiving adequate revenues, that is, revenues that are sufficient "under honest, economical, and efficient management," to recover operating expenses, including depreciation and the replacement of obsolete assets, together with a "reasonable and economic profit or return (or both) on capital employed in the business."

The administrative standard now used to determine whether a railroad is revenue adequate—the current cost of capital measured against the railroad's investment base—does not realistically measure the true financial condition of a railroad, and tends to materially understate the "adequacy" of the railroad's revenues. The perhaps inevitable result is that the Commission currently finds all major railroads to be revenue inadequate, including some railroads which by other, more realistic measures and by the recent acquisition history of their holding companies appear to be financially secure. This is a matter of substantial concern to captive shippers since a judgment of the Congress in the Staggers Act was that a railroad's captive traffic must make the total contribution to the attainment of revenue adequacy that a railroad's competitive traffic cannot make.

Accordingly, section 5 of the bill seeks to assure that revenue adequacy determinations are based upon realistic measurements of a railroad's financial health. This very well may be the most important element in the Consumer Rail Equity Act because this analysis will determine the extra burden that must be carried by captive shippers. The revenue adequacy determination is to be made annually and shall allow for adequate public comment on the non-proprietary information submitted by the railroads. In making revenue adequacy determinations and applying them in administering the law, the Commission shall identify revenues, expenses and the investment base reasonably related to providing rail service, and place railroads on the same footing as any other industry by valuing assets at original cost reduced by straight line depreciation. In determining the cost of capital, the Commission shall use actual or embedded cost of debt (rather than the present practice of using current cost of debt, which gives a railroad a windfall for all of its debt for which it is paying less than the current rate) and reasonable estimates of the cost of equity.

This section would also expand the present scope of the Commission's examination of a railroad by requiring it to inquire into and consider several indicators of financial health routinely used in financial analysis, such as operating ratios, fixed charge coverage, debt/equity ratios, bond ratings and merger and acquisition activity. The Long-Cannon factors are to be applied in making revenue adequacy determinations. If a railroad is pricing an excess of its traffic inefficiently, the revenue shortfall attributable to that practice should not be considered in deciding whether the carrier is otherwise revenue adequate.

These broader inquiries do not dictate any particular outcome, but they should assist in producing more complete assessments of revenue adequacy.

Finally, to assist the Commission in its rate reasonableness proceedings, which under section 4 of the bill will now include a specific assessment of whether a challenged rate that is above fully allocated cost is bearing more than an equitable share of the railroad's revenue burden, the revenue adequacy determination is to include a specific Commission finding on the extent of revenues required to achieve or maintain revenue adequacy.

SECTION 6—EXEMPTIVE AUTHORITY

The Commission is directed in 49 USC 10505 to pursue exemptions from regulation where the regulation is not necessary to carry out the transportation policy set out in section 10101a, and is either (a) of limited scope or (b) no longer needed to protect shippers from abuse of railroad market power. This section would provide that an exemption "may" be issued if the Commission finds there is no market dominance (within the meaning of section 10709, as amended by section 3 of the bill) over the transportation involved in the exemption. This section also provides that the Commission should consider whether persons other than shippers (including receivers and consumers) require protection from abuse of railroad market power sufficiently to deny issuance of an exemption.

These changes are intended to prevent the use of the exemption power in circumstances where competitive forces do not exist to discipline railroad monopoly power effectively.

SECTION 7—ENHANCEMENT OF COMPETITION

A sound national rail transportation system involves a great amount of interdependence among carriers. The majority of rail freight shipments travel over the lines

of at least two carriers, and thus require some interchange or switching arrangement between the participating carriers. The carriers also have a variety of methods of quoting one single rate—called a joint rate, with individual rates for each carrier's share of the movement.

In many major metropolitan areas or terminal areas, two (or more) carriers with long haul lines into the area can serve shippers on each other's lines if they agree to allow one another access to each other's lines in the area or if one carrier otherwise agrees to act as a switching agent for the other carrier. Thus, the carriers can enter into a reciprocal switching agreement, allowing mutual access to each other's shippers, or a terminal facilities agreement, where one carrier is paid a reasonable price for switching the other carrier's traffic to reach shippers located a short distance away on its lines.

The widest possible use of these various inter-railroad practices is essential to providing shippers and receivers with competitive alternatives and is essential to the maintenance of efficiency. Current law contains several provisions to assure that rail carriers do not cancel or refuse to enter into these arrangements for anticompetitive reasons. This section of the Consumer Rail Equity Act would strengthen these provisions.

This section would amend 49 USC 10705 to provide that, on request of a connecting railroad or a shipper or receiver, a railroad shall quote a competitive joint rate or proportional rate if interchange of the traffic is practicable. The quoted rate will be deemed conclusively to meet the "competitive" standard if the carrier's revenue-variable cost ratio for the quoted rate is no greater than the ratio for the carrier's existing joint rate or single line rate. Neither the intention nor the effect will be to force any carrier to carry traffic at non-compensatory rates, because section 10705a permits a carrier to unilaterally cancel or surcharge any non-compensatory joint rate. Rather, the intent and effect will be to assure that carriers do not use pricing techniques such as cancelling a joint rate or refusing to quote a joint rate to close off a competitive alternative to the shipper or receiver.

This section would also modify existing law regarding reciprocal switching and use of terminal facilities. The Commission's current discretion to order such arrangements is changed to a mandatory direction that the Commission shall order such arrangements when it finds they would be either practicable and in the public interest, or necessary to provide competitive rail service. The effect on competition should be salutary, giving a shipper or receiver in a major metropolitan or terminal area the option of choosing between two or more carriers providing line haul service.

SECTION 8—ABANDONMENT PROCEDURE

A railroad line (or other facility) that is proposed to be abandoned is typically a line that is of little interest to the abandoning carrier, perhaps because the line is not profitable. However, the facility to be abandoned is often of great importance to the shippers and communities served by the line. Because the impact on a community and its economy can be devastating, an abandonment decision deserves the most careful consideration.

The changes in this section make no change in substantive law. The railroad must continue to carry the burden of proving that the line to be abandoned is (1) uneconomic and (2) that the abandonment is in the public interest. This section is intended to give the Interstate Commerce Commission the most accurate record on which to base its abandonment decision, consistent with the obvious need to permit railroads to discontinue service expeditiously on truly money-losing facilities that lack commitment from the affected communities.

Three procedural changes are made. First, in order to clarify that abandonment proceedings are not to be instruments in a war of attrition, a railroad must wait one year after denial of an abandonment application before refiling to abandon the same facility, unless it can show that circumstances have materially changed since the unsuccessful application was denied. Second, if the abandonment is contested, the Commission must allow a hearing on the impact of the proposed abandonment on community or rural development (the standard set by current law) in one or more of the communities affected. The Commission may contract with outside parties to preside at the hearing, and the railroad proposing the abandonment must pay the expenses of the hearing. Third, the financial data used in deciding whether to permit the abandonment must be based on the revenues from and cost of operating the facility at issue, rather than system-wide or industry-wide averages.

SECTION 9—STATE AUTHORITY

This section will streamline procedures respecting State jurisdiction over intrastate rail transportation. The fundamental goal of present law is unchanged: a state commission exercising regulatory jurisdiction over intrastate rail transportation pursuant to state law must do so consistently with the provisions of federal law governing interstate rail transportation. This section would simplify the achievement of this goal by eliminating the time-consuming process of Interstate Commerce Commission certification that a state's law, rules and practice are consistent with the federal law. Instead, this section eliminates bureaucratic delays and protects the dignity of the state process by relying upon ICC review of state decisions to assure uniformity of implementation. The ICC's review is limited to an appellate function analogous to that of a court reviewing an administrative agency decision under the Administrative Procedure Act, including a provision for remand of any inconsistent decision to the state agency. The ICC is given 120 days to dispose of any appeal from a state agency decision, thus assuring prompt and effective review.

SECTION 10—TRANSITIONAL PROVISIONS

This section provides for a straightforward transition from current law to the changes made by the bill. The new law is to be applied to any rate in effect on or after February 20, 1985, the date of the bill's introduction, including a rate at issue in a case pending at the Commission (and by extension, pending before a state agency) or on appeal to the courts.

This section addresses one other transitional issue. Section 229 of the Staggers Rail Act provides that any rate not challenged within 180 days after enactment of the Act, or any rate so challenged and found by the Commission to be either reasonable or not subject to market dominance, would be deemed forever lawful and not subject to challenge. Over 800 so-called "Section 229" challenges were filed, very few if any of them successfully, and some rates were not challenged because they were covered by a contract entered into or in effect during the 180 day period.

This section will not affect any railroad contract covering the tariff in question. However, many of these contracts are expiring and, under present law, many of these tariffs would become operative again. This section would correct the inequity of shielding from review those rates that were unsuccessfully challenged under the current standards or not challenged because of the presence of a contract, while allowing any other rate to be judged by the revised standards of this bill. Any rate which was included in a section 229 complaint can be reviewed under the changes made by this bill. Any rate not challenged under section 229 because of a contract can also be reviewed under this bill's standards. The contract itself and the rates under the contract are to remain in full force and effect; only the underlying rate which will apply on expiration of the contract is subject to challenge.

● Mr. RAHALL. Mr. Speaker, it gives me great pleasure to join with my colleague from the State of Louisiana [BILLY TAUZIN] in introducing the Consumer Rail Equity Act.

This legislation is similar in its goal to a bill I introduced on January 22, 1985, H.R. 540. In my view, the Consumer Rail Equity Act represents a logical extension of the effort I and many of our colleagues began during the last Congress to address the serious deficiencies contained in the Interstate Commerce Commission's implementation of the Staggers Rail Act of 1980. We are presenting today a bill supported by a broad coalition of shippers and consumers who are concerned with the adverse affect the Commission's actions will have on society, especially with respect to the movement of coal from the Nation's mines to electric utility markets.

This legislation is focused on the problems faced by captive shippers of bulk commodities; those with no viable transportation alternatives other than a single railroad. For these shippers, there is no transportation competition and they are subject to monopolistic railroad pricing practices which often results in unreasonable rates on the movement of their commodities. With respect to coal, unreasonable railroad rates are directly subsidized by consumers of coal-fired electricity.

Let us make no mistake about it. While it was the intent of Congress in enacting the Staggers Rail Act of 1980 to provide the Nation's railroads with greater freedoms so that they may regain their financial health, this regulatory freedom was not extended to traffic which is market dominant to the railroads. The Congress charged the ICC with the responsibility of insuring that rates on this traffic are maintained at reasonable levels and that such traffic is not made to bear an undue burden in the revitalization of the railroad industry.

Today, these railroads are revitalized and are financially healthy. There is perhaps no better example of this fact than Conrail. The ICC, however, has

abdicated its responsibility and is seeking, in a blind, robotic fashion, to administratively deregulate traffic which is captive to the railroads.

The Consumer Rail Equity Act is being introduced in response. For those Members who cosponsored my bill of the last Congress, H.R. 2584, and who are cosponsors of it again as reintroduced last January in the form of H.R. 540, let me say that this new bill does not differ from those other measures with respect to proposed revisions to determinations of railroad market dominance, revenue adequacy determinations, and maximum rate reasonableness guidelines. The new bill being introduced by Mr. TAUZIN and myself seeks to fine tune the Staggers Act's provisions—as does H.R. 540—relating to captive shippers so as to remove some of the ICC's discretion in these areas.

There are, however, certain additional provisions in this legislation which are not part of H.R. 540. These provisions deal with maximizing the opportunity for competition between railroads. This would be accomplished by making mandatory the ICC's authority to address railroad agreements regarding joint rates and through routes, reciprocal switching and use of terminal facilities. Another area in which this new bill goes beyond H.R. 540 is with respect to intrastate rates. In the Consumer Rail Equity Act we are seeking to insure that the State, rather than the Federal Government, maintains primary jurisdiction over railroad rates within a State's borders and which are not related to intrastate commerce. Finally, this legislation also contains a provision on abandonments. In this matter, the bill only seeks to insure that a proposed abandonment is given full and public consideration and would not be granted in an arbitrary manner.

Mr. Speaker, I can state without reserve that the Consumer Rail Equity Act does not, as some will allege, reregulate the railroad industry. This bill, as does H.R. 540, merely seeks to fine tune the Staggers Rail Act of 1980 so the intent of Congress will be carried out by the ICC. It is, without a doubt, proconsumer and represents a course of action with which we can all be comfortable.●

● Mr. ROGERS. Mr. Speaker, I join today with my distinguished colleagues from Louisiana and West Virginia in introducing the Consumer Rail Equity Act of 1985.

The bill we are launching today is good legislation. It is good for consumers. It is good for coal. It is good for agriculture. It is good for workers. In short, it is good for America.

The Staggers Act, passed by the Congress in 1980, is basically a good piece of legislation. It has been a necessary law to put America's railroads back onto sound financial footing.

Unfortunately, there have been serious problems with the Interstate Commerce Commission's implementation of the act. This poor implementation has hurt us in many ways. It has hurt our consumers. It has hurt our coal export market. It has hurt us in domestic coal sales. It has hurt America's smaller coal operators. And it has hurt our workers, costing us many jobs, both in the coal business and on our railroads.

The bill we are introducing today will tighten the loopholes in the Staggers Act and help correct these problems. And it will do this without reregulating the railroads.

Let me touch briefly on how our bill will help.

First and foremost, our bill is a proconsumer bill; 74 percent of all utility coal-fired powerplants rely on railroads to transport all or part of their coal—and 92 percent of these plants are captive to a single delivering railroad. But as a result of loopholes in the act, the rail rates for coal being carried to these utilities have escaped nearly all Federal controls. The end result? In Kentucky alone, the cost of shipping coal by rail has increased 68 percent since 1979. And it is estimated that by 1990, that rate could be triple what it was in 1979. Frankly, our consumers cannot afford to keep the loopholes open in the Staggers Act. They need this bill to help close these loopholes and to keep them closed.

Second, the bill is important for our Nation's coal exports. Over the past several years, we have seen a continuing loss in America's market share for coal exports. As chairman of the House Task Force on Coal Exports, I continue to be deeply concerned about this decline. Since 1981, the United States has lost 10 percent of the world market share. This is a loss of $3.9 billion in business, and has meant a loss of 18,000 jobs in transportation and mining.

Over the years, our higher transportation costs have made our coal less competitive on the world market and have forced America increasingly into the role of supplier of last resort. We are competitive at the mine mouth. But our inland transportation costs, which are two to three times that of our competitors, have substantially worsened our competitive position. If we can recapture this market, by 1990 we could sell another estimated 20 million tons of coal, in the range of $1 billion in sales, and help create another 10,000 jobs directly as a result.

In the domestic coal market, we've also seen a disturbing trend. America, the Saudi Arabia of coal, has actually begun to import coal from countries like Colombia, South Africa, and Canada. The American coal industry is being seriously impaired by high rail rates, which threaten important U.S. coal markets for our own coal industry.

The impact of the ICC's interpretation of the Staggers Act on smaller coal operators is especially severe. Since these operators are too small to negotiate contracts, they have generally paid single-car rates which have at times been up to 50 percent higher than contract rates paid by larger coal companies. This has been one important factor in the 50-percent decline in the number of coal companies still in business. High rail rates have encouraged this trend and have helped create a vicious cycle, where small companies are too small to afford lower rail rates, and where the higher rates in turn keep these companies from growing.

But the biggest problem of all is how these rail rates hurt American jobs. The Interstate Commerce Commission's own estimates show that high rail rates would lead to the loss of 20,000 jobs by 1990 and 50,000 jobs by 1995. And these are railroad jobs we would be losing, along with coal jobs and related support jobs. In fact, we've already seen a 30-percent decline in rail employment since railroad deregulation began.

The Staggers Act was a carefully balanced law. It balanced the needs of the railroads for adequate revenues with the needs of captive shippers for adequate protection.

But the ICC's actions in interpreting the Staggers Act have substituted a Rubik's cube for this careful protection. With their outlandish regulations and impossible tests, not a single shipper has ever found the magical solution needed to gain protection from excessive rates. This is not what Congress had in mind when it passed the Staggers Act, and it can no longer be allowed to continue.

The Consumer Rail Equity Act of 1985 will untangle the convoluted mysteries of ICC procedures and give our captive shippers the protection Congress intended for them.

I urge my colleagues to join with me in supporting, cosponsoring and working for the prompt passage of this important legislation.●

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ADL CONGRESSIONAL STUDY TRIP TO THE STATE OF ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, I appreciate this time to come before the House with a number of Members to relate a recent trip that I had the opportunity of taking under the leadership of TONY COELHO from the State of California. That a trip was sponsored by

the Anti-Defamation League in this country, and was coordinated by the office of the Anti-Defamation League in Jerusalem, led by Harry Wall and Roberta Reisman.

That trip was, as all trips are to the State of Israel, eye opening, impressive, and strengthening in the conviction of the necessity for a strong relationship between the United States and the State of Israel. The critical importance of that relationship and the welfare of the State of Israel, its continued survival and expansion in terms of its economy and in terms of its culture will help determine stability in the Middle East.

I am very pleased to take out this special order and to be joined by a number of friends to discuss not only the State of Israel but more specifically the necessity for the United States, Members of Congress, and citizens of this Nation to continue to bring before the American public and the world forum the plight of Soviet Jews.

At this time, Mr. Speaker, I yield to my distinguished friend from the State of New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, today Members of the House of Representatives have joined together to express our concern for Soviet Jews in this special order for an International Day of Concern for Soviet Jewry. I extend my appreciation and gratitude to the gentleman from Maryland, [Mr. HOYER] and the gentleman from New York [Mr. FISH], and all of our colleagues who have united today to address this critical issue.

I recently returned from a mission to Moscow, chaired by our colleague the gentleman from California [Congressman LANTOS], where we had the opportunity to meet with 35 refuseniks. These, and many Soviet Jews and many other religious activists live a life characterized by struggle and oppression because they only seek emigration from Soviet Union and justice at home. These Jews and activists have unwavering spirit to someday practice their religion free of persecution.

But their hopes are clouded by the alarming decrease of Soviet Jews granted visas allowing them to leave the Soviet Union. In 1979, 51,320 Soviet Jews were allowed to emigrate from the Soviet Union, diminishing sharply to 896 in 1984; and only 61 visas were granted in January of this year.

Today, more than 400,000 Soviet Jews continue to struggle to leave the Soviet Union and as a result of their desire are denied political, economic, and human rights. The plight of Soviet Jewry is characterized by the imprisonment and inhumane treatment of Anatoly Shcharansky. Arrested on the false charges of treason, when his only crime was to speak out for human rights and to be allowed to join his dear wife, Avital, in Isreal, Anatoly has been denied all basic human rights. Although Anatoly Shcharansky is now allowed to receive mail after his hunger strike received international attention and outcry, and recently had a brief visit with his brother and mother last month, he is still denied the freedom that he deserves.

Mark Napshitz is yet another long-term refusenik held captive in the Soviet Union, after serving his term as a prisoner of conscience for refusing to be a Soviet informer and his renewed public protests. Even after serving his sentence of 5 years, Mark Napshitz is still refused permission to go to Israel. He has been told by the Soviet authorities that he will never be allowed to leave the Soviet Union because his father, who defected in 1956 when Napshitz was 8 year old, was a traitor. Although his mother was allowed to emigrate in 1974, Mark and his family still remain in the Soviet Union. For many years, Mark has not been allowed to practice his profession of dentistry and is now forced to work as an assistant in a morgue or risk arrest as a parasite. He has said with irony: "They allow me to work with the dead, but not the living."

Most recent concerns in the West have focused on the trials and imprisonment of six leading Hebrew teachers. In early February, the 3-day trail of Aleksandr Kholmiansky ended with an 18-month labor sentence for an alleged illegal possession of ammunition; the more serious charge of possession of a weapon was dropped because of insufficient evidence. And, Mark Nepomniashachy was sentenced by an Odessa court to the maximum of 3 years in labor camp for allegedly circulating materials which defame the Soviet state and social system. The materials cited as evidence were merely his appeals for his family to repatriate to Israel.

It is critically important that we in the U.S. Congress continue to support the valiant efforts of the Soviet Jewish community. With the intensification of forced cultural assimilation, expansion of anti-Zionist propaganda and the serving of contact from abroad, Soviet Jews need our compassion, concern, and outcry more than ever before.

I assure my colleagues that I and my colleagues on the House Post Office Committee will continue our investigation into the Soviet's interruption of the mails, as well as other personal efforts through organizations such as the Human Rights Caucus, the Greater New York Conference on Soviet Jews, the Union of Councils for Soviet Jews, and the National Conference on Soviet Jews. Together, we have made a difference, but our efforts must be redoubled in light of last year's oppressive actions by the Soviet Union against these brethren.

I thank the gentlemen for yielding and I commend Mr. HOYER and MR. FISH for their strong, persistent efforts on behalf of Soviet Jewry.

□ 1300

Mr. HOYER. I thank the gentleman from New York [Mr. GILMAN] for his comments and congratulate him for his continuing and effective efforts on behalf of Soviet Jewry. Congressman GILMAN has made sure that the American public knows the plight of Soviet Jews. The continued pressure that he is, with others, placing on the Soviet Union to be more responsive to the human rights requests of our brethren in the Soviet Union is well known.

Mr. Speaker, I yield to the gentleman from New York [Mr. MANTON].

Mr. MANTON. Mr. Speaker, I am pleased to add my voice to those of my colleagues in expressing our admiration, our support, and our concern for Soviet Jewry. Our actions in the Congress today are vital if we are to send a clear signal to the Kremlin.

I am gravely concerned about the situation the Jewish people in the Soviet Union face today. There are over 400,000 Soviet Jews who have begun the complicated process necessary in order to leave the Soviet Union. Of that number, 20,000 Soviet Jews have been formally refused. The remainder hang in limbo, although their prospects do not appear encouraging. In 1984, the number of Jews allowed to emigrate and rejoin their families in Israel was the lowest figure in 15 years. In 1979, the peak year, 51,320 Jews were allowed to emigrate. Since that time, the numbers have decreased sharply. In 1982, 2,688 were allowed to leave and in 1983, 1,314. In 1984, only 896 Jews were allowed to leave the Soviet Union. That in itself is cause for grave concern by every American.

Mr. Speaker, I am further alarmed by the fact that these brave people have recently been subjected to a wave of antisemitism and violence reminiscent of the dark days of Joseph Stalin. Jewish cultural activists and Hebrew teachers are being beaten and their homes are searched. Often, weapons or drugs have been planted during these searches, and these leaders of the Jewish community have been arrested and given harsh sentences.

Jews have never been allowed to live as Jews within the Soviet Union. The use and instruction of Hebrew, the religious language of the Jewish people, is severely restricted. When Soviet Jews attempt to study their rich culture and history or practice their religion, they are harassed and meetings are often violently disrupted. In recent months, these incidences have escalated. In sum, Mr. Speaker, the leaders of the Soviet Union have embarked on a

new campaign of intimidation and violence.

The Soviet Union is a signatory to both the International Covenant on Civil and Political Rights and the Helsinki Final Act. Their policies toward the practice and study of Judaism and their emigration policy are in direct violation of these agreements. As we enter a new phase of talks with the Soviet Union we cannot forget the plight of Soviet Jewry. And we must use every resource at our disposal to make certain the Soviet Union lives up to its commitments.

While a New York City councilman, I adopted a Soviet refusenik. As a new Member of Congress, I am pleased to see that an issue that has long been of concern to me and many of my constituents is a matter of high priority for the U.S. Congress. I am honored to join with my colleagues today in paying tribute to the Soviet Jews who have shown, time and again, their remarkable strength and perseverance. They need our support and our strength as never before. It is vital that we, in the Congress, continue to show our commitment to Soviet Jewry. We must never forget that the Jews in the Soviet Union are allowed no voice. Therefore, we must be their voice and never waiver in our efforts.

Mr. HOYER. I thank the gentleman from New York [Mr. MANTON] for not only his outstanding statement, but also his continuing commitment to this cause.

Mr. Speaker, I yield to the gentleman from North Carolina [Mr. COBEY].

Mr. COBEY. I thank the gentleman from Maryland.

Mr. Speaker, in America, we cherish the great joys of freedom. In this country, men and women have the opportunity to achieve their greatest goals. We live together despite our differences in religion, ethnic origin, or political philosophy.

It is sad that this is not the case in all countries, particularly in the Soviet Union.

Behind the Iron Curtain, thousands of Jewish people are being kept prisoners.

The Kremlin refuses to let thousands of Soviet Jews emigrate to freedom.

In 1984, only 896 Jews were allowed to leave the Soviet Union. This is the lowest level of emigration from that country in the past two decades.

In 1979, the Soviet Government allowed over 51,000 Jews to emigrate. Since that time, they have almost choked off any escape to freedom.

The right to freedom of emigration is guaranteed under the Helsinki accords and other international agreements which the Soviets have signed. Yet the Soviet Union holds Jews hostage to the status of East-West relations.

The Soviet Government also has harassed and imprisoned many Hebrew teachers and Jewish cultural activists.

Many Americans are concerned about the plight of Soviet Jews.

For example, one congregation in North Carolina has written me to express their interest in this issue. The Judea Reform Congregation in the Durham-Chapel Hill area recently adopted a Jewish family that wants to emigrate from the Soviet Union. Members of the congregation correspond with members of the Lev Bronshtein family in Leiningrad. They write to assure them that there are people in the free world who understand their desire to be free. The congregation also has written to Soviet officials on behalf of the Bronshtein family.

In the next few days, I will join in this effort by writing to the Soviet Ambassador to the United States and ask that his Government allow the family to emigrate.

The Bronshtein family applied for an exit visa in 1976. Their Government has refused to let them leave, despite the international agreements guaranteeing freedom of emigration.

There are thousands of families like the Bronshteins who want to leave the misery of life in the Soviet Union. I'm hopeful that our Government will remind the Kremlin of our concern for Soviet Jews and will push for increased Jewish emigration.

The people of the free world should not sit idly by while the Soviets violate international agreements and continue to abuse basic human rights.

As a member of the Congressional Coalition for Soviet Jews, I am honored to join in this cause. Public protests by Members of Congress and other Americans will remind the Soviets and our own Government of the thousands of Jewish families who are kept as prisoners behind the Iron Curtain. By keeping this issue alive, we keep alive the hopes of thousands of Soviet Jews who want to be free.

Mr. HOYER. I thank the gentleman from North Carolina for his statement, for his membership in the Congressional Coalition for Soviet Jews, and for his leadership in this area.

Mr. Speaker, I am delighted to yield to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman from Maryland.

I thank him for working really very hard to put together this special order. I think it is important to ask ourselves why it is important for those of us who are moved by this issue to take the time and put into the RECORD some of our feelings on the general issue of Soviet Jewry and what is happening there and specifically people that we have learned about.

I think it is important and it was brought home to many of us on a recent trip to Israel, which the Anti-Defamation League led. During that trip, we made a visit to the Holocaust Museum and there, in a very moving experience, we witnessed what happens or what could happen if civil rights and human rights are violated. It starts slowly. It starts maybe with an ID card and can end up the way it ended up in Nazi Germany if people of good will do not take the time to cry out against it.

I think we, in the Congress, realize that we have that responsibility and that is why we are really here.

Next month marks the eight anniversary of the arrest of Anatoly Shcharansky, a true hero of courage and human spirit. Last month marked the fifth anniversary of the arrest of another beacon of justice and freedom, Nobel Peace Laureate Andrei Sakharov. We remember the plight of these two brave men, one languishing in a cell in the Gulag Archipelago, the other under house arrest in forced internal exile. Let us also remember their vision and their legacy: A world of peace, freedom, and universal respect for basic human rights.

□ 1310

Let us remember, as we finally resume arms control negotiations in Geneva and how important that is, that, as Sakharov has said, peace and human rights are one issue. Sakharov, Shcharansky, and all the others imprisoned and persecuted are struggling to build a better and safer world for all of us and for our children. And while these Prisoners of Conscience stand as symbols for human rights activists everywhere, Shcharansky's continued brutal imprisonment embodies another special problem: The increasing persecution of Jews in the Soviet Union.

During the last 6 months, six Soviet Jews were arrested by Soviet authorities simply for acting and identifying as Jews. Activities that Jews in our country take for granted, such as instruction of the Hebrew language, are cruelly suppressed by Soviet authorities.

We all know that the teaching of Hebrew is a crime in the Soviet Union. Now just think about that. The teaching of Hebrew is a crime in the Soviet Union. Young men, such as Dan Schapira, are paying a heavy price in prison for Hebrew language instruction.

We know that anti-semitism in the Soviet media has increased in the past few months. Two films have been aired on Soviet television depicting Soviet Jews as agents of Zionism and working against the Soviet state.

There is a new phenomenon—and this is very frightening—a dramatic increase in physical violence and brutality against Jews in the Soviet Union.

The most gruesome example is that of Joseph Berenshtein of Kiev. This Jewish prisoner was beaten so badly that his wife was unable to recognize him during her visit to prison. An eye was gouged out, and he may lose sight in another eye as a result of the beating.

We know of other young Jews physically abused by Soviet authorities.

Mr. Speaker, it is a cruel irony that these repressions have continued and even worsened while relations between our two countries seem to be improving. The Soviets must understand that these violations of international agreements, such as the Universal Declaration of Human Rights and the Helsinki Final Act, only poison the atmosphere for peace and continue to sow more seeds of distrust here of Soviet intentions and good will.

I call on the Soviet Government and I urge every Member of Congress to join me in this call to take a step to build trust between our nations by ending their gross daily violations of the Helsinki accords. Release the Jews who wish to repatriate to Israel, release the deparated families who wish to reunite with their loved ones, release the Jewish prisoners of conscience, release the human rights activists, including the Helsinki monitors, whose only crime was to attempt to safeguard Soviet compliance with the document its Government had signed.

Such steps would indicate Soviet good faith toward international agreements, a signal we all anticipate in advance of future agreements.

Finally, I say to the gentleman from Maryland, who has worked so hard on this, I wish to note one case, that of 78-year-old Liya Orzhekhovsky. This ailing, elderly woman has waited 5 long years to reunite with her daughter and grandchildren in a city that I represent, San Francisco. What possible gain could it be to the Soviet Government to keep this brokenhearted woman from seeing her family before she dies? What kind of heartlessness defines that Government's policies that vindictively keep her, against her will, in Kiev? How are we to believe in the good will of the Soviet authorities when even this one poor, frail woman is prevented from the most basic wish, to be with her loved ones?

We have learned in recent years just how fragile our planet is. If we are all to survive, it will be because the superpowers believe in human dignity and the right of each individual to survive and to be free.

The Soviet Union has a real opportunity now to show that their desire to save the planet extends to individuals within their own country who want nothing more than personal freedom.

Again Mr. HOYER, I thank you for this opportunity. I know we are going to work together, with many Members of Congress on both sides of the aisle, until these prisoners are let go.

Mr. HOYER. I thank Congresswoman BOXER from the State of California for her remarks. I point out that she was a member of the ADL delegation which had the opportunity of visiting Israel the first part of January 1985. The Congresswoman wrote a letter to all of those with whom we came in contact in the State of Israel in which she displayed as pointed a commitment to the continued struggle of Soviet Jews as I have ever read. I congratulate the gentlewoman for her commitment and leadership.

I yield to the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. I thank the gentleman from Maryland for yielding.

I, too, as the gentlewoman from California indicated, and, I believe, as the gentleman in the well has indicated, have visited Israel, and I know of the complaints and the sensitivity of the matter dealing with emigrants not being able to leave the Soviet Union. A number of families conveyed that to me, with a deep concern.

For Jews trying to leave the Soviet Union, 1984 was a most disappointing year, with less than 900 Soviet Jews permitted to leave in 1984, compared with 51,000 who emigrated in 1979. We are aware of at least 50,000 refuseniks—Jews who have applied for visas and were denied—still residing in the Soviet Union. Coupled with their frustrated attempts to leave the Soviet Union, the entire Jewish community has increasingly been subjected to harassment, loss of their jobs, arrests, and imprisonment. In addition, an expanded anti-Semitic campaign is being carried out in the state-controlled press in which Jews are urged to deny their Jewish heritage and assimilate with the cultural mainstream of the Soviet Union.

The Soviet Jews have responded to this persecution with unwavering defiance and dignity. Even though they are sure to lose their jobs, over 300,000 Jews have initiated emigration procedures. And, although at great risk, many Jews have joined privately with their brethren to study Jewish religion, culture, and history. We know of at least four Hebrew teachers who have been arrested as a result.

Stories of the great trials and tribulations among Soviet Jews fill this room today. Recently, a woman who has been corresponding with a refusenik family for 5½ years, shared with me her most recent letter from the family of Alexander Mariasin. The Mariasins' struggle to emigrate has been a prolonged one and is even more urgent due to his wife's life-threatening illness. In his own words,

> We pray to God that everything comes out well. The years of constant stress do not pass without consequences. The only thing I ask is to tide her over this ordeal until meeting her children. Alas . . . the other day, we received a new refusal to my application, the 20th, if I am not mistaken.

Today, I would like to bring to the attention of my colleagues the case of the Kagan family, a "refusenik" family whom I have recently adopted in an effort to advocate on their behalf for the right to emigrate from the Soviet Union., Abram Kagan, his wife Svetlana, and their two children, Vadin and Kalara, first applied for permission to emigrate in January 1976. Their applications have been consistently denied on ground that Abram has had contact with state secrets. Abram Kagan has been employed as a senior researcher at the Soviet Academy of Sciences and has worked only in theoretical mathematics. Abram has published 60 scientific papers, all appearing in "open" scientific press. As a well-known statistician, Abram has received several invitations to scientific meetings outside the Soviet Union. He has never been permitted to attend any of these seminars nor to emigrate to Israel.

Unfortunately, the plight of the Kagan family is not unique. Theirs is a plight common to all Soviet Jews who have become victims of the virtual standstilll in emigration from the Soviet Union.

On behalf of the Kagans and all the 2.5 million Jews that remain in the Soviet Union, I join with my colleagues in expressing our admiration for their endurance and to reaffirm our commitment to their struggle as well.

As cochairman of the congressional caucus charged with monitoring the plight of Soviet Jewry, I urge my freshmen colleagues to join with me in the struggle to change these regrettable practices within the Soviet Union by adopting families and becoming their links to the world community.

As arms negotiations between the United States and Soviet Union begin, attention is once again focused on the plight of Soviet Jews and their struggle for basic human rights. It is at this time that we should send a clear message to the Soviets that these human rights violations are unacceptable, and as Secretary of State George Shultz warns—

> We can never let ourselves become so wedded to improving our relations with the Soviet Union that we turn a blind eye to actions that undermine the very foundation of stable relations.

By committing ourselves to this principle, we may restore some of their hope that has been lost to the Soviet Jews in their tireless struggle for it to be successful. We must act with full knowledge of the current situation and with hope that we can make a difference in the course of these unfortunate events.

Mr. HOYER. I thank the distinguished gentleman from New Jersey [Mr. GALLO] for his statement today. I know the Kagan family is deeply moved by his support and his personal attention to their particular case. The Kagan case dramatizes the trauma faced by literally thousands of families in the Soviet Union who wish to immigrate freely to a land of their choice. I thank the gentleman for his leadership, from the freshman caucus, with CHET ATKINS in the coalition.

I yield to the gentleman from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. I thank the gentleman for yielding and I commend him with so many others, for his leadership on this issue and for his determined effort to bring this issue to the consciousness of not only the Congress but the country by taking out this special order this afternoon.

□ 1320

My wife and I were very fortunate to have joined the gentleman from Maryland and many others on the trip mentioned by the gentlewoman from California sponsored by ADL, and during that time we talked to an Israeli teacher one night. On this evening we talked late into the night, and it was really one of my most illuminating experiences on the entire 8-day trip that we had just a few weeks ago. His experiences brought the statistics we cite today to life. His poignant stories about Soviet Jews underscored the extraordinary importance of this issue.

But after he shared his most incredible experiences in assisting these persecuted people, he had one simple plea. That simple plea was for this country to send the message loud and clear to both the Soviet Jews and to their government that this country will not accept, will not even tolerate the devastating violation of human rights occurring right now as we speak in this Chamber.

That is why I am here. I am here to join in the chorus of voices rising to oppose this terrible injustice. I am here to add to those who say we will not stop until this persecution stops and until Soviet Jews are free to leave.

1984 marks the lowest point in Jewish emigration from the Soviet Union in the past two decades. Only 896 Soviet Jews were permitted to leave the country last year, as compared with more than 51,000 in 1979.

1984 also produced an accelerated campaign to isolate Jewish refusenik activists from their supporters in the West, and we are witnessing an increasing number of incidences of the interruption of mail and telephone communication with our Soviet friends, according to the teachers we visited with recently. We are learning of the growing harassment of Western travelers in the Soviet Union by authorities there as well.

Another tragic occurrence this year in the Soviet Union is the series of seven Jewish teachers of Hebrew and Jewish culture. They have been harassed, they have been brutally beaten, they have been arrested and imprisoned on spurious charges. These trumped up charges include possession of firearms and drugs, allegations of teaching ancient drug rituals, and anti-Soviet propaganda.

All of these actions against Jews and their supporters by the Soviet Government come at an extremely critical time as the United States and the Soviet Union strive to establish a mutually beneficial relationship, and these abuses contradict the understanding of the Helsinki accords and create an air of mistrust which hinders the resumption of a relationship of confidence and good faith between our neighbors and our nations.

We must, for everyone's sake, work together to provide all peoples of the world with an atmosphere free from religious persecution and full of opportunity and liberty.

So to our tireless friends in Israel, to our courageous brothers and sisters in the Soviet Union, the purpose of this special order in our message ought to be clear. We, the Members of Congress, hear you. We, the Members of Congress, join you. We, the Members of Congress, will not stop until we have won.

Mr. Speaker, I thank the gentleman for yielding.

Mr. HOYER. Mr. Speaker, I thank the gentleman from South Dakota [Mr. DASCHLE]. I do not believe that any of us could state better the purpose of this special order than he has just done, and I thank him for that.

Mr. Speaker, I yield to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman from Maryland [Mr. HOYER] for yielding to me, and I am very proud to be a part of his special order.

Mr. Speaker, many of us have had the opportunity in recent weeks to view a film which aired on Soviet television, the translated title of which is "The Mercenaries and Their Accomplices." This film is a propaganda piece which seeks to portray Soviet Jewish activists as troublemakers corrupted by Western capitalism who threaten the security of the Soviet state. The film incites distrust of Jews by other Soviet citizens by casting doubt on their character and loyalty.

What the film portrays to us, however, is the frightening depth of official Soviet anti-Semitism. The so-called documentary is stridently anti-Zionist. Tragically, the Soviet Union has escalated its paranoid religious persecution while maintaining its equally paranoid emigration restrictions against those who wish to escape this persecution.

While the film could have ominous consequences for Soviet Jewry in general, the individual Jews named and pictured will surely suffer increased harassment and alienation from Soviet authorities as well as fellow citizens. Not only must these men and women practice their religion in secrecy and suffer the pains of separation from family members, they must also live with the fear of recrimination and abuse for being traitors and mercenaries.

Despite the burdens and dangers that characterize the lives of Soviet Jews, the Jewish community in the Soviet Union has remained committed to their religion and their heritage. They will not be cowed into silence about or submission to the religious and cultural discrimination which is so obviously wrong.

Most of us will never face the kind of daily challenges that these men and women face. The risks of their activism are so very great, and yet, they do what they know is right and just. While some of these individuals have become heros to us, there are many other unsung heros whose names may not be as familiar but whose simple, daily actions keep the spirit of Soviet Jewry alive. David Goldfarb is one such individual. Since 1979, Mr. Goldfarb has sought to emigrate to Israel from the Soviet Union to join his son. He has been denied an exit visa on the familiar grounds that his departure would pose a threat to state security. Common though these grounds are, they are alarming in Mr. Goldfarb's case because he was involved in gene cloning research, but had no security clearance and no involvement with the military. What does this say about Soviet activity in the field of molecular genetics and the importance Soviet authorities place on that field as a matter of state security?

My letters to Mr. Goldfarb have gone unanswered. Yet I must believe that his spirit has not been silenced. We do well to pay tribute here today to all the David Goldfarbs of the Soviet Union who continue to seek justice in the face of persecution. Their courage is, indeed, inspiring to all of us, but perhaps more importantly, it is inspiring to the thousands of other Soviet citizens who are also oppressed by a regime which fears freedom.

I join my colleagues in urging the administration to make use of all appropriate opportunities to raise the issues of Jewish emigration and persecution with Soviet authorities. As we work to free the world of the threat of nuclear war, let us also work to free the world of the threat posed by intolerance and hatred. The message of the Jews in the Soviet Union is that inaction is, indeed, complicity. We must not be content to remain silent when

they have given us the courage to speak out.

Mr. Speaker, again I thank and commend the gentleman from Maryland [Mr. HOYER] for this special order.

Mr. HOYER. Mr. Speaker, I thank the gentleman from Florida [Mr. BILIRAKIS] for his comments and for his compelling statement.

At this time, Mr. Speaker, I yield to the gentleman from Texas [Mr. PICKLE], who, I understand, has a brief statement.

Mr. PICKLE. Mr. Chairman, the plight of Soviet Jews is at a critical stage with Jewish emigration from the Soviet Union at the lowest level in over 10 years. In addition, we are now witnessing violent attacks against Refuseniks and increased harassment of those seeking to establish and maintain contact with the Soviet Jewish population.

I am proud to stand with my colleagues today in support of the cause of Soviet Jewry. As a member of the Congressional Coalition on Soviet Jewry, I feel a broad effort is needed to enhance the awareness of the American people—and the world—of the systematic persecution of the small Jewish population of the Soviet Union. We must convey our concern at every opportunity we get, including United States-Soviet negotiations on issues of mutual concern. America cannot ignore the mistreatment of thousands of Soviet Jews, as well as others, who are persecuted for their beliefs and are virtually held hostage in their own country.

I commend the administration's emphasis on human rights matters in meetings with Soviet leaders and urge continued efforts to enlist support from other governments in raising the broad issues of emigration and the violations of rights of Soviet Jews at every opportunity.

Our Government should expand the use of the complaint procedures of international agencies as a means of focusing attention on persecuted individuals. The Soviet policy of enforced assimilation, cultural genocide, artificial restrictions on emigration, and threatening job security to intimidate Jews are among the violations of international agreements, and I hope that increased international debate will help bring about an end to such practices.

I have had the opportunity to visit the Soviet Union, and to meet with both Soviet officials and representatives of those seeking to emigrate. The Soviet Government appears as firm in its resolve as do those seeking to lift the oppressive yoke of Soviet religious persecution. Soviet treatment of its Jewish minority must be effectively woven into the fabric of a continuing United States-Soviet relationship. I call on the U.S.S.R. to cooperate and the recognition of these basic human rights. This is not, however, purely a Jewish issue, but an issue of fundamental human rights recognized in the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the Helsinki Final Act.

We are resolved to continue pushing this issue to the forefront of discussion and encourage our colleagues to do likewise.

Mr. HOYER. Mr. Speaker, I thank the gentleman from Texas [Mr. PICKLE] for his leadership. I know of his trip to Russia, and I know of the strong statement he made while in Russia on this matter.

□ 1330

Mr. Speaker, at this time I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I appreciate the gentleman yielding. I want to thank him and my colleague, the gentlewoman from California [Mrs. BOXER] for taking the time and giving us the opportunity to discuss a very crucial world issue.

I am particularly pleased to see our Government acting with real resolution as regards to human rights violations in the Soviet Union, particularly in reference to Refuseniks in the context of trade and in the context of our general discussions about lessening world tensions in Geneva.

I think it is a particularly important element of our foreign policy, one that is born out of hard reality and the background of experience that tells us that it does bear fruit; so particularly basing that upon our experience in Israel where we heard firsthand of the changes that can come about in Soviet behavior through trade as a linkage, I am particularly pleased to laud this administration at this time for that one initiative.

Mr. Speaker, I rise today with my colleagues to bring the plight of thousands of politically oppressed Soviet citizens to the attention of this House and the American people.

Mr. Speaker, on a recent trip to Israel, sponsored by the Anti-Defamation League, my colleagues here today and I heard first hand of the latest wave of harassment, arrests, and persecution of Soviet Jews.

We were told of repeated acts of anti-Semitism, attacks on Hebrew teachers and the like, all of which suggests that the Soviet Government has adopted a policy which is designed, at a minimum, to stamp out any voice of dissent by the younger generation of Jewish activists.

One of those who has suffered under this new policy, which includes convictions on trumped up charges, is Yakov Levin of Odessa. Mr. Levin, a Hebrew teacher, was sentenced last November to 3 years in a labor camp for allegedly "circulating fabrications known to be false which defame the Soviet state and social system." Included in evidentiary materials presented against him him were Leon Uris' "Exodus," and writings by Vladimir Jabotinsky, which predate the 1917 revolution and the creation of the Soviet state.

Clearly, Mr. Speaker, the arrest of Yakov Levin was the product of a contrived set of circumstances to justify removing an outspoken dissident from the domestic scene. But, along with the arrests and harassment of other Jewish activists, particularly Hebrew teachers, this can be viewed as part of an organized and concentrated attempt by the Government to destroy the very remnants, the very foundation of what remains of the Jewish educational system and culture in the Soviet Union.

This is a deplorable thought, Mr. Speaker. But one which we must not fail to consider and speak out against, regardless of how unthinkable it may be to each of us here today.

Mr. Speaker, I would just like to conclude by thanking my good friend and colleague, the gentleman from Maryland [Mr. HOYER] for organizing this effort. And I would like to once again recognize and thank the Anti-Defamation League for sponsoring our trip to Israel. It was an enjoyable and enlightening trip for us all and one that I hope many of our colleagues will take advantage of in the future.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his remarks. I think his remarks demonstrate the effectiveness of these ongoing continuing efforts, the linkage that can and may be present with respect to these issues and also the bipartisan and wide geographical support throughout the Nation for the concerns regarding the policies of the Soviet Union toward its Soviet citizens.

Mr. Speaker, at this time I yield to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman from Maryland. I first of all would like to commend him for holding this time to take out this special order on this crucial human rights issue.

I would also like to commend the National Conference on Soviet Jewry for their leadership in the country and in the world in bringing this issue to legislators throughout the world, particularly to Members here in the Congress of the United States and sensitizing us to the plight of Soviet Jews, showing us what can be done if we work in a bipartisan and a unified fashion to alleviate at least some of the suffering that they are undergoing.

Mr. Speaker, the father of the modern Soviet state, Nicolai Lenin, once observed that anyone who wants

to learn a language should have a teacher to teach him that language.

Yet in the Soviet Union today, an increasing number of Jews who seek to teach the Hebrew language and pass on the rich and resplendent culture of Judaism are the targets of a brutal crackdown.

Since July of this past year, four well-known Hebrew teachers—Aleksandr Kholmiansky, Yuli Edelshtein, Yakov Lenin, and Mark Nepomniaschy—have been arrested and convicted on trumped up charges. Similarly, six prominent Jewish cultural activists have been convicted on equally specious charges. Their names are Yakov Mesh, Yosif Berenstein, Leonard Shrayer, Yakov Rozenberg, Iosif Ziselis, and Dan Shapira. Just a few minutes ago, Mr. Speaker, I introduced a sense of the Congress resolution calling upon the Soviet Union to cease its concentrated and systematic persecution of Hebrew teachers and cultural activists.

Mr. Speaker, it seems clear to me that this unseemly trend could have ominous implications for improved relations between the United States and U.S.S.R.—pervasive human rights violations are stumbling blocks to closer relations between our two nations—and is especially disturbing when coupled with the downturn in Jewish emigration since 1979.

On that score, 1984 was the worst year since Jewish emigration began. Only 896 Jews were permitted to emigrate last year, down from over 51,000 in 1979.

Mr. Speaker, reports filtering back to the United States indicate that in addition to the wave of arrests and convictions, scores of Hebrew teachers have been warned to stop teaching Hebrew or face severe punishment. There are reports of beatings, raids, job loss, interrogations, confiscation of religious articles and literature and other forms of harassment.

A State Department report dated January 29, 1985, entitled "The Soviet Crackdown on Jewish Cultural Activists," states that—

In late July 1984, Soviet authorities began a major, sustained crackdown on Hebrew teachers and other Jewish cultural activists * * *. The Department of State has been monitoring these disturbing developments with concern since the crackdown began in July. There can be no doubt that the campaign has been consciously directed by Soviet authorities to discredit and destroy the revival of Jewish culture in the Soviet Union. The methods used—arrests, beatings, the planting of evidence and the use of the media to slander refusenik activists—have created a renewed atmosphere of crisis in the Soviet Jewish community and heightened international concern about what may next lie in store for Soviet Jewry.

The report also states that—

The crackdown on Hebrew teachers and Jewish cultural activists has been accompanied by a stepped-up anti-Semitic campaign in the Soviet media * * *. A program aired in Moscow in November equated Zionism with Nazism and accused World War II Jewish leaders of helping the Nazis round up Jews for the death camps.

Mr. Speaker, that's obscene.

The diversionary activities of the officially-sponsored "Anti-Zionist Committee of Soviet Society" have also been given extensive coverage recently in the Soviet press.

The State Department goes on to say that—

The U.S. government deplores this accelerating campaign in the strongest possible terms, calls on the Soviet authorities to end it immediately, and urges them to live up to the commitments to respect individual human rights that they have solemnly undertaken in a whole series of accords, from the Universal Declaration on Human Rights through the Helsinki Final Act and the Concluding Document agreed to in 1983 in Madrid. We will be watching with particular interest the results of the upcoming trials of Aleksandr Kholmiansky and Mark Nepomniashiy.

Mr. Speaker, the sacred obligation of governments to assure and protect human rights within their borders was freely entered into by the Soviets and is therefore, by reason of these accords and similar undertakings, a matter of international law. Principle VII of the Helsinki Final Act clearly states in part that:

The participating States will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion.

They will promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development.

Within this framework the participating States will recognize and respect the freedom of the individual to profess and practise, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience.

The participating States on whose territory national minorities exist will respect the right of persons belonging to such minorities to equality before the law, will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere.

This language of the Helsinki Final Act unambiguously commits the signers, including the Soviet Union, to "promote and encourage the effective exercise * * * (and) afford them the full opportunity for actual enjoyment of human rights." Clearly, Mr. Speaker, if the word and commitment of the Soviet Union is to have any meaning at all, it cannot continue to deprive Soviet Jews of their basic human rights.

I think, Mr. Speaker, that it should also be noted here that the current mistreatment of Soviet Jews is violative of their own internal standards of proper conduct. Article 52 of the Soviet Constitution, "Basic Rights, Freedoms and Duties of Citizens of the U.S.S.R., states:

Citizens of the U.S.S.R. are guaranteed freedom of conscience, that is, the right to profess or not to profess any religion and to conduct religious worship or atheistic propaganda. Incitement of hostility or hatred on religious grounds is prohibited.

Additionally, Mr. Speaker, article 46 states:

Citizens of the U.S.S.R. have the right to enjoy cultural benefits. This right is ensured by broad access to the cultural treasures of their own land.

Mr. Speaker, by its systematic repression of Jews, the Soviet authorities are revealing a remarkable sense of weakness and ideological frailty. Given the tremendous military prowess of the Soviet Union, its enormous economic capability, and the resilience of its sturdy peoples, it begs incredulity that a superpower could be so preoccupied with trouncing an ethnic minority's cultural heritage and language study.

One is prompted to inquire of the Soviet officials: Of what are you so afraid? Why does a small number of peaceful, law-abiding Jews intimidate you so?

Believe me, Mr. Speaker, the world looks on and wonders.

The people of the United States expect more from the Soviet Union—including a higher standard of conduct and an adherence to their solemn vows. And you would think, you would hope, indeed you would expect that they, the Government of the Soviet Union, would accept no less in themselves.

THE SOVIET CRACKDOWN ON JEWISH CULTURAL ACTIVISTS—DEPARTMENT OF STATE REPORT, JANUARY 29, 1985

In late July 1984, Soviet authorities began a major, sustained crackdown on Hebrew teachers and other Jewish cultural activists. By the end of January 1985, eleven activists, including four Hebrew teachers, had been arrested and four sentenced to terms in Soviet labor camps. The arrests were accompanied by a series of searches, beatings and threats which have sent shock waves through the Soviet Jewish community.

The crackdown began with the July 26 arrest of Moscow Hebrew teacher Aleksandr Kholmianskiy in Estonia on hooliganism charges. Police reportedly located a pistol and ammunition in a subsequent search of his parents' Moscow apartment. In early September, his fellow Moscow Hebrew teacher, Yuliy Edelshtein, was arrested after a police search of his apartment turned up narcotics. There is no reason to doubt the assertions of close relatives that in both cases the items were planted by the police. On December 19, Edelshtein was convicted and sentenced to 3 years in labor camp. Kholmianskiy, who is reportedly very weak after a prolonged hunger strike, is scheduled to come to trial on January 31 on the hooliganism and weapons possession charges.

In addition to Moscow, the crackdown has focused on Jewish communities in the Ukraine. Yakov Levin, a Jewish cultural activist from Odessa arrested in early August,

was sentenced on November 19 to three years in prison on charges of anti-Soviet slander. His alleged crime was circulating religious materials. His father-in-law to be, Mark Nepomnyashchiy, was arrested in October on anti-Soviet slander charges and is scheduled for trial on January 29. Their friend, Refusenik Yakov Mesh, was also arrested in October on trumped-up charges of resisting arrest. The authorities released him and dropped charges against him in December after he sustained life-threatening injuries from a beating administered at the time of his arrest. Iosif Berenshtein, a Kiev Hebrew teacher, was arrested in November and sentenced to three years in a labor camp on December 10, also for allegedly resisting the police. Soon after his conviction he was savagely beaten and stabbed. He suffered deep facial wounds, lost the sight of one eye and is in danger of losing sight in his second eye. Two other Ukrainian Jewish activists, Leonid Schreier and Yakov Rosenberg, both from Chernovtsiy, were charged in late October with anti-Soviet slander. Schreier was sentenced to 3 years in labor camp on January 3, while Rosenberg remains imprisoned awaiting trial.

Leningrad, home of one of the largest and most active Jewish communities in the Soviet Union, has so far been spared major arrests. With the exception of Yakov Gorodetskiy, a leading activist who served a minor two-month work release sentence in later summer, no one in the activist community has been arrested. The Leningrad community has not escaped major harassment, however. The phones of Gorodetskiy and several other activists have been disconnected and more than 20 non-activist refusenik families have been called in by the police and threatened with the loss of their jobs if they do not give up their plans to emigrate. There was also a local television program in November which identified several activists by name and accused them of engaging in "Zionist" subversion. Many local activists fear major arrests in the near future. One, Evgeniy Lein, has already been threatened with arrest on charges of "parasitism."

The crackdown on Hebrew teachers and Jewish cultural activists has been accompanied by a stepped-up anti-Semitic campaign in the Soviet media. In addition to the Leningrad program cited above, a program aired in Moscow in November equated Zionism with Nazism and accused World War II Jewish leaders of helping the Nazis round up Jews for the death camps. The diversionary activities of the officially-sponsored "Anti-Zionist Committee of Soviet Society" have also been given extensive coverage recently in the Soviet press.

Following a December free from major arrests, the crackdown regained momentum in January. The arrest of Latvian Jewish cultural activist Vladimir Frankel in Riga January 15 had the effect of spreading the crackdown beyond Moscow and the Ukraine. Frankel was charged with anti-Soviet slander. In Moscow, meanwhile, prominent activist Dan Shapiro was arrested on January 22 and also charged with anti-Soviet slander. Police conducted numerous searches in conjunction with the two arrests and Moscow authorities are reportedly planning to arrest two more activists, Dmitriy Khazankin and Igor Kharach, who are colleagues of Shapiro's.

The Department of State has been monitoring these disturbing developments with concern since the crackdown began in July. There can be no doubt that the campaign has been consciously directed by Soviet authorities to discredit and destroy the revival of Jewish culture in the Soviet Union. The methods used—arrests, beatings, the planting of evidence and the use of the media to slander refusenik activists—have created a renewed atmosphere of crisis in the Soviet Jewish community and heightened international concern about what may next lie in store for Soviet Jewry. The U.S. Government deplores this accelerating campaign in the strongest possible terms, calls on the Soviet authorities to end it immediately, and urges them to live up to the commitments to respect individual human rights that they have solemnly undertaken in a whole series of international accords, from the Universal Declaration on Human Rights through the Helsinki Final Act and the Concluding Document agreed to in 1983 at Madrid. We will be watching with particular interest the results of the upcoming trials of Aleksandr Kholmianskiy and Mark Nepomniashchiy.

Morris B. Abram, Chairman of The National Conference on Soviet Jewry (NCSJ), issued the following statement in response to a State Department report which was released today documenting the arrests and harassment of leading Hebrew teachers and cultural activists in the Soviet Union.

"The National Conference on Soviet Jewry (NCSJ) is pleased that, in response to our request to Secretary of State Shultz in a meeting earlier this week, the State Department has, indeed, demonstrated the U.S. government's continuing concern with the current wave of persecution against Hebrew teachers and cultural activists in the Soviet Union. The State Department document confirms our analysis of the situation, which was reported in our 1984 annual survey and presented to Secretary Shultz when we met. It is clear that Soviet officials have intensified their drive to eradicate Jewish identity and culture from Soviet society.

"The arrests and imprisonment of teachers is painful, not only to the individuals and their families, but also inflicts pain on the efforts of all Soviet Jews seeking to strengthen their ties to Jewish religion and culture. These teachers are the head of a corpus which the Soviet Union would like to assimilate, but has failed to do do except by persecution and force. Coupled with severe limitations placed upon Jews, we see the real situation—at a time when it has become virtually impossible for Jews to leave the Soviet Union, it has also become increasirgly difficult to live as Jews. Soviet authorities will not succeed, however, in pulverizing Jewish identity for those who wish it, nor will they succeed in stopping the desire of Jews to leave the Soviet Union to escape anti-Semitism and to live as Jews.

"The support of the Administration, as evidenced by this new report, continues to be welcome. It will demonstrate to the authorities in Moscow that the rights of Jews and others in the Soviet Union are part of the process of working toward improved relations between our two nations. The issue of the rights of Soviet Jews to be repatriated to Israel, to be reunited with their families, and to strengthen Jewish life is not just a Jewish issue. It is a matter of concern throughout the United States."

Mr. HOYER. Mr. Speaker, I thank the gentleman from New Jersey for his statement and for his ongoing leadership in the commission on the implementation and enforcement of the Helsinki accords and on the floor of this House on a continuing basis on behalf of Soviet Jewry.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. KASICH], who I understand has a brief statement.

Mr. KASICH. Mr. Speaker, I thank the gentleman from Maryland for yielding.

I have got to comment on the fact that we read in the papers today the media pointing out that Members on both sides of the aisle seem to work together in terms of our concern about Soviet activity in Afghanistan.

One of the things that we do not see much written about is the tremendous bipartisan support that is involved in our concern about the Soviet treatment of Jews and also our strong support in calling for the release of political prisoners in the Soviet Union and for all refuseniks within the Soviet Union.

□ 1340

And I raised the issue during the special order for Anatoly Shcharansky whether it matters for Congress to get together here in the Chamber, and to raise the issue again and again about human rights; does it make a difference?

I said at the time that two constituents of mine had visited the Soviet Union and met with a number of refuseniks. The refuseniks told them that in fact it does matter, and I came to the floor that day and said that it did.

I had the opportunity in December, as the gentleman from Maryland knows, to visit in Israel with Mrs. Shcharansky, Anatoly's wife, Avital Shcharansky. I was having lunch with her, and I asked her if there was anything I could do. She said there certainly is; you can keep raising your voice in Congress on behalf of my husband, and told me she was coming to America in an effort to raise the issue with American officials on the eve of the talks in Geneva.

I told Mrs. Shcharansky that I would do my best work in trying to put my colleagues together for a news conference here on Capitol Hill in an effort to show our support for her husband and for political prisoners within the Soviet Union.

She and I traveled together from Israel here to the Capitol. I must say that Speaker O'NEILL's office was very helpful to me in terms of trying to generate bipartisan support and great activity on behalf of all the Members of Congress on Mrs. Shcharansky's behalf and on behalf of her husband.

We had a press conference on the steps of the Capitol; we had tremendous bipartisan support with Mr. LANTOS and Mr. PORTER, and also involving the gentleman from Maryland.

We also circulated letters within the Congress, written both to Mr. Cher-

nenko and Secretary Shultz. The Shultz letter expressing our concern that the issue of human rights be raised during the talks in Geneva and a letter to Mr. Chernenko inquiring about the health of Mr. Shcharansky, who at the time was reported ill; but no one had had contact with him, and we asked them not only to report on the health of Mr. Shcharansky but also to release him, something that we all believe ought to be done.

Mrs. Shcharansky left Washington, went to Geneva, was involved over there is several activities on behalf of her husband and other political prisoners; refuseniks in the Soviet Union, and I guess to make a long story short, as Mr. GILMAN reported earlier, Mr. Anatoly Shcharansky's mother had the opportunity to visit Anatoly.

Although his health is not as good as we would like it to be, and that comes from a direct result of his imprisonment, it is clear, though, that he is in high spirits and he is nothing but buoyed by the activity in the United States, particularly from the U.S. Congress on his behalf.

I received a letter from Avital Shcharansky, Anatoly's wife, and I would like to read it today.

The letter follows:

JERUSALEM,
January 17, 1985.

Congressman JOHN R. KASICH,
House of Representatives, U.S. Congress, Washington, DC.

DEAR CONGRESSMAN KASICH: I take this opportunity to thank you on behalf of my husband Anatoly and other Prisoners of Conscience in the Soviet Union for the initiative and enthusiasm you have devoted to their cause. The voice of the Congress of the United States of America, expressed in the letters sent to Secretary Shultz and President Chernenko, and in the press conference held on the Capitol steps, played a major role in the positive developments that have followed the Geneva discussions. Your part in organizing the members of Congress in these efforts was decisive.

The voice of the Congress must continue to be heard. The positive Soviet response to your efforts indicates that the Soviet authorities recognize the importance of congressional opinion on issues affecting bilateral relations and are willing to adjust their positions in response to congressional actions. I am confident that, in the light of this, the United States Congress will redouble its efforts to attain the release of all Prisoners of Zion and, of course, my husband Anatoly amongst them, and that you, personally, will continue to devote your thoughts and energy to a cause in which they have proven so effective.

Sincerely yours,

AVITAL SHCHARANSKY.

This message to the Members of Congress who see fit to participate in the special orders, in the press conferences, in the efforts to raise the issue within this country and directly to Soviet authorities has an effect. These special orders are well worth it. All of our efforts are well worth it, and it comes from someone who is about as great an expert on Soviet internal policies as it affects the prisoners of Zion, Anatoly Shcharansky perhaps the most celebrated Soviet dissident's wife.

I think that is good enough for all of us, and I think our voices ought to be loud and clear, and I want to commend the gentleman from Maryland [Mr. HOYER] and assure him that I, myself, have raised this issue with the President himself about whether the United States would continue to link human rights with arms control.

Of course, someone who has assured Mrs. Shcharansky, President Reagan has said clearly that while we do not want this to be on the front page of the newspapers, we think that effective, behind-the-scenes negotiations on behalf of political prisoners and on behalf of the human rights cause can be very effective, and that his administration will not ignore any opportunity in any meeting, anyplace, anywhere, in an effort to raise the issue of human rights and to gain the freedom of political prisoners within the Soviet Union.

Again I want to thank the gentleman from Maryland [Mr. HOYER] for this special order, and I appreciate the opportunity to contribute.

Mr. HOYER. I thank the gentleman from Ohio and again congratulate him on his efforts on behalf of Soviet Jews when Avital Shcharansky visited our country just recently. I had the opportunity and privilege of working with the gentleman from Ohio. I think it was extremely appropriate that he read the letter of Avital Shcharansky to show the effectiveness of these ongoing efforts. It is critical that the Congress, the members of the administration and the citizens of this Nation continue in their commitment to raise this issue and continue to exert pressure on the Soviets to change their policies with regard to human rights.

I thank the gentleman from Ohio [Mr. KASICH] for his comments.

At this time, I yield to the chairman of the delegation sponsored by the Anti-Defamation League of which I spoke earlier, the gentleman from California, Congressman COELHO.

Mr. COELHO. I thank the gentleman from Maryland for yielding to me. I want to compliment you for having this special order on an issue that I think much of the American public does not understand what is going on here: A very basic tragedy in the way that the Russians are treating a group of people; denying them their basic freedoms, but not only that, accusing them of things that never occurred and going further; imprisoning them, and as a result, many of these people ending up physically damaged as the result of the treatment that the Soviet authorities have given them.

Mr. Speaker, I am here today to speak on behalf of human rights. More specifically, I wish to talk about the plight of thousands of Soviet Jews who may not freely practice their faith in their homeland, nor emigrate to Israel. The Soviet Government has paralyzed Jewish emigration and is now trying to eradicate Judaism in the Soviet Union. Jewish refuseniks are continually harassed by the authorities. Many lose their jobs. Anti-Semitism is rampant, with the Soviet press accusing Jews of anti-Soviet behavior and linking Judaism with drug use.

One victim of this outrageous policy is Yuli Edelshtein, a longtime refusenik and a prominent Hebrew teacher from Moscow. On December 19 he was convicted on a drug possession charge to 3 years in a Soviet labor prison. He was originally arrested on September 4, when the KGB searched his home. No formal charges of drug possession were made at that time, although many religious articles, including Bibles and Hebrew books, were confiscated. Officials later alleged that opium was found in the search, and Edelshtein was convicted on that basis. Apparently it is common practice to use either drug possession or "anti-Soviet behavior" charges to harrass leaders of the Jewish community. "Parasitism" is another common charge, applied to those who do not work, regardless of why or how they lost their jobs.

Prior to his arrest Yuli Edelshtein was refused permission to emigrate to Israel on the grounds that his father had access to "secret materials." This, however, was a transparent attempt to justify the Soviet policy preventing Jewish emigration. Edelshtein had not spoken to his father for more than 20 years. Obviously his real crime was not the possession of drugs, but the rejection of the Soviet way of life and the desire to emigrate to Israel, where he could practice his faith freely. The fact that he was a teacher of Jewish culture and language made Edelshtein a leader in the Jewish community, and a target for harassment by government officials.

Mr. Speaker, we cannot stand idly by and watch as Soviet authorities attempt to destroy Jewish culture and religion. We must communicate our support to those who refuse to renounce their religious and cultural heritage. Perhaps we can help to stop the destruction of lives and families. We must at least try. I, myself, have already written, in protest of the treatment of Yuli Edelshtein, to the Soviet authorities. As official harrassment of Soviet Jews continues, and becomes more pronounced, so must our opposition, both public and private, continue and grow. Hopefully our efforts and the courage of the Soviet Jews will someday put an end to the moratorium on Jewish emigration and the official policy of anti-Semitism now present in the Soviet Union.

□ 1350

Again I want to compliment the gentleman from Maryland for not only the special order today, but his outspoken support for the cause of the refuseniks. This is something that many of us will look back and say that not only was it the right thing to do, but it was the just thing to do. Hopefully, many others will join the gentleman in his effort.

Mr. HOYER. I thank the gentleman from California [Mr. COELHO]. I observe that on our recent trip to Israel there was no person in our delegation or in my opinion in Congress who has traveled about the country bringing this matter to the attention of the public at large any more than has the gentleman from California [Mr. COELHO]. I congratulate him for his efforts.

Mr. Speaker, I yield to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I thank the distinguished Congressman from Maryland [Mr. HOYER], for yielding and commend him for coordinating today's special order in support of the spirit and defiance of Soviet Jews seeking emigration and justice at home even in the face of persecution. I would also like to extend my appreciation to all of our colleagues who have proposed time to address this important issue. I want to particularly thank all those associated with the Anti-Defamation League who helped me realize the feelings of a struggling, new nation.

Article I of the Constitution of our great Nation states that—

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

Fortunately, and we hope and pray eternally, as citizens of the free society of the United States, we all benefit from these few lines.

Today, as we stand here, we cannot possibly deny that we are thankful for those rights, and we certainly do not take them for granted. For today, we choose to sound the alarm to the Soviet Union that we stand in defiance of the persecution, repression, and disregard for human rights and liberties which run rampant in that nation's society. Likewise, today, we choose to ally ourselves with those members of Soviet society who continue to face up to those systematic attacks, even armed with the knowledge that the end result shall only mean personal tragedy.

My fellow colleagues, it is true that there is agonizingly little that we may hope to do today about the serious developments affecting Soviet Jewry. Perhaps, we convene today only in the hope that we will be recognized as people who will not ignore the treatment of Soviet Jews, who will not stand by quietly while others fight for fundamental liberties, who do not sanction the steadily worsening situation of anti-Semitism to which we are now witnesses. We all know about the desperate emigration situation with which many Soviet Jews are faced—although approximately 10 percent, or 260,000, of the Soviet Union's Jewish population left the country between 1968 and 1981, only 896 managed to get out last year. Likewise, we are aware of the countless others who have indicated their desire to leave the Soviet Union by initiating the process of applying for a visa.

In addition to the problem of emigration, an even greater threat, anti-Semitism, has developed. We already know that Soviet policy affects Jewish religious practices—teaching religion to persons under 18 is illegal, there are no seminaries in the U.S.S.R. to train rabbis, and Jewish religious texts and ritual objects are not produced in the Soviet Union. We also know that teaching Hebrew is not recognized by Soviet authorities as a legitimate profession, and that the language may not be taught or studied by Jews, although it is available to certain non-Jewish citizens. Should these facts not be sufficient enough to impress upon us the great oppression which many Soviet Jews must face, the recent wave of anti-Jewish attacks on Hebrew teachers should serve as adequate proof.

As early as July 26, 1984, the Soviet crackdown on Jewish cultural activities began with the arrest of Moscow Hebrew teacher Aleksandr Kholmiansky on the charges of hooliganism. Following a search of the home Kholmiansky shared with his parents, authorities elevated his charge to "weapons possession," claiming to have found a gun and ammunition on the premises. A close friend of Kholmiansky's, also a Moscow Hebrew teacher, Yuliy Edelshtein, was arrested after a police search of his apartment turned up narcotics. On January 29, 1985, a State Department report revealed that "there is no reason to doubt the assertions of close relatives that in both cases the items were planted by the police."

Frankly, it would be easy for me to stand here for hours reiterating a number of similar stories which reveal that, in fact, the Soviet Union is making a concentrated effort to destroy the remnants of Jewish education and culture. This is the fundamental threat which such judicial action represents. In this case, it is not only the personal welfare of the individuals which is at stake, but the larger, more devastating threat lies in the apparent intentions of Soviet authorities to indict not only the individuals on trial, but Jewish tradition itself. We are witnessing, therefore, the gradual deterioration and near extinction of an institutional form of cultural and religious life.

This is the situation to which each and every one of us must be attuned. In so doing, we may choose either to turn our heads in abeyance, or we may voice our disappointment and near contempt for the inhumane and unjust activities to which we are all observers. Today, I have chosen to follow the second route. I join my colleagues here on the floor of this great institution not only to rebuke the Soviet Union for its denial of fundamental human rights, but also to pay special tribute to those individuals who have chosen to fight for those rights. Rejecting the persistent assaults on their dignity, refusing to renounce their Jewish identification, and observing the religion, language, history, and culture for which their predecessors have continuously fought, those individuals deserve our full support and our highest praise. As their counterparts in other countries of the world struggle to maintain their historic identities, so too do the Jewish citizens of the Soviet Union fight for the right to preserve what little they have left.

I have recently witnessed the true strength of the Jewish heritage, religious and cultural life, as a guest of the Anti-Defamation League on a firsthand basis. During my first and recent trip to Israel, I observed the lifestyle of a people who have for far too long been the victims of harsh human rights abuses. A people who have continued to rally against the pulverization of their institutional life and the near obliteration of their very consciousness, a people who refuse to stop fighting until their existence is assured. We visited with the highest government leaders, the educational leaders, and rubbed shoulders with the regular people on the streets of Jerusalem. The Israel which I saw is an Israel of democracy. This great democratic nation is one of which we may be proud, a brotherhood in which we should be proud to render our assistance.

It does not surprise me that many Soviet Jews hope to someday emigrate to Israel, where they can freely practice their traditional lifestyles. However, even if we surmise that what Soviet Jewish communities want is to reestablish and renovate their oppressed culture, then why should they not be allowed that right? Why should they not be allowed to exercise the right to stay and live the way they want, to exist as a cultural entity. If this is in fact favorable to many Soviet Jews, then it is up to us to implore the Soviet Union for denying this right, and for continuing an unconscionable

persecution of each and every Jewish citizen of that nation.

Today, I hail the efforts of the Soviet Jews in their fight to maintain their identities. I stand behind each and everyone of them as they struggle to preserve what little they have. I stand behind you, Aleksandr Kholmiansky, as you serve your 18 months in a labor camp. I stand behind you, Yuli Edelshtein, as you are sent to labor camp for 3 years. And I stand behind all of you who shall continue to be made victims of systematic threats, searches, and false arrests. Let us make it clear that we will not rest until the Soviet Jews can truly feel free to live and worship in peace.

Mr. OBERSTAR. Mr. Speaker, the religious and cultural oppression of Soviet Jews, including officially sanctioned anti-Semitism and the denial of virtually all emigration visas, is a cruel violation of any standard of human rights, and is, and should be, a major impediment to improved relations between the United States and the Soviet Union. The increase of anti-Zionist propaganda and the growing violence against Jews in the Soviet Union should be a matter of grave concern to all of us in this House, and to all Americans who treasure the religious liberty we enjoy in this country.

I feel very deeply that it is vitally important for us Members of Congress to speak out en bloc on this issue, so that this House can underscore for the Soviet Government the importance we attach to the treatment of the Soviet Union's Jewish citizens. Concern for the physical, psychological, and cultural well-being of Soviet Jews transcends religious and ethnic differences. I think it is tremendously important for the Soviet Government to realize how deep that concern is and that it is not only Jewish Americans who are disturbed by the increase of anti-Semitism in the Soviet Union and the virtual cessation of emigration.

The barriers within the Soviet Union that prevent Jews from practicing their religion and celebrating their heritage are an outrage and an affront to humanity. It is degrading to the point of being inhumane for the Soviet Union to make the teaching of Hebrew a crime; it is difficult to imagine a more cruel assault upon religious liberty.

The Soviet Government's repression of its Jewish citizens is a cynical violation of the Helsinki accords, to which the Soviet Union is a signatory. I very much hope that the Soviet Government will consider very carefully our statements in this special order. The expression of support for Soviet Jewry unites Democrats and Republicans, conservatives and liberals. Commitment to human rights is a fundamental belief which does not know partisan differences.

I join with my colleagues in urging President Reagan to convey to the Soviet Government the conviction of the Members of this body that the official harassment of Soviet Jews and deprivation of basic human rights must end. I have joined in this special order because I want the Soviet Government to know how we respect and value the tremendous courage which Soviet Jews are continuing to show every day in their insistence upon their fundamental right to practice their religion and to honor their religious and cultural heritage.

I thank my colleagues for sponsoring this bipartisan special order and I join with them in solidarity with Soviet Jewry.

□ 1400

SOVIET JEWRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. FISH] is recognized for 60 minutes.

Mr. FISH. Before proceeding, I just want to express my congratulations to my colleague, the gentleman from Maryland [Mr. HOYER], for initiating this very important special order, and I am happy to take this time to follow his hour so that all of our colleagues in the House of Representatives who wish to participate will have an opportunity to do so.

Mr. Speaker, at this time I yield to my friend and colleague, the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. I thank the gentleman for yielding.

Mr. Speaker, I would like to share with my colleagues a personal experience that I had, which I think sheds a great deal of light on the subject that we are talking about today, this very important subject.

I was finishing my first year in Congress about the time when the President announced the now famous zero-zero option. And I sent a letter to Ambassador Dobrynin asking him and his country to join us in this partnership for peace and to stop the deployment of nuclear missiles. Surprisingly, one of the representatives from the Ambassador's office came to my office on Thanksgiving eve—we had but a skeleton force there—and said that the First Secretary wanted to see me. We made an appointment, and I subsequently had a meeting for about 1½ hours with Mr. Chetverikov. At least he was then. He may be today. But it is interesting to note, Mr. Speaker, that during that dialog from time to time I would ask him why the Soviet Union would not permit more of the Soviet Jews to emigrate. He became incensed, enraged. His face reddened visibly. And he said, "What business is it of yours?"

And when we got on to other subjects, he calmed down, but every time I brought the subject back to the plight of the Soviet Jews, he was enraged.

And I thought to myself. What manner of people are we dealing with?

When you think about the fact that the Soviet Union and this country, the United States, are in competition throughout the world, the bank of world opinion, so to speak, it is hard to understand, at least for this Member, why the Soviet Union would maintain this attitude of repression.

Is that not the wrong signal to send out to the world, the world that you are seeking to expand your influence in?

To this day I think that it hurts whatever ambitious goals that the Soviet Union has throughout the world. Certainly any country that is seeking more than normal aid and assistance would have to wonder about allowing the Soviets to have too great an influence in their country, knowing what happens behind their own Iron Curtain.

Well, I think those of us who have attempted to study the minds of the Soviets and to try to understand them have difficulty from time to time. They are very difficult to understand. But I think one thing comes out of all of this, one thing is very clear, and that is that when they make up their minds not to allow people to have even the basic religious freedom, then I think we know what we can expect when we attempt to bargain with them in any area, in any area whatsoever.

I hope, Mr. Speaker, the gentleman from New York [Mr. FISH], the gentleman from Maryland [Mr. HOYER], and others, that by this exercise today—this is I think the 15th year the Congress has taken to the floor in special orders to try to send this message out, and the message I tried to convey to Mr. Chetverikov that day in my office, if you were to open the doors and allow the Soviet Jews to leave and to go to the country of their choice, you would be helping yourselves and your causes and your own propaganda, as well as enlisting the support of the world community.

Mr. Speaker, at this crucial time in relations between the United States and the Soviet Union, I join my colleagues in paying special tribute to Soviet Jews seeking justice in their country and the right to emigrate abroad. I believe it is particularly fitting for us to pay this tribute in recognition of their indomitable spirit and unwavering defiance in the face of tremendous persecution. So many of these individuals show their spirit every day in ways we must admire and respect.

As you know, the Soviets have intensified their anti-Semitic and anti-Zionist propaganda campaigns in their at-

tempt to break the spirit of Soviet Jews. They have continuously violated the right to free emigration as guaranteed under the Helsinki accords, the Universal Declaration on Human Rights and other international agreements to which they are signators.

The number of Soviet Jews allowed to emigrate has continuously decreased since its peak in 1979. The combined total of Jewish emigration from the Soviet Union over the last 4 years was less than the year 1979 alone. In 1979, 51,320 Soviet Jews were allowed to emigrate, while the total of Jewish emigrates from 1980 to 1984 was merely 35,817. In 1984 alone, only 896 Soviet Jews were permitted to leave. This is the lowest amount for 1 year since the sixties. Despite these figures, supplied by the Union of Councils for Soviet Jews, the spirit of Soviet Jews remains optimistic.

Aleksandr Paritsky, a former Prisoner of Conscience whom I have adopted, and his family truly represent that spirit. Mr. Paritsky was released from a labor camp in August 1984 after serving 3 years for allegedly circulating material that defamed the Soviet state. Mr. Paritsky is still opimistic that he will be allowed to emigrate and rejoin his brother in Israel.

I would like to include a detailed account of the Paritsky family's ordeal in the RECORD so that others can see the suffering brought upon one family.

Mr. Paritsky, an electrical engineer, his wife, Polina, a structural engineer, and his two children, Dorina age eighteen and Anna age thirteen, have continually been harassed by the KGB since they first applied to emigrate in 1976. Information on the current status of the Paritsky family was given by the Greater New York Conference on Soviet Jewry.

The harassments by the KGB were in many different forms. Their apartment was searched and they were the subject of slanderous articles in the Soviet press and threatened with arrest. Their daughters have been teased and ridiculed at school by both teachers and schoolmates. Yet despite this persecution, the Paritsky's have continued to participate in many Jewish activities. They organized seminars on Jewish culture, history and Hebrew language. They also worked to establish a monument at Babi Yar in memory of the nearly 34,000 Jews killed there by Nazis in September, 1941. In addition, Aleksandr taught history at the unofficial "Jewish University of Kharkov." The Jewish University held science and Jewish studies seminars for refuseniks who were expelled from their universities after applying to emigrate.

On January 28, 1981, Aleksandr's title of "Candidate of Technical Sciences" (PhD equivalent) was revoked because of alleged "anti-patriotic activity." That April, the Paritskys were again refused permission to emigrate. In June, Aleksandr was informed that he was considered a "security risk" and would not be permitted to emigrate.

Aleksandr Paritsky was arrested on August 28, 1981. He was sentenced to serve three years in a labor camp because he allegedly circulated "fabrications known to be false which defame the Soviet state and social system." Before the arrest, the Paritsky apartment was searched and a Hebrew-Russian dictionary, a Bible, a Haggadah, and English magazine, some assorted Hebrew books, a "work record" booklet, and Aleksandr's diploma were confiscated.

In October 1981, Polina went to Moscow with appeals regarding her husband. On her way there, she was taken off the train and searched, and the letters she was carrying were confiscated. Later, Polina was threatened with arrest on the same charges as her husband.

During the summer of 1982, Polina attempted to move closer to the Vydrino labor camp in order to be near Aleksandr, but Soviet authorities warned her that she would lose her "propiska," residency permit, for her home in Kharkov if she remained in Vydrino. The camp, not far from the Mongolian border, is over 3,000 miles from Kharkov. She was further informed that the Paritsky family would not receive an exit visa until at least 1990.

In the labor camp, Aleksandr was ordered to work 12 hours a day, even though he suffered from high blood pressure, and fainted twice while working. In June of 1982, authorities demanded that Aleksandr publicly recant his "crimes", but refused. In September, he suffered a series of heart spasms while working in the labor camp. Prison authorities maintained that Aleksandr simply refused to work and repeatedly confined him to a punitive isolation cell within the labor camp. He was kept in this cell for six months. Conditions in the cell included not only solitary confinement, but also being fed once every two days and denial of warm clothing.

Let me summarize by saying that the Paritsky family has been continuously harassed by the KGB since they applied to emigrate to Israel in 1976. Despite this persecution, the Paritskys have continued to participate in Jewish activities. They, for example, organized seminars on Jewish culture, history, and Hebrew language.

In August 1981, Aleksandr was arrested for allegedly circulating false defamatory material against the state. He was sentenced to 3 years in a labor camp. Even though he suffered from heart ailments and high blood pressure he was ordered to work long hard days. Furthermore, contact with his family was virtually cut off.

By October 1983, Paritsky's health had deteriorated so seriously that he was hospitalized within the labor camp, suffering from an irregular heartbeat and an enlargement of the heart.

In August 1984, Aleksandr was released from the labor camp. He has returned to his home in Kharkov, and his health has begun to improve.

In December 1984, the Paritsky family once again requested an exit visa to Israel. As a result, his daughter Dorina was fired from her job. Both Aleksandr and Polina are currently employed as oven stokers. This is a rather menial job for engineers. The Soviets, however, are notorious for assigning menial jobs to refusniks. The Paritskys work 24-hour shifts and get a 72-hour break.

The Paritskys continue to wait for the day when they will be allowed to emigrate to Israel. Only then will Aleksandr's freedom be complete and his family's dreams fulfilled.

The Paritsky story is just one of too many such ordeals occurring across the Soviet Union. Another example is that of the plight of Aleksandr Klomyansky as related by the columnist Anthony Lewis. I would like to submit for the RECORD a copy of that article by Anthony Lewis titled "Crime and Punishment," published in the New York Times on February 14, 1985.

(By Anthony Lewis)

CRIME AND PUNISHMENT

BOSTON.—He is a computer programmer, 32 years old, described by a friend as "a quiet, contemplative, unobtrusive man." An unlikely person, one might think, to be treated as a threat to the state. But Aleksandr Kholmyansky is a Soviet Jew who cared about his Jewish heritage. His story is instructive.

He lived in Moscow. Last summer he took a trip to the Baltic, to the Soviet republic of Estonia.

On July 25 he was arrested and charged with stepping on flowers in a public park. He was tried and convicted of that offense and sentenced to 10 days in jail.

But he was not released after 10 days. He was held for investigation on the general charge of "hooliganism," including tampering with a mailbox.

In August, police searched the Moscow apartments of five friends of Mr. Kholmyansky's—all, like him, students of Hebrew. The police seized Hebrew books and teaching materials.

On Aug. 29, three officials and a number of policemen searched Mr. Kolmyansky's Moscow apartment, which he shared with his parents. His mother said in a letter that the officials "found" under a cupboard "some items that were not there before the search, including a revolver and bullets." As soon as they made their "discovery," they "stopped the search and left in a hurry."

On Feb. 1, in the Estonian town of Voru, Mr. Kholmyansky was convicted of illegally possessing ammunition and sentenced to 18 months in a labor camp. He was also fined 100 rubles for tampering with a mailbox.

That chronology would be funny if it were not so grim. The feeblest school of secret-police tactics should be able to come up with more convincing imitations of legality than planted guns and charges such as stepping on flowers.

But the real charge, the real point of the crude tactics used against Aleksandr Kholmyansky, is not in doubt. It is part of a new and frightening campaign to suppress Jewish consciousness and culture among the two million or more Soviet Jews.

Mr. Kholmyansky was one of a handful of young Jews who tried to keep alive the teaching of Hebrew. Like the others, he had applied for an exit visa to go to Israel—and since that application, in 1978, suffered much harassment. A visitor to Moscow who met him in 1982 summed up the case as follows:

"He is being made an example of because he had the curiosity to learn Hebrew, the courage to teach it and the audacity to request emigration to Israel."

Many other Hebrew teachers have been arrested in the last year. Yakov Levin of

Odessa got three years for defaming the Soviet state. Yakov Mesh of Odessa was arrested for refusing to testify in the Levin trial, so severely beaten that he suffered liver damage, then released in ill health. Yosef Berenshtein of Kiev was sentenced to four years for resisting arrest and has lost an eye affer a beating in prison.

Zakhar Zunshain of Riga was sentenced to three years for defaming the state, Aleksandr Cherniak of Kiev to four years for embezzlement, Mark Nepomniashchy to three years for defaming the state, Yuli Edelshtein to three years on a charge of possessing opium.

The indications are of a new turn in Soviet policy. In recent years the authorities have cut Jewish emigration to a trickle. Last year only 896 visas were given, down from a high of 51,000 in 1979. The plight of those who have applied and been turned down—the refuseniks who live in a limbo, without proper jobs, in danger of police oppression—has intensified.

The brutal campaign against Hebrew teachers has even more sinister overtones. It suggests that the authorities want to stifle all Jewish tradition. At the same time there has been a rise in anti-Semitic commentary, including a Tass article last month claiming that "Zionists" helped the Nazis come to power.

One last word on Aleksandr Kholmyansky: He reportedly began a hunger strike last Sept. 13. There is no word of his ending it; the authorities may be force-feeding him.

What can we in the West do about all this? Our power to influence the Soviet state toward humanity is limited, as we have sadly learned. But we can make clear that we know, that we care, that we will not forget.

Soviet officials must understand the price of such behavior. Whatever arrangements the Soviet administration or any U.S. government may try to make with the Soviet Union—arms control agreements, trade—depend in the end on support in Congress and among the American people. Persecution of the kind now going on is a sure way to destroy the possibility of that support.

I believe, Mr. Lewis has again expressed that indomitable spirit of Soviet Jews in describing the plight of Alekandr Klomyansky.

Let us hope that our speaking here today will once again send the message to the Soviet Union that we will not forget the plight of Soviet Jews and our relations can only be negatively affected by their actions in this area. Let us also hope that all persecuted Soviet Jews will know of our support for them and will gain strength from it.

I again thank my colleagues for arranging this most important special order.

Mr. FISH. Mr. Speaker, I now yield to my colleague, the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Speaker, the religious and cultural oppression of Soviet Jews, including officially sanctioned anti-Semitism, and the denial of virtually all immigration visas is a cruel violation of any standard of human rights and is and should be a major impediment to improved relations between the United States and the Soviet Union.

The increase of anti-Zionist propaganda and the growing violence against Jews in the Soviet Union should be a matter of grave concern to all of us in this House and to all Americans who treasure the religious liberty we enjoy in this country.

I feel very deeply that it is vitally important for us, as Members of Congress, to speak out en bloc on this issue, as we are doing this afternoon, so that this House can underscore for the Soviet Government the importance we attach to the treatment of the Soviet Union's Jewish citizens.

Concern for the physical, psychological, and cultural well-being of Soviet Jews goes beyond religious and ethnic differences. I think it is tremendously important for the Soviet Union to realize how deep that concern is in this country and that it is not only Jewish Americans who are disturbed by the increase of anti-Semitism in the Soviet Union and the virtual cessation of emigration.

The barriers within the Soviet Union that prevent Jews from practicing their religion and celebrating their heritage are an outrage and an affront to humanity. It is degrading to the point of being inhumane for the Soviet Union to make the teaching of Hebrew a crime. It is difficult to imagine a more cruel assault upon religious liberty.

The Soviet Government's repression of its Jewish citizens is a cynical violation also of the Helsinki accords to which the Soviet Union is a signatory. I very much hope that the Soviet Government will consider very seriously our statements in this special order, because they represent very strong expressions of support for Soviet Jewry which unites Democrats and Republicans, conservatives and liberals, and people from all walks of life and all religious expressions in this country. Commitment to human rights is a fundamental belief and does not know partisan differences.

I join with my colleagues in urging President Reagan to convey to the Soviet Union the conviction of the Members of this body that the official harassment of Soviet Jews and deprivation of their basic human rights must end. I have joined in this special order because I want the Soviet Government to know how we respect and value the tremendous courage which Soviet Jews are continuing to show in their everyday existence, in their struggle to enforce and uphold the fundamental right to practice their religion and to honor their religious and cultural heritage.

□ 1410

Mr. Speaker, I thank my colleagues, the gentleman from Maryland [Mr. HOYER] and the gentleman from New York [Mr. FISH], for sponsoring this bipartisan special order, and I join them in solidarity for Soviet Jewry.

Mr. FISH. Mr. Speaker, I rise today to speak out once again about the plight of the Jews in the Soviet Union, proud of the strong expressions by my colleagues who have preceded me today. Recently we have all been aware of the stepped-up Soviet propaganda campaign against those who wish only to practice their religion, or be allowed to leave the Soviet Union for freedom elsewhere.

We have seen the numbers of those allowed to emigate decline to a mere trickle, and we wonder what more we can do to help alleviate their situation. They exist in a state of limbo where persecution is an everyday occurrence, and hope of deliverance is denied at every turn. No longer is the penalty for application to emigate only the loss of one's job. The most notable and serious development affecting Soviet Jewry in 1984 was a concentrated and systematic attack on Hebrew teachers. Harassment against Hebrew teachers and cultural activists culminated in a wave of searches, threats and arrests, and an elevation of physical abuse. Mr. Speaker, physical violence is escalating along with propaganda.

Part of our response to these injustices has been to speak out at every occasion to call the world's attention to the actions of the Soviet Union. We hold them accountable for their violations of the Helsinki accords on human rights and we ask them to adhere to their stated promises and intentions.

What more can we do? My colleagues in the Congress and I have asked the President and members of his administration to bring up the problem of Soviet Jewry at every high-level meeting with the Soviet Union. They have committed themselves unequivocally to doing just that. A recent example is the January meeting between Secretary of State Shultz and Foreign Minister Gromyko, when Secretary Shultz brought up our concern over Soviet Jewry. I received a similar assurance from Assistant Secretary of State for Human Rights, Elliot Abrams, at a recent meeting of the Union of Councils for Soviet Jewry.

We all hope that one day our efforts will be fruitful, and the gates will open up allowing those who wish to leave to do so. I have been concerned with making sure that any who wish to leave will have a place to go. As ranking Republican on the House Judiciary Committee, I am one of the four Members of the House of Representatives consulted by the administration on levels of refugee admission. I have asked and have received assurances from State Department officials that should the Soviet Union allow large

numbers of Jews to leave, we will raise our refugee admissions accordingly.

Mr. Speaker, the Refugee Act of 1980 provides for a consultation process to respond to refugee emergency flow requests. I am assured, should the opportunity arise, there will be no delay in seeking consultation with the Congress on increased numbers.

Mr. Speaker, it is important that all know that our Government is unified behind one policy. They firmly and consistently pursue our humanitarian aim and stand ready to act quickly and with compassion in response to any relaxation in the current repressive Soviet policy.

Mr. Speaker, to wrap up this important special order, I am happy now to yield to the gentleman from Maryland [Mr. HOYER], who was the initiator of today's special orders.

Mr. HOYER. Mr. Speaker, I thank the gentleman from New York for yielding, and I want to say that I am honored to reserve this time with him so that a few of the Members of the Congress of the United States could bring to the attention of the Nation and to their colleagues the important effort that has been going on, as the gentleman from New York [Mr. MOLINARI] said, during 15 sessions of Congress. That effort is to bring to the attention of the Nation and to impress upon the Soviets the importance we attach to their policies as they affect Soviet citizens. The gentleman from New York [Mr. FISH] is one of the most distinguished Members of this body, and I am very honored to join with him in this effort.

Mr. Speaker, earlier this year I had the opportunity to accompany five of my colleagues on a congressional study-tour of Israel sponsored by the Anti-Defamation League of B'nai B'rith. It was a very successful and personally rewarding trip.

One of the individuals we were fortunate to meet with was Dr. Yuri Shtern. Born in Moscow in 1949, Shtern immigrated to Israel in the early part of 1981 and presently manages a settlement in Judea. He is spokesman for the Soviet Jewry Education and Research Center in Jerusalem. Shtern spoke passionately to our delegation of the need to keep up the pressure on the Soviets, for to ignore the treatment of Jews is to encourage the repression. "Soviet Jews are standing in a 100-year long line. Once you decide to emigrate, your life comes to a halt. The existence of refuseniks is surrealistic, Kafka-like." Those, Mr. Speaker, were the words of Dr. Shtern.

It was because of the prompting from so many dedicated individuals in Israel like Dr. Shtern to continue our efforts on behalf of Soviet Jews, to keep up the pressure on the Soviet Government to allow Jews to emigrate, that this special order was initiated. Once again, we take our place on the House floor to speak out against the blatant violation of the principles of human rights common to all peoples. Mr. Speaker, Jewish emigration no longer exists; the survival of Judaism is in question and anti-semitism rages throughtout the Soviet Union.

Since 1979 when Jewish emigration reached its apogee of over 51,000—we have witnessed an intensification of antidissent efforts by the police; beatings on the streets and in prisons; murders by car accidents; deliberate physical torture: tightening of border controls; increased jamming of Western radio broadcasts; and drastic cuts in international phone circuits to the West.

More recently the assaults on the Jewish population have been on cultural/religious activities.

Today, there are fewer than 60 synagogues for 2½ million Jews—in 1926 there were over 1,000.

The teaching of Hebrew, Judaica or any kind of religious text is strictly prohibited.

There is no rabbinical seminary in the Soviet Union.

The printing of a Hebrew bible or prayerbook is not authorized and the prayerbooks that do exist are confiscated when found by the police.

There are no Jewish communal or social organizations, nor are there Jewish schools of any kind.

There is a pervasive discrimination in edcuation and employment.

Widespread state sanctioned propaganda equating Zionism with racism is televised and printed in books and newspapers.

Jewish cemeteries have been desecrated or converted to other uses. And, the latest targets of the KGB are teachers of Hebrew, Jewish tradition, and culture.

The Department of State's report on human rights practices for 1984 which was submitted to the House and Senate Committees on Foreign Relations, depicts a dismal year for the Jewish community in the Soviet Union. The report indicates that there has been a sharp increase in official anti-Semitic propaganda veiled as anti-Zionism. Numerous press conferences by Soviet officials were staged in which Zionism was linked to the nazism of the 1930's and 1940's. Jewish leaders have been accused of conspiring with the Nazi's to send Jews to the death camps.

For those of us familiar with the plight of Soviet Jews, Kholmyansky's story is all too common. He is a computer programmer, 32 years old and described as a contemplative man. But he is Jewish, a student of Hebrew and a man who cares deeply about his heritage. He has worked as a janitor since applying to emigrate to Israel in 1978. Last summer Alexsandr Kholmyansky was sentenced to 10 days imprisonment for stepping on flowers and then several months later sentenced to 18 months in a labor camp for illegally possessing ammunition.

The real reason for the arrest: Teaching Hebrew. The increased number of arrests and imprisonments of individuals like Kholmyansky who seek to practice their faith, to maintain links with their heritage and to hand down to the young a sense of history and culture is indicative of a systematic crackdown on Jewish consciousness.

The brutality of the enforcers has combined with the cynicism of the state in efforts to reduce the heroism of individuals. That heroism is reflected in the spirit of Soviet Jews such as Kholmyansky who resist, in the words of the prophets: "not by strength—not by force—but by spirit." Driven by their faith, their convictions and their courage, Soviet Jews continue to resist cultural and religious strangulation and to endure the years of helplessness, desolution and feelings of abandonment. Hopes are always shattered and dreams become nightmares. Despite all of this, the spirit endures.

It is but a short journey from subjugation to annihilation and from indifference to acceptance. The scholar and author Elie Wiesel, as a small boy enduring the horrors of a concentration camp said to his father: "If this were true, the world would not be silent." His father replied: "Perhaps the world does not know."

The world does know what goes on in the Soviet State today. And our obligation is clear: Raise our voices so they will be heard and our presence felt. We must state what we do know of the perilous condition of Soviet Jews. We must continuously denounce the forced surrender of basic human rights to the arbitrary will of a repressive government. We must intensify our efforts to demand that the Soviet Government account for its behavior. As Americans, we do possess special responsibilities, whether imposed by ourselves or others, to uphold and defend certain standards of human justice and human rights. There exists a level of human condition below which dignity is compromised and humanity is threatened. When a nation purposely pushes a people below that level, then all of us are threatened. I believe strongly that we all are touched by any nation's violation of human rights. We cannot be active participants in the world and not feel responsible. As Kafka said "when a Jew is beaten, mankind is falling to the ground."

I want to commend my colleagues for joining in this special order. For many their involvement has been not just today but throughout their careers. It is a tribute to our Nation and to our democracy that so many come

here today in a spirit of unity and solidarity to focus upon the desire to help change the current circumstances under which Soviet Jews must live. The Stalinist phenomenon of the "eternal prisoner" has reemerged in the Soviet Union. We may possess the keys to set free those individuals. As we proceed with arms control and trade talks, there is a need for continued pressure in bilateral and multilateral discussions.

We should approach such talks with a recognition of certain realities of the Soviet system. It will not modify its policies unless forced to do so. The Soviet regime has constantly sought the prestige of being a respected member of international organizations and of the system of nations itself. It demands to be treated as an equal of the United States as well. We should insist that the Soviets pay a high price for its current policies. It is apparent that the Soviets can function with certain levels of emigration as they did in the 1960's and 1979. The upcoming negotiations between the United States and Soviet Union may prove to be the mechanism by which the human rights issues can be seriously discussed.

In 1978, Anatoly Shcharansky at his sentencing stood before his accusers and judges and refused to compromise his soul. He said, "Now when I am further than ever from my people, from Avital, facing many arduous years of imprisonment, I say, turning to my people, my Avital: next year in Jerusalem. Now I turn to you, the court, who were required to confirm a predetermined sentence: To you I have nothing to say."

And so the spirit resists and continues to endure.

Let there be a next year in Jerusalem; let us continue to strive for that goal.

□ 1420

Mr. FISH. Mr. Speaker, I must congratulate my colleague on those eloquent as well as generous remarks.

● Mr. LANTOS. Mr. Speaker, I am joining today with my colleagues to speak out against the mounting persecution of Jews in the Soviet Union. I am appalled that Jewish emigration, declining since 1979 to oppressively low levels, reached a new low last year of only 896 persons. Combined with this, an anti-Zionist campaign currently raging throughout the Soviet Union creates an atmosphere of necessity in reaffirming once again in today's special order our commitment to Soviet Jewry.

The question we have to be cognizant of at all times is: how can we best aid Soviet Jews? Public statements and personal letters to Soviet officials are crucial ingredients in keeping pressure on the Soviet Union and emphasizing that Soviet Jewry plays a role in Soviet-American relations. In addition, adopting refusenik families is important in assuring these courageous people that they are not forgotten in the West. To increase and focus these types of action, the congressional human rights caucus, which I chair with our colleague, JOHN PORTER, is initiating a letter-writing campaign to increase this type of direct contacts by Members of Congress with Soviet officials and refuseniks.

Just a few weeks ago, I headed an 11-member bipartisan delegation of Members of this House on a visit to the Soviet Union. We arrived in Moscow at a historic juncture in United States-Soviet relations following the Geneva agreement to reopen bilateral nuclear arms limitation discussions.

During our visit, we met with a number of key Soviet officials. We emphasized to our Soviet hosts the united and sincere determination of the American people and the American Congress to reach meaningful reductions in the arsenals of nuclear weapons threatening humanity. While we made clear our national consensus that serious arms negotiations must succeed, we also underscored that there must be a significant improvement in the appalling state of human rights in the Soviet Union in order to create a climate in American public opinion for a general improvement in U.S.-U.S.S.R. relations.

The commitment of the American people to fundamental human rights—such as freedom of religion and freedom of movement—is deeply held. The American people want an improvement in United States-Soviet relations, but they insist on a Soviet policy with a human face. We stressed to our Soviet hosts that the negotiating climate will be poisoned if the Soviet human rights record continues to be as bad as it now is.

This point was underscored as the members of our delegation met with Jewish refuseniks in Moscow. Small groups talked with us in their shabby apartments while undercover police officers made little effort to conceal their surveillance of our meetings.

These were individuals and families who have applied for passports to join their families in Israel and other countries, but who have been refused permission to leave. When they applied to leave the Soviet Union, they were dismissed from their jobs, often their children were not allowed to attend schools, their mail was not delivered, and their telephones were disconnected. Many have then been imprisoned as social parasites, and some were beaten and tortured.

There are others whose principal crime is to practice their Judaism. Hebrew teachers are not allowed to teach, and those who distribute or circulate books in Hebrew are imprisoned for anti-Soviet slander. Individuals are arrested and convicted on the basis of false witnesses and evidence planted by the police.

Our meetings with these courageous individuals brought home to us our limited ability to help them. Less than a week after we left Moscow, Soviet authorities made arrests and conducted searches to harass the refuseniks. One pregnant young woman, who with her husband has applied to emigrate to Israel and who met with us, was subjected to a 10-hour police search of her apartment.

Despite the limitations on our ability to aid these people directly, we must continue to press Soviet authorities for their rights. We must not let our desire for agreements on nuclear weapons obscure the fact that no improvement in our long-term relationship with the Soviet Union is possible without Soviet improvement in the area of human rights.

Our visit to Moscow was part of the essential ongoing effort to convince the Soviets that they must face the issue of human rights. We did not go there to receive the key to the Kremlin or to contribute to a phony euphoria surrounding the agreement to resume arms talks. There are signs that the Soviets are ready to move toward détente, but they wish to ignore human rights. We must continue to make it clear that détente must wear a human face.●

● Mr. FASCELL. Mr. Speaker, I am pleased to join our colleagues today in paying tribute to the indomitable spirit of members of the Soviet Jewish community who today are facing terrible difficulties. I commend Representative HOYER and our other colleagues for organizing this special order.

Since the 99th Congress convened, Mr. Speaker, I have had the honor to participate in events here in Washington organized by the two national Soviet Jewry organizations. In mid-January, I took part in the congressional briefing for Members and staff organized by the Union of Councils for Soviet Jews. Later that month, I spoke at the National Conference on Soviet Jewry's "Emergency Action for Soviet Jews." These two events, which brought together hundreds of Soviet Jewry activists from around the country, had one common theme—urgency. For the Jewish minority in the U.S.S.R., this is truly a critical time.

Emigration rates hit rock-bottom in 1984 with less than 900 Soviet Jews emigrating compared to over 51,000, 5 years ago. A systematic campaign of harassment and arrest of Jewish cultural activists and Hebrew teachers was launched last year. Presently, there are 19 Soviet Jewish prisoners of conscience and there has been a disturbing increase in the use of violence against them and other Soviet Jews.

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Officially sanctioned anti-Semitism continues unabated in the Soviet Union; the November 1984 showing on Leningrad television of a blatantly anti-Semitic documentary is but a recent example of this tragic phenomenon.

Mr. Speaker, despite these dismal trends, we cannot despair. We in the Congress must redouble our efforts on behalf of Soviet Jews and all those denied their most basic human rights. We must not rest until all those who wish to emigrate are allowed to do so, until all those who seek to practice their religion freely may do so, and until all those who struggle to study their culture, history, and language are free to do so. I join our many colleagues today in reaffirming my commitment to the just and noble cause of freedom for Soviet Jews.●

● Mr. PEPPER. Mr. Speaker, once again, with sorrow in my heart, I call to your attention and that of our colleagues in the House of Representatives of our vibrant Nation the sad circumstances of a group of Soviet citizens who have been thoroughly alienated and abused by their native country which is seeking to dictate closely where they should work and live, how to speak and think, even what they may aspire to in their hearts.

Because the Soviet Union is dedicated to changing the nature of man, making him into something different in every way known only to the person and the mind, by violence they believe if other means do not work quickly enough, that nation unfortunately neglects at times to see people clearly as they are as of this very moment:

There exists a small minority of people from an old and accomplished civilization, called Jewish, who cause no harm and are capable by their tradition of respect for wisdom, law, and learning to make great contributions to the productivity and culture of the country they chose to call their own. Their teachings are founded solidly on the links between man and his creator on morality, the golden rule, consideration for others and joyful expression of self as human sharing with other human beings the universal pageant of life's small events.

Now, because of an abstract idea of political perfection which requires a different sort of human being altogether, the Soviet Union proceeds to tell these people that they must abandon their culture and take up another which may or may not be equally as useful to them. Why should such a thing be required? How can it ever work positively?

If that political idea of abstraction that is supposed to supplant earlier philosophies of human order in the service of mankind was actually superior then a new man would not be required, certainly not by force and mass extermination, but the idea would serve more people in more satisfactory ways than before and make them feel more satisfied in a wholesome way than they could have felt before. One does not do such a thing by forcibly removing from a person the only source of personal and spiritual strength they now possess without doing damage to one's own country. Even if a minority is supposed to suffer in isolation, it will be seen that their suffering magnifies in the minds of bystanders in the majority any slight complaint until they feel they too have been or will be treated in the same manner by their leaders. So begins a host of troubles and the social glue that allows people to work together efficiently deteriorates.

But in the meantime our main concern must be not with the theory of social problems, instead we are concerned with the actual suffering of real people, Soviet Jews, who have been driven to seek emigration from the lands of their birth to find shelter and comfort in the lands of their ancestors and are now denied from achieving this simple and just aim.

Such arbitrary demeanor on the part of any state endangers and cheapens civilization in a steady way by undermining the laws and concepts of human dignity.

Why must people be imprisoned for learning Hebrew? Why declared mentally insane when they are not? Why must people be denied work, livelihood, worship, and freedom of thought because of ethnic affiliation?

Their continued persecution cries out for compassion and mercy as for every human being who is forcibly denied basic rights. Their spirit shines as a beacon testifying to true human quality and improvement under cruel persecution. Let their tormentors realize that truth.●

● Mr. FEIGHAN. Mr. Speaker, I rise this afternoon to join my colleagues in calling attention to the tragic circumstances which now face the courageous Jewish community oppressed in the Soviet Union. The harsh reality we confront in 1985 is that the Soviets have stepped up their campaigns of harassment and violence, and of officially sanctioned anti-Semitism. Today, in the House, we pay tribute to the indomitable spirit of all those, in the U.S.S.R. and throughout the world, who continue to struggle for the recognition of their basic human right to live, work, and worship in a manner consistent with their beliefs.

The serious assault on the human rights of Soviet Jewry must be of particular concern to us. Their conditions have deteriorated in 1984, and every indication suggests that 1985 will see a continuation of restrictions on the right of Soviet Jews to emigrate, to worship, and pass on their cultural identity. In the face of continued Soviet disregard for these basic rights, we must speak out, loudly and clearly, on behalf of those who cannot speak. We must be their witnesses before a watching world. We must ensure that we do all that is necessary to transform the behavior of those who hold authority within the Soviet Union.

Recent news on the state of Soviet Jewry has been particularly bleak. In 1984, only 896 were allowed to emigrate, compared with more than 51,000 just 5 years earlier. Now, the Soviet Government insist that all Jews who desired to leave the U.S.S.R. have left, despite tens of thousands of applications that have not been granted. Life for those Jews consist of severe economic and social hardships. By requesting an exit visa, a Jewish citizen in the U.S.S.R. can find himself out of work, or school, and often an entire family has been subjected to public harassments and vilification. And in all too many cases, refuseniks have been prosecuted on trumped-up charges, convicted and separated from family and loved ones by lengthy sentences in prisons and labor camps.

Last weekend in Cleveland, I had an opportunity to meet and talk with Avital Shcharansky, the wife of Anatoly Shcharansky, the noted Soviet Prisoner of Conscience. I know that many of my colleagues have had the opportunity to meet with her and discuss the grim conditions which her husband faces in the Perm labor camp. This fall, he was hospitalized for 9 weeks on the brink of a coronary. And his health is still quite poor. Along with thousands of others in Soviet camps and prisons, he suffers for the sole crime of expressing a personal opinion, seeking to emigrate, and openly expressing a love of God.

The recent arrests of several teachers of Hebrew and young Jewish activist can only be seen as an integral element in the Soviet's continuing campaign to eliminate the Jewish cultural and religious heritage in the U.S.S.R. Several people have been arrested after their apartment had been set up with guns or illegal narcotics. Soviet authorities have gone so far as to suggest that Jews use drugs in religious rituals. The outrageousness of the charge is matched only by the strength with which the authorities present it. It represents clearly the extent to which the Soviet Government will go to alienate its Jewish population from the general Soviet public.

Another clearly related example of this orchestrated attempt to vilify Jews was the broadcast, in November of last year, of a program entitled "Hirelings and Accomplices." The show, transmitted by Leningrad television, suggested that Soviet Jews seeking exit visas are pawns of Western capitalists and may, in fact, be traitors. That charge, in effect, places many refuseniks in the category of

capital criminals, subject to a death penalty if found guilty.

Mr. Speaker, we must continue to press the Soviet Union to live up to its international commitments on human rights. As a signatory of the U.N. Charter, the Declaration on Human Rights, and the Helsinki final accords, the Soviets are obliged to ensure the human rights of their citizenry. Their conduct, however, makes clear that they are not doing so. As a member of the House Subcommittee on Human Rights and as a participant in the Congressional Coalition for Soviet Jews, I intend to do all that I can to keep the conditions facing Soviet Jews in public view, until that time comes when they are given the basic human rights that are expected in any society that presumes to call itself civilized.●

● Mr. UDALL. Mr. Speaker, my colleagues and I have stood in these Chambers time and time again in support of the rights of Soviet Jews—rights not only of religious freedom, personal safety, and employment, but also the right to emigrate to the Jewish homeland of Israel, or to other countries where Soviet Jews have family. We have, in our statements and urgings, attempted to make people more aware of the treatment of Jews in the Soviet Union.

Our ultimate goal, of course, has been to reach the Soviet Government itself, which has so far responded to our criticisms by maintaining that all Jews who wish to leave the Soviet Union have already done so. These claims are not supported by available statistics, however, which indicate that at least 350,000 Jews have attempted to start the emigration process. Further information points out that most of these attempts have been in vain. In 1979, the peak year of Jewish emigration from the Soviet Union, 51,320 were allowed to leave the country. In 1984, that number was drastically reduced to a mere 896.

Now that the Soviet Union has effectively trapped most Jews inside its boundaries, harassment and persecution have continued and, in fact, increased. Jewish students are expelled from universities; military conscription is selectively applied more to Jews than to other Soviets; arrests are made arbitrarily; personal property is confiscated; fraudulent charges place many Jews in prisons and labor camps; and anti-Semitic attacks appear regularly in the media, characterizing Jews as criminals, traitors, spies, and drug abusers. Despite the fact that many Jews are fired from their jobs when they apply for exit visas to Israel, the Soviet media reports that they "refuse to do productive work, preferring to do manual labor and live on gifts." More recently, KGB officials have warned Jewish teachers to stop teaching Hebrew, although other languages are allowed. Teachers' homes have been raided, Hebrew materials have been confiscated, and private gatherings about Jewish history and culture have been broken up. Clearly the goal of the Government is to destroy Jewish cultural identity.

As I've said, our ultimate goal as Americans is to reach the Soviet Government and somehow manage to stop this injustice. We must continue to point out, not only the unfairness of Soviet policy, but also the danger to United States-Soviet relations if it continues. President Reagan talks about the need for the United States to remain strong. This statement should not be limited to military hardware; it should include the strength of our commitment to freedom and equality for all people. It is one of the fundamental principles we stand for, and the Soviet Union must recognize this.●

● Mr. CONTE. Mr. Speaker, Alexander Paritsky, Vladimir Slepak, Ida Nudel, and Anatoly Shcaransky are just a few of the many Soviet Jews who undergo harsh and repressive treatment within the Soviet Union. In the past, I, along with many of my colleagues, have written innumerable letters to the Soviet leadership, asking that the Soviet Jews be allowed to enjoy the rights and freedoms which human dignity demands, but, more often than not, it seems these pleas fall upon deaf ears. The refusal of the Soviet Union's leaders to change their ways does not dissuade us from continuing the fight for Soviet Jewry. In fact, their continued repression demonstrates that there is still a substantial amount of work to be done on behalf of these men and women. I am enouraged by the recent improvement in relations between the United States and the leadership of the Soviet Union, but I will not allow this to silence appeals for Soviet Jewry.

There is only one reason why the Soviet Jews are persecuted: they wish to practice their religion in freedom. There are some who would like to emigrate to Israel, to be reunited with family and friends. Others wish to go to the promised land to begin their lives over, and live in the land of their religious ancestors. There are, however, those who do not want to leave their homes. Understandably, they would rather witness a change in the hostile conditions which they endure. It is my sincere hope that those who daily live in freedom will not forget those who still struggle against religious, ethnic, and cultural persecution. Perhaps the actions of free people on behalf of the Soviet Jews, will some day result in the recognition by the Soviet leadership that the rights of emigration and religious worship are fundamental to all people.●

● Mr. ADDABBO. Mr. Speaker, today, I join my colleagues in drawing attention to the continued oppression and harassment of Jews in the Soviet Union.

For the Jews of the Soviet Union, 1984 often seemed as dismal and discouraging as a long Siberian winter. The Soviets have not only brought a halt to emigration, they have also made every step in the long visa process more frustrating and difficult. Soviet authorities require that every Soviet Jew who wishes to emigrate must obtain an official invitation from a first-degree relative in Israel. The Soviets only place parents, children, and spouses in this first-degree category, and exclude aunts, uncles, cousins, and even siblings. Officials routinely confiscate such invitations from the mail and many of those who do receive invitations find they have been arbitrarily barred from submitting requests for exit visas. Jews categorized as refuseniks are increasingly treated as outcasts from Soviet society. Separated from their families and from Israel, they have been forced to wait indefinitely for permission to leave with no assurance that they will, in fact, ever receive it.

Most alarming is a new wave of anti-Semitism in the Soviet Union. Intelligence reports tell us that the Soviet media has enlisted an anti-Zionist campaign. The Soviet news frequently refers to Israel's leaders as Nazis. Denied the most basic cultural and religious rights, Soviet Jews are subjected to a daily barrage of anti-Semitic diatribes in the media, at work and at school. This open expression of hatred is frightening even for the Soviet Jews who do not wish to emigrate, but who only ask to be able to live as Jews.

This year we must continue to draw world attention to the Jews in the Soviet Union. We know that historically Soviet Jewry and emigration are tied to Soviet-American relations. Statistics show that in 1979, the emigration of Soviet Jews hit an alltime high of 51,230. Since 1979, as Soviet-American relations deteriorated, so has the level of emigration. The figures speak for themselves—1980, 21,471; 1981, 9,447; 1982, 2,688; 1983, 1,314; 1984, 896—the lowest recorded in a single year since 1970. There is no question that resuming arms control talks, is the No. 1 priority not only for improving the conditions of Soviet Jews, but for all free peoples of the world. We must renew our efforts with the Soviet Union. We must continue to speak out. Speak out for arms control, speak out for Soviet Jews.●

● Mr. FORD of Michigan. Mr. Speaker, I am pleased to join my colleagues in paying tribute to the plight of Soviet Jews who seek freedom of religion and the right to emigrate. The continued oppression of Jews in the Soviet Union is a gross violation of one's basic rights as we who live in a free nation know them.

Jewish history, culture, religion, and language are suppressed by the Soviet Union's attempt to sever the Soviet Jewish community with its brethren abroad. Individual Jews who attempt to keep alive their heritage are harassed, arrested, and imprisoned.

I would like to take this time to remind my colleagues of Anatoly Shcharansky, who was sentenced to 13 years in prison and labor camps on July 14, 1978, following a closed trial at which no lawyer of his choice nor any witnesses for the defense were allowed. Anatoly was charged with treason and anti-Soviet agitation. He broke no Soviet laws, but was actively engaged in working for the human rights of Jews and other minorities in the Soviet Union, all in accord with Soviet law and international agreements signed by the U.S.S.R. Anatoly was actually upholding the requirements of the Helsinki accords which require citizens to monitor their own country's behavior toward their own people.

Anatoly had not been heard from for over 5 months; his last correspondence written on September 5, 1984. According to authorities, he was taken out of Cristopol Prison on October 22, and moved to a labor camp. During the time of transportation, Anatoly's mother, Mrs. Ida Milgrom, tried to find out what camp he was being transferred to, and the status of his health, but authorities responded rudely.

On January 14, 1985, Ida Milgrom received permission to meet with her son, Anatoly, at the labor camp near Perm. Although Milgrom was told earlier that she would receive no information about her son until after the Geneva meetings between Secretary of State George Shultz and Soviet Foreign Minister Andrei A. Gromyko, she received a telegram on January 7, the day the talks began, notifying her of the scheduled visit. Milgrom had waited nearly 3 months for such permission. The telegram was the first official confirmation of Shcharanky's transfer from the Cristopol prison to the labor camp.

On January 14, 1985, Milgrom met with her son whose health appeared to be better; however, she was suspicious that he had been fattened up to make a good appearance for their meeting. Anatoly has not received any special treatment and will continue his sentence of 13 years.

Unfortunately, the plight of Anatoly Shcharansky is not unique as the arrests and imprisonment that many Soviet Jews have had to endure continues in the Soviet Union. I believe that world opinion can force the Soviet Union to abide by the Helsinki agreements and live up to the responsibilities agreed upon by all signatory nations. Therefore, I feel that it is our responsibility, as members of a free nation, to impress upon the Soviet Union our commitment to the human rights of all people.●

● Mr. GARCIA. Mr. Speaker, I place freedom as the first and most important of rights, and oppression as the greatest of dangers to be feared. To preserve our independence, we must act as a pillar of strength for those who desire liberty, but are deprived of this fundamental human right.

This deprivation of freedom exists in the Soviet Union. Thousands of Jews throughout the Soviet Union are denied the very freedoms that we in the United States hold so dear. America cannot ignore the mistreatment of this community. Soviet Jews are prohibited from worshipping as they please, or from expressing their beliefs and opinions. Perhaps worst of all, they are not allowed to leave.

In 1979, the peak year for Soviet Jewish immigration, over 51,000 Jews were allowed to emigrate. Last year, only about 1,000 Jews were allowed to leave the Soviet Union. This year the figure may even be lower. Conditions for Jews in Russia are steadily deteriorating. Yet, among all this adversity, there are still many Soviet Jews who are fighting for liberty.

However, Soviet Jews who stand up for liberty are imprisoned and sent to labor camps. Refuseniks, as they are known, are silenced for defending the very rights with which we are born. As Americans, we can help Soviet Jewry in its struggle for freedom by speaking out, and not letting the mistreatment of Soviet Jews go unnoticed by the free world.

I have agreed to become the 1985 honorary chairman for the Washington Lobby for Soviet Jewry in which hundreds of students visit our Nation's Capital to lobby support from their Representatives for the Soviet Jewry movement. I urge my colleagues to greet these young lobbyists with open minds and to support their cause. Further, I have cosponsored legislation such as H.R. 423, that will provide a special Radio Liberty program of Russian language broadcasting for the Jewish population of the Soviet Union. Gestures such as these and mentioning the plight of Soviet Jewry in newsletters will help to keep constant pressure on the Soviet Union to improve their treatment of the Soviet Jewish community.

The Congressional Coalition for Soviet Jewry is strong and becoming stronger every day because of the concern of my colleagues. I would like to assure the American public that human rights in the Soviet Union and the rest of the world will not be forgotten by the U.S. House of Representatives.

Recently, I received a letter from Ms. Carolyn Sanger, who for the last 5 years has been corresponding on a regular basis with a Jewish family in the Soviet Union. I would like to submit her letter of concern for this family and Soviet Jewry in general. In addition, I would also like to include a letter from this family in the Soviet Union exemplifying what it is like to live under conditions of oppression.

POTOMAC, MD,
February 6, 1985.

Representative ROBERT GARCIA,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN GARCIA: I am writing to you concerning the situation of a Soviet refusenik family with whom I have been corresponding on a regular basis since September 1979. The family is: Alexander & Leah Mariasin (Maryasin) and daughter Fany, Karl Marx Street 62-37, Riga-11, U.S.S.R., phone: 290530.

I have kept every letter from them over the 5½ year period, and I would be happy to share this correspondence with you. What it contains, in sum, is the most poignant and heartrending plea of three individuals who desire nothing more on this earth than to be reunited with their daughter (and sister), son-in-law, and grandsons in Israel.

As the enclosed typed copy of their most recent letter indicates, Leah Mariasin is in a life-threatening state of illness. She has an inoperable, malignant brain tumor, first diagnosed in the fall of 1981 and brought to my attention in January of 1982, when I alerted my Senators Sarbanes and Mathias, Congressman Michael Barnes, and the State Department.

I now write to you, as a member of the Congressional Coalition for Soviet Jews, and request your intercession on the Mariasins' behalf. Urge the Soviet leadership to permit Leah Mariasin access to the best medical technology, *wherever* it is located, so that her life will not simply end now, and urge them to repatriate the Mariasins with their beloved family in Israel.

Sincerely yours,

CAROLYN W. SANGER.

RIGA-11, U.S.R.,
December 12, 1984.

DEAR CAROLYN: I only received your letter and am answering it right away. Tomorrow I am leaving for Moscow with Leah to consult some doctors and don't know for how long I'll have to stay there, so I decided not to delay all my corresponce (sic). Unfortunately my wife and best friend is again in a tight corner and we fight for her health. Please God everything to come out well. The years of constant stress do not pass without consequences. The only thing I ask and pray for, is to tide her over this ordeal and to survive until meeting her children and grandchildren, sister, brother and nephew. Alas . . . the other days (sic) we received a new refusal to my application, the 20th, if I am not mistaken.

I never pleaded to them, to those merciless uncles, but this time I explained the whole situation, but nothing helps.

Recently we commemorated the execution of Riga's getto (sic) at Rumbula. By the way, there is issued a book in the USA called "I Survived Rumbula" by Frieda Michelson. If you are interested in the Holocaust of our Jews, please try to get and read it. I am always telling and mentioning you that name, but for quite understandable reasons can't tell you the whole story of it. If you'll read this book you'll have the idea of what I am speaking about. Fortunately

everything went on well, unlike last year, for example.

My dear Carol! I understand what a burden is for a decent and modest person to be called to the bimmo (raised platform) to read the Tora. It's not maybe the right word "burden". It's may be exciting or making nervous, but at the same time it is a honor. So go through it and you'll see how good you'll feel afterwards.

Congratulations to Chris with the weight loss. You obviously know the saying "The larger the waist, the shorter the life." So now after losing so many pounds he will have to live till 120. Full speed ahead.

The letter to the Gamarniks I'll pass, maybe today.

How are you all?

Regards from my family and friends.

Shalom Uv'racha (Peace and blessings) and live,

ALEXANDER.●

● Mr. SCHUMER. Mr. Speaker, I would like to join my colleagues in expressing my concern over the plight of Soviet Jewry. During the last year, Soviet Jews have endured greater discrimination and persecution than at any other time in recent Soviet history.

The year 1984 marked the nadir for Jewish emigration from the Soviet Union. Only 896 Jews were permitted to leave, the lowest single year total since 1970. In fact, the 1984 total represents less than 2 percent of the 1979 peak year emigration figure of 51,320. The reduction in the number of Jews granted exit visas has meant that the number of refuseniks stranded in the Soviet Union has climbed to over 20,000. This figure, however, includes only those Jews who submitted formal applications to leave for Israel and have received official refusals; it does not include the estimated 380,000 others who have initiated the complex process of applying for a visa.

Although the numbers themselves are shocking, nothing is more shocking than the new wave of officially sanctioned anti-Semitism that commenced 2 years ago. This campaign to eradicate Jewish culture from Soviet society has taken on many ugly forms, including the stepped-up harassment of refuseniks and the arrest and imprisonment of several Hebrew teachers. Most Soviet Jews who apply to emigrate are routinely dismissed from their jobs and forced to take menial jobs. They are often attacked in the media, arbitrarily arrested, and their personal property is confiscated by Soviet authorities. Moreover, refusenik children are not permitted to attend a college or university in the Soviet Union. In addition, several prominent Hebrew teachers and Jewish activists, such as Yakov Levin, Nadezhda Fradkova, and Yuli Edelshtein, have been sentenced to prison. Recently, Soviet television aired a documentary on Jews in the Soviet Union that mentioned their anti-Soviet tendencies and association with Zionists.

I find these developments, which represent a significant escalation in the Government-sponsored anti-Semitic campaign, extremely distressing. It is more urgent than ever that we continue our efforts to ensure that all Soviet Jews are given the right to emigrate and are permitted to freely exercise their religion while they remain in the Soviet Union.●

● Mr. NELSON of Florida. Mr. Speaker, for nearly seven decades the Soviet Union has denied its inhabitants the basic human rights which most of us in the Free World deem essential in the development of a civilized society. The appalling nature of the Soviet leadership has illustrated that the pursuit of civil rights and the quest for even the most basic of human freedoms has resulted in imprisonment, exile, torture, and ultimately death. Such are the prospects awaiting the Soviet Jewry as they attempt to exercise the false freedoms and shallow promises found in the Soviet constitution.

Today we in the United States pay a special tribute to those who risk their lives daily not only in the pursuit of emigration but in the very practice of their religion. We salute the refuseniks who after witnessing the formulation of the Universal Declaration of Human Rights and the signing of the Helsinki Final Act saw their dreams of a peaceful exodus end in a reign of renewed Soviet brutality and oppression. We have seen the number of emigrants drop from over 50,000 in 1979 to less than 900 in 1984.

To deny one Soviet Jew his personal rights due to his expression of religion is incarceration; to deny the Jewish people their rights as a whole is nothing short of tyranny. As a member of the Congressional Coalition for Soviet Jews, I join in the demand for justice and freedom for the refuseniks and an end to the anti-Semitism and violence of the Soviet Union.●

● Mr. FRANK. Mr. Speaker, I am saddened that, as we open the 99th Congress, we are obliged once again to hold a special order on Soviet Jewry. I would like to be able to say that over the course of the 98th Congress we saw an improvement in the human rights situation in the U.S.S.R. But the tragic reality is that the situation of the Soviet Jewish community is increasingly desperate. Jews are being harassed at the workplace, or outright forced to leave their jobs. They are being denied the right to join their families in the West. They are denied the right to move to Israel and live in dignity in their homeland. The Soviet authorities are seeking to destroy the identity of this community. Teachers of Hebrew are targeted for persecution. An anti-Zionist campaign—really an anti-Semitic campaign of the old-fashioned kind—is spewing out hateful propaganda in the Soviet press and in the academic world.

I am grateful to my colleagues for taking out this special order; we in Congress must make every effort to keep these Soviet violations of their international commitments before the public eye. We cannot allow the Jews of the U.S.S.R. to feel that we have forgotten them. By extending the hand of solidarity to them we help them keep alive their dream that some day they will be able to live in freedom.●

● Mr. McGRATH. Mr. Speaker, the issue of Soviet Jewry is ever on our minds. However, as rights continue to be denied and visas for emigration continue to be denied, we have seen the introduction of a new tool to further isolate and ostracize the refuseniks. Soviet authorities have taken to the airwaves to bring their case against the anti-Soviet and pro-Zionist element within their nation.

Specifically, I refer to the television broadcast in Leningrad which accused the refuseniks of turning their backs on a society that has given them everything. This characterization is a curious one. It is difficult to fathom how citizens who have had every advantage would want to leave a generaous motherland. Yet Soviet Jews by the thousands are waiting for permission to emigrate. Why?

Clearly Soviet Jews are not recipients of the bounty of which the Soviet leaders speak. They are denied the right to learn about their religion, its heritage, customs, and language of prayer. They are denied the right of emigration, and they are denied the human dignity guaranteed in the Helsinki accords of which the Soviet Union is a signator.

While visiting the Soviet Union I was greatly impressed by the appreciation the refuseniks had for the interest and involvement our Government and citizens had for their plight. At this critical time in the cause of Soviet Jewry, I urge my colleagues to continue their efforts on behalf of all those Soviet Jews who live for the prospect of emigrating to Israel.●

● Mr. BUSTAMANTE. Mr. Speaker, I rise today in support of freedom for Soviet Jews. At this critical point in United States-Soviet relations it is important for this body to affirm its commitment to uphold the fundamental rights of Soviet Jews to emigrate as well as exercise their right to exist as Jews.

Despite its commitments under the Helsinki Final Act, the Soviet Union has continued to deny exit permission to thousands of its citizens who wish to join relatives living abroad. The rate of Jewish emigration reached a nadir, for the 1984 total of 896 was the lowest recorded in a single year since 1970. The Soviet authorities continue maintaining, despite abundant evidence to the contrary, that the vast

majority of Jews who wanted to leave the country have already left, and the rate of emigration is declining naturally as fewer and fewer families remain to be united. More accurately, the reduction in the number of Jews granted exit visas left an estimated 20,000 refuseniks (Jews who have been refused when they apply to emigrate) stranded. This figure is a conservative estimate, since it accounts only for those Jews who submitted formal applications to leave for Israel and received official refusals. The figure does not include those who have been arbitrarily denied even the right to apply for exit permits, those who have applied but received no official answer from the authorities, or those who choose not to publicize their plight for fear of reprisals. Finally, available statistics indicate that more than 350,000 Jews have begun the emigration process.

Lately Soviet Jews have been subject to increased levels of anti-Semitic rhetoric thinly veiled as anti-Zionism. Soviet propaganda maintains that Israeli and Western intelligence encourages emigration in order to obtain state secrets from Soviet citizens. It further alleges that Zionists collaborated with Facists during World War II to send many innocent Jews to their death.

Individual Jewish refuseniks have responded in various ways to official intransigence on emigration. Some have reacted with despair and, for the time being, have stopped applying to leave, while others apply as frequently as possible—once every 6 months; 1984 was a bleak year dominated by harassment, and a new wave of arrests, and persecution. At the same time, the movement for a renewed Jewish religious and cultural life grew, indicating that Soviet Jews are continung to draw strength and hope from their Jewish heritage, despite tremendous adversity.

Mr. Speaker, I want to pay special tribute to the indomitable spirit and unwavering defiance in the face of persecution of Soviet Jews seeking emigration and Justice at home.●

● Mr. ACKERMAN. Mr. Speaker, this special order strikes against Soviet attempts to fragment the Jewish community, as we in the Congress express our unified support for the efforts of Soviet Jewry. The Kremlin seeks to void Jews of their heritage and their freedom, and then to fill the chilling emptiness in these prisoners' spirits with pervasive fear.

We cannot collapse or compress the distance that physically separates us from our breathren in the Soviet Union, so perhaps the Jews there remain forcibly blinded to U.S. efforts made on their behalf. But our hearts, minds, and words must proclaim our refusal to tolerate spectacles of oppression wherever they occur. Mr. Speaker, quietude breeds impotence. If we become unresponsive bystanders, we perpetuate gross human-rights violations with our own hands. Mourning passively, we make dead the freedom which might live if it had a voice. Words that strike sideways at issues burn crucial moments away.

Since 1979, Jewish emigration from the Soviet Union has declined consistently. Not since the Leningrad trials of 1970-71 has the figure been as low as it was in the past year. Over 57 times as many Jews were permitted to emigrate in 1979 as in 1984. During the second half of last year, the Soviets initiated with gusto a campaign of brutally surpressing Jewish cultural activities, employing threats, beatings, arrests, and searches in order to cleanse the streets of any remnant of Judaism. Kholmiansky, Lein, Edelshtein, Levin, Mesh, Schreier, Begun, Roseberg, Shcharansky—the names are a roll of honor of conscience, a roll of disgrace for the Soviet leaders.

We cannot simply hang these victims' names in tributary silence. The United States must, through policy measures, enforce its ideological commitment to the cause of Soviet Jewry. With the Kremlin refusing to adhere to international accords such as the Helsinki Final Act and the Declaration of Human Rights, the United States must demonstrate that we mean what we say, and insist that the Soviet Union do the same. The more steadfastly we uphold our dedication to this issue, the closer we bring ourselves to those imprisoned in their own homeland.●

● Mr. CARR. Mr. Speaker, one of the strongest foundations of our great Nation is the sanctity of religious freedom for all citizens. Thus, it is most important that we here in Congress recognize and identify with the struggles of people of other nations who are burdened with religious persecution. Today, we recognize the struggles of a people who have long been persecuted for their beliefs, yet who steadfastly persevere in maintaining their heritage: the Soviet Jews.

Despite a government-sanctioned campaign of anti-Semitism eerily reminiscent of the Nazi era, Jews in the Soviet Union have steadfastly pursued the practice of Judaism. Despite the imprisonment of Hebrew teachers and Jewish activists, such as Anatoly Shcharansky and Ida Nudel, the Soviet Jews' devotion to their heritage forces them to risk the consequences of teaching Hebrew and observing Sabbath customs. Though Bar Mitzvah ceremonies and holiday celebrations are often interrupted by the arrival of the KGB and the confiscation of prized possessions and coveted Judaica, these people will not be intimidated into docile silence or quiet assimilation. Their beliefs and values are too vital.

In a nation that often brands devout Jews "hooligans" and "defamers of the state," it would seem that their emigration would be welcomed. But ironically, as the anti-Semitic drive grows more intensely adverse, the Soviet Government clamps down more stringently on emigration.

Those Jews who seek to leave behind the oppression of the Soviet Union have been met with little success, and those applying for exit visas often set themselves up for further persecution. It is not uncommon for Jews to be dismissed from their jobs and essentially blacklisted from other employment after making exit visa applications.

Mr. Speaker, the United States can and does play an important role in aiding the plight of Soviet Jewry. There seems to be a direct correlation between the Soviets' treatment of their citizens and United States-Soviet relations. In the late 1970's, during a period of United States-Soviet cooperation, the gates of Jewish emigration seemed to swing open. In 1979, 51,320 people left the U.S.S.R. With the return of Cold War rhetoric under the Reagan administration, those gates slammed shut to allow a mere trickle of Jewish emigration. In 1981, only 9,447 Jews were permitted to leave. This diminished to 2,688 in 1982 and 1,314 in 1983. Last year, 1984, an unprecedented low of 869 Jews were allowed their freedom.

This trend must not continue. We must make every effort to assure that tensions between the United States and the Soviets do not—even indirectly—keep Soviet Jews from leaving their country if they so choose. The United States must press for further dialog with the Soviet Union, because improvements in United States-Soviet relations can create new opportunities to express our concern for the human rights of Soviet Jews. I urge my colleagues to recognize the important role we can play in bringing greater freedom to every Jewish person who faces persecution in the Soviet Union. Just as we cannot take our own freedoms for granted, we cannot close eyes to those who are denied freedom elsewhere.●

● Mr. DOWNEY of New York. Mr. Speaker, I am pleased to join my colleagues in this special order on behalf of over 2½ million Jews trapped within the borders of the Soviet Union.

In the past few years, we have witnessed the renewal of blatant Soviet anti-Zionist and anti-Semitic activities and a severe cutback in emigration to less than 1,000 in 1984. These people are unable to practice their religion, unable to perpetuate their heritage; indeed, unable even to emigrate from this land where to be a Jew is, in and of itself, construed by the authorities as criminal.

More than 400,000 Soviet Jews are in the process of seeking exit visas. More than 20,000 have applied and been refused. These refuseniks often lose their jobs, are subject to various forms of harassment and some are subsequently arrested under charges of "hooliganism" or "parasitism" and sentenced to prison and labor camps.

It is one of these refuseniks, Iosif Begun, on whom I have chosen to focus my remarks today. Until 1971, when he applied for an exit visa, Begun was a senior scientist at the Moscow Central Institute of Research in Economics. He was then dismissed from work and has been unable to find work in his field since that time. He began teaching Hebrew and became one of the leading protagonists in the struggle for the rights of Soviet Jews.

His first arrest occurred in March 1977. While awaiting his trial, Begun went on a hunger strike for 100 days. Shortly afterward, he went on trial amidst a storm of protest from the refusenik community. Begun was sentenced to 2 years of exile in Siberia for "parasitism." His work as a Hebrew teacher was not considered "legitimate employment."

Begun was released in 1978 only to be arrested again while visiting his family in Moscow. He was tried on the 43d day of his second fast and sentenced to 3 years in exile. He was released from exile in 1980.

Begun's unprecedented third trial took place in 1982. There has been no direct contact with him since this last trial when he was given a harsh 12-year sentence of 7 years in prison and 5 in exile for "anti-Soviet agitation and propaganda." His wife, Inna Begun, has not received a letter from him since June 22 of this past year. At this time, Iosif was reportedly on a hunger strike because camp authorities had confiscated his prayer book, a forbidden article in prison.

Inna Begun recently sent an appeal to the West. This message ended with the simple statement: "I earnestly beg you to let me have an answer as to where my husband's guilt really lies."

The plight of Iosif Begun is not unique. As Members of Congress, we must not relent in our efforts to assist these oppressed peoples. We must lay human rights on the negotiating table with the Soviet Union. For Iosif Begun's quilt lies only in demanding the rights we hold so dear—the right to worship as he pleases, the right to study his heritage, and the right to follow his conscience.●

● Mr. KEMP. Mr. Speaker, Soviet Jewish emigration is practically at a standstill. The harassment of the 400,000 Jewish individuals remaining has increased. We, as Members of Congress must act.

It is heartening to know that our activities are not without results. Yesterday I met with Avital Shcharansky, who was delighted to tell me that, as a result of the efforts of Members of the House and Senate, her husband had been permitted to visit with his mother. Now that may sound like a normal visit to most, but in this case, Anatoly Shcharansky, a Jewish Prisoner of Conscience in the Soviet Union, had not been allowed to see his mother for 8 years. Because of pressure exerted by Members of Congress, his mother was able to spend 2 days with him.

A small victory, but an encouraging one. I urge my fellow Members of Congress, and fellow citizens of this great and free country to continue to pressure for even more and greater victories until we achieve our ultimate goals as spelled out in the Helsinki Final Act of 1975, and the Madrid Concluding Document of 1983. That is, freedom for those who wish it to leave, and freedom for those who wish to stay. Again, a simple policy, but one which has been consistently violated by the Soviet Union, which was a party to the original agreement in 1975 and the further commitments of 1983. We, as cosignatories, must continue to work for full compliance with these ideals.●

● Mr. MAVROULES. Mr. Speaker, I am both honored and pleased to join with my colleagues in this special order for the advancement of human rights. We, as Members of the U.S. Congress, should strive for the worldwide expansion of unalienable rights.

Members of the Jewish faith living in the Soviet Union are one group of people who desperately need our help, for they are forced to live under blatant suppression of their civil liberties. The Soviet Union has found it within its power to subject these people to constant hardships. While offering the chance for the Jewish people to emigrate to Israel or to the West, the Soviet Union has in reality denied them the chance to settle in their religious homeland or to practice their religion without pain or insult.

We, as Americans, must do all we can to see that the decrease in emigration is reversed as quickly as possible.

At this time, a drastically low number of applications for emigration are being refused. The Soviet Union contends that this is because either all people of Jewish faith who want to leave the country have, or that sponsors cannot be found for the remainder. This, however, is not the case. Applications are at one of their highest levels ever, and sponsors are upset to learn that their letters to their adopted families are being intercepted by Soviet officials.

Now is the time to appeal to the Soviet Union for the expansion of human rights for all of Soviet Jewry. Let us hope that this will be the last time a special order such as this will be needed, and that all members of the Jewish faith will be free from persecution and oppression, once and for all.●

● Mr. LEHMAN of Florida. Mr. Speaker, Jewish emigration from the Soviet Union in 1984 was the lowest recorded in a single year since 1970. The 1984 total of 896 was less than 2 percent of the 1979 peak year figure of 51,320.

Unfortunately, these tight emigration policies have been accompanied by an escalation of efforts to isolate and intimidate Jewish activists. Hebrew teachers and other observant Jews have been imprisoned on fabricated charges—most recently, on charges of possession of drugs and firearms. Anti-Zionist propaganda campaigns continue to spread through the Soviet media.

I am honored to participate in this special tribute today to those Soviet Jews, who through their courage and determination to practice their religion freely, continue to apply for exit visas to Israel despite threats of harrassment, loss of professional jobs, expulsion of their children from colleges and universities, and confiscation of personal property.

I recently returned from the Soviet Union where I met with several refuseniks. One cannot adequately retell the passionate moments when a mother pleaded with her young son's freedom, even if it meant his separation from her and her husband.

The situation is especially bleak in Leningrad, where only days after I met with Yevegeny Lein he was interrogated and beaten by the KGB. He holds a Ph. D. in computer science but must work as a stoker in a bathhouse.

I call on my colleagues to work toward reopening the emigration for Soviet Jews and others who wish to be reunited with family in other parts of the world. Let us continue our efforts on the many individual cases of refuseniks and others whose lives have been utterly interrupted, and let us press for the inclusion in every international fora with the Soviets the topic of Jewish emigration from the Soviet Union.●

● Mr. GLICKMAN. Mr. Speaker, I rise with my colleagues today to call attention to the increasingly grim situation of the Jewish community in the Soviet Union. At the same time, I stand to give tribute to the abiding strength and spirit of hope which, even in the face of oppression, our Jewish brothers and sisters in the Soviet Union continue to maintain.

As we speak today, more than 2 million Jews are trapped inside the Soviet Union. Emigration has fallen to an all-time low. In fact, there has been a virtual shutdown of Jewish emigration: only 61 Soviet Jews were permitted to leave last month, compared to an average of more than 4,000 per month in

1979. As emigration has fallen, Soviet harassment of refuseniks and teachers of Hebrew and Jewish culture has grown resulting in prison terms, internal exile or loss of jobs for many Soviet Jews. Also on the rise is the dissemination of anti-Jewish publications and other propaganda in the officially sponsored Soviet media. Even more disturbing is the marked increase in violence directed toward Jews in the Soviet Union.

All of these injustices demand the concern of the Congress, the concern of the administration, and the concern of people worldwide. The ominous escalation of anti-Semitic sentiment and activity in the Soviet Union must not be met with silence.

Members of Congress must remain vigilant in their role of both calling on the Soviet Government to cease its campaign against its Jewish citizens and creating a greater public awareness of the plight of Soviet Jews. Our President and State Department officials must seek all avenues for reminding the Soviet Union of its violation of the Helsinki accords and for expressing this country's condemnation of the Soviets' actions. Freedom-loving people everywhere must continue to write letters of hope and support to Soviet refuseniks, as well as carry out visible acts of support for Soviet dissidents such as fasts and prayer vigils.

Today I call on my colleagues to renew their efforts to demonstrate to Soviet Jews that we have not forgotten them. Nor have we forgotten who it is that oppresses them. Until the Soviet Union restores to Soviet Jews their fundamental rights to freedom of religious and cultural expression and the freedom to emigrate, we will remind the world of the Soviets' intolerance and their denial of freedom and justice to Jews in the Soviet Union.●

● Mr. DWYER of New Jersey. Mr. Speaker, I wish to thank my colleagues today for calling my attention to this special order. It is time for us to address the worsening plight of the more than 2 million Jews trapped inside the Soviet Union.

Last year, the rate of Jewish emigration all but reached a standstill. The 1984 total of 896 was the lowest recorded in a single year since 1970. As a result, an estimated 20,000 Jews were left stranded in the Soviet Union. Separated from their family and friends, refuseniks have been forced to wait for permission to leave with no assurance that they will, in fact, ever receive it.

At this time, I think it only befitting that I once again call attention to my prisoner of conscience. Grigory Rozenshtein has not been permitted to leave the Soviet Union since 1974, yet this has not dampened his brave and enduring spirit. Earning only a fraction of his former income, Grigory struggles to make ends meet. Let us not ignore the deplorable struggle of Mr. Rozenshtein and other refuseniks. We must continue to serve as a source of encouragement and inspiration to the oppressed.

Equally as important, the refusenick community serves as a reminder of the human rights and liberties which we in this Nation hold so dear, but so often take for granted. Let each one of us speak out with more vigor than usual. When basic human rights are violated, words alone are not enough. We must demonstrate to the world at large, but more importantly to the refuseniks, that we will work endlessly until the human rights of all are affirmed.●

● Mr. MATSUI. Mr. Speaker, the treatment of Soviet Jews by the Soviet State continues to deteriorate. This trend is at once dangerous and disturbing.

The rate of Jewish emigration from the U.S.S.R. had dropped from a high of 51,320 in 1979 to a nadir of 896 in 1984. At the same time the situation for the Jewish community remaining in the Soviet Union has deteriorated. We have witnessed increased harassment of Hebrew teachers and cultural activists which have resulted in a wave of searches, threats, and arrests. In Leningrad this harassment took a vicious and frightening turn for the worse when a program that was aired on television singled out members of that city's Jewish community for anti-Soviet behavior.

I join today with my colleagues in saluting the indomitable spirit and unwavering defiance in the face of persecution of the Soviet Jews who are seeking emigration and justice at home.●

● Mr. MACK. Mr. Speaker, not long ago I took the floor to talk about the incredible hardships faced by the Jewish people of the Soviet Union. I noted the intransigences of the U.S.S.R. and their refusal to comply with the most basic tenets of the international human rights agreement. An agreement, I might add, to which they were a signatory.

At that time, I held out hope that mounting pressure from an increasingly impatient international community might convince the Soviets to move closer toward compliance with the Helsinki accords.

Mr. Speaker, my hope was entirely in vain. Indeed, it's clear that quite the opposite is occurring. Conditions for Soviet Jews have deteriorated even further.

It is necessary not just to point out specific violations of the Helsinki agreement, but to realize how the spirit of these accords has been crushed and broken. The refuseniks' cases are not simply isolated incidents, rather, they constitute a pattern of evidence of the total campaign being waged by the Soviet Union against its Jewish population.

Probably what best illustrates the Soviet drive is its willingness to rape its own judicial system in order to continue persecuting Jewish people. It is common knowledge that any Jew filing an application to emigrate from the Soviet Union is almost certain to lose his or her job, and that the state will place obstacles in the path of obtaining a new one. Furthermore, unemployment is punishable as a crime, and in a recent effort to crack down on refuseniks, the maximum prison sentence for what the Soviets call parasitism has been raised from 1 to 2 years.

Many questions have also arisen of late over the alleged planting of weapons, ammunition, and drugs in the apartments of refuseniks that are later discovered and used as evidence in criminal cases—mysterious discoveries among people for whom there has previously been no reason for suspicion. Sometimes the authorities don't even go to that much trouble. Court cases bearing remarkable similarities to the notorious show trials of Stalin are appearing again. In one recent case, a Jewish man was tried for resisting arrest. Not only was the courtroom filled with Ukranians yelling, "Beat the Jew," but any witnesses for the defense were noticeably absent.

Mr. Speaker, many of us in this Chamber have spoken of this matter before. We are indignant and upset about the abuses heaped upon a defenseless Jewish population in the Soviet Union. But our rhetoric continues to fall upon deaf ears. As a Nation, we must redouble our efforts and work toward a consensus within the international community to bring pressure to bear on the Soviets.●

● Mr. WEISS. Mr. Speaker, recent events have provided disturbing new evidence of an intensified campaign against Jews by the Soviet Government. In Odessa, Hebrew teacher Yakov Levin has been sentenced to a labor camp; in Moscow, Yuli Edelshtein was imprisoned on trumped-up drug charges; in Leningrad, Jewish activist Nadezhda Fradkova is being punished for parasitism. Also among those now incarcerated in Soviet labor camps is Sergei Fishel, the son of one of my constituents and a refusenik who has not been permitted to join his mother in New York.

In their attempt to deny Jews the right to practice their religion and to learn about their culture, Soviet authorities have even resorted to the despicable charge that Jewish religious rituals make use of narcotics. Last November, Leningrad television aired a viciously anti-Semitic program denouncing the activities of Zionist-oriented junkies.

Balancing my abhorrence of these developments, however, is my admira-

tion for the courage of Jews living in the Soviet Union, who continue to risk their livelihoods, and their lives, to defend their basic human rights. Surely their friends in the United States must be equally determined in our efforts on their behalf. Knowing that Soviet-American relations and the status of Soviet Jews often rise and fall together, we can regard with some hope our Government's renewed dialog with the Soviet Union. At the same time, the leaders of the Soviet Union must understand that by their mistreatment of Soviet Jewry and their violation of the Helsinki accords they make that much more difficult the achievement of arms control agreements which require confidence of adherence by both parties.

The Soviet Jews have shown us that, for them, there can be no turning back. We must continue to demonstrate to them, and to the Soviet Government, that we will never turn our backs on their cause.●

● Mr. McCAIN. Mr. Speaker, as a member of the Congressional Coalition for Soviet Jews, I am particularly concerned about the plight of those people within the Soviet Union who are persecuted for their religious beliefs, and with the recent intensification of the attacks on Soviet Jewish communities.

Over 20 percent of the entire world Jewish population resides in the Soviet Union—more than 2.5 million people who are deprived of their basic human rights. Because they are Jews, because they have expressed a desire to emigrate, their jobs are taken away, they are expelled from schools and universities, and they are denounced by their neighbors. They are forbidden to study Hebrew or to practice their religion. Many are currently serving time in labor camps for refusing to renounce their culture and their beliefs.

One such person is Feliks Kochubievsky. Once a respected electrical engineer who earned the Soviet Order of Merit for Patriotic Work, he lost his job as a senior researcher after he and his wife, Valentina, applied to join their two sons in Israel.

His application was refused on the gounds of "Regime Considerations," a common reason for the denial of visas to Jews, especially those who have served in the Soviet military. The Government claims that these people have had access to classified information, and that their presence abroad would be damaging to national security. Kochubievsky denies ever having had access to such material.

The target of official harassment since his application to emigrate in 1978, his subsequent attempts to reestablish a "U.S.S.R.-Israel Friendship Society" and the publication of several of his works abroad resulted in his arrest in September 1982. Sentenced to 2½ years for the "circulation of fabrications known to be false which defame the Soviet State and Social System," he is now imprisoned in a labor camp.

Mr. Kochubievsky is due to be released from prison in April of this year. An old man in ill health, his only wish is to be reunited with his sons who are living in Israel.

This wish, however, is unlikely to be fulfilled. Soviet Jewish emigration has fallen off dramatically in the past few years. In 1984, only 896 Jews were allowed to leave the country, compared to over 51,000 in 1979.

Recently, the Soviet Government has stepped up its anti-Zionist campaign. There have been more arrests in the last 6 months than in the past 2 years. In addition, there has been a distinct increase in violence directed toward Jews, and arrests have begun to center around accusations of ritualistic drug use in Jewish religious ceremonies. These obviously false allegations are partially responsible for the rising tide of anti-Semitism within the Soviet Union.

This intensified campaign against the Soviet Jews means that it is critical for us to remind the officials of the Soviet Government that we have not abandoned our commitment to human rights. As signators of the Helsinki Final Act and the Madrid Concluding Document, the Soviets agreed to uphold certain basic rights, and their continued violations of these accords should not be ignored. It is all too easy to take the liberties we enjoy for granted and to forget that there are so many people throughout the world who are persecuted for their system of beliefs.

We take pride in our reputation as leaders of the free world, and with this pride should come a sense of responsibility. Our foreign policy should not be concerned with economic and security interests alone, but should also reflect our concern for moral issues. The presence of Max Kampelman—who headed the U.S. delegation to Madrid—at the upcoming talks in Geneva, is, I believe, an important step toward linking the improvement of foreign relations with a respect for human rights.

In the meantime, our continuing expressions of concern are of vital importance. The Soviets must not succeed in isolating the Jewish community. The Jewish people have a right to their cultural and religious heritage. The opportunity to emigrate freely should be available to those who desire it, and those who choose to remain should be freed from persecution.

I am proud to have had this opportunity to pay tribute to the Jewish community of the Soviet Union. Their courage in the face of this determined system of repression is truly admirable.●

● Mr. YOUNG of Missouri. Mr. Speaker, Soviet Jews comprise the third largest surviving Jewish community in the world. Soviet Jews have been struggling to achieve basic human rights, including the right to maintain their own religion and culture. The right to leave any country that denies one their heritage is an internationally recognized human right, yet in the Soviet Union permission to emigrate is given arbitrarily.

I believe that it is important that in the face of this wave of anti-Semitism, America must reaffirm our commitment to human rights. The U.S. Congress has been a leading supporter of Soviet Jews in their attempts to study and teach their faith.

We have held "Congressional Prayer Vigils" on behalf of Soviet Jews, but we must be sure that the vigil continues each and every day until the human rights of all Soviet Jews have been restored.

As a Member of Congress and concerned citizen, I have adopted a Soviet Jewish family from the Ukraine to help them fulfill their dream of emigrating to Israel.

Samuel and Manya Klinger have been trying unsuccessfully, for a number of years, to emigrate to Israel. Samuel Klinger is an agronomist from Dnepropetrovsk in the Ukraine. He and his wife, a nurse by profession, have been repeatedly denied exit visas since 1970. The only reason given by Soviet authorities has been a lack of consent from Manya's parents, who have not seen their daughter in many years. Manya, a mother herself, recently celebrated her 50th birthday.

The Klinger situation is quite pressing in that they are the only family in Dnepropetrovsk awaiting exit visas. Recently, a defamatory letter was printed in a local newspaper about the family—prompting Samuel to immediately send a letter of protest to the editor. The result was the printing of another anti-Semitic article in the same paper.

We have asked the Soviet Government to grant this family permission to emigrate, but have received no response. There can be no doubt that by not allowing the Klingers to leave the Soviet Union, the Soviet Government is in clear violation of the Helsinki Final Act, the Universal Declaration of Human Rights, as well as their Soviet Constitution.

Surely the emigration of the Klinger family would pose no threat to the security of the Soviet Union, and instead would be a humanitarian gesture. Yet permission to leave is continually denied.

As the leader in the free world, the United States must do all that we can to protect the human rights of all people. And I urge my colleagues to continue to protest the blatant viola-

tions of human rights occurring each day in the Soviet Union.●

● Mr. HALL of Ohio. Mr. Speaker, during the past 5 years, the emigration of Jews from the Soviet Union has declined to a virtual halt. Last year, the exodus of Soviet Jews totaled just 896, compared to a total of 51,333 in 1979. This signals a return to the Soviet policy of severely limited emigration. This policy became prevalent in post-World War II Russia, when Stalin maintained that all Soviet citizens must concentrate on turning Russia into an industrialized nation. Therefore, few people were permitted to leave the U.S.S.R. Presently, the Soviet Union is doing all in its power to literally close the door on emigration for all Soviet minorities.

Life in the Soviet Union for Jews is one hardship after another. A campaign of anti-Semitism has run rampant in the state-controlled press for several years, portraying Jews as criminals and conspirators. Higher education for Jews has become increasingly restricted, and enrollment has dropped 50 percent over the past 15 years.

The Soviet Union has made it extremely difficult for Jews wishing to leave the country. Simply applying for an exit visa may result in harassment or punishment. Visa applications must be renewed every 6 months, and an invitation from abroad must be included with each application. In addition, each person who applies for a visa loses his or her job, making the troubles of the Soviet Jew even more burdensome. Some have waited nearly a decade in hopes of obtaining a visa.

This oppression and persecution of Soviet Jews is a most distressing human rights violation. With the signing of the Helsinki accords in 1975, 35 nations—including the Soviet Union—agreed to honor certain human rights and freedoms. Among these are freedom of movement and the right to family reunification. Soviet compliance with these agreements is highly questionable.

We, as men and women living in the free world who believe in basic freedoms for all people, must continue to support the cause of the Soviet Jews and to fight against the religious and ethnic persecution they are forced to endure.●

● Mr. BERMAN. Mr. Speaker, I rise today to join my colleagues in a special tribute to the courage of Soviet Jews. We have assembled to address the issue of Soviet Jewry several times during the past year, and each time we have done so with renewed hope that the situation will improve. Instead it deteriorates as the Soviet regime tightens its grip.

Jews residing in the Soviet Union comprise 20 percent of the world's total Jewish population. But they are hostages in a country that has denied them fundamental human rights. They may not practice their religion or pass their heritage on to their children. And they are denied the right to emigrate in order that they may do so.

Of the 2½ million Jews in the U.S.S.R. approximately 350,000 are currently seeking emigration priviledges. Of these, 200 have been waiting over a decade. Only 896 Jews obtained exit visas in 1984.

It is our duty and our obligation to escalate efforts to oppose these gross violations. We should take our inspiration from those Jews imprisoned by Soviet persecution who still continue their struggle. As Anatoly Shcharansky serves his 8th year in a Soviet labor camp, his wife, Avital, dedicates her life to alerting the world of its duty to protest the violation of human freedom. Aleksandr Kholmiansky was recently convicted and sentenced to 18 months in a labor camp for alleged possession of ammunition. Josef Begun is currently serving his sentence of 7 years labor and an additional 5 years internal exile for agitation and propaganda. Yakov Levin is in the midst of a 3-year sentence in a labor camp on charges of slander toward the Soviet Government. In reality, each has been sentenced for committing the same crime, that of attempting to practice his religion.

Jews who apply for emigration priviledges are considered traitors, individuals who pose a threat to the State. Arrest, imprisonment, and abuse is often the response to those who either attempt to adhere to their religious principles while living in the U.S.S.R. or exercise the right to emigrate.

It is of the utmost importance at this time as the United States and the Soviet Union begin negotiations that we continue to denounce these gross violations and fulfill our obligation to work toward freedom of religion for all Soviet Jews.

● Mr. WIRTH. Mr. Speaker, the spirit of Soviet Jewry is facing one of its most severe challenges in some time, as authorities in the Soviet Union have initiated and sustained a vicious anti-Semitic campaign, focused primarily on refuseniks.

Since the beginning of 1984, the Soviet Government has added new weapons of Jewish persecution to its already substantial arsenal. In addition to the harassment of individual refuseniks, the Soviets have engaged in a widespread slander campaign aimed at discrediting the cultural and religious foundations of the Jewish faith.

The Government's "Anti-Zionist Committee of the Soviet Public" held a number of news conferences during the year, that attempted to blur the line between anti-Zionism and anti-Semitism. At one new conference, the committee made the absurd equation of Zionism and Nazism.

Beginning in July, Soviet officials initiated a comprehensive campaign against Hebrew teachers and other Jews who promote their culture. As the State Department has reported in its just released "Country Reports of Human Rights Practices for 1984," "by year's end, nine activists, including four Hebrew teachers, had been arrested and three sent to labor camp. The arrests were accompanied by a series of searches, beatings, and threats which sent shock waves through the Soviet Jewish community." Soviet officials, lacking any legal justification for destroying the spirit of these cultural activists, frequently had KGB agents plant drugs in the dwellings of Hebrew teachers and religious practitioners. They have also authorized KGB agents and other security police to beat Jewish detainees savagely while they are in custody, whether they are bound for imprisonment or not. For example, Yakov Mesh was released in December without being charged as a result of the severe injuries he suffered from the beating to which he was subjected following his arrest.

Soviet officials have also begun public attempts to sow dissension among Soviet Jews. Last year, Government propagandists assembled a documentary entitled "The Hirelings and Their Accomplices." The film depicted specific Soviet Jews as being Zionist agents who were part of a Western conspiracy to overthrow the Government, and was broadcast throughout the Soviet Union. Not only did the film impugn the reputations of numerous refuseniks by falsely portraying them as members of the world-wide Jewish deception, it also raised the issue in the minds of the Soviet people as to whether any Soviet Jew could be trusted.

"The Hirelings and Their Accomplices," combined with the intensified campaign against Jewish culture, has eroded the fortitude of many refuseniks. Given the increase in the scope and methods of Jewish persecution, "it is no wonder," said Boris, a Leningrad refusenik, that "many refuseniks are in a desperate mood. They are exhausted from fear and from waiting, waiting not only for permission to leave but simply waiting to see what will happen to them next. And the children suffer most of all. They are rejected and tormented. Their situation is—it's incredible."

This despondent mood, this fatalistic approach to life—these are precisely what the Soviet Government wants the Jewish people, particularly refuseniks, to feel. They want them to feel cut off from their country, and cut off from the world as well. More importantly, they want the refuseniks to feel cut off from their faith and cultural heritage. By making it a crime

against the state for Soviet Jews to practice their faith, Soviet authorities are attempting to undercut the very legitimacy of that faith and the culture associated with it. And, as Boris noted above, it is the children of Soviet Jews who will bear the most profound emotional scars from this experience. Their feelings of torment may be translated into a rejection of their Jewish heritage.

To combat such an occurrence, Boris and many of his compatriots are secretly teaching their children the history and religion of the Jewish people. Of course, with the increase in Soviet persecution, Boris and other Soviet Jews risk their lives in erasing the smears propagated against their people.

It is our job, as U.S. Representatives and advocates of religious freedom, to lessen that risk. We must continue to let the Soviet Union know that we will not abide their brutal and prejudiced treatment of Soviet Jews. We must continue to let the Soviet Union know that their slander of the Jewish faith and culture is not tolerable and is a clear violation of the human rights provisions of the Helsinki accords and the Universal Declaration of Human Rights. And finally, we must never let the leadership of the Soviet Union rest so long as there is even one refusenik who is barred from emigrating.

Last year, the Anti-Zionist Committee of the Soviet Public once again declared that the problem of Soviet Jewish emigration was solved, because every Jew who wanted to leave the Soviet Union had already left. In the year ahead, let us vigorously rebut this absurd yet dangerous statement by maintaining our support for the rights of refuseniks and Soviet Jews in general. As the Soviet Union moves to snuff out the proud heritage of Jews in the Soviet Union, let us not shrink from this challenge, but rather redouble our efforts on behalf of the Jewish faith and its adherents.●

● Mr. LEVINE of California. Mr. Speaker, as cochairman of the 98th Congressional Class for Soviet Jewry, and as a member of the Congressional Coalition for Soviet Jews, I place special significance in participating in this special order. Today we again pay tribute to the indomitable spirit and unwavering commitment of Soviet Jews in the face of unrelenting persecution by Soviet authorities.

This past year has been especially harrowing for Soviet Jews. It has seen a deliberate campaign of arrests and intimidation targeted at the activist Jewish community in the Soviet Union by Soviet authorities. This is a cause of special concern on the part of those of us who are fighting for the freedom of these strong and courageous people.

Mr. Speaker, the Soviet Government makes life very difficult for Soviet Jews in many ways. The lifeline to virtually all facets of Jewish culture has been nearly severed as Soviet authorities conduct an ongoing campaign to prevent a meaningful rebirth of Jewish language and culture. The teaching of Hebrew, the only language which has always been commonly shared by all Jews, is not recognized by Soviet authorities as a legitimate profession and cannot be taught or studied by Jews. The recent brutality against Hebrew teachers suggests that Soviet authorities want to destroy all Jewish tradition.

There are no Jewish communal or social organizations, nor are there Jewish schools of any kind. The freedom to practice religion is strictly controlled, and teaching religion, including Judaism, to people under 18 is illegal.

There are no seminaries to train rabbis, and while in 1926 there were 1,000 synogogues in the Soviet Union, today there are only around 50. It is not uncommon to find one of these synagogues closed or barricaded by the KGB to prevent entry.

The doors to higher educational institutions are closing to an increasing number of qualified Jewish applicants as a result of discriminatory entrance exams. Under the late Yury Andropov, the plight of Soviet Jews worsened considerably. New measures were introduced to make even more difficult the already arduous process of applying to emigrate. Emigration applicants continue to be subjected to oppressive measures such as dismissal from employment or, in some cases, even imprisonment.

Laws were changed to further punish those trying to emigrate, and there was a crackdown on Jewish culture. Of extreme concern is the massive propaganda effort against Jews which includes the creation in April 1984 of the Anti-Zionist Committee of the Soviet Public, and the publication of the virulently antisemitic book, "The Class Essence of Zionism." The most significant sign of worsening treatment was the drastic decrease in emigration from a high of 51,320 in 1979 to a low of only 896 in 1984. Yet the number of Soviet Jews applying for emigration visas has not diminished.

As if this were not enough, Soviet authorities have taken steps to further isolate Soviet Jews from their heritage and culture, and from the West. Stricter laws have been laid down affecting travelers, who can no longer ride in a car with a Soviet citizen, and who cannot sleep in their houses.

Soviet authorities have instituted a policy of nondelivery of mail to Soviet Jews, a situation important enough to have been brought up at the Universal Postal Conference in Germany in the summer of 1984. The significance of this policy is that Soviet Jews may no longer receive their all-important invitations to leave the Soviet Union, which is the first step in the emigration process.

These are significant, additional steps in the cultural genocide of Soviet Jews being carried out by Soviet authorities.

In short, Mr. Speaker, Soviet authorities are denying Soviet Jews their basic human rights—the right to maintain their own religion and culture, and the right to leave a country that is denying them their heritage. Soviet Jews are denied the rights guaranteed to other national minorities and religious groups by the Soviet Constitution.

Unable to live according to their historic traditions, hundreds of thousands of Soviet Jews in recent years have requested the right to leave the Soviet Union. The right of any individual to leave any country, including his or her own, is an internationally recognized human right upheld by the Helsinki Final Act and other international agreements—ratified by the Soviet Union.

Secretary of State Shultz said he emphasized U.S. concern for the human rights of Soviet Jews when he met recently in Geneva with Soviet Foreign Minister Gromyko. The increasingly harsh policy by Soviet authorities is of deep concern to me and I know to my colleagues in the House. We take this opportunity to tell Soviet authorities that we strongly oppose their policies, and that we are as deeply interested in the well-being of Soviet Jews as we have ever been. We take this opportunity to tell the Jews of the Soviet Union that our concern for you is unending. Your plight is always with us. We join you in your never-ending, difficult fight for the freedom to live a Jewish life in the country of your choice, in the manner and with whom you wish, with your human rights and your freedom intact and protected. We admire your courage and perseverance and your spirit and defiance in the face of persecution. We are with you, we will always be with you, and we will never stop our efforts on your behalf.

Thank you.●

● Mr. BIAGGI. Mr. Speaker, I am proud to join my colleagues today in paying tribute to the tremendous courage and deep convictions of the Soviet Jewish community, which continues to be denied basic human rights, such as the right to emigrate and the right of cultural and religious expression.

We are entering a critical juncture in United States-Soviet relations, Mr. Speaker. It is a time when maybe, just maybe, our calls for freedom and justice for Soviet Jews may be heard and responded to by the Soviet Government. It would not be a moment too soon.

The news from the Soviet Union, Mr. Speaker, is not good. In fact, the plight of Soviet Jews has deteriorated to a new all-time low. During the past year, we have seen the constant harassment of Hebrew teachers and Jewish cultural activists, including a new wave of anti-Jewish trials; a new modern low for the number of Soviet Jews allowed to emigrate in a single year—896—with a monthy rate of less than 100 Jews emigrating; and an increase in an already virulent anti-Semitic campaign being spearheaded by the Soviet Union's Anti-Zionist Committee.

Typical of the growing anti-Semitism that is so prevalent in the Soviet Union was the airing last November of a documentary film entitled "Hirelings and Accomplices." By broadcasting this film on Leningrad television during prime viewing hours, the Soviet Government made it clear that they will stop at no lengths to discredit and alienate their refusenik community—Jews who have been denied emigration on at least two occasions and who choose to publicize their refusal.

Simply put, "Hirelings and Accomplices" sought to equate Soviet Jews who seek to emigrate to Israel with anti-Soviet behavior. This was not a new theme, but the highly visible way in which it was projected to the Soviet People marked a new intensity in the Soviet's anti-Semitism campaign.

Since the film chose to focus attention on four leading Jewish activists from Moscow and Leningrad, I will focus on their plight as well. The film calls them traitors. I call them courageous freedom lovers.

First, let us consider the plight of Lev Shapiro. Mr. Shapiro, along with his wife, Leah, and their two children, have sought to emigrate to Israel since 1977. They have been repeatedly denied for various absurd reasons, including the fact that Mr. Shapiro had access to classified materials which were 7 years out of date, and because his emigration "is against the interests of the U.S.S.R." As a result of their seeking to emigrate Leah Shapiro has been fired from her job and denied subsequent employment and Lev was attacked by the media as a Zionist conspirator. They have been told by an emigration official that the decision to deny them emigration visas is final.

Second, there is the case of Iosif Radomyslsky, who has been denied employment in his mechanical engineering profession since he applied to emigrate to Israel in 1979. His application to emigrate was denied on the alleged grounds of "secrecy," another vague term used by the Soviets, when there is, in fact, no grounds for denial. It should be noted, too, that shortly after the airing of "Hirelings and Accomplices," which cited Mr. Radomyslsky as a traitor, his telephone was disconnected, and his supervisor began receiving KGB threats and pressure to dismiss Iosif from his job.

The third case case is that of Aba Taratuta, who has been waiting for permission to emigrate to Israel since 1973. He and his wife, Ida, are among the longest waiting refuseniks. Since applying to emigrate, Mr. Taratuta has been denied the right to work in his profession as a mathematician and engineer. Both Aba and Ida have been prominently involved in efforts to retain Jewish history and culture and, as a result, have been frequently attacked by the media. In 1980, Mr. Taratuta was named a Zionist conspirator with Lev Shapiro.

The fourth refusenik discussed in the film was Yakov Gorodetsky. Mr. Gorodetsky, his wife, Polina, and their daughter, Ester, applied to repatriate to Israel in 1979, and they have been repeatedly denied exit visas on unspecified grounds. As a direct result of his efforts to emigrate, Mr. Gorodetsky has been fired from his teaching position, and from several subsequent menial jobs. Last year, he was penalized by a 20-percent salary reduction for a 2-month "correctional period" because he refused answering authorities' questions about his current employment situation out of a very justified fear that he would once again lose his job. He has been warned against any future "misbehavior."

Mr. Speaker, these four individuals are not unique in their suffering. Over 400,000 Soviet Jews have begun the emigration process, and some 20,000 have been denied permission to emigrate on more than one occasion. Each has suffered considerable hardship at the hands of the Soviet Government and those hardships should not and must not be allowed to continue.

For my own part, I have joined the Congressional Coalition for Soviet Jews, a group of more than 100 Members of Congress formed to speak out on behalf of the 2.5 million Soviet Jews. Acting in this position, I am committed to fully supporting and pursuing the Greater New York Conference on Soviet Jewry's requests that the Soviets release all Soviet Jewish Prisoners of Conscience and cancel those trials which have not yet occurred; grant exit visas to those Jews wishing to be reunited with family members in Israel; allow for the repatriation of Jews to their homeland, Israel; and allow Jews to live without discrimination within the Soviet Union.

We can also pursue other avenues of assistance. For instance, I recently reintroduced a bill (H.R. 1019) to cut the price of postage in half on parcels of food, clothing, and medicine sent from the United States to the Soviet Union and Poland. This legislation seeks to encourage much needed personal assistance from Americans to persons in Poland and the Soviet Union, particularly Soviet Jews. We have a responsibility to do whatever is possible to make life a little easier for those repressed people who are forced to live under Soviet tyranny. We cannot ignore the fact that Soviet Jews are not only routinely deprived of basic human rights, but also of basic human needs, such as food, clothing, and medicine. The passage of H.R. 1019 would help to fill those needs.

Finally, Mr. Speaker, the Soviet Jewry issue should be raised with high level Soviet officials, at every opportunity, whether the forum is arms control talks or trade negotiations. We owe it to everything good our great Nation stands for and for freedom lovers everywhere to confront the Soviet Government about the terrible plight of their Jewish citizenry whenever possible.●

● Mr. FOWLER. Mr. Speaker, I am pleased and proud to participate in this special order on behalf of the courageous men and women in the Soviet Union.

The situation for these Jews has never been worse, and it is our obligation to pay heed to their plight. What can we do? How can we best work to help alleviate their situation? The questions are simple, but the answers are not. During both my visits to the Soviet Union, I have been struck by a profound sense of frustration. We live in a free and open world where we can practice our religion as we please. We write letters to the President, to refuseniks, to Soviet officials, but at present, we are witnessing the most depressing point ever, for both emigration and treatment of Jews living in the U.S.S.R. That is our next step?

Now, when the lines of communication are opening between our Government and the Soviets, it is time to turn that sense of frustration into action. It is with great pride that I serve as cochair, along with my colleague JACK KEMP, of the bipartisan Congressional Coalition for Soviet Jews, which currently has almost 200 Members of Congress. Only in unity can we, as Members of Congress, achieve positive results for our beleaguered brethren in the Soviet Union. In one outspoken and determined voice, all 435 of us must make it known that human rights and basic freedoms, aspects of life that we all take for granted, must be an integral part of negotiations with the Soviet Union. Perhaps that kind of pressure from our country will put an end to the continuing harassment of Hebrew teachers, the threats against refuseniks and the extreme anti-Semitism that is permeating the Soviet Union today. The Congressional Coalition will ensure that our commitment to freedom of religious and cultural expression and the right to emigrate remain fundamental to a meaningful United States-Soviet

dialog. We have a responsibility to these people. As Pope Pius XII once said, "The American people have a genius for splendid and unselfish action, and into the hands of America, God has placed the destinies of afflicted humanity."

We all agree that the mistreatment of Soviet Jews is of great concern to us—now, during the 99th Congress, let's take united action.●

● Mr. REID. Mr. Speaker, several weeks ago I returned from a trip to the Soviet Union. While there I had the opportunity to meet with Prisoners of Conscience, the so-called refuseniks, whose only crime is the desire to worship God in their own way. These people, most of them Jews who have been refused the right to emigrate to Israel, are routinely persecuted by Soviet authorities seeking to stamp out all traces of organized religion. They have been battered physically and emotionally and fired from their jobs. In some cases, after having been followed and harassed for years, they have been murdered.

One thing that strikes me as particularly sad is the fact that the majority of Americans are unaware of the tremendous adversities faced by the refuseniks. I think there are a number of constructive measures that we, as Congressmen, can put into effect to bring the refuseniks' plight to the attention of the world, and hopefully ease their burden. First, we can try to increase the sensitivity of the American public to this issue through cooperation with the mass media, the assembly of conferences, publication of books, and similar efforts. Second, we can urge the Reagan administration to link treatment of refuseniks with other issues discussed during bilateral talks with the Soviets. Third, we can press each other in Congress to make the handling of Soviet Prisoners of Conscience a central concern of future congressional delegation trips. Clearly these are just a few suggestions to help address a problem that shows few signs of abatement; but if enough of us are committed to this human rights cause our voice will be heard and answered.●

● Mr. SAXTON. Mr. Speaker, it is indeed an honor for me to join my colleagues today in paying tribute to the unwavering spirit of Soviet Jews. I appreciate having the opportunity both to pledge my support for Soviet Jewry and to encourage the Soviet Union to grant emigration rights to this persecuted people.

Jewish life in the Soviet Union is dominated by determined, state-sanctioned propaganda and harassment activities. In fact, the few freedoms which have been accorded other religious minorities are not extended to Jews. The ultimate goal of the Soviet Government is the annihilation of Jewish culture. Because Jews are denied the right to pass on most of their rituals and traditions to younger generations, the Jewish religion may well face extinction in the Soviet Union.

Today in the Soviet Union there are about 70 synagogues. There are 70 synagogues in a gigantic country with the third largest Jewish population in the world. Seventy synagogues—this means one synagogue for every 25,000 Jews. And all too often, a synagogue will be found barricaded.

Another tactic of harassment is state-sanctioned propaganda. The number of incidences of hostile fabrications in all media is growing rapidly. Also, since the compulsory indoctrination program for young recruits often includes extensive anti-Semitic and anti-Israel propaganda, the Soviet Army is a breeding ground for future anti-Semitism.

These trends, not surprisingly, have accelerated the desire of many Jews to leave the Soviet Union.

Over 350,000 Jews have shown an interest in emigrating, but many are unable to begin the process due to innumerable and clever bureaucratic obstacles. Harassment, discouragement, and illness caused by the stresses of refusenik life prevent thousands from ever beginning the process of emigration, which takes years, if permission to leave is granted at all.

Mr. Speaker, I call on the Soviet Government to end anti-Semitic practices and to ease restrictions on emigration. The Soviet Union must understand that this situation is intolerable to freedom-loving people everywhere.●

● Mr. MOAKLEY. Mr. Speaker, I would like to call to the attention of my distinguished colleagues, the increase in violence and persecution directed toward the refuseniks of the Soviet Union and to emphasize my concern regarding this distressful situation.

As we all know refuseniks are those Soviet Jews who are routinely denied the right to emigrate. With an increase in the number of those denied visas, fewer than 1,000 Soviet Jews were allowed to emigrate in 1984. This exiguous figure is negligible when compared to the peak of 51,320 Soviet Jews allowed to emigrate in 1979; 5 short years ago.

We are all aware of the plight of the refusenik. Denied visas, refuseniks become pariahs in their own country. Oftentimes, they and their families become targets of harassment, degradation, and blacklisting. Parents lose their jobs and risk being arrested for parisitism; children are forced out of schools, thus extinguishing any hopes of further education or a successful career; refuseniks live in daily fear of being arrested on false charges and separated from their families. Clearly this form of oppression is the antithesis to the Helsinki accords which bestows upon every individual the right to leave any country, including his own, and of which the Soviet Union is a signatory.

At a time, such as now, when the Soviet Union has expressed an interest in improving relations with the United States, I find the level of human rights maintained in the Soviet Union extremely distressful and would urge my colleagues to speak out against such oppression in an attempt to press the Soviets to act in good faith on their commitment to peace.●

● Mr. BEILENSON. Mr. Speaker, I am honored to join with my colleagues today in paying special tribute to the unsurpassed courage and tremendous strength of Soviet Jews in the continuing struggle for freedom and the preservation of Jewish culture.

As we are all aware, the Soviet Union's repression of Soviet Jews is intensifying. In 1984, only 896 Jews were permitted to emigrate from the Soviet Union and join their families in Israel, the lowest level since records have been kept. In addition, there has been an alarming increase in the number of Hebrew teachers who have been arrested and convicted on charges of "defaming the Soviet State," just because of their overwhelming desire to keep their Jewish faith alive; this trend is particularly troublesome as it suggests that Soviet authorities are attempting to completely eliminate the dissemination of Jewish cultural heritage and tradition. The situation for Jews is further jeopardized by a dramatic rise in anti-Semitic propaganda.

By releasing its prisoners of conscience and granting religious freedom, the Soviet Union would indicate to the world not only its respect for the principles outlined in the Helsinki Accords, but also its desire to improve the strained relations between the United States and the Soviet Union. I fervently hope that Secretary Chernenko will finally seek to reverse the drastic decline in Soviet Jewish emigration and curb his government's policy of discrimination against and abuse of Soviet Jews.●

● Mr. DAUB. Mr. Speaker, I rise to add to the statements of my friends and colleagues today as we pay tribute to those brave, suffering souls who maintain their courage and demand to emigrate in the face of increasing Soviet persecution.

This is no small matter when one considers the ways and means employed by Soviet authorities to break the spirit of this movement. Anatoly Shcharansky describes these methods in this correspondence:

In March and April, during interrogation, the chief investigators warned me that the position I have taken during investigation, and held to here in court, I would be threatened with execution by firing squad, or at least 15 years. If I would agree to cooperate with the investigation for the purpose of de-

stroying the Jewish emigration movement they promised me early freedom and a quick reunion with my wife.

This cynical and barbarous use of power by Soviet Government officials described by Mr. Shcharansky is unfortunately typical of the way the Soviets treat those Jews who have indicated a desire to move West. It is disheartening to think that the Soviets are getting more repressive, not less, in recent years.

Continued defiance by Jews wishing to emigrate confirms my conviction that ultimately the individual is stronger than the state. Continued persecution, indeed intensified persecution, all point to the fact that defiance by refuseniks courageously endures.●

● Mr. LENT. Mr. Speaker, I rise today to join my colleagues in paying tribute to the brave and indomitable spirit of Soviet Jews who have long suffered under the Kremlin's oppressive rule.

Many of my colleagues here today have been active for years in the campaign to free those Soviet Jewish citizens wishing to emigrate from Russia. I know many share the deep sense of frustration and discouragement I feel when I hear the alarming—and increasingly frequent—reports of hatred and violent attacks against Jewish refuseniks and activists. These days, the situation looks very dark indeed. Emigration levels of Soviet Jews have dropped dramatically—from a high of 50,000 in the watershed year of 1979 to a low of 896 last year.

The Kremlin has launched a propaganda campaign against its Jewish citizens that is frightening in its intensity, and which is abhorrent to all free men.

On Soviet television, radio, and in the official Soviet newspapers, the authorities are linking Jews and Zionists as traitors in a plot to overthrow the Soviet Government. Branded as liars and traitors, Soviet Jews are isolated from their countrymen—outcasts with nowhere to turn. Authorities are attempting to cut Soviet Jews off from the outside world by severely restricting and intercepting mail and telephone communications.

The alarming trend in Soviet official policy seems directed at eradicating Jewish culture from the U.S.S.R. forever. Jews are forbidden by Soviet law from practicing their religion, observing holidays, and teaching the Hebrew language. Over time, these courageous men and women have banded together in a kind of underground movement practicing their religion in bold defiance of the Kremlin's crushing edicts.

But the cost they pay is dear. Jews are pulled from their homes, arrested, and cruelly beaten. They are tried by kangaroo courts of the so-called Soviet system of justice. For their "crimes," they are driven into exile in the wastelands of Siberia, enslaved for years under harsh conditions and driven to hard labor. Some are institutionalized in Soviet psychiatric hospitals, their minds and bodies subjected to overdoses and injections of dangerous drugs. So many Soviet Jews endure a suffering few of us can comprehend.

Yet, they still keep fighting. And they will never submit as long as the hope and spirit of freedom burns bright in their hearts.

That, Mr. Speaker, is our reason for being here today. We are witness to that spirit of freedom which refuses to die. We are children born of such a love of freedom. Our forefathers left their homelands to come to America. They sought freedom of speech, religion, and the press, and they fought and died to protect those inalienable human rights which are the rights of all men.

Let us join our voices together in loud protest. Let the Kremlin know that the whole world is watching at this criticial point in United States-Soviet relations. Let us renew our pledge to fight to free those Soviet Jews who seek only to practice the religion of their choice in the land of their choice. And let us not cease until we have won.●

● Mr. KILDEE. Mr. Speaker, last January 30 I joined many of my colleagues and community leaders from across this country in participating in a daylong Emergency Action for Soviet Jews, sponsored by the National Conference on Soviet Jewry. Participants in Emergency Action viewed a powerful Soviet television propaganda film which attacked Soviet Jews as agents of the CIA and a Zionist conspiracy. We also ate a symbolic prisoner lunch consisting of black bread and potato soup. We heard firsthand accounts of Soviet repression of Jews who seek to either freely practice their religion or emigrate to a land which will allow them to do so.

Today we pay special tribute to the indomitable spirit of Soviet Jews who face persecution for seeking emigration and justice at home.

The overwhelming majority of Jews who apply to emigrate from the Soviet Union are denied permission by the Soviet Government. In fact, the numbers of Jews who have emigrated from the Soviet Union declined from 51,320 in 1979 to just 896 last year. For those fortunate enough to be permitted to leave, months or even years may pass from the day of application to the day of departure. The long emigration process may be marked by constant harassment and conscious bureaucratic delays, especially for activists. To apply, one must submit a variety of documents to the local OVIR [Office of Visas and Registration, a branch of the Ministry of Interior]. The critical one is a Nyzov, or invitation from a relative in Israel. Since 1979, narrow rules determined that this must be a first degree kin, virtually precluding hundreds of thousands of people from receiving the mandatory document. A Soviet Jew might request several invitations before actually receiving one, since authorities often intercept them in the mail.

The Helsinki Final Act and the Universal Declaration of Human Rights calls for the easing of the repression of Soviet Jews who simply wish to emigrate. Yet the Soviet Union's record in recent years of this issue is appalling. It seems clear that allowing Soviet Jews to emigrate would not harm the security of the Soviet Government. Rather, it would greatly enhance the likelihood of improved relations between our two nations.

There are other dangerous trends occurring within the Soviet state. Not only is the sharp decline in Jewish emigration from the Soviet Union continuing, but with determined brutality, the Soviet Union has refused to allow Jews to live in their homeland with dignity and the freedom to be Jews.

We are witnessing an intensification of forced cultural assimilation, an expansion of anti-Zionist propaganda campaigns and an attempt to sever the Soviet Jewish community from any contact with similar communities abroad. In recent months, scores of private Hebrew teachers have been warned by the police and KGB to stop teaching Hebrew or be severely punished. During the past several months, four Jewish activists have been sentenced and three more are awaiting trial. Jews have been arrested on spurious charges and may have been beaten by Soviet authorities.

Given these worsening conditions, and given recent signs of possible improvement in our bilateral relationship with the Soviet Union, now is the time to launch new initiatives that will heighten public awareness of the crisis facing Soviet Jews. And now is the time for Congress to display to the Soviet Union a bipartisan resolve that we consider Soviet improvement on these human rights issues to be an integral part of our overall relationship with them. I call on all Members of Congress and all Americans to join in this struggle for basic human rights and human dignity.●

● Mr. MORRISON of Connecticut. Mr. Speaker, today I am honored to join with my colleagues in paying tribute to the indomitable spirit and unwavering defiance of Soviet Jews who face persecution for desiring to emigrate to Israel or to live as Jews, without discrimination in the Soviet Union.

Last year saw an all-time low in Jewish emigration. Emigration fell from its 1979 figure of 51,320, to 896 in 1984, in part due to recent changes in application regulations. The applica-

tions now require the disclosure of the names of all relatives, placing relatives under the Soviet Government's scrutiny along with the applicant. Many of these applications are held up in the review procedure so that the applicants are left waiting for months while the Soviet Government claims to be processing their request to emigrate to Israel. In the meantime, they are dismissed from their jobs and forced to take menial jobs or risk criminal prosecution. Sometimes their children are expelled from colleges or universities or their personal property is confiscated.

Accompanying this low rate of emigration is a stepped up effort on the part of the Soviet Government to erase the Jewish culture from the Soviet Union. Their attack has been focused on Hebrew teachers and Jewish activists. These outspoken members of the Jewish community have been the targets of searches, threats, and arrests by the Soviet Government. Four of those arrested have been sentenced to prison and labor camps on trumped up charges—charges of treason because they dare to speak of their desire to leave the Soviet Union or to remain in the Soviet Union without discrimination.

Still further, the Soviet Government has intensified its efforts to spread anti-Zionist propaganda. The National Conference on Soviet Jewry recently released a 27-minute film that was aired on Leningrad television, entitled "Hirelings and Accomplices." The appearance and key placement of this so-called documentary on prime-time viewing hours indicates the Soviet Government's intensification of its campaign to discredit the refusenik community. It vividly portrays the Soviet propaganda tactic equating Soviet Jews who seek to emigrate to Israel with anti-Soviet behavior. Hebrew teachers and Jewish cultural activists are equated with spies and criminals, allegedly coerced by outsiders to emigrate.

Mr. Speaker, I am honored to be able to pay tribute to the many Soviet Jews who continue to struggle for freedom and for the reestablishment of basic human rights of Jews in the Soviet Union. As the situation drastically deteriorates, we must stand stronger and even more united in the struggle to free them from the Soviet repression if they are to survive.●

● Mr. SIKORSKI. Mr. Speaker, 1984 was a bleak year for Soviet Jewry, a year dominated by harassment and a new wave of arrest and persecution. In addition the Soviet Union has effectively closed the gate to Jews desiring to leave the country. We have all seen the numbers, 896 Jews allowed to emigrate from the Soviet Union in 1984, a number that stands in stark and distressing contrast to the more than 51,000 Soviet Jews granted the freedom to worship the god of their choice just 5 years ago.

According to Soviet authorities, all Jews who wanted to leave the U.S.S.R. have already done so. This is not the case. According to the National Conference on Soviet Jewry, it is estimated that more than 350,000 Soviet citizens desiring to emigrate are still stranded within their homes.

Jews categorized as refuseniks are increasingly treated as outcasts by Soviet society. Often separated from their families and from Israel, they have been forced to wait indefinitely for permission to leave with no assurance that they will ever receive it. As refuseniks, they are routinely dismissed from their jobs and forced to take menial jobs or risk criminal prosecution on charges of parasitism. They are harassed, expelled from school, stripped of their standing in society, and subject to arbitrary arrest, confiscation of personal property, and defamatory attacks against their heritage.

Who are these Soviet criminals? They are ordinary men and women, whose only crime is their active struggle to secure the right to emigrate to Israel or to live as Jews without discrimination in the U.S.S.R. They are Yakov Levin, a Hebrew teacher from Odessa who was sentenced to 3 years of hard labor for allegedly circulating false materials which defamed the Soviet state. The inciteful document—a copy of Leon Uris' novel, "Exodus." They are Lev Shapiro who, with his wife, Leah, and their two young children, have been denied emigration to Israel since 1977. Lev, educated as an electrical engineer, has worked for the last 8 years as an electrician and Leah has been unable to find work. They are Nadezhda Fradkova, a Leningrad activist sentenced to 2 years in prison on the charge of parasitism and confined to a psychiatric hospital ever since.

And yet, despite adversity, despite this blatant attempt by Soviet authorities to crush the will of the Jewish people, a voice of hope can still be heard above the anti-Semitic din. The movement for a renewed Jewish religious and cultural life within the Soviet Union grows stronger. Soviet Jews are continuing to draw strength from their heritage. We too must draw strength. To our Jewish brothers and sisters in the Soviet Union, we will stand with you. We will not let your voices be silenced.●

● Mr. PORTER. Mr. Speaker, I would like to commend my colleagues for calling for the special order today to emphasize the plight of Soviet Jews.

Like many of my colleagues, I had the opportunity to travel to the Soviet Union in August 1982. I returned with a strong commitment to do all that I could to held the people I met during my trip. These refuseniks, were an inspiration to me. I was impressed by their commitment to their Jewish faith, and to their desire to emigrate to Israel, the homeland of the Jewish people.

As a direct response to my desire to help the victims of human rights abuse in the Soviet Union, and elsewhere in Soviet bloc countries, and around the world, I formed the Congressional Human Rights Caucus. My cochairman TOM LANTOS and I were very pleased with the support we received from our colleagues for the caucus during the 98th Congress, and we hope that again we will have one-half of the Congress as members.

Today we are talking about the dangerous trends occurring in the Soviet Government's treatment of Jewish citizens. The situation has never been more bleak. Last year only 896 Jews were allowed to emigrate; this sharply contrasts with 1979 when over 50,000 Jews were allowed to emigrate. There are thousands of Jewish families who want to emigrate, and have either been refused permission, or are waiting to hear from the visa office about their request. Most often, they receive refusals for their requests to emigrate.

Lately I have become increasingly concerned by the reports of government-sponsored anti-Semitism in the Soviet Union. A recent example of the Soviet anti-Semitic campaign is a documentary, titled "Hirelings and Accomplices," which aired on Leningrad television last November. This 27-minute film portrayed the desires of Soviet Jews to emigrate to Israel as anti-Soviet behavior. It also implicated members of the Jewish community as participants in a Zionist conspiracy operating in cooperation with the CIA. Unfortunately, this film, which was smuggled out of the U.S.S.R., is only one small sample of the harassment and persecution facing the Jewish community in the Soviet Union.

The Soviet Union has committed itself, by signing international treaties, to allow its citizens the freedom of emigration and freedom of religion. Yet time after time we see that they violate these international agreements.

Most recently I have become very concerned about the treatment of Evgeny Lein, a Soviet Jew living in Leningrad. Many of my colleagues joined in signing a letter I initiated with Representatives KEMP, HOYER, and BOXER urging President Chernenko regarding Mr. Lein. Unfortunately, Mr. Lein's situation is an all too common example of the plight facing Soviet Jews. I would like to submit for the RECORD a recent editorial from the New York Times which accurately, and poignently describes Mr. Lein's plight:

THE PARASITE, BY A MODERN KAFKA

The bureaucratic double bind: it's a game rigged so that officials always win. Here is a classic instance, drawn not from history but from the Soviet Union today. It concerns an outstanding Soviet mathematician, Evgeni Lein.

Under Soviet law, everybody must work or face a prison sentence for "parasitism." But since the state controls employment, it has the power to turn any citizen into a "parasite," which is Mr. Lein's likely fate. He has been unable to obtain even a menial job before a 90-day deadline expires today.

Mr. Lein's real crime is sadly commonplace. In 1978 he applied for a visa to Israel, and on the same day was fired from his job as a senior researcher at Leningrad State University. Accused, implausibly, of assaulting a militiaman, he was sentenced to a labor camp in Siberia. He was released in 1982—into the terrible limbo where thousands of "refuseniks" are dumped.

The British historian Martin Gilbert, in his moving book "The Jews of Hope," reports in detail on how the Soviet double bind can become a triple, even quadruple bind. When Mr. Lein was told no computer work was available, he asked for a simple job. The response: "No, you have too good an education. "Nonetheless, he finally shamed the state into giving him work as an assistant stoker. The roaring boiler impaired his hearing and he was certified for a disability, yet denied a transfer to quieter work. So he quit, provoking a beating last November by four security policemen who wrenched his right hand to stop his writing protest letters.

There's still another twist. Even if there is no job in Leningrad, there is one in this country. Roosevelt College in Chicago has offered Mr. Lein a job teaching his specialty. He need not be a parasite.

The Helsinki Agreement, which the Soviet Union signed, says, "Everyone has a right to leave any country, including his own." And the Universal Declaration of Human Rights, also signed by Moscow, affirms the right of all "to leave any country, including his own and to return to his country," Yet for a Soviet citizen to invoke either pledge is to risk jail, ostracism, beatings and the stigma of being a "parasite." That is the univeral bind for Jew and gentile alike in the Soviet Union.●

GENERAL LEAVE

Mr. FISH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the subject of this special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REMEMBER OUR FARMERS

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, yesterday some of our colleagues in the other body staged a filibuster to draw attention to the farm crisis. They held up action on the vote to name Ed Meese as our next Attorney General. I compliment them for their concern and their commitment to rural America.

However, Senate Majority Leader BOB DOLE called this filibuster by farm state legislators, "blackmail."

Secretary of Agriculture John Block called the action "inappropriate."

President Reagan termed the effort "ridiculous."

Today I have a few words to offer to them.

To Senator DOLE: "Remember your roots. You are from a farm State. Fight for your farmers as hard as you fight for Ed Meese."

To Secretary Block: "Remember your job description. You are the Secretary of Agriculture. Fight for rural America the way Cap Weinberger fights for the Pentagon budget."

To President Reagan: "Remember your campaign promise. Last year you told farmers you would not rest until they joined in America's economic recovery. Now is the time to put those words into action. The farmers of America need your leadership."

THE DISPUTED ELECTION IN THE EIGHTH DISTRICT OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I wish to speak this afternoon about the House refusal to seat the certified winner of the election in Indiana, Mr. McIntyre, and to introduce into the RECORD some additional information which I hope our friends on the Democratic side will look at carefully and will come to examine, because in the near future when we have another chance to vote on the issue of whether or not to go back to the precedent that says that once a Member has won an election and been certified by the secretary of state, that that Member should be seated until such time as the House finds that the election was fraudulent.

□ 1430

Let me again remind the distinction: Historically, in this House, once a Member has won an election and been certified by the secretary of state of the State in which the election was held, historically, the House seats the Member, and only then begins to look at the election.

In this case, the House is in a very dangerous way breaking precedent, and many people who have been looking at this are very concerned.

I want to quote, for example, a Minneapolis Star and Tribune story from February 8, 1985, talking about a colleague of ours, Mr. FRENZEL, of Minnesota, a Republican leader who spoke out on this issue. I quote this because Mr. FRENZEL, the gentleman from Minnesota, is widely regarded as one of the more sophisticated and one of the more sincere Members of the House; a man who does his homework; who is in fact not only very bright but very dedicated to the House; a man who serves on the Committee on Ways and Means with great discipline and with a great sense of trying to do that which is in the public good.

This is the article from the Minneapolis Star and Tribune.

FRENZEL ASSAILS REFUSAL TO SEAT MCINTYRE

(By Steve Berg)

WASHINGTON, DC.—Rep. Bill Frenzel, the usually poised and diplomatic Republican, got hot under the collar on the floor of the House Thursday—so hot that the chamber's Democratic leader interrupted Frenzel's stormy speech and accused him of going "beyond the bounds of decent debate."

"This is murder! This is a rape of the system!" Frenzel roared in arguing to seat Richard McIntyre as the representative of a House district in southern Indiana.

"With great patience (I) have desisted from insisting that the gentleman's words be taken down," shot back Majority Leader Jim Wright of Texas. "But some of the words just recently used go beyond the bounds of decent debate."

Under House rules, "taking down" means reprimanding a member for using "disorderly words." In extreme cases it could lead to censure, but Wright decided not to press the issue yesterday.

The tussle was over whether the House should seat McIntyre, a Republican, while one of its committees investigates the disputed election. The chamber, controlled by Democrats, voted 221-180 yesterday not to seat him, but to leave the matter to the House Administration Committee, also controlled by Democrats.

The battle has become one of stubborn, partisan honor. Five Democrats joined Republicans yesterday in voting to temporarily seat McIntyre over incumbent Democrat Frank McCloskey.

Frenzel was still steaming after the vote.

"It's hard to be calm and serene when you've been mugged," he said. "Perhaps I got a little emotional. But I regret it not a bit. Rick McIntyre by any law, by any act of logic or reason or precedent should have been seated while the true outcome is determined. Not seating him is a blatant abuse of arrogant and ruthless power by a majority."

Democrats are trying to "steal the election," Frenzel continued. "They're going to figure out a way to seat their guy. They want to throw enough dirt on the trail that this will be declared a vacant seat and they'll hold a new election."

He suggested that House Democrats are smarting over recent defeats and that their campaign committee, chaired by Rep. Tony Coelho of California, "wants to show its manhood."

The Republican secretary of state in Indiana certified McIntyre the winner by 34 votes immediately after the Nov. 6 election. After a recount, his margin was placed at 418. But Democrats charged that the recount left thousands of votes in doubt, many of them in black precincts around Evansville.

Aides said that only twice before in Frenzel's 14 years of representing the Twin Cities southern and western suburbs have

they seen him so upset. "It has built up to the point where he nearly exploded," said one. "He's frustrated because he knows he can't break many Democrats out of the pack."

And I would urge every Democrat in this House to consider seriously the man of the seniority and the maturity and the basic good nature of the gentleman from Minnesota [Mr. FRENZEL] is that upset; if he is that concerned, then maybe one should look more carefully at this very, very dangerous and unprecedented act of failing to seat Mr. McIntyre of Indiana who has won the election, won the recount, and been certified by the secretary of state.

Let us look outside this body. The New York Post, February 12, 1985, in an editorial entitled, "Someone Should Pass the Word" they said, and I quote the New York Post:

SOMEONE SHOULD PASS THE WORD

You have to tip your hat to Tip O'Neill. The Speaker of the Democratic-controlled House of Representatives sure knows his Constitution.

Article I, Sec. 5 says: "Each House (of Congress) shall be the Judge of the Elections, Returns and Qualifications of its own Members."

O'Neill and his 252 partisans in the 435-member House have used that as the basis to refuse even a temporary seat to Republican Richard McIntyre of Indiana, who apparently won his race by 418 votes out of 436,000 cast.

A special House committee is examining the returns, but in 82 previous such disputes—without exception—the apparent winner has been seated pending the outcome of any investigation.

O'Neill tried to argue last week that McIntyre should not be seated until the House probe is complete.

The Democrats in Washington are saying—in essence—that a local election official can't be required to submit a correct voting tally.

Considering that the Democrats already enjoy an overwhelming 70-vote margin in the House, denying Republicans one more seat on such specious grounds is a diplay of arrogance.

The real loser right now is Indiana's 8th Congressional District.

How far will the Democrats under Tip go to maintain their 30-year control of the House?

It would be reassuring if other leading Democrats took Tip aside and told him that winners don't need to cheat and that cheaters, in the long run, don't win.

That is the New York Post, looking from the outside, looking at this unprecedented act of refusing to seat a Member of the House who has won an election and been certified by the secretary of state.

The Washington Times, on February 14, 1985, in an editorial entitled, "Indiana McIntyre in the House of Doom."

The article follows:

INDIANA MCINTYRE IN THE HOUSE OF DOOM

The behavior of the House Democratic majority over Indiana's disputed House seat suggests a wretched kind of partisanship. Richard McIntyre, the Republican challenger, has twice been certified the winner of the 8th District House race, but has yet to be awarded the seat.

The initial count had the Democratic incumbent, Francis McCloskey, ahead by 72 votes. But the first recount put Mr. McIntyre ahead by 34 votes—a result certified by Indiana's secretary of state. Because the margin was narrow and because the secretary of state was a Republican and because a second recount was under way, the House declined to seat either contestant.

Now the second recount has been completed, and Mr. McIntyre leads by 418 votes. Yet the House, splitting along party lines, says no one can be seated until the House Administration Committee reviews the case. That committee, controlled by the Democrats, is not moving with alacrity.

Who knows? Mr. McIntyre's putative election may yet be overturned. Even so, precedent argues for seating the gentleman pending completion of the Administration Committee's inquest. Mr. McIntyre is pushing the case in U.S. District Court, which, let us hope, will dawdle less than the House.

Now, that is the Washington Times echoing the New York Post, which echoed the editorials I put in yesterday from the Washington Post, the Detroit News, from the Texas newspapers, again and again and again. From the Indianapolis newspapers, from the Evansville newspaper saying to this House, that once a Member has won the election, once the secretary of state has certified that Member, he or she should be seated during the recount.

Imagine, for 2 months now the 500,000 people of the Eighth District of Indiana have not had a Representative. For 2 months they have been paying taxes without representation. For 2 months, they have been denied their voice in this Congress, and on what grounds?

Under American law, you are innocent until proven guilty, yet in effect, the secretary of state of Indiana has been ruled guilty until proven innocent, because this House, by its vote, says the secretary of state of Indiana is in fact guilty of sending a certificate that is not valid.

What arrogance. The people of the eighth district have been told their votes do not count. For 2 months now their votes have not counted. What arrogance.

This House, under the Democratic leadership, is denying the people of the Eighth District of Indiana their vote; virtually every newspaper says so, and yet, look what we are being asked to believe:

Having by a party line vote refused to seat the winner from Indiana, we now have a task force which is two Democrats and one Republican. Gives you some idea of what House Democrats think of as fairness.

In the Ethics Committee, there would be two Democrats and two Republicans, because a matter of ethics should be decided on a nonpartisan basis. What about an election? Is it not on the face of it partisanship for two Democrats and one Republican to recount an election, in a situation where only Democrats have voted to not seat the winner of the election?

And are we in effect seeing a partisan Democratic leadership fail to seat the man who has won both the election and the recount and now fail to have a fair hearing because the task force is by its definition a partisan tool of the Democratic leadership?

□ 1440

It has a greater margin, 2 to 1 of Democrats over Republicans than exist in the House, which was 58 to 42, or existed in the election which was barely 50.3 to 49.7.

So we have the case that the people of Indiana voted. Their votes have been counted twice. The secretary of state is satisfied. Five Democrats had the courage to vote with us. But the Democratic leadership insists on not seating someone.

What do they say in Indiana about all this?

The Noblesville Daily Ledger, February 7, 1985, in an editorial entitled "Poor Losers."

[From the Noblesville Daily Ledger, Feb. 7, 1985]

POOR LOSERS

Residents of Indiana's 8th Congressional District are being denied representation in Washington in a blatant abuse of power by Democrats controlling the House of Representatives. Richard D. McIntyre was elected to the House from the 8th District last November, but he still is on the outside looking in.

The election was a close one. Mr. McIntyre was certified the winner over Democrat Frank McCloskey by a scant 34 votes in December. Mr. McCloskey demanded a recount, which was not unexpected.

Now the recount has been completed—by county election commissions that were dominated by Democrats in 11 of the 15 counties comprising the 8th District. Mr. McIntyre again emerged the winner—but by more substantial margin of 415 votes.

The Democrats are turning out to be poor losers. Rep. Tony Coelho of California, chairman of the party's congressional campaign committee, insists the returns still are not conclusive. He points out that 1,000 ballots were used invalid in a precinct with a heavy pro-McCloskey vote, but conveniently ignores the fact that thousands more were ruled in precincts that favored Mr. McIntyre.

Election officials in Indiana are satisfied that the election of Mr. McIntyre was on the up-and-up, but the Democratic leadership in the House is insisting that the seat remain open until the House Administration Committee, which it controls, has had a chance to "investigate" the case. The investigation, of course, is a last-ditch effort to find some reason to give the seat to Mr. McCloskey.

This is believed to be the first time the House of Representatives has ever refused to seat a person whose election was duly certified by state-election authorities. If the Democratic majority is allowed to impose its will in this manner, the implications are frightening. Why bother to have elections if

the party controlling Congress can overule the results?

If Mr. McIntyre is not seated promptly, voters in Indiana should seek an order from a federal court granting them the representation in Congress that is being denied to them by the losing side in the November election.

Let me repeat. I think the three things that every House Democrat should be aware of, from the Noblesville Daily Ledger, first, that the recount was "by county election commissions that were dominated by Democrats in 11 of the 15 counties." So it is not a Republican recount. In 11 of the 15 counties there was a 2-to-1 majority of Democrats providing the vote.

Second, that all the assertions that the Democratic leadership has been making about the 1,000 ballots that were thrown out, about the two precincts that were not counted, conveniently ignore the fact that there were 1,000 more ballots not being counted in precincts that McIntyre carried, that Indiana law was faithfully followed and that in fact the reality is that if you count all the ballots, McIntyre won by 34 votes. If you count more carefully and more precisely, McIntyre won by 418 votes, but there is no single piece of evidence that in any way suggests that the Democrat won this seat anywhere in Indiana. Although clearly the Democrats in Washington are doing their best to win it for him.

Third, and this is the reason that today we had votes on the floor, this is the reason there will be more votes next week, this is the reason there will be a consistent systematic effort to force another vote on the McIntyre matter and that is the danger which the Noblesville Daily Ledger correctly notes when it says:

If the Democratic majority is allowed to impose its will in this matter, the implications are frightening. Why bother to have elections if the party controlling Congress can overrule the results.

The precedent that the Democratic leadership is trying to establish this year is a dangerous constitutional precedent for the future of this country. If we allow any 218 Members on the opening day to refuse to seat a Member for whatever reason, we create an artificial majority and we deny the right of the American people to be represented.

The Noblesville paper has understood the constitutional challenge in this action.

Consider another Indiana newspaper, the Goshen News, February 8, 1985, in an editorial entitled "Time To Seat McIntyre."

[From the Goshen News, Feb. 8, 1985]

TIME TO SEAT MCINTYRE

Republicans are making noise about the failure of the Democrats in the U.S. House of Representatives to seat Rick McIntyre as representative from Indiana's 8th congressional district.

The GOP efforts were turned back in a 221-180 party line vote Thursday to have McIntyre seated conditionally while a House committee investigates the disputed election. The matter has been left in the hands of the House Administration Committee.

There was a lot of election night confusion, and a 100-vote tabulation error in Vandenburgh County gave Congressman Frank McCloskey a preliminary 72-vote lead. The error was discovered and the corrected vote made McIntyre a winner by 34 votes. This was the way the official vote was recorded.

Obviously, incumbent McCloskey would request a recount and one was completed. But it was a recount by lawyers with lots of witnesses watching every vote tallied. It was nothing like the friendly recount going on in Elkhart County, where we're testing a system and not expecting to unseat winners who have big victory margins.

With uninitialed punch card ballots and others that didn't officially qualify eliminated, McIntyre won by 415 votes.

The recount in 11 of the 15 counties was controlled by Democrats, so McIntyre hardly had an advantage or "stole" the election in a recount.

Secretary of State Edwin Simcox, a Republican, certified McIntyre the winner. But the House, controlled by Democrats, decided to declare the office open pending a determination by the House.

Rep. Guy Vander Jagt of Michigan, chairman of the National Republican Congressional Committee, has some strong things to say about all this.

"A crime is being committed in the United States House of Representatives affecting half a million people today and perhaps many more in the future."

Vander Jagt says the House Democrats vow to leave the seat vacant until they construct a formula to thwart the voters of Indiana and throw the election to McCloskey.

"By ignoring the election results and laws in Indiana's 8th congressional district, the Democrats are refusing to honor the decision of the voters of Indiana as certified by the constitutional officers of that sovereign state.

"It is an irresponsible abuse of power for any majority to supercede the election laws and results of any state," Vander Jagt says.

It has been pointed out, by Republicans of course, that never before in the history of this nation has the House "so blatantly interfered in the state election process and never before has the House refused to seat a congressman whom state officials agree is the winner in a congressional contest."

Simcox, after some delay to make certain of McIntyre's 34-vote victory in the official count, certified the Republican as the winner. Now some House Democrats are claiming politics prompted Simcox to take his action. This did not go over too well with our secretary of state.

After winning the election by 34 votes, and the recount by 415 votes, House Democrats certainly should conditionally seat McIntyre pending the House committee review. The delay could go on for two years, based on the usual speed of governmental action. The half million people in the 8th District deserve representation. Members of Congress should think this is important.

McIntyre has a right to ask the question, "How many votes does a Republican have to win by in order to be seated in the Democrat-controlled House?"

It's the only open seat in our U.S. Congress and Democrats better give up this petty political fight to deny a duly elected representative his office.

That is from the Indiana Goshen News, February 8. The point again to be made to our colleagues who are Democrats is that on election night it was only a mathematical error in double counting two precincts that ever gave the Democrat the lead. In accurate counting the Democrat never had the lead. McIntyre has always been the winner. McIntyre won on election night with 34 votes. He won in the recount with 418 votes. There is no excuse for not seating him. The recount was not done by Republicans. In 11 of the 15 counties it was done by a majority of Democrats, 2 to 1 on the voting recount commission. And it was done carefully.

Now, as the paper said and I think it is worth reminding everyone, during the recount: "It was a recount by lawyers with lots of witnesses watching every vote tally." Again from an Indiana newspaper.

So from New York, we should seat McIntyre.

From the Washington Times, we should seat McIntyre.

From two Indiana newspapers, we should seat McIntyre.

What about citizens. Michael Miller wrote a forum in the Evansville Press on February 18, entitled "Precinct Worker Claims Committeemen Fouled Fair Congressional Vote."

□ 1450

He happens to be a student at Purdue. He talked about all the confusion, all the chaos, the difficulties. He talked about how in his precinct on the Purdue campus that they followed the instructions included with election day materials.

He says:

As each voter entered, the 2 sheriffs demonstrated the voting procedure, then the 2 clerks had the voter sign in, checked to make sure each other's initials were on the ballot, told the voter to look for the initials, then passed the ballot to the 2 judges. The judges also checked for the initials, again alerted the voter to be sure to look for initials, then gave the ballot to the voter. Therefore, in my precinct, 4 people checked to make sure the required initials were on each ballot and each voter was instructed twice to check for those initials himself.

Election laws require that a valid ballot is to be properly initialed. Voters cannot be upset with recount officials for enforcing those laws. Instead, concerned voters should be upset with their precinct committeeman and ultimately must remember that they were the ones who elected their committeeman in the first place.

Now, it goes on to say this:

Rick McIntyre has been certified the winner of the election. If the recount rules were truly inconsistent with the laws, then a final set of rules must be determined and another recount taken. But to seat Frank McCloskey just because his party happens to be in the House majority would be unfair to the people of the 8th District. The very

principle of our democracy is that our leaders are chosen by the people.

Citizens on both sides of the issue should be concerned. To ignore the vote of the people would be a dangerous precedent, and next time the situation could work in reverse.

Two things are certain. We have to let our legislators know that our Representatives must be chosen by the people they represent. Second, we need to elect more responsible precinct committeemen to ensure that no vote is ever again thrown out because of their carelessness.

This is from a college student, a senior in computer and electrical engineering at Purdue, who himself is a precinct committeeman.

Now, I raise this issue because there has been a great deal of baloney cited to suggest that the votes thrown out during the recount were improperly thrown out. Indiana law is very precise and very careful about how to vote because in the past they have had a great deal of vote theft. They have had people who voted falsely, they had people who stuffed the ballot box. And in order to make sure that only real people vote, that nobody is able to stuff the machine, they have adopted very, very strict rules.

When a loose count was taken on election night, Rick McIntyre won by 34 votes. When a far more careful count was taken during the recount, Rick McIntyre won by 415 votes. There is no allegation at any time by anyone in Indiana that under any circumstance the Democrat won. In fact, only the 2-to-1 Democratic majority on the Task Force on House Administration offers any hope that the Democrat will win this election.

Let me cite not just a student who is a precinct worker, but Helen Kuebler, clerk of the Circuit Court for Vanderburgh County. Vanderburgh County is a county in the Eighth District. And her letter to the editor was entitled, "Don't Blame the Punchcards." And it is really important to consider this because there is a great deal of baloney being thrown out right now about we need to look at this race because there are a lot of unusual votes that are not being counted, because it is somehow different. We have many places in America that have election machines that are dubious. We have many places in America that have Congressmen seated today where one could question easily 5,000 votes. That is not what is at issue. What is at issue here is that there has been both an election and a recount out in the open, and listen to what a local official, the clerk of the Circuit Court for Vanderburgh County says:

Every day for weeks I've read letters to the editor, editorials, opinions, jokes, insinuations of those who voted in the 8th District: Did or did not my vote count?

I've tried to keep an open mind: Let the accusations fly, we did our best, we went according to the election laws of the Indiana Legislature.

It seems to be "Knock the Punch Card System" time. Do you remember the paper ballots? Do you know if your vote counted then? No! I've had members of both political parties tell me how back in the old days we didn't have this, we mutilated the ballots while counting them, just by marking on them (not on a recount, either). Do you remember the Big Machines? Here again, they blocked out numbers, counted what they could get by with. Who could check them? Nobody. Also, they counted all night, not just until 9 to 10 p.m.

Now we have a method of punch cards that tells you how many ballots are cast, and how many are counted, that a tabulator counts, no personnel can mutilate a ballot, no personnel can change the number of ballots that go to the counting center, without being detected. We have a check and balance, which has been proven in Vanderburgh County.

Legislators passed the laws for Indiana, not to count the ballot if it is not initialed or does not have the ward and precinct. (This is to prevent ballot-box stuffing, or illegal voting.) We upheld these laws in the recount.

The voter must also take some responsibility, he must be educated. Again as usual we are eager to put the blame on someone else.

The election office has instructional meetings every year, every day for one week, two weeks before the election. We do advertise and invite the public to attend, as well as the poll workers. The news media have been more than generous in their publicity of these meetings.

No one is throwing out ballots because they are for or against a candidate. The recount commissioners consisted of one Republican member and two Democrat members appointed by a Democrat Circuit Court judge. They discarded ballots according to the laws of Indiana, per their court order. And in turn the clerk certified these results to the Secretary of State. He then certified the complete 8th District results to the U.S. House of Representatives.

We do have a winner in the 8th District. The same person who won Nov. 8 is still the winner. Now get the House to seat this person after being certified by the state of Indiana. We followed the law of the land. Now it is their turn.

Ask the House of Representatives if your vote counted.

HELEN L. KUEBLER,
Clerk of Circuit Court,
Vanderburgh County.

I yield to my good friend and colleague, the gentleman from New York.

Mr. MOLINARI. I listened to the gentleman yesterday and today, the gentleman from Georgia, and I must say that I agree with the conclusions that he has stated both yesterday and today. But I am somewhat confused. Last Wednesday, 1 week ago Wednesday, I was called by the leadership on our side of the aisle asking me to remain the following day because this resolution to seat Mr. McIntyre was going to be taken up. And I did. I canceled plans back home, speaking engagements, and I attended, as did most of my colleagues.

I note, however, in looking at the RECORD from that day, that the gentleman in the well, Mr. GINGRICH, was listed in the CONGRESSIONAL RECORD as not being present. I do not know how the gentleman can square that with the position he is taking here. If this is indeed one of the most important votes that we would have before us in this legislative session, then I think the gentleman should have a very good excuse for not being here.

Mr. GINGRICH. I do. I was, in fact, representing the American position in Central America in a debate at Oxford against the Nicaraguan Communist Vice President. Frankly, when I knew that Mr. McIntyre had won, that he had won not only the election but he won the recount, I knew that the recount had been certified back here, I knew that he had won by 418 votes, a margin far larger than most of the cases we have seen recently, my position was quite simple. I felt confident that he would be seated. I could not imagine the Democrats, faced with a recount solution, faced with a situation—in fact, I can tell the gentleman a true story. Several of the newly elected freshmen on our side who were very concerned and very upset and knew Rick McIntyre personally and wanted to get involved, said: "How can we get the Washington Post to write an editorial in favor of seating McIntyre?"

I suggested they go down and see the Washington Post editorial staff. And they called down there and they said: "We want you to write an editorial in favor of seating Mr. McIntyre."

And the Washington Post said to them, the day before the vote: "We don't need to write an editorial about Mr. McIntyre. We are confident that tomorrow the House of Representatives will seat Rick McIntyre because it is clearly obvious that Mr. McIntyre has won the election and won the recount."

Mr. MOLINARI. Will the gentleman yield further?

Mr. GINGRICH. Let me finish.

In fact, the Washington Post found itself in the same position I am in, because several days after that event, the Washington Post then rose and wrote an editorial, which I put in the RECORD yesterday, on seating Mr. McIntyre, and the Washington Post shares my disbelief that the Democratic leadership—it was hard enough to believe, on the opening day, when you and I were both here, that the Democrats would not seat him. But the Washington Post shared my disbelief that on that date Mr. McIntyre would not be seated.

So I have to say to the gentleman that it seems to me very clear that Mr. McIntyre should have been seated that day, and it should have been a pro forma vote of 430 or 422 to zero.

I will be glad to yield to the gentleman further.

Mr. MOLINARI. If I understand the gentleman correctly—I am a little confused—the gentleman left town, left

Washington, because he assumed that the vote the following day was going to be to seat Mr. McIntyre. Is that correct?

□ 1500

Mr. GINGRICH. Mr. Speaker, it seemed to me that the vote the following day would have one of two results: either the Democratic leadership would decide that clearly Mr. McIntyre deserved to be seated and would pass the word to its whip system to allow a free and open vote, in which case Mr. McIntyre would be seated decisively; or the Democratic leadership would decide they were going to try to steal the seat, in which case they would pass the word to their whip system and Mr. McIntyre would fail to be seated by a margin of approximately 45 votes.

In either case my vote would not have made the difference since a 45-vote difference is not going to be made up, and it seemed to me that it was a legitimate cause to defend the U.S. policies in Nicaragua against a Communist Vice President in Nicaragua at Oxford in a situation in which a number of people in the Reagan administration had assured me it was of some use to them.

Mr. MOLINARI. Mr. Speaker, I suggest to the gentleman from Georgia that you can call it as you see it, but if you believe in this issue as strongly as you say you do, I think you had an obligation to be there, just like I was and all the rest of our colleagues.

Mr. GINGRICH. I can appreciate the gentleman's point. I find it interesting, though, that the gentleman feels more compelled to worry about whipping Republican votes to get them on the floor than about communicating the fact that the outrage here is not whether you and I voted that day but the outrage here is that the Democratic leadership systematically and deliberately passed the word through its whip system to not seat a man who on that date clearly should have been seated.

Mr. MOLINARI. Mr. Speaker, if the gentleman will yield further, it is only because of the deep respect I have for your eloquence and the power of your persuasiveness that I say that perhaps if you were here that day and you spoke as eloquently as you are today in the well, you may have been able to prevail upon enough Members on the other side to join us, and Mr. McIntyre might have been seated that day.

Mr. GINGRICH. I appreciate your kind comments, and all I say is that I wish eloquence would have worked. Had eloquence worked, I am confident that the gentleman from Minnesota [Mr. FRENZEL] that day would have persuaded them; I am confident that the eloquence of the gentleman from Illinois [Mr. MICHEL] or the gentleman from Mississippi [Mr. LOTT] would have persuaded them.

The tragic problem we are faced with here is that unfortunately eloquence does not seem to work in a situation in which the Democratic leadership has told its whip system that one should vote one's future in the House rather than on the arguments.

Mr. GALLO. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am delighted to yield to my good friend, the gentleman from New Jersey.

Mr. GALLO. Mr. Speaker, I thank the gentleman from Georgia for yielding.

Mr. Speaker, I find this a very difficult situation to understand. We have had a great debate over this matter. We have talked on numerous occasions about the constitutional questions and really whether or not what has transpired in this Congress and in this House represents democracy.

This issue before us at this time involves a fundamental question: Does democracy work in this country and in this House?

Other nations of the world have come under criticism within the Free World for using methods outside the democratic process to strengthen their personal, partisan positions. We in this country are quick to pass judgment on other nations regarding elections or election practices which involve a bending or a breaking of the rules of society for the gain of one group or another group within the society. At home, however, these distinctions can be blurred by our personal involvement in the process.

In the case of Richard McIntyre of Indiana, we must be very careful to uphold the principles of democracy as an example to those in other countries who would like to understand our system and follow our experiences and examples in their own countries.

I will submit that the Governor of New York once said, Mr. Speaker, that the only cure for the ills of democracy is more democracy. I am sure that we all support this important idea today. Our disagreement is over the meaning of that idea. Some of us see the need for more deliberation and study; some of us need more time to think about the issue; some of us are quite happy to allow time to pass while the wheels of democracy continue to grind on in Washington.

When I think of democracy, however, I think of the half million people in Indiana who are not represented in Congress. I think of the democratic process in Indiana which has certified Mr. McIntyre or Mr. McIntyre's election to a seat in this Congress. I think of a loss of individual rights represented by this failure of our House to seat this man so that he may represent the people of Indiana. I think of a broader issue which transcends State lines and party politics, and it goes to the heart of the system—the U.S. Constitution.

When we discuss this back home with people in the State of New Jersey, they ask "Why are you that directly involved? What is the rationale? Why are you concerned? It's not for the State of New Jersey."

Well, as I say, this transcends State borders. It is a concern we all have as U.S. citizens. It is a concern where we want to assure that the process is one that works. We want to ensure that the process itself brings about a final count, and that every vote that is cast in an election is counted, and that when the winner is announced and that winner is certified—and in this particular case he was certified, and then we had a recount which recertified that fact that Rick McIntyre was duly elected—he is seated. I think that has a very serious implication when in fact this House fails to seat a Member who has met all the qualifications, including the certification from the secretary of state.

I have said on numerous occasions that I wonder what our young people think when they visit this House and they look down at those Members representing all the districts throughout the United States and figure that democracy does work, that the election system is one that works, that gives true representation, and I think how they must be disappointed or confused when they hear the debate and dialog that is going on in this House dealing with this particular seat and Rick McIntyre in particular.

I am disturbed because we all want this process to work, and, Mr. Speaker, I hope and pray that this House does correct the injustice. No one says that that debate cannot continue, but it is my absolute belief and opinion that while there is an investigation and a review of that election, the facts are very clear in the eyes of Indiana and the secretary of state, who has sworn to uphold the law in signing the affidavit which says that Rick McIntyre won that election, and not to seat him at this time is to me a disgrace to this House and one that I do not take lightly.

Mr. GINGRICH. Mr. Speaker, I might ask the gentleman, was he not involved in State government?

Mr. GALLO. Yes; I was involved in State government for 9 years in the State of New Jersey as an assemblyman and also as its minority leader.

Mr. GINGRICH. Does it strike you as strongly as it does me as a very grave insult to a State to arbitrarily assume that the secretary of state would send a certificate in that was invalid?

Mr. GALLO. Absolutely. The thing that bothers me is that when we talk about States, you may recall that we had an election for Governor, and it

was between Tom Kean, who was a former speaker of the house of the State of New Jersey, and a colleague of ours, Congressman JIM FLORIO. That race was a hotly contested race. That race came down to the last day as a nip-and-tuck race.

□ 1510

They did a recount because it was that close and Tom Kean was eventually certified the winner with a 1,700-vote plurality.

I did not see Congressman FLORIO say that he was going to take this to court. I did not see him fight that final decision. He respected the voters, even if it was so close, in this particular case 1,700 votes cast out of 2 million. That is a lot of votes and a very close election, but we did not have what transpired here.

I think that it does transcend Indiana. As I said before, when you talk about the election and what has transpired in Indiana, they wonder, well, why does that have such meaning, and the significance is that if we are going to have a race that is going to be contested and because the numbers are very small we are going to allow this House and the majority party, no matter who the majority party may be at that time, say "We are not going to seat that individual because it is too close," well, that is absurd. We have had a number of close elections this past year and if we took that as a House rule that if you did not win by more than 500 votes, we will not seat you; now, that is not fair. It goes against all the principles we know. It goes against the Constitution of this great country. I think that in this case there is still time. There is still time to right the wrong that has taken place and that is to seat Rick McIntyre.

Mr. GINGRICH. Mr. Speaker, I am glad to yield to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I have listened to this discussion before and this point before about how close the race was, but it seems to me that when this House took up their grievance against that process in Indiana, the concern was not how close the race was. The concern that was expressed and ultimately voted was that the secretary of state in Indiana did not have the right or the authority to duly certify that election as he did, irrespective of the vote count; so it is not at all clear to me that a fellow like myself, who got a 6,700-vote margin would necessarily be safe from being challenged the next time I come around; but all that again, I think, misses the problem.

I would like to talk about that a little bit, because as I have characterized myself so often, I am not a politician. I have never held public office before, never even ran for public office, so I have a spirit of kinship with my constituents when I come home, because for most of my life I, like they, have sort of sat on the outside and watched this process. It is the first time in my life that I have been involved.

As I was back there during this recent period discussing what it is like in Washington with a group of very curious constituents, the question was, "Well, what are you doing in the House? We hear so much about what is being done in the other body, but it doesn't seem like much is being done in the House."

I expressed my own frustration that, yes, it does seem like it is slow getting started taking on all this enormous business. I said I felt like I would have had half the Government reformed by now, and we haven't even gotten started on the job.

We talked also about our concerns and how long we had to struggle to renegotiate a fair committee ratio when indeed we finally came in the last analysis within only 19 seats of a fair ratio, but still managed to get our committees up and this week got back to committee work.

In discussing this thing, there was one old gentleman who sat there very quietly and listened to this discussion and finally just sort of blurted into my face, as some of our constituents are wont to do, "Don't you believe in the Constitution, young man?"

It sort of reeled me back because, of course, I do.

He said, "How can you say there is nothing happening in the U.S. House of Representatives, there is no business going on, when you are dealing with what might be the most flagrant violation of the Constitution in this United States today?"

Now, this was a voter. One of the things that occurred to me at the time is that every now and then we think nobody is watching us here, we can do all the mischief we want.

Well, the American public is watching. They are very concerned. They are very informed, and as I looked at this problem through this gentleman's eyes, I realize that it is not a problem of what is fair to Rick McIntyre. It is not a problem of whether you win by 30 votes or 500 votes or even the State authorities who certify elections. It goes to the very heart of the Constitution of the United States and that is what the voters see, because they, like myself, see a Nation that was founded on the principle of one man, one vote, go out there and fight a good fight, campaign hard, contest the election, count the votes and then seat the winner. That is what this Nation is all about.

How often do we quarrel with other nations of the world because that process, that basic tenet of human freedom and liberty is not being honored.

I think this is what we have got to address. We above all people have to come here, do honor to those constitutional processes with due process to fight for that.

As this older gentleman explained to me, "You may just be a freshman, but you are sitting in the hot seat now, because it is one of your fellow freshman in the Congress who is the lightning rod for a constitutional issue. Is this Constitution going to stand? Is this House going to stand and fight in the 99th Congress, or are we going to let it go with a black mark against the process?"

I think the time has come for us to set this right. I am disappointed to be back here today talking about this. When we had our first initial experience and the first vote was taken and then when the second vote was taken I really felt that we were going to have this problem resolved. We have gone through the recount. The certification has been upheld. The time has come now for this Congress to have 500,000 people in the State of Indiana represented and then if we want to go on with the process, that is fine, but that is a half a million Americans that did their duty. They paid their taxes. They deserve representation. They went to the polls and they did their duty and they expressed their choice and their preference. They deserve that to be honored. If we cannot honor that now and give representation to those taxpayers and those citizens, 500,000 Americans, a half a million of our fellow countrymen, I think it is time for us in the House and I think it is time for other Americans across the Nation to be as angry, to be as outraged, to be as insistent as this fine old gentleman from Fort Worth, TX, who does not know Indiana, never has been there and does not know Rick McIntyre, but cares about the Constitution and says the time has come to settle this issue and to do it properly for once and for all, for this body to live up to its obligation.

Now, I can tell you, I regret being back here a third time talking on this, but if I spend both the years of the 99th Congress coming back here every day and fighting for this, I will be back, because that is what we ran for to do our duty to the Constitution, that is what we are obliged to do. It is my job and we will be back and we will fight this until, indeed, justice is served in this body.

Mr. GINGRICH. Well, I think the gentleman makes an excellent point. You know, the comment from the gentleman's friend or constituent back home in Texas that this is a constitutional matter I think should drive home to every Member of this body what is involved here.

We swore an oath on the first day of the session to uphold the Constitu-

tion. Many of us now feel that we are part of a body which has violated the very spirit of the Constitution which has broken a precedent, which has for the first time refused to seat a man who was certified.

Let me read, if I might, from a letter from the secretary of state of the State of Kansas, much like the friend of the gentleman; not from Indiana, not a Member of this House, but the secretary of the state of Kansas, Jack Brier, writing to a Democratic Member of this House, and I will not mention the Democrat's name, but I think it is an important letter and I think I would like it introduced without his name. He says:

I urge you to reconsider your vote to refuse to seat Indiana Republican Rick McIntyre as a member of the House of Representatives.

Petty, partisan politics must give way to greater concerns when the stakes are representation in the U.S. House for a half million people.

And there is no doubt that partisan politics are behind your vote, for the facts clearly show that Mr. McIntrye should be seated. Mr. McIntrye won the election in Indiana's 8th Congressinal District by 34 votes and was certified the winner. Later, a recount not only confirmed his victory, but widened his lead to 418 votes.

Never before in history has the House refused to recognize a valid election certificate issued by a sovereign state. Never before have I seen the election process subjected to such brazen and arrogant abuse of power.

I ask that you recognize the will of the people of Indiana, respect the electoral process and reverse your decision.

With every good wish.

Cordially,

JACK H. BRIER,
Secretary of State,
State of Kansas.

FEBRUARY 13, 1985.

□ 1520

And one reason we are picking up this fight and saying more and more about this is that as people around the country are beginning to pay attention; as they look on in disbelief as I did at the Democratic leadership refusing to seat Mr. McIntyre after the recount was completed and he won by 415 votes, more and more newspapers, more and more secretarys of state and other citizens are writing their Congressmen, calling their Congressmen, writing editorials and saying, "You should vote to seat the man who represents Indiana."

There is a reason for that. One has to recognize that, for example in 1937 there was a contest for New Hampshire's seat. It took 1½ years to solve that. In 1961 there was a contest for the Indiana seat. It was the middle of June before it was solved.

The House has always followed the firm rule that you deserve to be seated if you are the certified winner. You deserve to be seated until the House decides the election. This new rule of not seating the winner is very dangerous indeed.

I would be delighted to yield to my good friend.

Mr. GROTBERG. I thank the gentleman from Georgia for yielding to me.

Mr. Speaker, I have been waiting my opportunity to speak up on behalf of our friend, Rick McIntyre. But I have also been waiting to speak out for what I observe as one of the biggest aberrations of the domestic process that I have seen in my 12 elections I have been through. I am from Illinois, Mr. Speaker, and we all know about elections in Illinois.

We know that they can come and go, chicanery is not a new word in the State of Illinois and its election process. But when the winners win, they are seated, and then we go about the people's business.

One of my concerns is, and I was reminded yesterday morning going to the church services that many of us go to Ash Wednesday, I was reminded of the words of our Lord who said rather explicitly: "In that ye have done it unto one of the least of these, my brethren, you have done it unto me."

I think all 433 Members of this House are at stake in this basic principle of justice by democracy and by democratic action in the ballot box.

Mr. Speaker, I think Marcellus said it rather well to Horatio, the great Dane in that big castle, when he said: "Me thinks there is something rotten in the State of Denmark."

Those are the kinds of words that I heard last week, 10 days I was home in the field working with my voters. And you know what? Way out in the middle of Illinois; not in Indiana, they are beginning to ask questions on other things besides the budget and the farm bill. They are beginning to ask "What's the matter with that Congress?"

We all get blamed, Mr. Speaker. What is the matter with that Congress, that 500,000 people in the southwestern part of Indiana are not on board yet? We have been answering our mail; the letters from there come in by a hundred or two a day; they have no one to write to. What has happened to this system? Is it 30 years of power that would corrupt? Is it that absolute power corrupts absolutely?

I hope not, Mr. Speaker. The worthy opposition consists of fine people representing their legislative districts, much as you and I represent ours.

If the gentleman from Georgia [Mr. GINGRICH] would understand, along with the rest of the world, that just a few months ago we sent our Army and Navy in to liberate a country of less than 500,000 people; Grenada.

Margaret Thatcher was here yesterday. A few months before she sent the British Navy down to take back the Falkland Islands because of basic disagreements in how government is going to be run.

Good heavens, I do not want, Mr. Speaker, for us to compare those chemistries with the chemistry that is going on here. The solution for this problem lies right in this House. It lies right in the hands of the leadership of this House. It lies in the hands of the gentlemen on the election committee that has been appointed, and those decisions have to made.

The injury that has been done has been done. Our comrade-in-arms still waits to be seated. That is not fair; it is unjust, un-American.

I was around when Truman was a member of the Un-American Activities Committee, one of the great Democratic leaders of our time. I wonder if he is turning over in his grave now as he looks about what is going on in his old Congress of these United States. Very un-American activities can happen right in this Chamber, and I challenge the great leaders of the opposition that enough is enough, and that the people of America are beginning to ask, Mr. Speaker: Why don't we get on with the people's business?

There are States in this Union that do not have 500,000 people in them, that have 2 Senators and a Representative seated in this body. And yet we deny a half a million people the basic right to join with us in deciding the important issues.

Can you imagine living in southwestern Indiana and not have your Congressman vote on the farm bill in time for the spring seeding in March, if the Senate gets it over here today? We will be doing something.

It is just basically unfair. I deplore it personally, but on behalf of the rest of the people of America and my district in particular, we object to what is going on.

Mr. GINGRICH. I thank the gentleman for bringing these points out. As you mentioned, you do have a distinguished record of having run in a number of elections; you do know what it is like to deal in a situation with very close elections.

In closing, let me say that I think one of the most amazing distortions and deliberate deceptions which some people in some places have been talking about as it relates to this election in Indiana is this question of the votes that were not counted.

Let me quote again from Helen Kuebler, who said:

Legislators passed the laws for Indiana, not to count the ballot if it is not initialed or does not have the ward and precinct. (This is to prevent ballot-box stuffing, or illegal voting.) We upheld these laws in the recount.

In other words, many of the people whose ballots were not counted may never have voted; it may not have been people. It may have been local ballot box stuffing.

These laws were passed in Indiana specifically to ensure an honest election. The precincts in the areas that did not follow the law are legally not being counted, because those laws were passed to prevent a political machine from being in a position to pack the ballot box.

The fact is that both in the original result where Mr. McIntyre won with 34 votes and in the far more carefully recounted result where he won by a bigger margin, 415 or 418 votes, he was the winner.

The fact is that the certificate from the secretary of state says we have a winner. The fact is that under the Constitution, under the precedents of this House, it is inexcusable, and I think the gentleman from Illinois is exactly right to have emergency aid coming up next week for Africa; to have emergency aid coming up for our farmers, to not have the people of Indiana represented is absolutely intolerable and is a very, very grave challenge.

Not that we should not recount the ballots. Not that we should not have a task force. That is perfectly reasonable. We should have a task force, but the question I would ask is: Under what circumstances by what right should that task force proceed before we seat the winner?

If it turns out, as it did in the New Hampshire case in 1937, that he in fact lost the election, he was turned out in 1937. But in this case the burden of proof is on the House, not on the certified winner, and for that reason we should seat Mr. McIntyre, and I think that in the future we should always seat the certified winner until the recount is done.

□ 1530

CITIZENS OF D.C. HAVE NO VOTING RIGHTS IN CONGRESS EITHER

(Mr. FAUNTROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAUNTROY. Mr. Speaker, I was quite moved by the references to the fact that some 500,000 American citizens have been denied their right to representation in this U.S. House for several months now. I certainly wanted to call the attention of the House and the American people to the fact that there are about three-quarters of a million of us who live in our Nation's Capital who had to wait not just a few months, not just a few years, but all of our lives to be represented in the Congress of the United States with a vote.

The fact is that I represent more people than any single Member of the House. I represent more people than reside in seven different States of this Union, and yet, the people of the District of Columbia have no voting representation in the U.S. House and Senate.

It is not because we do not pay our taxes. It is not because we do not assume all the other responsibilities of citizenship. It is only because we happen to live in the Nation's Capital. Of course, capital cities are nothing new to the world. The citizens of Paris, France, are represented in the National Assembly there. The citizens of Great Britain in London are represented in their Parliament. The District of Columbia residents are not represented.

I hope that as we appeal to the conscience of the Nation to have the citizens of Indiana represented in this district that the District of Columbia residents might well be represented through the ratification of our D.C. voting rights amendments.

H.R. 1188, THE HIGH TECHNOLOGY RESEARCH AND SCIENTIFIC EDUCATION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 10 minutes.

● Mr. FRENZEL. Mr. Speaker, today I, along with many of my colleagues, am cosponsoring legislation that would make permanent the research and development tax credit. Under current law, the credit for R&D expenditures expires on December 31, 1985. The bill is H.R. 1188. It's principal sponsor is the distinguished gentleman from Texas [Mr. PICKLE].

The legislation, in addition to making the R&D credit permanent, would narrow the definition of qualified research for R&D credit purposes to ensure the credit is granted only for those purposes originally intended by Congress. The credit would also be made available to startup corporations, to research joint ventures composed of corporations, and to other qualifying joint ventures of partners with existing businesses to which the research relates.

The R&D tax credit has been successful. The credit as part of the Economic Recovery Tax Act of 1981 [ERTA], R&D expenditures have increased. Making the credit permanent, or by extending it for a reasonable period, will allow companies to plan long-term R&D investments with more certainty. A credit that expires this year provides no real incentives for long-term investment planning.

Few governmental actions can do more to improve U.S. productivity and competitiveness than the extension of this successful tax policy. It does not subsidize all research. It stimulates additional research efforts, particularly for growing companies which have difficulty generating capital for R&D expenditures.

Tax credits are under close scrutiny these days. We need to be especially careful to make sure our tax incentives really produce the intended results. Even ex-Secretary Regan's plan, which abolishes most preferences, preserves the R&D credit. It really does work, and it ought to be extended.●

COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Massachusetts [Mr. STUDDS] is recognized for 10 minutes.

● Mr. STUDDS. Mr. Speaker, today, for the sixth time since 1975, I am introducing legislation to establish a comprehensive means of providing prompt and equitable compensation for those suffering economic loss as the result of damage from oil pollution. Joining me in introducing this bill are the Honorable WALTER B. JONES, chairman of the Committee on Merchant Marine and Fisheries, as well as Representatives LENT, BIAGGI, DAVIS, YOUNG of Alaska, LOWRY of Washington, and MIKULSKI.

This will be, as I say, our sixth attempt to enact a comprehensive oil pollution liability and compensation bill. Sooner or later, we are bound to get it right, and move this idea out of Congress and into the lawbooks where it belongs.

This bill would, as in years past, establish equitable limits on the liability of those who own or operate oil carrying vessels, pipelines, or offshore oil production facilities. A single Federal fund, financed entirely by a 1.3-cent-per-barrel premium on oil, would be available to help provide compensation in the event of very large spills. This fund would replace four different Federal oilspill funds that presently exist. Victims of oil pollution would be required initially to negotiate with the person responsible for the spill, but would be permitted to seek compensation from the Federal fund if a prompt settlement with the spiller proves not to be possible.

Although the bill is identical in most respects to the version that was approved by the House last summer, there are three significant differences.

First, the bill would provide for an immediate refund to the General Treasury of more than $20 million from the oilspill cleanup fund established by section 311 of the Federal Water Pollution Control Act. This fund, which is financed by general tax dollars, has borne more than $70 million in unreimbursed oilspill cleanup costs since it was created in 1972. Rather than continue to use general tax money for oil pollution cleanup, my legislation will return the remaining funds to the taxpayer and require

all oil pollution costs to be borne directly or indirectly by those responsible for the pollution.

Second, the new bill provides for limits on liability for oilspill incidents that are roughly equal to those approved for the international community by last May's meeting of the International Maritime Organization [IMO]. At that meeting, the IMO adopted protocols to the International Convention of Civil Liability for Oil Pollution Damage and Compensation, in which the limits on liability under that Convention were substantially increased. Under the newly introduced domestic bill, the liability of a vessel carrying oil in bulk as cargo (other than an inland oil barge) would be $420 per ton of the vessel, with a minimum of $3 million and a maximum of $60 million. The liability of a vessel not carrying oil in bulk as cargo would be $300 per ton, with a $500,000 minimum. The liability of an inland oil barge ($150 per ton, with a minimum of $150,000) and that of a facility ($50 million) would not change.

Third, the new bill provides for the establishment of a Marine Oil Pollution Insurance Corporation (the Corporation), as a wholly owned Government corporation, located within the Department of Transportation.

The Corporation will be managed by an administrator, appointed by the President, with the advice and consent of the Senate. The Corporation will be responsible for management of the Marine Oil Pollution Compensation Fund (the Fund), to be financed by a 1.3-cent-per-barrel premium on oil produced in, or transported to, the United States. Other sources of revenue for the Fund include moneys transferred from the OCS oil pollution contingency fund and the Deepwater Port Oil Pollution Fund.

The Corporation will be responsible for administering the Fund and for implementing the claims procedure established by the act.

I continue to believe that the enactment of a comprehensive oil pollution liability bill is clearly and provably in the national interest. We begin this year with the advantage of strong support from the Department of Transportation for this central position. Secretary of Transportation Dole announced a change in the administration position on this legislation last May and testified in behalf of most of the major provisions of the bill at a special hearing of our Subcommittee on Coast Guard and Navigation in June. I am aware that the Department continues to have recommendations for changes in the bill, but I am confident that these changes can be accommodated successfully as congressional consideration of the bill goes forward.

The underlying case in support of this legislation is clear. Its enactment would improve upon present law in at least the following eight respects:

First, it will guarantee that those suffering economic loss as the result of an oilspill from a vessel or offshore facility will be quickly and fairly compensated for the loss, whether or not the spiller accepts liability or admits negligence in connection with the discharge of oil;

Second, it will impose a concept of strict liability on those producing or transporting oil in order to encourage a high standard of care in oil-related operations, and make certain that those responsible for pollution will be held primarily responsible for the cost;

Third, it will encourage prompt and complete cleanup of oilspills from vessels or offshore facilities, including relatively chronic pollution, such as that caused by tar balls;

Fourth, it will reduce the cost to the taxpayer of cleaning up oilspills by creating an industry-financed fund to be available to reimburse the Government for cleanup activities not otherwise compensated;

Fifth, it will simplify and reduce Federal administrative costs by eliminating four single-purpose oil pollution liability funds presently in existence and replacing them with a single fund established as a nonprofit governmental corporation liable for all costs of administering this act;

Sixth, it will establish a clear and predictable legal and regulatory framework within which actual or potential claimants, spillers, and insurers will be able to make decisions relevant to oil pollution matters;

Seventh, it will encourage efforts to improve international standards of oil pollution liability and compensation; and

Eighth, it will eliminate certain provisions of the Outer Continental Shelf Lands Act Amendments of 1978 which distort traditional methods of allocating pollution liability within the offshore oil production industry.

Approximately 11,000 oil pollution incidents occur in U.S. waters every year, spilling from 10 to 14 million gallons of petroleum into the marine environment. Many of these spills are so small that no Federal response is warranted, and no damages are caused. Since 1972, however, the Coast Guard has responded to approximately 10,000 spills, totaling more than 38 million gallons of oil.

The Coast Guard's response is authorized by the Federal Water Pollution Control Act [FWPCA]. The Fund created by section 311(k) of that act consists of appropriated money used to finance cleanup activities. Theoretically, the Coast Guard can recover its expenditures by taking legal action, or by negotiating informally with those responsible for the pollution. Unfortunately, cost recovery efforts have been hampered by the limits of liability which are contained in FWPCA, by the unknown source of some spills, and by the delays, compromises, and procedural problems associated with most formal legal actions. Since the 311(k) fund was created, the Coast Guard has spent almost $131 million cleaning up oilspills, but has been able to recover only $61 million.

The difficulty of recovering cleanup costs has led to a reluctance on the part of the Coast Guard to commit section 311(k) money to clean up oilspills in other than dramatic or emergency situations.

Many State officials have complained about the difficulty of getting Federal funds to assist in local cleanup operations, and several States have, as a result, developed their own revenue sources for responding to pollution incidents. Under our new legislation, Federal cleanup efforts would be reimbursed by the trust fund, which is financed not by the taxpayer, but by a 1.3-cent-a-barrel fee imposed on oil. If the person responsible for the spill cannot be found, or is able to limit his liability, the trust fund, not the taxpayer, would be available to pick up the bill. Present law, however, does not provide any assurance that those suffering economic loss as the result of an oilspill will be able to receive compensation for their loss.

Claimants other than the Federal Government are now in a particularly bad position. Unless they are able to prove that the spill resulted from negligence on the part of the owner or operator, no recovery of damages is likely. Even if negligence is proven, individual claimants may not be able to recover for loss of income and State governments may not be able to recover for damage to natural resources, due to common law interpretations of those damages for which compensation may be required. In any event, prolonged legal wrangling is almost inevitable with respect to any substantial spill in which the extent of fault and the scope of damages are not clear cut.

Under our bill, all claimants, whether governmental or individual, will have the option of negotiating with the spiller or of submitting a claim to the newly created trust fund. In all except the most extreme circumstances, a claimant will be able to recover in full for a broad list of clearly spelled out damages. He will be able to recover, moreover, regardless of whether the negligence of the responsible party resulted in the oil pollution incident. There will also be a guarantee, through the requirement that a potential spiller possess adequate insurance, or other evidence of financial responsibility, that the person liable for damages will have the resources necessary to compensate claimants or,

by subrogation, the trust fund, for damages and costs incurred.

The system established by our bill will permit claimants to have a clear understanding of their rights, and a guarantee that their claims will be promptly and fairly considered. The oil transportation and offshore production industries will know, in advance, the potential pollution liability to which they may be exposed, and will be required to have insurance or financial guarantees to cover that cost. The Federal taxpayers will be spared administrative and pollution cleanup costs they are currently required to bear, and all concerned will have the benefit of operating under uniform standards of liability, damage definitions, insurance requirements, and claims settlement procedures.

This legislation also provides for the coordination of the Federal and State governmental approaches to the problem of oilspill liability. Unlike previous versions of this legislation, the bill only prescribes pollution liability rules for vessels and offshore facilities. All vessels are included because of the interstate nature of the waterborne petroleum transportation trade, and because spills into the navigable waters may likely cause damage in more than one State. In addition, facilities which operate beyond State jurisdiction, on the Outer Continental Shelf, or pursuant to a license issued under the Deepwater Port Act, are also clearly a Federal responsibility. Facilities located wholly on land or in State water are not included within the scope of this bill.

This legislation will prohibit State governments from imposing financial responsibility requirements or liability limits which exceed those spelled out in the bill, for those vessels and facilities covered by the bill. In addition, State governments will be prohibited from requiring any person to contribute to a fund whose purpose is to compensate for an economic loss described in the bill, subject to a 3½-year grace period for those States with existing tax or fee mechanisms of this type. In addition, State and local courts would no longer have jurisdiction over lawsuits for an economic loss compensable under the bill. Beyond these limitations, however, State governments will be permitted to establish whatever mechanisms and procedures they wish to protect themselves from oil pollution damage, such as a State cleanup and compensation fund financed by appropriations from the State general treasury.

In return for yielding a measure of their regulatory and taxing authority, States will receive a guarantee of greater Federal cooperation in responding to many oilspills, and an enormously increased level of protection for themselves and for their citizens from pollution incidents which are either catastrophic in scope, or for which existing legal remedies are inadequate.

This legislation is predicated on the assumption that oilspills will continue to occur. Inevitably, some of those spills will result in significant damage to personal property or natural resources, and expenses to those charged with the responsibility for removing or containing the oil.

No witness who has testified before our committee over the past 10 years has questioned the fundamental equity of adopting a standard of strict pollution liability for those who produce, and transport oil. The inadequacy of present law and the need for legislation of this type has been recognized by a broad range of groups, including the administration, the oil industry, the shipping and barge industries, fishermen, most State governments, environmentalists, and the insurance industry. Disagreements persist about the precise scope and language of certain provisions in the bill, but the text of this legislation reflects compromises and understandings worked out not just this year, but over the course of the last decade by those convinced of the need for this type of bill. Members of the Committee on Merchant Marine and Fisheries will remain willing to work with other congressional committees, with the administration, and with the public to guarantee the enactment of a broadly acceptable and effective comprehensive oil pollution liability bill.●

A PROPOSAL TO PROMOTE PEACE AND PROGRESS IN CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, it is clear that the Reagan administration is following a policy that is likely to lead to U.S. involvement in a direct way in Central America. Indeed, in fact, it has already as I have been trying to say for over 1 year.

It is also clear that this is a unilateral policy, one that lacks any real support from our traditional allies or even from the countries that are the supposed beneficiaries of this policy. It is also clear that this is a time to stop, to think, and to consider what our alternatives may be.

I am offering today a resolution that calls for a new approach in Central America; an approach based on international cooperation, an approach that recognizes the fact that no amount of military force can solve the longstanding social and economic problems of Central America, and an approach that is worthy of our own revolutionary heritage.

I have earlier called for the unilateral withdrawal of the United States from its unilateral armed intervention in Central America with our military forces. I renew that call today, but I recognize that the United States had genuine security interests in the region, and I recognize that political and economic stability in Central America are essential, not just for our own interests, but for those of the entire hemisphere.

I am proposing an approach that will promote and protect those interests, an approach that reflects our Nation's values, and an approach that the people of this country can surely support.

It is amply abundantly clear to me that our people do not wish to engage in a war in Central America, either overt or clandestine.

It is clear that our people understand the desperate problems of the region, and that our people want those problems addressed. That is what my proposal is all about.

I propose in the first instance, as I have said, that we should abandon our present unilateral military actions in Central America. Moreover, I believe that whatever we can hope to accomplish in the region can only be achieved through genuine international cooperation. There is simply no way that raw military power can overcome the stresses, the injustices, the poverty and the hopeless despair that lies behind the unrest that we see today in El Salvador, the increasing instability of Honduras, the desperation in Guatemala, and the revolution in Nicaragua. Those are problems that can only be addressed through positive means. If a revolutionary change is needed in any place, it inevitably will take place; and what is needed in Central America is no less than revolutionary change. Such change need not be violent; it need not come in forms that are unacceptable to us; and it need not always be resisted.

If there is any lesson for us in the long and sad history of Vietnam, it is that President Franklin D. Roosevelt was right when he resisted the idea that in the postwar period, French colonialism should be restored. President Roosevelt knew that what was then known as Indochina could never be returned to its colonial status; he knew that the colonial empires of the world had ended. His intention that Indochina should become free and self-governing was aborted, and that led directly to the decades of disaster and war that have left the old Indochina a series of battered, shattered states. The revolutionary change that we could have assisted, could not be stopped by the French and it could not be stopped by us, and it could not be stopped by our proxies. It took place without us, and with tragic con-

sequences for our interests and for the people of the area. We are looking at a somewhat similar situation and case in Central America.

The countries of Central America face tremendous problems. They are short of economic resources. They lack basic resources like oil, and the export products that they must rely on to pay for oil and other essentials are in general oversupply. Thus, the area is trapped between vastly rising prices for what must be imported, and falling markets for what must be sold to buy the imports. The economic consequences of this are almost impossible for us here in the United States to imagine, but suffice it to say that the Great Depression would look like the good old days to most people in Central America.

Added to the economic crisis of the region is the fact that levels of corruption have sometimes reached intolerable levels. In the case of Nicaragua, for example, the absolute rottenness of the whole government structure meant that the demise of the Somozas was not only inevitable, it was welcomed by one and all. We ignore corruption in the area at our own risk; we cannot hope to achieve much if the governments we support have forfeited the loyalty of their own people. We cannot tolerate in other countries practices that we find intolerable ourselves.

Third, there is the fact that change in the area all too often takes place not through the peaceful means that we understand, but through struggle. The political process of the area is one in which power is traded against power, not one in which negotiation takes place easily. Negotiation takes place when it is necessary, not when the need is merely evident. And in a region where life is at best precarious, those who have power are not willing to share it without a struggle that becomes increasingly bitter as the stakes become higher. The pressures of the economic situation, in other words, tend to make a bad situation absolutely intolerable.

Fourth, the people of the region have greater expectations. And this is the critical element, the most critical indeed, in fact, of all. The people of the region know that a better life is possible. They know that things can be changed. They know that life need not always be a blind acceptance of fate. Unless our policy is one that accepts the reality of those higher and perfectly legitimate expectations, unless it is one that can help translate those expectations into actual hope, then we cannot hope to win the confidence of the people of the region, let alone their support.

□ 1540

Likewise, unless the governments of the area can and will respond to those rising expectations, they cannot long themselves survive.

The resolution I am offering calls for negotiation, and it calls for efforts to meet the genuine needs of the people in the five Central American counties. It recognizes the reality that Justice cannot be denied, that progress must take place, and that change in the region is not only desperately needed, it is inevitable.

My proposal is based on the idea of international cooperation. It is obvious that our hopes and aims cannot be achieved through unilateral action, let alone unilateral military action. If, for example, we hope to promote economic development in the region, that will necessitate the cooperation and assistance of many countries—to provide aid, to open markets, to help with security problems, and to facilitate negotiations. If we hope to meet the economic needs of the area, peace is indispensable. Likewise, if we become involved in a unilateral military action, the cost would be vastly greater than any form of economic and political cooperation, as we should be very much aware of by now after 4 years of unilateral intervention and the expenditure in El Salvador alone of $2 billion. What is worse, a unilateral military involvement would endanger commitments that we already have made in various parts of the world.

And let me say here now that the course the President seems to be inexorably and irretrievably following will necessitate American direct intervention militarily with our servicemen. And if we do and when we do, no military competent of professional military expertise will tell us what it will require less than 100,000. When that happens, we will have to pull in not only the Ready Reserve, such as it is, but we will have to pull in from our commitments in the Middle East, in Korea where we have 45,000 troops, in Germany where we have 300,000, and in the meanwhile those are flash points, and continue to be. And I have warned time after time about the different world, even in Middle Europe, and the false premise upon which our tremendously exponentially increased military budget is predicated on with what we call the defense of Europe, because we fail to perceive the world as it is, not as it was in 1945.

Our leaders perceived Latin and Central America as a world that might have existed, maybe, in 1929, but even in the last 10 years, that part of our Hemisphere has changed radically.

We must perceive that world, as we must every other part of the world, in the realistic sense that that world is presented to us, not as we would like it to be, but as it is, and deal that way, for the sake of our long-range and short-range national interests.

Now, what is worse, a unilateral military involvement would endanger commitments that we already have made, I repeat, in other parts of the world. No policy can work if it does not have the support of the international community. Our present policy lacks international support. There is not a country in the Western Hemisphere that supports our policy. Canada and every country south of the border does not go along with us, with whatever it is this administration calls its policy. Our present policy lacks international support and that alone makes it unlikely to succeed.

My resolution calls for the creation of a regional organization to deal with the problems of Central America, America taking the leadership. But for that we must rise, where we have not in our past history, to the realization of the concept of the greater America. We are self-contained, and have been. Our whole history is self-contained. And we do not realize that in this turning process of centuries of history we have shared only, and that now, when the population south of us exceeds our own by over 60 million—and this has been true only in the last decade or decade and a half—that it is imperative that we recall and read history accurately, first, and then understand the world as it is today, accurately, also. And the fact that in this concept of greater America, which we should have achieved decades ago, as such great historians as Herbert E. Bolton long had written about, one of the most brillant historians in North America's history, was long ago bringing out this failure to recognize what it was that we were sharing and destiny had fated us to share and what the price would be for the failure to recognize that and approach it from the standpoint of the concept of greater America. And for us, as the most powerful Nation in every way, we forget that culturally there is not much we can teach, we are talking about countries like Mexico, where a university and a printing press were in existence almost 200 years before the Pilgrims landed at Plymouth Rock. We are talking about countries that inherit and are inheritors of great bodies and streams of culture and traditions. And, therefore, we must realize that it is not the simplistic self-contained concepts that thus far in the past have sowed the dragon seeds that now are sprouting the crop.

In Central America, in Nicaragua, for instance, we have invaded and occupied that country six times since the turn of the century. And it was us who occupied Nicaragua for a good space of almost 10 years, imposed the Somoza regime, trained and formed the national guard that then kept the Somoza in power by raw force, one of the most corrupt, inhumane, authoritarian, totalitarian entities in the whole history of the world.

We are identified with those forces. We continue to be. We cannot win if we do not even have the congeniality and the harmony of support from even our next and northernmost neighbor, Canada.

The first task of the international group, I propose, would be to facilitate negotiations, to end the violence in the area. Its effort would be consistent with the Contadora process and its whole basis would be the recognition that nothing positive can take place until there is some reasonable prospect for peace and for stability. Such a condition cannot be imposed by us alone. It can only take place through the help and encouragement of an international process.

Second, I call for the establishment of a basic development fund for Central America. This would provide desperately needed financing for such basic necessities as elementary education, basic public health services, immunization, clean water supply, elementary sanitation, and the like. This is precisely where the so-called Cuban presence has been called for, received and is there in substantial proportion, in the teaching area, in the medical area, in the general care area, and this is where we have got to come in and challenge.

We will never be able to bomb communism out of existence. We should know that by now. The only way is through social justice. That is the only way. And then there would not be any such thing as communism as a last resort for people desperately imposed upon for centuries and who know continued imposition will keep them down now.

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This international fund would help lay the indispensable basis for translating human yearnings into concrete realities. The greatest problem in Central America is human misery, not Marxism. If we do not address and seek to alleviate that misery, if we do not attack it, then our policies cannot hope to win the support of the people we say we want to help.

Why should they be grateful for a helicopter gunship when what they really need is simple clean water? Why should they be grateful for bombs when what they need and want is shelter or jobs or simple safety from marauding bandits or relief from corrupt local officials?

Why should they be appreciative of machineguns when what they need is food or a decent school or a supply of seeds and fertilizers? Why should they see any hope in a military airplane when what they must have for survival is a bus or a truck to get to market or a decent road to get from one place to the next?

I also envision an international cooperative effort, a kind of Peace Corps, with America as the exponent of this Greater America, a thing that we could equate with a long-expressed hope in the Spanish-speaking world or the Latin American world south of us in which the dreamers like the great poet, Ruben Dario, visualize La Patria Grande, the Greater Country, the Greater Homeland, thinking in terms of a brotherhood.

But how were they speaking? They were speaking as an antidote to what they called Yankee imperialism and the crudeness and materialism of that Yankee civilization which the cultured poets and singers of that world looked upon as a danger and as a dangerous invasion that would deteriorate the standards of culture in their civilization which, as I said, is the inheritor of centuries of tradition. This is a context in which I think the United States can assert the leadership, where we can take the leadership in a Greater America. This is the Greater America.

That is what I visualize. Of course, that may sound farfetched, but the immediate concrete steps that are feasible are these that I am outlining. These efforts and these steps cannot be undertaken by ourselves alone. They need the help of other countries, and they need a long-term commitment as well.

There is no way that we can hope to bomb Central America into prosperity. The only way I can see that we could attempt to do it is what I have often thought and said, that we could have done better than what we did do in Vietnam. I have said that if we had just loaded our C-5A's with about 30 billion dollars' worth of dollar bills and just gone over and bombed them over the country land, we would have done a lot more good than what we ended up with. And I do not think that any American living at the time, surviving that era, can deny that there is no way we are going to bomb people into prosperity.

There is no way to shoot our way into the hearts of the people who are looking to us for help and leadership—mostly moral. Human yearnings cannot be erased by soldiers or obliterated by shot and shell.

I am offering an approach that is positive, an approach that can work. And indeed, it is the only approach that has any chance of success, because it recognizes and accepts the realities of the region and deals with the fact that unrest in Central America is caused by poverty and degradation and hopelessness and despair. In the final analysis, we must stand with the people of Central America or against them, and if we stand against them, surely we will fail, and we cannot afford failure in an area that is so vital to our basic national interests and to the future well-being of our children, our grandchildren, and our great-grandchildren.

Mr. Speaker, under my unanimous-consent request, I include a copy of the resolution that I submitted earlier today, as follows:

H. RES. 67

Whereas present United States policy clearly inclines toward unilateral military action to combat unrest in Central America;

Whereas any such unilateral United States military action would be ineffective, costly in life, and destructive to the interests of peace in Central America;

Whereas a military commitment in Central America would endanger the viability of other United States commitments around the world;

Whereas military action cannot address the economic and social injustices which are undeniably the primary causes of instability in Central America;

Whereas peace and stabilization in Central America is vital to the interests of all nations in the Western hemisphere;

Whereas stabilization of Central America requires that long-standing economic and social injustices be resolved: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that

(1) The United States should call for negotiations under the auspices of the Organization of American States consistent with the Contadora process for the peaceful settlement of conflicts in and among the five countries of Central America.

(2) The United States should seek the establishment of a multilateral agency to provide comprehensive economic, developmental, and humanitarian support for the basic reform of the economy of Central America.

(3) The United States should initiate the establishment of a multinational development fund to provide basic education, skills training, health care, nutrition, public sanitation, transportation and shelter for the citizens of Central America.

(4) The United States should recognize the need for international cooperation, disband unilateral military and nonmilitary efforts in Central America, and seek stabilization and development of the region following the principles of existing agreements such as the Rio Treaty, with the assistance of the OAS, the Contadora group, and other multinational organizations.

OLDER AMERICANS ALTERNATIVE CARE ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am today reintroducing legislation to expand and encourage the use of home health care as an alternative form of care for the elderly. This legislation recognizes the growing elderly population and the fact that our current system fails to adequately care for the elderly who suffer from chronic illnesses.

Institutional care, while expensive, is clearly appropriate and necessary for many of our older citizens; however, it makes no sense at all to emphasize or encourage institutional care for all el-

derly Americans. It has been clearly demonstrated that we have resources available to provide cost-effective, compassionate alternatives through a range of services, including the utilization of healthy seniors in helping their peers remain independent as long as possible.

At present, it is estimated that Americans age 65 and older are growing at twice the rate of the general population and currently make up more than 11 percent of our Nation's population. As this group continues to grow, meeting their long-term health needs will be a challenge for our present system. Just as this group must not be left without adequate health care, they also should not be forced into one setting. Rather, they should have options as to the type of treatment and environment they wish to receive and live in.

The legislation I am introducing today seeks to address this current dilemma and encourage the use of a cost-effective and humane form of health care. My bill would expand and liberalize the home health care benefit under medicare, strengthen and expand the Senior Companion Program, and offer a $250 refundable tax credit to individuals who care for their parents in their home.

Studies have shown that if adequate home health care services were available through medicare, approximately 2.5 million elderly persons could be kept out of institutions. With the cost pressures currently facing the Medicare Program, the cost-effectiveness of home care certainly should be further utilized. It has also been reported that whereas the cost of care in a nursing home may cost $20,000 and more annually, home care may cost one-third of the nursing home charge. This being the reality, we must take advantage of such opportunities.

Our country faces a major challenge in seeking to care for the elderly in our Nation. We must begin to put together necessary reforms to ensure that health will be available and affordable for the growing elderly population. As we consider proposals in this area, the utilization of cost-effective and compassionate alternatives must be a part of future health care reform efforts. We must take actions to make sure that old age is something which is looked forward to, rather than dreaded. I urge the support of this proposal by my colleagues.

Following is the text of this legislation:

H.R. 1192

A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the senior companion program, and to amend the Internal Revenue Code of 1954 to establish an income tax credit for maintaining a household for dependents who are sixty-five years of age or older

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Americans Alternative Care Act of 1985".

TITLE I—MEDICARE AMENDMENTS

REMOVAL OF HOMEBOUND REQUIREMENT FOR HOME HEALTH SERVICES

SEC. 101. (a) Section 1814(a)(2)(D) of the Social Security Act is amended by striking out "is or was confined to his home (except when receiving items and services referred to in section 1861(m)(7)) and".

(b) Section 1835(a)(2)(A)(i) of such Act is amended by striking out "is or was confined to his home (except when receiving items and services referred to in section 1861(m)(7)) and".

(c) The amendments made by this section shall apply with respect to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

INCLUSION OF ADDITIONAL ITEMS AND SERVICES AS HOME HEALTH CARE

SEC. 102. (a) Section 1861(m) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"Notwithstanding any other provision of this title, such term also includes periodic chore services (as defined in subsection (dd)) in the case of any individual with respect to whom there is in effect a plan for furnishing such services (to that individual) which has been established and is periodically reviewed by the appropriate health professional under regulations, and respite care services (as defined in subsection (ee)) for not more than 52 days in any calendar year as determined by the Secretary taking into consideration the need for such services with respect to the individual for whom they are provided and the person who normally cares for the individual.".

(b) Section 1861 of such Act is further amended by adding at the end thereof the following new subsections:

"Periodic Chore Services

"(dd) For purposes of the last paragraph of subsection (m), the term 'periodic chore services' means services which are performed in the home of an aged, blind, or disabled adult individual to help such individual remain in or return to such home, maintain or strengthen his capacity for self-care, and maintain or raise his level of functioning in the areas of personal care and household management, when such individual is unable to perform such services by or for himself, whether or not such individual also requires the services of a home health aide or other specialist. Such term includes the performance for an individual of household tasks, transportation for medical visits, and essential shopping and transportation to and from multipurpose senior centers (as defined in title III of the Older Americans Act of 1965, as amended) and nutrition projects (such as those funded under part C of title III of such Act), essential shopping and simple household repairs, assistance in outdoor walking, and other services furnished to an individual which are reasonably necessary (as determined under regulations) to maintain him outside of a hospital, skilled nursing facility, or intermediate care facility.

"Respite Care Services

"(ee) For purposes of the last paragraph of subsection (m), the term 'respite care services' means services for an individual who is unable to care for himself or herself on a full-time basis, which are provided on a temporary basis to such individual because of the absence of the person who normally cares for such individual, but only if such individual is a dependent of such other person for purposes of the Internal Revenue Code of 1954. Such services must be provided by persons who have been trained to provide homemaker-home health aide services, and such services must be provided in the home of the dependent individual under the supervision of a registered nurse who is employed by a certified home health agency, homemaker-home health aide agency, or local public health department. Such services shall, when necessary and appropriate, be provided in addition to other services under this title to ensure that such individual receives a coordinated system of services designed to help the individual reach his or her maximum level of independence.".

(c) Section 1861(m) of the Social Security Act is amended by inserting after "individual's home", in the material which precedes paragraph (1), the following: "or in an adult day care center which is a nonprofit center eligible for funds under title XX of this Act and which meets standards prescribed by the Secretary and applicable State and local health and safety requirements".

(d) The amendments made by this section shall apply to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

TITLE II—SENIOR COMPANIONS PROGRAM

ADMINISTRATION OF PROGRAM

SEC. 201. (a) Part B of title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5011 et seq.) is amended by redesignating section 212 as section 213, and by inserting after section 211 the following new section:

SENIOR COMPANION PROGRAM

"SEC. 212. (a) The Director is authorized to make grants or contracts to carry out the purpose described in section 211(a) through the establishment of senior companion programs. Each senior companion program—

"(1) shall be designed to encourage older persons receiving assistance under such program to participate actively in the affairs of their communities, to help themselves to the extent possible in order to lead independent lives outside of institutional settings, to take advantage of services and activities available to older persons under the senior companion program, and to reach out to their peers for companionship and assistance to the extent possible; and

"(2) shall be administered by a public or private nonprofit community-based organization of proven ability in providing services and assistance to older persons, except that such program may be administered under the auspices of a hospital in the community involved in any case in which administration

by a public or private nonprofit community-based organization is not feasible or appropriate in such community.

"(b) Each organization responsible for the administration of a senior companion program—

"(1) shall take such action as may be necessary to minimize costs associated with the administration of such program;

"(2) shall train senior companions through the use of available community resources, to the extent practicable, in order to minimize administrative costs and in order to coordinate the operation of such program with the activities of other community agencies and organizations; and

"(3) shall organize personnel participating in such program in the manner specified in subsection (c).

"(c)(1) The personnel administering each senior companion program shall consist of individuals serving as directors, supervising senior companions, and senior companions. Each director shall be responsible for overall administration of such program and for the supervision of approximately 10 supervising senior companions participating in such program.

"(2) Each supervising senior companion—

"(A) shall be responsible for the supervision of approximately 15 senior companions;

"(B) may participate in such program for not more than 40 hours during any workweek; and

"(C) shall devote 50 percent of such work period to the provision of services and assistance to older persons as a senior companion, and shall devote the balance of such work period to coordinating the activities of individuals serving as senior companions in such program.

"(3) Each individual serving as a senior companion—

"(A) shall participate in the senior companion program as a part-time volunteer for not more than 20 hours during any workweek; and

"(B) shall be responsible for the provision of services and assistance to approximately 20 older persons.

The number of older persons which may be served by a senior companion shall be based upon the needs of such older persons, distances which the senior companion is required to travel in order to serve such older persons, and other factors present in the community involved (such as the provision of services and assistance in congregate housing programs and in ethnic communities). The director of any such program, in determining the number of older persons which may be served by each senior companion participating in such program, shall ensure that the nature and quality of service provided by each senior companion is not adversely affected by the number of older persons for whom such senior companion is responsible.

"(d) Each individual serving as a senior companion—

"(1) shall work primarily with homebound older persons, except that such senior companion may enter into cooperative agreements with nursing home officials for the purpose of identifying older persons who are able to return to their homes if support services are made available to them in their homes;

"(2) shall make an initial assessment of the needs of each older person to whom such senior companion is assigned, including an evaluation of—

"(A) the availability and quality of food at the home of such older person;

"(B) whether such home is safe, clean, and sufficiently heated or cooled;

"(C) the ability of such older person to care for personal hygiene needs with appropriate assistance and encouragement from such senior companion;

"(D) the availability of needed medical and rehabilitative supplies;

"(E) the ability of such older person to manage financial resources and affairs; and

"(F) whether such older person requires any immediate professional assistance, as the result of despondency, drug dependence, or other similar factors; and

"(3) shall provide such older person with a variety of personal care services, nutritional services, social and recreational services, home management services, and information and advocacy services, which may include (A) shopping assistance; (B) transportation for medical or other appointments; (C) letter writing; (D) maintaining contacts with family members and friends; (E) bill payments and other financial matters; (F) meal preparation assistance; (G) minor housekeeping chores, sewing, minor home repairs and personal hygiene services and other personal care services; (H) companionship and socialization; and (I) initiating contacts with social service providers, including providers of (i) mobile meal services; (ii) chore or homemaker services; (iii) nursing services; (iv) income assistance services; (v) transportation; (vi) social and recreational programs; (vii) medical services; and (viii) income tax assistance.

"(e) Not more than 10 percent of any funds received by any public or private nonprofit organization under this section may be expended for administrative services which are not directly related to the provision of services or assistance to older persons.".

(b) Section 211(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5011 (b)) is amended by striking out ", and as" and all that follows through "companionship".

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. Section 502(b)(2) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(b)(2)) is amended by adding at the end thereof the following new sentence: "There is further authorized to be appropriated $100,000,000 for the fiscal year ending September 30, 1985, for the purpose of carrying out programs under section 212.".

TITLE III—INCOME TAX CREDIT FOR MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65

SEC. 301. REFUNDABLE CREDIT FOR MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting before section 45 the following new section:

"SEC. 441 MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65.

"(a) $250 CREDIT ALLOWED.—A $250 credit against the tax imposed by this subtitle for the taxable year shall be allowed to a taxpayer who has 1 or more qualified dependents for the taxable year.

"(b) DEFINITION AND SPECIAL RULES.—For purposes of this section—

"(1) QUALIFIED DEPENDENT DEFINED.—The term 'qualified dependent' means any individual who—

"(A) has as his principal place of abode the principal residence of the taxpayer, and is a member of the taxpayer's household, for more than 270 days of the calendar year during which the taxable year of the taxpayer begins,

"(B) is a dependent of the taxpayer (within the meaning of section 152) for such calendar year, and

"(C) has attained the age of 65 before the close of such calendar year.

"(2) SPECIAL RULES.—

"(A) MAINTAINING A HOUSEHOLD.—An individual shall be treated as maintaining a household for any period only if half the cost of maintaining the household for such period is furnished by such individual (or, if the individual is married, by the individual and his spouse).

"(B) MARRIED COUPLES MUST FILE JOINT RETURNS.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and his spouse file a joint return under section 6013 for the taxable year.

"(C) MARITAL STATUS.—The marital status of a taxpayer shall be determined in the manner provided in section 143(a).

"(D) CERTAIN MARRIED INDIVIDUALS LIVING APART.—If—

"(i) an individual who is married and who files a separate return maintains a household which includes a qualified dependent,

"(ii) over half the cost of maintaining such household is furnished by such individual, and

"(iii) during the last 6 months of the taxable year, the spouse of such individual is not a member of such household,

such individual shall not be considered as married.

"(E) MULTIPLE SUPPORT AGREEMENTS.—In making any determination of the amount furnished by the taxpayer for maintaining a household, such amount shall include any amount contributed under a multiple support agreement for the support of any qualified dependent to the extent the amount contributed is treated as received from the taxpayer under section 152(c)."

(b) CREDIT MADE REFUNDABLE.—Subsection (b) of section 6401 of such Code (relating to excess credits treated as overpayments) is amended—

(1) by striking out "and 43 (relating to earned income credit)" and inserting in lieu thereof "43 (relating to earned income credit), and 44I (relating to credit for maintaining households which include dependents who have attained age 65)", and

(2) by striking out "39 and 43" and inserting in lieu thereof "39, 43, and 44I".

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 55 of such Code (relating to alternative minimum tax for taxpayers other than corporations) is amended by striking out "and 43" and inserting in lieu thereof "43, and 44I".

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 45 the following new item:

"Sec. 44I. Maintaining households which include dependents who have attained age 65."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1985.●

JOBLESS BENEFITS FOR LONG-TERM UNEMPLOYED MUST BE PRESERVED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 5 minutes.

● Mr. COYNE. Mr. Speaker, thousands of Americans out of work for the long term face a cutoff of benefits March 31 if the Congress does not act promptly to renew the Federal Supplemental Compensation Program.

The official national rate of unemployment is now 7.4 percent. This figure is, in my view, unacceptably high. In many regions of the country, especially those hard hit by industrial dislocation, the number is far higher. A close look at the figures shows that 17 percent of the 8.1 million listed by the Department of Labor as unemployed in December, or nearly 1 out of 5 jobless, were out of work 27 weeks or longer. These are the people who will be cut off from benefits in just about every State if FSC is allowed to expire.

The House Ways and Means Public Assistance and Unemployment Compensation Subcommittee is aware of this increasingly dire situation. The subcommittee began hearings yesterday on an extension of the FSC Program and reform of the Extended Benefits Program. At this point, I include in the RECORD a copy of my testimony at that hearing as follows:

TESTIMONY OF WILLIAM J. COYNE BEFORE THE SUBCOMMITTEE ON PUBLIC ASSISTANCE AND UNEMPLOYMENT COMPENSATION, FEBRUARY 20, 1985

Thank you for allowing me to testify today on an issue of direct concern to thousands of unemployed Pennsylvanians—the extension of the Federal Supplemental Compensation Program.

The FSC program, originally enacted as part of the Tax Equity and Fiscal Responsibility Act of 1982, provides additional weeks of unemployment compensation to those who have exhausted their regular state benefits and any extended benefits to which they are entitled. The Federal Supplemental Compensation Amendments of 1983 extended the program through March 31, less than 6 weeks from now.

Congress now faces a choice: should we extend the FSC program one more time? In my view, there is not much of a debate. Without a FSC extension, workers unemployed after March 31 will not be eligible for up to 40 weeks of assistance, as they now are in Pennsylvania, but will find themselves cut off after 26 weeks. We are talking here about more than a handful of hard luck cases. In December, 1984, it is worth remembering, 1.4 million Americans were listed by the Labor Department as being unemployed 27 weeks or longer. They made up 17.2 percent of the 8.1 million listed that month as jobless. For many of them, the FSC program meant the difference between making a house payment and defaulting, between having enough to feed a family and going on public assistance, between dignity and dejection.

One big reason Congress now faces a choice between extending FSC or cutting people off after 26 weeks is the sorry state of the Extended Benefits program. In theory, a jobless worker should receive extended benefits after the regular benefits run out. Anyone who counts on the Extended Benefits program to serve as a stopgap just is not aware of what is going on in the States. Thanks to the damage done by the Gramm-Latta budget resolution of 1981, damage the Congress has yet to repair, only one state—Alaska—now qualifies for 13 weeks of extended benefits. This makes the FSC program the only extended aid available to the thousands of long-term unemployed in Pennsylvania and elsewhere.

FSC is a lifeline which we cannot allow to expire. If Congress fails to renew the program, and if the Extended Benefits program is allowed to continue as the sham it has become, jobless workers in 1985 may be faced with an unemployment compensation system which extends only 26 weeks of assistance. Only ten years, ago, an unemployed worker could receive up to 65 weeks of assistance—more than double what we may mandate after March 31.

To address this situation, we must act both for the short term and the long term. Ultimately, of course, Congress has to repair the Extended Benefits Program. I want to commend here the efforts of Don Pease, Fortney Stark and others who have offered legislation toward this end. I have introduced legislation, which I will describe later, which is designed to reform the Extended Benefits Program. But first, we must act to extend Federal Supplemental Compensation. Our failure to act will be felt many times over by thousands of people now looking to Congress for relief.

I know there are those, including the decisionmakers at the Office of Management and Budget, who feel that if we are to have an unemployment compensation system it should be limited to a minimal amount of weeks. FSC should be opposed, according to this type of reasoning, because it is unneeded federal assistance.

This argument ignores actual conditions in certain regions of the country. In industrial areas especially, long term unemployment remains all too persistent.

In October 1984, the official unemployment rate in Wheeling, West Virginia was 15.2 percent. In Gary, Indiana, 14 percent. In Johnstown, Pa., 12.5 percent. In my city of Pittsburgh, 10.2 percent.

These figures reflect what is known as the official unemployment rate. They do not count "discouraged" workers or those who work part time not by choice but because the economy gives them no option. Using data on discouraged and underemployed people supplied by the Department of Labor, the Full Employment Action Council has come up with what it calls the "real" unemployment rate. Here's what the Council found for October 1984 in the cities I just mentioned.

For Wheeling, West Virginia, the "real" unemployment rate was 27.4 percent. In Gary, Indiana, the factoring in of discouraged and underemployed workers netted a real unemployment rate of 25.2 percent. In Johnstown, the rate was 22.5 percent. In Pittsburgh, 18.5 percent.

The discrepancy between the official unemployment rate and the Council's "real" rate is due in part to the large number of discouraged workers. In the 4th quarter of 1984, the Labor Department classified 935,000 Americans as discouraged workers due to job market factors. These workers have become so dispirited about their prospects in the labor market that they have given up looking for work. As a result, they are not counted as unemployed in the official rate. The continuing presence of large numbers of discouraged workers belies continuing reports of a soaring economy. For some, the economy does indeed seem to move ever upward. For others, the downward slide never seems to end.

What the sheer number of long term unemployed should tell us is that we are entering a new type of economy, one in which the ground rules are far different than they were only a decade ago.

John H. Beck, of the Pennsylvania Legislative Committee of the United Steel Workers of America, described the situation we now face in a recent letter to me. He said:

"The changing nature of our mature industry structure has created a 'new' class of unemployed. Unlike the old cyclical unemployment, which could rise and fall with the business climate and was usually short term in duration, what we now have is the aftermath of a cyclical downturn coupled with severe changes in the old industrial sector, the combination of which has produced a group of workers now permanently dislocated."

Until we can devise initiatives which deal with the broad questions raised by such massive dislocation, we have to continue programs such as Federal Supplemental Compensation. H.R. 890, a measure introduced by Don Pease and others, would provide a simple extension of the FSC program for 18 months.

I support this approach. We should include a reachback provision to make eligible the thousands of recipients whose FSC benefits have expired in the last few months. Those who go into the FSC program after March 31 may benefit, but thousands will fall through the cracks.

At this point, I think it would be useful to take a look at the people who exhaust their Federal Supplemental Compensation benefits. In 1983, roughly two out of three were men, about half of whom had finished high school. Twenty-nine percent of exhaustees had less than a high school diploma. While about 40 percent of them were married with a working spouse, the median family income was $17,300. More than half of FSC exhaustees came from the manufacturing sector, compared to 39.4 percent of those receiving regular benefits.

Any extension of FSC should include a reachback provision to cover those who have exhausted their benefits. I have introduced legislation which would, like H.R. 890, extend the FSC program for 18 months. It differs from that legislation in that it would allow FSC benefits of up to 27 weeks in a period of high unemployment. Those who have exhausted FSC benefits since September 1984 would be eligible for benefits in addition to those already collected, up to a total of 27 weeks. This reachback provision would reach those workers who are truly at the end of their economic ropes.

Once we have brought about a FSC extension, preferably one with a reachback provision, we have to achieve some reforms in the Extended Benefits program. I have also introduced a separate piece of legislation which makes several necessary changes in this area.

To understand why these changes are needed, we need to recall for a moment the effect of the 1981 Gramm-Latta bill.

First, Gramm-Latta raised the mandatory insured unemployment rate which determines qualification for extended benefits. This admittedly complicated but seemingly

technical change has had a profound personal effect on thousands of Americans.

Here is why. Unemployment specialists measure the insured unemployment rate by dividing the number of unemployed receiving regular state benefits by the number of individuals covered by unemployment compensation within the state.

Before 1981, the mandatory IUR trigger was 4 percent. Gramm-Latta raised that requirement to 5 percent, while raising the optional trigger from 5 percent to 6 percent. These changes meant some states did not "trigger on" to the program because their IUR rate never reached these increased levels.

My legislation would restore the trigger to what it was in 1981. In addition, it would eliminate the requirement that unemployment must surge to 120 percent of the average for the previous two years in order for a State to be eligible. Those states which have not been able to meet this surge requirement have been forced off the extended benefit program before long-term unemployed workers could receive their full benefits.

Second, Gramm-Latta instructed the Department of Labor not to count workers receiving extended benefits when it determines the all important insured unemployment rate. This has contributed to some very strange situations. In September 1983 the national unemployment rate was 9.5 percent. Twenty-eight states had unemployment rates of 9 percent or higher. Yet at this point, only two states were eligible for Extended Benefits.

My legislation would instruct the Department of Labor to make a more accurate count of actual unemployment by requiring the inclusion of those receiving benefits in the calculation of the insured unemployment rate.

Third, Gramm-Latta eliminated the national trigger for extended benefits. Prior to the passage of this unwise legislation, a high national unemployment rate activated the extended benefits program in every state. A 4.5 percent insured unemployment rate enabled all American workers to become eligible for benefits. With the elimination of the national trigger, states with pockets of unemployment, but with statewide averages below the cutoff, were eliminated from the extended benefits program. While this approach may make sense to some in Washington, it makes little sense to an unemployed worker denied benefits because he lives in the wrong part of the country. Being unemployed in Kansas, for example, can be just as debilitating as being unemployed in Pennsylvania. Benefits from the government should be structured more to need and less toward restrictive formulas.

Fourth, the Gramm-Latta bill required workers to have 20 weeks of unemployment in their base period to qualify for the extended benefits program. Some workers who might otherwise qualify for state benefits lost their eligibility.

In my legislation, the base period is determined, as it was before Gramm-Latta, by each state.

Another key provision of my legislation would allow workers receiving extended benefits to enroll in an accredited training program. Some workers in my district have chosen to participate in a retraining program. We should not penalize those who seek to better themselves. Jobless workers on extended benefits should be allowed to continue receiving those benefits while they continue to be retrained, as they can now do in the Federal Supplemental Compensation program.

This legislation would also make important structural changes in the existing extended benefits program. It would, for example, establish a federally funded, 26 week extended benefits program for workers whose regular state benefits have been exhausted.

Finally this legislation would require the Department of Labor to study the feasibility of sub-state triggers on unemployment. This would address the anomaly of workers within a pocket of unemployment being denied benefits because their state fails to meet specified criteria.

I would hope that the Subcommittee would adopt the changes proposed in both these bills. At the minimum, I would urge that prompt action be taken to ensure that the Federal Supplemental Program not be allowed to expire.●

A TRIBUTE TO VOLUNTEERS OF AMERICA

(Mr. WRIGHT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WRIGHT. Mr. Speaker, March 8 marks the anniversary of the founding of the Volunteers of America, one of this Nation's largest human services organizations, which has been helping others since 1896.

In that year, Ballington and Maude Booth established a Bowery Mission in New York's lower East Side that was dedicated to serve the needy. Newly arrived in this country themselves, the Booths liked the new Republic that lacked the rigid class distinctions of 19th-century England and quickly became naturalized citizens. But as so many people fled their homelands to seek sanctuary in this new land, cities soon became crowded, and living and working conditions became deplorable.

Vowing to improve the lot of both the newcomers and their established neighbors, the Booths faced an exuberant crowd in New York's Cooper Union and announced the birth of Volunteers of America on March 8, 1896.

Volunteers of America soon spread and prospered with the help of many volunteer supporters dedicated to the service of their country. In less than 9 months from the date of the first meeting, "posts" were operating throughout the United States.

By the turn of the century, Volunteers of America was well established as a human service agency that effectively combined religion and social work. As their anniversary approaches, they are providing social services tailored to the unique needs of over 100 American communities serving as effective and useful auxiliaries to established churches.

This year, Volunteers of America has scheduled the week of March 3 through the 10th to observe the founding of this great American service organization. During that week and throughout our lives, we should all consider and applaud the Volunteers of America's hope and actions that awaken in all Americans a renewed enthusiasm and confidence in the philanthropic consciousness of this Nation that is so much a part of the American spirit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. TORRICELLI (at the request of Mr. WRIGHT), for the week of February 25, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COBLE) to revise and extend their remarks and include extraneous material:)

Mr. ROTH, for 30 minutes, today.

Mr. FRENZEL, for 10 minutes, today.

(The following Members (at the request of Mr. TAUZIN) to revise and extend their remarks and include extraneous material:)

Mr. TAUZIN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. COYNE, for 5 minutes, today.

Mr. STUDDS, for 10 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. WEAVER, for 60 minutes, February 25.

Mr. WEAVER, for 60 minutes, February 26.

Mr. WEAVER, for 60 minutes, February 27.

Mr. WEAVER, for 60 minutes, February 28.

(The following Member (at the request of Mr. FISH) to revise and extend his remarks and include extraneous material:)

Mr. MOLINARI, for 60 minutes, February 26.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. VISCLOSKY, for 5 minutes, February 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COBLE) and to include extraneous matter:)

Mr. GRADISON.

Mr. LEWIS of California.

Mr. FISH.

Mr. CLINGER.

Mrs. JOHNSON.

Mr. SHUMWAY.
Mr. GEKAS.
Mr. PARRIS in two instances.
(The following Members (at the request of Mr. TAUZIN) and to include extraneous matter:)
Mr. MAVROULES.
Mr. BORSKI.
Mr. MINETA.
Mr. HUGHES.
Mr. WIRTH.
Mr. BARNES.
Mr. AUCOIN.
Mr. KOLTER.
Mr. HEFTEL of Hawaii.
Mr. BERMAN.
Mr. LELAND.
Mr. PEPPER in two instances.
Mr. FRANK.
Mr. FASCELL.
Mr. HAMILTON.
Mr. EDWARDS of California.
Mr. ORTIZ.
Mr. HOYER.
Mr. LEHMAN of Florida.
Mr. RANGEL.
Ms. MIKULSKI.
Mr. LANTOS in three instances.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, February 25, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

586. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Annual Report on Advisory Neighborhood Commissions," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

587. A letter from the Vice President for Government Affairs, National Railroad Passenger Corporation, transmitting the annual report of activities for 1984, and Amtrak's legislative recommendations, pursuant to Public Law 91-518, sections 308(b) and 805(1)(B); to the Committee on Energy and Commerce.

588. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the 1985 international narcotics control strategy report, including the impact of U.S. economic and military assistance on narcotics control, pursuant to FAA, section 481(e)(1) (97 Stat. 1053); to the Committee on Foreign Affairs.

589. A letter from the Clerk of the U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations and other funds for the period October 1, 1984 to December 31, 1984, pursuant to 2 U.S.C. 104a (H. Doc. No. 99-31); to the Committee on House Administration and ordered to be printed.

590. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Pubic Works and Transportation.

591. A letter from the Administrator, U.S. Small Business Administration, transmitting a draft of proposed legislation to abolish the Small Business Administration, to terminate certain functions of the Administration, to transfer certain functions of the Administration to the Secretaries of Commerce and Treasury, and for other purposes; to the Committee on Small Business.

592. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the monetary policy report, pursuant to the act of September 21, 1950, Chapter 967, section 2 (7(j)(14)) (92 Stat. 3683); jointly, to the Committees on Banking, Finance and Urban Affairs and Education and Labor.

593. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the improvement of and funding for the inland and intracoastal waterways of the United States, and for other purposes; jointly, to the Committees on Public Works and Transportation and Ways and Means.

594. A letter from the Secretary of Energy, transmitting a report of the current status of the comprehensive management plan for nuclear safety research, development, and demonstration, pursuant to Public Law 96-567, section 8(c); jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. H.R. 1189. A bill to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes (Rept. No. 99-1). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H.R. 1239. A bill making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes (Rept. No. 99-2). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PICKLE (for himself, Mr. FRENZEL, Mr. MATSUI, Mr. DOWNEY of New York, Mr. DUNCAN, Mr. ARCHER, Mr. GUARINI, Mr. JACOBS, Mr. JENKINS, Mr. HEFTEL of Hawaii, Mr. FOWLER, Mr. ANTHONY, Mr. FLIPPO, Mrs. KENNELLY, Mr. VANDER JAGT, Mr. CRANE, Mr. CAMPBELL, Mr. THOMAS of California, Mr. GREGG, Mr. MINETA, Mr. AUCOIN, Mr. LANTOS, Mr. ZSCHAU, Mr. BONKER, Mr. LUNGREN, and Mr. LAGOMARSINO):

H.R. 1188. A bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 1189. A bill to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes; to the Committee on Appropriations.

By Mr. TAUZIN (for himself, Mr. RAHALL, Mr. ROGERS, Mr. STENHOLM, Mr. MURTHA, Mr. BEVILL, Mr. BOSCO, Mr. BOUCHER Mr. PICKLE, Mr. JACOBS, Mr. KINDNESS, and Mr. ECKART of Ohio):

H.R. 1190. A bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition; to the Committee on Energy and Commerce.

By Mr. BEDELL:

H.R. 1191. A bill to provide emergency financial assistance to farm banks; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PANETTA:

H.R. 1192. A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the Senior Companion Program, and to amend the Internal Revenue Code of 1954 to establish an income tax credit for maintaining a household for dependents who are 65 years of age or older; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. ADDABBO:

H.R. 1193. A bill to amend section 524 of title 28, United States Code, to provide amounts from the Department of Justice assets forfeiture fund for drug abuse prevention, treatment, and rehabilitation programs; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. BEILENSON:

H.R. 1194. A bill to provide for an income-based premium under Medicare part B; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BEILENSON (for himself, Mr. FROST, Mr. BONIOR of Michigan, Mr. HALL of Ohio, Mr. PANETTA, Mr. GEPHARDT, Mr. ASPIN, Mr. MURTHA, Mr. DICKS, Mr. PENNY, Mr. MINETA, and Mr. MORRISON of Washington):

H.R. 1195. A bill to amend the Congressional Budget Act of 1974 to improve the congressional budget process, and for other purposes; jointly, to the Committees on Rules and Government Operations.

By Mr. BIAGGI:

H.R. 1196. A bill to amend the Food Stamp Act of 1977 to exclude from the financial resources of households certain funds set aside for burial expenses of elderly

and disabled members and their spouses; to the Committee on Agriculture.

H.R. 1197. A bill to amend the Truth in Lending Act to limit the rate of interest which may be charged on credit card accounts; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1198. A bill to amend the Higher Education Act of 1965 to permit deferrals in the repayment of student loans for active duty members of the National Oceanic and Atmospheric Administration Corps; to the Committee on Education and Labor.

H.R. 1199. A bill to amend title XVIII of the Social Security Act respecting the use of certain toxic materials in new nursing home construction; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BOEHLERT:

H.R. 1200. A bill to eliminate the reduction in the tax on cigarettes; to the Committee on Ways and Means.

By Mrs. BOXER (for herself, Mr. LEVINE of California, Mr. PORTER, Mr. MITCHELL, Mr. BEDELL, Mr. OWENS, Mr. BERMAN, and Mr. CROCKETT):

H.R. 1201. A bill entitled: "The Revolving Door Reform Act of 1985"; to the Committee on Government Operations.

By Mr. BREAUX:

H.R. 1202. A bill to authorize appropriations to carry out conservation programs on military reservations and public lands during the fiscal years 1986, 1987, and 1988; to the Committee on Merchant Marine and Fisheries.

By Mr. BREAUX (for himself, Mr. JONES of North Carolina, Mr. LENT, and Mr. YOUNG of Alaska):

H.R. 1203. A bill to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands by the acquisition of wetlands and other essential habitat, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DARDEN:

H.R. 1204. A bill to amend title 28 of the United States Code to reform habeas corpus procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. DIOGUARDI:

H.R. 1205. A bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases; to the Committee on Education and Labor.

By Mr. DORGAN of North Dakota:

H.R. 1206. A bill to amend the U.S. Grain Standards Act to improve the quality of export grain by eliminating dockage and foreign material from grain shipped from an export elevator at an export port location; to the Committee on Agriculture.

By Mr. DORGAN of North Dakota (for himself, Mr. DOWNEY of New York, Mr. JEFFORDS, and Mr. MRAZEK):

H.R. 1207. A bill to award a special gold medal to the family of Harry Chapin; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ERDREICH:

H.R. 1208. A bill to amend chapter 7 of title 31, United States Code, to abolish the Commission on Executive, Legislative, and Judicial Salaries and transfer its functions to the Comptroller General, and to provide that any legislation increasing the rate of pay for Members of Congress is considered separately from other legislation, is adopted only by a recorded vote, and does not take effect until the start of the Congress following the Congress in which approved, and to eliminate the automatic annual pay adjustment for Members of Congress; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mr. FORD of Tennessee:

H.R. 1209. A bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers; to the Committee on Ways and Means.

By Mr. FUQUA (by request):

H.R. 1210. A bill to authorize appropriations to the National Science Foundation for the fiscal years 1986 and 1987, and for related purposes; to the Committee on Science and Technology.

By Mr. GAYDOS:

H.R. 1211. A bill to extinguish Federal court jurisdiction to require attendance at a particular school of any student because of race, color, creed, or sex; to the Committee on the Judiciary.

H.R. 1212. A bill to amend the Fair Labor Standards Act of 1938 to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; jointly, to the Committees on Education and Labor and Banking, Finance and Urban Affairs.

By Mr. GLICKMAN (for himself, Mr. FISH, Mr. SEIBERLING, Mr. HUGHES, Mr. BERMAN, Mr. MOORHEAD, Mr. BOUCHER, and Mr. FRANK):

H.R. 1213. A bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes; to the Committee on the Judiciary.

By Mr. GOODLING:

H.R. 1214. A bill to eliminate cost-of-living adjustments under the civil service retirement system for former Members of Congress until 1988; to the Committee on Post Office and Civil Service.

H.R. 1215. A bill to amend title XVIII of the Social Security Act to provide for coverage of antibiotics administered intravenously at home to patients with a chronic infectious disease requiring long-term intravenous antibiotic therapy; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. GRADISON (for himself, Mr. BROWN of Colorado, Mr. HENRY, Mr. SENSENBRENNER, Mr. HUGHES, Mr. IRELAND, and Mr. FISH):

H.R. 1216. A bill to amend the Federal Financing Bank Act of 1973 to assure the proper budgetary treatment of credit transactions of Federal agencies; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. SAM B. HALL, JR. (for himself, Mr. WILSON, Mr. LOEFFLER, and Mr. RALPH M. HALL):

H.R. 1217. A bill to amend the Farm Credit Act of 1971 to achieve greater efficiency and fiscal responsibility by providing that the boards of directors of Federal land banks, of Federal intermediate credit banks, and of district banks for cooperatives shall be elected separately; to increase the independence of such banks in exercising their respective powers; and for other purposes; to the Committee on Agriculture.

By Mr. HEFTEL of Hawaii:

H.R. 1218. A bill regarding the admission of certain fish into foreign trade zones in Hawaii; to the Committee on Ways and Means.

By Mrs. JOHNSON (for herself, Mr. CLINGER, Ms. KAPTUR, Mr. FORD of Tennessee, Mr. BEREUTER, Mr. BLAZ, Mrs. COLLINS, Mr. CONTE, Mr. COUGHLIN, Mr. DEWINE, Mr. EMERSON, Mr. FAUNTROY, Mr. FIELDS, Mr. FISH, Mr. GARCIA, Mr. HORTON, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. MCDADE, Mrs. MARTIN of Illinois, Mr. MCKERNAN, Mr. MCKINNEY, Mr. MICHEL, Mr. MOODY, Mr. MORRISON of Washington, Mr. NIELSON of Utah, Ms. OAKAR, Mr. RIDGE, Mr. ROSE, Mr. ROWLAND of Connecticut, Ms. SNOWE, Mr. STOKES, and Mr. WEBER):

H.R. 1219. A bill to provide incentives for worker training through both employer and individual initiative and to require the Secretary of Labor to study the feasibility and cost of a national job bank; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. LEHMAN of Florida:

H.R. 1220. A bill to confer U.S. citizenship posthumously upon Annita Nelken; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 1221. A bill to amend the Nuclear Waste Policy Act of 1982 to modify the procedures of the House of Repesentatives and the Senate for consideration of fee adjustment proposed by the Secretary of Energy, and to establish an Advisory Commission on Nuclear Waste Financing; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Rules.

By Mr. MOLLOHAN (for himself, Mr. RAHALL, Mr. WISE, and Mr. PEASE):

H.R. 1222. A bill to require the Department of Labor to employ additional administrative law judges to hear cases under the Black Lung Benefits Act; to the Committee on Education and Labor.

By Mr. PEPPER:

H.R. 1223. A bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing Medicare coverage for personal emergency response systems; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RANGEL (for himself and Mr. MITCHELL):

H.R. 1224. A bill to amend the Internal Revenue Code of 1954 to provide for the nonrecognition of gain on sales and exchanges of capital assets when the proceeds are reinvested in certain minority investment funds; to the Committee on Ways and Means.

BY Mr. RUSSO (for himself, Mr. MILLER of California, Mr. SCHUMER, Mr. STARK, Mr. DOWNEY of New York, Mr. GEPHARDT, Mr. DORGAN of North Dakota, Mr. GUARINI, Mr. RANGEL, Mrs. KENNELLY, Mr. MATSUI, Mr. JENKINS, Mr. FLIPPO, Mr. JACOBS, Mr. ANTHONY, Mr. FORD of Tennessee, and Mr. DONNELLY):

H.R. 1225. A bill to prohibit the issuance in bearer form of Treasury obligations or of securities which are interests in Treasury obligations, and for other purposes; to the Committee on Ways and Means.

By Mr. SHUMWAY:

H.R. 1226. A bill to amend the Act entitled "An Act to authorize the Secretary of the

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Interior to construct, operate, and maintain the Auburn-Folsom South unit, American River Division, Central Valley project, California, under Federal reclamation laws", enacted September 2, 1965, and the Flood Control Act of 1970; to the Committee on Interior and Insular Affairs.

By Mr. SKELTON (for himself and Mr. FORD of Michigan):

H.R. 1227. A bill to amend the Harry S Truman Memorial Scholarship Act to remove the dollar limitation on stipends paid under such act and to authorize the Harry S Truman Scholarship Foundation to prescribe regulations governing the amounts of such stipends; to the Committee on Education and Labor.

By Mr. STARK:

H.R. 1228. A bill to amend the Internal Revenue Code of 1954 to deny any deduction for the expenses of attending foreign conventions or seminars on methods of tax evasion through foreign investments; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. GEJDENSON, Mr. KILDEE, Mr. KASTENMEIER, Mr. GARCIA, Mr. HAYES, Mr. DWYER of New Jersey, Mr. EDWARDS of California, Mr. CROCKETT, Mr. WHEAT, Mr. MAVROULES, Mr. KOSTMAYER, Mr. FRANK, Mr. ROE, Mr. OLIN, Mr. ROYBAL, Mr. BATES, Mr. MITCHELL, Mr. BEDELL, Ms. KAPTUR, Mr. FLORIO, Mr. BOUCHER, Mr. VOLKMER, Mr. JEFFORDS, Mr. SEIBERLING, Mr. FISH, Mr. MRAZEK, Mr. GUARINI, Mr. OBERSTAR, Mr. FAZIO, Mr. CARPER, Mr. ST GERMAIN, Mr. MORRISON of Connecticut, Mr. SNYDER, Mr. DURBIN, Mr. LEVINE of California, Mr. DELLUMS, Mrs. BOXER, and Mr. BOSCO):

H.R. 1229. A bill to amend the Federal Power Act to limit the recovery by public utilities of certain costs of construction work in progress through rate increases; to the Committee on Energy and Commerce.

By Mr. STENHOLM (for himself and Mr. BOULTER):

H.R. 1230. A bill to provide that a Federal agency may not require any person to maintain records for a period in excess of 4 years, and a Federal agency may not commence an action for enforcement of a law or regulation or for collection of a civil fine after 4 years from the date of the act which is the subject of the enforcement action or fine, and for other purposes; to the Committee on Government Operations.

By Mr. STUDDS:

H.R. 1231. A bill to encourage international training in maritime skills; to the Committee on Foreign Affairs.

By Mr. STUDDS (for himself, Mr. JONES of North Carolina, Mr. LENT, Mr. DAVIS, Mr. BIAGGI, Mr. LOWRY of Washington, Mr. HUGHES, Ms. MIKULSKI, and Mr. YOUNG of Alaska):

H.R. 1232. A bill to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. TALLON:

H.R. 1233. A bill to recognize the organization known as "Wildlife Action, Inc."; to the Committee on the Judiciary.

By Mr. TAUZIN:

H.R. 1234. A bill to provide for the reauthorization of the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WOLPE (for himself, Mr. DORGAN of North Dakota, and Mr. GEPHARDT):

H.R. 1235. A bill to amend the Internal Revenue Code of 1954 with respect to the limitations on the investment tax credit for public utility property; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 1236. A bill to improve the provisions of law relating to former Presidents, and for other purposes; jointly, to the Committees on Government Operations, House Administration, the Judiciary, and Post Office and Civil Service.

By Mr. TAUZIN (for himself, Mr. BEVILL, Mr. FLIPPO, Mr. SHELBY, Mr. YOUNG of Missouri, Mr. MCCAIN, Mr. UDALL, Mr. STUMP, Mr. RUDD, Mr. ANTHONY, Mr. FAZIO, Mr. ZSCHAU, Mr. MINETA, Mr. COELHO, Mr. PANETTA, Mr. LAGOMARSINO, Mr. THOMAS of California, Mr. WAXMAN, Mr. LEVINE of California, Mr. DIXON, Mr. MARTINEZ, Mr. DYMALLY, Mr. DANNEMEYER, Mr. LUNGREN, Mr. STRANG, Mr. GEJDENSON, Mr. MORRISON of Connecticut, Mr. MCKINNEY, Mrs. JOHNSON, Mr. HUTTO, Mr. FUQUA, Mr. BILIRAKIS, Mr. LEWIS of Florida, Mr. PEPPER, Mr. DARDEN, Mr. HEFTEL of Hawaii, Mr. AKAKA, Mr. HAYES, Mr. SAVAGE, Mr. HYDE, Mr. MADIGAN, Mr. DURBIN, Mr. TAUKE, Mr. EVANS of Iowa, Mr. BEDELL, Mr. HUBBARD, Mr. LIVINGSTON, Mr. ROEMER, Mr. MOORE, Mr. BREAUX, Mr. CONTE, Mr. BOLAND, Mr. MAVROULES, Mr. MOAKLEY, Mr. CONYERS, Mr. HENRY, Mr. KILDEE, Mr. TRAXLER, Mr. DAVIS, Mr. BONIOR of Michigan, Mr. CROCKETT, Mr. LEVIN of Michigan, Mr. VENTO, Mr. FRANKLIN, Mr. MONTGOMERY, Mr. DOWDY of Mississippi, Mr. YOUNG of Alaska, Mr. DAUB, Mrs. SMITH of Nebraska, Mr. REID, Mrs. VUCANOVICH, Mr. FLORIO, Mr. HUGHES, Mr. SMITH of New Jersey, Mr. DWYER of New Jersey, Mr. ROE, Mr. TORRICELLI, Mr. GUARINI, Mr. LUJAN, Mr. RICHARDSON, Mr. CARNEY, Mr. MRAZEK, Mr. LENT, Mr. MCGRATH, Mr. ADDABBO, Mr. ACKERMAN, Mr. SCHEUER, Mr. MANTON, Mr. TOWNS, Mr. OWENS, Mr. BIAGGI, Mr. DIOGUARDI, Mr. FISH, Mr. SOLOMON, Mr. BOEHLERT, Mr. WORTLEY, Mr. HORTON, Mr. VALENTINE, Mr. ROSE, Mr. HEFNER, Mr. DORGAN of North Dakota, Mr. LUKEN, Mr. KINDNESS, Ms. KAPTUR, Mr. MILLER of Ohio, Mr. WYLIE, Mr. APPLEGATE, Ms. OAKAR, Mr. SYNAR, Mr. WYDEN, Mr. DENNY SMITH, Mr. BORSKI, Mr. KOLTER, Mr. EDGAR, Mr. KOSTMAYER, Mr. MURTHA, Mr. WALGREN, Mr. MURPHY, Mr. ST GERMAIN, Mr. CAMPBELL, Mr. SPRATT, Mr. TALLON, Mr. QUILLEN, Mrs. LLOYD, Mr. BONER of Tennessee, Mr. GORDON, Mr. SUNDQUIST, Mr. SAM B. HALL, JR., Mr. WILSON, Mr. RALPH M. HALL, Mr. BRYANT, Mr. ARCHER, Mr. FIELDS, Mr. BROOKS, Mr. PICKLE, Mr. WRIGHT, Mr. DE LA GARZA, Mr. STENHOLM, Mr. LELAND, Mr. GONZALEZ, Mr. LOEFFLER, Mr. FROST, Mr. ANDREWS, Mr. HANSEN, Mr. JEFFORDS, Mr. SISISKY, Mr. DANIEL, Mr. SLAUGHTER, Mr. BOUCHER, Mr. WOLF, Mr. MORRISON of Washington, Mr. MOLLOHAN, Mr. RAHALL, Mr. FAUNTROY, Mr. SUNIA, Mrs. COLLINS, Mr. HOYER, Mr. KASICH, Mr. LATTA, Mr. BROYHILL, Mr. HALL of Ohio, Mr. RODINO, Mr. LUNDINE, Mr. JONES of North Carolina, Mr. DASCHLE, Mr. RITTER, and Mr. RINALDO):

H.J. Res. 160. Joint resolution designating March 22, 1985, as "National Energy Education Day"; to the Committee on Post Office and Civil Service.

By Mr. FUQUA (for himself, Mr. WALGREN, Mr. LUJAN, Mr. BOEHLERT, Mr. TORRICELLI, Mr. PACKARD, Mr. LUNDINE, Mr. HENRY, Mr. SKEEN, Mr. GREGG, Mr. LEWIS of Florida, Mr. STALLINGS, Mr. BOUCHER, Mr. MONSON, Mr. YOUNG of Missouri, Mr. ROE, Mr. CARNEY, Mr. CHANDLER, Mr. BATEMAN, Mr. SMITH of New Hampshire, and Mr. SLAUGHTER):

H.J. Res. 161. Joint resolution designating the week of May 12-18, 1985, as "National Science Week"; to the Committee on Post Office and Civil Service.

By Mr. GUARINI (for himself and Mr. BONIOR of Michigan):

H.J. Res. 162. Joint resolution designating the month of May 1985 as "Better Hearing and Speech Month"; to the Committee on Post Office and Civil Service.

By Mr. HILER (for himself, Mr. AKAKA, Mr. BLAZ, Mr. BOLAND, Mr. CONTE, Mr. DAUB, Mr. FRANK, Mr. HOYER, Mr. JEFFORDS, Mr. KEMP, Mr. MCGRATH, Mr. ROBINSON, Mr. VENTO, and Mr. WILLIAMS):

H.J. Res. 163. Joint resolution recognizing the importance of the Bureau of Apprenticeship and Training; to the Committee on Education and Labor.

By Mr. LANTOS, (for himself, Mr. VANDER JAGT, Mr. ACKERMAN, Mr. ANDREWS, Mr. ANTHONY, Mr. BATEMAN, Mr. BERMAN, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BORSKI, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mrs. COLLINS, Mr. COOPER, Mr. DAUB, Mr. DEWINE, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DIOGUARDI, Mr. DORNAN of California, Mr. DYMALLY, Mr. EDWARDS of Oklahoma, Mr. FAUNTROY, Mr. FAZIO, Mr. FISH, Mr. FRANK, Mr. FRENZEL, Mr. FROST, Mr. FUQUA, Mr. GALLO, Mr. GREEN, Mr. HORTON, Mr. HOWARD, Mr. HUGHES, Mr. JEFFORDS, Mr. JONES of North Carolina, Mr. KOLBE, Mr. KOLTER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LEVIN of Michigan, Mr. LIGHTFOOT, Mr. MANTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MCGRATH, Mr. MITCHELL, Mr. MURPHY, Mr. O'BRIEN, Mr. OWENS, Mr. PASHAYAN, Mr. PORTER, Mr. QUILLEN, Mr. RAHALL, Mr. REID, Mr. RICHARDSON, Mr. RODINO, Mr. ROE, Mr. ROGERS, Mr. SKEEN, Mr. SKELTON, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STENHOLM, Mr. TALLON, Mr. TORRICELLI, Mr. TRAXLER, Mr. VENTO, Mr. VOLKMER, Mr. WALGREN, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WORTLEY, Mr. WYDEN, Mr. YATRON, and Mr. YOUNG of Alaska):

H.J. Res. 164. Joint resolution to designate August 4, 1985, as "Freedom of the Press Day"; to the Committee on Post Office and Civil Service.

By Mr. RUSSO:

H.J. Res. 165. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mr. SCHULZE (for himself and Mr. FLIPPO):

H.J. Res. 166. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. MRAZEK:

H. Con. Res. 64. Concurrent resolution expressing the sense of the Congress that the policy of separate development and the forced relocation of South African blacks to designated "homelands" is inconsistent with fundamental American values and internationally recognized principles of human rights and should be discontinued; to the Committee on Foreign Affairs.

By Mr. YOUNG of Florida:

H. Con. Res. 65. Concurrent resolution calling for full freedom and independence for the Baltic States; to the Committee on Foreign Affairs.

H. Con. Res. 66. Concurrent resolution expressing the sense of the Congress that the United States should seek, through diplomatic channels, the withdrawal of certain personnel of the Soviet Union from Estonia, Latvia, and Lithuania and the release by the Soviet Union of political prisoners of Estonian, Latvian, or Lithuanian descent; to the Committee on Foreign Affairs.

By Mr. DELLUMS:

H. Res. 66. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the District of Columbia in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. GONZALEZ:

H. Res. 67. Resolution calling for peace in Central America; to the Committee on Foreign Affairs.

By Mr. GREEN:

H. Res. 68. Resolution expressing the sense of the House of Representatives that the NASA Distinguished Service Medal should be taken away from Arthur Rudolph; to the Committee on Science and Technology.

By Mr. HOWARD (for himself and Mr. SNYDER):

H. Res. 69. Resolution providing amounts from the contingent fund of the House for the expenses of investigations and studies by the Committee on Public Works and Transportation in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. JONES of North Carolina (for himself and Mr. LENT):

H. Res. 70. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Merchant Marine and Fisheries in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. LELAND (for himself, Mr. ANDREWS, and Mr. FIELDS):

H. Res. 71. Resolution expressing the sense of the House of Representatives that the President should award the Presidential Medal of Freedom to David Phillip Vetter, of Spring, TX, to be presented to his family in his memory; to the Committee on Post Office and Civil Service.

By Mr. MARTINEZ (for himself, Mr. HAWKINS, Mr. GAYDOS, Mr. CLAY, Mr. BIAGGI, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. OWENS, Mr. BOUCHER, Mr. HAYES, Mr. PERKINS, Mr. BRUCE, Mr. SOLARZ, Mr. DYMALLY, and Mr. GOODLING):

H. Res. 72. Resolution to reaffirm the House's commitment to the Job Corps Program; to the Committee on Education and Labor.

By Mr. PEPPER (for himself and Mr. QUILLEN):

H. Res. 73. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Rules in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. SMITH of New Jersey:

H. Res. 74. Resolution calling upon the Union of Soviet Socialist Republics to cease its concentrated and systematic persecution of Hebrew teachers and cultural activists, and for other purposes; to the Committee on Foreign Affairs.

By Mr. UDALL:

H. Res. 75. Resolution providing amounts from the contingent fund to the House for expenses of investigations and studies by the Committee on Interior and Insular Affairs in the 1st session of the 99th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

15. The SPEAKER presented a memorial of the Legislature of the State of North Dakota, relative to taxes as pertinent to wildlife preservation; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MAVROULES:

H.R. 1237. A bill for the relief of Gloria Cabrera and Marcelo Cabrera; to the Committee on the Judiciary.

By Mr. WRIGHT:

H.R. 1238. A bill for the relief of Calvin L. Graham; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. EMERSON, Mr. SMITH of New Jersey, Mr. JONES of North Carolina, Mr. PANETTA, Mr. LEHMAN of California, Mr. PARRIS, Mr. YOUNG of Florida, Mrs. LLOYD, Mr. LAFALCE, Mr. GEKAS, Mr. ROYBAL, Mr. MRAZEK, Mr. VENTO, Mr. MITCHELL, Mr. DAVIS, Mr. MCKERNAN, Mr. REID, Mr. GRAY of Illinois, Mr. COOPER, Mr. YATRON, Mr. DASCHLE, Mr. LUNDINE, Mrs. BYRON, Mr. RITTER, and Mr. LEHMAN of Florida.

H.R. 73: Mr. ARMEY.

H.R. 77: Mr. BEDELL, Mr. EDWARDS of Oklahoma, Mr. DORNAN of California, Mr. FLIPPO, Mr. BLILEY, Mrs. HOLT, Mr. ANTHONY, Ms. FIEDLER, Mr. SPRATT, Mr. SWEENEY, Mrs. SCHNEIDER, Mr. BYRON, Mrs. VUCANOVICH, and Mr. EMERSON.

H.R. 79: Mr. FIELDS.

H.R. 83: Mr. ARMEY.

H.R. 93: Mr. DELAY.

H.R. 147: Mr. BEREUTER, Mr. TORRES, Mr. HUBBARD, and Mr. MORRISON of Washington.

H.R. 151: Mr. SOLARZ, Mr. SEIBERLING, Mr. TORRES, Mr. MRAZEK, and Mr. RAHALL.

H.R. 208: Mr. GILMAN.

H.R. 343: Mr. KASICH, Mr. KINDNESS, and Mr. HENDON.

H.R. 347: Mr. EVANS of Illinois, Mr. LEWIS of Florida, Mr. FUSTER, Mr. SOLARZ, Mr. HOYER, Mr. MITCHELL, Mr. BLAZ, Mr. MRAZEK, Mr. SCHUMER, Mr. MARKEY, Mr. MATSUI, Mr. GARCIA, Ms. KAPTUR, Mr. SCHEUER, Mr. LAFALCE, Mr. STARK, Mr. WORTLEY, and Mr. LEHMAN of Florida.

H.R. 356: Mr. WISE, Mr. KOLTER, Mr. MARTINEZ, and Mr. VENTO.

H.R. 357: Mr. MOAKLEY, Mr. DOWNEY of New York, Mr. BEILENSON, Mr. ACKERMAN, Mr. KILDEE, Mr. FORD of Michigan, Mr. MCKERNAN, Mr. FRANK, Mr. HENRY, Mr. STUDDS, Ms. SNOWE, Mr. MRAZEK, Mr. ZSCHAU, Mr. TAUKE, and Mr. BONIOR of Michigan.

H.R. 385: Mr. WHITEHURST, Mr. TOWNS, Mr. KOLTER, Mr. DORNAN of California, Mr. FAZIO, Mr. DREIER of California, Mr. CONTE, Mr. DAVIS, Mr. FROST, Mr. ENGLISH, Mrs. BOXER, Mr. WISE, Mr. STRATTON, Mr. CRAIG, Mr. HENDON, Mr. HUBBARD, Mr. FISH, and Mr. MITCHELL.

H.R. 472: Mr. MONTGOMERY, Mr. BLILEY, Mr. HUTTO, Mr. RUDD, Mr. JONES of North Carolina, Mr. DREIER of California, Mr. WHITLEY, Mr. WALKER, Mr. HUCKABY, Mr. EDWARDS of Oklahoma, Mr. ARMEY, Mr. YOUNG of Florida, Mr. VANDER JAGT, and Mr. DELAY.

H.R. 507: Mr. RANGEL and Mrs. COLLINS.

H.R. 508: Mr. LOWRY of Washington, Mr. BERMAN, Mr. HERTEL of Michigan, Mr. RANGEL, Mr. LEVIN of Michigan, Mr. OWENS, Mr. GALLO, Mr. HAWKINS, Mr. HENRY, Mr. CROCKETT, Mr. LAFALCE, Mr. WEAVER, Mr. ROSE, Mrs. BOGGS, Mr. WILLIAMS, Mr. MARTINEZ, Mr. VENTO, Mr. MCKERNAN, Mr. FAZIO, Mr. FISH, and Mr. WIRTH.

H.R. 512: Mr. FORD of Tennessee.

H.R. 532: Mr. RANGEL, Mr. BLAZ, and Mr. SENSENBRENNER.

H.R. 539: Mr. WHEAT, Mr. FAWELL, Mrs. BYRON, Mr. BARNARD, Mr. DIXON, Mr. NIELSON of Utah, Mr. MRAZEK, Mr. HUBBARD, Mr. QUILLEN, Mr. HOYER, and Mr. BRUCE.

H.R. 556: Mr. ROYBAL and Ms. OAKAR.

H.R. 557: Mr. ROYBAL and Ms. OAKAR.

H.R. 558: Mr. ROYBAL and Ms. OAKAR.

H.R. 559: Mr. ROYBAL and Ms. OAKAR.

H.R. 560: Mr. ROYBAL and Ms. OAKAR.

H.R. 561: Mr. ROYBAL and Ms. OAKAR.

H.R. 562: Mr. ROYBAL and Ms. OAKAR.

H.R. 563: Mr. ROYBAL and Ms. OAKAR.

H.R. 564: Mr. ROYBAL and Ms. OAKAR.

H.R. 585: Mr. SUNIA, Mr. FORD of Tennessee, and Mr. BROWN of California.

H.R. 644: Mrs. MARTIN of Illinois, Mr. SCHEUER, Ms. SNOWE, Mr. ROSE, Mr. HEFTEL of Hawaii, Mr. MCKERNAN, Mr. GRAY of Illinois, and Ms. MIKULSKI.

H.R. 646: Mr. BOLAND, Mr. EVANS of Iowa, Mr. ECKART of Ohio, Mr. RANGEL, and Mr. DAVIS.

H.R. 665: Mr. YOUNG of Florida, Mr. EDWARDS of Oklahoma, Mr. DIOGUARDI, Mr. WIRTH, Mr. FISH, Mr. MATSUI, and, Mr. FORD of Tennessee.

H.R. 667: Mr. WEISS, Mr. BERMAN, Mr. MARKEY, Mr. LAFALCE, Mr. HEFTEL of Hawaii, Mr. ENGLISH, Mr. RANGEL, Mr. BEDELL and, Mr. JEFFORDS.

H.R. 689: Mr. RAHALL.

H.R. 690: Mr. STANGELAND, Mr. BREAUX, Mr. LAGOMARSINO, Mr. HEFTEL of Hawaii, Mr. ROSE and, Mr. SWIFT.

H.R. 691: Mr. BERMAN, Mr. FROST, Mr. SOLOMON, Mr. DARDEN, and Mr. MATSUI.

H.R. 693: Mr. LUJAN, Mr. WALKER, and Mr. SKEEN.

H.R. 708: Mr. HARTNETT.

H.R. 709: Mr. HARTNETT.

H.R. 748: Mr. FUQUA, Mr. CARNEY, Mr. CALLAHAN, Mr. SKELTON, Mr. PENNY, Mr. DEWINE, Mr. BARNARD, Mr. RINALDO, Mr. FIELDS, Mr. NEAL, Mr. WEBER, Mr. JONES of

North Carolina, Mr. DARDEN, Mr. OXLEY, Mr. LAFALCE, and Mr. KINDNESS.

H.R. 769: Ms. KAPTUR, Mr. LELAND, Mr. MCKINNEY, Mr. RANGEL, Mr. RODINO, Mr. SOLARZ, Mr. TOWNS, and Mr. MARTINEZ.

H.R. 770: Mr. ACKERMAN, Mr. BERMAN, Mr. CROCKETT, Mr. FAZIO, Mr. FRANK, Mr. GRAY of Illinois, Mr. HAWKINS, Mr. KANJORSKI, Mr. LELAND, Mr. MARKEY, Mr. MOODY, Mr. NEAL, Mr. OWENS, Mr. RANGEL, Mr. RODINO, Mr. WEISS, Mr. WORTLEY, Mr. SABO, and Mr. SEIBERLING.

H.R. 771: Mr. AKERMAN, Mr. CROCKETT, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. FRANK, Mr. GREEN, Mr. HERTEL of Michigan, Mr. MCGRATH, Mr. RANGEL, Mr. RICHARDSON, Mr. ROBINSON, Mr. SMITH of Florida, Mr. WORTLEY, and Mr. RAHALL.

H.R. 772: Mr. CROCKETT, Mr. DONNELLY, Mr. GARCIA, Mr. GEKAS, Mr. HAYES, Mr. KANJORSKI, and Mr. RANGEL.

H.R. 776: Mr. GALLO, Mr. DURBIN, Mrs. LLOYD, Mr. DREIER of California, Mr. REID, Mr. LAFALCE, Mr. LEHMAN of Florida, Mr. VENTO, Mr. LEVIN of Michigan, Mr. FAZIO, and Mr. BERMAN.

H.R. 777: Mr. MCKERNAN, Mr. COATS, Mr. KINDNESS, Mr. WHITEHURST, Mr. DEWINE, Mr. HARTNETT, and Mr. HILER.

H.R. 782: Mr. MOAKLEY, Mr. STOKES, Mr. ANNUNZIO, Mr. BOLAND, Mr. HAYES, Ms. KAPTUR, Mr. SABO, Mr. JEFFORDS, and Mr. DWYER of New Jersey.

H.R. 808: Mr. SUNDQUIST, Mr. QUILLEN, and Mr. ANNUNZIO.

H.R. 814: Mr. SUNIA, Mr. MARTINEZ, Mr. YOUNG of Missouri, and Mr. NIELSON of Utah.

H.R. 816: Mr. DORNAN of California, Mr. BLILEY, Mr. LAGOMARSINO, Mr. WHEAT, Mr. SHUMWAY, Mr. WEBER, Mr. FISH, and Mr. DYMALLY.

H.R. 820: Mr. ROEMER, Mr. CROCKETT, Mr. SIKORSKI, Mr. FLORIO, Mrs. COLLINS, Mr. MINETA, Mr. GUARINI, Mr. WEISS, Mr. FRANK, Mr. ROYBAL, Mr. FROST, Mr. SAVAGE, Mr. BEDELL, Mr. SEIBERLING, Mr. VENTO, Mr. GEJDENSON, and Mr. MATSUI.

H.R. 821: Mr. ROEMER, Mr. CROCKETT, Mr. VENTO, Mrs. COLLINS, Mr. MINETA, Mr. FAZIO, Mr. FRANK, Mr. FROST, Mr. BEDELL, Mr. SEIBERLING, Mr. WAXMAN, and Mr. GEJDENSON.

H.R. 871: Mr. BARNARD, Mr. HUGHES, and Mr. HYDE.

H.R. 877: Mr. FISH and Mr. HYDE.

H.R. 883: Mr. CRANE and Mr. DREIER of California.

H.R. 888: Mr. TOWNS, Mr. FAUNTROY, Mr. OWENS, Mr. FUSTER, Mr. HEFTEL of Hawaii, Mr. FAZIO, Mr. WILLIAMS of Montana, Mr. BLAZ, Mr. RANGEL, Mr. MOODY, Mr. STOKES, Mr. VENTO, Mr. HUGHES, Mr. ROSE, Mr. MATSUI, and Mr. EDWARDS of California.

H.R. 918: Mr. WHITEHURST, Mr. KOSTMAYER, and Mr. BENNETT.

H.R. 963: Mr. LAFALCE.

H.R. 964: Mr. NELSON of Florida and Mr. DWYER of New Jersey.

H.R. 965: Mr. LAFALCE.

H.R. 966: Mr. LAFALCE.

H.R. 967: Mr. LAFALCE.

H.R. 975: Mr. FIELDS, Mr. THOMAS of Georgia, Mr. YOUNG of Alaska, Mr. HUGHES, Mr. ROSE, Mr. STUDDS, and Mr. STANGELAND.

H.R. 976: Ms. OAKAR, Mr. DEWINE, Mr. BOEHLERT, and Ms. KAPTUR.

H.R. 998: Mr. CALLAHAN, Mr. SPENCE, Mr. ROGERS, Mr. TALLON, Mr. EARLY, Mr. MAVROULES, Mrs. MEYERS of Kansas, Mr. BURTON of Indiana, Mr. FRANKLIN, Mr. SILJANDER, Mr. SMITH of New Jersey, Mr. RAHALL, Mr. MCEWEN, Mr. ROSE, Mr. DONNELLY, Mr. JEFFORDS, Mr. BOLAND, Mr. SKEEN, Mr. PURSELL, Mr. ENGLISH, Mr. YATES, Mr. IRELAND, and Mr. HUCKABY.

H.R. 1046: Mr. MOORE and Mr. ALEXANDER.

H.R. 1059: Mr. GROTBERG and Mr. MITCHELL.

H.R. 1070: Mr. GEJDENSON and Mr. WEISS.

H.R. 1074: Mr. FISH.

H.R. 1142: Mr. BERMAN.

H.J. Res. 10: Mr. STENHOLM, Mr. HUGHES, Mr. HORTON, Mr. REGULA, Mr. ADDABBO, Mr. FRENZEL, Mr. BIAGGI, Mr. RANGEL, Mrs. BURTON of California, Mr. BERMAN, and Mr. FAZIO.

H.J. Res. 76: Mr. LAGOMARSINO, Mr. GUNDERSON, Mr. RUSSO, Mr. SAM B. HALL JR., Mr. DONNELLY, Mr. HAMMERSCHMIDT, Mr. STOKES, Mr. ALEXANDER, Mr. BARNARD, Mr. ROWLAND of Georgia, Mr. YOUNG of Alaska, Mr. BEVILL, Mr. ACKERMAN, Mr. CHAPPIE, Mr. TRAXLER, Mr. STUDDS, Mr. BOSCO, Mr. MORRISON of Connecticut, Mr. YOUNG of Missouri, Mr. SPENCE, Mr. DASCHLE, Mr. DELLUMS, Mr. COBEY, Mr. SYNAR, Mr. ANTHONY, Mr. FLIPPO, Mr. LELAND, Mr. FAZIO, Mr. HERTEL of Michigan, Mr. SNYDER, Mr. SKEEN, Mr. ROBINSON, Mr. PURSELL, Mr. ROBERTS, Mr. MCCOLLUM, Mr. LUNDINE, and Mr. CLINGER.

H.J. Res. 79: Mr. CONYERS, Mr. DELLUMS, Mr. DERRICK, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. EDGAR, Mr. ERDREICH, Mr. FOLEY, Mr. FAZIO, Mr. UDALL, Mr. WIRTH, Mr. FUSTER, Mr. CARNEY, Mr. WOLF, Mr. SAVAGE, Mr. DEWINE, Mr. FORD of Tennessee, Mr. COATS, Mr. KASICH, Mr. KEMP, Mr. MATSUI, Mr. LOWRY of Washington, Mr. LEHMAN of Florida, Mr. SABO, Mr. NIELSON of Utah, Mr. DURBIN, Mr. FUQUA, Mr. VOLKMER, and Mr. MRAZEK.

H.J. Res. 112: Mr. MANTON, Mr. SCHUMER, Mr. YOUNG of Missouri, Mr. ROE, Mr. GRADISON, Mr. DURBIN, Mr. LAGOMARSINO, Mr. WYLIE, Ms. MIKULSKI, and Mr. DAUB.

H.J. Res. 124: Mr. NIELSON of Utah.

H. Con. Res. 13: Mr. BEVILL, Mr. CHAPPIE, Mr. HANSEN of Utah, Mr. KOLTER, Mr. ROBERTS, Mr. RUDD, Mr. SILJANDER, Mr. SOLOMON, Mr. STANGELAND, and Mr. TRAXLER.

H. Con. Res. 19: Mr. BONIOR of Michigan, Mr. BEDELL, Mr. FAZIO, and Mr. MARTINEZ.

H. Con. Res. 24: Mr. NOWAK, Mr. DAUB, Mr. HEFTEL of Hawaii, Mr. ATKINS, Mr. MATSUI, Mr. LUKEN, and Mr. SPRATT.

H. Con. Res. 26: Mr. LUKEN and Mr. HALL of Ohio.

H. Con. Res. 32: Mr. KOLBE.

H. Con. Res. 60: Mrs. COLLINS, Mr. DWYER of New Jersey, Mr. HAYES, Mr. JACOBS, Ms. KAPTUR, Mr. KLECZKA, Mr. KOSTMAYER, Mr. LELAND, Mr. LUNDINE, Mr. MINETA, Mr. MURPHY, Mr. OWENS, Mr. RANGEL, Mr. ROSE, Mr. SAVAGE, Mr. SOLARZ, and Mr. WALGREN.

H. Res. 12: Mr. FORD of Michigan, Mr. LENT, Mr. DWYER of New Jersey, Mr. GARCIA, Mr. ROE, Mr. VENTO, Ms. SNOWE, Mr. ADDABBO, Mr. FRANK, Mr. STOKES, and Mr. MAVROULES.

H. Res. 22: Mr. IRELAND, Mr. SOLARZ, Mr. ACKERMAN, Mr. ADDABBO, Mr. HAWKINS, Mr. DORNAN of California, Mr. ATKINS, Mr. MARTINEZ, Mr. STOKES, Mr. FISH, Mr. DIXON, Mr. MANTON, Mr. COATS, Mr. SHAW, Mr. DURBIN, Mr. FAZIO, Mr. MINETA, and Mr. SPRATT.

H. Res. 25: Mr. YOUNG of Florida, Mr. MONSON, Mr. PACKARD, Mr. MOAKLEY, and Mr. WYLIE.

H. Res. 36: Mr. ATKINS, Mr. AUCOIN, Mr. BEDELL, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. BRYANT, Mr. COOPER, Mr. DORGAN of North Dakota, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. ECKART of Ohio, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. GEJDENSON, Mr. GREEN, Mr. HOWARD, Ms. KAPTUR, Mr. KASTENMEIER, Mr. LELAND, Mr. MCGRATH, Mr. MATSUI, Mr. MINETA, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. OWENS, Mr. PENNY, Mr. RANGEL, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SAVAGE, Mr. SCHEUER, Mr. TORRES, Mr. TOWNS, Mr. VENTO, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WIRTH, Mr. LEVINE of California, Mr. RICHARDSON, Mr. DURBIN, Mr. OBERSTAR, Mr. MARTINEZ, Mr. CARPER, Mr. LUKEN, and Mr. WISE.

H. Res. 55: Mr. FAUNTROY, Mrs. COLLINS, Mr. CROCKETT, Mr. MARKEY, Mr. LELAND, Mr. STOKES, Mr. OWENS, Mr. TOWNS, Mr. SMITH of Florida, Mr. FLORIO, Mr. WOLPE, Mr. RANGEL, Mr. MANTON, Mr. ADDABBO, Ms. OAKAR, Mr. STARK, and Ms. KAPTUR.

SENATE—*Thursday, February 21, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 10 a.m. on the expiration of the recess, in executive session, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Is anything too hard for the Lord?—Genesis 18:14.

Almighty God of power and glory, that question addressed by You to the Patriarch Abraham answers itself. Nothing is too hard for the Lord. Jesus acknowledged this when he declared "* * * all things are possible with God." Mark 10:27.

The question and its answer are timely in the present situation as national leadership confronts what appears to be insoluble problems. Grant to the Senators, gracious Father, the awareness of Your availability and relevance to the imponderables which challenge them. Help them to understand that they do not impugn their intelligence, their power, their competence when they depend upon You for wisdom. Save them from whatever would deprive them of Godly guidance directing them to just and adequate solutions. In His name who is the Way, the Truth, and the Life. Amen.

RECOGNITION OF THE ASSISTANT MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished assistant majority leader is recognized.

Mr. SIMPSON. I thank the President pro tempore.

THE CHAPLAIN'S PRAYER

Mr. SIMPSON. Mr. President, I thank the Chaplain for his remarks. They are always very pungent and appropriate. Indeed, the message of what is too hard for us is good for me to hear.

VITIATION OF SPECIAL ORDER FOR SENATOR SYMMS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the special order in favor of the Senator from Idaho [Mr. SYMMS] for today be vitiated.

The PRESIDING OFFICER (Mr. WILSON). Is there objection? Without objection, it is so ordered.

SENATE SCHEDULE

Mr. SIMPSON. Mr. President, we have a 10-minute period for each of the leaders. I would reserve my time. I have some remarks that I will present in a few moments, but we do have special orders not to exceed 15 minutes each for Senator THURMOND, Senator SPECTER, Senator PROXMIRE, Senator BOREN, Senator PRYOR, Senator HARKIN, and Senator HART, Senator SYMMS' special order having been vitiated under the previous request.

Following the special order just identified, there will be a period for morning business not to extend beyond 12:30 p.m. with statements limited therein to 5 minutes each. Following morning business, the Senate will automatically resume the Meese nomination in executive session.

I defer to my colleague, my cowhip on the other side of the aisle, the assistant minority leader and my good friend, Senator CRANSTON. I reserve the remaining portion of the leadership time on this side of the aisle.

Mr. CRANSTON. I thank my friend.

RECOGNITION OF THE ASSISTANT MINORITY LEADER

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. I am delighted to be working with Senator SIMPSON on this floor, as we work together in many places. I will not use any time but I will reserve it for Senator BYRD if he wishes to use it later.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. Under the previous order, the Senator from South Carolina [Mr. THURMOND] recognized for not to exceed 15 minutes.

LOW-LEVEL RADIOACTIVE WASTE INTERSTATE COMPACTS

Mr. THURMOND. Mr. President, as we continue our national debate on the Federal budget, we should not lose sight of the fact that there are other issues of great importance which we must address this year. One such issue is the safe disposal of commercially generated low-level nuclear waste.

My concern over this issue rises from three distinct bases: First, as a matter of congressionally enacted policy; second, as chairman of the committee which has jurisdiction over proposed interstate compacts dealing with such disposal; and third, as a Senator from one of only three States with active sites for the burial of commercially generated low-level radioactive waste. In regard to the latter perspective, I would point out that the facility operated by Chem-Nuclear near Barnwell, SC, is now accepting approximately 45 percent of the total low-level nuclear waste generated in the 50 States. Only two other States, Washington and Nevada, join South Carolina in providing this critical disposal service for the entire Nation.

Clearly, Mr. President, these States should not be forced to carry indefinitely the entire waste disposal burden. In 1980, Congress enacted the Low-Level Radioactive Waste Policy Act, legislation which I was pleased to help shape in the Senate. This act established by law the Federal policy that each State—I repeat, Mr. President—each State, not just the three States of Nevada, Washington, and South Carolina—is responsible for providing for the disposal of low-level radioactive waste generated within its borders and that low-level radioactive waste can be most safely and efficiently managed on a regional basis. At the time of enactment, it was contemplated that the States would enter into compacts on a regional basis to implement the provisions of the 1980 act. The objectives were to achieve a much more equitable sharing of the responsibility for low-level waste disposal, eliminate much of the long-distance transportation of such waste, and allow the States to exercise the primary responsibility for such waste disposal. Regrettably, Mr. President, outside of the regions encompassing the active disposal sites, the movement toward implementation of the 1980 act has been exceedingly slow.

This lack of progress has led to a potential crisis as we rapidly approach January 1, 1986, the date after which regions with congressionally approved compacts may exclude out-of-region waste under the authority of the 1980 act. Naturally, States and/or regions which do not expect to have established their own facilities by that date, have opposed any congressional action which may result in denying waste generators within their borders access to a disposal facility. As a result, the several low-level waste compacts which were submitted to the 98th Congress were not approved, and the outlook for favorable action in this

Congress is dim, unless the political stalemate can be broken.

Faced with the very real possibility that the southeastern interstate low-level radioactive waste management compact, which I reintroduced on January 3, may not be approved this year, steps are now being taken at the State level in South Carolina to close the Barnwell site on January 1, 1986. Specifically, the South Carolina General Assembly has before it a bill which would prohibit the disposal in South Carolina of any low-level radioactive waste after the 1986 exclusionary date contained in the 1980 Policy Act. Under the proposal, which has recently cleared the Judiciary Committee of the South Carolina House, waste generated within the State will be stored temporarily at sites licensed by the State department of health and environmental control.

Mr. President, I ask unanimous consent that several news articles describing these developments be printed in the RECORD, at this point.

These articles are captioned: "Demo Caucus Threatens to Close Barnwell Dump," from the News and Courier, Charleston, SC, January 30, 1985; "House Panel Stands Behind Waste Compact," from the State, February 7, 1985; "House Committee Backs Bill to Shut Barnwell Dump," from the State, February 13, 1985.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Charleston [SC] News and Courier, Jan. 30, 1985]

DEMO CAUCUS THREATENS TO CLOSE BARNWELL DUMP

(By Sandra Bennett)

COLUMBIA.—The Democratic Caucus of the South Carolina House of Representatives gave Congress an ultimatum Tuesday.

Congress must ratify the Southeast Interstate Low-Level Radioactive Waste Management Compact by Oct. 1, 1985, or the state will be closed as a disposal site.

The caucus took a similar threat by Gov. Richard W. Riley a step further by endorsing legislation introduced in the House. The proposed legislation would give the state a vehicle for closing the existing disposal site at Barnwell by January 1986 if Congress fails to act.

At a news conference Tuesday, caucus members said Riley is aware of the terms of the legislation but has not yet voiced his opinion. Several members of the Democratic Caucus attended the news conference in support of the proposed legislation.

Riley, in his State of the State Address earlier this month, repeated a threat to take whatever steps are necessary to close the Barnwell site or halt unrestricted access to South Carolina as a nuclear dumping ground.

He said he would carry out the threat if Congress failed to ratify the compact, previously approved by the General Assembly and seven other states, by Jan. 1, 1986.

"South Carolina cannot continue and will not continue to dispose of a majority of the waste generated in the U.S. without regard to the long-term impact on the health, welfare and benefits of its citizens," said Rep. Robert J. Sheheen, D-Kershaw. Sheheen is a co-author of the bill.

Under the compact passed by the General Assembly in 1982, the Barnwell disposal site was to continue receiving waste from outside the southeast until Dec. 31, 1985.

The site is owned by the state and operated by Chem-Nuclear Systems on a lease agreement.

From Jan. 1, 1986 to 1992 the site was to continue receiving waste only from within the southeastern region. After 1992, the other southeastern states would each take a turn accepting low-level nuclear waste from within the region, thereby relieving South Carolina for a time.

Congress failed to ratify the compact during its last session although the federal Low-Level Nuclear Waste Management Act of 1980 requires it to approve the compacts as they are implemented.

"That bill is again pending before the U.S. Congress, but many tell us that it will not pass and will not allow the southeastern region to implement its compact on schedule," said Sheheen.

He said the position is unacceptable to the majority of South Carolinians.

Under the legislation introduced by the caucus, only South Carolina generators of low-level radioactive waste would be authorized to temporarily store the waste on the generation sites.

Rep. Harriet H. Keyserling, D-Beaufort, a co-author of the bill, said the caucus is concerned about protecting the South Carolina generators.

On the other hand, Mrs. Keyserling said the caucus is less concerned about Chem-Nuclear. The caucus has learned the company plans to launch a campaign to extend the terms of the compact, she explained.

Sheheen added, however, that the caucus' quarrel is not with Chem-Nuclear, but with Congress. He praised the firm for doing a responsible job.

"South Carolina has done more than its fair share in the past and took a responsible leadership role in establishing the regional compact for the southeastern region," said Sheheen.

He said the "U.S. Congress has failed to live up to its burden and has failed to shoulder its share of the responsibility for the disposal of low-level nuclear waste by failing to ratify the southeastern compact."

Sheheen urged citizens to make their views known to legislators in the state and in Washington.

HOUSE PANEL STANDS BEHIND WASTE COMPACT

(By Charles Pope)

Fending off resistance from utilities and Chem-Nuclear Systems Inc., a House subcommittee Wednesday unanimously approved a bill to close the Barnwell nuclear waste dump if Congress fails to ratify a regional waste agreement by year's end.

The vote came after a two-hour hearing in which spokesmen from three electric utilities and Chem-Nuclear, which operates the state-owned Barnwell County dump, warned that public and environmental hazards would be heightened—not reduced—if the bill passes.

"Currently in South Carolina, there are more than 330 licenses issued for handling radioactive substances," said Alan Stalvey, a Chem-Nuclear lobbyist.

"Ask yourselves which is safer—for the low-level waste to be stored at these multiple locations under perhaps unsuitable conditions . . . or for Chem-Nuclear . . . to dispose of the waste properly and permanently."

Representatives from South Carolina Electric & Gas, Duke Power and Carolina Power and Light companies told the subcommittee that closing the Barnwell dump cause higher rates, because it would cost considerably more to send radioactive debris elsewhere or to store it on-site.

An SCE&G representative estimated the cost to be $10 million, though he said not all additional expense would be passed to customers.

The Barnwell facility is one of two sites in the country where low-level nuclear debris is buried. The dump annually accepts about 45 percent of the nation's low-level radioactive waste—roughly 1.2 million cubic feet.

About 65 percent of this waste comes from nuclear electric generating plants.

South Carolina generators, however, contribute only 252,000 cubic feet annually, and critics argue the state shouldn't accept such a disproportionate amount.

But Stalvey said if the site is closed before an alternate facility opens, hundreds of generators will be forced to store waste on-site temporarily. He said that would dangerously stretch the state's ability to monitor those sites.

Stalvey and other Chem-Nuclear officials who testified reiterated the company's contention that the Barnwell site is state of the art and poses no health or environmental threat.

"As far as we can tell, low-level nuclear waste does not pose a hazard," Stalvey said. "The state reaps a great deal of benefit from the fact that it is disposed of in the state.

"It is difficult for us to understand where the problem is, other than an emotional one."

But Rep. Bob Sheheen, D-Kershaw, a cosponsor of the bill, and subcommittee Chairman Thomas Huff, D-Aiken, contested Stalvey's statement.

"How can you say that low-level nuclear waste poses no threat?" Sheheen asked.

"Because it's well monitored," Stalvey said, adding that it poses no threat after being buried at Barnwell.

"If that is the case, every state would operate its own facility, if it wasn't a problem," Huff said.

Other critics discounted Stalvey's concerns about short-term storage, arguing that firm action must be taken to persuade Congress to ratify the Southeastern Low-Level Radioactive Waste Compact.

The compact would provide for establishment of regional burial sites for radioactive wastes.

Ratification has been stalled for two years, primarily because of opposition from Midwestern and Northeastern lawmakers whose states have no compact arrangement or burial facilities.

"Unfortunately for all concerned, the time allotted for compromise has passed," said Palmetto Alliance spokesman Michael Lowe. "The time for coercion has come."

The bill before the S.C. House is widely perceived as a weapon to force Congress to ratify the compact.

Though he supports the bill's concept, Lowe cautioned the subcommittee that any legislation to close the site must be carefully written or it may be overturned in court.

"Our concern with this legislation is its ability to survive legal challenge, which is sure to come from those who reap profit by dumping radioactive waste in our state," he said. "The sheep's clothing donned by

Chem-Nuclear when it supported the compact . . . will soon be shed to reveal Waste Management's legal wolves."

Waste Management Inc., Chem-Nuclear's parent company, has said it will file suit "if the facility's viability is threatened."

But Stalvey defended Chem-Nuclear's intentions.

"Chem-Nuclear Systems operates a disposal site in Barnwell County that is the model site in the world, and it poses no danger to the public's health and safety or to the environment," Stalvey said.

[From the State, Feb. 13, 1985]

HOUSE COMMITTEE BACKS BILL TO SHUT BARNWELL DUMP

(By Sam Hodges)

The House Judiciary Committee recommended approval Tuesday of a bill that would close the Barnwell low-level nuclear waste site if Congress doesn't ratify a regional waste-management compact.

The committee also reported favorably on bills that would allow a non-physician to serve as state commissioner of mental health and provide uniform pay for magistrates.

The Southeast Low-Level Radioactive Waste Management Compact would have Southern states taking turns in accepting the region's low-level nuclear waste beginning in 1992. Until then, Barnwell would continue as the main receiving site in the region.

The Barnwell facility is the major commercial nuclear waste dump in the eastern half of the country.

Though the states involved have agreed to the plan, Congress has failed to ratify it. The bill before the Judiciary Committee was introduced by House Democrats eager to force Congress to ratify the compact.

Under the bill, the Barnwell site would be closed Jan. 1 if Congress doesn't approve the compact by Oct. 1.

"This bill is basically intended to make a statement to Washington," said Rep. Thomas Huff, D-Aiken. "We are going to take a step, a positive step, to draw this issue to a head."

Chem-Nuclear Systems Inc., which operates the Barnwell site, and several of the companies that generate low-level nuclear waste have said they support the compact but not the bill that threatens to close the Barnwell site.

The bill also is opposed by Barnwell County officials, who fear damage to the local economy.

Gov. Dick Riley and the state's congressional delegation also have vowed to seek the closing of the Barnwell site if Congress doesn't ratify the compact soon.

After lengthy debate, the committee gave favorable recommendation to a bill that sets pay for magistrates in South Carolina at $24,500 yearly. The bill also provides an extra $3,000 yearly for chief magistrates.

Currently, the pay to magistrates varies widely from county to county.

Funding for magistrates' pay would be shared 50-50 by the state and counties, with the state money coming from a $12 fee for actions in magistrate's court.

The committee also gave approval to a bill that would let a non-physician serve as state commissioner of mental health.

The South Carolina Medical Association has said the position should be filled by a licensed physician.

The recommended bills will go to the full House for debate.

Mr. THURMOND. Mr. President, in simple words, South Carolina is taking steps to close the Barnwell site, with the net result being that almost half of the low-level waste generated in this country will have to be dealt with in some other manner.

Such a closure may alarm and even disturb waste generators and officials of States without disposal facilities. However, no one should be surprised if either South Carolina, Washington, or Nevada, or all three States, should decide to restrict or prohibit further disposal within their boundaries. The citizens of these States and their elected representatives are understandably frustrated, and even angry, over the lack of progress on this issue.

When the Policy Act was passed in 1980, the expectations and objectives were that by January 1, 1986, at the latest, all States would have assumed responsibility for low-level waste generated within their borders, either through establishment of their own disposal site, or through agreement with another State with a disposal facility. Now, over 5 years later, we are told that it is virtually impossible for any new disposal facilities to be operational by January 1, 1986. Consequently, residents of the three sited States are further told that their States must continue in their present roles as "the answer" to the entire Nation's low-level waste problem for an undetermined time in the future, despite the congressional endorsed policy of regional disposal.

Considering the nature of low-level radioactive waste and the mystery and fear associated with "things nuclear," it is not surprising that there is resistance to the development of new disposal sites. However, we should all be aware that these wastes are derived from very important activities essential to the maintenance and improvement of the quality of life in America. Low-level waste comes not only from the generation of electricity, but also from medical therapy and various kinds of research, which benefit us all. Clearly, our society desires the benefits associated with nuclear power, medicine, and research. However, is it not utterly unfair for States within nonsited regions to continue generation of low-level nuclear waste by products at rates which are growing 5 percent per year without regard to the waste disposal responsibility imposed upon them by virtue of the 1980 Policy Act?

States which produce significant quantities of low-level radioactive waste, and refuse to take meaningful steps toward their own means of disposal, are frustrating the intention of our national policy. Apparently, the generators of low-level waste in those States believe that they should be allowed an unrestricted right to produce evergrowing quantities of waste for ultimate disposal in someone else's backyard.

Mr. President, quite clearly, this is not what Congress or the States with active disposal sites expected when the 1980 Policy Act was passed. Is it any wonder, then, that the sited States are fed up with the lack of progress on this issue? Faced with attitudes of indifference, insensitivity, and recalcitrance, is it at all surprising that South Carolina officials are determined to take drastic action if necessary to break out of this political stalemate and throw off the unfair burden too long borne by them?

Let me not be misunderstood, Mr. President. As I observe the situation, South Carolina officials, and those representing the other sited States, have been more than willing to sit down with officials from nonsited States and other interested parties in a good faith, determined effort to find a reasonable solution to this dilemma. Indeed, such negotiations have been going on for some time under the auspices of the National Governors Association and in other contexts. Those discussions may yet bear fruit in a formula which will facilitate congressional approval of the several pending interstate compacts for the disposal of low-level radioactive waste. Certainly, that is my hope and the objective that I intend to diligently pursue. However, I would emphasize, Mr. President, that the States must be the central players in this negotiating process. The disposal of low-level waste is a State responsibility—I repeat, a State responsibility—and I shall firmly oppose any Federal solution, particularly with respect to post-1986 access to the three operating sites, unless it has the concurrence of the States involved. Any other approach would be unfair and an unwarranted intrusion into State prerogatives and responsibilities.

At the same time, I am deeply concerned about the chilly reception which these efforts at reasonable compromise seem to be getting in some quarters. Uncooperative attitudes of this sort only serve to aggravate the situation and polarize the differences between the sited and nonsited regions. Resolution of the low-level waste problem should not necessitate its accomplishment through hostile and adversarial proceedings. We must make up our minds now to aggressively and seriously pursue a reasonable solution to this nuclear dilemma.

Mr. President, as chairman of the committee with jurisdiction over interstate compacts, I plan to make every effort to promptly achieve consent to those compacts which now await approval. It is imperative that all Members in both Houses of Congress realize the significance of this issue, as well as what may hang in the balance,

should we fail to act in a timely fashion.

Accordingly, Mr. President, I am today announcing that the Judiciary Committee will hold new hearings on this matter beginning on March 8, with the objective of delineating issues which must be resolved, and proposed solutions, in order that the committee may soon thereafter report compact consent legislation to the Senate. I urge my Senate colleagues to communicate with their respective Governors and other appropriate State officials concerning those low-level waste issues as to which there remains substantial disagreement. It is essential that we act now to take this extremely inequitable burden off the three-sited States, implement the 1980 act, and move forward with a responsible solution to this critical problem.

Mr. President, I just want to say in closing that the State of Nevada, the State of Washington, and the State of South Carolina are the only three States that are taking this low-level nuclear waste. My State is determined it will not continue to take this waste. It is taking 45 percent of all of this waste from the whole Nation. And they are going to close the site. And where, then, are all the rest of the States going to sent their waste from hospitals and all other places where this waste is generated?

Steps must be taken. The 1980 act provided for that but the States have done nothing. They must want to continue to put it on these three States and this is unfair and we no longer are going to continue to stand for this.

I want the Congress to know how these three States feel. My State is already working on legislation to close the site. Then what are nonsited States that are generating so much waste going to do? They better get busy and act now, otherwise those States and their officials are going to be faced with a very serious problem.

Again, I urge the Members of the Senate to urge their Governors, Representatives, and other officials to take action on this matter and get these compacts in shape and let us pass these compacts, so this waste can be handled on a regional basis.

In the Southeast Region, I believe there are about eight States, and they have entered into a compact, but other Members of the Senate are objecting to enactment of that regional compact because they say they have no place to put their waste. They have had time to do it and have not done it.

Therefore, we are taking steps to protect our State. We have been generous, we have been lenient, and we have done all we could to accommodate the Nation by taking 45 percent of this waste but no longer will the State of South Carolina continue to take this waste.

We think all the States ought to bear their proper burden, and we urge them to enter into the compacts at once and get these compacts here and pass them. Then each State can take it for a certain number of years, another State for a certain number of years throughout the regions, and in this way, no one State will be penalized and overburdened.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair thanks the Senators from South Carolina.

The assistant majority leader is recognized.

Mr. SIMPSON. Mr. President, you have heard the remarks of our senior colleague, our most respected colleague in this body, Senator THURMOND, and I think you and I will agree and those who are in the Chamber will agree that we would hunch that he does feel strongly about this issue. I know this Senator and when he speaks with that kind of zeal and enthusiasm he indeed feels strongly about it.

It is an area that I have been attentive to since my time here because I chair the Subcommittee on Nuclear Regulation. Through the fine support and assistance of this chairman of the Judiciary Committee we have held low-level waste compact hearings in the State of Washington and other locations.

And I pledge to the Senator from South Carolina that I will help. He has made some powerful comments, very true comments. It has to do with basic fairness and we must resolve it and we must resolve the dilemma.

It is fascinating. Everyone wants to do something about it but no one wants the stuff. Eventually, you have to take the stuff whether it is high level or low level or else you get rid of the generators and that is nuclear medicine and commercial nuclear power and some of those things we seem to have a dependence upon.

I thank the Senator from South Carolina very much.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield.

Mr. THURMOND. Mr. President, I express my appreciation to the able and distinguished assistant majority leader for the remarks he just made.

The distinguished Senator from Wyoming is one of the ablest members of the Judiciary Committee. I express my appreciation to him for his expressed cooperation in this matter.

I do feel it is an urgent matter, that action must be taken because the whole Nation will have problems if action is not taken here.

If all three of these States close down their nuclear waste sites, what is going to happen over the Nation? Something has to be done and done immediately.

So I urge the States, I urge the Members of the Senate to urge their Governors and others to get busy and enter into these compacts at once and let us get this matter resolved.

Again I thank the able Senator from Wyoming.

Mr. SIMPSON. Mr. President how much time is remaining of the majority leadership?

The PRESIDING OFFICER. Nine minutes.

Mr. SIMPSON. May I spend a portion of that with my remarks and then I will yield to the next order on the special orders.

FARM CREDIT

Mr. SIMPSON. Mr. President, let me just reflect, if I may, for a moment on what we have heard in these last days with the high drama of farm issues.

I have been listening, and I have been startled at the snatches of partisanship that have entered the fray, and that does not serve the farmers of the United States. It was not the Republicans that got them here; it was not the Democrats that got them here. Both parties did a beautiful job of getting them to this point in the last 52 years.

So I hope we might keep that in perspective. I just think of a quote from the Wall Street Journal editorial of last week. I do not always agree with the Wall Street Journal on issues. But part of it is very cogent, I think. It said this:

> As with other primary producers, they rode high on inflation. They were advised by their economists and bankers to leverage themselves to the hilt during those glory years. Bold young farmers bought more equipment, rented or bought more land and dreamed dreams of becoming multimillionaires. Some even succeeded before the party ended.
>
> But the party had to end.

I come from farm country in Wyoming. I represented the Farmers Home Administration when I practiced law in Cody, WY.

In the door they would come: very bright-looking, young people who had tried other things in life, but had now decided to go into farming for a living.

As we closed those loans at 40 bucks a crack, my partner and I finally tired of that after about a year because we realized the people sitting in front of us did not know what they were getting into in any way. They would sign a note that was five pages long with a due date of 2036, and I would say, "Do you know what is in that?" He said, "Yes, I think so." I said "I don't think you do. You know what that does to you?" "Yes, I know that, but I didn't want to work in the oil patch anymore; I want to farm. I want to be a farmer. I want to buy equipment. I want to go down the road and get that overhead cab tractor with a fan in it

because I have allergies and I am going to do that stuff. I am going to do that. I am going to get into this game."

So, they would sign them up, and then we would turn to the Farmers Home person and say, "How come you took those people over the jumps?" They would say, "We've got to get rid of 81 grand before November 1, Simpson, that's why."

That is part of how we got here—now because when the good farmer needs his money now we find that some of the duds have sucked up all the capital. That is just one of the reasons we find ourselves in this situation.

Farmers depend on other people's money to keep themselves in business. One farmer plus one banker plus one tractormaker plus one fertilizer manufacturer feeds 75 people. And using that broadest of definitions agriculture accounted then for 22 percent of the gross national product.

Yet something is sick when you put 60 billion bucks into farming in 5 years and then more farmers went out of business in that period than during the Depression. Something is sick. And those of us in this place know that that is true because in 1935 there were 6.8 million farmers; today there are 2.4 million farmers. So here they are. They are heavy borrowers and big exporters. Because of the two snags that remain in the economic recovery—the huge deficits of the budget feeding high interest rates that just overwhelm them and the strong dollar that overwhelms their exports—farmers have been hit especially hard, and that is tragic and we all know that. But that is not known just to Democrats. It is known to Republicans also.

During the Ag export boom in the seventies from $7 billion in 1970 to $41 billion in 1980, the character of American farming changed totally. It became a growth industry, with the crucial feature being an enormous runup in the price of land—agriculture's basic asset.

So we saw the price of an acre of land go from $300 to $1,700, and in the heartland in the Corn Belt it went as high as 4,000 bucks an acre. Yet the amount of income produced by a typical farm is about 2 percent of the farm's market value. But during the seventies it went to 8 percent because of the appreciating value of the land and farming became a monster which demanded continued growth in earnings which were then plowed back into higher land prices, and there it went.

And the banker went down the road at Christmastime and said, "You know, you need some new things out here. We are here to serve you. Jump in and get wet all over," which they then did with gusto.

And now, what a fascinating thing to watch. The bankers do not want them now, but they want us to do it. The bankers wanted them when they could pay the big, heavy interest. When they cannot do it now, they say to the United States of America, "Here. Here is a deal for you. You take them. We loved them when they had the scratch. Now that they don't have the scratch, you take them."

So between 1971 and 1979 the total value of American farms increased by 465 billion bucks. And to maintain that average 8 percent rate of return, farm income had to rise $37 billion a year in real terms to make any income. Instead, what happened, the exports went down and the interest rates went up—the prescription for disaster.

But let me just share this with you, Mr. President, and try to conclude my remarks. According to the Federal Reserve, 83 percent of the total farm debt is owed by 29 percent of the farmers with above-average debt/asset ratio. Over two-thirds of these farmers, about 300,000, have debts equal to 40 percent of the value of their farms—the point at which farmers pay out more in interest than they earn from crops and anything we do will not help some of them. Anything we do will not help.

So here we are—$15 billion into agriculture for 1985 and nothing shows for that.

And then, here are the poor old taxpayers of the United States who are stuck. It is rather a bizarre combination. First, the taxpayers pay for excess production. Production is encouraged by a dazzling array of programs and Federal benefits, Commodity Credit Corporation price-support loans, income-support target prices, subsidized insurance against crop losses, subsidized Farmers Home Loan Administration credit, and we have a battery of 14,000 people that go about the United States under the Agricultural Soil and Conservation Service to increase production, to help them increase production, and that is another reason as to how we got here.

Then, next, we pay to cut production, which is even more bizarre. And that is done through supply controls, and acreage reductions, and paid land diversions and PIK—which is also termed "PIK-pocket" in other areas of reality.

Finally, the taxpayers then get the marvelous opportunity to subsidize the exports to get rid of the surplus because the first two activities I just described have artificially raised farm prices above world market and they cannot compete.

Now, that is where we are in America. But I do think we could get away from some of the dazzling drivel that we have heard with regard to who is doing who in. Republicans and Democrats have always responded to the farmer, and we will continue to do so. No tricks to see who can look better. The people of America are tired of seeing whether the Democrats can do a number on this or the Republicans. They just think we ought to deal with it.

What we ought to remember, I think, in the middle of this all—is that we think about the guy with the Oshkosh B'Gosh overalls going out into the sunset, you know, going down the pike, and that is tragic enough. Let us think though about the fact that the biggest amount of the bucks went to the fattest cats in the United States of America, and that is where this stuff went. That is where your money went.

The largest 9.2 percent of wheat farmers received 42 percent of the deficiency payments. That is 50-grand each on deficiency payments, except under PIK they waived it so you could really dig down in.

For 1983 corn, the largest, 12.8 percent received 40 percent of the payment. For cotton, only 7.6 percent of the farmers had 1,000 or more acres but received 33 percent of the jack. And for rice, only 9 percent of the farmers received 29 percent of the payments. And that is where we are.

So in the areas I play with—immigration, and nuclear regulation, and veterans—I have learned in this place that you either pass something or kill something with a fine blend of guilt, fear, emotion, or racism. So let us get that stuff out on the table and then deal with the reality of the situation instead of watching guys grab a microphone and just kind of slaver on it and try to get everybody all juiced up and then it takes thoughtful Republicans and Democrats to come along behind and clean up after them.

So why do we not do that, try to be responsible? We have 680 million bucks in the Department of Agriculture ready to cough up and there is more there and we can do it administratively and we will do it, and Democrats will do it, and Republicans will do it, and we might even have to take a crack at the sugar beets in Wyoming. But I hope everybody will be paying attention.

I thank the Chair very, very, much.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania [Mr. SPECTER] is recognized for a period not to exceed 15 minutes.

S. 486—NATIONAL VIOLENT CRIME PROGRAM AUTHORIZATION ACT OF 1986

Mr. SPECTER. Mr. President, I am today introducing a bill for the authorization of substantial funding to fight violent crime in the United

States. This bill and the accompanying tables are based upon hearings in the Judiciary Committee, my experience as district attorney of Philadelphia, and the work of the National Commission on Criminal Justice Standards and Goals, of which I was a member.

The essence of this proposal is to spend 1 percent of the Federal budget on domestic defense, which would amount to approximately $10 billion a year over the next 10 years for a total outlay of $100 billion, with a goal of reducing violent crime in this country by some 50 percent.

The cost of crime each year on economic grounds alone exceeds $100 billion, and when pain, suffering, and psychological duress are considered, the cost of crime in this country exceeds $500 billion each year. On the basis of my experience over the past 26 years, including my work as a prosecuting attorney, in the defense field, and on the Judiciary Committee of the U.S. Senate, I am convinced that if we attack crime systematically, we can reduce violent crime very materially in this country.

Not a day goes by, Mr. President, in virtually every city, town, and hamlet in the United States, without a report of violent crime by someone who is on probation, on parole, or on bail awaiting trial. We know from documented sources and statistics that 70 percent of the violent crimes in this country are committed by 10 percent of the criminals, and they are career criminals.

On December 22, 1984—approximately 2 months ago—the Nation was rocked by the incident on a New York City subway involving Bernhard Goetz. There has been great public clamor over this incident, and there has been tremendous support for what Bernhard Goetz did in that subway. But I would suggest to you, Mr. President, that the real lesson from that incident is that the American public has lost confidence in law enforcement in this country, and that the American public has lost confidence in the ability of government to provide law and order and justice. Our response to the Goetz incident should be to reconsider our response to crime in the streets and to fashion a system which does, in fact, work.

I am convinced that the American people are prepared to pay for a criminal justice system which works. The State of California, which authored proposition 13 and the tax revolt, recently has passed two referenda authorizing bonds for prison construction. This evidences the fact that even among those who are most concerned about government expenses, there is a willingness to allocate funds to deal with the serious problem of crime control.

In the District of Columbia, Mr. President, substantial initiatives have been undertaken to attempt to make the District a model city, with funds being allocated for realistic rehabilitation where rehabilitation is possible. Although studies show that the most hardened criminals are not subject to rehabilitation, rehabilitation remains viable for juveniles, first offenders, and even some second offenders.

To the extent that it is possible to achieve such rehabilitation, resources ought to be allocated accordingly. To the extent that rehabilitation is not realistic—where we deal with career criminals—then, Mr. President, I think the only alternative is, in effect, to throw away the key, and give career criminals life sentences in order to separate them from the rest of society.

The legislation I am introducing today, Mr. President, is a modification on—and I think an improvement over—Senate bill 889, which I introduced in the 98th Congress. I fully realize that this year, 1985, in the face of the budgetary concerns and the efforts at deficit reduction, it will be difficult to fashion new Federal expenditures, however necessary and cost-effective they may be.

My own view is that we are engaged in a long-term process educating the American public about ways that government can successfully deal with violent crime. While this legislation doubtless faces a gloomy prospect at this precise moment, there will come a day—and I am optimistic that it will be a day in the not too distant future—when we recognize that action of this type must be taken if we are to deal effectively with the problems of juvenile rehabilitation and speedy trial, if we are to get people off bail who are committing new offenses, if we are to educate judges to impose tough sentences on tough criminals, and if we are to have sufficient jail space in our country to incarcerate the career criminals who commit so many violent crimes.

This legislation, Mr. President, would provide for 200,000 additional jail cells. Estimates from experts at a series of Judiciary Committee hearings have disclosed that there are approximately 200,000 to 400,000 career criminals in the United States. Hardened criminals, however, are being released from jails without serving their sentences, because there is insufficient space in the jails; judges are not sentencing convicts who ought to go to prison, because there is insufficient space; parole boards are releasing prisoners prematurely, because there is insufficient space; parolees who violate their parole are not being incarcerated because there is insufficient space; and probation violators are not being reincarcerated because there is insufficient space.

Violent crime, Mr. President, I submit, exacts more public pain and has a greater long-term impact on the United States than any other single issue with which the Congress deals. This is evidenced by the fact that public opinion polls regularly indicate that crime is the No. 1 concern of the American public.

The proposal I make today would respond to that clearly evidenced concern by devoting substantial Federal funding to the attack on violent crime. It would direct 1 percent of the Federal budget for "domestic defense" with a goal of cutting violent crime in this country by 50 percent.

We appropriate additional billions for necessary foreign defense. But statistics show that in 1983, murders in the United States claimed 19,310 victims—1 every 27 minutes—compared to a few hundred for all our foreign enemies. In 1983, when 241 Marines tragically lost their lives in Lebanon, a national outcry forced an immediate reevaluation of our policy. Yet, here at home, when murders claimed nearly 100 times that number in 1983, still no serious reforms were implemented in our criminal justice system. Nor was there a national outcry; instead, we meekly accepted the staggering death toll.

The time has come for a concerted attack on violent crime in the United States. My judgment is that the people of this country are prepared to pay for an attack on violent crime if it is well-conceived and well-executed.

The proposal which is advanced here today would attack the problem of violent crime on all levels: To emphasize the necessity for tough sentencing by trial judges; to provide correctional facilities where there can be realistic rehabilitation efforts for adult offenders on their first and second offenses so that we do not turn out functional illiterates without skills, who, not surprisingly, return to a life of crime; and, where we have career criminals, in effect, to throw away the key where there are multiple convictions by the same individual.

The program would also be directed at breaking the crime cycle of the juvenile offender, where a juvenile is a delinquent at 6 or 7, a truant at 8, into vandalism at 10, robbery at 15, and armed robbery and murder at 17.

The objective of this program—and I think its importance—is to cut violent crime by 50 percent, primarily by directing greater attention to career criminals. According to best estimates, there are approximately 200,000 career criminals in this country at the present time. If we could separate them from society, I think we could actually reduce violent crime by 50 percent.

The United States now suffers four times more violent crime, per capita, than in 1945, and 20 to 100 times more than other industrial democracies. Random violence afflicts 1 in 10 Amer-

ican households every year, serious crime, 1 in every 5. The total loss to our society reaches more than $100 billion a year.

Domestic criminals have succeeded where foreign armies failed. They have terrorized not only millions of victims, but all Americans, denying our constitutional rights and our inalienable birthright to the pursuit of happiness. According to repeated polls of public opinion, Americans worry more about crime than anything except economic distress. Not even the Soviet threat is viewed as more serious.

Most violent felonies are premeditated crimes for profit, committed without passion or provocation against strangers by repeat offenders whose chosen livelihood is to prey on the vulnerable. Although an arrest is made in only one felony in five, most of these career criminals eventually are arrested repeatedly, even if for only a tiny fraction of the scores or hundreds of their crimes.

Once taken into our criminal justice system, however, career criminals often evade justice as effectively as they did arrest in other instances. Dismissals, delays, plea bargains, judge-shopping, unrealistic bail, lenient sentencing, early parole, crowded prisons, insufficient job training, enforced idleness, and many other problems combine to nullify law, blunt deterrence, and undermine public safety. Usually, career criminals are back on the street soon, if not immediately. Even career robbers sent to prison serve, on the average, less than 5 years. Many serve only a few months.

In short, as the President has said, the problem is a breakdown in the system. The solution is simply to reorient it: treat serious defendants seriously. Since career criminals, though comprising less than 10 percent of all persons arrested, commit more than 60 percent of all offenses, they warrant our greatest efforts. From investigation to release, violent career criminals should be singled out for highly concentrated attention and rapid, realistic disposition by all concerned. That is not improper selective prosecution, just commonsense, if uncommon, practice.

Violent crime for profit truly can be cut in half as proposed in 1973 by the National Commission on Criminal Justice Standards and Goals. What is required is a crash effort to focus far greater resources far more narrowly on correcting the specific deficiencies that prevent the system from incapacitating the truly dangerous criminals. Ten years ago, the reduction would have taken only 5 years; now it may take 10.

The program involves spending 1 percent of the Federal budget on strengthening domestic defense against violent crime by increasing Federal manpower and improving State criminal justice systems, which would still handle over 90 percent of the violent crime caseload. The Federal budget allocation for criminal justice would rise from $6.5 to $16.2 billion out of $973 billion. The $16.2 billion comprises a small fraction of the projected Pentagon budget of $314 billion for the same year. Indeed, an increase of $9.7 billion in 1986 for fighting violent crime compares with the addition of $29 billion for defense.

Cutting serious crime in half would cut the annual cost of crime in half, saving $50 billion. Adding a few billion per year would not only save $50 billion per year, but would also make the other 99 percent of the Federal budget buy billions more value. In short, the program, while it requires modest investment up front, would more than pay for itself within a few years. Moreover, it can be phased in gradually as revenues automatically rise as the economy recovers.

On January 17, 1985, the Congressional Crime Caucus, of which I am cochairman, heard startling testimony on the breakdown of the criminal justice system. Criminals are waging war in our urban centers and appear to be winning the battle against our criminal justice system. In New York City, for example, the crime statistics are staggering—only 5 percent of all robbery complaints result in jail sentences and only 2 percent of all felony complaints result in prison sentences. Also, only 23 percent of those arrested for robbery actually serve jail time.

That hearing was an outgrowth of the Bernhard Goetz incident, where we saw a foreshadowing of the unacceptable consequences of a loss of public confidence in the ability of our criminal justice system to provide law, order, and justice. We must never allow citizens to take the law into their own hands. But in so pronouncing, we must also accept our responsibility to assure that the criminal justice system works, so that no citizen needs to resort to self-help. This legislation is a major step toward revitalizing the criminal justice system and restoring the public's shaken confidence in it.

The issue is not whether our country can find and afford the funds but whether we now know enough about preventing violent career crime to pinpoint the new expenditures like laser beams rather than, as in the past, disperse them like a light bulb and whether doing so would, in fact, produce so large a reduction. The answer, in a word, is "yes." The attached chart shows in a page how this goal can be accomplished.

Really, the country cannot afford not to undertake this program.

The full psychological impact of violent crime cannot be quantified, because it is suffered not by actual victims, but by potential victims—all of us:

What dollar amount can be attributed to the fright Americans experience when they hear an unexpected noise at 3 a.m. and wonder if a burglar is in the house?

What dollar amount can be attributed to the fear women experience as they walk home at night and a sudden movement toward them suggests a rape or assault or worse?

What losses are sustained when business opportunities are ignored because of the risk of crime?

What dollar amount can be attributed to cancellations and reschedulings to avoid events which conclude after dark?

Compounding the agony, much crime is preventable—if only the murderer had not been paroled, the robber had not been placed on probation, the burglar had not been acquitted because the policeman erroneously filled out a search warrant, or the rapist had not been on bail for 6 months, without being tried.

Governments at all levels—Federal, State, and local—now spend $30 billion on crime control, including police, prosecutors, defenders, courts, prisons, and parole programs. My proposal contemplates an increased expenditure of 1 percent of the Federal budget—$9.7 billion in the first year—with the realistic prospect of reducing violent crime by 50 percent.

Mr. President, a document entitled, "National Program to Cut Violent Crime," upon which the proposed program is substantially based, is reprinted in the CONGRESSIONAL RECORD of March 23, 1983, at pages S3817-S3822. I ask unanimous consent that this bill and accompanying tables summarizing annual increases by function be printed in the RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

SUMMARY OF ANNUAL INCREASES BY FUNCTION

[In millions of dollars]

Use	Result	Increase
National attack on violent crime	Reduce violent crime by 50 percent in 10 years	9,700

SUMMARY OF ANNUAL INCREASES BY FUNCTION—Continued

[In millions of dollars]

Use	Result	Increase
Federal:		
Fugitive programs	Triple arrest rate	250
Federal robbery prosecutions	Triple arrests	350
Drug enforcement	Triple the number of major arrests, seizures and forfeitures	600
Training and support services to States	Expand training and speed up support	300
Research and development	For example, weapons detectors and computerization	300
Construction of Federal prisons	Accommodate increased Federal population	250
Temporary detention facilities for State inmate "overflow" and permanent prisons for State habitual offenders sentenced to life.	End State overcrowding	350
Total Federal		2,400
State:		
Special detective squads	Double arrest rate to 40 percent	600
Case screening and diversion	Cut minor and nonviolent trials in half	150
Career criminal units	End plea bargains	150
Diagnosis, classification, and correctional programming	Cut adult crime cycle. Isolate hardened offenders	350
Prison construction	End overcrowding that causes short sentences	1,250
Job and literacy training	Make convicts employable	350
Juvenile delinquent intervention	Cut off escalating crime cycle	850
Housing for runaways	Keep them out of prisons	350
Victim/witness assistance	Compensation	600
Crime prevention—schools	Cut violence and drugs in half	600
Crime prevention—neighborhoods	Cut burglaries in half	600
Crime prevention—commercial	Cut robberies in half	600
Drug treatment	End addiction	600
Calendar control	End delays	250
Total State		7,300

DETAILS OF ANNUAL INCREASES BY FUNCTION

[In millions of dollars]

Use	Agency	Result	Increases
National attack on violent crime	"SAVE"—Safety Against Violent Events	Reduce violent crime by 50 percent in 10 years	9,700
Federal:			
Fugitive programs	USMS: 80; FBI: 60; DEA: 40; others, 20 quadruple resources.	Increase arrests from 40 to 90 percent of 80,000 warrants per year for Federal and State violent and drug offenders.	250
New Federal prosecutions for violent crimes, such as bank and commercial robbery	FBI 250 (4,000 slots) and U.S. attorneys 50 (500 prosecutors).	Increase Federal arrests from 3 to 13,000 per year, for robberies, especially armed career robbers.	350
Drug enforcement	200 to double DEA (1,900) investigators 100 for accountants, (1,000 CPA Corps) 100 for FBI, 50 for Customs, 50 for additional 500 Assistant U.S. attorneys (25 percent increase).	Triple the number of major arrests, seizures and forfeitures. Focus action on financing as much as on commodities to take profit away. Immobilize major organizations.	600
Training, lab, identification, and other support services and technical assistance to States by Federal agencies.	FBI, Treasury, DEA, NIC, DOJ, NIJ, double resources.	Expand training and speed up support to respond to all State requests in timely fashion	300
Research and Development. Design means to end plea-bargaining and cut trial delays in half.	BJS, NIJ, FBI and others, double resources	Urgent violent crime projects, including weapons detectors and computerization of fingerprints, modi operandi, weapons, prior records, stolen property, coconspirators, and case management and court calendars.	300
Construction of correctional facilities for Federal inmates and operating costs	BOP starts four new prisons and four new camps each year.	Build new prisons for increased Federal population to prevent crowding and decreased security.	250
Temporary detention facilities for State inmate "overflow" and permanent habitual offenders sentenced to life.	BOP starts eight camps and two prisons per year.	Build new prison camps and maximum security penitentiaries to end all State overcrowding.	350
Total Federal			2,400
State:			
Improve investigations with special detective squads	Local police departments—100 cities per year	Double violent crime arrest rate to 40 percent	600
Improve case screening and diversion	Local prosecution, courts, and probation agencies in 100 metropolitan jurisdictions per year.	Cut minor and nonviolent trials in half and increase violent crime trials so plea bargains can be reduced, then eliminated.	150
Improve violent crime prosecutions by forming career criminal units	Police, prosecution, court administration 100 cities per year.	End plea bargains	150
Improve convict diagnosis, classification, and correctional programming	State prison systems; all States	Cut adult crime cycle, isolate hardened offenders	350
Prison and other construction	State prison systems; all States with overcrowding—about 40.	End short sentences and other problems resulting from overcrowding	1,250
Job training/prison industry/functional literacy training	All State prison systems	End pressure of economic need as a cause of recidivism for unhardened convicts	350
Juvenile delinquent intervention	State and local authorities	Cut off escalating crime cycle	850
Runaways and missing children	State authorities	Create homes so these youth are not mingled with juvenile offenders or placed in prison-like facilities.	350
Victim/witness	State authorities	Aid and compensation, where none other is available, for medical costs and lost wages	600
Crime prevention—schools	School police and counselors	Cut violence and drug sales by or to students in half	600
Crime prevention—neighborhoods	Volunteer observers	Cut burglaries in half	600
Crime prevention—commercial	Security devices	Cut robberies in half	600
Drug treatment	Local courts	End addiction whenever possible	600
Calendar control applying Research and Development results to specific localities	Local courts	End delays and judge shopping	250
Total State			7,300

S. 486

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Violent Crime Program Authorization Act, Fiscal Year 1986".

SEC. 2. On the basis of evidence, information, and documents and testimony collected by the committees and subcommittees of the Congress and the reports and recommendations of various national commissions, including the National Commission on Criminal Justice Standards and Goals (1973) and the Attorney General's Violent Crime Task Force (1981), the Congress hereby makes and adopts the following findings:

(1) Violent crime and drug trafficking have become a severe national problem affecting the personal safety and general welfare of citizens of the United States and an intolerable burden upon Interstate Commerce.

(2) The economic costs of crime are estimated to exceed $100 billion per year and the total cost of crime including pain, suffering and psychological duress are estimated to exceed $500 billion per year.

(3) The Federal Government presently allocates approximately $6.5 billion of its annual budget to crime control and criminal justice. This allocation represents just over one-half of 1 per centum of the Federal budget.

(4) It is estimated that spending by State and local law enforcement and criminal justice agencies of the various States is approximately $24 billion a year. Due to limit-

ed revenues, rising costs, and other factors, the States and localities are severely limited in their capability to provide greater resources for law enforcement and criminal justice.

(5) Every year, serious crime afflicts one in every five American households. One in every ten households is affected by criminal violence.

(6) The violent crime rate in America has reached unprecedented and intolerable levels. The violent crime rate has risen 400 per centum since 1945; the United States suffers from a crime rate which is many times that of any other industrial democracy.

(7) The resources available to all levels of government are seriously inadequate to secure public safety. Consequently, only a small fraction of crimes result in an arrest, a small fraction of arrests result in trial and conviction, in contrast to plea bargain, and only a small fraction of convictions for violent offenses result in sentences to prison.

(8) Career criminals constitute less than 10 per centum of all persons arrested but commit more than 60 per centum of the offenses. Despite the priority accorded to them, career criminals are often not handled effectively due to inadequate resources.

(9) Likewise, crime prevention programs have not been given sufficient resources, resulting in much serious crime that could have been prevented. Particular attention is needed for juvenile offenders to break the escalating crime cycle, for drug addicted offenders and for providing literacy and training in marketable job skills to prisoners nearing the end of their sentences.

(10) Drug trafficking, which is estimated to have grown to a $80 billion a year business that contributes to and causes a high proportion of the violent activity, has not been curtailed despite recent increases in the level of effort, particularly by Federal enforcement agencies.

(11) The prison systems in more than 40 States are so over-crowded as to be subject to court orders to release inmates prematurely and to deter judges from imposing sentences in individual cases that fit the crime and the criminal. The prison population has risen sharply in recent years. However, in many States few if any prisons have been built in recent decades.

(12) Major efforts are needed to improve the treatment of victims and witnesses in criminal cases and to compensate them for physical and economic injury and loss.

(13) In order to insure speedy justice, numerous court reforms are needed, including improved case screening and diversion programs, use of computers and other techniques to control judicial calendars.

(14) To improve the arrest rate, conviction rate and sentences for career criminals, special units are needed in police departments, prosecutors' offices, and other agencies.

In light of the foregoing, a comprehensive national program must be commenced. Such a program should devote 1 per centum of the federal budget or approximately $10 billion for a period of up to ten years with the goal of cutting violent crime for profit in half.

SEC. 3. In order to begin such a program in fiscal year 1986 and to begin it in a gradual, orderly manner, there is authorized to be appropriated for the fiscal year ending September 30, 1986, to carry out the National Violent Crime Program:

(a) For the detection, investigation, apprehension, prosecution, and incarceration of individuals involved in violent crime activity and drug trafficking, not otherwise provided for, $1.2 billion, of which 300 million for construction of new facilities and construction, remodeling, and equipping buildings and facilities at existing detention and correctional institutions shall remain available until expended, and notwithstanding any other provision of law, there is authorized payment in advance for expenses arising out of contractual and reimbursable agreements with state and local enforcement agencies engaged in cooperative violent crime and drug trafficking enforcement activities, as follows:

	(Millions)
Fugitive programs	125
New Federal prosecutions for violent crimes, such as bank and commercial robbery	175
Drug Enforcement	300
Training, lab, identification, and other support services and technical assistance to states by Federal agencies	150
Research and Development, for example, design means to end plea-bargaining and cut trial delays in half	150
Construction of correctional facilities for Federal inmates and operating costs	125
Temporary detention facilities for State inmate "overflow" and permanent prisons for confinement of all State habitual offenders sentenced to life	175

(b) For Justice assistance and to carry-out the functions of the Justice Office of Assistance, $3.65 billion, all of which shall remain available until expended, provided that such Funds may only be used to carry-out the National Violent Crime Program, pursuant to regulations issued by the Head of Justice Office Assistance and policies and priorities established by the Attorney General in consultation with the Congress and appropriate Congressional committees, as follows:

	(Millions)
Improve investigations with special detective squads	300
Improve case screening and diversion	75
Improve violent crime prosecutions by forming career criminal units	75
Improve convict diagnosis, classification, and correctional programming	175
Prison and other construction	625
Job training/prison industry/functional literacy training	175
Juvenile delinquent intervention	425
Runaways and missing children	175
Victim/witness	300
Crime prevention—Schools	300
Crime prevention—Neighborhoods	300
Crime prevention—Commercial	300
Drug treatment	300
Calendar control applying Research and Development results to specific localities	125

Mr. SPECTER. Mr. President, I thank the Chair.

I yield the floor.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE], is recognized for not to exceed 15 minutes.

SHOULD WE STILL FEAR NUCLEAR WEAPONS PROLIFERATION

Mr. PROXMIRE. Mr. President, why should the United States or the Soviet Union fear a nuclear buildup by a third country? It is now obvious that the United States and the Soviet Union each have more nuclear weapon power by a factor of 20 or more than any other nation or combination of nations. It is also apparent that the economic and technological capacity of third countries to build up their nuclear arsenals is strictly limited. Certainly beyond the five principle nuclear powers: The United States, Russia, the United Kingdom, France, and China, nuclear weapons power is very small and will remain small for 10 or 20 years at least. It is very likely that India, South Africa, and Israel have some nuclear weapons. Pakistan either now has or may have nuclear weapon capability soon. Libya, Syria, Argentina, and Brazil may have acquired some nuclear weapons capability already and can be expected to acquire more in the next few years. In no case beyond the five nations that have been nuclear weapons powers for more than 20 years does it seem likely that a nation will approach the nuclear power of France, the United Kingdom, or China. Why then should we regard nuclear weapons proliferation as a serious problem? Would not nations newly acquiring nuclear weapons be constrained from using those weapons against the United States or the U.S.S.R. by the obvious capability of the superpowers to retaliate with a swift, certain, and total devastation of any such nation? Would not the massive nuclear power of this country that keeps the Soviet Union at bay work even more decisively against a Libya that might some day count its nuclear weapons as 8 or 10 instead of 8,000 or 10,000? The answer would seem to be an easy "Yes." Unfortunately, given the nature of nuclear weapons and the deterrence that has kept nuclear peace for the past 30 years, the answer is not so sure.

Here, is why: Some people call a little .32 caliber revolver "an equalizer." It can be exactly that. A huge, powerful man can intimidate a frail man with the big man's physical size and strength. Both small, frail men and huge, powerful men know that. But if the little man packs a .32 revolver or even if both men carry .32's, the relationship is suddenly transformed. Size and power means nothing. They are equal. The .32's "the equalizer." And they are equal even if the big man adds a submachine gun and a couple of hand grenades to his arsenal. Size and even the possession of a vastly superior arsenal of weapons make no difference. What a revolver does for the little fellows of the world who want to stand up to the big boys,

a nuclear arsenal—even a miniarsenal—does for the Syrias, Libyas, and Irans of the world.

It is even worse. For 30 years the Soviet Union has had the capacity to wreak overwhelming destruction on this country. It has not. And it probably will not. Why? Because we have an absolutely convincing deterrent. If either super power should attack the other it would be an act of sure, swift, and total suicide. If we should suffer a massive nuclear attack that obliterated our cities and most of our land based ICBM's, there would be no doubt of the source of the attack. Only the Soviet Union could mount it. Much of our deterrent is certainly invulnerable to such an attack. No matter, how devastating the Russian attack we would have enough left to obliterate the Soviet Union. And we would do so. That deterrent has worked in the past. It will continue to work in the future.

But now just suppose 10 years from now Iran, Libya, Syria, Argentina, South Africa, Brazil, Pakistan, and five or six other nations have nuclear arsenals. Assume these arsenals compared to the super powers nuclear arsenals are mini. But that miniarsenal will become an "equalizer." It will become an equalizer in much the same way as the little revolver equalizes the little man with the big man, even the far better armed big man. Will the nations armed with the mini nuclear arsenal have more reason for restraint than the super powers? No. They will have less. After all with 15 or 20 nuclear armed nations, how could a super power retaliate if one of the 15 should blow up the capital of a super power and totally decapitate its government? If 20 years from now there are 15 countries with nuclear arsenals, and if each of them has small nuclear devices capable of being carried by a single terrorist, and if the capital in Washington or in Moscow should suffer a nuclear explosion at a time when the leaders of either country were meeting together, how could the super power retaliate? How would they know which nuclear armed country directed the attack? They would not. What a temptation for the kind of paranoid, meglamaniac who has come to national power in nations in the past and will in the future somewhere, some time. Deterrence has kept a super power peace. As the nuclear equalizer spreads, deterrence can no longer provide protection. And once such a nuclear war starts . . . .

THE ACTING CHAIRMAN OF THE CEA IS WRONG—HUGE DEFICITS DID STIMULATE 1984 ECONOMIC GROWTH

Mr. PROXMIRE. Mr. President, on another subject on Tuesday, February 19, at a meeting of the Senate Appropriations Committee I asked William Niskanen, the Acting Chairman of the President's Council of Economic Advisers what weight he would put on the back-to-back deficits of 1982, 1983, and 1984 as elements in the economic growth enjoyed by the economy in 1984. His answer was that the deficits contributed nothing to effective demand or to economic growth in 1984. He argued that investment had increased greatly in 1984, but not demand. He implied that the mammoth, unprecedented peacetime deficits had not expanded the economy in the last year at all. How about that? Is he right? No, Mr. President, he is wrong. Here is why: what caused these huge deficits? Did they just happen? No—the deficits were the product of tax reduction and an increase in spending. Both were planned, premeditated, calculated actions. Both stimulated the economy. So in combination the stimulus was compounded. What happens in a single year? The change in the Federal Tax Code leaves, say, $35 billion more in the hands of taxpayers than the taxpayer would have had without the tax cut as it did in 1982, or $25 billion more as it did in 1983, or $113 billion more as it did in 1984. Does the money just sit idly in a mattress somewhere or is it spent or invested? Is there any question that virtually all of those billions of dollars per year will raise the effective demand of American consumers? For instance, assume a family that had because of the tax reduction $20,000 in after-tax income in 1981, and supposing they had $20,000 in 1982 allowing for inflation, and another, say, $20,175 in 1983, and $20,350 in 1984. What happens to the effective demand of that family? Such a family will have to spend or to save. First assume the family spends the money. That obviously increases effective demand. Is there any question that many families did exactly that in the past 3 years? The savings rate has held fairly steadily in this country at about 5 percent or 6 percent of income. It is fair to assume that although tax relief may have gone in greater measure to those with higher income than those with middle or lower income, still at least 90 percent of income including new income is spent by most Americans and 10 percent or less is saved. So it is certainly logical to assume that 90 percent or more of the increase in after-tax income flowing from the tax cut that increased after-tax personal income by $173 billion, flowed into effective demand.

How about the 10 percent or so that was saved? Did that contribute to economic growth or not? Obviously if the 10 percent was invested in a new house, new machinery or equipment, a new apartment building or any other items that required workers who received wages for their work, that too increased effective demand. Would Mr. Niskanen argue that the massive tax cut of 1981 which reduced taxes not only in that calendar year but also in 1982, 1983, and 1984 and will continue to do so in subsequent years—does he argue that the Reagan tax cut that deepened the deficit contributed nothing to the recovery of 1983 and 1984? And does he argue that the big increases in military spending including higher pay, more military housing, the procurement of additional military equipment that required the hiring of hundreds of thousands of additional workers to produce, that all this expenditure increased the deficit but did not increase effective demand? Does he argue that the increase paid to millions of Social Security retirees in higher cost of living benefits increased the deficit but did not result in more expenditures by these retirees that obviously translated into a massive multibillion dollar increase in demand? Overall Federal expenditures increased sharply in each of these years, deepening the deficit. Tax revenues increased too but less by tens of billions of dollars than Federal spending in 1982 and 1983 and much of the resulting deficit flowed from the 1981 tax cuts. In 1984 the deficit was down, but only marginally from 1983. It was still at an immensely high level. In 1985—this year—it will be at least an all-time record shattering $220 billion. Obviously that will provide a fat stimulus to economic growth this year and that stimulus will probably carry over well into 1986, even if we do reduce the deficit by $40 or $50 billion in 1986.

Now suppose we are determined to reverse all this? Suppose the Congress holds to the deficit reduction plan set forth in the President's budget for the next 5 years. What happens to the growth of the economy? The stimulus that provided for much of the growth in 1983 and 1984 will continue very strongly this year. In a year or two, however, it will begin to lessen. When that happens, is it not quite certain that if the Congress persists in the stalwart and courageous course of holding down spending, the lack of the deficit stimulation that has had so much to do with our Nation's economic growth for the 4 years from 1982 to 1986 will push the economy into a recession. And then what? Will it take a bigger-than-ever deficit to help revive the economy? Will we have to accept a series of $300 billion or $400 deficits as the price of reviving the economy?

Right now, with two great economic years just behind us, we just may have the will and the political leeway to cut Federal spending and even to increase Federal revenues enough to reduce the monstrous deficit we will suffer this year. But what happens if we succeed? Suppose we summon the will to do this? Then, at some point, maybe 2 or

3 years down the line, with declining deficits we begin to suffer declining economic growth, increasing unemployment, the usual predictable, inevitable downturn in the business cycle.

We have gone through that in the past. We have never before gone through it with a series of back-to-back megadeficits. This Senator is not trying to borrow trouble. Some miracle may happen and the evil day may never come. But the odds are about 50 to 1 or worse that it will. And if and when it does, we should be prepared with options.

What do we do? Do we tough it out? Do we cut spending to the bitter end? Do we try to hunker down like a jackass in the rain and ride out sky-high unemployment for years? Or do we cut taxes again? Do we increase spending to put the unemployed back to work? Do we bail out failed farmers and businesses regardless of the out-of-sight national debt? And when the day comes, as we know it will, when the steadily growing deficits and the accumulated national debt has become an impossible burden, do we repudiate it? Do we then revalue the dollar and start over again?

Right now, no one seems to want to think about any of this. Not even in the media do they write about it or talk about it. Pessimists and cynics have never been popular. Since the 1984 Presidential election, they have been specially out of style. President Reagan has set the new pace. The American people love Dr. Feelgood. No one wants to hear about tomorrow's hangover after just finishing the first six-pack. The party is only beginning to get good. It is the shank of the evening.

Ah, but some sobersides has to drive home. Right now, with the fiscal future this Government faces, we need sobersides. Lots of them.

ARGENTINE DEMOCRACY THREATENED

Mr. PROXMIRE. Mr. President, Argentina currently has a centrist and democratic government. This government replaced the 8-year-old military dictatorship that reigned from 1975 to 1983. The new leader, President Raúl Alfonsín, may instill feelings of hope and relief for the Argentines.

During the previous military reign, the armed forces and military junta kept peasants and poor workers in poverty and submission. One-third of Argentina's 27 million people were undernourished and lived in poverty despite the fact that the country is rich enough to feed most of South America. Murders, attacks, torture, bombings, and kidnapings by the military brought fear to Argentina.

Despite the new democracy's effort to eliminate this fear of human rights outrages, the military elite is still snatching away its victims. Most are people who organize unions, student councils, or church groups. Groups attempting to educate members about human rights are still fearful of the military. This continued violation of human rights forces some political analysts to be pessimistic about Alfonsín's democracy and its survival, according to a February report in the Nation.

There are contradictory forces at work in Argentina. On one side, the Alfonsín democracy does all it can to nourish Argentina's human rights. On the other side, the military tries to maintain its brutal grip so that civilians continue to face death threats, torture, and denial of human rights.

There are deadly dangers if this new democracy fails. Economic disruptions, anarchy, terrorism, disorganization, and violence are a few of these dangers. In such deadly soil, genocide can take root.

The best preventive device that we have against genocide occurring—anywhere in the world—is to ratify the Genocide Convention. America is devoted to human rights and justice. We must demonstrate this devotion to all people, especially those who face denial of rights. Let us support those who are advancing human rights and demonstrate to those who would turn back progress that the United States will not turn a blind eye toward evil.

On September 5, 1984, the State Department announced this administration's support in ratifying the Genocide Treaty. We must join with the administration and ratify this treaty.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER (Mr. GORTON). The Senator from Oklahoma.

Mr. PRYOR. Mr. President, the Senator from Oklahoma [Mr. BOREN] is not on the floor at the present time. Therefore, I ask unanimous consent that we reverse the order of recognition so I may take his place and proceed with my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas [Mr. PRYOR] is recognized for not to exceed 5 minutes.

Mr. PRYOR. I thank the Chair.

SECURITY ASSISTANCE BUDGET

Mr. PRYOR. Mr. President, like many of our colleagues, I have just spent the last week traveling around my State visiting with bewildered and frightened farmers. These farmers are faced with drastic cuts in crop subsidies, agricultural credit, rural electric loans, and rural development loans.

Other constituent groups are also facing debilitating cuts in programs which are important to them.

Although I do not support a number of the administration's proposed cuts, I have generally tried to preach the gospel of shared sacrifice in our quest for a significant reduction of the deficit.

When I got back to Washington, however, and continued to work my way through this year's budget, I was shocked and horrified to note the proposed increases in certain foreign aid categories.

The two principal security assistance programs—Foreign Military Sales, which provides credit to foreign nations to buy our arms—and the Military Assistance Program, military grants—are scheduled for a 15-percent increase over last year.

Thus, while domestic crop price support payments would drop by 30 percent this year, military grants to foreign nations would rise by 18 percent.

While Commodity Credit Corporation export credits would remain static, foreign military sales credits would rise by 10 percent—and more than half of that amount will be forgiven.

I do not know about other States, but the administration will have a very hard time justifying these topsy-turvy priorities to Arkansans.

Four years ago, who would have thought that Ronald Reagan, of all people, would preside over massive increases in foreign aid? Yet that is the record.

The overall growth in foreign aid since fiscal year 1981—that is, the last Carter budget—will be 158 percent if this year's request is approved. These are current dollar figures.

The growth in security assistance alone in that same period will be 240 percent.

The Foreign Military Sales Program will increase by 85 percent since 1981.

And in the Military Assistance Program—military grants—the growth will be an amazing 524 percent.

Can any of our colleagues name another program which has seen such extraordinary growth?

POLICY QUESTIONS

The Reagan administration has declared openly that increased security assistance is "an essential element of its global defense posture and an indispensable component of its foreign policy," and, of course, security assistance does provide real benefits to our allies and, indirectly, to ourselves.

But the new emphasis on military aid raises a number of disturbing policy questions:

How have our foreign military sales credits affected the staggering debt of Third World nations?

Many foreign leaders have an insatiable appetite for arms. Are we doing their nations a favor by pushing our military equipment on them?

There is ample proof that arms transfers do not buy the loyalty of our customers. For example, Saudi Arabia raised the price of its oil the day after the Congress approved the AWACS sale.

We may end up fighting against our own weapons as the British did in the Falklands war. It is worth noting that Iran now has a stunning stockpile of modern U.S. arms available to them.

Are these arms transfers intended to achieve military—or political—goals?

It seems that many countries are extorting military assistance from the United States by threatening to turn toward the Soviet Union or refuse base rights to the United States. Our initial security assistance payment then becomes the base figure for annual increases in military aid. The question is, Has security assistance become the newest Federal entitlement program?

In addition to the overall growth of these programs, I am concerned with another trend. In the past, the mix of security and development assistance has been roughly 50-50. Today, that ratio has shifted to approximately 65 percent security military assistance to 35 percent developmental assistance. This includes multilateral aid.

In contrast to the 15-percent increase in the foreign military sales and military grant accounts, the Agency for International Development's Economic Development Program—agriculture, rural development, population planning, health, child survival fund, education, energy, and technical aid—has been cut by 10 percent from last year. The total request for this program is $1.7 billion as opposed to the $5.7 billion for foreign military sales.

In the interest of everyone concerned, it seems to me that we need to stress food over rifles, tractors over tanks, and scholarships over Sidewinders.

THE AFRICAN PROBLEM

The administration's startling record on security assistance funding brings several ironies to mind.

I have already touched on the budget aspect—we cannot afford to maintain our Student Loan Program, but we can send guns to Botswana.

A further irony concerns Africa and the terrible suffering that we are witnessing there. On average, African governments spend four times as much on arms as on agriculture. With our current policy on security assistance, are we not encouraging this trend?

According to the International Monetary Fund, food production in Africa is declining at the rate of 2 percent per year. Primitive farming techniques have contributed to the shrinking amount of arable land.

What has the administration's response been to this crisis? Recently, it has proposed some emergency relief shipments, and that is commendable. But every year since our President has been in office, he has decreased food aid to Africa. Furthermore, the shrinking share of development assistance in the budget has underscored our shortsighted neglect of long-term agricultural development. The administration obviously cannot bring rain to the continent, but it could certainly switch its emphasis to transfers of tractors and seeds in order to develop potential breadbaskets like the Sudan. Otherwise, we will have to feed the growing African masses for the rest of this century and beyond.

This year, the administration has proposed an increase in military grants to Africa of 27 percent over last year while AID's overall bilateral development assistance for Africa, excluding food aid, has risen by only 1 percent.

On a broader scale, while the security assistance request rose by 15 percent from last year, accounts affecting long-term economic development are to be cut by 10 percent.

It seems to me that we are going in exactly the wrong direction.

HUMAN RIGHTS

There is a third irony, and that is the link, or lack thereof, between a government's human rights record and U.S. military largess.

Just last week, the State Department issued a 1,450-page country-by-country report on the human rights situation around the world. I opened the report to the section on the Philippines and read of political killings by the government, the suspicious disappearance of the regime's political opponents, Government acknowledgment of the torture of political prisoners, irregular arrests, and reports of extortion, rape, and murder by the military. One might reasonably assume that such a government would not be a prime candidate for U.S. aid, but it appears that the administration has requested a 100-percent increase in military grants to the Philippines for fiscal 1986.

In his July 8, 1981, policy directive on arms transfer policy, President Reagan set forth several criteria for approval of arms transfers. Human rights concerns were not listed.

I believe that the American people have a right to expect a more discriminating distribution of their tax dollars.

Mr. President, in the coming weeks, as more figures from the administration's request become available, I shall be discussing these issues further. In the meantime, I wish to make one final point.

It has been at least 3 years since the Senate has considered a foreign aid authorization bill. I feel very strongly that the Senate has a right and an obligation to debate some of these issues in connection with an authorization bill rather than on a continuing resolution.

I understand that the chairman of the Foreign Relations Committee [Mr. LUGAR] has indicated that he would do his best to bring an authorization bill to the floor, and I applaud his intention in that regard. I think it is time for a full debate.

Mr. President, I yield back the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma [Mr. BOREN] is now recognized for not to exceed 15 minutes.

AMERICA'S FARM CREDIT CRISIS

Mr. BOREN. Mr. President, there are some who may feel the credit crisis facing America's farmers and ranchers is not serious enough to demand action immediately. For those, I would like to share with them a few facts which I believe will indicate the severity of the current situation.

An estimated 430,000 farmers are currently facing serious credit problems. The administration's debt set-aside program has simply not worked and it will not work as long as the current regulations remain intact. Unofficial estimates from the Farmers Home Administration as of January 25, indicated that 109,319 borrowers had applied for assistance under the debt set-aside programs.

Now, I want to repeat that figure again, Mr. President. 109,319 have applied for assistance.

Of that number, 3,248 borrowers had their applications approved and 9,150 had been rejected. Of course, if you calculate it, almost 100,000 have not had any action taken one way or another on their applications at this point.

The program has been in place for several months. These are farmers who need assistance now. They do not need assistance a year from now. They do not need assistance 6 months from now. Rather, they actually needed as-

sistance yesterday. If there are those who cannot understand why we feel it is imperative to put action on this issue on the front burner now, why we are saying that the Department of Justice can continue to operate a few more days with the present Attorney General but the farmers of this Nation, the agricultural sector cannot have its problems put off for several more days, perhaps they will understand when they look at these figures.

Yesterday, the administration announced that 822 temporary employees would be hired to work for the Farmers Home Administration in 11 Midwestern States. I applaud the administration's action. Yet, I wonder will these 822 employees be able to process the 90,000-plus applications that are pending for the debt set-aside program, alone, much less aid in the approval or denial of the guarantee loan program which is supposedly the answer to farm credit needs? I do not think so, Mr. President.

At the end of January, only seven loan guarantees had been issued. Part of the reason so small a number had been approved is obviously due to personnel shortages in the Farmers Home Administration. I doubt the additional employees will be sufficient to handle the enormous caseload presently confronting the FmHA.

Mr. President, there is another reason the administration's loan guarantee program is not working—too many agricultural banks simply cannot afford to write off 10 percent of the principal or a substantial portion of the interest and stay above the minimum capital requirement. The percentage of agricultural banks—defined as banks with agricultural loans equal to 25 percent or more of total loans—reporting negative earnings for 1983 reached 7 percent, up from 1 percent each year of the last decade. Of the banks identified by Federal bank regulators as having financial problems, 37 percent are agricultural lenders. At the same time, only 30 percent of the Nation's banks are considered agricultural banks and in 1982 and 1983 they accounted for only 20 percent to 24 percent of the problem banks.

It is no wonder our banks are having problems when one considers the credit crunch confronting a large number of our farmers and ranchers. It is estimated that about 5 percent of our agricultural operators—or 125,000—will be forced out of business this year. In my home State of Oklahoma, unless some immediate relief is provided, it is estimated that we will lose an estimated 13 to 15 percent of our farmers this year, alone. This compares to the total 21 percent we lost in the decade of the seventies.

Farm credit problems also can be found in the farm credit system. During the past 2 years, production credit associations had loan losses of about $540 million. That amount nearly equals the total losses sustained during the previous 50 years. For the year ending December 31, 1984, the farm credit system had an estimated $4.6 billion in nonperforming loans.

As a result of the distressed agricultural economy and the drastic increase in bankruptcies and foreclosures, farmland values have declined by over 25 percent during the last 4 years, costing farmers over $150 billion in lost equity. In one county in Oklahoma, farmland values have declined by 60 percent in the past 3 years. The Farmers Home Administration currently has over 2,000 farms in inventory. Prior to 1981, the Farmers Home Administration had no more than 231 farms in inventory at any time.

There are some who believe our attempts to gain a meaningful credit package is merely an attempt to bail-out a few rural banks. This is far from the truth. What we are trying to prevent here is a collapse of our entire economy. To recognize the possible reality we are facing, all one has to do is recall the Great Depression. There was a saying back then that the depression was farm led and farm fed. The massive wave of foreclosures collapsed the rural banks and ultimately brought our Nation to a virtual halt. We face an identical situation today.

It is not only the viability of the agricultural economy that is at stake today. When a large number of farmers are forced out of business in one area and the bank which held their loans goes bankrupt, the impact ripples through the entire economy. A similar situation happened a couple of years ago when the Penn Square Bank in Oklahoma City went under. It was the collapse of this bank which led to the problems in the stability of Continental Illinois. If we had stepped in to save Penn Square, it is doubtful that we would have had to bail out Continental Illinois.

Let me further illustrate the point, Mr. President, by taking the condition of one county in Oklahoma—Tillman County. During the past 2 years, a total of 24,441 acres of valuable farmland fell victim to foreclosure, bankruptcy, voluntary conveyance, or forced involuntary liquidation. This has had a devastating impact on the equity and collateral base of every farmer in that county as well as every business. During this period, the bank regulators changed their analysis from a collateral or equity basis to a cash-flow basis. This new procedure resulted in an 88-percent increase in the number of classified loans in the last 2 years and a 112-percent increase in the number of delinquent loans during the past 3 years. This has led to a 60-percent decline in the land values in Tillman County.

We are not talking about a hypothetical domino effect. We are talking about what has actually happened in a specific county in my home State in the past 3 years.

Obviously, this has had an impact on agricultural retailers in that county. One farm supply dealer says that feed sales are down 25 percent, fertilizer sales are down 40 percent, accounts receivable up 75 percent and writeoffs of accounts receivable up 25 percent.

Already, the ripple effect has begun in this one county. For every store building in one community that stood empty in 1979, three exist today. Since 1982, 22 businesses have been discontinued in this one small community. Within the last 6 months, six businesses in the central business district have closed and two more city businesses have filed for bankruptcy.

Mr. President, this is not a hypothetical domino situation that is in effect. It is occurring before our very eyes.

Under present forecasts, the situation will only grow worse for this county. I would estimate there are hundreds of counties across the Nation that are presently in the same condition. Add these all up, Mr. President, and it means economic disaster, not just for agriculture but for the Nation as a whole. As should be obvious, we are not talking about bailing out the banks. We are talking about preserving the economic stability of our Nation.

Over the past couple of weeks as we have tried to impress upon the general public the desperate need for immediate action to provide credit assistance for our Nation's farmers and ranchers, I have been asked repeatedly, "Why should we bail out farmers? What makes the economic condition of farmers any different than any other small business in our Nation?" Aside from the fact that agriculture is the foundation of the economy and a collapse in agriculture ripples through the entire economy, agriculture is, by far, in worse straits than any other business. Farmers are going out of business at a rate of 36 per 1,000. This is more than three times the rate of other businesses. Further, our farmers and ranchers are not asking for any more than many of the other sectors of our economy receive.

For example, according to data published by the Federal Reserve Bank of Kansas City, with trade barriers the American taxpayer spends $1.7 billion a year to protect 20,000 jobs in the carbon steel industry. That amounts to spending $85,272 per job. In addition, for the auto industry, the taxpayer pays $5.29 billion a year to protect 58,000 jobs, or a per job cost of $85,400. I am not questioning the necessity to provide some protection for these industries. I just want to point

out that farmers and ranchers are not the only ones that receive or need income protection.

The credit package we are asking for consists primarily in loan guarantees that will result in minimal budget exposure. We are not talking about cash outlays of taxpayers' money. We are not asking for $5 billion in outright payments to the farmers and ranchers of our Nation. Right now, the administration could enact virtually every provision of our package without requiring additional legislation.

Mr. President, considering the present condition of our agricultural producers and agricultural banks, I simply do not believe I can responsibly fulfill my duty as a U.S. Senator if I allow the Senate to ignore the crisis. We must gain the immediate implementation of a meaningful credit package. We cannot wait a year. We cannot wait 6 months. We cannot wait a month. We must act now.

I urge my colleagues to carefully weigh the consequences of a failure to act now. I do not believe the American people would want us to allow the occurrence of another depression equal to the depression of the thirties when it is within our power to prevent such from happening. I believe everyone in this Chamber will concur with the need to act now if only he or she will take time to look at the facts.

Mr. President, I ask unanimous consent to have printed in the RECORD testimony presented to me last week from farmers, ranchers, bankers, and retailers in Tillman County, OK, the county I have cited in giving very real examples as to what is happening and how the ripple effect is already occurring. I commend to my colleagues the reading of this material, because it tells us what is beginning to happen in this county and what can happen across the country if we do not take action.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SITUATION 85—TILLMAN COUNTY FARMERS REPORT

Good evening, I am Bill Treadwell. I'm a farmer in Tillman County and I'll be speaking to you tonight in behalf of other farmers in this county. We appreciate your attendance tonight and giving us the opportunity to relate to you our concern about the problems facing Tillman County farmers.

The economy of Tillman County and of each person living in Tillman County is almost solely dependent upon agriculture. We do have an industrial base in this county, but its effect on our economy is minimal at best. In order for you to determine the overwhelming dependence of this county's economy upon agriculture, you should consider these facts. Little if any of our industrial base is connected in any way with agriculture. Very little of the raw material used in those industries is produced or purchased in this county. The net result is that the major contribution of industry to this county is through payrolls. According to the figures made available to us, the total annual payroll of industry in Tillman County is 7.5 to 8 million dollars. There are other institutions and services providing salaries for many people of this county; however, of those, many are either ag related or are supported in part by the tax base of this county. I would point out at this time, the major share of the tax base of Tillman County lies in land, machinery and other agricultural assets.

Now consider the input from agriculture into the economy of this county. Over a period of the last nine years, as nearly as we can determine, Tillman County farmers have harvested annually an average of 113,000 acres of cotton with a yearly production of 63,500 bales. Our farmers have harvested an average of 177,000 acres of wheat for a yearly production of 4,865,000 bushels. Sales from those two crops alone have averaged 31.9 million dollars per year. If, as has been projected, each new dollar brought into Tillman County is turned over seven times, agriculture is responsible for a transfusion into the economy of this county of 223.3 million dollars from cotton and wheat sales alone. If you add to these figures the dollars generated by sales from our less substantial crops such as milo, alfalfa and peanuts, and if you consider the dollars brought into our economy from the cattle industry we have had throughout those same years, it becomes readily apparent that agriculture has been the life-blood of this county. Sales from farm products are not the total story; however, government payments from the farm programs alone have averaged in excess of 6 million dollars per year during the last five years.

Even if the figures just stated were to have been exaggerated, it should still remain evident to each of us—the economy of Tillman County agriculture and the economy of Tillman County itself, are one and the same. As we drive through our communities and see the vacant buildings that once housed thriving businesses, as we note the exodus from our communities of young families and the resultant loss of enrollment in our schools, as we note the absence of new construction as compared to five years ago, and as we experience the failure of bonds for maintaining or replacing our schools, we each know there can be but one cause—the financial crisis now facing each farmer in Tillman County.

The problems facing Tillman County agriculture are two-fold. On the one hand we have the risks and rewards that are dealt farmers by the whims of Nature; on the other is the Federal Government. First consider the role nature has played in the problems facing our farmers. Consider the year of 1983, following an above average wheat crop in the Spring, the period from July through September brought a mere .8 of rain to Tillman County. Cotton production that year dropped from an average yield of 261 pounds per acre for the seven preceding years to an average yield of only 162 pounds of cotton per acre. Pastures were parched by the drought and many cow herds were sold off. In October, following the drought of the summer, during a period of one week, Tillman County recieved 11 inches of rain—losses from erosion and damages to other farm property were extreme. During that time period, Tillman County was in need of disaster aid from both drought and flood damage. Little in the way of help was ever received.

The 1984 wheat average was cut to 22 bushels per acre from the previous year's average of 40 bushels by one of the coldest winters on record. The 1984 cotton crop was decimated by a series of events—inadequate moisture early resulting in poor stands, summer drought that withered the plants in the field and a September frost that heavily damaged cotton that had come to a stand late. Finally, came the quality problems brought on by the drought of the summer, the early frost and then the rains and snows that began at harvest. Some of that cotton remains unharvested today because of wet fields.

As farmers, we accept the hardships nature deals us; that is as it should be. The hardships we find most difficult to accept or overcome are dealt us by the other source—the Federal Government.

Those things we find hardest to deal with include embargoes, inflated land prices due in part to government policy, the federal deficit, the over-valued American dollar, government farm programs that are neither timely nor adequate to meet our needs, inflated cost of production inputs and the overall attitude that the farm sector should be the place where belt tightening measures must start first.

First the embargoes and threats of embargoes that have lost for the American farmer markets that may never be regained. Embargoes that accomplished nothing except start American agriculture in its downward spiral.

Inflated land prices brought about in part by policies of Federal lending agencies willing to loan 100% of the cost of new land to those young men desiring to get into farming in the mid and late 1970's. In the last three years, land prices in Tillman County have fallen from those inflated highs to the point where they are off by as much as 50% to 60%. Hanging over the land market for years to come will be that land taken back and still held by such agencies as the Farmers Home Administration and the Federal Land Bank. Foreclosure, forced sales and bankruptcies have flooded a land market in which buyers have all but disappeared. Waiting in the wings of our land market is real estate either tied up in estates or belonging to those who have retired—real estate waiting for land prices to come back from these lows; eventually, much of that land will be forced into our overburdened land market. Those farmers still in business have lost equity in their land to the point their financial statements can no longer justify new loans. The end to depressed land prices in Tillman County is not just around the corner.

Next are the policies of Federal Government that have led to budget deficits and the over valued American dollar. Budget deficits that bred the high interest rates and the over valued American dollar that took the American farmer out of competition in the world market. Nothing exemplifies the latter more vividly than the recent Cargill wheat deal with Argentina. If we in agriculture could follow the example of GM, Ford and Chrysler by moving our businesses outside the United States to escape the high cost of production inputs and the over valued dollar, we would be the richest agri-businessmen in the world.

And now, the government farm programs, farm programs inadequate in their scope and delivered to the hand of the American farmer too late for him to make cropping decisions. As late as the spring of 1984, the American wheat farmer was held in limbo as to whether he should participate in the wheat program because the final version of

that program was not known until one month prior to wheat harvest. In my files is a letter from the local ASCS office announcing that final version and dated April 12, 1984—my first load of wheat was delivered to the elevator May 25th. By April 12th, Tillman County wheat farmers had all costs put into their wheat crop with the exception of harvest. The government was nine months too late for Tillman County farmers to realize the full benefits of that program. I might add, no farmer in Tillman County will forget the sudden change of rules after the ballgame had started, better known as the Plant for Pik portion of the 1983 farm program for cotton which was announced late in the season. In Tillman County, that change of rules was the single most costly event of the year for our farmers.

There are other problems, such as the unreasonably low limitation for farm program payments which has served only to keep the larger farms of this nation out of the farm programs. In the United States, 12% of the farmers produce two-thirds of America's crops. With the proven yields we have in Tillman County—and I might add they are not high yields as compared to some areas of this country—for a farmer to reach the $50,000.00 limit under the 1984 farm program, he would need a wheat base of only 487 acres of wheat plus 547 acres of cotton. By government standards, this may be a big farm—even in Tillman County, where farm sizes are only average, 487 acres of wheat and 547 acres of cotton is not an exceptionally large farm. It is time the Congressmen of the urban East realize the American farm is big business—we have graduated from the horse and mule days when a farm consisted of only ten acres.

As we consider the 1985 Farm Bill as proposed by the Administration, it is evident to us, if the course laid out by that proposal is followed, bankruptcies and foreclosures will become a way of life in rural America.

We farmers realize we must move toward a market oriented program, but this is not feasible in the near term considering the present crisis in agriculture and considering the over valued American dollar. We realize we must have production cutbacks in this country, but this is not the solution so long as cutbacks in the United States lead to increased production in countries such as Canada, Argentina and Australia. We need bilateral trade and production agreements with teeth—teeth enough to place farmers worldwide on an equal basis with each other.

Any suggestions we might offer tonight pertaining either to immediate answers or to long range farm programs would simply be common sense suggestions.

In the short term, we need access to loans at reduced rates of interest, available to any producer who can show that with that loan, he can cash flow; regardless of his ability to obtain loans elsewhere. Too often in the past, loans of this nature have been available only to those who could not get loans elsewhere. Because of that stipulation, those loans were, in many cases, available only to those for whom it was already too late. We realize much is being discussed pertaining to interaction between local lending agencies and the Federal Government in the direction of loan restructuring, interest buy-down and principal write-down. Whatever method should eventually be used, paybacks must be long term with the percentage of annual payback in some way tied to the level of farm commodity prices.

Suggestions we would make in the area of farm programs are simple. Those programs must be delivered into the hands of farmers early enough for them to make cropping decisions. Apparently unlike the Federal Government, farmers must plan at least one year in advance. A timely date in Tillman County for delivery of the farm bill would be July 15th.

We would hope those of you in Federal Government would realize, any farm program which contains a radical change from price supports of the past to free world markets of the future must be approached cautiously and must be brought about over a period of years. The economy of American agriculture today is much too fragile to withstand reckless experimentation.

The proposed 82% funding cut in the budget of the Soil Conservation Service by the Office of Management and Budget is a pointed reminder of the shortsightedness of many in government. One need only be reminded of the days of the "Dust Bowl" to realize how rapidly our previous land can be taken out of production. In these times when farm incomes will not cover production costs, American agriculture needs more assistance, not less, in repairing the damages that nature can bring to our land in times of drought and floods. The land is always the first to suffer when farmers must cut back on inputs.

The rhetoric we have heard from the Administration in Washington during the time since their farm bill proposal was unveiled and even more recently during the President's State of the Union address, has sent one message loud and clear to the farmer of this nation—the President and his advisors are ready and willing to sell American agriculture down the river. Offers have been made to those Congressmen supporting agriculture, offers of band-aid fixes for the short term problems in exchange for support for the administration's austere farm bill. The American farmer does not need a band-aid fix; he does not need a prolongation of the present situation. The American farmer needs real and lasting solutions. We in farming are not solely responsible for the financial crisis in which we find ourselves—farmers are not inherently poor managers as those in the Administration would lead the public to believe. To get where we are today, we had help. We had help from nature, but we also had help from those in Government who were less than diligent in their efforts to utilize to the fullest the greatest asset of this nation—American agriculture.

As you plead our case before the Congress of the United States—as you are criticized for your support of American agriculture, we hope that you will believe and take heart in the fact that it has not been the American taxpayer who has subsidized the American farmer; rather, it is the farmer who has subsidized the American taxpayer. Each of us in agriculture knows what the cost has been to us, for the American taxpayer to be able to spend the smallest percent of his paycheck as compared to any citizen of any nation in the world, for the food he eats.

As you return to Washington, consider these facts concerning the farm crisis in Tillman County;

Gross farm incomes from wheat and cotton in Tillman County totaled $20.2 million in 1984 as compared to $53.9 million in 1979.

Over 3,000 acres have been deeded back through the local FHA office in Tillman County and of the 250 accounts with that office, only 25 are considered solvent and only 1% are current on payments.

In Tillman County in 1984, 293 parcels of farm land were sold primarily due to forced sales of bankruptcies.

The Federal Land Bank Association of Altus which serves the Tillman County area had 30 loans in foreclosure as of January 1 and 4 acquired properties in inventory. Of the 1800 loans from that agency, 8% are now delinquent and of the 600 coming due in January and February, the agency feels a large number will be delinquent due to the poor wheat and cotton crops of 1984.

The list could go on and on; however, in summation, I will repeat, Agriculture is in a state of crisis, not only in Tillman County, but all across the United States. It is a crisis which if left unresolved, will eventually affect every facet of our society. In the early days of this crisis, the new farmers were the first to fall by the wayside, but now we are losing those men and women who have worked a lifetime of 15 to 18 hour days only to see all for which they had worked suddenly slip from their grasps. These people were not a part of the Great American Dream of which our President so proudly boasts; rather, they are a part of an even larger fraternity—the forgotten American farmer.

Thank you for being in Frederick tonight, and I thank each of you for the support you have given American agriculture in the past and for the support I know you will give us in the critical days ahead.

STATEMENT OF DARREL RIGGINS

Congressmen, Lieutenant Governor, and other invited guests: I am Darrel Riggins of the National Bank of Frederick, and I am representing the agricultural lending institutions of Tillman County.

First, let me say welcome to the great southwest and more specifically to Tillman County. We are extremely pleased to have such an influential delegation here tonight, and everyone is very grateful for your sincere concern about the difficult predicament that we find American agriculture involved in.

Let's first take a look at some very frightening and distressing statistics covering the relinquishment of real estate here in our County. During the past two years, we have had 24,441 acres of valuable farm-land fall victim to foreclosure, bankruptcy, voluntary conveyance, or forced involuntary liquidation. These unfortunate actions have had a devastating effect on the equity and collateral base of each and every farmer in Tillman County.

To emphasize the severity of the problem to our county, it is important to understand that our loan portfolio here in Tillman County averages 65% agricultural loans. At this time of severe erosion of farm equity, our banking regulators have suddenly changed their loan analysis from a collateral or equity basis to a cash-flow basis. As a result of this new and vigorous procedure, the number of classified loans have increased at the rate of 88 percent in the last two years. In addition, our number of delinquent loans has escalated at an alarming rate of 112 percent during the previous three years.

The high interest rates of the present time, and the extremely high interest rates of the early 1980's, combined to have a crushing effect on agriculture in our country. In 1979, one of our better years in agriculture, farmers paid interest expense esti-

mated to equal about 13% of their cash production expense. In 1984, interest paid by farmers was approximately 20% of cash cost of production, which is by far the largest single expense in the cost of production.

All of these adversities have occurred at a time when the American farmer is producing commodities below the cost of production. In our county, the absence of adequate moisture and low yields of production, compounded with these financial adversities, have severely restricted the ability of competent farm managers to meet their financial obligations.

Not only are our banking regulators restricting our ability and our freedom to restructure farm debt, we have also encountered a perplexing problem in the effects the Federal Farm Credit System has had on the equity position of farmers in our area. This effect has not been caused by decisions made in local farm credit offices but the result of requirements made by their supervisory personnel, and the regulators of the farm credit system. During the good economical times, the Farm Credit System was making loans based upon fair market value. During this economic downturn, loans are now being evaluated solely on the basis of cash flow. Many farmers have been either foreclosed, forced to sell through voluntary or involuntary sales, because their equity position has decreased substantially. Every sale initiated by the Farm Credit System has reduced the value of the remaining land because of the number of acres that have been forced on the open market. Also land loans are only now being made on the basis of the cash flow of the land. These new rules that have changed the game have resulted in every farmer losing his equity position because of the pyramiding effect of the forced sales of land.

Each time an additional tract is forced on the market the equity position of every other farmer is decreased. In a three-year period, the land values in Tillman County have decreased by fifty to sixty percent. Although all of this certainly cannot be attributed to the current policies of the Farm Credit System, they certainly have impacted the problem. Some method must be found through federal sources to either change the policies of the regulators or to allow the Farm Credit System to begin working with landowners through extensions and reamortizations of debt, rather than liquidation being the only recourse.

Forced liquidations will only continue to erode the equity positions of agribusiness persons. The distinction between community lenders located within an area, and the Farm Credit System is that losses can be spread throughout the system among farm credit lenders. Whereas, community lenders must spread their losses among just the customers within the locale, which results in a depressed market condition, resulting in further loss of capital and equity.

We urge you to make an investigation of the effects of the current policies of the Farm Credit System and their actual effect on the local agricultural economies in the communities in which they are located.

We also request as you wage your battle on our behalf with O.M.B. and the compassionate and understanding, Mr. Stockman, that each of you continue to strive to convey to them the severity of the escalating agricultural crisis that our financial institutions are encountering.

In conclusion, all of the citizens of Tillman County and especially those involved in agriculture, directly or indirectly, are extremely appreciative to each one of you for your diligent efforts on our behalf, and for your deep concern for our crisis as shown by your presence here tonight.

STATEMENT OF ARLAN MEADERS

My name is Arlan Meaders. I am manager of the Farmers Co-operative Grain & Cotton Company here in Frederick and have been for the last nine years. Tonight I am representing a committee made up of cotton ginners, cotton warehousemen, a cotton merchant, and grain merchants. The members are from Hollis, Lone Wolf, Grandfield, Davidson and Frederick, Oklahoma.

For the past three or four weeks I've given an awful lot of thought and done a lot of reading about what I was going to say tonight. I had a good feeling about most of what I prepared except the beginning. Mr. John R. Block provided me with that beginning as a result of his testimony before the Joint Economic Committee of Congress last Thursday.

Let me read you what he said, "American farmers could not expect much improvement this year in farm prices but would enjoy better times in the long run if they supported President Reagan's new farm policy and his efforts to reduce the deficit." Do you know what that farm policy is? It's a world market oriented type policy whereby our support prices and target prices would be based on 75% of an average world price which would sharply reduce our income subsidy payments to below average free market prices. He further states, "we will see increasing proportions of farmers with financial problems, continued declines in farm asset values, increasing proportions of farm debt in trouble and increasing problems of lender distress." Mr. Block goes on, "in the short run farmers would have to expect the same prices or maybe even lower ones." "Next year," he said, "lower loan levels will mean lower prices on grain and cotton. But that will mean we'll be more competitive in the export markets, sales will increase and farmers will earn more, even at lower prices." Can you believe that? The Reagan folks are telling us the solution to our problems is lower prices. That's like the old story about the hay hauler, losing $10.00 per ton on ever load, telling his banker he needed a bigger truck.

The problem is farmers cannot buy their farm in-puts on steadily rising or fixed markets and sell their crops on a continuously fluctuating and totally undependable world market.

Our farm programs are putting an awful lot of emphasis on world markets. Under certain conditions that's fine. I think we need to be competitive in the world marketplace. But the competition is unfair.

Ladies and gentlemen, our farmers can compete with any farmer in the world given an even break, but he cannot compete with the Canadian government, the Australian government, the Argentine government and so on.

If we ever had a chance in the world marketplace, it was devastated a few years ago by embargoes. Carters, Fords, Nixons, Reagan's and the one threatened by Reagan. But even that and the crop in Brazil, the crop in Argentina, the crop in Australia, the crop in Canada, the crop in China, the crop in Russia, the emergence of many strong agricultural economies yet to come, and even the increase in our own production expertise makes the dependence on a free market a bad joke, under present programs.

The export market, and even our domestic market to some degree, is volatile and undependable and no other country in the world insists on the individual farmer to try to handle it alone.

You see what we've done with the free market concept is give ourselves two vast imponderables instead of one. One we are going to have always. That is the weather and other acts of God. The other is the very volatile, fluctuating market. So that now even if we're lucky and make a good crop the bottom can fall out of the market and we still lose money. Who cares about exports if a farmer can't make a profit. Certainly not farmers.

Ladies and gentlemen we have a few friends in Washington, some of them are here tonight, another hit the nail on the head when he recently said this, "the 1985 appropriations for all of agriculture amounted to slightly over $35 billion. That's a heck of a lot of money—but its $35 billion out of $820 billion or 4% of the total budget. If you take one-third off for food stamps and one-third off for administration, FmHA, Soil Conservation Service, and land grant institutions—what they call subsidy is 1 per cent of the total budget. For 1 per cent of the total budget, we're the best fed people in the world." Mr. Kika de la Garza, chairman of the House Agriculture Committee, said that.

I could stand up here and cite statistics until you and I are blue in the face, but I'll only mention a few.

The first is the past 9 years farm income from wheat and cotton for Tillman County.

	Millions
1976	$26.5
1977	35.4
1978	32.2
1979	53.9
1980	26.1
1981	35.4
1982	32.8
1983	25.2
1984	22.0

Now, you can add income from some other commodities to that but it won't change significantly.

Prices fluctuated widely for this same period. Cotton from 41¢ in 1981 to 76¢ in 1980 (its obvious we didn't make any cotton in 1980). Current price 45¢. Wheat from $2.30 in 1977 to $3.91 in 1979, current price $3.40 per bushel.

Cotton gins in Oklahoma—our respective secretaries of our ginner's associations, Bob Collins of the Co-operatives and Roberta Ruebell of the Oklahoma ginners, tell us that 20 gins out of a total 73 gins are on the verge of forced closing.

Another segment of our industry, grain elevators, I can't honestly stand up here and tell you that they're in bad shape. Farmers have raised enough grain to keep us in business. But don't anybody kid yourself, so goes the farmer, so goes our industry, and the farmer is in serious trouble.

A solution? We could debate issues and farm policy here for hours, indeed, maybe even days, but in my opinon all the answers boil down to one very painful fact. For the near term at least, we're going to have to continue our partnership with our federal government. But on a much, much stronger basis through support prices or deficiency payments. Whether it be on production or sales is argumentative but the decision must be, and is, very simple. Farmers must receive a "fair price" for his product. You see, had we had a fair price for the past few

years there may not have been a need for the expensive PIK programs, guaranteed low interest loans, and all the other emergency relief programs. Although these programs became necessary at the time they were initiated, is it not reasonable to assume that given a fair price farm programs may have been less costly than what we had? But even if they do cost more, the cost should be borne by all the people and not just farmers. You see, the American people can afford to pay a little more.

Maybe controlling or eliminating deficit spending will solve all our problems as some have said, but accomplishing that is going to take a long time. Farmers don't have a long time if the family farm is to survive.

Thank you for coming.

STATEMENT OF JIM MONTGOMERY

Honorable Representatives, ladies and gentlemen: My name is Jim Montgomery, and I am speaking for the farm suppliers of this area.

We as agriculural retailers represent the products, but not the profits, of many of the nation's largest corporations. At least 55 percent of the inputs required to produce a crop come from off the farm. And we have seen the cost of these inputs double and triple in the last few years.

A fuel dealer cites: "In 1976, when I went into business, there were 6 agricultural fuel suppliers in Frederick, Oklahoma, 5 independent and one major corporation. The price of diesel fuel was 33 cents, interest rates 7-8 percent. Today there are three agricultural fuel suppliers, 2 independent and one national corporation. The price of diesel is in the 90 cents range and interest is 15 percent. One of the two remaining independent dealers recently quit handling diesel, citing a failing agricultural condition and lack of capitalization."

A farm supply dealer in Frederick notes feed sales down 25 percent, fertilizer sales down 40 percent, accounts receivable up 75 percent, write offs of accounts receivable 25 percent.

A farm machinery dealership reports an extremely bad year in 1983, worsened in 1984 with expenses up 11 percent, net income down 86 percent.

Another farm implement dealer shows a sales decline of 66 percent and past-due accounts receivable of 25 percent.

Grandfield, Oklahoma—once a center for agricultural trade had six farm equipment dealers, eight fertilizer dealers and a thriving retail district.

Today all of the farming implement dealers are gone; only one agricultural supplier remains to sell fertilizer, but depends on storage facilities in another town, unable to purchase one of the four bulk storage facilities that stand vacant.

As agricultural retailers we realize that we do not make or break the agricultural economy, we only reflect its health and it is hoped that this presentation is accepted in that context.

We would ask of the government that our industry receive the same treatment as all other industries.

According to a data published in the Federal Reserve Bank of Kansas City's Economic Revenue, the cost to the American taxpayer due to trade barriers for various industries is as follows:

Product restriction	Jobs protected	Average earnings	Cost per job	Total cost
C.B. radios	587	$8,500	$85,539	$50,000,000
Apparel	116,188	6,669	45,549	5,290,000,000
Footwear	21,000	8,340	77,714	1,630,000,000
Carbon steel	20,000	24,329	85,272	1,700,000,000
Autos	58,000	23,566	85,400	5,290,000,000
Big 3 automobile manufacturers profits for 1984				10,000,000,000

It is obvious that the workers of these industries are not overpaid yet the cost of the programs is enormous. It is important for the American public to understand that the same is true for farmers.

Another agricultural supplier sums up the situation in saying: I have been in agriculture for 27 years, I have seen troubled spots in agriculture in given areas because of drought, floods, or pestilence, but never have I seen agriculture across all of the United States fighting for survival as we are today. Agriculture affects each American. Yes, we can take figures like—and I quote Robert Delano, president of American Bureau, when he stated, "Farmers sold more than $144 billion worth of commodities in 1984, rivaling the all-time high of $144.8 billion set in 1982." (unquote) One of the factors that contributed to this ability to have this many dollars in commodities was that the American farmer said, "I will take up the slack in price for my commodities by uping my yields."

The farm indebtedness is rising steadily each year. From 1970 the farm indebtedness was 80 billion and by 1980 it was 155 billion and for 1985 it is estimated to be 214 billion.

I am in fertilizer and ag chemicals. When oil prices, labor, and research costs rise I tack this input costs onto my products and pass it on to the farmer. The American farmer has never had this option. Farmers are going out of business at a rate of 36 per 1000. This is more than triple the rate of other businesses. Every American farmer supports 76 other people—51 Americans and 25 foreigners. In Tillman County there are five towns and they are solely supported by agriculture. If agriculture continues in the same path of '85 as in '84, the towns of Tillman County will be ghost towns.

SITUATION 1985—RETAIL REPORT

The empty store fronts in downtown Frederick are certainly an indication of the hard times this country has experienced in recent years. For every one store building that stood empty in 1979, three exist today. In fact, city statistics indicate a total of 22 commercial disconnections since 1982. Within the last six months, six businesses in the central business district have closed and two more city businesses have filed for bankruptcy.

Frederick does have an unusually good industrial base for a community its size and I'm not suggesting that agriculture is totally responsible for our economic woes; however, agriculture is the primary economic force in our community and the connection of retail business with agriculture is both direct and considerable.

Let's look at sales tax. Since 1979 Frederick's sales tax has increased a total of 11 percent with the highest single year's increase at 5.7 percent. Needless to say, this increase is far from substantial and far from characteristic of healthy, growing businesses. In addition, those statistics are quickly eroded by inflation which has soared as high as 12 percent in recent years.

Minimum wage is up, utilities are up, product costs are up, employer contributions for unemployment and social security are up. Our margins are being trimmed away making growth difficult and expansion a distant dream. We are, in fact, working harder, investing more and earning less.

I might add here that were it not for the tenacity of local business people, more store fronts would be empty. These are not times for the weak at heart or for the pessimistic. Frederick business people, like our farmers, are willing to work hard. We ask that you pay close attention to our farmers, for certainly whatever affects them affects us all.

We retailers are concerned about our small businesses, our small family farms and our small communities. To date government has had non-agriculture people dictating agriculture policies, and has shown little concern for the small farm. Small seems to be a dirty word. It was recently announced that our government may do away with the Small Business Administration, planning to make loans and offer technical assistance to only those businesses with 500 or more employees. Our largest local industry with approximatley 250 employees would not even qualify. "Small" seems to be out!

Our farmers need your help, and, indeed, we all need your help NOW with legislation that will allow our small businesses, farms and communities to survive!

STATEMENT OF ROBERT MCCORD

Ladies and Gentleman of the Congressional Delegation Committee, I want to thank you for assembling here tonight and giving us this time. We do appreciate all efforts made in our behalf.

I am Robert McCord from Tipton, Oklahoma. I am a third generation Tillman County farmer. The acquisition of the land I now have—began with my Grandfather in 1903. Through the years I have expanded the operation. The last expansion being in the late 1970's. Through this expansion I acquired a debt load of approximately 35 to 40 percent.

Due to high production cost—low commodity prices—high interest rates—unfavorable growing conditions, the ratio has increased dramatically with the decline of land and equipment values. I feel this is a typical situation of all Tillman County farmers who expanded or upgraded their operation in the last 10 years. Even though we are having lower prime interest rates at the present time, the lower interest rates are not always available to agriculture borrowers. Some interest rates are escalating for long term loans with variable rates. For instance, existing Federal Land Bank loans for this area have increased their rate by ¾ of 1 percent as of January 1. Due to this years crop failure, extremely low prices, no monies are available to make long term payments. Therefore, if these payments cannot be extended, it will deplete the operating capital for 1985.

I attended the Senate Agriculture hearing in Oklahoma City Monday. I feel we have a very good representation—in fact the best in the nation. I feel they need our help through letters and contact. In this hearing the figures of 10 to 13 percent of the farmers have an immediate financial problem. I believe this problem is much greater in full time commercial producers, which produce above $40,000 gross sales. I have talked with farmers in this area and in North Texas, and I believe the percentage to be as high as 75 percent.

As I see our situation two things are needed—Hope & Help. Hope with an oppor-

tunity for a profit in the future. Help Now to buy time, so we can be a part of the future. I am sure there are many ways this can be brought about, the important one is—we need help Now.

Thank you.

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is informed that the Senate is not in routine morning business at the present time. Does the Senator wish to ask unanimous consent to proceed as in morning business?

Mr. KENNEDY. I so ask, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, is there a 3-minute limitation?

The PRESIDING OFFICER. Five minutes.

Mr. KENNEDY. I thank the Chair.

THE FARM CRISIS

Mr. KENNEDY. Mr. President, as we have been debating the confirmation of Mr. Meese this week, many of our colleagues have come to the floor to insist that we act first to deal with the financial crisis threatening thousands of American farmers.

Our colleagues are right, and I am proud to stand with them today. Their message is simple, compelling and eloquent.

Spring approaches, and with it the planting season. There is no second chance. If we do not act now, the financial crisis will win and the country will lose many of the more than 120,000 farms that the Department of Agriculture itself estimates are close to bankruptcy.

Some say so what and suggest that farmers brought these problems on themselves.

I have not heard one farmer ask that he and his family be held hostage to the shifting requirements of an uncertain foreign policy. I have not heard one farmer ask that the Federal Reserve Bank send interest rates through the roof. I have not heard one farmer ask that the International Monetary Fund enforce austerity in the developing world and consequently dry up the rapidly growing markets for his goods. Nor have I heard one farmer ask the administration to send the value of the American dollar to record levels.

No, American farmers have only asked that they be allowed to continue to do what they do better than anyone else in the world—produce the goods which grace our tables and help to alleviate the hunger which grips too much of the world.

Last December I visited Ethiopia and Sudan. I witnessed the unspeakable horror of famine and starvation. I also witnessed the miracle of the American farm. Grains and soybeans produced half a world away bringing life and hope to those desperate lands. To sacrifice the American farm on the altar of an abstract economic theology is irresponsible and shortsighted.

Later this year, this Congress must write a new farm bill. That bill must recognize the vast changes in technology, finance, and markets which have transformed the agricultural economy. Our policies must change in response—and American farmers know that. But they do not know, and neither do I, why they should be sacrificed before these questions are even considered.

My colleagues and friends from the States that bear the heaviest burden have asked the Senate to act now to ensure that when we write a farm bill, it will not be too late. They are right and I support their efforts.

Emergency credit assistance is not something new. In the last decade, we have helped the Nation's largest city return from the brink of bankruptcy, our savings banks survive the transition to a deregulated marketplace, and the Chrysler Corp. return to profitability. In each case the assistance has worked well, and our country is stronger for it—not just New Yorkers, bankers, or automobile workers—but all of us. Farmers deserve no less. They are a source of national strength and we must act now.

I hope that the reports of progress in fashioning an emergency response are correct. These Senators who have demanded that the President pay attention and that Congress act deserve our congratulations and our support.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

There is a special order in favor of the Senator from Colorado but it comes after that still unused special order of the Senator from Iowa.

Does the Senator from Colorado wish to ask unanimous consent that his special order be placed at this time?

Mr. HART. Yes, Mr. President, I do ask unanimous consent that that order be reversed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR HART

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized for not to exceed 15 minutes.

Mr. HART. Mr. President, I ask unanimous consent that these remarks appear in the RECORD at the point of the debate on the nomination of Edwin Meese for Attorney General.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. HART are printed later in the RECORD during consideration of the Meese nomination, as ordered.)

Mr. HART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent that I may proceed as in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM CREDIT PROBLEM

Mr. PRESSLER. Mr. President, I join my distinguished colleagues in expressing concern about the great problems that face our Nation's family farmers, and in emphasizing the need for action on the farm credit problem. I would also like to compliment Senate Majority Leader ROBERT DOLE for the active role he has taken in trying to work out a proposal that will meet farmers' needs and keep the work of the Senate on schedule. He has exhibited great leadership in this effort.

I recently participated in a farm alliance rally at the South Dakota State capital in Pierre and next week the entire South Dakota State Legislature will come to Washington to emphasize the need for farm programs. Approximately 5,000 people attended the Pierre rally to discuss the problems in farming and the rural economy. A recent survey of agricultural lenders in South Dakota exemplified these problems. It found that 24 percent of the farmers and ranchers in South Dakota are classified as being in a weak financial position. On a regional basis, an estimated 40 percent of the farmers in the north central region of the United States have a burdensome debt and are headed toward insolvency in the next several years if action is not taken to increase farm prices. These numbers will continue to grow unless some action is taken to aid farmers.

During the 1970's, farm debt increased rapidly. Total farm debt went from $53 billion in 1970 to $166 billion in 1980 and to $216 billion in 1983. Besides an increase in farm debt, the farm debt-to-income ratio went from 3 to 1 in 1970, to in excess of 10 to 1 currently. To return to the debt-to-income ratio of the mid-1970's, farm income would need to more than triple. This illustrates not only that we have a severe farm credit problem, but also that we need a long-term farm policy that will allow farmers to make a profit so they can repay some of these loans.

In the short run, some type of credit assistance must be provided to allow these farmers to plant their crops this spring. In the past, credit assistance has been provided through various FmHA programs. Unfortunately, today's problems do not fit into the usual FmHA programs. Many farmers and ranchers who have received their credit in the past from banks or PCA's are being refused credit this year. They are turning to the FmHA for credit, but FmHA already has too many applicants for the funds they have available. These farmers are generally good managers, but due to the declining land values and low commodity prices, they are caught in a financial squeeze. These farmers need assistance in obtaining credit.

In the long run, we must increase farm prices and return profits to agriculture. Without a profit, no farmer can survive. To increase prices, we must more aggressively market our products abroad and also work to eliminate unfair trade barriers. We must aggressively negotiate the elimination of these barriers and include agricultural trade in the General Agreement on Trade and Tariffs. The American farmer is the most productive in the world, and if all of the barriers and unfair trade policies were eliminated, American farmers could make a profit and we would not need Government price support and credit programs. However, until we truly have free trade, farmers will need some type of assistance.

Mr. President, I commend Senator DOLE for his leadership on this matter and I urge the Senate to act quickly on the farm credit assistance legislation. Farmers need assistance now if they are to get into their fields this spring.

Mr. President, I ask unanimous consent that a series of three articles on the agricultural crisis, written by Sonja Hillgren, be printed in the CONGRESSIONAL RECORD. Sonja Hillgren has covered agricultural issues for United Press International since 1978, has done an excellent job of illustrating the problems farmers face. As a native South Dakotan, she is well aware of the importance of the farmer and rural America; and as a Nieman fellow at Harvard, she has the ability to put this background into her articles on agriculture. I urge my colleagues to carefully read these articles to gain a better understanding of the plight of the family farmer.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE FARM DEBT CRISIS: AN AMERICAN DREAM PLOWED UNDER—STATES IN TROUBLE

Here is a list of heartland States most troubled by the current farm debt crisis, listing land value changed since 1981 and other information, such as Average farm debt and debt-to-asset ratio, when pertinent. California and Texas are included because they are the No. 1 and No. 2 States in total agricultural receipts.

Arkansas: Farmland value down about 11 percent from 1981. Debt to asset ratio has grown from 16.9 percent in 1980 to 21.5 percent in 1984.

California: Farmland value down about 5 percent since 1981, with some areas much worse. An extreme example is around Fresno vineyards, where land has dropped from $14,000 an acre to $7,000. At least one-third of California's 50,000 commercial growers are believed to be in trouble. Average debt is $80,000.

Illinois: Farmland value down 30 percent since 1981. Average farm debt is $107,960. An estimated 27 percent of the State's 100,000 farmers are in danger of going out of business in the next 2 years. Debt to asset ratio has increased from 11.7 percent in 1979 to 18 percent in 1983 and total farm debt has nearly doubled since 1977.

Indiana: Farmland value down about 30 percent since 1981. Farm debt averages $85,384 per farm.

Iowa: Farmland value down about 38 percent since 1981. Average farm debt is $160,440. About 5 percent of the State's 115,000 farmers went out of business in 1984 and another 5 percent are expected to do the same in 1985. On January 17, a farmers' protest in Sioux City attracted about 4,000 people and foreclosure sales draw sympathetic neighbors and press coverage.

Kansas: Farmland value down 10 percent to 11 percent since 1981. Average debt is $112,628 on 574,000 farms. Between 5 percent and 10 percent of farmers are in danger of going out of business in 1985.

Michigan: Farmland value down about 16 percent since 1981. average farm debt is $60,937 on 64,000 farms. A conservative estimate says 150 to 200 farmers in danger of going out of business in 1985.

Minnesota: Farmland value down 25 to 30 percent since 1981. Average farm debt is $126,315, but experts say one-quarter of the State's 95,000 farmers have an average of $500,000 to $600,000 debt. About 10 percent of farmers in danger of going out of business. Farm debt is considered the highest priority of the State legislature this session.

Missouri: Overall farmland value down 25 to 30 percent, and value of irrigated cropland down 38 percent since 1981. Average farm debt is $104,000. About 10 percent of the State's 100,000 farmers are in danger of going out of business this year.

Nebraska: Farmland value down 35 percent to 40 percent since 1981. Average farm debt is $250,000, with about 10 percent of the State's 60,000 farms in danger of going out of business. Debt-to-asset ratio is 30.5 percent, the Nation's highest.

North Dakota: Farmland value down 15 percent since 1981, from $454 to $385 an acre. Average farm debt is $268,000. An estimated 4,500 of the State's 36,000 farms are in danger of going under this year.

Ohio: Farmland value down 28 percent since 1981, from $1,727 an acre to $1,245. Average farm debt is $53,733 for 90,000 farmers. Farm interests say except for a freight differential Ohio farmers get on moving their crops, the situation is just as serious as in the Western Corn Belt.

Oklahoma: Farmland value down 5 percent since 1982. Average farm debt for 74,000 Oklahoma farmers is $65,000, but for those with FmHA debts, the average is $90,000. About 400 farmers are in danger of going out of business in 1985.

South Dakota: Farmland value down 19 percent since 1981. Average farm debt is $144,000, but one-third of farmers carry two-thirds of the total $5.31 billion debt. South Dakota's debt-to-asset ratio of 29.5 percent is second highest, behind Nebraska. A survey indicates about 8.1 percent of the farmers are in highest risk category. The State is sending all 105 members of the legislature to Washington Feb. 25 to lobby for farmers' concerns.

Texas: Farmland value overall is up 9 percent, but has fallen in the Texas panhandle and Rio Grande Valley. Average farm debt is $74,251. Texas Department of Agriculture estimates from 4,000 to 5,000 commercial farmers may go out of business in 1985. Economists say grain farmers are facing the same problems as in the Corn Belt but livestock producers are starting to make money again.

Wisconsin: Farmland value down 14 percent since 1981. Average farm debt is $87,227. The Wisconsin Department of Agriculture estimates 11 percent of the State's 86,000 farms are in danger of going out of business this year and another 25 percent in two to five years.

AN AMERICAN DREAM PLOWED UNDER—PART 1: THE GREAT DEPRESSION REVISITED

(By Sonja Hillgren)

(Editor's note: Today's farm debt crisis, reminiscent of the Great Depression, could doom hundreds of thousands of farmers who are billions of dollars in debt. While the crisis is on the farm, the ripples are spreading to the local cafe and country bank and eroding the agribusiness structure in America. In a special three-part series, UPI farm editor Sonja Hillgren, who has watched these events unfold for the past decade, examines what is happening today, the conditions that brought on the problem, and what the future may bring.)

Nebraska State troopers shot farmer Arthur Kirk dead at age 49 in a standoff over his debt to the bank.

He was killed last October by troopers called in after he threatened Hall County sheriff's deputies who tried to summon him to court.

Kirk owed Northwest Bank $301,891 and had stopped talking to them. But he had recently sold crops and livestock and his bankers believed he had $100,000.

Troopers said Kirk, armed with an AR-15 rifle, carrying a gas mask and wearing a motorcyle helmet, fired first.

In only three years, Kirk's life's work had shriveled from a 2,000-acre farm to the 240-acre Nebraska homestead where he was born. His despair drove him to political radicalism and the confrontation.

In Missouri, there were 37 suicides among farmers in 1982, 53 in 1983 and probably more in 1984.

At Memphis, MO, Bill Shoop and his wife Donna—$1.1 million in debt and hanging on by a thread to 615 acres, down from 3,000 acres a few years ago—eased their heartache by reaching out to neighbors. In the nine months since they opened a counseling office, they have helped 174 farmers.

The Shoops, from personal experience, develop bankruptcy filing strategies and encourage taciturn farmers to talk about their grief. To help them "realize it wasn't their fault," said Mrs. Shoop, a nurturer by nature.

But she acknowledges an implied threat of violence when she predicts failed farmers in northeast Missouri will let their livestock and their machinery go, but they will not leave the land.

Shades of the Great Depression.

While no one knows how many farmers will go out of business in the next few years, an educated guess is 200,000—about one-third of medium-sized farmers who gross $50,000 to $500,000 a year. One expert says 35,000 to 100,000 farmers could be forced out of business this spring if they cannot get financing to plant this year's crops.

Money is tight because rural bankers, made wealthy by farmers in the 70s, feel they have no option but to reduce unprofitable farm loans in their portfolios. Those loans made in the 70s were based on outmoded banking practices of loaning money on the basis of collateral instead of cash flow.

For farmers who have lost money for years, does it really make any sense for their bank to lend them money so they can lose it on their 1985 crop as well? said one banker. From our point of view what is going on in agriculture is like playing Russian roulette with a full load.

American farmers have borrowed $212 billion against assets approaching a value of $1 trillion. Neil Harl, an Iowa State University economist and expert on the problem, estimates farmers with unstable finances owe $140 billion of that debt.

If they go under, land and equipment will flood already depressed markets, reduce equity and raise interest rates for more financially secure farmers.

In regions hit hardest by the farm debt crisis, land values have fallen by as much as 40 percent. Harl estimates farm assets have declined $200 billion this decade—twice the government estimate.

We appear to be on the verge of pushing four to five times as much land on the market as those markets have handled in good times, Harl warned.

Harl and colleagues at Iowa State are just beginning to study the impact of the farm debt crisis on the overall economy—banks, small businesses, schools and hospitals hurt by falling property tax receipts and the nation's agribusiness complex, which employs 23 million Americans.

Harl was involved in a survey this spring—conducted by the farm journal magazine, Iowa State and the University of Missouri—that found 42 percent of commercial farmers in 12 central states are under moderate to severe financial stress.

"The rest of the country is a year behind," he said.

Harl remembers the great depression, when his father had $100 to make it through the winter of 1936 and plant the spring crop. Yet the problem he has studied nearly a year is not the same.

Farms in trouble today are not the small homesteads acclaimed in American mythology. Rather, they are good-sized family-run businesses. Their cash transactions are crucial to their neighbors' livelihoods. They are aggressive risk takers who responded to a call a decade ago for America to feed the world.

The mid-1970's seemed so promising. The American farmer thrived on cheap energy, cheap capital and high farm exports. But now these farmers are in the wrong place at the wrong time, mired in a transition from the boom of the 1970's to the deflationary 1980's.

When interest rates were low and predictable, some farmers expanded by borrowing against the rising value of their land. But when rates skyrocketed late in this decade, interest payments started eating an increasing share of receipts from crop and livestock sales.

Farmers found agriculture is not profitable enough to sustain interest rates of 15 percent, much less peaks of 21 percent. The high interest rates translated into annual operating losses, which eroded equity built up in the 70's.

Paying interest on total U.S. farm debt—supposing interest rates of 12 percent—costs $25 billion a year, equal to the value of U.S. corn, sorghum, oats and barley crops last year.

The average farmer in Minnesota has lost $57,000 in equity in three years. The Federal Reserve Bank of Minnesota found one-third of its banks cannot justify loans to half or more of their borrowers.

Some 6,700 of the Farmers Home Administration's 273,000 clients bowed out of farming last year and the agency restricted debts for 33,000 borrowers.

The agency owns 629,000 acres of land, or about 2,000 farms that it foreclosed on and upon which it now collects rent, sometimes from former owners. It is under orders not to sell any land in Iowa, Minnesota, Missouri, Kansas, Illinois, Nebraska, North Dakota, South Dakota or Wisconsin—for fear of depressing land prices further.

If 16,700 prime candidates for failure—who already have had some official action taken against them—go under, FmHA could end up owning 5 million acres.

The farm credit system, a federally chartered, farmer-owned lending group that holds 32 percent of total farm debt, lost $368 million in 1984. System banks across the nation had to absorb losses from the northwest, where eight of its "banks," called production credit associations, have gone under.

Last year 79 commercial banks failed, the most since the depression. Of 40 banks that failed after mid-June, 22 were agricultural banks—even though they make up only one-third of the nation's 14,700 banks.

In the recent recession, American industry adjusted to excess capacity by shutting down plants. American agriculture is now faced with the same kind of excess.

The 1970s mythology advertised the American farmer as the world's most efficient. That assessment, however, described the farmer only in terms of labor efficiency and was contingent on cheap energy and capital.

Only 2.5 percent of Americans are farmers. They produce most of the food consumed by Americans on just two-thirds of U.S. cropland and ship the rest abroad. But political and economic forces that sent energy and capital costs soaring reduced that efficiency.

The farmer's dilemma is comparable to that of developing nations, which borrowed vast sums in the 1970s from international lending agencies and western banks awash in oil revenues and eager to lend.

When high interest rates and a strong dollar shoved some nations close to default in the 1980s, the United States, other western governments and international institutions helped refinance the staggering debts to give the developing nations time to adjust to the new economic realities.

American banks had lent especially heavily to Latin America, and big banks brought in hundreds of smaller institutions to share the load. When the foreign debt crisis loomed in late 1982, smaller banks tried to jump ship, but the Federal Reserve pressured them to say on.

For American farmers, the story is different.

There has been only a limited rescheduling effort and no pressure on banks to stick with agriculture, and their withdrawal of capital is exacerbating this spring's farm credit crunch.

The difference, according to Ray Goldberg, agribusiness professor at Harvard Business School, is that foreign debts could have brought down major banks. Farm debt will not. "When the going got rough, the commercial banks left the farmer," he said.

Harl said the $140 billion in unstable farm debt is equal to "one and one-half Mexicos, three and one-half Argentinas." And it is three and one-half times the money at stake when the government stepped in to help Continental Illinois Bank avoid bankruptcy.

Even small banks are retrenching. The problem poses a dilemma for South Dakota State Sen. Roger McKellips, a rural banker who got his State's entire 105-member legislature to travel to Washington to lobby for more farm aid.

"Nobody wants to finance an industry that's losing money year after year," McKellips said. To calm bankers' nerves, the Reagan administration announced a restructuring effort last September and modified it in February.

The administration plan offers Federal guarantees for farm loans if lenders agree to shave principal or interest by 10 percent. The interest option was added in February after banks found reducing loan principal unworkable. Only $25 million of $650 million in guarantees were used from September to January.

The plan also offers to set aside up to 25 percent of principal on farmers home debt for up to five years.

Harl said it should help farmers with debts of $40 to $70 for every $100 in assets. But some 70,000 farmers with debt-to-asset ratios of more than 70 percent will not be helped.

For the short term, Harl supports infusing cash into rural America by giving farmers half of their price support loans in the spring rather than all of it in the fall, as is the current practice.

"But," he said, "it doesn't help the long-term equilibrium."

THERE WAS NO ANSWER

HALSTEAD, KS.—Jim Siemens bought land in the 1970s when land prices were high and rising. Interest rates were near their peak, but loan money was easy to come by.

Since then, land prices have dropped 25 to 30 percent, undercutting Siemens' net worth and giving him less collateral against which to borrow. He could not continue to pay 18 and 19 percent interest on his debt.

He was forced to give up almost all of his 2,500 acres. He still works 300 acres, but has

gone to work full time for the county to support his family.

"I had expanded an awful lot in the 1970s in the boom years when there were high wheat prices, high commodity prices and easy money," he said. "It was all supposed to come together and start showing a profit in the 1980s.

"But 1980 was the year we had heat. Even our irrigated corn dried up. I had wheat failures three years in a row—'80, '81 and '82.

"It was a situation where all you thought of was your debt, the first thing when you woke up in the morning, and the last thing you thought of at night, and there was no answer."

AN AMERICAN DREAM PLOWED UNDER—PART 2: THE BOOM GOES BUST

(By Sonja Hillgren)

(Editor's note: In the 1970s, the Soviet Union bought American grain, land value surged, and farmers responded by buying land and producing more. The economic forces that brought prosperity then changed. The history of the farm debt crisis has more to do with geopolitics than rainfall. In the second part of her three-part series, UPI farm editor Sonja Hillgren looks at conditions that brought mid-sized farmers to the verge of extinction.)

Berkley Bedell is fuming over the apathy he meets as he tries to explain the farm crisis ravaging his northeast Iowa congressional district.

"There's a consensus in my area that we're going to have a complete collapse in six to eight months," he told an administration official appearing before a House subcommittee.

Frank Naylor, Under Secretary of Agriculture in charge of farm lending, responded to the warnings of Bedell, a Democrat, and other Congressmen in a monotone: "The situation will be before us and past us in the next 60 days."

But the farm debt crisis took almost 15 years to unfold—its origins rooted in geopolitics, international economies and deregulation.

In the early 1970s, the Soviets made a decision that still ripples through every farmstead and small town in America. Instead of slaughtering livestock in drought years, they would import grain to keep herds intact.

Beginning in 1972, Russian traders cleaned out American grain bins. Commodity prices shot up and farmers responded by producing more grain than anyone dreamed possible. Drought in 1974, along with increased Soviet demand, further pushed up prices—and led to fears of world food scarcity that convinced many farmers prices would keep climbing.

Between 1972 and 1982, U.S. corn production soared by nearly 50 percent.

Not only the Soviets, but people throughout the world who yearned for and could now afford better diets developed an insatiable taste for American farm products.

The value of U.S. agricultural exports rose 530 percent from 1972 to 1981. Agricultural lenders said American farmers could triple their exports beyond the heavy levels achieved as the 1980s got underway.

But agricultural leaders did not grasp that world economics had been as important as the sweat of American farmers in achieving export success.

On Aug. 15, 1971, President Nixon devalued the dollar by severing its tie with gold. As the dollar became cheaper compared to other currencies, products like corn, wheat and soybeans became better bargains for nations able to borrow billions of dollars of newly created oil money.

In October 1973, with the world at the height of its oil dependency, another Arab-Israeli war broke out and arab oil-producing nations imposed a ban on oil exports to the United States. The ban was lifted March 18, 1974, but only after oil prices rose sharply, exacerbating inflation that seized the American economy.

The sharp rise in oil prices began to run up the cost of producing corps. The increase, however, was obscured by the boom in land value and high commodity prices.

Just as many in the city sought profits from escalating real estate prices, farmers found moderate loan interest rates made expansion attractive.

If farmers failed to make money at year's end, they borrowed more with their land as equity. It seemed risk-free because land value, bolstered by federal price supports, had increased steadily since prices hit bottom in the great depression.

Land purchases were especially attractive for investors with high cash flow seeking tax shelters or farmers with town jobs or other outside income. But the mediun-sized farmer did not have the cash flow to manipulate the crazy quilt of tax laws.

Even though the rules of agriculture were changing rapidly, bankers continued a half-century practice of lending based on farmers' balance sheets—their net worth—rather than on strict profits and losses.

And agricultural universities taught farmers more about producing crops and livestock than about high finance and marketing—skills they lacked when the economics of agriculture changed almost overnight. Energy and capital were no longer cheap.

Problems first surfaced in the late 1970s in marginal, often irrigated farming areas.

Dusty soils of west Texas, western Kansas and Colorado were fertile for recruits to the American agriculture movement, organized in late 1977 to press for higher farm prices. Believing, perhaps naively, that they were on a crusade to save America, they drove their tractors past frozen fields into Washington in February 1979.

Their timing was awful.

Urban Americans failed to grasp what people driving enclosed, air-conditioned tractors could be protesting. Agriculture Secretary Bob Bergland hinted they were greedy, and that year turned out to be the last profitable one for American agriculture as a whole.

In the 1980s, the problem spread to the richer agricultural soils fed by more rainfall.

Wayne McDonald, farming for 39 years near Clemans, Iowa, had a net worth of $1.37 million four years ago. But that has fallen to $249,000 due to declines in land values.

His son, Steven, 25, started farming in 1979 with $10,000. He bought 80 acres and rented another 320, but now is about out of business.

He is going to have a sale (of equipment and land) the first part of March, McDonald said. "Farming's all he's ever wanted to do."

Just as events of the early 1970s created a farm boom, every major economic development turned against it in the late 70s.

If American agriculture were a boxer, it would have been a welterweight between World War II and the 1970s. But it became a global heavyweight in the last decade by drinking oil for breakfast, eating expensive technology for lunch and gobbling borrowed cash for dinner.

Bank deregulation delivered the first tough punch to agriculture.

Before 1979, rural banks were relatively isolated from cyclical swings in the cost of money even when interest rates rose and fell sharply in national money markets in 1969-70 and in 1973-74.

The Government enforced fixed ceilings on the interest banks paid to local depositors. They were able to loan those funds to farmers at low interest.

But in 1978, banks were permitted to issue six-month money market certificates. To complete for money, rural banks had to pay depositors higher interest rates. They were then forced to charge higher interest to farmers.

In November 1979, Iran, under the Ayatollah Khomeini, not only took Americans hostage but also delivered another blow to energy-dependent agriculture.

Iran's slowdown in oil production created gas lines, delivered the second oil shock of the decade to the world economy and left energy prices so high that farmers' profits were eroded or eliminated.

Inflation and speculative economic activity threatened to overtake the world economy. The Federal Reserve Board, led by iron-willed Paul Volcker, decided in October 1979 to bring inflation under control.

Then Congress enacted the Economic Recovery Tax Act of 1981 and President Reagan began increasing defense spending. Mind-boggling deficits became a fixture.

Inflation was down, but the U.S. Treasury sucked in borrowed money from abroad and from the domestic economy to finance the deficit, reducing the pool of lendable money and keeping interest rates high.

Smart foreign money flew to the United States to take advantage of profits from high interest rates, boosting the value of the dollar.

Exports, including farm commodities, were saddled with a hidden 30 percent surtax—the cost of selling to nations with currency cheaper than the American dollar.

The volume of U.S. farm exports tumbled 12 percent from 1980 to 1984.

A lot of people—including Reagan, campaigning in both 1980 and 1984—blamed agriculture's troubles on Jimmy Carter's partial grain embargo against the Soviet Union in 1980. But farm exports set a record that year as Americans picked up new business from China and Mexico.

Vehement feelings over the embargo obscured what actually occurred. And rhetoric left over from a half-century of stormy fights over price support levels kept almost everyone from facing the issues.

John Block, a West Point graduate and personification of a successful farmer, with his father increased the size of his Illinois farm tenfold. He came to Washington to exalt agriculture and to get the embargo lifted.

He encouraged farmers to keep producing and said the solution to the poor farm economy was to fight for foreign markets.

As conditions worsened he increased his use of battle terminology, saying there would be "casualties" of tough times but they would be fewer if "we go on the attack." He said Americans would fight unfair foreign trade practices, budget deficits, the looming farm debt crisis—"anything in the way of farm prosperity."

Then, as the debt crisis worsened in late 1982, Block and his deputies moved to reduce surpluses and get supply back in line with demand.

Block introduced the Payment-In-Kind Program, turning over surplus crops to farmers who cut production and initiating the largest acreage cutback in history.

When the dust settled, 51 farmers had received payments worth more than $1 million each. Farm program costs hit a peak of $18.9 billion in 1983—six times the 1970's level—and taxpayers gave away $9 billion in commodities.

Specific farm debt refinancing at that point might have helpted the farmers in most desperate trouble—the few hundred thousand who today threaten the underpinnings of the entire industry.

But Block stuck to his belief that supply and demand and the free market would solve the problem.

Bob Bergland, who preceded Block as Agriculture Secretary, farmed in northern Minnesota and honed his political skills in the Minnesota Farmers Union—part of a national group that believes in the family farm with religious fervor.

Bergland's legacy as Agriculture Secretary was a massive report on the structure of agriculture. Economists proved that Bergland had preached for years: a farm large enough for one well-trained farmer and his family to run with modern technology—the kind of farm now in trouble—is the most efficient way to produce food and fiber.

The family charges American consumers and foreign customers no overtime for staying up all night or working all weekend to harvest a crop or to care for livestock.

But in the current crisis, some of the most efficient farmers are in deep trouble. Unlike developing countries in debt, they have had little help in adjusting to increases in energy and capital costs.

IT DIDN'T CASH FLOW ANY MORE

RUTLAND, IA.—In 1978-79, Alan Pedersen, 32, his 25-year-old brother Gary and their parents expanded their farm to 1,500 acres, paying $1,900 an acre. The parents cosigned the sons' mortgages.

When the value of the land rose to $3,000 an acre a couple years later, they thought they had a bargain. But by 1981-82, the interest rate on their loan had risen to 15.5 percent and it didn't cash flow anymore.

The family tried to increase crop yields with fertilizer, which had doubled in price since 1979. Last November the cycle ended in bankruptcy. Today they can't sell their land at any price because there is no financing for any buyer of farm land.

The Pedersens expanded when most lenders were pouring out money based on the inflated value of a farmer's real estate and machinery. Bankers began demanding cash-flow statements only after the farm economy weakened.

The Pedersens realized 2 years ago that they needed to refinance. But if farmers asked for help at that time, he said, lenders thought you were a poor manager.

The Reagan administration responded to deteriorating conditions with the payment-in-kind program, giving farmers crops if they cut acreage.

It got Pedersen through another year, but it only masked the debt problem.

The Pedersens will farm at least 1 more year—with the owner of the local grain storage elevator financing their planting costs at 18 percent interest.

"I don't sleep at night, worrying about it," Pedersen said.

AN AMERICAN DREAM PLOWED UNDER—PART THREE: HARD CHOICES

(By Sonja Hillgren)

(EDITOR'S NOTE: The idyllic notion of the American farmer is gone, replaced by the more realistic image of a tough businessman, skilled in politics and conversant in high economic theory. And now more than ever, he is a protester as well. In the third part of her three-part series on the farm debt crisis, UPI farm editor Sonja Hillgren looks at what the future may hold for the farmer in trouble.)

United Auto Workers from the troubled farm implement industry joined arms with farmers to stop a farm auction in Chariton, Iowa; while outside Chicago commodity exchanges farmers protested commodity speculators.

Across the Midwest farmers are planting crosses in memory of neighbors forced out of business. Even Hollywood stepped in with "Country," "The River" and "Places In the Heart," three sympathetic movies about beleaguered farmers.

In Wisconsin, growers protested loan delays by the Farmers Home Administration while in Washington their representative warned: "There's a volcano ready to explode out there."

A rally at Sioux City, Iowa, drew 4,000 people. At Pierre, S.D., there were 5,000 and 10,000 gathered at St. Paul.

An activist group called "Rural America" changed its name to "Prairie Fire."

Agriculture Secretary John Block said he does not begrudge the demonstrators.

"They are making their pain known to the country," he said.

Typical of the problem is the case of Steve and Karen Hull of Bloomfield, Iowa, who bought their land for $40 an acre in 1965. At its peak, it was worth $800 or $900. Now they don't know what it's worth.

Their debts got so high the Farmers Home Administration moved to repossess their machinery. About 80 people gathered to protest and planted a dozen crosses in their driveway to greet the repossessors.

They failed to show up.

"We aren't giving up on farming," Mrs. Hull said. "That's our life."

A half-century ago, the Government responded to a farm crisis with a system guaranteeing minimum prices and restricting production. Today, relying on those old answers alone could aggravate the problem—but doing nothing could be worse.

Economists are arguing for a new course—a restructuring of farm debt similar to the help provided by the West to debt-ridden nations. If the administration does not respond with a plan more dramatic than one already implemented, experts say the debt crisis could overwhelm Block's goal of keeping American agriculture competitive in world markets by reducing price supports. He wants the transition to occur in 5 years, but even his allies in the American Farm Bureau Federation say the transition period must be stretched out.

High production costs, interest rates and sluggish exports have reduced profitability for most of agriculture. Yet only a specific group is facing an immediate crunch.

"This discrepancy handicaps political action," said Harold Breimyer, University of Missouri economist.

In the 1930's, small farms were the rule, economic distress was widely shared and one in four Americans lived on farms. At the peak in 1935, there were 6.8 million farmers.

For the next half century, the number of farms declined in good years and bad as agriculture modernized and poor managers where weeded out.

Now there are 2.3 million farms. Of those, about 200,000 mostly medium-sized farmers, who do $50,000 to $500,000 worth of business a year, are in the greatest trouble. Some people view today's problems as a continuation of the same culling process.

Budget Director David Stockman questioned whether Government should "refinance bad bebts willingly incurred by consenting adults who went out and bought farmland when the price was going up because they could get rich."

Stockman also said more growers will be forced out of business because that "is the way a dynamic economy works."

Stockman grew up on a farm near St. Joseph, Mich. His mother, Carol, responded by saying her son probably doesn't realize that young people cannot afford to begin farming anymore.

"When I looked at our books last week and found out how much money we lost, I was awed," she said.

Advocates of more help concede farmers will continue to fail, but argue that the current frantic pace must be moderated to prevent economic disruption.

Neil Harl, an Iowa State University professor and leading expert on the farm crisis, said some myths need to be debunked.

One is that troubled farmers are bad managers, another is that only high rollers are in trouble and that troubled farmers were speculating in land.

Harl said farmers who incurred little debt in the 1970's frequently criticize their neighbors. Some of the critics did their borrowing in the 1950's and 1960's, when they were amply rewarded.

But many of the troubled farmers are the entrepreneurs, the risk-takers who believe in an America personified by Ronald Reagan. "We are really cutting into some of the very best managers," Harl said.

Farmers who bought land in the 1970's based their decisions on 40 years of history of rising land values.

LAND VALUES

Farmers in their 30's and 40's, who came of age in the 1970's and wanted to repeat the growth successes of their fathers, have the most to lose.

St Harl. Some young farmers will take their families down with them because their fathers expanded to bring them into the family business.

Farmers warn of corporations taking over American farms and raising food prices. However, when corporations took over the poultry and vegetable businesses, consumer prices fell.

But most farming is too risky and has too little profit to sustain corporate shareholders or layers of management, and requires instant decisions that corporations are too sluggish to make.

Agriculture Secretary John Block said it best: "The family farm will not beome extinct. There will be fewer and they may be slightly larger, but corporations are not going to take over."

But if farmers need not fear corporations, they need to keep an eye on resurging "gentlemen farmers:" lawyers, doctors, bigger farmers and other speculators who can take advantage of generous tax shelters.

Some farmers who lose their land become renters. There is already separation of land ownership from stewardship. The care with which good farmers maintain their soil to

keep it from eroding would decline with expanded non-owner farming. The next generation of farmer-employees is not likely to stay up all night with the hogs and harvest crops around the clock.

Quality of life in small towns and jobs for city cousins also are at stake.

University of Missouri sociologist Bill Heffernan said studies show Americans prefer life in small towns. A migration to rural areas began in the 1970's, reversing a trend that started in the depression.

Small towns must evolve, but if they are dealt too tough a blow by loss of wealth in rural America translating into lower tax receipts, options for all rural Americans, but not just farmers, will narrow.

The first in-town businesses to go under are the farm supply dealers, who provide credit without requiring collateral. When farm bankruptcy occurs, banks are paid off in part. Suppliers often get nothing.

In Plainview, Texas, Carl Tillerson ran an International Harvester dealership closed his doors last summer after 13 years, blaming high interest rates.

"Sales were great until 1981, then it died," he said.

This year Tenneco bought ailing International Harvester to merge it with its J.I. Case implement division.

National sales of tractors, planters and other farm equipment dropped 48 percent from a 1979 record of $14.3 billion and 37,600 jobs were lost. In 1979, farmers paid $5.6 billion for farm buildings—crop and machinery storage, silos, livestock confinement. As those purchases fell 43 percent, 30,000 manufacturing jobs were lost.

To ease the debt crisis, Carl proposes creating a new Government entity, the "Agricultural Credit Corp.," to assume and stretch out farm debts the bankers can no longer hold. Farmers would make payments to the corporation, as they try to struggle with ways to restore profitability to their operations.

The corporation—with a life of 4 years and financed by the Government, States and banks—would slow down the amount of land coming onto the market to protect solvent farmers.

In effect, the farmers would get the same kind of breathing room the Government gave to Chrysler Corp. with loan guarantees.

Chryler Chairman Lee Iacocca responded at the time to free-market pruists who fear government bailouts set a bad precedent.

When people complained about the precedent of $1.5 billion in loan guarantees for Chrysler, he said, the Government had more than $400 billion in loan guarantees on the books. And, he noted, Chrylser recovered and repaid the money early.

Easing the shock of the structural readjustment could give agriculture time to reduce dependence on energy and capital—which currently threatens to make American farmers uncompetitive abroad.

Marty Strange of the Center for Rural Affairs in Nebraska said, "We should seek ways to help American Agriculture scale down gracefully, preserving widespread ownership of productive resources and giving people a chance to start over."

As protests mount and troubled farmers lobby Congress, pressure will build for higher price supports even as President Reagan promotes legislation for lower supports to bring farm prices in line with those of other nations.

But even bankers who believe U.S. farm prices must be more competitive worry about the consequences of forcing the transition too quickly.

"How fast can we allow this transition to occur without destroying the rural community?" said John Harling, chief executive of the Farm Credit Banks of Omaha, Neb.

Economists who seek debt restructuring say it would allow the mid-sized farmers to survive while changing to lower fuel use, conservation tillage and scaled-down debt that will make them more competitive in the world.

Some farmers are suspicious of international forces that dealt so many blows to their way of life. So they advocate higher price supports and possibly allotments that limit who can grow how much of a crop.

But U.S. farmers cannot price their crops out of world markets and return to an agriculture that served only Americans.

Exports are necessary because U.S. population growth is relatively stable, so domestic demand for food also is relatively stable.

But American land is so bountiful that one-third of cropland would have to be idled if the United States withdrew from international markets.

Another scenario, high prices supports and heavy subsidies of exports following the example of the European Community, would be politically unacceptable for an administration and Congress grasping for ways to trim the deficit.

Before long, the United States would be putting up trade barriers to keep out Brazilian soybeans or Argentine wheat. High price supports would prop up the current overdependence on capital and energy.

Democratic leaders, like former Agriculture Secretaries Bob Bergland and Orville Freeman, say prices should remain competitive abroad and medium-sized farmers should be given special subsidies unrelated to community prices.

Or Government can rent the most erodible land, putting it into conservation reserves planted in trees or grass.

The administration's proposals to phase down subsidies have added to gloom in rural America.

Senator Lloyd Bentsen, D-Texas, said a Texas banker told him the Reagan plan would force him to liquidate his farm loans.

The banker said "his farmers were barely making it at current prices, and that he had a fiduciary duty to his depositors and his stockholders that would not allow him to throw away money on loans that could not be repaid."

Lower prices would provide too little income for farmers shouldering heavy debts and paying high production costs.

Block has an admirable long-term objective: To keep American agriculture—the Nation's No. 1 industry—from losing its international competitiveness and going the way of the shoe manufacturers, textile mills and steel mills.

"If there's a silver lining to this whole thing," said Block, "It's that once asset values have stabilized, we will be working from a lower base and will be more competitive in trade.

"Maybe then, young people who want to go into farming will be able to buy some land and generate a profit. Five years ago, someone just starting out didn't stand much of a chance of making it."

CITY WOULD JEOPARDIZE SENSITIVE NEGOTIATIONS TO GET FINANCING

He owes no mortgage on his land, which has sustained his family for four generations. He last bought a new tractor in 1979.

But he has a large operating debt, borrowed in 1979 at 9 percent interest. Interest rates on the debt began to climb in the 1980's and once reached 18.5 percent, settling down now at 14.5 percent.

We could probably make it at 10 percent, said his wife, close to tears.

To his surprise, his banker told him to go elsewhere for financing to plant this year's crop. His wife said rumors are that management of the financially weakened bank has decided to unload all agricultural loans within 6 months.

So the farmer is searching for new financing—an opportunity to convert his short-term loan to a mortgage on his debt-free land.

Even a farmers home administration official turned him down, with a nasty lecture, implying he was a poor manager.

"If a person took literally what that man said, he would go home and kill himself," he said.

Mr. BURDICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR HARKIN

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa is recognized for not to exceed 15 minutes.

Mr. HARKIN. I thank the Chair.

THE CRISIS IN AGRICULTURE

Mr. HARKIN. Mr. President, I asked for a special order to talk about the continuing plight of agriculture in this country and to put the issue of our agricultural problems in a somewhat different light from what has been done previously.

As I see it, representing a rural State which is heavily dependent on agriculture, and traveling throughout the United States and watching how this country is moving ahead economically, and yet looking at agriculture, something is wrong. Something is wrong in our country; something is out of balance.

Wall Street has never been more profitable. The stock market goes up, investors are making money, but agriculture is dying. Investment banking is booming and they are making money; yet, agriculture is dying. Unemployment is down and more people are working in this country; yet, agriculture is dying.

Mergers and acquisitions are going on at a tremendous pace, a 50-percent increase over just a couple of years ago. More and more corporations are bidding up the price of stock. Yet, agriculture is dying.

New yachts, luxury homes in the mountains or by the ocean, and expen-

sive cars are being sold at an increasing pace. Yet, agriculture is dying. Salaries and fees have never been higher. Yet, agriculture is dying.

So, something is wrong, terribly wrong; and unless we do something, the whole structure of America is going to come down.

We have seen this happen before in our society. It happened in the late 1800's, but it did not happen during the Depression. During the Depression, everyone was in trouble. Business was in trouble, manufacturing was in trouble, Wall Street obviously was in trouble, and so was agriculture. But we were all in the same pot. However, now we see the country moving ahead on different fronts, and yet we see agriculture being cut off and dying.

I know that many people in this country think of agriculture as just those farmers out there. A lot of times we hear about so-called family farming. But agriculture makes up 23 percent of our gross national product. I believe that what we are doing is cutting the roots of our economy and of our society by not paying adequate attention to what is happening in the structure of American agriculture.

As I said, this has happened before, and it happened when we had an attitude in our country that somehow the farmers of America could be left to the unfettered winds of laissez-faire capitalism, that somehow there was a free market out there to ensure that the marketplace would take care of the supply-and-demand function of agriculture. It never worked in the past, and it will not work today. It will not work because of the unique features of agriculture. I have often said that the very strength of our farmers is their weakness. Their strength is in their independence, the fact that they stand alone, sometimes against the elements of nature, sometimes against the elements of government, sometimes against the elements of concentrated purchasing or selling by those supply or buy from the farmers.

Yet that independence is also part of their weakness because standing alone out there they do not have the kind of cohesiveness that it takes to ensure that supply in fact meets demand.

I think we have to face that fact, that we do have the capability of supplying more food and food products in the world today than there is a demand for.

I know that is a hard thing to understand when we see pictures of starving people in Ethiopia and childen going hungry, and we read reports that there is indeed hunger in America today. I am going to talk more about that later when I talk about the nomination of Ed Meese to be Attorney General.

It is hard to conceptualize that in fact we have an oversupply of food, but that is true, and we have the capability not only in this country, but around the world, to grow even more.

So what is the answer? Is the answer then just to grow more and to say, "Well, we will let our farmers take what will happen?" Or is it to recongize that a strong and healthy rural America with many people owning their own land and living on it and working on it is an integral part of our civilization and an integral part of our way of life and an integral part of our democracy or our Republic?

That is what we have to recognize.

The Jeffersonian concept of many people owning their land, living on it, working on it, was thought to be the basis of a strong and healthy democracy. It still is today.

Yet, the way we are proceeding in this country is carving out those family farmers; we are going more and more to the larger landowners, people who own large hunks of land.

It is almost like we have turned the clock back to a feudal society, few people owning many acres of land with serfs, people who rent it, living on that land and working on it.

It is not what I believe America should become. I do not believe that is the wave of the future.

They are fighting revolutions in Latin America today because too few people own too much land. Yet is that what we are progressing toward? I hope not.

I hope we recognize that agriculture, small towns in America, our family farm system is indeed an integral, a necessary part of our American civilization.

Well then, what we have to recognize, contrary to what Secretary Block has said, is that there really is no free market out there. There really is not.

We can preach it, talk about it at all the after dinner meetings. I know it sounds nice and we all like to think about the free market, and to the extent that merchants and manufacturers can openly compete in a marketplace I, too, strongly support the free market approach.

But when farmers are asked to compete against the combined governments of all the European countries, asked to compete against the Government of Canada, asked to compete against the Government of Argentina, Brazil, or Japan, than no longer is there a free market out there. We have to recognize that salient fact.

We also have to recognize that while we had a window open to us in the 1970's to export and to export almost anything that we could grow, that window is being closed. And why is it being closed? Because other countries saw the increased demand for world foodstuffs, and they began to take land and put it into production. It happened in Argentina. It happened in Brazil.

For example 10 years ago Brazil raised very few soybeans. Yet last year, for the first time in history, Brazil exported more soybean meal to Japan than the United States did.

Argentina, never a big producer of corn, is now a net exporter of corn.

The European countries—now, let me tell you, if someone had told me this 2 years ago, 3 years ago, I would have said it absolutely cannot happen. But last year France became an exporter of wheat. Amazing. I never thought it could ever be possible, but they did it. And we have a glut of wheat in this country. We raise more wheat than we know what to do with.

Argentina, Australia, and many other countries saw that marketplace there, they rushed in, not in a free market concept but with government subsidies—big strong government subsidies to underpin their agricultural system.

Secretary Block talks about the free market pricing. He wants to drive the prices of our commodities down, as he says, to world market clearing prices. But what is the world market clearing price, for example, of a bushel of corn? A bushel of corn in Chicago I think last week or yesterday probably sold for about $2.50 a bushel, give or take a few cents. Yet that same bushel of corn in Great Britain cost over $5; in Spain it probably cost about $6.

So what is the world market price of a bushel of corn? Is it $2.50 or $5 or $6? No one can say.

So we have to disabuse ourselves of the idea that there is some world market clearing price out there. Those governments are going to underpin their agriculture because for them it is a commitment to keep their farmers on their land and they are going to do it.

Closer at home, look what happened with the Canadian Government. Now, again, my hog farmers in Iowa and around the country in classical free market economics decided to reduce the marketing of hogs in this country, to reduce the supply, to get the demand up, to get the price up. Fine. We all applauded that.

Yet when they did that the Canadian Government stepped in and subsidized their hog farmers both from the national government of Canada and also from the provincial governments of Canada, and last year the government of Canada exported into the United States over 63 million live head of hogs. Four years ago it was under 100,000. So they are moving in to take our markets through subsidized production in that country.

So you cannot ask my farmers or the farmers of America to compete in that kind of a marketplace because there is no free market out there.

Again, we have to recognize that the ability of the world to grow food is

practically unlimited and is going to continue to be unlimited. We saw revolutions in the last half-century: The revolution of going from the horse to a tractor, the revolution of going from open pollinated seeds to hybrids, the use of more and more chemical fertilizers to increase our yields—all wonderful things and all progress that we love. Yet that is going to pale into insignificance compared to the next revolution in agriculture which is right at our doorstep—the use of genetic engineering to increase the yields. Perennial corn is right around the corner. The possibility of nitrogen fixation in corn—all of these wonderful things are coming, I have no doubt about it.

So again we have to ask the question, what kind of society do we want, what kind of rural America do we want, what kind of land ownership do we want, what kind of a farming structure do we want? That is really what is at the basis here.

Recognizing that we and other countries of the world can indeed produce all of the food that is necessary to feed all of the people of this globe, we then have to recognize that we have to keep our supply in line with demand. That is why we need a food supply management program from the Department of Agriculture. And as I see it, what we are now faced with is an ideological block at the Department of Agriculture and at the Office of Management and Budget that believes that the Government should not be involved in managing any part of our economy let alone agriculture.

But again I argue that there is only one entity large enough, big enough, in close enough contact with those individual farmers out there that can effectively have a supply-management program, and that is the Federal Government. Farmers cannot do it themselves. It is because of the very nature of agriculture that they cannot do it themselves.

So really the argument is not over what level of price support; it is not what kind of farm program to have. Really, the argument essentially is over whether we will have a farm program at all, and that really is based upon whether or not we want to have a policy of having farmers living on and owning and working their own land or whether or not we want to go down the road of having larger and larger farms, fewer and fewer people owning our land. That is really what the question is all about.

If we choose that road, the road the OMB and the Secretary of Agriculture and this administration have set us upon, then in my lifetime we are going to see us back to almost a feudal system of land ownership in this country. We will see small towns in America dry up. We will see many, many businesses go broke because of this attitude.

On the other hand, if we choose the other path we can indeed have a healthy rural America, an America that really is economically sound.

And just to close with my special order, Mr. President, there is a lot of talk about, well, what is happening in agriculture is really demanded by the economic marketplace. I just think that is so much hogwash. It really is not, because you can look at agriculture with blinders on and you can say yes, maybe a larger farmer with a bigger tractor or farming several thousand acres of land is in that context more efficient than maybe three or four smaller farmers. But you cannot look at the efficiency with blinders on. You have to look at how it impacts our whole economy, that one might be more efficient in terms of how that crop is raised and how much is spent and how much profit is in that bushel of corn or soybeans or oats, or whatever it might be.

But the impact on our whole society, I would argue, is less efficient. Less efficient, than having a lot of people out there, a lot of farmers out there, in rural America, working on, and owning their own land.

So when we talk about efficiency, let us talk about it in the national context and not just in the narrow confines of agriculture.

Mr. President, I am hopeful that as this year unfolds and we debate what type of farm program we are going to have, I hope we do not forget the past—the past is indeed prologue—because prior to 1949, when we enacted into permanent law the agriculture programs that we have, we were on a path that would have led to calamity. We had in those days a system where we had a lot of food at one time and a shortage at others.

So we enacted into law the farm program to ensure a stable supply of food at a reasonable price for our consumers. And that is what we have had since 1949. Let us not go back to what we had prior to those days.

I hope that as this debate unfolds this year we will recognize that indeed in this country we need a healthy rural America. We need many people owning their own land and living on it and working on it and we do not need to degenerate to a feudal society.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business.

CATHY BROWN IS ELECTED MAYOR OF CLINTON, TN

Mr. SASSER. Mr. President, I want to pay tribute today to the new mayor of Clinton, TN. Mayor Cathy Brown is Clinton's first woman mayor and also the youngest ever elected to fill the post, but as those of us who know her and work with her realize, she would have gained distinction as a local official even without being a "first," or "youngest."

Mayor Brown comes from a longtime, well-known, and well-liked Clinton family. She has proven herself to be a success in several professional careers, and has done an excellent job at building up and maintaining the real estate business she took over from her late father.

In an article recently published in Tennessee Town and City, it is clear that her dedication to both her community and to her business and civic activities is sure to help her along the way toward fulfilling a goal she expresses, and that is: "10 years from now, I would like to hear it said that I was not just the youngest and the first woman mayor, but the best."

I join all of those who respect and admire Mayor Brown in wishing her the best of luck in the pursuit of her goal.

PINCKNEY KEEL SCHOLARSHIP FUND CREATED

Mr. SASSER. Mr. President, I wish to call to the attention of my colleagues the establishment of the Pinckney Keel Academic Scholarship for journalism students at Middle Tennessee State University in Murfreesboro.

This scholarship will enable deserving journalism students at Middle Tennessee State University to pursue a career in print journalism. In receiving this scholarship, I am confident that these students will carry on the tradition of Pinckney Keel who was one of the foremost journalists of the Nashville Banner.

Pinckney Keel worked in every facet of the Nashville Banner's operation. At one time or another, he was a reporter, music critic, assistant city editor, copy desk chief, editor of the weekender section, managing editor, and at the time of his passing, editor of the Nashville Banner forum.

Tennessee journalism suffered a great loss with the passing of Pinckney Keel, but it is fitting that the journalistic ideals he held so dear will be carried on by the many young Tennesseans that will have the good fortune to be recipients of the Pinckney Keel Academic Scholarship.

Mr. President, I ask unanimous consent that the recent announcement of the Pinckney Keel Scholarship which was carried in the February 1985 issue of the Tennessee Press be printed in the RECORD.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

SCHOLARSHIP TO HONOR KEEL

An academic scholarship in memory of the late Pinckney Keel, Nashville Banner Forum Editor, has been established for journalism students at Middle Tennessee State University in Murfreesboro.

Starting next fall, the scholarship will be awarded each semester to selected MTSU students who have completed their sophomore year and have maintained a B average in their studies.

Preference will be given to students from Middle Tennessee who are pursuing careers in print journalism.

The fund honors Mr. Keel, who died April 20 at age 54 after suffering a heart attack in the Newspaper Printing Corp. parking lot. He had worked at the Banner for 26 years, serving in nearly every editorial capacity. He had been a reporter, music critic, assistant city editor, copy desk chief, editor of the Weekender section and managing editor.

Prior to his death, Mr. Keel had worked as a columnist and as editor of the Banner's Forum pages.

His widow, Gloria Keel, said that she chose the scholarship fund because it would be a lasting tribute to her husband. She said he often showed his interest in journalistic education by teaching college classes and conducting writing sessions for fellow staffers at the Banner.

"Pinckney had ink in his blood," Mrs. Keel said, referring to her husband's interest in journalism.

"He wouldn't have been satisfied doing anything else. He liked clear writing. As I read over his editorials, I see that he was a classical writer. It was written as it should be."

Banner Publisher Irby C. Simpkins, Jr. said, "I can't think of anything more appropriate to perpetuate the memory of Pinckney Keel than this scholarship fund."

"Pinckney spent a good part of his life teaching others how to improve their journalistic abilities. This scholarship will continue those efforts and contribute to many careers in the field of journalism," Simpkins said.

Contributions may be sent to the Pinckney Keel Scholarship Fund, Middle Tennessee State University Foundation, Murfreesboro, Tenn., 37132. The contributions are tax deductible.

TRIBUTE TO STATE SENATOR RICHARD SOULE

Mr. LEAHY. Mr. President, I have the sad duty this morning to relay news from Vermont concerning an old and dear friend and his retirement from the Vermont Senate because of illness. Richard C. Soule of Fairfax, who has served in the Vermont Senate with distinction for 15 years, told his colleagues on Tuesday that he would resign. The tributes to this gentleman have been many.

He is a native Vermonter, and he and his wife, Phyllis, raised seven children in this State.

Gov. Madeleine Kunin calls him one of the most outstanding members of the senate.

He has been revered as the "father of education reform in Vermont" by senate president pro tempore Peter Welch.

Senator Soule's decision to resign was not an easy one—he is chairman of the senate education committee, and the growing problems facing elementary and secondary education in Vermont sorely need his mitigating influence, his compassion, and his fairness.

Knowing my old friend's aversion to avoiding any challenge that was within his power to resolve, I also know his illness is grave and that he would rather retire from public life than serve at a fraction less than his full ability.

I give tribute to Dick Soule on the floor of the U.S. Senate today because he is, in truth, one of us. He cares about his country and has dedicated much of his life to serving it.

He is an old and dear friend, and my family and I will be praying for him and wishing him many days of peace and joy still ahead, as he reflects upon a full life of service and accomplishment to his State and his country.

TECHNOLOGY TRANSFER TO THE SOVIET UNION

Mr. THURMOND. Mr. President: I bring to the attention of the Senate an article appearing in the February 21 edition of the Washington Post. The article is titled "Baldrige Warns of Giveaway of Strategic Secrets to Soviets," and provides some very disturbing information about technology transfer.

This form of technology transfer does not result from espionage or illicit sales. Rather, it is a result of declassified scientific and technical materials having significant military applications.

Mr. President, this is an issue requiring prompt congressional review and action. We cannot afford to provide our enemies with the means to destroy us. I have discussed this matter with Secretary Baldrige earlier today, and also have written Senator Goldwater recommending that the Armed Services Committee plan early hearings to get at the roots of this problem.

It is imperative that the United States stem the flow of technical information to the Soviet Union. This article makes reference to an intelligence community study which states that 60 declassified U.S. documents were used by the Soviets to develop their cruise missile technology. Mr. President, this is a very serious matter which threatens the security of our Nation through a continued erosion of our technology lead. I urge all of my colleagues to read this article, and I ask unanimous consent that a copy be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 21, 1985]

BALDRIGE WARNS OF GIVEAWAY OF STRATEGIC SECRETS TO SOVIETS

(By Stuart Auerbach)

The Pentagon and other federal agencies allow military and technical secrets to slip into Soviet hands by failing to check documents before they are automatically declassified, Commerce Secretary Malcolm Baldrige complained in a letter to five top Reagan administration officials.

Baldrige sought help more than a month ago to stop "this massive giveaway program that permits the Soviets to acquire tens of thousands of scientific and technical studies as well as other strategic information," according to a four-page letter made available to The Washington Post.

There was no indication yesterday that Baldrige has received any response from his Jan. 16 letter to Secretary of State George P. Shultz, Defense Secretary Caspar Weinberger, former Energy Secretary Donald P. Hodel, White House National Security Adviser Robert C. McFarlane, and James Beggs, administrator of the National Aeronautics and Space Administration.

Through a spokesman, Baldrige declined to comment on the letter, saying he does not discuss classified matters. In the letter, however, he cited "inadequate" results to his requests since 1982 for cooperation from the Defense and Energy Departments and NASA to protect strategic information.

Baldrige was particularly annoyed by what he considered the easy availability of sensitive documents of the Defense Department, with which the Commerce Department has quarreled repeatedly over the leakage of strategic high-technology products to the East bloc. Among the studies that Baldrige said are available to the Soviets is one called "A Simulation Model of the Army's Command, Control, Communications and Intelligence Process" that was prepared by the Defense Department.

The documents problem developed, Baldrige said, because "previous administrations" opened up vast amounts of government studies "to combat what they perceived to be over-classification" and to allow greater public access to government-financed studies. Although Commerce operates the National Technical Information Service (NTIS), which acts as a clearinghouse to make these documents available to the public, Baldrige said his department lacks the legal authority to stop the declassification process.

"Moscow has unlimited access to all information in NTIS through the All-Union Scientific Research Institute, which is a prominent subscriber to this source of data," the Commerce secretary said.

He blamed the release of military secrets on "the apparent unwillingness to date of the pertinent government agencies" to commit money and personnel, even though the Reagan administration tightened rules to stem "this hemorrhage" of strategically sensitive information.

The Defense Department, for instance, set up an agency to check studies before they are declassified, but its "ability to review the annual volume of documents is limited" because its appropriations are too small for the job, he said.

The issue was first raised in 1982, Baldrige said, and despite efforts by the Commerce Department and intelligence agencies to get help from the Defense and Energy Departments and NASA, "the results to date have been wholly inadequate."

Among the studies available to the Soviets, Baldrige said, were DOD analyses of space weapons, chemical warfare, nuclear weapons, computer security, high technology telecommunications, electronics, computers and lasers, Energy Department analysis of nuclear energy and high intensity physics and NASA analysis of space and rocket technology.

Other studies that were released dealt with the cutting edge of militarily significant technology such as lasers and composite materials used in warheads and jet fighters, Baldrige said. He said government scientists who saw samples of the information in the studies concluded that they are "tremendously beneficial" to the Soviets.

"Taken as a whole, the reports give Moscow new material information to corroborate previous lab work, focus future approaches and eliminate costly trial-and-error processes," Baldrige said the scientists concluded.

As an example, he cited a July study prepared for the U.S. intelligence community that showed Moscow used at least 60 previously classified U.S. documents in developing its cruise missile. Ninety percent of them originated in the Defense Department, with 22 coming out of the NTIS clearinghouse.

"The potential danger to our national security is that through the giveaway program the Soviets have access to studies and strategic information covering much of the same type of technologies and products that the administration is trying to keep out of Soviet hands through the multilateral export control system," Baldrige asserted.

Pentagon officials long have complained over what they consider the poor operation of export controls by the Commerce Department and this year gained more authority over exports after a battle that finally was settled by the president.

The Defense Department, in turn, was blamed by the State Department's former expert on East-West trade, William Root, for allowing strategic high technology products to remain uncontrolled by taking too tough a line for U.S. allies in Cocom, the Paris-based Coordinating Committee for Multilateral Export Controls that decides what can be sold to Soviet-bloc nations.

J.B. NAPIER—TENNESSEE CONSERVATIONIST

Mr. SASSER. Mr. President, I rise to pay tribute to a distinguished constituent, Mr. J.B. Napier, of Columbia, TN. Mr. Napier is concluding four highly successful terms as president of the Tennessee Association of Conservation Districts. He has, in that capacity, given willingly of his time, energy, and considerable talents to the worthy cause of soil and water conservation.

J.B. Napier's influence has been instrumental in the increase in financial investment by State government in Tennessee toward conservation activities. In fiscal year 1982 alone, the State's contribution to the 95 conservation districts approached $3 million.

In July of 1983, under Mr. Napier's leadership, the association of conservation districts sponsored a full week of intensive activities throughout 21 counties in west Tennessee. With the theme, "Resources in Review—Four Years Later," the activities attracted massive public attention to the problems of soil erosion in the area. The concluding banquet in the Jackson Civic Center drew an enthusiastic crowd of more than 1,000 persons.

Mr. Napier also led the TACD in conducting a highly instructive no-till field day in 1983 at the University of Tennessee Agricultural Experiment Station at Milan, TN. More than 5,000 persons from 20 States observed demonstrations of techniques in farming without tilling the land.

That event was followed up by the southeastern no-till systems conference at Milan High School. More than 300 persons attended it.

The Tennessee Association of Conservation Districts and each of its affiliates will sorely miss the wise, energetic, and creative leadership of Mr. J.B. Napier, having enjoyed it since 1980. His work has been invaluable.

ESTONIA INDEPENDENCE DAY

Mr. PRESSLER. Mr. President, today I would like to pay tribute to the people of Estonia. Despite 45 years of Soviet occupation, they stand proud—committed to a free and independent Estonia. February 24 is a special day for Estonians around the world, for it is the 67th anniversary of the declaration of Estonia's independence.

Estonia's history over the last 800 years has been a stormy one. Invasions by foreign armies and subsequent occupations have been frequent. Through it all, the remarkable people have remained steadfastly devoted to freedom and democracy. Nationalism runs high.

At the conclusion of World War I, Estonia gained its independence following a war with the Bolshevik Russians. On September 22, 1921, Estonia became a member of the League of Nations. During this period, human rights were sacred in this northern European country, with minority groups enjoying widespread cultural, religious, and political freedoms.

Then, in 1940, Estonia was overrun by the Soviet Army. Subsequently, this republic was annexed by the Soviet Union—an event made possible by the Hitler-Stalin pact. Since that time, Russian domination has been constant. Between 1939 and 1949, one-third of the Estonian population perished or fled their homeland. The United States has never recognized the incorporation of Estonia into the Soviet Union and every President since Franklin Roosevelt has called for its sovereignty.

Today, the once-vibrant people of Estonia struggle under the yoke of Soviet oppression. Their proud human rights traditions have been crushed. Russification is a major concern, with native Estonians now comprising only 63 percent of the total population, as opposed to 92 percent in 1939. The Soviet Union has consistently used every means possible to debilitate Estonian nationalism.

This illegal domination has gone on far too long, and it is imperative that we condemn it in the strongest possible terms. We must insist that the Estonian people be given the independence that they have been deprived of for 45 years. Most of all, the American people must reassure Estonians both here and abroad that we remain dedicated to their cause and totally support the democratic Estonia for which they continue to work.

BALANCING THE BUDGET IN A CONVENTIONAL WAY

Mr. THURMOND. Mr. President, during the decade, I have watched with interest as the number of State legislatures applying for a budget balancing constitutional convention has grown steadily. Today, 32 States have approved applications for such a convention and only two more are needed to make the convention a reality.

There are many who believe that critical shifts in State legislative bodies that resulted from the November elections will help provide the final two applications in the coming year.

Mr. President, some of my colleagues and others fear that a constitutional convention would be dangerous or that such a convention might wander beyond the consideration of budget balancing proposals into unrelated matters. While I do not share this fear, it has been my hope, and it remains my hope, that Congress will render the States call for a convention unnecessary by submitting its own balanced budget amendment to the States for ratification. I, therefore, intend to aggressively pursue passage of Senate Joint Resolution 13, the proposed "Balanced Budget—Tax Limitation Constitutional Amendment" which I introduced on January 3, 1985. This amendment is identical to the one reported favorably by the Judiciary Committee last year and very similar to the one approved by the Senate during the 97th Congress.

It is my belief, Mr. President, that if Congress does not act swiftly in submitting its proposal to the States, it is going to have to live with an amendment proposed by a constitutional convention—a convention demanded by the great majority of Americans through their State legislatures to address the runaway deficit spending of Congress.

Mr. President, an excellent article on this subject, written by Mr. Milton S. Eisenhower, president emeritus of Johns Hopkins University, recently appeared in the Wall Street Journal. I

ask unanimous consent that it be reprinted in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 17, 1985]

BALANCING THE BUDGET IN A CONVENTIONAL WAY

(By Milton S. Eisenhower)

Potentially critical shifts in the makeup of legislatures in Connecticut and Michigan could provide the 33rd and 34th states necessary to force a constitutional convention to consider a balanced-budget amendment Republicans gained control of both houses in Hartford and made important marginal advances in Lansing. In 32 other states, two short of the required number, legislators—often of both major parties—have already called for such a convention.

The rhetoric opposing such a salutary move is predictable. The argument is made that a constitutional convention, if called for any reason, would automatically pose a threat to our future. Stephen H. Sachs, the attorney general of Maryland, has written that a convention would place "America on the threshold of a reckless experiment that could endanger our constitutional liberties and even alter our form of government."

This extreme nonsense is not upheld by a special committee of the American Bar Association, by numerous other legal authorities and by any common-sense study of the origin and reason for Article V of the Constitution.

Convention calls are a necessary and fundamental part of our system of checks and balances. No thinking citizen should wish to see them become a dead letter. Those who have stirred fears of a convention, playing on emotion rather than logic, are not only attacking the legitimacy of a part of our Constitution, they are also taking direct aim at its basic premise: that ours is a government for and by the people.

There is no reason to believe that delegates to a constitutional assembly would be any less committed to upholding our basic liberties and form of government than our members of Congress. Congressmen have unlimited power to propose a constitutional amendment on any subject at any time. In this sense, the Congress is an unlimited constitutional convention. Yet this has never disturbed anyone. Nothing proposed by the Congress can become part of the Constitution until it is ratified by three-fourths or 38 of the states. The same would be true of anything proposed by a convention called under Article V.

Without an amendment requiring the president and Congress to maintain a balanced budget, with exceptions to meet certain emergencies, our nation faces disaster. In only four years—1980 to 1984—we have added almost 50% to the total debt accumulated from the founding of the U.S. The total is now approaching $2 trillion. Under current policies of both major political parties one can see an acceleration of the deficits. In time, the interest alone on the debt will consume a huge share of revenues from all forms of taxes. That could lead to a repudiation of federal debt. In my view, this is a far greater and more realistic danger than anything that could happen at a constitutional convention called by the states to try to bring about fiscal sanity.

Those who object in general to a state-called convention do not believe in the Constitution as it is now written. If they believe it is wrong and dangerous to permit the states this power, they should say so and propose it be deleted by an amendment proposed by Congress.

The framers of the Constitution recognized that those in power in the federal government might be disinclined to give up unforeseen prerogatives. Today, most congressmen do not want a convention called by the states, for they foresee a threat to their undisciplined spending.

Congress has the power to establish procedures limiting a convention to the single subject matter stated in the applications from the state legislatures. In fact, legislation to do just that passed the Senate Judiciary Committee without dissent in the last session of Congress.

Congress may determine exactly under what condition the delegates to a convention would be chosen, when the election of delegates would be held, where they would meet, how the delegates would be paid and precisely how the convention would be limited to a single topic.

Both opponents and proponents of balancing the budget say that they would wish a convention to be limited to a single subject. Who, then, favors opening a convention to many subjects? And where is their base of popular support? Does anyone seriously believe that delegates chosen for a limited purpose, namely to approve a single constitutional amendment that would be strictly at harmony with the call of their states, would now turn around and propose amendments that went beyond the legal call? Or that 38 states would ratify them?

In addition, Congress today, tomorrow or any time before the 34th state acts could write its own balanced-budget amendment and offer it to the states using the same amendment process we have always used. Just such a precedent exists. For over 20 years, the U.S. Senate resisted popular calls for direct election of senators. As state convention calls neared the required two-thirds, the Senate gave in and an amendment was submitted by Congress to the states.

The "runaway convention" argument is raised by those who do not wish to force an irresponsible Congress (which now threatens our representative form of government) to be restricted, even for the good of the country, even to overcome the peril we now face. Irresponsibility fits the needs of thousands of pressure groups and disregards the vital needs of all the people—the nation itself.

The people should act, have the right to act, and act at once. Past Congresses, the present Congress and several presidents have recklessly handled the federal budget. They will continue in that mood, for they prefer to vote for what will reelect, rather than to vote for what is right. This is precisely the type of self-serving attitude the framers of the Constitution foresaw. Perhaps it is what de Tocqueville meant 150 years ago when he said, "Democracy contains the seeds of its own destruction."

THE BEST MAN FOR A TOUGH JOB

Mr. DOLE. Mr. President, I rise to congratulate Col. John McMerty who has been named Deputy Director of the Air National Guard. Colonel McMerty's record of experience and achievement is truly exceptional. The colonel's previous assignment as Commander of the 184th Tactical Fighter Group in Wichita, KS, is ideal preparation for the position of Deputy Director of the Air National Guard. John McMerty's appointment brings significant credit to himself and to the State of Kansas. I wish him the best of luck in his new job. In addition Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which appeared in the Wichita Eagle Beacon on February 21 praising Colonel McMerty's appointment.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COLONEL MCMERTY MADE A DIFFERENCE

Kansans are proud that one of their own, Col. John F. McMerty, commander of the Kansas Air National Guard at McConnell Air Force Base, soon will be deputy commander of the entire country's 24 Air Guard units. Since coming to Wichita four years ago, Col. McMerty—who will become Brig. Gen. McMerty when he assumes his new command—has transformed not only the 18th Tactical Fighter Group at McConnell, but has galvanized public support for the unit, and for the Air Guard generally.

The personable, outgoing colonel plunged into the battle of the community upon his arrival, and has been a frequent participant in Wichita Area Chamber of Commerce affairs. Despite his high position, he never lost the human touch, and seemed really to care about the welfare of his fellow human beings—a quality badly needed in all professions, perhaps especially in the military.

Col. McMerty has made the 184th, quite simply, one of the most important Air Guard units anywhere, and its status as the world's largest training facility for F-4 pilots makes it one of those units to which military figures on-the-way-up aspire to go. Col. Rowland Smith, who is to succeed Col. McMerty, fits that mold, and should acquit himself well.

Significantly, Dr. Gene Budig, Chancellor of the University of Kansas, also recently was promoted to brigadier general in the Air National Guard. In that capacity, he will serve as assistant to the U.S. Air Force command, in charge of recruiting and training for the Air Force.

These are the sorts of appointments that bring credit to the state as well as to the Air National Guard, which has made such an enormous contribution to Kansas' health, welfare, and security. To have such talents recognized pleases all Kansans, and bespeaks a future of promise for this important component of the country's defensive shield.

STRUGGLES AND HARDSHIPS OF SOVIET JEWS

Mr. WARNER. Mr. President, I would like to take this moment to reflect on the stuggles and hardships endured by the Soviet Jews.

Each year tens of thousands of Soviet Jews have expressed interest in leaving the Soviet Union to seek refuge from Soviet Government oppression.

The Soviet Government has responded by intensifying its condemnation of the Jewish culture and further

restricting the numbers of Jews allowed to emigrate.

In fact, last year the number of Soviet Jews that emigrated was at its lowest in over a decade.

Over 20,000 refuseniks have been denied emigration from the Soviet Union.

Not only have they been denied emigration, they are continually harassed, dismissed from their jobs, expelled from school, and publicy denounced.

Lately, the reported level of physical violence used against the Jews has risen considerably.

The leaders of the Soviet Union have clearly indicated to the world their policy of oppression and systematic persecution toward the Soviet Jews.

In the past year, the Soviet Government has escalated its anti-Semitic activity by denouncing the Soviet Jewish movement as a form of treason.

Arrests in the last 6 months have been at the highest level in 3 years.

All these people want are their fundamental human rights, to be allowed to express their religious and cultural beliefs and the freedom to emigrate.

As a nation founded on the cause of freedom, we are committed to ensure that the dignity and human rights of individuals are not denied.

We must let the Soviet leaders know that we are sincere in our efforts and will continue our vigil for Soviet Jews' human rights.

The Soviet Government has further chosen to ignore the Helsinki accords of 1975 and other international human rights agreements wherein they agreed to respect individual rights to freedom of religion, cultural practices, and emigration.

On behalf of Soviet Jews, we must take every opportunity to decry the Soviet Government's flagrant violations of these agreements.

We must join together to express our concerns for the abuse and mistreatment of the Soviet Jews and urge the leaders of the Soviet Union to honor the Helsinki and other international agreements relating to human rights to allow Soviet Jews the freedom to practice their religious beliefs and the right to emigrate.

GEORGE WILSON, LEGISLATIVE FELLOW

Mr. WARNER. Mr. President, over the past year, I have been extremely fortunate to have had the services of Mr. George Wilson, an engineer for the Department of the Navy, who as a legislative fellow served as a member of my staff.

Mr. Wilson's performance furing the past critical and highly demanding legislative cycle was so outstanding that I wanted to take a few moments to commend him and express my appreciation for his exceptional service and dedicated efforts.

Keenly intelligent, highly dedicated, and with great personal initiative, George Wilson immediately became an invaluable addition to my staff.

Possessing a high degree of intellectual maturity and consistently reliable judgement, his reseach and recommendations were always thorough and complete.

His ability to express his advice and recommendations in a clear and concise manner orally or in writing was invaluable to me in the consideration of the many complex national security issues which demand my attention.

Assisted by only one other fellow, George Wilson did an outstanding job of keeping me prepared and informed during the Senate Armed Services Committee markup of the 1985 defense authorization bill, while still handling the normal daily load of mail, visitors and telephone calls.

Mr. Wilson researched and authored a number of excellent floor statements which I presented during the course of our debates.

He also prepared several floor amendments which I introduced and which were ultimately accepted by the Senate.

In addition to his exceptional knowledge of defense issues, Mr. Wilson became the recognized office authority on Foreign affairs.

I knew that his counsel regarding these matters was always based on solid research and sound, thoroughly considered judgments.

George Wilson's performance during the past critical and highly demanding legislative cycle was truly outstanding.

He continually exceeded my highest expectations in every endeavor.

His achievements are indicative of his outstanding talents and selfless devotion to people.

I am extremely appreciative of George's efforts and accomplishments while he served on my staff.

I am especially grateful also to his wife for her understanding during the turbulent and demanding legislative cycle.

As he returns to his duties with the Department of the Navy, I would like to once again express my sincere appreciation to him for his outstanding service and wish him the very best in all his future endeavors.

COSPONSORSHIP OF S. 374 FUNDING AUTHORIZATION FOR USTTA

Mr. WARNER. Mr. President, until recently, the steady growth in the U.S. economy was attributed to the strength of domestic markets, principal driving forces being in the housing and automobile industries.

But in the seventies, the world economy became truly international in scope, and the momentum and direction of U.S. industry was irreversibly altered.

Foreign countries have seriously challenged U.S. industrial leadership with competitively priced products of comparable quality.

Although American industry is responding with a growing commitment to exports—to generate business receipts and jobs for American workers—the U.S. share of international markets has been notably decreasing.

Since manufactured products are largely responsible for the deepening trade deficits, the services sector of the economy is becoming a most expansive and lucrative segment of international trade.

As cochairman of the Senate Tourism Caucus, the senior Senator from Tennessee [Mr. SASSER] and his colleague from Virginia [Mr. WARNER] view it as our job to make sure that the travel and tourism industry receives both the funding and policy considerations commensurate with its contribution to the services export sector of the U.S. economy.

All of the food, lodging, transportation, and entertainment purchased during a foreign traveler's visit to the United States comprise the tourism export product which produced $14.4 billion, the largest share of $42.8 billion tradeable services receipts generated in 1983.

The tourism export product is unique because it is consumed right here on American soil.

In satisfying all of the needs of foreign visitors, it promotes and distributes valuable commodities produced by the nontourism sectors of our economy.

In other words, tourism works in tandem with, and more importantly, to the benefit of, other export industries.

Take agricultural trade, for instance.

Last year, foreign visitors consumed an amount of beef equal to all of the cattle in Nevada and as many chickens as are raised in California.

Every time a meal is sold to an international visitor, the restaurant profits, the wholesaler profits, and the farmer profits.

We must remind U.S. dairy farmers that the breakfasts international visitors consume each morning during their stay in this country collectively amount to 20 million gallons of milk and 443 million eggs purchased each year.

Or consider the 5.6 million cases of beer and 8.1 million bottles of wine they consume.

International visitors use nearly 4 square miles of aluminum foil and enough toilet paper to encircle the globe 75 times.

Think of the number of American workers kept on the job as a result of these purchases.

Each visitor may return home with only a handful of souvenirs to show as

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tangible exports, but collectively they consume enough link sausages to stretch from Washington, DC to Tokyo.

The products which international visitors consume while here generate 10 times the export revenue for American businesses as the gifts and souvenirs they take home.

In gross revenues, tourism ranks second only behind chemicals when all tradeable services, merchandise, and agricultural exports are considered.

And consider the impact on the U.S. work force.

Tourism provided over three times as many jobs and nearly $759 million more in wages and salaries than chemical exports in 1983.

We must do more than show international visitors our country's highlights and fine hospitality in the hopes that they will return next year or perhaps convince a friend to visit the United States.

Most other countries rely on direct market intervention rather than hope to attract foreign visitors.

Increasing competition from developing and developed nations alike, vie for the benefits of international travel through aggressive marketing efforts.

Despite the fact that foreign governments support the tourism export product by subsidizing, and in some cases completely controlling, promotional advertising campaigns to stimulate travel to those destinations, the U.S. tourism promotion budget for fiscal year 1984 was the 83d largest among 93 reporting countries on a per capita basis.

The U.S. Travel and Tourism Administration [USTTA] is the Government agency within the Department of Commerce whose principal mission is to promote international travel to the United States.

After a long history of subsistence funding levels, USTTA finally gained a $12 million appropriation in fiscal year 1984, enabling it to effectuate cooperative public/private advertising programs and improve promotional literature distributions.

Although considerable debate has been devoted to the proper role of Government with respect to trade policy, at the very least, USTTA's efforts represent a program that presents no threat to trade liberalization and competes within the context established by our trading partners.

USTTA promotional efforts in the coming months are expected to involve unprecedented cooperation between cities, States, regions, the private sector, and the Federal Government.

The Congress has long been an active supporter of an expanded Federal role in tourism. Evidence:

Passage in 1961 of the International Travel Act created the U.S. Travel Service;

The National Tourism Policy Act of 1981 created the U.S. Travel and Tourism Administration; and

The Reagan administration in 1984 proposed a new Department of International Trade and Industry, recognizing tourism's importance to U.S. competitiveness in global markets.

That is why I am pleased to join with Senator PRESSLER, Senator INOUYE, Senator SASSER, Senator LAXALT and others as a cosponsor of S. 374, a bill authorizing $15 million in fiscal year 1986 for the U.S. Travel and Tourism Administration.

This is not a subsidy for American business.

It is an investment in international understanding, international trade, economic vitality, and cooperation between the private and public sectors.

The Senator from Virginia is proud of his role in support of America's tourism industry and his support of continued funding for USTTA.

I urge broad cosponsorship and passage of this important measure.

After all, the tourism export industry sells all America has to offer, and tourism works for America.

REAUTHORIZE THE USTTA

Mr. SASSER. Mr. President, today I want to join with Senator WARNER, my colleague and fellow cochair of the Senate tourism caucus, in support of S. 374, which calls for a reauthorization of funds for the U.S. Travel and Tourism Administration [USTTA] for the coming fiscal year.

I believe that the USTTA is an essential and integral element in the effort to strengthen one of our Nation's largest industries and one of the most effective weapons we have in combating record trade deficits. I urge my colleagues to support the effort as well, by acting expeditiously and favorably on S. 374.

As one of the founders of the Senate tourism caucus and as one concerned about the health and vitality of this industry, I find it economically shortsighted for the administration to recommend the elimination of the operations of the USTTA. Rather than "zero out" this agency, as it has in its proposed fiscal year 1986 budget, the administration ought to be arming it with more funds so it can lead the war against trade deficits.

Every economic fact of life argues in favor of a stronger, not weaker, national effort to strengthen the travel and tourism industry and to recapture our diminished share of international tourism receipts.

Consider first these facts: Travel receipts make up 6.4 percent of the U.S. gross national product; expenditures amount to $210 billion a year; the industry means a $45.8 billion payroll; it means 4.6 million jobs and another 2.2 million people indirectly employed individuals; it means $13.8 billion in taxes for the Federal Government, $8.7 billion for State governments, and $2.8 billion for local governments—that's 6 percent of all taxes collected by all units of government in this country in 1983; and it means that international visitors reduced our bloated trade deficit by $11.4 billion in the same year. Otherwise that deficit in the U.S. trade balance would have been that much greater than the $61.55 billion it was for 1983.

The administration decision to abandon the USTTA also demonstrates a cavalier attitude toward a strategy developed by the industry itself. Late last year a panel representing every sector of the travel and tourism industry finished work on an international marketing plan.

Administration plans to eliminate the USTTA would upend the plan and the year of work that went into it because "the principal goal of the plan is to provide the U.S. Travel and Tourism Administration with a marketing strategy to return the United States to a 13-percent share of the international tourism market," said James C. Collins, senior vice president for marketing of the Hilton Hotels Corp. and chairman of the International Marketing Plan Development Committee.

It has been 9 years since the United States had a 13-percent share of a then $45 billion world tourism market; last year it had fallen to 10 percent. Each percentage point increase would reduce our trade deficit by over $1 billion, add thousands of jobs and provide millions of dollars in taxes to every level of government in the United States. Yet, the administration declares, with its plan to eliminate the USTTA, that this effort isn't worth the investment of the $7.6 million it cost to fund the agency in 1983, nor the $12 million it costs for fiscal year 1984, nor the $15 million called for by S. 374 in fiscal year 1986.

Other governments across the world and in the capitals of the states throughout pointedly do not share the view of the administration. More than 80 nations spend more on a per capita basis to promote tourism than does the United States.

In addition to the per capita comparisons, figures on total dollars spent to promote tourism show the same, unfavorable comparison. Nations ranging from the city state of Singapore to island of Hong Kong, from Korea to France, and from Mexico to Egypt—all spend more than the United States.

Finally consider the budgets of individual States in our Nation. New York, Florida, Michigan, and Alaska all spent as much or more than the United States did on the promotion of tourism in 1983. Tennessee, my home State, and the States that border it spent $31.4 million on tourism; this is four times what the U.S. Government spent on tourism that year. Altogeth-

er, the 50 States spent over $132 million on tourism—almost 20 times what the Federal Government spent.

It is clear that the States in our own United States and nations all over the world all know that promotion of toursim is a sound investment.

I urge my colleagues on both sides of the aisle and in both Houses of the Congress to recognize this investment, and to join in working for the passage of S. 374, which will continue the work of the U.S. Travel and Tourism Administration, set in motion the process of recapturing our Nation's share of the world tourism market, and promote and strengthen the interests of one of our most important industries.

HELICOPTER GUNSHIPS IN EL SALVADOR

Mr. CHILES. Mr. President, I read with dismay this morning that the administration is going forward with plans to send four additional helicopter gunships to El Salvador. I believe this would be a mistake.

Last April, Senator JOHNSTON and I traveled to El Salvador to try to get a better understanding of what was happening down there. We wanted to know how well our military assistance efforts were doing in helping the Government of El Salvador combat the guerrillas. We came away believing that we needed to continue our strong support to the government of Jose Napoleon Duarte. When we returned, we recommended that certain basic shortfalls needed to be addressed—specifically, they needed trucks and a few more transport helicopters for medical evacuation and troop movement.

But at the same time, we were concerned that increasingly sophisticated equipment, such as helicopter gunships, should not be sent down there. We felt that to do so would be a mistake. Unfortunately, it appears as if the Defense Department is going to send additional helicopter gunships to El Salvador anyway, using moneys appropriated in last year's supplemental. I object to this action. I think it is a mistake. But, it seems to be a fait accompli.

The administration is requesting additional helicopters in its 1986 budget request. I am serving notice that I intend to take a close look at the 1986 request and find a way to limit the increasing technological sophistication of the military equipment being sent to El Salvador.

I have been, and intend to remain, a steadfast supporter of President Duarte. But the Salvadoran military needs basic support—trucks and ponchos. To give them more and more sophisticated equipment will only send us down the same road we took in Vietnam.

TRIBUTE TO GILLIS LONG

Mr. DODD. Mr. President, the Congress lost one of its ablest and best-respected leaders and the people of the Eighth Congressional District of Louisiana were deprived of a caring and dedicated representative when Gillis Long died last Month. I had the honor of serving with Gillis Long on the House Rules Committee for 6 years. I valued his example, his leadership, and, most of all, his friendship, and I wish to take a moment here on the floor of the Senate to honor his memory.

One of the most telling qualities of truly great men is that they resist being fit into convenient categories. Gillis Long was a Southerner who worked for civil rights, a liberal who initiated landmark business legislation, a pragmatic visionary, a successful hands-on politician who never lost touch with the day-to-day concerns of his constituents or sight of the long-range needs of his party or his country.

In others, those traits may have seemed contradictory or aroused suspicion. Gillis Long's genius was to mold them into a perfectly natural synthesis that won the high regard of all who came into contact with him. If any single label must be used to describe him, it is an old and honorable one: public servant.

To his wife, Cathy and his children and family, I wish to extend my deep sympathy. All of us who worked with him share your sense of loss and will always remember our good fortune that Gillis Long's life touched our own.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of Edwin Meese III, of California, to be Attorney General.

Mr. THURMOND. Mr. President, I just wanted to see that we got back to this nomination. I am wondering if there is any Senator here who wishes to speak for or against Mr. Meese to be Attorney General of the United States. We have been on this nomination now for several days. We have given the full opportunity to everyone to speak on it. It seems to me the time has come to have a vote on this nomination.

Mr. HARKIN. Will the Senator yield?

Mr. THURMOND. I am pleased to yield.

Mr. HARKIN. I do intend to speak on the nomination. I have not had the opportunity yet and I do indeed have a speech and some things I want to say about the Meese nomination.

Mr. THURMOND. If the Senator wants to speak at this time, it would be a good time, I think, to speak on it. We do want to proceed with it. If Senators do not want to speak, we are ready to vote. Now the Senator from Iowa wants to speak, so he can now have that opportunity.

Mr. HARKIN. Mr. President, I first wish to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I would like to take this time to oppose the nomination of Ed Meese to be Attorney General of the United States. I do intend to vote against his nomination, hopefully, after we have worked out a rational and logical solution for addressing the debt problems of our farmers.

As I said the other day, I do not consider the Meese nomination to be the most important business facing us here in this body today. The most important business is to ensure that our family farmers get the credit assistance that they need right now.

As I pointed out, Mr. Meese still gets his paycheck, he still has a job, the Justice Department is still operating, yet today there will be 280 farmers going out of business, tomorrow 280, and every day 280 farmers will go out of business in this country. That is the most important business we must address.

I do not believe that Mr. Meese has demonstrated either the ethical sensitivity or the standards required of one who is charged to uphold and enforce the laws of this country. I am sorry that the President did not select from the numerous qualified candidates this country has to offer in making his choice for the important position of Attorney General.

Let me make a number points in order. First, I want to talk about Mr. Meese's appearance of abuse of privilege and position. Government employees have been under attack from all sides in this society for many years. Under this administration, the anti-bureaucratic feeling has been especially strong.

This administration has consistently advocated the elimination of fraud and waste and abuse that they claim

are rampant in our Federal offices. They have painted an extremely negative picture of our Federal civil service, one that has, to some extent, taken hold. Their attitude makes public service a less desirable career pursuit for our younger people.

It is against this background that I find the Presidential nomination of Ed Meese so ironic. An administration which is so quick to judge the ethical standards of its Federal work force in general has turned a blind eye toward the findings of the independent counsel, Mr. Jacob Stein, regarding Mr. Meese. As we know, there is both an Executive order and a Federal regulation applicable to all Government employees that require that one's public office not be used or appear to be used for private ends. In particular, the Executive Order 11222 "Prescribing Standards of Ethical Conduct for Government Officers and Employees" which has been in effect since 1965 prohibits acts "which might result in, or create the appearance of, using a public office for private gain; giving preferential treatment to any organization or person; losing complete independence or impartiality of action; or affecting adversely the confidence of the public in the integrity of the Government."

Moreover, Federal regulations require employees of the Executive Office of the President "to avoid becoming involved in situations which present the possibility, or even the appearance, that his official position might be used to his private advantage." That is in 3 Code of Federal Regulations 100.735-8. It seems readily understandable to any of us why such strict guidance in regulations is required. The individuals themselves who receive such financial favors can never be sure to what extent their judgment regarding the givers of these favors is affected. Moreover, even the appearance of Government policy, action, or judgments being guided by an official's personal gains from the individual involved sets an un-American and an undemocratic example to both other Government officials and to the public at large. Mr. Meese's receipt of substantial sums of money from people that he later helped get public office provides such an appearance which undermines the high standards of conduct that many other Government officials set for themselves. It undermines the public confidence in public officials in general.

Second, I want to address the point regarding Mr. Meese's obliviousness and his narrow-mindedness in regard to how he views American society. It is a concern I do have regarding his fitness for the job of Attorney General aside from the litany of the appearances of abuse that have occurred during his tenure as counselor to the President. In particular, I fear that Mr. Meese is out of touch with the realities faced by many Americans in this country. Let me cite an example that is especially close to my heart coming from a State in the throes of a farm crisis as great as any experienced since the Depression.

In December 1983, Mr. Meese stated, "I don't know of any authoritative figures that there are hungry children. I have heard a lot of anecdotal stuff, but I haven't heard any authoritative figures."

Let me just cite two of the many studies that have been done at the time of Mr. Meese's comment. First, the General Accounting Office issued a major report in June 1983 entitled "Public and Private Efforts to Feed America's Poor." The GAO reported at that time that there have been significant increases in the number of persons seeking food aid, and that "an unmet need remains."

Second, the U.S. Department of Agriculture itself commissioned a study that found increased food needs in America, in May 1983—and I might just add that this is the Department of Agriculture, not under Jimmy Carter, not under Lyndon Johnson, not under Gerald Ford, but the Department of Agriculture under this President. The USDA submitted their findings including the finding that the emergency food distribution sites surveyed indicated that the number of recipients is increasing at a frantic pace and that the emergency food available for distribution is quickly depleted.

That was the finding in May 1983, a study commissioned by the U.S. Department of Agriculture. Again, I say that Mr. Meese made his statement that there were not any authoritative figures on hunger in America in December 1983.

To make matters worse, Mr. Meese also stated, "We have had considerable information—and I emphasize the words 'considerable information'—that people will go to soup kitchens because the food is free and that is easier than paying for it." Again, let me quote from the study commissioned by the Department of Agriculture. "Emergency food agencies almost universally report substantial increases in requests for help toward the end of the month, often tripling the number of clients served the previous 2 weeks. This occurs because by the last 2 weeks of the month many are out of funds for food because food stamp benefits are insufficient, delayed or had been reduced. And available cash has been allocated to meet other necessities." This again is from the USDA study. And they go on in that study, "Money that customarily would have been spent on food had invariably been used for higher utility costs, medical bills and other pressing expenses."

Again, that is from that same USDA study that was availalbe to Mr. Meese, and he said that he had considerable information that they go to the soup kitchens because the food is free and that it is easier than paying for it. But at no time after making such an outlandish, ridiculous statement did Mr. Meese ever come up with his considerable information.

Finally, again, to illustrate what I mean about Mr. Meese's obliviousness to what is going on in America, Mr. Meese stated, "I think some of the allegations of hunger are purely political." Shortly after Mr. Meese made those statements, the Center on Budget and Policy Priorities said, "For the allocations to be political, the Salvation Army, Catholic Charities, the United Way, and other private charities all across the country would have had to have had political motivations. These are the agencies that are in the front lines helping to feed hungry people, and it is they more than anyone else who have come to the Congress and to the President's Task Force on Food Assistance and provided the evidence and the testimony on hunger."

I would add some statistics on hunger in Iowa for the record. Last year, a study by Iowa's Department of Human Services revealed 130,000 Iowans were classified as hungry. Moreover, the Department of Human Services found this problem despite the distribution of over $33 million in free Federal food that had been distributed to low-income families in Iowa between 1982 and 1984. That this problem exists in an agricultural bread basket such as Iowa is horrendous. That the President's closest personal adviser would deny that the problem exists is really unspeakable. And I raise the question: Will this insensitivity, will this obliviousness on the part of Mr. Meese carry over into his administration of justice in the United States? Will he refuse to recognize the rights of those he disagrees with to be heard? Will he refuse to affirm this Nation's tradition of rectifying the civil rights violations of large groups of our population, especially women, minorities, older people, and individuals with disabilities?

I fear that the answer to these questions will be yes, that Mr. Meese will be insensitive and will be oblivious to these problems that confront Americans. Mr. Meese has been a strong opponent of legal services for the poor for many years. He has continually called for a volunteer private bar program to serve low-income people despite the assertions by the American Bar Association that it could not bear the full responsibility of legal services.

I might add, Mr. President, that, as a former Legal Services attorney myself and a former member of the private

bar, I can attest to the fact that in Iowa, as indeed in other States of this country, there is absolutely no way that the private bar can adequately meet the needs of our poor people in representing them in our courts of law. It has to be done by a committed and fully funded Legal Services Corporation that started many years ago. It is recognized by the American Bar Association as fulfilling a part of our constitutional rights for all of our people: that everyone has representation when they are called into court.

Yet Mr. Meese says the private bar can handle it.

Again, he exhibits a total insensitivity, oblivious to the real needs of many people in our society.

Another part of this insensitivity has been exhibited by Mr. Meese's attitude toward dissent in a free society. It was evident in his comments to a group of California law enforcement officials in 1981 when he called the American Civil Liberties Union, which is a private watchdog group dedicated to protecting constitutional rights, part of a "criminals' lobby." Even the White House disavowed this wild charge. But, again, I think, it gives an indication of where this individual is coming from when he thinks about the diverse elements present in our American society. Evidently, Mr. Meese would like to believe that all Americans should be rich, live in Beverly Hills, ride around in limousines, and have easy access to the White House, or are lawyers who charge $250 an hour, as he did.

He believes that the poor people of this country should not have access to lawyers. When Mr. Meese had to hire attorneys, he billed the taxpayers at the rate of $250 an hour to pay private attorneys to represent him. He is more than willing for the taxpayers to pick up the cost of his defense, but he is not willing to have the taxpayers pick up the cost of defending the poor people of this country who may need legal services at some time or another.

Next, Mr. Meese's views on civil rights have been evident in his opposition to the Voting Rights Act, his approval of the Reagan Treasury, and Justice Departments' decision to grant tax exemptions to private schools that discriminate on the basis of race, and Mr. Meese's support for narrowing the scope of title IX of the Civil Rights Act of 1972 that reaches out to women in all areas of education.

I am sure that Mr. Meese's heart swelled with pride, as all of ours did, when he saw the tremendous performance of our women at the Olympics last year. And yet many, and I would say that almost all, of those women who took part in those Olympics had benefited from more than a decade of adherence to title IX, which provided that schools cannot discriminate in their sports and in their facilities for physical education on the basis of sex.

Sure, they had an advantage and they took advantage of it. Look what it did for America. Yet, if we adhere to Mr. Meese's way of thinking, we would scrap that and go back to the way we did things 20 or 30 years ago before title IX was enacted.

He does not understand. He is not sensitive to what title IX means to hundreds of thousands of women throughout this country and what it meant to those young women who participated in our Olympics last year.

Fundamentally, Mr. President, I question Mr. Meese's ability to interpret and enforce the law in a manner equitable to all in our society, when he is so shortsighted and narrowminded in his views.

Last, I raise the issue of the ability of Mr. Meese to distinguish, to really distinguish, between right and wrong. This is a deep concern that I have regarding Mr. Meese. I have carefully reviewed the hearing record in the Judiciary Committee regarding the qualifications of Mr. Meese for the job of Attorney General. I have also been reviewing the situation of former Attorney General Mitchell during the Nixon administration. I am concerned about the similarities.

Mr. Mitchell was not a criminal when he became Attorney General of this country, or at least he had not been convicted. However, during his tenure, we watched him redirect the efforts of the Justice Department in wholly unethical and unlawful ways, which came to light only under the intense scrutiny of Congress at a later time.

I had hoped that we had learned from our experience with Mr. Mitchell. I had hoped we learned both the magnitude of the powers of the Attorney General in this country as well as the impeccable impartiality required of the person who holds the office. If we nominate Mr. Meese, it is clear that we have not.

The Attorney General is responsible for managing the largest law firm in the world, overseeing the actions of a staff of over 60,000, and setting law enforcement policies for this country. The Attorney General directs the Department of Justice and has total responsibility for enforcing our Nation's civil and criminal law, the FBI, the Federal Bureau of Prisons, the Drug Enforcement Administration, the U.S. Parole Commission, the U.S. Marshal Service and the Immigration and Naturalization Service. The Attorney General directs the actions of hundreds of Government attorneys who represent the United States in legal matters generally and give advice to other Federal departments.

The Attorney General, as chief lawyer and law enforcement officer and legal adviser to the President and to the Nation, by the very nature of his position sets an extraordinary example to this country and guides our nationally elected leaders in the difficult matters of law and justice: the most fundamental precepts of our democracy.

So we look back at former Attorney General John Mitchell. His attitude exhibited at that time was one of an unfailing devotion to President Richard Nixon. He was, as he had said in speeches, the President's lawyer, that his first loyalty was to the President.

Well, here we are. We saw what happened. John Mitchell was finally convicted and was sent to prison. He served time in prison for breaking the laws of this country as Attorney General of the United States.

I must add as an aside that I find it rather ironic that in the very week that we are discussing the nomination of Edwin Meese to be Attorney General of the United States.

I must add as an aside that I find it rather ironic that in the very week that we are discussing the nomination of Edwin Meese to be Attorney General they have resurrected former Attorney General John Mitchell, who served time in prison as a criminal, and have hung his portrait in the halls of the Department of Justice. That has to say something to our society.

Well, I talked about the Attorney General as the chief lawyer, the chief law enforcement officer, heading up the FBI, the Federal Bureau of Prisons, the U.S. Parole Commission, the U.S. Marshal Service, the Immigration and Naturalization Service, directing the actions of hundreds of lawyers throughout our Government and representing all people generally in matters and giving advice to other Federal departments. Yet how does Edwin Meese view the Attorney Generalship? Let us quote his words. He said, "The Attorney General is the personal attorney for the President, his only client."

Let me repeat that. According to Mr. Meese, "The Attorney General is the personal attorney for the President, his only client."

Well, I think that tells us more than anything else about why Mr. Meese is really unfit for this high office. Evidentally, he does not understand what the Attorney General means in our society. He has to guide and direct our national leaders and all these other departments that serve the Federal Government in the difficult matters of law and Government which are the most fundamental precepts of our democracy.

No, according to Mr. Meese, it is enough if he is only the personal attorney of the President.

Shades of John Mitchell. Go back and read what John Mitchell said at the time about how he was the Presi-

dent's attorney and his first loyalty was to Richard Nixon.

The Attorney General of the United States' first loyalty ought to be to the people of this country. For someone who aspires to that office to say that his only client is the President gives us an indication of how he is going to carry out the duties of that office.

(Mrs. KASSEBAUM assumed the chair.)

Mr. HARKIN. We need as an Attorney General someone who knows clearly and fundamentally the extent and the limits of our laws. We need as Attorney General someone who judges the actions of Federal officials as sharply and as fairly as he or she does those alleged to have broken Federal laws. We need an Attorney General whose standards and ethical sensitivities are exceptionally high, for in the hands of the Attorney General rests the fundamental social contract under which we live, the laws of our democracy.

Madam President, I want to make it clear that I am not alleging that Mr. Meese is a criminal. I would like to quote from an editorial in the Des Moines Register of December 26, 1984, which is headlined "At Least He's No Criminal." The editorial says:

Archibald Cox is right about Edwin Meese: The Senate should vote "no" if, as expected, President Reagan renominates Meese for attorney general. The fact that an independent counsel cleared Meese of any crime in connection with accepting favors from people who later received federal appointments does not mean he is fit to be the nation's highest-ranking law officer.

Cox, the chairman of Common Cause, learned a lot about ethics—or lack of ethics—in government when he was Watergate special prosecutor. He said last week that the report of independent counsel Jacob Stein showed Meese to be "blind to the ethical standards and obligations required of a high public official."

Madam President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AT LEAST HE'S NO CRIMINAL

Archibald Cox is right about Edwin Meese: The Senate should vote "no" if, as expected, President Reagan renominates Meese for attorney general. The fact that an independent counsel cleared Meese of any crime in connection with accepting favors from people who later received federal appointments does not mean he is fit to be the nation's highest-ranking law officer.

Cox, the chairman of Common Cause, learned a lot about ethics—or lack of ehtics—in government when he was Watergate special prosecutor. He said last week that the report of independent counsel Jacob Stein showed Meese to be "blind to the ethical standards and obligations required of a high public official." We expressed a similar view when Meese was first proposed for the attorney generalship some months ago.

The Stein report showed that Meese, as counsel to the president, "repeatedly participated in appointing . . . persons who had either done or were doing him financial favors," said Cox. Apart from his ethical failings, Meese is a mediocrity with few visible qualifications for the job except his friendship with the president.

Unfortunately, the Senate seems not to have the stomach for a nomination fight, so the nation is likely to get an attorney general who, for all his shortcomings—well, who at least is not a criminal. We can be thankful for that small favor.

Mr. HARKIN. I also quote from another editorial in the Quad City Times of Davenport, IA, on December 21, in which they say, "Forget about Meese." In this editorial, the Quad City Times said that just because some special prosecutor found no basis for indicting Meese for some questionable actions like helping get Government jobs for people who did him financial favors does not mean Mr. Meese is fit to lead the Justice Department and become the Nation's top law officer.

Madam President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Davenport, Iowa Quad City Times, Dec. 21, 1984]

WE SAY . . . FORGET ABOUT MEESE

If press forecasts are accurate, Ronald Reagan shortly after his inauguration will renominate presidential counselor Edwin Meese, III to replace William French Smith as attorney general and the Senate will confirm the appointment with little opposition. That's nothing to look forward to.

Just because some special prosecutor found "no basis" for indicting Meese for some questionable actions—like helping to get government jobs for several people who did him financial favors—that does not mean he is fit to lead the Justice Department and become the nation's top law officer. This leadership post should not be manned by anyone whose ethics are under such serious question.

Reagan could do the country—and probably himself—a big favor by looking among nearly a quarter-billion people for an attorney general who would command more respect, trust and confidence. Archibald Cox, former Watergate prosecutor and chairman of Common Cause, reports that Meese is "blind to the ethical standards and obligations required of a public official." The Senate would be blind, too, to confirm his appointment—as blind as when warning whistles were ignored to put Ray Donovan at Labor.

Common Cause points to "uncontradicted evidence" that Meese had a hand in getting high government jobs for people who did him financial favors. And it pointed out that Executive Order 11222 prohibits conduct that "might result in, or create, the appearance of . . . giving preferential treatment to any organization or person . . . losing complete independence or impartiality of action.

Relative to this is Meese's appointment to colonel in the Army Reserve. Though he fell short in educational requirements, he was given something called "constructive educational credit" to gain the promotion. Meese then interceded with a successful recommendation to get an unusual second term for the chief of army reserves. That just happened to be the fellow who got him the credits.

When the "sleaze factor" was brought up during the recent election, Meese's name wasn't far behind. America should shoot for the highest moral standards at Justice. But Meese, who deals for personal advantage through use of government influence and leverage, undermines such a quest.

Meese simply isn't attorney general material. That's plain enough to Americans. It should be plain enough to Reagan and, if not, then to a Senate that should demand a higher standard.

Mr. HARKIN. That is why I am troubled by how much Mr. Meese brings John Mitchell to mind. Mr. Meese sees no wrong in his actions as examined by the independent counsel. He sees no wrong; he only says that he would do things differently now than he did in the past. Does this mean that if he were Attorney General, he would not pursue organized crime strenuously and seek stiff penalties and prosecution, when they state that maybe they will do things differently the next time?

What about drug traffickers, smugglers, kidnapers, bank robbers? Does Mr. Meese know that their activities are illegal and must be closely investigated and, where necessary, to be prosecuted to the full extent of the law? Or would he just advocate that next time, they ought to do things a little bit differently?

What about a Federal official who is receiving financial favors from someone he has a say in hiring? Will Mr. Meese see that as wrong and not to be tolerated, or again, will he just say, well, they ought to do things differently the next time?

What about antitrust violations, tax evasion, bribery, embezzlement? Will Mr. Meese actively prosecute the alleged of those crimes? Or again, will he simply say that perhaps they should have done things a little bit differently?

I guess that is why I have an uneasy feeling as we are watching this nomination or renomination of Mr. Meese for Attorney General. It is an uneasy feeling that we are again considering the nomination of a John Mitchell. Again, I just repeat the words that his only client is the President of the United States.

Those are deeply disturbing matters. For those reasons and for many others, it is my intention to vote against the nomination of Ed Meese to be Attorney General of the United States.

Now, there is one other aspect that I do wish to bring out and that is Mr. Meese's handling of his financial affairs which almost fly in the face of the problems that so many of my constituents are having. Again, I speak of my farmers.

You know, Madam President, our farmers out there are having trouble

getting any loan at all at any kind of price and, if they can find it, they are paying 14 or 15 percent interest on that money. And they cannot afford it with the prices as low for their products as they are now. Yet, we see indications from this administration of the same old attitude, you know, that they who have gets and if you have not got it, you are not going to get it.

We saw in the Department of Agriculture Secretary Block's friend, Mr. Curry, who farms 11,000 acres of land, 1 year ago got a $400,000 5-percent loan from Farmers Home. Yet, there are farmers in my State who cannot get $20,000 at 15 percent to put their crop in the ground. But no, Mr. Curry, who has 11,000 acres of land, can get the money at 5 percent. I might just note in passing that Mr. Curry has since defaulted on that loan to the Farmers Home Administration.

The same attitude is prevalent in Mr. Meese's attitude toward money. This is the person who got unsecured loans eventually totaling $60,000, in 1981, with the help of John R. McKean; then in October 1981, Meese supported Mr. McKean's nomination to an unexpired term of the U.S. Postal Service's Board of Governors. Aside from the appearance of conflict of interest and abuse of privilege and position, he not only got the $60,000 unsecured loan, but the next year, attorney and real estate developer Thomas J. Barrack, Jr., assisted Mr. Meese and his wife in the sale of their California home which included a $60,000 loan that the buyer of the house later forgave.

In connection with his real estate, Mr. Meese received, in a period lasting through 1982, a series of loans that ultimately totaled $402,000. The story goes on and on.

Madam President, I just wish that my farmers could get the same kind of good deals on their money that Mr. Meese got on his.

Again, it appears OK for the personal assistant to the President to engage in this kind of money manipulation to go ahead and get unsecured loans from people who are later appointed to high Government boards. It seems to be OK for people in high positions to do that, according to Mr. Meese, but it is not OK for my family farmers in Iowa to be able to get small loans at reasonable rates of interest. So that is why I am really bothered by this nomination of Mr. Meese to be Attorney General—for those reasons, the appearance of conflict of interest, his appearance of abuse of privilege, Mr. Meese's obliviousness and his narrowmindedness toward diversity in our society, toward the hungry and the poor, Mr. Meese's lack of ability to distinguish between right and wrong, and the closeness I see between his attitude toward the position of the Attorney General and that of former Attorney General Mitchell, and last, as I said, the fact that this individual who seeks to attain this high office of Attorney General is one who says that it is OK for him to get all of this money at low or forgiven rates of interest.

The attitude that comes down from the White House, and I am sure through Mr. Meese, is one which says our family farmers cannot get any kind of help at any price at all.

There is a prevalent feeling that the Senate is going to vote to approve the nomination of Edwin Meese to be Attorney General. Well, so be it. Perhaps that is so. Perhaps when the vote is finally taken, after, of course, we work out an agreement that I hope will help get the necessary credit to our family farmers that is so needed at this time, and which again I state is the most important business this Senate can be about this week and not the nomination of Ed Meese. If Edwin Meese is going to be the next Attorney General, I hope he will change his attitude. I hope there will be a rebirth in his mind and in his heart as to what the position of Attorney General really means to this country. I hope he will see himself in that role not as serving the President of the United States, not as someone who rides around in a limousine, not someone who can decide that the special and the privileged are to be taken care of but those who lack any power or money in our society have no recourse to the courts. I hope his attitude will change. I hope he will see that the Attorney General of the United States is just like the rest of us—a public servant, a public servant of not any political party, not any special President, but in fact serving all of the people of this country. I hope that happens. But Mr. Meese's background and everything he has said argues against that. That is why I will oppose the nomination of Edwin Meese and why I am hopeful the Senate will, indeed, vote to turn down this nomination of Ed Meese to be Attorney General of the United States.

Madam President, I do not think anything less should be asked of us as a deliberative body. In our hands rests whether or not we are going to have a Justice Department fairly administered, run with an attitude that the Attorney General does, indeed, represent all the people of this country and should, in fact, uphold all of the laws and should go after white-collar crime and those who are powerful and rich just as well as we go after those who lack power and who are poor.

I am hopeful that those who are uncommitted, those who have not yet made up their minds on this nomination, will take a closer look at the record and will understand we are seeing played out here again a reenactment of the prelude to what I call the John Mitchell attitude in the Department of Justice.

As I have said before, Madam President, I have never been one in favor of big government. We do not need big government, but we do need a strong government and we need a fair government. A strong government and a fair government is not necessarily a large government. We do not need more attorneys at the Department of Justice. We do not need more bureaucrats down there to help enforce the laws of this country in a way that is supportive of our American way of life. No, indeed. What we need is an Attorney General with the brains, with the commitment, with the attitude, and with the concept of that office that we had in former Attorney General Robert Kennedy, who understood that the power of the Attorney General was not just to serve the President, even though the President was his brother, but the Attorney General's office was really on the cutting edge of determining whether or not we are a fair and just society and whether or not the laws of this country are administered in a fair and just manner.

We have had powerful and yet fair Attorney Generals in our history. We have had those, on the other hand, who have abused their office—the worst example, of course, being former Attorney General John Mitchell. I do not want to see that replayed in our country. We have suffered enough because of the attitude of those officials in the Nixon administration who felt they owned the Government, who felt they had not accountability to us in Congress or to the people of this country. We suffered, and I think we are still suffering, in this country because of that. If young people who graduate from our colleges and universities look with disdain upon politics, look with disdain upon public service as a career because it is still in their minds; either they remember it or read in books about what happened at Watergate, and then see the same thing coming around again—the nomination of another individual with that same kind of attitude to be Attorney General—what kind of a message are we sending?

Well, I do not want to see that replayed. Enough damage was done by Watergate, from which we are still suffering. I am fearful, under an Attorney General with the attitude of Mr. Meese, we are going to again say to the young people of this country that high Government service is only for the privileged and the powerful; that high Government service is used to feather your own nest, Government service is not a service at all but it is a privilege, a privilege which inures to only those who help their friends and who help the powerful and the rich of this country.

That is why I hope that when the vote finally comes later this week,

maybe next week, on this nomination, the Senate will turn down this nomination. I do not think the Senate could send a more powerful message, a more uplifting message, a more hopeful message to the young people of this country than that we are going to say no, that we deserve better as an Attorney General. Then I think we would see a real rebirth of pride in our Government, pride in our governmental system, a pride in Government as a service to the people of this country.

Madam President, I ask unanimous consent that the speech I just delivered on the nomination of Edwin Meese not be counted as my first speech on the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role

The bill clerk proceeded to call the roll.

Mr. LEVIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Madam President, yesterday I began some remarks on the Meese nomination and interrupted them so that we could proceed with the critical issues of agriculture. I now wish to pick up basically where I left off on the nomination matter.

I said earlier in my remarks that Mr. Meese has a pattern of selective memory that protects him from embarrassing or implicating himself. Put in the best light, his memory is seriously faulty. In the worst light, it is consciously selective.

Let me focus for a moment on the investigation into the Carter papers conducted by the Addabbo committee in the House. Let us look at what this investigation disclosed in terms of crimes.

Mr. Meese was asked to identify numerous documents from the 1980 campaign addressed to him and found in his files which prove that nonpublic Carter papers were present in the Reagan campaign. Let us look at the documents addressed to him and in his file, which he says he cannot remember seeing.

A memorandum from Bob Garrick to Ed Meese, dated September 12, 1980, which says that Casey, "wants more information from the Carter camp."

A memorandum from Bob Garrick to Ed Meese, dated September 4, 1980, which says, "White House information is that."

A memorandum from Bill Timmons to Bob Gray, dated October 21, 1980, which says, "According to our White House source."

A memorandum from Wayne Valis to Jim Baker, dated October 21, 1980, with a note in the corner "For: Ed Meese, From: Wayne Valis", and which says, "These are notes based on a brainstorming session attended by Carter-Mondale staffers. They are provided by a very reliable source who has intimate connections to a Carter debate staffer."

A memorandum from Thelma Duggin to Art Teele, dated October 17, 1980, with a note in the right corner, "Ed Meese—Ideas how to counter?? BT" which says, "I received this information from a very reliable Carter aide and it should not be taken lightly."

A memorandum from Dick Allen to Governor Reagan, Ed Meese and others, dated October 15, 1980, which says, "I had a call from an unimpeachable source who has received information directly from ABC XYZ."

A memorandum from Max Hugel to Ed Meese, dated August 11, 1980, which says, "Bill Casey asked me to have you review this memo which fell into my hands."

A memorandum from Dan Jones to Ed Meese and others, dated October 27, 1980, which says, "According to latest information from reliable White House mole—"

I ask my colleagues, if materials like that came across your desk during a campaign would they not remember them? "White House mole;" "ABC XYZ;" "our White House source?" Well, Mr. Meese wrote to me that he does not remember seeing these documents.

Moreover, there is one affidavit, of a Michael F. Smith, relative to the so-called Lenczowski memo, which affidavit specifically calls Mr. Meese's memory in question. Mr. Stein found that the affidavit was an insufficient basis upon which to charge Mr. Meese with making a false statement so as to make him criminally liable. But my concern here is in Meese's selective memory, his stated failure to remember, rather than an affirmative false statement on his part. The subject of the Lenczowski memo was briefing material prepared for President Carter on the Voice of America and Radio Free Europe. Smith, who worked as a "watch officer" at the Reagan/Bush headquarters, received the memo containing the information from a John Lenczowski, an unpaid consultant to the Reagan/Bush Campaign. The memo itself was a summary of information prepared by Lenczowski. Smith prepared a cover memorandum to Jim Brady in which he advised that the contents were important enough to go to the site of the debate preparation that same night. The original of this document was found in Mr. Meese's files.

When asked whether or not he had seen this memo, Mr. Meese said he could not remember. Smith, however, sent Stein an affidavit disclosing the following, and I quote now, from Mr. Smith's affidavit:

10. I believe, but I cannot be certain; that I laid the package (the Lenczowski report) with my covering memorandum on Mr. Brady's desk and requested his secretary to make certain that Mr. Brady looked at my memorandum as soon as he arrived in the office that morning. As I recall, I did not inform Mr. Halper of these actions on my part. In any event, my next clear recollection is that Admiral Garrick came to me with the package in hand, said that he was on his way to Mr. Meese's office directly above the OpCenter, and instructed me to "stand by". I had been waiting not more than 15 minutes when Mr. Meese's secretary called me on the telephone asking me to come upstairs. I did so and was ushered promptly into Mr. Meese's office.

11. As I walked in I saw Mr. Meese sitting at his desk at the opposite end of the room (facing the door) and Admiral Garrick sitting in a chair next to a window (to Mr. Meese's left). There were no others present in the room. Mr. Meese asked me a few questions about who Mr. Lenczowski was, how I had met him, how reliable I thought he was, etc. Mr. Meese then turned to Admiral Garrick, indicating that he thought the information was "hot" and that he should take it with him that morning to Wexford (the Warner estate near Middleburg, Virginia, where the debate preparations were already underway).

Now Mr. Smith swears that Mr. Meese said the document was hot and that it should be taken to the debate preparation site—Wexford—that very night. Yet, Mr. Meese does not remember seeing it?

Going beyond the Carter papers inquiry, Mr. Meese also does not remember talking to Secretary of the Army John Marsh about Mr. Meese's promotion in the Army Reserve. Nor does he remember seeing a memo on that same subject which Secretary Marsh says he sent to Meese as the topic of their conversation. Let me quote from the relevant part of the Stein report.

Secretary Marsh stated that he recalled sending the original copy of General Thurman's November 1, 1983 memorandum to Mr. Meese, and later calling Mr. Meese to ask whether he had received and read it. Secretary Marsh recalled that Mr. Meese did not wish to take any action, and indicated that he simply wanted to take no position, and wanted to stay out of the matter. Secretary Marsh believed that Mr. Meese thereafter sent the memorandum back to him. Mr. Meese had no recollection of receiving the memorandum.

Think for a moment whether you would or would not remember a phone conversation with the Secretary of the Army about a matter which involved you personally and which included concerns of special treatment of your promotion.

And this is an interesting twist, while Mr. Meese does not remember the conversation with Secretary Marsh, he told the Judiciary Committee that he is "sure improper issues weren't raised." He can remember

what wasn't raised at a conversation he doesn't remember even took place.

Other memory lapses include the following:

Mr. Meese didn't remember to disclose the $15,000 loan or the Biotech stock which had been purchased with the loan money.

Mr. Meese doesn't remember the conversation with the attorney for the transition trust, M. Peter McPherson, in which the illegal implications of taking $10,000 from the trust for moving expenses were discussed.

Mr. Meese contends he understood all along that the money he borrowed through McKean was not McKean's personal money, but was money available through McKean's company. Yet Mr. Meese forgot to note McKean as a trustee for the $60,000 in loans on his disclosure form, leaving the form to imply that the loan was from McKean personally.

Let me elaborate a bit on a final example of Mr. Meese's highly selective memory. Regarding the $10,000 payment from the transition trust, Mr. Meese's memory conflicts, to his own advantage, with that of others involved in the episode. Peter McPherson, a Washington lawyer, was the initial trustee of the transition trust, and according to the Stein report, was asked by Mr. Meese to set up the Washington office for the Reagan/Bush Planning Task Force which was to do pretransition activities.

The trust was established to raise money for the task force. Mr. McPherson served as lawyer for the trust and was one of the three persons authorized to sign trust checks. Mr. McPherson, according to the Stein report, said that in early December, 1980, he was told by Mr. Meese that "money was needed to pay the moving expenses of the people coming from California to Washington to work in the administration."

The $10,000 checks to Mr. Meese and two others had already been issued and Mr. Meese had deposited his check on November 22, 1980, in his account. Mr. McPherson says he then asked a trust attorney to look into the matter, and he found that there would be a problem since the recipients were prospective Government employees. Mr. McPherson and Mr. Meese then agreed to check with the Office of Legal Counsel in the Justice Department, and Mr. McPherson confirmed to Mr. Meese that payment of moving expenses would be deemed illegal. Mr. McPherson says he reported this to Mr. Meese in December, 1980. And, as the Stein report says, "Mr Meese told Mr. McPherson not to pursue the matter further. At no time did Mr. Meese tell Mr. McPherson the he had received a check from the trust for moving expenses in November and he had deposited it in his account on November 22, 1980." The Stein report continues: "Mr. Meese had no specific recollection of these conversations with Mr. McPherson. He recalled that at some point in December or January he learned—from whom he cannot recall—that there would be a problem in receiving a check from the trust for moving expenses. He stated that, upon learning of this problem, he talked to someone, probably Ms. vonDamm, and told her that the records of the trust should be changed to reflect that the payment to him was for consulting services. Ms. vonDamm recalled no such conversaton." What Ms. vonDamm does recall is being told by Mr. Meese's assistant after January 22, 1981, that the records would have to be changed.

Now I elaborate on these details, because I find them so contrary to Mr., Meese's testimony before the Senate Judiciary Committee on this same subject. And, here, he seems to have such a vivid recall. "When I learned of the problem with the moving expenses, I immediately talked to persons in the trust to pay me for consulting fees." Now if he were to have done it immediately, that would have been upon hearing from Mr. McPherson, and were he to tell someone to change the records, why wouldn't he have told Mr. McPherson, who was the attorney for the trust and one of the three authorized signatures? Yet Mr. McPherson says Mr. Meese told him not to pursue the matter any further. And Mrs. vonDamm says she heard about it a month after the Meese-McPherson conversation. At a later point in the Judiciary Committee hearing Mr. Meese said, again, "as soon as I heard there was a problem I conferred with officials of the trust (probably Helen vonDamm) and told them I could not accept money for moving expenses." Mr. Meese's recall of these events simply doesn't add up to that of the other persons involved in the matter.

Before I conclude my remarks, I have to address one other issue—and that is the report and conclusions on Mr. Meese's conduct by the Office of Government Ethics. David Martin, the current Director of that office, testified before the Senate Judiciary Committee on his findings and conclusions relative to the Stein Report. At controversy, there, was the staff report that had been circulated which found violations of the standards of conduct, which violations were later determined by the office to be only "appearance problems." I have followed Mr. Meese's testimony, and as the ranking minority member of the Subcommittee on Oversight of Government Management, which has jurisdiction over that office and the noncriminal ethics laws, I find Mr. Martin's interpretation of the Executive order and regulations issued pursuant thereto to be simply wrong. The Executive order and regulations do not make a distinction between an action which is a conflict of interest and an action creating an appearance of a conflict of interest. They establish both as prohibited activities by Federal employees.

Let me quote, here, the relevant portions of the Executive order and the regulations. Executive Order 11222 states in section 201, entitled Standards of Conduct:

(c) It is the intent of this section that employees avoid any action,. . . which might result in, or create the appearance of—

(1) using public office for private gain;

(2) giving preferential treatment to any organization or person;

(3) impeding Government efficiency or economy;

(4) losing complete independence or impartiality of action;

(5) making a government decision outside official channels; or

(6) affecting adversely the confidence of the public in the integrity of the Government.

OGE regulation, 5 CFR 735.201, which implements Executive Order 11222 states:

An employee shall avoid any action . . . which might result in, or create the appearance of:

"(a) Using public office for private gain;

"(b) Giving preferential treatment of any person;

"(c) Impeding Government efficiency or economy;

"(d) Losing complete independence or impartiality;

"(e) making a Government decision outside official channels; or

"(f) Affecting adversely the confidence of the public in the integrity of the Government."

Mr. Martin testified that the appearance problem was not a violation of a standard of conduct in his mind, but only a "problem," and that avoiding appearance problems was an "aspirational" goal only. There isn't any support for that in either the Executive order or the regulations, and Mr. Martin has been unable to show me any documents by OGE which substantiates it. In order to preserve the public trust in the Government, appearances must be avoided to the same degree as conflicts of interest themselves. Of course the actual conflict carries a criminal sanction, and is, therefore, a higher degree of violation. However, creating an appearance of a conflict of interest is also a violation of a standard of conduct. Mr. Martin was correct in his first letter to Senator THURMOND, which, I suspect, he did not think would be viewed by others because of another letter which he sent to the committee, when Mr. Martin said Mr. Meese had violated the standards of conduct when he participated in approving the McKean nomination to the Postal Board of Governors. There is no doubt in my mind that that statement is true.

Madam President, I am very troubled by Mr. Martin's performance in the Meese matter. Mr. Martin and I have exchanged four letters on this

subject over the past several weeks, and his answers to my questions as well as his testimony before the Senate Judiciary Committee raise real questions about the performance of the Director of the Office of Government Ethics. Why do I say that?

First, as I have just described, Mr. Martin's interpretation of the standards of conduct is contrary to the Executive order and the regulations. When I asked him to provide me with documentation to support his position, he could give me nothing but his own personal unease over interpreting current law and a court of claims decision which really addressed another matter.

Madam President, if the Director of OGE disagrees with the rules or law which he is charged to administer and uphold, he has a right to try to change them. But he cannot, in the interim, usurp the authority of the President or the previously issued regulations of his own office and refuse to enforce or abide by the current standards. That, Madam President, is not his prerogative as an executing officer of the Government.

Second, it was inappropriate for Mr. Martin to keep the results of the OGE review of Mr. Meese from the Judiciary Committee. Mr. Martin has been unable to state any solid reason to support his decision other than to say that he thought keeping the findings of OGE on Mr. Meese within the executive branch was the "proper" thing to do so. Well, it was not.

The Governmental Affairs Committee was clear in its report on the reauthorization of the OGE in 1983, that when a matter involving an appearance or a conflict of interest has become the subject of public interest and concern, publicity of the OGE's opinion and actions is appropriate and helpful. Let me read the relevant portion of that report.

> The committee strongly believes that the OGE should retain discretion over when to issue public statements. The ability to issue a public report is an important enforcement tool that can be particularly valuable in highly visible cases. Such public statements not only resolve the controversy surrounding such cases, but also increase public awareness of the ethics program by indicating that an independent entity has reviewed the matter for ethical violations.

There have been few cases more visible than the Meese case, and it is impossible, therefore, for me to understand how this case was not laid before the Judiciary Committee at the OGE's initiative.

Mr. Martin, himself, agreed in principle to this during his confirmation hearing. In response to written questions from the committee, Mr. Martin wrote:

> In certain cases when the nature of an allegation requires that it be aired and a decision made by the Office of Government Ethics either clearing an official of any conflict of interest or stating that there clearly is a conflict of interest, the Office's findings should be made public.

Madam President, the fact that Mr. Martin did not initiate voluntarily the disclosure of the OGE's findings to the Senate Judiciary Committee calls into question his impartiality in this matter and his judgment.

Third, Mr. Martin is an attorney. Attorneys are, by their training, very particular in responding to questions. They are trained to be accurate on their facts and to make sure that any fact that is asserted has a proper basis in the record which is clear to the listener or reader. I did not find this to be the case with Mr. Martin. In fact, I found Mr. Martin's style of answering questions before the Judiciary Committee highly unusual in this regard. His statements exculpating Mr. Meese were sweeping. He failed to limit his answers to that which he had learned from the Stein Report, which by his own acknowledgment, was his only source of information, but instead made unqualified statements relative to Mr. Meese's conduct.

For example, Mr. Martin, in response to a question from Chairman THURMOND said, "I determined that Mr. Meese acted properly and with objectivity, and impartiality in conducting his duties." Mr. Martin states unequivocally that Mr. Meese acted properly, however, earlier even Mr. Martin agreed that Mr. Meese had created an "appearance problem" and that upon the advice of the OGE staff attorneys "counseling" was appropriate to avoid such an appearance problem in the future.

Mr. Martin is also sloppy on his facts. Relative to the McKean matter, I asked Mr. Martin this question:

> According to the Wall Street Journal, the OGE report identified two incidents in which violations of ethics laws or regulations may have occurred, namely Mr. Meese's involvement in the approval of John McKean to serve on the Postal Board of Governors and in the approval of Thomas Barrack to serve in the Department of Interior and later, the Department of Commerce. The article states that you were "satisfied" with Mr. Meese's conduct relative to Mr. McKean, because his paticipation had been "minor" and "(t)here was no basis for concluding, then, that he (Mr. Meese) had lost his impartiality in terms of supporting the guy (for the postal board)". Please explain in full your reasoning behind those conclusions.

Mr. Martin answered by saying:

> My conclusions were based on the following facts: one of which was at the time the loans were made, there was no evidence that Mr. McKean was interested in, or even contemplated receiving, a Federal position;

I then asked him how he could state that as a fact when Mr. McKean was actually in Federal employment at the Postal Board of Governors at the time the loan for $20,000 was made. Mr. Martin answered me yesterday by stating that he stands corrected—indeed, it was only at the time of the initial $40,000 loan that there was no evidence that McKean was interested in a Federal job.

In short, Mr. President, Mr. Martin was wrong on the facts in his original letter to me. And I have no reason to believe that he was not wrong on those same critical facts when he reached his conclusions about Mr. Meese.

I also asked Mr. Martin about the Barrack matter.

Mr. Martin is on record as saying that the Barrack matter did not involve even an appearance problem for Mr. Meese. While it was identified as such by the OGE staff in their draft report to Mr. Martin, Mr. Martin has stated that he concluded there was no appearance problem because Mr. Barrack had not suffered the $83,000 loss on the Meese La Mesa home until after Mr. Barrack's appointment to the Commerce Department. In taking this position, Mr. Martin has completely dismissed or overlooked the fact that Mr. Barrack found Mr. Meese a buyer in a few weeks for his house and did not accept a commission or a finder's fee for doing so—on a house that had been on the market for over a year and a half and which was a major financial burden for Mr. Meese.

I stated yesterday that I would find it hard to believe that any Member of this body would not conclude that Mr. Barrack had done something of value for Mr. Meese in finding a buyer for his California house and closing the deal within less than 1 month. Mr. Meese stated that such assistance on the part of Barrack was "inconsequential." I find that characterization incredible.

In Mr. Martin's letter to me of February 7, 1985, he wrote that Mr. Barrack's "efforts were extended toward helping his friends rather than exclusively the Meeses." Having reviewed the Stein Report, I realize that Mr. Martin has arrived at this conclusion on his own. I could find no place in the report where Mr. Barrack is quoted as saying that. But moreover, in Mr. Martin's letter to me of yesterday, he says, Mr. Barrack's "primary motive was to help his friends by bringing them into a good business venture." I do not know how Mr. Martin can arrive at this conclusion and claim it as fact. He does not cite any page reference in the Stein Report, and I have not found, as I said earlier, any such statement by Barrack in that report. How could Mr. Martin jump to that conclusion, as to what Mr. Barrack's primary motive was or was not in helping Mr. Meese?

Madam President, for an attorney, for the Director of the Office of Government Ethics, Mr. Martin is surprisingly loose on the facts.

This brings me to my final point. Mr. Martin acknowledged at the Judi-

ciary Committee hearing that corrective action was appropriate with regard to the Meese appearance problem. How did he ensure that corrective action was taken? Well, the corrective action to be taken, according to the staff attorneys, was "counseling"; that is, making sure that Mr. Meese was sensitive to future situations so that appearances of conflicts could be avoided.

Mr. Martin explained to the Judiciary Committee that all he did to effectuate the "counseling" recommendation was to discuss the appearance problem with Fred Fielding, White House Counsel and ethics officer. Did he tell Mr. Fielding to counsel Mr. Meese? No. Did he ever, himself, counsel Mr. Meese? No. Mr. Martin said, "I did not have to tell Fred Fielding anything regarding counseling."

And a little later when asked by Senator DECONCINI whether or not he thought Mr. Meese should have counseling, Mr. Martin said, "At that point, I presumed he was highly aware of the appearance problems and that counseling would be a useless act." Mr. Martin should not presume. He should find out. In fact, his presumption was ill-founded given the fact that Mr. Meese testified to the Judiciary Committee in January 1985 that, "I honestly believe to an objective person I did not create such an appearance."

Madam President, we are entitled to objectivity and care from the Government's chief ethics officer. His opinion in this matter, however, has raised more questions than it has answered.

Madam President, I ask unanimous consent, now, that the letters I have exchanged with Mr. Martin over the past several weeks be placed in the RECORD immediately following my statement.

I also ask unanimous consent, Madam President, that the letters I exchanged with Mr. Meese and the letter and affidavit of Mr. Smith be placed in the RECORD immediately following my remarks.

In conclusion, Madam President, Edwin Meese is not a "meet" person, fit and proper to be Attorney General within the meaning of the Judiciary Act of 1789.

I reach that conclusion with no glee. The President should be given every reasonable doubt in selecting his Cabinet officers. But there are just too many reasonable doubts about Edwin Meese. Too many ethical shortcuts, too many continued evasions, and too many convenient failures of memory. I cannot vote to confirm a person who will sit at the apex of our system of justice who possesses such shortcomings. The need for public trust in Government requires far more from us than confirmation of this nominee.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, January 28, 1985.

HON. DAVID MARTIN,
Director, Office of Government Ethics, Washington, DC.

DEAR MR. MARTIN: As you know, I serve as the Ranking Minority Member of the Governmental Affairs Subcommittee on Oversight of Government Ethics. I have read the account in today's Wall Street Journal concerning your role in reviewing the ethical conduct of Edwin Meese as part of his nomination process for Attorney General. That article raises several questions which I would like you to answer by the close of business tomorrow.

(1)(a) Was the review of the Stein Report by OGE staff attorneys undertaken at your direction or was it initiated by the staff? Please provide the names of the staff persons who authored or are responsible for the report.

(b) Was the review conducted relative to certification of Mr. Meese's nomination for Attorney General? If so, why was no reference made to it in the letter or certification to the Senate Judiciary Committee? If it was done for another purpose, please explain.

(c) When did the review begin; when was it finished; when did you become aware that it was being conducted?

(2)(a) Please list all contacts you or OGE had with White House Counsel Fred Fielding, Mr. Meese, and Mr. Meese's attorney, Leonard Garment, about the OGE report. Was each contact in person, over the phone, or by letter? What was the date of each contact? Who was present? Who initiated each contact? Were any other OGE employees present other than yourself?

(b) If there was any written summary of those meetings or correspondence related to those exchanges, please enclose them with your answers.

(c) Did you share a copy of the OGE report with either Mr. Fielding, Mr. Meese or Mr. Garment?

(3)(a) Briefly describe the customary practice of your office in pursuing an allegation of a conflict of interest involving a current federal employee. Does you office discuss such allegations with the Designated Agency Ethics Officer (DAEO), and if so, at what point?

(b) Do you usually share a copy of a staff report or a draft thereof with the DAOE or the subject employee?

(c) Is the employee then invited to explain his conduct?

(d) How is disciplinary or corrective action determined and by whom? How many instances of disciplinary or corrective action have there been in the past three years?

(e) The article states that upon "reviewing all the facts and meeting with Mr. Meese's lawyers" you decided not to seek corrective action. Please list those factors that affected you decision on this matter.

(f) Please cite those cases where on previous occasions your staff has made findings of violations of ethics laws or regulations and you did not adopt them.

(4)(a) You certified to the Judiciary Committee on 1/24/85 that Mr. Meese was not in violation of any conflict of interest laws, yet you did not disclose at that time the OGE report or the developments that had occurred as a result of the meetings or conversations with Mr. Fielding and Mr. Garment. What was the basis for your decision to not inform, even on a confidential basis, the Judiciary Committee of the OGE report and subsequent actions?

(b) Did you have any conversations or written exchanges with Mr. Fielding, Mr. Meese or Mr. Garment about keeping the report confidential? If so, when were those discussions or exchanges, who initiated such discussions or exchanges, who was involved in them, and what was requested of whom? Please provide a summary of any such conversations and any documents pertaining to this issue.

(5)(a) According to the Wall Street Journal, the OGE report identified two incidents in which violations of ethics laws or regulations may have occurred, namely Mr. Meese's involvement in the approval of John McKean to serve on the Postal Board of Governors and in the approval of Thomas Barrack to serve in the Department of Interior and later, the Department of Commerce. The article states that you were "satisfied" with Mr. Meese's conduct relative to Mr. McKean, because his participation had been "minor" and "(t)here was no basis for concluding, than, that he (Mr. Meese) had lost his impartiality in terms of supporting the guy (for the postal board)". Please explain in full your reasoning behind those conclusions.

(b) The article further states that you "quickly ruled out any 'appearance' problem on the Barrack matter", because the Stein Report found no evidence showing Mr. Meese knew of "Mr. Barrack's help on the home sale at the time Mr. Barrack got the appointment". However, the Stein Report is very clear that Mr. Meese did know through direct conversation and correspondence that Mr. Barrack had agreed to work to sell Mr. Meese's home in a capacity similar to that of a broker, and that Mr. Barrack was not charging Mr. Meese any brokerage fee or finder's fee. This information was known to Mr. Meese before his approval of Mr. Barrack's appointments. In fact, at a dinner in November, before the approval of the appointments, Mrs. Meese is quoted in the Stein Report as saying, "Oh, we'll recognize him (Mr. Barrack). He'll be the one with the halo around his head, ". This was said in reference, according to the Stein Report, to "his efforts in helping the Meeses sell their house." (Stein Report, page 218.) If you have information that differs from this, or a different interpretation of these events, please provide them.

(6) Please provide me with a copy of the OGE report referred to in the article and any correspondence, memos or documents concerning that report in the OGE or your personal files.

If you have any questions about this request, please contact Linda Gustitus of my staff at 224-3682. Thank you for your cooperation.

Sincerely,

CARL LEVIN.

UNITED STATES OF AMERICA, OFFICE OF GOVERNMENT ETHICS, OFFICE OF PERSONNEL MANAGEMENT,
Washington, DC, February 7, 1985.

Hon. CARL LEVIN,
Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR SENATOR LEVIN: This is in response to your letter of January 28, 1985, requesting that I answer certain questions raised by an article in that day's Wall Street Journal. The article related to an Office of Government Ethics staff review of the Independent Counsel's report concerning Edwin Meese III.

As you know, on January 31, 1985, I appeared before the Senate Judiciary Committee for five and one-half hours regarding this matter. While most of your questions were addressed and answered during that testimony, I understand your need to carry out the responsibilities of the subcommittee. Consequently, I am most happy to provide answers to your questions.

With regards to your questions in the referenced particulars:

1(a). The review of the Independent Counsel's report was undertaken at my sole direction, and was prepared by two staff attorneys, F. Gary Davis and Nancy Feathers.

1(b). The review was undertaken so that I might fully carry out my duties as Director of the Office of Government Ethics, but not specifically with the certification process in mind. Had any matter been raised which I thought proper to reference in the letter of certification, I would have done so. Since the final conclusions of this Office were matters properly within the executive branch, I considered it proper to be handled within the executive branch.

1(c). The review began in mid-December and finished on or about the 14th of January. I was aware that it was being conducted when I directed that it be undertaken.

2(a). I contacted Fred Fielding by telephone regarding this matter on January 16, 1985. When advised of the review, Mr. Fielding inquired if I would meet with Mr. Meese's attorneys. Consequently, on January 17, Messrs. Garment, Peter Morgan and Bob Wallach came to my Office, where Mr. Donald Campbell, our Chief Counsel, and I advised them of the results of the review. The next day, January 18, Messrs. Garment, Wallach and Morgan met with me and Mr. Campbell in my Office, and presented a draft memorandum. On January 22, a messenger delivered Mr. Garment's final memorandum, which I requested Mr. Davis and Ms. Feathers to review.

2(b). The only correspondence was the memorandum from Mr. Garment, which I have enclosed. The meetings were quite brief and there were no written summaries.

2(c). No.

3(a). It is customary to bring the Designated Agency Ethics Official into the discussion at the earliest possible point. However, in most cases, the information flow is opposite to what occurred in this matter. Normally, it is the Designated Agency Ethics Official who develops the information, and upon whom we rely to gather the facts.

3(b). See answer to 3(a).

3(c). Normally, the employee is aware of the investigation or the review, and is most anxious to explain or describe their position. We routinely hear from an employee or their attorney.

3(d). Pursuant to the Code of Federal Regulations, disciplinary action can only be undertaken by the head of an agency. Corrective action in the context of the Ethics in Government Act (the Act) generally relates to institutional changes in agency procedures or policy. However, section 402a of the Act directs that I consult with agency ethics counselors regarding the resolutions of conflict of interest problems in individual cases. After meeting with my staff, we decided that the only action required by this Office was to notify Mr. Fielding of the appearance problem. Your inquiry asked how many corrective actions there have been in the past three years. We have, through many of the tools available to us in the Act, taken corrective action to resolve many conflict of interest problems, and do not, as a matter of practice, include them in the certification letter. As you know, my view of the Act's thrust relates to preventing conflicts of interest in the executive branch.

3(e). The final conclusion of this Office was that based upon the facts of the McKean loan arrangement, an appearance problem was created. I already knew that Mr. Meese was aware of the appearance problem, and of the regulations which caution against creating appearance problems, having pointed this out to Messrs. Wallach, Garment and Morgan. We believed that it was unnecessary to do anything further, other than to advise Fred Fielding, the Designated Agency Ethics Official.

3(f). The underlying premise of this question is inaccurate. In this matter, after several meetings with and much discussion among Mr. Campbell, Mr. Davis, Ms. Feathers and myself, we reached a conclusion in which we all concurred. In general, there have been occasions when members of my staff have disagreed on the appropriate resolution of ethics-related questions.

4(a). I did not think that it was proper for me to raise it with the Senate Judiciary Committee.

4(b). No.

5(a). My conclusions were based on the following facts:

At the time the loans were made, there was no evidence that Mr. McKean was interested in, or even contemplated receiving, a federal position;

Both loans were arms-length transactions at higher than prevailing bank rate interest;

Consideration of Mr. McKean's name was initiated by Mr. Deaver;

Mr. Deaver initiated the nomination of Mr. McKean for a longer term on the Board, at which time the appointment process was already in motion;

The Independent Counsel's report found no evidence that Mr. Meese spoke to anyone or took any action to assist Mr. McKean in obtaining a longer term; and

The appointment of Mr. McKean for a full term was already in progress through the Office of Presidental Personnel before the executive committee met.

5(b). Unfortunately, the article in the Wall Street Journal was inaccurate in this regard. As only part of my explanation, I stated that Mr. Meese had no knowledge of the financial involvement of Mr. Barrack in the sale of the house. The factors that influenced my decision regarding the Barrack appointment are as follows:

(1) The position at the Department of Commerce had been offered to Mr. Barrack by Secretary Malcolm Baldrige, and he had already accepted the position before the executive committee met;

(2) Because Mr. Barrack thought the Meese home was a good buy, his efforts were extended toward helping his friends rather than exclusively the Meeses;

(3) Mr. Barrack disclosed to no one that he had been involved in the sale of the Meese house; and

(4) Mr. Meese took no action to secure the appointment for Mr. Barrack. Rather he merely attended a meeting of the executive committee after both the offer and acceptance of the position had been made.

6. Enclosed please find a copy of the review made by Mr. Davis and Ms. Feathers, a letter to Senator Biden, a letter to Senator Thurmond, and a letter to Senators Thurmond and Biden.

If you have any further questions regarding this matter, please do not hesitate to contact me.

Sincerely,

DAVID H. MARTIN,
Director.

Enclosures.

U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS, SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT,
Washington, DC February 11, 1985.

DAVID MARTIN,
Director, Office of Government Ethics, Washington, DC.

DEAR MR. MARTIN: Thank you for your answer to my letter of January 28, 1985. However, your response as well as your testimony before the Senate Judiciary Committee has triggered in my mind questions which I request that you answer by close of business Wednesday, February 13, 1985.

To clarify for me your conduct in the review of the Stein Report by the Office of Government Ethics (OGE) and your interpretation of Executive Order 11222 and the regulations issued pursuant thereto, please answer the following questions.

(1) You stated that the OGE was finished on January 14, 1985; that you telephoned Fred Fielding on January 16, 1985; that you met with Edwin Meese's attorneys on January 17 and 18, 1985; and that Leonard Garment sent you his final memo on January 22, 1985. Were the meetings you had with your staff, referred to in your answer 3(f), where you "reached a conclusion in which (you) all concurred" held before the Fielding phone call and the meetings with Mr. Meese's attorneys, intermittent to that, or after that? Please state specifically just when you arrived at the conclusions with your staff relative to your conversations with Mr. Fielding and Mr. Meese's attorneys.

(2) In your answer 3(e) you say you knew Mr. Meese was aware of the appearance problem, because you had met with his attorneys, and you didn't do anything further, except to advise Mr. Fielding. Did you call or meet with Mr. Fielding after receipt of the final Garment memo? If so, what was said at that time?

(3) Please provide me with a copy of the draft memo submitted by Mr. Garment to the OGE.

(4) To what extent did the Garment memo affect your decison? If it did in any way, please cite those parts of the memo that influenced you.

(5) At the Judiciary Committee hearing you repeatedly said the regulations implementing Executive Order 11222 were "aspirational". Upon what do you base that opinion? When was the first time you used the word "aspirational" in characterizing your interpretation of the conflict of interest regulations? If such use is contained in an OGE document, please enclose a copy of any such document.

(6) The regulations concerning conflict of interest speak to "appearance" and "actual result" in the same section, using the words, "an employee shall avoid any action . . ." with respect to both matters. Yet, you seem to treat the two aspects of the problem differently. At the Judiciary Committee hearing you said (and this is almost an exact quotation), "If there's nothing to the appearance (that is, behind the appearance) then I don't know how you can say there's a violation." Is it your professional opinion that creating an appearance of a conflict of interest does does not violate the regula-

tions? What is your basis or support for that interpretation?

(7) In the letter to Senator Thurmond of January 28, 1985, you said, "only one of the allegations rose to the level of a violation of the standards of conduct". In a letter to Senator Biden on that same day you did not mention this conclusion. And in a letter to both Senators Thurmond and Biden on January 29, 1985, you said there was an appearance problem. Is there a difference in your mind between a violation of the standards of conduct and an appearance problem? If so, what is the difference and which is accurate with regard to OGE's review of the Meese matters?

(8) I asked you in my earlier letter, for the number of corrective actions taken by your office, and you answered that you've taken corrective actions to resolve many conflict of interest problems. Does your office or do the DAEO's keep records of violations? If so, does that include issues of appearance? Please provide any available statistics for the past three years. Does your office or do the DAEO's keep records of corrective actions taken or sought in response to violations? If so, please provide those statistics for the past three years. If not, please provide your best estimate of the number of such corrective actions taken within the past three years.

(9) You stated in your answer 4(a) to me that you didn't think it was "proper" to raise your staff's findings on Mr. Meese or your conclusions or contacts with the White House or Mr. Meese's attorneys with the Judiciary Committee, and in the letter to Senators Thurmond and Biden of January 29, 1985, you said, "I did not advise you of the staff working paper and of my determinations, since I found that Mr. Meese's objectivity had not been impaired in the McKean matter." Yet, in your answer, to questions by our Subcommittee during consideration of your nomination, you said, "In certain cases when the nature of an allegation requires that it be aired, and a decision made by the Office of Government Ethics either clearing an official of any conflict-of-interest or stating that there clearly is a conflict-of-interest, the Office's findings should be made public." (May 12, 1983) The Governmental Affairs Committee Report on the reauthorization of the OGE in 1983 on the subject of issuing public statements said, "The Committee strongly believes that the OGE should retain discretion over when to issue public statements. The ability to issue a public report in an important enforcement tool that can be particularly valuable in highly visible cases. Such public statements not only resolve the controversy surrounding such cases, but also increase public confidence in and awareness of the ethics program by indicating that an independent entity has reviewed the matter for ethical violations." (Page 18) What would have been improper about having raised this matter with the Judiciary Committee? Be specific.

(10) Relative to your construction of the facts in the McKean and Barrack instances—

(a) You answered in your letter to me that your conclusion regarding Mr. McKean was based on, *inter alia*, the fact that "at the time the loans were made, there was no evidence that Mr. McKean was interested in, or even contemplated receiving, a federal position." At the time the $20,000 loan was made, McKean's nomination had been approved by the Personnel Committee and the President was awaiting Senate confirmation. How, then, can you justify your above statement as a "fact"?

(b) You say in your answer 5(b) that "because Mr. Barrack thought the Meese home was a good buy, his efforts were extended toward helping his friends rather than exclusively the Meeses." Would Mr. Barrack's interest in helping Mr. Meese have to have been "exclusive" for purposes of assessing any violation of the standards of conduct? And, upon what do you base your finding that Mr. Barrack was helping Mr. Meese in order to "help his friends"? Did you interview Mr. Barrack? Did you do any investigation or research beyond the Stein Report?

(c) Given the fact that Mr. Meese had been unable to sell his home for some 20 months and Mr. Barrack sold his home within two weeks of being asked for help, and given the fact that Mr. Barrack sold Mr. Meese's house without a commission, and given the facts I cited on this subject in my earlier letter, is it your opinion that Mr. Barrack did not provide something of value to Mr. Meese outside of the $83,000 loss he later took on the transaction? Is your finding that there was no ethical violation involving an appearance of a conflict of interest, here, based more on your opinion that Mr. Barrack did little or nothing of value for Mr. Meese or upon your opinion that Mr. Barrack's job was already decided upon without the approval of the Personnel Committee? What is the most significant factor in your decision that the Barrack matter did not create an appearance problem like the McKean matter?

(d) Is your conclusion in your answer 5(b)(4) that Mr. Meese merely attended the Personnel Committee meeting "after both the offer and acceptance of the position had been made" supported by the Stein Report? If so, where?

Again, I request that you answer these questions by the close of business Wednesday, February 13th. If you have any questions concerning the letter, please contact Linda Gustitus of my staff at 224-3682.

Sincerely,

CARL LEVIN.

OFFICE OF GOVERNMENT ETHICS,
Washington, DC, February 20, 1985.

Hon. CARL LEVIN,
Subcommittee on Oversight of Government Management, Committee on Government Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR LEVIN: This is in response to your letter of February 11, 1985, requesting that I answer certain other follow-up questions pertaining to Mr. Edwin Meese III's nomination to be Attorney General which arose both from my responses to previous questions and from my testimony before the Senate Judiciary Committee.

With regards to your questions in the referenced particulars:

1. I twice spoke with White House Designated Agency Ethics Official (DAEO), Fred Fielding. The first conversation, on January 16th, was to inform him as the DAEO of the tentative conclusions reached by the staff report—basically that the Barrack and McKean matters presented possible appearance problems. The gift problem aspect of the report had been dismissed during OGE meetings and discussions preceding this initial phone call. Subsequent meetings and discussions produced a conclusion on the Barrack matter before the meeting with Mr. Meese's attorneys on January 17. The second phone call to Fred Fielding was placed after the 22nd to advise him that the McKean matter still presented an appearance problem.

2. Yes, as I stated above, I telephoned Mr. Fielding a second time, after receipt of Mr. Garment's memo, to advise him that the McKean matter still presented an appearance problem. I advised him that I left to his discretion as DAEO what action, if any, would be taken.

3. I do not have a copy of the draft memorandum. When we met with Mr. Meese's lawyers, we reviewed their draft memorandum, but were never given a copy. My best recollection is that what we reviewed at the meeting with Mr. Meese's lawyers was substantially the same as what we ultimately received.

4. Mr. Garment's memorandum did not influence my decision, or the conclusion of our staff attorneys.

5. Upon assuming the position of Director of the Office of Government Ethics, I was confronted with a series of issues which required a close study of Executive Order 11222 and its implementing regulations. I concluded that the Executive Order contained language which merged both disciplinary and aspirational principles. Certain provisions of the Executive Order, such as section 201(c), do not readily lend themselves to clear criteria for specific disciplinary actions. Others, however, such as section 201(a), are more defined in nature and provide a clearer basis for agency action. Developing case law in the area seems to support this conclusion. For example, in *CACI, Inc.* v. *United States*, appeal no. 83-742 (Fed. Cir., Oct. 28, 1983), the court held that a Claims Court opinion that there was both the opportunity for and appearance of impropriety in a contracting process was not an adequate or proper basis for enjoining the award of a contract. The Court went on to say that 5 C.F.R. § 735.201a (1982) merely provides general standards to guide employees in the performance of their duties. It does not create specific and precise standards, the violation of which would justify enjoining a Department from awarding a contract.

Notwithstanding the court's findings and the confusion generated as to the appropriate criteria to apply for determining Executive Order violations, we have, based on longstanding policy, attempted to apply objective standards in each instance where we are called upon to make a determination on an appearance issue; we do this by looking behind the appearance to determine if there is any reality to the appearance.

I have referred to this marriage of disciplinary and aspirational principles within the Executive Order and its provisions for nearly as long as I have been the Director of this Office.

6. In both my opening statement to the Judiciary Committee and in later exchanges with individual members of the Committee I made it clear that as regards an appearance of impropriety, we express the issue in terms of an "appearance problem". Thus, standard office procedure has always been that once an appearance problem surfaces, we seek to determine whether there is any "substance to the appearance". If there is no substance to the appearance, in my view, there is not a violation of the standards of conduct.

7. Yes, subjective appearance problems are frequent throughout the federal work force. Without some exploration of the facts surrounding an appearance problem and a corresponding effort to establish an objective basis for action the federal govern-

ment would not be able to function. If, upon examination of an appearance problem, we are left only with the appearance, then we must decide what, if any, action may be necessary to deal with the appearance. That is quite different from a clear, substantial and objective violation.

8. This Office reviews approximately 1,100 public financial disclosure statements (SF 278s) per year. This includes new entrants, incumbents, and departures from government service.

Calendar year 1981 is the last year for which we have compiled specific data with regards to corrective action directed by OGE. In that year, 615 new entrant reports were reviewed. Of those, 354 required at least one corrective action, which included resignation, recusal, divestiture, establishment of a blind trust, waiver, leave of absence, and others. We have not kept records or any studies of appearance problems.

9. I did not feel that the existence or substance of the OGE staff working paper was properly a "public" document. I do continue to feel that the OGE can and should make public statements in individual cases when necessary to explain its position or decision. However, as the Senate Governmental Affairs Committee Report on the subject said, ". . . OGE should retain discretion over when to issue public statements." Furthermore, a public statement should be of a descriptive and expository nature on the Office's position or decision, and should explain the reasons behind the results. Under no circumstances would a public statement be the release of individual staff's thought on a matter which amounted to being only one factor in the Office's decision-making process. Once I had dealt with the appearance problem involved in the McKean loan arrangement properly within the executive branch, I did not feel it was proper to raise it before the Committee. For instance, had I directed the analysis to be made back in November and had the results been the same and handled within the executive branch, I would not then have raised the matter in the certification letter of January 24.

10.(a) I will clarify that answer as follows: at the time of the original $40,000 there was no evidence that Mr. McKean was interested in or even contemplated receiving a federal appointment.

10.(b) No, only one factor. You have misconstrued my answer in regard to Mr. Barrack's motive. His motives, based on the Stein report, are that he thought the purchase was a good deal, that he wanted to assist his friend Elkins in a business fashion, and that he often invited his friend Howard into good business deals. His primary motive was to help his friends by bringing them into a good business venture.

10.(c) In my opinion, there was an insufficent causal connection between Mr. Barrack's actions and his appointment to a federal job. Prior personal dealings do not forever bar other involvement. Mr. Barracks was recruited for a federal position at Interior. He apparently did well there because he was supported for promotion from his agency to a higher position at the Department of Commerce. Over seven months had lapsed since Mr. Barrack was involved in the sale of the Meese home and the Executive Committee meeting; and the position at Commerce had been offered and accepted before the Executive Committee met. Mr. Meese took no action at the Executive Committee meeting.

I based my conclusions in the Barrack matter on all the facts and circumstances.

10.(d) Yes, at p. 221.

Sincerely,

DAVID H. MARTIN, *Director.*

U.S. SENATE,
Washington, DC, March 9, 1984.

Mr. EDWIN MEESE III,
Counsellor to the President,
The White House, Washington, DC.

DEAR MR. MEESE: On March 7, 1984, Senator Thurmond, Chairman of the Senate Judiciary Committee, forwarded to you on my behalf two questions regarding the allegations that President Carter's papers ended up in the Reagan campaign. The questions and your responses are attached. Your answers to my questions were unresponsive, and so I am now writing to request that you directly and specifically respond to those portions of the questions that were not addressed in your responses.

Specifically, I asked for the substance and dates of all conversations you had with James Baker or Bill Casey relative to the Carter papers. You answered relative to Mr. Casey but, relative to Mr. Baker, simply said that you had had "very general conversations with James A. Baker, III, concerning this subject." I asked for the substance and you responded with a characterization rather than substance.

I also asked for any personal knowledge that you had relative to the Carter papers "being physically available to the Reagan campaign." Instead of answering the question, you said that you knew of no effort by the presidential campaign to obtain the papers. Again, your answers were unresponsive. I did not ask whether the Reagan campaign made an effort to obtain them, but about your personal knowledge relative to their being physically available to the Reagan campaign.

I would request that you promptly respond to my questions specifically and in full.

Sincerely,

CARL LEVIN.

U.S. SENATE,
Washington, DC, December 21, 1984.

Mr. EDWIN MEESE III,
Counsellor to the President,
The White House, Washington, DC.

DEAR MR. MEESE: I would appreciate your notifying me by letter whether you remember seeing the following attached documents during the 1980 Presidential Campaign:

Memorandum from Bob Garrick to Ed Meese, dated September 12, 1980;

Memorandum from Bob Garrick to Ed Meese, dated September 4, 1980;

Memorandum from Bob Gray to Bill Timmons, dated October 21, 1980;

Memorandum from Wayne Valis to Jim Baker, dated October 21, 1980;

Memorandum from Thelma Duggin to Art Teele, dated October 17, 1980;

Memorandum from Dick Allen to Governor Reagan, Bill Casey, Ed Meese and Dick Wirthlin, dated October 15, 1980;

Memorandum from Max Hugel to Ed Meese, dated August 11, 1980;

Memorandum from Dan Jones to Bob Gray, Bill Casey and Ed Meese, dated October 27, 1980.

I would also appreciate your written response to the following question: Did you during the 1980 Presidential Campaign believe, or have any knowledge, that copies of non-public documents from the White House or the Carter Campaign were physically available to, or in the possession of, the Reagan Campaign? (When I asked you a similar question before, you responded that you knew of no effort by the 1980 Reagan Campaign to obtain such materials. That was a non-responsive answer, since I was asking about your knowledge or belief relative to the physical presence of those documents in the Reagan Campaign and not relative to any effort to obtain that physical presence.)

Finally, I would appreciate your written response to the following question: During the 1980 Presidential Campaign were you aware of, or did you believe that, a source (or sources) inside the White House and/or the Carter Campaign was providing non-public information to the Reagan Campaign?

A letter to me responding to these questions by one week before your confirmation hearing would be most appreciated. Thank you.

Sincerely,

CARL LEVIN.

THE WHITE HOUSE,
Washington, DC, January 23, 1985.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEVIN: In response to the questions set forth in your 21 December 1984 letter, I do not remember seeing, during the 1980 Presidential campaign, the documents described in your letter.

To the best of my recollection, during the 1980 Presidential campaign I did not believe or have any knowledge that copies of non-public documents that had been improperly obtained from the White House or the Carter campaign were physically available to or in the possession of the Reagan campaign; nor was I aware of nor did I believe that a source (or sources) inside the White House and/or the Carter campaign was improperly providing non-public information to the Reagan campaign.

Sincerely,

EDWIN MEESE III,
Counsellor to the President.

THE ARIES GROUP, LTD.,
September 5, 1984.

Office of the Independent Counsel,
c/o Jacob A. Stein, Esquire,
Washington, DC.

DEAR MR. STEIN: Yesterday, I met with two members of your staff, Messrs. Paulisick and Bensfield. The purpose of my visit was threefold:

to inquire about the parameters of your investigation of Mr. Meese's affairs.

to inform your office of an experience I had while working in the Reagan campaign in October 1980, which I believe to be pertinent to your investigation. My enclosed affidavit covers this matter.

to inform you that Ms. Barbara Honegger, a former colleague of mine in the Reagan campaign, has information which we both believe is pertinent to the investigation.

Let me state clearly that I wish to facilitate your investigation and to cooperate with the Office of the Independent Counsel in whatever way I can. Moreover, Ms. Honegger is equally as willing to cooperate with your office and intends to write you to this effect in the next few days.

Sincerely yours,

MICHEL F. SMITH,
President.

Enclosure: my affidavit.

AFFIDAVIT OF MICHEL F. SMITH

Mr. Smith, being duly sworn on oath, according to the law of the State of Virginia, deposes and says the following:

1. "My full name is Michel Frans Smith. I am a citizen of the United States, having been born of American parents in Amsterdam, The Netherlands, on March 23, 1925. I have been a resident of Virginia since 1952, and I currently reside at 6305 North 36th Street, Arlington, Virginia 22213. I am retired from Federal Service, with a total of more than 30 years of service, both here and overseas—from 1948 to 1966 in the Department of State as a Foreign Service officer, and from 1966 to 1979 in the Domestic and International Business Administration (now International Trade Administration) of the Department of Commerce.

2. "From December 1979 until June 1980, I served as a volunteer in the headquarters of the George Bush presidential primary campaign in Alexandria, Virginia, where I was a professional member of the research staff headed by Stefan Halper. From August until the election in November 1980, I was a paid (salary $1,500 per month) staff member of the Reagan-Bush Committee (RBC), headquartered in Arlington, Virginia.

3. "Specifically, I served the RBC as one of four senior watch officers (or team captains), responsible for manning the Operations Center (OpCenter) on a round-the-clock basis throughout the 1980 presidential campaign. During August of 1980 I assembled a group of volunteers as members of my watch team. There were four teams, designated with the letters, A, B, C, and D. Mine was the "B Team." These teams served regular eight-hour shifts on a rotating basis. It was our responsibility to facilitate the speedy transmission of information, both written and oral, between campaign headquarters and the Reagan and Bush airplanes; we also monitored the news media and prepared daily news summaries for the candidates and the senior staff.

4. "During my service in the OpCenter, I had almost daily contact with certain senior RBC officials, including Mr. Ed Grey and Mr. Robert Garrick (or Admiral Garrick, as he was called). To the extent they were at headquarters in Arlington, Virginia, I also had frequent contact with other senior officials, including Mr. James Baker, Dr. Martin Anderson, and Mr. James Brady. There was no clear delineation of lines of authority in the RBC, but as a team captain, my immediate supervisor was Mr. Halper under whom I had served in the George Bush campaign earlier in the year (see para. 2 above). Mr. Halper claimed that he reported directly to Mr. Edwin Meese, although Admiral Garrick disputed this claim.

5. "Rather late in the evening of October 27, 1980, while I was on watch at the OpCenter, Mr. John Lenczowski, who was on the staff of Representative Courter (Republican of New Jersey), came to me with some politically sensitive information concerning Radio Free Europe and Radio Liberty (RFE/RL), two U.S.-Government-supported stations broadcasting to 'Iron Curtain' countries. Because I felt the information to be of immediate interest to those persons responsible for preparing Mr. Reagan for the big Reagan-Carter debate scheduled the very next evening, I asked Mr. Lenczowski to submit the information he had in written form by 9:30 A.M. the next morning.

6. "The issue of the funding of RFE/RL was a matter I had been interested in ever since the early days of the Bush campaign. My efforts in this regard were undertaken by me on my own initiative; they were outside of my responsibilities as a team captain in the RBC Operations Center. My supervisor, Mr. Halper, was vaguely aware of my project, and, while he gave me no particular encouragement, he never interfered with my efforts to interest other senior campaign officials in the matter.

7. "Mr Lenczowski, apparently, was as interested as I in making the RFE/RL controversy an issue in the campaign. We were both convinced that President Carter was vulnerable on this matter, and I had long felt that taking a strong position in favor of additional funding for RFE/RL would mean significant numbers of additional votes for Mr. Reagan among Eastern European ethnic communities in Illinois and other key states. It was to be expected, therefore, that Mr. Lenczowski and I would eventually meet, although I cannot recall who arranged the introduction some two or three weeks prior to the Reagan-Carter debate.

8. "Mr Lenczowski spent the next few hours drafting as concise a paper as he could, comprising the key elements of the information he had conveyed to me orally. About 9:30 A.M. on October 28, 1980, as I had asked him to do, Mr. Lenczowski handed me a hand-written memorandum (the Lenczowski report) on the subject of the radio stations and the controversy surrounding them.

9. "I immediately prepared a brief covering memorandum to Mr. Brady, attaching the Lenczowski report. In this instance I used the 'back-channel' (through Mr. Brady) because of standing instructions, conveyed orally to all team captains late in the campaign, regarding particularly sensitive information received by the OpCenter. Both the Lenczowski report and my covering memorandum to Mr. Brady (see Exhibits A and B) were found among Mr. Meese's campaign files by the Albosta Committee, and both were made exhibits in the final committee report.

10. "I believe, but I cannot be certain, that I laid the package (the Lenczowski report with my covering memorandum) on Mr. Brady's desk and requested his secretary to make certain that Mr. Brady looked at my memorandum as soon as he arrived in the office that morning. As I recall, I did not inform Mr. Halper of these actions on my part. In any event, my next clear recollection is that Admiral Garrick came to me with the package in hand, said that he was on his way to Mr. Meese's office directly above the OpCenter, and instructed me to 'stand by.' I had been waiting not more than 15 minutes when Mr. Meese's secretary called me on the telephone asking me to come upstairs. I did so and was ushered promptly into Mr. Meese's office.

11. "As I walked in I saw Mr. Meese sitting at his desk at the opposite end of the room (facing the door) and Admiral Garrick sitting in a chair next to a window (to Mr. Meese's left). There were no others present in the room. Mr. Meese asked me a few questions about who Mr. Lenczowski was, how I had met him, how reliable I thought he was, etc. Mr. Meese then turned to Admiral Garrick, indicating that he thought the information was 'hot' and that he should take it with him that morning to Wexford (the Warner estate near Middleburg, Virginia, where the debate preparations were already under way).

12. "Shortly thereafter Mr. Meese dismissed me. I had been in the room at most five or six minutes. Admiral Garrick remained to confer with Mr. Meese on other pressing matters. Later that morning, as I headed for home, I was exhausted yet exhilarated by the thought that events that morning had more than justified the many hours I had spent researching the RFE/RL funding controversy.

13. "Much later, in early 1981, I learned that Mr. Lenczowski had been appointed Special Assistant to the Undersecretary of State, Lawrence Eagleburger. As such he was probably privy to much that went on in the National Security Council (NSC). About two years ago, at a party in my home to which Mr. Lenczowski was invited, he took me aside and told me that our joint efforts during the 1980 presidential campaign had 'paid off.' I recall his indicating to me that the NSC at long last was going to take up the question of more generous funding of the radio stations. Obviously, Mr. Lenczowski had never lost interest in the RFE/RL controversy, and he took pride in whatever contribution he may have made to a favorable outcome.

14. "When the controversy about 'Debategate' erupted, I tried to recall any pertinent facts that might have shed light on the controversy, but I could not. About midway into the Albosta Committee inquiry, I spent an afternoon on Capitol Hill being interviewed by two investigators from the Committee. The interview was friendly, it dealt mostly in general terms with my role in the campaign, and I was never asked to make a statement under oath. The Albosta committee investigators asked me whether Mr. Lenczowski had ever supplied me with information related to the RFE/RL controversy, and I acknowledged that he had. But never once did they show me the October 28 memorandum or Mr. Lenczowski's report, nor did they ask me what I had done with the information. The two documents had completely slipped my mind, and it was only two weeks ago, when I was leafing through a copy of the final Committee report and saw the facsimiles of the two documents, that my memory was sufficiently jogged for me to recall the October 1980 events described above. The Albosta Committee investigators never called me back or contacted me after my initial interview."

15. "The Federal Bureau of Investigation (FBI) has never questioned me as to any recollections I might have had pertinent to their 'Debategate' investigation, even though I resided in the Washington, D.C., area and could easily have dropped by to answer any questions they might have wanted to ask me."

And further deponent saith not.

MICHEL F. SMITH.

EXHIBIT A

REAGAN-BUSH COMMITTEE

MEMORANDUM TO JIM BRADY

This is a paper prepared for Gov. Reagan's information prior to the debate. It was done by John Lenczowski Legislative Asst. to Cong. Courter (R-NJ). He apparently has access to the VOA and RFE/RL briefing paper prepared for Pres. Carter for the debate tonight.

Lenczowski, who is very knowledgeable about the radio stations, points out there are a number of distortions in that paper, and he has concentrated here on rebutting those distortions.

While the paper (done in a great hurry at midnight last night) verifies much of what we had in our background paper on the subject, it is succinct and very much to the point. I think it should go immediately to

Wexford for the attention of whoever is handling the foreign affairs briefings for the Governor.

M.F. SMITH.
Senior Watch Officer.

Source: "Unauthorized Transfers of Nonpublic Information During the 1980 Presidential Election," Report Prepared by the Subcommittee on Human Resources of the Committee on Post Office & Civil Service, House of Representatives, May 17, 1984 (Part 2, page 1372).

EXHIBIT B

"Carter requested a briefing on Voice of America & Radio Free Europe & Radio Liberty for the debate. The briefing paper whose information Carter will use has numerous distractions.

Carter will say that there has been a real increase in VOA spending.

In fact—VOA budget is stable in real terms.

VOA has had no increase in staff.

4 South Asia transmitters have been delayed by slow action of the State Dept.

Technical modernization has not been funded.

VOA runs on 1940's & 1950's technology.

VOA is barely audible in many parts of the world.

Nothing was done about Soviet jamming of VOA.

Many transmitters are obsolete.

Carter will say that RFE-RL have doubled their transmitting power.

In fact—even this increase is not enough to reach target audience.

This increase cannot overcome Soviet jamming.

RL has lost half its audience in recent years.

Transmitters cannot reach east of Urals and cannot reach Moslem population of Central Asia.

Carter will say that funding for RFE-RL increased from $57 million to $104 million under his administration.

In fact—$104 million is a budget request not an actual outlay.

These budget increases compensate only currency devaluation of the dollar vis-a-vis the Mark (the currency used by RFE in Europe) but they do not compensate for inflation.

RFE-RL have had big deficits each year.

These Radios had to cut staff (161 people) since 197—

These Radios had to cut operations and maintenance by. . . .

There is no money to pay for painting transmitters when covered with rust and salt and therefore lose power.

OMB and State Dept. have blocked modernization and expansion which would make possible broadcasts to Crete.

INTERNATIONAL BROADCASTING DURING THE CARTER ADMINISTRATION

Voice of America

During the Carter Administration, the Voice of America (VOA) has increased the number of hours of broadcasting and the languages broadcast and begun the first expansion and modernization of transmitting facilities in many years. This expansion and improvement was made possible because the Carter Administration has made additional resources, in real terms, available to the VOA.

The 1961 Administration request for operating expenses of VOA is $96 million. This compares with $65 million made available to VOA in 1977. In constant 1969 dollars, the VOA operations were $35.7 million in 1969 and remained essentially at that level through 1977 ($35.5 million) and will be $38.2 million in 1981. Thus, the Carter Administration has provided real term increases after eight years of level funding.

No new construction of VOA facilities was undertaken during the 1969-1977 period. In 1977, the Carter Administration began a major construction program to upgrade VOA transmitting capabilities. Three large projects and a smaller one were planned to improve the VOA reception in Eastern Europe, the Soviet Union, Africa and Asia. Appropriations totalling $35 million were requested and obtained to expand transmitter facilities in the United Kingdom, Liberia, the Philippines and Botswana. The United Kingdom facility will be in operation in early 1981 as will the new AM station in Botswana, the first new VOA AM facility in twelve years. Furthermore, satellite links have been added and the master control system modernized to improve VOA quality and reliability.

In 1969, the VOA was broadcasting a total of 938 hours per week in 36 languages. By 1977 the broadcast hours were down to 795 hours in 37 languages. In 1981, the VOA will broadcast a total of 903 hours per week in 41 languages with Perisan, Dari, Azeri, Ambaric being the languages added.

Radio Free Europe/Radio Liberty

Radio Free Europe/Radio Liberty, a private non-profit corporation relies almost entirely upon U.S. Government contributions to broadcast in 21 languages into the Soviet Union and Eastern Europe. The Carter Administration has increased funding, through the Board for International Broadcasting, from $57 million in 1977 to $104 million in 1981. Funds have been provided to RFE/RL for a major increase in its transmitting power. By 1982, RFE/RL will have twice the transmitting power it did when President Carter came into office. This will mean a much stronger signal for its many listeners in Eastern Europe and the Soviet Union where jamming often makes listening difficult.

The Carter Administration has also supported administrative reforms which have permitted RFE/RL to reduce several hundred duplicative administrative positions.

Carter Administration Accomplishments

In March 1977 the Carter Administration announced approval of a major transmitter-building program for both radio networks: 26 in all, 11 for RFE/RL and 17 for VOA. Of these 24 were undertaken and the first will come into operation before the end of 1980. South Asian transmitters for VOA (4 from Sri Lanka) were delayed because of diplomatic problems and negotiation for these are only now nearing completion.

No other significant new initiatives have been taken in the radio field by the Carter Administration. Programs for technical modernization and programing expansion have been developed by both VOA and RFE/RL but have not been funded. In response to the crises in Iran and Afghanistan, adjustments in language priorities were made. Broadcasts in Persian, which had been terminated in 1958, were reintroduced in April 1979; broadcasts in Dari (Afghan Persian) were started on September 28, 1980.

Though there has been a slight new increase in programing hours in both VOA and RFE/FL no significant increases in programming time have been possible because of lack of funds. A program for expansion of broadcasting in Muslim language, both to the Middle East and the USSR, approved by the President in December 1979, has for the most part not been implemented because of lack of funding by OMB.

Budgets for the two radio networks for the past five years have been as follows:

	VOA	RFE/RL
Fiscal year:		
1977	$65,615,000	$52,745,000
1976	69,728,000	58,035,000
1979	75,294,000	72,490,000
1980	85,669,000	80,430,000
1981 (req.)	96,820,000	93,487,000

These figures are essentially level in terms of real expenditure because the DM (major RFE/RL currency) has gone from $1-2.58 in 1977 to $1-1.74 today and much of the budget increase has merely compensated for loss of value of the dollar. Inflation has affected both budgets in other ways as well. There has been a net decline in personnel in RFE/RL during this period and no increase in VOA.

Source: "Unauthorized Transfers of Nonpublic Information During the 1980 Presidential Election," Report Prepared by the Subcommittee on Human Resources of the Committee on Post Office & Civil Service, House of Representatives, May 17, 1984 (Part 2, pages 1374 through 1377).

Mr. LEVIN. Mr. President, I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER (Mr. MATHIAS). The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, we are ready to proceed to vote on the Meese nomination unless there are other speakers.

Mr. HARKIN. Mr. President, will the distinguished Senator from South Carolina yield? I do have available under the rules of the Senate, a couple of more speeches. I do have comments that I would like to make on the nomination.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, if the Senator wants to speak, he has the right to speak. We are ready to vote whenever he finishes speaking. We hope there will not be undue delay. We have been on this nomination now for a number of days. We have been at it for more than a year, and we think the people are entitled to a vote on it. They can vote one way or vote the other way. But we think the President is entitled to a vote, Mr. Meese is enti-

tled to a vote, and we think the taxpayers of this country are entitled to a vote.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I would like to respond to my distinguished colleague from the State of South Carolina.

I understand that the Senate is entitled to see this question come to vote. But I also say that the farmers of America—280 of whom are going out of business today, and 280 of whom are going out of business tomorrow, the next day, and the next day—are also entitled to be heard. They are also entitled to have their Government do something to answer their plight.

Again, as I have pointed out time and time again, Mr. Meese still gets his paycheck. He is not going broke. He still has a job. The Justice Department continues to operate. This is not true for many of my farmers. It is not even true for some of my banks in Iowa. We had another bank go under the other day, the third one since the first of this year. And, if we do not take action, more and more farmers and banks are going to go under. At the same time Mr. Meese will continue to receive his paycheck, ride around in a limousine, enjoy his nice meals, clothes, and all that goes with his current position. At the same time, many farmers in my home State and other States, tomorrow, will not know where their next dollar is coming from. That is why I think it is important that we do two things. One, we must fully debate and discuss the Meese nomination because the position of Attorney General is one of extreme importance to this country. I believe that there ought to be a fully public record made on Mr. Meese, his background, his attitude, and whether or not he is really qualified to be Attorney General of the United States. I am not certain that his record has been fully presented And that is why those of us who are here are committed to speaking our feelings clearly, without reservation on this nomination, one way or the other. I am certain that some of my colleagues on this side of the aisle will vote for Mr. Meese. I have already made it known that I will not. But I still believe that everyone ought to be heard, to the full extent and with the privilege of the rules of the Senate, on this nomination.

I also feel that we have another responsibility; that is, to let the people of this country know that the Senate of the United States, this distinguished body, and we as public servants are here to conduct the Nation's business. To take up that business which is most pressing in our society and right now, it is not the nomination of Ed Meese. Not by a long shot, is this nomination the most pressing business of our society. Mr. Meese has waited, someone said the other day, for a year. Well, he can wait another couple weeks. He can wait another month. As far as I am concerned, he can wait 10 years. But the fact is that the most important and pressing business ought to be to enact legislation or at least to get a commitment from this administration to do something about the tremendous credit needs of our family farmers.

Again, we are not asking for much. Actually, some of us are basically just asking the President to use his authority to carry out the laws we have already passed. We do not really need new legislation. We just need a commitment, by the President, to carry out the laws that have already been passed by the Congress of the United States.

As I pointed out the other day, under the Budget Reconciliation Act of 1981, the President has the authority right now, with one stroke of his pen, to order the SBA, the Small Business Administration, to restructure all of the farm loans that are in trouble on a case-by-case basis. I think it is important that this be done on a case-by-case basis.

As the distinguished majority leader said the other day, we want to make sure that 10 percent of the farmers do not get 90 percent of the benefits.

Well, this is already law. But it all depends upon how you administer the programs. Debt restructuring can be done on a case-by-case basis so that those farmers who did speculate, who went out and brought up huge tracts of land—people like Mr. Curry, Secretary Block's friend, who farms 11,000 acres of land, and got a $400,000, 5-percent loan from the Farmers Home Administration with which to speculate, and which, I might add, he has defaulted on—are not helped. No, I do not think people like that ought to be helped. On a case-by-case basis land speculators like Curry do not have to be helped by Government programs.

Today, the President can order the Small Business Administration to go out there on a case-by-case basis and restructure those farm loans at a 5-percent loan for 20 years.

Is there precedent for this? Yes, there is. In 1977 we had a tremendous drought in the State of Iowa. The drought cut across the middle section of the State. It hit some other States, too, but it hit my home State of Iowa especially hard.

During December 1977, January, February, and March 1978, during those 4 months, the Small Business Administration and the Farmers Home Administration together came out and put more than $500 million—a half billion dollars—into the State of Iowa to help those drought stricken farmers. Those loans were made at 3 percent.

There were about 14,000 farmers helped in Iowa, give or take a few hundred. It was a little more than 14,000. The average size of the loan, if my memory serves me correctly, was around $21,000 or $22,000. That $500 million saved a lot of family farmers who otherwise would have gone under.

I note with a sense of pride two things: In Iowa we did this in 4 months. I do not know about the other States but I know in Iowa in a 4-month period of time we succeeded.

The second thing I note with pride is that 88 percent of all of those loans have been paid back and were paid back on time.

So it can be done and we do have precedents for it. What we really lack is the will by this administration and the determination by this administration to do anything at all to help our family farmers.

That is why I again say that we have two jobs here: One, of course, is to fully lay out the record on Mr. Meese so that the public knows; the second is, in our own capacity as public servants and elected officials to let the people of this country know what we consider to be the most important business facing this body. Our most pressing business certainly is not the confirmation or the lack thereof of Mr. Meese to be Attorney General.

As I said, the record has not yet been fully presented. I think it is interesting to note how many editorials opposing Mr. Meese have appeared throughout this country. It is not just a few people who are opposed to Mr. Meese. There is a deep feeling from every reach of this country, from the heartland of America, that Mr. Meese is not fit to be Attorney General.

To indicate the breadth of opposition to Mr. Meese let me just read a few of the newspapers that have come out in editorial opposition to this appointment.

Toledo, OH, the Blade; Winston-Salem Journal; Boise, ID, the Idaho Statesman; the St. Louis Post Dispatch; the Arizona Daily Star, Tucson; the Cleveland Plain Dealer; the Detroit Free Press; Pittsfield, MA, Berkshire Eagle; Staten Island Advance; Pasco, WA, Tri-City Herald; Flint, MI, Journal; Albuquerque, NM, Journal; Paladium-Item, of Richmond, IN; the Bend, OR, Bulletin.

These are from all over this country.

The Watertown Daily Times; Syracuse Herald-Journal; Burlington, VT, Vanguard Press; Charleston, WV, Gazette; Bridgeton, NJ, News; Owensboro, KY, Messenger and Inquirer; Decatur, IN, Democrat; the Oregonian; U.S.A. Today; Bellevue, WA, Journal; Toms River, NJ, Observer; Times-Argus, Montpelier, VT; Delaware County Daily Times of Pennsylvania;

Chicago, IL, Southtown Economist; Hartford Courant; Houston Post; New Kensington, PA, Valley News Dispatch; Ottawa, KS, Herald.

Mr. President, opposition to Mr. Meese's appointment is widespread throughout this country and it just shows you that newspapers of all sizes, of all philosophies, of all political bents throughout the United States recognize what many of us recognize, that this country deserves better for Attorney General.

Mr. President, I ask unanimous consent that I may yield for a question and when I resume, my remarks not be considered a second speech.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HARKIN. I yield to the Senator from Arkansas.

Mr. PRYOR. I thank the Senator.

The distinguished Senator from Iowa was listing the vast array of newspapers from around the country who have opposed the Meese nomination. I noticed some of those newspapers might be considered urban, some rural; some conservative, some liberal. I think the Meese nomination does have an indirect relationship to the issue we are discussing in the Senate. I think there is a new coalition in America, not just the coalition of a few farm States, not just the coalition of some rural States, which are attempting to protect the base of their economy—which ultimately will impact the future of our entire economic foundation and structure. I think there is a new coalition in America forming at this moment between your farmer and your local banker. This is starting with the little banks. It will grow to medium-sized banks, and ultimately those banks in New York City, what I'll call the big banks, will be involved. Our financial institutions are all so interwoven, intermingled, and interdependent on one another, that when one part of that starts coming unraveled, all of it will ultimately go.

When we see speakers on the floor of this Senate from the urban States of America speak out in support of the farmers of our country, they know that one out of every five jobs in this country depends upon the survival of that farmer; they realize that each farmer in this country feeds around 78 citizens of our country and the rest of the world—our colleagues and our friends from what we call the industrial States are sensing the ultimate impact upon their own States if that farmer goes down. I think this new coalition is forming very quickly and I hope such groups as the U.S. Chamber of Commerce will participate. I would like to see something similar to a meeting that happened recently in Jonesboro, AR. There, the local chamber of commerce sponsored an event about a week ago to talk about the problems of agriculture. More people than just farmers attended that meeting. There were also business people—small, medium, and large—who recognize that across rural America, when those farmers go down, we see an impact of catastrophic proportions that we have not seen the likes of since the Depression.

I asked some members of my staff the other day if they would go through the files of the newspapers in the State of Arkansas during the Depression. I do not happen to have copies of those newspapers, Mr. President, from our State of Arkansas with me at this moment on the floor of the Senate, but I must say that the situation at that time with regard to farm foreclosure sales and auctions of our small farms, the rapid deterioration and deflation of land values—is very, very analogous to what is happening in 1985.

I think, too, Mr. President, that as we look at the plight of that farmer out there now, some people are saying, "Oh, we have to cure this deficit, we have to get expenditures down, we cannot overspend"—all of those things. I do not think that there is a group in this country not only more patriotic but also more knowledgeable, about what deficits and high interest and, ultimately, a strong dollar overseas means to our inability to export our products into the foreign markets.

I also believe, Mr. President, that on any deficit reduction package, the farmers of America are willing to take not only their share, but in many instances, more than their share, because their livelihood depends on exports and today, that high dollar, the tremendous subsidies overseas by competing trading partners of ours have pretty well eliminated our farmer from the export market. We are causing that farmer out there in America today to compete not only indirectly with his neighbor growing rice, soybeans, cotton, wheat, corn; we are forcing our farmers today, Mr. President, to compete directly with foreign governments—foreign governments—because of the great subsidies those foreign governments are paying and because of the high dollar overseas.

This problem is not just an Arkansas problem, nor is it just a rural problem. It is a problem in North Dakota; it is a problem in New York City. It is a problem that is universal in nature and potentially catastrophic in magnitude for what it can do to our country and to the very economic foundations that we know must exist if we are to survive.

Mr. President, I am very hopeful that negotiations that are going on at this very moment are going to produce a needed result. That needed result is not only a clarification of what farmers can or cannot expect in the next 30 to 45 days with regard to their loan applications across this country; hopefully, that needed result will ultimately include some certainty and help in the area of agricultural credit. It is desperately needed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent that the speech I have just delivered not be counted as my first speech of this legislative day.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURDICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HELP FOR THE U.S. FARM ECONOMY

Mr. BURDICK. Mr. President, I join my colleagues in pressing the point that we need immediate help in the farm sector of our economy. It is not my wish to delay the vote on the nomination of Ed Meese. I think the Senate needs to vote on that, and several other very important items of business, including the highway bill.

I wish it were not necessary for us to take this time to bring to the attention of the President a problem that need not exist. But a problem does exist. That problem is farm credit and farm income. We need adequate farm credit over the next 30 to 60 days. That credit does not now exist. The administration has the tools to make it available. The need is immediate. Over the longer course, we need to provide a means by which farmers can improve their farm income. That issue is in another channel and not part of the effort today.

Mr. President, I want to first take a few minutes today to point out that the North Dakota farm economy resembles the other States we are hearing about today.

Recently, the North Dakota Department of Agriculture released a survey it has been conducting of farm economic conditions. The question in that survey asked, "Given the present conditions and trends, how long do you think you will be able to continue farming?" And 13.1 percent of the farmers surveyed said 1 year or less. Translated into the total number of

farms in our State. That is more farms in 1 year than North Dakota lost between 1978 and the 1982 census of agriculture when our farm numbers dropped from 40,357 to 36,436. The projection had been that we would be down to 33,000 farm units by 1995. This survey indicates that we will go past that trendline this coming year.

Yet, these survey results are not that surprising. Last summer in a research bimonthly bulletin published by the Agricultural Experiment Station of North Dakota State University [NDSU], it was estimated that 28 percent of the indebted farmers in our State, a total of approximately 7,000 farmers, were in what the agricultural economists termed "moderate to severe financial difficulty."

While the survey is a judgment call by respondents, it is noteworthy to point out that those who felt they had 1 year or less left in farming had an average debt-to-asset ratio of 60 percent. According to the NDSU research publication, and most lending agencies, farmers with a debt-to-asset ratio of more than 40 percent are in a cash flow problem and are simultaneously experiencing a significant loss of equity capital.

Significantly, the North Dakota Department of Agriculture's survey revealed that 42.5 percent believe that, based on present trends, they would only be able to continue farming for 2 to 5 years. The judgment of these farmers is fairly accurately reflected in the fact that they averaged a debt-to-asset ratio of 42 percent.

When the figures are combined, farmers who believe they have less than 5 years left to farm total 55.6 percent. This statistic underlines the importance and urgency of both new farm credit initiatives by the Federal Government and the price and income issues of the 1985 farm bill.

The study shows that 37.5 percent of North Dakota farmers surveyed had debt-to-asset ratios of 40 percent or more. This corresponds closely to Federal Reserve statistics this past year which estimated that 31 percent of the farms with gross annual sales between $40,000 and $200,000 are carrying debt-to-asset ratios above 40 percent, and of that group, one-third has debt-to-asset ratios above 70 percent. (Realized gross income per farm in North Dakota averaged $83,146 in 1982 and $95,932 in 1983.)

Dr. Harold Breimyer, of the University of Missouri, reported recently that he believes 25 percent of Midwestern farmers are essentially insolvent; that is, if their deflated assets were liquidated, they could not cover their debts. He also stated, "It is worth noting that farmers' individual situations are determined in large measure by the time and terms of their entering farming, and not primarily by their operating efficiency." The North Dakota Department of Agriculture's survey further verifies this observation.

According to the Economic Research Service [ERS] of USDA, total farm debt in North Dakota has increased from a little less than $3.1 billion in 1979 to over $5.4 billion in 1983. At the same time, the debt-to-equity ratio has increased from 19.1 to 29.9 percent, while farm income to repay that debt has been declining.

While farm debt has been increasing, the value of farm assets has been decreasing. According to the ERS, average land values in North Dakota dropped from a high of $436 per acre in 1982 to $414 in 1983. A survey released recently by an agricultural economist at NDSU showed an 8-percent decline in land values this past year, with some counties experiencing up to a 16-percent decline.

Mr. President, for the past 5 years, we have been trying to catch up to the inventors and the regulators in undertaking the first comprehensive restructuring of the banking and finance industries in many, many years. We have heard the concept of the level playing field advanced many times as our guide toward banking and finance legislation. Farm income has to be a part of the level playing field concept in banking.

Unlike much of the 1970's when landowners could often reamortize real estate debt to free equity out of land to supplement current cash flow, this option tended to close as farmland and other capital assets ceased to appreciate and started to decline. Some agricultural lenders and farm operators have been able to substitute debt for cash returns to an unusual extent, but neither party can do business for long on that basis. Farmland appreciation in real terms may remain nil for several more years, and further depreciation will occur if commodity price support loan rates and target prices are dropped.

What that means, Mr. President, is that in addition to bankrupting our farm operators, we are putting our rural bankers in a very tough spot. As we move toward nationwide deposit-taking powers for financial institutions, where is the level playing field if you cut farm income, the major source of deposits for our rural banks? If you cut farm income, and allow the money center financial institutions to compete with our rural banks for what is left, how long and how well can you expect our rural banks to adequately service the commercial lending needs of our farm operators and Main Street businessmen?

Mr. President, rural commercial banks extend credit to farmers and ranchers primarily for working capital and the financing of equipment and livestock. On January 1, 1983, commercial banks remained the largest supplier of such non-real-estate credit to agriculture, with slightly over 34-percent market share. Commercial banks also held 7.7 percent of real estate farm debt.

Thus far during the 1980's, the primary shift in market share among lenders of non-real-estate farm debt is a substantial increase in direct credit by FmHA and CCC, with corresponding reductions in short- and intermediate-term debt held by commercial banks and PCA's. On January 1, 1983, the FmHA and CCC held an estimated 27.2 percent of total farm debt of this type. However, this shift to USDA credit derives mostly from the serious depression in agriculture.

And now, I understand the administration is going to propose ending all direct lending activities by the Farmers Home Administration.

Mr. President, for a variety of reasons, some of which are beyond our control and some of which we do control, we are at a center of history in rural America. Who will control agriculture in the year 2000? Who will own the farmland? Who will control the financing? These are questions in which every citizen in America has a stake.

The American Bankers Association, in a letter dated February 19, 1985, said the financial distress is most severe in the medium-sized farms, with annual sales of $40,000 to 499,000, having debt-to-asset ratios above 40 percent. Ten percent of all farmers in the Nation fall into this category.

However, half of our farmers in North Dakota fall into this category. And the other half have annual gross sales of under $40,000.

With the increasing number of farm sales, and sales of farmland, we are approaching a situation where nobody knows what farm assets are worth.

Mr. President, Thomas Olson and Weldon Barton, of the Independent Bankers Association, have written an article called "The Great Farm-Belt Bank Crisis" that explains the bankers' point of view much better than I could. I would like to read that article to the Senate, because it is also at the heart of what we are doing here today:

A rapidly growing debt crisis is looming across this Nation's farm belt, one that threatens the very existence of hundreds of American banks and thus poses great dangers to the national financial system. Already, banks in rural America are failing at a higher rate than at any time since the Depression. But little has been done to cope with this problem.

The farm debt problem has been building since 1980–81. During these few years, the value of farm land, farm machinery, and other capital assets has plummeted by nearly a third nationwide, and by 50 percent or more in some locations. Of an estimated total farm debt of $215 billion, about $60 billion to $70 billion is owed by farmers whose debt exceeds 70 percent of their total assets. These people are the ones who would

have to sell out if forced to meet their obligations at current payment schedules. If a wave of liquidations happened, land prices could collapse, and the money the acreage brought might not be sufficient to pay off the banks.

Agricultural banks were not pushed to the breaking point in abnormally large numbers until the middle of 1984. Twenty-two of the fourty banks that failed since June 15 were agricultural banks; they had an average of 53 percent of their total loans in agricultural credits. Most of them are located in the Great Plains States: five in Nebraska, four in Kansas, three in Iowa, two each in Oklahoma and Colorado. The rest were scattered elsewhere.

These numbers could balloon in 1985. There are about 4,300 U.S. banks that have at least 25 percent of their loan portfolios in agricultural loans, and 1,700 with 50 percent in farm loans. There are also about 840 local production credit associations and land bank associations in the Federal Farm Credit System which specialize in agricultural lending. Seven of those local farm credit institutions are currently in liquidation—the equivalency of a commercial bank failure.

As long as "slack" remained in the overall credit system, banks and farm credit institutions could use a number of techniques to hold off trouble. They could consolidate farmers' short-term debt into longer-term obligations with lower payments. Credit institutions holding long-term debt secured by land and other fixed assets often "subordinated" their position to a bank which extended short-term operating credit to the same farmer, giving that bank priority access to the farmer's marketing receipts. This practice enabled farmers to secure annual operating capital, and at least postpone the liquidation of fixed assets.

Creditors have often practiced "forbearance" and in effect tolerated a farmer's inability to repay a loan on schedule, as long as the loan remained adequately collateralized. That was possible for a while after farm capital assets began to decline in value, partly because banks often required farmers to put up collateral substantially higher than the loan itself.

But such techniques are fast becoming impossible, as the agricultural credit systems is now tightening almost exponentially. Most ominous of all, the value of farmers' principal asset, their land, may be headed for further dramatic declines. According to Federal Reserve Board economist Emanuel Melichar, the total value of American farmland grew by $465 billion (in 1983 dollars) from 1971–79, and fell by about $149 billion from 1980–83. He says that the remainder of the gains made in 1971–79 may be wiped out in the years ahead as prices for farmland continue to fall.

The arithmetic explaining an agricultural bank's solvency threshold is rather simple. assume a situation that would be roughly typical for perhaps 1,500 banks across the farm belt.

The bank has $100 million of deposits to invest in loans and other assets (such as municipal bonds). Of this $100 million, about $36 million is loaned out to some 200 farmers—an average debt per borrower of $180,000. The bank is capitalized at 9 percent of deposits, or $9 million, which is $3.5 million more than the minimum required by the regulatory agencies (5.5 percent of assets). This cushion against losses consists mainly of funds accumulated over the years from earnings and the bank's common stock.

If 20 of the bank's $180,000 farm loans are classified by the regulators as unlikely to be collected, they would be treated as losses. But subtracting $3.6 million from the bank's $9 million in capital would wipe out the bank's cushion and bring it below the legal minimum. At that point the bank is legally subject to closing unless corrective action is taken.

Since the average capital level of the approximately 4,300 argicultural banks is about 9 percent of assets, the bank has, in effect, borrowed $10 out of every $11 it has loaned or invested. That makes it extremely difficult for the banks to withstand a run of farm failures among their customers. Even if a bank wants to be indulgent, it has to worry about its own creditors, who are unlikely to be so sympathetic.

Just as the situation is getting really perilous for the banks, however, the government agencies that might alleviate the situation are either tending to withdraw from involvement or to clamp down rather precipitously.

The Federal Deposit Insurance Corporation and the Comptroller of the Currency have increased regulatory pressures on banks for downward reappraisal of farmland and pushed for classifying more farm loans in "problem" categories. The Farmers Home Administration has basically closed its loan window as "lender of last resort" to commercially financed farmers who are in trouble. The Secretary of Agriculture is advocating a "free-market" approach to basic agricultural policies that would allow the USDA to sidestep the responsibility for helping to stabilize the receding agricultural economy.

These government policies all accentuate the negative psychology in the agricultural sector.

FDIC Chairman William Isaac said recently that the bank regulators' list of about 800 "problem" banks is growing because agricultural banks are being added faster than nonagricultural banks are being taken off. Chairman Isaac added, however, that the growing difficulties among farm banks do not pose a "threat" to the banking system as a whole.

The implication is that there are much larger problems to be concerned about. But what about the circles of misery and disruption engulfing local communities when an agricultural bank fails? What if the gathering crisis in 1985 forces widespread liquidations, inundating the weak markets for farmland in a dozen states and carrying in its wake hundreds of additional bank failures?

This gathering crisis deserves the kind of highest-level, concerted attention which has been devoted to the foreign debt crisis. Instead of preaching "free market," the government should be facing up to its responsibilities. The crippling impact of budget deficits on our farm economy must be faced. The government cannot avoid its responsibility to provide essential direction to balance production of farm commodities and demand for them.

There is no serious prospect that the agricultural economy can "grow its way" out of the current debt crisis through export expansion. A multiyear agricultural stabilization policy should be negotiated and enacted by Congress in 1985, when the farm bill has to be rewritten.

Yes, the agricultural sector does face a serious "shakeout"—an inevitable consequence of the excesses of the '70's, when inflation took control of our farm sector and distorted it wildly. But the shakeout must be managed with great care, or else the repercussions will be felt far beyond the small rural communities whose banks are now in trouble.

Administration officials are quick to assert that farm programs do not work, so it is time to scrap them.

I travel around North Dakota and the country a lot. I travel generally on good, safe roads. We pass farmsteads that are functional and well cared for, with houses with modern conveniences and electric lights and a telephone, with a car or pick-up in good working condition sitting out front.

I pass schools that provide excellent learning facilities and a quality education for our young people. That education is provided mainly through the local tax base.

I see young people growing up and learning responsibility and the work ethic as they work alongside their parents and brothers and sisters on the farm. Who says farm programs have not worked for 50 years?

Fifty years ago, there was a dramatic difference in the standard of living between city and farm dwellers. That difference has clearly been reduced. We've gotten electricity and the telephone on the farm, not because of any technological breakthrough, but because we were able to take advantage of a Government self-help program. Farm programs have provided a larger measure of income to rural America than we would have had without them.

I look at these things as we travel around the State and see reasons for taking longer strides in improving farm programs.

We have yet to develop the perfect farm program. Farm programs have not halted by gradual erosion in the number of farm families, although the decline would have been much steeper had there been no farm programs.

But those who are attacking the very existence of farm programs today say that farm programs keep the inefficient operator in business. They have not been out here and tried to make a living on the farm, I can tell you that. Our farm programs have not been too generous. They have been mismanaged, however. The Reagan administration is not alone in that. The on-again, off-again policies of the Carter administration caused a lot of agony and uncertainty out there in our rural areas.

Mr. President, the disastrous economic situation facing the American farmer should be of interest to every American. Not only are our farmers the most productive in the world, they are huge consumers of finished products.

About the time North Dakota became a State, each farmer produced enough food to meet the needs of five

people. Today, each farmer produces food for 78 people.

The great strides in productivity have been accompanied by major changes in the input mix. From the earliest periods of American history, hand power gave way to horsepower, and ultimately to science power. New technologies introduced over the past 50 years have resulted in a nearly fifteenfold increase in fertilizer use, a fivefold increase in tractor numbers, and a tenfold increase in tractor horsepower used in farming. Purchased inputs are now 2.6 times their 1930 levels, and farm labor input only 30 percent of 1930 levels. Farms are larger and significantly more dependent on capital and purchases from the nonfarm economy.

As farming has come to rely more on purchased inputs and less on inputs supplied on the farm, the sector has become more fully integrated with the general economy. Consequently, farming is influenced by and has an influence on the same factors that determine conditions in the general economy. Where once, for instance, credit market conditions had little influence on farm well-being or farmers' decisions, modern production agriculture depends heavily on credit to finance capital and other purchases from the nonfarm economy. Specialized industries have evolved in the nonfarm sector to service the input needs of agriculture and to process and market farm products. As agriculture has become more important in world trade, particularly during the past 20 years, this interdependence has taken on important international dimensions.

Rising agricultural exports have been a major factor holding down the U.S. trade deficit in recent years. The agricultural trade surplus in 1981 stood at $26.5 billion as exports of $43.3 billion offset $16.8 billion of imports.

The nonagricultural trade account was in deficit by $56.6 billion. Agricultural exports are important to our economy for reasons beyond the income and jobs they create in agriculture and the food and fiber system. The narrowed trade gap that results from our agricultural trade surplus helps strengthen the American dollar, which reduces the prices of imported goods and contributes to a lower inflation rate.

The agricultural industry itself uses output from more than 80 percent of the other basic industries in the United States. Farmers were largely self-sufficient during much of American history. It was not until the early 20th century that farmers purchased more inputs from the nonfarm sector than were produced on the farm or by other farmers. Today nearly two-thirds of farm inputs, by value, are purchased from nonfarm suppliers. Feed, seed, and livestock which originate in the farm sector are still among the major purchases made by farmers, though 80 percent of all feed and nearly all the seed are purchased from commercial sources.

In 1981, farmers used 368 million acres of cropland, purchased $32 billion of inputs originating in the farm sector, and bought $84 billion worth of goods from nonfarm sectors of the economy. These inputs were used to produce livestock valued at $69 billion and crops worth $75 billion. Interest expenses accounted for nearly 23 percent of the value of nonfarm purchased inputs in 1981. Following in importance were chemicals—mainly fertilizer and pesticides, energy, and hired labor. Rent and taxes also were large items in the farmer's budget, accounting for nearly 14 percent of production expenses.

Farmers are, of course, particularly important customers for industries providing specialized goods and services to farmers. For example, 80 percent of the output of the farm machinery industry is purchased by farmers, the remainder being exports. Farmers are the third largest buyers of chemicals and chemical products. In addition, they purchase virtually all of the nitrogenous fertilizers, two-thirds of the phosphate fertilizers, and 95 percent of the pesticides produced in this country. Besides, farmers are prime customers for several other important industries. They are the largest users of wooden containers, the sixth largest users of petroleum, the fourth largest customer of the finance and insurance industry, and the fourth largest user of real estate and rental services. Only five industries use more transportation and warehouse services than agriculture.

The food processing and manufacturing industry accounted for about 13 percent of all manufacturing in 1981. Over 23,000 processing plants employed 1.7 million workers to produce food and beverages valued at $276 billion. Meat packing and meat products with shipments of $66 billion accounted for nearly 25 percent of processed food and beverage shipments. Other leading food and beverage industries are processed fruits and vegetables with shipments of $29 billion; beverages, including alcoholic beverages, with shipments of $34.7 billion; bakery foods, with shipments of $18 billion; and dairy products, with shipments of $37 billion. Together these five industries account for more than two-thirds of the output of the food and beverage processing industry.

Processors of nonfood agricultural products include the leather tanning and finishing industries, related footwear and leather apparel industries, tobacco manufacturers, cotton and wool weaving, textile finishing mills, and related apparel manufacturers. These processors added about $36 billion in value to the fiber produced on American farms during 1981. Together these industries employ more than 400,000 workers at more than 17,000 plants in all 50 States.

The food and fiber marketing system includes all the transportation services required to move agricultural products from farms to storage facilities, from storage to processors, from processors to distributors, and from distributors to consumers in the United States and abroad. Transportation services provided by food manufacturers, wholesalers, and retailers, and distributors of apparel, home furnishings, tobacco and other agriculturally related products are a major part of this system. But important as well are related expenditures on storage, energy, advertising, and fixed costs such as buildings and equipment.

Food wholesaling and retailing, including food service, added $155 billion in value to processed and semiprocessed farm products in 1981, and employed 8.2 million workers to market food products. In addition, $15 billion of transportation services were used. Nonfood marketing is also a huge part of the economy. About 17 billion is spent and around 20,000 workers employed in wholesale marketing of apparel and piece goods derived from agricultural fiber. And another $20 billion of apparel sales and some 100,000 employees are accounted for by retailing of apparel and piece goods.

This discussion serves to highlight the immense complexity and importance of America's most crucial industry. Clearly, agriculture and the food and fiber system are an integral part of the domestic and world economies. Success of the U.S. economy as a whole depends in large part on how well our agricultural system performs, but agriculture also depends on nonagricultural industries for inputs. Millions of workers and consumers depend on continued effectiveness of the agricultural system for security, for their sustenance and their livelihoods.

Mr. President, if there is any question about the productivity of the American farmer, if there is any doubt about value of family farm agriculture in the United States, if there is any question about how family farm agriculture serves our national interest, consider the Soviet Union.

Crops were so poor in the Soviet Union last year that some fields planted to grain were abandoned. Transportation problems complicated grain harvesting and movement from fields to procurement centers.

A grain crop of 170 million metric tons translates to import needs at a record 50 million metric tons—26 million metric tons of wheat, 23 million metric tons of coarse grains, and 1 mil-

lion metric tons of miscellaneous grains and pulses.

The poor grain crop and a decline in forage likely will cause a drop in livestock production through the first half of this year as livestock are placed on reduced rations. Feed supplies were already tight going into 1985. If grain and forage production show substantial gains this year, some improvement could evolve in the last half of the year.

Disappointing grain crops recently prompted the Communist Party's Central Committee to hold a general meeting devoted to agriculture. The main focus was a land improvement program extending to the turn of the century.

If you want to look at a failed agricultural system, look at the Soviet Union, not at our American family farmer. Think where we would be if our agriculture were in the same shape as the Soviet Union. Our problem is too much production. Their problem is shortfall, even though they have the adequate natural resources to do the job.

Just think of what our discussion would be today if we were talking about how to get into a position to feed ourselves. Instead, here we are, spoiled by mountains of grain produced by our family farm system of agriculture, and arguing whether or not we should pull the rug out from under many of them who have contributed to our great bounty.

Mr. President, it might be constructive to look at recent history in the farm economy. It proves conclusively that interest rates are sapping a great deal of economic strength from our farm sector today.

For more than a decade, the financial experience of the agricultural sector has been dominated first by the advent, and then by the after effects, of a farm boom of major proportions. Such episodes have been relatively rare—two earlier in this century, during and immediately after the World Wars, and two in the 19th century, also triggered by the commodity demands of United States and European wars. But the effects of each boom extended over several decades, shaping the fortunes of an entire generation of farmers and their landlords, lenders, and suppliers. In each case, the vast majority of farmers were lifted by an initial wave of unanticipated prosperity. After the booms, however, their experience varied according to how dependent they had become on continued high commodity prices, and thus how financially vulnerable they were as prices and incomes retreated. After each boom some farmers experienced lasting financial improvement, while others endured prolonged financial stress or went bankrupt.

The current episode has retraced much of this familiar pattern. When, in 1972 and 1973, huge increases in the prices of major farm commodities ushered in the boom, virtually all producers benefited. Many continued to enjoy higher income for much of the decade; for some groups, however, the prosperity was more fleeting. Livestock prices and profits broke first, in 1974, while crop prices remained at high levels for two more years. By then some farmers, particularly in marginal farming areas, had made investments whose success depended on continued high prices; these farmers were plunged into financial difficulty soon after grain prices declined in 1976. While such farmers pressed for Government assistance, the majority continued to enjoy real incomes above the preboom levels and to bid up real prices of farmland. Then, in 1978 and 1979, livestock and crop prices again surged upward, giving another boost to income and expectations.

The boom ended in 1980, when farm commodity prices failed to advance while prices in general were rising rapidly. During the next 2 years, heavy harvests and worldwide economic recession lowered prospects for a rebound in farm prices and income, and farmland prices in the major grain and livestock areas fell sharply. At the same time, farmers with short-term debt or variable-rate loans were hit by a large increase in interest rates. These developments swelled the number of farmers in serious financial difficulty.

These observations on overall farm financial conditions, however, mask highly diverse experiences among various groups of farmers. Ever since interest rates rose far above the average rate of return to assets, a sizable group of heavily indebted operators has faced financial stress.

As heavily indebted farmers began to have problems meeting loan payments, loan losses at rural banks increased. On balance, however, such losses were absorbed because these banks had built up their profit and capital positions during the farm boom.

The last postboom decline in farm earnings bottomed out in the mid-1950's. For the rest of that decade and throughout the 1960's, real income from farm assets grew fairly steadily. Income growth in turn produced rising real land prices and favorable experience with debt financing. These developments shaped attitudes that affected the way farmers responded to the income boom of the 1970's.

Income from assets is income after operating expenses, depreciation, and imputed charges for the value of the labor and management performed by farm operators, but before interest payments by those operators and landlords who are in debt. Such income underlies the value of farm assets, especially the value of farmland.

In the trends of farm income in the past 30 years, three aspects of the record of income from assets stand out: The significant uptrend before 1972, the huge rise in the 1970's, and the wide margin of the current level over preboom levels.

Except for the rise of the 1970's, these aspects of farm profits are not widely recognized because attention has focused on a measure of income that includes the labor and management earnings of operators and is net of interest payments. That mixture, in effect, of wages, salaries, and income to equity has often given misleading signals about the profitability of farming. In the 1960's, such income was stagnant, as reduced labor requirements offset an upward trend in income from assets. In the 1980's, such income has declined below preboom levels as interest charges have risen sharply; meanwhile income from assets has remained above preboom levels.

Clearly, if real income from assets has been positive and above preboom levels, then most of the farmers who are in financial distress are those with debt-service requirements that exceed such income. A detailed look at the problem and numbers of indebted operators follows a discussion of aggregate farm profitability and income-asset relationships.

As it is true for any income-producing asset, bidding by participants in the market for land sets its price and hence implicitly its rate of return. In the market for farmland, the buyers and sellers are mainly farmers and local landlords—the latter mostly retired farmers, farm widows, and nonfarmer heirs. Active farmers dominate the buyer group. Thus the rate of return to farm assets is set by farmers themselves in the farmland market.

Farmers consider many factors when participating in the determination of land values, among them the income and risks of farm and alternative investments. Through their collective appraisal of these factors, they establish land prices consistent with their required rate of return on farm assets.

Asset values are thus established at some multiple of current income from assets. What that multiple will be depends both on the required rate of return and on the expected growth, if any, in income.

If income is not expected to change, asset values are established at the level at which the current income fully satisfies the required rate of return. For example, the required rate of return is 5 percent, then assets will be priced at a multiple of 20 times their current income, and the rate of return in the form of income thus also will be 5 percent.

Income may change, however, regardless of expectations. If partici-

pants in asset markets collectively believe that the change will last, then asset values respond by changing in proportion to the change in income. For instance, if income from assets rises 10 percent, then asset values also rise 10 percent. In the example used above, this rise in asset values restores the multiple of 20 times the current income, to continue to provide the required return of 5 percent.

When increases in income recur regularly, or participants in asset markets have other reasons to expect growth in income, asset pricing takes account of the capital gains that, as seen above, result from such income growth. The expected annual capital gains substitute for income in satisfying the required rate of return. For example, if the required rate of return is still 5 percent but now income from assets is expected to grow by 3 percent annually, then assets will be priced at a multiple of 50 times current income, and the rate of income return will be only 2 percent.

Again, asset values respond proportionately to any income changes that appear permanent, whether they are expected or not. Thus if income increases by 10 percent, then asset values again also rise by 10 percent, to restore the multiple of 50 times earnings. Or if, contrary to expectations of growth, income from assets declines, then asset values also fall in proportion.

Such deviations from expectations, or other developments, may cause market participants to reassess prospects for income. As they alter their collective expectations, asset values may change significantly. If, for example, expected growth in income falls from 3 percent to zero while the required rate of return stays at 5 percent, then asset values will fall from a multiple of 50 times current income to 1 of only 20 times current income. In addition, asset values change when the required rate of return changes.

To summarize, asset values respond proportionately to changes in current income from assets, other factors remaining unchanged. Expectations of income growth do not in themselves change asset values, but enter importantly into determination of the price-earnings multiple and hence of the rate of income return. Changes in expectations of income growth or in the required rate of return do cause large changes in asset values.

Over the past three decades, farm asset values have reflected income developments in accordance with these principles. Asset values, dominated by changes in land prices, have tended to follow trends in income from assets. With income generally trending upward, expectations of continued income growth apparently prevailed. Except for the early years of the boom, when income outran land prices, assets were priced at an average multiple of about 50 times income from assets, and the rate of income return thus averaged 2 percent.

From the mid-1950's through the 1960's, real income from assets rose by about 3 percent annually. Consequently, significant real capital gains accrued to owners of farm real estate during most years of that period. These increases in the real value of farm real estate—excluding operators' dwellings—measured as gains in excess of those resulting simply from net investment and general price inflation, totaled $145 billion—in 1983 dollars—over this period, an average of nearly $10 billion per year.

During the same period, the rate of income return to farm assets averaged 2 percent. Taken together, income and real capital gains on all assets provided a total rate of return averaging 4 percent.

Government programs contributed importantly to the growth of real income from assets in these years. Technological advances were reducing labor and other operating costs per unit of output as well as raising total output per unit of assets. Farm output prices would thus have tended to fall, but Government price support programs prevented such declines. Therefore, real income from assets tended to rise, and with it total real farm wealth.

Toward the end of the decade, these effects began posing a dilemma for farm policy. As real income from assets rose, ever-larger increments were required to maintain the growth rate prevailing at that time. But, from the viewpoint of consumers and taxpayers who provided those increments, the rising real wealth of the recipients reduced the need for governmental assistance. Yet, without that income growth, a significant share of that wealth might well disappear. As the 1970's opened, rising concern about the cost of farm programs foreshadowed struggles over farm policy—when suddenly a boom in farm exports changed the whole picture.

The export boom that developed in the early 1970's yielded an enormous increase in farm earnings. The unexpected decision by the Soviet Union to purchase large quantities of U.S. grain after one of its periodic droughts depleted domestic stocks and moved prices upward. Meanwhile, domestic demand for grain remained high as livestock production approached a cyclical peak. Later the U.S. drought of 1974 and rising real incomes in food-deficit nations also worked to raise crop prices and generate export demand.

For farmers contemplating land purchases and other capital expansion, the income gains posed a familiar question: Was this a temporary boom in which case debt-financed capital purchases would be regretted, or was it lasting phenomenon promising fortunes for those who seized the opportunity? The answer seemed obvious in the light of two decades of rising real farm income and wealth, successful employment of financial leverage through debt financing, and greater public concern about future scarcity of natural resources. It appeared that agriculture throughout the world had entered a new era, in which it would become progressively harder for the supply of food to meet expanding demand, so that American farmers would enjoy steadily rising exports and income.

Farm asset values responded to the new income levels and the strong expectations of continued income gains. From 1972 through 1979, real capital gains on farm real estate—excluding operators' dwellings—totaled $447 billion in 1983 dollars, an annual average of $56 billion. But the increases in asset values also were large enough to restore the earlier rate of income return, 2 percent. Thus, by the late 1970's, farmers had capitalized the new level of income from assets at a multiple that appeared to reflect expectations that income would tend to rise further.

Instead of rising, income fell at the start of the new decade, and, just as important, prospects for near-term income growth dimmed. Even the longer-term prospects based on progressive resource scarcity were increasingly challenged and downgraded. Government assistance now could replace only a portion of the income that was not forthcoming from commodity markets. Inevitably, real asset values began to decline.

Real capital losses on farm real estate have totaled about $149 billion—in 1983 dollars—in the first 4 years of the eighties, mostly in 1981 and 1982. The decline in real farmland prices was halted when near-term income prospects improved with the announcement of the Payment-In-Kind Program.

Even though asset values have declined, much of the legacy of the boom remains. About $300 billion of the newly created wealth still exists, along with many billions of new debt incurred as assets were transferred at higher prices. As recent experience has vividly demonstrated, the amount of that wealth that remains in existence will depend on the extent to which the required rate of return is forthcoming. The debt, however, will require payment of scheduled interest and amortization, almost regardless of trends in asset values or income. The assets still appear to be priced at a multiple that demands significant growth in income.

The situation resembles that at the end of the 1960's, although it differs in some ways. Even after adjustment for

inflation, the dollar amounts involved are much larger, and thus Government assistance would have to be proportionately larger to have the same impact. Government aid at the greatly increased 1983 level proved able to stem the slide in asset values, but continued assistance on that scale appears unlikely. The greater farm wealth adds to doubts about the propriety and equity of increasing aid. Moreover, there is now considerable pressure to restrain total growth in Government spending. Thus more of the postboom adjustment remains to be worked out in the commodity and land markets.

During the 1920's and the early years of the Great Depression, farmers relearned the lesson that their forebearers had absorbed in earlier panics: to be deeply indebted after the collapse of a boom has dire, often fatal, consequences. Outstanding farm debt peaked in 1921. During the hard times that followed, debt steadily fell—mainly through foreclosures and bankruptcies—but not nearly so fast as asset values. The ratio of debt-to-assets peaked at 30 percent in 1933. By then, attitudes toward debt were such that, as farm prices and incomes improved, farmers repaid rather than increased debt. Debt reduction continued through the boom in farm income of World War II. The amount of farm debt outstanding bottomed in 1946, and the ratio of debt-to-assets hit a low of 8 percent in 1948.

As the wartime boom in farm income was extended, first by the Marshall plan and then by the Korean war, farms gradually begain to expand their debt. Nonetheless, in the 1950's, the level of farm debt was still low enough to help minimize the financial distress from hardships and transitions that included severe drought, declines in crop and livestock prices, and reductions in crop acreage from its wartime level.

Attitudes toward debt formed in the 1920s proved too conservative for the new era of income growth and capital gains that unfolded after the mid-1950's. Farmers willing to borrow more freely made faster financial progress, and this new lesson was soon learned by both farmers and farm lenders. The leading college textbook on farm finance, which through four editions had cautioned on its first page that credit could be as dangerous as a buzz saw and that many a farmer would be better off today if he had never had a chance to borrow money at all, first abbreviated and then dropped such warnings. Growth in debt was relatively rapid. By the beginning of 1972, the ratio of debt to assets had climbed back to 18 percent.

With the onset of the boom, rapid expansion of debt continued, but it was now accompanied by more rapid increases in asset values. Thus, although the ratio of debt to assets did not increase, a large increment of debt was taken on. By 1980, real asset values had risen by 73 percent, or $480 billion, in 1983 dollars, while real debt had risen by 61 percent, or $74 billion. If these additional asset values had continued to yield returns sufficient to service the additional debt, all would have been well because the two had risen in proportion. But any reduction in the income flow would mean a problem for debtors, who still had to meet scheduled interest and repayments on the additional debt. Such a reduction occurred in 1980.

Banks also were paying market-related rates on small-saver certificates with a permitted maturity of 30 to 48 months. Thus, as a large proportion of the liabilities of rural banks quickly came to bear market-related yields, farm and other loan rates at these banks necessarily began to track market rates. While those farmers who typically borrowed from large banks and from production credit associations [PCA's] were accustomed to such cyclical movements in their loan rates, those movements were a new experience for borrowers from smaller rural banks.

Higher interest rates affected individual farmers in different ways. Those with little or no debt were largely unaffected, as were those whose debt consisted mainly of term loans at fixed rates. The large number with mortgage loans from Federal land banks experienced a gradual and relatively moderate increase in their variable rates. Those borrowing from PCA's, also with variable-rate loans, faced quicker and larger increases. Rates for borrowers from rural banks rose and fell with about the same lag as those at PCA's, but reached a higher average level—about 19 percent—at the 1981 peak. Most severely affected were borrowers from large banks, at which the average rate on farm loans reached 21 percent in mid-1981.

The differential impact of higher interest rates is apparent in comparisons of real cash-flow before and after payment of interest. Real cash-flow before interest payments depicts the experience of farmers with little or no debt. Although it has declined significantly from its boom peaks, it remains well above its preboom level. But real cash-flow after interest payments has fallen to levels well below these before the boom. This series illustrates the cash-flow experience of farmers whose relative amount and cost of debt were close to the sector averages—in 1983, a debt-asset ratio of 21 percent and an interest rate of 10.3 percent. Farmers more heavily indebted or paying a higher average interest rate have fared correspondingly worse, unless they are among those earning an exceptionally high rate of return on their assets.

The calculations assume a farm with the recent average rate of income return to assets for the farm sector, 2 percent. As shown, this was also the rate of return to equity if the farmer had no debt. If, however, he had debt equal to 20 percent of assets and paid an average interest rate of 11 percent—both near the sector averages—then his return to equity was near zero. Higher ratios of debt to assets meant losses: moderate if debt consisted mainly of old fixed-rate mortgage loans at an interest rate like 7 percent, more severe if it consisted of short-term loans at a rate like 15 percent.

The table indicates that highly leveraged operators may have had operating losses equal to a fourth or a third of their equity in each of the past 4 years while similarly situated farmers with no debt were operating profitably. Unless such heavily indebted farmers had substantial financial reserves or other resources, they have had to liquidate assets in order to reduce their debt burden. In each recent year, according to surveys of lenders, perhaps 3 to 5 percent of farmers have been forced to liquidate productive assets. Smaller percentages were reported to have left farming through forced liquidations or foreclosures.

Because the incidence of severe financial problems among farmers depends largely on relative indebtedness, the distribution of operators and their debt by the ratio of debt-to-assets helps to indicate how many operators are in financial difficulty and how much of total farm debt such farmers owe. These data were provided by the 1979 Farm Finance Survey, conducted by the Bureau of the Census early in 1980.

If, from the discussions above, it can be concluded that operators with a debt-asset ratio greater than 40 percent are experiencing financial stress, then about one-fifth of all farmers are in this predicament. This overall proportion is misleading, however, in that few of the 1.2 million operators of very small farms, who account for 50 percent of all operators, have much debt. Less than one-third of these operators reported that their primary occupation was farming, and of those, nearly half were over 65 years old. In the group of large- and medium-sized farms that includes most full-time family operations, one-third have debt-asset ratios that suggest financial stress. At the same time, nearly one-third of the farmers in this group have little or no debt.

For farm lenders, however, the amount of debt owed by farmers experiencing financial stress is the important statistic. From this point of view, the picture is more disturbing. Nearly two-thirds of the total debt is owned by operators with debt-asset ratios

greater than 40 percent. Thus lenders see much of their money in the hands of operators who are in financial trouble.

One summary finding from the adjusted survey data suggests the nature of farm credit difficulties: 83 percent of total debt owed by operators is owed by the 29 percent of operators with debt-asset ratios that exceed the average for all operators—23.3 percent. Thus, the bulk of farm debt is owed by a sizable minority of operators whose relative debt is large enough that, at current interest rates, scheduled debt service may easily exceed income from assets. Until the current gap between the average rate of return to assets and farm loan interest rates is significantly narrowed, these borrowers and their lenders will continue to face debt-service problems.

The financial problems faced by the heavily indebted operators who owe much of farm debt have fostered questions about the condition of rural banks with a concentration in farm lending. Such concerns may be grounded in part on experience after earlier farm booms in which credit played a prominent role. During the 1920's, for example, many farmers were unable to service bank loans they had obtained to finance capital spending during and immediately after World War I, when increased export demands had stimulated production. About 6,000 banks—about one-fifth of all banks—failed during that decade, most of them in rural areas.

Conditions at rural banks have been much different in this postboom period. In particular, Federal deposit insurance has virtually eliminated the runs on banks that once would have threatened their survival soon after loan-loss problems surfaced. Also, most rural banks prospered along with their farm customers, substantially improving their profit and capital positions. Lately, however, loan losses have risen noticeably.

To examine the experience and condition of banks with relatively heavy involvement in farm lending, data were compiled for agricultural banks, at which total farm loans accounted for 25 percent or more of total outstanding loans. Although the number of such banks has been decreasing, there are still about 4,300 of them, accounting for 30 percent of all commercial banks, and they hold two-thirds of the farm loans in the banking system even though they hold only 6 percent of banking resources.

Another misfortune hit many farm borrowers in 1980. Interest rates rose to levels that they could not have anticipated. Furthermore, rates remained very high until late 1982 and are still, for most farm borrowers, significantly above pre-1980 levels.

The borrowers most surprised by these interest rate developments were those using short-term loans from rural banks, because, before 1979, these borrowers had been virtually insulated from cyclical changes in loan rates. Before 1979, fixed ceilings on interest rates applied to all deposit instruments that rural banks could readily market to their predominantly local depositors. Thus the cost of loanable funds at these banks changed little even as the level of interest rates rose and fell sharply in national money markets during periods such as 1969–70 and 1973–74. Rates charged on farm loans by these banks were also relatively unchanged during these periods, and so clearly these rates reflected the banks' internal cost of funds plus a markup, rather than the potential earnings of these funds if invested in national money markets.

Rural banks probably continued to set their farm loan rates in this manner, but their internal cost of funds began to reflect cyclical movements in money market rates. This change occurred after 1978, when banks—with the authorization of 6-month money market certificates—were allowed to accept smaller and shorter term deposits bearing market-related rates, and competitive factors induced them to do so. As market rates of interest rose during 1979–81, rural depositors shifted a large proportion of their deposits into the new certificates. By mid-1981, these certificates constituted about 30 percent of the total resources of the typical rural bank. In addition, large certificates of deposit, also bearing money market rates, accounted for 7 percent of total resources.

During the 1970's loan losses reported by agricultural banks clearly reflected the favorable credit experience of most farmers and farm-related businesses. Provision for loan losses averaged 0.2 percent of outstanding loan volume during that decade, well below the average at other smaller banks, at which losses rose substantially during the business recession of 1974–75. Notably, the ratio of loan losses did not rise as a result either of the problems of livestock producers that began in 1974, or of those of crop producers in 1976–77. Many of the troubled farm loans of this period, which otherwise might have caused losses for the banks, were refinanced by the Farmers Home Administration [FmHA] under several credit programs: disaster loans, made mostly to farmers with crop losses caused by drought; and the Economic Emergency Credit Act of 1978 and its extension, under which the FmHA lent about $6.6 billion from 1978 to 1981.

The loan-loss picture at agricultural banks changed significantly during 1980–82 as increasing numbers of farm borrowers came under financial stress and farm-related businesses were hit by the downturn in farm income and by two general business recessions. By 1981, the provision for loan losses had doubled from its earlier low level, and in 1982 it rose further, to 0.8 percent of outstanding loans, putting it slightly above that at other smaller banks.

As in previous years, the distribution of agricultural banks by loan losses was highly skewed: The average loss ratio was raised because heavy losses occurred at some banks while a majority reported relatively small losses. In 1982, one-fourth of agricultural banks required little or no provision for losses—less than 0.1 percent of outstanding loan volume. At the other extreme, 5 percent of the banks had to provide for losses greater than 2.5 percent of outstanding loans, the level at which losses would begin to exceed net income before losses at a typical agricultural bank. In contrast, in no year of the 1970's did more than 1 percent of agricultural banks have such heavy losses.

The profitability of agricultural banks is a summary indicator that quickly reflects the net effect of loan losses and other factors affecting overall condition. Over time, bank profitability is important because adding to retained earnings is the major way in which rural banks expand their capital position and thus maintain or improve their ability to serve growing communities and businesses. The average return to equity at agricultural banks rose sharply with farm prosperity in 1973 and remained at a relatively high level through 1982. In addition to reflecting favorable agricultural income, the cyclical pattern traced by profits at agricultural banks indicates that these banks, on balance, benefited during periods when interest rates were relatively high in national money markets. Their deposits rose steadily even during such periods—for example, approximately 10 percent in each year from 1978 to 1982—and the influx of funds evidently was employed profitably. Average return to equity reached 16 percent in 1974 and again in 1979–80. By 1982, primarily because of increased provision for greater loan losses, return to equity had declined to 14 percent.

Even in the face of heavier loan losses, relatively few agricultural banks were operating at a loss. At such banks, however, extraordinarily high loan losses were most often the cause of the operating loss. In 1982, negative earnings were posted by 3 percent of agricultural banks. At these banks, the provision made for loan losses averaged 4.2 percent of outstanding loan volume. But even during that year of farm and business recession, 77 percent of agricultural banks achieved a return of 10 percent or more on equity. Although down from 91 percent in 1979, this high a proportion of institutions able to achieve such prof-

itability during relative adversity attests to the market strength and financial resilience of these banks.

A considerable portion of the profits of agricultural banks—about two-thirds in 1982—are annually added to bank capital rather than paid out as dividends to stockholders. From 1974 through 1982, equity grew faster than deposits and assets on average, and thus the average capital ratio rose. By the end of 1982, capital and surplus at these banks averaged 8.9 percent of total assets, up from the cyclical low of 7.4 percent recorded after the large inflow of farmers' deposits in 1972 and 1973.

The growth of capital at individual banks is of particular importance because it determines how much a bank can increase, over time, the amount it can legally and prudently lend to each borrower. During the 5 years ending in 1982, the value per farm of assets other than real estate rose 60 percent, and average outstanding farm production loans rose 68 percent. Capital at rural banks kept pace: At banks classified as agricultural banks in 1982, capital and surplus expanded 75 percent over the same period. Thus, on average, increases in the size of loans that agricultural banks can make have approximately matched increases in the size of loans demanded by farmers.

Recent changes in bank legislation have further enhanced the lending capability of rural banks. The upper limit on the amount that a national bank can lend to one borrower was raised from 10 to 15 percent of capital and surplus—a special higher limit of 25 percent continues to apply if the loans are secured by livestock. Of more general importance, the increase in Federal insurance on individual deposits to $100,000 had the incidental effect of making the negotiable certificates of deposit of small banks salable to national investors, either directly or through intermediaries that ensure that each investor holds no more than one certificate of each bank. Furthermore, because most new local deposits now bear interest related to money market rates, rural banks no longer find that funds raised in money markets are more costly than local deposits, as they did during earlier periods of relative monetary restraint. Thus the ability of rural banks to respond to seasonable, cyclical, or unusual changes in local loan demand has been improved.

As in the past, the experience of many rural banks will be related to that of agriculture.

Mr. President, more than 10,000 deaths per day are attributed to starvation in this world. That is an enormous figure, particularly given the fact that we are faced with such huge surpluses here, and the prospect of low prices for some time to come.

The adequate distribution of food supply remains quite literally an unsolved problem of global proportions. Of the world's farmers, only 2 percent are located in developed countries such as the United States, yet they produce 25 percent of the world's food.

Mr. President, we have the food, we have the people that need it, we asked the farmers to produce it, yet, now it seems that we want to say that because farmers did produce all that food, they made a bad decision, and that taxpayers have absolutely no interest in helping farmers through these times. I do not think it ought to be that way.

It is instructive to see what the Department of Agriculture has to say about food prices here at home.

Food price increases were moderate, although they averaged higher in 1984 compared with 1983. Overall, the 1984 Consumer Price Index for food averaged 4 to 5 percent above 1983. This rate of increase is double the 1983 increase of only 2 percent, which was the smallest gain in 16 years. Poultry, egg, and vegetable prices all increased sharply in the first half of 1984, while red meat prices were a primary cause of upward food price pressure during the second half of the year. The overall 1984 food price escalation was consistent with the 4 to 5 percent rate of inflation.

Although weather variations can dramatically alter conditions from year to year, food price inflation should continue to be moderate through the end of this decade. In fact, overall increases in the Consumer Price Index for food will likely follow an historical pattern of being smaller than increases in the Consumer Price Index as a whole. Plentiful grain supplies, a weak meat and dairy price situation, and little prospect for substantial wage rate increases contribute to this moderate outlook.

The farm share of the retail food dollar as a whole was 34 percent for the first 7 months of 1984, unchanged from the 1981–83 period. The farm share for dairy products declined from an average of 50 percent for 1981–83 to 47 percent during this period due to lower milk prices resulting from dairy legislation. The poultry farm share was also down, dropping from 52 percent to 47 percent. Fresh fruits showed a slight increase, while the farm share for fats and oils increased sharply from 25 percent to 34 percent of the retail dollar.

The fact is that food prices would not be dramatically altered even if farm commodity prices were to reach a profitable level for farmers. Given our huge surpluses, that is not likely to happen for some time. But, with an adequate farm program, properly administered, we could, over time, reach that point.

Of course, our commodity prices are set on the world markets. An individual farmer in North Dakota has absolutely no control over what the international market is going to dish up.

The Department of Agriculture has made some instructive comments about world trade. As you listen to it, try to figure out where any individual farmer can make an impact, or change the course of events:

In fiscal year 1982 after 12 continuous years of increases, the value of U.S. agricultural exports declined nearly 11 percent. Another 11 percent decline occurred in 1982/1983. Fiscal 1984, with $38 billion in exports, compared to $34.8 billion in the 1983 fiscal year, marked the first increase in the value of U.S. agricultural exports since fiscal year 1981. The increase in value exclusively reflects price movements of exported commodities, the volume of exports recorded a 1 percent decline.

The lackluster performance of export volume—off 20 million metric tons from a fiscal 1980 peak of 164 million metric tons—was caused by several factors in the agricultural sector and the macroeconomic setting as well. As alluded to earlier, a major obstacle to U.S. agricultural exports has been the unrelenting strength of the U.S. dollar in international currency markets. After devaluations in the early 1970's and a move in 1974 to international floating exchange rates, the U.S. dollar weakened against other currencies through the decade of the 1970's. Then, for nearly 4 years beginning in mid-1980, the dollar appreciated substantially, reducing the competitiveness of the United States. At the same time, the general worldwide recession has limited the ability of importing nations to purchase our farm exports.

Popular attention has focused on the strength of the dollar, identifying it as the cause of disappointing agricultural export performance. Like most conventional wisdom, there is an element of truth to this widespread belief. But like most conventional wisdom, the strong-dollar/low-exports logic captures only a part of the truth.

A strong dollar not only makes our exports more expensive to an importer, but also a price advantage shifts to competing exporters whose exchange rate with the importer becomes more favorably aligned relative to the importer's exchange rate with the United States. This relative shift in the structure of exchange rates tends to be more critical to our export volume than the magnitude of change in our exchange rate with the importer. For some agricultural products, though, it may be questionable to even talk about the United States being price competitive against certain exporters in the short run. For example, some

nations are not equipped to store their exportable commodities; they are willing to undercut prevailing prices to move whatever is available for export.

Given the nature of world agricultural markets, it is over the longer haul that shifting exchange rates have more significant impacts on the competitiveness of U.S. agricultural producers. The critical element is the signals being given through world markets to producers in various countries to change their output. Over the past several years, one of the most damaging aspects of the rising U.S. dollar is that it has translated the fixed loan rate feature of our domestic farm programs into a world price structure very favorable to other nations. Foreign producers know that any combination of large supplies and/or weak demand will drive prices down, but only so far as our loan rate, at which point U.S. supplies are effectively withdrawn from the market. Because U.S. exports are such a large proportion of internationally trading price at that level. U.S. agricultural policy, therefore, has done freely for international markets what it has been able to do for his own producers only at great cost: reduce agricultural price risk. Foreign producers have appreciatively responded by expanding production and eroding the U.S. share of world trade. Further expansions will occur as long as foreign production costs promise to be lower than the loan rate supported trading price.

In addition to the dual incentives of enhanced price competitiveness and reduced price risk, greater production was also encouraged by a concern for food supply security, which arose in part from past U.S. decisions to embargo farm trade. Nations that otherwise would have imported food responded to political insecurity to turning to their own resources. Domestic food sources, even if more costly, are at least not vulnerable to external political turmoil. As a result, many countries, which in a more secure world would depend on imports from low cost efficient producers, have increased their own production capacity dramatically.

What is significant for U.S. agriculture is that all these developments have encouraged a permanent increase in global production capacity. No sudden plunge in the dollar's value will change this. Long-term adjustment forces have been activated to forge a new export market reality. Export markets for U.S. agriculture have not been destroyed, but their potential for growth in the tradition of the 1970's has been greatly diminished for many years to come.

The outlook for 1984-85 global crop production is mixed. World wheat production is projected to reach a new record, topping 500 million metric tons [mmt]. The largest increases among importing nations can be found in China and Eastern Europe where 2.5- to 3-mmt increases may occur. However, the Soviet Union is expected to have a 3-mmt decrease in its wheat output. Of the major exporting nations, only the EEC member nations and the United States are expected to increase production. The rate of change will differ substantially, with the EEC expected to increase output by 15 mmt and the United States expected to increase by 4 million. Australia, Argentina, and Canada are all expected to register declines in wheat production for the 1984-85 season—their combined output is projected to drop 12.5 mmt from 1983-84. All in all, with total world wheat trade expected to edge higher in 1984-85, prospects for U.S. wheat exports are improved.

In course grains, world production will increase sharply in 1984-85 to nearly 790 mmt—a 14-percent increase over 1983-84. As would be expected given the 1984 PIK Program, the largest increase came in the United States. In fact, the increase in U.S. production accounts for nearly all the increase in overall world production. World coarse grain trade should increase approximately 9 percent in 1984-85, with an expected decline of Soviet production in excess of 20 mmt contributing the most to that outlook. The outlook for U.S. coarse grain exports is improved as well; an increase of 10 percent is projected in the volume of U.S. feed grain shipments.

In the oilseed complex, world production is also expected to reach a new record. At 185 million metric tons, the increase represents nearly a 20-mmt gain over 1984-85. Unlike the wheat and coarse grain sectors, production is expected to increase or hold steady across most major exporting nations. Thus, the outlook for improved U.S. soybean exports is less optimistic than for wheat and corn.

In the fiber sector, another record cotton crop abroad is projected and stocks will rebuild sharply. With many countries replenishing inventories, world cotton trade is forecast to be the highest since 1981-82. However, U.S. exports will dip and our share will fall because of increases in production among major cotton export competitors. In sum, other than for cotton, the outlook for 1984-85 U.S. farm exports is improved, but the growth rates are unlikely to be sufficient to improve domestic farm prices overall.

A return to the world trade environment experienced in part of the 1970's is unlikely for the remainder of the 1980's. Population growth over the decade is projected to be the greatest in the developing nations of the world. Unfortunately, significant income growth is not projected for those nations; thus prospects for export growth there are limited. Additionally, while the world has been moving toward economic recovery, much of that growth has been export-related with overall domestic growth being extremely slow to materialize in many countries. These factors do not suggest that the United States cannot improve its export performance. The implications are that actions need to be taken on several different fronts including domestic economic policies, international debt burdens, and the trade policies and agreements arena.

Mr. President, I would like to get on with the business of the Senate. But the most important business we face is to ensure adequate credit availability during the next critical 30 days. We need to make at least $3 billion in loan guarantee authority for the Farmers Home Administration in the farm ownership and operating loan programs. We need to permit lenders to write down interest rates in exchange for some Federal assistance. We need farm operating loans. And, we need to direct the proper effort to ensure that all loan applications that come to the Farmers Home Administration are handled within 30 to 60 days of receipt.

Mr. President, I thank you very much.

(During the foregoing address, Mr. MCCONNELL and Mr. RUDMAN occupied the chair.)

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, we are ready to vote on Mr. Meese unless someone else wishes to speak on this subject.

Mr. SIMON. Mr. President, yes. I thank the Chair for recognizing me and the distinguished chairman of the Judiciary Committee. I think there are a number of others who do wish to speak.

Let me add that I understand there will be a caucus of our side in another 10 or 12 minutes, and I think we are getting close to the point where we can proceed for a vote in this matter, and I think this is a desire of everyone in this body to move as expeditiously as we can, but I do not think we are ready for a vote right now, Mr. President, and I am sure that does not come as a surprise to you.

Mr. THURMOND. Mr. President, if anyone wishes to speak, he may speak. Otherwise, we are ready to vote.

Mr. SIMON. Mr. President, may I be recognized further?

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, obviously, the appointment of the Attorney General is being delayed at this point simply because of the problem we face in the agricultural community in this Nation.

I met this morning with a group of bankers from the State of Illinois who are talking about farm problems. I met this afternoon with my colleague, Senator DIXON, with a group of real estate people. One of the questions that came up was the agricultural problem in the State of Illinois.

We simply have a problem with ramifications far beyond the immediate problems of a single sector of our economy, problems that are going to go far, far beyond that sector.

I might add that just as an illustration I met some weeks ago with two of the officers of International Harvester after the International Harvester had made announcement they were going to have to reduce their employment.

I said to them, "How many people were you employing at your peak 3 or 4 years ago?" And they said "97,000." I said, "How many are you employing right now?" And they said, "32,000."

That is an illustration of where we are and where we are going and that obviously has implications far beyond International Harvester. It impacts on the suppliers of International Harvester. It has an impact on people who provide fertilizer. It has an impact on men's clothing stores in rural communities and then the people ultimately who make men's clothing around this Nation and elsewhere.

We have a major problem that has to be addressed. I hope that we will address it in a solid and substantial way. I do not know what kind of compromise is in the works and I am willing to look hard at it, but I hope we do something that provides genuine help to the segment of our economy that needs help.

Farmers are hurt not because of things they have done but because of policies generated on this floor and on the other side of the Capitol and down at 1600 Pennsylvania Avenue. Farmers are caught in a three-way squeeze. They have been hit by low prices, generated in part by the problem that we have created with these huge deficits. They have been hit by high interest rates. Again those high interest rates were not created by farmers. They have been hit by declining land values.

Mr. COCHRAN. Mr. President, I wonder if the Senator from Illinois would yield to me for a moment.

Mr. SIMON. I am pleased to yield to my friend and colleague from Mississippi.

Mr. COCHRAN. Mr. President, I rise in support of the confirmation of the nominee to be Attorney General of the United States. I sympathize with those, including the Senator from Illinois, who are concerned about the farm credit crisis that exists throughout the country. As the Senator knows, I have been one of those who has been actively involved in trying to work out a helpful piece of legislation that would improve the access of farmers to credit so that they can put their crops in the ground this year in a timely fashion.

But, nonetheless, I hope that the Senate can move quickly to a vote on this confirmation. I am convinced, because of my association with the nominee over the past 4 years, observing him carrying out his duties as counsel to the President, that he would be a dedicated, hard-working, and competent Attorney General of the United States. His experience includes being an educator, serving in high positions in the government in the State of California, being a lawyer, and as attorney at law dedicated to improving our system of justice and dedicated to the carrying out of the laws of not only the State of California but of the United States.

I want to join those, Mr. President, who support this confirmation and who are urging the Senate to turn to a vote on the issue as quickly as we can without cutting off anyone's right to discuss the merits of the issue before us. I am confident that we can be responsive to the farm credit crisis in a way that will be helpful as well as responsible to all of the taxpayers of the United States.

I appreciate very much the Senator yielding me this time and I thank him for his indulgence.

Mr. SIMON. I thank the Senator from Mississippi for his remarks. We differ on this particular nomination but I respect his motivation and also his concern for the agricultural sector.

I see my colleague from Georgia in the Chamber. I would be pleased to yield to him for a few moments.

Mr. MATTINGLY. I thank the Senator from Illinois. Mr. President, the Senate's deliberations over the nomination of Edwin Meese III as Attorney General of the United States have been lengthy—both in committee and on the floor. The nomination has been before the Senate for a year, since February, 1984, and our reports and remarks together with those of Independent Counsel Jacob A. Stein are voluminous. I do not intend to add substantially to those volumes. I do, however, want to take this opportunity to express my strong support for Mr. Meese's nomination and to urge my colleagues to vote to confirm him.

I believe the record demonstrates Edwin Meese to be worthy of confirmation. He is now and has for years been a dedicated public servant at both the State and national level. There is no reason to believe that this will change once he is confirmed. To the contrary, in testimony he has affirmed it will not. Furthermore, Mr. Meese's record shows that he has a deep respect for the law and a strong commitment to effective and fair law enforcement. Ironically, this is one attribute to which some of his detractors have pointed. They have decried him as too fervant a law and order advocate as if such were enough to disqualify him from the office of Attorney General.

Mr. President, just the opposite is true. A respect for law and order is a necessary qualification for an Attorney General. And as for the charge that Edwin Meese lacks compassion, I rise to say that such is not the case. I know Ed Meese, and know him as a man of compassion.

In closing, I wish to remind my colleagues that Mr. Meese's actions and decisions, his public and private life, have been scrutinized by an independent counsel. They have been scrutinized by the Senate Judiciary Committee. For 13 months, his record of service and qualifications have been examined and reexamined. The result of these inquires has been to demonstrate that Mr. Meese is qualified to become Attorney General. And I believe that those who put political considerations aside and vote on the basis of his qualifications, and on the basis of what is just, will vote to confirm Edwin Meese III.

Mr. President, I will cast my vote in favor of Mr. Meese's nomination. I am confident that he will serve as Attorney General faithfully and with distinction.

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, I salute my distinguished colleague the Senator from Oklahoma [Mr. BOREN] for his leadership in calling needed attention to the critical problems facing our Nation's farmers. I am pleased to associate myself with his remarks and to be a cosponsor of the resolution which he has proposed to deal with our farm credit crisis.

Mr. President, my dislike of filibusters is well known. I do not like to see a small minority block the Senate from passing needed legislation because they do not like something about the bill. But this is not a filibuster in that sense of the word. We are not trying to stop the Senate—we are trying to get the Senate started. More especially, we are trying to get this ad-

ministration started toward helping farmers out of this credit crisis. And we are not a small minority. This effort to get help for our farmers has broad, bipartisan support.

The Meese nomination is only a lever to pry some badly needed assistance for our hard pressed farmers out of the Department of Agriculture. This administration has been very reluctant and hardheaded when it comes to anything that will provide real help to American farmers. Sometimes you have to use a lever like a two-by-four to pound home the news that there is a crisis down on the farm and that it must be dealt with now or not at all. If the USDA does not use its authority to relieve this farm credit crisis within a matter of days then it will be too late to plant a crop this year.

Mr. President, the term "farm crisis" is so overused that it no longer has any emotional impact on some people. But what we are in now is truly a farm crisis. Farmers in south Texas are planting crops even as we stand here today. Farmers in the Texas panhandle, next door to the farm constituents of my distinguished friend the Senator from Oklahoma [Mr. Boren], will have to plant in a matter of weeks.

But some of these farmers still do not know if they can get financing to plant their crop. Some of the landlords, often widows or elderly people who have retired from farming, do not know if they will have a tenant to farm their land. If they have no tenant, then they have no income this year.

This administration's farm policy proposals, such as the farm credit announcement, are inconsequential Band-aids. Worse yet, many of them are hurting instead of helping. Farmers are in a credit crisis, and this administration is proposing to charge five basis points on all borrowing by the farmer-owned Cooperative Farm Credit System. This fee, which would be passed on to farmers as higher interest rates, would have cost an farmers an extra $18.5 million if it has been in effect this year. The administration's farm debt restructuring program is not working, and the time spent in processing these applications, most of which are rejected, threatens to delay normal loan processing to the point that some farmers may get their loans approved after it is too late to plant.

Mr. President, the administration may be upset by this delay in the confirmation of Mr. Meese as Attorney General, but it will eventually get done. If Texas farmers do not get financing in time to plant, within the next few days, then there will be no crop this year. Mr. Meese's schedule is a lot more flexible than Mother Nature's schedule is, and I think we should keep that in mind in weighing the relative importance of the various issues that are waiting to come before the Senate.

Mr. President, instead of going away or farm problems have gotten steadily worse. Net farm income increased in 1984, but most of that came from an increase in inventories. In other words, our surplus just got larger.

Things down on the farm are as bad as I have ever seen them, and my family has been involved in farming and ranching all my life. Our farmers are drowning because they have had too much debt and too few decent prices.

What farmers really need is cash income to pay their bills, cash to pay the crushing expense of today's high interest rates. Farmers' net cash income is forecast to drop for the third year in a row in 1985. This could well mean that farmers' real, after inflation, cash income would be the lowest since 1968. Farmers can't pay 1985 bills with 1968 paychecks.

You have heard the statistics on our farm situation, so I will not recite them again. I know the problems. I know that Mr. Stockman neither knows nor cares about our farmers.

But we need real world solutions, not philosophical gibberish about free markets. You give our farmers a free market and they will compete and do well. This administration has not done that. In addition, this administration's high interest rates and bloated dollar exchange rates have locked our farmers out of their export markets as surely as an embargo.

Look at how this works. In January 1981, an American farmer could get $5.25 per bushel for his wheat on the dock in Houston. To a Dutch trader in Rotterdam, this was 11.44 guilders. In January 1985 a U.S. farmer could get only $4.11 for his wheat at the dock in Houston. However, to the Dutch trader this was 14.59 guilders. The farmer's price dropped 22 percent, but the export customer's price went up 28 percent.

Under Secretary Block's self-proclaimed export-oriented farm policy the volume of U.S. farm exports has dropped for 4 years in a row. Now they are proposing to help by charging a 5 percent origination fee for export loan guarantees. This is the best proposal we could make to help European farmers.

A few weeks ago I made a floor speech on our trade problems. I pointed out that although a trade war poses great risks, even greater risks lie in waiting for the rest of the world to adopt a free trade policy out of the goodness of their hearts. It just will not happen.

Likewise, facing up to our farm problems may cost some money at a time when we are trying hard to reduce our deficit, but the cost of not facing those problems may be much higher.

A farmer in west Texas recently rented a building on the town square of his small town. In better times it had been a store. He tore out the back wall to make a large door, and now he uses it as a barn. You see, it was cheaper to rent the store than to build the new barn he needed. There used to be a small business in that store, run by a local family. Now they and many others are gone. That's happening all over rural America.

Let's give our farmers a free market to compete in and let them go. But don't weight them down with a bloated dollar, high interest rates, and foreign trade barriers and then throw them into the world market to sink or swim. They may well sink, and if they sink much of our country's economy sinks with them.

I think our Government's policy should be cushion the shock of our current farm problems, not make it worse. I, for one, do not intend to abandon this Nation's most important industry, and I hope that this administration will do likewise and come up with some better farm policies than those we have seen so far.

Mr. President, I understand an agreement has been arrived at, and I do not want to impede that in any way. My understanding is that the agreement is for a recess for 1 hour. Is that correct?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from South Carolina, or does the Senator yield the floor?

Mr. BENTSEN. I am delighted to yield to the distinguished Senator from South Carolina.

ORDER FOR RECESS UNTIL 5:30 P.M.

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate stand in recess until 5:30 p.m. today. This has been cleared by the majority leader and by the minority leader, I understand. At that time, we hope to have a resolution here which we can act upon, and proceed with the nomination of Mr. Meese.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 5:30 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 5:30 p.m.

Thereupon, the Senate, at 4:35 p.m., recessed until 5:29 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GOLDWATER].

ORDER FOR RECESS UNTIL 6:15 P.M.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE Mr. President, I ask unanimous consent that the Senate stand in recess until 6:15 p.m. They are in the process of working out an

arrangement. I think it would serve the interests of the Senate to be in recess until 6:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 6:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 6:15 p.m.

Thereupon, the Senate, at 5:30 p.m., recessed until 6:13 p.m.; whereupon, the Senate reassembled when called to order by the President pro tempore.

Mr. DOLE Mr. President, I yield to the distinguished Senator from Arizona.

THE DEFENSE BUDGET

Mr. GOLDWATER. Mr. President, earlier this week, I spoke of the need for serious and informed debate on the defense budget. I pointed out that a series of military experts and administration officials appearing before the Armed Services Committee this year were each asked whether or not they thought the world was safer today than it was 20 years ago, and the answer in each case was the same—the world is indeed a more dangerous place today.

I also stated that, as chairman of the Armed Services Committee, I will consider any suggestions my colleagues may make to reduce the defense budget which would trim the deficit without impairing our national security. In a letter dated February 14, 1985, my colleague from Oregon proposed a plan to freeze the defense budget at fiscal year 1985 levels in which he offered almost $30 billion in cuts from the President's budget request. I would like now to discuss that proposal.

My colleague's proposal contains specific recommendations for reductions in all areas of the defense budget. I appreciate his intentions, and I know he is sincere. But this proposal illustrates what I said on Tuesday—that cutting the defense budget is not as simple as many may think. To the uninformed, this proposal may appear very appealing; to the informed, it will appear quite different.

For example, the plan recommends cancellation of the Army's SOTAS program. But don't count on any savings there, because, in fact, SOTAS was terminated by the Congress 3 years ago in 1982. Also, the plan proposes to freeze civilian pay while cutting end strengths by 20,000 jobs. The President's budget already includes a 5-percent cut in civilian pay; therefore, this part of the freeze plan would actually represent an increase to the President's budget.

The effect on our Armed Forces of the personnel changes contained in this proposal, such as a civilian pay freeze, cuts in retirement benefits, and end strength reductions, would be devastating. They would quickly revive the specter of the "hollow" and "hemorrhaging" Navy of the late 1970's. The future cost to return our Armed Forces to a level of readiness even close to today's level would be many times greater than the meager savings generated by this proposal.

Reductions of more than $17 billion are recommended in the procurement and research portions of the budget, and a number of specific items are identified for cutbacks or cancellation. The rationale given in the proposal for many of the cuts is, unfortunately, inaccurate. Let me cite some examples.

For instance, the plan recommends canceling the HARM missile program on the basis of high unit costs, poor test results, and ineffectiveness. In fact, the HARM test results have been uniformly excellent, the missile's capabilities are described by Navy pilots as being limited "only by the imagination', and it is being purchased on a firm, fixed price contract. Furthermore, the plan does not suggest an alternative to this essential weapon. Canceling HARM would eliminate the only lethal defense suppression weapon in production.

If, as the proposal recommends, production of the Air Force's F-15 and F-16 fighters is frozen at 192 per year, the only way we can maintain our current tactical Air Force structure will be to retain aircraft beyond retirement age in the inventory. That will mean higher maintenance costs, lower readiness levels, and higher accident rates. I, for one, am not prepared to accept such costs for the very illusory and short-lived savings imagined in this proposal. Even at today's production rates, the average age of our tactical Air Force continues to grow by approximately half a year each year.

The plan proposes cancellation of the Army's AH-64 attack helicopter program for survivability reasons and recommends substitution of AH-1S Cobras instead. In fact, the AH-64 is many times more survivable than the Cobra, because the AH-64 was designed from the ground up to incorporate the most modern survivability features. And this year, the AH-64 Apache actually costs less than the Cobra ($8.8 million for the AH-64 versus $9.8 million for each Marine AH-1T).

The M-1 tank, which the plan proposes to cancel, is proving to be the best U.S. tank ever fielded. It will enable our soldiers to fight effectively and survive on the modern battlefield. The M60A1 tank proposed as a substitute is significantly less effective and less survivable than the M-1.

The plan proposes to severely restrain R&D programs in the technology base category. This would only serve to mortgage future system developments which have traditionally provided the basis for maintaining our edge over the Soviets.

Eliminating all strategic R&D funding, as the plan proposes, and postponing major strategic procurements during arms control negotiations in Geneva is exactly the wrong approach to making defense budget cuts.

My colleague's proposal to eliminate all funding for the strategic defense initiative—we know it as star wars—demonstrates a complete lack of understanding of the nature or content of the strategic defense initiative program, much of which relates to research on critical warning and surveillance sensors which are required regardless of our commitment to an effective ballistic missile defense system. Even critics of SDI point to the need for a strong research program to hedge against the very real possibility of a Soviet breakout from the ABM treaty.

The plan recommends cancellation of the MX missile program and instead points to the Trident program to provide negotiating leverage against the Soviets. But the plan later recommends cancellation of the Trident program or deferral until later years. You cannot have it both ways.

The plan claims that savings could be achieved through better program management, yet at the same time proposes reducing production levels of many weapons to very inefficient rates. As we all know from the bitter experience of the 1970's, this is a short-sighted and inefficient method of budget cutting, because low production rates simply raise unit costs and in the end, we pay more to get less.

The Secretary of Defense has submitted to Congress together with the fiscal year 1986 budget request documentation which outlines the major efforts undertaken by the Department of Defense to combat waste and fraud in the defense budget. We have all heard about the $400 hammer; the Defense Department obtained a refund from the contractor for the overcharge. DOD obtained a refund on the $1,100 plastic stool cap and the $110 diode, and the Department refused to pay for a $9,000 wrench. They even received a refund on the $600 toilet seat. But the press does not report the Pentagon's successes in identifying and eliminating such abuses. Over the past 4 years, the Department of Defense has claimed savings of over $17 billion in management improvements alone. My colleague's plan includes a vague claim of additional management savings in fiscal year 1986 alone of $4 to $6 billion which cannot be substantiated.

The President's budget request is an example of a mature budget. It includes—and this is important—only one new start, according to the Office of the Secretary of Defense; all other

programs are survivors of 4 or more years of intense congressional scrutiny and debate.

Some criticize the President for allocating too much money to rebuilding our defenses, but how many realize that the fiscal year 1986 defense budget request is $2 billion less than the fiscal year 1986 figure contained in President Carter's last 5-year budget.

For a brief period in the early 1980's, America shook the shortsighted notions of 1970's. But now, as the price—which is easily affordable by our society—of defending our interests and holding to our cherished principles has become the focus of popular attention, too many Americans in positions of leadership want to return to the old shortsighted policies of weakness, conciliation, and isolationism. Have we learned nothing from history?

The threat that we face is real and ominous. Our vacillating policies of the late 1970's confused our allies and emboldened our adversaries. If we fail to provide a credible deterrent and demonstrate our resolve, lives and treasure may be laid to waste in another unnecessary conflict, the horrors of which have not yet been seen by man. The British did not realize until it was too late that diplomacy in arms control can complement, but will never substitute for, armed strength. Neville Chamberlain, the British Minister and principal architect of Great Britain's ill-fated policies, came to this realization in October 1938, only after the defense policies of the previous two decades had left Britain in a dangerously weak military position. At that time, Chamberlain said, "Our past experience has shown us too clearly that weakness in armed strength means weakness in diplomacy." I hope that the Neville Chamberlains in America today—and there are many of them—will learn this lesson faster than the Prime Minister did. Winston Churchill put it best in 1936 when he said, "The primary responsibility of any government for the public safety is absolute and requires no mandate."

Both our allies and adversaries now know that America's commitments are not mere rhetoric, drained of meaning because we lack the capability to carry them out. We have made great strides in the past 4 years, and we must not falter, we must not weaken or tire. The alternative is to let ourselves slip into inferiority, into a position of weakness in a harsh world where principle unsupported by power is victimized, and to become a nation with more of a past than a future. My colleague's proposal would cast doubt on our commitment of the past 4 years to restore our defense posture, and it would hand to the Soviets a victory that they could not hope to achieve at the negotiating table.

Our budget deficit problems are real and we must address them responsibly and with dispatch, but our deficit problems cannot be remedied at the expense of our national security. In my view, my colleague's proposal, if followed, would be a giant step backward after 4 years of success in restoring our military posture. President Reagan's constant determination to restore credible security must be sustained, thus permitting defense expenditures to level off at reasonable, sustained growth in the near future. The President understands that the choice is not between a superior defense or a superior economy, but that we must succeed in both or we shall succeed in neither.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER (Mr. MURKOWSKI). The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Arizona for the address he has just delivered.

I have known Senator GOLDWATER ever since I have been in the Senate, and I have found him to be not only a true patriot and a great American but also a sound statesman. He has warned the American people today, in this address, of the dangers of cutting defense below what it should be.

The goal of the Soviets is to spread aggression throughout the world. If we are going to get arms agreements with them, if we are going to get arms reduction with them, we must keep our defense strong. It is the only way we can get them to agree to anything.

I hope the Senate and the House—the entire Congress—will have the wisdom to follow a course that will protect the American people and put in the hands of our President the ammunition he needs to try to get reductions in arms.

We cannot afford any kind of disarmament program unless it is bilateral. A unilateral program would destroy our freedom. We must keep this country strong militarily. It is our only hope of survival. If we do not do anything in this Congress but preserve the freedom of the people of America we have rendered them the greatest service possible. Everything else is minimal. Everything else is subordinate. We must keep this country strong.

The able Senator from Arizona, the new chairman of the Senate Armed Services Committee, has warned the American people today, he has warned the Congress of the importance of keeping this country strong. I hope his warning will be heeded.

Mr. President, I yield the floor. I believe that the able and distinguished Senator from North Carolina [Mr. EAST] wishes to speak now in favor of Mr. Ed Meese for Attorney General.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EAST. I thank the Chair.

I was here for the specific purpose of speaking on behalf of the acceptance of Mr. Meese as Attorney General of the United States. After having heard the fine remarks of the distinguished Senator from Arizona and the distinguished Senator from South Carolina on the matter of national defense, and having the honor and privilege of serving on the Armed Services Committee with them, I would like to associate my position with the position the two gentlemen have just taken and I look forward to continued opportunities on the Armed Services Committee to support that position.

The prime responsibility of the Federal Government is the national defense of this country and everything else is subordinate. We are the only level in the American Federal system that provides it and if we do not provide it, it does not get met.

It is worth pointing out that the great growth in Federal spending has not come from the defense side. In 1960, 50 percent of the Federal budget went to national defense; today, less than 30 percent. In 1960, about 9 percent of the gross national product went for national defense. Today it is between 5 and 6 percent.

The reality is real in terms of the Soviet threat, as the Secretary of Defense has pointed out. And General Vessey has indicated if the current trends continue in terms of Soviet power vis-a-vis ours in the strategic and in the conventional area, they will eclipse us. Those are serious thoughts that every Senator ought to reflect on. And I do wish to associate myself with the strong position taken by the two distinguished Senators from the Armed Services Committee.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

Mr. EAST. My primary purpose at this moment, Mr. President, is to speak on behalf of Mr. Meese as Attorney General of the United States. As a member of the Judiciary Committee, I have been extremely interested and as active as possible in terms of supporting this man for this position. I would like to simply review a few key points. Perhaps all has been said that can be said as regards this subject. I do not profess that I will add any great wisdom or insight to it, but I would like to make some comments for the RECORD.

First, I would like to point out that the independent counsel, when the Ethics in Government Act was triggered, found that in no instance was it found either that the business transactions were improper of themselves of

Mr. Meese or that they had anything to do with appointments. In short, Mr. Meese obtained a clean bill of health from the independent counsel.

Yet, we have continued to see people attack him because of marginal issues arising out of that investigation. And I do not think it has been the Senate at its finest hour. I think what we have seen too frequently here is what is known as the ad hominem attack. If you cannot defeat a man on the merits of the issue, you try to attack and undercut his personal integrity. And I do not think that is possible to do here in the case of Mr. Meese because he did survive unscathed an unprecedented examination with the independent counsel.

There is nothing wrong with objecting to a Presidential nominee based upon philosophy or substance or position he might take on the issues. And if that is what you are doing, say so. I have objected myself to appointments of this administration and nominations, but I have tried to not attack their personal integrity. I have tried to meet it candidly on substantive issues. And that is fair game.

I think if Mr. Meese had been allowed to defend himself on the fears that many had about what he would do at the Attorney General's office, he would have allayed those fears.

What I fear the Senate has done is to demean the confirmation process, which is one of our major constitutional obligations. We have trivialized it, with all due respect to the opponents of Mr. Meese.

It reminds me of the famous Roman classic political philosopher who talked about how Roman politics in his time under Caesar had become so carnivorous and cannibalistic, but in that period what they did was literally murder one another, as they did Cicero.

Here in the beltway mentality we are a bit more allegedly genteel. Rather than physically murdering people, we eat away at their political flesh. We leave them twisting slowly in the wind. We raise doubts about their personal integrity and character when there is nothing to it at all. And I find it uncivil, I find it barbaric, and I think it is tragic and unfortunate.

And I will say this: You are not going to get high quality people to serve in national office if you subject them to that kind of treatment. Why should they? And why the greatest deliberative body in the world, allegedly, should allow itself to demean itself, I do not understand.

I doubt if Mother Theresa could get approved by this group to be head of the Department of Health and Human Services. Why? Because she is opposed to abortion. But rather than debate her on that substantive issue, somebody probably would drag out that she or some underling had mismanaged some charitable account they had. And that is what I am talking about—the ad hominem attack.

I am not suggesting for a moment that Ed Meese and Mother Theresa are people of equal stature. Ed Meese would smile at the thought, too. That is not the parallel I am drawing.

What I am saying is if you oppose a person on their philosophy and how you think they will conduct themselves on the substantive issues before them, then be honest about it and state it in those terms, but do not attack their character and integrity.

I think it is cruel. I think it is barbaric. I think it will not bring quality people in the Government. And perhaps most importantly of all, I think it reflects adversely upon the U.S. Senate and that it reflects a reality that we are not going to get good people to serve in public office.

I would like to quote here briefly from an editorial in the Wall Street Journal on this question, the Ethics in Government Act. This is a Wall Street Journal editorial of May 30, 1984. It says:

> The Ethics in Government Act and the Federal Election Campaign Act.
>
> These laws have lost any connection they might have had with ethics or clean politics. They're gravy for the lawyers. And for the politicians they're two pieces of heavy artillery, which any party or candidate can roll out to bomb the opposition.

They conclude by saying:

> We're all for ethics. Who isn't. But the campaign reform law and the Ethics in Government Act aren't about ethics. They're about politics at best and political hypocrisy most of the time.

Now, I am not attacking or questioning the motivation of any of my colleagues in their attitudes on Mr. Meese. But I am saying candidly, as a Member of this body, as one person, I come full circle. I do not think it has been our finest hour. And to the extent that we continue this practice in the confirmation process of attacking the integrity and the character of people when in fact our objections are based upon philosophy and substance, we not only demean and belittle the nominee, we demean and belittle ourselves, and we fail a solemn obligation under the U.S. Constitution, to wit, maintaining the integrity of the confirmation process as the framers and the founders of this country and the drafters of the Constitution intended.

I do hope that we will soon get to a final vote on the nomination by the President of Mr. Meese. I do not know.

Mr. President, I thank the distinguished chairman of the Committee on the Judiciary, Senator THURMOND, for providing me with the opportunity to express my reasons for supporting the confirmation of Edwin Meese III, to be the Attorney General of the United States.

As lawyers are apt to do, Mr. President, I will organize my remarks on the issue before the Senate along procedural and substantive lines. First, as a member of the Judiciary Committee, I will offer my candid observations on the intragovernmental process by which Attorney General-designate Meese has been exonerated completely of any wrongdoing in connection with the questions that were raised last year about his past conduct. And second, I will discuss the heart of the matter before us, which is whether Mr. Meese is qualified, by reason of his experience and on the basis of his political philosophy to serve as Attorney General.

Mr. President, as every Member of the Senate knows, during the course of the Judiciary Committee's consideration of this nomination last year, certain questions were raised about the legality and propriety of Mr. Meese's conduct during and after the 1980 Presidential campaign and in the course of his service over the past 4 years as the counselor to the President. As a result, in a wholly understandable and commendable effort to clear his good name, Mr. Meese sought recourse to the statutorily established mechanism for doing so. He asked Attorney General William French Smith, in accordance with the Ethics in Government Act, to request the appointment of an independent counsel by a special panel of the U.S. Court of Appeals for the District of Columbia Circuit.

Subsequently, of course, a highly regarded Washington attorney, Jacob A. Stein, was named as the independent counsel for the purpose of an investigation into the allegations against Mr. Meese. After an exhaustively thorough study by Mr. Stein and his five deputy independent counsel, in September 1984 the court issued its final report on the Meese investigation. In painstaking detail, spanning some 385 pages of text, the report of the independent counsel set forth the factual bases for its determination that all of the allegations of misconduct against Mr. Meese were utterly without merit.

In the course of his report, Mr. Stein was conscientious in making clear that his jurisdiction extended only to determining whether Federal criminal charges against Mr. Meese were warranted. Thus, Mr. Stein was constrained by his statutory mandate from responding to the request of the distinguished ranking minority member of the Judiciary Committee, Senator BIDEN, that he express an opinion on the ethical propriety of Mr. Meese's conduct.

This void, however, soon was filled. On its own initiative, the Federal Office of Government Ethics undertook an anlaysis of the report of the independent counsel with the purpose of ascertaining whether Mr. Meese's conduct was in accordance with appli-

cable ethics regulations. Ultimately, in a letter dated January 29, 1985, to Senator THURMOND, Office of Government Ethics Director David H. Martin certified that Mr. Meese had, in fact, performed his duties as counselor to the President in full compliance with governing ethical standards.

The lesson to be learned from this comprehensive and laborious process, Mr. President, is that the established statutory system has worked. Mr. Meese was exonerated fully of any criminal misconduct by the independent counsel. And he was exonerated fully of any ethical improprieties by the Office of Government Ethics. That, I submit, should be the end of the matter.

Unfortunately, however, in the prevailing carnivorous and cannibalistic atmosphere of political Washington, it is not the end of the matter for some. For them, the lesson is not learned, but rather is rejected in such a manner as to raise serious questions about the integrity of the confirmation process that is assigned to the Senate under article II of the U.S. Constitution. The honor and reputation of Attorney General-designate Meese having been wholly vindicated by the prescribed Federal statutory procedures, are the continuing objections to him really substantive or philosophical in nature? If so, there ought to be the candor and integrity to say so.

I am not, Mr. President, questioning the motivation, integrity or intellectual honesty of my colleague who are opposing Senate confirmation of Attorney General-designate Meese. Rather, I am asking them to pause and reflect on how their continuing opposition to Mr. Meese may appear to others.

The Wall Street Journal has been among the most astute and insightful observers of the process by which some have attempted to deny Mr. Meese the just benefits of his hard-won vindication by the system. I ask my colleagues to ponder these searing words from an editorial in the Wall Street Journal:

> Something has gone badly haywire in Washington. Someone needs to arise and ask "Sir, have you no decency?" The city is in the business again of attempting to destroy people with whom it disagrees or simply dislikes. It is in the business of allowing facts, half-truths and innuendo all to appear day after day as an unproven indictment.

Mr. President, a senior Senator told me one time, "But, East, it comes with the turf." It ought not to do so. We are considering here the confirmation of a human being, one of whom the President of the United States, who knows him better than does any Senator, has said: "He is one of the most decent and honorable men I've ever known."

On the basis of this Senator's interaction with Ed Meese over the past 4 years, I wholly concur with the President's assessment. And as a member of the Senate Judiciary Committee who carefully monitored the exhaustive hearings there, and who has studied the conclusions of the reports of the independent counsel and the Office of Government Ethics, I say that this case is closed. There simply is no basis on which the Senate can properly or honestly deny Edwin Meese confirmation by reason of legally or ethically improper past conduct.

I turn now, Mr. President, to the true issue before us. Is Edwin Meese qualified, by reason of his experience and on the basis of his political philosophy, to serve as the Attorney General of the United States? This question of his qualifications is at the heart of the Senate's duty to advise and consent to a President's nomination of men and women to serve in his Cabinet.

There can be no doubt that Attorney General-designate Meese is uniquely well qualified, by reason of his experience, for this position. He has the kind of multifaceted background in the law that will serve him well at the helm of the Department of Justice. The graduate of one of the finest law schools in the Nation, the University of California at Berkeley School of Law, Mr. Meese has been a county prosecutor in his home State of California. He has been the chief legal adviser to the Governor of the Nation's largest State. He has been an attorney in private practice. He has been a law school professor. And he has been the counselor to the President of the United States.

Mr. President, I want to place particular emphasis on two aspects of the nominee's background that I believe will be of particular value to him as he undertakes the responsibilities of the Office of Attorney General.

First, the central responsibility of the Attorney General is to be the chief law enforcement officer of the U.S. Government. In that role, I am certain that Mr. Meese will draw upon his 9 years of service in the office of the Alameda District Attorney in California. Initially as a law clerk, and then for 8 years as deputy district attorney. Mr. Meese was on the front lines of law enforcement activity. That experience will be invaluable to him as he supervises the work of the Criminal Division of the Justice Department in general, and the corps of Federal prosecutors, the U.S. attorneys, in particular.

Second, another primary role of the Attorney General, as a senior member of the Cabinet, is to serve as one of the principal advisers to the President. He is, of course, the principal legal adviser to the Chief Executive. In order to be of maximum value to the President in that role, it is important for the Attorney General both to enjoy the full confidence of the Chief Executive and to be thoroughly familar with the political philosophy and the policy goals that animate the President's overall program.

Edwin Meese's background ideally suits him to perform this vital function. He first joined the staff of then-Governor Reagan in Sacramento as his legal affairs secretary in 1967. In 1969, he was promoted to the position of chief of staff to the Governor, where he served with distinction until Mr. Reagan left office in 1975. In 1981, when Mr. Reagan moved into the Oval Office, Mr. Meese became the counselor to the President. In short, it is abundantly clear that Mr. Meese has earned the full confidence of President Reagan, and that he is uniquely knowledgeable about his administration's political philosophy and its policy goals.

Mr. President, because, as I have said, it is vitally important for the Attorney General to know the President well, and for the Chief Executive to have full confidence and trust in the person whom he chooses for that high office, I believe that a strong presumption exists in favor of Senate confirmation of the President's choice for this, or, for that matter, any other Cabinet position. Nevertheless, consistent with the Senate's advise-and-consent function, I believe that this presumption can be rebutted when a Senator has very grave reservations about a nominee's political philosophy and how that ideology would be likely to guide his or her conduct of a given Cabinet-level office. This Senator has exercised that prerogative, on rare occasion, to vote against Senate confirmation of Cabinet-level nominees of the Reagan administration.

I have no such philosophical doubts about Edwin Meese. He is a thinking, committed conservative in the Ronald Reagan mold. He is, just to cite one example among many, tough on crime. Edwin Meese believes, as I do, that the time has long since come to move our criminal justice system away from inordinate and constitutionally dubious solicitude for the rights of criminals, and toward focusing instead on justice for the victims of crime. Edwin Meese will be an aggressive crime fighter, and a vigorous force for justice, as Attorney General.

But beyond Mr. Meese's criminal justice philosophy, having served as the chairman of the Senate Subcommittee on Separation of Powers for the past 4 years, I have a particular concern about the role Mr. Meese will play in helping President Reagan to change the course of the U.S. Supreme Court through the prudent use of the Chief Executive's power to appoint Justices to fill any vacancies on the Nation's highest Bench.

Mr. President, we have suffered in this country from a Supreme Court

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that has interfered unduly and illegitimately with the policymaking role of our national and State legislative bodies. The Court has taken away from the Congress and the State legislatures such sensitive issues as abortion, school busing, and school prayer. It has injected itself into these highly sensitive areas of public policy. It has nationalized these issues. It has polarized them. It has caused this Congress to be bogged down in issues in which we ought not to have to be involved. It has warped the legislative process in this Nation.

Now, instead of State legislatures appropriately addressing these controversial issues as they see fit, or instead of Congress appropriately addressing them as it chooses, we are forced to accept, by fait accomplis, edicts by an overly active Supreme Court. Then we must go through the long, laborious process of trying to change these decisions by the constitutional amendment process. This usurpation of legislative power by the Court makes a mockery of representative democracy and of the very concept of a republic. I believe that the Founders of this country, from across the political spectrum, would be appalled at the repeated abuses of power on the part of the Supreme Court over the past several decades. An overly active Supreme Court has created this overly litigious society, which, in turn, has inundated the Federal court system, and the Supreme Court itself.

Edwin Meese shares my deep concern about this issue. I am confident that, as Attorney General, he will play a vital role in assisting the President as he attempts to turn the Supreme Court around by restoring its proper role in our constitutional system. As vacancies occur, he will aid the President in choosing new Justices for the Supreme Court who respect our system of separation of powers and who believe in interpreting the Constitution in accordance with the intent of its framers and not in amending the Constitution, by judicial fiat, to conform with their personal policy preferences.

In conclusion, Mr. President, I strongly support Senate confirmation of Edwin Meese III, to be the Attorney General of the United States. He richly deserves speedy confirmation by the Senate. I am confident that he will be confirmed by a substantial margin. And I am equally confident that Edwin Meese will be an exemplary Attorney General who will make those of us in the Senate who have supported his confirmation proud that we did so.

I yield the floor, Mr. President, and thank you for your indulgence and the indulgence of my colleagues.

Mr. MATHIAS. Mr. President, the American people need to hire a new lawyer. The Senate is the old family friend whose advice and counsel is being sought on that subject.

Now our advice may determine a choice, but we are limited to a single narrow option of hire or fire the only applicant for the job who is before us.

Under the circumstances of the nomination of Edwin Meese to be Attorney General, we find ourselves in the most uncomfortable of situations. But discomfort is no excuse for delay.

During the 13 months that this nomination has been pending, Mr. Meese has been accused of a multitude of violations of law, of applicable codes of conduct and of the canons of ethics.

Through the efforts of the independent counsel and the Judiciary Committee, all of these accusations have been scrutinized in what I can only characterize as exhaustive detail.

Other Government agencies have undertaken investigations of some of the allegations and their conclusions have also been made part of the record. As a member of the Committee on the Judiciary, I have been present throughout most of the hearings conducted on this nomination.

I have read the report of the independent counsel. I have considered the statements of those who oppose confirmation. The time for judgment is at hand.

Many of the charges against Mr. Meese are serious and they are worthy of the careful examination they have received. But in sifting through all of the allegations, none has given me more difficulty than the case of John McKean. Mr. McKean, who was Mr. Meese's accountant at the time, received two appointments to the U.S. Postal Service Board of Governors while Mr. Meese was indebted to him as a trustee of funds provided by one of Mr. McKean's partners.

There were several occasions when the concurrent negotiations over the Meese loan and the McKean appointment overlapped both in the correspondence and in the conferences. When this occurred, it is clear that all parties, including Mr. Meese, were on notice that they were treading on dangerous ground.

At the very least, someone should have called for a separation of the issues.

I agree with the original views of the staff attorneys in the Office of Government Ethics, that this episode created an appearance of impropriety.

No explanation that has been offered is adequate.

At the same time, I must give due weight to the exculpatory finding ultimately adopted by the Government Office of Ethics and to the conclusion of the independent counsel that the facts would not support a criminal charge.

Obviously, this is a history that is to be regretted. No one probably regrets it more than Mr. Meese.

The rereading of the record of the hearings held late last month before the Judiciary Committee suggests to me that Mr. Meese now feels that he should have handled the McKean matter somewhat differently. It is unfortunate that this simple acknowledgement has come only after a protracted and difficult confirmation proceeding, but better late than never.

In any event, Mr. Meese has pledged his determination to aspire to the high standards of conduct that must be required of the Attorney General. He has also promised to follow certain procedures that may help to prevent any repetition of the problems that have taken center stage during the Judiciary Committee's proceedings. These undertakings to disclose, to report, to consult are, it is true, simply institutional mechanisms. They cannot guarantee the integrity and independence of the Attorney General of the United States. But we should not underestimate their potential effectiveness.

If Mr. Meese adheres scrupulously to these pledges, the American people will themselves be able to judge how faithfully their lawyer served them and how well the Senate, in the discharge of its constitutional duties, has advised them.

To be admitted into the Cabinet of the President of the United States should be a triumphant entry. To assume the Office of Attorney General should be the fulfillment of the highest professional aspirations. In terms of a political career it should be an apotheosis. Instead of that happy culmination, Mr. Meese' progress toward the Cabinet has resembled the labors of Sisyphus. It has been very dreary. The stones are carried up the hill only to roll back down again. It is time to break the cycle of charge and defense, to resolve the issue and let the Justice Department get back to work under new management.

I know that men and women of experience and dedication to the public interest take several differing views of the transactions that have been under scrutiny, and of Mr. Meese's fitness to serve as Attorney General. It is inevitable that in a difficult case people of sound judgment may disagree. So it is in this instance.

If Senators had the power to choose the next Attorney General, many of us would not choose this nominee. But that choice is not ours to make.

If Senators were to judge which American attorney is the best qualified to serve in this post, many of us would not place this nominee at the top of the list. But that is not our judgment to render.

Our job is to decide whether this most rigorous confirmation process has turned up any crime, any ethical violation, any improper act or omis-

sion that requires us to do what the Senate has not done for a generation: to turn thumbs down on the President's choice of a Cabinet officer. And we have to balance our personal sense of propriety with the public interest in promptly restoring the effective operation of the Department of Justice. This consideration must comprehend the pledges, the restraints, the scrutiny, the notoriety that has resulted from this prolonged debate which may have the practical effect of assuring a sound and conscientious administration of the Department of Justice.

As Dr. Samuel Johnson, the great English moralist, once observed, nothing is so conducive to a good conscience as the suspicion of being watched.

That is why I will vote to confirm the nomination of Edwin Meese to be Attorney General.

I anticipate that when the Senate votes on this nomination, it will confirm Mr. Meese. But it would be a mistake to conclude that confirmation will be the end of our responsibility in this matter. On the contrary, if the reservations that many of us have expressed about this nomination have been sincerely held, our job is only beginning. Those Senators who are troubled by Mr. Meese's apparent ethical insensitivities have the responsibility to make sure that Attorney General Meese lives up to his pledge to go the extra mile to avoid even the appearance of impropriety in the execution of his office.

Those Senators who are concerned about Mr. Meese's views on civil rights and civil liberties have the responsibility to make sure that Attorney General Meese and his Justice Department stand squarely behind the guarantees of the Bill of Rights and the promise of equal justice under the law.

Those Senators who criticize Mr. Meese's record on access to justice have the responsibility to make sure that Attorney General Meese takes steps to open the courthouse doors and to assure the right of counsel for all Americans, no matter how poor or how disenfranchised.

These are some of the tasks that we undertake as we vote confirmation of this nomination. We owe it to the American people to discharge these duties as carefully, as comprehensively and as persistently as we have scrutinized the nomination over the past 13 months. If we accomplish that, the American people will have been well served by the way we have carried out our constitutional responsibility to advise and consent.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM CRISIS

Mr. GORE. Mr. President, American agriculture today is facing a crisis of proportions unknown since the Great Depression. What many of us in this body are asking for is a chance for the Senate to consider legislation to help the American farmers. We are not asking for any guarantee that the legislation be passed; all we are asking for is a chance for the majority to work its will. Let us consider and craft legislation that will stave off disaster for the American farmers.

The causes of the crisis are complex, and the solution of the crisis will require carefully crafted policies that are designed to preserve the role of the small family farmer.

The root of the problem is in declining land values. We are currently experiencing what economists refer to as "disinflation," a phenomenon that is depressing land and farm equipment values.

Declining land values have a devastating impact on farmers who bought land during the middle and late 1970's, at a time when world demand for American agricultural commodities was high and growing. There seemed to be no end in sight to rising land values. Most significantly, the Government, through policies and statements by Government officials, sent a clear and unmistakable signal to farmers that they should increase their production substantially.

Farmers heeded this signal, and geared up to begin supplying an ever-increasing share of the world's food needs.

Then, in 1980, Government policy dramatically reversed, and farmers were caught in a whipsaw. The Federal Reserve Board adopted a tight-money, high-interest monetary policy. The Soviet grain embargo resulted in the long-term loss of significant world grain markets. The effects of these policies are still being felt. Farmers still wrestle against interest rates that are far above the rate of inflation. Our export markets are declining dramatically.

Four years ago, our net farm exports were $44 billion. This year, 4 years later, they have declined to $36 billion. The net effect of all these changes is that demand for farmland has dropped substantially, and land values have fallen precipitately.

Mr. President, farmers did not ask for record budget deficits in the $200 billion a year range. They did not ask for a bloated dollar overseas, which makes our farm products noncompetitive.

The statistics illustrating the result are eye opening. Farm debt in the United States currently stands at $215 billion. Of that amount, $50 billion is held by farmers whose debt-to-asset ratio is 70 percent or higher. Regrettably, most farmers whose debt-to-asset ratio reaches 70 percent will not survive financially.

Economists describe what is currently happening with land values as causing a ripple effect, but perhaps a more accurate metaphor would be to describe the situation as a sinkhole effect. I will take a moment to explain. As land values fall, the value of collateral in the hands of banks declines. Most farm loans require land and equipment as collateral.

As land values fall, lenders are placed in a more precarious situation. Their security, in the event of default on a loan, is reduced. Thus, there is greater pressure for an individual bank to foreclose on a farmer who is in trouble rather than risk trying to help him through the crisis. Lenders foreclose to protect their assets.

Foreclosure, however, only worsens the overall problems. Whenever a farm is sold at auction, the price obtained rarely comes close to the fair market value of the land. This fact is well known to bankers, farmers, and anyone involved in finance. The forced sale in addition places a significant amount of land on the market beyond what would voluntarily occur. As this land floods the market, prices are depressed even further. And as land values are depressed further, more farmers and bankers are placed in a perilous financial situation. Pressure on banks to foreclose on more farmers increases. Additional foreclosures depress land values even more. The system literally collapses in on itself, much like a sinkhole.

Unfortunately, the scenario that I have just described is not an apocalyptic prediction of the future. It is a description of the existing state of affairs in many areas of my State, and in Midwestern States such as Iowa and Nebraska.

It is clear that action is needed. The question still must be answered: How quickly must we act? The response to this question is equally clear: We cannot act quickly enough. Many of us are asking for a chance to consider legislation next week.

Farmers must obtain operating loans to plant their 1985 crops in the next 30 to 60 days. Unless farmers in distress can restructure their debt, however, they will not be able to obtain an operating loan. If an operating loan cannot be obtained, a farmer will not be able to stay in business. The problem is that urgent. The urgency of this problem is a compelling reason to make farm debt restructuring legislation the top priority of the Senate. I commend my colleague from Oklahoma [Mr. BOREN] and my colleague

from Nebraska [Mr. EXON] for their vision and courage in taking this initiative. The time to address the farm debt crisis is now; it cannot wait.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I join my colleagues in commending the leaders of agricultural task force, particularly Senators BOREN and EXON, for the very important work they have been doing in trying to bring to the floor of the Senate emergency farm legislation that can help save farmers that are now threatened with disaster and bankruptcy. I think that the scale of this problem across America is now of a dimension that it is the most important matter in terms of urgency for us to deal with of anything that I see. I think, whether it is the Meese nomination or any other legislative item that might be contemplated, because of the growing season, the need for farmers to get necessary credit so that they can have the seed and the other materials they need to begin the planting season, we have to act on the farm issue within the next 7 days.

These other matters are matters that can wait—whether they have to do with appointments to jobs by particular individuals or whether they happen to be other items that have been suggested. The farm problem cannot wait, will not wait. The calendar does not wait. The time that it takes to go through the process of getting the supplies and the credit in place so that the farm sector of the country and the economy can function properly requires that we act now.

It is ironic, Mr. President, that there are people in this Chamber who come from farm States and farm areas of the country and seem to be reluctant to do that, or reluctant to face that fact. It would seem to me that we ought to be hearing from all the farm State Senators all the expressions of urgency because the facts are there. They are well known. In fact, they are in the newspapers and on national television every single day, the dimension of the tragedy that is building up in the farm sector of our economy.

That is the most important matter for us to attend to right now because there is an emergency and there is a general sense of urgency and requirement that we act without any further delay.

Mr. President, there are a host of legislative proposals and ideas that are ready to go. As a matter of fact, the House of Representatives is scheduled to act on this matter on an emergency basis on Wednesday of next week. There is absolutely no reason why the Senate, whether it is tomorrow, over the weekend or on Monday or Tuesday or Wednesday or Thursday of next week, cannot itself act on an equally timely basis. We can act, we should act, and there is no reason for us not to act. So any suggestion that these matters can be put aside or that delay is acceptable, I think, is just incorrect. That is wrong thinking, and we ought not to be misled by it.

We are facing problems that require immediate and urgent attention, and our responsibility, I think, as Senators representing 50 States, is to respond to that emergency now while the response can do some good, while it can actually respond to the problem in time.

I must say that in watching television programing the last several days, I have seen televised reports of farm auctions, where family farms have been put on the auction block and farmers of all ages, farm families representing generations of people who have been in farming, men and women in their sixties and fifties and forties and thirties, who have been farming successfully, because of a variety of circumstances are now in the credit crunch that has been described so well by others who have spoken before me, are forced into a situation where they are losing everything they have.

At these farm auctions not only is their farm and their land being sold off, but also all their possessions are being sold off—the farm equipment, their home furnishings, literally everything. If they are finally left even with a vehicle with which to drive away, that may be all they have, plus the clothes on their backs and possibly one or two suitcases.

I think that is a pretty sorry state of affairs for people to have to be facing in large numbers, in a vital sector of our economy, people who have worked hard all their lives, who have been productive, who have produced for the country, who have been paying taxes, who are many of our best citizens, in the sense of meeting all the requirements that one might expect from people in this country, who work hard, and who in every way live exemplary lives. Many are in their fifties and their sixties, standing out amidst their goods as the goods are being offered for 5, 10, or 15 cents on the dollar, with tears running down their faces, with older children, younger children, and grandchildren standing there, with all the terrible feelings of despondency that go with a situation of that kind. This is not happening to a handful of people and in a handful of States. This is happening now to thousands of families, about to become tens of thousands of families, all across this country. Yes, concentrated more in some areas than others, but literally happening all over this country. We can do better than that, and we have an obligation to do better than that.

I know that all Senators have plans, assuming that we are going to work a normal workweek here and be gone on the weekends to attend to family responsibilities or trips to our home States, to our constituents, and to meet obligations we may have in other places. But I think there comes a time when there is a crisis brewing in a significant part of our country in which a response is needed on an immediate basis and we have an obligation to be here and to be at work. If that means staying here all night, fine. If it means being here tomorrow and over the weekend, fine. But let us be sure that we are here, and I am prepared to be here, that we stay long enough to get this job done, not some transparent device, some way of sloughing off the problem, something that is designed to look like it is an answer when it is not an answer at all.

We have an obligation to stay here and act on this problem. But, more than that, we have an obligation to come up with a solution that is going to work, not just window dressing, not something that is just designed to save face or designed to remove this thing as a matter of concern before the Senate.

No, it has to stay before the Senate until it is dealt with sufficiently, and that means that Mr. Meese has to wait and other things have to wait, because the problem we are talking about is of such an urgency and dimension that it cannot wait. It has to be dealt with now, and we have an obligation to deal with it, and it is my hope that we will.

If it means that some time has to be spent in debate, we will spend time in debate. But let us get some legislation up on the floor here. There are plenty of bills. Let us get them up on the floor; let us debate it; let us start voting. Let us find out how people feel. We are not going to pass anything that 51 Senators do not want. Let us see if there are 51 votes here. I think there are. I think there are 60 votes, maybe even 65 votes, for a meaningful emergency farm program.

So let us have the votes. Let us find out. Let us bring up the issue. If the votes are not here, at least the farmers would have their day in court, in the U.S. Senate. They would have had a chance for their issues to be looked at and debated and voted up or down. Let us get everybody on the record. Let us find out how people feel on this issue.

This Senator is ready to vote, and I hope the other 99 Senators are ready to vote as well. Let the Senate work its will, and let the farmers of the country have an opportunity to have this issue debated on a timely basis, so that

if we are willing to act, the help we provide will be there in time to make a difference. I think that is our responsibility. I do not think that anything less than that discharges our responsibility.

So let us get up the legislation. If people want to be heard, let them be heard. If people want to vote against it, they should vote against it. Then we will find out how the vote is set.

I will make a prediction: I think we have 60 votes, probably close to 65 votes, if we can just get the issue to the floor.

So let us have no more dodging of this issue. Let us get it up here, debate it, set a time for debate, have up and down votes, and let us give the farmers and the country an answer. That is what we are paid to do. If that means sticking around here tonight, fine. Let us get out the cots and the sleeping bags, and let us stay here long enough to get this job done.

Mr. President, I have concluded my remarks. I know the Senator from Montana is on the floor and wishes to speak. If he is ready, I will yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I think most of America knows what is at stake here. It is very simple, and that makes it all the more poignant. If the issue before us tonight is a simple proposition, the question is: Why is not something done about it and why is it not resolved more quickly?

Basically, the point is this: The U.S. Government, for various reasons, and very good reasons in the minds of some in Congress and the administration, has helped various large organizations in times of need. For example, the Chrysler Corp. received a bailout during a period of financial crisis. The Congress and the President of the United States jointly agreed that Chrysler should receive this financial assistance. I do not know the sum total of dollars that were extended in various forms, including loan guarantees, to the Chrysler Corp., but they were very substantial.

In another instance, the Federal Government helped the Lockheed Corp., which faced an economic crisis, with very substantial financial assistance.

More recently, this administration, with Congress, helped Continental Illinois Bank, a very large institution that was on the brink of financial disaster, to the tune of several billion dollars in financial aid. Another bailout; another large financial contribution to help a large organization get "back on its feet."

There were many reasons for helping that bank. Many were legitimate, because if Continental had not been helped, many depositors and many smaller banks in the country potentially could have gone under, and many innocent people would have been hurt.

This Congress and this administration has given very substantial financial support to the International Monetary Fund, amounting to billions of dollars. Where does that money go? That money goes not to Americans, not to American corporations, not to American banks, but basically to foreign companies and people overseas. Again, often for legitimate reasons. This Senator, in fact, voted against the IMF loan. Nevertheless, this Congress voted for it and passed it; and this administration also urged that several billion dollars of increased financial assistance be given to the International Monetary Fund.

So the question we face tonight is this: If the U.S. Government can give financial aid—bailouts, if you will—to corporations, banks, and to the International Monetary Fund, why can't this Government aid the heart and soul of America, America's farmers?

The fact is that in those previous instances—Chrysler, Lockheed, Continental Bank, the IMF—there were large macro-economic forces which tended to create problems for those institutions: high interest rates, high Federal budget deficits and trade deficits. There were large forces that tended to cause governments, corporations, and banks to find themselves in very difficult financial situations. I think that in each of those cases, those entities found themselves in dire straits due to management mistakes, and also due to circumstances beyond their control.

They were not entirely innocent. These companies made a lot of mistakes. Some were greedy. Some overextended themselves. But circumstances beyond their control were largely responsible. High interest rates, high Federal budget deficits, high foreign exchange deficits, and trade deficits were among the main reasons.

The question is, Why are those same reasons not sufficient to give financial aid to American farmers? American farmers find themselves in a difficult situation, basically for the very same reasons.

Sure, when prices were good in the 1970's, farmers began to buy new equipment. Some of them acquired additional land. They were encouraged to borrow to buy that equipment and that land. Export prospects were good.

But production grew more rapidly than demand. Government-imposed embargoes hurt export market development. Commodity prices fell. In addition, interest rates began to rise, land values fell, and essentially the mainstream of American farmers found themselves in such dire financial straits that a good number of them—in fact, an undesirably large number of them—are now facing bankruptcy. Again, it is due to situations beyond their control.

Why did commodity prices fall? They fell for many reasons. One, because of the high value of the U.S. dollar, because the U.S. exchange rates were very unfavorable. They also fell because other countries that compete with American farmers adopted very aggressive export policies, to the detriment of the American farmers.

What did they do? They enacted export subsidies. They enacted other barriers to trade, to make it difficult for American farm products to be sold in overseas markets—a whole host of things—essentially something American farmers had virtually no control over.

The men and women who farm cannot do very much about barriers to international trade; they cannot do very much to compete with other countries which heavily subsidize their agricultural production.

That, Mr. President, is the responsibility of the U.S. Government. The U.S. Government is the entity that is in a much better position to negotiate trade policies. The Federal Government must also advocate that other countries, particularly the EEC and Japan, open up their markets and compete much more fairly in the international markets.

Beyond that, high interest rates are a reason for commodity prices being overshadowed by production costs. Why have interest rates been so high? There are many theories, Mr. President, but I think most of you will agree that largely it is because of the high Federal budget deficit which tends to push up interest rates.

What about the high valued U.S. dollar? Today, the U.S. dollar is valued about 40 percent above other countries' currencies. Certainly, compared with the German mark, with the French franc, and with the Japanese yen it is highly overvalued. Why? Because America is a haven for foreign investment. The fact is, 50 percent of the Federal budget deficit is financed by foreign investment.

If the U.S. dollar is overvalued compared with other countries' currencies by 40 percent, that means, in effect, that American farmers have a 40-percent surcharge tacked on to the products they are trying to sell overseas, whether it is wheat, soybeans, corn, or beef. That means we are subsidizing, all of us, 40 percent of U.S. imports, the most glaring example being Japanese autos.

So, Mr. President, I am saying very simply that if the U.S. Government can bail out Chrysler, can bail out the IMF, can bail out Continental Illinois Bank, why can't the U.S. Government help the heart and soul of America,

the American farmer? It is just that simple.

Mr. President, I for the life of me, cannot understand why this administration is unwilling to grant aid to America's farmers during this period of crisis in the agricultural community.

Mr. President, I think that if the President of the United States examines this situation more closely he will begin to realize more fully what farm-State Senators like myself are saying, and he will be in a much better position to help us out. We are here tonight to encourage the President to do what we know he should do. We are here tonight because we believe that the plight of America's farm community should be acted on immediately—even before the Senate considers the nomination of Edwin Meese.

I must say, Mr. President, when the Meese nomination came before the Judiciary Committee, I voted against Mr. Meese because I did not believe Mr. Meese had the requisite judgment an Attorney General should have. So you might say that my appearance tonight has unclear motives, some might suspect that my opposition to the Meese nomination is the reason I am here tonight speaking in defense of the American farmer.

Well, Mr. President, I can say that, despite my views on Mr. Meese's confirmation, I have an even stronger view that the American farmer needs help. And if he is going to get help, unfortunately, we in the Senate have to utilize whatever procedures we have available, namely, in this case, forcing consideration of solutions to the agricultural crisis to take precedence over the Meese nomination.

Mr. President, the minor lacerations in the farm economy have become compound fractures because of continued high interest rates and low farm prices. At a time when farmers and ranchers should be busy planning their farm operations for the year, large numbers of them are scrambling to find adequate credit to finance this year's crops.

Many farmers and ranchers are facing severe credit problems because they do not have adequate income to make the payments on their existing debt. Many of those that have spoken out about the severe problems in rural America have labeled the financial condition of our farmers a farm credit crisis. There is a credit crisis. With $216 billion of total debt, U.S. farmers are spending from 20-30 percent of their production costs on servicing their existing debt.

But the problem in rural America is not as much a credit crisis as an income crisis. Farm prices have remained stagnant over the past 20 years while production costs have soared. Costs have increased for fuel, fertilizer, transportation, machinery and, in particular, the cost of borrowing money.

The approach I believe Congress must take is more than just emergency credit assistance. There is no doubt, in the short run, that farmers and ranchers must find the funding to put in this year's crops and to build this year's livestock herds.

The importance of adequate income to service the existing farm debt cannot be understated. The 35-40 percent of all farmers now have a debt-to-asset ratio of above 40 percent. This same group holds about two-thirds of the $216 billion total farm debt.

Many people have asked me why farmers and ranchers have accumulated such a staggering amount of total debt. The answer I share with them is, until very recently, farmers and ranchers were encouraged to expand their operations by the Federal Government, by banks and other financial institutions, and by the promising outlook for increased agricultural exports.

I might underscore that point, Mr. President. For many years, farmers were told, "The solution to the farm problem is more exports for farm products. Expand overseas markets, then everything will be OK because farm prices can remain high with the increased foreign demand."

Unfortunately, prices for farm products fell. Farmers and ranchers were forced to expand their operations by low farm prices that require that they increase their volume of sales to cover their fixed costs. Farm income has not been great enough to rely on in covering the costs of expanding or maintaining an operation. But there was an easy escape from this dilemma.

Since land values have been increasing steadily—at least they were during that period in the seventies—and forecasters predicted this trend to continue, farmers found that they were able to continue their operations through debt financing. These inflating land values helped serve as a buffer for farmers experiencing the escalating interest rates of the past decade.

Just 35 years ago, net farm income for 1 year would have more than paid off the total farm debt. Just think of that. This past year, debt was over 16 times as much as annual income. In just 35 years, debt has grown from a 1-to-1 ratio to a 16-to-1 ratio; that is, this past year, debt was over 16 times as much as net farm income.

In 1950—again 35 years ago—net farm income was $19 billion and the total farm debt was $12.5 billion. But in 1983, net farm income had fallen to $5.4 billion, while the total farm debt skyrocketed to $216.3 billion.

Let me just give you those figures again. They are startling. In 1950, net farm income was $19 billion. In 1983, net farm income had fallen from $19 billion to $5.4 billion.

In the same time, 1950, total farm debt was only $12.5 billion, but in 1983, total farm debt had risen from $12.5 billion to $216.3 billion. That gives a good picture of the failing financial health of American farmers.

So while we talk of the need for credit assistance for agriculture, we also need to understand the need for long-term farm policies that will help improve farm income, and permit a restructuring of the agricultural economy.

The agricultural assistance package that I believe we must act on quickly is the means to survival for a large percentage of our family farms. In Montana, the Montana Department of Agriculture recently completed a survey of the agricultural finance situation in the fall of 1984. This survey found that 18 percent of Montana farmers are delinquent on their real estate loan payments and an additional 31 percent are delinquent on their farm operating loans. This survey also found that only about 55 percent of the existing farmers and ranchers felt that they would be able to stay in business for another 5 years given their present level of indebtedness and their prospects for improvement in farm income.

Since that survey was completed, the farm credit situation in Montana has taken a turn for the worse. Last December, nearly 1,300 Production Credit Association borrowers in three separate PCA's in Montana were presented with the sudden announcement of liquidation. These PCA borrowers are being forced to look to banks and the Farmers Home Administration to find funding to run their operation this year. The most optimistic estimates are that 70 percent of these PCA borrowers will be able to obtain this needed financing. We expect that nearly 400 borrowers will be forced to turn to the Farmers Home Administration or will not be able to find funding quickly enough to continue farming. Many of these farmers would be able to continue operating if their assets were not tied up in the liquidating PCA.

Let me describe the pressure that the closure of these three PCA's has on the financial markets within Montana. The Glendive PCA which covers seven counties—six in Montana and part of one in North Dakota—has $22.8 million of loans outstanding to 294 members. The Western Montana PCA covers 11 counties and has $39 million of loans outstanding to 524 members, and the Milk River PCA which covers four counties has $27 million worth of loans outstanding to 340 members.

Now, granted, the State of Montana does not have as many people as the State of California and the State of New York. But in a State that is as

sparsely populated as mine, Mr. President, I can tell you that this is a very staggering number.

It is not difficult to see the enormous strain these losses place on financial markets with this number of borrowers and this volume of loans looking for alternative financing.

To make matters worse in Montana, we had 32 counties that experienced natural disasters last year. Farmers and ranchers experienced losses and damages from grasshopper infestations, forest and range fires, flooding, hail, and the most serious of all—drought. In eastern Montana, last year's drought was the third, and in some cases the fourth, straight year of drought conditions that have plagued farmers. Because of the large number of farmers and ranchers affected by these natural disasters, the Farmers Home Administration and the Small Business Administration have been backlogged on processing disaster loan applications. I have been told by the Farmers Home Administration that the applications for drought assistance will probably not be completed until April or May of this year. Keep in mind that this disaster assistance is for losses sustained last summer.

While Montana farmers and ranchers have experienced bad news at every turn, the prospects across the country are not better. Nationwide, farm bankruptcies have increased 200 percent in the last 5 years. In the last 10 years, 1 to 2 percent of U.S. farmers have gone out of business every year. But this year, the estimates are that as many as 10 to 15 percent of farmers will be forced to leave the farm and leave the land that they and their families have lived on and cared for for three and four generations.

But the economic crisis in rural America is not only affecting farmers and ranchers. Small businesses of every sort along the main streets of rural America are experiencing financial stress along with the farmers and ranchers who are their customers. The severity of the problem becomes more apparent when you look at the number of bank failures and the strain on agricultural banks across the country. There are over 4,100 U.S. banks which have at least 25 percent of their total loan portfolio committed to farm and ranch loans. About 3,800 of these agricultural banks (92 percent) are located in 17 States. In Montana, we have 75 agricultural banks. Nearly 1,700 of these agricultural banks make over 50 percent of their loans to farmers and ranchers.

I am told that hundreds of banks that are heavily committed to agriculture in the Farm Belt have very little remaining capacity to absorb losses from bad farm loans without impairing their minimum capital requirements. The escalating rate of farm bank failures during the last 6 months bears out that fact. There were 79 bank failures in 1984, 40 of which occurred since June 15, 1984. Four of the thirty-nine which failed prior to June 15 were agricultural banks; 22 of the 40 since June 15 were agricultural banks.

So the credit problems that we are all talking about today are threatening the very fabric of rural America. There is no one in America who will not be affected by massive farm failures, bank failures, and business closures in rural America. So the need for action is evident. We must act immediately to assure the survival of large numbers of our farmers and ranchers and rural businesses.

Mr. President, I urge my colleagues, particularly the majority leader and Members on the other side of the aisle, to listen to American farmers, to listen to rural America, and act accordingly. I also urge the President and members of the administration to take action immediately.

I would also like to share with you at this point an editorial from the Billings Gazette, Billings, MT, entitled "Ag Crisis Kills Faith. The American Dream Suffers."

This is in the February 20 Billings Gazette:

Don Keil of Conrad is guilty of dreaming the American Dream.

Voted one of the nation's Outstanding Young Farmers 12 years ago, Keil was not one to wait for dreams to come true. He was a doer as well as a dreamer—a young man who believed that hard work, ingenuity, tenacity and intelligence made dreams come true.

A man, if I might paraphrase, who knew if you worked hard and were diligent, you would create your own opportunities.

At the time of his award, Keil seemed to be doing everything right. Interest was 6 percent, irrigated land was $150 an acre and dryland was selling for less than $100 an acre.

When Keil began building his irrigated farming operation, fuel was cheap, water reasonable and electricity a bargain.

He rented land and bought more land. Keil seemed on his way to becoming a self-made Montana farm baron.

Then the rules began to change.

Energy costs soared. The cost of money soared.

Keil began to cut back, letting go of leases and retreating to his own land. But it was too late.

"I didn't get my farm paid for in time," he said.

The $5- and $6-a-bushel wheat prices promised by the agricultural renaissance did not materialize.

But 15-percent long-term interest rates did.

Today, Keil is hoping to sell what is left and save at least a piece of his shirt.

Reagan budget director David Stockman attacked farmers for making foolish investments in fat times and crying for help later.

There are certainly examples of foolish farmers to be found. No industry or enterprise lacks its share of fools, including newspapering and government.

But if blame is to be meted out in this time of agricultural crisis, there is enough to go around.

The run-away inflation that encouraged borrowing on inflated land values can be credited largely to the Carter Administration.

The credit crunch now killing farmers is largely due to a federal government, led by that "fiscal conservative" Ronald Reagan, which is borrowing neary $200 billion a year.

If Don Keil and his like are guilty of anything, they are guilty of faith in America.

An administration with this one's concern for national defense should be aware of what it is defending.

Mr. President, the editorial makes a good point. I know Don Keil very well. He is exactly what this editorial states. Don Keil is a very, very hard-working young man. He does not want a handout, not at all. He wants to earn his living.

Don Keil acted in the way he was encouraged to act by banks, by Congress, by politicians. He was also driven by the prospect of having his dream coming true, namely, by working hard, investing wisely and prudently, he would put together a fine farming operation.

What happened to Don? Sure, OPEC came along and fuel costs went up. They skyrocketed. You might say he should have been wiser, he should have realized that with fuel prices going up so high he should enter some other business.

At the same time, interest rates began to go up. They did not just go up, they rose, as the editorial states, from 6 to 15 percent. They, too, skyrocketed.

At the same time, the promise of expanding export markets did not materialize; again promises the farm community heard from this administration—and also from the Congress. "We are just going to help a few exporters of products and that will boost up the prices you get for your wheat, corn, feed grains, and everything will be fine."

With all of the signals sent by the Government, I do not think it is right, Mr. President, for David Stockman to use hindsight and say, "Well, Don Keil was not a prudent businessman." It is not right at all. Don Keil is a very prudent businessman. I can tell you, Mr. President, knowing Don Keil, I will bet dollars to doughnuts that he is every bit and more prudent than the top management of Chrysler Corp. or the top management of Continental Bank. Of that I am totally convinced.

Yet what happened when Continental experienced severe problems? This administration came to Congress hat in hand, to bail out what has been called "gross mismanagement" because of potential adverse consequences the failure of that bank would have on innocent Americans.

Mr. President, I will tell you, farmers, by and large, are managing their businesses prudently. Sure, there are some foolish ones. But good farmers are not trying to do the other guy in. They are not predators. They are trying to manage their own farm, live within their own means, and to sell their products. In recent years, their major concern has been to earn just enough income to keep alive, to stay afloat, to put their kids through school.

That is what American farmers are trying to do. They are working to create value—they are not trying to take over Phillips Petroleum and create paper profits. Farmers are trying to make a living. That is all they are trying to do.

What happens, Mr. President, is that interest rates go up not because of anything the farmers have done, but because of very poor fiscal mismanagement, in part, by this Congress and by this President.

Why have farmers found themselves in such difficult position? Well, it is because they did not get those additional exports they were promised. Why not? I will tell you. It is because I think by and large this Government, including many in Congress, were naive. We did not know the degree to which other countries are aggressively using foreign trade as an economic policy to promote themselves and their own countries. Japan is a good example. The European Common Market is another example. This Government promised the farmers all those exports to sell food overseas, but they did not carry out the promise because in many respects they did not realize the degree to which other countries were helping their farmers, erecting trade barriers and preventing our farmers from selling their products overseas.

There is another reason. Essentially, farmers were told that they could continue to rely upon high prices in the future. What happened? The Congress and the administration allowed the U.S. dollar to be way overinflated, way overvalued over other countries' currencies, so that it was much more difficult for American farmers to sell agricultural goods overseas.

These were not problems caused by the American farmer. He had no control over any of these problems. But they are problems, in large part, that can be addressed by this administration and addressed by this Congress. But we have not yet done so. Many of us are trying to get the Federal budget deficit down which should bring interest rates down, but we have not gone far enough. We need dramatic action on the deficit and interest rates. I have advocated a total across-the-board freeze on Federal spending.

Mr. President, when I ran for reelection several months ago, the spending freeze was the centerpiece of my campaign. People understood: As a first step to get the Federal deficit down, we need to freeze Federal spending across the board.

I can tell you, Mr. President, that even though everyone dislikes losing income, people in my home State felt that if everyone shared cuts evenhandedly across the board, that was a good way to begin to get the deficit down. I do not know why, Mr. President, this administration does not take a harder look at a freeze for the Defense Department.

On the national news tonight, for example, we just found out that the top brass of our American military, who I think are generally doing the country well are doing a disservice when without informing the Congress they spend millions of dollars to refurbish their homes and allow quarters for enlisted men and women to be kept in such squalid condition. It is simply not right for the top brass to keep spending money for themselves, to give themselves more perks, more cars, more aides, more renovations, all at the expense of the heart of our military—the enlisted man.

That is what has happened, too, when the Government tries to bail out organizations. Who do they bail out? The big boys, the fat cats, the continentals. Those are the ones they bail out. But they do not want to help the enlisted men, the farmers.

What is going on here, Mr. President? Why does not this administration listen to the heart and soul of America, the farmers?

Mr. President, I suggest the absence of a quorum.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, we have heard a lot of words on the Senate floor in the last couple of days. I want to advise my colleagues that I am going to lay a few more words on a couple of subject matters this evening. First, I understand the pending business, if I am correct, is the nomination of Edwin Meese to be Attorney General of the United States. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DECONCINI. Mr. President, I came to the confirmation hearing of Edwin Meese for Attorney General believing it would be one of the most important votes I would cast in the U.S. Senate. I still believe that to be true. It has become, in addition, one of the most difficult votes for this Senator. I have listened to and read very carefully all the evidence presented during the 7 days of hearings on that nomination. I reviewed the reports of the independent counsel, the report of the Army Inspector General, and listened to and questioned the staff of the Office of Government Ethics. I have questioned Mr. Meese on several occasions, both in public at the Judiciary Committee, and in private in my own office. After this extensive consideration of Mr. Meese's nomination, I have decided to cast my vote in favor of Mr. Meese.

Mr. President, I approach this nomination as I do all other nominations, with the presumption that the President is entitled to the Cabinet appointments of his choice. I am satisfied that Mr. Meese is competent, and I am pleased with his law enforcement background. He was a prosecutor. I know some of the people who worked for him and with him in law enforcement some years ago. They ascribe to his integrity as a prosecutor, his tenacity and his strong will in that area. It is my preference that someone with the background as a prosecutor should be Attorney General, someone who has been on the firing line, and Mr. Meese has. As a former county attorney myself, I am glad that an individual with such a background has been appointed. While I am disturbed by Mr. Meese's views on many areas—one of them in the area of civil rights—I guess it is only fair to say that he reflects the views of the President. Those are certainly not my views. I too hope that the nomination hearings brought to Mr. Meese may be another side of civil rights—a side about doing something to encourage and seek out more women to serve as district judges and appellate court judges, and to do something about other minorities.

This administration claims that they have set a great record by the appointment of a distinguished jurist from Arizona, Sandra O'Connor, and indeed they have—absolutely one of the finest jurists this country will ever see, and obviously being a woman they have fulfilled their obligation to recruit and put forth women into judicial positions. But in fact, this administration has a deplorable record overall.

So, maybe Mr. Meese will learn from the experience of having sincere members of the Judiciary Committee question him on these subject matters.

To me, the issue comes down to the question of ethics, standards, and credibility. The independent counsel concluded that Mr. Meese was not guilty of any criminal conduct. And I agree with his conclusion. The Office of Government Ethics concluded that Mr. Meese was not guilty of any ethical violation. And I agree with their conclusion also.

I ask myself if we want something more than a bill of health that says that the nominee has some warts or perhaps some small skin cancer, but nothing fatal, do we really want some-

thing more than that? Well, yes; I would like to have something more than that but I cannot in good conscience say that Mr. Meese cannot fill this position. If I were the appointing authority, I have to be very frank and candid, I do not think Mr. Meese—I know Mr. Meese—would not have been my appointment. But I do not believe that there has been evidence brought forward to convince this Senator or anyone else that he cannot serve in the capacity that he has been nominated.

These reports, I believe, that we have received from Mr. Meese are thorough, are complete, and go into great detail probably more than any nominee has been through.

Mr. Meese and his family have been through a great deal in the last year. He has not responded to the Judiciary Committee exactly as I would have liked. He has not demonstrated as I would like with every question that I have submitted to him but he has been forthcoming in some degree. He has admitted to the committee that if he had it all to do over again, he would have done many things differently.

I think that is an honest answer. I think he is sincere in telling the Judiciary Committee that he wishes he had done some things differently, and indeed, that he intends to set a different standard for his conduct in the future when he is in office.

Mr. Meese in being the choice of the President is going to take upon himself one of the most important Cabinet positions in the Government of the United States. He has assured the Judiciary Committee that he will exercise that office in a nonpartisan way, with a standard that he will set for himself in disclosing any involvement of himself in any decision and will recuse himself from those decisions. He has assured the Senate Judiciary Committee under oath that he will make full financial disclosures, will even go the step further that he would not have to do and make some reports annually as to his income, to his loans, or any other business activities.

I know, and each one of us know, extremely competent Republican lawyers with good credentials in their party. These could certainly have been offered instead of Mr. Meese. The President, however, elected to stick with a very close friend and adviser, someone that is very loyal to him. And though I disagree perhaps that this is the best nominee, I respect the President's right to nominate that person, and I think the President has to respect the right of the Judiciary Committee to scrutinize extremely carefully the President's nominee.

I would like also to comment on some of the rhetoric that has surrounded this nomination. I approach this nomination with an open mind, without a preconceived data, and without a political motive to find either for or against Mr. Meese in the vote in the Judiciary Committee.

I must say that others did not approach it with the same open-mindedness. This was quite evident during the hearings in the Judiciary Committee. Many of my colleagues, particularly on the Republican side of the aisle, have chosen to make this vote really a partisan vote. They came there with their mind already made up, pretending to be open, but it was clear by the questioning and even the statements that there was no question that they were going to support this nominee, no matter what. This Senator did not approach it that way. I suppose politically it would have been easier for me to vote against him because the majority of the Democrats did. I had a number of letters and petitions from active Democrats in my State suggesting that I should vote against him for a number of reasons, including the political reason that he was of the other party.

Some of our colleagues have said that those of us who chose to ask Mr. Meese questions about his finances, his Army promotion, his involvement in promotion of his friends and beneficiaries were merely engaging in partisan posturing. They said that we were unwilling to accept the results of the November election.

Mr. President, the November election, though the President won by a very handsome majority vote, did not tell this Senator, nor anyone else in this body, that we roll over for anyone; neither this President nor any other. The people have the obligation and responsibility in this body to question the judgment of each President, and particularly as each nomination is sent forward for our confirmation consideration.

Let me reply to some of these. As one who will vote to confirm Mr. Meese, I was very disappointed in some of these tactics, and I must say that this is not generally the case with our Republican colleagues because some of them toiled long and hard on the committee. But I was disappointed with others that felt that, well, because the President won an election in November, that it is up to the Judiciary Committee and his party to grant him whatever he wants.

(Mr. GRAMM assumed the chair.)

Mr. DECONCINI. That is not our obligation here. When President Carter sent Justice Bell up for confirmation before the Judiciary Committee, this Senator had an open mind and was not convinced until after thorough investigation and questioning Judge Bell that, indeed, he could serve—as he did—very admirably as Attorney General.

The same was true of Mr. Civiletti, and I think it is important that this same standard be applied to all nominees. This Senator intends to do just that.

Mr. President, having said that and expressed my view that I intend to cast a vote for Mr. Meese, we are really here, not on the Meese nomination, as we know. We are kidding ourselves if we think that is what we are going to be doing through the night and for several days, perhaps.

What we are really trying to do here is bring to the attention of this body that there is really a need in the country for the Congress and the democratic process and, hopefully, this administration, to work the will of the people to assist a very important segment of our population. Though small in numbers, probably no part of our population has given more, worked harder, and demonstrated the American work ethic and the family unification that we all subscribe to more than the American farmer.

My family, particularly on my mother's side, comes from farmers in the eastern part of the State of Arizona, where I grew up. I spent many summers with them. I saw them when things went wrong, I saw them when they had bad crops, I saw them when they had to sell their equipment. I also saw them prosperous. I saw them when they could buy their new machinery, I saw their generosity to their fellow man, both their employees and workers and those who had no home and no food.

This is the spirit of America, to come forward, to work hard, to have the benefits and fruits of that work, and, of course, to share with those others who happened to have a tough time, who have not been able to overcome whatever adversities they might have.

Let us talk about what we have before us today. We have a disaster in the agribusiness and among the farmers of this country. They have a disaster for so many of the reasons that have been pointed out today, including those offered by the Senator from Montana—exports and low price supports, the Payment-In-Kind Program that might have been a good idea but just did not pan out. We have the obvious problems of the Farmers Home Administration. In my own State, the director there has told me—I have to give him credit for being frank about it—that these farmers in Arizona cannot make it and there is no reason why we, as a Government, should assist them. If you cannot make it, you cannot make it; that is the way it is in America and that is the way it is going to be with this administration and we are not going to make loans that are marginal.

My answer to that, Mr. President, is that if all is equal, if we really play on a level playing ground, I suppose you could say that farmers have to play under those same rules. But that is

not the rule that this administration is playing by, and it is not the rule we are playing by today.

What are we doing? The present administration, the one that campaigned so hard in 1980 against the incumbent President at that time for his increases in foreign aid, for bailouts to Chrysler and New York City, for giving money to foreigners and helping people who were not even American citizens—what do we have from them? The facts are very clear. Foreign assistance, in the last 4 years, has increased more than 17 percent over the last administration. That same dollar, the same money, going to foreigners, going to people who are not Americans, justified or unjustified. Yet when someone is crying for help here who has an exemplary record of doing all that we ask them to do—work hard, pay taxes—now they need a little assistance from this Government, where is the Government? It says, no, slams the door, we are not going to help you.

What about last year, when we asked to put up $8.5 billion in obligations to replenish the International Monetary Fund. Who led that charge? Then Secretary Donald Regan. Who asked us to do it? President Ronald Reagan. This Senator voted against it. But nevertheless, this body approved $8.5 billion replenishment to the International Monetary Fund.

Where does that money go? It goes to the World Bank and other international monetary funds to be lent overseas to promote the government, to assist them in paying off their debt and interest that they owe to overseas banks, including some in the United States. A couple of banks in my State were involved in that and I am sure they are very happy that that interest has been paid.

There was a very strong feeling by this administration—that abhors, so they say, foreign aid, that does not want to give anybody anything they have not earned—yet they were talked into doing this for whatever reasons they want to use to justify it.

The contradiction is that now we have hundreds of thousands of American farmers, family units, people who cannot borrow enough money to plant a crop.

We are not talking about people who want to go on vacation. We are not even talking about people who want to send their kids to college. We are talking about people who want to borrow funds to buy some seeds, to buy some fertilizer, to buy some tools, to plant a crop that they have planted over the years and, for the most part, have been successful. Yet this administration, Secretary Block and others, have turned their backs on the American farmer, have decided that it is not worthwhile that we consider extending loans to them, that it is not good enough, on the guaranteed loan program, that they only have to pay back the loan and demonstrate they have the capacity.

That does not seem to make a lot of sense to this Senator. It seems to me what has been said on this floor by our distinguished colleagues—Senators EXON and BOREN and many others, including some distinguished Republican Senators on the other side—is a real feeling that if we are going to help the people overseas that need our assistance to develop their countries, if we are going to help the banks overseas and U.S. banks so they are assured of being paid back the interest due from foreign countries, the least we can do is provide some assistance to the American farmer.

That assistance is before us in a number of pieces of legislation that have been introduced. One is pending on the House floor, I understand that it will be considered next week, that would attack the problem. I am not sure it is going to solve all the problems and I am not sure that every farmer that we would help by granting a loan, is going to survive. They may not. But if we can give people in foreign countries a chance, if we can assure that banks are paid handsome interest that they have due based on loans that they have made in foreign countries, the least we can do is provide the necessary resources for farmers to have a chance.

That is all we are talking about, is for them to have a chance. We are not taking a chance with gamblers, we are not taking a chance with some transient that is moving through one State to another. We are taking a chance on the heart of America. We are taking a chance on a proven commodity that generally has succeeded and has produced more foodstuffs than any other country on a per-acre basis.

Mr. President, as this debate goes on and as the leadership on the Republican side is apparently going to resist any serious consideration of farm legislation here. This Senator does not get involved in many long, extended debates—because I feel very strongly that this body has an obligation to take up issues, to debate them and then vote on them and let the chips fall where they may fall—and many times they do not fall the way I would like to see them, but nevertheless we should have a chance to vote on them.

I do not begrudge any Senator when they do decide to have extended debate, but I am prepared to assist and bring to the public's attention the failure of this administration to do something to save and protect the farming community in this country. It is high time that we in this body face up to things happening at home. We seem to be very, very interested overseas. Look at the generosity that the people of this country have given to the people of Ethiopia. And I compliment that Government and this same administration that now is turning its back on the American farmer. I compliment it for extending themselves to the starving people of Ethiopia. Having just returned from there, I saw the benefits of that. Whatever Mother Theresa said in her letter to the President in August obviously struck his conscience and his religious belief and his desire to extend some of the excess food commodities in this country to people overseas, and I think that is the right thing to do. I think that is what this country is all about and I am glad the country could see that. But I now would like to challenge the President, the Secretary of Agriculture, and Mr. Stockman to see the need to do something in this country for the American farmer. I am not talking about cash payments. I am talking about loans which are going to be secured by the land, extension of loans that are already there so these farmers would have an opportunity to plant their crops and to proceed in the way that they have in the past.

Mr. President, I am going to have more to say on this subject matter if indeed the Republican leadership insists that we stay here without some commitment, that we get an opportunity to have serious debate on legislation. The excuse that there is no legislation before us is just not correct. I understand there is a bill offered by the Senator from Illinois [Mr. DIXON] pending at the desk. I understand next week the House will take up an agriculture bill which will be sent over here, so the opportunity will be present to let democracy work, to let us debate bills, to let us amend bills, and to let us vote for or against doing something for the farmer, but not to take it seriously I think is really a violation of our obligation.

In Arizona, we have a lot of farmers, hard-working people. I must say that most of them are doing well. I am sure some would object to that particular statement but the ones I have talked to are doing well. We have a few who are suffering. We have a few who have lost their land. We have a few who have been denied extension of their loans from the Farmers Home Administration. I am interested in helping those Arizonans, but the bulk of our farmers are not in Arizona and the Western States. They are in the middle of this country, in the breadbasket of the United States. It is important that we remember these people in our deliberations, that we go back to the basics that made this country so great and will continue to make it so great and that is our ability to produce food products, our ability to be entrepreneurs, to be a small business person or a big business person, for indeed it is that large-scale farmer

who is in business in some of these States.

I urge my colleagues to lay aside the partisanism of a strong administration that says, "By gosh, we have to reduce the deficit and, by gosh, we are not going to do it by cutting foreign aid and, by gosh, we are not going to do it by reducing contributions to the International Monetary Fund, we are going to do it by driving about 20 percent of the farmers out of business." I think people in this country are not going to like that. I think people in my State who might have been very strong supporters of this administration last November are going to say that does not make sense. It does not make sense to this Senator. I do not think it makes sense to anybody, and I am hopeful that we will see a change as we go through this process of education, of deliberation, and come to the conclusion that it is time to reverse our policies. I thank the Chair and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I wonder if there is any other Senator in the Chamber who wants to make a speech on the Meese nomination.

Mr. BINGAMAN. Mr. President, I have a speech to give on this nomination.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, the nomination that is before the Senate is raised in the context of the Senate devoting a great deal of time to discussing the proper priorities for this legislative body. Many of us believe that although we have a good Attorney General in this country today, we may not have a good farm policy and perhaps the top priority concern at this time needs to be what we can do to deal effectively with the farm crisis which presently exists in the country.

I firmly believe that unless we can get this problem under control, we will see a systematic deterioration of the ability of this country to maintain its trade position in the world. Agriculture, historically, has been the primary source of foreign currency for our Government. It also has been the primary export commodity. Although there is a lot of talk these days about high technology and the possibility that high-tech products will replace agricultural products in our export markets, that has not occurred and the trends really do not indicate that it ever will. Agriculture remains a key component of international trade in the United States.

The U.S. agricultural sector has always been exposed to what can be referred to as dramatic shifts in its links with the domestic and international economies. Beginning in the early 1970's, the U.S. agricultural sector was subject to a vicious roller-coaster ride, the valleys and peaks of which were defined in large part by these external linkages. In 1972-73 the magnitude of increases in farm product and food prices surprised even the most informed people within the public and private sectors. The move to flexible exchange rates, the rapid expansion of international markets, and the decreasing barriers between the agricultural economy and other domestic economic sectors all resulted in significant changes in the agricultural sector. During this period, the Federal Reserve expanded the U.S. money supply with the effective objective of holding the real price of energy at the same or lower level; other countries attempted "to inflate their way out" of the energy price shocks by increasing their money supplies. They also attempted to manage their exchange rates with the U.S. dollar by selling their currencies and buying dollars and thus increasing their money supplies even more. These monetary phenomena combined with several other factors, all pointed in the same direction of rapidly increasing agricultural commodity prices. The several other factors were:

First, the steadily declining value of the U.S. dollar on international currency markets.

Second, the significant barriers to trade, which insulated many countries from the price-formation process on international markets, thus eliminating potential supply responses to the favorable prices, and making international markets "thinner" than they otherwise would have been.

Third, food demand growth in a number of importing countries, especially LCD's with industrialized and Communist countries improving or upgrading the diet of their consuming populations.

Fourth, the elimination of the huge governmental stocks that had accumulated during the 1960's when the Government held price supports above market equilibrium prices. This reduction in stocks was motivated by the enormous Treasury exposure of carrying large public stocks of food and feed grains.

The rapid increases in commodity prices, along with the rapid rate of inflation experienced in 1972-74 and again in 1978-80, resulted in a dramatic move in the valuation of land, the major resource input in an agricultural production. Indeed, the land values increased at a more rapid rate than most any other asset in the U.S. economy. The role of this resource input in agricultural credit markets, that is, its use as collateral for agricultural loans and credit, meant that the total absorption capacity of U.S. agricultural for debt appeared to be augmented by leaps and bounds during the decade of the 1970's.

By contrast, in the decade of the 1980's thus far, the economic linkages with the international economy and the U.S. general economy are almost the exact opposite of the conditions that existed in much of the 1970's. The Federal Reserve has pursued, since October 1979, a policy of attempting to control the money supply directly rather than controlling interest rates. The Federal Reserve consciously avoided monetizing the huge Federal deficits of the Reagan administration, driving real interest rates to all-time highs. The declining money supply and the relatively high interest rates in this country have reversed the decline of the U.S. dollar that occurred in the preceding decade. Interests rates have played a major role in advancing the value of the U.S. dollar against other major currencies to a level that very recently exceeded the level prior to the introduction of flexible exchange rates. Given the dominant role of the U.S. Federal Reserve, and the rapid appreciation of the dollar, other central banks also maintained a tight rein on their money supply rather than the loose control that existed during the 1970's. Once again, they attempted to manage the value of their currency by selling dollars and buying their own currencies. These actions indirectly contracted their own respective money supplies. These monetary phenomena combined with several other factors, all pointed in the direction of a significant decrease in the real prices of agricultural commodities. The several other factors were:

First, a steady increase in the value of the dollar, increasing import competition for a number of economic sectors (including elements of U.S. agriculture), and decreasing the inflation rate.

Second, a reduction of some barriers to trade, enhancing supply response and increasing the liquidity of international markets for a number of commodities.

Third, a significant decline in the rate of export growth facing the United States, due, in part, to the rapid increase in competitive supplies available from other agricultural exporting countries (for example, Brazil and Argentina).

Fourth, record harvests that occurred in 1981 and 1982, bringing significant pressure on spot markets, and leading to market prices that enhanced the attractiveness of the farmer-held reserve.

These conditions, in fact, let to a rapid deflation over the period of the

1980's. This deflation, along with the increasing attractiveness of other financial assets, has resulted in some rather dramatic decreases in agricultural asset values, particularly land prices. Once again, due to the role of land resources as collateral for agricultural loans and credit, the debt-absorption capacity of U.S. agriculture has fallen markedly. This is evidenced by the increased frequency of bankruptcies in the agricultural production sector and by what has come to be called the agricultural financial crisis of 1984.

Obviously, anyone controlling resources that are used in agricultural production in the United States had been exposed to a rollercoaster ride, unsurpassed in the speed at which it rises and in the abruptness at which it declines. Some would argue more strongly that during the 1980's the rate of decline has been in a state of free fall. To be sure, the external linkages with the domestic and international economies have made it clear that timing, in terms of entry and exit from U.S. agricultural production, is indeed critical. Entrants into agricultural production prior to 1972 are doing well, on average, even in the face of the rapid declines in asset values and income levels during the 1980's. In fact, on the basis of asset values alone, such owners of agricultural land could have been totally incompetent at farming and still have benefited substantially from their investment. Currently, anyone entering the production side of agricultural markets during the period of 1978 through today is either on the verge of bankruptcy, or has independent source of wealth and income, regardless of how effective he, or she, might be as a farming entrepreneur or manager.

Mr. President, I also want to take a few minutes tonight to discuss the important relationship of the current agriculture crisis to weaknesses in our international trade strategy and policies. Recently, it was announced that our 1984 trade deficit was nearly $124 billion.

I firmly believe that unless we can get this problem under control, we shall see a systematic deterioration of our industrial capacity in this country we shall see a systematic deterioration of our human capital in this country as we lose the skills that are needed to perform much of the productive work that is done in the world. I see the issue of international trade and the problems it is causing to our entire economy very clearly in my home State of New Mexico. I should like to take a few moments to point those out.

In my opinion, the challenge for today, and for the remainder of this decade, is to take stock of our strengths and weaknesses, and put as our first priority restoring and maintaining America's competitive edge in the world economy. I am speaking about this country's competitive edge in agriculture, in industrial activities in high tech, and in many other areas.

The simple fact is that many American companies—in fact, entire basic industries in this country—are being seriously damaged by international competition today. In consumer electronics, our share of the world market has fallen from 35 percent to 10 percent in the last 25 years. During that same period, our share of steel has dropped from 26 percent to 17 percent; automobiles from 44 percent to 23 percent; jet aircraft from 95 percent to 65 percent.

In New Mexico, my home State, we are all too aware of the precipitous decline in our mining industries, specifically uranium, copper, potash, and also in agriculture.

In 1970 the United States had a gross national product which represented 30 percent of the gross world product and we had a trade surplus. By 1980, our gross national product had fallen to 20 percent of gross world product and we had a trade deficit in 1984 of more than $120 billion.

We need to ask: What does this mean for the average American? Is this purely an economist's statistic or does this have real impact on the people of this country? As recently as 1968, our per capita income was the highest in the world. By 1980, we had fallen to 10th place. Adjusted for inflation, the average American worker earned less in 1982 than in the late 1960's.

When we read the morning news and see that the recovery continues, it is perhaps hard to arouse concern about our economic competitiveness. But I am not talking about short-term trends over a few months or years. I am talking about the long-term trends which emerged in the early 1960's and which continue today.

There are many things we must do to be more competitive as a nation. But one of the more important things we must do is to develop a national trade and export strategy.

Now that I have discussed what I feel are the international trade challenges facing our Nation and particularly the agricultural sector, I would like to return to the important issue that keeps us here tonight. I want to review the economic and financial actions that brought us to the crisis we now face.

For more than a decade, the financial experience of the agricultural sector has been dominated first by the advent, and then by the aftereffects, of a farm boom of major proportions. Such episodes have been relatively rare—two earlier in this century, during and immediately after the world wars, and two in the 19th century, also triggered by the commodity demands of U.S. and European wars. But the effects of each boom extended over several decades, shaping the fortunes of an entire generation of farmers and their landlords, lenders, and suppliers. In each case, the vast majority of farmers were lifted by an initial wave of unanticipated prosperity. After the booms, however, their experience varied according to how dependent they had become on continued high commodity prices, and thus how financially vulnerable they were as prices and incomes retreated. After each boom some farmers experienced lasting financial improvement, while others endured prolonged financial stress or went bankrupt.

The current episode has retraced much of this familiar pattern. When, in 1972 and 1973, huge increases in the prices of major farm commodities ushered in the boom, virtually all producers benefited. Many continued to enjoy higher income for much of the decade; for some groups, however, the prosperity was more fleeting. Livestock prices and profits broke first, in 1974, while crop prices remained at high levels for 2 more years. By then some farmers, particularly in marginal farming areas, had made investments whose success depended on continued high prices; these farmers were plunged into financial difficulty soon after grain prices declined in 1976. While such farmers pressed for Government assistance, the majority continued to enjoy real incomes above the preboom levels and to bid up real prices of farmland. Then, in 1978 and 1979, livestock and crop prices again surged upward, giving another boost to income and expectations.

The boom ended in 1980, when farm commodity prices failed to advance while prices in general were rising rapidly. During the next 2 years, heavy harvests and worldwide economic recession lowered prospects for a rebound in farm prices and income, and farmland prices in the major grain and livestock areas fell sharply. At the same time, farmers with short-term debt or variable-rate loans were hit by a large increase in interest rates. These developments have swelled the number of farmers in serious financial difficulty.

Interest rates rose to levels that they could not have anticipated. Furthermore, rates remained very high until late 1982 and are still, for most farm borrowers, significantly above pre-1980 levels.

The borrowers most surprised by these interest rate developments were those using short-term loans from rural banks, because, before 1979, these borrowers had been virtually insulated from cyclical changes in loan rates. Before 1979, fixed ceilings on interest rates applied to all deposit instruments that rural banks could read-

ily market to their predominantly local depositors. Thus the cost of loanable funds at these banks changed little even as the level of interest rates rose and fell sharply in national money markets during periods such as 1969–70 and 1973–74. Rates charged on farm loans by these banks were also relatively unchanged during these periods, and so clearly these rates reflected the banks' internal cost of funds plus a markup, rather than the potential earnings of these funds if invested in national money markets.

Rural banks probably continued to set their farm loan rates in this manner, but their internal cost of funds began to reflect cyclical movements in money market rates. This change occurred after 1978, when banks—with the authorization of 6-month money market certificates—were allowed to accept smaller and shorter term deposits bearing market-related rates, and competitive factors induced them to do so. As market rates of interest rose during 1979–81, rural depositors shifted a large proportion of their deposits into the new certificates. By mid-1981, these certificates constituted about 30 percent of the total resources of the typical rural bank. In addition, large certificates of deposit, also bearing money market rates, accounted for 7 percent of total resources. Banks also were paying market-related rates on small-saver certificates with a permitted maturity of 30 to 48 months. Thus, as a large proportion of the liabilities of rural banks quickly came to bear market-related yields, farm and other loan rates at these banks necessarily began to track market rates. While those farmers who typically borrowed from large banks and from production credit associations [PCA's] were accustomed to such cyclical movements in their loan rates, those movements were a new experience for borrowers from smaller rural banks.

Higher interest rates affected individual farmers in different ways. Those with little or no debt were largely unaffected, as were those whose debt consisted mainly of term loans at fixed rates. The large number with mortgage loans from Federal land banks experienced a gradual and relatively moderate increase in their variable rates. Those borrowing from PCA's, also with variable-rate loans, faced quicker and larger increases. Rates for borrowers from rural banks rose and fell with about the same lag as those at PCA's, but reached a higher average level—about 19 percent—at the 1981 peak. Most severely affected were borrowers from large banks, at which the average rate on farm loans reached 21 percent in mid-1981.

The differential impact of higher interest rates is apparent in comparisons of real cash flow before and after payment of interest. Real cash flow before interest payments depicts the experience of farmers with little or no debt. Although it has declined significantly from its boom peaks, it remains well above its preboom level. But real cash flow after interest payments has fallen to levels well below those before the boom. This illustrates the cash-flow experience of farmers whose relative amount and cost of debt were close to the sector averages—in 1983, a debt-asset ratio of 21 percent and an interest rate of 10.3 percent. Farmers more heavily indebted or paying a higher average interest rate have fared correspondingly worse, unless they are among those earning an exceptionally high rate of return on their assets.

As interest rates have risen, the financial problems faced by the heavily indebted operators who owe much of farm debt have fostered questions about the condition of rural banks with a concentration in farm lending. Such concerns may be grounded in part on experience after earlier farm booms in which credit played a prominent role. During the 1920's, for example, many farmers were unable to service bank loans they had obtained to finance capital spending during and immediately after World War I, when increased export demands had stimulated production. About 6,000 banks—about one-fifth of all banks—failed during that decade, most of them in rural areas.

Conditions at rural banks have been much different in this post-boom period. In particular, Federal deposit insurance has virtually eliminated the runs on banks that once would have threatened their survival soon after loan-loss problems surfaced. Also, most rural banks prospered along with their farm customers, substantially improving their profit and capital positions. Lately, however, loan losses have risen noticeably.

To examine the experience and condition of banks with relatively heavy involvement in farm lending, data were compiled for agricultural banks, at which total farm loans accounted for 25 percent or more of total outstanding loans. Although the number of such banks has been decreasing, there are still about 4,300 of them, accounting for 30 percent of all commercial banks, and they hold two-thirds of the farm loans in the banking system even though they hold only 6 percent of banking resources.

The loan-loss picture at agricultural banks changed significantly during 1980–82 as increasing numbers of farm borrowers came under financial stress and farm-related businesses were hit by the downturn in farm income and by two general business recessions. By 1981, the provision for loan losses had doubled from its earlier low level, and in 1982 it rose further, to 0.8 percent of outstanding loans, putting it slightly above that at other smaller banks.

As in previous years, the distribution of agricultural banks by loan losses was highly skewed: The average loss ratio was raised because heavy losses occurred at some banks while a majority reported relatively small losses. In 1982, one-fourth of agricultural banks required little or no provision for losses—less than 0.1 percent of outstanding loan volume. At the other extreme, 5 percent of the banks had to provide for losses greater than 2.5 percent of outstanding loans, the level at which losses would begin to exceed net income before losses at a typical agricultural bank. In contrast, in no year of the 1970's did more than 1 percent of agricultural banks have such heavy losses.

During the 1920's and the early years of the Great Depression, farmers relearned the lesson that their forebears had absorbed in earlier "panics:" To be deeply indebted after the collapse of a boom has dire, often fatal consequences. Outstanding farm debt peaked in 1921. During the hard times that followed, debt steadily fell—mainly through foreclosures and bankruptcies—but not nearly so fast as asset values. The ratio of debt to assets peaked at 30 percent in 1933. By then, attitudes toward debt were such that, as farm prices and incomes improved, farmers repaid rather than increased debt. Debt reduction continued through the boom in farm income of World War II. The amount of farm debt outstanding bottomed in 1946, and the ratio of debt to assets hit a low of 8 percent in 1948.

As the wartime boom in farm income was extended, first by the Marshall Plan and then by the Korean war, farmers gradually began to expand their debt. Nonetheless, in the 1950's, the level of farm debt was still low enough to help minimize the financial distress from hardships and transitions that included severe drought, declines in crop and livestock prices, and reductions in total crop acreage from its wartime level.

Mr. President, I see my colleague, the distinguished senior Senator from Tennessee, Senator SASSER, is anxious to discuss the problems in agriculture in that State. I willingly yield the floor.

Mr. SASSER. Mr. President, I thank the Senator from New Mexico for yielding to me.

Mr. President, we have been discussing the looming farm credit crisis on the floor over the past few days in an effort to spur the administration and our colleagues on to action to aid our Nation's farmers before the spring planting season. We are not here to engage in delaying tactics or to play political games as some have suggested. Nor do we believe our efforts on

behalf of this Nation's farm community is rightly characterized as "ridiculous." Rather, we believe our good-faith efforts are aimed at averting grave economic consequences not only in the farm sector, but in the financial community and in rural America's Main Street business community as well.

(Mr. WARNER assumed the chair.)

For the past few days, we have heard quite a litany of facts and figures outlining the depth of the farm credit crisis, but our exhortations are falling upon deaf ears. It is truly incredible to me that there are those who can appreciate the full ramifications of the farm credit crisis, yet refuse to move to head off these potential calamities.

And just what can we expect in hard, cold dollars in future farm losses if the administration continues to stonewall and ignore the needs of this Nation's family farms? One agriculture forecasting organization has used the figures of Emanuel Melichar, the noted Federal Reserve economist who deals with agricultural matters, to project the following: From 7 to 19 percent of the total farm debt is in immediate danger of default; another 20 percent of farm debt might be termed "threatened," that is, default is likely within 2 to 3 years if conditions do not improve. Assuming that the loss experience for farm banks will be equivalent to the Production Credit Associations and superior to the Farmers Home Administration, we are looking at substantial bank losses with these percentages. Given a total bank exposure of $45 billion at the end of 1983, potential near-term agricultural-related losses would optimistically be between $2 and $7 billion. A worst-case scenario would be closer to $12 billion.

Again, a few cold statistics underscore how we got into this situation. Net farm income peaked in 1979 in both real and nominal terms. On a per capita farm basis, farmers have lost considerable ground to nonfarmers. The income of farmers and nonfarmers was roughly at parity in 1979. Yet, per capita income of farmers by 1983 measured only 69 percent of average nonfarm income. Given these figures, it should come as no surprise that the rate of attrition from the farm in 1983 was three to five times the average rate for the 1970's.

As these figures suggest, Mr. President, the farm credit crisis is not something which suddenly appeared overnight. It has been with us for several years. I, along with several of my colleagues, have attempted to focus attention on this problem for the last several years. We have been decrying the farm credit crisis both here in Washington and in our home States, attempting to focus attention on what we perceived as a growing and dangerous national problem.

Yet our pleas fell on deaf ears. It could be that the administration truly believed that there was no problem in the farm sector. It is difficult to believe, but it is possible. Or it could be, as more and more of our farmers are coming to believe, that there was a hidden agenda among administration officials to force a large number of farmers off the land. Whether true or not, I might point out, the actions of administration officials in the past few weeks have certainly added fuel to the fire of those who believe they are victims of a grand conspiracy.

Just before the election in November of last year, farmers in my State received certified letters from the Farmers Home Administration announcing a great and glorious program that was to save them from the calamity of bankruptcy. Some 3,192 farmers from the State of Tennessee have applied for that program. As of January 25, 1985, only 15 of those 3,192 had been granted deferrals. In light of this poor performance, it is no wonder that many farmers feel that there is indeed a hidden agenda to force them from their land, to force them to lose their homes, and to force them into a new way of life.

I do not know the reason that this administration has refused to respond to the plight of the farmer in this country. But, in light of the administration's track record, I am convinced that we will need firm commitments from the administration that they will indeed come to the aid of economically pressed farmers.

For the time for rhetoric is past. The time for high-blown election year promises is past. We need solid assurances that our farmers will receive the aid they need. Without such explicit assurances, Mr. President, I fear the administration will again attempt to circumvent congressional mandate with regard to farm policy.

It may be that there are those in the administration who don't fully understand the ramifications of the factors I have discussed earlier on the floor, such as declining farm income, coupled with rapid increases in production expenses, coupled with record high interest rates and a collapse of farm land values. Let me attempt to shed some light on the importance of these subjects.

Depressed farm income, as has been noted by many of my colleagues, is the direct result of several factors; deflation, low commodity prices, low land values, a strong dollar and overproduction to name a few. Low farm income can affect farm land value in several ways. Obviously, low income impedes the farmers' ability to pay rent. Also, low farm income increases farm liquidations. This in turn increases the amount of farm land on the market. With more and more farm land coming on the market, a glut results, the law of supply and demand takes hold, supply goes up, and prices come down. Perhaps this is the agricultural free market that the administration wishes to return to.

As farm income plummets, those farmers who are highly leveraged found themselves in quite a bind. Unfortunately, many producers attempted to make up this decline in farm income by increasing production. This in turn led to greater surpluses and a continued decline in farm income levels. The administration stepped in and attempted to rectify this situation with the PIK Program, one of the most costly Government farm programs ever, and one which provided large windfalls for many big producers. There are horror stories of the million dollar payments under this program and the Washington Post reported of one PIK payout totaling at least $6 million.

And what of the high interest rates? With real interest rates remaining at record highs farmers are losing more of their income than ever before. One would think with inflation coming down and interest rates staying up, the lending institutions would be reaping large profits. Yet, in 1983 the combined earnings of the farm credit system declined almost 50 percent to $542 million from $993 million in 1982. Indeed, a precipitate decline.

Unfortunately, Mr. President, the prospects for dramatic improvement in our farm economy are not bright. While we will continue to work to bring interest rates down further, it is likely that interest rates will remain steady for a good portion of 1985. Nor are export markets expected to greatly improve. The deficit and consequently the high value of the U.S. dollar will combine to keep our farm products out of many foreign markets. And even if land values begin to stabilize, they will not return to their lofty heights of the late 1970's. Finally, farm income is not expected to show any dramatic improvement.

Many of these issues will be addressed when we take up the 1985 farm bill. It is my intention to use that vehicle to work toward farm policies which can restore a level of profitability to farming. I have serious doubts that the administration's desire to move toward market oriented policies will achieve this goal. In fact, I can see where this approach will remove the profit motive for many farm producers. But we will debate these concerns at greater length on another date.

Today, we are primarily concerned with addressing a farm credit crisis unlike anything witnessed in this country since the Great Depression. And let there be no mistake: this is a farm credit crisis which is the responsibility of this administration as much as it is the responsibility of anyone. I

must confess that I am not only troubled by the administration's refusal to act to rectify this farm credit crisis, I am dumbfounded and confounded by the refusal of administration officials to accept responsibility for the current mess in the farm economy.

My colleague from Florida, the ranking member of the Senate Budget Committee (Mr. CHILES) had a wry observation on this point earlier this week when Secretary Block was before the Budget Committee. Secretary Block, wearing the demeanor of a man under fire and wishing fervently for a bulletproof vest, was beginning to discuss the current credit crisis and he was searching for ways to describe who was in fact responsible for the current problems. After thrashing about and grasping here and grasping there Secretary Block finally latched on to world forces beyond the control of the administration as the chief culprit for the agony now felt by so many farmers. Senator CHILES, with a smile on his face, correctly pointed out that in 1980, while campaigning for office, then-candidate Reagan had no difficulty pinning economic ills similar to those we are now suffering on the Carter administration. Now that the Reagan administration has had 4 years at the helm of agriculture policy, world forces are to blame for negative trends. Perhaps on the next go-round, the Secretary of Agriculture will blame the failed agriculture policy on an act of God.

We all would admit that there may be a certain degree of truth in Secretary Block's comments. Yet, in all honesty, a good portion of the responsibility for the present farm crisis lies with this administration. After coming to office promising agriculture expanded exports, higher farm prices, greater farm income, and simpler, more cost-effective farm programs, the administration has delivered something quite different. Farm exports have dropped after 13 consecutive years of growth. So much for enhanced international markets. The value of farm exports fell by over 21 percent between 1981 and 1983. We are losing our share of the current world market for many farm commodities, showing a marked deterioration of our balance in agriculture trade.

The record shows that Government payments accounted for over 40 percent of net farm income in 1983, compared to less than 6 percent in 1980. Farm commodity programs have raced out of control, reaching $18.9 billion in fiscal year 1983. This compares with an average net cost during the previous administration of less than $4 billion. So we have had over a 400-percent increase in the cost of commodity programs during this administration. Further evidence of runaway Government involvement in commodity programs can be seen in the increased value of Commodity Credit Corporation loans outstanding. Where this figure was at less than $6 billion in the 1977–80 period, it soared to more than $25 billion in early 1983. That is three times the earlier figure.

So the conclusion is inescapable: Quite clearly, this administration has played a major role in creating a sizable portion of the current credit crisis. Given this fact, one would hope and actually assume that the Reagan administration would willingly accept the responsibility to correct the error of its ways. Indeed, much of what we have asked for in terms of credit aid is assistance the Secretary of Agriculture could make available tomorrow if he wanted to do so. He has chosen not to do so. Instead, we are faced with stonewalling and piecemeal programs, which offer little assistance to struggling farmers.

I related to Secretary Block the figures I have already mentioned regarding the credit initiatives announced last fall. We have had no guarantees made under the credit initiatives announced last fall in Tennessee through January 25 of this year. No guarantees, Mr. President, have been granted under this program that was announced with great fanfare last fall, not the first one. Even more shocking, we have had over 3,100 borrowers apply for deferrals and other farmers home assistance. Through January 25, only 15 deferrals out of some 3,100 applicants had been granted.

Our farmers deserve better than this, Mr. President, and we are willing to do whatever it takes to ensure that their needs are not forgotten.

Their problem is really twofold. One is a short-term credit crisis of very substantial magnitude. If this short-term credit crisis is not addressed, it has been estimated that as many as 30 percent of the farmers in this Nation will be driven from the land and from their homes by the end of this year. As many as 30 percent of the farmers of this Nation will be unable to put a crop in the ground this spring because they will not have the necessary credit.

We are pleading with this administration and imploring our colleagues in the Senate to join with us to address this very desperate problem, whereby literally thousands of farm families find themselves in trouble through no fault of their own.

We are all familiar with the images that flicker across our television sets on the evening news. We see farm families driven from land that has been in their families for generation after generation. We read the reports from all across this country of the dramatic increase in personal problems afflicting farm families. This is all evidence of a sense of hopelessness at a time when this economy is supposed to be booming. Thus, we come back to this thought: Is there no place in this shining city on the Hill for those who produce the food and fiber to nourish it and to clothe it? What do we do in this shining city on the Hill when those who support it on the land are gone?

Well, addressing the short-term credit crisis is really only our first step. We must move on to fashion a farm bill this year which will address the long-term problems in the agricultural economy of this country. We are well aware that farmers cannot borrow themselves to prosperity. Therefore, we must fashion and deliver a farm bill which will provide farmers not just the cost of production, but the promise of a reasonable profit. We must fashion a farm bill which allows our farmers to maintain a decent standard of living.

Mr. President, I note that the distinguished Senator from Montana has arrived on the floor. He is well known as an expert in the field of agriculture. His valiant efforts in recent days and weeks on behalf of the American farmer have been recognized by many in this body. He was instrumental in convening an extraordinary hearing on the problems of the agricultural sector of this economy. It was attended by Senators from both sides of the aisle and was the first real demonstration of the problems affecting farmers in this country that we saw in this session of the Senate. It is unfortunate that these hearings could not have been held under the official auspices of the Senate Committee on Agriculture, but when that was denied, the distinguished Senator from Montana was resourceful enough to simply hold his own public forum. He issued a blanket invitation to his colleagues from both sides of the aisle, who heard testimony from farmers from the Southeast, from the Midwest and literally, all across this country. We heard testimony from bankers and farm economists who specialize in farm loans. I think that forum, put together by my distinguished friend from Montana, really alerted many of our colleagues for the first time to the desperate situation that has taken place down on the farm in the United States.

Mr. President, I should like to yield the floor at this point to the distinguished Senator from Montana [Mr. MELCHER].

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Mr. President, I thank my distinguished colleague from Tennessee for his remarks. His commitment and his contributions to the problem we are facing are of great importance.

We would like a resolution of this matter. Let me outline some of the

stumbling blocks that have to be cleared up.

After having a Democratic caucus late this afternoon, some of us were meeting with the majority leader, the very able Senator from Kansas, in his office, and discussed what were some of the hangups in reaching agreement so that we could move on.

After that meeting was over, I returned to the cloakroom here, just in time to hear and watch President Reagan on his televised news conference this evening. While I was not able to get to the very opening of the President's conference, I understand that he outlined some of the economic indicators and indicated that the economy was continuing to improve. It is on this point that I think we must take note that the economy for American agriculture is not improving, and it is a serious situation that brings on the real problem we are facing in the farm credit crunch.

The President was discussing the farm credit situation just as I walked into the cloakroom; and since I was not there for the asking of the question and the beginning of his response, I cannot fairly describe what he said. However, watching the news analyst after the news conference was over, I think, perhaps gave a fair representation of how the press and perhaps the American public interpreted the President's comments regarding the farm credit crisis and what our discussion had been on the floor in the past several days.

Daniel Schorr, in giving his interpretation of points. One of these was the farm credit situation. Schorr interpreted the President's remarks to mean that the $600 million available for the Farmers Home Adminstration was adequate to meet the farm credit crisis.

If that is a fair interpretation of the President's remarks, reported by Daniel Schorr, let me point out how that differs with what we have been discussing on the Senate floor and what several of us have been discussing this afternoon with the majority leader of the Senate, Secretary Block, representatives of the Office of Management and Budget, and other administration officials.

One of the points we had raised was that between $3 and $4 billion in additional loan guarantees would be essential if we are going to address the farm credit crisis. We asked for a letter from the President agreeing to that amount of money and how it would be distributed in loan guarantees, to give us some assurance that if we adopted a sense-of-the-Senate resolution, we could expect the credit problem to be addressed that way.

The letter we received this afternoon, unfortunately, was not from the President, and it caused some wonderment in the Democratic caucus as to why it was not from the President. The letter came from Secretary Block, saying that he had discussed this with the President and was authorized to state that if we passed a sense-of-the-Senate resolution, it would be implemented in the way we described in that document.

I think it is a setback, to be very candid. We thought perhaps we were reaching a point of near agreement, and we find, at least in the President's new conference, that it did not seem to be very close to catching his attention.

The reason why we think we ought to have the President's attention in this matter is that it is clear that the comments made by David Stockman and in fact, the comments made by Secretary Block during the past 2 weeks have left us with the impression that the administration was quite adamant on becoming involved in any further credit arrangements, particularly on guaranteed loans. So I do not think we made much progress this afternoon.

We would like to be sure that what we are talking about is understood by the President; and, No. 2, that, understanding what we are talking about, he can agree to the administration being committed to the amounts of loan guarantees that seem to be indicated and that the strength of the Farmers Home Administration's direct lending capability will be augmented and expedited.

Why? One of the witnesses in the meeting we held early in this session to discuss the farm credit situation gave a very profound and moving statement in describing what was happening to the fabric of rural America. Who is involved in this? First, all farmers, of course. The farmers who are in difficulty with credit, first of all, are not the hobby farmers. Those farmers are not in any difficulty, so far as I know.

Second, farmers who are, let us say, part-time farmers, or farmers who get a big portion of their income from a job they might hold in the town or city nearby. We are not aware that a great number of those farmers are in economic distress right now.

No, what we are talking about is efficient farmers who have been in business for a long time and who have survived some of the rigors and trials of being in agriculture but are suffering from a very low cash-flow.

Let us be specific. They are suffering from not making any money the last 4 years. That is what they are suffering from. The reason why they are not making any money is principally that the prices they have received for the commodities they produce have been low. In almost all commodities, the prices received by farmers in 1984 were lower than they were in 1980.

Between 1980 and 1984, of course, their costs have gone up, and between 1980 and 1984 they have been paying very high interest rates. And these interest rates simply have not come down to a very great degree. Most farmers are paying 14 to 15 percent interest on their operating loans. Some are paying higher. Most of the farmers who are involved with credit from the production credit association or the Farm Credit Service are paying about 16 to 16.5 percent.

To put that in perspective, in my State about half of the agricultural borrowers receive their lines of credit from production credit associations. Throughout the country I suppose it would be fair to say about one-fourth of the agricultural borrowers of this Nation, engaged in farming where that is their only income, received their credit from the production credit association.

So it means that a high percentage of farmers are paying above 15 percent interest. That is very high, I might say, and the cumulative effect of having high interest rates and sinking commodity prices over the past 4 years has caught up with American agriculture.

I am not going to tell you that all farmers are in trouble. Indeed, a lot of farmers are not in trouble. The bulk of them are not in trouble with their credit. But 15 to 20 percent seems to be the fair figure of those whose credit line now is in jeopardy, and, therefore, they may not be able to survive this year in business. Many of them would not be able to plant their crop.

We could not all ponder over this discussion of whether farmers bought too much land at high land prices. That is some farmers, and some of those farmers are not in trouble. So you cannot lump off by saying they should not have invested in high-priced land. That is No. 1.

No. 2, we hear through the media that farmers bought too much machinery and it was high priced, and they should not have invested so high.

Again that just involves some farmers, and not all of those farmers are in trouble. You might say, why is anyone in trouble? They are in trouble, I repeat, because the prices they receive for their commodities have been declining and they have been paying high interest rates, but there are other reasons, too.

There are reasons of special circumstances which sometimes are pretty broad. Let me mention one of them. Drought. I think we have over 30 counties out of the 56 in Montana that have been declared disaster counties. Drought. One from fire. Now that is in my State, and when you add up the situation where you have these low commodity prices and low cash-flow, low income, mind you, and high interest rates, and then add to that drought or fire, those circumstances

are such that it puts a great number of otherwise very sound agricultural producers in 1980 in serious jeopardy in 1984, the end of 1984 and the beginning of 1985, right now.

There are other circumstances, of course, that have led to the precarious straits of many agricultural producers. I only mention some of the examples in my own State, but other States and other areas have different peculiar circumstances that have added to the problem of very good efficient farm and ranch producers now being in jeopardy on their credit line.

Second, among the vast number of people who are involved adversely in this farm credit crisis are the rural communities, particularly those merchants, those equipment dealers, those suppliers of services to agriculture and the professional people who are in those communities, who serve both the community and the people who live in the rural areas adjoining.

And that get us to the point about what is happening to the fabric of rural America, people facing the proposition of losing their farm or their ranch, being forced to liquidate and get out of business and leave their homes, and that is number one.

But it does not stop there. It goes to the communities. Let me state that if you looked at the years of 1980 to 1984 I suspect that you would find that somewhere around 2, 3, perhaps even 4 percent of the farmers and ranchers of this country would get out of business in any given year. Some would be by bankruptcy. Some would be by voluntary liquidation.

When that happens, the machinery is sold, their equipment is sold, and in some cases their land is sold or it is leased.

An increasing number during the past 18 months has faced this very sad situation. Land values started to decline when that number became increased even slightly. Equipment and machinery values also declined. That establishes a trend, and it is a trend that is very treacherous. Main Street business is already hurt, and let me give you a thumbnail sketch of one formerly prosperous community in my State of Montana with more than 5,000 people population.

This past year, one of the banks gave notice to about 16 to 20 employees, and said that they were out of a job. A few of the stores closed. Some of the service operators for agriculture were out of business. Families who live in town derive their living from servicing and selling products and whether retail or their services. When their business declined sufficiently, they had to close their doors, and those families had to leave town.

Also, there is an effect on the balance sheets of all of the rest of the farm and ranch operators. When the land values decline, of course, that shows up on the balance sheet of even the sound operators who have no difficulty at this time. When the machinery and equipment values decline, that changes the balance sheet of all farm and ranch operators.

So they draw near to the point to where their own line of credit is in jeopardy, and that is pretty scary.

There are other scary things that are happening, too. In the decline of this community or many others like them, throughout the farming and ranching area of America, when you see the number of people start to decline, there is a question about the schools and where the local tax money is coming from to keep the schools in operation to the same level that would be considered normal and needed.

What about the hospitals or the nursing homes?

If you ponder on that I believe you begin to understand what is meant by the disturbance or the tearing or the destruction, mind you, of the fabric of rural America.

What we believe is needed is to face up to the situation as it exists. I do not think that there is any reason to be backward or apologetic about extending loan guarantees to farm and ranch operators who if they can show on their cash-flow with lower interest rates and the longer term for repayment that they could come out, that they can remain in business. I see absolutely nothing that is denigrating about that.

I came to Congress in the House when we started to discuss the question of whether or not Penn Central, the railroad giant, should be bailed out. As a matter of fact, I opposed it, even though people from the Northeast described to me the vital necessity of keeping the Penn Central in operation and without the loan guarantees there would be absolutely no chance for it to succeed.

Well, I thought the Government really did not have any place in trying to bail out Penn Central. I thought they had some bad practices and that they ought to be corrected and they ought to pay the price for some bad practices and I voted against it.

I wish I had not now because I know that the people who conscientiously told me it was the only thing to do were absolutely correct and that it would pay out, and it has paid out.

Then there was the Lockheed bailout a year or two after that. And I said to myself, "We don't need to save Lockheed. That is not the thing for Government to do for business." And I voted against it.

Lockheed paid off their loan guarantees very promptly. And those that proposed that bailout and advocated that bailout were entirely correct.

Well, Chrysler came along and by that time I began to believe that perhaps under very serious circumstances there was a reason for bailouts by the Federal Government and Congress should address those and work them out. And so I voted for that and with some fear that since the first two had succeeded maybe the third one would fail and I would vote for the failure. But, thank goodness, Chrysler has paid off and it was good judgment on the part of Congress to bail it out.

We did not do anything here in Congress on the bailout of the Chicago bank, Continental of Illinois, but I want to tell you that I was not one that criticized the Federal Reserve Board or the Federal Deposit Insurance Corporation for their prompt action to save Continental. I thought it was the thing to do and I told my constituents, when asked about it, that I thought it was the correct procedure to follow because it was important to keep Continental in business.

It was only the day before yesterday—I believe that was the day, maybe it was yesterday—that I read an article in the Post that that money, provided and guaranteed by the Federal Reserve Board through the Federal Deposit Insurance Corporation, was off budget. Now, that does not disturb me.

But let me say this: Apparently the hangup on whether or not to make additional loan guarantees for farm borrowers that are in trouble now, the hangup, as I understand it from the administration, is that they do not want to see the budget impacted. Therefore, I say, well, why not do exactly the same thing and in the same amount that was done for Continental Illinois Bank in Chicago? That was $3.5 billion worth of loan guarantees. If they want to do the same procedure through the Federal Reserve Board, in cooperation with the Federal Deposit Insurance Corporation, to those banks that have these borrowers, these agricultural borrowers in trouble and the PCA's that have their agricultural borrowers in trouble, fine. Let us do it exactly the same way and do it that promptly.

If that is not satisfactory to the administration and they want to channel the loan guarantees through the Farmers Home Administration, I will not object to that either. I am easy to get along with on this matter.

But I do say that about $3.5 billion is indicated in loan guarantees as being necessary and that we might as well face that fact immediately and make sure that the credit is established promptly before any further damage is done to these farm and ranch operators.

There are fine points connected with this. They do not pose, as far as I can determine, any significant problem. The budget impact of $3.5 billion in loan guarantees, I am told this afternoon, in the meetings in majority leader DOLE's office with the OMB,

would indicate that the OMB would contemplate that about 8 percent of that money would not be paid back and therefore would be a budget exposure of around $250 to $270 million. If we extend to the Farmers Home Administration sufficient funds for those farm and ranch operators at the very bottom another half billion dollars over and above what has already been appropriated, that says to me then we are exposing the budget to another three-quarters of a million dollars and that is not a great impact. And that is something that I find hard to believe that we would have any trouble in doing, and doing it immediately.

If we are really concerned about these rural areas—and I think we are—we better recognize the fact that they are in trouble. If we are really concerned about economic recovery in the United States—and I know we are concerned about that and want to see the bright spots that have been established continue to improve—then we must, I think, understand that if rural America remains in jeopardy we are courting a very serious downturn in the economic recovery.

We hear about farm-fed/farm-led—or farm-led/farm-fed, however we want to state it—depressions. I was old enough in the early thirties to recall quite vividly what that meant in rural areas. There was absolutely no cash. Land was not sold. Nothing was purchased of any consequence because there was no purchasing power. Crops were raised, livestock were raised, but nobody had purchasing power to do much about it.

One of my first recollections of what the Department of Agriculture did was listening to my uncle and cousins. They said that Henry Wallace, who was Secretary of Agriculture, killed the baby pigs. That is an interesting statement because you wonder about somebody in Washington, as a small youngster, wonder how a Secretary of Agriculture—whatever that meant—but somebody named Henry Wallace in Washington would go around killing baby pigs. What it really was, of course, was the reduction in the number of pigs. And that is right, killing the young pigs.

I recall that one of my uncles could not buy any coal to heat the house with and he was burning corn. It worked very well, I might say. It produced a very hot fire and was easy to start.

I recall, when you look at cattle, that the program, again by the Department of Agriculture, was to reduce the number of livestock.

(Mr. DURENBERGER assumed the chair.)

Mr. MELCHER. We are not in those drastic situations. I am not trying to compare the time we are in right now with that kind of a drastic situation, where there was absolutely no purchasing power, where there was absolutely no hope on the farm and ranches in this country and the only way to reverse the process was to take some extremely drastic steps. But the situation is parallel to what occurred in the very early thirties, perhaps the last couple of years of the twenties, to American agriculture. Their prices sagged. Land values went down. Borrowing became very difficult. And there was no income.

There is income now. Let us not make it any worse. There is borrowing now, but let us not make it any tougher. Economic recovery has been beneficial in many segments of the economy of the United States, but I repeat it has not come to American agriculture.

American agriculture is a very significant portion of the economy of the United States. If it does not improve, we will see a continuation of the decline in jobs in the implement companies, John Deere, Harvester, Case, and others. We will see a continuation in the decline in some of the heavy equipment. Caterpillar had to lay off people. Caterpillar does not just sell equipment to farmers and ranchers. They sell only a portion to farmers and ranchers.

The purchasing power of these rural communities is jeopardized right now.

So there is building up a type of cumulative difficulty around the country, just as it has been cumulative for farm and ranch operators for the past 4 years, between 1980 and 1984, with declining commodity prices and high interest rates. The cumulative effect of these rural communities not having purchasing power will begin to make the entire economy of the country sag.

It is not very much to say, "Let us avoid that by making some loan guarantees available in the amounts we have discussed. To avoid that, let us make sure that the Farmers Home Administration in their direct loans and land loan portfolios have sufficient funds to meet their obligations. Let us make sure that we have a true reversal of this, that we are not going to describe the continuation of a farm credit crunch."

I am not here to tell you that that is the final solution. It is absolutely only something that is done for an emergency on one phase, one portion, of the problem in agriculture.

What is most important, of course, is that there be some assurance that prices for commodities will increase.

We will be talking about a farm bill sometime this year. As a matter of fact, I think we might be briefed by Secretary Block as early as tomorrow on what the administration will propose in their recommendations for the new farm bill. I am not advocating that we shift a great deal in the farm bill we pass. I am not advocating that we increase the budget exposure in the farm bill that we pass. I am only advocating that we can probably do with the same amount of outlay as we have this year for a new farm bill in 1986, 1987, 1988, and 1989, if we want to make it a 4-year bill.

But I believe we can do some very pertinent things in a new farm bill that will increase the price of commodities for American agriculture. I think we will have to deal with trade and how we dispose of the farm products that are raised in this country.

I would hate to promise any farm or ranch operator better prices of great significance in 1985, but I think we can be confident in showing in 1985 that the prices they receive for their commodities will be the beginning of a turnaround and perhaps just slightly stronger than they were in 1984, and that we can expect those commodity prices to improve in 1986 and 1987. I think that is what American agriculture is asking us to do: First of all, to shore up this sagging credit crunch that places even very sound operators who this year have no problem with credit in jeopardy because their neighbors have so much problem. That means that their land values are lowered, and their machinery and equipment values are lower, and their balance sheets are lower.

I think we can do that, meet this credit crunch. We can do that immediately. Then we can work on the longer range problem, the disposal of American agricultural products abroad, whether by direct trade or by barter or by donation.

Let me dwell a little bit on the latter.

Hopefully in this coming week, or maybe the week after, we will have an African drought relief bill, an emergency drought relief bill, mainly food donations, before us. I understand the House will work on it some time early next week and it will be over to us perhaps the following week for action then.

Most of the food that will be provided for the victims of drought in the sub-Sahara countries where there is greater starvation and a great deal of malnutrition will come from the United States. It is needed not just for the amounts that we will be appropriating and authorizing funds for in the emergency bill that will come before us the end of next week or the following week, because that will only cover the remainder of this fiscal year, until October 1. There will be the same need for the same amounts of food extending into the next fiscal year and into the next calendar year.

I believe it is good public policy on the part of the United States to meet those needs, for humanitarian reasons, for reasons of advancing our points of interest in Africa.

Third, I think it is of value and good public interest for us to do that be-

cause I think it will increase our trade opportunities in those particular countries in the future. That is a long-term process.

We are now the beneficiaries of some of the food donations that we made to Food for Peace 25 years ago, with direct cash trade. It takes years to establish that. Our willingness in the past in Food for Peace to provide food when needed to victims of drought, to victims of disaster, has paid off for us handsomely.

I think perhaps the best thing we can say to many of our neighbors around the world is that we are a helping hand with food when they need it. I think we do benefit greatly from trade that results from that. But just because we are providing the sustenance for starving people in perhaps some 16 countries in Africa right now and will continue to do so as long as it is needed, I do not want to infer that in 1986 or 1987, presto, we have a whole lot of cash trading. We will not. It takes longer than that. But we might set up the circumstances where they become familiar with American wheat, American soybeans, American dairy products—even American sorghum. I understand that will go pretty good in the emergency food that is prepared for them. But whatever it is, and to the point that we establish that the supply is available, I believe we can start the process of barter or reduced price sales of our surplus commodities to where eventually we are getting cash on the barrelhead.

Over a period of time, I believe it works that way. It is emphasizing part of our trade opportunities over the long run that I believe the farm bill should clearly mandate when we pass it here in this Senate in the coming months.

I believe it is also essential that we establish an American policy that we are gung-ho, and absolutely determined that we are going to expand our trade abroad. We lost some sales. We have lost some opportunities to build good will from time to time. But I think we can be much more diligent and persistent in the future.

Those are the points that I think should be raised and should be enacted into law assuring that type of operation that will give some hope to American farm producers so that indeed their prices are gradually going to improve. It would be a very false policy if we thought that by meaning to stretch the crunch this year by making sure that available credit was there for the farmers and ranchers who are now objecting, if we did not also address the problem of improving commodity prices. We can improve commodity prices and I believe we will.

With that kind of hope, then, I think the farm producers themselves will regain their confidence and rural America will be assured that the deterioration that has been affecting them so drastically during the past several months, the fears they have that they will continue and only be worse in 1985 and 1986 can be resolved. I think we can resolve some of those fears and get on with the business of bringing American agriculture in all of rural America into this process of economic recovery.

Mr. President, I hope I am not being overly optimistic at our chances of doing this. I know that we have no reason not to meet the demands that we have now for additional farm credit. I think we can do that. I think the point that we might consider more in jeopardy and more in doubt is whether or not commodity prices can actually improve. However, I do feel that is the next step that we take when we address the farm bill and resolve that we take the steps of wisdom and steps of adequate planning in advancing trade in order to bring that about.

Mr. President, in describing what I think should be in the farm bill, I will repeat. I think the amounts appropriated for this year should be adequate and I for one do not envision a type of farm bill that will increase the obligations and the outlays for American agriculture in 1986, 1987, 1988, and 1989, if that is what it is going to be; a 4-year bill. I think what we have to do—is do what farmers and ranchers want to do—is move the products, build up the price increases for the products in the market itself, and our market happens to be for many commodities in the world market.

Recognizing that, I think we can dedicate ourselves to that type of operation, and that type of assurance, not only to agriculture, but to the rest of the taxpayers; that we are indeed moving in the direction of fiscal responsibility and containment of the increasing deficit.

But for tonight, if we are going to have an agreement, or tommorrow, on what we are doing here, we are going to have to recognize the basics that I have been describing. I do not think they are too much. I do not think it is too much to ask the President to become directly involved in agreeing to implement, and direct the Federal agencies to implement these credit procedures immediately. That seems to be very little to ask. It seems to me that it can be very quickly done.

Mr. HART. Mr. President, I fully support the principal that the President should have the flexibility to assemble a Cabinet with nominees of his choosing, and with people in whom he has confidence. Over the course of the last 4 years, the Senate has approved nominations to key Cabinet positions by overwhelming votes, even when the nominees failed to reflect—in philosophy, ideology, or experience—the standards which many of us would like to see in Cabinet officers.

But it is my conviction that office of Attorney General is fundamentally different. Because of the unique nature of the office of Attorney General, I believe the President is obligated to submit the Senate a nominee whose background and experience reflect our society's high esteem for the rule of law and the concept of justice. The nominee should be someone who has had the kind of long and distinguished legal career that befits the Nation's top law enforcement officer. The nominee should be someone whose conduct has been unimpeachable.

Mr. President, I oppose Mr. Meese's nomination because he simply does not meet these standards.

An Attorney General should bring to his office a broad legal background. He should be, first and foremost, a legal craftsman. He should have attained that level of stature and recognition within the legal community that can be gained only through years of actual practice, or through service on the bench. While Mr. Meese has served competently as a counselor and confidant to Mr. Reagan in California and now in Washington, Mr. Meese's legal resume is limited and woefully brief. His practical experience is confined to brief service as an Alameda County deputy district attorney. His sole additional legal experience was as director of the center for criminal justice policy at the San Diego School of Law. It is clear, Mr. President, that Mr. Meese simply does not possess the range of legal background and experience that we should demand of a prospective Attorney General.

Mr. President, the Rocky Mountain News published an editorial on February 18 concerning Mr. Meese's nomination. While I intend to submit the entire editorial for the RECORD, for the benefit of my colleagues, I believe that the final paragraph clearly summarizes why we must oppose Mr. Meese. It reads as follows:

> Meese's record reflects poorly on a profession already criticized for lame standards and lack of professionalism. He is hardly the example that lawyers, in the Department of Justice, or elsewhere, should have. Though his conduct may not actually disqualify him for this office, neither does it recommend him.

I emphasize that my quarrel is not with the policies Mr. Meese has advocated—even though I find many of them objectionable. On matters of policy, our quarrel is not with Mr. Meese, but the man who nominated him. After all, it was the President who opposed funding for the Legal Services Corp., repudiating the concept, if I may say so of bipartisan concept, that the poor, as well as the wealthy, are entitled to their day in court. It was the President who advo-

cated tax exemptions for racially discriminatory schools, repudiating the idea that America's students should be limited only by their talent and ability. In short, I oppose Mr. Meese's nomination, not for the policies he brings to the office, but for the qualifications he fails to bring. The office and the people of this country deserve better.

Mr. President, there is a second reason that we should refuse to confirm Mr. Meese.

The scandals of Watergate taught an entire generation to mistrust politics and politicians. How can we regain the public trust if we refuse to adhere to the lessons that the Senate should have drawn from that shameful episode?

The Ervin committee expressly recommended against selecting as Attorney General, "a person who has served as the President's campaign manager or in a similar high-level campaign role." Given the fact that Mr. Meese performed precisely such a role in Mr. Reagan's 1980 campaign, we should not allow even the appearance of combining politics with the leadership of the Justice Department.

Two decades ago, I had the privilege of working as a young attorney in the Department of Justice. I remember the first day I walked into the Justice Department Building and read the motto engraved in granite above the entrance: "The place of Justice is a hallowed place." I urge my colleagues to join me in opposing Mr. Meese's nomination as Attorney General so those words will not lose their meaning for future generations.

The President of the United States can do better and the Senate must insist that we all do better in filling this unique office.

I urge my colleagues to join in opposing this nomination. Mr. Meese should not be this Nation's next Attorney General.

Mr. President, I ask unanimous consent to have printed in the RECORD the full text of the Rocky Mountain News editorial opposing the Meese nomination.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News, Feb. 18, 1985]

CABINET POST CALLS FOR MORE

Things have been going Edwin Meese's way since an independent counsel found "no basis" to support a criminal indictment based on his muddled financial dealings.

But there is a vast difference between being indictable and having the integrity expected of an attorney general. Nonetheless, the Senate Judiciary Committee approved the nomination and Meese likely will be confirmed this week.

The litany of self-interest revealed in the Report of the Independent Counsel that investigated Meese did nothing to instill confidence in his ethical behavior. His acceptance of loans and distribution of government appointments may not be crimes, but they do reveal an ethical IQ unable to distinguish between honor and self-interest. Executive order 11222 says those in high office should not only avoid real conflicts of interest but the appearance of them.

Meese failed on both scores. Even members of the Judiciary Committee who counted themselves as friends of Meese called his conduct beneath the office.

Yet, as we said, Meese is likely to be approved. The Senate has been disposed to give presidents wide leeway in choosing cabinet members and advisers who are politically and philosophically compatible. Rightly so. And history provides a long list of kitchen cabinets filled with cronies who would never pass muster for appointed jobs. But those holding cabinet posts should at least give the appearance of quality.

True, Meese is a booming, jovial and longtime friend of the president. A trusted confidant. That may qualify him as an adviser. But is isn't enough for him to be the nation's top legal officer.

Meese's record reflects poorly on a profession already criticized for lame standards and lack of professionalism. He is hardly the example that lawyers, in the Department of Justice or elsewhere, should have. Though his conduct may not actually disqualify him for this office, neither does it recommend him.

Mr. LAUTENBERG. Mr. President, I will be voting against confirmation of the nomination of Edwin Meese to be Attorney General of the United States. I do not find it easy to vote against a Presidential nominee for a Cabinet position. Whether or not I agree with the policies of the nominee, I believe that the President has the right to the Cabinet nominations of his choice. He has that right so long as the person he has nominated meets the standards for the job. But, Ed Meese, in my judgment, does not meet those standards.

The fundamental job of the Department of Justice, which the Attorney General heads, is to enforce the law in the public interest. It requires a leader with a strong sense of justice and a high regard for ethics and propriety. Experience in the law is not a sufficient qualification to be the chief lawyer of our country. More is required for this highly visible leadership position. Sensitivity and good judgment must temper the actions of an Attorney General. He must inspire public confidence and be a shining beacon to the best in our Nation's legal system.

After the investigation and questioning of Mr. Meese's financial dealings and other activities, the conclusion has been that he has not violated the law. However, I cannot avoid concluding that he has violated the spirit of the law and of ethical standards for Federal officials. He has several times participated in appointing to high Government positions people who were involved in doing him financial favors. Mr. Meese has also accepted a promotion in the Army Reserve despite a finding that he had been given preferential treatment.

I am concerned by the pattern of behavior which seems to reflect a lack of sensitivity to and concern about ethical standards. Mr. Meese has said that his actions and decisions "were based upon the most honorable intentions and acceptance of the highest standards that I knew at the time." This seems to show an insensitivity to the nuances of ethics for a public official.

Do standards of ethics change? Do we have one standard of ethics for private citizens, another for advisers to the President, and another for the Attorney General? I have always believed that ethics were ethics, that they represented an overarching standard of behavior which should guide the actions of the great and small alike.

Mr. President, I cannot support the nomination of a man who apparently does not understand what troubles me and many of my colleagues. If I believed that Mr. Meese understood that his conduct was wrong on its face, and not wrong just because it has come under public scrutiny, I might be more willing to support him. However, the sensitivity to even the appearance of impropriety seems to be lacking. Ed Meese is not a bad man. But he needs to be more sensitive to the possibility of conflicts of interest and ethical impropriety. I want higher standards in our Nation's highest legal officer. The Senate should demand more. I urge my colleagues to join me in voting against this nomination.

● Mr. BRADLEY. Mr. President, I cannot support the nomination of Edwin Meese as Attorney General of the United States. This is an unusual decision for me. Until now I have never voted against a Cabinet appointee of any President. I believe a President should be entitled to select the members of his or her Cabinet—unless it is clear that the nominee cannot perform the job for which he is designated. That assessment must be based in part on whether the nominee is committed to carry out the laws that he or she would be sworn to uphold. In the case of Edwin Meese, I am convinced that his record on civil rights precludes his service as Attorney General.

Mr. Meese played a pivotal role in an effort to gut some of our critical civil rights protections. He tried to abolish the Civil Rights Commission. He was reluctant to renew the Voting Rights Act. He tried to abolish the Legal Services Corporation. But most damaging, he was the architect of the administration's decision to support the granting of tax exempt status to schools which discriminate on the basis of race. His role in this Bob Jones case was decisive for me.

Mr. President, I question the basic values of anyone who believes that taxpayer dollars should be given to schools which practice racial discrimination as a matter of school policy. In other words, discrimination occurs not by chance but by design. Discrimination does not occur because of class reasons or because of housing patterns, but, rather, it occurs because of a belief on the part of school authorities that the races should not mix. Bigotry is not new in American politics and it is certainly not confined to any one party or region. A person may believe anything he or she wants in America, even that the races should be separate. But that person should not expect the U.S. taxpayer to subsidize his or her bigotry.

One of the steady patterns of American history has been offering the promise of American life to more and more citizens. In particular does this apply to black Americans whose history during the first 100 years of our Nation was our badge of shame and whose emergence as full, participating citizens during the second 100 years is our badge of self-respect. Advances in race relations were late-coming in our second century, and they were made by great sacrifice on the part of thousands of Americans both black and white. A fundamental landmark in that path of progress was the Brown versus Board of Education, the Supreme Court decision in 1954 that declared an end to the segregated school system. America is a different and better place because of that decision. By seeking to subsidize schools that practice racial discrimination, Mr. Meese sought to turn back the clock on race relations. He sought to enshrine once more as Government policy that segregated schools were acceptable to an American Government. He sought to subvert the progress made in America since Brown versus Board of Education. Now the President asks us to appoint him as Attorney General—the person most responsible in America for enforcing the civil rights laws. This I cannot accept. This I cannot do. Such an appointment is similar to appointing as IRS Commissioner someone who, while serving as White House assistant, advocated that we not enforce the tax laws. I wish it were otherwise, but it is not. Mr. Meese is hostile to what I consider to be one of the fundamental principles of our American society—that racial discrimination must not and will not be tolerated. Because of that sorry record, his nomination should not be confirmed, and I will vote against him.●

Mr. EAGLETON. Mr. President, as a general rule, I believe that every President has the right to select the people who will carry out his agenda. However, in cases of overriding moral, ethical or competency objections, the Senate has an obligation to limit this broad Presidential prerogative in making Cabinet appointments.

I have concluded that the nomination of Edwin Meese III for Attorney General is such a case, and, on ethical grounds, I will oppose his nomination. In my judgment, Mr. Meese fails to measure up to the high ethical standards demanded of the Nation's top law enforcement official. His light regard for established standards of ethical conduct, and his blindness to questions of impropriety or its appearance render him unfit for this position.

In so concluding, I do not dispute the findings of the independent counsel that held there was "no basis * * * for the bringing of a prosecution against Mr. Meese for the violation of a Federal criminal statute."

There is a vast difference, however, between indictable crimes and violations of the ethical standards applicable to public officials. I accept the independent counsel's verdict that Mr. Meese committed no indictable crime. I doubt even that Mr. Meese was aware at the time he participated in certain matters that he was transgressing the line demarking unethical from ethical conduct. It is this very unawareness, however, this very insensitivity, that causes me to conclude that Mr. Meese is not ethically qualified to be Attorney General of the United States.

The gravamen of Mr. Meese's ethical problems relate to a series of instances in which Mr. Meese, and in one instance Mrs. Meese borrowed money from individuals under particularly advantageous terms and later the individuals connected with the transactions ended up with choice Federal appointments. No quid pro quo exchange can be shown. Yet in repeated instances, Mr. Meese allowed this intermingling of personal, advantageous borrowing with the enormous influence he possessed as a top assistant to the President to screen, approve, and recommend appointments to Federal positions.

Had Mr. Meese participated in such ethically dubious conduct once, the matter could be excused as an inadvertent mistake. When this loan-and-appointment pattern appears time and again, then it demonstrates an insensitivity to accepted ethical behavior. The same insensitivity was evident in the irregular circumstances surrounding Mr. Meese's promotion to colonel in the Army Reserve. It is this pattern, I believe, that disqualifies Mr. Meese from serving in what is perhaps the most ethically sensitive position in the President's Cabinet—Attorney General of the United States.

● Mr. DODD. Mr. President, the Attorney General is the chief law officer of the United States, the principal adviser to the President on legal issues and the principal representative of the U.S. Government in legal disputes. Under our government of laws, it is one of the most sensitive and crucial positions.

For these reasons our colleagues on the Senate Judiciary Committee have carefully investigated the fitness of Edwin Meese III to serve as Attorney General. For these reasons we have closely followed the work of the committee and debated its conclusions at length.

After carefully reviewing the committee's work and listening to the debate, I am unable to support Mr. Meese's confirmation.

This vote gives me no satisfaction. It comes only after careful consideration and only after giving Mr. Meese every benefit of the doubt my conscience would allow.

My vote is not partisan in nature. Although partisanship cannot be eliminated entirely from the confirmation process, the large number of this President's nominees approved unanimously or nearly so indicates that most of us are strongly inclined to support the nominations of an incumbent Chief Executive. I, for one, do not regard the rejection of a Repubican President's nominee to be a victory for my party. I regard it as a setback for our whole Government.

At the same time, it remains incumbent upon the Senate to exercise its good judgment in this process. When a nominee falls short of the requirements for a particular office, it is a Senator's constitutional duty to vote against him or her. It is this sense of responsibility which compels me to vote against Mr. Meese.

In considering a nominee's fitness for office, I apply three principal guidelines.

I examine first the nominee's professional fitness, his or her qualifications for the job. I tend to rely heavily on the President's judgment in this matter, however, and would vote against a nominee only in the case of manifest incompetence.

The integrity of the nominated person is another major factor I consider. A record of serious ethical misjudgment certainly would disqualify a nominee.

The last consideration I apply is the possibility of conflicts of interest, which even an outstandingly able and immaculately honest candidate may have due to past or present associations. The painful national trauma of Watergate taught us that with an Attorney General-designate, this is the first question that should be examined.

After two successive Attorneys General became involved in criminal activity on behalf of the President they served, the special Watergate prosecutor and subsequently the American Bar Association strongly recommend-

ed excluding as potential Attorneys General persons who played a leading role in the election of the President they would serve. Mr. Meese, a long-term political associate and campaign official for the President, is a prime example of such a candidate.

I do not believe the above recommendation ought to be made a formal legal mandate for disqualification. But I am convinced that a nominee with a background such as that of Mr. Meese should pass an extremely stringent test. He ought to demonstrate convincing professional qualifications and a record of impeccable ethical standards. Mr. Meese clearly fails on both of these counts.

Mr. Meese's major qualification for the position is precisely the condition that ought to set off alarm bells during the confirmation process: his political association with the President. He had a fair but undistinguished record as a lawyer, and none but those with political considerations in mind would nominate him for any of the top Federal legal positions.

The ethics of Mr. Meese have undergone intensive scrutiny in the past year. He has committed no crime. Nor do I think that he is fundamentally an unethical man. I can accept that he is an honest, likable, but somewhat absent-minded individual. These are not sins, and not necessarily unethical attributes.

But what he lacks is the very thing he would need above all to deserve support, the one thing even more important than a distinguished record as a jurist. He lacks a finely tuned ability to detect conflicts of interest and ethical improprieties, to detect even the appearances of the same. Even by his reluctant admission that, in retrospect, he would have done things differently, Mr. Meese showed that he lacks this sensitivity.

Given this shortcoming I simply cannot believe that Mr. Meese would be able to place his commitment to upholding the law of the land above his dedication to the President. I say that not because he is unethical, but because I believe he lacks the ability to make distinctions in this area.

Mr. President, I do not look for perfection in Presidential nominees. I do not regard Mr. Meese as unacceptable because of any single one of the aforementioned shortcomings. He comes up short on every measure, however—conflict of interest, professional quality, ethical behavior. Taken together, these shortcomings make it impossible for me to support him for the crucial position of Attorney General.

As I said before, this vote gives me no satisfaction and certainly no pleasure. I wish Mr. Meese had found another position in which to serve the President. I feel a certain compassion for him, because he had what must have been an extremely tough year. He was punished, I am sure, far out of proportion to the merits of any error in judgment he committed.

The Office of Attorney General of the United States, on the other hand, cannot be a consolation prize. After long consideration, and with some sadness, I must vote against the confirmation of Mr. Edwin Meese III as Attorney General.●

● Mr. McCONNELL. Mr. President, I rise today to strongly support the President's nomination of Edwin Meese III to be Attorney General of the United States. We have subjected Mr. Meese to a long and painful process of examination and investigation. The result of these procedures has been to prove that Mr. Meese has violated no element of the office of government's code of ethics; that he has committed no act of criminal misconduct; that, in short, the aspersions which have been cast upon Mr. Meese's character and record are groundless and false. Even the appearance of impropriety disappears in the face of such thorough exoneration.

An exhaustive examination has served to reconfirm Mr. Meese's record as one of honesty, integrity, and dedication to the causes of justice and law enforcement which he will be called upon to uphold as Attorney General. To vote against the President's nomination for this position on the basis of appearances, rumors, or allegations which have no basis in fact would be a great injustice to both the President and Mr. Meese. I urge my fellow Senators to act upon the facts and vote to confirm Mr. Meese to the Office of Attorney General.●

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted, as in legislative session, and statements were submitted, as follows:)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, without amendment:

S. Res. 73. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 457.

By Mr. LUGAR, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and an amendment to the title:

S. 457. A bill to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-429. A communication from the President of the United States, transmitting, pursuant to law, a report on Soviet noncompliance with arms control agreements; to the Committee on Foreign Relations.

EC-430. A communication from the Director of the U.S. Arms Control and Disarmament Agency, transmitting, pursuant to law, the fiscal year 1986 arms control impact statements; to the Committee on Foreign Relations.

EC-431. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of refunds of certain offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-432. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the refund of certain offshore lease revenues where a refund or recoupment is appropriate; to the Committee on Energy and Natural Resources.

EC-433. A communication from the Secretary of the Interior, transmitting, pursuant to law, the 1984 report on the list of National Natural Landmarks and National Historic Landmarks that have been damaged or to which damage to their integrity is anticipated; to the Committee on Energy and Natural Resources.

EC-434. A communication from the Assistant Secretary of the Interior, (Water and Science), transmitting, pursuant to law, a copy of an approved application by Rancho California Water District, Riverside, for a loan under the Small Reclamation Projects Act; to the Committee on Energy and Natural Resources.

EC-435. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on the program for developing improvements in the safety of nuclear powerplants; to the Committee on Energy and Natural Resources.

EC-436. A communication from the Acting Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report on the assessment of needed publicly owned wastewater treatment facilities in the United States; to the Committee on Environment and Public Works.

EC-437. A communication from the Assistant Secretary of the Interior, (Water and Science), transmitting, pursuant to law, a report on certain water usage determinations from the Navajo Reservoir; to the Committee on Environment and Public Works.

EC—438. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, a report on compliance with the Architectural Barriers Act; to the Committee on Environment and Public Works.

EC—439. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Improved Efforts Needed to Relieve Medicaid From Paying For Services Covered By Private Insurers;" to the Committee on Finance.

EC—440. A communication from the Director of the Office of Private Sector Liaison, Office of the U.S. Trade Representative, transmitting, pursuant to law, reports

on the semiconductor tariff negotiations; to the Committee on Finance.

EC—441. A communication from the Executive Director of the Board for International Broadcasting, transmitting a draft of proposed legislation to amend the Board for International Broadcasting Act of 1973 to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Foreign Relations.

EC-442. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to February 7, 1985; to the Committee on Foreign Relations.

EC-443. A communication from the Acting Legal Counsel of the Equal Employment Opportunity Commission, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-444. A communication from the Acting Commissioner of Social Security, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-445. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on the system of internal accounting and administrative controls in effect during calendar year 1984; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicted:

By Mr. SPECTER:

S. 486. A bill to authorize appropriations for the purpose of carrying out the National Violent Crime Program for fiscal year 1986, and for other purposes; to the Committee on the Judiciary.

By Mr. MATHIAS (for himself, Mr. THURMOND, Mr. MOYNIHAN, Mr. LAXALT, Mr. HATCH, Mr. SIMPSON, Mr. DENTON, Mr. KENNEDY, Mr. METZENBAUM, Mr. LEAHY, Mr. MCCONNELL, Mrs. HAWKINS, Mr. RIEGLE, Mr. CHAFEE, Mr. SARBANES, Mrs. KASSEBAUM, Mr. MATSUNAGA, Mr. TRIBLE, Mr. DIXON, Mr. LEVIN, Mr. DOMENICI, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. FORD, Mr. HOLLINGS, Mr. GORE, Mr. ABDNOR, Mr. BOREN, Mr. COCHRAN, Mr. STENNIS, Mr. BUMPERS, Mr. KERRY, Mr. SYMMS, Mr. WARNER, Mr. STAFFORD, Mr. HATFIELD, Mr. BRADLEY, Mr. WEICKER, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. BIDEN, Mr. SPECTER, Mr. D'AMATO, and Mr. WILSON):

S. 487. A bill to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc; to the Committee on the Judiciary.

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 488. A bill to amend the act establishing the Petrified Forest National Park; to the Committee on Energy and Natural Resources.

By Mr. SASSER (for himself, Mr. PELL, Mr. GORE, and Mr. KENNEDY):

S. 489. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care provided during peacetime; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. SIMON, Mr. GORE, and Mr. HARKIN):

S. 490. A bill to limit the employment by government contractors of certain former government personnel; to the Committee on Governmental Affairs.

By Mr. QUAYLE (for himself, Mr. PELL, Mr. HATCH, and Mr. STAFFORD):

S. 491. A bill to improve debt-collection activities and default recoveries and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BIDEN:

S. 492. A bill entitled the "Law Enforcement and Intelligence Officer's Tort Liability Protection Act"; to the Committee on the Judiciary.

By Mr. LAUTENBERG:

S. 493. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to the Committee on Environment and Public Works.

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. DODD, Mr. EAST, and Mr. PELL):

S.J. Res. 59. A joint resolution to designate "National Science Week"; to the Committee on the Judiciary.

By Mr. NUNN (for himself, Mr. HEINZ, Mr. CHILES, Mr. DOMENICI, Mr. PRYOR, Mr. ABDNOR, Mr. BRADLEY, Mr. SYMMS, Mr. DODD, Mr. ROTH, Mr. HOLLINGS, Mr. HELMS, Mr. SARBANES, Mr. MCCLURE, Mr. BOREN, Mr. LUGAR, Mr. MOYNIHAN, Mr. LONG, Mr. STENNIS, and Mr. LAUTENBERG):

S.J. Res. 60. A bill to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LUGAR from the Committee on Foreign Relations:

S. Res. 73. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 457; to the Committee on the Budget.

By Mr. DOLE:

S. Res. 74. A resolution to amend paragraph 2 of Rule XXV; considered and agreed to.

S. Res. 75. A resolution making majority party appointments to Senate committees for the 99th Congress and electing chairmen of such committees; considered and agreed to.

S. Res. 76. A resolution to amend paragraph 4 of Rule XXV of the Standing Rules of the Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 77. A resolution making minority party appointments to Senate committees for the 99th Congress; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 486. A bill to authorize appropriations for the purpose of carrying out the National Violent Crime Program for fiscal year 1986, and for other purposes; to the Committee on the Judiciary.

(The remarks of Mr. SPECTER and the text of this legislation appear earlier in today's RECORD.)

By Mr. MATHIAS (for himself, Mr. THURMOND, Mr. MOYNIHAN, Mr. LAXALT, Mr. HATCH, Mr. SIMPSON, Mr. DENTON, Mr. KENNEDY, Mr. METZENBAUM, Mr. LEAHY, Mr. MCCONNELL, Mrs. HAWKINS, Mr. RIEGLE, Mr. CHAFEE, Mr. SARBANES, Mrs. KASSEBAUM, Mr. MATSUNAGA, Mr. TRIBLE, Mr. DIXON, Mr. LEVIN, Mr. DOMENICI, Mr. ANDREWS, Mr. BURDICK, Mr. DOLE, Mr. FORD, Mr. HOLLINGS, Mr. GORE, Mr. ABDNOR, Mr. BOREN, Mr. COCHRAN, Mr. STENNIS, Mr. BUMPERS, Mr. KERRY, Mr. SYMMS, Mr. WARNER, Mr. STAFFORD, Mr. HATFIELD, Mr. BRADLEY, Mr. WEICKER, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. BIDEN, Mr. SPECTER, Mr. D'AMATO, and Mr. WILSON):

S. 487. A bill to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc.; to the Committee on the Judiciary.

CHARTER FOR THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

Mr. MATHIAS. Mr. President, today I join with many of my colleagues in offering a bill that would federally charter the Statue of Liberty-Ellis Island Foundation, Inc. The foundation is a nonprofit organization working with the Department of the Interior and the Statue of Liberty-Ellis Island Commission to restore two of our Nation's most famous landmarks.

The passage of time and exposure to the elements have caused serious deterioration to the Statue of Liberty and the magnificent buildings on Ellis Island. Rather than remain symbols of national pride, these monuments may become a national disgrace. The need to preserve and restore them has been recognized nationwide. The statue is so badly corroded that its interior iron framework has pulled away from the statue's copper skin, marring its exterior. This weakness will be corrected by the placement of 1,200 stainless steel bars into the structural support and the torch which symbolizes "Liberty Enlightening the World" will be completely replaced.

In addition to the physical restoration of both landmarks, the foundation will establish, in the Great Immigration Hall and adjoining buildings on Ellis Island, a multimedia tribute to

the immigration experience shared by over 17 million immigrants as they entered this country.

This total restoration effort will cost over $230 million. When the restoration effort was announced, President Reagan stated that all the money would come from private contributions. Thus far the foundation has raised $138 million. If we are to complete the restoration in time for the centennial in the summer of 1986 and to complete the work on Ellis Island, another $100 million must be raised.

A Federal charter will not cost the Federal Government one dime, and it will help the foundation's board of directors in their efforts to complete the restoration on schedule. The bill I am proposing will also clear up any uncertainty about the foundation's status as the offical fundraising body. We gave similar protection to the U.S. Olympic Committee, and I need not remind you of the success of that endeavor. Therefore, I urge all my colleagues to recognize the importance of saving these national monuments and ask them to join me and other cosponsors in support of this bill.

I ask unanimous consent that the full text of the bill appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The Statue of Liberty-Ellis Island Foundation, Inc., organized and incorporated under the laws of the State of Delaware, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Statue of Liberty-Ellis Island Foundation, Inc. (hereinafter referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation and shall include a continuing commitment on a national basis to—

(1) encourage private gifts, receive donations, and otherwise raise the funds necessary for the restoration and preservation of the Statue of Liberty and Ellis Island (the "restoration effort");

(2) donate to the Secretary of the Interior the funds, materials, and services necessary for the restoration effort;

(3) promote and assist the celebrations for the centennial anniversaries of the Statue of Liberty and Ellis Island; and

(4) promote, salute, and educate the public regarding the patriotic and pioneering spirit which the Statue of Liberty and Ellis Island represent.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privilieges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICER OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the States or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the incomes or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any matter attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

LIABILITY

SEC. 9. The corporation shall be liable to the full extent applicable under the laws of the States in which it is incorporated and those states in which it carries on its activities in furtherance of its corporate purposes.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and small keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such members, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(66) The Statue of Liberty-Ellis Island Foundation, Inc.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit for such fiscal year required by section 3 of the Act referred to in section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall terminate.

REPRESENTATIONS OF AFFILIATIONS WITH THE RESTORATION EFFORT

SEC. 17. (a) Except as provided in subsection (b), any person who uses, without the written permission of the Secretary of the Interior (the "Secretary") or of the corporation, for advertising or for purposes of trade, to induce the sale of any goods or services, or to promote any theatrical, motion picture, or television performance or broadcast—

(1) any depiction of the Statue of Liberty or Ellis Island surrounded by scaffolding or under repair in any manner tending to represent any affiliation with the corporation or the restoration effort;

(2) any trademark, tradename, sign, logo, or insignia ("symbols") tending to represent any affiliation with the corporation or the restoration effort; or

(3) any other express or implied representation, by words or pictures, tending to represent that the purchase of particular goods or services or the attendance at or viewing of a performance or broadcast will benefit the corporation or the restoration effort,

shall be subject to a civil action by the corporation for the remedies provided in the Act of July 5, 1946 (60 Stat. 427, popularly known as the Trademark Act of 1946), as amended.

(b) Any person, who prior to October 14, 1983 actually used any of the depictions, symbols, words, or pictures described in subsection (a) for any lawful purpose in interstate commerce, shall not be prohibited by this section from continuing such lawful use for the same purpose and for the same goods, services, performance, or broadcast.

Mr. THURMOND. Mr. President, I am pleased to join my distinguished colleague, the Senator from Maryland, Mr. MATHIAS, as an original cosponsor of a bill to grant a Federal charter to the Statue of Liberty-Ellis Island Foundation, Inc. This foundation is the nonprofit organization, chaired by Lee A. Iacocca, which has organized

and implemented the private sector effort to restore the Statue of Liberty and Ellis Island.

Clearly, the Statue of Liberty-Ellis Island Foundation, Inc., meets the standards for the granting of Federal charters established by the Senate Committee on the Judiciary during the 91st Congress, with one exception: the "Permanence" standard. The committee has not waived this exception for any organization. Granting this charter will be the first exception, and I am willing to agree to this exception only under very strict requirements:

First, the charter is essential for the organization to perform a specific national objective;

Second, this national objective cannot be properly performed absent such a charter; and

Third, the organization was created for that specific objective and is not to be of unlimited duration.

Granting a Federal charter to the organization is essential for it to be able to provide its national function: the restoration effort. Recently, the fundraising efforts of the foundation have been jeopardized by activities of organizations and businesses having no affiliation with the Statue of Liberty-Ellis Island Foundation, Inc., the Department of the Interior, or the Presidential Commission, which have been representing that the purchase of goods or services will appropriate money to the restoration effort when, in fact, the money is not so appropriated. This misappropriation of funds and good will is decreasing the ability of the foundation to raise the remaining funds needed to complete the restoration effort. The language of the charter bill provides the foundation with the protection it needs to complete its fundraising efforts for the restoration project.

Even though the "permanence" standard has been interpreted to mean having a State charter for at least 10 years, the need and character of this organization are so unique that that standard should be waived in this case. In addition to the specific need for the restoration effort, the life span of this organization is limited to the fundraising effort and the centennial anniversaries of the Statue of Liberty and Ellis Island, at which time the organization would cease to exist.

I urge my colleagues in the Senate to join with me as a cosponsor of this legislation and to join with me in making an exception to the Standards for Granting of Federal Charters.

● Mr. DENTON. Mr. President, according to the Standards for the Granting of Federal Charters as promulgated by the Senate and House Judiciary Committees, any private organization petitioning Congress for the purpose of obtaining the status of a Federal corporation shall demonstrate that it has operated under a charter granted by a State or the District of Columbia for a sufficient length of time to demonstrate its permanence. The Senate Judiciary Committee has interpreted the longevity requirement to mean that the private organization has been in existence for 10 years or more.

The Statue of Liberty-Ellis Island Foundation, which is charged with restoring the Statue of Liberty and Ellis Island and raising funds to accomplish the work as well as planning centennial celebrations for these important symbols of our heritage, was formed on May 18, 1982, and therefore does not meet the 10 year requirement. The foundation, which will expire once the restoration is completed in 1986, has a limited purpose and a limited duration which makes it unique. Because of the unique nature of the foundation, I will cosponsor this bill to grant a Federal charter and vote in favor of an exception to the 10 year requirement.●

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 488. A bill to amend the Act establishing the Petrified Forest National Park; to the Committee on Energy and Natural Resources.

CHANGE IN THE BOUNDARY OF THE PETRIFIED FOREST NATIONAL PARK

● Mr. GOLDWATER. Mr. President, the bill I am introducing today would change the boundary of the Petrified Forest National Park in northeastern Arizona to include an adjacent 40-acre parcel on which lies a major Anasazi village dating from A.D. 900–1100. The Anasazi Indians, whose civilization has been dated from A.D. 1 and whose territory covered the four corners area of Colorado, Arizona, New Mexico, and Utah, have descendants among such tribes as the Hopi, Zuni, and the Rio Grande Pueblos of New Mexico.

The archaeological site, known as Site 236, is the most significant and one of the best preserved areas in eastern Arizona which is not included in the national park. There are at least 330 recorded archaeological sites dating from early Archaic to the 19th century in the Petrified Forest National Park. It is only proper that this particular site be included within park boundaries so that it can be protected and because it is an integral part of the park's cultural history.

The acquisition of this property will be at no cost to the Government. Through the generosity of Mr. and Mrs. Jack McCreery of San Luis Obispo, CA, the Archaeological Conservancy has been able to purchase the 40-acre parcel, and in turn will donate the property to the National Park Service for inclusion in the park. There will be no change in the land's present use as it is closed to grazing and other uses at this time.

Mr. President, this is a very simple proposal and it is incumbent upon us to protect and preserve our Nation's prehistoric and historic resources. My colleague in the House of Representatives, Mr. UDALL, has introduced a bill identical to the one before us.●

By Mr. SASSER (for himself, Mr. PELL, Mr. GORE, and Mr. KENNEDY):

S. 489. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care providing during peacetime; to the Committee on the Judiciary.

LEGAL REMEDIES FOR IMPROPER MEDICAL CARE OF MILITARY PERSONNEL DURING PEACETIME

● Mr. SASSER. Mr. President, today I am introducing legislation that would give active duty members of the Armed Forces of the United States the ability to bring tort claims against the United States for injuries or death arising from negligent medical care at Department of Defense military medical facilities. This legislation would amend the judicially established Feres doctrine.

Prior to the Second World War there did not exist a comprehensive Federal tort claim law. Citizens who believed that they had suffered damages because of the negligence of the Federal Government had no remedy other than seeking private relief legislation from the Congress. At this time the United States claimed sovereign immunity from tort claims. However, this changed with the passage of the Federal Tort Claims Act of 1946. For the first time the Congress waived the sovereign immunity of the United States and established procedures by which citizens could seek judicial remedies and compensation from the Federal Government arising from their negligent actions. While the Federal Tort Claims Act specified exemptions from tort actions for the military in areas related to combat activities, it did not address the problem of claims arising from noncombatant activities.

This absence of congressional action in that area meant that it was left to the courts to interpret the law relating to tort claims for noncombatant activities. In its rulings, the courts have created the "incident to service" rule that has barred most tort actions by active duty personnel against the Federal Government. This rule is referred to as the Feres doctrine.

A series of three Supreme Court decisions define the "incident to service" rule after the passage of the Federal Tort Claims Act of 1946.

In the first case, *Brooks* v. *United States*, 337 U.S. 49 (1949), the Brooks brothers were on furlough from the Armed Forces when they were hit on the highway by an Army truck negligently driven by a civilian employee of

the Army. Though the Brooks brothers received administrative compensation they sued for tort damages against the United States. Although a lower court rejected their claim, the Supreme Court reversed that decision and allowed the tort claim. The Court stated that military personnel were not exclusively barred from tort action and that administrative compensation was not the only remedy. However, the main distribution that the Court drew was that the Brooks accident was not incident to their service.

Then, in *Feres* v. *United States*, 340 U.S. 135 (1950), the Court ruled in a landmark case. The suit had originated when a servicemember's family sued the Government for damages that resulted in his death from a barracks fire. The Court ruled that the Government was not liable for tort claims under the Federal Torts Claims Act "for injuries to servicemen where the injuries arise out of or are in the course of activity incident to service." The primary justification for this ruling was to preserve the chain of command discipline necessary for the military to effectively function. Another justification, that a servicemember filing a tort claim against the Government would not be covered by a uniform standard of law as he would have to rely on the tort laws of the States in which he was stationed. Finally, it was deemed that the soldier's relationship to the Government is strictly Federal and he is the beneficiary of a compensation system that provides remedy.

In *United States* v. *Brown*, 348 U.S. 110 (1954), the plaintiff was a veteran who was originally injured while on active duty. Several years after his discharge he used a Veterans' Administration hospital and suffered injury from medical malpractice. While the Government argued that the case was governed by Feres, Brown claimed that the compensation system was not exclusive and that the chain of command issue did not apply to his case. The Supreme Court ruled in favor of Brown.

Since then the Court has consistently upheld the Brooks, Feres, and Brown standard.

Upon further examination, there are several contradictory problems with the Court's decision in Brooks and in Feres. First both were members of the Armed Forces and, therefore, subject to the same system of compensation benefits for injuries occurred while in the military. Yet the Court allowed Brooks tort damages compensation. Then, in both cases each was subject to the problem of varying tort rules of the States where they were stationed. Yet, again, the Court found no problem with that in the Brooks case. Finally, while both members were subject to the same military chain of command and discipline, the Court ruled that the Brooks case was not disruptive while the Feres case would be.

The effect of Feres then has been to bar practically all suits for tort damages filed by members of the Armed Forces arising from noncombatant activities, including medical malpractice. Over the past three decades the Court has held firmly to Feres. At the same time, the Congress has been absent from the scene by its failure to act in further clarifying the intramilitary tort issue.

Even with Feres, the conclusion can be drawn: That the military compensation system is not an exclusive remedy; that the problem of uniformity of standard tort rules based on location of the servicemember is not an impediment to tort action, and that it is not clear that servicemembers restriction on filing tort claim for noncombatant activities is essential to the preservation of military discipline.

Clearly, though, the Feres doctrine is an outdated idea and it should not be continued.

The problems of the Feres doctrine and how it effects the individual members of our Armed Forces has been brought to my attention in the last several years by constituent complaints about the quality of health care in Department of Defense military medical facilities. In several of these cases there appeared to be a probability of malpractice. However, since these constituents were active duty servicemembers they were prohibited from suing for damages. Moreover, several of these cases have the similar problem of the inadequate maintenance of medical records, including even the tampering of these records. Therefore, it seems possible that lack of adequate record keeping in many instances may stem from the current strictures of the Feres doctrine.

But these concerns about the quality of military medical care are not based solely upon complaints brought to me by my constituents, they are confirmed by a series of internal audits that have been performed by the services and the DOD inspector general at the request of the Secretary of Defense. These servicewide audits are a comprehensive attempt by the services to gauge the quality of care given their members and the members' families at DOD military medical treatment facilities. These audits have uncovered a systematic pattern of lax enforcement of established regulations issued by the military pertaining to medical recordkeeping, emergency room care, and procedures, control of drug distribution in hospitals, and proper credentialing of physicians and health care providers.

For instance, a recently released audit of Air Force credentialing procedures of doctors stated:

> Our audit disclosed serious deficiencies in the system for granting privileges to Air Force physicians. As a result, there was no assurance that all Air Force doctors at the hospitals we visited were competent to perform all the services for which privileges had been granted. We found, for example, that hospitals were not complying with Air Force and Joint Commission on Accreditation of Hospitals [JCAH] credentialing requirements.

Then in an Army audit that was released last fall, the following was found concerning Army medical records:

> Weaknesses in the maintenance of medical records identified during this audit were similar to deficiencies identified during previous inspections and audits. In addition, the individual patient data system was not being used to identify serious medical record problems at medical treatment facilities. These deficiencies can contribute to inadequate care and could be costly if a medical malpractice claim is filed.

And in an audit of Navy hospitals, similar conclusions were reached concerning the status of medical records:

> Our review showed serious deficiencies in overall inpatient medical record maintenance at Naval hospitals. This condition exists because the accountability for medical record completeness has not been established at all hospitals. As a result, medical records may not properly reflect the extent of care provided.

These audits indicate that serious problems exist at military medical facilities that need to be corrected. However, what is disturbing is not that there is an absence of regulations governing proper procedures, but that there is an absence of will to see that they are implemented. Consistently, all the aforementioned audits report that regulations and standards in place were being violated.

The findings of these audits as well as the numerous constituent complaints about military medical care demonstrate that the time has arrived for the Congress to amend the Feres doctrine.

The legislation that I am proposing is simple in purpose and scope. The bill respects the peculiar problem of military service and does not attempt to undermine basic military discipline necessary for the proper functioning of our national security forces. Instead, it would merely allow active duty members of the Armed Forces to be covered under the Federal Tort Claims Act for negligence arising out of care at military medical facilities as a result of noncombatant activities. At the same time, this bill does not seek to replace the current system of compensation available to military personnel, but simply allows them the ability to receive compensation for tort damages which the Court has allowed certain members of the Armed Forces under certain conditions.

This bill would do the following:

It would only apply to medical malpractice claims orginating in peacetime. Peacetime is clearly defined in the Constitution. If there should be a declared war, this legislation would be inoperable during that period.

Subsection (a) of 2681, defines the type of tort claim that is eligible under the bill. Only claims arising from negligence provided by medical personnel of the Armed Forces, this definition of personnel is consistent with 10 USCA 1089, given to active duty personnel during noncombatant activities are covered.

Subsection (b) of 2681, defines where the suit may originate, which is an appropriate court of the United States.

Subsection (c) of 2681, clearly defines that suits for negligence may not be brought against the individual medical personnel whose negligence resulted in the suit. This means that the U.S. Government is the liable party.

Section 2 merely states that this bill would not be retroactive, but only cover future claims.

Legislation to change the Feres doctrine is supported by the Veterans of Foreign Wars of the United States. Their resolution to support changes in Feres in an effort to bring equity to service members was passed at the VFW 85th Annual Convention in August 1984.

In summary, I think that it is important when considering this legislation that we all keep in mind the individual service member who is out in the field, on a ship, or in the air doing his duty as a patriotic citizen. A constituent of mine, PO Doyle Stanley of Crossville, TN, is one of those service members. Many of you have read of his tragic experience in the Navy which was recently reported in the Washington Post. I am sure that many of my colleagues have similar cases. But what Doyle has asked of me is that the current restrictions of the Feres doctrine as it applies to medical malpractice be changed so that members of the armed services like him will be afforded the same standard of justice and equity that exists for other citizens of the United States.

I hope that my colleagues will join me in this effort.

At this time I request unanimous consent that the text of S. 489 as well as a VFW resolution supporting changes in the Feres doctrine and the Washington Post article of February 11, 1985, be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 489

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new section:

§ 2681. Certain claims by members of the Armed Forces of the United States

"(a) Claims may be brought under this chapter for damages against the United States for the personal injury or death of a member of the Armed Forces of the United States arising out of the noncombatant activities of the Armed Forces while such member is serving on active duty if the claim arises out of the negligence of any physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (including medical and dental technicians, nursing assistants, and therapists) of the Armed Forces acting within the scope of their office or employment in a hospital or other medical facility of the Armed Forces.

"(b) Actions brought pursuant to this section shall be brought in the appropriate court of the United States.

"(c) The remedy against the United States provided by this section shall be exclusive of any other civil action or proceeding by reason of the same subject matter against the employee or the estate of the employee whose act or omission gave rise to the claim.".

(b) The table of sections for chapter 171 of title 28, United States Code, is amended by adding at the end thereof the following new item:

"2681. Certain claims by members of the Armed Forces of the United States.".

SEC. 2. Section 2681 of title 28, United States Code, as added by the first section of this Act, shall apply only with respect to claims arising on or after the date of enactment of this Act.

RESOLUTION NO. 616—FERES DOCTRINE AND ARMED FORCES PERSONNEL

Whereas, no citizen should be denied the right of access to the court system based solely on occupation; and

Whereas, the *Feres Doctrine* stems from a Supreme Court decision that the Government is not liable under the Federal Tort Claims Act for injuries to active duty Armed Forces personnel where the injuries arise out of or are in the course of activity incident to service; and

Whereas, the *Feres Doctrine* results in arbitrary, capricious discrimination against Armed Forces personnel on active duty; and

Whereas, the vague, ill-defined "incident-to-service" standard may not meet modern constitutional requirements for fairness and uniformity of application; and

Whereas, the Feres defense applies not only to suing the Department of Defense but to any government agency; now, therefore

Be it resolved, By the 85th National Convention of the Veterans of Foreign Wars of the United States, that we support legislation to alleviate this disparity by extending protection of the Federal Tort Claims Act to active duty Armed Forces personnel.

[From the Washington Post, Feb. 11, 1985]

SAILOR'S ILLNESS RAISES QUESTIONS

(By Chris Spolar)

VIRGINIA BEACH, VA.—Put your hand on Doyle Stanley's head—a stretch of skin that slopes awkwardly back from his eyebrows—and you are one touch from killing him.

His forehead, bereft of bone, moves like an underinflated beach ball. Underneath the skin floats spinal fluid; beyond that is brain. What was meant to be covered with skull has been reshaped by man and made vulnerable. And so has life for Petty Officer 1st Class Stanley, a 12-year Navy man who two years ago underwent surgery in a Navy hospital for a benign bone tumor.

Since then, the weapons expert and former instructor, now 29, has battled a virulent staph infection and lost a major part of his skull to a series of operations. He has sought help at four Navy and Army hospitals and appealed to private doctors who he believes saved him from inept care by the Navy.

Last September he learned that he was recommended—against his wishes—for retirement with a 50 percent disability. A retirement hearing is scheduled for tomorrow.

Navy doctors will not comment about Stanley's case because it is under review by the inspector general's office in the Department of Defense. Representatives from the inspector general's office also declined to comment. This story was compiled mainly from medical records obtained from Stanley's private doctors, his own account and naval records from a congressional office.

Stanley and one of two private doctors who would talk about his case say it raises serious questions about medical care in the Navy—some of the same questions that congressmen and Department of Defense authorities have raised about the quality of medical care throughout the armed forces.

Sen. James R. Sasser (D-Tenn.) has called for a special investigation of Stanley's problems and in a letter to the inspector general described the reports submitted to him by the Navy as "more self-protective than a factual representation of the events that occurred."

Last week, Sasser described Stanley's case as one that "shows a pattern of inadequate record keeping and . . . a pattern of cover-up of evidence of malpractice that showed up in his record." Stanley, whose legal residence is in Crossville, Tenn., was one of several constituents whose questionable medical care from the armed forces prompted Sasser to ask six months ago for an audit of military medical care by the General Accounting Office.

That request came after audits of the quality of care in the Navy, Army and Air Force medical centers around the world had been ordered by Defense Secretary Caspar W. Weinberger. The GAO has begun audits as well, to look at how military hospitals handle incidents leading to malpractice claims.

Sasser received some internal audits in January from the Defense Department that, taken together, are critical of medical controls in all branches. The more wide-ranging audit, compiled by the Department of Defense, will be reviewed in the next few months.

That report may comfort Stanley, an active serviceman who finds he has no legal recourse for the care he received. Because of a 1950 Supreme Court ruling known as the Feres Doctrine, active service personnel are not allowed to sue the Army, Navy or Air Force for any injuries that occur during service. So Stanley, who says he wants to remain in the Navy, makes phone calls and writes letters in an effort to ensure the kind of care that he believes he needs.

His days are quiet ones, spent with his wife Sandy and their two small children in a ranch-style home, tucked into the Virginia Beach countryside of open fields and winding roads.

Once athletic but now plagued with daily headaches, Stanley cannot roughhouse with his 4-year-old daughter, Amber, or risk playing ball with his 7-year-old son, Joey. An

opened cabinet door could be deadly, a darkened room is a menace. He must wear an uncomfortable plastic cap, a contraption akin to the inside of a football helmet, to shield his brain and cover the deep scar that cuts from temple to temple above his green eyes.

"At this point, I can commit suicide by sticking my finger through my forehead," said Stanley, who was described as an outstanding serviceman in the Navy's most recent evaluation of him.

Stanley's problems began when the bone tumor was diagnosed and he underwent an operation on Jan. 26, 1983, at the Naval Regional Medical Center in Jacksonville. On that day Dr. Ronald L. Rish, head of the ear, nose and throat department there and now head of the same department at the Naval Hospital in Bethesda, removed a tumor that had been diagnosed after Stanley complained of headaches. Stanley said he was examined by Rish and other doctors at the Jacksonville naval base during the next two months.

Stanley and the Navy dispute what happened after the operation.

According to a letter sent to Sasser from the Navy a year later, Stanley had a "smooth postoperative course" and left the hospital within a week with "no symptoms and no fever." The same letter states that Stanley appeared for appointments Feb. 1 and Feb. 3. It said he was scheduled for another appointment Feb. 8 but did not return for care until March 11.

Another report, submitted in August 1983 by Rish and another doctor at the Naval Hospital in Bethesda and placed in Stanley's medical file, stated that Stanley had few problems after the operation and only in March began experiencing drainage from his nose. "Shortly thereafter, the patient was in transit from Jacksonville to Atlanta when he noticed an acute change in his symptoms including increasing headaches and serious drainage from the nose and sought medical assistance by a private neurosurgeon in Atlanta," the Navy report said.

Stanley's own account of the months after his operation is contained in his diary and in a folder of receipts detailing hospital and emergency room visits. He has reports of meeting appointments on Feb. 8—the day the Navy says he missed—and Feb. 28. Stanley said he met other scheduled appointments with Rish but does not have documentation. Stanley said he went to the emergency room as often as three times a week for care and that he told Rish about those visits.

The two months after the operation were full of pain, Stanley said. Headaches hammered his head. A constant seepage of blood and what seemed to be mucus from his nose kept him nauseous. His heart raced. His forehead was puffy and hurt when touched.

A healthy man who had a slim history of medical care, Stanley said he repeatedly went to the emergency room—as his medical records show—and told doctors that something was not right.

A report from the Feb. 28 visit notes the fast heartbeat. According to that report, the pattern "required no therapy. Plan: reassurance."

"I knew there was something bad going on," Stanley said. "The Navy just kept telling me to be calm, that I was feeling postsurgical anxiety. I kept having these terrible headaches and all they would do is reassure me."

While visiting his family in Georgia, Stanley again suffered severe headaches and went to the Warner Robbins Air Force Base medical clinic. Family members recommended he also see a neurosurgeon in Atlanta.

Dr. H. Dale Richardson, a private surgeon at Piedmont Hospital, examined Stanley on March 18 and swabbed the fluid coming from his nose. Tests of that fluid showed Stanley had a staph infection. The next day more results showed the clear fluid flowing from Stanley's nose was cerebral brain fluid.

According to Richardson's medical reports from an operation March 30, an abscess was found in Stanley's frontal sinus, the sinus behind the eyebrows. That pus-filled abscess had caused a pin-sized hole in Stanley's skull, and fluid that protects the brain was flowing through that hole into Stanley's nose, according to the reports.

Richardson closed the hole and Stanley was discharged April 13, according to medical records. Stanley was admitted for surgery on April 21 after Richardson found that the infection had recurred and the repair was decayed, records show. Richardson consulted with a second doctor, Dr. John Drummond, an expert in infectious diseases who called the staph infection "severe."

Richardson last week described Stanley's as a "complicated case that under the best of circumstances is not a black-and-white situation. These kinds of things . . . can go on for years and years."

But Drummond, first a consultant and later the physician to whom Stanley would appeal when he was "scared of the care from the Navy," said the infection he saw in April was a festering one that should have alerted Navy doctors three months earlier.

"The symptoms that Doyle had should have been a red flag to a sophomore medical student, let alone a staff surgeon, that there was the possibility of a staph infection," Drummond said last week. Drummond said that spinal fluid leaks are a well-known complication of sinus surgery. The time between January and March 1983 was a "critical period during which the postoperative sinus infection developed," he said, adding that Navy doctors should have conducted a test on the fluid or a bone scan after the operation.

"Was the Navy negligent? Hell, yes, they were in February 1983. There is no question of it," he continued. "Doyle Stanley was a good sailor with limited means who put his trust in the Navy medical community. Not only did they screw him up, but they've tried to sweep him under the carpet."

Drummond has not kept his criticism to himself. In a letter dated Oct. 23, 1984, Drummond responded to a request from the inspector general saying, "In my opinion, his symptoms of headache and nasal discharge were either ignored or at the very least grossly underestimated by the Navy physicians during this period of time. Prompt attention to the possibility of a leakage of spinal fluid, with hospitalization and aggressive intravenous antibiotic therapy, may have prevented any further complications."

Drummond also has expressed frustration with the Navy's record keeping. Stanley, who checked his Navy medical file and noticed that records about the Atlanta operation were missing, notified Drummond. Drummond said he has had to send at least three copies of one report to the Jacksonville hospital since May 1983. Stanley said he has replaced the same records—seven times.

No one, both men said, could explain why the reports were missing.

Rish, contacted at home in Bethesda, would not discuss Stanley's case. "The Navy Department has asked me not to talk to you," Rish said. "I have mixed emotions because I don't have anything to hide. . . . But I'm still in the Navy and they told me not to talk to you." Requests to speak to other naval doctors were refused by the Navy Office of Information.

Stanley continued to receive care from Richardson and Drummond until July 7, when they said he could return to restricted duty with oral antibiotics, according to records. On July 8, Stanley returned to Jacksonville, where doctors refused to fill his prescription because it was not ordered by a Navy doctor, Stanley said.

Stanley continued having postnasal drip and headaches. He received treatment at the Jacksonville center but then was referred for treatment to the Bethesda hospital, where Rish had been transferred. Stanley balked at the assignment, told doctors at Jacksonville he did not want to be treated again by Rish and then wrote a letter to Sasser's office for help.

Stanley remained under order to report to Bethesda and arrived there Aug. 5.

According to Stanley's diary, he was told that there was no room for him at the hospital and he would have to wait in the lobby until personnel at the medical center could find space for him. Three days later, on Aug. 8, the hospital found him a room. Stanley, who was still experiencing severe headaches during this time, said he had decided to pay for his own hotel room rather than wait, without a bed, in the lobby. Sasser's office later intervened and helped him get reimbursed for the cost, Stanley said.

On Aug. 8, Stanley was told he would be examined by Rish. Panicked, he called Sasser's office for help. On Aug. 9, Stanley said he was examined by another physician. On Aug. 18, Bethesda, doctors prepared a history of the previous operation in Jacksonville which they put in Stanley's file over his objections and later sent to Sasser. At that time, Stanley also received the go-ahead to return to Jacksonville to begin six months of limited duty at Cecil Field.

From August 1983 through February 1984, Stanley continued under doctors' care at Jacksonville. His diary, as well as medical reports completed by the Naval doctors, show he was treated for constant headaches and bloody drainage.

Despite his medical problems, Stanley continued to be ranked favorably for duty. An evaluation completed Nov. 30, 1983, said, "He has maintained military bearing and personal conduct in spite of adverse experiences and austere hardships upon his family. His loyalty and professional performance are diminished only by his physical impairments."

On Feb. 21, 1984, doctors at Jacksonville told Stanley his case was being transferred again. He had the choice of the naval hospitals in Bethesda or Portsmouth, Va. The Navy would pay to move him and his family while treatment continued, they said. Stanley asked to be transferred to Portsmouth.

Upon arrival in Portsmouth, he was examined and told an operation was needed because the infection in the sinus passage had spread. On March 10, doctors removed the frontal bone of his skull.

A letter to Sasser's office from the Naval Medical Command, dated April 20, 1984, states that Stanley was an inpatient at the naval hospital and receiving antibiotics for an "unspecified inflammation of the bone."

The report, which chronicled Stanley's care since January 1983, does not mention the removal of the skull bone on March 10.

On April 30, Stanley was discharged. He went home to sell his house in Jacksonville and buy a home in Virginia Beach. He said he continued to suffer bloody drainage and a dizzying heart rate through May. On June 3, after collapsing at church, he was taken by ambulance to the Naval Hospital in Portsmouth. A few days later doctors said they would have to operate again.

The staph infection had eaten closer to the brain. They might have to remove more of the skull, doctors told him. He consented, and the operation took place June 13. In July, a blood clot developed above the right eye. A staph infection was found in the clot, and that too was removed. In August, doctors determined another operation was needed. This time, half of his left sinus was taken out.

Weeks later, when the swelling had disappeared and Stanley could open his eyes, he touched his forehead. For the first time, he realized that he could die.

"They told me I might have to wear some kind of protective covering, (but) I really didn't know what it would all mean," he said recently.

Stanley was sent home but returned to the hospital every few days, complaining of headaches and sleeplessness. Upset and scared, Stanley said, he told staff doctors in late August that he wanted to leave Navy care. On Aug. 29, Stanley and his wife were told in separate conversations with officers at the hospital—including Dr. Theodore W. Fetter, head of the ear, nose and throat department—that he should remain under Navy care.

Fetter, contacted recently at Portsmouth, described Stanley's case as "difficult and very complicated." Fetter said he would discuss the case if the Navy would give him permission. Stanley's "is a good case, and he makes us look good at Portsmouth," Fetter said. The Office of Naval Information refused to discuss the case or to allow Fetter or other naval doctors to comment.

Stanley said he agreed to continue with the Navy because the doctors assured him he would get checkups twice a week and counseling to help his family adjust to the strain of the past year. They also asked if he would submit to an evaluation by a staff psychiatrist. He agreed.

"The psychiatrist told me I had a lot of suppressed anger," Stanley said, shaking his head and smiling ruefully. "I could've told them that."

While recovering at home, Stanley learned that the Navy wanted him to retire with a 50 percent disability—a level that would cut the $1,600 take-home pay Stanley now receives every four weeks to $625. Stanley, who does not want to leave the Navy, has appealed the retirement. He also appealed the disability level, which would give him $300 less a month than full disability.

Stanley said the doctors at Portsmouth never followed through on the promises for family counseling and twice-weekly appointments. Since then he has asked the Navy to allow him to go to a civilian doctor or to Walter Reed Medical Center. The Navy sent him to Walter Reed. He said he has been pleased with the care there.

Doctors at Walter Reed who have seen Stanley since last November believe that "his prognosis for rehabilitation and return to line duty status is not very good," according to a Jan. 3 letter Dr. William Dichtel of Walter Reed sent to Portsmouth doctors.

In that letter, Dichtel pointed out that Stanley is an unlikely candidate for a protective plate on his skull, unless he can be free of pain and infection for a year.

"This is a significant problem which in its present state is fully disabling him from further employment," the letter said.

Stanley has been on active duty with convalescent leave since his last operation. A hearing is scheduled Tuesday to discuss his forced retirement. But in a confusing turn of events two weeks ago, the Navy ordered Stanley to work at the naval base in Norfolk. When he asked why he had to return to work—days before the Navy was trying to force him to retire—Stanley said he was told he should not have been on convalescent leave that long. Then last week Stanley was told not to show up for work but simply to call in every morning.

Attempts to discuss the latest decision with naval officers at Norfolk and with Navy information personnel were refused.

"I know I've changed because of this," Stanley said quietly. "I know I show more anger about little things because of the bigger anger that is there inside of me. . . . Who am I more angry at—the doctors or the Navy? I don't know.

"But I'm sure I have enough anger for both. One was the institution that allowed the others to be the way they are."●

● Mr. KENNEDY. Mr. President, I am cosponsoring the bill introduced by my colleague from Tennessee to allow members of the active military services and their family to recover damages from the Government for injuries or death arising from medical malpractice.

The increasingly serious problem of poor quality military health care needs to be addressed in a comprehensive way. The appalling state of the military health care system has been recently documented in a series of internal audits by the Department of Defense as well as other published reports. Compounding this problem is the grevious injustice caused by the unnecessary breadth of the so-called "Feres doctrine," a judicially created rule that prevents military personnel, unlike all other citizens, from suing for any kind of damages caused by Government negligence—including medical malpractice.

Soldier victims of faulty medical treatment in the military are presently allowed disability compensation—or standard death benefits—and nothing more. The results, including cases I personally have encountered in Massachusetts, are devastating and unacceptable.

The Feres doctrine originated over 35 years ago in a Supreme Court decision based on the need to insure military discipline by prohibiting lawsuits by men and women in the Armed Forces for injuries arising from the hazardous duty or combat action that is inherent in military service. But this principle is expanded too far when applied to medical malpractice cases involving physical injuries or even death suffered during peacetime because of inadequate military health care. Traditional military discipline does not demand that the Government be immunized against the harmful consequences of the negligence of its own medical staff.

I believe that it is time to create an exception to the Feres doctrine by exempting medical malpractice. I believe that this legislation is simple and effective. Although refinement of the bill may be necessary in light of future hearings, I endorse its basic approach.

The bill would only allow suits for medical malpractice in peacetime, for non-combat-related medical damages, and would not hold military doctors individually liable; rather the Government would be liable. Besides correcting the injustice caused by the Feres doctrine, this legislation will enhance the accountability of the military health care system. This is an important step in the right direction toward the goal of improving the quality of health care for this country's Armed Forces.

At the same time, I believe a complete review of the military health care system is in order. Our servicemen and women, and their dependents, deserve the highest quality of care, and I am hopeful that the Armed Services Committee will schedule appropriate hearings in the near future.●

● Mr. PELL. Mr. President, I am pleased to join with my colleague from Tennessee [Mr. SASSER] in introducing S. 489, a bill which will allow active duty service members of the Armed Forces or their survivors to sue the government during peacetime for injuries or death resulting from military hospital medical malpractice.

Under current law active duty service members who are now disabled through military medical malpractice have no legal recourse. This is because of the so-called Feres doctrine, a U.S. Supreme Court case which forbids active service members from suing the Federal Government. The Court based its holding, in part, on the need to protect the chain of command line of authority that the military relies upon in many vital ways. While I respect the necessity of this chain of command in our armed services, I do not believe that allowing lawsuits for damages in connection with peacetime, noncombat injuries resulting from military hospital medical malpractice will disrupt the chain of command. I believe that the law, as it stands currently, has created many anomalies, based on this discrimination, that have been visited upon our active duty service members. In my own State of Rhode Island, we have had several cases of serious injury resulting after treatment in a military health facility. These cases led me to write the Government Accounting Office and request internal on health care in the military. The audits that have been returned thus far have been generally critical of military medical controls.

Rather than fear the disruption to military authority that the 1950 Supreme Court acknowledged in announcing the Feres doctrine, I applaud the balance that this bill will bring in the area of medical rights for both active and inactive members of our peacetime Armed Forces. This bill will result in heightened attention to the overall quality of care in our military hospitals. In this sense, the bill echoes the desires of the Secretary of Defense, Mr. Weinberger. The Secretary has expressed that he emphatically expects the quality of health care to be of the highest standards.

Mr. President, I urge my colleagues to join with Senator SASSER and myself in supporting this measure. This is a good way for us to send a message to our military members that we care about the quality of the health care they receive.●

By Mr. PRYOR (for himself, Mr. GRASSLEY, Mr. SIMON, Mr. GORE, and Mr. HARKIN):

S. 490. A bill to limit the employment by Government contractors of certain former Government personnel; to the Committee on Governmental Affairs.

EMPLOYMENT OF CERTAIN FORMER GOVERNMENT EMPLOYEES BY GOVERNMENT CONTRACTORS

Mr. PRYOR. Mr. President, I am today introducing legislation which represents a continuation of the efforts of the distinguished Senator from Iowa—Mr. GRASSLEY—and myself to eliminate a problem with the Government procurement process commonly referred to as the "Revolving Door." I am also pleased to have Senators SIMON, GORE and HARKIN as original cosponsors of my bill.

I want to commend my colleague in the House of Representatives, Congresswoman BARBARA BOXER, who today will introduce very similar legislation in that body. I find it encouraging and significant that Members on both sides of the Capitol and both sides of the aisle are convinced of the need for legislation, and are in fact, leading the way for reform.

The revolving door problem manifests itself when Government procurement personnel leave their jobs and go to work shortly thereafter for the very same contractor over whom they had contract authority. The appearances of conflict of interest and favoritism have been many, and have been cited by the press, and by other Members of Congress. Our intent with this bill is to remove the potential for procurement personnel to show contractors favor in order to secure employment with that contractor in the future.

Our bill would require as a part of all Government contracts a standard clause which all contractors must agree to when they do business with an agency of the U.S. Government. This clause would prohibit a contractor from hiring a Federal employee or member of the uniformed services who had substantive procurement responsibility relative to that contractor for a period of 5 years from the termination of that contract. If the contract period should exceed the separation date of the employee in question, then the prohibited period would be 5 years from the date of that separation.

Each contractor must report to the Government agency of the former employee that that employee has been hired if that is the case within 5 years. The Inspector General of the agency and the Director of the Office of Government Ethics shall have access to these reports. The Director shall submit an annual report to Congress.

Our intent is not to simply discourage the practice of employees resigning to accept questionable employment. We want it stopped, as do taxpayers. This is why our bill contains stiff damages for violations which would be assessed against the contractor and determined by multiplying the employee's annual salary times the number of days he or she worked in violation of the law.

Mr. President, the Project on Military Procurement released a series of documents this week which indicates that certain military personnel are acutely aware of the problems which occur when their coworkers go to work for contractors over whom they have previously had contract authority. I find the concerns of those inside the system especially pertinent as we consider the need for this type of bill.

Included in these documents was a report prepared by an Office of Government Ethics representative, Mr. Jack Covaleski, relative to his visit with Col. Jack Finder, Staff Judge Advocate, at the Air Force Contract Management Division [CMD]. The CMD is responsible for administering over $100 billion of Air Force contracts. Most of this work is performed at 32 Air Force plant representative offices [AFPRO] located on major defense contractor plants.

The following excerpt from these documents is as follows:

Colonel Finder said that the major problem issues he finds are in the areas of post employment, outside employment, and acceptance of gratuities.

Concerning post employment, Colonel Fisher said that 18 U.S.C. 207 and our regulations do not deter the types of post employment problems typical of the Department of Defense. There is a large turnover of CMD personnel, especially of AFPRO offices, who leave to work for contractors. For example, the head of AFPRO office at Northrop on Friday could become the Northrop Vice President for Quality Assurance on Monday and immediately AFPRO employee morale is destroyed. Employees openly discuss what the former employee has done over the past few years for the contractor in order to obtain the new job, and wonder why they themselves should be so ethical. AFPRO employees must deal with their former employee daily on many matters (Government appearing before and seeking data from the contractor) and feel betrayed that the contractor now has all the inside knowledge of how the AFPRO operates. Colonel Finder said these types of cases are devastating to the ethics program because of the appearance of conflict of interest alone.

The Project on Military Procurement also obtained a copy of a suggestion Capt. Jeff Rohm made in 1981 during his tenure as a staff judge advocate for the AFPRO at Pratt and Whitney. I ask unanimous consent that the letter which Captain Rohm sent to his Congressman after he made this suggestion be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

9020 SE HOBE RIDGE AVENUE,
Hobe Sound, FL, April 14, 1982.

Representative L.A. BAFALIS,
The Capitol Building,
Washington, DC.

DEAR CONGRESSMAN BAFALIS: Recently I submitted a suggestion to the Air Force calling for a revision to an Air Force regulation entitled "Standard of Conduct for Government Employees." (See Atch 1.) Basically, I proposed that key Air Force personnel in sensitive positions of cognizance over a contractor should be prohibited for a reasonable time after their Government service from employment with that contractor. The Air Force regulation and the U.S. Code are both ultimately directed toward the same goal—preserving the public's confidence in the integrity of Government employees. As an Air Force officer and attorney assigned to a contractor's facility, (Pratt & Whitney Aircraft) I have witnessed the reactions of contractor employees and Government personnel when key employees or officers, often in sensitive, adversarial positions vis-a-vis contractor, leave the Government and go directly to work for that contractor. Regardless of any actual impropriety, the perception exists that perhaps such individual's past decisions were influenced by their prospective employment.

I think this problem is common to all DoD agencies, and not just the Air Force. In informal conversations with reviewers of my suggestion, they acknowledged the problem but felt an Air Force regulation could not solve it. (See Atch 2.) Accordingly, I appeal to you for your support in plugging this serious loophole by DoD directive, statute, or perhaps some other way. The current law's gap makes it worthy of attention.

I recognize, as noted in Atch 2, we should defer to the "careful judgment of Congress." But I've seen nothing in the legislative history to indicate Congress intended to ignore the problem. I also wonder whether restricting employment of carefully selected individuals in key positions for a reasonable time vis-a-vis only a handful of contractors raises "serious questions about a person's right to pursue a livelihood and associate with others." In 18 USC 281, eg., while there is a question about the artfulness of its language, (*See Field* v. *Brown* 28 CCF 80,871 (D.C. D. Ct. 26 Nov 80)), there is no question the Government may (and should) reasonably prohibit retired officers from selling to their former services. Regardless of any actual wrongdoing, the intent of such ethics

statutes are to prevent the appearance of impropriety.

I am asking for your consideration of this problem not from my capacity as an Air Force officer, but as a new constituent in your district, and as a private citizen concerned with preserving the public's confidence in the integrity of its employees. Please call me at (305) 840-2198 or (305) 546-6738 if you have questions.

Sincerely,

Jeffery P. Rohm.

Mr. PRYOR. Mr. President, I believe that findings of the military procurement project have significant value when considered together with other information, particularly press accounts of the revolving door. I encourage all of my colleagues to read this report and consider cosponsoring this bill. The language we have put forward is not etched in stone, but it certainly represents a legitimate place for this discussion to begin in the 99th Congress.

Mr. President, it is time for Congress to take action to eliminate perceived and actual conflicts of interest which are currently fracturing the integrity of the procurement process. Those of us who support this bill are eager to work to facilitate it through Congress and straight to the President's desk. It is time that the clouds of favoritism which have hovered so long and so low over Government procurement be pierced by the Sun. It is time for Congress to slam shut the revolving door.

I ask unanimous consent, Mr. President, that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 490

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the head of an agency making a contract for procurement of goods and services for the United States shall require that the contract include provisions under which the contractor agrees not to employ during the period described in paragraph (2), certain individuals who while serving as an officer or employee of the government or a member of the uniformed services performed a government procurement function with respect to a contract with that contractor.

(2) The period referred to in paragraph (1) is five yeas from the termination of the contract. If contract term exceeds the individuals' separation date, the period referred to in paragraph (1) shall be the five year period beginning at the date of the individual's separation from government service.

(b) The head of the agency may waive the application of any contract provision required by subsection (a) with respect to any individual if the employment of that individual by a contractor is considered by the head of the agency to be essential for national security purposes. Any such waiver shall be published in the Federal Register or shall be approved in advance by the Director of the Office of Government Ethics.

(c) A contractor who violates a contract provision required by subsection (a) shall forfeit to the United States, as liquidated damages under the contract, an amount equal to the rate of compensation, stated on an annual basis, of the individual employed by the contractor in violation of such contract provision, multiplied by the number of days the individual is employed by the contractor.

(d)(1) Each contractor subject to contract terms described in subsection (a) shall issue an annual report listing the name of each individual with an adequate identifier who is a former Government officer or employee who was hired by the contractor within the previous five years. Such listing shall show the agency by which such officer or employee was last employed, his job title, and summary of job responsibilities. A copy of each such report shall be sent to each agency named in the report.

(2) The Inspector General of each agency which receives a report under paragraph (1) shall review the report for the purpose of identifying any violation of subsection (a) indicated in the report and to assess for accuracy and completeness. In the case of an agency that does not have an Inspector General, the Comptroller General of the United States shall review the reports.

(3) The Director of the Office of Government Ethics shall have access to the reports and shall conduct an annual random survey of the reports to check for violations of subsection (a). The Director shall submit an annual report to Congress on the operation of this section, including the findings of the Director under such reports.

(e) For the purposes of this section:

(1) The term "employ" includes any payment, reimbursement, or other compensation (whether provided directly or indirectly or through a third party) in return for services.

(2) The term "certain individual" referred to in paragraph (1) applies with respect to a contract to any person having substantial responsibility for the recommending, approving, or finalizing of decisions with respect to the negotiating, awarding, administering, approving contract changes, cost analysis, quality assurance, operation and developmental testing approval of payment, contractor selection, or auditing under the contract.

(3) "Contractor" is any person, partnership, corporation, or agency thereof, other than the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia, who offers, negotiates, agrees, or otherwise contracts to supply the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia, with goods, services, or supplies, and includes any parent, subsidiary, or affiliate of such person, partnership, corporation, or agency thereof.

(4) The term "contract" applies to any agreement in an amount greater than $25,000 by which the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia purchases, leases, or otherwise acquires supplies, services, or other material, including an order for the procurement of services or supplies, an award, a notice of award, a contract of fixed price, an incentive contract, and cost or cost-plus-a-fixed-fee contract, a contract providing for the issuance of job orders, task orders, or task letters under the contract, a letter contract, a letter purchase order, or any agreement that is supplemental to any of the foregoing.

Mr. GRASSLEY. Mr. President, I rise to join my distinguished colleague, Senator PRYOR, in introducing legislation today to eliminate a glaring conflict of interest in Government contracting—the "revolving door."

The revolving door describes the practice of Federal employees resigning from Government service to accept immediate employment with companies whose contracts these employees had supervised while in Government service.

The legislation which we are introducing today will establish a standard contract clause prohibiting contractors from hiring anyone who served the Government in a procurement function involving that contractor. In general, this prohibition would be for a 5-year period, beginning 5 years from the termination of the contract, or if the contract exceeds the individual's separation date, the 5-year period beginning at the date of the employee's separation from Government service.

Examples of this apparent conflict of interest abound. According to a 1982 report of the Federal Office of Government Ethics, the turnover of Air Force personnel who go to work for the military service as plant representatives and then join companies whose contracts they had supervised is "devastating to the ethics program because of the apparent conflict of interest alone."

As stewards of the taxpayers' hard-earned dollars, we in Congress must step forward, and put an end to practices which threaten the integrity of our Government's procurement and defense organizations. The taxpayer does not have an opportunity to see what he is getting for his tax dollar. It is our obligation to ensure that these dollars are spent wisely and carefully.

To make our Government procurement system work in the manner it was designed to most efficiently, purchasers of goods must be free from any conflict of interest between the procurement process and the contractors desiring to sell to the Government.

This legislation is only a first step in removing conflict of interest or closing the revolving door. Our legislation does not attempt to remove temptation at the upper levels of Government. However, we must take this first step toward buying effective goods at efficient prices, and live up to our responsibility as stewards of the people and watchdogs of the Federal Treasury.

Mr. President, I believe our revolving door legislation will be an effective deterent in eliminating conflict of interest within the Government. I urge my colleagues to support this bill, and know its passage will continue the trend toward more responsible procurement practices.

By Mr. QUAYLE (for himself, Mr. PELL, Mr. HATCH, and Mr. STAFFORD):

S. 491. A bill to improve debt-collection activities and default recoveries, and to reduce collection costs and program abuse under student loan programs administered by the Department of Education, and for other purposes; to the Committee on Labor and Human Resources.

STUDENT LOAN COLLECTION IMPROVEMENT AMENDMENTS

● Mr. QUAYLE. Mr. President, today I am introducing, along with my colleagues Senator PELL, Senator HATCH, and Senator STAFFORD, a bill designed to reduce defaults in the Federal Student Loan Programs as well as to give States and the Department of Education certain authorities necessary to improve collections on defaulted student loans. This bill is entitled the "Student Loan Collection Improvement Amendments of 1985." The changes contained in this bill will improve the efficiency of loan collections efforts and return more money from defaulted student loans to the Government, and ultimately to other students.

The Guaranteed Student Loan [GSL] Program and the National Direct Student Loan [NDSL] Program have provided billions of dollars to college students over the years. Most of the recipients of these loans have honored the terms of the loan and have paid back in full or are in good repayment status at the current time.

However, a number of students have, for various reasons, defaulted on their GSL's and NDSL's, and the defaults represent a large sum of money. Currently, the Department of Education and institutions of higher education are pursuing collection activities on nearly $2.1 billion of defaulted loans. This represents a total default rate of 14.8 percent in the NDSL program—$1.044 billion—and a rate of 4.8 percent in the GSL program—$1.1 billion. Clearly, this is a significant sum and every tool to recover this money should be made available to the Department of Education, institutions, and States involved in the loan programs.

The bill I am introducing for the administration will help improve collections efforts in several ways:

First, the Federal statute of limitations—6 years—would be applied to GSL and NDSL defaults and recoveries of overpayments on other aid whenever an otherwise prevailing State statute provides a shorter time on the student's liability.

Second, NSDL defaulters would become liable for certain of the costs borne by the Federal Government in trying to collect on defaulted loans, subject to prevailing restrictions in the Fair Debt Collection Act.

Third, State guarantee agencies in the GSL program would be required to report borrower default status information to consumer credit bureaus—currently, the Department of Education has this authority, but the State guarantee agencies now handle the bulk of student loans.

Fourth, responsibility for the collection of defaulted NDSL's would be transferred from the postsecondary institution to the Department of Education in cases of poor institutional collection performance.

Fifth, loan checks would be made payable to both the borrower and the postsecondary institution—except in cases of parent borrowers.

Sixth, eligibility requirements for Federal student aid would be broadened to provide that any student in default on a loan or owing a refund on a grant would not be eligible for any further Federal aid. Current law applies this limitation to students applying for aid at an institution at which they are already in default or owe a refund, but does not prevent students in default from applying for aid at other schools.

These changes give postsecondary institutions, State guarantee agencies, and the Federal Government more leverage in trying to collect on defaults. First, the application of the Federal statute of limitations means students will be held liable on defaults for a longer period of time, giving the Government additional time to track down defaulters or put defaults into repayment. Second, by transferring certain costs of collection to the NDSL borrower, institutions can contract out to collections agencies the work of collecting defaulted loans. Since most postsecondary institutions do not have experience in collections—as evidenced by the higher default rate in the NDSL program—they are frequently unsuccessful in going after defaulters. This provision will allow them to rely more on agencies or professionals that have experience in collections and can get a better return for their money.

By allowing State guarantee agencies to provide credit information on defaulters to consumer credit bureaus—subject to the limitations of the Fair Credit Standards Act—the bulk of borrowers under the GSL program will be subjected to credit reporting standards applicable to borrowers in the federally insured loan program [FISL]. Since the FISL program is being phased out, to be replaced by the State loan programs [GSL], this authority must be extended to the States.

Modification of the procedure for disbursing loan checks requiring that loan checks be made payable to the student and the institution as copayees and sent to the institution will provide a better assurance that loans are used for educational purposes, reduce the potential for aid duplication, and improve the availability of data about GSL recipients. Most importantly, it would eliminate defaults and subsidization costs related to borrowers who fail to enroll at a postsecondary institution after receiving the loan.

A section by section explains more fully the other technical changes. The Department of Education has requested these statutory changes to improve these collections records on defaulted student loans. Enactment of these provisions will tighten up the administration of the Student Loan Programs and reduce the outstanding $2 billion significantly. By cutting the default rate and getting students to pay on their defaulted loans, we will be cutting Federal expenditures on default subsidies and putting the money where it belongs—into student loans.

I urge my colleagues to support this bill and help reduce the default rates on the student loan programs, and I ask unanimous consent that the section-by-section analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

STUDENT LOAN COLLECTION IMPROVEMENT AMENDMENTS OF 1985

SECTION-BY-SECTION ANALYSIS OF THE BILL

Title I.—Title I of the bill would amend part B of title IV of the Higher Education Act of 1965 (hereinafter referred to as "the Act") relating to the Federal Insured Student Loan (FISL) program and the Guaranteed Student Loan (GSL) program, as follows:

Section 101(1) would permit a lender, at its option, to require endorsement for loans made under the Federal Insured Student Loan program. Lenders would still not be permitted to require security for loans. A similar amendment in section 204 of this bill would make corresponding changes to the National Direct Student Loan program. This amendment would allow lenders to follow a normal banking practice which would reduce the risk of defaults.

Paragraphs (2) and (3) would eliminate the fifteen-year "life of the loan" repayment period for loans made under the FISL program. A similar amendment would be made for loans under the GSL program in Section 102(1) of this bill.

Paragraph (4) would modify the procedure for disbursing funds under the FISL program. Loan checks, payable to the student and institution as copayees, would be sent to the institution the student attends. For students attending foreign institutions and parent borrowers under the Auxiliary (PLUS) Loan program, loan checks would be made payable to the borrower and sent to the borrower. A notice of disbursement would be sent by the lender (or the Secretary) to the foreign institution or the student's institution in the United States. These amendments would significantly tighten up the current GSL delivery and information systems. The new policy would provide better assurance that loans are used for educational purposes, reduce the potential for aid duplication, and improve the availability of data on GSL recipients. Most

importantly, it would eliminate defaults and subsidization costs related to borrowers who fail to enroll after receiving the loan.

Section 102 would eliminate the fifteen-year "life of the loan" repayment period for loans made under the GSL program and would modify the procedures for disbursing GSLs under guarantee agency insurance in the same manner as described above for the FISL program. (Similarly, the guarantee agency could notify schools in the cases of foreign schools and parent borrowers.)

Section 103 would specify that independent fiscal and compliance audits of a guarantee agency must be conducted at least once every two years and submitted to the Secretary. The audits would be conducted in accordance with standards established by the Comptroller General. This subsection would also clarify the Secretary's authority to recover amounts, plus interest, determined by an audit to be owed to the Department.

Section 104 would provide that the six-year Federal statute of limitations for filing suit for collection of a loan would apply to guarantee agencies, if the period under State law is less than six years. If the applicable State limit is longer than six years, the State law would apply. The six-year period would begin to run when the default claim is paid by the guarantee agency. An additional six-year period (not limited by State law) would begin upon assignment of the defaulted loan by the guarantee agency to the Secretary. Since these loans are federally reinsured and subsidized, the Federal statute of limitation on recovery actions should be the minimum. This amendment would improve default recoveries and lower program costs. This section would also immunize a guarantee agency against a defense raised by any borrower based on a claim of infancy or based on the act or omission of an eligible institution or lender, if the guarantee agency did not have notice of that defense when it reimbursed the lender for its loss. A similar amendment in section 107 of this bill would make a corresponding change to protect the Federal Government against these defenses.

Section 105 would allow the Secretary to add reasonable collection costs to the default owed by a borrower under the Federal Insured Loan Program.

Section 106 would expand and modify the current requirement for exchanging information concerning students who have defaulted a loan with credit bureau organizations. Currently, the sharing of information on GSL defaulters with consumer credit bureaus is required only with respect to loans under direct Federal insurance—a small component of the program which is likely to be phased out entirely in the near future. The new provisions would authorize guarantee agencies, as well as the Secretary to enter into agreements with credit bureau organizations to exchange information on borrowers in default. Disclosure of information concerning default would be required only if the Secretary or the guarantee agency, as appropriate, determines that disclosure is necessary for the purposes of the FISL and GSL programs. In addition, notification of the default status of a student would be authorized to be sent to that student's current or most recently attended postsecondary institution. As in the case of disclosure to credit bureaus, disclosure to institutions would be permitted only if necessary to further the purpose of the program and students would be notified of these procedures. Privacy and other protections of borrowers in the current statute would be retained. This Section would also clarify the application of the seven year limitation on credit reports imposed by the Fair Credit Reporting Act to credit reports on defaulted student loans held by ED or a guarantee agency (if any). This will clarify that the 7 year period begins on the date the Department or guarantee agency acquires a GSL and will help in collection of older accounts.

Section 107 would immunize the Federal Government against a defense based on infancy or based on the act or omission of an eligible institution or lender, if the Secretary did not have notice of that defense when he reimbursed the lender. This provision is similar to the proposed protection for guarantee agencies under section 104 of this bill.

Section 108 would authorize the imposition of civil penalties against lenders and guarantee agencies similar to those currently authorized under section 487 of the Act against institutions which fail to follow Federal law or regulations.

Title II.—Title II of the bill would amend part E of title IV of the Act, relating to the National Direct Student Loans (NDSL) program as follows:

Section 201 would eliminate the requirement that a loan must be in default for two years before an institution may assign its rights to the United States. This section would also authorize the Secretary to require an institution with a record of poor collection performance to assign its rights to the United States. These amendments would provide needed flexibility to the Secretary in these areas.

Section 202 would clarify the seven year limitation on credit reports for defaulted NDSLs, similar to the change for GSLs.

Section 203 would add a new item to the list of loan information that an institution must provide to a student borrower—the potential inclusion of collection costs as part of the borrower's liability.

Section 204 would permit a participating postsecondary institution, at its option, to require endorsement for a loan made under the NDSL program. No change would be made to the rule that security may not be rquired on a loan. In addition, this section would delete the current limits on expenses reasonably incurred by the school in attempts to collect the loan. These changes are needed to reduce defaults and to reduce collection costs, thus increasing the availability of program funds for making new loans.

Section 205 would clarify the Secretary's authority to attempt to collect on an NDSL default by any means authorized by law for collecting claims of the United States.

Section 206 would eliminate the requirement that the Secretary attempt to collect loans assigned or referred until four years after the date of default. Instead, the Secretary would be given discretion to attempt to collect on loans until appropriate collection efforts have been expended. This amendment would recognize that on some accounts, closing out the account is sometimes more cost-effective than continued collection efforts.

Section 207 would add a new section to the Act governing the applicable statute of limitations under the NDSL program consistent with the amendment made in section 104 of this bill for the GSL program. This section would provide that the six-year statute of limitations for filing suit for collection on a loan made under the NDSL program would apply to an institution, if the period under State law is less than six-years. If the State law provides for a statute of limitations in excess of six-years, the State law would apply. The six-year period with respect to an institution's ability to sue would begin to run upon default. An additional six-year period would begin upon assignment or referral of a loan to the Secretary.

Title III.—Title III of the bill would amend part F of title IV of the Act, relating to general provisions for student assistance programs, as follows:

Section 301 would broaden a student eligibility requirement to provide that a student may not owe a refund on grants or be in default on any loan made under this title at any institution. Currently, the law provides only that a student in default or owing a refund may not receive further title IV financial aid for attendance at the same school. The defaulter may simply change schools, receive further loans and default again. This amendment would reduce program abuse, defaults, and collection costs. In addition, students would be required to provide their social security numbers as part of their statement of educational purpose.

Section 302 would impose the Federal six-year statute of limitations on refunds on title IV grants or work assistance where the applicable State limit would be shorter. This section would be shorter. This section would also provide that a borrower who has defaulted on a loan made under title IV would be liable for reasonable costs, regardless of contrary State law.

Section 303 would clarify that for NDSLs any interest earned on program funds be used solely for student assistance. This section would also provide greater specificity regarding audit requirements for postsecondary institutions and recoupement of funds with interest found to be owing due to audit determinations.

Title IV.—Section 401 of the bill would set the effective dates for amendments made by this bill as follows:

(a) The amendments relating to: (1) the authority permitting endorsement of loans made under the FISL and NDSL programs; (2) the revised procedures for disbursing funds under the FISL and the GSL program; and (3) collection costs requirements under the NDSL program would apply to loans made for periods of enrollment beginning on or after July 1, 1985.

(b) The remaining amendments to the GSL and NDSL programs, including loans made before the enactment of this Act, and would take effect 90 days after enactment.

(c) The amendments to the general student eligibility requirements would be applicable to grants, loans, or work assistance for any period of enrollment beginning on or after July 1, 1985.

(d) The new six-year statute of limitations on refunds due on grants made under title IV would be applicable to all grants, including grants awarded before the enactment of this Act, and would become effective 90 days after enactment.

(e) The clarifying amendment concerning the Secretary's recoupment authority would apply to all grants, loans, or work assistance, whenever made, and would become effective 90 days after enactment.●

● Mr. PELL. Mr. President, I am pleased to join the Senator from Indiana (Mr. QUAYLE) in introducing the Student Loan Collection Improvement Amendments of 1985.

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As my colleagues in this body are aware, I am a staunch advocate and defender of our Federal student aid programs. They have opened the doors of opportunity to literally millions of young men and women who otherwise would not have been able to afford a college education.

I am an equally staunch advocate and defender of measures to crack down on those who would misuse Federal student aid funds. The deadbeat who does not repay a student loan should be dealt with sternly. We must make sure that one who cheats the Federal Government suffers the consequences, and most certainly does not enjoy access to other Federal student aid funds.

I am proud of the provisions in current Federal law that I sponsored in 1980 to require that information on student defaulters be given to credit bureau organizations. I believed then and I believe just as strongly today that students who do not repay their guaranteed student loans should be exposed. If that results in their inability to obtain a credit card or receive an automobile loan, so be it.

While the Department of Education has substantially increased its collection efforts over the past two years, the sad truth is that the Federal Government is currently owed more than $2 billion in defaulted loans. It is encouraging that the default rate in the GSL Program has declined to 4.8 percent. Yet, accordingly to the American Bankers Association, that is still about double the default rate on small private loans. In the NDSL Program, however, the default rate continues at an alarming rate of 14.8 percent.

Clearly, there is a need to give stronger teeth to the collection tools available to the States and the Department of Education. The legislation we are introducing today would do just that. Our bill, for instance, would:

Require that GSL loan checks be made payable to both the student and the institution, a practice that would help keep track of students who take out loans but never attend the institution.

Expand the requirement for providing information on student defaulters to credit organizations to include State guarantee agencies, which now guarantee the large majority of student loans being made.

Eliminate the requirement in Federal law that a national direct student loan be in default 2 years before being assigned to the Department of Education for collection.

Require students to provide their Social Security number when applying for and receiving a guranteed loan.

Broaden student eligibility requirements to stipulate that a student must not owe a refund on grants or be in default at any institution. Current law provides only that a student in default or owing a refund may not receive further Federal aid for attendance at that same school.

Allow an institution to add collection costs to a borrower's liability, which under the provisions of the Fair Debt Collections Act could not exceed 25 percent of the default.

Mr. President, at the same time that we work to make sure that our Federal student aid programs are not crippled by severe funding cutbacks, we must also work to ensure that they are not crippled by abuse. Enactment of this legislation is vital if we are to protect the integrity of our student loan programs, and I urge my colleagues to support this important measure.●

Mr. HATCH. Mr. President, I rise in support of S. 491, the Student Loan Collection Improvement Amendments of 1985, which I am pleased to cosponsor with its principal author, Senator DAN QUAYLE. Moreover, Mr. President, I want to associate myself with the statement of the distinguished Senator from Indiana, and perhaps emphasize again some of the important reasons for this legislation so ably presented by Senator QUAYLE.

During the confirmation hearing for Secretary of Education, William Bennett, Dr. Bennett was asked to look into this problem of loan default and suggest means for safeguarding the public. It was pointed out that at the present time, there are over $40 billion in outstanding loan principal on the Guaranteed Student Loan [GSL] and the National Direct Student Loan [NDSL] Programs. While this is money loaned by lending institutions, the Federal Government is paying the interest on the loan while the student is in school, as well as during the payback period. Because the Federal Government guarantees payment on the loan principal, if the borrower defaults the Government must pay the balance on the loan.

Since about 11 percent of the loans are defaulted, it is reasonable to assume that the Government will pay out about $4.5 billion on the current outstanding loan principal, and then attempt to collect the money, plus interest, from the borrower who defaulted.

The bill being introduced is designed to reduce that default rate up front, by insuring that the recipient of a loan actually matriculates. The easiest way to do that is to make the loan payable to both the borrower and the enrolling institution. Unfortunately, students are presently able to get a loan without being required to enroll.

Also, at the present time a student can default on a loan made to attend a given institution, but obtain another loan to attend either the same, or some other institution. One of the carefully crafted provisions of this bill is a provision which broadens existing law to provide that any student in default on a loan or owing a refund on a grant would not be eligible for any further Federal aid.

Mr. President, this bill has been developed in close cooperation with the administration. It is an example of the type of harmony we all like to see exist between the executive and legislative branches of Government. It does not call for an approriation, but simply gives the Secretary of Education the tools the Secretary needs to make loan programs more cost effective.

I congratulate the Senator from Indiana, as well as his Labor and Human Resources Committee staff, and particularly Betsy Brand, for taking the lead on this very important piece of legislation, and I urge its expeditious consideration.

By Mr. BIDEN:

S. 492. A bill entitled the "Law Enforcement and Intelligence Officers Tort Liability Protection Act"; to the Committee on the Judiciary.

LAW ENFORCEMENT AND INTELLIGENCE OFFICERS TORT LIABILITY PROTECTION ACT

Mr. BIDEN. Mr. President, today I am again introducing legislation which will provide greater protection from civil liability for Federal law enforcement and investigative officers as they do their jobs. This bill will also expand the responsibility and liability of the Government to the victims of wrongful conduct. My bill has the support of the society of former special agents of the Federal Bureau of Investigation, Inc. and I look forward to it receiving careful consideration by my colleagues.

Ever since 1971 when the Supreme Court handed down its decision in the case of Bivens versus Six Unknown Named Narcotics Agents, the Department of Justice and several of us on the Judiciary Committee have been grappling with the difficult question of the scope of the Federal Government's liability for the acts of its law enforcement officials. In that case the Court decided that Congress never created a specific remedy in statute that the victim of an unconstitutional action by Federal law enforcement official has a cause of action against the official or agent in their personal capacity.

The Supreme Court decision does not affect the liability of the Government per se which is immune from suit through the doctrine of sovereign immunity. Of course Congress can waive the doctrine as it has for certain torts—for example, a postman running into a pedestrian—in the Federal Torts Claims Act. Congress has never amended the act to cover all the so-called constitutional torts covered by the Bivens case.

So the present state of the law creates the following rather anomalous

situation. The victim of an illegal or unconstitutional search can sue the agent for a violation of his fourth-amendment rights but cannot sue the Government itself pursuant to whose authority the search was conducted. The victim usually does not want to sue the agent because first the agent does not have the resources to pay the damages and furthermore there is a certain injustice in suing the agent who was probably acting pursuant to orders from a higher authority in the Government.

The solution satisfies no one. The victims do not have a defendant with resources to sue. The agents and their families are traumatized by the prospect of civil liability for any action they take and since the Government will not take responsibility for the agents, the agents have to carry huge liability insurance policies even after they leave Government service. The Government, in particular the law enforcement agencies, face severe morale problems among their employees so they have difficulty performing their functions.

A number of us on the Judiciary Committee and representatives of the Department of Justice worked last Congress to develop a scheme which would more equitably share the burden for this problem among the affected parties. One thing everybody working on this problem seemed to agree on was that it is unfair, especially in the law enforcement situation, for the agents themselves to have any liability, except perhaps in the most extreme situation. Therefore, all of the major proposals would create immunity for the agents themselves from any liability, except in the most extreme situation and shifted all the liability onto the Federal Government through amendments to the Federal Torts Claims Act. The disagreement occurred over the question of the scope of the Federal Government's liability for the acts of its agents when they violate the Constitution. I proposed a scheme for such liability for law enforcement violations of the Constitution which the Judiciary Committee endorsed in the 98th Congress.

In essence my proposal totally immunized Federal law enforcement officials from suit. But it also provides that the Government is liable for the costs of bodily injury and property damages, or liquidated damages of $1 to $2,000 whichever is greater uless the employee was not acting in good faith and the tort is a continuing tort such as wiretapping. Then the damages could be as much as $200 per day up to $75,000.

The Chief Justice in his concurring opinion in the Bivens case points out the necessary relationship between the torts claim problem and constitutional torts and the exclusionary rule. The purpose of the exclusionary rule is to provide some remedy by the citizen against the Government for violations of the Constitution by excluding illegally seized evidence. Of course the problem is that the exclusionary rule satisfies no one but the criminal and doesn't help the innocent victims of a law enforcement abuse. As the Chief Justice points out, if Congress would create a tort claims scheme as an alternative to the exclusionary rule then it might be possible to modify the rule itself.

Therefore, once again, we seem to be at an impasse on an issue of tremendous importance to the law enforcement and investigative and civil liberties community. The tragedy is there really is no need for the continued intransigence of both sides. Indeed if the law enforcement and investigative officers and their families on the one hand and the victims of government abuses on the other were to fashion a remedy, I firmly believe they would agree on something like my bill.

Mr. President, we cannot delay any further the passage of legislation needed to provide greater protection from civil liability for DEA, FBI and investigative officers and victims of law enforcement mistakes, especially after we in the Judiciary Committee agree on this aspect of the problem. The fact that the Justice Department last year dragged their feet and said they could only support legislation that went across-the-board and included all Government agencies in addition to law enforcement and investigative agencies, should not be reason for us again to delay action on this legislation. As we learned in the 98th Congress when we passed the most encompassing crime reform legislation in 30 years, we should agree on what we agree to now, and save the areas of disagreement for later negotiations.

To be specific, I want to take care of DEA, FBI and investigative officers and victims of law enforcement and investigative mistakes and frivilous law suits now since we've worked out a scheme for resolving those problems. Quite frankly, I don't understand why this administration would want to place greater limitations upon the ability of a small businessman to recover from the Federal Government for the actions of an abusive OSHA or EECO inspector. I propose that we take care of the FBI, DEA, and CIA problems today and leave the OSHA and EEOC-type problems for later. That's exactly what my bill would do.

I might add in conclusion that this bill is not perfect even on the law enforcement issue. I would like to see some more equitable arrangement for damages and attorney's fees established. But I intend to continue to pursue this issue as we consider the bill. I respectfully suggest to Senator GRASSLEY and the Department of Justice that this draft would be a good place to begin in the Judiciary Committee on this long overdue reform.

By Mr. LAUTENBERG:

S. 493. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to the Committee on Environment and Public Works.

SUPERFUND EXTENSION AND IMPROVEMENT ACT

● Mr. LAUTENBERG. Mr. President, today I am introducing the Superfund Extension and Improvement Act of 1985. The bill recommends that the Superfund Program be funded at $10 billion over the next 5 years. It makes important additions to the current program—additions that will make the program more responsive to the needs of our citizens.

Tomorrow the administration will unveil its proposal for Superfund reauthorization. The President's budget recommended a funding level of $900 million for fiscal year 1986 and estimated that the program's needs would be approximately $1.1 billion per year in the following 5 years. His recommendation for funding Superfund is therefore $5.5 billion over the next 5 years, a sum sorely inadequate to fund the current program, and certainly not adequate to fund the expended program supported by the Environment and Public Works Committee.

Mr. President, the cleanup of abandoned toxic waste sites is a top priority for New Jersey. In no other State is the Superfund Program more important. Fully 95 of the 786 sites on the National Priority List for cleanup are in New Jersey. The most dangerous site in the country, the Lipari landfill, is located in the suburbs of Camden. There is not one county in New Jersey free of sites which threaten human health and the surrounding environment.

Not one site in New Jersey has been cleaned up. Cleanup work has begun on only 11 of the 95 sites in New Jersey. Thirty of the 87 sites have not even had feasibility studies conducted on them. New Jersey needs a bigger, faster paced Superfund Program.

In my State, and around the Nation, the Government is losing its credibility and the public is understandably frustrated and angry. There is just not enough money in the Superfund to make a dent in the problem.

At one site in my State, Bridgeport Oil and Rental Services, which is number 35 on the cleanup list, EPA recently approved a cleanup with great fanfare. The amount approved for cleanup—$57 million—is the largest amount ever approved for a Superfund project. It was heralded by the EPA as a landmark accomplishment.

However, Mr. President, the next thing the people in Gloucester County and New Jersey will learn, is that the $57 million is just not there. The

agency has only been able to obligate $5 million to that cleanup. There is a discrepancy between illusion and reality of over $50 million. So, although EPA has investigated the site, planned remedial action, approved those plans, and given the go-ahead for a $57 million cleanup there, the money is not available to carry it out.

It is time to move faster, to rid our environment of the toxics that are poisoning our land and water, and threatening our citizens. That is why I introduced this bill today.

Mr. President, the core of this bill is the legislation that was overwhelmingly approved by the Environment and Public Works Committee last fall. It differs from that proposal by providing for a higher level of funding, mandatory schedules for listing and cleanup of sites on the National Priority List, and a transportation incident computer response system. In addition, the bill includes a Victims Compensation Pilot Program, which was sponsored in committee by Senator MITCHELL last year. Senator MITCHELL intends to offer a similar proposal next week when the committee takes up its consideration of Superfund, and it is likely that the shape of the victim's compensation provision will change as a result of committee deliberations.

Mr. President, the main provisions of the bill are as follows:

A requirement that EPA provide household, not simply drinking water, when contaminated water supplies are replaced by the Agency.

A cost credit provision that would allow a State to spend its own money to conduct early cleanup at Superfund sites with the assurance that it will be reimbursed by the fund later for authorized expenditures.

An extension of the statute of limitations for the Natural Resources Damage Claims provision of the bill, which expired in December.

A requirement that the Agency consider long-term costs, often associated with operation and maintenance of sites, in selecting cleanup remedies. EPA is instructed to completely remove waste, to the extent practicable, and, in all cases, to achieve a degree of cleanup that is protective of public health and the environment. Treatment is to be preferred over disposal of wastes that are removed from the Superfund sites or during emergency removals. In addition, it requires the Agency to clean up contaminated groundwater and surface water as part of remedial action.

Provisions to strengthen the health provisions of the current program that require that health assessments be done at every National Priority List site. Two hundred toxic substances are to be listed for review, and more toxicological profiles are to be conducted.

An increase in the role of the public by involving citizens in the cleanup planning process and giving them the right to sue when there is imminent and substantial endangerment of public health. In addition, citizens can sue to force the EPA to carry out nondiscretionary duties.

A victim's compensation proposal that would authorize $30 million per year for pilot programs in five States to be selected by the Administrator. This is a start at addressing the serious problems faced by victims of exposure to toxic substances.

Establishment of a schedule for EPA for listing sites on the National Priority List, initiating studies, initiating site cleanup, and, if cleanup is not completed in 5 years, requiring an explanation in the Federal Register.

Mr. President, the long-awaited studies mandated by Superfund were issued in December. They confirm that we cannot afford to delay the expansion and acceleration of the Superfund program. No longer can anyone dispute that the time for study has ended. The major findings of the studies are persuasive. EPA expects that over 2,000 sites will be listed on the National Priority List. Another 22,000 sites are candidates for the NPL. If these sites are added at the current ratio of one to every six, the list may grow to 3,700 to 4,200 sites. These figures could be substantially increased as more active hazardous waste facilities, municipal and industrial landfills, mining waste sites, leaking underground storages tanks and sites contaminated by radioactive wastes and pesticides become eligible for Superfund action. More than half of the 25 most commonly found substances at Superfund sites are known or suspected carcinogens, and substances from over 75 percent of these sites have infiltrated into ground water sources.

It is our responsibility to give EPA the direction and resources to effectively mitigate the dangers these toxics present. There is no question that the job is a very large one, and that significant resources will be needed to make the Superfund an effective program. EPA estimates that the average cost of cleaning up an abandoned waste site is over $8 million. This figure does not take into account inflation, deteriorating conditions at many abandoned waste sites, compensation for damages to natural resources, and, of critical importance to the State of New Jersey, the long-term costs of maintaining cleaned up sites. The choice made between completely cleaning up sites, or simply containing wastes, will also influence cleanup costs.

Given these assumptions, EPA estimates that the cleanup of the first 1,800 Superfund sites will cost between $11.7 billion and $22.7 billion. This range reflects the assumption that responsible parties will contribute 50 percent of the cleanup costs in calculating the $11.7 billion figure and 40 percent calculating the $22.7 billion figure. Recovery from responsible parties has been about 25 percent, a much lower figure.

Clearly, the program will have to be funded at a level far higher than the original $1.6 billion. Last year, the Senate Environment and Public Works Committee recommended a funding level of $7.5 billion over the next 5 years. The House of Representatives approved a funding level of $10.2 billion. To adequately fund this vital public health program, the Congress will have to increase Superfund resources significantly.

Mr. President, this bill does not contain a title specifying how the necessary revenues will be raised. But, it does provide for a funding level of $10 billion. This is based on the need for timely and effective response to the sites on the national list and for emergency removals. It does not make a recommendation for how the funds should be raised. It is my view that the taxing base needs to be broadened to include new sources of revenue. I look forward to working with the members of the Finance Committee and the Senate as a whole on methods for funding this critical program.

Mr. President, it is my hope that Superfund reauthorization will be put on the top of our agenda in the Congress. The September expiration date is approaching all too rapidly. The people of this country deserve our expeditious action on this program that touches the lives—the health and safety—of millions of Americans.●

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. DODD, Mr. EAST, and Mr. PELL):

S.J. Res. 59. Joint resolution to designate National Science Week; to the Committee on the Judiciary.

NATIONAL SCIENCE WEEK

● Mr. HATCH. Mr. President, our world is in an age of ever-expanding technology. It is an age in which it is increasingly important for all of us to possess the knowledge and skills which give us access and control over these remarkable advances. We must comprehend the technology that has so dramatically changed our lives. We must capture its potential for the future.

I, along with my ranking colleague, Senator KENNEDY, am pleased to participate in a grand national project to celebrate America's past scientific and technical achievements as well as to inspire greater awareness of the need to increase our own understanding, especially that of our youth. The overwhelming support of the Congress in the enactment of the Education for Economic Security Act of 1984 demon-

strates our continuing concern that our young people be able to grasp basic scientific and mathematical concepts as well as language, spelling, and history.

Our youth will become the teachers, astronauts, computer scientists, and biologists of the future. When we in the Senate have retired to our favorite fishing holes, our children and grandchildren will be developing medicines, manufacturing techniques, and new products of which we have never dreamed—clearly proving that science is, as Vannevar Bush termed it, "the endless frontier."

Our American business sector recognizes this also. Four corporations have joined the National Science Foundation in the sponsorship of National Science Week and its activities: DuPont, IBM, Eastman-Kodak, and General Electric. These businesses, along with many of our Nation's most prestigious scientific associations will be joining with schools and communities all over America to develop special programs, exhibits, and other observances during National Science Week. While there may not be a coast-to-coast torch relay to light the Olympic flame, the light of knowledge enthusiastically passing among individuals and to new generations can be just as exciting. The euphoria will be long-lasting.

I invite all Senators to join Senator KENNEDY and me as cosponsors of this joint resolution, being sponsored by Representatives DON FUQUA and MANUAL LUJAN in the House, and as participants in this national salute to science.●

By Mr. NUNN (for himself, Mr. HEINZ, Mr. CHILES, Mr. DOMENICI, Mr. PRYOR, Mr. ABDNOR, Mr. BRADLEY, Mr. SYMMS, Mr. DODD, Mr. ROTH, Mr. HOLLINGS, Mr. HELMS, Mr. SARBANES, Mr. MCCLURE, Mr. BOREN, Mr. LUGAR, Mr. MOYNIHAN, Mr. LONG, Mr. STENNIS, and Mr. LAUTENBERG):

S.J. Res. 60. Joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week"; to the Committee on the Judiciary.

SENIOR CENTER WEEK

● Mr. NUNN. Mr. President, I am pleased to offer today, along with 19 cosponsors, a Senate joint resolution designating the week of May 12 through May 18, 1985, as "Senior Center Week."

In 1943, the first senior center opened in New York City as a place where older persons could meet and associate on a neighborly basis. Since that time, the senior center movement has evolved and spread so that there are now more than 8,000 centers located in communities across the entire Nation. The senior center of 1985 certainly differs from the original Hodson Community Center in New York, but the development of a sense of community among older persons is still a vital part of the senior center concept.

A senior center is defined as a place where older Americans can come together for services and activities which enhance their dignity, support their independence, and encourage their involvement in the community. In more vivid terms, a senior center is a place to socialize, to paint or create, to monitor health, to have a good meal, to discuss good books, to hear good music, and to learn about volunteer and employment opportunities. In addition, a center serves as a resource for information on aging, for training professional and lay leadership and for developing new approaches to aging programs.

Funds for senior centers come from a variety of sources—memberships, private contributions, and a variety of public sources at the city, county, State, and Federal levels. Civic and political leaders support senior centers because they clearly exhibit the community's interest in improving the lives of its older citizens. Federal funds, through the Older Americans Act, support senior centers in variety of important ways.

The national theme of Senior Center Week this year is "Senior Centers Are Wellness Centers," and communities across the country will celebrate the significant role of centers in promoting the physical and emotional well-being of older persons. By improving nutrition, monitoring physical health needs, and encouraging a sense of self-worth, senior centers enhance the quality of life of older persons. In many instances, services and activities at senior centers reduce the need to place the more frail older persons in institutions.

I am honored to sponsor this joint resolution to recognize the important place that senior centers have in a community, and I commend the dedicated staff and volunteers for their day-to-day efforts to promote the health and vitality of older Americans. I urge my colleagues to support this joint resolution for "Senior Center Week."●

● Mr. HEINZ. Mr. President, I am pleased to join my colleague from Georgia, Senator NUNN in cosponsoring a Senate joint resolution designating the week of May 12 to be "Senior Center Week."

Mr. President, traditionally, May of each year is designated as Older Americans Month. It is a month set aside to acknowledge and honor older persons for their valuable contributions to our Nation. Older Americans Month is celebrated across the country by senior citizen organizations, local governments, and other community groups. Senior Center Week will illustrate that communities and older citizens are increasingly accepting senior centers as the primary source in the community for meeting the social as well as the service needs of the older person.

Today, local communities support over 8,000 centers operating across our Nation. Senior center programs serve over 5 million older persons and range from small programs in church halls to extensive multipurpose centers offering services from nutrition and counseling to information on employment and community service opportunities for older persons. Whatever their size or scope, all senior centers have one thing in common—their programs provide services and activities which enhance and, in many cases, extend the quality of life of older persons.

Congress recognized the value of senior centers when it established a separate program under the Older Americans Act to develop multipurpose senior centers as a place where older persons could receive a variety of services, such as health and legal services, under one roof. This program continues today under the auspices of title III-B of the Older Americans Act. As chairman of the Senate Special Committee on Aging, I will work to ensure that senior centers remain a highly visible part of the Older Americans Act.

The theme of this year's Older American's Month is "Senior Centers Are Wellness Centers." Senior Center Week will provide an opportunity to call attention to the creative ways in which centers across the country are responding to the needs of older persons who are more frail and more dependent than their ablebodied counterparts. The work senior centers do complements, in a very real sense, our efforts to promote alternatives to institutionalization for older persons. These centers supply the health promotion and prevention services which are so critical to those older persons who need only a small amount of help in order to remain active and independent. Mr. President, I am proud to sponsor this joint resolution on senior centers to promote the recognition they so richly deserve.●

ADDITIONAL COSPONSORS

S. 46

At the request of Mr. HELMS, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 46, a bill to amend the Civil Rights Act to protect the lives of unborn human beings.

S. 49

At the request of Mr. MCCLURE, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from

Wisconsin [Mr. PROXMIRE], the Senator from New Hampshire [Mr. RUDMAN], the Senator from North Dakota [Mr. BURDICK], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], the Senator from Wyoming [Mr. WALLOP], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Oklahoma [Mr. BOREN], the Senator from Wisconsin [Mr. KASTEN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Arizona [Mr. GOLDWATER], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

S. 68

At the request of Mr. PRYOR, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Mr. SARBANES], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of S. 68, a bill to prohibit the use of appropriated funds for the production of lethal binary chemical weapons; to express the sense of the Congress on achieving an international agreement to ban the production and stockpiling of chemical weapons; and to express the further sense of the Congress encouraging the improvement of defenses against the effects of the use of chemical weapons on the Armed Forces of the United States.

S. 104

At the request of Mr. THURMOND, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor-piercing bullets.

S. 198

At the request of Mr. BENTSEN, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 198, a bill for the relief of Li Cunxin.

S. 203

At the request of Mr. DIXON, the names of the Senator from Nebraska [Mr. ZORINSKY] and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 203, a bill to provide a one-time amnesty from criminal and civil tax penalties and 50 percent of the interest penalty owed for certain taxpayers who pay previous underpayments of Federal tax during the amnesty period, to amend the Internal Revenue Code of 1954 to increase by 50 percent all criminal and civil tax penalties, and for other purposes.

S. 233

At the request of Mr. D'AMATO, the names of the Senator from Washington [Mr. GORTON], the Senator from Michigan [Mr. RIEGLE], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 234

At the request of Mr. ROTH, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 234, a bill to amend the Tariff Act of 1930 to make the trade laws more equitable and to expand trade.

S. 260

At the request of Mr. HEINZ, the names of the Senator from Connecticut [Mr. WEICKER], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such Code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 281

At the request of Mr. PRYOR, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from South Carolina [Mr. THURMOND], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 299

At the request of Mr. CHILES, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 299, a bill to provide for the release of interstate construction and interstate substitution funds.

S. 341

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 341, a bill to amend section 552(a)(4)(F) of title 5 of the United States Code, and for other purposes.

S. 366

At the request of Mr. ABDNOR, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 366, a bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

S. 377

At the request of Mr. DECONCINI, the names of the Senator from New York [Mr. MOYNIHAN], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 382

At the request of Mr. BUMPERS, the name of the Senator from Mississippi [Mr. STENNIS] was added as a cosponsor of S. 382, a bill to amend the Consolidated Farm and Rural Development Act relating to the standard of eligibility for water and waste facility grants.

S. 412

At the request of Mr. GOLDWATER, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 412, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 415

At the request of Mr. WEICKER, the names of the Senator from Utah [Mr. HATCH], the Senator from California [Mr. CRANSTON], the Senator from Maryland [Mr. SARBANES], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 415, a bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination.

S. 423

At the request of Mr. KASTEN, the names of the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from Missouri [Mr. DANFORTH], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Colorado [Mr. HART], the Senator from Illinois [Mr. SIMON], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 423, a bill to make available supplemental appropriations for the fiscal year ending September 30, 1985, to meet famine relief requirements of sub-Saharan Africa, and for other purposes.

S. 434

At the request of Mr. D'AMATO, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 440

At the request of Mr. TRIBLE, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 440, a bill to amend title 18, United States Code, to create an offense for the use for fraudulent or other illegal purposes of any computer owned or operated by certain financial institutions and entities affecting interstate commerce.

S. 452

At the request of Mr. BRADLEY, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 452, a bill to enact the Gifted and Talented Children's Education Act.

S. 467

At the request of Mr. ROTH, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from Texas [Mr. GRAMM], the Senator from New Mexico [Mr. DOMENICI], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 467, a bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases.

SENATE JOINT RESOLUTION 16

At the request of Mr. PRESSLER, the names of the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 16, a joint resolution expressing support for the Rural Electrification Administration.

SENATE JOINT RESOLUTION 24

At the request of Mr. BRADLEY, the names of the Senator from Louisiana [Mr. JOHNSTON] the Senator from South Dakota [Mr. ABDNOR], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. BURDICK], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Oklahoma [Mr. BOREN], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 24, a joint resolution to designate the month of October 1985 as "National Make-A-Wish Month."

SENATE JOINT RESOLUTION 33

At the request of Mr. MATTINGLY, the names of the Senator from California [Mr. WILSON] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 33, a joint resolution to authorize and request the President to designate May 12, 1985, to June 16, 1985, as "Family Reunion Month."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Dakota [Mr. ANDREWS], the Senator from South Carolina [Mr. THURMOND], the Senator from Massachusetts [Mr. KERRY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Tennessee [Mr. GORE], the Senator from Virginia [Mr. WARNER], the Senator from Idaho [Mr. SYMMS], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Joint Resolution 38, a joint resolution authorizing and requesting the President to designate the week of March 10 through March 16, 1985, as "National Employ the Older Worker Week."

SENATE JOINT RESOLUTION 48

At the request of Mr. LEVIN, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Massachusetts [Mr. KERRY], the Senator from Iowa [Mr. GRASSLEY], the Senator from Tennessee [Mr. GORE], the Senator from Oregon [Mr. HATFIELD], the Senator from South Carolina [Mr. THURMOND], the Senator from Utah [Mr. HATCH], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 48, a joint resolution to designate the year of 1986 as the "Year of the Teacher."

SENATE JOINT RESOLUTION 51

At the request of Mr. HATCH, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of Senate Joint Resolution 51, a joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week."

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. HEINZ, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Massachusetts [Mr. KERRY], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care.

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the names of the Senator from Indiana [Mr. QUAYLE], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. STENNIS], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. MELCHER, the names of the Senator from Montana [Mr. BAUCUS], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Concurrent Resolution 17, a concurrent resolution relating to discount interest rates for distressed agricultural lenders.

SENATE RESOLUTION 29

At the request of Mr. BYRD, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Resolution 29, a resolution to improve Senate procedures.

SENATE RESOLUTION 62

At the request of Mr. BRADLEY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from New York [Mr. MOYNIHAN], the Senator from North Dakota [Mr. BURDICK], the Senator from Illinois [Mr. SIMON], the Senator from Hawaii [Mr. INOUYE], the Senator from Maryland [Mr. SARBANES], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Resolution 62, a resolution to oppose cuts in education programs.

SENATE RESOLUTION 65

At the request of Mr. BUMPERS, the names of the Senator from Vermont [Mr. LEAHY], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Resolution 65, a resolution commending the Soil Conservation Service.

SENATE RESOLUTION 66

At the request of Mr. COHEN, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Alaska [Mr. STEVENS], the Senator from Iowa [Mr. GRASSLEY], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Virginia [Mr. WARNER], the Senator from New York [Mr. D'AMATO], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Resolution 66, a resolution expressing the sense of the Senate with respect to certain matters involving the Government of New Zealand and the United States.

SENATE RESOLUTION 73—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. LUGAR, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 73

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 457, a bill to authorize appropriations to provide assistance for famine relief, rehabilitation, recovery and refugee assistance in Africa. Such waiver is necessary to allow the authorization of an appropriation of $175,000,000 to meet the needs of those in Africa suffering from food supply problems due to drought and other calamities.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by the May 15, 1984, deadline because the extent of the food supply emergency was not known at that time.

The effect of not considering this authorization would be to deny life sustaining and lifesaving supplies to large numbers of starving Africans.

NOTICES OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Friday, February 22, 1985, at 11 a.m., in room 608 of the Dirksen Senate Office Building. Witnesses will be Robert D. Kilpatrick, Business Roundtable; Roger Molander, president, Roosevelt Center; Donald C. Platten, CED; Gov. Richard A. Snelling, Proposition One.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Friday, February 22, 1985, at 2 p.m., in room 608 of the Dirksen Senate Office Building. Witnesses will be Dr. John Albertine, American Business Conference; John Sloan, National Federation of Independent Business; Mr. Van Smith; U.S. Chamber of Commerce.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee hearing scheduled for February 25, 1985, at 9:30 a.m. on S. 408, a bill to authorize funding for the Small Business Administration for fiscal years 1986 through 1988, has been postponed until further notice.

Mr. President, I would like to announce that the Senate Small Business Committee's Subcommittee on Family Farm, will hold a hearing on February 27, 1985, at 10 a.m. in room 428A Senate Russell Office Building, on farm credit problems and their impact on agricultural banks and agribusinesses. Senator PRESSLER will chair the hearing. For further information, please contact Mike Haynes of the committee staff at 224-8487.

Mr. President, I would like to announce that the Senate Small Business Committee will hold a field hearing on March 4, 1985, on the impact of tax reform and simplification proposals. The hearing will begin at 10 a.m. in the Ceremonial Courtroom, room 2525 of the Dirksen Federal Building, Chicago, IL. Senator DIXON will chair the hearing. For further information, please contact Stewart Hudson of the committee staff at 224-0840.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, February 21, at 11 a.m., in executive session with the British Secretary of State for Defense, Michael Heseltine, to discuss security issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Investigations, of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, February 21, 1985, at 10 a.m., to hold a hearing on child pronography.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PREPAREDNESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Preparedness, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, February 21, 1985, at 2 p.m., to receive testimony on Department of Defense; readiness, operations, and maintenance.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC DEFENSE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Defense of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, February 21, 1985, to hold a hearing on the Strategic Defense Initiative.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 21, in closed session, to receive testimony regarding the fiscal year 1986 intelligence budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, February 21, at 10 a.m., to hold a hearing on the National Highway Traffic Safety Administration Reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 21, at 10 a.m., to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CALL TO CONSCIENCE

● Mr. MITCHELL. Mr. President, I am pleased to join today with many of my colleagues by participating in the Congressional Call to Conscience. The Call to Conscience, in conjunction with the Union of Councils for Soviet Jewry, seeks to draw attention to the problems of Soviet Jews and others experiencing oppression in the Soviet Union.

On February 3, 1985, a French Jewish philosopher and a French journalist were placed under house arrest by Soviet authorities in Kiev. The two were held in their hotel for several days pending an investigation regarding alleged subversive activities.

Charges against them included meeting with a Jewish refusenik and providing him with written materials. While being detained the two were threatened with the possibility of 3-year prison sentences or immediate expulsion.

This is but one recent example of the Soviet Union's attitude toward and willingness to abide by such agreements as the International Declaration of Human Rights and the Helsinki Final Act. The Soviet Union signed each of these agreements. They agreed to uphold the rights guaranteed by them. And yet this is how they respond.

In the end of course, and despite this harsh treatment, these two French citizens shall be allowed to leave. The same cannot be said for Soviet Jews—for whom the freedom to leave never comes and the harsh treatment never ends.

Jewish emigration—protected by both the International Declaration and the Helsinki accords—amounted to fewer than 1,000 individuals last year. This represents a truly dramatic decline in Jewish emigration—from 51,320 in 1979 to just 896 in 1984. And it means that the Soviet Union has virtually closed its borders where Soviet Jewish citizens are concerned.

The refusal to allow its people to leave their country is a characteristic the Soviet state shares with the Czarist regime it overthrew. Russians have never enjoyed freedom of movement. But under the Soviets, what had been a very porous border has become virtually airtight.

Restriction of the freedom of movement has become a major element of Soviet rule. The liberty to travel abroad is held out to Soviet citizens as a reward for good behavior. And the punishments inflicted on those who seek to leave of their own free will serve to underline that all citizens' rights are enjoyed only at the sufferance of the Soviet state.

Application to leave the Soviet Union entails immediate loss of work, dismissal from professional organizations, revocation of academic degrees, police surveillance, arbitrary search of homes, revocation of residence, and the threat of physical assault by goon squads sanctioned by the official police apparatus.

Despite all this, there are still tens of thousands who apply to emigrate from the Soviet Union.

Officially sanctioned antisemitism is another feature of Czarist Russia which remains alive in the U.S.S.R.

Jews are the only Soviet citizens identified by religion-ethnic background in their compulsory internal passports. Articles in official newspapers identify wrongdoers by Jewish surnames. Teachers of Hebrew are harassed. Jewish cultural seminars are broken up. The number of Jewish students in postsecondary educational institutions has fallen precipitously in the last decade. And as the February 3 incident demonstrates, Jewish visitors or contacts with Jewish citizens by foreigners are harassed.

For long-time "refuseniks," who have been denied permission to leave since the mid-1970's, and have endured such hardships for years, the current drying up of emigration permits is a particularly cruel blow.

And there is the distinct danger that it may also presage an effort to eliminate all dissent.

During the 1970's political and intellectual dissent was effectively suppressed. The exile of Alexandr Solzhenitsyn and the jailing of the Helsinki Watch group accomplished that. Today, the only substantial remnant of dissent is represented by Soviet Jews seeking the right to emigrate. And because Jewish emigrants constitute the largest remaining discrete group of dissidents, repression falls most heavily on them.

The inability to emigrate and subjection to officially sanctioned antisemitism make life for Soviet Jews oppressive and bleak. Basic notions of human rights that we take for granted in the United States are simply absent in the Soviet Union.

The Soviet view of human rights diverges from ours. It is clear, for instance, that the Soviets regard Jewish emigrants as a bargaining chip in relations with the United States, a repugnant use of human lives and human fears. But if, by taking advantage of the Soviet view, we can shorten the ordeal of any human being, we should do so.

In the long term, the Soviet Union must come to recognize that our concern about human rights springs, not from an anti-Soviet political animus, but form the same foundations that underlie all our political and cultural traditions.

For that reason it is imperative for all people, Jewish and gentile alike, to understand what is meant by the "plight of Soviet Jewry" and to recognize that it is a threat to all human rights.●

GOVERNMENT PRODUCTIVITY

● Mr. DURENBERGER. Mr. President, last fall Lew Lehr, chairman and chief executive officer of the 3M Corp., addressed NASA's symposium on productivity and quality. An outline of his address was recently published in the January edition of Government Executive magazine.

Lew took that opportunity to discuss his management philosophy at 3M which through the years has made his company such fertile ground for product innovation. He advised managers not to stifle innovation but to reward those with ideas that work but not punish those whose ideas fail. By providing employees room to think, solve problems, and produce, you will soon see the sparks fly.

I ask that the text of the Government Executive article be printed in the RECORD. I also urge my colleagues to take a few minutes to read Lew Lehr's advice.

The article follows:

STRATEGIES FOR IMPROVING OPERATIONS: THE VIEW FROM 3M—

SOME PRACTICAL STEPS TO INSPIRE PUBLIC SECTOR INNOVATION

During the question-and-answer session following his speech to NASA's Symposium on Productivity and Quality late last September, 3M Chairman and Chief Executive Officer Lew Lehr made several key additional points. Among them:

Asked how he could be sure innovation would be a routine practice in the products 3M makes and markets, he said, "Every (3M) Division knows our fundamental rule is 25% of each Division's sales in a given year must come from products introduced within the last five years."

Asked how he overcomes the "usual" reaction of "middle management to squelch and resist innovators," to defend "the old ways and middle management's turfdom," he acknowledged that's a major potential obstacle to revitalizing an organization.

"How do I overcome it? One way is for top management to have an open-door policy," make sure all the organization's employees know the "front office" will welcome visits and new ideas from anybody on the payroll. Another tool, which he also covered in his speech (see below), is to have a dual-ladder career development program, i.e., the standard career path for those who want to gain a management role in the company and a parallel one, up through at least the supervisory level, where "innovators move up with equal 'perks' to the managers but without the management responsibility."

Lehr also pointed out that, proud as he is of his organization's innovative talents, 3M still has a way to go to get all members of the corporate culture involved. Said he, "In a survey we did recently in 3M, we learned that half our people think 'innovation' is to be done only by the technical people."

During his more formal speech, the 600-person audience of senior company and Federal executives reacted strongest (cheers and prolonged applause) when he asked, "What would happen if the people responsible for drafting regulations in an Agency had to spend one day a month, out in the field, helping people fill out the forms and meet the requirements?" Herewith, the highlights of his talk:

Most organizations begin with a small group of people, people who have a strong drive for success. They build a team. There is no motivation problem, no communication problem. People deal with each other face-to-face. But when it's successful, if it is, the organization begins to grow. Things change. Informal give-and-take loses out to a preoccupation with policy and control.

New challenges and new ideas are walled off into separate compartments and surrounded by specialists, almost as if they were some kind of dangerous infection. Boundaries emerge. "Turf" becomes all-important. Instead of designing for success, management begins to design against error. Opportunities become seen as threats.

The unusual idea is seen as an impossible puzzle. Management starts trying to channel thinking rather than to challenge thinking. It's a problem that cuts across the public and private sectors. It affects our corporations, our Government agencies, our great universities, virtually every organization of any size.

Is this hardening of an organization's arteries inevitable? I don't believe so. Management can turn it around, slow down the process—even prevent a good deal of it from happening in the first place. Let me suggest at the outset that we not become too entangled in discussions of organizational structures; in debates about the architecture of companies and Agencies, about personnel policies, project-review policies.

These are bound to differ in every organization. And, frankly, I don't believe they matter all that much. What matters is that we understand something about the process of innovation, itself. To me, that means understanding, first, who the innovators are and what they need from us. And, second, where innovation is likely to come from in an organization.

WHO ARE THE INNOVATORS?

Why focus on the innovators themselves? If you read the bestseller, In Search of Excellence, you may remember a story about Texas Instruments. Some time ago, the company surveyed its last fifty or so successful and unsuccessful new-product introductions. They found one factor that marked very single failure.

Without exception, every failed product lacked a zealous volunteer champion. In short, it lacked an innovator with the vision and drive to bring the product all the way from the drawing boards to the market place. As one Texas Instruments executive put it: "When we take a look at a product and decide whether to push it or not these days, we've got a new set of criteria. Number one is the presence of a zealous volunteer champion. After that, a distant second and third, come market potential and product economics."

Zealous volunteer champions, innovators. Quite simply, they are the key to renewal in an organization. And we don't even need to look for them. They'll find us if we let them. But innovators are not easy to manage. Very few organizations are set up to handle them. First, we need to understand how they think and what they want.

Then we can worry about changing structure and policy and rules.

What are they like, these innovators? Gifford Pinchot, a management consultant who specializes in the study of innovation, calls them "visionaries." By that he means something quite specific. Innovators, he says, are people with the ability to make an extraordinarily clear mental model of the way things are going to be. And then they act upon that vision.

A saying popular among marathon runners is that the edge between real competitors and also-rans is the ability to picture yourself crossing the finish line. Apparently there are many runners who simply cannot see themselves crossing that line. And they are the losers. (The most successful professional golfers believe the same thing.)

But if innovators are visionaries, they are not dreamers. They spend a lot of time looking at potential obstacles and thinking about how to get around them. They work until their vision is clear and complete in their minds. What does all this mean for managers? It means that innovators are driven, driven by their own visions. They march to their own drummers. And quite often, they march across boundaries, onto someone else's turf—and straight into trouble.

In a sense, innovation is as much a political process as a technical process. And it is the manager's job to smooth the way, to protect the innovators and get them what they need. Some innovators are quite adept at finding their way through the political shrubbery of the organizations. Others are not. And that's where the manager has to step in.

One essential step in renewing an organization is to set up a system for the care and feeding of innovators. They need three things. One: they need a sponsor high enough in the organization to have some clout. Two: they need proper rewards. Three: they need to know what will happen to them if they fail.

First, sponsors. We have found at 3M that successful projects very often have a sponsor, or protector, somewhere fairly high in the organization. Someone has to help the innovator gain access to the resources he needs. Above all, someone has to be there to protect a project when it falters, as it probably will.

Acting as a sponsor for an untried project is no picnic. Most sponsors, I believe, tend to bet on people rather than on the merits of a specific product or service. We have a saying at 3M that, "The captain bites his tongue until it bleeds"—which is another way of saying that, once a sponsor makes his bet on someone, he has to keep his hands off the project. The first virtue of a sponsor is faith. The second virtue is patience. And the third virtue is the ability to recognize whether a problem is temporary or terminal.

The way to plant those seeds of innovation in top managers is to make sponsoring an explicit part of their job descriptions. And to ask the managers, at the yearly appraisals of their work, how many new projects they have under their wings—and the potential payoff is the first issue about those projects that should be discussed, not the economics of them.

The second thing an innovator needs is a proper reward. We all do. But with the true innovator, the problem of rewards can be sticky. Most true innovators seem to find their major satisfaction in seeing their visions turn into concrete reality.

In his book, The Soul of a New Machine, Tracy Kidder follows the development of a new computer at Data General Corporation. At one point, Kidder asks one of the young engineers what's in it for his team. The engineer replied: "It's like pinball. If you win, you get to do it again."

So an important reward of the innovator is the "pinball reward," the freedom to do it again. This may not be quite as easy as it sounds. The career track in many organizations leads a successful innovator straight into a management job that he may neither want nor be very good at. And if you are ranked in an organization only by the number of people you supervise, what management will get is not innovation but empires.

Of course, there are many innovators, in both technical and non-technical disciplines, who can hardly wait to get into management. But there are others who have no interest whatever in sitting behind a desk and worrying about budgets—and frankly, who have no talent for that kind of work. They would much rather be in the lab, or out in the field, working on something interesting.

They need a separate career path, a series of stages which are equivalent in compensation and status to the positions of supervisor, manager, director, etc. For these people, promotion can be tied, then, directly to successful innovation, rather than to their ability to manage others.

Beyond that, there is the interesting concept that Pinchot calls "earned freedom." In this approach, successful innovators are given progressively more freedom to work on whatever interests them. IBM's Corporate Fellows, for example, are free to roam the company for a certain period of time, working on whatever interests them most. The 3M variation of that is encouraging our technical people to spend up to 15% of their time in the laboratory on projects of their own choosing.

A third concept of innovators is the cost of failures—since that is what will happen to most of them. (At 3M, we estimate about 60% of our formal new-product programs never make it.) When this happens, the important thing is not to crucify the people on the project. They should know that their jobs are not in jeopardy if they fail. Otherwise, too many would-be innovators will give in to the quite natural temptation to play it safe—and very few things will kill innovation faster than that kind of attitude.

So, these are the three basic needs of innovators: sponsorship, rewards, and the cost of failure. Taken together, these needs constitute management's commitment to innovation. How they are met does not really matter—that can take different forms within different organizations—as long as they are met. But without that commitment from the top, real innovation will be defeated again and again by the policies, procedures and rituals of almost any large organization.

SOURCE OF IDEAS

The other basic question I want to address is the source of innovation in a large organization. Where do the new ideas come from? A lot of people think they come from thin air. There is a popular conception of the innovator as a sort of wild-eyed eccentric. An inventor who sits up in the middle of the night with a sudden inspiration, and jumps out of bed to write down his ideas.

You know and I know that successful innovation doesn't work that way, at least not very often. Innovation is not a random process. When it works, it works because someone has identified a real need, and found a way to bring new ideas or new technologies to bear on that need.

That's not as simple as it sounds, of course. Sometimes needs are clear-cut and easy to identify. When 3M's laboratories developed Micropore surgical tape, for instance, we knew fairly well—from asking the medical professionals—what they wanted. Other needs are not so well-defined at first. How much demand was there, after all, for instant photography, all-purpose credit cards, or money-market funds before they hit the market?

Is this link between need and innovation limited to the business world? Far from it. You can page through the issues of Government Executive magazine, read some articles on innovation in Government agencies, and find that same linkage between successful innovation and the needs of various constituencies.

The Veterans Administration, to take just one example, is faced with a huge potential problem as the average age of its clientele goes up steadily. The VA can look down the road and see its hospital system facing a crushing burden as demand for geriatric services multiplies.

Apparently, the VA is determined to turn this problem into an opportunity. It is setting up centers for research and training in the problems of the aging; bringing together community and State organizations to help develop innovative solutions to the problems of our aging society. In short, the VA is turning its problem into a chance to become a national leader in health-care innovation.

So successful innovation is tied to existing needs. But if that is the case, why aren't large organizations, with their impressive market-research capabilities, even more imaginative than small ones? The answer is that, in many cases, the larger an organization becomes, the farther away its technologies move from its customers.

I'm using "technologies" in the broad sense, to mean the specialized knowledge that enables any organization to offer a product or a service. Think of so many organization charts. R&D (research and development) is on one side of the chart, marketing is on the other—and never the twain shall meet. At least if their respective vice presidents have anything to say about it.

I would guess the same process goes on in Government agencies. In the very large agencies, how far away are the policy and rule makers from the field workers and the clientele? In universities, how much face-to-face contact is there between top administrators and their clients—not only students but their parents, future employers and so on?

I'm talking about physical distances, day-to-day contact with field people and customers or clients. It is probably safe to say that, as an organization grows, its disciplines tend to move away from each other—if left to their own devices. So a key step in renewing an organization, pull it back toward its original goals, is to set up a definite routine for bringing decision makers and research people into direct contact with customers. For tying technologies to needs.

There are a number of ways to accomplish this. The management consultant, Jay Galbraith, points out that every officer at Lanier has to spend a-day-a-month out in the field, selling the product. Wang holds an annual users' conference where design engineers sit down fact-to-face with customers. Grumman sends design engineers to meet

aircraft carriers as they dock so they get first-hand reports on how their equipment is performing.

The process is no different in the Public sector. Galbraith tells the story of, in World War II, a British agency developing a radar too slowly—at least as far as the armed forces were concerned. Then, someone hit on an idea to speed things up. The agency began sending its scientists out on regular bombing runs with the Royal Air Force. Somehow, after a few flights over enemy territory, things began to move faster back at the laboratory.

The process does not always need to be quite that dramatic. Our host today, NASA, has proved over and over again the benefits of working closely with its clients and customers, in product design. But I know the Agency also is concerned with innovation in everything else it does; has a new program in place to involve teams of employees in the decision-making process across the Agency. They are studying ways to decentralize authority, a difficult task in any Government Agency.

So the fundamental process of tying innovation directly to the needs of our customers or clients can work the same way in any large organization. What would happen if the people responsible for drafting regulations in an Agency had to spend one day a month, out in the field, helping people fill out the forms and meet the requirements? Or if university deans spent one day a month talking to new graduates who were in their first year of a job, and beginning to find out what they don't know? New ideas would begin coming thick and fast.

I have not tried to provide you, today, with a comprehensive formula for renewing large organizations. I hope I have suggested some practical steps toward renewal that are as valid in the public sector as they are in the private sector. We may differ in our missions. We may differ in our ways of operating. We may differ in the ways we measure success.

But no one can convince me that the drive to create something new and something better is any different in the private sector than it is in the public sector. Or any different in large organizations than it is in small ones. You know, it is often said that, in many organizations, both public and private, there is no incentive for innovation. The real incentive is to play it safe.

That notion reflects a basic misunderstanding of what innovation is all about. The urge to create, to solve problems, is not a function of organizational structure. It is a fundamental drive of human nature—stronger in some people than in others—but present in just about everyone.

If there is a secret to renewing organizations, it is this: Management, get out of the way. You may have to set up specific mechanisms to find sponsors for innovators, to reward them properly, to protect them if they fail. You may have to find new ways to tie what your organization has to offer more closely to the needs of your clients or customers. But basically, all this amounts to is giving people the room and the opportunity to be innovators, to solve problems. And then watch the sparks fly.●

THE CONTEMPLATIVE STROLLER

● Mr. SYMMS. Mr. President, a few months ago Idaho lost one of its most respected citizens, Tom Campbell. A journalist by trade, Tom was the recipient of many awards, including the Idaho Press Club's annual award for feature writing in 1965. (He was the first recipient.) Though he was a respected reporter, Tom is most warmly remembered for his weekly columns and features, some of which comprise his book, "The Contemplative Stroller."

There have been Campbells in the newsroom of the Lewiston Morning Tribune since 1910. Tom's father was a long-time reporter with the Tribune; his mother also wrote for the paper. "Young Tom" carried a proud tradition.

Tom lived a life "in defense of contemplation and a slow pace." He did so despite a busy schedule. Not only did he write, but he also received acclaim as an actor. Tom was one of the founders of the Lewiston Civic Theater, and appeared in more than 30 plays. He was awarded the Theater's Best Actor Award in 1983 for his performance in "On Golden Pond." Somehow, he also found time to paint.

But he is best remembered as the self-proclaimed "contemplative stroller" along the Lewiston levee, amused by grimacing joggers like myself. Tom, on the other hand, was one of the strollers who watched "the birds, the sky, the sun, the water and each other." This was the world Tom knew better than most of us. And he knew how to show us that world with his words. If he had given us that only, he would have contributed much.

Mr. President, I ask that the following articles from the Contemplative Stroller be printed into the RECORD.

Contemplative strollers today might run across Tom's tombstone. I hope Idahoans run across his work for many, many years to come.

Tom's book, "The Contemplative Stroller," serves as a lasting tribute to his life. Look it up sometime in the Library of Congress, cataloged F 754 .L6 C35.

The article follows:

A GENERATION OF TWO-WHEELERS

There are still those around town who tell me they remember my father riding his bicycle, his trouser leg wrapped tight by a clip so it wouldn't get wound in the chain, his head arched above a stiff detachable celluloid collar that held his neck in a vice, a conservative gray fedora pulled down to just above his eyebrows and a sea of paper containing tomorrow's news floating in and protruding from his pockets.

I, too, retain the memory.

During his half century with the Tribune, my father had five bicycles. The last one was retired during World War II, officially because he couldn't get spare parts, but actually because his old legs were giving out.

The first bike was stolen a few days after he purchased it in 1904, the year he arrived in town from Butte, Mont. The second bicycle, which was of poor construction, fell apart when it hit bottom in a pothole with him aboard, an occurrence that is not known upon the streets of Lewiston to this very day.

The third bicycle was a gift from the Tribune, a magnificent "wheel" as my father called bicycles. It cost $60. He parked it against Frank Taylor's Cafe at 3rd and Main one day and went inside for a spot of lunch. What happened next was recounted in an article he wrote a few years before he died.

"A friend came in asked me if that was my wheel out front. I said it was and he said 'It's a wreck now.' I said that was impossible because I always pulled my wheel up on the sidewalk and away from the gutter.

"But I went outside and, sure enough, my wheel was a crumpled mess. A woman driving a car and making a turn onto 3rd and Main at outlandish speed lost control. She jumped the curb and went 500 feet down the sidewalk. My wheel was the only obstacle in her path."

Bicycle No. 4 was the bicycle around which legends have grown. It was the bicycle that ended up in the Snake River, and may be rusting on the bottom yet. All my life I have heard different versions of how No. 4 ended up in the Snake River, including testimony from eyewitnesses.

My father set the record straight in one of his articles.

"When Lewiston was legally dry, the town of Asotin was wet. There was a constant migration from here to the Oasis in Washington state. At one time a motor car was pressed into service to take orders for delivery back to Lewiston. This came to a halt when Idaho law enforcement officers stepped in. It therefore became necessary to make the trip to Asotin yourself if you wanted a drink.

"A wheel is a cumbersome thing to carry, especially when one is seated in a phaeton pulled by two high-stepping horses and in the company of agreeable companions. On this trip, No. 4 was resting on the top of the step and started to become a nuisance when we were about half way across the bridge. The only remedy was to toss the wheel over the rail and make the rest of the trip unhampered. This was done. Again I was afoot."

Wheel No. 5, a Columbia which cost $20, lasted until the end of the line.

It was either upon No. 4 or No. 5 that my father courted my mother, a demure secretary in the John P. Vollmer Grain Co. who lived on the far reaches of 14th Avenue. She sat there waiting for Mr. Right. It turned out to be my father, pedaling along the footpaths of Normal Hill, carrying bouquets and candy in his wire basket.

My mother had another suitor of sorts. He brought neither candy nor flowers and he didn't have a bicycle. He just sat in the parlor. He could not compete with the wheel rider sailing across Normal Hill, swooping up to the front door, the gallant elegantly bestowing gifts.

Sometimes, I have been told, she would play the piano and they would sing the latest ragtime tunes. And other times, she would get on the handlebars and they would go riding across the empty spaces of Normal Hill.

A few years ago, a woman who was a little neighbor girl during the courtship days told me she saw an unusual occurrence while spying upon the romantic couple from behind a bush.

Instead of going to the front door, he rode up to an open window and whistled. Miss Lora, as this little girl called her, decorously climbed through the window and onto the handlebars. Laughing wildly, they rode

away into the twilight. I hope that somewhere they are riding yet.

When Walter Addison's Black Taxi was the Most Dignified in Town

During a slide presentation of historic boating scenes on the Snake River assembled for the county fair by the Nez Perce County Historical Society, a photograph of the remaining fragments of the steamboat Annie Faxon flashed by. It showed what was left of the Annie Faxon assembled on a beach after the boilers blew, killing five and injuring many others, including the steward, Walter Charles Addison.

The photograph triggered a sudden vision of the past:

Walter C. Addison washing his taxicab in the driveway at 520 5th Ave.; Walter C. Addison in his natty black chauffeur's uniform with the snappy visored cap and white shirt; plump Mildred Fern Addison spread upon a divan stroking a plumper cat on her lap; beaded curtains in a parlor and heavy incense hanging in the air.

Walter and Mildred were my next-door neighbors. They married in the early 20's when they were both well into middle age. After leaving the steamer service, Walter was a steward at the old Raymond House for awhile and later for the Elks. Mildred Fern came to Normal Hill from the Lewiston Hotel, where she was manager and hostess.

For 18 years prior to 1941, Walter operated an independent Lewiston taxi service, driving a black car in his black uniform. It was a dignified taxi, the kind you would take when you wanted to make an impression at a wedding or a funeral. There was an air of distinction, in gliding up to the curb in Walter's sleek, shiny cab and exiting as he held the door open and tipped his hat.

But there were hazards in later years when Walter began having frequent collisions at intersections. They were never very serious and the car always limped back to his garage where it was put in dry dock while he pounded out the wrinkled fenders and added another coat of black paint. His garage, attached to the house, was filled with cans and hoses and hoists and chains and waxy ointments and oily rags. Walter had a basic distrust of other mechanics.

Walter's downtown taxi stand was at 5th and Main Streets at a time it was still possible to park anywhere without fear of dispute. He parked his cab on the east side of the Lewiston National Bank, now the First Security Bank. In good weather, Walter stood by his cab waiting for customers. In bad weather he sat primly inside.

It was before radio-dispatch, and Walter maintained a telephone at Collin's Billiards across the street, where Headquarters is now located. When he received a telephone call, some employee or perhaps even a customer at the pool hall, would step into the street and yell:

"Hey, Walt."

Walt would then walk across the street and answer the telephone.

Walter told me about the Annie Faxon one day while I was watching him wash and sweep the taxi, a daily ritual before he went downtown to park across the street from the pool hall. He said he was heading toward the dining salon when the boilers blew. He was blown into the air and landed in the Snake River. When he swam and waded to shore through the floating boards, he was bleeding in numerous locations.

While Walter drove the taxi, Mildred Fern tended her garden, took in boarders by the week or month and sat in her parlor holding her cat in her lap. Both the garden and the parlor were voluptuous reminders that in the 1920s and 30s, there were still vestiges of the Victorian Age. The garden had beds of flowers and trellises. The parlor had deep rugs, leather chairs, beaded curtains that clattered at a mere wisp of air and a seated Buddha incense burner with perfumed smoke curling out of his head. It was a parlor lying in wait, ready to pounce.

Mildred Fern was seldom without her cat. When he wasn't on her lap he was in her arms. One time when she was giving me one of her gentle lectures about climbing the trellis or stamping on the pansies, I sat on her lap and the cat sat on my lap, an arrangement which did not please the cat.

Walter died in 1946 and Mildred Fern in 1952. Their house, my house, the lawns, the gardens and the trees are gone, replaced by the St. Joseph's Hospital asphalt parking lot.

But there is one reminder of Walter and Mildred Fern, the bench made from Tenino sandstone that sits at 5th Avenue and 6th Street. For many years Tenino sandstone was extracted from the Snake River bluffs and used to build early Lewiston. The bench represents two gnarled tree trunks holding a seat between them. When the hospital announced plans to build its parking lot, I implored the late Sister Helen Frances to leave Addison's Bench. She earned another star in her crown by doing so.

The Mystery of Existence

A warm spring rain—one of those that is more a misty caress than a wet annoyance—greeted the Contemplative Stroller on the morning he set out for Normal Hill Cemetery and a pre-Memorial Day tour.

He felt it fitting—as he does every year—to trudge slowly through what will be his Final Resting Place when he is terminated in this vale of tears and nervously awaits the Last Trumpet and arraignment in the court of Final Judgment, where, he hopes, he will appear before a panel of his peers and contemporaries skilled in double-entry ledger keeping.

Under a grayish sky, the Contemplative Stroller scuffed through the damp grass, beneath dripping leaves, listening to muted birds, watching wary squirrels. The rain smeared the ink in his notebook. He stuck the notebook in his pocket and trudged on, placing a considerable distance between himself and the noisy traffic on Fourth Street.

The cemetery, the Contemplative Stroller thought, is an ideal place to ponder the meaning of inevitability. Inevitability is the ultimate disease, the final stroke, coming as a thief in the night, shunned but never denied. There is a Normal Hill or its equivalent patiently waiting for all of us.

The Contemplative Stroller deliberately set his course through the center section of Normal Hill where there are tombstones to behold and to read, the ragged marble and granite sentinels stretching toward the distance like some tired army fallen out of rank and awaiting final peace.

Except when it is necessary to be there, the Contemplative Stroller has been avoiding the expansions on the north and south sides of the cemetery for years. That is flat marker country.

In the old center section, the tombstones teeter on their pedestals and lend credence to the Contemplative Stroller's theory that a cemetery is a place to sense the mystery of existence.

The tombstones have been worn by the wind and rain, lashed by a thousand storms, stained by birds, attacked by vandals. And yet they retain an eloquence. They speak of a time when Faith was entwined with Inevitability.

The messages in faded script talk about a better land, a life well lived, a life cut short. They recognize that on the road of life there is but one sign and the arrow points toward Death.

Their symbols are the fluttering doves, the lambs curled over infants, granite blocks and carved rocks, sturdy slabs, urns, spires reaching toward eternity, carved vines toiling through stone.

Standing in the pattering rain in the old section, the Contemplative Stroller, reflected that scientists are telling us that it won't be long until we know everything there is to know about everything and then some. But, the Contemplative Stroller thought as he turned to leave, they can't explain the tombstones.●

CONTROL DATA'S NORB BERG

● Mr. DURENBERGER. Mr. President, for many years now I have been following the successes of Norbert Berg, deputy chairman of Minneapolis-based Control Data Corp. In his 26 years with Control Data, Norb has been a driving force behind many innovative programs, particularly in the area of corporate social responsibility. His work has been an education to me in the role of the private sector.

Since I have known Norb since high school—which seems a very, very long time ago—I have been able to watch his evolution as an exceptionally fine and creative manager. He joined 2-year-old Control Data as a personnel manager in 1959. In subsequent years he worked closely with corporate chairman Bill Norris and others to implement new services for their employees, such as flexible work hours, free taxi service for those who had drank too much to drive safely, and the Employee Advisory Resource [EAR] Program. In addition, he has set up community employment projects to benefit low-income people.

The work of Norb Berg has helped make Control Data a leader in corporate social action and corporate/employee relations. He is a people person. He cares. And he recognized early-on the importance of a corporation dedicated to enriching the lives of its employees and the life of the community in which it exists.

An excellent article on Norb Berg and his achievements was featured in the December 1984/January 1985 issue of Control Data's publication, Contact. I ask that this article be printed in the Record at the conclusion of my remarks.

The article follows:

[From Contact, December 1984/January 1985]

NORB BERG: NO MATTER THE SETTING, CONTROL DATA'S DEPUTY CHAIRMAN IS A MAN OF ACTION

Deep in the poplar and oak near tiny Barronette, Wis., stands a 57-year-old wood frame cabin on Butternut Lake. Miles and worlds apart from the 14th floor of Control Data World Headquarters, Norb Berg sprawls in an easy chair. Wearing a well-worn chamois shirt and paint-spattered jeans, he savors the waning day with Brandy, his black lab.

At the cabin, projects and goals often seem more tangible and finite to the deputy chairman of the board than they are on the 14th floor at Control Data. Real estate deals, strategic planning, employee grievances, three-piece suits and pressed shirts take on a different dimension.

But no matter how different are the settings, the man in suit and tie and the man in a threadbare chamois shirt and jeans are very much the same.

With Norb Berg, his friends and associates say, "What you see is what you get." Whether mingling with the locals at Spanky's Supper Club in Barronette on the opening night of deer season or caucusing with governors and senators in Washington, DC, and eating in four-star restaurants, Norb Berg doesn't change. Only his clothes do, and his pace.

Berg works one-to-one. That ability was fundamental to Berg's choice of industrial relations as a career.

When Norb Berg joined Control Data in 1959, the company was only two years old and occupied cramped quarters in an aging Minneapolis warehouse-turned-office. At that moment, what mattered most was the development of an unbeatable computer system to shore up the balance sheet. But fresh from Standard Oil of New Jersey, Berg found himself drawn into the role of employee advocate, concerned about industrial justice and grievance procedures for employees.

"In those days," says Chairman Bill Norris, "virtually everybody reported to me. When there was a controversy that couldn't be settled, Norb Berg represented our employees, and he always seemed to have the right answers. He was well-informed, he was courteous, he was forceful. There were times when I got a bit irritated with him—he was young and he seemed to know too much."

Norris listened and—as the years passed—created an environment in which Berg and his staff could test and implement revolutionary employee programs like Employee Advisory Resource (EAR), peer review, flexible hours, Homework, and an anonymous, free taxi service for Control Data employees who drank too much and couldn't drive home safely.

"I think from the very beginning of his career with Control Data, Norb's singular goal was to make the company a place where people truly like to work," says his wife, Marilyn.

Informally, Berg is a natural mentor and counselor. "Jeannie," Berg says to his administrative aide, Jeannie Stormoe, "we have to do something about my calendar."

"Yes, Mr. Berg," Stormoe answers pointedly. "As I see it, you have to start saying 'no' more frequently."

Jeannie Stormoe says that when Berg overextends himself it creates a logjam in his work schedule. "I will get calls from people who say they met Mr. Berg on an airplane or in a terminal or at a meeting, and he told them to call him. He personally answers letters from employees, and he'll counsel young people or work with Control Data employees looking for new assignments. He invests himself personally in everything he does. My only problem is keeping him on schedule."

Berg also invests himself personally outside the job. There was the midsummer celebration Berg threw at his cabin for his neighbors and some of the townspeople. They roasted brats, danced to country and western music. The party flowed late into the night. When a farmer said, "We've got to go, there's a load of hay to get in tomorrow," Berg said, "Stay, enjoy the evening. Just let me know when you need help. We'll pitch in."

The call came early the following morning, but party-weary Berg and one of his four sons were on the job, as promised, loading and unloading over 600 bales of hay.

Berg is no stranger to farm chores or manual labor. Raised in rural Edgar, Wis., Berg swept floors in his father's hardware store during grade school years, pumped gasoline, delivered The Milwaukee Journal on his lunch breaks, sold magazines door to door in cities across the eastern United States, sold cars, assembled baskets in a local factory, drove tractors, baled and tossed hay and operated a combine. During college, Berg was a short-order cook and bartender.

Berg's capacity for work has not changed. His days are routinely 10 to 12 hours long. Berg takes a briefcase loaded with material home with him every day. ("That damn briefcase," says Dennis Anderson, a close hunting and personal friend and outdoors editor for the St. Paul Pioneer Press and Dispatch, "I've seen it as cargo on hunting and fishing trips. Control Data is never far from his mind. He's fascinated by the possibilities. Maybe we're in the Boundary Waters and he's wondering how Control Data can help turn northern Minnesota into a regional development center. Business will drop into Berg's consciousness on these trips. It will cross his mind in a duck blind or a deer stand, because he can't keep it *out* of his mind.")

But Berg's dedication to work, fueled by an entrepreneurial father and philosophical mother, has its cutoff points. He knows how to let off the tension. At the end of a particularly grueling week, Berg collapsed on a couch in his office, singing and chortling. "It's his way of relieving stress," Stormoe says. "Of course, somebody always walks by and I wonder to myself, 'What do they think of the deputy chairman?' "

Berg's willingness to be just Norb makes him particularly effective. "He is very straightforward," says John Roach, archbishop of the St. Paul-Minneapolis Catholic Archdiocese, a friend and colleague on a number of public and private initiatives. "He has deeply held principles, and he is unyielding when it comes to defending them. It isn't hard to know where Norb Berg stands on anything. That, I think, is one of his most admirable qualities."

Though raised by a non-demonstrative father, Berg isn't afraid to show how he feels, "My kids," he says, "claim I'd cry at a bake sale. Yeah, I cry easily. I'm sort of a pussycat." But Berg feels a strong intolerance for phonies.

"I enjoy being around real people. When you grow up in a small town, you realize early on that you can't fool people. I grew up with blue-collar people, farm kids. I know them, I like them, I like their values. They're mainstream America. I know where they're coming from because I come from the same place."

"Norb," Dennis Anderson says, "doesn't suffer fools. In the business world, he knows power and knows how to use it, though not in a Machiavellian way. He uses power to make people see the light. He'll use it to say, 'I'm giving you the opportunity to do something right.'"

Turning what was intended to be an electronics assembly plant into a bindery, employing only part-time people, is a good example of how Berg has handled power.

In 1970, an economic downturn ruled out the need for another electronics plant, but Control Data and Berg had made a commitment to a deteriorating Selby-Dale neighborhood in St. Paul. Rather than bail out, Berg said Control Data could handle in-house the bulk of the binding of computer and software manuals, jobs usually done by outside firms. Take that Selby property (a beat-up bowling alley), Berg said, turn it into a bindery and staff it with 100 part-time employees from the neighborhood. Part-timers, because there were women with children at home and teenagers in school who needed work but could only manage half-time shifts.

"The community reaction," says Selby plant manager and resident Dick Mangram, "was decidedly skeptical. A good many residents believed Control Data was investing in Selby-Dale to exploit the community, use the people, then get the hell out. There were times when some of the locals were ready to lynch Norb Berg. You have to understand that black politics are the toughest politics in town. But Norb understood those politics and he served in the trenches."

Today, the Selby plant employs 250 people and, Mangram says, the enterprise has been profitable since 1975 with an annual growth rate of 6 to 8 percent. Control Data has opened a second bindery on Chicago Avenue in Minneapolis.

Despite their eventual success, projects like those in Minneapolis and St. Paul are not always popular internally. Indeed some of Control Data's so called "good works" have frequently come under fire.

At such times, Berg may depart briefly from his usual consensus-building management style and simply insist that a job be done his way.

"We decided Control Data could satisfy its need for supplemental workers and meet a social need by putting prison inmates to work," Berg recalls. "When our Magnetic Peripherals people came to me and said we need a new plant, I said fine—but first you'll have to put 100 jobs in prison. At first, they complained like hell, but they got the program rolling and did a hell of a job. It became their mission. We now have 150 inmate jobs in place and it works very well, very well. Sometimes you have to make people make it work. Control Data has a lot of caring, creative, dedicated people. If we give them an opportunity to use their caring and creative skills, they'll do it."

Berg embraces the idea of tough duty, an ideal that surfaced early in life. He played center in football, and when Berg was draft age, he enlisted in the infantry and volunteered to go to Korea. As a young infantry lieutenant, Berg wrote the Secretary of the Army asking for an immediate transfer to the Far Eastern Command. He got it.

"If Norb Berg sees an obstacle," says Sen. David Durenberger of Minnesota, who first met Berg when they were students in high

school, "he finds the ladder or he talks someone else into bringing the ladder. If someone is reluctant to climb, he'll gently persuade them. Norb believes that anything is possible if you keep looking for a solution long enough."

"Norb stalks problems," says Control Data President Bob Rice, "the way he stalks deer. Patiently, painstakingly. Norb once stalked a prize deer several miles without stopping, long after his cohorts returned to the hunting cabin. Norb pursued EAR the way he stalks deer."

When it was introduced 10 years ago, Control Data's EAR was the first program of its kind in corporate America. It was revolutionary and therefore a hard sell to some who sided with employee relations traditionalists.

"What place does a corporation have," the traditionalists asked, "in the personal problems of its employees?" Plenty, Berg argued. Marital problems, financial troubles, drug abuse—all have an impact on how an employees functions. Furthermore, Berg pointed out that the company's grievance system, established 15 years earlier, needed to be expanded.

Traveling in Europe during the 1960s, Berg had seen the genesis of employee rights councils. Back in Minnesota, Berg's involvement in selecting an ombudsman for the state prison system set him thinking about a variation on the ombudsman theme for Control Data. The end product was EAR.

There was immediate opposition. "Some colleagues told me EAR was an outright admission that our employee relations system was inadequate. I agreed. We're not perfect. We injure people. We hurt them and we don't want to." Berg sold the idea. Since April 8, 1974, EAR has served more than 72,000 people. The program has been marketed to other corporations, where it now serves more employees nationwide than it does at Control Data.

"Once again, Norb's insight has led Control Data to the forefront of employee relations technology, a hallmark of his leadership," said Eugene Baker, vice president, Human Resource Management and Administrative Services.

"He continues to place the company in front," Baker added, pointing to the Peer Review system as another result of Berg's vision of justice in the worldplace.

"Norb is patient," says Jack Karnowski, vice president and corporate treasurer. "He works hard at bringing critics around to his way of thinking. He doesn't 'strong-arm' his opponents, he builds a consensus with a lot of careful study, ironclad logic, and bulldog persistence."

Berg's colleagues agree that Norb is a fine salesman. It was a skill developed early when Berg, at age 17, took his father's prospect cards and marched from farm to farm selling silo fillers, hay rakes, manure spreaders, appliances, even cars, from his father's well-stocked hardware store.

Berg is still selling, but he finds it easier now with a mittful of idiosyncratic credits. "A person has to earn credits," Berg explains. "Once they're earned, a person can exercise idiosyncratic behavior. I have a lot of credits because I've been able to help Control Data in many substantial financial and nonfinancial ways. So now I can do things that some associates might consider off the wall, but I'll probably make those ideas work. I have idiosyncratic credits . . . and I spend them."

"Norb wins people over by proving the idea is right, by demonstrating it," says Frank Dawe, vice president, Personnel and Administration. "He is a voracious reader. He becomes a student of the subject, and he puts people to work studying whether the idea is viable and can be implemented. No one welcomes failure, but Norb Berg abhors it, which is why he studies and prepares so diligently."

His penchant for preparation can be seen well beyond corporate headquarters. He read stacks of books about bow and arrow hunting before he took aim for the first time last year. He studies golf. He studies wildlife. Preparing for the hunting season each fall, Berg will reread books on the habits of deer.

When Berg and Phil Bifulk, vice president of strategic programs for Corporate Marketing, purchased a Wisconsin hobby farm together, Berg studied fence construciton before a group of friends joined him to tackle the weekend installation job. On small-plane trips, Berg has carried instructions on how to fly a plane.

He is no less diligent when it comes to preparing for a deer hunt. To spend two hours at dusk in a deer stand at Barronette, Berg dons full camouflage gear—a one-piece coverall, gloves, cap, sturdy boots, a rag dipped in a powerful animal scent to mask human odors, and a small racksack packed with enough survival equipment (including two compasses) to spend a night or two alone in the woods.

"Hold it," he says. Berg disappears into his cabin on Butternut Lake, then reappears rubbing his face with carbon paper. 'It's essential," he says. "Reduces the light glare."

Here is a man who invests himself fully. The essential Norb Berg—the same Norb Berg whether he's on the 14th floor of Control Data World Headquarters or staking deer near Barronette, Wis.●

COSPONSORSHIP OF S. 423—THE EMERGENCY AFRICAN FAMINE RELIEF ACT

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 423, the Emergency African Famine Relief Act, introduced by my good friend and colleague, the chairman of the Appropriations Subcommittee on Foreign Operations. S. 423 is a practical response to one of the biggest tragedies we currently face, the sweeping famine in sub-Sahara Africa. The Emergency African Famine Relief Act will make available supplemental appropriations this fiscal year to deal with this disaster. The President will be able to request aid, with congressional oversight, to sufficiently meet the needs of the sub-Sahara area by providing food, refugee, and disaster assistance.

I have been overwhelmed by the humanitarian response of not only our Government, but of the people of the United States. Their generosity has been unmatched. Because of this generosity and the charity of other nations in the world, we cannot be certain of this area's precise needs. One thing we are certain of, however, is that the American public and their officials in Congress want to help meet this need.

That is why I strongly support this legislation. It is an open-ended emergency supplemental appropriations, the amount of which will be determined by the Agency for International Development. This will allow for sufficient flexibility to deal with a problem that demands such flexibility.

The United States has dedicated 1.9 million metric tons of food valued at $603 million for this fiscal year. We must be certain that this food is reaching its destinations and is not being denied to anyone in need. I believe the administration is best able to determine the amount of assistance needed and to ensure that such aid is used wisely.

Mr. President, I strongly urge my colleagues to join me as a cosponsor of this important legislation and urge its quick passage to better deal with this massive problem.

Thank you, Mr. President.●

AGENT ORANGE STUDY

● Mr. KERRY. Mr. President, the Commonwealth of Massachusetts has recently completed a study that has national implications.

The study indicates that a link exists between Vietnam service and mortality due to: two kinds of cancer, suicide, and death by violent means.

The study was conducted by the Agent Orange Program of the Massachusetts Veterans' Services Agency at a cost of less than $12,000, and is the first to discover such a link.

I would like to share a summary of the study with other States and Members of the Congress. I ask that an article in the Wall Street Journal concerning the study and a summary of the study appear in the RECORD.

The material follows:

[From the Wall Street Journal, Jan. 29, 1985]

CANCER THREAT SEEN FOR VIETNAM VETS IN STUDY OF DEATHS: HIGHER INCIDENCE ALSO FOUND FOR FATAL CAR ACCIDENTS, SUICIDES IN MASSACHUSETTS

(By David Stipp)

BOSTON.—Vietnam veterans may be at higher risk than non-veterans of dying from certain forms of cancer, suicide and auto accidents, according to a recently completed study of Massachusetts deaths from 1972 to 1983.

The state-funded study, begun last August, was based on analysis of death certificates by researchers with the Massachusetts public health and veterans service departments. They found that nine of 840 Vietnam veterans' deaths were caused by soft-tissue sarcoma, a rare cancer that has been linked to Agent Orange, a defoliant used during the Vietnam War. Only two or three cases of the cancer would be expected based on its incidence in the general population, researchers said.

The study also found that deaths from kidney cancer and stroke were "significantly elevated" among Vietnam veterans.

The findings were contrary to past research conducted by the Veterans Adminis-

tration and other groups that has indicated Vietnam veterans aren't at higher risk for cancer. But other studies have linked dioxin, a toxic contaminant of Agent Orange, with soft-tissue sarcoma, and with a skin disease called chloracne and a severe liver disorder.

"There are a number of studies that indicate there is not a higher rate of cancer deaths among Vietnam veterans," said Wayne Wilson, director of a New Jersey commission studying Agent Orange effects. "But that's all the more reason the Massachusetts study is important—it calls into question the Veterans Administration's conclusions."

Authors of the Massachusetts study asserted the higher cancer rate they found among Vietnam veterans is "highly significant." But they cautioned that more research is needed to corroborate their findings because of the limited data studied, potential inaccuracies in death certificates and the possibility that factors such as smoking, which were not taken into account in the study, may have contributed to the cancer rate.

The study found that deaths from violent causes, particularly suicide and auto accidents, are more common among Vietnam veterans than expected based on studies of the general population. Between 1978 and 1983, an estimated 94 Vietnam veterans covered in the study committed suicide, 58% higher than the expected rate, and 67 died in auto accidents, 31% higher than expected.

"It is certainly plausible that the findings in this study may be due, at least in part, to increased stress experienced by Vietnam veterans," the study concluded. Researchers added that their findings support "an effort to reduce early or untimely deaths among Vietnam veterans due to suicide or motor vehicle accidents."

SUMMARY: MORTALITY AMONG VIETNAM VETERANS, 1972–83

The Agent Orange Program in the Office of the Commissioner of Veteran's Services (O.C.V.S.) requested that a mortality study be conducted comparing the causes of death among Vietnam veterans from Massachusetts to those of Massachusetts Vietnam-era veterans and other Massachusetts males. This study was motivated by a concern that Vietnam veterans may be at increased risk of dying from violent, preventable causes, such as motor vehicle accidents, homicide, and suicide.

In August 1984, the study was initiated using mortality information from the statewide data base collected by the Massachusetts Department of Public Health, Division of Health Statistics and Research. The list of Massachusetts veterans whose mortality experience was evaluated was supplied on computer tape by the O.C.V.S. Using computer-record linkage techniques and manual matching, the study group and two comparison groups were assembled. The proportionate mortality ratio and the mortality odds ratio were chosen as the methods for comparing the mortality experience among the three groups because information on the number of years since Vietnam service was not available for the Vietnam veterans on the O.C.V.S. computer tape. Analysis of the mortality patterns of Vietnam veterans compared to Vietnam-era veterans and to other Massachusetts males who died during the time period (1972–83) of the study were then conducted. There was a total of 840 Vietnam veteran deaths and 2,515 Vietnam-era deaths. The deaths came from an estimated population of 70,000 Vietnam veterans and 150,000 Vietnam-era veterans.

Table 3 presents the causes of death where Vietnam veterans were significantly higher than one or both of the comparison groups using both analytic methods. Deaths due to motor vehicle accidents, suicides, and kidney cancer were significantly elevated among Vietnam veterans compared to Massachusetts males for the study period 1972–83. Deaths due to connective tissue cancer and stroke were significantly elevated among Vietnam veterans compared to both Vietnam-era veterans and other Massachusetts males. Deaths due to circulatory system diseases, other than stroke, were lower among the Vietnam veterans compared to Vietnam-era veterans for the years 1978–83. Elevated risk of death due to motor vehicle accidents and suicide lends support to the hypothesis that Vietnam veterans have had a greater incidence of traumatic death since the end of the conflict than other males. The excess cancers of connective tissue and kidney are based on only nine deaths from each type. More years of follow-up would be necessary to adequately assess these findings, and further investigation, using other sources of information, is recommended.

This study is a first step in analyzing Vietnam Veterans' experience of one particular health outcome (mortality). The results are based on the limited information available from death certificates. Information on such potential confounding factors such as smoking and drinking habits, and complete histories of occupational exposures, was unavailable and therefore could not be controlled for in the analysis. Therefore, the study can be used only to draw very general conclusions and to develop hypotheses for further studies. Nevertheless, the results justify intensified efforts to reduce deaths due to stress-related or self-destructive behavior among Vietnam veterans.

TABLE 3.—OBSERVED AND EXPECTED NUMBERS, STANDARDIZED PROPORTIONATE MORTALITY RATIOS AND CHI VALUES COMPARING VIETNAM VETERANS TO NON-VIETNAM VETERANS BY SPECIFIC CAUSES OF DEATH FOR PERIODS 1972–83 AND 1976–83 OR 1978–83 [1]

Cause of death (ICDA Codes, 9th Rev.)	Analysis period	Observed deaths	Expected deaths	SPMR	CHI values
All causes		840			
All Neoplasms:					
(140–239)	1972–83	129	136.15	95	−0.52
(153–154)	1972–83	8	7.07	113	.34
Lung, bronchus (162)	1972–83	25	25.49	98	−.10
	1976–83	21	22.44	94	−.30
Connective tissue (171)	1972–83	9	1.02	880	[2] .89
Kidney cancer (189)	1972–83	9	4.91	183	1.84
Circulatory system [3] (except cerebrovascular) (390–429), 439–459)	1972–83	139	158.54	88	−1.55
	1978–83	85	106.54	80	[4] −2.08
Cerebrovascular disease (430–438)	1972–83	28	25.17	111	.56
	1978–83	19	11.56	164	[5] 2.19
Cirrhosis of liver (571)	1972–83	29	30.81	94	−.33
	1976–83	24	19.03	126	1.15
All external causes (e800–e999)	1972–83	428	396.09	108	1.60
	1978–83	202	181.51	111	1.52
Motor vehicle accidents (e810–e825)	1972–83	169	153.17	110	1.27
	1978–83	74	61.38	121	1.61
Recorded suicides (e950–e958)	1972–83	102	109.92	93	−.75
	1978–83	55	55.65	99	−.09
Estimated suicides [6] (799.9, e850–e869, e950–e958, e980–e982)	1972–83	163	144.75	113	1.51
	1978–83	94	76.01	124	[4] 2.06
Homicide (e960–e969)	1972–83	31	38.73	80	−1.24
	1976–83	20	18.82	106	.27

[1] See page 6 for further explanation of study period analysis.

[2] ($p<.0001$).
[3] Significance based on poison distribution.
[4] ($p=.03$).
[5] ($p=.02$).
[6] Estimated suicides based on unknown causes of death, recorded suicides, and poisonings.(9)●

HEALTH CARE PREMIUM DEDUCTIONS

● Mr. GRASSLEY. Mr. President, on February 6 I introduced a bill to grant self-employed individuals the same health care premium deductions granted to employers for their employee coverage. Under current law, employers are permitted to fully deduct the cost of the medical insurance premium they pay for their employee's health coverage. Before the enactment of TEFRA, any individual taxpayer could deduct one-half the cost of their medical insurance premiums up to $150. Any premiums in excess of the permitted deductible could be applied to other medical expenses, if gross income, that excess amount was deductible. In TEFRA, the medical expense threshold was raised from 3 percent of adjusted gross income to 5 percent of adjusted gross income.

The current tax treatment of medical insurance premiums creates strange results. If an individual works for an employer who provides medical insurance coverage as a fringe benefit, the employer may deduct the cost of the premium and the employee is not required to include the value of the premium income. In contrast, an individual who is self-employed or employed by a corporation which does not provide medical coverage must earn wages, pay his income tax, buy medical insurance with after-tax dollars and cannot claim a deduction for this expense. If Congress has determined that health insurance coverage should be encouraged, why are we only rewarding employer-sponsored coverage?

Many of my constituents are self-employed individuals. They run farms or operate small businesses. If they elect to conduct business in the corporate form they may deduct medical insurance premiums. Since most are sole proprietorships, they cannot deduct these premiums under current law. As self-employed individuals, they are facing higher Social Security taxes, since they are required to pay both the employer and employee portion of the tax. Nevertheless, in 1980 Congress granted self-employed individuals a deduction for one-half of the SECA tax paid to offset this dual burden. In my view, it is appropriate to extend this reasoning to the deductibility of health insurance premiums.

This bill enables a self-employed individual to deduct one-half of the health insurance premium costs. While not as beneficial as the employer-provided tax treatment which excludes the value of the insurance from

the employee's income, this provision will move toward parity in the tax treatment of health insurance.

The cost of health insurance is substantial. Blue Cross/Blue Shield comprehensive major medical group subscriber coverage with a $600 deductible per person will cost a self-employed 60-year-old farmer and his 59-year-old wife $2,613 annually. As health insurance costs increase, the inequitable tax treatment of medical insurance costs will spur more farmers and small businessmen to incorporate.

Logical taxation of health insurance premiums that is consistent among different types of employees should be Congress' goal. With new educational and employment opportunities opening for women and senior citizens, many of these talented individuals who have previously been unable to work a conventional 40-hour week are establishing their own businesses. Many of them are contributing their talents and skills as self-employed individuals. I can see no reason to deny this emerging group of workers, as well as the traditional classes of self-employed people, the right to a tax deduction for a portion of their health insurance premiums. We need to create parity for the taxation of health insurance premiums in recognition of the important contribution of self-employed people and the emergency of new work patterns in America which enhance our national productivity.●

CREIGH HILEN AGNEW

● Mr GORTON. Mr. President, February 8, 1985, marked the end of service in my office for a woman whom I consider to be the model for all legislative assistants, Creigh Hilen Agnew. Creigh is leaving my office to join Weyerhaeuser Co. as government affairs manager. I congratulate Weyerhaeuser on it good fortune.

Creigh has been on my staff since my first days in the Senate in 1981. It is hard to see her move on. But her remarkable talents make such a move inevitable.

Mr. President, I know all of my colleagues appreciate how essential it is for us to have not just adequate or competent staff, but exceptional staff. Nonetheless, I do not overstate the case when I say that Creigh is unsurpassed in her extraordinary combination of legislative skill and personal attributes. By that unique combination, she has made the most difficult tasks less onerous for us all, and for this Senator in particular.

Creigh has undertaken and conquered issues that might have defeated even the most optimistic and tolerant among us. The Washington wilderness bill, which became law last year, is just one example. Without her facility to build consensus among disparate interests, I do not believe we would have been successful in that effort. Yet with all the conflicts inherent in such a controversial subject, Creigh always conducted herself with a degree of personal grace and warmth that is truly rare, and deeply appreciated.

Creigh Hilen Agnew has served the people of the State of Washington with distinction. I know I speak for the entire Washington State delegation when I say thank you Creigh, we will miss you.●

A MAN OF THE FLESH

● Mr. HATFIELD. Mr. President, today it is a privilege to share with my colleagues a poignant editorial written by Mrs. Virginia Weldon Kelly that recently was brought to my attention. It tells us about the Jesus of our daily lives, not the Jesus of our holidays.

Mrs. Kelly has received letters from several members of the Protestant, Roman Catholic, and Jewish clergy commenting favorably on her Christmas editorial. Frank Ahlgren, retired editor of the Memphis, TN Commercial Appeal, wrote "The greatest thing that we read at Christmas was Virginia's editorial. All of us marvelled at it."

I ask to have printed in the RECORD Mrs. Kelly's editorial entitled "A Man of the Flesh" that appeared in the December 24, 1984, issue of the Paris, TN, Post-Intelligencer.

The editorial follows:

[From the Paris Post-Intelligencer, Dec. 24, 1984]

A MAN OF THE FLESH

(By Virginia Weldon Kelly)

The birthday of the Infant Jesus is joyous for Christians. Even daily Bible readers may not always remember that Jesus healed souls as well as bodies and that His teachings are dynamic and practical. As examples, Jesus said, "The Kingdom of God is within you" and "Whosoever shall not receive the Kindom of God as a little child shall in no wise enter therein."

Jesus was telling us we must preserve a place of interior quiet where we can be "still and know God," and that we must expunge hatred from our hearts forever. This is not easy but, according to Jesus' admonition, we must pray for them "that despitefully use us."

In the Beatitudes (Matthew 5:3-11) Jesus gives us rules for living which, combined with the Ten Commandments, teach us how to obtain the "Peace of God which passeth understanding." My favorite Beatitude which encompasses all the others is "Blessed are the pure in heart, for they shall see God."

Let us remember that Jesus obtained all his earthly nature from a Jewish maid. His earthly education came from a village rabbinical school. Jesus was nourished by the Hebrew scriptures. The Bible records that He preached in the Temple from the scroll of Isaiah. We should remember also that Abraham, Moses, David, Solomon and Jesus are great prophets in the Islamic faith, which has derived much from Judaism.

As God's children, we are here to glorify Him. Therefore we must be merciful. Through Jesus, and scriptural teachings, we must try to express Christ's healing love and wisdom in every aspect of our daily lives.●

PROPOSED CHANGE IN STATUS OF SEVERAL REGIONAL FEDERAL OFFICES

● Mr. KERRY. Mr. President, this morning I testified before the Employment and Housing Subcommittee of the House Government Operations Committee, chaired by Mr. FRANK of Massachusetts.

The subject of the hearing was the proposed change in address of several regional offices of Federal agencies, with emphasis on the Department of Labor.

I ask that my statement be printed in the RECORD.

The statement follows:

TESTIMONY OF SENATOR JOHN KERRY OF MASSACHUSETTS BEFORE THE EMPLOYMENT AND HOUSING SUBCOMMITTEE OF THE HOUSE GOVERNMENT OPERATIONS COMMITTEE

Mr. Chairman and members of the subcommittee: I appreciate the opportunity to testify before your subcommittee today on the subject of the proposed change in status of several regional offices of the Federal Government.

I am a new member of the Congress. However, I most recently served as the Lieutenant Governor of Massachusetts. One of my major responsibilities in that office was to oversee the Office of Federal-State Relations, an office that has extensive interaction with many federal agencies. Through my work with those agencies and their regional offices in Boston, I have become familiar with their work throughout the New England area.

I believe the loss of that close link between the Federal Government and the local governments and citizens of New England would be very unfortunate. At this time when much of the responsibilities of the Federal Government are being shifted to the States, close cooperation is needed. Boston's location 3 to 4 hours drive from most New England state capitols has enhanced that important cooperation. Moving that level of administration to New York will discourage that link and will not only increase travel for state and federal administrators, but it will also undoubtedly slow administrative processes that have been functioning efficiently. The proposed "demotion" of these offices from regional to area offices, and the transfer of their decision making authority to the New York office is, I believe, a bad idea.

Any such plan fails to recognize that New England is probably the most logical economic region in the country. It is a single region that despite a diversity of people and places, lends itself well to the federal government's regional program. It is a region that has a strong environmental, social, and economic identity. Putting it in the same region with a labor market as large and as different as New York and New Jersey is to ignore its unique place in America. In most every area of concern facing our federal agencies, the case for New England is very different from New York and New Jersey. We want and need the attention to our specific needs.

Changes that move the decision makers to New York will put workers out of touch with those who have been charged with protecting their rights. Travel to Boston is convenient for workers throughout New England. The trip from many parts of New England to New York would be prohibitively expensive and inconvenient for many members of our labor force. I believe we should encourage citizens to know and use their rights, and allow a government to discourage use by making programs inaccessible.

There are other important questions that have not been adequately asked or answered.

The first is, in our haste to cut corners are we implementing a plan that will in fact save us money? We already know that the short range costs will be considerable, but what assurance is there that the long range savings will make up the loss? There is no question that the Grace Commission *does* have some interesting ideas, but it is one thing to juggle numbers in the comfort of the boardroom, and quite another to deal with the realities of servicing citizens. I do not believe that an adequate study has been conducted on the overall cost effectiveness thus warranting this change. We're all committed to deficit reduction and fiscal restraint, but in this case, we must be confident that we understand the present and future consequences.

Another important question is the price we are willing to pay in the loss of services? The 5 and a half million people in the New England labor force are entitled to a speedy response to their inquiries and claims. What can we expect from an office that has moved its decision-making arm to a New York office that is already backlogged and will be receiving little increase in staff. Certainly those of us whose responsibility is to help constituents with their problems with federal agencies, should be concerned about the future quality of those services available.

And other questions have gone unanswered.

In Massachusetts, programs like JTPA and WIN are working, despite the efforts of this Administration to drastically cut their funding. Our ET Choices program has placed over 13,000 welfare recipients in paying jobs and the Commonwealth hopes to place another 50,000 people into jobs in the next five years. Will these programs and others like them be jeopardized by a change in cooperation and supervision in the new Boston office?

What will happen to the oversight responsibilities in areas covered by OSHA, the Wage and Hour Division, the Office of Federal Contract Compliance, and Office of Worker's Compensation Programs? In 1984, OSHA made 7,000 health and safety inspections in New England alone. Will that number shrink and will employers come to expect little of inspection? Will our workers be able to make claims and have them handled in a timely, responsive manner?

What level of supervision can be expected for the hundreds and millions of dollars of federal money that is spent by the Department of Labor in New England? Will that investment be sufficiently monitored?

This proposal reminds me of the words of former Attorney General John Mitchell, "Watch what we do, not what we say." This is the Administration that has argued for balanced budgets, while giving us the largest deficits in history. This is the Administration that talks about arms control, while it gives us the largest peace time defense build up in history. Well, this Administration has done it again: in the name of decentralization, they want to centralize control in a small group who can't possibly understand our regional concerns. It is a plan that is completely inconsistent with the promise to bring government to the people. The man who ran against Washington, now wants to centralize those controls right here.

But the real message is that the President no longer believes that he must go through the motions of serving the needs of our laborers, our consumers, our senior citizens, and our veterans. Instead, he is going to continue the slow job of ending programs that he never wanted in the first place. And his wishes will not be accomplished through program elimination, but by gutting the agencies that run them so that they will no longer serve their intended function.

In New England, like other regions around the country, we have a healthy skepticism of a government's ability to do all things for all people. But with time, we have learned what works and what does not work. In this case, the federal regional offices are working well, and I will oppose any effort on the part of the Administration to abdicate its responsibilities.●

DISPENSING HUMANITY

● Mr. HATFIELD. Mr. President, in recent weeks, we have seen some signs of movement in efforts to resolve the longstanding conflicts that make the Middle East potentially the most dangerously volatile area of our globe. These efforts, unfortunately, have shared the headlines with the reports of violence and unrest that we have come to expect from the region.

As we wait, precariously poised between a fragile hopefulness and a despairing frustration, it seems appropriate to remember that efforts for peace are not just a sometimes thing in that troubled region. There are men and women of many nationalities who work day in and day out, under difficult, sometimes dangerous, often discouraging conditions, to find ways to further peace. Last fall, in an article printed in the Jerusalem Post, David Richardson recognized the efforts of one such individual.

Mr. President, I ask that the article which I have mentioned be printed in the RECORD.

The article follows:

[From the Jerusalem Post, Sept. 10, 1984]

DISPENSING HUMANITY

(By David Richardson)

The United Nations Relief and Welfare Agency's (UNRWA) headquarters in Jerusalem are located in a compound hidden at the end of a quiet street and behind a stone wall between Sheikh Jarrah and Ramat Eshkol. The freshly painted gate is attended by a neat, polite guard, who waves one through into a meticulously neat and ordered environment—something of a relic of the mandatory administration.

Trucks and cars are parked in tidy rows on recently swept asphalt. Warehouses and offices are well maintained and carefully marked with large signs in English. Even the rose-beds are laid out with the precision that betrays the habits and style of so many expatriate administrators. There is something decidedly old-world and reassuring about it. There is also nothing like it in the West Bank, Gaza or Israel.

Roy Skinner, the outgoing UNRWA director in the West Bank, left last week to run the organization's operations in Syria. A dapper, 58-year-old former Australian army major, he has served in the Middle East for 19 years, 17 of them with UNRWA. For the past nine years, he has been with the agency in the West Bank and Gaza.

During these years, UNRWA and its senior officials have had to weather severe tests, ranging from curfews in the camps, closures of some of their institutions, and a shrinking budget to the war in Lebanon. But the most insidious challenge lies in the diminishing relevance of the agency's mandate.

Created by the United Nations General Assembly in the wake of the 1948 War of Independence, UNRWA was charged with caring for the Palestinian refugees displaced by the creation of the State of Israel. Thirty-four years since it began to operate, it finds itself constantly accused, not only by donors and outside observers but by Palestinians themselves, of, in effect, perpetuating the refugee problem.

It is also competing in the tight market of international charity against other refugee agencies whose demonstrable needs are far more acute. Nothing in the Middle East today approaches the plight of the refugees of the droughts and wars of the Horn of Africa.

The past year has seen several studies by internal UN groups and outside consultants appointed by the UNRWA commissioner, General Olaf Rydbeck, which all, apparently, touched on the sticky problem of the agency's role and image.

Essentially, this is unfair to the agency and its bureaucrats. They did not create the problem, or draft the mandate, which was never intended by itself to solve the problem of the Palestinian refugees. Nor, it seems, do they have the power to modify that mandate.

Skinner, then, as a veteran field service officer who has worked with UNRWA in Jordan, the West Bank and Gaza, has found himself constantly at the hub of the conflicting demands the refugees, governments and other bodies make on the agency. But he is also, by inclination, training and habit, a totally professional public servant. In the UN context "professional" also means wholly apolitical.

In fact, keeping an eye on his next and admittedly sensitive posting (the man in Damascus with whom he is being exchanged was given two days to leave Syria, with no explanation) Skinner almost attaches an especially high value to the role of the "international civil servant."

"I consider it the task of the professional public servant working with an agency such as UNRWA to provide humanitarian and public services to clients—in this case the Palestinian refugees. The civil servant avoids politics and endeavours to uphold the highest standard of efficiency and professionalism as a UN public servant."

Palestinians—particularly the young and better educated among them—as well as outside observers have faulted the agency for what they see as its basic commitment to its own survival and for the semi-colonialist or paternalist atmosphere that seems to pervade its institutions.

Skinner rejects these charges, claiming that the role of any bureaucracy is to pro-

vide a means to an end rather than to serve as an end in itself.

"It is a machine to provide services—in this case health, education and welfare. When it comes to the charges of colonialism or paternalism, having worked for UNRWA for so long I'm aware of the many different opinions in the Middle East about the organization.

"On balance, UNRWA is an organization charged by the General Assembly with a most unusual public-service task. When you cut out the platitudes, I do believe that they see us positively as a public service. I think a number would like us to be more than that, but the agency has no role whatsoever to play in the search for a political solution.

"Having said that, UNRWA, by its very existence and its activities, has provided a type of stability which would have been missing in the absence of a solution to the basic problem."

In the nine years he has served in the areas under Israeli military control, Skinner has seen a significant increase in the standard of living—and particularly in the standard of education of the refugee population. "But this is related to other economic factors, and the past few years have seen an increase in unemployment and a rise in the number of unplaced professionals."

UNRWA in the West Bank is now embarked on a re-examination of its vocational training programmes in order to adjust them to the needs of the market open to its graduates.

In the wake of the 1982 invasion of Lebanon and the acute refugee problem that created, Rybeck decided to suspend the general rationing programme, diverting the commodities the agency had to the refugees in Southern Lebanon and focusing its financial resources on education and health services.

"There was general objection to the move by the refugees everywhere," said Skinner. "But after some months, I believe they realized that the education and health programmes were to important to be reduced. They attach tremendous importance to education. The rationing is now limited to social welfare cases."

During the period he directed operations in the West Bank, Skinner also had to cope with Israeli government plans to "resettle" the refugees—part of former minister Mordechai Ben-Porat's scheme to write off the Palestinian refugee problem against that of the Israeli refugees from Arab countries absorbed into Israel following the creation of the state.

The agency's official position was not to object to resettlement in principle, but to insist that the plan be based on the voluntary involvement of the refugees. A promise that "no coercion would be used" was elicited from the Israel government, but in the absence of a government decision to implement Ben-Porat's recommendations, the whole idea has come to nothing.

Of his contacts with Israeli officials, Skinner would only say that he had "met with understanding" when he made representations based on humanitarian grounds "in an often very difficult environment." More than that, apparently, would be too political.

Unlike Palestinian refugees living elsewhere in the Middle East, those of the West Bank and Gaza live among other Palestinians and not among different national groups. Their reactions and moods are conditioned by and reflect those of the area, he said, but again would not elaborate.

The refugee population of the West Bank, currently estimated at 290,000, increases by about 3 per cent a year. Some 80,000 live in 19 camps in the area, which means that a lot of UNRWA's services are provided to people who live outside the camps. The agency employs 2,750 Palestinians supervised by nine expatriate officials. The budget for the current year is $28 million.

Skinner knows that his new posting must surely be one of the most sensitive a UN official could be faced with. But with only two years to go to the statutory retirement age, he, like so many such public servants, is already beginning to muse on the memoirs he intends to write.●

ANNA PEREZ

● Mr. GORTON. Mr. President, today I recognize the political astuteness and mastery of communications contributed by a member of my staff who recently left my office. Anna Perez served in my press office for 4 years and is now working as press secretary for the newest member of Washington State's delegation, Congressman JOHN MILLER.

Anna first brought her singular blend of intellect and creativity to my staff in 1981. Since that time, she has devoted herself to the people of Washington, demonstrating daily an uncanny ability to capsulize complex issues and legislation. Anna's first sense in her writing is to educate, to provide useful information to her readers.

My colleagues recognize that the voices of our States are often diverse. Anna's varied career and background, her command of our language and her knowledge of the media have contributed to the respect she has won from those who have associated with her.

Anna added spark and continuity to the workings of my office here, as she is never at a loss for words. Her wit and honesty have been welcome attributes, and her animated presence will be genuinely missed. I wish her the best in her new role, and compliment my friend, Congressman MILLER, on a superb choice.●

LITHUANIAN INDEPENDENCE

● Mr. DODD. Mr. President, February 16 marked the 734th anniversary of the founding of an independent Lithuanian state in 1251, and the 67th anniversary of the reestablishment of an independent Lithuania in 1918. This is an anniversary that as a free people we should remember.

We should remember this anniversary because that independent Lithuania founded at the end of World War I was crushed at the beginning of World War II, as a result of one of the most infamous agreements in history, the Molotov-Ribbentrop Pact, between two of history's most despicable tyrants, Joseph Stalin and Adolph Hitler.

We should remember this anniversary because the United States has never recognized the brutal Soviet occupation of Lithuania, as well as her neighboring states, Estonia and Latvia, as legitimate in any way. The cruel crime perpetrated by the Soviet regime on the Baltic States is not atypical of Soviet behavior, of course. We have only to look at the Soviet invasion, occupation, and continued war on the people of Afghanistan to remind ourselves just why we should recall the independence of Lithuania. The United States does not and will not recognize Soviet rule over Lithuania as legitimate, because it is not legitimate. Soviet rule over Lithuania was prepared by stealth and deceit, accomplished by invasion, and is continued only by the most brutal repression.

But most of all, we should remember this anniversary because, for all of the arrests, imprisonments, executions, deportations, and the continued oppression of the Lithuanian people by the Soviet Union, the will of the people of Lithuania to be free endures. There have been demonstrations—what courage, to demonstrate against Soviet rule over Lithuania, in Lithuania—to urge the teaching of the Lithuanian language in Lithuanian schools, to foster the spirit of Lithuanian nationalism in public, to reaffirm the commitment of Lithuanians to their homeland. The Soviet response has been direct and brutal. But it cannot repress forever the spirit of the people of Lithuania.

So we cannot let this anniversary go by, without ringing support of that legitimate struggle.●

LITHUANIAN INDEPENDENCE DAY

● Mr. PELL. Mr. President, February 16 marked the 67th anniversary of Lithuanian independence. After living for more than a century under Russian rule and tyranny, the Lithuanian people courageously rebelled against their oppressors and on February 16, 1918, declared Lithuania to be an independent state. Today, I am proud to join Lithuanians throughout the world in commemorating this memorable event.

The historic struggle waged by the Lithuanian people for freedom and self-determination did not come to an end with their declaration of independence. Bolshevik forces made repeated attempts to deal a death blow to the newly established republic. Nevertheless, Lithuanians successfully defeated these forces, and in 1920 the Soviet Union signed a peace treaty recognizing Lithuania's independence and sovereignty and renouncing forever all claims to Lithuanian territory.

Lithuania's existence as a sovereign nation-state was tragically and illegally ended by the Soviet Union during the Second World War. Under a secret protocol to the Nazi-Soviet Nonaggression Pact, the Soviet Union laid claims to Lithuania and the other Baltic

States of Latvia and Estonia. This agreement was a flagrant abrogation of the 1920 peace treaty with Lithuania. Having received the green light from Germany to occupy the Baltic States, the Soviet Union in October 1939 forcibly obtained the right to station Soviet forces on Lithuanian territory. The following June the Soviet Union orchestrated the downfall of the nationalist Government and replaced it with a new pro-Soviet Government. In August 1940, at the request of the new Government and against the wishes of the Lithuanian people, Lithuania was formally incorporated into the Union of Soviet Socialist Republics. To this day, the United States has consistently refused to recognize this unlawful annexation of Lithuania by the Soviet Union and has steadfastly supported the Lithuanian people in their valiant and unending struggle against Soviet repression.

Since 1940, the Soviet Union has tried to eliminate independent religious, political, and cultural activities in Lithuania. In Lithuania, as in Poland, Catholicism is deeply rooted and the Catholic Church has played a central role in the formation of social, political, and religious beliefs. It is not surprising, therefore, that the Catholic Church and its followers have been the main targets of the Government's campaign. Catholic worshippers have been intimidated and harassed, and Catholic priests have been detained and brought to trial. In 1983, the Soviet Union set a profoundly disquieting precedent in its campaign to neutralize Catholic opposition by arresting and incarcerating two influential Lithuanian priests, Father Alfonsas Svarinskas and Father Sigitas Tamkevicius.

In 1984, the persecution of Catholics continued unabated. On March 4, the 500th anniversary of Lithuania's patron Saint Casimir, it is reported that the Government disrupted commemoration ceremonies all over the country by disconnecting speakers outside churches packed with believers, by scheduling alternative activities for schoolchildren and by other nefarious measures. On November 9, 1984 Father Jonas Matulionis, a prominent Catholic priest, was arrested without charge and sentenced to 3 years forced labor. The frequency and lawless nature of such Government crackdowns have so threatened the activities of the Lithuanian Catholic Committee for the Defense of Believers' Rights that it has been forced to go underground. Despite these repeated assaults however, the Catholic Church continues undeterred in its efforts to secure freedom and human rights for the people of Lithuania.

As a member and former cochairman of the Commission on Security and Cooperation in Europe, I am deeply concerned about violations of human rights in Lithuania. As a party to the U.N. Charter and various international covenants on human rights, and as a signatory of the Helsinki accords, the Soviet Union has pledged respect for human rights and fundamental freedoms and has accepted political and legal obligations in these areas. As we commemorate the 67th anniversary of Lithuanian independence, it is fitting and proper that we remind the Soviet Union of these obligations and that we reaffirm our own commitment to the principles of liberty and self-determination for Lithuanians and for all people who are forced to live in the absence of freedom.●

CHARLES E. EISING, LUTHERAN LAYMAN OF THE YEAR

● Mr. LEVIN. Mr. President, on March 5 the Lutheran Luncheon Club of Detroit will honor Charles E. Eising as the Lutheran Layman of the Year. This is a very high honor and, in my opinion, could not have been bestowed upon a more deserving individual than Charles Eising.

Driven by his strong faith and good will he has dedicated his life to this church and to aiding the youths in his area.

After graduating from Springfield College with a degree in physical education, Charles Eising became the assistant physical education director at the Highland Park, MI, YMCA. He then went on to be the physical education director for the Western Detroit "Y" and associate executive director of the Flint "Y."

Charles Eising is a past president of the Michigan Fellowship of Christian Athletes, the Lutheran Luncheon Club, and the Amateur Athletes Union. Currently he is the developmental director of several zones of the southeast Michigan district of the Lutheran Laymen's League, vice president and management resource center director of the Metropolitan Detroit YMCA, and chairman of the board of directors of both the Lutheran Center Association and Camp Happy Hollow, a camp for handicapped children.

Mr. President, the list goes on and on with his accomplishments, truly an incredible record of achievement. Few people can claim to have done as much for the young people in southeastern Michigan as Charles Eising. His selflessness and devotion serve as an inspiration to all around him. A true humanitarian and great contributor to his community, it gives me great pleasure to join the Lutheran Luncheon Club of Detroit in honoring Charles Eising.●

THE 65th ANNIVERSARY OF ELKAY MANUFACTURING CO.

● Mr. SIMON. Mr. President, I want to congratulate Elkay Manufacturing Co., the leading manufacturer of stainless steel sinks in the country, on its 65th anniversary, January 27, 1985. For 6½ decades, Elkay, headquartered in Oak Brook, IL, has served both the plumbing industry and the public by maintaining exemplary standards and manufacturing products of the highest quality. Elkay's employees in all three Illinois divisions—Broadview, Lanark, and St. Charles—and in Dayton, TN; Lumberton, NC, and Ogden, UT, have in the past and shall continue in the future to contribute greatly to Elkay's premiere industry position.

I am proud that Elkay Manufacturing Co., representing that which is best in American industry, is an Illinois-based firm.●

TRIBUTE TO SOUTH CAROLINA HOUSE SPEAKER EMERITUS SOLOMON BLATT

● Mr. HOLLINGS. Mr. President, I wish to stand today in tribute to one of the true lions of South Carolina legislative history, House Speaker Emeritus Solomon Blatt. I always thought of Mr. Blatt as a friend, a great legislator, and a true statesman. He has served his State and his country with a record of achievement and distinction matched by few. For 30 years he helped guide our great State through times of trouble and triumph as speaker of the South Carolina House of Representatives.

Now Solomon Blatt has attained yet another mark of distinction. Mr. Blatt just recently became the longest serving State legislator in all of these United States. For this achievement I wish to salute him, here in our National Congress.

Solomon Blatt first came to the South Carolina House on January 10, 1933, a loyal Democrat from Barnwell. I was still in grade school. A fellow lawyer trained at the University of South Carolina, he received his legal degree from USC before I was even born. By the time I became Governor in 1958, Mr. Blatt had been in the legislature for 25 years. He had been speaker for 15 of those years, ruling with a firm and true hand.

I didn't have to be told this was a man of great experience and wisdom. I went to him, and his help and guidance were forthcoming. Together we worked to bring South Carolina's budget into balance and give it its first AAA bond-credit rating since Reconstruction. We attracted industry and started a technical education system that became a model for the Nation. And we provided public education with the support it needed to attract new qualified teachers and administrators.

We set our State on a course into a future of growth and progress and we couldn't have accomplished what we did without Speaker Blatt.

Now he has become the dean of all American State legislators, and it is an honor he richly deserves. Mr. Speaker, you have made all of us South Carolinians proud. We salute you, and wish you and your wife, Ethel, the very best.●

MAMMA D'AMATO'S BIRTHDAY

Mr. DOLE. Mr. President, although we may celebrate George Washington's Birthday on the third Monday in February each year, tomorrow is in fact the real Washington's birthday. I think it appropriate that we take this opportunity to wish our first President a happy birthday.

Allow me also to make note that tomorrow is also the birthday of another great American—Antionette D'Amato, mother of our own Senator AL D'AMATO from New York.

Just as our first President embodied the highest ideals of the American character for future generations, Antionette D'Amato has also acted as a beacon for her family, friends, and well-wishers.

She has instilled in all who know her a sense of tradition, a sense of family values, and above all a feeling that hard work and caring for one's neighbor are virtues that must never be forgotten.

In pausing to reflect upon the birthday of Antionette D'Amato, we should never forget that behind every success that comes with hard work, is a mother who pushed, prodded, and refused to settle for second best.

Happy 70th birthday, Mamma D'Amato. Your efforts will never be forgotten.

SENATOR JOHN KERRY

Mr. BYRD. Mr. President, I would like to bring to the attention of my colleagues an article about one of our newest Members to the Senate, the Freshman Democratic Senator from Massachusetts, Mr. JOHN FORBES KERRY. Senator KERRY, in the short time that he has been with us has shown the promise of becoming an outstanding contributing Member to this body. Mr. KERRY is not new to our circles, however. Almost 15 years ago, as a Vietnam war hero, honored with a Bronze Star, a Silver Star, and three Purple Hearts, he made appearances as a witness to the Senate Foreign Relations Committee. Today, he has commanded attention by now serving on this very same committee. On behalf of myself, as well as my colleagues on both sides of the aisle, I extend to Senator KERRY, wishes for a successful and happy term of office, and I ask unanimous consent that this article from the February 21, 1985, edition of the Washington Post be printed in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 21, 1985]

JOHN KERRY, COMING FULL CIRCLE: THE VIETNAM HERO, THE PROTESTER, THE SENATOR

(By Lois Romano)

The new Democratic senator from Massachusetts strolled into the cavernous hearing room yesterday, a commanding presence of pride and satisfaction. He is the only freshman who won a seat on the prestigious Foreign Relations Committee, and as his eyes canvassed the room, you could almost see him replaying the drama of the decade past.

He was a witness before this same committee that April day in 1971, a brazen 27-year-old Vietnam war hero who had turned publicly against the same war that had earned him a Bronze Star, a Silver Star and three Purple Hearts. "How can you ask a man to be the last man to die for a mistake?" he demanded of the packed hearing room.

In his Army fatigues and ribbons, John Forbes Kerry seemed untouchable that day. And when he was done, Sen. Claiborne Pell (D-R.I.) spoke up.

"As the witness knows," he said, "I have a very high personal regard for him and hope, before his life ends, he will be a colleague of ours in this body."

Yesterday it was Pell who welcomed him back: "I remember a few years ago, he was a witness and I was hoping he would be joining us . . . And not only is he in this body, but on this committee."

But just as Pell had him marked for success, so his own impatience marked him for some failures. For years after his dramatic congressional debut, he would be accused by members of his own party of trying to leverage his wartime notoriety into political gain. It was a career of false starts at the polls for Kerry, though—'70, '72, '80—and one that he wanted so much to pattern after that of his lifelong idol, John Fitzgerald Kennedy.

He even carried those same famous initials, which he unabashedly had monogrammed on his white shirts. Eventually, the joke was that the JFK stood for Just For Kerry. And when people described Kerry as "ambitious," it was nearly always pejorative.

"I know, I know," he says today. "I am not any more or less ambitious than anyone else in this business. I probably have been, in the past. But not recently, no . . . I think I got something of a rap 10 years ago which I brought on myself, partly because of my impatience and partly through my total focus, my absolute, total commitment to ending the war . . . I think there was an element of brashness . . . I admit that now . . . Why do people dwell on that so?"

Quipped a Boston Democrat recently when asked about Kerry: "Hasn't that guy left for Iowa yet?"

Today John Kerry is 41 and back in the Senate, a cocky smooth operator with Gary Hart's aloofness and Ted Kennedy's ability to attract the cameras whenever he strides into a room.

In many ways, Kerry's success is a testament to the fact that a basically unpopular party player can overcome the odds and win. Days before the November general election, one headline on a Boston Globe opinion column proclaimed, "Just hold your nose and vote" for Kerry. Wrote the columnist, Mike Barnacle: "He looks like the kind of guy who wrote a game plan for life when he was still sitting in a sandbox."

Still, Kerry comes to the Senate with a certain cachet. Every so often, Washington anoints a new political celebrity, a distinction that may say less about the person's achievements than it does about the kind of intrigue that can be found in politics. Kerry knows he has done nothing more than run for office and win, but realizes, too, that he reeks of naked ambition, and projects a style that always seems to place him on the fighting edge of success. And controversy.

He is handsome, and soon to be available, a divorce pending. He once tried to fly a plane under the Golden Gate Bridge but turned away at the last minute ("I could have continued under, I guess, but I opted out," he says), commanded his Navy patrol boat into enemy fire in the Mekong Delta, and as soon as he returned from Vietnam became the national coordinator of the premier veterans' antiwar group, Vietnam Veterans Against the War.

By 1972, his picture had appeared in every major news publication in the country.

"I'm tired of talking about myself," Kerry said one day recently, sitting on his office couch, legs propped on a coffee table. "Knowing what I know about this city and the process, the more you tell me those are the perceptions of me—dashing, flashy—the more I say I have to be careful . . . The French philosopher Andre Gide's response to people trying to classify him was 'don't try to understand me too quickly.' . . .

"Somebody sees me walking down the hall, and sees that I'm 6 foot, 3½ inches tall, and thin, and, you know, they have a perception. They say, 'This guy is this way,' and then the stereotypes develop . . . A lot of people who criticize me today—and I think it's the residual from back then—I say they just don't know me."

He talks with Boston lockjaw, at times barely moving his lips. If you close your eyes, the cadences are remarkably familiar. As is his career history: enlisting in the Navy and becoming a naval officer, running for Congress upon his return, and even dating one of Jacqueline Kennedy's half-sisters. And now the Senate. Recalls a classmate at Yale, where he was an undergraduate, "When John was around, we'd always say, 'Here comes little JFK.'" Even People magazine asked him recently if he did anything special to make his hair look like Kennedy's. He doesn't.

"I've worn my hair the same way since I was three," he says. "And my initials were JFK in 1943—when I was born, before Kennedy had even gone to fight in the war. I didn't have anything to say about it, folks. Please. It's just a lot of bunk!"

Says Cameron Kerry, a younger brother: "Anyone interested in politics from that era was affected by Kennedy. When you're an impressionable kid, the situation is certainly magnified when you wake up to the fact that you have the same initials."

Kerry was born in Denver and raised predominantly overseas, his father a foreign service officer, his mother a Forbes, one of New England's oldest blue-blood families. He was brought up a Catholic, although his Irish-Catholic lineage is snidely dismissed by cynical Boston pols.

"He is more a Forbes than a Kerry," says one almost disdainfully.

Even those who like Kerry agree.

"This is not an Irish family," says friend David Thorne, whose twin sister is Kerry's estranged wife, Julia. "To understand John, you have to understand his family. They are

a very reserved New England Anglo family which does not express emotions. John is a difficult person to get close to. He's remote and not very good on a human level. He's not very good at assuaging feelings. I think he's gotten much better . . ."

Kerry says today that in fact he does take his personal relationships more seriously than when he was younger. He is the attentive father of two girls, Alexandra, 11, and Vanessa, 8, who live in Boston with their mother, and his friends say that his wife's request for the separation in 1982 after 12 years of marriage devastated him but ultimately changed him for the better.

"I think you bang your head against brick walls, and either one of two things happens," he says. "You either knock yourself senseless or you grow. I think I am a sensitive person . . ."

Those close to him say he dates but that he really would like to see his marriage reconciled. He refuses to discuss the subject saying only, "It's too complicated to explain . . . We are really close friends and we're separated, and that's the way it is right now."

John Kerry has spent the last decade paying the dues that seemed so unnecessary years earlier.

He is an attorney now, having enrolled in Boston College Law School soon after his 1972 congressional defeat. In the ensuing years he worked in the Middlesex County district attorney's office as the first assistant, prosecuting a major organized crime figure, and he is credited with reducing the backlog of cases from 11,000 to about 250. He was in private practice for a while, invested in a cookie business, of which he still retains a small interest, and in 1982 achieved his first elected office, becoming lieutenant governor of Massachusetts under Gov. Michael Dukakis.

The reviews were fairly positive. Yet there is still something about him that makes other politicians uneasy.

Before running for Congress in 1972, he did some highly publicized "district shopping." He purchased a house in Worcester, 40 miles west of his home, in order to run for Congress there. But he never moved there. When another seat became available in Lowell, he ran there instead, claiming his parents' residence as his own. "It was insurance," he says. "That's part of the brash series of things I refer to, it was that period of time. I was totally consumed with the notion of going to Congress . . ."

The surgery to have the jawbone adjusted on his long, oval face did not go unnoticed, either. It was performed, he says, to correct damage done during a hockey accident. Others point out that the operation coincidentally made him more attractive to the cameras.

Some criticized him for being unpatriotic when he made a flamboyant show during a Washington war protest of throwing his medals away. When, last year, he acknowledged that he had discarded someone else's, he was crucified for being a hypocrite.

"It's such a personal thing," he says. "They're my medals. I'll do what I want with them. And there shouldn't be any expectations about them. It shouldn't be a measurement of anything. People say, 'You didn't throw your medals away.' Who said I had to? And why should I? It's my business. I did not want to throw my medals away."

Insiders say he's downright disrespectful. Two weeks before the general election, he spurned House Speaker Tip O'Neill's offer to campaign for him, abruptly canceling a trip they had planned for the Speaker. Kerry's office maintains it was a logistics problem. O'Neill is said to have been furious.

"He has time to work at these relationships now, and sure, he will," says Ron Rosenblith, his top political aide and administrative assistant. "I'm much more concerned about what the voters think, than the insiders. How much does he really want to change? The reality of the situation is he's here. He won."

And Kerry supporters maintain that all along he has been learning the hard lessons.

"People choose to forget that John pulled out when I ran because he thought it was better for the party," Rep. Barney Frank (D-Mass.) says of a 1980 congressional race. "He had as good a chance as any . . . I only won with 4 percent of the vote."

Supporters also say he is a victim of the stereotypes that dog him. Many of those interviewed who worked with him in the Dukakis administration, for example, said they had been pleasantly surprised.

"Many of us who didn't know him before feared this was an upstart lieutenant governor who would make it difficult for us to make policy by publicly opposing our efforts," says Frank Keefe, Massachusetts secretary of administration and finance. "Those fears ended up being unfounded during the first week, when he stayed to all hours of the night trying to work out a budget compromise."

So perhaps Kerry is a man whose time has finally come. When Sen. Paul Tsongas announced his plans to resign due to illness, Rosenblith immediately tracked Kerry down in Brussels.

"I had just woken up and Ron said 'Are you lying down?' " recalls Kerry.

"I really felt awful for Paul," he says. "I was genuinely sick about it all day . . . And then I began to think about it, and I put it out my mind for about five days . . . I felt in my gut I should run."

John Kerry has only been here a month, but he exudes a certain confidence not often seen in first-term Senator. He has already purchased a $180,000 town house two blocks from his office on Capitol Hill.

On the social circuit, he is already a presence, gushed over at various party stops. Last December, before he was even sworn in, Kerry drew a crowd at a black-tie party at the National Portrait Gallery.

"Is he married?" a woman asked, as the cameras flashed around him, a question that's been asked all over town.

On the Senate floor, he projects the attitude of an insider. And when dealing with constituents he makes it seem as though he has been a senator forever.

In the course of three interviews, he had displayed the finesse of a political pro, answering all the questions, but never saying too much, or the wrong thing. He's polite, but reserved.

He says he doesn't like the publicity.

"When I was 27 years old, two days before my testimony before the foreign relations committee everyone was writing about my putative run for the White House. It's the worst thing in the world you could have written. I don't want that stuff. I don't seek it. I cringe as a matter of fact."

Old friends say Kerry was fascinated by public office early.

"I don't really know when the first moment was," he says. "I remember when we were in Washington in 1952—I remember my sister was really active. She was raising money for Adlai Stevenson, and I went out and tried to raise money door-to-door and we went and raised five bucks or something."

He attended the exclusive St. Paul's prep school in Concord, N.H., where political posters adorned his dorm room and he argued politics with classmates late into the night. Two years before his graduation, Kennedy was elected to the presidency.

"That was a real catalyst," he says. "He kind of touched chords for all of us."

In 1962, Kerry hit Yale running, displaying the same kind of singlemindedness that would follow him for two decades.

"John was unusually active for a freshman," says Sen. David Boren (D-Okla.), who met Kerry through Yale's Political Union, a well-known debating outlet for politically active students. "He ran for a union office and won, which is rare for a freshman, though not unheard of. I suppose some people thought him to be arrogant—he was certainly not a silent freshman. I always thought of him as intense, more of a go-getter. Knowing him then, I am not surprised to see him in the Senate."

Boren, three years ahead of Kerry in school, said he later wrote a letter of support when Kerry was invited to join Yale's Skull and Bones Society, the oldest and most prestigious secret society on campus.

By 1966, the Vietnam war was near its peak. Like so many others of his age, it was either enlist or wait to be drafted. He enlisted.

"Oh, it was a major, major formative experience in my life," he says of his tour there. "The whole thing was just critical to me. When I came back from Vietnam and had a very traditional position as aide to an admiral, uhmm, it was with a lot of basic commitment to ending that war, that led me to say, 'I've got to get out of here.' "

Vietnam became a touchstone for John Kerry's political career. His critics say he protested when it was in vogue to do so and, during the campaign 12 years later, emphasizing his war citations, running ads that showed him marching through the rice paddies.

"It's not contradictory in the least," he says. "It is absolutely, 100 percent consistent. I went because I believed in this country, because I owed it to myself and the things I stood for. So I went. And when I got there I changed."

Then-lieutenant Kerry, a commander of fast patrol boats, soon distinguished himself with an impressive combat record.

According to the presidential citation for the Bronze Star he received, once when he "discovered he had a man overboard, he returned up the river to assist. The man was receiving sniper fire from both banks, Lt. Kerry directed his gunners to provide suspressing fire, while from an exposed position on the bow, his arm bleeding and in pain, with disregard for his personal safety, he pulled the man aboard . . ."

When Kerry returned he mobilized 5,000 veterans on the Mall to protest the war. After his testimony to the Foreign Relations Committee, according to The Boston Globe, Kerry registered 6 percent ahead of Abe Beame in a New York City public opinion poll on mayoral candidate preference.

When Kerry ran for Congress one year later, Richard Nixon was obsessed with him. As the story goes, Nixon, already comfortable in his landslide victory over George McGovern, would not go to bed on election night until the results of Massachusetts' fifth congressional district were tallied, and

Kerry was pronounced the loser by 18,000 votes.

But his Vietnam experiences would bring him as much grief as fame. During his senatorial run, he came under fire from all sides.

In the primary, a group of Massachusetts Vietnam veterans endorsed former congressman James Shannon, the Democratic establishment's favorite, after Kerry appeared in an ad standing before the Vietnam Memorial in Washington. "The ad made it seem as though 57,000 names on the wall were endorsing him," said Richard Ducey of the Vietnam Veteran Leadership, who supported, Kerry in the general election but not the primary.

The lowest moment of the general election came when the John Birch Society and Maj. Gen. George S. Patton Jr., son of the famous general, charged that Kerry was a communist sympathizer guilty of "near treasonous activity" in opposing the war. In the end, this worked against his opponent, businessman Ray Shamie, whom he beat with 56 percent of the vote.

And what exactly makes a hero? he is asked.

"Basically," says Kerry, "you don't get killed."

When yesterday's Foreign Relations Committee hearing adjourned, Kerry was asked about his return to the committee, in light of his current interest in foreign affairs. He has often paralleled the U.S. role in Central America, as well as the arms race, with the country's early involvement in Vietnam.

"It was strange being there," he said. And then, referring to a witness who had just defended Star Wars, the antimissile defense system, by calling it "the light at the end of the tunnel," Kerry smiled: "I walked in and I knew I had been there before, and when he said 'the light at the end of the tunnel,' my blood went bubble, bubble, bubble. That's what they used to say about Vietnam. And I knew I had been there before."

ORDERS FOR FRIDAY

ORDER FOR RECESS UNTIL 8 A.M. TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8 a.m. on Friday, February 22.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on tomorrow, the following Senators be recognized for not to exceed 15 minutes each, for special orders: Senator SPECTER, Senator PROXMIRE, and Senator BOREN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF MORNING BUSINESS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the special orders just identified, there be a period for the transaction of morning business, not to extend beyond 9:15 a.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADVANCEMENT OF IRA C. EAKER AND JAMES H. DOOLITTLE TO THE GRADE OF GENERAL ON THE RETIRED LIST

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 14.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The bill clerk read as follows:

A joint resolution (S.J. Res. 14) authorizing the President to advance Lt. Gen. Ira C. Eaker, USAF (retired) and Lt. Gen. James H. Doolittle, USAF (retired) to the grade of general on the retired list.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. BYRD. Mr. President, there is no objection on this side.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. GOLDWATER. Mr. President, on February 7, the Committee on Armed Services unanimously ordered Senate Joint Resolution 14 to be favorably reported to the Senate. This joint resolution would authorize the President to advance Lt. Gen. Ira C. Eaker, U.S. Air Force, retired, and Lt. Gen. James H. Doolittle, U.S. Air Force, retired, to the grade of general on the retired list of the Air Force. This resolution would specifically provide that there be no increase in compensation or allowances payable to either Lieutenant General Eaker or Lieutenant General Doolittle if they are advanced under the authority of this resolution.

Lieutenant Generals Eaker and Doolittle are two of this Nation's great air power pioneers and Air Force veterans. Both men served on active duty as lieutenant generals and were retired from the Air Force in that grade. In recognition of the unique contributions made by Lieutenant Generals Eaker and Doolittle to the development of air power and to the defense of this Nation, it is a fitting honor that their names be included among those who have been retired from the Armed Forces as general.

Lieutenant General Eaker was commissioned in 1917. Early in his career he achieved a number of notable flight endurance records including serving as a pilot on a 22,000 mile goodwill tour to Central and South America in 1926 and 1927, serving as chief pilot on a refueling endurance flight of Army aircraft which established a world flight endurance record of almost 150 hours in 1929, and making the first transcontinental flight solely by instruments in 1936. During the 1930's and 1940's, Lieutenant General Eaker coauthored three books with Hap Arnold, later commanding General of the U.S. Army Air Forces. The first book, "This Flying Game," dealt with the aviation industry. The second book was "Winged Warfare," and the third, published in 1942, was titled "Army Flyer."

In 1942, Lieutenant General Eaker became Commander of the 1st American Air Headquarters in Europe, the 8th Bomber Command. Later in 1942, he became Commander of the 8th Air Force, and then he became commanding general of all U.S. Army Air Forces in the United Kingdom. In January 1944, he was named the Commander in Chief of the Mediterranean Allied Air Forces,

Having command of the 12th and 15th U.S. Air Forces and the British Desert and Balkan Air Forces. His final military duties were as the Deputy Commander of the Army Air Forces and the Chief of the Air Staff. He retired with more than 12,000 flying hours.

Lieutenant General Doolittle entered active duty in 1917 and was commissioned in 1920. In 1922 he made the first cross country flight from Florida to California with only one stop. Over the next 2 years he earned both a masters and doctorate degree from Massachusetts Institute of Technology. During the next 10 years he was involved in the testing of high-speed aircraft. In 1932 he set the world's high-speed record for land planes. In 1940 he became the president of the Institute of Aeronautical Science.

During World War II, Lieutenant General Doolittle was instrumental in initial wartime mobilization, and he led the first air raid on the Japanese mainland on April 18, 1942. He later commanded first the 12th Air Force in North Africa, then the 15th Air Force in the Mediterranean Theater and later the 8th Air Force in both the European and Pacific theaters. After the end of World War II, Lieutenant General Doolittle reverted to inactive reserve status. He continued his service to the Air Force, however, when in 1951 he was appointed as special assistant to the Chief of Staff of the Air Force in Washington, D.C.

Mr. President, the Nation has in the past bestowed a number of honors upon Ira Eaker and Jimmy Doolittle in recognition and appreciation of their devoted and extraordinary military service, as well as their service to the Nation in their civilian capacities. I believe it is now fitting and proper that they be further honored by being advanced on the retired list to the highest grade of our Air Force.

I urge each Member of the Senate to join with me in passing this resolution authorizing that advancement.

Mr. NUNN. Mr. President, it is a privilege to join Senator GOLDWATER in

urging adoption of Senate Resolution 14 which would authorize the President to advance two great Americans, Ira C. Eaker and James H. Doolittle to the grade of general on the U.S. Air Force retired list. They both retired as lieutenant generals; this measure would permit the President to give them their fourth stars.

As most Members know, Generals Eaker and Doolittle are among the giants of aviation. Prior to World War II, both men were pioneers in the development of aviation. General Doolittle tested high-speed aircraft and set the world speed record in 1932. General Eaker established a world flight endurance record in 1929 and made the first transcontinental flight using in-flight refueling.

During World War II, Generals Eaker and Doolittle were major commanders of our Army Air Corps. General Doolittle commanded the 12th Air Force in North Africa, the 15th Air Force in the Mediterranean, and the 8th Air Force in the European and Pacific theaters. General Eaker commanded the 8th Air Force and the U.S. Army Air Forces in the United Kingdom. In January 1944 he was named air commander and chief of the Mediterranean Allied Forces Air Force. When he retired, General Eaker was the deputy commander of the Army Air Forces and the Chief of the Air Staff.

Both Generals are highly decorated by the United States and foreign governments. General Doolittle led the first air raid on the Japanese mainland on April 18, 1942, and was awarded the Congressional Medal of Honor. General Eaker has been awarded the Distinguished Service Medal and the Navy Distinguished Service Medal. In 1979, General Eaker was presented with a special Congressional Gold Medal in his honor.

Mr. President, I commend Senator GOLDWATER for taking the lead in fashioning this joint resolution which would authorize the President to give Generals Doolittle and Eaker their fourth stars. It will result in no additional compensation to either man or their dependents. However, it does represent a recognition of the outstanding service these two great Americans have rendered to their country.

This is an important and fitting tribute, and I urge my colleagues to adopt it.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 14

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the outstanding contributions to national defense of Lieutenant General Ira C. Eaker, United States Air Force (retired) and Lieutenant General James H. Doolittle, United States Air Force (retired), the President is authorized to advance Ira C. Eaker and James H. Doolittle to grade of general on the retired list of the Air Force.

SEC. 2. Advancement on the retired list to the grade of general of Ira C. Eaker and James H. Doolittle based on the authority of this joint resolution shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the said Ira C. Eaker or James H. Doolittle.

AMENDMENT OF PARAGRAPH 2 OF RULE XXV

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate, as in legislative session, proceed to the consideration of a resolution which I send to the desk, which sets the ratios for various committees. It has been cleared.

The PRESIDING OFFICER. The resolution will be stated by title.

The bill clerk read as follows:

A resolution (S. Res. 74) to amend paragraph 2 of rule XXV.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

S. RES. 74

Resolved, That paragraph 2 of rule XXV of the Standing Rules of the Senate is amended for the 99th Congress as follows:

Strike "18" after "Agriculture, Nutrition, and Forestry" and insert in lieu thereof "17";

Strike "18" after "Armed Services" and insert in lieu thereof "19";

Strike "18" after "Banking, Housing, and Urban Affairs" and insert in lieu thereof "15";

Strike "21" after "Energy and Natural Resources" and insert in lieu thereof "18";

Strike "18" after "Environment and Public Works" and insert in lieu thereof "15";

Strike "18" after "Foreign Relations" and insert in lieu thereof "17";

Strike "18" after "Governmental Affairs" and insert in lieu thereof "13";

Strike "18" after "Labor and Human Resources" and insert in lieu thereof "16".

MAJORITY PARTY APPOINTMENTS TO SENATE COMMITTEES

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that the Senate proceed to the consideration of a resolution which I send to the desk, naming Members of the majority to the various committees.

The PRESIDING OFFICER. The resolution will be stated by title.

The bill clerk read as follows:

A resolution (S. Res. 75) making majority party appointments to Senate committees for the 99th Congress and electing chairmen of such committees.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

S. RES. 75

Resolved, That the following shall constitute the majority party's membership on the standing committees for the 99th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Helms (chairman), Mr. Dole, Mr. Lugar, Mr. Cochran, Mr. Boschwitz, Mrs. Hawkins, Mr. Andrews, Mr. Wilson, and Mr. McConnell.

Committee on Appropriations: Mr. Hatfield (chairman), Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Laxalt, Mr. Garn, Mr. Cochran, Mr. Andrews, Mr. Abdnor, Mr. Kasten, Mr. D'Amato, Mr. Mattingly, Mr. Rudman, Mr. Specter, and Mr. Domenici.

Committee on Armed Services: Mr. Goldwater (chairman), Mr. Thurmond, Mr. Warner, Mr. Humphrey, Mr. Cohen, Mr. Quayle, Mr. East, Mr. Wilson, Mr. Denton, and Mr. Gramm.

Committee on Banking, Housing, and Urban Affairs: Mr. Garn (chairman), Mr. Heinz, Mr. Armstrong, Mr. D'Amato, Mr. Gorton, Mr. Mattingly, Mr. Hecht, and Mr. Gramm.

Committee on Commerce, Science, and Transportation: Mr. Danforth (chairman), Mr. Packwood, Mr. Goldwater, Mrs. Kassebaum, Mr. Pressler, Mr. Gorton, Mr. Stevens, Mr. Kasten, and Mr. Trible.

Committee on Energy and Natural Resources: Mr. McClure (chairman), Mr. Hatfield, Mr. Weicker, Mr. Domenici, Mr. Wallop, Mr. Warner, Mr. Murkowski, Mr. Nickles, Mr. Hecht, and Mr. Evans.

Committee on Environment and Public Works: Mr. Stafford (chairman), Mr. Chafee, Mr. Simpson, Mr. Abdnor, Mr. Symms, Mr. Humphrey, Mr. Domenici, and Mr. Durenbeger.

Committee on Finance: Mr. Packwood (chairman), Mr. Dole, Mr. Roth, Mr. Danforth, Mr. Chafee, Mr. Heinz, Mr. Wallop, Mr. Durenberger, Mr. Armstrong, Mr. Symms, and Mr. Grassley.

Committee on Foreign Relations: Mr. Lugar (chairman), Mr. Helms, Mr. Mathias, Mrs. Kassebaum, Mr. Boschwitz, Mr. Pressler, Mr. Murkowski, Mr. Trible, and Mr. Evans.

Committee on Governmental Affairs: Mr. Roth (chairman), Mr. Stevens, Mr. Mathias, Mr. Cohen, Mr. Durenberger, Mr. Rudman, and Mr. Cochran.

Committee on the Judiciary: Mr. Thurmond (chairman), Mr. Mathias, Mr. Laxalt, Mr. Hatch, Mr. Simpson, Mr. East, Mr. Grassley, Mr. Denton, Mr. Specter, and Mr. McConnell.

Committee on Labor and Human Resources: Mr. Hatch (chairman), Mr. Stafford, Mr. Quayle, Mr. Nickles, Mrs. Hawkins, Mr. Thurmond, Mr. Weicker, Mr. Wallop, and Mr. Grassley.

Committee on the Budget: Mr. Domenici (chairman), Mr. Armstrong, Mrs. Kassenbaum, Mr. Boschwitz, Mr. Hatch, Mr. Andrews, Mr. Symms, Mr. Grassley, Mr. Kasten, Mr. Quayle, Mr. Gorton, and Mr. Danforth.

Committee on Rules and Administration: Mr. Mathias (chairman), Mr. Hatfield, Mr. McClure, Mr. Helms, Mr. Warner, Mr. Dole, and Mr. Stevens.

AMENDMENT OF PARAGRAPH 4 OF RULE XXV

Mr. DOLE. Mr. President, as in legislative session, I send a resolution to the desk which in effect is a waiver of the committee rules.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 76) to amend paragraph 4 of rule XXV of the Standing Rules of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 76) was agreed to, as follows:

S. RES. 76

Resolved, That paragraph 4 of Rule XXV is amended by striking all after subparagraph (g) and inserting in lieu thereof the following:

"(h)(1) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on the Judiciary and the Committee on Labor and Human Resources may, during the Ninety-ninth Congress, also serve as a member of the Committee on Armed Services so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(2) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Appropriations and the Committee on Energy and Natural Resources may, during the Ninety-ninth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each of such committees is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(3) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Energy and Natural Resources and the Committee on Appropriations may, during the Ninety-ninth Congress, also serve as a member of the Committee on Environment and Public Works so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(4) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Energy and Natural Resources and the Committee on Finance may, during the Ninety-ninth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(5) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Finance and the Committee on Governmental Affairs may, during the Ninety-ninth Congress, also serve as a member of the Committee on Energy and Natural Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(6) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations may, during the Ninety-ninth Congress, also serve as a member of the Committee on Governmental Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(7) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Finance and the Committee on the Judiciary may, during the Ninety-ninth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(8) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations may, during the Ninety-ninth Congress, also serve as a member of the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(9) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Labor and Human Resources and the Committee on Energy and Natural Resources may, during the Ninety-ninth Congress, also serve as a member of the Committee on the Judiciary so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(10) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations may, during the Ninety-ninth Congress, also serve as a member of the Committee on Labor and Human Resources so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2.

"(h)(11) A Senator who on the last day of the Ninety-eighth Congress was serving as a member of the Committee on Agriculture, Nutrition, and Forestry and the Committee on Armed Services may, during the Ninety-ninth Congress, also serve as a member of the Committee on Banking, Housing, and Urban Affairs so long as his service as a member of each such committee is continuous, but in no event may he serve, by reason of this subdivision, as a member of more than three committees listed in paragraph 2."

SEC. 2. Rule XXV, paragraph 4(f), is amended to read as follows:

"(f) A Senator serving on the Committee on Rules and Administration may not serve on any joint committee of the Congress unless the Senate members thereof are required by law to be appointed from the Committee on Rules and Administration, or unless such Senator served on the Committee on Rules and Administration and the Joint Committee on Taxation on the last day of the Ninety-eighth Congress."

MINORITY PARTY APPOINTMENTS TO SENATE COMMITTEES

Mr. BYRD. Mr. President, I ask unanimous consent that I may send to the desk a resolution to be acted upon as in legislative session.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 77) making minority party appointments to Senate committees for the 99th Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 77) was agreed to, as follows:

S. RES. 77

Resolved, That the following shall constitute the minority party's membership on the standing committees contained in paragraph 2 of Rule XXV of the Standing Rules of the Senate for the 99th Congress, or until their successors are chosen:

Committee on Agriculture, Nutrition, and Forestry: Mr. Zorinsky, Mr. Leahy, Mr. Melcher, Mr. Pryor, Mr. Boren, Mr. Dixon, Mr. Heflin, and Mr. Harkin.

Committee on Appropriations: Mr. Stennis, Mr. Byrd, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr. Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini, Mr. Bumpers, Mr. Lautenberg, and Mr. Harkin.

Committee on Armed Services: Mr. Nunn, Mr. Stennis, Mr. Hart, Mr. Exon, Mr. Levin, Mr. Kennedy, Mr. Bingaman, Mr. Dixon, and Mr. Glenn.

Committee on Banking, Housing, and Urban Affairs: Mr. Proxmire, Mr. Cranston, Mr. Riegle, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, and Mr. Sasser.

Committee on Commerce, Science, and Transportation: Mr. Hollings, Mr. Long, Mr. Inouye, Mr. Ford, Mr. Riegle, Mr. Exon, Mr. Gore, and Mr. Rockefeller.

Committee on Energy and Natural Resources: Mr. Johnston, Mr. Bumpers, Mr. Ford, Mr. Metzenbaum, Mr. Melcher, Mr. Bradley, Mr. Bingaman, and Mr. Rockefeller.

Committee on Environment and Public Works: Mr. Bentsen, Mr. Burdick, Mr. Hart, Mr. Moynihan, Mr. Mitchell, Mr. Baucus, and Mr. Lautenberg.

Committee on Finance: Mr. Long, Mr. Bentsen, Mr. Matsunaga, Mr. Moynihan, Mr. Baucus, Mr. Boren, Mr. Bradley, Mr. Mitchell, and Mr. Pryor.

Committee on Foreign Relations: Mr. Pell, Mr. Biden, Mr. Sarbanes, Mr. Zorinsky, Mr. Cranston, Mr. Dodd, Mr. Eagleton, and Mr. Kerry.

Committee on Governmental Affairs: Mr. Eagleton, Mr. Chiles, Mr. Nunn, Mr. Glenn, Mr. Levin, and Mr. Gore.

Committee on the Judiciary: Mr. Biden, Mr. Kennedy, Mr. Byrd, Mr. Metzenbaum, Mr. DeConcini, Mr. Leahy, Mr. Heflin, and Mr. Simon.

Committee on Labor and Human Resources: Mr. Kennedy, Mr. Pell, Mr. Metzenbaum, Mr. Matsunaga, Mr. Dodd, Mr. Simon, and Mr. Kerry.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I move to reconsider en bloc the votes by which the resolutions were agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROGRAM

Mr. DOLE. Mr. President, following morning business tomorrow, the Senate will automatically resume consideration of the Meese nomination, in executive session. Rollcall votes could occur as early as 9:30 or 10 a.m. tomorrow.

I also indicate to Senators who are present and other Members and staff who may be monitoring this that it is the intention of the leadership to take up S. 391, the highway bill, and farm credit legislation if available, following the confirmation of the nomination of Mr. Meese.

I also indicate at this time—we hope it is not necessary—that there could be a late, late session tomorrow which would go into the evening and beyond, and perhaps a session on Saturday.

I still believe that there is an opportunity or a possibility that some of these minor remaining differences can be resolved. We have some Members on our side taking a look at possible options, and I have been in touch with the White House and the Secretary of Agriculture. So we hope to have something to report to the distinguished minority leader sometime tomorrow morning.

It is my hope that we can complete our business early tomorrow. But, if not, I hope my colleagues understand that, of necessity, we may be here for a while.

RECESS UNTIL TOMORROW AT 8 A.M.

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 8 a.m. on Friday, February 22.

The motion was agreed to, and, at 10:53 p.m., the Senate, in executive session, recessed until Friday, February 22, 1985, at 8 a.m.

EXTENSIONS OF REMARKS

COMPREHENSIVE OIL POLLUTION LIABILITY AND COMPENSATION

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BIAGGI. Mr. Speaker, the Committee on Merchant Marine and Fisheries has for more than 10 years been directly involved in the development of legislation to provide a comprehensive, equitable, and effective means of establishing liability and providing compensation for cleanup costs and injuries resulting from oilspills. As a matter of fact, the committee has been involved with oil pollution liability and compensation issues since prior to the catastrophic grounding and breakup of the crude oil tanker *Torrey Canyon* off the coast of Great Britain in 1967.

I have been personally involved with these issues since I was first elected to Congress in 1969. During the 95th Congress, as chairman of the Subcommittee on Coast Guard and Navigation, I was able to see to the passage of oil pollution liability and compensation legislation—in the form of H.R. 6803—by the House by a recorded vote of 332 to 59.

During the 96th Congress, in September 1980, I again brought a similar bill to the House floor. H.R. 85 was passed by a recorded vote of 288 to 11. It failed of enactment due to two other areas of environmental concern: Spills of hazardous substances and abandoned hazardous waste dumpsites. I don't think I need to remind anyone of the Love Canal issues and problems that were generated and that are still being generated. At that time, I felt oil pollution should be handled separately; however, they were joined into one bill.

The Senate took the most important hazardous substances spill provisions from the House-amended H.R. 85—containing both oil and hazardous substances—and combined them with the hazardous waste dumpsite provisions of H.R. 7020. In a spirit of compromise and in the national interest, I agreed to support the revised version of H.R. 7020, which did not contain my oilspill provisions. During the waning days of the 96th Congress, H.R. 7020 was adopted by the Congress and signed into law on December 11, 1980, as Public Law 96-510.

During the 97th Congress, I again introduced a comprehensive oil pollution liability and compensation bill in the form of H.R. 85. I used the same number to remind my colleagues of the promise made to move on oil pollution legislation right after hazardous substances pollution legislation was in place. Hon. GERRY STUDDS, new chairman of the Subcommittee on Coast Guard and Navigation, moved rapidly and effectively and, by May 1981, was able to get this legislation reported to the House. However, due to pressing problems within other committees having joint jurisdiction, this legislation was not acted upon.

Undaunted, during the early days of the 98th Congress, I once again introduced a comprehensive oil pollution liability and compensation bill on March 6, 1983. H.R. 2115 was identical to H.R. 85 of the prior Congress. Hon. GERRY STUDDS introduced H.R. 2222, which was similar to my bill but which restricted coverage to vessels and provided for the eventual adoption of an international treaty. Hon. DON YOUNG introduced H.R. 2368, which was also similar to my bill, except that it provided for administration of the oil pollution fund by a nonprofit corporation.

These bills served as the focus of consideration by the Committee on Merchant Marine and Fisheries and led to a compromise in the form of H.R. 3278, which was reported to the House on August 2, 1983 (Rept. 98-340 pt. 1). We then urged the House Committee on Public Works and Transportation to act favorably on H.R. 3278 and cited the voluminous record of hearings and prior legislative action that we felt fully supported the need for immediate action.

The bill was generally acceptable to the industry, the administration, environmental groups, and public interest groups. As a matter of fact, prior administration opposition to a bill of this type was reversed on April 30, 1984, by a letter from the Secretary of Transportation to the Committee on Public Works and Transportation. This significant new development clearly demonstrated that a bill acceptable both to the administration and the Congress was possible.

On August 8, 1984, Hon. JOHN BREAUX—a member of both the Committee on Merchant Marine and Fisheries and the Committee on Public Works and Transportation—moved the provisions of H.R. 3278 into an amendment to title V of H.R. 5640—a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. On August 10, 1984, the oil pollution amendment was adopted, and the House passed H.R. 5640 by a recorded vote of 322 to 33.

I then called this legislation to the personal attention of a number of my Senate colleagues, highlighting the need to compensate those who are victimized by oilspills and to provide sufficient funding for the cost of oil removal. I indicated that a number of compromises had been worked out and that I felt the legislation was acceptable to all parties. I noted that further delay would mean continued inadequate compensation for losses due to oil pollution and the continuing patchwork of conflicting State and Federal laws. A number of additional changes were proposed to the oil pollution title; but, in the waning days of the 98th Congress, H.R. 5640 failed to be enacted—primarily due to problems involving hazardous substances liability and compensation.

Mr. Speaker, I have briefly discussed the history of oil pollution liability and compensation so that Members can readily see that the issue has been long and carefully considered. I still feel that oil pollution legislation and hazardous substances legislation should be handled separately—and this is evidenced by what happened, once again, during the last Congress. Therefore, together with a number of my colleagues, I am cosponsoring oil pollution liability and compensation legislation—hopefully, for the last time. This is a major piece of unfinished business from prior Congresses that continues to have considerable bipartisan support.

For many years, this type of legislation has had strong administration support. About 4 years ago, however, the administration reversed its position and opposed the legislation due to, I believe, a misunderstanding of the effects of funding and operation of the oil pollution fund. Fortunately, the administration reversed its position in 1984 and is again in strong support of this legislation.

The administration continues to be concerned with the oil pollution threat and has also been active in attempting to improve international oil pollution liability and compensation schemes. In 1984, this concern culminated in a diplomatic conference that amended existing treaties so as to be more compatible with U.S. interests. This will be a significant contribution to arriving at solutions that are internationally as well as domestically acceptable. This bill will also be the vehicle for solving these international oil pollution problems.

Public concern over the need for this type of legislation was generated when the tank vessel *Torrey Canyon* ground-

ed off the southwest coast of England in 1967, spilling approximately 100,000 tons of crude oil that fouled the shores of the British Isles and the coast of France. Public concern was again highlighted in 1969 when a production platform off Santa Barbara, CA, suffered a blowout that discharged untold amounts of oil before it could be brought under control.

Since then, numerous other casualties have highlighted the oil pollution problem and the need for a national and comprehensive oilspill liability and compensation scheme—a most noteworthy one being the grounding of the tank vessel *Argo Merchant* off Nantucket in 1976. One particular casualty—the grounding of the very large crude carrier *Amoco Cadiz*—of 228,513 tons—off the coast of France on March 16, 1978—is a more recent and memorable reminder of the need to establish such a system.

A significant casualty that affected our coastal environment and economic well-being was the blowout of Ixtoc I in the bay of Campeche, Mexico on June 3, 1979. The impact of this spill and the resulting oil pollution of the Texas coastal environment and the waters of the Gulf of Mexico were extensive. The litigation arising out of this incident has been extensive and protracted. Had the proposed legislation been in place, the alternative would have been a fair, adequate and prompt compensation to those who were victimized. Therefore, it continues to be necessary to provide for adequate compensation to those who suffer damage from the effects of oil pollution incidents. While existing oil pollution legislation permits compensation for cleanup and removal costs, there is no legislation that adequately and timely compensates those who have been victimized.

Prevention of oilspills is still the most effective means of protecting our coastal and estuarine environment from damage. The Port and Tanker Safety Act of 1978—which I was privileged to sponsor and pursue during the 95th Congress—has been effective in this area. However, we cannot preclude the possibility of oilspills occurring due to mechanical failures and the carelessness of individuals.

In the United States, the public's concern has led to enactment of a number of measures to improve the quality of our waters and to control pollution. The Water Quality Improvement Act of 1970—which was subsequently amended by the Federal Water Pollution Control Act Amendments of 1972—and later amended by the Clean Water Act of 1977—declared, as a national policy, that there should be no discharges of oil into or upon our waters. In addition to numerous specific measures for the protection of the marine environment, these statutes established liability on the part of spillers for the cost of cleanup. These acts, however, do not address themselves to the question of damages other than for the cost of cleanup.

Three other Federal statutes have been enacted which do address the problems of liability for damages. In the 1973 Trans-Alaska Pipeline Authorization Act, the Congress—for the first time—addressed the issue of liability for oil pollution damage from vessels other than cleanup costs. A similar scheme of liability and compensation was also established in the Deepwater Port Act of 1974 for oil pollution damage from offshore facilities constructed pursuant to the act or from vessels at those facilities. The Outer Continental Shelf Lands Act Amendments of 1978 established a similar liability and compensation scheme for oil pollution damage related to OCS activities.

The concepts of this legislation have had broad support from the users of oil, from the oil industry itself, from the insurance industry—which does the underwriting—and from many environmental groups. The bill I am cosponsoring should continue to receive overwhelming bipartisan support. The bill:

Establishes strict liability for the owners and operators of the source of oil discharges;

Provides for a simple and practical system for the compensation of a broad range of oil pollution damage;

Imposes reasonable and insurable limits of liability on the owner or operator of the vessel, thereby insuring frontline responsibility for responding to an oil pollution incident;

Creates a backup compensation fund to respond to damage claims that are not satisfied;

Guarantees that those who have been harmed by oil pollution will be quickly and fairly compensated for their economic loss;

Encourages prompt and complete cleanup of oilspills;

Provides for the establishment of an oil pollution fund supported by a tax on crude oil and petroleum products;

Provides for superseding duplicative funds and procedures that now exist in various Federal and State statutes;

Provides for evidence of financial responsibility sufficient to satisfy the maximum amount of liability; and

Provides a simple and workable claims settlement procedure.

The objectives of this oilspill liability and compensation legislation are to:

Establish one fund at the Federal level that will provide ample money for prompt compensation for oilspill damage;

Establish one set of oilspill liability laws for the entire Nation, covering all types of oilspills from all sources;

Remove the overlaps and bare spots of the present patchwork system; and

Minimize the bureaucracy.

I reiterate my prior conviction that this bill is practicable in application—and fully considers the needs of those who are victimized by oil pollution. I firmly believe that we must act now in the public interest to provide a comprehensive oil pollution liability and compensation scheme. I, therefore, urge the strong support of all Members in cosponsoring this important legislation.●

STOP THE RED INK

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LOWERY of California. Mr. Speaker, perhaps no single issue has captured the attention of the Congress and the President more than the ever-growing Federal budget deficits. However, it has never been more clear that the American people do not believe raising taxes will stem the flow of red ink. Rather, every possible attempt must be made to reduce Government spending.

I would like to commend to my colleagues the remarks of Mr. George Marotta, as reprinted in the Houston Post on November 5, 1984. Mr. Marotta is a senior research fellow at the Hoover Institution on War, Revolution and Peace at Stanford University. He speaks with a great deal of expertise when it comes to the workings of the Federal bureaucracy—he has served in the Federal Government in eight agencies under seven Presidents from Franklin D. Roosevelt to Gerald R. Ford.

I hope that the recommendations outlined below will be carefully considered during the upcoming budget deliberations.

[The article follows:]

[From the Houston Post, Nov. 5, 1984]

TURNING OFF THE SPIGOT ON U.S. RED INK

THE DEFICIT MUST BE DEALT WITH, AND IT'S GOING TO HURT WHEN WE DO IT

(By George Marotta)

One of the major issues in the 1984 presidential election campaign is the federal budget deficit. This is a problem of huge proportions—an excess of $175 billion in spending over revenues for the year just ended. In August alone we spilled $33 billion in red ink—over $1 billion for each day.

The federal budget has been in deficit for 26 of the last 30 years. The largest amount of red ink, $195 billion, occurred in fiscal year 1983. Surpluses have been scarce and small.

Large deficits became common in the late 1960s when we put a man on the moon, tried to create a Great Society, and fought a war in Vietnam—all with "pay later" financing. Current deficits make the World War II debts look like a 30-day charge account.

This year's spending level is projected at $932 billion and the first trillion dollar budget will be reached next year.

Federal spending is out of control because pressures for spending far exceed the forces favoring increased taxes, reduced expenditures or a balanced budget:

The principal culprit is Congress. Politicians win their positions by promising to "assist" carefully selected interest groups. Mark Twain was so right when he said, "No man's property is safe while Congress is in session."

During the recent period of rapid inflation, government was both the major cause and beneficiary of inflation. For every 10 percent increase in inflation, the government collected 16 percent more in revenues due to taxpayer "bracket creep." This unlegislated tax lowered living standards and provided Congress with extra billions that it immediately paid out in new programs.

To prevent a recurrence of this irresponsible behavior, Congress must be prevented from repealing the tax indexing system due to go into effect in 1985. The only good thing about deficits is that their runaway nature is raising the calmor to cut spending.

As Parkinson's law instructs, most of the bureaucrats' efforts are directed toward self-preservation and, worse, more spending. It is the bureaucrats who provide congressmen with arguments to double and triple their programs. Furthermore, the bureaucrat must spend all this year's budget to justify increases for next year.

Lobbyists provide legislative and executive officials with arguments to enact pet laws and programs. Most of the 10,000-plus lobbyists in Washington seek more government.

How can America cope with these entrenched forces? The more government helps us, the stronger it becomes which increases the likelihood that we will end up being serfs to that once "helpful" force.

There are many actions that we can take to restrain the growth in government spending:

One solution is to adopt a constitutional amendment to require that budgets be in balance. This proposal has been passed by close to the required number of state legislatures.

Another solution is to give the president the power to veto specific line items of legislative bills. The president, the only elected official who represents all of us, should have the ability to selectively delete specific spending measures sent to him by the Congress. If the president had such veto power, we could hold him responsible, instead of Congress, if overall spending is to high.

A long-term solution to ever-expanding social programs is to transfer these activities to the state and local level. This would give local residents more control over the levels of payments, and better assurance that recipients are those most in need. The advantage of state and local spending is that they cannot print money or run sustained deficits. Local problems ought to be tackled at the local level. Congress should worry more about arms control and defense, and less about neighborhood social problems.

Some experts say a simple 19 percent flat rate income tax would raise all the revenues needed to balance the budget. These lower tax rates would tap the $100 billion in nonreported and underground tax liabilities as well as shifting capital from tax shelter schemes to more productive investments.

Another way to shake up the federal government is to force it to compete with private enterprise in as many areas as possible. For example, the private package delivery service has proved to be much more efficient and less costly than the U.S. Postal Service.

Most federal programs redistribute wealth from high-income persons to lower-income persons, as is intended with most government operations. However, there are at least $150 billion worth of federal programs which do just the opposite—redistribute wealth upward. Recipients include corporations, tobacco and dairy farmers, airplane and yacht owners. Eliminating these programs would wipe out most of the deficit.

The final alternative to reducing the federal budget is to make an across-the-board cut of 15 percent in all federal programs. This is based on the assumption that current allocations are correct and that an "equal distribution of pain" would be the most equitable way to solve the deficit problem.

Government has become much too intrusive into all aspects of our daily lives and we have become addicted to the benefits. Federal programs grow because the government grants concentrated benefits to special interest groups, but the tab is paid by dispersing the costs over the rest of the population.

The Iron Triangle of congressional committees, vested-interest lobbyists and the bureaucracy is a formidable force which requires powerful countermeasures. It will be a better society when government becomes the last resort—instead of the first—in solving our problems.●

DR. FROHNEN LEAVES COPPER MOUNTAIN CAMPUS

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LEWIS of California. Mr. Speaker, I would like to take this opportunity to ask the Congress to join me along with family, friends, and colleagues in honoring a truly remarkable man. Dr. Richard G. Frohnen has recently resigned his position as executive director of development for the Friends of Copper Mountain College, which serves the Morongo Basin in California, to accept a position as administrative assistant to Gov. Richard Bryan of Nevada. He will be sorely missed.

Dick Frohnen played a crucial role in the development and realization of what was once considered an unattainable dream: The building of a permanent college campus to serve the entire Morongo Basin. Without his unending dedication, this project might never have come to fruition. Throughout every phase of construction, Dick was the creative force, the organizer and the task-master, attending to every detail. Under Dick's expert guidance and direction, the Friends of Copper Mountain College raised nearly $2 million. He oversaw the building and occupation of phase I of the campus, and began the initial planning and funding for phase II. In May 1984, Dick and other "Friends" of Copper Mountain College traveled to Washington, DC to accept the President's Volunteer Action Award in the field of education at a White House ceremony hosted by President Reagan.

Dick began his formal education at California State University at Los Angeles, and went on to earn his master's degree in journalism at the University of California at Los Angeles. He then graduated from Brigham Young University as a doctor of education/administration. In addition to his Copper Mountain responsibilities, Dick holds the position of professor of management and curriculum consultant for the University of Redlands. In the spring and summer of 1984, this dedicated academician served as interim director of graduate programs in management for the university and was honored with the university's "Outstanding Faculty Award" for 1984. Frohnen is also a colonel in the Marine Corps Reserve and served as executive officer of Mobilization Training Unit California-16 in Los Angeles.

Dick Frohnen has always taken an active part in his community. He is a caring citizen and devoted husband and father. Earlier this year, Dick was nominated by the Palm Springs Bruins Club for the UCLA "Public Service Alumni Award." As well as having held a position on the board of directors of the Morongo Basin advocates and serving as assistant chairman of its Marine Corps Air Ground Combat Center Support Committee, he was active in the Boy Scouts of America, the Community Council of Twentynine Palms, the Episcopal Church, the Marine Corps Reserve Officers Association, the Navy League of the United States, Rotary, the Society of Professional Journalists/Sigma Delta Chi, Alpha Phi Omega, the United Way and the National Society of Fund Raising Executives.

Dick's commitment to education, his style of leadership and his enviable expertise have made him the living symbol of the Copper Mountain campus. The work he has done there will benefit countless generations of young people to come. The foundation he has laid is strong, and it will most certainly be built upon in future years.

Mr. Speaker, it is with great pride that I commend Dr. Richard G. Frohnen to you and my colleagues here in the House of Representatives. He is a man of admirable traits, a truly dedicated professional whose absence from the Copper Mountain campus and the Morongo Basin will surely be felt. Please join with me in wishing Dick the best of luck and continued success in his future endeavors.●

PRESIDENTIAL MEDAL OF FREEDOM FOR DAVID, THE "BUBBLE BOY," OF TEXAS

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LELAND. Mr. Speaker, Friday, February 22, marks the 1 year anniversary of the death of a special, courageous, and remarkable young American. He is remembered by all of you as David, "the bubble boy," and today, with my colleagues Mr. ANDREWS and Mr. FIELDS, I am reintroducing a resolution requesting the President award the Presidential Medal of Freedom to David Phillip Vetter, to be presented to his family in his memory.

David was born in 1971 with severe combined immunodeficiency [SCID]. This disease leaves its victims unable to fight any disease; the most benign or innocuous germ will kill.

As the oldest survivor of SCID, David spent much of his time at the world-renowned Baylor College of Medicine-Texas Children's Hospital in Houston, TX. His life was spent in sterile chambers with filtered air, sterilized food, and sterilized toys. For a time, with a special NASA sterile-environment spacesuit, he was able to venture beyond the confines of his chamber to see movies; to visit the real world.

For 16 fleeting days last February, David was free from his life of isolation. He was able to take joy and pleasure in the small routine things we all take for granted; his mother's kiss, the touch of his family.

David did not allow his medical condition to hinder his spirit, his interest in learning, or his will to survive. His continued bravery and tenacity in the face of such overwhelming adversity contributed to one of the most outstanding medical achievements of our time. In life, and death, David is a medical pioneer whose contributions to medical immunology, including the pathology of AIDS, and immunology of cancer and other diseases is immeasurable.

Shortly after his death, William McPherson, of the Washington Post wrote a moving and eloquent editorial, the text of which follows:

Mr. Speaker, David has not been termed a "medical miracle." But it is the miracle of David, his warmth and humor, which shall be missed. His physical world was so very small, but his heart, his spiritual reach, were so very large. He exemplified the best of our Nation. The Presidential Medal of Freedom is our highest civilian honor. David fully deserves this honor, and I ask my colleagues to rise in wholehearted support of this resolution.

DAVID'S CHOICE

(By William McPherson)

Among the many events of the world last week—the Democratic fray in Iowa, the presidential campaigning in New Hampshire, the Marines' withdrawal from Lebanon—was the death of a 12-year old boy in Texas, whose last name we never knew, whose voice most of us never heard, whose hand or face we never touched—whose death, for that matter, neither we nor all of medical science could avert.

On the scale of great events, the isolated death of the boy David was not mementous. Mozambique and Ghana are right now afflicted by a plague of Biblical proportions. Thousands of children and their parents, nameless to us though not to them, are dying every day because the rain does not fall, the crops do not grow, and there is no food for them to eat—no food for the parents, no food for the young, many of whom are being abandoned along the way as the people trek through the barren countryside in a virtually futile search for something to eat.

Millions more in a continent most of us have never seen are doomed to that prospect, a grinding horror of almost unimaginable proportions, and few of us would be greatly surprised to open the newspaper tomorrow and read of still another devastation miles away from us. Of course, people die every day—even children—some of them quite horribly, and all of them alone. That there is sadness in the world, and horror, does not come as a surprise. Why, then, does the death of the boy David, an isolated event and a small one in the annals of history, touch us so?

Less for the pity, perhaps, than for its solitary grandeur. Death, like life, is individual and unique, and David's was no exception, although the circumstances surrounding his few years were exceptional. There was no one else like him of his age; he was the only one in the world.

He was born defenseless, the victim of a rare condition that rendered his body incapable of fighting the most minor infection, the most ordinary germ of the kind that the rest of us carry with us all the time. Seconds after his birth he was placed in a sterile environment, a germ-free isolation chamber where his air was filtered, his food and water purified, and his toys chemically cleaned.

As he grew, he moved to larger and larger cells, separated from the common life of the world out there by a bubble of plastic which he could not leave nor could others enter else he would certainly die. And when he did leave it, he knew that there could be no return to it because he would bring the contaminated world with him and its germs would proliferate in the sterile atmosphere. After the seals of his bubble were broken three weeks ago, he did indeed die as he almost certainly knew he would. The experimental bone-marrow transplant of last October did not give him the immunity his doctors had hoped.

Until he left his last chamber 15 days before his death, David had never felt the touch of an ungloved hand on his own, never been held or caressed or kissed directly, never felt a naked hand on his brow or played with another child, never knew dirt. He was a boy set uniquely apart, and the magnitude of his isolation puts in an altered perspective the isolation that is the common human lot. Kafka might have done it justice. David's isolation was pitiable, but it goes beyond pity; it was in fact awesome and terrible—terrible in the classic Aristotelian sense—as was his choice, and it is his choice that is the important thing, the thing that arouses our pity, our terror and that leaves us cleansed and somehow a little more noble than we were. Or, if not exactly more noble, at least aware that the germ of life holds the possibility of nobility, of greatness.

Neither greatness nor nobility is a quality we ordinarily associate with a 12-year-old boy, but his choice involved both. In crawling out of his cell into a world fraught with tremendous dangers and almost certain quick death, David chose the world—the world with its filth and glory—over a long, slow death alone in his antiseptic, solitary cell. He chose to be a man, and the boy who could not himself be touched, profoundly touched us all. We knew his name. His name was David. He knew it was time to go home, as he said, and he did. Hamlet said, and David would have understood, "The readiness is all."●

EMERGENCY WETLANDS RESOURCES ACT OF 1985

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to protect our Nation's rapidly diminishing wetlands resources. The bill, the Emergency Wetlands Resources Act of 1985, is similar to legislation that was introduced in the last session of Congress and which passed the House of Representatives on September 20, 1984. The only major difference in this year's legislation is that we have deleted that portion of the bill which related to the construction of the Oregon Inlet project in North Carolina.

Mr. Speaker, this legislation is the result of several years of hearings by the Subcommittee on Fisheries and Wildlife Conservation and the Environment on the problem of the loss and degradation of wetlands in this country. As you know, wetlands are those periodically inundated areas that we once believed were wastelands. We have since learned of their value, not only for fish and wildlife, but also for flood control, ground water recharge, and pollution control. Studies done by a number of scientists tell us that the value of preserved wetlands is often many times greater than those that have been converted to agricultural or other uses.

One of our more interesting hearings focused on wetlands losses in those States that constitute the Mississippi flyway. During that hearing, we learned that coastal wetlands losses in my own State of Louisiana total almost 40 square miles per year, almost all of it attributable to erosion. From Louisiana up through Missouri, and along the Ohio River, we are losing approximately 300,000 acres of bottomland hardwoods per year. The

Mississippi River bottomland hardwood ecosystem, which once encompassed almost 22 million acres, has been reduced to less than 3 million acres. In the upper areas of the flyway, in the prairie pothole region, wetlands losses approach 30,000 acres per year.

There are a number of mechanisms that have been employed by both Federal and State governments to halt the destruction of wetlands, but the oldest and most successful method to date has been acquisition. In 1934, at the urging of J.N. "Ding" Darling, an ardent conservationist who was also a talented political cartoonist, Congress passed the so-called Duck Stamp Act. This act requires hunters of migratory waterfowl to purchase and possess a Federal duck stamp. Proceeds from the sale of the stamps are placed in the migratory bird conservation account and used to purchase habitat for migratory waterfowl. The acquisitions are directed by a bipartisan commission made up of the Secretaries of Interior, Transportation, and Agriculture and two Members each from the House and the Senate. Since the program was established in 1934, more than $225 million has been spent for habitat acquisition and more than 3 million acres of waterfowl habitat have been purchased.

In 1961, Congress passed the Wetlands Loan Act to provide a means to accelerate the acquisition of migratory waterfowl habitat. This law, as amended, authorizes $200 million to be appropriated as a loan against future duck stamp revenues and can be used only for the purchase of migratory waterfowl habitat. The authorization, of which more than $150 million have been appropriated, expires at the end of this fiscal year.

Mr. Speaker, in spite of the contribution of waterfowl hunters, the fact is that we have not done enough to protect wetlands through acquisition. In the early 1950's, the Fish and Wildlife Service, the States, and the International Association of Fish and Wildlife Agencies set a goal for the protection of 12.5 million acres—8 million acres by the Federal Government and 4.5 million acres by the States—of waterfowl habitat needed to maintain populations that existed at that time. To date, 1.6 million acres of the Federal share remain to be acquired, with an estimated cost of approximately $1,000 per acre.

This legislation would increase the funds available for wetland acquisition in a number of ways. Our philosophy behind the bill was relatively simple—we should continue to expand the user pay concept and we should provide additional support from the Federal Government to match the contributions of those who have been supporting wildlife conservation for decades.

To expand the user-pay concept, the bill would make two changes in existing law. First, it would raise the price of the duck stamp from $7.50 to $15 over a 5-year period. As a Member of Congress from a district that probably has more duck hunters than anywhere else in the country, you can imagine that I approached this proposal with some trepidation. We conducted an informal poll of duck hunters in Louisiana and more than 80 percent were willing to pay more for their duck stamps as long as it was assured that the contributed money would go for further wetland acquisition and protection. It is a tribute to the concern for conservation among hunters that their support has been overwhelming.

Second, we proposed that entrance fees be charged at refuges where it is feasible and that the proceeds of these fees be placed in the migratory bird conservation account. Persons holding valid duck stamps or Golden Eagle Passports would be admitted to any refuge. The philosophy behind this proposal was that people other than hunters who benefited from refuges should also contribute to the expansion of the refuge system. Once again, we approached the issue with caution. We asked the groups whose members would be most affected by this proposal to comment on it. They were overwhelmingly supportive.

The second title of the bill provides for wetland acquisition and conservation out of the Land and Water Conservation Fund [LWCF]. We believe that the rapid disappearance and degradation of wetlands demonstrates the need to make wetland acquisition and conservation a high priority for moneys from the fund. The title provides for both Federal and State acquisition projects. A number of States have been involved in wetland acquisition and we believe that a State program would be particularly valuable. It should be noted, however, that the State's share of the proposed $75 million is "up to" $50 million. It could well be that the Federal acquisition share could be much higher.

We have also provided that the money could be used for preservation and enhancement projects. While we do not anticipate that a large portion of the funds will be used for these projects, we believe in some instances they may be appropriate. In parts of Louisiana, for example, wetlands are eroding at an incredible rate. While we do not envision this legislation as halting that erosion, we do believe that demonstration projects such as fresh water diversion and other water control projects could protect vital areas and help us develop methods for dealing with the problem on a larger scale.

The legislation provides that grants to the States are to be on a 3-to-1 matching basis. This has been a tradition with other programs, such as Pittman-Robertson, in the wildlife area.

Title III would provide for an acceleration of the wetlands inventory and contains conforming amendments to allow for the use of LWCF funds to purchase wetlands areas.

Mr. Speaker, in spite of its worthy purposes, I have some misgivings relative to reintroducing this legislation. With respect to the raising the price of the duck stamp and establishing user fees for wildlife refuges, many Members probably know that the Office of Management and Budget has recently proposed to withhold money from the Boating Safety and Sport Fish Restoration Fund, the Wallop-Breaux Fund. This fund, which was established by legislation passed last year, is made up largely of the proceeds of two classic user fees—excise taxes on fishing tackle items and the gas tax paid by recreational boaters. As many Members recalled, when we raised the gas tax from 5 cents to 9 cents in 1982, this administration was quick to assure taxpayers that we were not raising taxes, we were increasing user fees. They said the same thing about the expanded tax on fishing tackle items. Now, 3 years later, they are telling us that we should put those funds in the General Treasury. Unless we can resolve this issue satisfactorily with the Office of Management and Budget, it would be senseless to proceed with any additional user fees. In particular, I will not subject the hunters and fishermen of this country, who have been willingly supporting fish and wildlife conservation through the payment of user fees for over 50 years, to any increases in these fees unless we get a firm commitment from this administration that it will administer the Wallop-Breaux Fund in accordance with the law and will not attempt to divert those funds in the future.

I have also given considerable thought to reintroducing legislation calling for an annual appropriation of $75 million for wetlands acquisition. However, while this level of commitment is high, we must also remember that the need is particularly great. Quite simply, if we do not accelerate our wetlands acquisition program, there will soon be nothing left to buy. We should also remember that these funds are matching the many, many millions of dollars contributed by sportsmen through the purchase of duck stamps. Finally, these funds will come from the Land and Water Conservation Fund, a separate fund that comes mainly from Outer Continental Shelf revenues and which has been established for the purpose of acquiring natural areas.

We will be having hearings on this legislation in early March and if we set the proper assurances from the admin-

istration, we hope to move it quickly in the 99th Congress. I hope my fellow Members will lend it their support.●

H.R. 1191

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BEDELL. Mr. Speaker, today I am introducing the Emergency Farm Bank Assistance Act, H.R. 1191, amending the Federal Deposit Insurance Act for 5 years. This legislation directs the FDIC to extend and to actively use its present authority, established in 1982 to assist savings and loan institutions, to purchase net worth certificates from well managed farm banks. With over 25 percent of their gross lending in agricultural loans, these are the banks which reflect both the difficulties and the hope for recovery in the current economic crisis in the Midwest.

The Nation's 1,441 farm banks account for only 29 percent of all banks, yet in the fourth quarter of 1984 they accounted for 61 percent of all bank failures. This is up from 35 percent in the third quarter, 19 percent in the first half of 1984, and 13 percent for the whole of 1983. In June 1984, 400 farm banks reported losses compared with 282 in December 1983. This rapid escalation of farm bank failures and difficulties illustrates the current crisis and ominous economic trend in the 13 Midwestern States which account for 85 percent of all farm banks. In seven States over half the banks are farm banks.

These banks are generally small, with average assets of $27 million compared with assets of $199 million for the average nonfarm bank. Some rural communities and many small businesses and individuals have depended exclusively on a single farm bank for generations; 84 percent of farm banks are more than 50 years old. When one of these banks fails, the economic disruption and dislocation can be substantial.

Farm credit has been undermined in recent years by the decline in commodity prices and export markets which have weakened cash flow coverage of unprecedented real interest expenses and driven down asset values. However, the crisis in the Nation's heartland is not the result of any inevitable market force. It is the result of a particular set of Government economic policies which distort the world markets and bleed the region of tens of billions of dollars each year.

Recent U.S. economic policies have stimulated some industries but they have caused the dollar to appreciate by 80 percent since 1980, stifling dollar commodity prices and U.S. exports. The dollar price of wheat, for example, has fallen by 10 percent since 1980 while nearly doubling in terms of major European currencies. American producers of food have sold their goods for fewer and fewer overpriced dollars and have still been substantially undersold by foreigners who receive much more for their goods in terms of their own currencies.

Change in wheat prices for various currencies, 1980 to February 15, 1985

	Percent
U.S. dollar	−10
German mark	+61
United Kingdom pound	+89
French franc	+113
Italian lira	+112
Spanish peseta	+127

Economists estimate that a 40-percent rise in the value of the dollar costs U.S. producers $2 per bushel of soybeans, 48 cents per bushel of corn and 80 cents per bushel of wheat. With 2.5 billion bushels of soybeans produced per year, 3 billion bushels of wheat and 8 billion bushels of corn, this comes to $11 billion on just three commodities. The current extraordinarily high value of the dollar, which has contributed to successive all time world trade deficits, reaching $123 billion in 1984, cannot continue indefinitely.

The Emergency Farm Bank Assistance Act will provide well managed farm banks and their rural communities with 5 years to weather the current financial storm and to adjust in an orderly fashion to new, long-term realities in world markets. Except in the case where the FDIC has discovered mismanagement, farm banks may issue net worth certificates when their capital to assets ratio drops below the required 6 percent. Farm banks with a capital ratio greater than 4 percent but less than 6 percent may issue net worth certificates to the FDIC in an amount not to exceed 50 percent of operating losses in the 12 months just past. Farm banks with a capital ratio greater than 2 percent but less than 4 percent may issue net worth certificates not to exceed 60 percent of operating losses. Those with capital ratios from zero to 2 percent may issue net worth certificates not to exceed 70 percent of operating losses for the previous 12 months.

The Emergency Farm Bank Assistance Act unfortunately will not save all the well managed farm banks nor all the good, efficient farmers that are in trouble. It is, however, one modest, responsible action that we can take immediately that will be of enormous assistance to many marginal farm banks and their small business and individual customers. I believe that we owe it to ourselves and to our Nation to do all that we reasonably can do in this emergency situation. I welcome your support for H.R. 1191.

The text of H.R. 1191 follows:

H.R. 1191

A bill to provide emergency financial assistance to farm banks

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Farm Bank Assistance Act".

NET WORTH ASSISTANCE FOR FARM BANKS

SEC. 2. (a)(1) Section 13(i) of the Federal Deposit Insurance Act (12 U.S.C. 1823(i)) is amended by adding at the end thereof the following new paragraph:

"(14)(A) The Corporation is hereby directed to actively use the authority contained in this subsection to purchase net worth certificates of qualified institutions which make more than 25 percent of their loans to persons who use the proceeds of such loans to engage in the production of agricultural products or livestock in the United States.

"(B) For purposes of this paragraph, a qualified institution—

"(i) satisfies the requirements of paragraph (2)(A) if such qualified institution has a net worth equal to or less than 6 percent of its assets;

"(ii) is not required to satisfy the provisions of paragraph (2)(F);

"(iii) satisfies the net worth requirements of paragraph (5)(A) if such qualified institution has a net worth greater than 4 percent and less than or equal to 6 percent;

"(iv) satisfies the net worth requirements of paragraph (5)(B) if such qualified institution has a net worth greater than 2 percent and less than or equal to 4 percent; and

"(v) satisfies the net worth requirements of paragraph (5)(C) if such qualified institution has a net worth greater than 0 and less than or equal to 2 percent.".

(2) The amendment made by paragraph (1) is hereby repealed five years after the date of the enactment of this Act.

(b) Section 206(a) of the Garn-St Germain Depository Institutions Act of 1982 is amended by striking out "three years" and inserting in lieu thereof "eight years".●

CREDIT CARD FINANCE CHARGES TARGETED FOR REDUCTION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BIAGGI. Mr. Speaker, American consumers are paying through the teeth every time they use their credit cards. That is why I am introducing a bill today to lower the finance charges on credit card accounts by at least 5 percentage points.

The problem this bill seeks to correct is really quite simple. While banks are obtaining money to loan to their customers at a discount rate of about 8 percent from the Federal Reserve, those same banks are turning around and charging their credit card customers as much as 19 percent interest. Obviously, that is wrong. Just as the economic upswing has allowed banks and other credit card issuers to secure money at dramatically reduced rates,

so should consumers be allowed to benefit from lower credit card interest rates.

My bill is both simple and fair. It states that "the rate of interest charged on any consumer credit transaction involving a credit card shall not be more than 5 percentage points higher than the discount rate on 90-day commercial paper," which is an accurate and commonly used standard reflecting what banks are paying for their short-term money.

Based on the current 8.55 percent discount rate on commercial paper, this means that credit card issuers would be able to charge their customers no more than 13.55 percent in finance costs. Banks currently charge their credit card customers about 18 percent in interest, and some department stores charge up to 24 percent. In my home State of New York, the average interest charge on credit card purchases is 19.2 percent.

Mr. Speaker, this legislation is modeled after a similar credit card interest rate policy adopted by the State of Arkansas. In that State, they have the same 5 percent cap on credit card interest rates as proposed in my bill, and banking officials there claim to still be making plenty of money.

Admittedly, finance charges are necessary to help cover administrative costs and the risk of loaning unsecured money, in addition to allowing credit card issuers a margin of profit. But, the Arkansas situation proves that a 5-percent cap on finance charges above the discount rate is more than enough to meet those needs. It should be noted, too, that finance charges are not the only source of funds to credit card issuers. Retailers pay credit card issuers at least 2 percent of the value of the goods or services charged, and card users pay anything from $18 to $50 in annual fees for the right to use plastic money. Suffice it to say that costs to credit card issuers vary according to economic conditions, so by tying finance charges to the discount rate, we are allowing for those variances, while at the same time ensuring that the consumer is also treated fairly.

The exorbitant and artificially inflated credit card interest rates we are now being forced to pay can be blamed on a number of factors. They include a very high consumer credit demand; the consumer's unwillingness to shop around for the best deal on credit cards; and consumer ignorance about just how much they are actually paying in credit card interest. Some form of consumer protection is needed to offset these factors and my bill would serve that important purpose.

Authorities estimate that last year Americans charged some $293 billion worth of goods on the 703 million credit cards that are currently in circulation. Of that $293 billion, about $108 billion (or about one-third) is still outstanding, with interest being added on at outrageous and unjustified rates.

Mr. Speaker, much of the credit for our Nation's economic upturn has been given to increased consumer spending habits. We must do everything possible to encourage those habits to continue and lower credit card finance charges would help to accomplish that very worthwhile objective. I urge my colleagues to join me in this important cause and am hopeful this legislation receives the prompt and favorable consideration it deserves.

At this time, Mr. Speaker, I wish to insert the full text of my legislation:

H.R. 1197

A bill to amend the Truth in Lending Act to limit the rate of interest which may be charged on credit card accounts

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of the Truth in Lending Act (15 U.S.C. 1605) is amended by adding at the end thereof the following new subsection:

"(f) The rate of interest charged on any consumer credit transaction involving a credit card shall not be more than 5 percentage points higher than the discount rate on ninety-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district in which the card issuer is located.".●

H.R. 1219, THE NATIONAL TRAINING INCENTIVES ACT OF 1985

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. CLINGER. Mr. Speaker, on behalf of Congresswoman NANCY JOHNSON and 31 of our colleagues, I have introduced today the National Training Incentives Act of 1985, a bill which will provide incentives to both employees and employers for retraining.

I joined with Mrs. JOHNSON and a number of our colleagues, from both sides of the aisle, last year in sponsoring similar legislation. We have been encouraged by the support which the bill has received including the President's Committee on the Next Agenda, the House Republican Research Committee on the First One Hundred Days, and also groups directly involved in retraining efforts such as the American Society for Training and Development.

This proposal does not require large Federal outlays or a complex delivery system, but instead encourages workers and employers to prepare for inevitable changes in job requirements, technological demands, and skills levels.

The bill does this by providing employers with a 25 percent tax credit for training expenses over a 5 year historical average. This rewards the type of training, on-the-job, which experts agree is the most effective, and produces $4 in private sector training for every dollar in lost Federal revenues.

Mr. Speaker, we believe this proposal is consistent with the Treasury plan for tax neutrality. The Treasury plan continues investment incentives for research and development, and for plant and equipment, but fails to acknowledge the human element in competitiveness. Our proposal removes the bias that otherwise exists in the Treasury plan, and makes it truly neutral.

Our approach also allows individuals who have IRA's to withdraw up to $4,000 over 5 years, without penalty, to pay for job retraining. According to IRS statistics, this provision would cover over 13 million working Americans, a surprising number of which are largely middle- and lower-income earners.

The bill also provides that the participation of displaced workers in an eligible training program will not disqualify these workers from unemployment compensation to which they are otherwise entitled.

Furthermore, Mr. Speaker, these measures are not intended to replace or duplicate existing training programs such as JTPA or displaced workers programs, but are intended to stimulate a more realistic, better coordinated, and comprehensive use of resources for training.

I think we in the Congress would all agree that we must move away from the failed approaches of previous Federal training efforts, and toward a more forward looking effort which considers ways in which government, business, and individuals can work together to better deal with changing economic events.

A more detailed explanation of the principal provisions of the proposal follows:

AN EXPLANATION OF THE NATIONAL TRAINING INCENTIVES ACT OF 1985

Fundamental weaknesses in the U.S. work force were revealed during the last recession. Incentives to train or retrain workers were virtually non-existent. Many of those displaced from their old jobs were either ill-equipped to enter a new occupation or financially incapable of acquiring new skills. Moreover, employers and workers alike were poorly served by the Employment Service and by the nationwide system of unemployment benefits provided as income assistance. In many cases benefits ran out without facilitating a meaningful transition to gainful employment or to a new occupation.

The intent of this legislation is to provide incentives for worker training, both through employer and individual incentives, to examine the cost, feasibility, and expected benefits of a nationwide job bank system, and to assess the possibility of using non-profit community-based organizations to assist low-skilled individuals in finding work.

Title I of the bill is designed to assist structurally unemployed workers by allowing them to use for retraining funds invested in Individual Retirement Accounts

(IRAs) or annuities. The bill permits an unemployed individual or one who has received advance notice of layoff to withdraw without the existing 10% interest penalty up to $4,000 for the purpose of financing occupational training.

Any individual who is unemployed, has obtained job counseling within the last year, and meets certain basic requirements under the unemployment compensation law may make withdrawals from IRAs or annuities for training purposes. Those who have received a notice of layoff within six months may also make withdrawals. The individual must first obtain employment counseling from a local employment office before withdrawals can be made; the employment office then certifies in writing that an individual is eligible to make such withdrawals, using criteria established under existing unemployment compensation law.

The certificate of eligibility, along with an invoice or other evidence of enrollment from a qualified training institution, is then presented by the individual to the trustee (bank or other financial institution) of the IRA or annuity. The amount needed (up to $4,000) is then issued to the training institution in the form of a voucher and is not taxable. The voucher can be used to pay a variety of expenses associated with the training program, including books, tuition, fees, materials, and special tools or equipment.

Training programs that individuals may pursue under this legislation are in general any programs offered by a qualified institution (an institution of higher education, a postsecondary vocational institution, a proprietary institution of higher education, and those institutions meeting criteria established by the Secretary of Labor) which prepares participants for gainful employment. The statutory definitions of "training program" and "qualified institution" track those in existing law, and anti-discrimination provisions are applied to all qualified institutions and eligible training programs.

Title I also removes a disincentive against retraining by providing that any displaced worker otherwise eligible for unemployment compensation shall not be denied such payment due to participation in a training program.

Title II of the bill permits employers to deduct from their tax liability 25% of any skills training expenses in excess of the average skills training expenses incurred by the employer over the preceding five-year period. This provision is modeled after the existing 25% R&D tax credit, enacted in 1981 to encourage private research, and is designed to provide a tax incentive for new training programs sponsored, paid for, or conducted by employers.

The employer may apply the tax credit to expenditures for any state or federally registered apprenticeship program, any employer-run on-the-job or classroom training program, any cooperative education, or any other program designated by the Secretary of Labor. The training tax credit conforms to existing carryback and carryforward provisions found in the tax code which apply to the R&D credit.

Title III of the bill directs the Secretary of Labor to report to Congress within one year on the extent to which a nationwide job bank system can be expected to increase employment opportunities in each state, its cost, and its adaptability to existing unemployment services. The Secretary must also assess in the report the feasibility of using nonprofit, privately-operated job-referral services for the referral of individuals to jobs in low-wage industries where little or no skill is a prerequisite for employment rather than using state employment service offices. Title III also authorizes funds to cover administrative expenses incurred through the counseling and certification process; this amount ($37 million) is equivalent to 5% of the current administrative budget for the U.S. Employment Service.

Title IV amends the Job Training Partnership Act to instruct Private Industry Councils (PICs) to make available throughout service delivery areas information regarding training programs. Title IV also provides that, for the purposes of determining eligibility for Pell grants, any amount withdrawn from an IRA or annuity for training purposes as well as any amount received in the form of unemployment compensation shall not be included as family income.●

THE NATIONAL TRAINING INCENTIVES ACT OF 1985

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mrs. JOHNSON. Mr. Speaker, I am pleased to introduce today, with the support of Congressman WILLIAM CLINGER and 31 of our colleagues, the National Training Incentives Act of 1985. This legislation is similar to legislation I introduced during the 98th Congress and is an important addition to the debate over how we provide for job retraining, and, if enacted, would supply a potent new incentive for companies to upgrade the skills of their workers.

Too often we have focused on the need to invest in new factories, more modern equipment, and research without according the same attention to investing in America's workers. By providing a 25 percent tax credit for worker training expenses, this legislation recognizes that firms should be encouraged to invest in people in the same way that they are encouraged to invest in research and plant and equipment.

Although this tax credit would likely result in lost tax revenue, I believe that it is a modest investment in reducing the billions of dollars in unemployment compensation that were paid out over the last 2 years. The Joint Committee on Taxation has estimated this per year revenue loss would average $600 million over the next 5-year period, which is indeed a modest investment that leverages $2.4 billion in additional private sector per year expenditures on retraining and accords the benefits of having a better trained work force.

The National Training Incentives Act also lets unemployed individuals draw on their individual retirement accounts without the prescribed 10 percent interest penalty to pay for retraining. Money put into IRA's is intended as an investment, and it is only fair to allow the use of this money for retraining, which is also an important long-term investment.

Finally, this legislation recognizes that changes are possible in the administration of the U.S. Employment Service, which has been criticized frequently for not meeting the needs of the unemployed. Prescribed in this bill is an examination by the Secretary of Labor of the feasibility, cost, and expected benefits of a nationwide job bank system, which would link by computer the various job listings in each State so that information on employment opportunities is available nationwide. The study would also consider the possibility of using nonprofit community based organizations as an alternative to the Employment Service to assist low-skilled individuals in finding work.

This bill will not reach everyone, but is nonetheless a sound mechanism for leveraging a substantial amount of training. This bill also asserts that job retraining is a lifelong pursuit; an investment that individuals, with the assistance of government and employers, should undertake as a part of their overall career objectives.●

PUBLIC DEFENDERS OFFICE OF SANTA CLARA COUNTY HONORED

HON. DON EDWARDS

OF CALIFORNIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

HON. ED ZSCHAU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. EDWARDS of California. Mr. Speaker, as the Public Defenders Office of Santa Clara County prepares to celebrate 20 years of service to the citizens of our valley, we would like to share some of the history of this fine organization with our colleagues.

In 1878, Ms. Clara Shortridge Foltz, a divorced mother of five, became California's first woman lawyer. She began her practice in San Jose after securing adoption of an amendment to the California Civil Code deleting language restricting the practice of law to "white males." Clara faced her share of discrimination within her profession. The district attorney of San Francisco, while making his closing argument, described Ms. Foltz in this manner: "She is a woman, she cannot be expected to reason: God almighty decreed her limitations."

Ms. Foltz represented many indigent defendants in criminal matters and was struck by the inequity of a system that provided publicly employed skilled prosecutors but left indigents to the varied talents of volunteers.

51-059 O—86——7 (Pt. 3)

Clara conceived of the idea of a county public defenders office. She drafted the "Foltz defender bill." In 1921, after years of legislative struggles, the bill was enacted into law in California.

In 1964 the board of supervisors of Santa Clara County adopted an ordinance establishing a public defenders office to provide legal assistance to indigents in criminal, juvenile and mental health cases. Judge R. Donald Chapman was the first public defender. Since 1964 the Office of the Public Defender of Santa Clara County has provided competent legal service to over 375,000 persons. Illustrating the respect for the quality of its personnel, the last three Governors of our State have appointed 11 members or former members of the public defenders office to the trial and appellate judiciary.

On April 27, the friends of the public defenders office will gather in San Jose to celebrate 20 years of service to our people. We will be honoring Sheldon Portman and his many years of outstanding service to the public defenders office. We will all remember and thank Clara Shortridge Foltz for opening the doors of the legal profession and for her tireless search for equity under the law for all.●

NO TAX DEDUCTIONS FOR TAX EVASION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. STARK. Mr. Speaker, I am today introducing a bill which would clearly and once and for all deny all tax deductions for expenses of attending overseas seminars or conventions which include discussions on how to avoid U.S. taxes.

Tax evasion is bad enough, but for the organizers of these seminars to be advertising them as being 100 percent tax deductible just rubs salt in the wounds of the rest of the Nation's honest taxpayers.

For many individuals, all or part of such convention expenses may not be deductible and advertisements blithely saying they are 100 percent deductible are wrong and may well constitute mail fraud or other types of false advertising.

Unfortunately, the law is not clear and for some taxpayers, the expenses may be in large part picked up by Uncle Sam and the rest of the Nation's taxpayers.

My legislation would nail down the issue once and for all.

The effective date of the bill is today. It is designed to make nondeductible the type of May seminars advertised by one group and which I partially reprint here. People can still attend these meetings; they would not, however, be able to deduct the expenses.

ENJOY 6 TAX-DEDUCTIBLE DAYS IN NASSAU OR ACAPULCO OR ZURICH—AND DISCOVER HOW TO MAKE YOUR ASSETS AS SAFE AS GOLD

Your choice of three delightful locations to bring yourself up to date on the NEW importance of . . . the Swiss bank and the Swiss survival investments.

YOUR CHOICE OF THREE DELIGHTFUL LOCATIONS

And what a choice! Nassau in the sunny Bahamas—just when the cold weather is settling in up north. Acapulco, Mexico's most beautiful vacation spot—and pleasantly warm in mid-December. Or Zurich in May of 1985—spring in the Swiss Alps! If you join us in Zurich, you may also wish to come along for the optional trips to Vienna and Budapest, two of Europe's loveliest ancient capitals.

SEMINAR DATES AND FEES

Place	Arrive	Depart	Person couple seminar Fee
Nassau, the Bahamas	Nov. 30, 1984	Dec. 6, 1984	$300/$575
Acapulco, Mexico	Dec. 7, 1984	Dec. 13, 1984	$300/$575
Zurich, Switzerland	May 15, 1985	May 22, 1985	$495/$900
Vienna, Austria (optional with Zurich Seminar)	May 22, 1985	May 28, 1985	$250/$450
Budapest, Hungary (optional with Zurich Seminar)	May 28, 1985	May 31, 1985	$150/$275

THE TAX DEDUCTION CAN CUT YOUR COST IN HALF

For most taxpayers with discretionary income, the cost of the seminar can be cut in half with the tax deduction. In fact, if you live in a state or city with an income tax, the savings could run over 60%.

The seminar and travel costs are reasonable, all by themselves. And with the tax savings, they give you one of the world's great travel bargains. Nassau . . . Acapulco . . . Switzerland—how else could you travel in luxury at such a modest cost?

OPTIONAL EXTRA SEMINARS IN VIENNA AND BUDAPEST

If you select the Zurich Seminar in May 1985, you may also visit Vienna and/or Budapest and attend our Vienna Seminar. You arrive in Vienna directly from Zurich on Wednesday, May 22, 1985. Thursday and Sunday are devoted to sightseeing; Friday and Saturday to . . .

THE AUSTRIAN BANKING SEMINAR

In Austria your co-host will be the prestigious "X". The presentations will feature ten experts, including x, y and z. Their subjects:

The Economy of Austria;
Austria: the little-known money haven;
investing in European Antiques;
the Austrian Banking Alternative;
how to use your Bankhaus Deak account;
the present world economy;
the history and culture of Austria; and
Austrian legal considerations for nonresidents.

Saturday will be given over to private meetings with the Austrian experts (flavored by shopping or sightseeing, at your option).

Tuesday, May 28, the group leaves Vienna by boat along the beautiful Danube River, and arrives in Budapest, where the Hungarian Chamber of Commerce is your host. Wednesday and Thursday will feature meetings at the Hungarian Chamber of Commerce and the Foreign Exchange Division of the Hungarian National Bank, plus sightseeing. You should not miss "The Paris of Eastern Europe."

100 PERCENT TAX-DEDUCTIBLE

Not only is the seminar fee tax-deductible. So are your meals, your hotel, your travel expenses. In the opinion of our tax attorney, the seminar clearly meets IRS requirements for the full tax deduction.

If you've been thinking about attending one of my seminars, let me leave you with one thought: do it NOW. This is an election year. The Administration is doing its best to put a pretty face on the economy. But after November 4, how long before the makeup starts to fade? Not long, with the national debt soaring by $200 billion a year. Therefore, doesn't it make sense to check out how to put some of your money safely away in Switzerland? You can still do it, legally and privately. But how long can that last?

HOW TO REGISTER

Since the seminars usually sell out and since enrollment is strictly limited to 130 for Nassau or Acapulco and 175 for Zurich, it is important to register as soon as possible. Remember, you risk only the $50 cancellation fee if something comes up and you can't attend.

If you prefer to make separate travel or hotel arrangements, you should still register with "X", simply by calling the toll-free number. You may, of course, charge all costs to your credit card.

To protect your privacy, we are not listing the hotels where we will hold the seminars.

HEAR THESE SUBJECTS EXPLAINED CLEARLY, IN PLAIN LAYMAN'S LANGUAGE—DON'T FORGET TO BRING ALL YOUR OWN QUESTIONS, TOO!

Financial privacy: how the Swiss safeguard it, while Uncle Sam keeps chipping away at it.

How to open a Swiss bank account legally, privately, safely.

Which type of Swiss bank account best fits your needs?

How to communicate with your Swiss banker—privately.

Investments now being recommended by Swiss counsellors for their private overseas clientele: a wide choice of foreign stocks and offshore mutual funds.

How to keep some of you money overseas—even if the government imposes exchange controls again.

The Marc Rich case: how the Swiss wall of financial privacy withstood every effort of the U.S. government to break it down.

How you Swiss connection will protect you if the government again bans gold ownership.

Ways to send money abroad AND bring it home—confidentially. . . .

This is just a hint of the facts you'll get at the coming seminars. With ten experts to guide you, they're just about certain to explain every option in the great Swiss financial supermarket.

But if they happen to overlook something, or if you need more information about a particular choice, you have the fail-safe solution. You can ASK them! That's what they're there for. That's what you're paying for.

Mr. Speaker, following is an IRS analysis of the possible tax treatment of these types of seminars. My bill will reduce this 2½ page answer to one sentence, making it one of the best simplification bills of the year.

COMMISSIONER OF INTERNAL REVENUE,
Washington, DC, October 22, 1984.

Hon. FORTNEY H. (PETE) Stark,
House of Representatives,
Washington, DC.

DEAR MR. STARK: This is in reply to your August 30 letter in which you expressed concern about a brochure you received advertising investment seminars in Nassau, Acapulco, and Zurich. The seminars primarily concern Swiss banking secrecy. The brochure states that the cost of the seminars is deductible for tax purposes.

The information in the brochure alone is not sufficient to enable us to issue a ruling as to the deductibility of the cost of these particular seminars. Certainly there is reason to question whether the cost would be legitimately deductible, because Congress has enacted legislation specifically intended to disallow deductions for trips that are actually foreign vacations. However, the deductibility of expenses incurred in travel that is reasonable and necessary in the conduct of a taxpayer's business or other income-producing activity depends on all the facts and circumstances in each case.

Which sections of the law apply in this particular case would also depend on which of the three specified locations the seminar was held in. Sections 212, 274(c), and 274(d) of the Internal Revenue Code would apply whether the seminar is held in Nassau, Acapulco, or Zurich. If the seminar is held in Zurich or Nassau, section 274(h) of the Code would also apply.

Section 212 of the Code allows an individual a deduction for all the ordinary and necessary expenses paid or incurred during the tax year for the production or collection of income or for the management, conservation, or maintenance of property held for the production of income.

Section 1.212-1(g) of the regulations states that investment expenses are deductible under section 212 only if (1) they are paid or incurred by the taxpayer for the production or collection of income or for the management, conservation, or maintenance of investments held by the taxpayer for the production of income, and (2) they are ordinary and necessary under all the circumstances, having regard to the type of investment and to the relation of the taxpayer to the investment.

Section 274(c) of the Code provides that, in the case of any individual who travels outside the United States away from home in pursuit of a trade or business or in pursuit of an activity described in section 212, no deduction shall be allowed for that portion of the expenses of such travel otherwise allowable which, under regulations, is not allocable to such trade or business or to such activity. The rules for allocating such expenses set forth in the applicable regulations are described on pages 4 and 5 of the enclosed Publication 463.

Section 274(d) provides that substantiation of travel expenses is required. The rules for substantiation are on pages 14-16 Publication 463.

Section 274(h) provides, in pertinent part, for the disallowance of travel expenses incurred to attend a convention, seminar, or similar meeting outside the North American area unless the taxpayer establishes that the meeting is directly related to an activity described in section 212 and that, after taking into account certain specified factors, it is as reasonable for the meeting to be held outside the North American area as within the North American area. Section 274(h)(3)(A) defines the term "North American area" as the United States, its possessions, and the Trust Territory of the Pacific Islands, and Canada and Mexico. The rules of section 274(h) are explained in more detail in Publication 463 beginning on page 5.

In Revenue Ruling 84-113 (copy enclosed), the Service held that an individual who traveled to a resort area in the United States for seven days, which included two days of investment seminars, could not deduct the travel expenses incurred under section 212 because the time spent on investment activities was insubstantial in comparison to the time spent for personal activities; the expenses incurred for travel were not primarily related to the individual's investment activities; and none of the individual's other expenses were shown to be specifically allocable to the management of the individual's investments.

In Revenue Ruling 84-55 (copy enclosed), the Service held that expenses incurred in connection with a university's continuing education program that combines foreign travel with attendance at brief education-oriented conferences are generally nondeductible personal expenses.

In litigation involving similar issues, the Service sometimes has been successful, and sometime not. In *Holswade* v. *Commissioner*, 82 T.C. 686 (1984), the Tax Court held that a corporation owned by and employing a physician who attended financial planning seminars and a medical seminar aboard cruise ships and at an Acapulco resort hotel could deduct only the portion of the expenses incurred that was allocable to employee plan lectures or medical practice lectures he attended. The major portion of the expenses incurred was held to be nondeductible. In *Gustin* v. *Commissioner*, T.C.M. 1983-592, on the other hand, the Tax Court held that an individual who was active in investment club activities and held a personal stock portfolio worth $98,000 could deduct, under section 212, the cost of attending the World Congress of Investment Clubs in Amsterdam, The Netherlands, even though she acted as secretary for the convention and immediately following the convention took a vacation trip to Greece (the additional cost of which was not deducted). The court concluded that gathering investment strategy and information was the taxpayer's primary purpose in taking the trip.

I understand your motivation for bringing this practice to the Service's attention, and I very much appreciate your taking the time to do so. I also recognize that the foregoing reads like an extremely technical answer to what should be a simple question. Unfortunately, as you can see, the issue does depend on the facts and circumstances of each case. Any change in the law to tighten the requirements for deducting the costs of attending a foreign convention would require legislative action by Congress.

With kind regards,
Sincerely,

TOM E. PERSKY,
ASSISTANT TO THE COMMISSIONER,
(Legislative Liaison).●

LITHUANIAN INDEPENDENCE DAY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join my colleagues in commemorating Tuesday, February 19, 1985, as Lithuanian Independence Day. Sixty-seven years ago, the courageous Lithuanian people asserted their right to self-determination and declared Lithuania a united and independent republic.

Sadly, in June of 1940, under the Nazi-Soviet alliance of Hitler and Stalin, the Soviet Union demanded a Soviet-installed government in Lithuania and held a single-party election. One month later, the Soviet Union annexed this heroic but vulnerable nation, occupied by German troops until the end of World War II, and then reoccupied by Soviet forces. The United States has never recognized the unlawful occupation of Lithuania and her neighbors, and continues to maintain diplomatic relations with the representatives of the independent republic of Lithuania.

Uncounted thousands of brave Lithuanians have been killed or imprisoned by the Soviet Union for their struggles to save the rich culture and heritage, the religious freedom, and the political independence of their homeland from foreign oppression. Hundreds of thousands more have been forced to flee their native land because of their unshakable belief in a free Lithuanian and the rights of her people.

Lithuanians throughout the world continue to struggle for a new Lithuanian independence and for the reestablishment of the basic human rights of the Lithuanian people. I am honored to join with Lithuanians everywhere in their quest for freedom and in the celebration of Lithuanian Independence Day.●

THE INDOMITABLE SPIRIT OF THE LITHUANIAN AND BALTIC PEOPLE

HON. C.W. BILL YOUNG
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. YOUNG of Florida. Mr. Speaker, this week we commemorate the 67th anniversary of Lithuanian Independence Day, a time of great joy and great sorrow for the Lithuanian and Baltic people. While it is a day of tremendous pride for Lithuanians throughout the world, it is sad to note that the Soviet Union has denied freedom and independence to these people for the past 45 years.

Since overrunning Lithuania and its Baltic neighbors Estonia and Latvia in 1940, the Soviets have undertaken a continuous, but unsuccessful campaign, to eliminate the traditions, language, religion, and cultural heritage of the Baltic people. On this, one of the brightest days of Lithuanian history, we pay tribute to the indomitable spirit of the Lithuanian and Baltic people who share the common dream that one day soon they may know the freedom and liberties that have been denied them for more than four decades.

Symbolic of this quest for freedom is the lifelong work of my friend and constituent Dr. Casimir Kazys Bobelis, of St. Petersburg, FL. Dr. Bobelis emigrated to the United States from Lithuania in 1948. Since that time, he has not been able to return to his homeland. He has, though, worked fiercely in support of the Lithuanian people and their battle against the Soviets to regain their religious and personal freedom.

Dr. Bobelis has served since 1979 as president of the Supreme Committee for the Liberation of Lithuania and has provided moral and financial assistance to Lithuanian underground Catholic churches and newspapers.

Pope John Paul II recognized Dr. Bobelis' work on behalf of the Lithuanian people by awarding him the commander in the Knighthood of St. Gregory medal, the highest honor awarded by the Pope to lay persons of the Catholic church. The Pope made this highly coveted presentation to Dr. Bobelis in absentia during a ceremony last month in Lithuania paying tribute to the 500th anniversary of St. Casimir, the patron saint of Lithuania.

It is in recognition of Dr. Bobelis' work, which symbolizes the never-ending battle for freedom waged by the Lithuanian people, that I am reintroducing today two resolutions expressing the support of Congress for the return of full freedom and independence to Lithuania and the Baltic States. My resolutions, which follow my remarks, also call for the Soviets to release the Baltic people being held as political prisoners.

The Lithuanian and Baltic people's pursuit of freedom despite the Soviet Union's blatant disregard for their human rights, is a source of inspiration to people throughout the world. We must do all we can to support their struggle for freedom because as Americans, we cannot accept the unwanted domination of one nation over another anywhere in the world.

H. CON. RES. 65

Whereas the United States, since its inception has been committed to the principle of self-determination;

Whereas this essential moral principle is also affirmed in the Charter of the United Nations;

Whereas the Union of Soviet Socialist Republics is, according to its Constitution, a voluntary federation of autonomous republics;

Whereas the three Baltic Republics (the Republic of Lithuania, the Republic of Latvia, and the Republic of Estonia) did not become member republics of the Union of Soviet Socialist Republics voluntarily, but rather were occupied military by Russian Armed Forces in the early days of World War II and subsequently incorporated by force into the Union of Soviet Socialist Republics and have since been governed by governments approved by, and subservient to, the Government of the Union of Soviet Socialist Republics;

Whereas the ethnic makeup of the Baltic peoples (the Lithuanians, Latvians, and Estonians) is distinctly foreign in language, culture, common traditions, and religion from that of the Russian people;

Whereas, by deportation and dispersion of the native populations of the Baltic States to Siberia and by a massive colonization effort in which Russian colonists replace the displaced native peoples, the Soviet Union threatens complete elimination of the Baltic peoples as a culturally, georgraphically, and politically distinct and ethnically homogeneous population;

Whereas, despite such treatment, the spirit of the citizens of the Baltic States is not broken and the desire of the citizens of the Baltic States for national independent remains unabated;

Whereas the United States has consistently refused to recognize the unlawful Soviet occupation of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent Republic of Lithuania, Latvia, and Estonia; and

Whereas the United Nations and the United States delegation to the United Nations have consistently upheld the right of self-determination of the people of those countries in Asia and Africa that are, or have been, under foreign imperialist rule: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President and the Secretary of State should take all necessary steps to bring the Baltic States question before the United Nations and to urge that the United Nations request the Soviet Union—

(A) to withdraw all Russian and other nonnative troops, agents, colonists, and controls from the Republics of Lithuania, Latvia, and Estonia, and

(B) to return all Baltic exiles from Siberia and from Prisons and labor camps in the Soviet Union;

(2) until the Baltic States become independent, the Secretary of State should, through such channels as the United States Information Agency and other information agencies of the United States Government, do his utmost to bring the matter of the Baltic States to the attention of all nations by means of special radio programs and publications;

(3) the United States should not agree to the recognition, by any international conference, of the Soviet Union's unlawful annexation of Lithuania, Latvia, and Estonia, and it should remain the policy of the United States not to recognize in any way the annexation of the Baltic States by the Soviet Union;

(4) the President should require that all government map publishers, and should request that all private map publishers, show, on all maps of Europe, the Republics of Lithuania, Latvia, and Estonia as independent states, with a footnote explaining that the military occupation and forced incorporation into the Soviet Union of Lithuania, Latvia, and Estonia has never been recognized by the United States;

(5) the right of self-determination should be returned to the peoples of Lithuania, Latvia, and Estonia through free elections conducted under the auspices of the United Nations after Soviet withdrawal from the Baltic States; and

(6) the right of self-determination should be made a prime political objective of the United Nations and should be accorded through free elections under the auspices of the United Nations to all peoples now involuntarily subjugated to Soviet communism.

H. CON. RES. 66

Whereas the United States does not recognize the illegal annexation by the Soviet Union of the Baltic nations of Estonia, Latvia, and Lithuania;

Whereas the United States as a member of the United Nations has pledged to uphold the ideals of the United Nations Charter and "to take joint and separate action" to promote "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion";

Whereas during the 83rd Congress, the Select Committee to Investigate Communist Aggression of the House of Representatives thoroughly investigated the seizure of the Baltic nations by the Soviet Union and, in its Third Interim Report, concluded that the "evidence is overwhelming and conclusive that Estonia, Latvia, and Lithuania were forcibly occupied and illegally annexed by the Union of Soviet Socialist Republics";

Whereas the United States, as a signatory to the Final Act of the Conference on Security and Cooperation in Europe, endorsed Principle VIII, concerning equal rights and self-determination of peoples, which states "all peoples always have the right, in full freedom, to determine, when and as they wish, their internal and external political status, without external interference, and to pursue as they wish their political, economic, social and cultural development" and the "participating States . . . also recall the importance of the elimination of any form of violation of this principle"; and

Whereas the House of Representatives in the 96th Congress, by adopting H. Con. Res. 200, reaffirmed the United States policy concerning the Baltic nations and thereby urged positive actions: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should—

(1) enter into discussions with the Soviet Union—

(A) for the withdrawal of all non-Estonian, non-Latvian, and non-Lithuanian military, political, administrative, and police personnel from Estonia, Latvia, and Lithuania, respectively, and

(B) for the release of political prisoners of Estonian, Latvian, or Lithuanian nationality from prisons, labor camps, psychiatric institutions, and other detention centers within the Soviet Union and their return to Estonia, Latvia, and Lithuania, respectively;

(2) instruct the United States delegation to each review meeting of the Conference on Security and Cooperation in Europe to seek consideration of the following matters:

(A) the illegal annexation of Estonia, Latvia, and Lithuania by the Soviet Union, and

(B) the denial of self-determination and territorial integrity of Estonia, Latvia, and Lithuania by the Soviet Union; and

(3) make every effort to gain the support and cooperation of all nations to achieve the objectives of the discussions under paragraph (1) and the consideration of the matters under paragraph (2).●

LITHUANIAN INDEPENDENCE DAY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. DWYER of New Jersey. Mr. Speaker, I wish to join my fellow colleagues in commemorating the 67th Anniversary of Lithuanian Independence Day.

As the Lithuanian people commemorate the anniversary of their declaration of independence, they continue to face serious threats to their religious, cultural, and educational freedoms. I know I am not alone when I say that totalitarianism has deprived these people of the most important possessions they have—their personal and political freedoms. It is indeed regrettable that Lithuanians must live under these oppressed conditions.

I call upon my colleagues in Congress today, to make this important commitment on behalf of Lithuania a year-round effort. We must remember that those who suffer without the freedoms we so easily take for granted look to us for guidance in the international human rights struggle.

Our foreign policy must always reflect this commitment. As representatives in the free world, it is imperative we commit ourselves to the release of the oppressed from the imposition of Soviet rule where all fundamental freedoms have been repressed.

I wish to thank my able colleague, FRANK ANNUNZIO, Congressman from Illinois and the Lithuanian American Council for calling my attention to this important special order.●

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, 67 years ago, on February 16, 1918, the people of Lithuania rejoiced in the democratization and independence of Lithuania. For a regrettably short period, Lithuanians enjoyed a more liberal society—one in which censorship, religious persecution, and political oppression were replaced by the freedoms of speech, religious affiliation, and assembly. Czarist absolutism and agrarian practices gave way to human dignity and modernization as political, social, and economic reforms were instituted. For the first time in centuries, Lithuanian culture was free to flourish.

This democratic renaissance was cut short by the illegal Soviet invasion and occupation in 1940 of Lithuania and her sister countries, Latvia and Estonia. To this day, opposition to the forced annexation results in imprisonment, deportations, and executions. Yet, those who seek to make their homeland more humane, democratic, and autonomous have not given up hope. Such torture and denial of human rights has kindled, rather than abated the desire of Lithuanians for self-determination.

The United States has never recognized the Soviet incorporation of the Baltic States. Today, and until Lithuania is freed from the Soviet grip, we must again denounce this breach of international accords, as well as Soviet violations of human rights. For those who are imprisoned behind the Soviet wall of domination and oppression, let us in the free world reaffirm our solidarity with their fight for national sovereignty. For those whose anguished cries have been muffled by censorship and persecution, let us voice our convictions for the rights to liberty and justice. We are all bound by the Soviet chains of oppression when any of us continues to suffer at the hands of the Soviets. Only when we have alleviated all suffering will humanitarian and democratic ideals become reality for all humanity.●

FREEDOM OF THE PRESS DAY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LANTOS. Mr. Speaker, with my distinguished colleague from Michigan, [Mr. VANDER JAGT] and with 77 other Members of this House, I introduced today a House joint resolution, designating August 4, 1985, as Press Freedom Day in the United States.

August 4, 1985, marks the 250th anniversary of the landmark decision in the case of John Peter Zenger of colonial New York. The publisher of a weekly journal, Zenger was charged with libel by the Governor of New York for articles exposing corruption in the colonial government. In a stirring courtroom defense of Zenger, attorney Andrew Hamilton argued for the right of any newspaper to print the truth for the common good of the people. The decision exonerating Zenger served as a watershed event in establishing the principle of freedom of the press in this land.

The commitment to public media working free of government censorship was clearly evident in the drafting of our Nation's Bill of Rights. The influence of Thomas Jefferson, George Mason, and James Madison encouraged members of the Constitutional Convention to view press freedom as "one of the great bulwarks of liberty." By embodying freedom of the press in the first amendment to the Constitution, our Nation demonstrated unprecedented trust in the ability of a well-informed public to be full participants in their own Government.

Our Nation's support for freedom of the press represents faith in the people. Through more than 200 years of journalistic history, our Nation's courts have defended the public's "right to know," and the impropriety of Government censorship in which national security issues were not at stake. In the landmark case of New York Times Co. versus United States, Supreme Court Justice Hugo Black stressed the inviolability of the first amendment guarantees:

"The Founding Fathers gave the free press the protection it must have to fulfill its essential role in our democracy. The press was to serve the governed, not the governors."

And so it has. And through such service our Nation is arguably the best informed society in history.

There have been times when the commitment to freedom of the press was not easy to maintain. There have been attempts to control the media, limit its inquisitive nature, or discourage its publication efforts. But despite the episodic setbacks, press freedom remains as vital today as when the first amendment was ratified in 1791. That vitality serves as an inspiration for millions of men and women throughout the world whose understanding of events is limited by the State controlled media in their homelands.

As a fundamental liberty designed to ensure participation by an informed people in their government, it is important for this Nation not only to express its appreciation of press free-

dom, but to rededicate itself to the highest principles of an unfettered flow of information.

By establishing a Press Freedom Day, we can reiterate our commitment to one of the principle liberties that has guided this Nation on an epic journey from the printshop of John Peter Zenger to the era of satellite communications. "Press freedom is not safety," wrote journalist Zechariah Chafee, Jr. in 1948, "but an opportunity."

I encourage my colleagues in House to join me and my distinguished colleagues in supporting this important resolution to remind our Nation of the great opportunity provided Americans through freedom of the press. May our commemoration of this event lead us as a nation to rededicate ourselves to the preservation of this great principle.●

LITHUANIAN INDEPENDENCE DAY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. LAGOMARSINO. Mr. Speaker, today we applaud and commemorate Lithuanian Independence Day. Sixty-seven years ago, Lithuanians concerned with human rights in their beloved, yet occupied and enslaved, nation declared their independence.

Americans can and must speak out and sound their support for the freedom and independence of the Lithuanian people. Despite subjugation by their Soviet mentors, the Lithuanian people continue to struggle to be free and independent. Their worthy goal of self-determination has its roots in the American struggle for independence, and freedom from tyranny.

The Helsinki accords were signed by the United States and the Soviet Union in an effort to increase political freedoms of those living on both sides of the Iron Curtain. Yet, the Soviets have brutally exploited and violated that set of agreements, crushing all voices of opposition and attempting to extinguish any hopes for freedom and independence.

The heroic Lithuanian people have not caved in under this pressure, however, Mr. Speaker. They continue to speak out, in the face of brutal Soviet oppression, for reforms to redress the serious human rights conditions within their native land. All Americans, and freedom-loving people everywhere, raise their voices in unison in support of the Lithuanian people in their struggle to be free from foreign domination. Their struggle is our struggle.

Thanks should be given also to the Lithuanian American Council, who continue to inform the Congress and the American public as to the true conditions inside Lithuania.

Again, Mr. Speaker, I commend my colleagues for their participation in this special order, recognizing and commemorating Lithuanian Independence Day.●

U.S. GRAIN STANDARDS NEED TIGHTENING TO COMPETE WITH FOREIGN PRODUCERS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, recent newspaper headlines—"Asians Express Concern Over U.S. Wheat Quality," and, "U.S. Grain Quality Slipping," for example—point to what I believe is a serious weakness in our grain marketing system. That is why I'm introducing legislation today which addresses this problem.

One of the complaints which foreign buyers of U.S. grain voice is excessively high dockage, or dust. U.S. grain standards currently allow export elevators to add, or readd after cleaning, a certain percentage of nonmillable material such as dust. As our foreign buyers have become more sophisticated and their needs more specialized, this practice poses an increasing threat to U.S. grain exports.

A THREAT TO FARM MARKETS

Just how this practice threatens our overseas markets was made clear last month at the annual National Association of Wheatgrowers convention, at which several foreign buyers of U.S. wheat criticized its quality. For example, a representative of South Korean flour mills, which currently import nearly all their wheat from the United States, warned that the South Korean market should not be taken for granted. Flour millers there have been distressed by quality problems, including a high dockage content, he said.

Representatives of Japanese and Indonesian flour mills made similar charges. Besides the wheatgrowers convention, complaints have been heard through other channels as well.

Current U.S. grain standards do not address this problem. Our standards now allow exporters to add dust up to a certain percentage right at the export elevator.

My bill simply prohibits the addition of dust or other foreign material at the export elevator.

One of the reasons the dockage problem is so serious is that in an increasingly tight foreign market, our competitors have stricter and simpler grain standards than we do. For example, no other country even uses the term dockage in describing grain quality. Canada, one of our biggest competitors, uses a simpler standard, and exports cleaner grain than the United States. That is one main reason why Canada has captured some of our former grain markets.

GAO STUDY SOUGHT

This is a complex issue, just now receiving increasing attention. To add to our understanding of how U.S. dockage allowance and grain standards in general may be affecting our ability to market our grain overseas, I have asked the General Accounting Office to undertake a two-pronged study. GAO will first determine how widespread is the practice of adding or readding dust or other foreign material at the export elevator. Over the longer range, the study will address the larger question of to what extent U.S. grain standards are making the United States less competitive in international markets.

The issue is of particular importance now, when we need to do everything in our power to increase sales for our distressed family farmers. Foreign sales are critical to the health of agriculture since over half of the wheat, rice, soybeans, and sunflower seeds raised in this country are sold overseas. Although agriculture is our biggest earner of export dollars, their value is expected to decline to $36.5 billion in fiscal 1985, down from $43.75 billion in 1981.

I believe that strict grain export rules can help reverse that slide.●

LULAC HONORS VOLUNTEERS

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, this Saturday marks the Fifth Recognition Luncheon of the New Haven, CT, Council of the League of United Latin American Citizens [LULAC]. The ceremony will honor over 20 Connecticut residents who have been supportive of the goals of the organization, primarily improving Hispanics' access to higher education.

The league was founded in 1929, and today is the largest Hispanic volunteer organization in the United States, with over 700 councils in 45 States and more than 125,000 members.

The LULAC Council No. 700 was established in New Haven, CT, in 1976 and is the only LULAC council in the State. The council initially focused on awarding scholarships to Hispanic students pursuing post secondary education, but since 1980 has expanded its activities to include the sponsorship of community activities and workshops, a nonpartisan voter registration drive and cosponsorship of a 1981 tristate forum on the use of force by police.

The council's primary concern, however, has been and continues to be education. To carry out this goal, the council conducts an annual local scholarship campaign where funds raised locally are matched dollar for dollar by the LULAC National Scholarship Fund. In 1984 the LULAC Council No. 700 awarded $4,200 to 12 area Hispanic students enrolled in institutions of higher education.

I know my colleagues join me in honoring this worthy organization. Council No. 700 and the hundreds of other councils of the League of United Latin American Citizens can be proud of their record of giving talented young people in hispanic communities across the country the opportunity to go to college.●

SPENDING PRIORITIES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. COELHO. Mr. Speaker, as the House begins its deliberations on the President's fiscal year 1986 budget proposal, we are confronted with many challenges, and the need to reestablish our spending priorities for the Federal Government. Many of the suggested cuts and program eliminations advanced by the administration would have serious ramifications for state and local governments throughout the country, and I know I am not alone in voicing my concerns over the proposed cuts in housing, transportation, and urban development.

I would like to share with my colleagues a recent editorial from the Christian Science Monitor, which supports the belief of many of our citizens that the economic well-being of our Nation's cities is a cornerstone for a strong future. We must indeed reduce the Federal deficit, but expecting our Nation's cities and counties to bear the brunt of our efforts is unrealistic.

URBAN EMPHASIS

It has always been one of the great anomalies about the United States that a society that spends so much of its financial resources on housing—from soaring rents and sky-high mortgages to expensive outlays for furnishings, lawns, and other home-related projects—does not have a national policy aimed at preserving and bettering its cities.

Yet, a substantial portion of the nation's housing stock is located in or near most of the nation's largest cities. Moreover, whether dwellings are located within cities or not, the cities provide the trellis—the backdrop of commerce, jobs, offices, and cultural attractions—that links together the hundreds of thousands of neighborhoods and communities that make up the US.

Precisely for these reasons, the nation's political and economic leadership—as well as the public in general—needs to think creatively about its cities.

To a degree, innovative thinking has begun. Many cities, for example, now seek direct financial investment from abroad as one way to offset the loss of industries to suburbs. Still, far too many cities continue to face difficult economic challenges resulting from the flight of largely white middle-class and professional families to the suburbs. Left behind are great concentrations of the poor and minorities, and a dwindling tax base.

Increasingly, industries also exit to suburban areas. Sharp, cutbacks in federal funds to cities and states the past four years have added to the fiscal woes of some communities.

It is hardly surprising, therefore, that city officials meeting in Washington recently for the midwinter conference of the United States Conference of Mayors were lamenting another anticipated round of cutbacks in federal aid to states and cities. The mayors argue that further reduction in federal financial assistance to states and local communities, as part of a federal budget freeze for fiscal year 1986, could squeeze the cities severely.

Moreover, many city officials wonder whether the Reagan administration is basically hostile to cities; they note, for example, administration proposals to curb the tax-exempt status of municipal revenue bonds, to end local revenue sharing, and to restrict federal tax deductions for state and local income taxes.

The states generally are now posting record budget surpluses. In a number of states, such as New York, California, Minnesota, Michigan, Wisconsin, Ohio, and Massachusetts, governors are proposing or considering cuts in state income tax rates because of momentary state fiscal surpluses. Similar surpluses are being posted in many cities, where the economy's improvement over the past year has stepped up tax receipts.

Caution is in order when reviewing the moment's black ink in state and local ledgers. Congress and the White House are contemplating reductions in federal aid for city-related programs. Most states and cities have balanced-budget requirements. Unlike the federal government, these units are not allowed to operate in red ink.

Moreover, many of the surpluses being recorded by local jurisdictions may prove short lived: Constituents are calling for the restoration or expansion of service eliminated or cut during the severe economic downturn of 1981-82. Local roadways, transportation facilities, and other vital services are in need of modernization. Anyone who has taken New York's subway system during the past year can immediately recognize the pent-up demand for spending of services.

Granted, many cities should be able to call for additional financial help from states during the next year or so, thanks to the improved state income flow on top of a lower state spending base.

But that should not be taken by Washington as an excuse to gut aid programs directed at cities and local communities. Throughout history, a hallmark of great nations has been public support directed at preserving cities. Most of the great cities of Europe today, with landmarks that in some cases date back centuries, reflect such a far-seeing national emphasis.

Washington should remember the wisdom of urban investment as it goes about the sensitive task of cutting the federal budget to reduce deficits. Housing neglect is but one indicator of trends that should be reversed. America's cities warrant preservation and modernization.●

LITHUANIAN INDEPENDENCE

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. NOWAK. Mr. Speaker, there is a special kind of nostalgia for one's homeland that can only be understood by those who have had to leave the place of their birth for reasons of principle. On February 16, Lithuanian-Americans commemorated the 67th anniversary of Lithuanian Independence Day. It was an independence that lasted a short 22 years, from 1918 to 1940, when Lithuania was absorbed into the Union of Soviet Socialist Republics.

Lithuanians all over the world celebrate this anniversary, except those in the Soviet sphere where such an observance is not allowed, and for a special reason. It cannot be allowed for it keeps alive a hope, a hope that one day all those living under a repressive and oppressive regime will have their rights as individuals assured and their free and independent homeland restored.

Historically, America has symbolized that very hope. Therefore, we join the Lithuanians who mark the day of independence by celebrating the ideals it represents and extend our support to those who must suffer in silence so that they may have hope for the future and keep alive the inspiration to nurture the values of democracy and human rights for the time when they will regain these goals.●

INTRODUCTION OF H.R. 1188, THE HIGH TECHNOLOGY RESEARCH AND SCIENTIFIC EDUCATION ACT OF 1985

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MATSUI. Mr. Speaker, originally adopted in the Economic Recovery Tax Act of 1981, the research and development tax credit provisions of the Internal Revenue Code section 30 provide for a credit against the Federal income tax of 25 percent of a taxpayer's expenditures on specified categories of research and development in excess of the average of the amount spent on R&D in the preceding 3 years. It should be noted that the benefit applies only to enterprises when and to the extent that their R&D spending increases over immediately previous levels.

The Senate version of the Deficit Reduction Act of 1984 extended and strengthened the R&D credit. Unfortunately, the provision was not adopt-

ed by the conference committee, however, because the Ways and Means Committee had not held hearings on the issue and action could be postponed until 1985, since expiration of the existing provisions would not occur until the end of that year. The Senate bill would have made four changes in the existing credit, all of which would have made for a more cost-effective approach.

The first change would have made the credit permanent. This step is necessary to make the credit a genuinely stable incentive for corporate decisionmakers considering R&D proposals. As the National Science Foundation has observed: "R&D is exceptionally risky for any individual company. Much R&D pays off only after 5, 10 years or more when current management may be long departed."

The second change would have tightened and targeted the definition of research and development expenditures qualified to generate a tax credit. As reflected in the Senate Finance Committee report, this was intended to treat only "research and experimental activities designed to produce a technologically new or improved business component where the new or improved characteristics are functional rather than stylistic or cosmetic."

A third change was a modification to permit startup companies to gain the credit from R&D directed at a trade or business they intend to carry on in the future.

The fourth change related to R&D grants to universities and this was modified to provide for a larger incentive for corporations to fund basic research in university laboratories as opposed to conducting it on their own.

The importance of maintaining U.S. industry's technological leadership is undisputed. As Congress' Office of Technology Assessment recently observed: "Staying highly competitive in electronics and other technologically driven industries, with U.S. firms remaining leaders in innovation, in international trade, and in sales and profits is necessary if the United States is to maintain its standard of living, its military security, and if the U.S. economy is to provide well-paying and satisfying jobs for the Nation's labor force."

R&D is the key to keeping our technological lead and staying competitive. The Congressional Budget Office reported in its April 1984 study, Federal support for R&D and innovation, that "A strong R&D effort is characteristic of American industries that are effective international competitors, while industries with severe competitive problems invest significantly less in R&D."

Promoting R&D encourages the high technology sector, in which employment grew 50 percent faster during the 1970's than in the economy as a whole, and which accounted for 44 percent of total U.S. manufacturing exports by 1980.

In addition, the output of the high technology sector furnishes other, more traditional industries with the means to sustain or regain their own international competitiveness.

The ultimate effects of R&D are impossible to measure. But, as William J. Baroody, Jr., president of the American Enterprise Institute, observed in introducing a recent AEI symposium, "Many economists believe that a clear causal relationship links basic research, industrial innovation, productivity improvement, and economic growth. They point to that slowdown in spending on research and development * * * as a cause of the productivity slump of the 1970's * * *. Another slowdown in the performance of research and development could have serious implications for economic growth and employment through the end of this century."

According to a report prepared for the Cabinet Council on Commerce and Trade, the United States has lost world export market share in 8 out of the 10 high technology industries over the past 15 years. In the semiconductor industry, Japan has rapidly increased its share not only of world markets—from 33 percent to 38 percent in the last year—but of the U.S. market in particular—from 23 percent to 30 percent in the last year.

The drive of foreign nationals to overtake the United States is managed everywhere by systematic programs of incentives, subsidies, trade barriers, and other forms of governmental support. Japan, for example, currently has in place an R&D credit similar to the United States—for which strengthening revisions are being considered—as well as large deductions and reserve allowances specifically for high technology developers and exporters. Taiwan, West Germany, France, the United Kingdom, and Canada all similarly provide R&D credits and various additional incentives.

The seriousness of this challenge cannot be ignored. As Data Resources, Inc. observed in a major 1984 report on U.S. Manufacturing Industries directed by the late Otto Eckstein, "In high technology fields where one firm or one nation typically dominates world markets, it is very difficult to recapture market position if it is ever lost. Indeed, it is hard to find an example of a lead that was regained * * *. Once the lead is lost, profitability diminishes, resources shrink, and management is pressed into shortsighted, defensive, cost-cutting moves that soon produce a further loss of market share. A nation that casually surrenders leading industrial positions through policies of neglect will find it difficult to stage a comeback, particularly if the period of noncompetitiveness stretches on for more than a few years."

The United States must keep its position at cutting edge of industrial innovation. To do that, in the face of the formidable challenges from our competitors in Western Europe and especially the Far East, some measure of Federal support is necessary, in view of the aggressive governmental programs of other nations and in light of the demonstrated gap between private sector R&D and socially optimal levels. A tax incentive approach is clearly preferable to a large affirmative grant program.

What is needed now is to build on the initial experience of the past 3 years, to make the R&D credit more targeted and more productive. In 1984, the Senate made appropriate changes in the current R&D credit provisions—by limiting its application to functional and technologically oriented research and development, by creating a comparatively more generous credit for corporate basic research contracted out to universities, by making the credit available to start-up companies without an existing trade or business, and, most important, by making the credit permanent.

SUMMARY

The R&D credit is made permanent.

The definition of qualified research for R&D credit purposes is tightened to eliminate taxpayer abuses of the R&D credit and to ensure that the credit is targeted to fulfill its original purpose of encouraging technological innovation.

The R&D credit is made available to start-up corporations, to research joint ventures composed of corporations, and to other qualifying joint ventures of partners with existing businesses to which the research relates.

The bill creates a new credit equal to 20 percent of that portion of a corporation's payments to universities and other qualified nonprofit, tax-exempt organizations for basic research which exceeds a fixed, historical maintenance-of-effort floor. This maintenance-of-effort floor is equal to 1 percent of the corporation's average annual R&D budget—including university basic research payments—over 1981-83. A second threshold requirement also is used to prevent corporations from merely diverting their generalized charitable university giving to creditable support of university basic research.

The bill expands the present enhanced deduction to corporate contributors of scientific and technical equipment and apparatus given to colleges, universities, junior colleges, and postsecondary vocational schoods for use in research or research training by means of the following: Eligible uses of the property are expanded to in-

clude direct education in the sciences as well as research and research training; donations of computer software are made eligible for the deduction; and donations of state-of-the-art equipment used in the taxpayer's trade or business are made eligible for the deduction.

The bill also clarifies that scholarships, grants, and student loan forgiveness received by graduate students will be excluded from such student's gross income, even though he or she is required to perform future teaching services for any of a broad class of institutions of higher education as a condition of receiving such scholarship, grant, or loan forgiveness.●

SOVIET ANTI-SEMITISM GROWS UGLIER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LANTOS. Mr. Speaker, I rise today to protest the growing campaign of anti-Semitism in the Soviet Union. While Jews are finding it increasingly difficult to emigrate, they are facing growing persecution in their jobs, in school, and in their neighborhoods as they are being branded by the official Soviet media as traitors.

These problems were highlighted to me recently when I received information about a family I adopted last year, Yakov and Olga Galperin of Leningrad. They have applied several times to emigrate to Israel, and each time were refused. After these unsuccessful attempts, their cousin, who lives in my district, completed the extensive visov forms—the official invitation required in cases of reunification of families. In December 1984, Yakov went to the official emigration office in Leningrad with his visov to get the forms necessary for him to apply for emigration. The emigration official denied him these forms, telling him that "the issue of reunification of families is off the agenda."

I consider it especially provocative at this time, considering that we are preparing now for a review conference in Ottawa of the human rights provisions of the Helsinki Final Act. Reunification of families is a right specifically guaranteed by the signators of the Final Act, which includes the Soviet Union. Refusing prospective emigration applicants the necessary and required forms is in direct violation of the spirit of the treaty.

I would like to call to the attention of my colleagues an article which appeared in Febraury 18, 1985 issue of the New Republic, "The Jews Left Behind." I find it particularly important in that it focuses attention on the extraordinarily virulent anti-Semitism in Leningrad. We, in Congress, must continue to speak out for all Soviet Jews, such as Yakov Galperin and his family, and raise our voices against all forms that anti-Semitism takes.

The article follows:

THE JEWS LEFT BEHIND

"We call on you, who spend your efforts on the paperwork of endless conferences, runs, and picnics in defense of Soviet Jewry," says a recent letter signed by 38 Soviet Jews and addressed to the Jews of the West, "you who are still full of illusions and see solidarity in philanthropy expressed in gifts of blue jeans, to show your solidarity by your deeds. . . . The time has come to sound the alarm." The tone is desperate, and a touch ungrateful. But the letter expresses the two most important facts about Soviet Jews today. First, their situation is growing steadily worse. Official anti-Semitism has increased to the point where Soviet newspapers and television regularly malign Jews in terms reminiscent of the worst of the Czarist persecutions. Jewish activists in particular face increasingly violent harassment. Opportunities for Jews to advance in Soviet society have been radically circumscribed, and Jewish emigration no longer exists. And second, the traditional response of the American Jewish community and the U.S. government—to press the Soviet government on the emigration issue—is no longer enough.

It is understandable that the American support groups for Soviet Jewry have made emigration the single most important issue on their agenda. The figures are stark. Although approximately 10 percent of the Soviet Union's Jewish population—nearly 260,000 people—left the country between 1968 and 1981, with a high point of 51,320 in 1979, only 896 managed to get out last year. There are over 380,000 others who have indicated their desire to leave by initiating the complicated process of applying for a visa. Moreover, as soon as a Jew in the Soviet Union attempts to speak out on behalf of other Jews, he becomes a pariah, losing his job and inviting police harassment. Emigration then becomes his major concern, and, as Mark Epstein, executive director of the Washington-based Union of Councils for Soviet Jewry, explains: "We try to take our lead and direction from Soviet Jews. . . . [W]e try to act upon the wishes they express." The State Department, in turn, frequently takes its led from groups like Epstein's. Thus Soviet Jews become valuable commodities in Soviet-American relations, to be exchanged for trade credits and killer satellites. Right now, for instance, the release of 5,000 Jews—or of Anatoly Scharansky—would be seen as a major Soviet concession.

Yet in a nation where nobody has the right to leave, a bar on emigration does not represent a special affront to the Jews. It is particularly cruel only to those men and women driven by Zionist sentiment to live in Israel, for whom confinement within the borders of the USSR represents a special punishment. But nearly two-thirds of the Jews who left between 1968 and 1981 chose to come to the United States, just as many other Soviet citizens would if they had the chance. When it comes to emigration, Soviet Jews are only marginally worse off than other Soviet citizens.

Far more threatening to the majority of Soviet Jews than the cutoff of emigration is the growth of officially sponsored anti-Semitism over the past two years. As sporadic reports such as the letter from the 38 Soviet Jews have reported, the harassment of Jewish activists has become more brutal, and frequently coincides with attacks on Jews in general. Last September, for instance, a Hebrew teacher from Moscow named Yuli Edelstein was set up by the police, accused of possession of narcotics, and sentenced to a three-year prison term. One of the police agents involved in the case was quoted as saying, "It is a well-known fact that Jews use narcotics in their religious rituals." Another Hebrew teacher had a gun planted in his apartment; another still was attacked by a stranger on a street corner and then arrested for provoking a fight.

Since August, more than ten Hebrew teachers and Jewish cultural activists have been arrested, but the significance of the crackdown goes beyond the numbers. Because synagogues in the Soviet Union are forbidden to hold classes or to foster cultural activity, and Hebrew is "officially" taught only to Russian Orthodox priests and government "Jewish experts," the arrests represent an attack on the very notion of Jewish identity. In the past, Jewish religious activists had fared comparatively well. For example, while many Christians have been placed in Soviet mental hospitals for practicing their religion, only one Jew that we know of has suffered this uniquely Soviet horror. Jewish groups in the United States have proven adept at publicizing the worst cases of repression. But it now seems that the shield of publicity no longer works. As Morris B. Abram and Herbert Kronish of the National Conference on Soviet Jewry wrote last month on the Op-Ed page of The New York Times, the Soviet government is engaged in "a systematic campaign to disrupt all Jewish religious and cultural activities." The campaign threatens "the very survival of Judaism in the Soviet Union."

The Soviet government now openly disregards the formal distinction it once insisted upon between "anti-Semitism" and "anti-Zionism." The result is anti-Jewish propaganda as poisonous as that put out by Libya or Iraq, or, for that matter, by Hitler. The official youth newspaper Komsomolskaya Pravda, for example, declared in March 1983 that the meaning of Zionism is "to turn every Jew, no matter where he lives, into an agent of the Jewish oligarchy, into a traitor to the country where he was born." A few weeks later, the Leningrad party daily Leninskaya Pravda described Israel as a "money-grubbers' paradise" and concluded: "Let us be frank. The appeal to Hebrew . . . is far from cultural, but is strictly political. . . . How does Zionism extend its tentacles? . . . First of all, with the aid of religion, and Hebrew."

What accounts for this new anti-Semitism? Soviet experts agree that it derives at least in part from the general crackdown on dissent that has followed the death of Leonid Brezhnev in 1982. But there are also indications that it represents a resurgence of straightforward ancient Russian xenophobia. Professor Stephen Cohen of Princeton argues that more and more Soviet officials "see the state's job being to protect Russian values from the West." They deplore "alien" influences, including Jewish ones, and exalt Russian traditions, including anti-Semitism. One example of this phenomenon can be found, ironically, in Leningrad, the city built by Peter the Great in the early 18th century as a window on the West and a symbol of the end of Russian isolation.

The current leader of the Communist Party in Leningrad, Grigory Romanov, is a brutish thug and known anti-Semite whose feelings about Jews resemble those of his namesakes Nicholas I and Alexander III. Under Romanov's rule, Leningrad has served as a focal point for Soviet anti-Semitism, from the infamous 1970 "Leningrad trials" of Jews who had sought visas to emigrate, to a crude television documentary broadcast in November 1984 which hinted broadly at the existence of a worldwide Jewish conspiracy and accused specific Jewish dissidents of treason. In June 1981 the Leningrad authorities incited a crowd to harass a gathering of Jewish activists with cries of "Jews, beat it out of our country!"—which is of course exactly what many of them would like to do. And in 1983, a Leningrad magazine called Neva even claimed, according to British historian Martin Gilbert in The Jews of Hope, "that stories of persecution of the Jews under the Tsars were nothing but 'Zionist propaganda.'"

There is agonizingly little that Americans can do about Soviet anti-Semitism. If Soviet-U.S. relations improve, the USSR may be again careful not to upset American sensibilities. But a Soviet "concession" on the issue is likely to mean that a few thousand Jews will escape, while two-and-a-half million more suffer continued discrimination and harassment. Russian anti-Semitism will endure, as it has for centuries. Now, as the United States begins to talk with the Soviets again, and as American groups continue their long vigil on behalf of Soviet Jewry, this point must be recognized. The right to emigrate is important. But the right to be a Jew is essential.

DAVID A. BELL.●

NO STONE UNTURNED

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. FISH. Mr. Speaker, we are all concerned with the swift prosecution of Nazi war criminals living in the United States. As a member of the House Judiciary Committee who helped initiate the Office of Special Investigations in the Department of Justice, I have long been concerned that OSI be able to utilize all resources throughout the world in providing evidence against these criminals against humanity.

Over the past several years, there has been concern over the use of evidence obtained behind the Iron Curtain. Several ethnic organizations have questioned the use of such evidence in U.S. courts. My position has been, and it has been supported by OSI and the courts, that such evidence must be reviewed on its face and judged for competence and credibility along with other evidence submitted in Nazi war criminal cases. We have little choice in some instances whether to use such evidence, as it may be the most relevant in certain cases.

I was pleased to receive a copy of a letter to OSI dated January 9, 1985, from the Polish American Congress supporting the use of evidence obtained from the Soviet Union and Eastern bloc countries. I would like to share this correspondence with my colleagues.

POLISH AMERICAN CONGRESS, INC.,
Chicago, IL, January 9, 1985.

DIRECTOR OF OFFICE OF SPECIAL INVESTIGATIONS,
Department of Justice,
Washington, DC.

DEAR SIR: As leaders of the Polish-American community, we strongly support the efforts of the Justice Department's Office of Special Investigations (OSI) to identify, strip of American citizenship, and deport those alleged Nazi war criminals now residing illegally in the United States. The efforts of OSI are in accord with the belief we share, that America exists as a haven for the victims of persecution and not the perpetrators of it.

The Polish-American community proudly claims among its members many survivors of wartime persecution who bravely defied the Nazi occupation of their native land and so suffered deprivation, internment, and physical abuse at the hands of the Nazi regime and its collaborators in Eastern Europe. Our community's special understanding of the nature and extent of Nazi-directed persecution leads us to appreciate with special fervor OSI's ongoing attempt to bring to justice those who participated in that persecution but who now unlawfully enjoy the blessings of living in the United States.

As Polish-Americans, we understand all too well the problems of living in Eastern Europe today, and the differences between our own great country, the United States, and the Soviet Union. However, we do not believe that current East-West tensions should interfere with OSI's effort to obtain evidence of wartime Nazi persecution from archives and witnesses in Eastern Europe, including the Soviet Union. Like OSI, we believe that such evidence should be subjected to review for competence and credibility by American courts under American law.

We do not believe that OSI should be barred from offering such evidence for judicial consideration in the United States. Much of the persecution practiced by the Nazi regime occurred in Eastern Europe, and it behooves OSI to seek out the evidence of that persecution at its source.

To prevent the use of evidence obtained in Eastern Europe from even being considered in American cases would be to ignore and indeed to "hush-up" the persecution of Poles and other groups who bravely opposed Nazi tyranny in countries now behind the Iron Curtain. Accordingly, we support OSI in its world-wide effort to uncover evidence of Nazi persecution for use in cases brought here at home against accused Nazi persecutors.

Yours very truly,

ALOYSIUS A. MAZEWSKI,
President.●

SPECIAL OLYMPICS

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. KOLTER. Mr. Speaker, I would like to take this occasion to praise a program which lends a special dignity and honor to mentally retarded people around the world. Special Olympics is an athletic competition that brings a New Kind of Joy to millions of special people. This program thrives in 50 countries and enjoys the participation of 400,000 volunteers and over 1 million athletes worldwide. With 16 Olympic-type summer and winter sports, there is year-round Special Olympic competition in each State and country, and International Winter and Summer Games are held every 4 years.

Special Olympics was created in 1968 by the Joseph P. Kennedy, Jr. Foundation. This valuable program contributes to the physical, psychological, social development and well-being of mentally retarded participants. The experience that these children and adults gain in sports helps them to build confidence and feel positive about themselves. Success on the playing field often carries over into their work, their education, and their home life.

There are Special Olympics programs in approximately 20,000 communities—almost every county—in the United States. One of these programs recently hosted the Western Pennsylvania Bowling Tournament. On January 12, 1985, Butler County Special Olympics welcomed over 200 special athletes to Butler, PA. With such meets and games held on the local level in communities all over the world, attendance at events such as the one in Butler County exceeds 10,000 annually.

A primary feature of Special Olympics is that no one is too old or too handicapped to compete. Athletes are assigned to competition levels based upon age and performance. This allows even those at the lowest level to advance to the International Games. With so much to look forward to, the participants at the Western Pennsylvania Bowling Tournament gave everything they had not only to excel in the Games, but to believe in themselves. Butler County Special Olympics gave these special athletes what they so richly deserve—a chance to succeed.

Special Olympics honors the spirit of the Greek Olympics—competing and winning are secondary to experiencing and participating. This ideal is best summed up in the motto of the Special Olympic athletes: "Let me win, but if I cannot win, let me be brave in the attempt."●

ESTONIA

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join with Estonians around the world in commemorating on February 24, 1985, the 67th anniversary of the independence of Estonia. I would especially like to salute the Connecticut Estonian Society, and its president, Mrs. Vaike Lugus, for their work in advancing the cause and spirit of Estonian independence among the people of Connecticut.

The Estonian people have always held the principals of liberty and justice in the greatest esteem, and adopted at the time of independence a constitution which firmly embraced democratic principals and protected the rights of all citizens. Sadly, the restoration of Estonian sovereignty after centuries of foreign domination lasted little more than two decades. The freedom of Estonia was brutally crushed in 1940 by the Soviet Union, in collusion with Nazi Germany.

Since declaring Estonia a republic of the Soviet Union, the Soviets have waged a ruthless campaign to suppress the vibrant national identity, culture, and language of the Estonian people. The United States has never recognized the illegal annexation of Estonia, Lithuania, and Latvia by the Soviet Union, and continues to maintain diplomatic relations with representatives of the independent republic of Estonia and with her neighbors.

Against all adversity, Estonians continue to place the highest value on human rights and freedom. The hope that Estonia may again shine as a free and independent nation burns strong in the hearts of all Estonians throughout the world. I join with Connecticut Estonian Society and Estonians everywhere in that hope and in the celebration of Estonian Independence Day.●

CONSTITUENTS STRONGLY ENDORSE COAST GUARD OPERATIONS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, I rise to share with our colleagues the concern of my constituents regarding the administration's proposal to close Great Lakes Coast Guard stations.

The proposal put forth by the administration will close or consolidate 13 Coast Guard facilities in its Ninth District, the Great Lakes region. Two of these sites are within my congressional district.

Citizens of the region are outraged because many of the closings affect some of the most popular recreational boating waters in the country. The two stations in my district responded to over 500 emergencies last year alone. The Coast Guard uses a rigourous definition to determine whether or not a life has been saved, but even by Coast Guard standards, these stations saved 32 lives last year.

While we need to be fiscally responsible with our tax dollars, we cannot balance the budget with people's lives and safety. These proposed consolidations and closings are, unfortunately, a classic example of being penny-wise yet pound-foolish.

Recently I had the opportunity to attend a meeting of the City Council of St. Clair Shores, MI. The people of that city almost literally live on the water. To them, relying on the Coast Guard is a fact of life when seas are high, boats are stranded, and people's lives are threatened. I would like to share with my colleagues the council's thoughts, as outlined in the resolution unanimously approved at their recent meeting:

COAST GUARD STATION RESOLUTION

Whereas the U.S. Coast Guard Station in St. Clair Shores has provided safety services and boater education to thousands of St. Clair Shores boating enthusiasts, and

Whereas the imminent closing of the St. Clair Shores station has been announced, and

Whereas boat owners, marina operators, citizens and the City Government are concerned regarding boater safety in this area of Lake St. Clair, and

Whereas the next twelve months are of special concern because of forecasts of lake levels approaching 1978 high points,

Now therefore be it resolved by the City Council of the City of St. Clair Shores, that

We urge our citizens to express concern regarding the imminent closing of the Coast Guard Station, and

Be it further resolved, that the City Council express the continued need for the U.S. Coast Guard Station and its support and boater safety services by urging the U.S. Senators and Representatives as well as Michigan official to strongly request the continuation of the Coast Guard Station in St. Clair Shores.

Mayor: Ted B. Wahby.

Councilmen: Arthur M. Armstrong, Willian J. Callahan, Casper J. Frederick, Robert A. Hison, Joseph R. Krutell, Marcel A. Werbrouck.●

THE CIVIL RIGHTS RESTORATION ACT OF 1985

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, I am pleased to join a number of my colleagues today in cosponsoring the Civil Rights Restoration Act of 1985.

As the title implies, this bill seeks to restore original congressional intent of four important civil rights statutes: Title IX of the Education Amendments of 1972, title VI of the 1964 Civil Rights Act, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. This action is necessitated by last year's Supreme Court ruling, Grove City versus Bell, in which the high court narrowly interpreted title IX, thereby establishing a precedent for equally restrictive interpretations of similarly worded rights bills. To quell doubts that were raised in last session's civil rights debate, the language of H.R. 700 is particularly clear as to the scope of the legislation and the enforcement provisions contained therein.

I know that I was one of many who watched with disappointment during the final days of the 98th Congress as the Civil Rights Act of 1984 became the victim of partisan politics. I would hope that this year's deliberations would put politics aside and focus on the ultimate goal of this legislation: the prohibition of discrimination, on the basis of sex, race, color, national origin, age, or handicap. Surely, this is something we can all work toward.●

WHERE WE'RE HEADED IN SCIENCE EDUCATION

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. SKEEN. Mr. Speaker, more than anything else, our Nation's future depends upon our understanding of science. We must count upon our system of education to provide that understanding. In an address entitled "Where We're Headed in Science Education," Dr. Manuel J. Justiz, Director of the National Institute of Education, explained the situation very well. His remarks have a message for everyone.

WHERE WE'RE HEADED IN SCIENCE EDUCATION

America is a great country. A people of diverse backgrounds, nationalities, and cultures . . . blended into a single nation. We have extensive natural resources, abundant power, a highly productive agriculture system . . . that has become a breadbasket of the world. We have extensive manufacturing that has fueled the economy; a history of freedom . . . that allows us to enjoy ourselves . . . and speak out on issues; we have a tradition of democracy that began in the earliest days of the country and persists today. The will of the people is supreme.

It hasn't always been that easy. We have defended our rights in the past and we must be prepared to defend those rights in the future. In spite of the difficulties, we have built the greatest country in the world.

But we are having problems. America is being threatened by an underground epidemic of inferiority in our education system. Nothing less than our standard of living,

the strength of our economic system and our national security are at stake.

The following material, compiled with the help of one of my advisors at the National Institute of Education—Dr. Lawrence Grayson, summarizes just how serious the problem really is. I might add that unlike other reports which talk simply about the condition of math and science education, what I am about to share with you relates those problems directly to the economic consequences that we are facing as a nation.

AN OVERVIEW OF WHAT'S HAPPENING

Let's take a look at what's happening. This chart shows the free world car and truck production rankings from 1950 to 1982. You can see that in 1950, there wasn't a single Japanese company among the top 15 automobile producers in the free world. In 1960, there was one. In 1970, there were four. Today, six of the top 15 automobile companies in the world are Japanese.

If you look at the United States, you can see that the trend went in just the opposite direction. In 1950, there were seven American companies on that list. Today, there are only four—only four American companies among the top 15 auto producers in the world.

The marketplace is changing and clearly education plays a key role in what's happening in the world at the present time. Education is the keystone to industrial competitiveness and that's one of a number of reasons why I'm very much concerned about what's happening in this country at the present time.

Currently, the U.S. has more low-skill and less high-skill manpower than it really needs for its future—especially as we look forward to a high-technology future. Jobs are changing. Our economy is changing. We're getting into computers, telecommunications, biogenetics, into advanced information processing—all requiring different types of skills.

Let me show you what's taking place at the Ford Motor Co. At the present time, Ford has some 2,000 robots in their plants. The corporation expects that by the end of this decade, which isn't too many years away, it will have something like 7,000 robots. Those robots mean changes in jobs . . . changes in job skills . . . replacement of certain traditional jobs . . . creation of new types of jobs.

We've got to be ready to handle it. Clearly, everyone needs reasonably good familiarity with math and science—not just college-bound students.

Dental hygenists, aircraft mechanics and instrument repair technicians must all be familiar with the basic concepts of chemistry, physics and biology—just to do the jobs that they're going to be confronted with. Accounting clerks, supply personnel, auto mechanics—they have to at least learn how to estimate costs and keep accurate records.

People like nurses' aides, clock repairers, survey technicians all have to be familiar with lab equipment and with the procedures that are conducted in laboratories.

I'm convinced that one of the reasons that the Japanese have done as well as they have is because of the high degree of mathematics and science that's taught to all students in their elementary and secondary schools. For instance, every graduate of a Japanese high school must take the elements of probability and statistics. Now we don't expect them to become statisticians, but when they go on to a production line and get a job, perhaps as a blue collar worker, they have enough background to be able to describe a problem that may occur on the shop floor in analytical terms. Their counterparts on assembly lines in Detroit would be hard-pressed to communicate as well. Our American workers simply do not have the base in math and science that the Japanese have developed.

The problems are serious. Let me give you a few highlights. In Maryland in 1980, there were about 50,000 high school students who took math courses from some 400 teachers who were not certified in mathematics. In New Jersey last year, 51,000 college freshmen were tested to see if they could handle ninth-grade math problems. Keep in mind, these 51,000 are students who had already been accepted in college. Of that number, 88 percent were deemed not proficient in mathematics—ninth-grade mathematics.

However, New Jersey has been conducting that exam for about five years and that's the first improvement they've seen in that period of time.

Let me give you a slightly different dimension of the problem. In 1964, there was an international assessment of mathematics that was held around the world. That international assessment involved 14 countries. I want to only focus on five—the U.S., Japan, West Germany, France and Great Britian. You can see in that assessment, that Japan scored No. 1. The European countries scored two, three and four, and the U.S. was No. 5. Now, sure the data is 20 years old. However, remember the people who took these examinations 20 years ago are now in the mid-levels of management and industry, moving up to the top levels in those industries. They've in government, running the government. These are the people who are making the decisions in this country at the present time.

Let's look at another assessment in science conducted in 1970. It examined those same five countries—the U.S., Japan, West Germany, France and Great Britian. The results were virtually identical. Japan came out No. 1, the European countries in the middle, and the U.S. No. 5.

Let's take a little different tack and look at growth and manufacturing productivity since 1970. Same result. Japan No. 1. The European countries, two, three and four, and the U.S. No. 5. This obviously doesn't say that education is the only piece that drives economic manufacturing productivity. But clearly education is an essential component for the economic health of the nation. The Japanese have made major strides in industry because of a high level of math and science education.

U.S. STUDENTS ARE LEARNING LESS MATHEMATICS AND SCIENCE THAN THEIR PEERS IN OTHER COUNTRIES

I believe there are four dimensions to the education problem we are facing. First, I believe U.S. students are learning less mathematics and science than their peers in other industrialized countries.

In October, the results of the second international assessment of mathematics were released. It was just as ominous. There were five categories of mathematics achievement that were investigated. In every one of those five categories, the Japanese came in No. 1 among 20 countries that were involved. What did the U.S. fare? In statistics we came in eighth. In arithmetic, we came in 10th. In algebra we came in 12th. In geometry, 16th. In measurement we came in 18th.

U.S. STUDENTS ARE LEARNING LESS THAN THEY DID IN THE PAST

My second point is that U.S. students are learning less now than they did in the past.

There are a number of indicators of this, but probably the one that gets the most attention are the SAT scores. As we look over the past 20 years, we see that SAT scores resemble a ski slope—all downhill. Now in the last year or so, we've had a little blip at the bottom. Maybe it's an upturn. Maybe we've bottomed out and are beginning to go up once again. And then maybe those one- and two- and three-point rises are just a slight correction with the overall trend line still headed down.

As an indication, in the math area, the 1963 average math test scores for the SAT were 502. In 1984, they were 467. That's a 35-point drop. In the verbal area, which was even more volatile, the drop was from 478 in 1963 to 425 today.

THERE IS A LAXITY OF STANDARDS

My third point is that these problems, as I see them, are really due to a laxity of standards in American schools. The National Commission on Excellence in Education recommended last year that a high school curriculum should include four years of English. There should be three years of science, three years of mathematics, three years of social science, two years of a foreign language and a half-year of computer science.

Now other than computer science which is something that's new, that curriculum is not much different than what college-bound students were taking 20 years ago. It was fairly common. Yet just before "A Nation at Risk" was released in April 1983, the National Center for Education Statistics analyzed transcripts of high school students from all parts of the country. What they found was that only 1.8 percent—less than one in 50 seniors—met the curriculum standards laid down by the National Commission on Excellence in Education.

Thankfully, however, we are seeing change. Ever since "A Nation at Risk" was released, there have been several states increase their requirements for math and science. If we take a look at what's happening in mathematics, we see the following situation—that across the country the states in blue are states that have now approved increasing the standards in mathematics to three years, requiring three years of mathematics for graduation from high school. States shown in red are considering these changes.

If you take a look at the states now requiring three years of science, you see there are five and two others have proposed it. Not a strong showing nationwide, if you consider those important subjects, but at least there's been some movement. In 1983, there were not any states on either of these lists. None. And in fact, most states required not much more than a year of science and, at most, two years of math—and some didn't even require that.

THERE IS A SHORTAGE OF MATH AND SCIENCE TEACHERS

The fourth major point I'd like to make has to do with the serious shortage of qualified math and science teachers—something that many of us in this room are very much aware of. Virtually every state in the country has indicated that they have either a shortage or considerable shortage of math and science teachers at the secondary level.

In California in 1982, only 97 of 400,000 students in public four-year institutions are preparing to teach secondary school math.

In New York in 1982, only 32 graduating college seniors planned to teach high school math.

In New Hampshire in 1982, only one college graduate planned a career teaching math.

One aspect of the problem that's very important and that's the salary portion. You're not going to get good people into teaching—especially in areas of extreme shortage unless you pay them something that's reasonable.

Take a look at starting salaries and why we can't get people going into secondary school teaching. Electrical engineers: starting this year the average starting salaries this past June were over $26,000. Then we start dropping, $23,000 in mathematics, $21,000 in chemistry, $16,000 in biology and $14,000 for the elementary or secondary school teacher.

It takes a very dedicated person to stay with mathematics or science teaching. Certainly salaries are not the only issue and they're not sufficient to get people to go in, but I think it is a necessary condition.

If we want good people in there, we're going to have to pay them reasonably well.

THREE SOLUTIONS

Now, what can we do to rectify the problems I've mentioned this afternoon?

I think there are three things we can do. First, we need leadership. You represent a professional society—the National Science Teachers Association. You, in effect, are the spokespeople for the science teachers of America. The public places a great deal of credence in your society, they listen to what you have to say. The public obviously doesn't follow blindly, but societies such as yours can provide a great deal of leadership in solving the problems we face.

Another step to solve the problems I've mentioned is to create linkages and partnerships. By joining together—teacher to teacher, professional to professional, person to person—we can confront the issues I've mentioned.

Another step is action and public awareness. If action is going to take place, then the public is going to have to be aware of what's happening to support the issues and initiatives that societies such as the science teachers support.

Public awareness and public perception is critical in any campaign seeking change. Take a look at this editorial cartoon which shows the public's perception of high technology. The view of the cartoonist, in this case, was that Japanese education was very serious. The Japanese were doing a very serious job of teaching mathematics. The Soviet Union was very intense in what they were teaching. The U.S. was very frivolous, paying more attention to video arcades than to homework. They are spending more time with Pac Man then they are with the books.

It's a perception of a major newspaper—in this case, The Washington Post—and a highly respected political cartoonist. But that's why we need to influence the public awareness and public perception.

So we need three things: Leadership; linkages and action.

Ladies and gentlemen, America is a nation of doers. We have prided ourselves on individual achievement. We haven't waited for others to tell us what to do. We have responded to opportunities and have built a great nation. And we must now work to keep America great.

Thank you again for inviting me to be with you.●

JERRY SACHS, WRAP LEAD LOCAL FIGHT AGAINST DRUNK DRIVING

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BARNES. Mr. Speaker, many people in Greater Washington are familiar with some of the generous public service contributions made by Abe Pollin, chairman of the board of the Capital Centre and owner of the Washington Bullets and Capitals sports teams. Today, I bring to the attention of the House the quiet, yet effective volunteer community efforts of Abe Pollin's close colleague, Jerry Sachs, president of the Capital Centre, who has become an important leader in the fight against drunk driving.

Jerry Sachs, who also serves on the executive board of Mothers Against Drunk Driving [MADD], has been one of the leading forces behind the highly successful Washington Regional Alcohol Program [WRAP]. WRAP is the coalition of business, government, and community leaders that marshalls and coordinates local resources to eliminate drunk driving in Metropolitan Washington. Largely due to the many unselfish contributions of Jerry Sachs, WRAP has become a model community-based organization against drunk driving.

Through its ongoing series of seasonal public information and education campaigns, WRAP has helped to create a new awareness among Washington, DC area residents about the tragic public health and safety risks posed by drunk driving. As a result, alcohol-related traffic deaths have dropped dramatically in the metropolitan area.

I submit for the attention of our colleagues a recent editorial by Andy Ockershausen, executive vice president of WMAL Radio in Washington, DC, that pays special tribute to the superb WRAP organization and the leadership of Jerry Sachs.

The editorial follows:

WASHINGTON REGIONAL ALCOHOL PROGRAM

I'm Andy Ockershausen, Executive Vice President of WMAL, Inc., with an AM—63 opinion.

Quietly, but very effectively, a group of concerned people from greater Washington has formed one of the country's finest grass roots coalitions against drunk driving.

The organization is WRAP—the Washington Regional Alcohol Program—and its accomplishments already are impressive.

WRAP is responsible for such programs as Safe Holidays, free taxi rides for party-goers in no condition to drive . . . Project Graduation to prevent deaths and injuries at Prom Time . . . Safe Summer . . . which encouraged people to report drunk drivers . . . and much more.

WMAL thanks the businessmen, lawmakers, auto dealers, bar owners, and concerned citizens who've given their time and talent to this effort.

We especially salute the president of the Capital Center, Jerry Sachs for his leadership. Because of committed people like Jerry Sachs WRAP has helped reduce alcohol-related highway deaths by 22% in the Greater Washington Area.

Thank you Jerry for caring and thank you for doing something for our community.

Please call us with your thoughts at 686-6363.●

INTRODUCTION OF AUBURN DAM LEGISLATION

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. SHUMWAY. Mr. Speaker, today I am introducing a bill to reauthorize a water project which is very important to the State of California, indeed to the entire Nation. This project, the Auburn-Folsom south unit was originally authorized in 1965. Construction was initiated but because of seismic and environmental concerns, it was never completed. This Nation has already invested over $300 million into this project and it is presently time to finish what was started some 20 years ago.

This project has not been without controversy; however, it is a testament to the legitimacy of the need for this project that it has never been deauthorized. In this legislation which I am introducing today, I strongly believe that the last of the controversies surrounding this project has been addressed and resolved: the effect of this project on the beautiful wild, and scenic lower American River and the Sacramento area.

In the past, the majority of residents who live in the city and county of Sacramento are understandably guarded about their wild and scenic lower American River. Accordingly, the most ardent of the area's river-recreationalists have felt an urgent need to actively protect the river from any development—such as the construction of the Auburn Dam—which in their eyes might diminish their plentiful recreational resource. Ironically, it is only because of effective water development, the Folsom and Nimbus Dams, that the river presently enjoys its high flow levels. Indeed, despite the many benefits such as water, flood control, and hydropower which the Auburn project would offer the area, Sacramento, orchestrated by these recreationalists, has raised its collective voice against the project in the past on the basis that an extension of the Folsom south canal would mean an end to the many river-activities that it has become accustomed to.

To a large degree, this passionate Sacramento-felt need to protect the river from the construction of Auburn has been understandable since the project's original 1965 operating scenarios placed too high an emphasis on delivering water down the Folsom south canal at the expense of the lower American River segment. However, this is no longer the case: the operating scenarios have been changed to accommodate for the needs of the river as a recreational and fisheries resource. In this regard, the area's river protectors have served their cause well by forcing the reevaluation of the overall scope of the project and helping to change the project's definition to a truly multiuse one which can actually enhance the lower American's flows. For this reason, it is important that the river's advocates do not allow their continued passion to cloud their ability to recognize a good thing when they see it: Just as the Nimbus and Folsom projects have benefited the river, so, too, will the presently envisioned Auburn project if constructed. In fact, in order to truly project the long-range flows in the lower American, the Sacramento area should actually support the presently envisioned Auburn Dam as a means to lasting river security. Let me explain why.

The lower American is currently without long-range protection and within 20-30 years, its flows will diminish to the point where, if the river is to sustain present-day recreational and fisheries levels, it will need the additional water which the Auburn project can supply. This diminishing lower American River flow picture becomes clear upon examining the Bureau of Reclamation's projections which indicate that future water needs will necessitate a dramatic increase in the utilization of both the existing upriver water rights held by Placer and El Dorado Counties, and the existing Folsom south water rights held by the Sacramento Municipal Utility District [SMUD] and East Bay Municipal Utility District [EBMUD]. Thus in 20-30 years, water users will have to rely heavily on the river as a water supply source, thereby severely decreasing present flow levels and jeopardizing the river's recreational capabilities.

Many in the Sacramento area ignore this threat to the lower American believing instead that they will be able to protect their river by preventing—as they claim has been done in the past—the full utilization of these aforementioned water rights through political means. However, for the river advocates to rely too heavily on the proriver political climate to protect the river forever would be unwise. The fact is that it has not primarily been this favorable political climate that has been able to maintain the river at its heretofore high levels; rather, it has been the area's adequate and available water supply which has allowed for the political luxury of proriver policies. In the future, however, existing ground water supplies will become more and more depleted and the area's demand for water will inevitably rise. Under these predictable conditions, it is hard to imagine that the wishes of the recreational interests alone will dictate the area's future political climate at the expense of the increased water needs of both irrigation and municipal and industrial water users. Consequently, any continued efforts to merely protect the status quo of the river through political means—rather than planning ahead of future needs—will only serve to assure that the lower American will, over time, experience a dramatic decrease in flow levels.

From a short-range perspective, the area can be confident that over the next 15-20 years, the Auburn Dam, if reauthorized today, would not effect the river's flow levels by 1 drop because it would not be operationally completed until then. After completion of the project, its effect would still not be felt until the year 2020 when the area water demands are predicted to be so great that, without Auburn, the river would begin to decrease dramatically. At that time, the added water and operational flexibility which Auburn would provide the Bureau of Reclamation with would help protect the river's flow levels. In fact, the operational minimum flow levels which can be guaranteed by Auburn, and which have been agreed to by both the Bureau of Reclamation and the U.S. Fish and Wildlife Service, would preserve the river's present fisheries and rafting levels virtually forever.

Aside from this long-range fish and recreational enhancement, the project will supply much-needed water to Placer, El Dorado, Sacramento—350,000 acre-feet/year—and San Joaquin—240,000 acre-feet/year—Counties, along with a sizable portion of clean, marketable hydropower for the area. Additionally, the flood control capacity provided by a completed Auburn Dam would protect the Sacramento area to the degree determined necessary by the Army Corps of Engineers. Without the Auburn Dam, the area will not be adequately protected from serious flooding devastation and alternate less promising flood control measure.

Economically, the project still enjoys a positive benefit/cost ratio of 1.24:1. This means that for every dollar spent on construction, the Auburn project would render $1.24 worth of benefits.

Negotiations are presently underway with potentially interested non-Federal investors to help finance the project through cost sharing. Under this financing scheme, those who stand to benefit from the project will help share in the costs. This policy is one which the Congress, at a time of serious Federal deficits, has generally accepted as a requirement for any and all new Federal water development. Fortunately, the needed benefits to be gained from a completed Auburn Dam are substantial enough to warrant cost-sharing initiatives and make this project a successful role model for the responsible execution of needed water development.

The Reagan administration, the Deukmejian administration, and most of the local officials and entities within the service areas of the Auburn unit are all strong supporters of the project. And, with the many water, hydropower, and flood control benefits which the project has to offer Sacramento, and now that proper legislative assurances can guarantee that the project can only help the long-range recreational aspects of the river, I strongly believe that it is in the area's best interest to finally join in support as well.●

GOLD MEDAL IN MEMORY OF HARRY CHAPIN

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker—

Feeding hungry people is important in the short run, but in the long run you've got to realize that powerful forces are creating those hungry people * * *. Our job is to look at those forces and to deal with them.

Mr. Speaker, today, amidst daily news reports of the drought and famine that have besieged many parts of Africa, these comments do not seem unusual. But when they were spoken 5 years ago, they were startling—and equally ambitious.

The man who spoke these words was Harry Chapin, well-known folksinger, songwriter and poet. His goal at the time was the establishment of a Presidential Commission on Hunger.

Harry Chapin's energy and commitment to end the scourge of world hunger was the principle catalyst behind the eventual creation of a Presidential Commission. These same qualities led Harry to form the Food Policy Conference, to organize World Hunger Year, and to perform hundreds of benefit concerts, the proceeds of which were donated to fight world hunger.

Three years ago, Harry Chapin was killed in an automobile accident. Yet the memory of his commitment to fight world hunger lives on. To commemorate his crusade and to celebrate them are qualities he embodied, I am joining my colleagues, TOM DOWNEY,

JIM JEFFORDS, and ROBERT MRAZEK in reintroducing legislation to strike a gold medal in his memory. A posthumously awarded medal should serve as a sign from Congress that Harry Chapin's struggle continues and that the national conscience that he stirred so effectively in the 1970's remains awakened to this global challenge.●

THE ACADEMY ADVISORY COMMITTEE OF THE 11TH CONGRESSIONAL DISTRICT OF CALIFORNIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. LANTOS. Mr. Speaker, each year every Member of Congress has the honor and responsibility of selecting outstanding young men and women as nominees for the four service academies where our future military leaders are trained—the U.S. Naval Academy at Annapolis, the U.S. Military Academy at West Point, the Air Force Academy at Colorado Springs, and the Merchant Marine Academy in New York. These institutions play a vital role in ensuing the security of our country for coming generations through training our future military leaders.

The task of making these important nominations would be difficult, if not impossible, without the assistance I receive from the Congressional Academy Advisory Committees that work with me in the 11th Congressional District of California. I would like to call the attention of my colleagues to their valuable service. The extraordinary efforts and unselfish commitment of these men has led to the selection of a truly fine group of young people to serve their country.

Rear Adm. Herachel Goldberg [ret.] chairs the Naval Academy Committee, and he is joined by Tom Teshara, the west coast regional director for Annapolis; Mr. Tom Mohr, the principal of Westmoor High School; and Pablo Perez, who is the special education coordinator for Jefferson High School.

The Air Force Committee is chaired by Col. Robert Stirm [ret.], and its members include Louis A. Turpen, who is director of San Francisco International Airport and Col. Larry Otto [ret.], the chief test pilot for United Airlines.

Lt. Col. John Miller leads the West Point Committee and is joined by Col. Clayton Scott [ret.] and Brig. Gen. Robert Tarbox [ret.].

I would like to extend my heartfelt thanks to these men who have assisted in the decisionmaking process, and I congratulate them on their outstanding selections. Their tireless dedication ensures that the rich traditions of duty, honor, and serve to America will be continued at our national service academies.

America's Armed Forces have a long and noble history. In times of war and danger we look to the Army, Navy, and Air Force, not only for protection but also to uphold our traditions of freedom and democracy when threatened by foreign tyranny. Our Armed Forces include a diverse cross section of this country's population; some 4.7 million women and men contribute to our national safety.

I would like to congratulate the outstanding young men and women who have been chosen to attend our service academies from the 11th Congressional District. I wish them every success—on their shoulders rests the great responsibility of this Nation's security for future generations.●

LITHUANIAN INDEPENDENCE DAY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. FISH. Mr. Speaker, today we are joining together with the Lithuanian people in their long and noble struggle for independence and freedom. Their hopes and aspirations to be free from Soviet domination are shared by free peoples throughout the world. Since the tragic June days of 1940 and 1941 when the Soviet Union invaded the Baltic States of Lithuania, Latvia and Estonia, we have refused to recognize the incorporation of these three countries by the Soviet Union.

Many of the approximately 45,000 Lithuanians who were lost to their country during this first Soviet occupation during World War II fled Soviet domination, were deported to Siberia, or were executed when the Soviet forces retreated under German attack. Unfortunately, the loss of the war by Germany did not spell freedom for Lithuania, as it did not for many other freedom-loving peoples in Eastern Europe. Since its annexation by the Soviet Union, we have heard little of the events within the country. The borders of the Baltic States have been sealed against the outside world and each other.

What news we do hear is uniformly bad. Because of Soviet policies there has been a considerable change in the composition of the population of Lithuania. During the second Soviet occupation in 1944, some 80,000 Lithuanians fled to Western Germany, and another 60,000 were found in Eastern Germany and deported to Siberia. During the next 2 years an additional 145,000 Lithuanians were deported. In 1949, 60,000 more were deported. Since Stalin's death, a revised policy of reuniting Lithuanians with their homeland has permitted about a third of those deported to return home. The rest are believed to have perished in Siberia.

The United States continued to recognize the legitimate independent Lithuanian Government which was established on July 27, 1922. We continue to maintain diplomatic relations with the representative of the former independent Government. The Lithuanian people continue to resist the tyranny of their subjugators and we are here today to join them in their efforts. In reasserting our recognition of the sovereignty of the Lithuanian State and its people we support their inalienable right to national independence and individual freedom.●

HE WANTED TO DO WHAT THE OTHER KIDS DID, AND HE STILL DOES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. COELHO. Mr. Speaker, every once in a while, a story about courage, optimism, and extraordinary human spirit touches us in a special way. That is the case of young Jacob Geller, of Fresno, CA, who has overcome physical challenges to become a cadet in the Wawona Junior High School Cadet Corps. While this is an achievement within itself, what is most admirable is that this is just one instance of the determination and pride which is a characteristic of Jacob's attitude toward life.

I would like to share Jacob Geller's story with you, and salute Jacob for his patriotism, persistence and positivism.

[From the Fresno Bee, Feb. 3, 1985]

HE WANTED TO DO WHAT THE OTHER KIDS DID, AND HE STILL DOES

(By Doug Hoagland)

Jacob Geller is 14 and paralyzed from the waist down because of polio. Last year, he decided to join the cadet program at Wawona Middle School.

Carlos Reynoso, the cadet teacher, said sure, but he assumed Jacob would have some limitations.

After all, how could a wheelchair-bound cadet march in parades? And how could he attend out-of-town events where cadets slide in and out of sleeping bags every night?

How could Jacob succeed in a program where mobility is a given?

Al Geller was confident of his son's abilities. He and his wife Arly, had learned long ago not to place limitations on Jacob.

The cadet teacher soon learned that, also.

Today, Jacob is a corporal in the Wawona cadet corps. He maneuvers his arm-driven wheelchair in marching formations, knows the dos and don'ts of inspections and can teach other students the basics of first aid, discipline and rifle safety.

Jacob speaks sparingly about himself.

Why did he join cadets?

"I thought it would be fun."

What does achieving rank mean to him?

"The higher you are the more respect you get."

Wht happens when he gets tired of pushing himself during a parade?

"If I need a hand, I need a hand."

Jacob has been challenging limitations almost from the time he arrived in the Geller household nearly 10 years ago. He came as a 4-year-old orphan from South Vietnam.

At about age 5, Jacob decided he wanted to sleep upstairs with the other kids at the Geller household.

His dad pointed out the obvious limitations.

Jacob went up the stairs anyway. He pulled himself up by the elbows, his legs dragging behind. It took him 25 minutes.

"Then he yelled, 'Hey, Dad. Let's move my bed.' "

It was moved.

And eventually, Jacob could make it up the stairs in under four minutes. He would slide down on his stomach.

Said Geller: "He wanted to do what the other kids did, and he still does."

When his buddies head for Manchester Center, Jacob wheels along in his chair. He goes to the store for his mom and he attends school dances, where he's no wallflower.

Geller said he has it on good authority that Jacob can really "boogie" out on the dance floor.

How did a 14-year-old get such grit and confidence?

Geller believes he and his wife are partially responsible. "He's in a home that has encouraged him to do things. From our home came the attitude, 'I am a person. I am important. I can do.' "

But there's more to it than that, Geller said. "From his background came a survivor's attitude."

Of Jacob's background, the Gellers only know for sure that he was hospitalized for a time in South Vietnam, that he spent some time in an orphanage there and that the first attempt to airlift him out of Vietnam ended in an airplane crash. Of the 247 children aboard the Air Force cargo plane, 98 died when the plane went down.

Jacob's parents surmise other things about their adopted son's background. His father was an American soldier and his mother was Vietnamese. She may have abandoned him at birth.

The Gellers also think someone taught Jacob to beg on the streets. Even after arriving in Fresno, he would throw his flacid legs to the side, roll his eyes back in his head and thrust his cupped hands forward.

Such, apparently, was the plight of disabled children in Vietnam. In the United States, the Gellers sought the best medical care for him.

Jacob's paralysis is permanent, but doctors were able to straighten his curved back with surgery. The operation was performed when he was 9. For nine months after that, he was in a body cast, unable to move.

Throughout the long recovery period, Geller said, "Jacob's attitude never changed. The smile never left.

"By age 4, he'd been through so much that he has a maturity and an acceptance of his lot."

It's a quality that people notice.

Said Carlos Reynoso, Jacob's cadet teacher: "He's not handicapped. Sometimes I think I'm more handicapped in my mind because I see him in a wheelchair."

Jacob hopes others feel the same way when he goes to high school next year. He would like to continue in cadets.

Jacob makes it clear, though, "I don't want to get too carried away with it."

He has no intention of fulfilling his dad's vision of Jacob as the first wheelchair cadet at West Point.

No way, Jacob said. Life in the Army is not for him. "You're away from home and I don't feel like doing stuff like that," he said.●

THE MURDER OF HENRY LIU

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MINETA. Mr. Speaker, a U.S. citizen has been murdered in California by agents of the Taiwanese Government because of that man's writings in criticism of that Government.

Henry Liu, the murdered man, was a resident of Daly City, CA.

The two men primarily responsible for his killing have fled to Taiwan, and our efforts to date to seek their return for trial in a U.S. court have been unsuccessful. In addition, three high officials of Taiwanese military intelligence have been implicated in the killing.

I am deeply distressed by this whole affair. I am pleased, however, by the seriousness with which the Committee on Foreign Affairs is pursuing this important issue. On February 7, 1985, I had the opportunity to testify before that committee's Subcommittee on Asian and Pacific Affairs, and have attached for Members' information that testimony.

I urge my colleagues to follow the developments in this case.

The testimony follows:

Thank you very much Mr. Chairman. I want to congratulate you and this Subcommittee for your leadership in holding today's hearing on this important matter. I am proud to be a cosponsor of your resolution (H. Con. Res. 49) along with Mr. Leach, Mr. Torricelli, and Mr. Lantos.

I particularly want to thank my fellow colleague from California, Mr. Lantos, for the important role he has played in bringing this case to national attention. I share his concern that this tragic crime may indicate a violation of the Arms Export Control Act.

I am here this afternoon for several reasons.

As an American of Asian ancestry, I am concerned about acts of violence against other Americans of Asian ancestry.

Most importantly, I am here today as a citizen of this country, and as a national legislator, who believes most strongly that our Constitutional promises of life and liberty must always be paramount, and that it is the responsibility of the federal government to protect those promises.

Henry Liu was a journalist, whose writing did not always please the government of Taiwan. And while I do not assume to know who is ultimately responsible in a legal sense for his murder, I am confident he was killed because of his work.

Let me put this bluntly as I can. Henry Liu was a U.S. citizen, just like all of us. Yet I am forced to believe that if Henry Liu was white, then this case would be handled differently by our government and other groups.

Imagine if you will the murder of an American journalist of Polish ancestry here in this country by agents of the Polish government because he wrote about the repression in the country from which he emigrated from. Or imagine if you will, an experienced American reporter of Iranian ancestry murdered by Iranian terrorists because he had the courage to write about the Ayatollah Khomeini.

Led by an appropriately outraged press there would be an outcry to demand justice. The national outcry would be enormous. Does anyone doubt that the President would take to the airwaves to denounce such an act? Does anyone question that issues would be raised at the highest levels of the State Department, the Justice Department, or the White House? Would not this story be front page news?

Yet an American of Asian ancestry is killed and this has not happened.

Mr. Chairman, I wrote to the Attorney General on January 11th asking for a strong response from the Administration, and so far—now, nearly a month later—all I have gotten back is a two sentence form letter. With your indulgence, Mr. Chairman, I'd like to read a portion of my letter to Attorney General Smith:

"Given this Administration's vociferous claim to be serious about stamping out terrorism, your silence is inexplicable. I am sorry to report that there is a growing feeling among Americans of Asian ancestry that this Administration is not seriously concerned with the most basic rights of minority citizens.

The letter continues, "It took several months of sustained public pressure before the Justice Department acted in the murder of Vincent Chin in Detroit. Please do not make us go through that painful process again. The people of this nation are entitled to expect and receive protection from their government against foreign terrorism."

And as I said, Mr. Chairman, all I have gotten back is a form letter acknowledging receipt of my letter.

I would like to briefly recount if I might the Vincent Chin matter referred to in my letter. On June 19, 1982, a young American of Chinese ancestry was enjoying a last night out before his wedding, when two auto workers in the bar with him blamed him for the troubles in the auto business.

Such scapegoating is not at all rare, but in this case the two men followed Mr. Chin for half a hour, later beating him to death with baseball bats. For this crime, the Michigan courts sentenced the two men to $3,000 fines and probation. Neither spent one night in jail.

As you can imagine, protests mounted, and it took eight months of hard work to convince the Department of Justice to indict these two men on federal civil rights charges. When the two men were finally prosecuted on federal charges, one was convicted of violating Mr. Chin's civil rights.

The same sort of situation appears to be developing here. How many of these cases have to be endured before the rights of Americans of Asian ancestry are fully respected and protected by our government? Americans of Asian ancestry are sick and tired of the failure of the federal government to vigorously enforce the civil liberties they possess as citizens of the United States.

I urge this Subcommittee to send a signal that the time has come to put an end to the hypocrisy that condemns terrorism against U.S. citizens abroad, but turns a blind eye to it here at home when opposing such terrorism puts us at odds with our so-called friends. We cannot allow Taiwan to be a safe haven for those who murder U.S. citizens.

I understand that the government of Taiwan has said it will try the two men most directly responsible for this murder. Three senior officials of the Taiwanese military intelligence, including its head, are also under investigation. Apparently FBI and Daly City police were able to interview the two men who have already been charged, but either did not seek or were not allowed to interview the intelligence officials. I regret we have not agressively sought to have these men returned to U.S. courts.

I have been told that Taiwanese law would not allow the return of these men—that perhaps, while they would want to return the two suspects in this case that they are restrained from doing so by their own laws. I say to my friends in Taiwan that U.S. law does not allow us to sell arms to a country when there is a systematic pattern of intimidation or harrassment against U.S. citizens.

And I urge my colleagues in Congress to make clear to Taiwan, and others, that policy decisions involving foreign assistance by this country will not be constrained by technicalities when the safety of our citizens from terror is involved.

Perhaps even more importantly, I am saddened by the apparent unwillingness of this Administration to tell Americans of Asian ancestry what they have a right to hear, that this nation values their rights and their lives just as highly—no more, no less—as all other citizens.

Mr. Chairman, I have met with Vincent Chin's mother. Now I am here with Henry Liu's widow. I hope I do not have to make any similar appearances in the future.

In closing, Mr. Chairman, let me emphasize my deep concern with the apparent freedom with which agents of the Taiwanese Government have operated within our country. To put it more bluntly, I am sick and tired of seeing foreign agents come to this country, do their dirty work, and then run back to their home countries and claim protection of that nation's laws.

Surely acts of violence against U.S. citizens on U.S. soil should be wholly within U.S. law. To kill an American and then claim the protection of a foreign nation's laws is behavior that dishonors that nation. And, Mr. Chairman, these are supposedly our friends. We sold them $760 million in arms in 1985.

So Mr. Chairman, I think the time has come to tell these so-called friends of ours to take their intelligence operatives and recall them home. And I hope you will join with me, Mr. Chairman, in asking the new chairman of the Permanent Select Committee on Intelligence to begin an intensive investigation of this whole matter. And furthermore, Mr. Chairman, should you want to introduce legislation tightening up the Arms Export Control Act—a goal I know you have worked on in the past—then please count me as a supporter.

There is no place for domestic terrorism in this Nation. And if the administration will not act to stop it, then let us in the Congress take the lead.

Thank you.●

ESTONIAN INDEPENDENCE DAY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. HUGHES. Mr. Speaker, I am very proud to join with my many colleagues who have spoken this week to commemorate the 67th Anniversary of the Proclamation of Independence of the Republic of Estonia.

February 24, 1985, is a special anniversary for the courageous people of Estonia. On this date 67 years ago, the Estonians first cast aside a history of foreign domination and declared themselves to be an independent and autonomous republic. Their celebration, however, not to mention their freedom, was tragically short lived.

Immediately after independence was declared, the Republic of Estonia was invaded by the Germans, who occupied Estonian territory until the armistice was finalized in November 1918. The provisional government then defended itself from the Bolshevik Army, which sought to impose Communist theology on the newly liberated Estonians. Adopting the slogan, "No Compromise With the Communist," the Estonians rallied to overcome the Soviet threat, aided by financial support and volunteers from England, Finland, Sweden, and Denmark.

In 1920, this perservance was rewarded, and the Soviet Union renounced all rights over Estonia forever. For the next 20 years, this independent republic thrived, developing a rich national culture, and a prospering economy while living under a written constitution with a bill of rights and free elections.

But this liberty was not to last. In flagrant violation of the peace treaty of 1920, the Soviets signed the Molotov-Ribbentrop Pact, condemning Estonia and its Baltic neighbors, Latvia, and Lithuania. The Soviets forcibly annexed the territory of Estonia in 1940, and subjugated its inhabitants. The Soviet annexation not only terminated Estonia's independence, but led to massive executions and deportations. Many more died defending their homeland or fleeing Russian tyranny. And those few who were lucky enough to escape Soviet horrors had to start a new life in other countries with only the clothes on their backs.

The Estonian people, however, refuse to this day to succumb to Soviet tyranny and oppression. In their struggle for independence, Estonian youth continue to resist subjugation through their demonstrations and appeals to the free world. In support of this quest for freedom, the United States refuses to recognize the annexation of the Republic of Estonia by the Soviet Union. We who live free urge the Government of the Soviet Union to comply with the provisions of the Helsinki accords, and grant the citizens of Estonia their basic individual liberties and human rights.

On this occasion, we salute the determination of the people of Estonia, and join in solidarity with them in their continuing opposition to Tyranny. The brave people of Estonia deserve international recognition today for their never-ending struggle for liberty and emanicaption from Soviet control. I join Estonians and Estonian-Americans in the hope that their quest for independence will end in victory, and the Independent Republic of Estonia will again take its deserved place among the free nations of the world.●

CONGRESSIONAL BUDGET ACT AMENDMENTS OF 1985

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BEILENSON. Mr. Speaker, I am reintroducing legislation today which would strengthen and improve the effectiveness of the congressional budget process. Joining me in sponsoring this proposal are Members of Congress who helped develop this bill last Congress: Messrs. FROST, BONIOR, HALL (of Ohio), PANETTA, GEPHARDT, ASPIN, MURTHA, DICKS, PENNY, MORRISON (of Washington), and MINETA.

Our legislation retains the basic framework of the Congressional Budget Act of 1974, but incorporates and builds upon many of the practices which have evolved in recent years, including that of adopting just one budget resolution each year and using reconciliation to make budgetary changes in programs which are not annually reviewed. This bill would strengthen and streamline procedures by: expediting the timetable for budget-related action; expanding coverage of the budget process—by including off-budget activities and providing controls for credit and tax expenditures; enforcing the budget resolution immediately upon its adoption and focusing enforcement at the committee level; and providing for better coordination of the process within the House of Representatives.

The Congressional Budget Act Amendments of 1985 are the product of a 2-year review by the Rules Com-

mittee Task Force on the Budget Process, a panel of 24 Members from various House committees which held 33 days of meetings and hearings on the congressional budget process during the 97th and 98th Congress. The task force considered several alternatives to the existing budget process, including the use of an omnibus budget bill and a 2-year budget cycle, before recommending that Congress build upon and improve the procedures currently used.

The Budget Act amendments recommended by the task force were introduced as H.R. 5247 on March 27, 1984, and referred to the House Rules and Government Operations Committees. The Rules Committee held hearings on the bill in May, and ordered it reported in June. However, we were dissuaded from seeking further House action during the 98th Congress because Senate budget leaders advised us that the other body would not consider budget process changes prior to the November elections.

In developing this legislation, our task force tried to address several widely recognized weaknesses and deficiencies in our existing process. One issue is timing: The statutory timetable Congress operates under provides too much time for adopting the budget resolution in relation to the amount of time available for acting on appropriation bills and reconciliation legislation. Partly as a result, Congress has had a growing tendency to rely on continuing resolutions, rather than regular appropriation bills, to fund large numbers of Government programs and, in some years, has failed to act on reconciliation legislation.

A second issue is enforcement: Congress waits until fall, after most budget legislation for the applicable fiscal year has been adopted, to apply any points or order against spending or revenue measures which breach budget totals. Furthermore, the Budget Act's enforcement system does not differentiate between committees which comply with the provisions of budget resolution when acting on their portion of the budget and those which do not, which sometimes results in penalizing one committee for budgetary problems for which they are not responsible.

Third, the budgetary treatment of different kinds of Federal support is uneven: Spending through the appropriations process is adequately reviewed but other forms of support—most notably, off-budget spending, credit programs, tax expenditures, and spending outside of annual appropriations—are not subject to as much scrutiny. As a result, Congress tends to overlook areas where budget savings could be made.

And, fourth, because the success of the budget process depends on a great deal of coordination among the various committees involved in the budget process, ways are needed to help resolve problems which inevitably arise over matters such as proposed new budget procedures.

This legislation is intended to address all of the above-mentioned issues. Below is a summary of the major provisions of the bill:

USE OF A SINGLE ANNUAL BUDGET RESOLUTION

The practice of adopting one concurrent resolution on the budget each year would be formally instituted. Unlike current practice, however, the budget resolution would be enforced immediately upon its adoption. Congress could adopt a subsequent resolution at any time if there is a need to revise the spring resolution.

ACCELERATED TIMETABLE

The schedule for adoption of the budget resolution and budget-related legislation would be accelerated and compressed in order to allow Congress to finish all of its budget work earlier in the year and to eliminate the routine use of continuing resolutions.

The President would be required to submit his budget by the first Monday after January 3. And, he would be required to submit the text of legislation for any new entitlement or revenue proposals in his budget within 2 weeks after the budget submission.

Congress would be required to adopt the budget resolution by April 15, rather than by May 15. In conjunction with that new deadline, the House would be required to elect its committees within 7 days after January 3, and committees would submit their views and estimates reports to the budget committees by February 25.

The current May 15 deadline for reporting authorization bills would be repealed. However, in order to avoid conflicts with related appropriations bills, authorization bills affecting the coming fiscal year would need to be reported early enough to be considered on the floor between the months of February and May.

The House Appropriations Committee would be required to report all 13 of its regular appropriations bills by June 10. The House would be required to consider all 13 appropriation bills as well as any reconciliation legislation directed by the budget resolution before adjourning for the Independence Day district work period; the Senate, by August 15.

STENGTHENED CONTROLS

For the first time, controls would be effective immediately upon adoption of the budget resolution. And, responsibility for complying with the provisions of a budget resolution would be placed on committees with jurisdiction over programs included in the budget, which would result in a stronger system of enforcement than Congress currently has.

After adoption of a budget resolution, each committee with jurisdiciton over a portion of the budget would receive an allocation for discretionary action covering 1, 2, or 3 years. Spending, credit, or revenue legislation reported by a committee which breaches that committee's allocation would be subject to a point of order.

Furthermore, the use of reconciliation to make changes in entitlements, revenues, and other parts of the budget not annually reviewed would be made a regular part of the process. In the House, if a committee which receives a reconciliation directive does not report legislation accordingly, the House Rules Committee could make in order an amendment which does fulfill that directive.

EXPANDED COVERAGE

In order to ensure evenhanded budget treatment of different forms of Federal support, new requirements would apply to off-budget Federal agencies and programs, credit programs, and tax expenditures.

All Federal agencies and programs which are currently off-budget would be put on budget. The Social Security trust funds, which are scheduled to go off budget in 1992, would remain on budget. Any legislation introduced in the House proposing off-budget status would be referred to the Government Operations Committee.

Direct loan obligations and primary loan guarantee commitments would be included in the budget resolution and would be subject to the same controls as direct spending. Credit could be included in reconciliation directives. New credit programs would be controlled through the appropriations process.

The budget resolution would include a recommended change to the level of tax expenditures, separate from the recommended change to revenues. Reconciliation could direct a change in the level of revenues specifically from changes in tax expenditures.

IMPROVED INSTITUTIONAL COORDINATION

An elastic clause permitting new procedures to be included in a budget resolution would be retained in the Budget Act, but in the House, in order to ensure the opportunity for review of any such procedures, a budget resolution containing new procedures would be referred to the Rules Committee. And, any new budget procedures first introduced in the House-Senate conference on the budget resolution could be given separate consideration when the House considers the conference report.

In order to help resolve any problems that might arise in the course of implementing the budget resolution, the Speaker, in consultation with the minority leader, would appoint a Members user group to advise him on such matters as budgetary scorekeeping rules and practices.

Mr. Speaker, it is more important than ever before that we establish stronger and more effective procedures for acting on the budget. Because of the magnitude of the Federal deficit, the political problems involved in acting on the budget will be with us for years to come. However, we need not compound those difficulties by continuing to operate under a budget process which is not nearly so effective as it could be. By enacting the very important yet relatively simple amendments to the Congressional Budget Act of 1974 outlined above, we will give ourselves the tools we need for more effective and responsible decisionmaking.

I urge all of my colleagues to add their support to this effort to improve our budget process.●

PARRIS URGES HEARINGS ON DESIGNER DRUGS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. PARRIS. Mr. Speaker, we face a new type of drug problem that could have disasterous consequences for our society. I am submitting into the RECORD a letter I have sent to the chairman of the House Select Committee on Narcotics Abuse and Control.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 20, 1985.

Hon. CHARLES RANGEL,
Select Committee on Narcotics Abuse and Control, Washington, DC.

DEAR CHARLIE: As a member of the Select Committee on Narcotics Abuse and Control, I would like to bring to your attention a very serious narcotics problem that has the potential of becoming a national catastrophe if the federal government does not act swiftly.

I have been informed that the national Centers for Disease Control is investigating modifications being made to mind-altering chemicals that make them difficult to identify and give them dangerous side effects, such as paralysis or death. These substances are being referred to as "designer drugs" and have caused numerous deaths, mostly in the San Francisco Bay area. Neither the drug users nor the enforcement agents are equipped to recognize these drugs on the street.

Some experts are reporting that one of the problems with these substances is that current surveillance programs for street drugs will not detect many "designer drugs". One reason for this may be that there is a lag between the development of expertise of street drug surveillance and the chemists. The people creating these substances are making molecules faster than we are able to develop the means to detect them. These black market chemists can alter the color and consistency of the drugs, in an effort to keep them from being detected, and there is reason to believe the drugs are becoming more widespread.

I am requesting that the Select Committee on Narcotics Abuse and Control hold a hearing as soon as possible to consider the problems that designer drugs pose for our society. I have discussed this matter with representatives from the Food and Drug Administration and the Justice Department. I suggest that the Select Committee consult these agencies in an effort to determine how we might best assist them in their control efforts.

Best regards.

Sincerely,

STAN PARRIS,
Member of Congress.●

HIGH TECHNOLOGY RESEARCH AND SCIENTIFIC EDUCATION ACT OF 1985

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. AuCOIN. Mr. Speaker, today I am pleased to join my colleagues, Mr. PICKLE and Mr. FRENZEL, and other members of the Ways and Means Committee, in introducing the High Technology Research and Scientific Education Act of 1985.

This legislation addresses two critical needs for sustaining this country's technological edge: aggressive research and development and a supply of workers with the skills and education to carry our high-tech industry into the future.

The bill does this by making the existing R&D credit permanent, extending the credit to start up companies and by encouraging corporations to increase their donations of cash and equipment to colleges and universities for basic research and classroom instruction in the sciences.

Innovation is a great American strength and very much admired by our foreign competitors. But it can't be taken for granted. I represent a district in Oregon which is fast becoming a hub of high-tech activity. In fact, the Office of Technology Assessment has estimated that the Sunset Corridor area in Washington County ranks the sixth most desirable area in the country for high-tech development. High-tech firms in my State of Oregon have told me that the continuation of this credit is vital to their industry for a number of reasons.

These firms, like all high-tech companies, operate in the vanguard of innovation. For them, innovation is a condition of survival. It is, in fact, what they sell and the R&D tax credits provide a sound foundation for risk investment in new products and technologies. We need a permanent credit to create a stable incentive for businesses considering R&D investments.

The research incentives in this bill are also critical in helping these companies remain competitive in the face of increasing challenges from our trading partners. Countries like Japan are eating away at our technological lead through tax incentives, subsidies, and other means of support which we do not provide. In the last two decades, Japan has far outspent the United States as a percentage of gross national product—1.7 percent compared to 2.3 percent. So far, the high technology industry has been one of the few sectors to contribute positively to the U.S. balance of trade. But if we hope to maintain this position, we must increase the level of research and development in this country.

As Congress' Office of Technological Assessment recently observed:

> [Staying] highly competitive in electronics and other technologically driven industries with U.S. firms remaining leaders in innovation, in international trade, and in sales and profit [is] necessary if the United States is to maintain its standard of living, its military security, and if the U.S. economy is to provide well-paying and satisfying jobs for the Nation's labor force.

The way to achieve this is not to counter the protectionist measures of our overseas competitors with protectionist measures of our own. The way to achieve this is to play to our strengths, which is what this bill does. It takes American ingenuity and carefully targets incentives to spur innovation and growth in our industries.

A second objective of the bill is to make sure that our education system is responsive to the changing needs of our industries by encouraging corporations to work with our universities and vocational schools. A growing high-tech sector can create new products, jobs, and trade opportunities, but unless we start putting investments into the classroom, we aren't going to have an adequate pool of engineers, scientists and others to draw from. Institutions like the research-oriented Oregon Graduate Center in Beaverton can act as an "educational anchor" for high technology firms and supply a skilled and educated workforce to meet their needs.

It is both appropriate and necessary to support increased R&D. But it is not just for the benefit of the high-tech industry. Technological innovations developed in the high-tech sector can help furnish other, more traditional industries with the means to sustain or regain their own international competiveness.

Mr. Speaker, after the R&D tax credits were authorized by Congress in 1981, corporate investments in research and development went up 40 percent. In 1982, they increased 38 percent. Those are dramatic increases for 2 recession years. And, I believe we can do even better.

This legislation is the centerpiece of a bipartisan, coordinated effort in Congress to help our Nation maintain its technological edge. I urge every Member of Congress to join us in this effort.●

THE JOB CORPS AND THE OPPORTUNITY SOCIETY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. FEIGHAN. Mr. Speaker, the President has repeatedly exhorted all of us to help make America a genuine opportunity society—a society in which any individual who applies himself can find a job. The ideal of equal opportunity is certainly a noble one, and one which should bear no partisan reservations. Unfortunately, while the President's rhetoric exhalts employment opportunity, his concrete policies would deny such opportunity to many of our Nation's disadvantaged youth.

In order to compete in the job market, citizens must possess useful skills. Training programs that genuinely equip young people with marketable abilities are among the soundest investments we can make in the health of our economy and in the stability of our society. Yet since fiscal year 1980, funding under the Jobs Training Partnership Act and its predecessor, the Comprehensive Employment and Training Act [CETA], has been slashed 65 percent. The President has repeatedly called for the elimination of the Work Incentive Program that provides job services, training, and public service employment to recipients of aid to families with dependent children. In his fiscal year 1986 budget proposal, the President has requested the elimination of another important training program, the Job Corps. All of these programs, notably the Job Corps, are aimed at providing employment opportunities—not opportunities glibly declared in speeches, but real opportunities grounded in productive skills—for those least able to gain such opportunity on their own.

Approximately 78,000 disadvantaged young people between the ages of 16 and 21 participate in training programs at 107 Job Corps centers across the country. Many of these youths are school dropouts. They form a group with one of the highest unemployment rates in our society. While the overall unemployment rate stood at 7.4 percent in January, the rate among 16- to 19-year-olds remained a staggering 18.9 percent.

Although the Reagan administration claims that the Job Corps has an unacceptably low success rate, the figures the administration uses to bolster this claim are, to be generous, strained. The President's budget proposal states that only 35 percent of Job Corps trainees end up getting jobs. Yet the budget neglects to mention the approximately 15 percent of participants who go on to further education, either high school or postsecondary. And the budget omits any reference to the approximately 25 percent of participants who enter the armed services, many of whom would not have been able to meet some of the entrance requirements for the military without their Job Corps training.

The Job Corps Center in my own home area of Cleveland, OH, provides an important employment training resource in a part of the country where the unemployment rate remains significantly above the national average. At a cost of approximately $5 million per year, the Cleveland Job Corps Center supports 530 training slots, and helps more than 850 young people each year. Many of the trainees learn skills, such as bricklaying, tilesetting, and masonry, that prepare them to work in the building trades. Herman Padigutti and Orlando Balotta of the Cement Mason's Local No. 404 have been particularly successful in recruiting Job Corps graduates for their union's apprenticeship programs. Mr. Padigutti and Mr. Balotta, as well as many other building trades unionists, have helped make the Job Corps in Cleveland a true community resource.

As we grapple with the task of cutting the massive Federal budget deficit, we must be hardnosed in looking for programs to trim. But we must also be wise enough to recognize programs that more than pay for themselves by promoting economic vitality and social well-being. The Job Corps is such a program. It should continue to play an important part in building the opportunity that we all cherish.●

AMERICAN HEART MONTH

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. HOYER. Mr. Speaker, cardiovascular disease is this Nation's leading killer. Every year since 1963 Congress, by joint resolution, and the President have declared February as American Heart Month. This allows us an opportunity to provide special recognition to the American Heart Association's contribution in the areas of cardiovascular research, public and professional education and community programs.

Over 42 million Americans have one or more forms of cardiovascular disease. Of the 1.5 million individuals that will have heart attacks in 1985, approximately 550,000 of these individuals will die. High blood pressure afflicts an estimated 37 million adults. And 500,000 individuals will suffer a stroke in 1985. The total economic cost of cardiovascular disease in 1985 will reach $72 billion for medical treatment, lost salaries, rehiring and training, and insurance and disability claims.

The American Heart Association, because of the magnitude of this problem, commits a major portion of its resources to the funding of research grants. This longstanding commitment by the AHA to research, in conjunction with the efforts of the National Heart, Lung and Blood Institute [NHLBI], has contributed to remarkable declines in the death rates from cardiovascular disease—since 1968, the death rate from coronary heart disease has declined by 33 percent and the death rate from stroke has plummeted by 46 percent.

Unfortunately, cardiovascular disease remains this Nation's leading cause of death—almost as many people will die from heart disease in 1985 as from cancer, accidents and all other causes of death combined. There is evidence, however, that the potential exists for the achievement of further reductions in cardiovascular death rates in the next decade. Exciting new research areas in cardiovascular disease will pave the way for these reductions to occur: The application of advances in cellular and molecular biology to the study of arteriosclerosis and hypertension; research in the relationship of nutrition to cardiovascular disease; study of the effects of behavior, stress and exercise on cardiovascular patients; and new educational efforts in the area of hypertension, cholesterol, and smoking aimed at the general public are just a few areas being pursued by both the American Heart Association and the NHLBI at this time.

In declaring February as American Heart Month, we recognize the need to continue to fight against cardiovascular disease and we urge all Americans to continue to support scientific endeavors dedicated to this goal.●

U.S. POLICY TOWARD NICARAGUA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. HAMILTON. Mr. Speaker, on December 20, 1984, I initiated a correspondence with Secretary of State Shultz concerning U.S. policy toward Nicaragua, seeking a clarification of our goals there and the means we seek to achieve them. The material from Ambassador Harry W. Shlaudeman to which Secretary Shultz refers in his February 6, 1985, reply has largely been made public already in a resource book, "The Contadora Process," available from the Department of State and therefore it is not submitted here.

The correspondence with Secretary Shultz follows:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 20, 1984.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.

DEAR MR. SECRETARY: I write concerning United States policy toward Nicaragua which has been the subject of conflicting statements in recent days.

I would appreciate your specific answers to each of the following questions:

Can the United States accept the present government in Nicaragua?

If the U.S. cannot, what changes does the U.S. seek? Do those changes involve individuals and/or policies?

Are the changes we seek mainly in foreign policy? What specific domestic policy changes do we seek?

Is it your belief that the desired policy changes can be brought about by the current leadership in Nicaragua?

Is it your judgment that a change in the Government of Nicaragua is a prerequisite to the achievement of U.S. policy goals?

Is it your belief that the Government in Nicaragua today is exporting revolution? If so, what is your evidence?

Is it the view of the Administration that the Government of Nicaragua today has expansionist aims? If so, against whom?

If the behavior of the Nicaraguan government does not change, what policies toward it does the Administration intend to pursue?

Is U.S. political support, and the hope of renewed funding, for the Contras still the centerpiece of U.S. policy toward Nicaragua? What U.S. policy objectives do you expect the Contras to help you achieve?

Short of the direct application of U.S. military force, how can a policy of pressure against the Nicaraguan government succeed if its leadership is convinced that the U.S. seeks its overthrow? What inducements exist for moderate Nicaraguan policies if the Nicaraguans believe the U.S. seeks to undermine their government?

What is the status of U.S. bilateral negotiation with Nicaragua? What are the principal issues? What are the respective U.S. and Nicaraguan positions on those issues? What progress can you note? Does the United States seek a bilateral agreement with Nicaragua? If so, what elements would you expect in such an agreement?

What is U.S. policy toward the Contadora peace treaty proposal and what does the U.S. see as the Nicaraguan policy toward the proposal? What kind of verification procedures do we seek? Is verification possible under present circumstances? Is U.S. support for any treaty proposal contingent on effective treaty verification?

Is it your judgment that an economic embargo or the breaking of diplomatic relations with Nicaragua would further U.S. aims, or would serve to drive the Sandinista government further into the arms of the Eastern bloc?

I appreciate your prompt consideration of these questions and hope your answers will help clarify U.S. policy toward Nicaragua.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

THE SECRETARY OF STATE,
Washington, February 6, 1985.

Hon. LEE H. HAMILTON,
Chairman, Select Committee on Intelligence, House of Representatives.

DEAR MR. CHAIRMAN: Your letter of December 20, 1984 raises several provocative questions about U.S. policy in Central America. You will find our answers detailed in the enclosed memorandum. In addition, Ambassador Harry Shlaudeman, the President's Special Envoy to the region, has replied directly to your questions relating to the current status of both the Contadora process and the bilateral dialogue with Nicaragua.

The issues you raise have a fundamental bearing on the present policy dilemma in Central America. I hope that in the days ahead we can work together to provide the President with the tools necessary for accomplishing our national objectives in this important region.

Sincerely yours,

GEORGE P. SHULTZ.

Enclosure: As stated.

ANSWERS TO SPECIFIC QUESTIONS RAISED BY REPRESENTATIVE HAMILTON IN HIS LETTER OF DECEMBER 20

1. Can the United States accept the present government in Nicaragua?

An authoritative answer is contained in the President's letter to Senator Baker of April 4, 1984: "The United States does not seek to destabilize or overthrow the Government of Nicaragua; nor to impose or compel any particular form of government there."

2. If the U.S. cannot, what changes does the U.S. seek? Do those changes involve individuals and/or policies?

As noted above, we do not seek to overthrow the current government; nor do we seek to replace individual members of that government. What we seek are changes in Nicaraguan government behavior, as discussed in the following responses.

3. Are the changes we seek mainly in foreign policy? What specific domestic policy changes do we seek?

The changes we seek in the behavior of the Nicaraguan government are as follows: (1) An end to Nicaraguan support for guerrilla groups that operate in other countries; (2) Severance of Nicaraguan military and security ties to Cuba and the Soviet Bloc; (3) Reduction of Nicaragua's military strength to levels that would restore military equilibrium in the area; and (4) Fulfillment of the original Sandinista promise to support democratic pluralism within Nicaragua.

4. Is it your belief that the desired policy changes can be brought about by the current leadership in Nicaragua?

The ultimate answer to this question must come from the government and people of Nicaragua. Our direct dialogue with the government of Nicaragua and our support for the Contadora process, in which Nicaragua is a participant, are predicated on an affirmative assumption.

5. Is it your judgment that a change in the Government of Nicaragua is a prerequisite to the achievement of U.S. policy goals?

See above.

6. Is it your belief that the Government of Nicaragua today is exporting revolution? If so, what is your evidence?

The evidence that Nicaragua is actively supporting guerrilla movements and other forms of violence in several other Central American countries is ample and conclusive. Much of the evidence for this has been provided to the House Permanent Select Committee on Intelligence; more will be offered in the coming year. This evidence, however, cannot be evaluated only in terms of the historical context of conventional warfare. Despite their unmistakable militarization and belligerency, it is not our contention that the Sandinistas are about to engage in conventional aggression in which they would seize their neighbors' territory. Those who impute this concern to us do so generally as a means of attempting to portray our apprehensions—and hence our reaction—as exaggerated. The Sandinistas are less likely to take overt actions which would obviously trigger the Rio Treaty or other international agreements, than they are to employ the entire range of unconventional forms of aggression, carefully designed to conceal their support for revolutionary and terrorist activities in other countries.

7. Is it the view of the Administration that the Government of Nicaragua today has expansionist aims? If so, against whom?

See above.

8. If the behavior of the Nicaraguan government does not change, what policies toward it does the Administration intend to pursue?

Our opposition to hidden forms of aggression must be as clear and unequivocal as it is to conventional aggression. We must not have separate responses from the Administration and from Congress. A division on this critical issue will encourage additional adventurism on the part of the Sandinistas and their Soviet and Cuban patrons.

This issue is particularly important because recent years record a decline in the incidence of conventional warfare and an increase in the number of challenges mounted in the gray area of unconventional warfare. The Congress of the United States clearly does not intend for this country to disarm itself unilaterally in this arena. Yet, we have not reached a national consensus on the appropriate response.

If we do not develop an effective response to the Sandinistas, we shall pay a terrible long-term price. It seems obvious that any response must include conventional elements such as intense diplomatic activity, support for constitutional democracy, and elements of security assistance. Moreover, for this response to be effective, we must not rule out support to groups that resist domination by totalitarian regimes, especially when support to such groups serves as an appropriate response to unconventional aggression.

We must reinforce active negotiations with the pressure needed to ensure their success. Our goals, set out in the answer to question No. 3, are not in dispute.

9. Is U.S. political support, and the hope of renewed funding, for the Contras still the centerpiece of U.S. policy toward Nicaragua? What U.S. policy objectives do you expect the Contras to help you achieve?

U.S. support for the Nicaraguan armed opposition is not, nor has it been, the "centerpiece" of Administration policy toward Nicaragua. Our policy is a multifaceted one, aimed at meeting the objectives cited in the answer to question No. 3 above. We are pursuing these objectives through a variety of means. These include conventional diplomatic channels, e.g., our close support for the Contadora process and our direct dialogue with Nicaragua; economic and political pressures aimed at convincing the government of Nicaragua that its aggressive and destabilizing behavior carries a price; and support for strengthened democratic institutions, equitable economic development and increased security in the friendly nations of the region threatened by Nicaragua.

Regarding the relationship between U.S. policy objectives and the armed opposition, we note that the negotiating progress has occurred only when the Sandinistas faced pressure from the armed resistance. To end this pressure before Nicaragua has entered

into a comprehensive and verifiable agreement would seriously undercut the negotiating process, making further progress virtually impossible to achieve.

10. Short of the direct application of U.S. military force, how can a policy of pressure against the Nicaraguan government succeed if its leadership is convinced that the U.S. seeks its overthrow? What inducements exist for moderate Nicaraguan policies if the Nicaraguans believe the U.S. seeks to undermine their government?

In the first place, the premise that the Sandinistas are governed in their policy decisions by the perception that we seek their overthrow is open to serious question. These charges, like the periodic Sandinista warnings of imminent U.S. invasion, must be seen, in large part, as a propaganda device. In any event, our disavowal of any intention to overthrow the Sandinistas or invade Nicaragua has been expressed repeatedly in public and privately to the Government of Nicaragua.

More to the point, we are convinced, based on long and frustrating experience with the Sandinistas in the early years of their rule, that our current policy, with its elements of pressure, is the only one that has any chance of influencing the Sandinistas to abandon their destabilizing and repressive behavior and take the positive steps outlined in the answer to question No. 3 above.

11. What is the status of U.S. bilateral negotiations with Nicaragua? What are the principal issues? What are the respective U.S. and Nicaraguan positions on those issues? What progress can you note? Does the United States seek a bilateral agreement with Nicaragua? If so, what elements would you expect in such an agreement?

Material provided by Ambassador Shlaudeman.

12. What is U.S. policy toward the Contadora peace treaty proposal and what does the U.S. see as the Nicaraguan policy toward the proposal? What kind of verification procedures do we seek? Is verification possible under present circumstances? Is U.S. support for any treaty proposal contingent on effective treaty verification?

Material provided by Ambassador Shlaudeman.

13. Is it your judgment that an economic embargo or the breaking of diplomatic relations with Nicaragua would further U.S. aims, or would serve to drive the Sandinista government further into the arms of the Eastern bloc?

It would be inappropriate to comment on hypothetical policy alternatives in this communication. In any event it would not be accurate to describe the close relationship between the Sandinistas and the Eastern bloc as one into which the former have been driven.●

FARM CREDIT PRIVATE OWNERSHIP RESTORATION ACT OF 1985

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. SAM B. HALL, JR. Mr. Speaker, the Farm Credit Administration is using the Nation's farm credit crisis to gain control of the private banks in the farm credit system. The FCA apparently wants the 37 banking institutions in the system to be consolidated into a single bank controlled by the FCA and has for the past year been pursuing policies designed to achieve that end. Consequently, I am today introducing legislation that will restore local control to Federal land banks, Federal intermediate credit banks, and banks for cooperatives.

The Farm Credit Administration is concerned about the precarious financial situation of some system banks. That concern is shared by all the 37 system institutions, and they have made provision in a formal agreement among themselves for coming to the aid of troubled banks within the system.

In December the FCA engineered a bailout of a bank in the Spokane district that ignored the system's own agreement and bypassed the use of a congressionally appropriated discretionary fund that was available to cover the Spokane failures. The FCA's bailout does not require repayment of the moneys transferred into Spokane, and it does not comport with sound banking practices.

The FCA's short-term goal—sustaining the solvency of a member bank—is one that we all share. However, their avowed goal of creating a single, Federal farm credit bank by 1995 is one that is a sharp departure from 70 years of successful experience, whose foundation was the idea that credit decisions were safest when made at the local level.

The Federal land banks, created in 1916 by Congress to provide for the credit needs of American agriculture through local farmer- and rancher-owned and managed institutions, have served us well.

Congress over the years added the Federal intermediate credit banks—to serve shorter term credit needs—to be owned by farmer- and rancher-operated production credit associations, and the banks for cooperatives—to serve the credit needs of local cooperatives. Congress again provided for local ownership and control of these separately created entities.

To provide for coordination of agricultural credit activities, Congress created local farm credit district boards of directors, to be elected by the stockholders of the separate banking institutions in each local district, with one member appointed by the Governor—an official of the Farm Credit Administration. The Farm Credit Administration itself was created as a regulatory and examination agency.

Today, these stockholder-owned banking institutions pay out of their earnings the full cost of the Farm Credit Administration, so that the U.S. Treasury has no net outlay even for the regulators.

As of the end of June 30, 1984, according to the financial statements of these privately owned banks, the Federal land banks had $54.7 billion in assets; the Federal intermediate credit banks had $20.5 billion in assets; and the banks for cooperatives had $10.5 billion in assets.

Up until now, the Federal land banks, the Federal intermediate credit banks, and the banks for cooperatives have been run separately, as Congress intended, by boards of directors that were responsive to the wishes of the stockholders of each bank, respectively.

Recently, however, possibly lured by power over the large sums of money, efforts have been made to force actions by the local banks that contravene the wishes of the individual bank's stockholders. For example, in the State of Texas, which constitutes the 10th Farm Credit District, actions were taken to force the three congressionally separate banks in the district—the Federal land bank, the Federal intermediate credit bank, and the bank for cooperatives—to have a single management so that the banks are only separate on paper. This directly contravenes the expressed vote of the stockholders who, at three consecutive yearly meetings of the Federal Land Bank Associations of Texas, voted against this single management.

How could the stockholders of the Federal Land Bank of Texas, with $2.7 billion in assets, lose control over their bank? How could Congress' will be so thwarted?

The answer lies in the fact that today—unlike the past—those running the Farm Credit Administration and those on the district boards are using loosely drafted sections of the Farm Credit Act in ways I do not believe Congress ever intended. First, in section 5 of the Farm Credit Act, Congress failed to provide representation on the district boards of directors proportional to either the assets or the membership of the respective three banking entities, thus allowing directors not elected by the stockholders of a bank to outvote the stockholders' representatives. That is what happened in Texas where, by a vote of 5 to 2, the two directors elected by the stockholders of the Federal Land Bank of Texas were outvoted as to who would run the Federal Land Bank of Texas. Second, the Congress in giving the Farm Credit Administration regulatory and supervisory powers, failed to spell out the statutory standards for the exercise of that agency power. The misuse of the power to force the local banks in the system to take actions contrary to the wishes of their stockholders—which wishes are fully consistent with congressional enactments—is, unfortunately, rampant.

To remedy this situation and to make certain that hereafter the Federal land banks, the Federal intermediate credit banks, and the banks for co-

operatives are responsive to their respective stockholders, and that the Federal regulators in the Farm Credit Administration employ their authority only as Congress intended, this bill makes several modifications in the Farm Credit Act of 1971, as amended.

In general, the bill provides for: One, separate boards of directors for each of the three banking entities in each district, to be elected solely by the respective stockholders of each bank separately—with the Governor continuing to appoint one member of each bank's board; two, continuation of enlarged farm credit district boards to provide guidance and coordination; and three, statutory guidance as to how the Farm Credit Administration is to exercise its supervisory powers, particularly as to dividends, salaries, bylaws and charters.

These modifications will leave intact the basic congressional structure of the farm credit system, but make it more responsive to the needs and wishes of its owners, the farmers and ranchers who are our constituents and who serve all of our country with their vast agricultural production. Let me assure everyone that no modification mandated by this act will force the local banks in a district to adopt, for example, either separate management or joint management; the modifications of this act will simply ensure that the decision is made by the stockholders of each of the individual institutions involved.

We in successive Congresses have believed in locally controlled private banks as the means of providing agricultural credit. We in this country have believed in one man, one vote. This act restores representative democracy to the farm credit system.

I commend to your attention the following section-by-section analysis of the Farm Credit Private Ownership Restoration Act of 1985, and ask for your support and cosponsorship.

The section-by-section analysis follows:

SECTION-BY-SECTION ANALYSIS

This bill amends the Farm Credit Act of 1971 to achieve greater efficiency and fiscal responsibility by creating a separate board of directors for each Federal land bank, Federal intermediate credit bank and bank for cooperatives. The elected directors of each bank board will be elected solely by that bank's own stockholders, (or, in the case of the banks for cooperatives, by stockholders and others entitled to vote). It retains expanded District Boards in an advisory capacity.

This restructuring, and the amendments putting reasonable constraints on the power of the Farm Credit Adminstration, are designed to accomplish three purposes: (1) to restore responsibility and control to the private stockholders of the three separate banking entities in each district created by Congress for the Farm Credit System, while maintaining adequate regulation and examination authority in the Farm Credit Administration; (2) to prevent forced single management of the three separate banking entities within a district of the Farm Credit System, while permitting the adoption of single management within a farm credit district if the stockholders of each of the three separate banking entities of that district wish to adopt such management; and (3) to maintain the Farm Credit Adminstration's oversight responsibilities, while providing standards to guide the exercise of its authority in order to safeguard against arbitrary action by the Farm Credit Administration.

Section 1 provides a short name of the Act: "Farm Credit Private Control Restoration Act of 1985."

Section 2 applies to Federal land banks and provides for, and vests power in, a separate board of directors for each bank. The section limits the Farm Credit Administration's authority to prohibit a bank from exercising powers granted to it by Congress, restricts the Farm Credit Administration's authority over charters, organization certificates and by-laws to a review function, with authority to require modification or amendment only by reference to the standards in newly amended section 5.18 and only if the FCA can carry the burden of establishing that such modification or amendment is necessary to make the charter or organization certificate consistent with the statutory provisions of the Farm Credit Act, as amended.

Section 3 applies to Federal intermediate credit banks and makes the same changes for those banks as Section 2 does for Federal land banks.

Section 4 applies to district banks for cooperatives and makes the same changes for those banks as Section 2 and 3 make for the Federal land banks and the Federal intermediate credit banks. The slight difference in the organization of this Section is necessary in order to leave unaffected the Central Bank for Cooperatives, which already has a separate board of directors.

Section 5 substantially alters present section 5 of the Farm Credit Act by expanding the District Boards to eleven members but providing an advisory role only, by providing for the election of each bank's elected board members only by the stockholders of that bank (or in the case of banks for cooperatives by stockholders and others entitled to vote), and by limiting the Farm Credit Administration's authority over charters and organization certificates and over the salary scales and executive compensation levels adopted by a bank's board of directors.

Subsection (a) increases the size of each Farm Credit District Board from seven to eleven.

Subsection (b) provides for the election of three District Board members by each of the three sets of stockholders of the three separate banking entities in such district (namely, the Federal land bank associations, the production credit associations, and the borrowers from and subscribers to the guaranty fund for the bank for cooperatives in such district), with the Governor of the system appointing the tenth and eleventh members.

Subsection (c) provides for the composition of the separate System bank boards created by this Act; for the selection, terms and compensation of directors on those boards and the selection and terms of officers; and for a restriction on the powers of Farm Credit District Boards to those powers enumerated in Subsection (d) (amending Section 5.6(a) of the Farm Credit Act of 1971).

Under this subsection, the newly created board of each of the three separate banking entities created by Congress in each district of the Farm Credit System would be composed of five members, four to be elected by the stockholders of each entity and the fifth to be appointed by the Governor with the advice and consent of the Federal Farm Credit Board. Three of the elected board members for each bank would be the same people elected to serve on the Farm Credit District Board by the stockholders of that bank, and the fourth elected member would serve only on that entity's board. This changes the present law, under which each member of a Farm Credit District board of directors serves simultaneously as a director for the Federal land bank, the Federal intermediate credit bank, and the bank for cooperatives in the district, whether or not that director was elected by the stockholders of that bank. Under present law the members of a Farm Credit District Board who are not elected, for example, by the Federal land bank's stockholders in that district can nevertheless form a majority of that Federal land bank's board. The same is true of the boards of the federal intermediate credit banks and the banks for cooperatives. The failure of the present law to provide representation proportional to the stockholders' interests is remedied in this Act by having an individual board of directors for each bank, elected by the stockholders of each bank respectively (with the Governor appointing the only other member of each bank's board).

Directors must meet the same eligibility requirements as Farm Credit District Board members and are to be elected or appointed by the same processes and for the same terms, and are eligible for the same compensation, provided that a bank director may not receive additional compensation or expenses for a day of meetings or travel if such a day of meetings or travel coincides with a day of meetings or travel for Farm Credit District Board business, and the member is already eligible for compensation or expenses from the Farm Credit District Board. The provisions for the selection and terms of officers are also like those applicable to Farm Credit District Boards. There is a technical correction to the title of Section 5.6 of the Farm Credit Act of 1971, as amended. This subsection also specifies that the powers of the Farm Credit District Boards are restricted to those powers enumerated in the next subsection.

Subsection (d) sets forth the powers that Farm Credit District boards of directors would possess. These powers would be coordination of joint undertakings authorized by the respective boards of directors of Farm Credit System banks, advice with respect to operational and administrative efficiencies, and formulation of broad policy considerations.

Subsection (e) limits the power of the Farm Credit Administration to require modifications to the Federal charters, organization certificates and by-laws of System institutions, to ensuring their consistency with the statutory provisions of the Farm Credit Act of 1971, as amended. This subsection also limits the power of the Farm Credit Administration to regulate the compensation of the chief executive officers of System institutions and the salaries of employees of such institutions, by allowing the Farm Credit Administration to reduce such compensation or salaries exceeds by more than 25 percent the highest compensation

or salary previously adopted by a system bank.

Section 6 sets forth transition provisions for establishing interim boards and officers to act until the directorships created by this Act are filled, and for the selection of individuals to fill those directorships. An interim Farm Credit District Board in each district will be composed of the former Farm Credit District Board members and officers of that district and will have the authority of the full board, as changed by this Act. An interim board for each System bank will be composed of the two former Farm Credit District Board members previously elected by such bank's stockholders and of the former Farm Credit District Board member appointed by the Governor in that district; each such interim board shall have the authority of the full board created for each bank by this Act. Officers for interim System bank boards may be selected as necessary. A quorum of any interim board shall be a majority of its members. The directorships created by this Act shall be filled according to the election and appointment provisions for Farm Credit District Board members as set out in the Farm Credit Act of 1971, as amended. The nomination process for elected directors shall commence not later than thirty days after the date of enactment of this Act and the appointment of appointed directors shall take place not later than ninety days after date of enactment. This section also provides that the two new directors on each System bank board shall draw between themselves for a term of two years or of three years in order to create a staggering of directorships on System bank boards.●

AMENDING THE FOREIGN TRADE-ZONE ACT

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am introducing legislation to amend the Foreign Trade-Zone Act to permit the landing of U.S.-caught fish by foreign-flag vessels in Hawaii for shoreside processing. It is important to note two aspects of this legislation. First, the amendment applies only to Hawaii, due to our unique geographical location and the difficulty in getting U.S.-caught fish in the Pacific to port in time for processing. This legislation would permit American fish processors to be more competitive with those in the Far East and other areas of the Pacific Basin.

Another aspect of this legislation is that it provides job opportunities in Hawaii now limited by the constraints of the Foreign Trade-Zone Act. Under foreign trade-zone status, these processed fish must be re-exported. Therefore, there should be no opposition from local fishermen since domestic competition is not a factor. In addition, fishing is such a weak industry in Hawaii that we import approximately 60 percent of our domestic fish consumption.

Mr. Speaker, at a time when the United States is being closed out of so many foreign trade markets by competition, I cannot reason why we have American laws which hinder our competitive nature even further. We will permit American fish processors to compete in the international marketplace by simply amending this law. I respectfully ask my colleagues to favorably consider this legislation. Thank you.●

THE MARKET PLAN

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. GRADISON. Mr. Speaker, the budget of the Federal Government ought to include all programs of the Government and accurately reflect their costs. Unfortunately, it does neither. Under current budget accounting practice, the cost of Federal credit programs goes unrecognized.

In the 98th Congress, Senator PAUL TRIBLE and I introduced a bill—based on a comprehensive CBO study [1]—and dubbed the "market plan" which would have corrected the budget accounting treatment of Federal credit programs.

Today, along with Mr. BROWN of Colorado, Mr. HENRY, Mr. SENSENBRENNER, Mr. HUGHES, Mr. IRELAND, and Mr. FISH, I am introducing a revised market plan bill. Fundamentally, the new market plan corrects the flaws—identified by CBO and others—in the current budget accounting system. It does so by forcing the budget and the Congress to recognize the true cost of direct loans and guarantees prior to the commitments to provide this assistance; that is, when costs are still under congressional control.

At present, the cost of direct loans is recorded in the budget as disbursements less repayments. This is equivalent to a bank recording its annual earnings on a mortgage loan as loan disbursements less repayments. This would show big costs in the first year the loan was made and big profits in the second; both results are wrong. The fact is, net lending reveals nothing about the costs of a loan.

The budget accounting treatment of Government loan guarantees is worse still because they are recorded as having a cost of zero—until a default occurs. The undesirable result is that loan guarantee programs appear costless, until it is too late to do anything but pay the bill—$4.7 billion in 1983.

This is an unnecessary deficiency. There is a practical way of determining the true costs of credit programs. Credit risk is determined not by who lends, but by who borrows; the fact that the Government can lend at the risk-free Treasury rate does not change the fact the lending involves risk. When the Government lends to risky borrowers, taxpayers must bear those risks without compensation.

The cost of Government-provided credit is the difference between what borrowers pay under a Government program—that is, with assistance—and what they would have to pay in private capital markets—without government assistance, and it is this cost that should be recorded in the budget.

The market plan does this by requiring that direct loans be offered for sale to private investors—without recourse to the Government—and that reinsurance for loan guarantees be purchased from private insurers. For direct loans, under the market plan, agency budget accounts will show lending net of sales rather than the current practice of recording lending "net of repayments." For loan guarantees, agency accounts will show the costs of purchasing private reinsurance instead of the current procedure of recording only defaults.

To protect against loan and guarantee markets which are too thin or poorly developed, the market plan requires the Government, through the Federal Financing Bank [FFB], to enter a bid in each loan and guarantee auction. In addition, in order to discourage unreasonable bids by the FFB, the legislation requires the FFB to maintain a balance between its assets and liabilities.

The market plan shifts the risk of credit programs from the Government—that is, taxpayers—to investors whose primary business is making judgments about risk. The difference is that, under the market plan, these costs would for the first time be identified.

In addition, the market plan produces major benefits above and beyond correcting the flaws in the current budget system:

First, the market plan reduces the deficit through 1989 by $21 billion. This gain is not magic or legerdemain; according to CBO it is a real reduction against the budget baseline and results, essentially, from trading future loan repayments—current practice—for loan sale receipts—market plan.

Second, by incorporating the true costs of credit programs, the market plan achieves the elusive "level playing field" for all Federal programs, credit and noncredit. Except for setting credit volume caps, it would essentially eliminate the need for a separate credit budget.

Third, the market plan places all credit activity in the unified budget—currently, most direct loans are off

[1] New approaches to the budgetary treatment of Federal credit assistance, CBO, March 1984.

budget, and most off-budget spending is credit related.

Finally, it is important to note what the market plan does not do:

The market plan does not change the terms of any credit program; agencies would continue to select beneficiaries and provide them with loans and guarantees.

The market plan does not "privatize" Federal credit programs; it does, as described above, utilize the private capital markets in order to determine the costs of credit programs.

The market plan does not change the manner in which credit assistance programs receive their budgetary resources namely, budget authority.

The new market plan does not require or authorize the sale of the Government's existing loan portfolio.

The market plan does not cover Commodity Credit Corporation [CCC] loans—which are not, in fact, loans, but deferred purchase agreements.

The market plan concept has caught the attention of the Reagan administration. Specifically, the new Economic Report of the President states that a proposal similar to the market plan "would lead to a more accurate budget accounting of the now implicit subsidy to the recipients of Federal loans and loan guarantees" and "* * * deserves serious consideration" (p. 93). I certainly think so.●

SOUTH AFRICA: WE CAN LEND A HAND FOR CHANGE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. RANGEL. Mr. Speaker, I have introduced legislation this week which seeks to focus attention on commercial links between the United States and the Republic of South Africa. I rise to ask my colleagues to favorably consider these measures.

This century has witnessed many instances of state-sponsored repression, when the mechanisms of national administration have been designed to quash the most fundamental liberties. Two examples of this unfortunate fact must be distinguished because to the sheer magnitude of their policies.

The Holocaust and apartheid are strikingly similar. A doctrine of racial supremacy has been at the root of both systems. A philosophy of removal of the subjugated race was employed by the dominant race, with a resulting concentration of the removed group in limited geographical areas.

The final solution of the Nazis was to exterminate its subjugated peoples; Gypsies, Jews, Slavs, Socialists, and even dissident Catholic priests were mercilessly murdered. An industrial society used its every means to accomplish its perverse goals.

Look at South Africa. The seeds for a holocaust are germinating in the pass laws, black spot policy, antimiscegenation codes, and the homelands policy. These are steps toward something, and that something is the absolute subjugation of blacks in their homeland reservations.

It is for these reasons that I have introduced three bills to convince South Africa that its policy of racial separation will only result in further economic and political isolation in the world community.

I am asking for a prohibition of the importation of South African coal and uranium, a prohibition on the export of nuclear technology, and a cancellation of the foreign tax credit for companies doing business in South Africa.

Let us not be cynical about the long-term effects of imposing sanctions. South African business is very attentive to the status of American capital investment, as are the political leaders in that country. We can bring about meaningful change. We simply need the commitment and the vision.

I urge my colleagues to support these bills.●

PARRIS INTRODUCES MILITARY DRINKING AGE LEGISLATION

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. PARRIS. Mr. Speaker, on Wednesday, February 20, I introduced legislation that will require all of our military installations to comply with the same minimum legal drinking age or ages that applies in the State in which an installation is located.

In other words, if the legal minimum drinking age in Virginia is 21, then that will be the legal minimum drinking age for alcoholic beverages on all military installations in Virginia.

Last year, this Congress passed legislation mandating a minimum drinking age of 21, and told each State that if it failed to comply it faced some modest reduction in Federal highway trust fund allocations. This step was taken to help curtail the slaughter on our highways. If we in Congress believe we were right to take that action last year—and I firmly believe we were right—then it is also right that we take this step now.

The Defense Department last fall adopted a loose policy requiring this subject. The DOD policy requires military installations to adhere to the drinking-age laws of the State in which each installation is located—but there is a litany of exceptions, and some loopholes, with individual commanding officers having some discretion to alter the rules. It is far from a uniform standard.

The ultimate goal is to restore to the Nation a minimum drinking age of 21. I gave some thought to placing this age in the legislation, but upon reflection I concluded that would be unfair. Just as some State legislatures now complain they are being asked to raise their drinking while servicemen who have not reached that age can drink on base. It would be just as unfair to cling to a 21-year-age rule on a military post when 18-, 19-, and 20-year-olds can drink in a State-regulated bar across the street from the post.

I believe this is fair and equitable. I am enlisting the support of Mothers Against Drunk Driving in this phase of the war on drunk drivers. I urge you to enlist as well. If even one life is saved, this legislation will have accomplished a great deal. I invite your cosponsorship.●

HOUSE'S COMMITMENT TO THE JOB CORPS PROGRAM

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MARTINEZ. Mr. Speaker, I am introducing a resolution to reaffirm the House's committment to the Job Corps Program.

Every year, many of our Nation's disadvantaged youth enter the workforce without the education and training needed to compete in a world of technological changes. For over two decades, the Job Corps Program has guaranteed youth like these the necessary training to prepare them for the challenges that lie ahead, training they otherwise would not have received. Without the Job Corps Program, thousands of disadvantaged youth would be denied the opportunity to successfully compete in our Nation's labor market.

The Job Corp's proven committment to the economically disadvantaged youth of our country stands as a reaffirmation for the continuation of the program. Since its inception, Job Corps has provided job training and support services to over one million two hundred thousand disadvantaged youth. Evaluations of the program demonstrate that participating youth have benefited substantially from the training assistance offered by the Job Corps.

The post-program experience of Job Corps enrollees shows that the program has a high placement rate and is cost effective. According to the Department of Labor, over 82 percent of the corps members leaving the program achieve positive outcomes, with the enrollees placed either in private sector jobs, admitted to school or entered the Armed Forces. An Abt Associates study in 1978 shows that Job

Corps enrollees are more likely than nonparticipants to be employed full-time after leaving the program. Recent studies have indicated that $1.40 is returned to society for every Federal dollar spent on Job Corps. According to a long-term follow-up study done by Mathematica Policy Research, Inc., it was found that enrollees earned an average of 15 percent more per year than nonenrollees and were employed more than 3 weeks per year. Job Corps participants are three times more likely to achieve a high school diploma and are much more likely to attend college than nonenrollees. Mathematica also found that the longer these youth stayed in Job Corps, the stronger were their post-program benefits.

In addition to the Job Corps reputation as a cost effective and successful program proven to place disadvantaged young men and women in obtaining and holding employment, the program builds in our youth a productive and responsible attitude toward work. The Job Corps is not only an investment in our disadvantaged youth who are willing to make a positive and healthy contribution to society, but also an investment in the future of our Nation. Without the Job Corps Program our country will be forced to confront an increasing number of uneducated and poorly trained youth.

It is our responsibility to continue to provide training and support services to those individuals unprepared to enter our Nation's workforce. Your support in reaffirming the House's committment to the Job Corps Program builds on the foundation of a program which has been proven to contribute to a healthier and more productive economy.●

SIKES ACT REAUTHORIZATION

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BREAUX. Mr. Speaker, today I am introducing a bill to reauthorize the Sikes Act for fiscal years 1986, 1987, and 1988. The Sikes Act, originally passed in 1960, is designed to encourage the implementation of sound wildlife management practices on military and other Federal lands through development of cooperative programs between Federal agencies with land management responsibilities, the U.S. Fish and Wildlife Service and the appropriate State fish and game agencies.

The issue of fish and wildlife management on military lands has been particularly controversial in the past few years. The military controls millions of acres of land, much of which includes valuable fish and wildlife habitat. Clearly, the military mission is of paramount importance on these lands. However, sound fish and wildlife conservation practices and the military mission are frequently not mutually exclusive. These lands are also able to provide other valuable natural resource uses, such as timber and crop production. All of these resource uses need to be properly integrated and balanced if the Nation is to receive the greatest benefits from these lands.

The Subcommittee on Fisheries and Wildlife Conservation and the Environment, which I chair, intends to hold a hearing on this bill on March 5, 1985. This will provide an opportunity for careful examination of the issue of competing natural resource uses on military lands. In addition, these lands and their resources require the attention and expertise of professional natural resource management personnel, and the extent of the commitment of the Department of Defense to that requirement will no doubt be a topic of discussion at the hearing.

Mr. Speaker, our Federal lands and the fish and wildlife resources they contain are of extraordinary value to the Nation, and have the potential to remain so with prudent management. This bill will provide a vehicle for review and discussion by the Congress of the adequacy of the Sikes Act in helping to meet the challenge of conserving and managing our valuable fish and wildlife resources.●

NEW BEDFORD COUNCIL OF JEWISH WOMEN CELEBRATES 70TH ANNIVERSARY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. STUDDS. Mr. Speaker, it is with great pride and pleasure that I take this occasion to note that the New Bedford section of the National Council of Jewish Women observed its 70th year of operation on February 17, 1985.

The New Bedford section was formed in 1915 by 11 newly married women who invited the president of the Boston section to discuss plans for their formation. Mrs. Henry Lumiansky became the first president. Other founding officers included Mrs. Hyman Mendelson and Mrs. William Beserosky.

At that time, the organization was involved with projects that included raising relief funds for stricken Jews in war-torn Europe. During World War I, the council was a friend and guide for immigrants and became a crucial agency for all areas of war relief: rolling bandages, knitting socks, and selling, war bonds.

During World War II, the council provided aid to needy families and refugees from growing anti-Semitism in Germany and other countries.

The 1950's marked the founding of a medical loan chest, enabling needy citizens of New Bedford to borrow hospital beds, wheel chairs, and similar items free of charge, regardless of religious denomination. This project is still an important part of the council's operation as well as aid to senior citizens and the distribution of scholarship funds to worthy high school and college students. NCJW actively supported the establishment of the New Bedford Rape Crisis center and has taken a stand on birth control issues, firmly committeed to the "right of every woman to choose abortion and elimination of obstacles that limit reproductive freedom."

An amblyopia project to test the eyes of young children in the public schools, and the start of a Tay Sachs study for the community are in the offering.

The group has become involved, in conjunction with the National Council of Jewish Women's organization in New York, with a new project, the Center for the child. This is a research program to identify the most effective solutions to problems facing children and to help in the formation of public policy and community service programs nationally.

Mrs. Marcella Brody has served as president on three different occasion. Today, here sister, Phyllis Mayer-Brody, is president. the other officers are: Anita Asser, Charlotte Salon, Lynda Mindlin, and Lillian Glantz, vice presidents; Marcella Brody, treasurer; Adele Koren, secretary; Adelle Queen, financial secretary; and Barbara Jacobson, mailing secretary.

The present organization has a total of 400 members. Its volunteer services are operating actively with a large body of committed and interested women.●

DISTINGUISHED PORTUGUESE-AMERICANS TO RECEIVE AWARDS IN FALL RIVER, MA

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. FRANK. Mr. Speaker, each year O Jornal, the Portuguese Journal of Fall River, MA honors prominent Portuguese-Americans and public service organizations for their many contributions to society. On February 24, O Jornal will once again host the Portuguese-American of the Year Award Dinner and present the award to Meredith Vieira. I am taking this opportunity to commend Ray and Kathy Castro, of O Jornal, the organizers of

this annual recognition of the tremendous efforts of Portuguese-Americans have made to society, and to share with my colleagues the list of this year's award recipients for their self-sacrificing efforts on behalf of their communities.

This year's award recipients are:

Norman Sousa: President of the Flint Little League, 10 baseball teams, and 7 basketball teams. Mr. Sousa has helped organize fundraising efforts to support these worthwhile community efforts for Fall River, MA youth. He has been known to dig into his own pocket to purchase equipment for those children who would otherwise be unable to participate.

Beatrice Angelo: An outstanding example of dedication to community service for her tireless efforts in the field of education, particularly for newly arrived Portuguese immigrants. Beatrice and her husband, John, have long served the Portuguese American community—John serves on my Fall River staff. She has taught adult education and citizenship classes at the Espirito Santos School for 6 years without compensation and is singularly responsible for the successful orientation of innumerable arriving Portuguese immigrants to our country.

Carlos Sousa: Proprietor of Novart Photography Studio and part of a small dedicated group of citizens who have formed the Portuguese American Business Association in Fall River, MA. With over 200 members, the Portuguese American Business Association has contributed enormously to the economic and philanthropic well-being of the greater Fall River area.

Cambridge Organization of Portuguese-Americans [COPA]: This fine organization founded in 1969 serves the limited English speaking population in Cambridge, MA. It is a private, nonprofit organization with a fully bilingual staff to meet the cultural and human services needs of the community. The award is being offered in memory of the late Cardinal Humberto Medeiros. Accepting the award will be the executive director of COPA, Victor M. DoCouto.

Coral Heranca Portuguesa: A singing group founded in 1976 through the efforts of the Portuguese Vice-Consul to the United States in Providence, RI to help commemorate the U.S. bicentennial. The choral group has performed throughout the country; its 20 members include the Vice Consul of Portugal in Rhode Island, Rogerio Medina and his wife.

Meredith Vieira: Finally, the Portuguese American Award Dinner will present the Portuguese American Citizen of the Year Award to Meredith Vieira, the national correspondent for CBS Evening News. She grew up in Providence, RI, began her broadcasting career at WEEI radio in Boston, moved to WJAR-TV in Providence, and then worked in various capacities with CBS-TV. Meredith Vieira has through her work demonstrated a commitment to high professional standards of which all Americans can be proud.

Mr. Speaker, the contribution of Portuguese-Americans to our Nation's growth and diversity is a generous one. I am pleased to bring to the attention of our colleagues the efforts of a few of the many outstanding Portuguese American individuals.●

SGT. HARRY CURLEY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. HUGHES. Mr. Speaker, I am pleased to rise today to call special attention to the efforts of one of our Nation's finest law enforcement officers, Sgt. Harry Curley of the Vineland, NJ, Police Department.

Sergeant Curley has just retired from the police force after a 25-year career in law enforcement. During that period, Sergeant Curley compiled a distinguished record as a police officer, and as a liaison between the community and the police department.

Sergeant Curley has received many commendations and awards throughout his career. Perhaps his most notable achievements, however, have come in the area of crime prevention.

As head of the police department's crime prevention unit, Sergeant Curley organized neighborhood crime watch groups, business and residential security surveys, armed robbery and burglary prevention programs, shoplifting prevention programs for retail merchants and students, and he founded the local Crimestoppers Program.

In addition, Sergeant Curley devoted many hours of his personal time over the years working with youths, civic leaders, and members of the clergy to help improve community attitudes and promote a sense of pride and respect within the city of Vineland.

Although he has retired from the police force, Sergeant Curley continues to be active in community work through his service on the Vineland Board of Education. He is a fine citizen and community leader, and I am pleased to commend Sergeant Curley for his many accomplishments in the field of law enforcement.●

IN TRIBUTE TO PERCY M. FLOWERS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. DIXON. Mr. Speaker, I would like to take this opportunity, before my colleagues in the House of Representatives, to pay tribute to a loyal and longstanding member of my staff who is retiring at the end of this month.

Percy M. Flowers has been my office manager since I began serving in Congress in 1979. I was fortunate to have Percy join my Washington staff not only because she had been a friend for more than 20 years, but also because she had already gained several years of experience working for former Representatives Yvonne Braithwaite Burke and Gillis Long.

Percy has given more than 13 years of dedicated service on Capitol Hill, and she has become a friendly, familiar face to hundreds of her colleagues working for the House. As an office manager, she has helped me immeasurably in maintaining a smooth operation here. She was held in equally high esteem by former Congresswoman Burke; my good friend and predecessor in the House, and the late Congressman Long of Louisiana. Her latter service was so appropriate because Percy was born and lived her early years in Alexandria, LA.

Despite her roots in Louisiana, however, most of us really consider Percy to be a native of Los Angeles. She graduated from Pasadena City College, established roots and raised a family in southern California.

I met Percy when she worked with my close friend, Judge Dion Morrow, who then had a law firm in Los Angeles. She is the proud mother of two sons, Harry and Bob Reed, and she is grandmother of a beautiful little girl, Conita.

While all of us on the Dixon team are sorry to lose Percy, we are happy knowing that she is vibrant and young in spirit and that she will enjoy greatly this opportunity to relax, enjoy her family, and appreciate the things she has worked so hard for. Percy has been a good friend to so many of us, and we all wish her very well as she begins this new chapter.●

COMMEND ISRAELI RESCUE EFFORTS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Ms. MIKULSKI. Mr. Speaker, it is now 2 months since news of Operation Moses, the stunning Israeli rescue of Ethiopian Jews, was made public. The boldness, compassion, and efficiency of that enormous task merits our respect and commendation. Israel is to be congratulated, but she needs more than applause. We must reaffirm and strengthen our support for Israel and the Israeli rescue efforts.

Operation Moses helped over 8,000 Ethiopian Jews reach Israel. While much of the rest of the world was paralyzed with horror looking at the faces of starving ethiopians, Israel stepped in with direct and successful action. Israel recognized Ethiopian Jews as sisters and brothers and did what had to be done to rescue them from the ethiopian famine and from religious persecution. Operation Moses was truly a heroic accomplishment.

Now Israel faces a new challenge: the absorption of the Ethiopian Jews. Israel herself is beleaguered by economic and political problems. The special needs of the Ethiopian Jews are staggering. Yet the Israelis have welcomed them with open arms. Ethiopian Jews have stepped almost literally out of the pages of the Bible into 20th century Israel. Their health care, education, and training needs are enormous. Israel is once again making extraordinary efforts necessary to meet the needs of Jews.

The strength of the Israeli spirit appears indomitable. We can only guess at the toll it takes on Israelis and Israel herself. Operation Moses was a clandestine effort and any subsequent rescue attempt must be carried out with discretion and in secret. Yet this operation and the continuing efforts to settle the Ethiopian Jews in Israel are outstanding examples of humanitarianism.

Last week I received notice that the U.S. Department of State continues to regard the status of the Ethiopian Jews as a priority issue. I urge my colleagues to join me to give whatever direction and support we can to American policy and world action to save the Ethiopian Jews.●

A TRIBUTE TO PETER M. SHIELDS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. RINALDO. Mr. Speaker, as ranking minority member of the House Select Committee on Aging, I have occasion to meet and confer regularly with Federal, State, and local officials involved in the field of aging. I am impressed with the dedication, enthusiasm, and professionalism of these individuals who work to improve the lives of our Nation's 36 million senior citizens. Two months ago, one such individual upon whom I and many others has come to depend announced his retirement as Director of the Union County, NJ, Division on Aging. While I am certain his lovely wife Eunice and their three children are pleaased with his decision, he will be missed by me, by his friends and colleagues, and most of all, by the elderly in Union County.

A founder of the Union County Division on Aging, Mr. Shields devoted nearly 30 years of service to the Federal Government, a majority of the time as a Social Security field representative, before becoming director of the division in 1972. In his 13-year tenure, he compiled an unparalleled record of accomplishment in service to Union County's 100,000 senior citizens.

Pete Shields had a unique ability to leverage State, local, and private sector resources to supplement Federal funding for aging programs. He and his staff were experts in marshalling the support of area businesses, labor, church groups, and individual volunteers in cooperative efforts to assist Union County's elderly.

The county's home-delivered and congregated nutrition programs have been recognized nationally for their efficiency and organization. Over 3 million meals have been served to the elderly of Union County, one-third of which went to the homebound.

One of Mr. Shields' top priorities was the expansion of home health care options for older individuals who wish to remain at home. Hundreds of thousands of hours of nursing, home health aide, homemaking, friendly visitor and hospice services have been provided to senior citizens in noninstitutional, community-based settings. In November 1984, Pete Shields was recognized for his leadership in expanding quality home care services to the elderly by the New Jersey Home Health Assembly and Home Care Council.

Pete Shields' reputation as an innovative, dynamic administrator reached far beyond the borders of Union County. He received 20 awards and citations from national, State, and local organizations, including 3 awards from the National Association of Counties, and individual awards from the New Jersey Association of Counties; the Grant Avenue Community Center, Plainfield, NJ; the Union County Retired Senior Volunteer Program, the Union County Senior Citizens Council and Catholic Community Services of Union County; the Rahway, NJ, Hospital and Rahway Geriatric Center; the Elizabeth, NJ, Visiting Nurse and Health Services; Union College and the Gerontology Center at Kean College of New Jersey; the Senior Citizens of Winfield, NJ; both the New Jersey Association and National Association of Area Agencies on Aging; the Gerontological Society of New Jersey; the Advisory Committee to the New Jersey Governor's Continuum on Aging, and the New Jersey Department of Human Services and Department of the Public Advocate.

Mr. Shields' leadership also is illustrated by his founding and initial chairmanship of the New Jersey Leadership Council on Aging, a coalition of 21 professional and senior groups whose members include, among others, the New Jersey Chapter of the American Association of Retired Persons and the New Jersey Home Health Assembly. He is the past president of the New Jersey Association of Area Agencies on Aging and the New Jersey Gerontological Society. The Fordham University graduate also served as a member of the New Jersey Governor's Long Term Care Committee and the New Jersey State Nursing Home Task Force.

As the senior Republican on the House Aging Committee, I have always valued Pete Shields' counsel. His testimony before Aging Committee field hearings in New Jersey in 1980 and 1984 was instrumental in shaping Federal legislation to combat elder abuse and strengthen the Older Americans Act.

While Pete Shields has officially retired, I know that he will remain active and involved in civic affairs in his hometown of Winfield, in Union County, and in New Jersey.●

THE SINKING OF THE LEOPOLDVILLE: A TRAGEDY REMEMBERED

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MAVROULES. Mr. Speaker, I want to take this opportunity to pay a special tribute to the soldiers on board the S.S. *Leopoldville* when she was torpedoed and sunk off the coast of France on December 24, 1944.

When the *Leopoldville* was hit by enemy fire on that Christmas Eve, she was enroute from England to Cherbourg, France, transporting American troops to the battlefield. With 815 Americans lost at sea, this tragedy constitutes the second worst naval disaster in the European theater, and was the last major naval catastrophe caused by enemy fire during World War II.

Let us pause to thank all those who bravely fought for freedom and justice during World War II, and remember our heroes who risked their lives for our country.●

TRIBUTE TO JIM BLATT

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BERMAN. Mr. Speaker, I would like to take this opportunity to recognize a close friend and a respected constituent as he leaves the presidency of the San Fernando Valley Criminal Bar Association.

In addition to his unselfish contributions to the bar association, Jim served 3 years as a deputy district attorney and has been active in many community projects.

However, I think the most striking example of Jim's character—and one of the reasons I hold him in such admiration—is the concern he has shown for the youth in our community. From 1978 through 1979 he was president of the board of directors of Cry Help, a narcotics rehabilitation program. During that period he also found time to work as a member of the field operations staff for specialty youth programs.

Today I have the honor of expressing my sincere affection and admiration for a man that deserves the profound gratitude of his community. I ask the Members to join the San Fernando Criminal Bar Association in expressing their appreciation and wishing Jim Blatt great and continued success.●

KEEP U.S. EDGE IN WORLD TRADE

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. PICKLE. Mr. Speaker, I am today introducing legislation with Mr. FRENZEL, and other Members of Congress, which will help ensure that America will retain her competitive edge in the world trade market. Our country has always been a leader in commerce, industry, science, and technological innovation. In fact, technological leadership and innovation may be this country's most valuable national resource or commodity.

However, the world market has changed, and our preeminence as the technological leader of the free world is being challenged by competitors throughout the world.

This legislation takes a comprehensive approach to maintaining our technological competitiveness.

First, the R&D tax credit (H.R. 1188) scheduled to expire at the end of 1985, is improved and made a permanent part of the tax law. In particular, the definition of qualified research for R&D credit purposes is tightened to eliminate any taxpayer abuses of the R&D credit and to ensure that the credit is targeted to fulfill its original purpose of encouraging technological innovation. Second, the current incentives for corporate funding of university basic research are expanded. and third, incentives for the private sector to aid scientific education programs in our colleges and universities are enhanced.

The R&D tax credit was originally enacted in 1981 to provide just such an incentive. Based on the information that is available to date, the credit has been a success. In 1981, R&D expenditures increased by over 40 percent compared to the previous year. In 1982, there was a 38-percent increase in R&D. Considering that these were both recessionary years, these increases are particularly impressive.

Mr. Speaker, it is well established that, prior to the enactment of the R&D tax credit, the decline in U.S. productivity growth was parallel to the decline in spending by U.S. firms on R&D.

Not surprisingly, this lack of investment in R&D has taken its toll to the point where the United States is in danger of losing its superiority in technological innovation. Over the past 20 years, our foreign competitors, led by Japan and West Germany, have devoted more resources, as a percentage of gross national product [GNP], to research and development. Also, not surprisingly, Japan and West Germany have experienced much higher rates of growth in productivity—466 percent by Japan as compared with 69 percent by the United States.

Our foreign competitors appreciate the link between R&D and future competitiveness and productivity. Canada, Japan, West Germany, Mexico, and Spain have adopted tax credits for domestic R&D activities. Just recently, France adopted an R&D tax credit that closely resembles the U.S. credit.

In addition, the governments of our foreign competitors often target high-tech industries for special nurturing. This support may take the form of protected markets for emerging technologies, subsidized government loans, export subsidies, and government sponsorship of collaborative research efforts in key technological fields.

Mr. Speaker, in our colleges and universities, education in mathematics, engineering, and the physical, biological, and computer sciences has suffered from a chronic shortage of faculty and a severe lack of up-to-date scientific equipment upon which students and faculty can learn and perform research. In my own home State of Texas, for example, a recent survey of engineering schools at Texas colleges and universities conducted by the Texas Society of Professional engineers indicated that all of these engineering schools combined face a critical need for $37.1 million in scientific equipment for research and teaching and a total need for $99.1 million in scientific equipment. The University of Texas at Austin has a critical need for engineering equipment of $7.7 million and a total need for such equipment of $28.7 million; Texas A&M University has a critical need of $7.6 million and total need of $10.8 million; the University of Houston has a critical need of $5.8 million and a total need of $8.6 million; Prairies View A&M has a critical need of $1.6 million and a total need of $3.9 million. Mr. Speaker, I give these examples to illustrate the situation in just one State. But this same situation is occurring in every State. This legislation provides broadened incentives for corporations to fund university basic research activities and to donate badly needed scientific equipment.

In short, it has become increasingly clear that the economic progress of the United States depends in large part upon the prosperity and growth of its high technology industries. If Congress is truly serious about fostering an environment in which our high technology industries can flourish, we must make the R&D tax credit permanent.

Mr. Speaker, I ask unanimous consent that a summary of the bill be printed in the CONGRESSIONAL RECORD.

DETAILED DESCRIPTION OF THE HIGH TECHNOLOGY RESEARCH AND SCIENTIFIC EDUCATION ACT OF 1985

I. IMPROVEMENT AND EXTENSION OF THE R&D CREDIT (TITLE I OF THE ACT)

A. R&D credit made permanent (sec. 101)

The Act eliminates the current sunset provision under which the R&D credit is due to expire on December 31, 1985, thereby making the credit permanent.

B. Improvement of the R&D credit through clarification and tightening of the definition of qualified research for credit purposes (sec. 102)

1. The Act adopts a new definition of qualified research for R&D purposes that is entirely separate from the definition of research or experimentation for section 174 deduction purposes. The new credit definition adopts as its starting point the definition of R&D for financial accounting purposes, subject to various modifications.

2. In general, qualified research for R&D credit purposes means (i) planned search or critical investigation (including basic research) undertaken for the purpose of discovering information which may be potentially useful in the development of a technologically new or improved business component of the taxpayer or (ii) applying the results obtained from a research activity or other knowledge to develop a technologically new or improved business component of the taxpayer, including the conceptual for-

mulation, design, testing, and reformulation of hypotheses regarding elements of the business component and the design, construction, and testing of prototypes, models, and pilot plants.

3. "Technologically new or improved"—two-fold requirement:

(i) the new or improved characteristics of the business component (defined below) are "technological in nature"; and

(ii) substantially all of the activities undertaken in developing or improving such component are part of a process of experimentation relating to such factors as new or improved function, performance, efficacy, reliability, safety, quality, or reduced cost, rather than to style, taste, cosmetic, or seasonal design factors.

(a) "Technological"—

clarifies that the R&D credit is limited to technologically-based products and processes (including software), as opposed to financial services, advertising, and the like.

whether the new characteristics or improvements are technological in nature is determined by whether the process necessary to develop such characteristics or improvements ultimately relies on principles of physical science, biological science, chemical science, computer science, or engineering.

(b) Substantially all of the activities are part of experimentation directed toward functional changes—

"substantially all" is to be determined on the basis of all of the facts and circumstances, with relative costs incurred being evidence as to "substantially all" and with such costs including costs of support and supervision of R&D.

4. Item which must be technologically new or improved: Concept of a "business component"—

the objective at which qualified research is directed for R&D credit purposes—a business component—is defined to include a product, computer software, process, technique, formula, or invention to be offered for sale, lease, license, or used by the taxpayer in a trade or business.

the "technologically new or improved" test is applied first at the level of the product or process as a whole. If the test is not satisfied at that level, the test is reapplied at the next most significant subset of elements of the product or process. This "shrinking back" of the product or process will continue until either a subset of elements of the product or process that satisfies the test is reached or the most basic element of the product or process is reached and such element fails to satisfy the test.

5. The Act's revised definition of qualified research narrows the category of eligible activities for R&D credit purposes in the following principal ways:

(i) First, the limitation of eligible R&D activities for credit purposes only to those directed toward functional improvements (e.g., function, performance, reliability, etc.) eliminates the entire category of style, cosmetic, taste, and seasonal design improvements often undertaken purely for marketing purposes and eliminates all improvements in which cosmetic changes dominate functional changes.

(ii) Second, by requiring that the new or improved characteristics be technological in nature, and by expressly excluding research relating to management techniques and management-based changes in production processes, the Act not only substantially limits the ability of the food, apparel, and retail and wholesale trade sectors to claim the R&D credit, but also bars most service industries, including banking and other financial and insurance services, from claiming the credit.

(iii) Third, by requiring that the product or process be developed by the process of experimentation, including the development, testing, elimination, and refinement of hypotheses, the Act's revised definition for credit purposes excludes a whole range of product development activities in which the design alternative required to reach the desired result for the business component as a whole is readily discernible from the start and readily attainable without the significant uncertainty reflected in the process of testing and experimentation.

(iv) Fourth, the exclusions with respect to duplication (subsection (d)(2)(E)), activities after the beginning of commercial production generally (subsection (d)(2)(A)), planning for commercial production, and adaptation of an existing product to specific customer needs (subsection (d)(2)(C)) will provide a clearer and more enforceable line which will foreclose a taxpayer from claiming the credit with respect to activities which no longer constitute product development but instead are part of the initial stages of commercial production or which constitute mere tinkering with or copying of a product already on the market.

(v) Finally, the Act seeks to ensure that software developed by the taypayer for its internal use (other than in R&D, or a plant process) will qualify for the credit only where such internal software surmounts a high threshold of innovation, thereby drastically reducing the credit claimed by financial and service sectors, as well as sigificantly reducing the credit for software developed in-house for use in general and administrative (G&A) activities.

C. Availability of the R&D credit for start-up companies and joint research ventures (sec. 103)

1. The Act addresses the problem of the unavailability of the R&D credit under current law to start-up corporations which lack an active, ongoing business but which are undertaking research activities in an effort to create such a business. The Act provides that in-house and contract research expenses paid or incurred by a regular corporation (i.e., a corporation other than an S corporation, a personal holding company, or a service organization (such as an incorporated doctor)) will constitute qualified research expenses for credit purposes if the corporation undertakes the research with the intention to use the results thereof in the active conduct of a present or future trade or business. In this way, the credit would be made available to a start-up corporation as well as to an existing corporation participating in a new research endeavor seeking to expand and diversify beyond its existing trade or business.

2. The Act clarifies that, in general, in the case of research being conducted in partnership form, the trade or business test is applied at the partnership level, and the credit is apportioned among the partners in accordance with the provisions of section 704 which govern partnership allocations generally. However, the Act carves out two exceptions to this general rule: (1) in the case of a joint research venture comprised of regular corporations; and (2) where not all of the members of the joint venture are regular corporations, but each member's own trade or business would satisfy the "in carrying on" test with respect to the partnership's research expenditures. In situations in which either of these exceptions applies, the research expenses will flow through to the partners, with the trade or business test being applied, and the credit computation being made, at the partner level.

II. PROMOTION OF UNIVERSITY RESEARCH AND SCIENTIFIC EDUCATION (TITLE II)

A. Expansion of the credit for university basic research (sec. 201)

1. a. new flat rate credit—

The proposed legislation creates a new tax credit equal to 20 percent of that portion of a corporation's payments to universities (and other qualified non-profit, tax-exempt organizations for basic research) which exceeds a fixed, historical "minimum university basic research" floor. These amounts which exceed the floor—termed "incremental university basic research amounts"—are made ineligible for the present R&D credit and are excluded from the corporate taxpayer's base year research expenses for purposes of calculating the corporation's R&D credit available under present law. The amounts which fall below the floor remain eligible for the present R&D credit and are included in the corporation's base period for purposes of calculating the present R&D credit.

b. floor for amounts eligible for flat rate credit—

The fixed "minimum university basic research" floor for the new flat rate credit is defined as 1% of the annual average of the corporate taxpayer's combined qualified in-house research expenses, contract research expenses, and university basic research payments for the base period composed of the period from 1981 through 1983.

Example

A Corporation makes total university basic research payments in 1985 of $400,000. For purposes of the new flat rate credit, the base period is 1981, 1982, and 1983. The corporation's annual average for these three years of its qualified research expenditures is $15,000,000. Accordingly, the "minimum university basic research" floor for purposes of the flat rate credit is $150,000 (1% of $15,000,000). The amount of 1985 university research payments in excess of this floor, $250,000, is eligible for the new 20% flat rate credit, for a total flat rate credit of $50,000. Sixty-five percent of the remaining portion of university payments that are below the floor is eligible, as under present law, for the 25% incremental R&D credit.

c. maintenance-of-effort requirement for non-research donations to universities by the taxpayer—

The portion of a corporation's payments to universities for basic research that is eligible for the new flat rate credit is reduced to the extent that the corporation's general (*i.e.*, not designated for research purposes) charitable giving to all universities falls below historical levels (the annual average of undesignated payments for three of the immediately preceding four years as selected by the taxpayer).

2. The proposed legislation adds to the category of qualified organizations to whom corporate payments for basic research are eligible for the credit an organization that is tax-exempt under section 501(c)(3) or (c)(6), is organized and operated primarily to promote university scientific research, and expends on a current basis substantially all of its funds through grants and contracts for such university basic research.

3. The proposed legislation limits the university basic research credit to transfers of

cash, thereby making equipment donations ineligible for the credit.

B. Enhanced deduction in section 170 for corporate donations of scientific equipment to post-secondary schools (sec. 202)

The Act expands the present enhanced deduction in section 170 by means of the following:

eligible uses of the property are expanded to include direct education as well as research and research training;

donations of computer software are made eligible for the deduction;

donations of state-of-the-art equipment used in the taxpayer's trade or business are made eligible for the deduction.

eligible recipients are expanded to include a tax-exempt organization that is organized and operated primarily to conduct scientific research and is not a private foundation.

1. Eligible equipment—

scientific or technical equipment or apparatus that is new inventory in the hands of the taxpayer or is used in the taxpayer's business and is not more than three years old;

computer software developed or purchased by the contributor;

installation equipment and replacement parts.

2. Eligible uses—

substantially all of the use of the contributed property is for direct education of students and faculty, research or experimentation (within the meaning of section 174), or research training in the United States in mathematics, engineering, the physical or biological sciences, or advanced computer science.

3. Eligible donors—

all regular corporations (non-pass-through entities).

4. Eligible recipients—

universities, colleges, junior colleges, post-secondary vocational schools, an association of these institutions, and tax-exempt basic scientific research organizations.

5. Amount of the allowable deduction—

a. new scientific equipment, computer hardware, and computer software—fair market value, limited to the lesser of (i) the sum of basis and one-half of the ordinary income gain that would have been realized by the contributor had the new inventory property instead been sold or (ii) twice basis.

b. state-of-the-art scientific equipment used in the taxpayer's business—the lesser of (i) fair market value or (ii) 150 percent of basis (computed without regard to adjustments for depreciation) less accumulated depreciation.

C. Clarification of exclusion from income of scholarships, grants, and student loan forgiveness received by certain graduate student (sec. 203)

The Act clarifies that scholarships, grants, and students loan forgiveness received by graduate students in all fields will be excluded from such student's gross income, even though he or she is required to perform future teaching services for any of a broad class of institutions of higher education as a condition of receiving such scholarship, grant, or loan forgiveness.

III. EFFECTIVE DATES AND TRANSITION RULE

It is intended that the provision that makes the R&D credit permanent would be effective as of the date of enactment. The other amendments made by the proposed legislation are generally effective for taxable years beginning after December 31, 1985. However, if the taxpayer so elects, the revised definition of qualified research may be applied in post-1985 determination years for purposes of determining base period research expenses for base period years beginning before January 1, 1986. In such case, the base period research expenses for pre-1986 base period years cannot be reduced below a level that would cause growth in qualified research expenses under the new definition to exceed the growth level that would have occurred had the old definition been applied in both the determination year and each base period year.●

TRIBUTE TO PROFESSIONAL ENGINEERS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I would like to pay tribute to an outstanding profession that has made a truly concrete contribution to this Nation—professional engineers.

As you know, this week is National Engineers Week and this year's theme is "Turning Ideas into Reality." In my home county of Suffolk, the professional engineers have turned so many ideas into reality that it is hard to imagine that 25 years ago, much of Suffolk County was still farmland. Suffolk's engineers came up with plans to tackle the roadblocks to the phenomenal growth Suffolk has experienced over the last quarter century.

But the roads, highways, sewers, and electrified railroads are only one aspect of the contribution engineers have made to Long Island. With two major defense corporations located in Suffolk County, the ideas of Suffolk's engineers have literally taken off from the drawing board and into the sky. Long Island engineers designed the lunar module that carried our astronauts to the Moon and the A-10, the most capable close support plane ever built and the F-14, the most sophisticated interceptor in the world. And these engineers remain on the cutting edge of design technology. Recently, the Grumman Corp. test flew the X-29, a new design that can revolutionize fighter aircraft.

These projects and the countless others designed by Suffolk's engineers have helped turn Suffolk into one of the strongest economic areas in the country and I salute them for that.●

AN ALTERNATIVE SCHOOL—AN ANSWER TO JUVENILE CRIME, DRUGS, AND UNEMPLOYMENT

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. EDWARDS of Oklahoma. Mr. Speaker, in response to the continuing rise in the number of high school dropouts, believed to be a definite factor in increased street crime, burglarly, drug-related crimes and drug abuse, in March 1977 a group of Bartlesville, OK, community leaders decided to promote the establishment of an alternative high school. Their efforts resulted in the January 1977 opening of the Bartlesville Alternative High School.

The purpose of the school is to rehabilitate failure-oriented secondary school dropouts, potential dropouts, truants, students on long-term suspension, those chronically involved in juvenile court action, pregnant minors, and those having behavioral problems severe enough to prohibit their participation in the established high school system. In order to fulfill its mission, the staff is carefully selected both as to skill in teaching and skill and experience in dealing constructively with the problems of these failure-oriented students. Each student is given a demanding, individualized course of instruction with emphasis placed on basic education courses, for example, math, English, science, and social studies. Students are monitored closely in small classes, many of which must be geared to more than one level of reading ability because of past failure records of students. The staff is available continuously for counseling and outside professional counselors are brought in for once-a-week group counseling sessions. All counseling is coordinated closely with the Bartlesville School Systems' Psychological Services. Rigid discipline and attendance standards are maintained at the school. When needed, teacher-student contracts, which exactly define teacher expectations and student responsibilities with stated penalty for nonconformance, is used. A gratifying amount of espirit de corp and motivation is achieved in the resulting specialized environment.

Bartlesville Alternative High School has a remarkably high rate of success. These once labeled failure-oriented students receive their high school diplomas, pass graduate equivalency exams and many are mainstreamed into the regular schools. After graduation some seek higher education opportunities. Programs similar to this one turn potential welfare or corrections enrollees into productive, law-abiding citizens and are worth an immense amount to our society. Despite their record, they suffer from funding problems. Program cost are reasonable at an average of $1,187 per student when compared to the $15,000 to $34,000 per year of an incarcerated juvenile. In Bartlesville, the community has scraped to keep this much-needed school through private donations and special allotments from the United Fund. Despite their efforts, lack of funding still remains, and unfortu-

nately may result in possible closure of the school.

I bring the Bartlesville Alternative High School to the attention of my colleagues to point out the need for long-term solutions to the financial problems these programs face. We must group our efforts to help find an answer in lieu of losing such beneficial programs.●

REVOKE NASA MEDAL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. GREEN. Mr. Speaker, there are some injustices which should not go unredressed, and today I am introducing a resolution aimed at one such injustice.

In 1969, Arthur Rudolph was awarded the National Aeronautics and Space Administration's Distinguished Medal for his work on the Saturn V rocket project. Since that time, it has come to light that the Justice Department believes this to be the same Arthur Rudolph who worked thousands of slave laborers to death while he was supervising the production of V2 missiles for the Nazis during World War II.

Rather than face deportation charges stemming from allegations brought by the Office of Special Investigations, Rudolph renounced his American citizenship and returned to West Germany last fall.

Some of the details of Mr. Rudolph's work for the Nazis were recounted in a New York Times editorial of October 21, 1984:

> They (slave laborers) worked in underground tunnels built to protect the missile factory from air attack. Conditions were so appalling that even Albert Speer, Hitler's economics minister, described them as barbarous. "Some of the workers we talked to, grown men, broke down and wept recalling the conditions in that factory," notes a Justice Department official.
>
> There was no heat or ventilation in the tunnels. Living underground, the prisoners worked 12-hour shifts 7 days a week. Beatings and executions were common. On one occasion Mr. Rudolph attended the slow hanging, before the rest of the workers, of 12 prisoners accused of sabotage. Out of a labor force of 60,000, 20,000 to 30,000 were killed.

To award such a person the Distinguished Service Medal NASA is an injustice. To refuse to rescind such a medal, as NASA has done, is an outrage.

A NASA spokesman has been quoted as saying that "to rescind the medal would serve no useful purpose since it has nothing in common with the allegation against him." I strongly disagree. Not only would it serve a useful purpose for the families of those who perished, but it would be an important affirmation by the United States and its agencies that moral outrages and their perpetrators shall not go unpunished.

I invite my colleagues to join me in cosponsoring a sense of the House resolution that the NASA Distinguished Service Medal should be taken away from Arthur Rudolph.●

LEGISLATION NEEDED TO REFORM FORMER PRESIDENTS' BENEFITS

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. YOUNG of Florida. Mr. Speaker, we begin the annual budget and appropriation process this year faced with the prospect of Federal deficits exceeding $200 billion. While no single department of the Government is solely responsible for this situation, my constituents and I agree that one area needs immediate attention. Therefore, today I am reintroducing the Former Presidents' Benefits Containment Act of 1985 in an effort to limit the escalating costs associated with benefits for our former Presidents and Vice Presidents.

Benefits for the three living former Presidents, one Presidential widow, and four Presidential libraries cost taxpayers $29 million in fiscal year 1984, up from $64,000 in 1955. Although I vigorously support the rights and privileges accorded America's highest public office, I am concerned about the increasing costs taxpayers are being asked to pay.

My legislation addresses three important areas. Title I places limits on the number and size of Presidential libraries. It also requires the Administrator of General Services to ensure that no land, building, or equipment is accepted for the purposes of establishing a library unless an endowment has been created which will provide sufficient income to cover all administration and operational costs associated with that library.

Title II places an authorized cap on all staff, office, travel expenses, and communications services. Former Vice Presidents are limited to those services and facilities necessary to winding up their affairs.

Finally, title III calls for limitations on the length of Federal protection provided to former Presidents and their families. Protection of a former Vice President can only be authorized upon written request and based on the finding that a serious threat exists.

Although I have continually supported efforts on the floor of the House of Representatives to reduce funding levels for former President benefits, it is obvious that without comprehensive legislation, the necessary savings will never be achieved. I believe my legislation addresses our legitimate concern for the costs of these benefits while continuing to recognize and honor those who served in America's highest office. I call on my colleagues in Congress to support these efforts and act swiftly on this measure.●

A POSSIBLE METHOD FOR PREVENTING PREMATURE OR UNNECESSARY INSTITUTIONALIZATION: EMERGENCY RESPONSE SYSTEMS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. PEPPER. Mr. Speaker, an important goal of a good health program, one that seeks to provide a high quality of services at the most reasonable cost, is to maintain senior citizens in their communities and in their homes as long as is appropriately possible. Long term care institutions, costly both in human and financial terms, should be the option of last resort.

A very high percentage of our oldest citizens are women who live alone. Approximately half of the noninstitutionalized women in the United States live alone. Approximately 25 percent of women over 85 are currently in nursing homes and this number is likely to increase as the number of individuals over 85 is projected to double by the year 2000.

Many of these older individuals have to be institutionalized when they develop functional limitations that may threaten their health and safety if they do not have immediate contact with neighbors and health and emergency services.

I believe that personal emergency response systems would make it possible to reduce institutionalization and provide seniors with better health as well as reduced health care costs.

In 1982, I was joined by Congresswoman Margaret Heckler, and in 1983, I was joined by Congressman JAMES QUILLEN in introducing legislation designed to expand Medicare and Medicaid coverage for emergency response services. What are emergency response services? An emergency response system has three basic components: First, electronic communication equipment in the home which automatically signals for help over existing telephone lines; second, a community-based 24-hour response center to receive the incoming alarms and send help when required; and third, local emergency response organizations such as visiting nurses, police emergency services or individuals chosen by

the user who agree to respond to specific calls for help.

The emergency response system, in most basic terms, works as follows. If a person is in need of help at home, he or she could press their personal monitor, which is worn, activating the emergency base system at a hospital, health center, et cetera. The system base station will then call the individual to determine the problem. If no response is received, a neighbor with a key to the apartment will be called as well as the appropriate emergency response services. The emergency response will occur within minutes.

Each day the participating elderly person checks in with the base station. If there is no check in within a definite time, usually 12 or 24 hours, the system is automatically activated in order to make sure the person is still able to respond. Thus, he or she is always within contact of the base station in their apartment even if unable to physically reach a telephone.

In 1975, the National Center for Health Services Research supported a study in Boston of an emergency response system among functionally impaired elderly public housing tenants living alone in the Boston-Cambridge area. During a 13-month period, the health care services required by 314 individuals, half using an emergency response system and half not, were carefully evaluated. The experimental and control groups were matched into pairs of similar functional impairment and social isolation levels.

The study found that those elderly using the emergency response system:

Felt more comfortable about living alone and more confident about continuing to live independently;

Required 1 day in a nursing home for every 13 days needed by those not using the system;

Experienced a much lower rate of emergencies—roughly one half that of those not using the system; and,

For those severely functionally impaired and not socially isolated—one-third of the studied population—each $1 spent for the use of the emergency response system produced a net savings of $7.19 in total long-term care costs due to reduced use of institutional and community care.

Several new studies have been reported. One study evaluated the emergency response system in California. It was primarily interested in behavioral responses. The leading reasons for using the emergency response system were falls and chest pain. Families felt less burdened and recipients who were not socially isolated had an improvement in their feelings of security and control of their environment and reduced helplessness. No experimental trial of efficiency was done.

Emergency response systems are mushrooming in the community. One system, the Lifeline Program has been estimated to now include 45 communities with 400 programs involving the monitoring of around 15,000 people. The Lifeline Program has shipped 21,193 units through 1983 and 528 base systems. The total sale price of a unit is $17,500—$20,000, including the base unit and 20-25 home units. Approximately 70 percent of the hospitals using Lifeline have added additional units.

A recent survey noted that most of the systems are centered at hospitals in communities of about 50,000 people, have been operational for 10 months and have 30 home units. The charge is about $10 per month. About three-fourths of programs have no installation charges. Eighty percent of the clients are women and 80 percent live alone. There is an average of eight emergencies per person per year.

State and Federal funding has been obtained in nine States through section 2176 Medicaid waivers. The average cost is $25 to $30 per month. In four States local funding has been used. The Older Americans Act Title II has also spent about $1 million.

Most of the State and community reports are very favorable. There has been no good scientific evaluation of emergency response systems since the original NCHSR study. Other types of emergency response systems are being marketed. There is a perceived need for an emergency response system especially for the frail elderly living alone. The systems will continue to expand and will cost money either to the Medicaid Program, State agencies, Older Americans Act, voluntary organizations or individuals and their families.

There is a critical need for scientific evaluation of these systems. There is a very real probability that the system will be of substantial health and social benefit to frail elderly and possibly reduce institutionalization. A very limited evaluation is being proposed as part of the social health maintenance organization [SHMO] demonstration, but this will not evaluate such a system's efficiency in the community.

The present bill will provide for a good scientific evaluation of both the costs and health benefits of emergency reponse systems. The results of the study will provide a sound basis for the selection of individuals who will benefit from the use of personal emergency response systems, the costs per patient and the rationale for future implemenation of the program.

I urge my colleagues to join me in support of this worthwhile and most timely measure.

Thank you.●

51-059 O—86——8 (Pt. 3)

NATIONAL DRUG EDUCATION ACT OF 1985

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. ORTIZ. Mr. Speaker, I am pleased to bring to the attention of my colleagues legislation I introduced on January 3, 1985, entitled the National Drug and Alcohol Education Act. This bill, H.R. 380, represents many years of work and interest in the problems of drug and alcohol abuse.

As my colleagues may remember, I have spent years working with State, Federal, and local officials to stop the flow of illegal drugs into the United States, and especially my native Texas. As a former county sheriff, I formed a 10-countywide drug task force to try to stop the flow of drugs from Mexico. During the past 2 years as a member of the House Select Committee on Narcotics Abuse and Control, I have spent many hours listening to testimony from law enforcement officials, psychologists and counselors, and educators about drug abuse and what can be done to prevent it. Last year I worked closely with Parent Teacher Associations, parents of drug users, and education agencies to formulate a comprehensive bill that would address these problems. Although no action was taken on my bill in the 98th Congress, I have decided to reintroduce it this year and urge the Education and Labor Committee to take action on it.

I am very grateful for the many comments and suggestions I received from groups around the country who support this bill. There is a national network that has developed to help children with drug and alcohol problems. The assistance and support I received from these groups has been invaluable in spreading the word about my bill. Their comments have been incorporated into this revised bill, which I believe have made it stronger and more appealing to my colleagues in the Congress.

My proposal would provide $30 million over 3 years to the States through a block grant. States would apply for funds to the Department of Health and Human Services and funds would be disbursed on the basis of population. The Federal Government would provide 75 percent of the funds, the States 20 percent, and local school districts 5 percent—which could be in-kind payments such as facilities or equipment.

I believe very strongly that this bill is needed because it targets elementary and junior high school students who may not have experimented yet with drugs, cigarettes, and alcohol. In addition, it recognizes there is a link

between cigarettes and alcohol and the use of drugs. The bill recognizes that education is more effective than either law enforcement or treatment and prevention techniques in stopping drug, alcohol, and cigarette use.

Much of the basis for these premises comes from a detailed, articulate, and thoughtful study published by the Rand Corp. entitled "Strategies for Controlling Adolescent Drug Use." I recommend this book very highly, and hope that my colleagues who share my concern about substance abuse will ask me for a copy of this publication.

There are seven reasons why I believe this bill is needed. I urge my colleagues to consider these points and join me in cosponsoring this legislation. I am confident that there is still time to reach many children who have not yet begun to experiment with drugs.

First, I believe this proposal is worthwhile because it targets a special group of children who have traditionally been ignored by drug education programs in the past. There is growing evidence that drug, cigarette, and alcohol awareness programs aimed at elementary schoolchildren can be very effective. These programs can reach children who have heard about drugs but who have not yet used them. A comprehensive awareness program can dispel the myths about cigarette smoking, drinking, and drugs, and give children the right information that will help them resist the temptation to experiment. It is clear that one program aimed at children from 4th to 12th grade cannot possibly be effective. However, by tailoring these programs and encouraging children in elementary and junior high schools to learn about cigarettes, alcohol, and drugs, we may be forestalling children from making one of the most serious mistakes of their lives.

Second, effective programs at all age levels stress the importance of peer pressure. The Rand study cited before notes that previous education programs failed because they were grounded in incorrect assumptions about why adolescents begin using these substances. New studies indicate that drug use begins in a group setting among peers or relatives and is often perceived as the "adult" thing to do. Peer pressure and the imitation effect are very strong influences on impressionable children. Statistics indicate, too, that young people of all ages and socioeconomic classes use cigarettes, alcohol, and drugs, even children in grade school. A nationwide survey indicates that 50 percent of our fourth-graders believe their peers have experimented with drugs, and 25 percent report significant peer pressure to try drugs or alcohol. To date, Federal, State, and local governments have spent huge sums to detect and apprehend producers and distributors and to treat addicts. But insufficient moneys have been spent on what the Rand study considers the most effective method of curbing drug abuse: education. I believe the evidence is conclusive that a comprehensive education program aimed at the real reasons children use cigarettes, alcohol, and drugs—peer pressure—can be very effective.

A third reason I believe my proposal is needed is because it focuses attention on the relationship between cigarettes and alcohol and the use of drugs. The Rand study provides compelling new evidence that links cigarette smoking among children to early drug use. The authors carefully examined the circumstances that lead young people to experiment with cigarettes, drugs, and alcohol, and concluded that "the same factors that lead to cigarette smoking lead to drug use." The study noted that—

> Generally, an adolescent begins drug use with cigarettes or alcohol. Later, he or she may use marijuana, and still later may go on to other drugs, In effect, each stage appears to be a prerequisite for the others. Therefore, stopping or delaying the onset of marijuana use and cigarette smoking may prevent use of later-stage drugs.

This is a powerful conclusion which contradicts the myth among children that there is no connection between cigarettes, alcohol, and drug use.

Therefore, educators are now suggesting a new approach to preventing first use of drugs by focusing on cigarette smoking and taking into account the social pressures that youngsters feel to experiment with cigarettes, alcohol, and drugs.

This special attention on cigarettes and alcohol is important because data demonstrate a clear relation between smoking cigarettes and using marijuana and other drugs. For example, among all teenagers in 1983, current cigarette smokers were 11 times more likely to be current marijuana users and 14 times more likely than nonsmokers to be current users of heroin, cocaine, and/or hallucinogens. At least 1 in every 16 high school seniors is actively smoking marijuana on a daily basis, and fully one in five has done so for at least a month at some time in their lives.

Alcohol is also being abused by our young people. About 1 in 16 seniors is drinking alcohol daily, and 41 percent have had five or more drinks in a row at least once in the past 2 weeks. An estimated 3.3 million drinking youths aged 14 to 17 are showing signs that they may develop serious alcohol-related problems. Drunk driving is the leading cause of death among 15- to 24-years-olds.

These statistics are shocking and have helped focus attention on the seriousness of alcohol and tobacco abuse.

A fourth factor my bill considers is drug use among minority students. Poor and minority students frequently do not have the money to buy conventional drugs, and therefore use nontraditional substances, such as inhalants, as a means of getting high. My bill requires that educators recognize these practices and address the special needs of these students. This is particularly a problem for American Indian and Hispanic children across the Southwest and in our inner cities. It is imperative that educators recognize the role that these nontraditional stimulants play among minority children.

Fifth, our country has spent billions of dollars to try and stop the flow of illegal drugs into the United States. There is also the cost to society in nonbudgetary expenses. For instance, drug abuse costs this Nation $100 billion annually, of which an astonishing $70 to $80 billion is attributable to drug-related crime and corruption, and $15 to $20 billion is attributable to the impact of drug abusers on the health care, law enforcement, and judicial systems, the employment market, and the general welfare and social service systems. The annual financial burden of alcoholism and alcohol problems is about $120 billion each year. We cannot afford this drain on our economy and judicial system. A prevention and awareness program begun at an early age can have a lifetime effect, not only for the children, but also for our entire society.

Sixth, this proposal requires that decisions about awareness and education programs are best made at the local level. Therefore, the Department of Health and Human Services would disburse the money to the States according to population. The State and local educational agencies would contribute 30 percent of the cost of the programs. The local educational agency receiving these moneys must develop a drug, alcohol, and tobacco educational program that meets the following criteria:

Assesses the problems and current educational programs, if any, designed to address such problems;

Outlines specific plans for providing or improving instruction on drug, alcohol, and tobacco use;

Describes the goals that are to be achieved by the drug education program, and provide an annual report on progress in obtaining these goals;

Estimates the cost of the program and gives assurances that the local educational agency will pay 5 percent of the program's cost; and

Provides procedures to ensure a proper accounting of Federal funds paid to the applicant under this act.

I believe this will provide the Federal Government with the necessary assurances that the money is well spent and will give local school districts the opportunity to tailor its programs to the specific needs of the children in their communities.

Finally, the bill would require that schools use all the resources at their disposal to teach children about substance abuse. That means that local law enforcement officials, Federal narcotics agents, and others involved in stopping the sale of drugs should talk with students. Psychologists and drug counselors who treat addicts should tell students what drug abuse is really about and how it affects their health and well-being. And, finally, clergymen, parents, businessmen, and any others with experience in drug education should be brought together with students to discuss what tobacco, alcohol, and drug abuse does to the individual and his family. These are important resources that can complement the classroom text training and make the evil of substance abuse more real for the students.

I have been very encouraged by the broad bipartisan support my proposal received in the 98th Congress. I feel confident that the bill I am introducing today will receive favorable consideration by my colleagues on the Education and Labor Committee. I urge those who share my concern about cigarette, alcohol, and drug abuse to review my proposal and join me in cosponsoring it.●

CAPITAL PUNISHMENT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. GEKAS. Mr. Speaker, during the 98th Congress I introduced a measure to amend the United States Code to authorize the imposition of the sentence of death for the crimes of homicide, treason and espionage. Since that Congress did not pass any capital punishment provisions I reintroduced my proposal as H.R. 343 on the first day of the 99th Congress.

In 1972, virtually all of the death penalty statutes in the country were nullified by the U.S. Supreme Court with its landmark decision of Furman versus Georgia. In that case, the Supreme Court stated that State death penalty statutes which leave to the unguided discretion of the judge or jury the determination of whether the death penalty should be imposed are unconstitutional.

In the decade since the Furman decision, two-thirds of the States have enacted laws to restore the availability of the death penalty as a sanction for the most serious crimes when committed under particularly reprehensible circumstances. During this same period, the Congress has on several occasions considered legislation to provide constitutional procedures that would permit the restoration of the death penalty to the Federal criminal justice system, but with the exception of a death penalty provision included in antihijacking legislation in 1974, no such statute has been passed by the full Congress. During last session, the Senate Judiciary Committee reported to the full Senate a death penalty measure but consideration ended there.

A substantial majority of the American public believes, as I do, that the imposition of the death penalty can and does act as a deterrent to the violent and heinous crimes of homicide.

I would hope that the 99th Congress will respect and reflect the wishes of its constituents and enact this death penalty statute.●

DIAMOND JUBILEE OF SISTER FABIAN DOONAN

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MOLINARI. Mr. Speaker, it is a great pleasure and honor for me to rise today in order to pay tribute to Sister Fabian Doonan, O.S.F., as this year she celebrates her diamond jubilee of 75 years of service in the convent.

Sister Fabian Doonan was born in Ireland (County Leitrim) and came to the United States as a young girl. She entered the Franciscan Sisters of Allegany in the fall of 1909 at the motherhouse in Allegany, NY. After receiving the habit on August 2, 1910, Sister Mary Fabian entered into a 2-year novitiate which she completed with the profession of her simple vows on August 15, 1912.

Sister Fabian Doonan came to St. Anthony's Convent in New York City in 1935 after teaching at schools in Buffalo and Rome, NY and Winated, CT. She continued her teaching career in New York City at St. Anthony of Padua Grammar School where she devoted herself to her students for 35 years. In the years that followed her formal teaching career, she continued her service as a tutor for many students.

Sister Fabian's 75 years of service to others stands as an inspiration to all she has touched. It is not often that one encounters such an example of lifelong devotion, commitment, and faith. As Sister Fabian looks back on her 75 years in the convent, she can certainly be proud of the life she has led and the love and happiness that she has brought into the lives of others.

Mr. Speaker, I am glad to bring the achievements of this devoted and remarkable woman, Sister Fabian Doonan, to the attention of my colleagues in the House.●

MINORITY INVESTMENT ACT OF 1985

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. RANGEL. Mr. Speaker, today, I am introducing the Minority Investment Tax Act of 1985 [MITA]. This legislation is designed to encourage the development of a viable minority business community by providing the necessary tax incentives to encourage investment in businesses owned and operated by socially and economically disadvantaged individuals.

MITA provides for the deferral of the capital gains tax when a taxpayer elects to use the proceeds to purchase stock from a qualified minority investment fund company. The qualified investment fund company is similar to a mutual fund company. However, the minority investment fund is required to invest proceeds in minority firms as defined within section 8(d) of the Small Business Act. Under section 8(d), generally, a small business concern is defined as a for-profit business enterprise, whether a corporation, partnership or other business entity of which 51 percent or more is owned by a socially and economically disadvantaged individual.

During recent tax debates it was successfully argued that lower taxes on capital are essential to meet the economic challenges of the 80's to provide greater business and job opportunities. The provisions of MITA are an attempt to provide a creative solution to the economic challenges of the 1980's.

It has been argued that since the passage of two tax bills, the Revenue Act of 1978 and the Economic Recovery Tax Act of 1981, the risk-taking climate for investors has improved. In August of 1982, the General Accounting Office issued a comprehensive report on the venture capital industry. A significant finding of the report concerning investment activity was: Venture capitalists believe the growing availability of venture capital is a direct result of reducing the capital gains tax for individuals from 28 to 20 percent in 1981. Despite these tax incentives, minority businesses have not experienced a dramatic increase in the availability of venture capital. While the vast majority of businesses were benefiting from the improved climate of risk-taking entrepreneurial activity, most minority businesses were left out.

We believe that this bill provides investors with the incentive they need to invest equity capital in the minority community. I trust that this legislation will receive the early and favorable attention of the Congress.●

H.R. 1186

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, I have introduced legislation, H.R. 1186, that will make the formula for determining the amount of Social Security benefits subject to taxation more fair and consistent with tax policy.

In the Social Security Amendments of 1983, Congress subjected Social Security benefits for higher income recipients to taxation. The law states that if a recipient's income level exceeds the base amount of $25,000, in case of an individual, and $32,000, in the case of a joint return, then gross income includes the lesser of one-half the Social Security benefits received or one-half the excess of modified adjusted gross income plus one-half the Social Security benefits over the base level.

Income level is determined by adding one-half the Social Security benefits received to the recipient's modified adjusted gross income. "Modified adjusted gross income" means adjusted gross income increased by the amount of interest received by the taxpayer which is tax-exempt. This is where the unfairness in the law exists and I propose that the tax-exempt interest portion of the definition be deleted.

It is inconsistent tax policy to include tax-exempt income in the determination of taxable income. By using tax-exempt income in computing one's income level, you are penalizing the recipient for having this income. The recipient is penalized because his tax-exempt income could determine whether his Social Security benefits are subject to tax by pushing his income level over the base level. When taxable income is determined for income tax purposes, tax-exempt income is just that and the taxpayer is not penalized for having that income. This policy should remain consistent with regard to the taxation of Social Security benefits.

The following example should illustrate the position:

If a Social Security recipient has an adjusted gross income of $20,000, Social Security benefits of $10,000 and tax-exempt interest income of $10,000, then the recipient will have to include $5,000 in gross income. $20,000 (AGI) plus ($10,000 × ½) (SS) plus $10,000 (TEI) equals $35,000, $10,000 over the base level. One-half the Social Security benefits or one-half the excess over base equals $5,000.

If the tax-exempt interest income is excluded from the Social Security tax formula, as it is in determining regular income tax, then the recipient would owe no tax and not be penalized for his tax-exempt income. The adjusted formula would include $20,000 (AGI) plus ($10,000 × ½) (SS) and equal $25,000, an income level within the base amount.

The above analysis supports the position that the Social Security taxation formula for higher income recipients would be more fair and consistent if tax-exempt interest income was not included in it. It would not exclude from taxation recipients whose taxable income levels exceeded the base level. I urge all Members to consider H.R. 1186 and lend their support.●

CONGRATULATIONS TO THE NORTHEAST TIMES

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. BORSKI. Mr. Speaker, I rise to call to the attention of my colleagues the 50th anniversary of the funding of the Northeast Times, a well known community newspaper in the Third Congressional District.

Over the past 50 years, the Northeast Times has become a tradition in the community and I congratulate the paper's owner and publisher, Eleanor Smylie, its editor, Marilyn Schaefer, and the paper's staff on this anniversary.

The Northeast Times is a fitting testimony to the success of the family-owned community newspaper. This local publication was founded in 1934 by the late Richard Thorpe Lawson, who produced the paper on a hand-press in his basement. It originated as a one-page publication with a circulation of 500. Today, due largely to the continuing efforts of Mr. Lawson's widow and son, Eleanor and Robert Smylie, the Times is comprised of 7 editions distributed to over 117,000 homes in Northeast Philadelphia.

The success of the Northeast Times can also be attributed to the fact that the paper is owned, managed, and staffed primarily by residents of the community. As a result, the paper has reflected the unique character, spirit and concerns of the northeast for the past 50 years. During that time, the Times has maintained a tradition of the highest standards of journalistic excellence, and has faithfully served the needs of its loyal readership and the public interests of the community as a whole.

Again, Mr. Speaker, I salute the Northeast Times on its 50th anniversary and wish this fine newspaper continued success in the pursuit of its commitment to northeast Philadelphia.

SENATE—*Friday, February 22, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 8 a.m., on the expiration of the recess, in executive session, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Loving Father in Heaven, we invoke Your gracious presence in this place this morning. The Senators have been under great pressure through a long day and hard night. Strong minds—profound concerns—deep convictions have met in exhausting confrontation like irresistible force colliding with immovable object. Make known Your reconciling grace. Give special wisdom and patience to our leaders and direct Your powerful public servants to equitable and just resolution.

Blessed Lord, dissolve anger—relieve frustration—relax tension—and give peace about disappointment because of aborted plans. Fill this place with Your love and prove that You are not a God far off and unmoved—but one Who is present and involved. For the welfare of all to the praise of Your glorious grace. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SENATE SCHEDULE

Mr. CHAFEE. Mr. President, under the standing order, the two leaders will have 10 minutes each. I will reserve my 10 minutes and inquire whether the distinguished acting minority leader wishes to use his 10 minutes.

At the same time, if I might proceed 1 minute, after this there will be special orders in favor of the following Senators, not exceeding 15 minutes each: Senator SPECTER, Senator PROXMIRE, and Senator BOREN. Following that there will be a period for the transaction of routine morning business not to extend beyond the hour of 9:15 a.m., with statements limited therein to 5 minutes each.

Following morning business, the Senate will automatically resume the Meese nomination in executive session.

I would stress that rollcall votes are expected during today's session and could occur as early as 9:30 or 10 o'clock. Also, votes are expected throughout the day and late into the evening.

Finally, the majority leader announced last night there is a good possibility that the Senate could be in session tomorrow, Saturday.

I reserve the 10 minutes, as I mentioned.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The distinguished acting minority leader is recognized.

Mr. PROXMIRE. Mr. President, I want to thank my good friend from Rhode Island for all that good news. It means we are going to work at last and I welcome that.

THE NEW LIMITS ON STAR WARS DEPLOYMENT

Mr. PROXMIRE. Mr. President, we are now told that in the next 6 years the Congress will be asked by the administration to appropriate $30 billion—not $25 billion, but $30 billion—for Star Wars research. That is a fat 20-percent hike from the estimated $25 billion cost of star wars research up until last Wednesday. And it constitutes a 20-percent bigger reason to say "No" to this massive downpayment on the trillion dollar "impossible dream."

But the Thursday, February 21 edition of the New York Times carried a front page story by Bernard Gwertzman that constitutes a far more convincing reason not to appropriate all this additional money for the strategic defense initiative or Star Wars. Gwertzman reports a speech delivered by Paul Nitze, the Reagan administration's senior arms control adviser. That speech was made before the Philadelphia World Affairs Council. That speech outlines a series of conditions this antimissile system must meet before the Reagan administration now says we should proceed with deployment. Obviously, if Mr. Nitze is outlining the administration's position this would mean that unless star wars meets these conditions, the $30 billion in additional research funding asked by the administration would be totally wasted. The star wars research without deployment would buy nothing but a $30 billion increase of the national debt.

So these conditions outlined by Mr. Nitze drastically change the focus of the debate on whether the Congress should or should not appropriate the $30 billion for antimissile research. Until now the argument has been that the Defense Department space weapons experts have developed antimissile weapons that have succeeded on occasion in finding and knocking out missiles launched into space, and that in time the system could be expected to develop to a point, using layers of defensive weapons that would stop an increasingly high percentage of ICBM's launched at targets in this country, and therefore, according to the administration, we should go ahead with it. In his Philadelphia speech, Mr. Nitze changes all this. He does so by setting forth two conditions SDI must meet before this country would proceed to deployment.

First, the defensive weapons we deploy in space must be survivable. That is they must not be vulnerable—that is subject to destruction by enemy missiles, or other methods. Second, Mr. Nitze says that the star wars defense must be cost effective at the margin; that is, they must be cheap enough to add additional defensive capability so that the other side has no incentive to add additional offensive capability to overcome the defense.

Well, Mr. President, what is wrong with that? First, it represents a distinct advance on any previous requirements the administration has specified for this immense expenditure. For this the administration and Mr. Nitze deserve credit. I congratulate them. The conditions Mr. Nitze sets forth are certainly essential. SDI must meet them. But can they be met? It will not be easy. They will be very hard to meet. They will be even more difficult for the Congress to decide whether or not the Nitze conditions can be met and therefore whether or not to go ahead with the $30 billion funding of research.

How do we determine whether the SDI deployed defense will be vulnerable? We may accept assurance that it is not vulnerable to any offensive weapons the Russians may have today. We may be convinced that the Soviet's current ICBM's cannot penetrate the SDI defense. But how do we determine whether Soviet nuclear weapons experts challenged by this defense will not come up with ingenious new weapons that can make the defense vulnerable? The problem is that military weapon dynamism has been and will

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

always be a two-way street. The offense has always been and will continue to be as ingenious as the defense. Every defense against military weapons developed in the past; the Wall of China, the castle moat, the Maginot Line, coastal guns, fixed fortications have simply challenged the offense to find a solution. The offense has always found it.

And how do we determine whether star wars can meet the second Nitze criteria? How do we determine whether the Star Wars defense will cost less than the offensive system that can overcome it?

Hans Bethe, the Nobel prize winning nuclear arms expert who supervised the development of our first nuclear weapons, has said that the offense can easily and cheaply overcome Star Wars by overwhelming it with more and more offensive missiles or underflying it with entirely different delivery systems. The second Nitze criteria would not deny that. It would require that any such overwhelming or underflying would cost more than the cost of the defensive missile system that would prevent it.

Of course, this is an excellent criteria. But think what it requires. It requires the Congress to determine whether the antimissile defensive system will not only cost less than an increase in the present dominant Soviet land based ICBM's which increase would be sufficient to overwhelm the SDI system. It also requires the Congress to judge whether SDI will cost less than the Soviet production of new offensive missiles with hardened skins and decoys that might overwhelm the SDI defense. We also would have to determine whether we could develop a defense against the underflying cruise missiles and bombers and submarines, against which SDI could not defend and whether that defense would be cheaper than the cost to the Soviets of producing additional cruise missiles, submarines, and bombers.

Mr. Nitze and the Reagan administration have come up with what could become two useful tools to determine whether or not we should proceed with Star Wars. The burden of proof must now lie squarely on the administration to prove the case based on these two standards for SDI: its invulnerability and its relative economy. Before the Congress proceeds to sink $30 billion more into star wars research we should insist that the administration show that there is at least a reasonable chance that the SDI deployment can meet these new standards.

Let me repeat those standards. The burden of proof must now lie squarely on the administration to prove the case based on these two standards for SDI: its vulnerability and its relative economy. Before the Congress proceeds to sink $30 billion more into star wars research, we should insist that the administration show that there is at least a reasonable chance that the SDI deployment can meet these new standards.

Mr. President, I ask unanimous consent that the article to which I have referred from the February 21 edition of the New York Times by Bernard Gwertzman be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINIMUM GOALS SET ON SPACE WEAPONS

(By Bernard Gwertzman)

WASHINGTON, Feb. 20.—Paul H. Nitze, the Reagan Administration's senior arms control adviser, outlined a set of stringent conditions today that he said should be met before the deployment of new defensive weapons in space.

Among these conditions, he said, was that the technology "must produce defensive systems that are survivable," able to withstand a pre-emptive nuclear attack. Otherwise, he said, "the defense would themselves be tempting targets for a first strike" and this would "decrease, rather than enhance, stability."

He also said the new systems must be "cost-effective at the margin, that is, they must be cheap enough to add additional defensive capability so that the other side has no incentive to add additional offensive capability to overcome the defense."

AIMS TO SHIFT FROM OFFENSE

If it was more economical to produce new offensive systems to offset the defensive shield, he said, this would "encourage a proliferation of countermeasures and additional offensive weapons to overcome deployed defenses, instead of a redirection of effort from offense to defense."

The Soviet Union, in criticizing the Administration's space research program, has argued that any new defensive weapons could have an aggressive purpose, to shield the United States while it attacked the Soviet Union. It warned that this would force the Soviet Union to develop new offensive weapons to counter the American program.

In his remarks, before the World Affairs Council of Philadelphia, Mr. Nitze sketched the way he believed that future arms control negotiations and space defense development should be handled in coming decades. The text of the speech was released in Washington.

$30 BILLION SET FOR RESEARCH

He said that even if it was technically feasible to develop and effective shield against missiles, the goal of President Reagan's $30 billion research plan for the next six years, such "demanding" conditions would have to be met before any defensive systems were deployed.

Mr. Nitze, who is the most experienced arms control expert on the Administration's negotiating team, has been consistently cautious about the prospects for any progress in the newest round of talks with the Russians, which resume in Geneva on March 12. He said today that the United States did "not expect the Soviets to accept immediately our viewpoint or our concept as to how the future strategic relationship should evolve."

"We do not underestimate the difficulties in reaching that objective," he said. "Quite frankly, it may prove impossible to obtain and, even if we do eventually reach it, it will not be for many, many years, perhaps well into the next century."

The Administration's objective, as described by Mr. Nitze, is to seek elimination of nuclear weapons over the next several decades. He said at least the next 10 years should be spent in maintaining the policy of deterrence through the threat of ultimate nuclear retaliation.

But at the same time, he said, the United States will press in this period for "radical reductions in the number and power of strategic and intermediate-range nuclear arms," and will seek to prevent "erosion" in the existing treaty on antiballistic missiles, which limits each side to 100 ABM's in one area of its country.

SOVIET RESEARCH EXPECTED

In this period, research would be pursued on the space weapons program, called the Strategic Defense Initiative by the Administration and "Star Wars" by some others. He said he expected the Soviet Union to continue its research also in that field.

Should research into a defensive system prove feasible, he said, there should be a transition period lasting perhaps several decades, in which both sides would begin to mix defensive and offensive weapons, placing "greater reliance on defensive systems."

Other Administration officials have said the main question was whether it was technically feasible to build an effective system, but Mr. Nitze went beyond that.

"The criteria by which we will judge the feasibility of such technologies will be demanding," he said, outlining the requirements that they be able to survive an attack and be inexpensive enough to make it to expensive to produce new offensive systems.

"If the new technologies cannot meet these standards," he said, "we are not about to deploy them."

HOPE FOR SCIENTIFIC GAINS

"In that event," he said "we would have to continue to base deterrence on the ultimate threat of nuclear retaliation. However, we hope and have expectations that the scientific community can respond to the challenge."

He said the United States envisaged this "transition period" as one of "cooperative endeavor" with the Soviet Union. "We would, for example, envisage continued reductions in offensive nuclear arms," he said.

At the same time, he said, "we would envisage the sides beginning to test, develop and deploy survivable and cost-effective defenses at a measured pace, with particular emphasis on nonnuclear defenses."

"Deterrence would thus begin to rely more on a mix of offensive nuclear and defensive systems, instead of on offensive nuclear arms alone," he said.

A MYSTERY OVER MENGELE

Mr. PROXMIRE. Mr. President, briefly on another subject, Mr. President, United States intelligence documents that were recently declassified indicate that Josef Mengele, the infamous Butcher of Auschwitz, may have been captured and released in the American occupation zone of Vienna after World War II. This shocking news preceded a conference in Israel

intended to review the atrocities of Mengele in the hope that they will never be repeated.

The documents, obtained through the Freedom of Information Act, include a letter dated April 26, 1947, by a special agent of the United States Counter Intelligence Corps in Germany. Writing to a commanding officer in Vienna, the agent spoke of information received by his office suggesting that Mengele recently had been captured and released in the American zone. Unfortunately, four other documents which may expound on this information have been withheld for reasons of national security.

Dr. Mengele's hideous past, however, is not shrouded in secrecy. He is the most notorious Nazi war criminal still at large. His freedom remains a stain on the moral fiber of the world. He is wanted for crimes which include sorting out arriving prisoners for immediate death, throwing live children into fires, and conducting draconian experiments on twins and dwarfs. But this demented man has remained free, most likely in Paraguay.

The fact that Dr. Mengele has escaped punishment is a tragedy we cannot ignore; the fact that the United States may have allowed him to slip through our fingers is a dishonor we can only hope never to repeat. It is time to move into a new era in which the slaughter of different peoples is relegated to history books or punished. In the pursuit of this ideal, I urge the Senate to ratify the Genocide Treaty.

ORDER OF PROCEDURE

Mr. PROXMIRE. I reserve the balance of the time. Mr. President, in view of the fact that I have had the leader's time, I yield back the time reserved for me under the special order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The distinguished acting majority leader is recognized.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the time now be charged against the special orders in the order listed. In other words, Senator PROXMIRE, having yielded back his time, the time would be charged against Senator SPECTER, and then against Senator BOREN's time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, Senator SPECTER is prepared to yield back his 15 minutes under the special order. So that time can be dispensed with, and canceled.

Mr. PROXMIRE. Mr. President, will the Senator yield? Just as a matter of comity, I want to cooperate. I am not interested in delaying the vote on Mr. Meese. I would like to have a vote as soon as possible on that. However, in fairness to Senator BOREN, I hope we will not start running his time until 8:30. After all, he did expect to have the last order. We are now canceling the second one of those.

Mr. CHAFEE. I think that is perfectly fair.

Mr. President, I ask unanimous consent that at 8:30 the time thereafter be charged against Senator BOREN's special order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BOREN. Mr. President, parliamentary inquiry. Are we now in morning business in which any Senator may speak?

The PRESIDENT pro tempore. There is not a period for morning business.

Mr. CHAFEE. Mr. President, the Senator's special order time has been used, but I would be glad to yield him 8 minutes of the time that I had.

The PRESIDENT pro tempore. Time has been yielded to the Senator.

Mr. BOREN. I thank the Chair, and I thank the Senator from Rhode Island.

AMERICA'S FARM CRISIS

Mr. BOREN. Mr. President, we of course over the last several days have been negotiating in an attempt to deal with the economic crisis which is now facing agriculture in the United States, a crisis which very clearly not only impacts the farmer but which threatens to impact the entire economy. I think it is very clear from the examples I gave on the floor yesterday, examples drawn from the experience of one county in Oklahoma, Tillman County, that when you have a collapse in the agricultural sector it rapidly means vacant businesses on main street, increases in small business bankruptcies; that it begins to ripple throughout an entire community. It is also clear when one farmer is forced into foreclosure, it is not only that farmer who is impacted; immediately the land values of the neighboring farm fall. The farmer who perhaps is totally debt free, the farmer who has been free of economic problems in the past is now severely impacted as his land values fall. What he has worked a lifetime to save in terms of appreciated value of his farm is beginning to be wiped out.

So, Mr. President, myself and others have felt it very important that we turn from the other business before us and focus attention on the plight of the American farmer and the threat that the problems of agriculture pose to the rest of the economy. We have not taken this action lightly. As I have said, I can understand the feelings of the nominee for Attorney General and those who support his nomination. In fact, I am among those who intend to vote for the confirmation of the nominee that will be before us again this afternoon. Therefore, I do not lightly employ the parliamentary tactics which I and others have been employing for the past several days.

I do not lightly impinge upon the time of my colleagues or ask that action on the nominee, who has waited for some time for his nomination to be confirmed, should be postponed a little longer. I do so because I earnestly believe that there is no more important matter before the country right now than dealing with this economic crisis.

Frankly, I am encouraged by the progress we have made already. Before we began this action and before we served notice by letter that we intended to employ these parliamentary tactics, I did not see much progress occurring in terms of dealing with the problems of the American farmer. I have to say that it is with great satisfaction that I see the movement that has already occurred.

There were good faith negotiations on both sides yesterday, progress was made, and there are press reports this morning that there are those in the majority in the Senate who intend to urge the Secretary of Agriculture to proceed to implement the proposals he made yesterday and the offers of action which he made to a group of us negotiating with him yesterday. I think that is a great victory for those of us who have wanted to see action taken. I believe it is a step in the right direction.

I hope that the Secretary of Agriculture will move immediately to begin the transfer of funds necessary to assure that adequate funds are available for loan guarantees, that adequate funds are available for direct operating loans to farmers who need it. I hope we will go ahead, since he has discretionary authority to do it, and implement the requirement that the Farm Home Administration respond to

lender designations under the loan guarantee program within 15 days, as we suggested yesterday in the negotiations. I hope he will immediately begin, as we talked about yesterday, weekly reports to Congress on the number of loan applications made, the number of applications processed, and the disposition made of those loans.

All those actions and others that were discussed at meetings yesterday would be a step in the right direction. I think it would represent significant progress for the farmer.

Mr. President, I regret that it has been necessary for us to go to such lengths to put the problems of the farmer on the front burner in terms of action and attention by both the administration and Congress, but it would have been well worth it if we had accomplished only what we have accomplished thus far in terms of concessions made by the Secretary to agree to start some of these actions. However, more remains to be done.

We hope to continue our negotiations today, to continue the debate today, in an effort to make further progress. I do not think we should stop speaking and debating and employing the parliamentary tools available to us until we are sure that we have accomplished everything we can possibly accomplish in terms of dealing effectively with the economic crisis, until we are sure we have done everything to fashion a program that will help every farmer who deserves our help, every farmer who will have a chance to make it realistically if he is given an opportunity for debt restructuring.

I do not think we should stop until we are sure we have done everything we can, without adding to Government deficits, to get as much cash as possible flowing into our rural areas, through the farms and the small communities which are now so depressed, and do so in a way that will have minimal budgetary impact. Until we have done that, until we are sure that we have accomplished everything we can for the American farmer and the American economy, I think we should proceed with our discussions and our debate.

I earnestly hope we can make more progress. I hope we can make enough progress that the nomination which has been pending before the Senate for the past several days will be acted upon, perhaps even before the end of this day. Nothing would please me more or give me more satisfaction than to say that we had fashioned the best possible program for the American farmer, that we have provided help that will really be effective, and that we can now move on to other business in the near term, while we await coming back to the long-term solutions for agriculture a few weeks from now.

Mr. President, I appreciate those who have assisted me in the efforts we have made. I appreciate those who have taken time to come to the floor and speak. I say to them that they have made a very significant contribution to the process and to the progress we have already made.

I earnestly hope that the reports I read in the press this morning are true, that the Secretary of Agriculture will proceed. Since he has discretionary authority, he should do it on his own. It should not require pushing and prodding from any Member of the Senate or people in any other sector. He should go ahead on his own to implement all the actions he can take to help the farmer.

Meanwhile, we will continue to push for additional actions that we think would fashion an even more effective program.

I also hope that we in the Senate will have an opportunity to pass judgment, through our votes, through our own input and our discussion on the floor of the Senate, on any additional proposals that may be made in the House of Representatives or elsewhere that might improve and make more effective the package on which we have been negotiating over the past several days.

Let it be clear that our aim is not to make a political statement. Our aim is not to play parliamentary games. Our aim is not to play politics. I think I speak for those on both sides of the aisle who have been negotiating with earnestness over the past several days. Our aim is to deal with a critical American problem, to deal with it constructively, and to help fashion a solution to that problem before it causes serious harm to the rest of our economy. That is an effort which, in conscience, I and others feel must continue; it is an effort on which I hope we will have success.

I appreciate all who have helped on both sides of the aisle in terms of continuing with the negotiations and with the parliamentary efforts on the floor that assure that we focus all the attention necessary to solve this problem.

I thank the Senator from Rhode Island for yielding to me.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, are we in morning business?

The PRESIDENT pro tempore. We are in morning business.

Mr. CHAFEE. Mr. President, may I interrupt for a moment?

Mr. MELCHER. I yield.

The PRESIDENT pro tempore. The Senator has 5 minutes.

Mr. CHAFEE. Morning business will end at 9:15, as I understand it.

The PRESIDENT pro tempore. That is correct.

Mr. MELCHER. Mr. President, I ask unanimous consent that the time I consume in addition to the 5 minutes be charged against the leadership's 10 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE FARM CREDIT CRISIS

Mr. MELCHER. Mr. President, as we review President Reagan's news conference, regarding his comments last night on the farm credit crisis seem to be completely out of tune with the facts. It raises this question: Is the President being stonewalled?

He does not seem to be aware of the needs and the urgency of those needs for farmers to get their loans renewed in order to have a line of credit so that they can buy the seed, the fertilizer, and the fuel to put in a crop. Fifteen percent of the farmers of this country are threatened with liquidation or foreclosure.

Secretary Block has been expounding in the past few weeks on a market-oriented farm policy, and that simply means that farm commodity prices should be lower so that we can sell more of our commodities abroad. That is a preposterous theory—I repeat that is a theory—that additional commodities could be moved abroad by reducing farm prices even more.

I hasten to comment that what additional farm commodities can be moved abroad will be through food aid or concessionary sales or barter. Secretary Block recognizes concessionary sales but has blocked—no pun is intended, but is it appropriate—he has blocked food aid or slowed it down.

Under the broadened 416 program, we have found that the Secretary has been absolutely thwarting the disposal of surplus commodities that are available under that program.

Those are dairy commodities and wheat products from the United States. Under 416 both of these commodities are available for donation to countries that need them.

He has established not a benign but a malignant attitude on the use of section 416. Secretary Block has, apparently with White House backing, developed the policy of terrible neglect of utilizing 416 food aid. Examples of this are Africa, the Philippines, and other countries. He has instructed the Department of Agriculture, with the connivance and agreement of David Stockman's Office of Management and Budget, to refuse any consideration of section 416 applications for food aid.

The private voluntary agencies, the largest of them all, Catholic Relief Services and CARE, have been told not to make such applications. The Department of Agriculture and OMB, sitting in their canary seats as part of the triumvirate along with AID that must approve 416 applications have put out the word that none of these applications will be approved. What has happened is that the largest quantities of good surplus food that can be made available for food aid, that is, milk, cheese, and wheat, will be held apart from food aid under the broadened and most flexible off-budget food aid program that this country has, that is section 416.

This is ridiculous. It defies all common sense. It is inhumane. It has slowed humanitarian relief for hungry, starving, or malnourished people around the world. Is this policy going to continue, this stoic attitude toward utilization provided under the law and refuse to make these commodities available for food aid under 416?

Is it any wonder that many of us question the true intentions of the administration in meeting the emergency that faces farm producers and their needs for immediate credit relief?

I remind the Senate, Mr. President, that disposal of our surplus commodities for beneficial uses abroad is one of the best ways to assure that there will be a turnaround in the prices that our farmers receive for the commodities they produce.

The President said last night that there were adequate funds for emergency credit available, that is $600 million, and that was enough for debt restructuring.

The facts are: That is not so. That is not true. That is not enough. It has been clearly established that $3.5 billion is needed in loan guarantees for banks and the farm credit system to be able to meet the credit crisis that faces the 15 percent of American farm producers whose lines of credit are in jeopardy now. We do not have to debate that point. That has been established.

Why does the President not know that? Is he hard lining this issue? If so, it looks like it will be a long day here on the Senate floor.

Mr. President, I reserve the remainder of our time and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WARNER). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO ANHEUSER-BUSCH'S INITIATIVES TO COMBAT ALCOHOL ABUSE

Mrs. HAWKINS. Mr. President, in recent years, we have witnessed growing awareness and concern among our constituents over one of the most important social issues confronting America today: alcohol abuse. It is a problem which can affect us in so many ways—in family and personal problems, in lost business productivity, and in the highway death toll.

Recently, our Subcommittee on Alcoholism and Drug Abuse conducted hearings to study possible links between alcohol abuse and the advertising for beer and wine in the broadcast media. We learned quite a bit about the marketing of beer and wine, and we also learned about the diligent efforts of many brewers and vintners to do their part in combating abuse and overconsumption.

In this regard, I took particular note of the efforts of Anheuser-Busch Cos., Inc. In my home State of Florida, we are proud to count Anheuser-Busch among our leading corporate citizens; the company operates breweries in Tampa and Jacksonville, a can plant in Jacksonville, a lid plant in Gainesville, a can recycling facility in Cocoa Beach, and the Busch Gardens entertainment complex in Tampa.

I have always been impressed by Anheuser-Busch's economic contribution to Florida and to other States; I am now equally impressed by Anheuser-Busch's overall recognition of the alcohol abuse problem and its corporate commitment to encouraging responsible use of their products, and to combating the problems of alcohol abuse. In material submitted to the subcommittee, Anheuser-Busch detailed a lengthy list of programs, contributions, and policies which I feel are having a significant impact in reducing the problems of abuse. I would like to bring to the attention of my colleagues a few of the more noteworthy efforts:

Students Against Driving Drunk [SADD]: A national program which uses peer pressure to effectively discourage drunk driving among high school and college students. Anheuser-Busch is the major corporate sponsor of this independent organization.

Training for intervention procedures by servers of alcohol [TIPS]: A program through which waiters and bartenders are trained in the techniques of recognizing intoxication and intervening effectively. Anheuser-Busch wholesalers are implementing this program.

Know when to say when: A national education compaign developed by Anheuser-Busch which urges consumers to drink responsibly. It is being implemented throughout the Anheuser-Busch wholesaler family.

The buddy system: A nationwide campaign which helps college students develop healthy and responsible attitudes toward drinking.

Pit stop: In this program, State-owned rest areas are manned by Anheuser-Busch personnel who provide coffee and other nonalcoholic refreshments, as well as educational material, to college students on the road during school vacations.

I'm driving: A "designated driver" program, designed for use by retail establishments.

Operation A.L.E.R.T.: In this program, Anheuser-Busch works through wholesalers and approximately 250,000 retailers to implement positive community programs against alcohol abuse.

Advertising code: Anheuser-Busch, along with other members of the brewing industry, voluntarily adheres to a newly updated code of advertising standards, to assure advertising which is in good taste and does not in any way encourage alcohol abuse or underage consumption.

Marketing guidelines: Because of the serious concern over alcohol abuse on college campuses, Anheuser-Busch has implemented its own corporate guidelines for promotional activities on college campuses and among young adults. These are designed to insure that promotional activities are conducted responsibly and do not encourage overconsumption or underage drinking. The guidelines are:

Young adult marketing programs should have the overall goal of encouraging young adults of legal drinking age, who choose to drink, to select Anheuser-Busch products.

Where sampling is allowed by law and within the bounds of acceptable school policy, it should be limited as to time and quantity. Nonalcoholic beverages as well as food should also be available.

Promotions should encouage responsible use of our products. Promotions designed to run on campus or to be associated with existing campus events or programs should conform to the school conduct code.

Where possible, we should support alcohol awareness programs which encourage a responsible decision regarding the use of alcoholic beverages.

All promotion and support material must be developed in good taste and should avoid demeaning or discriminatory portrayal of individuals.

EAP: Anheuser-Busch developed a model Employee Assistance Program [EAP] to help employees cope with and conquer alcohol, drug, and other personal problems. The counseling program has been shared with hundreds of companies both in and out of the brewing industry.

Research and education: During the past several years, Anheuser-Busch,

through the U.S. Brewers Association, has contributed $2.5 million to the Alcoholic Beverage Medical Research Foundation at Johns Hopkins University. The brewery also supports major research and educational efforts at UCLA, and in more than 20 other organizations around the country.

Mr. President, I am encouraged that the last few years have been marked by progress in the fight against alcohol abuse. Consumption of alcohol has declined, as has the death and injury toll caused by drunken driving. Society has become far more aware of the problems of abuse, and of the importance of consuming responsibly.

Still, we have a long road to travel, and we cannot hope to reach the end of that road without the cooperation and resources of the members of the beer, wine, and distilled spirit industries. Thus, I wish to express my personal appreciation of the model provided by Anheuser-Busch in its efforts to reduce alcohol abuse, while at the same time encouraging all members of these industries to continue, and expand, their efforts in the years ahead.

In closing, I want to commend the vision and leadership of August A. Busch III, chairman of the board and president of the Anheuser-Busch Co., Dennis P. Long, president and chief operating officer of Anheuser-Busch Inc., and Stephen K. Lambright, vice president and group executive of Anheuser-Busch Co. in their efforts to combat alcohol abuse.

TAXATION OF VETERANS' COMPENSATION: AN IDEA WHOSE TIME HAS NOT COME

Mr. CRANSTON. Mr. President, I wanted to take this opportunity to bring to my colleagues' attention an issue of vital importance to the 2.25 million service-connected disabled veterans and their families—that is, the proposals that have been made by the Department of the Treasury, in connection with its tax reform and simplification package, to tax veterans' service-connected disability compensation.

On January 23, 1985, I wrote to President Reagan urging him to reconsider this proposal. As I stated in my letter, this proposal is extremely ill-advised and unjust. It would penalize our Nation's highest priority category of veterans: Those who have suffered from diseases and disabilities while in uniformed service to this Nation and who have given so much of their lives to secure the precious freedoms Americans enjoy today.

I also have brought these same concerns to the attention of the new Secretary of the Treasury, James A. Baker III, so that he will have them in mind as he reviews the tax proposal that will be presented to the President and, eventually, to the Congress.

I want also to share with the Senate a brief article from the February 1985 edition of the DAV magazine, entitled "For at Least Two DAV'ers, the Promise of Normandy Has Been Thrown Out." With simple eloquence, two service-connected disabled veterans—Daniel E. Lambert and R.C. "Buck" Barger—present in this article their personal perspective in opposition to proposals that would tax these important benefits.

Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I urge my colleagues to review this issue carefully and to join with me in efforts to ensure that this proposal does not come to fruition. Early next week I will introduce a Senate resolution expressing opposition to any proposal to tax service-connected disability compensation payments and to urge the President to reject any such proposal in connection with any tax reform legislation he submits to the Congress.

Mr. President, to help my colleagues understand this important issue, I ask unanimous consent that the text of my letter to the President, the January 25, 1985, response I have received from M.B. Oglesby, Jr., assistant to the President, and the DAV magazine article appear in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, January 23, 1985.

Hon. RONALD W. REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to express my grave concern about the proposal, made by the Department of the Treasury as part of its tax reform legislation, to tax Veterans' Administration compensation paid to veterans who suffer from service-connected disabilities. Such a result would be, in my opinion, extremely ill-advised and unjust.

First, conceptually it is a bad idea. The Treasury Department seems to consider the VA's compensation program to be no more than a system for replacing lost earning capacity attributable to disability and equates the program to unemployment compensation, workers compensation, and black lung benefits. Although income replacement is the principal theory underlying the structure of the program, the program also reflects other considerations. As was noted by the 1956 report to the President by the President's Commission on Veterans' Pensions (known popularly as the "Bradley Commission"), "Human life . . . has values beyond the economic sphere." Thus, the benefit levels and rating schedule have been established with recognition being given to other factors such as "social inadaptability", "loss of physical integrity", and a "shortened life expectancy".

The origins of a veterans' compensation program in the United States trace back to 1624 when Virginia Colonists injured in battle were first extended benefits in recognition of their sacrifices. This program is the means through which a grateful Nation seeks to recognize and repay the sacrifices made and hardships incurred by individuals who have suffered disabilities in defense of their country. Those debts can never be fully repaid, it is true, but we, nevertheless, owe a sacred commitment to those veterans to try.

Second, compensation payment levels have been set on a wage-replacement scale on the basis of their being exempt from taxation. Thus, the amount payable to a totally disabled single veteran ($1,295 a month or $15,540 annually) is comparable to before-tax-earnings of $18,001. If this relationship were disrupted by taxing VA compensation payments, the Congress would undoubtedly consider the need for raising the payment levels. Any savings realized by taxing the benefits could be consumed by benefit level increases enacted to restore the value of the compensation.

Even the Treasury Department analysts who have devised this proposal seemed to have had that result in mind when they noted that, with respect to the effective date of the proposal and the lack of need to "grandfather" veterans with disabilities incurred prior to a certain date, VA compensation "payments can be adjusted, if desired, for all beneficiaries."

Third, consistent with the Bradley Commission's recommendation in 1956, the Congress has structured the compensation rates so that veterans with greater degrees of disability receive benefits at rates that reflect their disproportionately greater needs.

However, the Treasury Department's proposal to tax compensation as well as its proposal to give a tax credit of 15 percent on up to $6,000 of compensation would mean that this policy would be badly skewed. As to veterans with different disability ratings and approximately equal non-compensation incomes, application of the progressive tax-rate structure would result in a higher tax rate being applied in the case of the veterans with the greater VA compensation payments. As to the proposed tax credit, it would provide a proportionately greater tax benefit to certain less-disabled veterans than to other more-disabled veterans. (For example, for veterans filing individual returns, the credit would be more beneficial to those who are rated 60-percent-or-less disabled and who would, under current rates, receive the 15-percent credit on the entire amount of their compensation (which is less than $6,000 annually) than it would be to those rated 70-percent-or-more disabled (whose compensation exceeds $6,000 annually).) This would be a most inequitable result.

Mr. President, I urge you to reconsider this proposal, which I note is not included in either the Kemp-Kasten or Bradley-Gephardt legislation. I firmly believe this proposal is without merit and sincerely hope you will not include it in any tax restructuring package you present to the Congress.

With warm regards,

Cordially,

ALAN CRANSTON,
Ranking Minority Member.

THE WHITE HOUSE,
Washington, January 25, 1985.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR CRANSTON: Thank you for your January 23 letter to the President expressing your concerns regarding the tax simplification proposals.

On your behalf, I have conveyed to the President and his advisers on this issue, your particular concern regarding the possi-

ble taxation of veterans' disability benefits. We welcome the opportunity to review your comments on this portion of the proposal. Let me assure you that the points which you raised will be closely studied and taken into consideration as we continue to develop the tax reform plan.

With best wishes,

Sincerely,

M.B. OGLESBY, Jr.,
Assistant to the President.

[From the DAV, February 1985]

FOR AT LEAST TWO DAVERS, THE PROMISE OF NORMANDY HAS BEEN THROWN OUT

Congressmen and Senators, leaders and decision makers have all written the President concerning his plans to tax veterans' disability compensation and undermine a number of VA programs and benefits.

But perhaps the most influential voices come from the individual veterans who've taken the time to write the President and make their thoughts known. Hundreds of DAVers have done just that.

Their words could fill countless issues of DAV Magazine. But two men, both veterans of the invasion of Europe during World War II, spoke for many in their letters to the President.

Daniel E. Lambert of Orrington, Maine, was a member of Darby's Rangers of World War II and stood with the President at Normandy during the 40th anniversary of the invasion of Europe.

Lambert reminded the President that "You spoke to us of the nation's debt to the veterans of our country and your support for the cause of the veteran, widow and orphan of the nation. Please do not allow that debt to be forgotten by endorsing or supporting a plan to tax service-connected compensation benefits or reducing veterans benefits in the days ahead."

R.C. "Buck" Barger parachuted into Normandy ahead of Allied forces on June 5, 1944. His parachute collapsed and he dropped 80 feet, breaking an arm, his hip and pubic bone, dislocating his shoulder and cracking his ribs. He lay in the dirt for three days before he was discovered and evacuated, only to later be taken prisoner.

Barger watched the President's Normandy speech on television. It was a speech, Barger said, "that brought tears to my eyes. I felt that we had your support for our future care."

He reminded the President that "We served our country when she needed us and now, 40 years later, the country is going to shirk her responsibilities to us.

"Dig deep, Mr. President, into your soul and ask yourself the tough questions. How can I do such a thing? How can I let this happen to our veterans?

"Continue to be our champion and place our welfare and peace of mind above the recommendations being made for these cuts."

IMPACT OF PROPOSED BUDGET CUTS

Mr. SPECTER. Mr. President, I report today on a public hearing I conducted on Saturday, February 16, 1985, in Philadelphia, PA. The purpose of this hearing was to investigate the impact that the administration's proposed budget cuts may have on the Commonwealth of Pennsylvania. The results were instructive and enlightening.

Sacrifices must be made to trip the Federal deficit, but any plan must take into account the special situation of States like Pennsylvania, some parts of which have never fully recovered from the recent recession. A fair budget is a finely tuned budget, not one that indiscriminately imposes pain on the States with the most serious problems.

At my hearing, 17 Pennsylvanians testified for some 2 hours regarding education, mass transit, veterans' affairs, job programs, AFDC and school lunches, the Small Business Administration, Housing, UDAG's, community development, and the Economic Development Administration. I was impressed with their breadth of knowledge, and their commitment to efficient, high-quality public service. I came away convinced that the budget cuts that we discussed would have a devastating effect on millions of Pennsylvanians.

I will not elaborate at length on each program that the witnesses addressed, but I will summarize the witnesses' remarks for the RECORD. I was pleased to have as an introductory witness the Honorable Wilson Goode, mayor of Philadelphia.

Mayor Goode testified that he was quite disturbed by the proposed budget cuts in programs such as urban mass transit, urban development action grants, community development block grants, the Economic Development Administration, housing rehabilitation and development programs, and general revenue sharing, on all of which the city greatly relies. These are some of the programs that are essential to a successful rebuilding of our urban centers where millions of Americans and many of our less fortunate low-income, unemployed, and older adults live.

Other witnesses testified on particular subject areas that I will briefly describe.

EDUCATION

Brother Patrick Ellis, president, LaSalle University, and chairman of the board of directors of Catholic Colleges and Universities, and secretary/treasurer of the Pennsylvania Association of Colleges and Universities, articulated well the negative impact the budget proposal would have on independent colleges and universities as well as the economy of Pennsylvania. Higher education is one of the largest employers in the Commonwealth. Brother Ellis stated that 600 of the university's 3,200 full-time students might have to drop out.

Dr. C.T. Enus Wright, president of Cheyney University, estimates that $1,059,000 in student aid income would be lost by his institution. This amounts to 25 percent of the school's student aid dollars. This would drastically restrict the important efforts that this historically black institution is making. Dr. Cheyney thought that a third of his students might be forced to drop out if the administration's proposals are adopted.

Mr. Robert Lawler, a sophomore at Indiana University of Pennsylvania and a representative of the Commonwealth Association of Students, provided moving testimony on the real-life impact if the education cuts become law. Robert comes from a family with seven children, two of whom are in college, with a family income of $40,000. He stated that he faced a stark choice if the cuts become law; either he or his sister will have to interrupt their education.

MASS TRANSIT

Mr. Robert J. Thompson, vice chairman, Southeastern Pennsylvania Transportation Authority [SEPTA], explained that the proposed 67-percent cut in all mass transit programs across the country and an almost 81-percent cut in SEPTA's budget from fiscal year 1985 would have a drastic impact in terms of increased fares and severe service cuts. He warned that ridership would drop accordingly.

Mr. Tim Gillespie, senior director of government affairs at Amtrak, pointed out that Amtrak would simply have to shut down if the administration's proposed cuts in subsidies are adopted. Amtrak contributed over $161 million to our economy last year through the purchase of goods and services and its payroll. He also described the dismal situation the transportation industry and the Nation would face if Amtrak were terminated: increased air and highway congestion, other transportation inconveniences, and a loss of some 25,000 jobs.

VETERANS

Dr. James Carson, assistant chief of staff of psychiatry at Coatesville VA Hospital, and Dr. John Coates, Jr., retired brigadier general, and Veterans of Foreign Wars PA State Surgeon, brought to my hearing their thoughts on how the administration's budget would affect veterans.

At the Coatesville VA Hospital, there is a need to expand the Post-Traumatic Stress Disorder Program. Budget cuts would only ensure that more men and women who served our country would go untreated. General Coates discussed the tragedy that could occur if restrictions and a means test were applied to veterans over 65 in need of medical care from a VA medical center. It was the witnesses' sense and mine that the Federal Government must not renege on its obligations to our veterans.

JOBS PROGRAMS

Mr. Anthony L. Stellar, AFL-CIO Appalachian Council Job Corps Outreach, Screening and Placement Project, and Mr. Candelero Lamboy, director, Hispanic Concilio, addressed the fiscal year 1986 budget proposal

and its impact on jobs programs. Mr. Stellar stressed that statistics show that Job Corps graduates produce taxable earnings of 145 percent of the investment the Government has made. Mr. Lamboy described the budget cuts as a serious threat to the quality of life in the Hispanic community; future economic development greatly depends on youth training programs.

AID FOR FAMILIES WITH DEPENDENT CHILDREN, (AFDC) AND SCHOOL LUNCHES

Ms. Cardell Johnson, chairperson of the Philadelphia Unemployment Project's Energy/Utility Committee, and an AFDC beneficiary, outlined many of the areas of the budget, including energy assistance, weatherization, food stamps, student lunches, and Medicaid, that she believed were unfair to the poor. Ms. Johnson emphasized the need to expand many of these programs to reach the unmet needs of many low-income Americans.

SMALL BUSINESS ADMINISTRATION

Mr. Sam Medina, owner of Sam's Grocery in north Philadelphia; Ms. Susan Garber, director, Small Business Development Centers, and professor, Wharton School of Finance, and Robert Gerard, vice president and manager of Community Lending Division of Mellon Bank (East), all attested to the tremendous positive influence that the SBA has had on enabling small businesses to acquire financing, and therefore compete in the marketplace and provide valuable services. The Northeast-Midwest Coalition estimates a loss of at least $71 million to Pennsylvania if the SBA loan programs are eliminated.

HOUSING, URBAN DEVELOPMENT ACTION GRANTS, COMMUNITY DEVELOPMENT BLOCK GRANTS, ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. Russell Hubler, treasurer, PQ Corp. and Mr. James L. Brown IV, president of the Parkside Development Corp., reported on the budget's affect on UDAG's and housing programs and economic development.

Mr. Hubler revealed how a UDAG leveraged enough capital to modernize a plant in Chester, PA, creating jobs and bringing economic growth to this distressed community; the UDAG Program is proposed to be cut completely after fiscal year 1986.

Mr. Brown discussed numerous housing and development programs that have been successful in renovating our urban centers, yet which have been scheduled for massive cuts in this year's budget.

Mr. President, the administration's budget is an important document and sets the stage for debating the issues I have mentioned today. But it is only the first chapter in our considerations. We, in Congress, have a duty to tailor the Federal budget to the real needs of the country, and its diverse States. The witnesses at my Philadelphia hearing have made an important and highly constructive effort to assist us in fulfilling our responsibilities.

THE SOVIET UNION'S DISMAL EMIGRATION RECORD

Mr. CRANSTON. Mr. President, I am deeply concerned over the Soviet Union's dismal policy on emigration of Jews and other minorities. In 1984, only 896 Jews were permitted to leave the Soviet Union—a drastic decline from the 51,320 exit visas that were granted Soviet Jews in 1979. Only 61 Jews were allowed to emigrate in January 1985. And Jews have been subject to heightened persecution along with other religious minorities in recent months.

With the United States-Soviet relationship especially volatile over the past two decades, it is clear that the level of Jewish emigration has served as hostage to the state of the bilateral relationship.When détente was at its height, the Soviets permitted Jewish emigration to rise. But when our relations with the Kremlin are strained, the Soviets drastically reduce the number of exit visas.

As a signatory of the Helsinki Final Act, the Soviet Union has pledged to respect human rights, including the right of citizens to emigrate freely and to pursue family reunification. Yet the Kremlin continues to hold Soviet Jews hostage in a game of international politics and continues to harass Jews who desire to emigrate. In recent months, the Soviet Government has stepped up its crackdown on Hebrew teachers and other Jewish cultural activists. Hebrew teachers are being arrested, sentenced, and imprisoned on trumped-up charges designed to punish them for teaching and practicing their religion. All Americans should condemn this shameful campaign.

The Kremlin has little to gain by continuing to block the legitimate right of the Jewish community to practice its faith and to emigrate. In fact, Moscow has much to gain by allowing its Jewish citizens and others to emigrate. An increase in the granting of exit visas for Soviet Jews and others would help to lessen tensions between our two nations. I urge the Soviet Union to approve emigration applications expeditiously and to make a symbolic gesture by releasing Anatoly Shcharansky and allowing him to emigrate, and granting Ida Nudel her wish to be reunited with her sister in Israel. Such positive gestures of good will would be most welcome and most constructive.

As an honorary Cochairman of the newly established Congressional Coalition for Soviet Jews, I will continue to work hard with my colleagues to do all I can to alleviate the plight of Soviet Jews and other minorities seeking to emigrate. I will also do my utmost in pressing the Soviet leaders to liberalize their emigration policy, to respect the right of all their citizens to practice their religion free from persecution, and to live up to the human rights guarantees of the Helsinki accords.

Mr. President, I am submitting for the RECORD a table showing the disappointing numbers of Soviet Jews being granted exit visas by the Soviet Government.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[Soviet Jewry Research Bureau]

Jewish emigration from the U.S.S.R.

	Statistics
1965–June 1967	4,498
October 1968–1970	4,235
1971	13,022
1972	31,681
1973	34,733
1974	20,628
1975	13,221
1976	14,261
1977	16,736
1978	28,864
1979	51,320
1980	21,471
1981	9,447

	1982	1983	1984	1985
January	290	81	88	61
February	283	125	90	.....
March	289	101	51	.....
April	288	114	74	.....
May	205	116	109	.....
June	182	102	72	.....
July	186	167	85	.....
August	238	130	83	.....
September	246	135	69	.....
October	168	90	29	.....
November	137	56	55	.....
December	176	97	91	.....
Total	2,688	1,314	896	.....

From October 1968–January 1985, 264,578 persons left the Soviet Union with Israeli visas. Approximately 163,235 of them went to Israel.

THE CIVIL RIGHTS RESTORATION ACT: A CLARIFICATION

Mr. PACKWOOD. Mr. President, a few days ago, on February 19, 1985, Senator HATCH spoke before the Senate on the subject of civil rights. My colleague from Utah said the following:

Last week a number of Congressmen introduced something they are calling the Civil Rights Recovery Act of 1985, which is essentially, a rehash of last year's Grove City bill. Some people called last year's bill the Big Brother Act of 1984.

I expect that Senator Packwood and others will this week introduce a counterpart to the House bill.

I was surprised and a bit confused by the statement by the Senator from Utah. I have acted on this issue more than 2 weeks ago when, on February 7, I joined Senators KENNEDY, WEICKER, and 43 others as a cosponsor of S. 431, the Civil Rights Restoration Act of 1985. This bill is not a rehash of last year's bill but a very thoughtful piece of legislation that takes into account the hours and hours of debate that oc-

curred on the Civil Rights Act of 1984 in the 98th Congress. The goal of this year's legislation is the same as last year's bill: The restoration of our civil rights statutes in the aftermath of Supreme Court decisions, most notably Grove City College versus Bell, that narrowed the scope of antidiscrimination laws. Passage of the Civil Rights Restoration Act of 1985 will ensure that taxpayers' dollars will never be used to support discrimination against any American. This Senator will not waver from support of that goal.

I would like to set the record straight, Mr. President, about what Members of the House did, not last week but almost a month ago on January 24, 1985. Members of the House introduced H.R. 700, the Civil Rights Restoration Act of 1985, which now has 134 cosponsors. To my knowledge, no bill called the Civil Rights Recovery Act was ever introduced in the House of Representatives.

Mr. President, I want to set the record straight on this matter and thank you for your indulgence.

TRIBUTE TO TOM CHANDLER

Mr. DECONCINI. Mr. President, I rise to call attention to a great American who is being honored today by his friends and associates in Tucson, AZ.

Tom Chandler is an attorney of extraordinary ability, personality, and magnetism. His employment of these qualities has led to the great successes that Tom has enjoyed over the years.

When I was a young boy in grammer school growing up, I used to observe Tom hard at work at night and on weekends when I would visit my father's office. Tom's office was located right next to my father's. Tom would take the time to talk to me and to explain things to me as I grew up. Over the years, and even today, I look to him for guidance and advice. No matter how busy he was, he would always have time for me.

When I was first admitted to the bar and at times became frustrated, Tom advised me to "work as hard as you can for your client and do the best you can; and, after you have done that, don't take your client's problems home with you at night because it will only eat at you and beat you down." I have tried to follow that advice both in the practice of law and in the U.S. Senate and have found the advice to be good and sound, as most of Tom's advice is.

I am sorry that neither Susie nor I can be in Tucson tonight to honor Tom because his is the real American success story. My thoughts are with him, however, and I know that Tom Chandler and people like him are the real strength of America and the basic reason that these United States will be able to solve the critical and urgent problems that lie ahead of us.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

Mr. THURMOND. Mr. President what is the question before the Senate?

The PRESIDING OFFICER. The clerk will report.

The bill clerk read the nomination of Edwin Meese III, of California, to be Attorney General.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, we have been on this nomination now for some days. It has been pending before the Senate for over a year. I think everyone has had a chance to speak who desires to speak. It appears that we are about ready to vote on this nomination unless someone cares to speak. The nomination is now before the Senate and ready to be acted upon.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Chair recognized the Senator from Montana.

Mr. MELCHER. Mr. President, I have just returned from the Philippines and I found some conditions that indeed are saddening. In the meeting we held with the private voluntary organizations that are engaged in food aid in the Philippines and with AID officials, I found that the situation is this: That despite the need for broadened food aid—the easiest and most flexible program we have in food aid from the United States for the Philippines or any other country like them that has a situation where they are under economic distress with a lot of unemployed families and what they need is food—they were not getting adequate amounts of food available from the United States.

Under 416, dairy products and wheat are made available for donation to countries that are deprived of adequate amounts of food. That situation exists now in the Philippines. And the two largest voluntary organizations in food aid, both Catholic Relief Services and CARE, have been discouraged from making applications for adequate amounts of dairy products and wheat from the United States for appropriate use for the malnourished in the Philippines.

That probably deserves a little more explanation. The decisionmaking process on whether to approve a 416 application is split among three groups in our Government here in the United States: AID, the Department of Agriculture, and the Office of Management and Budget sit in a triumvirate here in Washington and determine what food aid applications should be approved. CARE and Catholic Relief Services have been led to believe that there is no reason to expect a 416 application for dairy products or wheat to be approved by this triumvirate here in Washington.

Let me share with the Senate some of my experiences. One of the most depressed sections of Manila with a population of about 400,000 people is a section called Tondo. In the Tondo area of Manila there are literally scores of thousands of families where the employment rate is about 50 percent. These families are, to put it mildly, poor. I was in one household with six children. The only milk products that were available was a milk concentrate. It comes in a can in powder form. That small can of milk concentrate was only available for the infant in the family, an infant of about 6 months of age. The cost of that one can of milk concentrate which could only be used for the infant was 50 pesos. That is about $2.50 in American money. The average income in that area is about 200 to 300 pesos per month.

So utilizing 50 pesos for an infant of the family, it takes a big chunk out of the available funds for a family in the Tondo section. Some food aid is available. It is only rice. It is handled through the Catholic Relief Services and the cooperation of Caritas—that is the relief arm of the Catholic Church in Manila and in the Philippines. But I hasten to point out that simply providing rice, as humanitarian as that gesture is on the part of the United States, and as noteworthy as that is, should be supplemented with both dairy products and wheat. However, those foods are not made available and is not provided for because of the discouragement by our Government in allowing 416 applications to be approved.

Wheat only costs about 8½ cents a pound delivered in Manila, and it is available on the market. The situation is this: Among those destitute families there is not enough money to purchase the flour that could be utilized from the American wheat sold in Manila. So this is obviously a place where donations of a portion of our wheat surplus commodities from the United States could be utilized very well to beef up the nutrition for these poor families.

As to the dairy products, what we have in surplus in Federal ownership of dried powdered milk costs us about 91 cents a pound which is far cheaper—far cheaper, I repeat—than what is available for the families that have the 50 pesos to buy the concentrated form that is sold commercially in the Philippines. The unemployed families

simply do not have the purchasing power to buy enough of the product to provide milk sustenance for the members of the family other than the infants under 1 year of age.

I think it is a very saddening condition when we view our mountains of surplus here in the United States and find that even though the voluntary organizations are in place, that the proper utilization of the food aid cannot be utilized by people that obviously need the food.

Should we insist that 416 applications be approved for a country such as this, for people such as I viewed? I believe the answer is an emphatic yes.

And the situation is similar to Manila out in the countryside.

In visiting barrios in the provinces away from Manila, we find that the purchasing power of the average family is very limited there, too. On the question of whether or not the children are receiving adequate nutrition, I would have to say adequate nutrition is not being met. The children simply do not seem to have adequate nutrition.

Is there a broad public interest in addition to the humanitarian relief that should be met through broadened food aid in the Philippines?

Yes, there is. That is that we are told that the insurgents who would establish better economic conditions by force. They seek broader opportunities and often fight the law enforcers. One of the things which is of great concern is that the insurgents do not prey upon the peaceful inhabitants in the areas where the insurgents gather and dominate.

The Government of the Philippines has tried to cope with this situation to prevent the increase in the numbers of the insurgents and to nullify their domination of any of the areas in the hinterlands of the Philippine provinces.

It is recognized by the Government of the Philippines that a means of blunting the rise of insurgency is to assure better nutrition, adequate food supplies, and balanced diets for the people in those areas. Broader food aid would be a means of accomplishing that objective. And the church agrees.

So from all aspects I would have to say that the only conclusion I can make after meeting with Government officials and opposition leaders in the Philippines, the church officials, and the private voluntary organizations, is this simple fact: Food aid should be extended and broadened. We have the mechanism, the wherewithal, and the means of doing it from this country. I think it has been most unfortunate that 416 applications have not been approved—in fact, have been discouraged—by the administration at the insistence of Secretary Block and the Office of Management and Budget that they not be approved.

Aid officials here in this country tell me that they are willing and anxious to have 416 applications filed and that they be approved. But they have been blocked as of now, and I think that is a very sad commentary on the utilization of the surplus commodities that we have.

I might point out that one of our goals is to establish better prices for agriculture producers in this country. One of the means that we can use to make sure that that comes about is the proper disposal of surplus commodities. Section 416 as in our law at present only covers wheat and dairy products, but they happen to be products that we have in abundance and in surplus amounts which should be utilized for food aid and under our accounting procedures would not have any budget impact.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 2 Ex.

Dole	Melcher	Simpson
Hart	Pell	Warner

The PRESIDING OFFICER. A quorum is not present.

Mr. SIMPSON. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN], the Senator from Alabama [Mr. DENTON], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from Pennsylvania [Mr. HEINZ], the Senator from North Carolina [Mr. HELMS], the Senator from Nevada [Mr. LAXALT], the Senator from Idaho [Mr. MCCLURE], the Senator from Delaware [Mr. ROTH], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS,], the Senator from Missouri [Mr. EAGLETON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Louisiana [Mr. LONG], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 79, nays 2, as follows:

[Rollcall Vote No. 5 Ex.]

YEAS—79

Abdnor	Gorton	Moynihan
Andrews	Gramm	Murkowski
Armstrong	Grassley	Nickles
Baucus	Harkin	Nunn
Bentsen	Hart	Packwood
Bingaman	Hatch	Pell
Boren	Hatfield	Pressler
Boschwitz	Hawkins	Proxmire
Burdick	Hecht	Pryor
Byrd	Heflin	Riegle
Chafee	Hollings	Rockefeller
Chiles	Humphrey	Rudman
Cochran	Inouye	Sarbanes
Cranston	Kassebaum	Sasser
D'Amato	Kasten	Simon
Danforth	Kennedy	Simpson
DeConcini	Kerry	Specter
Dixon	Lautenberg	Stafford
Dodd	Leahy	Symms
Dole	Levin	Thurmond
Domenici	Lugar	Trible
Durenberger	Mathias	Wallop
Evans	Mattingly	Warner
Exon	McConnell	Wilson
Ford	Melcher	Zorinsky
Glenn	Metzenbaum	
Gore	Mitchell	

NAYS—2

Quayle	Weicker

NOT VOTING—19

Biden	Garn	Matsunaga
Bradley	Goldwater	McClure
Bumpers	Heinz	Roth
Cohen	Helms	Stennis
Denton	Johnston	Stevens
Eagleton	Laxalt	
East	Long	

The motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

The Chair recognizes the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I put the question with regard to the pending business.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Nomination in the Department of Justice: Edwin Meese III, of California, to be Attorney General.

The PRESIDING OFFICER. The question is on the confirmation of the nomination.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

RECESS UNTIL 11 A.M.

Mr. BYRD. Mr. President, we are not ready to decide the question yet.

Would the distinguished assistant majority leader put the Senate into recess, say, beginning at 10:15, until 11 a.m.?

Mr. SIMPSON. Mr. President, the request is to have a recess at 10:15 until 11 o'clock. Is that correct?

Mr. BYRD. Or beginning now.

Mr. SIMPSON. Within that hour?

Mr. BYRD. Yes.

Mr. SIMPSON. I think that is perfectly appropriate, and the majority leader would concur.

Mr. BYRD. I yield the floor.

Mr. SIMPSON. Mr. President, I ask unanimous consent that that recess do take place, in accordance with that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished assistant majority leader.

Thereupon, at 10:05 a.m., the Senate recessed until 11 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HATCH].

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. WARNER]. Without objection, it is so ordered.

The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, we are ready to vote on the nomination of Edwin Meese to be Attorney General. If there are any Senators who desire to speak——

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think that the distinguished President pro tempore of the Senate and manager of this matter is aware of the fact that a number of Senators have indicated their concern about the farm problem of this country. I, too, share that concern, as I am certain he does as well.

It is a fact that the discussions are taking place between those Senators who have been engaged in a filibuster in connection with this nomination, and I make it clear that I have not been participating and will not participate in that filibuster, although I do sympathize and support the concerns of the farmers of America and those who have been on this floor expressing those concerns.

However, I should point out that at this moment there is a conference taking place of the Members of this side of the aisle who are discussing the possibility of working out an agreement with the administration on the subject.

Under those circumstances, I have come to the floor in order to protect the floor and that their rights not be lost and also that they might be in a position to participate in the discussions taking place in the Democratic conference.

Mr. THURMOND. Mr. President, I just want to say to the distinguished Senator from Ohio that out of respect for him we will suspend for a while, but we cannot just keep on going now. After this caucus is over, I think we better decide either to go ahead and act or not act. We are holding up this nomination. It has been held up over a year. Seven days of hearings have been held, over 50 witnesses have been heard by the Judiciary Committee, over 200 witnesses were contacted by the independent counsel and we are delaying the business of the public. The President has appointed the man Attorney General. He has a right to have this matter acted on. The Senate has a right to have this matter acted on. Mr. Meese has a right to have it acted on.

It just does not make sense to keep putting this thing off. I am as interested in the farmers of this country as any Member of this Senate. I grew up on a farm. I know how hard it is to make a living farming.

I have worked with the Secretary of Agriculture ever since I have been here to do more to extend credit and to help the farmers. On the other hand, this situation is being used to delay this nomination. Now, if we go on and get rid of this nomination, then we can act on this farm bill.

We are on the Meese nomination. We are going to stay on it until we finish it and any delay on that is delaying action on the farm bill, and I want to make that point clear.

Mr. METZENBAUM. Mr. President, I just want to respond to my good friend, the chairman of the Judiciary Committee, who is also the dean of filibusters around here who has conducted the longest filibuster that the Senate has ever experienced and we all respect him for that.

As I have said before, I am not involved in filibustering Mr. Meese's nomination and have said from the inception that I did not intend to do that and I will not.

I do respect the fact that there are well-intentioned Members of this body who are presently meeting in an effort to work out an arrangement as pertains to the farm program and they are doing that which every Member of this body has a right to do, and that is to explain their position at length in speeches on the floor of the Senate and when those speeches become rather lengthy, they are described as a filibuster when they are used to keep other matters from coming to the floor. Their rights need to be protected. They are attempting to work out a compromise and agreement and the Members on this side of the aisle have determined that the farm problem shall be given the attention to which it is entitled by the administration, and there is no secret about it. They are using this procedure in order to get into some bare-knuckle negotiations and it is a fact that some headway has been made with the administration.

They have the right to do that, and it is perfectly within the Senate rules.

If the Senator from South Carolina would prefer that I send for one of them in order to address themselves to the issue and to speak further on the subject, I have no problem at all in doing that and making this accommodation. But I thought that we would be moving the Senate's business forward much more rapidly and getting to the Meese nomination, which I have said from the inception when the matter came to this floor that after adequate debate I was prepared to vote on it and I still am and I have no desire to delay it. Whether we have 50 witnesses or seven hearings or whatever the case may be, does not alter the fact that the Members of this side of the aisle have insisted that there be a program worked out in connection with the farmers of this country.

The farmers are losing their farms at a very rapid rate. They are going bankrupt. They are being foreclosed upon. It is happening in my State and in every State of the Union. There is no State in which there is an exception. I am sure it is happening in South Carolina.

And it was they who decided and determined that they would proceed long this line.

If the Senator from South Carolina wants me to do so, I will be happy to have one of them come to the floor in order to make the point and argue the merits of their position.

I am here only as an accommodation to them in order that they might move forward constructively with their efforts to reach a compromise.

But if the Senator from South Carolina will respond to me that he would prefer that one of them come to the floor to debate the farm issue or to speak to the subject, I will be very happy to accommodate him and I am here only as a matter of cooperation in the efforts to move this matter forward while they work out a compromise.

Mr. THURMOND. Mr. President, in response to the distinguished Senator from Ohio, I want to say this. Speaking about filibusters, I did make a long speech here once. I was trying to protect the right of trial by jury. This Congress was about to pass and did pass a bill which restricted the right of trial by jury. It was recommended at that time by Lyndon Johnson, the majority leader. Later the Supreme Court was divided on the question when it went there. The Supreme Court today, I am sure, would have declared the bill unconstitutional. The Warren court at that time, by a divided court, did not.

But at any rate, I do not favor diluting the trial by jury provided in the Constitution. At that time, the bill provided, if the punishment for the crime involved was 45 days or more in jail or $300 or more, you would get a trial by jury. If it was less than that, you would not get a trial by jury.

Why, anyone that is charged with a traffic violation is entitled to a trial by jury. The Constitution says anyone charged with a crime shall get a trial by jury and this act was being pushed through there by Lyndon Johnson at that time. I felt it was unconstitutional then and I feel it is unconstitutional now. That is the reason I spoke, to protect the right of trial by jury in accordance with the Constitution of the United States. Since the Senator referred to that, I thought I would explain it to him.

Mr. METZENBAUM. I have no quarrel with the Senator from North Carolina on that matter.

Mr. THURMOND. This nomination is up now, and they claim they are not filibustering this but they are filibustering the farm bill. The farm bill is not up. The nomination is up. If we get through this nomination, the farm bill could be taken up next.

I am in favor of doing anything to help these farmers. I have always been sympathetic to them. There is no segment of our population today in America that is having a harder time than farmers.

Studies were made by Clemson University in my State showing that the farmers are not getting as much for a bushel of wheat as it cost to produce, for a pound of cotton as it cost to produce, or for a bushel of soybeans as it cost to produce. They need every assistance we can give them.

But we are delaying action to help them until we get rid of this nomination. The nomination is up; it has to be acted on. I just want to again call attention to the fact that the quicker we get through this, the quicker you get on the farm bill.

Now, if the Senator wants to delay and give the caucus time to act, it is all right with me and I have no objection. But I think we have been fooling around here for several days now. I hope action will be taken one way or the other and they will decide which way they are going so we will know how to act.

Mr. METZENBAUM. Mr. President, as I said time and again on this floor, as well as elsewhere, the Senator from Ohio has no objection about voting on the Meese nomination. There are others who are involved in the filibuster. In order to see to it that the posture of the floor is correct in every detail, I have just sent word to somebody in the caucus to come out from the Democratic caucus in order to speak to the farm issue, and that will be done. I do not see anybody on the floor at the moment. I am sure somebody will be here shortly. Under the circumstances, I suggest the absence of a quorum.

Mr. THURMOND. Mr. President, I am willing to wait awhile, if that is what the Senator wants, to see how long the talks are going to be in session and what decision they make. For that reason, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

THE FIRST AMENDMENT

Mr. LEAHY. Mr. President, the only disappointment I have in being here today is that I was supposed to be in Texas. I just noticed the attention of the junior Senator from Texas who just walked into the Chamber. I was going to address the Texas Press Association and others at Texas Tech.

Perhaps the fact that we were unable to free the Senate 100 has probably been to the distinct advantage of the Lone Star State, but they will now have my speech by television instead.

I am disappointed in not being able to address them because they were good enough to honor me at the gathering today with the Professional Society of Journalists First Amendment Award, the Thomas Jefferson Award, and I will share with my colleagues as we are not doing other things of momentous issue at the moment the comments I would have made in Texas.

This is not necessarily punishment, I hope, to my colleagues who are keeping us here.

Mr. President, the first amendment to the Constitution is soon going to be 200 years old.

In my estimation it is clearly the most important provision in the entire Constitution, because it guarantees that all other rights and freedoms under the Constitution are always open for debate.

As I said many times, Mr. President, within the first amendment our rights of free speech and our rights of freedom of religion guarantee really every other right in our country and with those two we guarantee our ability to remain as a preeminent democracy in the world and without them we would not.

No other country in the world has such an unfettered right of free speech as the United States.

But, Mr. President, we should not forget that the enemy of the first amendment in 1791 when it was adopted was censorship, and censorship remains as great a threat today.

One of the reasons the threat remains so great is that censorship is in many ways harder to detect than it was in the 18th century.

Yes; there still is direct censorship and it can be chilling. In the midst of paranoias over leaks, the administration announced 2 years ago that all Government employees with access to classified information, even at low levels, could be forced to sign agreements keeping them from discussing or writing about anything even remotely connected with their work, without prior clearance by Government censors.

The widening use of the polygraph test to monitor the loyalty or obedience or patriotism of Government employees is another example of old-style censorship. Threatening the author is not really very different from censoring what he or she writes.

On the local scene, all around the country there are people busy eliminating books they find offensive from library shelves.

But there are some distinctly new faces to censorship today, forces working within Government and privately to limit expression and in ways that are unknown two centuries ago.

Within Government the biggest threat to expression generally may not be any form of direct censorship, but rather Government's reluctance to share information.

In the information age, I regard the Freedom of Information Act, or FOIA, as a very necessary addition to the first amendment, a law actually worthy of constitutional stature. Without it, Government escapes the scrutiny of the people it represents. With it, it makes Government accountable to those it represents. With it, Government knows that it cannot hide mistakes or errors or malfeasance or fraud, but rather if it has the duties of representation or of governance, it also responsibilities guaranteed by the statute that in many ways is of a constitutional or should be of a constitutional nature.

Without it the free press of a free nation would not be able to do the job that we as citizens of this country expect it to do.

Eliminating FOIA or crippling it would mean the end of effective news coverage of the Federal Government. It is that simple.

Another example of what I will call the new censorship is the CIA's attempt to retaliate against ABC's coverage of CIA activities through the fairness doctrine.

The fairness doctrine—and other attempts to regulate the content of radio and television broadcasting—is based on the notion that available frequencies are a limited public good, and

that broadcasters must conform to content standards that do not apply to print publications, whose numbers are not limited by the laws of nature, perhaps limited by the laws of finance but not by the laws of nature.

Recently someone said that they should buy stock in CBS and become "Dan Rather's boss." Well, that is a not-too-subtle attempt to have CBS news coverage swing into line with the views of those buying stock.

I am sure that none of these people or the organizations they represent consider themselves to be censors. But, in reality, they are.

Nor would the plaintiffs in a number of notable liable trials that have threatened to change the nature of both print and television journalism all over the country consider themselves censors, but, in reality, they are.

I am concerned in equal measure about the older forms of censorship—the conscious and purposeful limitation of expression by Government—and what I have called new censorship—the indirect narrowing of free expression through the seemingly benign pursuit of particular rights or policies.

But there is a single thread that weaves its way through censorship, new or old, and it is the idea that you are better off if you let Government do your thinking for you. Or if not Government itself, a self-appointed moral watchdog who has thought about your problems longer and harder than you have.

Thomas Jefferson in his first inaugural address, took dead aim on the penchant of some to think and speak for all. It might do as good to remember what Jefferson said:

> Sometimes it is said that man cannot be trusted with the government of himself. Can he, then, be trusted with the government of others? Or have we found angels in the forms of kings to govern him? Let history answer this question.

Angels in the form of kings were the problem in Jefferson's time, and they are very much the problem now—and we are the history President Jefferson spoke of.

The only difference, really, today from Jefferson's time is our institutions and our technology have both become far more complex than they were 200 years ago, and spotting the angels or the kings can be a full-time occupation.

What is remarkable is not how different the issues are today, but how similar they are.

I am convinced that the new communications technologies are neither a new villain nor an instant savior.

All the electronic sophistication in the world does not assure the kind of accuracy that we would like to see within our media.

Volumes of data in memory banks will not assure comprehensiveness in reporting.

And computer technology that has the potential to let the American people literally plug into Government does not assure openness.

As in 1791, the outcome on any of these issues will be up to you and the public that supports you.

If journalists decide that even angels are unwelcome as uninvited copy editors standing at your side, then journalists can do something about it.

Journalists can fight censorship with vigilance, as they have fought it in the past. It is a fight they can, and I believe will, win.

The Freedom of Information Act is a good place to begin fighting—or I might have said to the audience in Texas, the continuation of the fighting.

The current administration officially supports FOIA, but if actions are the measure of intention, this is really support we can do without.

Two years ago, the Department of Justice adopted a stringent—I should say stingy—policy of fee waivers, to limit the use of the act by the media and public interest users.

In the last Congress, the Senate Judiciary Committee, chaired by Senator STROM THURMOND, forcefully rejected that approach. But, notwithstanding that, the policy of the administration stays in effect.

That is only one example, but there are a lot of others.

Time limits in the act are routinely ignored. Files are lost. Documents are destroyed. Agencies' interpretations of the act's narrow exemptions are constantly broadened.

For 4 years, I have been working with other Senators to draft amendments to FOIA which would preserve the essential features of FOIA, but would address some legitimate problems the Government is having in implementing the act.

In this Congress, we need to work on legislation to strengthen FOIA. And I will work with journalists throughout the country to make that possible.

Fighting back against the chilling effects of the megalitigation over liable claims will be different. The problem is not the liable law itself, which has evolved over hundreds of years and is, on the whole, fair and comprehensive.

Liable is a tort that historically has worked best at the local level. We do not deal any longer, however, at the local level. Television has the capacity to create the global community. Because of that, alleged defamations seem universal in scope, and the resultant trials—often involving people now or formerly in Government—seem like vast morality plays.

In short, neither the Sharon nor the Westmoreland cases were suited for the courtroom, though the law clearly allowed both to be there.

There is no doubt that the time and expense of these kinds of trials will eventually have a chilling effect on investigative journalism, in a way not unlike the intended effect of the criminal libel judgment that was sought by the colonial Governor of New York against Peter Zenger early in our history.

The answers to the libel dilemma will come slowly, and there will be many of them, not just one.

But all journalists can—and must—do a better job. The internal procedures for checking facts and maintaining high ethical standards within both the print and electronic media will become more important—and more subject to public debate—than ever.

Courts and practitioners will have to search for ways to simplify and expedite libel litigation, given its potential to damage the social fabric. Libel is not just another tort.

Freely, and in their own ways, news organizations—and especially television—should explore ways to let affected members of the public respond to what they report.

I have mentioned a few specific answers to a few specific problems. But what journalists and I will find frustrating in the coming years will be the ability of new censorship to pop up in new ways, without the censorship label showing.

When it does, journalists will have to be ready to stand firm, to resist, to say no, and then say no again, no matter what it means to them, no matter how much they may be vilified, no matter what actions may be taken against them.

Every American must be a sentinel in the protection of the first amendment. While every American is a sentinel, the front line will be more and more held by journalists, even as we prepare to honor the first amendment's 200th birthday.

So I am grateful to those who are in the trenches and fighting for freedom of expression every day of the year.

My main point today is that millions of journalists' fellow Americans are with them and share their sense that without free expression, no other freedom will long endure, so that the whole foundation of our Nation will be shattered and it could be easily questioned how long we could stay as a nation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. DOLE. Mr. President, a number of my colleagues on both sides of the aisle have been inquiring what may be

the program for the remainder of the day or the remainder of the week.

Let me indicate that at the present time the distinguished minority leader is preparing a submission for the majority leader, and as soon as that has been made available, I will look at it very quickly. It is my hope that we will resolve most of the issues, so-called farm controversey, and, if possible we would, of course, like to dispose, between now and 5 o'clock, if possible, of the Meese nomination, the so-called highway bill, the ICE matter, and then a vote on the resolution pertaining to debt restructuring in the farm credit area.

I am fairly optimistic, but I have yet to hear from the distinguished minority leader. I know he will make known his views at the earliest possible time. But I hope if there is some agreement we can move rather quickly to vote on the Meese nomination. I understand on the highway bill there is no controversy. There may not be any amendments. Perhaps we can dispose of that rather quickly. It is important that we act on the highway bill because many contractors in each State are getting ready for spring work. It is quite important that this $7 billion be allocated. We need to pass as I understand it the forumla. Then the resolution on farm credit in my view would not require any great debate. There probably would be a rollcall.

Mr. MOYNIHAN. Will the majority leader yield?

Mr. DOLE. I am happy to yield to the distinguished Senator from New York.

Mr. MOYNIHAN. As a member of the Committee on Environment and Public Works, as is my distinguished friend from Rhode Island, I thank the majority leader for meaning to get this highway measure up. There are about 35 States—New York is not one—which will run out of money which is in a trust fund under a formula agreed to. It would be a very useful piece of work.

Mr. DOLE. I appreciate that from the Senator from New York. It is a fact and I have heard from none other than the Secretary of Transportation that this is of some importance.

Mr. FORD Mr. President, will the distinguished majority leader yield for a question?

Mr. DOLE. I am happy to yield.

Mr. FORD. I would like to ask the distinguished majority leader when the proposal is submitted to you by the minority leader—and that is acceptable—is it your intention then to move directly to votes and we will vote on all three items this afternoon if the return of the so-called agreement is timely? Otherwise, we would even stay this evening. Say, if it got to you at 3 or 4 o'clock, we would go ahead and still try to vote up and down on all three of them?

Mr. DOLE. That would be my hope. It seems to me it would not take too long. But, again, it would be up in part to be determined by the minority leader, distinguished Senator from West Virginia, Senator BYRD. In our discussions it is my understanding, if we can put this together, it is not going to take long to dispose of any of three matters.

Mr. FORD. I thank the majority leader for his courtesy.

Mr. CHAFEE. Will the majority leader yield for a question? I understand the process here is for some kind of agreement to be presented to you by the minority leader on a method of procedure in connection with this farm business. I can see the Meese nomination is a clear-cut vote there. I can see a clear-cut vote one way or the other on the highway legislation. But then the third matter, the so-called farm credit matter, is that a piece of legislation that we are going to debate?

Mr. DOLE. No. It would depend on whether we finally put the agreement together. If we do, it will be a sense-of-the-Senate resolution which I assume would be cosponsored by a number of Senators on both sides of the aisle. Again, I probably should not go much beyond that, but I would guess that next week there will be legislation before the Senate that would be open to amendment. At that time there may be some specific legislation offered as an amendment.

Mr. CHAFEE. So the way you envision it is that any votes today in connection with farm matters would be a sense of the Senate or some agreement that we would proceed at a certain time rather than the passage of any final legislation in connection with the farm matter.

Mr. DOLE. That is the understanding of the majority leader, that we would pass the sense-of-the-Senate resolution, and it would also contain a cover letter from the Secretary of Agriculture wherein he has indicated his contact with the President and a public commitment to support the contents of the resolution. But it is a sense-of-the-Senate resolution. I think it is important to note that the Secretary of Agriculture this morning announced what we sort of tentatively agreed on yesterday. So that is already moving. So the Senator is correct. It would not be specific legislation. It would be a sense-of-the-Senate resolution. It is my hope that we can complete that today. If not, I must say with some regret that we might be around late, late this evening and the same tomorrow.

Mr. CHAFEE. Thank you.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FARM CRISIS

Mr. DIXON. Mr. President, I understand that discussions are continuing between the majority leader, Senator DOLE, the chairman of the Agriculture Committee, Senator HELMS, and Senators BOREN of Oklahoma and EXON of Nebraska on this side concerning the farm credit problem in America.

As a Senator from a great agricultural State—and I hope that the people listening to my voice in the various offices know that Illinois is the No. 1 agricultural exporting State in the Union. Mr. President, I express my personal congratulations to Senator BOREN and Senator EXON for the outstanding work they have done to date for the American farmer and I express my personal appreciation to the distinguished majority leader, Senator DOLE, and to the distinguished chairman of the Agriculture Committee, Senator HELMS, for their forthrightness, their understanding, their fairness, and their interest in dealing at great length with our side, though we are the minority, with the problems of the American farmer.

Clearly, what has occurred until this point in time is significant, permitting the writing down of the interest as well as the principal on the private sector loans with the Government guarantee, together with allowing 100 percent cash-flow arrangements and the accommodations with respect to the Farmers Home Administration loans, although, as I understand it, the administration's position still is that it must be 110 percent cash-flow arrangement there, together with an additional 1,000 employees to go out and process these papers. I think that is significant. It is important. It is meaningful to thousands and thousands and thousands of American farmers.

However, Mr. President, let there be no mistake about it, none whatsoever, that this is not adequate, not nearly adequate, to answer the whole problem on the American farm and the whole farm credit problem in America.

When we take up this matter on Monday—and if the arrangements hold up, I take it that it will happen on the Ethiopian relief bill—amendments will be offered, I say to my colleagues, paralleling the Daschle bill in the House, on the one hand, and thereafter I will offer an amendment similar to S. 433, the Dixon bill, which is at the desk in the Senate and has been held at the desk, as the President

knows, by unanimous consent since February 7 through this coming Monday, February 25.

Let me tell this to my friends in the Senate. I see a distinguished friend of mine on the other side, the junior Senator from Mississippi, who serves with great ability with me on the Agriculture Committee. I want to read some real statistics. This is not made up in the head of the senior Senator from Illinois. These are U.S. Department of Agriculture statistics.

What has been crafted so far deals with what the administration and others euphemistically call, I say to my friend from Mississippi, a "qualified" farmer. What is a "qualified" farmer? A "qualified" farmer is a "creditworthy" farmer. That is a farmer whose debt-to-asset ratio is 70 percent. That means, by the USDA statistics, the 8.8 percent of farmers—and since you cannot get eight-tenths of a farmer—9 out of 100 farmers are not affected at all by the discussions that have taken place so far.

If all we do is what we have done so far, next month, in the early spring, in March, when farmers want to get the money to buy their seed and their fertilizer and their fuel, 9 out of every 100 farmers who meet in their country elevator or rural community restaurant or little hall, will fail, will go under. Nine out of every 100 farmers in America will go under.

I say to my distingushed friend from Mississippi that 186,000 farms are not covered by this. These farmers are sitting on top of one-third of the farm debt of $210 billion in the United States of America.

In my State, out of 32,000 affected farms considered as being in serious financial difficulty, half are not affected by everything that has happened so far. I am authorized to say that I have had two conversations today with officers of the Illinois Farm Bureau, who called me. I was too busy at the time to call them. I think they will take no exception when I say this: The Illinois Farm Bureau is the most conservative, philosophically, of the farm groups in my State; and they have said to me that they consider what has been done so far relatively meaningless, unless they get either the Daschle bill or the Dixon bill. Frankly, they have said that they prefer the Daschle bill, but they would settle for the Dixon bill.

I have said this to them, and I want to make it clear on the floor, so that no one says later, "Was it Senator DIXON who caused all this flurry?" I admit to it, I say to my friend from Arkansas. I plead guilty. I have said to them that when we go to the Ethiopian relief bill on Monday, DASCHLE will be offered as an amendment. If it fails, DIXON will be offered as an amendment: either the one-half, as my friend knows, under DASCHLE, available in the spring to put in the crops, or one-third under the Dixon bill, and they prefer the Daschle bill.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. DIXON. I wish to conclude, and then I will yield.

I have said—make no mistake about it—that if there is a motion next Monday to table, Senators cannot hide behind that motion to table, because the issue is clear. Assistance for the American farmer depends upon those bills. If someone says, "I didn't know what I was doing; I voted for a motion to table," I say remember this: That is a copout, because the issue is clear.

They have said: "We understand, and we will let our friends in the Senate, from all over rural America, know our views over the weekend."

I have said: "I think that is the thing for you to do."

So I say to my friend, the senior Senator from Montana, whom I greatly respect, that I am happy to yield to him, with the final thought that I came here to voice my congratulations to Senator BOREN and Senator EXON for the wonderful job they have done, and to Senator DOLE and Senator HELMS for the meaningful movement they have made on behalf of this administration to accommodate the American farmer.

This Senator feels that it is a good job, not quite half done, and the other half has to be done next Monday.

Mr. MELCHER. Mr. President, will the Senator yield for a question?

Mr. DIXON. I yield.

Mr. MELCHER. I am reading from the letter from Secretary Block, in which he says, in the concluding phrase, "make certain that adequate funds are immediately available for all qualified farmers seeking assistance under the programs and provisions identified in the resolution."

Is the Senator from Illinois saying that the opportunity for "qualified farmers" for guaranteed loans will be restricted under the terms and conditions as outlined in the Farmers Home Administration regulations and reflected in the sense-of-the-Senate resolution dealing with emergency farm credit?

Mr. DIXON. It is restricted to what is euphemistically referred to as a "qualified" farmer. A "qualified" farmer is a "creditworthy" farmer, and a "creditworthy" farmer is a farmer whose debt-to-asset ratio is 70 percent or lower. That is the only category contemplated by that letter.

Mr. MELCHER. So that most of the farmers—at least in Illinois, and presumably in other States—would not qualify and we would not be assisting them through this agreement with a broadened credit program of loan guarantees?

Mr. DIXON. On this date, as I consult on the floor in a colloquy with my distinguished friend, the senior Senator from Montana, 9 of every 100 farmers anywhere in America will go down next month, under this agreement. They will not put in a crop.

Mr. MELCHER. And that 9 percent is out of the 15 percent that we are seeking to help.

Mr. DIXON. Yes, it is 8.8 percent, but I cannot round off eight-tenths of a farmer; 8.8 percent are not contemplated by this, and that is the U.S. Department of Agriculture figure, not the figure of the senior Senator from Illinois.

(Mr. CHAFEE assumed the chair.)

Mr. MELCHER. Would the Senator agree that what we are seeking to do is to get Farmers Home Administration regulations opened up so that the loan guarantees will apply to a higher percentage of farmers?

Mr. DIXON. Yes. Incidentally, may I say to my friend from Montana, by one method or another, and I hope my friend has heard me say on at least two different occasions in our own caucuses, that I have no pride of authorship in my own bill. Any mechanism that will bring to the farmer in the next couple of weeks before he needs to buy seed, fertilizer, fuel, and other things, the money to let him put in a crop, is supportable by this Senator.

Mr. MELCHER. I thank my friend, and I might say that I share his concerns over the working of the agreement after we have it in place, and I think perhaps we have some further discussions to take up with the Farmers Home Administration, and with others in the administration itself, on what they seek to do and how they are going to implement what we are trying to do here on the floor to meet the needs of farmers.

Mr. DIXON. To my friend from Montana, let me say this, that some in the administration are suggesting there are costs and some are even suggesting vast costs in permitting the ASCS to advance in the spring to the farmer to put in a crop a third of what he could obtain himself in the fall after his harvest.

I want to say the only cost is that if you do not do it in the spring, then 9 out of 100 will fail. You will not see those 9 out of the 100 in the fall, because mathematically, if 9 out of 100 go down in the spring, they will not be there with the crop in the fall. If this administration wants to save money by putting 9 out of every 100 American farmers in the ditch this spring, they can save that money.

Yes, I am the first to admit there will be a vast saving, but it will not save money in the end because the welfare they receive and the costs in supporting them on the dole, if my friend the majority leader will forgive that expression, instead of supporting them by letting them put in a crop

and working with their own hands in their own soil, that will be the only difference.

My friend from Arkansas wishes me to yield.

Mr. PRYOR. Mr. President, I wonder if my friend from Illinois will yield for a question or two?

Mr. DIXON. I am delighted to yield to my distinguished friend from Arkansas.

Mr. PRYOR. Mr. President, I enjoyed the speech of our very distinguished Senator from Illinois so much a moment ago.

I remember last year, 1984, when one of the leading newspapers of his State described the distinguished Senator from Illinois as the animated Senator, and I thought that was appropriate.

Mr. DIXON. I compliment the Senator on his keen memory.

Mr. PRYOR. I thought that was just a descriptive way to tell our colleagues and friends about who this great man from Illinois is.

The Senator from Illinois was mentioning a moment ago about Illinois being the greatest exporter of agricultural commodities and goods of any other State in the Union, and we salute you. Arkansas is trying to catch up with you. We have a long way to go, but we are doing our part.

Talking about exports, I wonder if the Senator from Illinois knows what is the greatest export item this country has today, the fastest growing export item that America can boast about at this moment. I wonder if the Senator knows.

Mr. DIXON. Our agricultural products.

Mr. PRYOR. That is correct.

Mr. DIXON. I am only going to take a guess, because my distinguished friend from Arkansas is on the Agriculture Committee with me, and I have heard him make a lot of rice speeches.

Mr. PRYOR. And read rice recipes, right?

Mr. DIXON. And read rice recipes and other things. So could it possibly be rice?

Mr. PRYOR. We export a lot of rice.

Mr. DIXON. All right.

Mr. PRYOR. In fact, a great portion of our rice product is exported.

I want to go back and may go back and correct the RECORD just a moment because the fastest growing item percentagewise from the American export market, the fastest growing item from the export market percentagewise no longer is agriculture. I hate to tell my friend.

Mr. DIXON. Oh, yes.

Mr. PRYOR. That has slowed down a few years ago.

Mr. DIXON. I know that.

Mr. PRYOR. But now the fastest growing item is military assistance overseas.

Mr. DIXON. I am not surprised to hear it.

Mr. PRYOR. Listen to these figures.

Mr. DIXON. I joined the Senator last year, if the Senator will remember, in his amendment, which was a very good one.

Mr. PRYOR. Yesterday the junior Senator from Arkansas made a little comment on the floor, and I thought it was well taken. I hope it was well taken, and I had my staff do some figures.

I wish my friend from Illinois would listen to this.

Overall growth in foreign aid, foreign aid, since 1981—that was the last Carter budget—if we approve this year's foreign aid requests, will be a 158-percent increase in foreign aid in 4 years.

Mr. DIXON. That is right.

Mr. PRYOR. Now, the growth in security assistance in 4 years will be 240 percent.

Mr. DIXON. That is right.

Mr. PRYOR. The foreign military sales program will increase 85 percent since 1981, if the request go through. And in the military assistance program, military grants to these countries, some of which are very questionable, in my opinion, the growth will be an amazing 524 percent since 1981.

In addition to the overall growth of these programs, I say to my friend from Illinois, I am very concerned with another trend. In the past, the mix of security and development assistance to these foreign countries has roughly been 50-50. That has sort of been a guideline, I guess, that we have followed. I am sure that is not in the law. I assume it is not the law, but I guess that has been a guideline.

Today, I say to my friend, that ratio has shifted from 65 percent developmental assistance. We have done a complete turnaround in military assistance on the increase, developmental assistance on the decrease.

But the bottom line is a 124-percent increase in military assistance all over the world when we are talking here in this Chamber today about 1.5 percent of our entire Federal budget going to so-called Federal subsidies which most will be paid back into our Treasury if we give them half a chance.

Mr. DIXON. May I say in answer to the question of the Senator from Arkansas that he is entirely right.

Now may I say something to my friend, the Senator from Arkansas? I hold in my hand a newspaper that proudly advertises itself as the world's greatest newspaper, the Chicago Tribune, of Friday, February 22, this date.

On the editorial page of that Tribune, if my friend from Mississippi can see the cartoon, there are two generals standing there with their limousines, and at the limousine is their driver in salute, and two generals standing there and looking in the field, and the one general says to the other general: "A lot of my silos over there and an air base there and a nerve gas plant right there. We got this land for a steal, General, bought it from a bunch of down-and-out rural types."

And the other general says to the general that just said that: "What do they call this area?"

And the other general says: "America's breadbasket."

America's breadbasket.

So, I think it eloquently states the thought of a great many Americans that we are contemplating a budget with a 13-percent increase for our Pentagon friends, and we stand on this floor day after day after day after day and cannot get dimes for the farmers who grow the food and the fiber that feeds and clothes not just America, but the world; and I think that is the issue before us between now and the time we finish our business next Monday.

I see in the Chamber a wise and learned gentleman. He was taught almost everything he knows sitting next to me as my seatmate in the Illinois House and Senate for 12 years. I am going to yield to him.

Mr. President, I yield with great pleasure to a man without peer in my State, a man who has served with great distinction in the Illinois House, the Illinois Senate, as Lieutenant Governor of Illinois, 10 years in the House on the other side in this great Capital city, and is now the junior Senator from Illinois. His words of wisdom, Mr. President, will astound you.

Mr. SIMON. I thank my colleague. And it is true that for 12 years I sat next to my senior Senator in the Illinois General Assembly. When I did not know how to vote on an issue, I leaned over and asked him how to vote. That is how I got all my bad votes in the Illinois general assembly, Mr. President. (Laughter.) The RECORD should note that there was laughter and chuckling at that point here.

I simply want to commend my colleague.

Before I comment on my colleague's comments, I want to agree with the junior Senator from Arkansas in the shift that has taken place in our lack of economic assistance. I would point out that Dwayne Andreas, a distinguished citizen of the State of Illinois, happened to head a study that was requested by President Reagan, a commission that President Reagan put together. That commission recommended that Public Law 480 funds, Food for Peace funds, be doubled and that in the process of doing that, you would help people overseas who desperately need help, you would help the American farmer, you would help the United States politically, and ultimately you would have savings of money, and it

just makes sense all the way around. That is not an immediate answer to the immediate credit crunch that farmers face, but I think it ties in with what Senator PRYOR was saying here just a few moments ago.

I simply want to commend my colleague who is on the Agriculture Committee and who has been providing leadership. He is right on target in saying that what we have worked out here as a compromise is a partial step in the direction that needs to be taken, but it is not going to rescue a great many farmers in our State and in other States, including the State of Mississippi, who really do need help.

Let me give you just one small insight into where we are and why what my colleague says is so extremely important.

In the last 3 years, each year we have had roughly 1½ percent of the farmers who have either been foreclosed or been forced to sell. And land values very roughly, and these figures are not precise, but very roughly have been going down about 10 percent a year. This year, if you put out on the market 8 or 9 or 10 percent of the farms of this Nation, you will see land values in this Nation drop precipitously and what you are going to do is not only jeopardize the agricultural economy, you are going to see banks—if you think there are troubled banks in Iowa, Illinois, Nebraska and Mississippi and elsewhere right now, you wait until those land values start plummeting. And that is what is going to happen if we do not do something meaningful. Then we are going to have a real problem, not only with those small rural banks, but with the big banks that they are associated with, and with all kinds of places in our economy. So we are facing something that is very serious.

On top of all of this, next summer, for the first time—just a few months off—the United States, which has been the No. 1 creditor nation of the world, will become the No. 1 debtor nation of the world.

Now at what point other countries lose confidence in us and start saying "We want our money back," no one knows. But that is why it is important we deal with the deficit. That is why it is important that when we see troubled key areas in our economy we move on them.

So I simply want to commend my colleague, my senior Senator, my very senior Senator here. I want to say that what he is doing in this field of agriculture is important to Illinois, to Illinois farmers, but much more than that, it is important to the Nation. We have to get a hold of this thing and we have not come up with an answer yet.

I join in commending our colleagues, Senator EXON and Senator BOREN, and the leadership on both sides that has worked out this small step in the right direction. But let us acknowledge it is a small step. It is not going to solve the problem, and we better move on solving that problem.

I thank my colleague for yielding.

Mr. DIXON. Mr. President, I thank my colleague for once again sharing with us his words of wisdom. His contribution over the years has been a great one and we again thank him for casting light on a very difficult situation before us in the U.S. Senate. Mr. President, having carefully counted the heads here in this hall, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

Mr. DOLE. Mr. President, it is still my hope that we can come to some agreement this afternoon. If not, we intend to have a number of votes between now and midnight or tomorrow morning, and we intend to be in session tomorrow. We have been waiting now virtually since 10 o'clock for some word on reaching an agreement. I thought by now we would have disposed of the Meese nomination, the highway bill, and the farm resolution.

CALL OF THE ROLL

I am prepared to announce to my colleagues, since it is 3:45 p.m. and nothing has happened since 12:30, my last conversation with anyone on the other side, that I will suggest the absence of a quorum, and it will be a live quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 3 Ex.]

Biden	Dodd	Kerry
Bumpers	Dole	Simpson
Chafee	Hecht	Thurmond

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The majority leader.

Mr. DOLE. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. STEVENS], and the Senator from Virginia [Mr. TRIBLE] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Missouri [Mr. EAGLETON], the Senator from Louisiana [Mr. LONG], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 89, nays 3, as follows:

[Rollcall Vote No. 6 Ex.]

YEAS—89

Abdnor	Glenn	McConnell
Andrews	Gore	Melcher
Armstrong	Gorton	Metzenbaum
Baucus	Gramm	Mitchell
Bentsen	Grassley	Moynihan
Biden	Harkin	Murkowski
Bingaman	Hart	Nickles
Boren	Hatch	Nunn
Boschwitz	Hatfield	Packwood
Bumpers	Hawkins	Pell
Burdick	Hecht	Pressler
Byrd	Heflin	Proxmire
Chafee	Heinz	Pryor
Chiles	Helms	Riegle
Cochran	Hollings	Rockefeller
Cohen	Humphrey	Roth
Cranston	Inouye	Rudman
D'Amato	Johnston	Sarbanes
Danforth	Kassebaum	Sasser
DeConcini	Kasten	Simon
Denton	Kennedy	Simpson
Dixon	Kerry	Specter
Dodd	Lautenberg	Stafford
Dole	Laxalt	Symms
Domenici	Leahy	Thurmond
Durenberger	Levin	Wallop
East	Lugar	Warner
Evans	Mathias	Wilson
Exon	Matsunaga	Zorinsky
Ford	Mattingly	

NAYS—3

Goldwater	Quayle	Weicker

NOT VOTING—8

Bradley	Long	Stevens
Eagleton	McClure	Trible
Garn	Stennis	

So the motion was agreed to.

The VICE PRESIDENT. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

Mr. SIMPSON addressed the Chair.

The VICE PRESIDENT. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank the Chair for my recognition.

I intend to review some things, various odds and ends, for a few minutes, and will do that while our two leaders are meeting and attempting to resolve this matter, and thus I will reserve the floor for this side of the aisle until that is accomplished. That is a role I do not cherish but nevertheless will perform for some unlimited period of time while they are doing the negotiating that needs to be done.

When that is completed, they will report to us, and we will see if we perhaps have resolved this matter. The purpose is that upon the completion of their efforts, we can proceed to the next item of business, rather than waiting until the next speaker has finished whatever may have been referred to, which in the last few days has covered the spectrum of Ed Meese, farm credit, and many other varied activities within this place.

So I will speak, and I will certainly yield for any questions that might be presented, but I will not yield for any other purpose at this time.

Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order.

Mr. SIMPSON. Mr. President, as I say, the purpose is to hold the floor so that we are able to determine, immediately upon the conclusion of the discussions between the majority leader and the minority leader, to proceed with our business, which is not getting done.

I regret that, but that is what I would share with you without attempting to be dogmatic or pinched or evil in the process.

So, I wish to discuss for a few minutes the nomination of Ed Meese which we have been discussing for some time, to share with you that I serve as a member of the Judiciary Committee and on the Judiciary Committee we have very thoroughly gone—Mr. President, may we have order in the Chamber?

The VICE PRESIDENT. The Senate will be in order.

The Senator may proceed.

Mr. SIMPSON. Mr. President, as a member of the Judiciary Committee I share with you that it has been a very extraordinary experience to go through the presentation of Ed Meese as Attorney General of the United States.

At one occasion, someone reflected that it had been some 398 days since we started with Mr. Meese. I think that we could have perhaps completed our work in a more timely fashion than 398 days.

I happened to participate at the first hearing and then, of course, tried very diligently to follow the testimony of the special counsel. I was one of the Senators in my early time here who assisted in drafting the legislation with regard to the independent counsel, Mr. President, and I think we found that there was an opportunity for all of us to have read the counsel's report. I am sure you are well aware of the content of that, and we did that for the purpose of trying to avoid the conflicts that would come from issues that would come up within an administration where we would look toward the independence of a separate counsel to examine items of conflict and ethics within an administration. That was during the Carter administration when I became involved in that.

So it would seem to me that perhaps we might have put a better front or a better image on the counsel's report, and the independent counsel I think in this case did a magnificent job.

Mr. SYMMS. Mr. President, will the distinguished Senator yield for a question?

Mr. SIMPSON. For a question, yes, I will yield for a question.

Mr. SYMMS. I thank my distinguished leader for yielding.

Mr. President, the question I have is that we have waiting and pending before the Senate this nomination that is before us, that the Senator is speaking about, but the next piece of legislation moved is the highway bill of which there are some 35-plus States that are anxiously awaiting the action of Congress on the highway bill.

I wish to propose a question to the distinguished floor leader. When does he think we are going to get to the highway bill and when can we expect to get a vote here? I am ready to vote on this nomination. The floor leader has the floor and he is talking, but I wonder, are all other Senators through or when can we vote? When can we close debate and get on with this?

Mr. SIMPSON. Mr. President, in response to the question of the Senator from Idaho, I, too, very much wish to proceed with the vote on the ICE bill, the interstate cost estimate bill. I, too, wish to proceed with the vote on the Attorney General designee, Ed Meese. I, too, wish to proceed with the critical things such as Ethiopian aid. And I am fully prepared to do that.

Mr. PRYOR. Will the Senator yield for a question?

Mr. FORD. Mr. President, will the distinguished floor leader yield?

Mr. SIMPSON. I will soon yield for a question. I will finish the response.

At this time, the floor is being reserved while the majority leader and the minority leader are completing their discussions and negotiations on a very complete and complex diagram for the next 2 or 3 days within this body, and that will be presented to us very shortly and at the time it is prepared for presentation we can move immediately to it without taking any extraneous time in dealing with any other subject. I think that may answer the Senator's question.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SIMPSON. I yield for another question.

Mr. BENTSEN. Mr. President, will the Senator yield for a question?

Mr. GORE. Yes.

Mr. SIMPSON. A question only.

The VICE PRESIDENT. The Senator from Wyoming has the floor.

Mr. SIMPSON. I yield for a question.

Mr. GORE. Mr. President, to clarify the record after comments just made, I simply ask whether or not all of the Senators on the other side have been advised of the fact that the Democratic caucus clearly stated that any time the leadership wished to bring up the highway bill the discussion of the Meese nomination would be suspended and the highway bill would be given smooth sailing and there would be no attempt of any kind to delay or obstruct consideration of the highway bill in an expeditious way.

Mr. SIMPSON. Mr. President, that has not been indicated to me. I am not privy to the workings of the Democratic caucus.

Mr. GORE. If the Senator will yield further for a brief comment, this was clearly communicated to the majority leader by our leadership.

Mr. SIMPSON. I only yielded for a question.

Mr. GORE. And I guess the question is I wonder if the assistant majority leader knows why it was not communicated to the other members of the majority. I will phrase it that way.

Mr. SIMPSON. Mr. President, as I say, I am not privy to the activities of the Democratic caucus as to what may have occurred there. I am very interested in what did occur there. That is helpful information. We are all quite aware of what is going on. We are all very bright and intelligent people. So right now your loyal correspondent is holding the floor. That is what he is doing, and I yield for a question

Mr. FORD. Mr. President, will the distinguished floor leader yield for a question?

Mr. SIMPSON. I yield for a question only.

Mr. FORD. Is not the Senator's position the assistant majority leader of the U.S. Senate?

Mr. SIMPSON. That is correct.

Mr. FORD. Is it correct, first of all, when a proposal is made to the majority that he should at least have heard the rumors?

Mr. SIMPSON. Mr. President, I would say that in the last few days this speaker has heard more rumors than you can wad into a shotgun for the rest of my life, yes.

Mr. FORD. The only thing I ask, since we are going to get down to a technicality and be sure they are questions, had the Senator known of the window that was offered in the negotiation that could be used to proceed to take up the ICE bill and pass it expeditiously, would he have agreed to that?

Mr. SIMPSON. Mr. President, I have been very much involved in enjoying the negotiations with the Senator from Oklahoma, Senator BOREN, who has done a remarkable job, and Senator EXON. More windows have opened and closed than there are in this build-

ing during that time. At one time we had a proposal which was agreed to which suddenly was not agreed to.

We had a letter that was agreed to that was then later not agreed to. Windows, openings, and orificies have opened and closed in extraordinary ways and we are still here. So I wanted to relay that.

Mr. FORD. May I question the distinguished Senator further?

Mr. SIMPSON. You may ask another question, indeed.

Mr. FORD. Well, is it better to be serious than funny?

Mr. SIMPSON. It is, when the time calls for it. And there is nothing serious abut what we are doing.

Mr. FORD. It certainly is serious. The farmers of my State are very serious. Are the farmers of your State serious?

Mr. SIMPSON. Mr. President, the Democrats do not have a, you know—that is not just something that has to do with only one side of the aisle.

Mr. FORD. Do you mean a monopoly?

Mr. SIMPSON. No; I mean a care, a concern.

Mr. FORD. The point I would like to make to the Senator I cannot make to him in a question. At some point I will be the able to get the floor.

Mr. SIMPSON. I think that might be appropriate at some future time.

So, Mr. President, I would go on and, since the question has been addressed, reflect a moment as to how we may have gotten here, as if perhaps the Republicans brought us here or the Democrats brought us here. What a curious statement.

We all did this. We have been doing it for 52 years—52 years of misguided farm policies, all done in a remarkable arena just like this, at which time we have always responded with some emergency little piece of action on the plea—always the pleas—"Please do this. Do it now. Do it in the next 2 days. Do it in the next 10 days and I promise you that we get to the ag bill we will correct it. We will get it done."

And then we believe that, and we do it, and we pass something. Then we get to the ag bill and everybody in the ag debate does not get it done because I then I come in with sugar beets, and someone comes in with the wheat, and someone comes in with the tobacco, and someone comes in with the corn, and so we do not every resolved this issue. And that is how we got to this point in agriculture today.

It is not the Republicans that got us here and who do not care. It is not the Democrats that got us here and who do not care. The issue is, we are here and we have poured $50 billion down the rathole the last 4 years and more farms have gone out of existence than ever before in that period of our history. That is reality.

So something is very sick with agriculture and we are trying to see if we can administer some medicine that will not kill the patient but certainly will not kill the United States of America with a deficit running about $200 billion. That is reality. It is a reality and we are dealing with it.

So it is very unfortunate, I think, that we have come to the point in the national debate that somehow one party can do a little more than the other party for agriculture, because none of us have really done anything for agriculture that has worked, except a bunch of extraordinary programs which are placed on the books because of a combination of guilt, fear, and emotion. And we pay a dear price for it and that is just what you are seeing now.

I happen to also be from farm country. There is nothing funny about it. But there is something plenty funny about it when we have an emergency situation and we sit here on our duffs for 4 days and play with this. That is not funny.

Mr. ARMSTRONG. Will the Senator yield?

Mr. SIMPSON. Yes, for a question only.

Mr. ARMSTRONG. I would like to ask the Senator from Wyoming if there have been a large number of people in agriculture in the State of Wyoming who have approached him and asked him to participate in this filibuster. Are there farmers and ranchers in Wyoming who have come forward to say that they believe that their cause is advanced by this kind of delay on the nomination of the Attorney General? Are there farmers and ranchers and others who care about agriculture out his way who think that this bill supports and helps marshal public opinion behind a solution to it?

For that matter, maybe I should ask the distinguished assistant majority leader if anyone from Colorado has come to express that point of view to him, because I have an enormous number of people in agriculture in my State, many of whom are really suffering, some of them who have been on their land a hundred years and, in a few cases, even more, good people, hard working, thrifty people who grow crops and who have been devastated by recent economic trends. Yet not one has come to me and said, "Please support an extended debate on the nomination of Mr. Meese to be the Attorney General because I think if you do that that is going to help the farmers of this country."

I wonder, could the Senator from Wyoming tell me has there been a hue and cry and a clamor out Wyoming way for this kind of debate?

Mr. SIMPSON. Mr. President, that is a very valid and adept question. I have had not one single item of correspondence to that effect, saying, "I hope this filibuster will continue because it is helping me stay in business." I have really not had any letters like that.

And so now I shall go on with the mixed bag of Mr. Meese and the farm bill and ICE and other things that are very important to this country. They are actually quite important.

We not only have a spring plowing season coming up, we have a spring construction season coming up. And that is what you do with the ICE money. You take the ICE money and you invest it in highways in every State represented by every one of us in this place. That is reality, and we are not dealing with that very well.

We have Ethiopian aid, which is a critical thing. I held a hearing on that with Senator KENNEDY of Massachusetts. It was a most impressive presentation that he made to us on the Subcommittee on Immigration and Refugee Policy, of which he is the ranking member and I am the chairman. That needs our attention. I think we ought to deal with that and I think we will deal with that as soon as we finish this remarkable experience that we are into here and which some seem to be enjoying with quite a great deal of high old glee, at least in the back rooms.

And so if it is funny, it certainly is not funny to this Senator in any way, I can tell you that. And this is not something I say as a Member of the majority, who has suddenly somehow attained certain awesome powers. That is not why I say that. This is said by a legislator who has legislated for 20 years and never tries to waste any time figuring out how to blow up somebody on the other side of the aisle, which is always a feckless experience.

If you want to look through my entire record as a legislator, you will see that, even though I am rather emaciated and have lost all my hair, that comes from hard work, and not wasting life trying to figure out how to do the other side in or how to lay a snare or how to pull a funny or to do a trick on a colleague. That is not my bag.

The people of America do not appreciate that a bit. If you ask the people of America who did who in on the farm bill, or go up to ask them whether it was the Democrats or Republicans that put the embargo on wheat and then ask them whether it was the Democrats or the Republicans that took the embargo off wheat, they will probably blink at you like a frog in a hailstorm because they do not give a whit. They do not give a whit.

But if we are reminding each other of that, try to collect in your own mind who did put the embargo on wheat and who took it off. I would not want to test your memories now because it is only question time here.

So with that, we will go back and dabble in the mystic arts of Ed Meese and other areas.

SEVERAL SENATORS. Vote.

Mr. SIMPSON. Vote? That would be a remarkable thing. I heard a cry from the back row "Vote."

So let's discuss the oath of the independent counsel, when he took that with regard to Ed Meese, I think he met every test in doing what he did. I think that those here would concur with that and with the actions of his deputies. And so we were presented with that remarkable effort, and it was a tremendous effort.

The independent counsel, his deputies, with all of the assistance of the FBI and the Justice Department, came forth with a remarkable presentation which all of us, I think, appreciated deeply. And, at least in hearings, we were told that people appreciated the work that the independent counsel had done.

And we appreciated that. Yet, that was not enough because there were certainly some objections and some extraneous comments which would indicate that perhaps the independent counsel had missed the point in a few areas. And we heard a rather thorough discussion of that.

Yet, I think if one would take a look at the entire text of the independent counsel, one would find that he and his loyal minions did a remarkable job, a very attentive job dealing with almost every issue that came before the body, regardless of whether it was generated by rumor, innuendo, or whatever. It had to do with his Army activities. It had to do with loan activities. It had to do with political appointment activities. It had to do with personnel activities. And certainly it was a rather thorough review.

Then, of course, there is the most remarkable chairman of the Judiciary Committee, Senator STROM THURMOND, and there is no one for whom I have more admiration, respect, or regard in every sense. Indeed, he has been my mentor, my counsel, and in many respects like a second father to me in my time here. He and my father both served here together, interestingly enough, in this body, and it is my great pleasure and honor to serve with him.

So he conducted a series of hearings in a most patient and extraordinarily appropriate way. As I say, it seems a long time ago that we did that, 398 days ago that we began to dabble in the mysteries of Ed Meese. And we are stil dabbling. And that is very interesting to me because nothing much more has developed except that Ed Meese paid an awful lot of interest, a lot more than I would have under the same circumstancses. I think there is not many among us who would not have loaned money in that situation, because he paid $66,000 in interest in a very forthright way. That seems to get lost in all of the process of Ed Meese, but nevertheless it might be worthy of side commentary.

So we have listened to the anguish and the gnashing of teeth that have gone on with regard to Ed Meese, and perhaps the unfortunate part of it is that really it might be that some of us in the Chamber may not like his philosophy. We could get to that eventually, perhaps, because it certainly has not really come up yet except in maybe an honest expression or more from two or three on the issue on the other side of the aisle—and deal with the real fact that some just do not like what he believes. That would have been a good place to start with Ed Meese. Then we would have come right to the root of things instead of all of these other things that have happened which are pale, pale, pale compared to the other things that have occurred in this remarkable village in the 6 years since I have been here, with both administrations and persons in both administrations.

So we have heard the most recent testimony that was presented to us with regard to Ed Meese. We have listened to him. He has been very patient and very forthcoming; he tried to answer all the questions; he was courteous in doing so; he got a pretty good hammering and handled that well; and he seemed to be able to respond to most everything that was brought up.

Now we thought perhaps because of all of that and some 398 days of activity that it might have been that he would be ready for our approval. He will never be ready for the approval of some, but I think he will be ready for the approval of a majority of this body. That, of course, is the way the system works. We are waiting to process his nomination and we shall at some unknown hour in this day, or some unknown hour tomorrow, or some unknown hour the next day. But we shall indeed get to it, as we say, I believe it was Henry James who said, "To do a thing be at it," and we have something pending at the desk. We should be at it.

And to divert us, to divert the American people with a line of extraordinary hype, hurrah, hysteria, and what we would call—Well we have a name for it in Wyoming, and I cannot give it to you at this moment. But the people of America and the voters are smarter than we are. That is the only way this body has existed for over 200 years. I am convinced of that. The only way that we have existed for over 200 years is that the people are really smarter than we are. That is why we will prevail as long as that takes place, because out there in the American public are people who are watching us go through this, trying to see who can hook the anchor on the Democrats or who can hook the anchor on the Republicans, who look upon that as a childish activity; a puerile activity engaged in by grown men and women which is not too funny. In fact, it is kind of pathetic, and we are all in it. I do not leave myself out. I am in it, too.

So I say to you that as we continue to debate this issue and certainly hope for a suitable solution of it, which is tentatively being regarded by the majority leader and the minority leader, and again by Senator BOREN, Senator EXON—I understand also that Senator MELCHER has been working hard on that; and the able chairman, Senator HELMS, of the Agriculture Committee, has been doing a remarkable job and will continue to do so; Senators from the farm States, Democrats and Republicans alike, and I certainly hope that they are going to bring something to us in rather brief fashion that we can pursue, that we can understand, and that we can put to our use.

With that, back on Mr. Meese. And so with the rather thorough review of Mr. Meese's activities, and every facet of those activities, we then completed our efforts several days ago and brought this to the floor of the U.S. Senate for approval. And there was a good debate that began on both sides of the issue just as it should take place. Then we became enamored of a rather curious procedure which had to do with dealing not with the issue before the body, but saying "lets hold that," and, if you do not hold that up, then we are going to do something else.

Procedures were taken. As we had something before us on the floor then we could not do the usual things we liked to do with things on the floor, we came to a kind of situation which is best described as holding the nomination hostage. And that is exactly what has taken place. In the "holding hostage" we again have in a sense distorted our priorities of what we are intending to do, and meanwhile in the farm segment of America—and in my State indeed that is indeed one of the painful areas—the same is going on there. When those farmers roll up at night, I am sure that they do not really wonder whether the Republicans are going to save them or whether the Democrats are going to save them. They are just wondering how much longer we might stumble along in the furrow as we have been doing so magnificently in these last days.

And, really, I have listened to some remarkable talks. I have tried to monitor those in my Chambers and some have been accompanied with saliva flecks on the microphone as I was able to perceive it. A great kind of a gutturral reaction from some as to what was occurring "out in the land" as if those of the rest of us in this body had somehow flunked the test of humanitarian concern. That is an extraordi-

nary thing to listen to, especially when you are a caring person, a person who enjoys the convivial response and relationship with his colleagues on that side of the aisle as I do—such a tedious process to go through.

If anyone here can tell me in the course of the questioning type of mode how that best serve American agriculture, I would certainly love to hear how that is.

Mr. ARMSTRONG. Mr. President, if the Senator will yield——

Mr. SIMPSON. I yield for a question.

Mr. ARMSTRONG. I am not in a position to acutally address the issue which he has raised, but I have another question I would like to ask. I have two question. My first question is, Do I recall that the distinguished Republican assistant leader mentioned that he was holding the floor until the conclusion of a meeting between the majority leader and the minority leader?

Mr. SIMPSON. That is one of the purposes, Mr. President, for that effort; yes.

Mr. ARMSTRONG. My other question is this: Has it come to the attention of the Senator from Wyoming that the minority leader is on the floor? I assume, therefore, that we are ready to go to a vote. On behalf of many who are interested in doing so, I suggest that is the appropriate course at this time.

Mr. SIMPSON. That is not the appropriate course at this time, I respectfully submit, until the majority leader has addressed his assistant majority leader and then we will find out what the appropriate course is.

Mr. ARMSTRONG. Mr. President, I stand corrected.

Mr. SIMPSON. So on with the business at hand.

There is more to say about Ed Meese.

Last March, during Mr. Meese's confirmation hearings before the Senate Judiciary Committee, I felt that the various serious allegations that were raised about the appointments of friends and acquaintances of Mr. Meese to Federal positions warranted a very complete and full investigation. So did Mr. Meese, I might add. He was very clear on that. In fact, both he and the President urged the appointment of an independent counsel, which I have reviewed with you previously, Mr. President, in order that we might get to the root of the charges, and when all the facets were presented and the facts, make some kind of a rational decision on his nomination.

So the facts were placed in our hands. Jacob Stein, as I have indicated to you, is a very able and respected counsel, with the assistance of five deputy counsels, the FBI, and the full resources of the Federal prosecutor's office, he performed a very vigorous and exhaustive 6-month investigation into every single detail of the allegations concerning Mr. Meese.

Over 100 witnesses were interviewed and a grand jury convened to question 45 witnesses at length and under oath. Such massive amounts of information were examined in this process that the documents alone would fill a small library.

The intensive and detailed examination fully addressed, I think, all of the merits of the allegations and found them to be really just that, allegations.

There were those who seemed to want to cry out that there was a great deal of "smoke" there, but this intensive and microscopically fine detailed inquiry revealed that there was not any "fire."

So, as I said before, it was a real disappointment for me to go through that procedure and then simply to disregard the entire report of Mr. Stein. That was puzzling to me, a disappointment. Actually, more than a disappointment. I think it is a precedent that we do not want to see occur again if we are going to really stick with what we tried to do with regard to the independent counsel issue because then what we do is to allow the standards to become too elusive and too subjective for even the best among us to attain. We seem to have a curious trait in this place, maybe in the United States. We seem to demand perfection of our leaders and we demand perfection of our Government employees and our fine President and Vice President. The reason we demand perfection of them is because we do not have that in our lives.

It is much easier, then, to require perfection of somebody else, and especially and in a more pronounced way when you do not have it in your own life.

I have seen that. That is a very fascinating thing that I have seen in living. We demand perfection from others when we ourselves are so very far from it. That is reality in every sense. Those who are most out of control are seeking to see that others are in control, which is another fascinating tidbit. I could perhaps give some psychological treatise on that at some future time.

But that is an interesting thing. The more you are out of control in your own life, you hope you can dump it on somebody else and they will get in control. It is a fascinating game. That is the kind of arena we get to play in here.

It does not make it any easier when we have colleagues who just choose to juice up the troops. That makes it a little tougher. It makes it a lot tougher, actually.

Then thoughtful Republicans and Democrats have to come along and police up after them, sort of like following the Fourth of July parade at the Cody Stampede. That is what happens in this place. Guys who do not do their homework, who love to juice the troops up, then leave a lot of work for the thoughtful Democrats and Republicans alike who do their homework and like to get the Nation's business done, many of them within the range of my eye at this time.

I may not even vote alike with my colleagues. I see the Senator from Michigan shuffling this way, as he is wont to do. He, Mr. President, would be one that I would refer to. Perhaps our voting records might be similar 15 percent of the time. He is one of the persons I referred to as a man who does his homework and gets involved in the issues of the day and all without spending an inordinate amount of time on hollow partisanship, fun and games, or who can shoot who and lay the trap line, that is why it is so pleasant to work with him. I enjoy working with him. He is delightful to work with.

Mr. LEVIN. Will the Senator yield for a question?

Mr. SIMPSON. I yield for a question.

Mr. LEVIN. I thank the Senator for that compliment.

My question was whether he was fully able to hear that thank you.

Mr. SIMPSON. I did. I appreciate it. If it was in the form of an inquiry or a question, it was delightfully received.

Well, back to other things.

We were talking about perfection, how interesting it is that we seek perfection from others when we do not have it in our own lives. That could be the subject of another white paper, I think, especially for those of us in politics. The real issue, you see, is more basic and the people of America can understand it a lot better than we can. That is when they think that the 100 of us should have some degree of perfection, we must always remind them that will never occur because there is the same percentage of lightweights, screwballs and boobs in the United States Senate as in my local home town or your or your State because, after all, it is a representative Government. [Laughter.]

There is no way to escape that. We would like to escape that, but we cannot. It is a representative Government. So you have the same percentage of those same people who elect you in your own home community or in your life or wherever you are. That is the way it is. That comes with the territory.

That basic fact, if we could perhaps get that emblazoned on the front steps of the Capitol, they would not expect so much of us and we would not expect so much of them. But, surely, they would expect more of us than they have been getting in the last 10 days as we have a very serious problem

which people prattle about, but we do not seem to get results.

The Senator from Colorado was so correct in this question whether, indeed, I had anyone writing to me, saying "Dear Senator SIMPSON, we are so pleased that you are helping rural America by your filibuster. It is enabling us to plant crops, to get fertilizer, to purchase another tractor, to get an operating loan. We are pleased that you are filibustering so that we are unable to do that, but we can wait until the planting season goes by."

That is a fascinating thing. I have not had anyone writing to me thanking me for the filibuster, which is saving them, apparently—I have heard that it is, but I have not figured that out yet, but it may not be saving them. That is kind of my hunch, that it is really not saving them.

Again, thank Heaven, they are smarter than we are and they will figure that out and they will not really give a whit whether the Republicans got them out of it or the Democrats got them out of it and they will not remember 6 months from now who did get them in or get them out. The problem is probably they will not be out, because we will do it again as we have done it for 52 years. We will patch something together while they hammer at us, then we will do something.

I still hear people talking—I did hear from one gentleman who had a rather ragged career in agriculture, who said, "SIMPSON, you fool, why don't we go back to parity?" You see, parity is an interesting thing. Would that we could all go back to parity. Parity happened between 1910 and 1914. What parity means is that you go back to the optimum production year when fertilizer was just right, so to speak, and interest was just right, and yields were just right, and everything was "just right." That happened—and you can believe that it only happened once, and it was back between 1910 and 1914. It will never happen again and has not happened since we have been messing with it for the last 52 years; you may be sure of that.

I have a definition of parity—actually, my wife Ann's definition. A lovely lady, whom I have been living with for 31 years—married all that time, of course. She reflected to me that parity was a lot like the best Christmas you ever had and you wanted to go back to it just like a little kid.

That is what parity is. That is exactly what parity is. It will never happen again—but once we got into parity, then we began to dabble with target prices and support levels and you take care of my crop, SIMPSON, and I will take care of your crop. And that is how we got here.

It is a wretched situation for agriculture. And the sad, sad part of it, the really sad part of it, forgetting the humor, is that people are going to go broke in our country. That is a sad situation. They are so deep that we could offer them a 2-percent loan and it will not get the job done. It could be an operating loan, it could be a maintenance loan, it could be whatever—all the array of things we could do, and they are not going to make it. That is going to be a sad, sad situation, but it is true, and it is going to happen. It is wretched stuff.

In the course of it, too, there will be people who will realign their lives, who will go into other things, who will say, we did this, we did something else, you had a job, I had a job, we wanted a farm because we wanted the elusive benefits of the soil. A lot of people do that and I think that is great. Especially do they do it in my State where we have a lot of marvelous people in agriculture and in the livestock industry.

But you know something? Here is an interesting thing. When the uranium industry went almost out of business in the State of Wyoming—and we were the first large producer of yellowcake, which fuels a third of the electric lights in the State of Illinois—when they went out of business and the work force dropped from 6,000 to 500, I did not come in here to try to make them whole. Then when the oil and gas industry went down and things happened there, I did not come in here to make them whole, because I can tell you, that is where we are headed with what we are doing in agriculture. We really are trying to make people whole, and that is impossible.

During a wretched situation in my home State last year, where thousands of cattle were just covered up with snow, and died—suffocated—we went back to the State, the three of us—my fine colleague, MALCOLM WALLOP, and DICK CHENEY, our only Congressman. We met with those people and we presented them with three or four different options of how we could help them. There was this in the Small Business, there was this in Commodity Credit, there was this from the Agriculture Department, and this and this and this. Many people in the room said, "But that is not what we want."

I said, "I don't know how we can get it down any further. There is an 8-percent package there, a 6-percent package there, there is a 5.5-percent package."

One woman, as Wyoming people are, was very direct, she said, "That is not what I want. I want to be made whole."

It was an election year for me. I said, "I can't do that. If you are sending me to Washington make you whole in a situation like this, I cannot do it. If you are sending me to Washington to be the "bag man" for Wyoming, I cannot do that either. If you are sending my there to be the protector of this Federal subsidy or this military installation of this or this, I am sorry, I am not in that business. If you want me to continue to go back there and try to do my homework and pay attention to what is going on and try to work with my colleagues on both sides of the aisle to work through all of the dazzling stuff we get to work through around here, then hire me on for another chunk"—which they chose to do. I am honored to represent them.

Again, one of the most curious things about this place is that you can have a colleague on the other side of the aisle who is a most rational and delightful fellow when you are in a one-on-one experience. Suddenly, he wanders from that intimate conversation into the glave of the klieg lights, hoping that the lights would bleach his suit which he has been seeking for such along time, and suddenly, 2 minutes later, he is telling them the opposite of what he told you 5 minutes before.

That is not a very good way to do business. Maybe we can get the Nation's business done in this curious arena when we begin to say the same things in public that we say to each other in private. I realize that is one of the most naive statements that could ever be made on this floor. But maybe, maybe—just maybe—we might actually get the Nation's business done if we would do the same things and say the same things in public that we say to each other in private.

I can certainly testify to that as I dabble with these remarkable issues which have been graced upon me, such as immigration reform and nuclear regulation and chairman of the Veterans' Affairs Committee, which I have now relinquished to my friend from Alaska [Mr. MURKOWSKI]. He will do a very fine job. I shall miss the task.

They cabbage up some statement, put you in flight like the human cannonball, ship you to the floor of the Senate and say, "Boy, wait until we play that one back at the old home base," while the rest of us are holding the hearings and paying attention and trying to get the work done.

And I have done the other—oh, brother, I do not leave myself out, I can tell you. But in the course of it, in dealing with those issues I really have found that you pass or kill things in this arena by using a very deft blend of emotion, fear, guilt, and racism. They will work on anything. You will either bring it to life or kill it with a very deft blend of these particular elements.

And that makes it a kind of ringy place to work, when you have to deal with that on a continual basis and never know quite where it might spring from. But I have certainly seen it, and particularly with immigration reform where we tried desperately to

recognize the various interests of those of the United States, those in the Hispanic community, those in the Asian community, those in labor, those in agriculture—a very tough issue because as you get into it thoughtfully, then somebody will always bring up something that touches on those four issues. Then I call it the "presumptuous judgment of the ignorant beyond their design" that takes place. That is always curious to watch, and it certainly does take place. I think particularly of a remarkable visit about immigration reform I had with one of the great leaders of the Hispanic community in America. I am not going to share his name because he is a delightful gentleman, but I will never forget laying out the package to him. I said,

There it is. If you have an alternative, share it with me but no fair quoting from the Statue of Liberty because we are not talking about legal immigration; we are talking about illegal immigration.

That always seems to get the attention of persons because they are thinking of the Statue of Liberty, but the Statue of Liberty does not say on it, "Send us everybody you have, legally or illegally." That is not what it says. Emma Lazarus did not have that in mind. I will never forget the remarks of this remarkable gentleman who has been a great help to me in the immigration issue. He said,

Simpson, you know, you're absolutely on track, but I'm going to have to leave this office and go out and cut you up.

And I said,

I understand that. I know that is what you think you have to do, but did you ever stop to think that that might not be what you have to do?

He said,

Yes, but I don't have time to think that far ahead because the National Convention is coming up in 2 months and I must get the troops juiced up.

We do a lot of that up here. I found that with my Veterans' Affairs activities. Oh, yes, there are 30 million veterans. I have heard from every one of them. They write to me. I am an veteran, and I am very proud to be a veteran. I am a lifetime member of the Veterans of Foreign Wars, a member of the American Legion, Amvets' and some other groups. I really do enjoy those memberships. There is a distortion regarding veterans issues that comes, and that distortion is if you walk up to someone on the street and said, "What should we do for the veterans of this country?" they would say, "Anything it takes." Then you explain that millions of those veterans have never left the United States. They have served for less than 6 months, may have served less than a year and never left the United States. Indeed, that would not be their choice; they may have wished to go overseas but, nevertheless, they did not. They may have been involved in a typical noncombat activity, or whatever, and that was not their choice either, and I am well aware of that. But they draw every single benefit that a combat veteran draws—every single benefit. Is that right?

I alluded to the fact while I was chairman, that it was probably not right. And then you get into areas of disability and the green check which comes to those veterans. I think that we think of a disabled veteran as someone who was in combat and maybe maimed or wounded in the service of our country, yet millions were disabled in some accident in a mess tent or some gun turret which went askew at Newport during their summer cruise or something of that nature. We forgot to address that part.

The Veterans' Administration hospital system is absolutely one of the most remarkable health care systems in the world, and I hope it will remain so. Yet people are startled when you tell them that 60 percent of the veterans in those hospitals are there for non-service-connected disability and half of those are being treated in various diagnostic ways for alcoholism or related illnesses. That is a fact.

Then you find that 60 percent of the outpatients in the veterans hospitals are service-connected disabled. Then you find that there is a thing called beneficiary travel for a veteran like me to go to the veterans hospital, and it means they pay you mileage to do that. There are so many abuses of that area that it is beyond my ken to report them all—where you just might decide to go into the city that day and use beneficiary travel for that purpose.

So the whole spectrum of what we deal with is always the horror story or how to get the abuser, to hammer the guy that is gimmicking the system, and when we do that we always, like the old song says, "hurt the one you love" because we will craft an entire legislative package to correct an egregious error in our society and never realize how it affects the rest of the people in this society. We do that and have been doing it remarkably for many years, and that may be why we have a $200 billion deficit.

It is not just with veterans. Even the veterans organizations will concur that we must direct our energies to the service-connected disabled and not to the non-service-connected disabled except, of course, on a space available basis, and that is something we hope we can do.

Veterans hospital construction, I hope we will not build any more veterans hospitals or nursing homes to be named after the chairman of the Senate Veterans' Affairs Committee or the House Veterans' Affairs Committee who may have labored for 20 years just to see how much veterans' money he could get into his district.

I am not speaking of my friend and colleague, Senator AL CRANSTON, who is my predecessor, or of my friend the able chairman SONNY MONTGOMERY, of the House, but I am thinking of a House chairman of years past who wallpapered his district with Veterans' Administration money, and they nearly named the district after him, I think.

And so we wonder why we have problems. I was fascinated by one hospital in the United States. When I came on the Veterans' Affairs Committee, the appropriation was $18 billion. I thought, "Well, that will be an adequate hospital." But that was only for the design and the engineering. The hospital cost $200 million plus. And you can get an extraordinary hospital for $200 million. I just know that is possible. I feel it can be done.

And then you have a situation where you get the Department of Defense building its own hospitals and then you have competition between the Department of Defense and the Veterans' Administration.

They like to build hospitals. They particularly like to design them differently so that their architectural design can win the Frank Lloyd Wright Design Award. That costs you some bucks in that process.

So I share with you those interesting tidbits of my time with the Veterans' Affairs Committee.

One of the particular occasions was when I had been jocularly hammered at one of their hearings as being unresponsive to the needs of veterans, and that was when I was early in my chairmanship, learning then, paying attention.

I said, "Well, does anything really satisfy you at all as to what we are doing for the veterans of the United States?"

The thing that gets me, as a veteran, is how come we have almost come to the point where when you mention the name veteran, its suddenly as if you are almost referring to someone who is disadvantaged in America? I would think that would offend the occupant of the Chair—the Vice President—who gave of himself in an extraordinary way in combat, picking himself out of the sea and serving in a remarkable way for this country. It offends me as a veteran to believe that just because you are a veteran, you are somehow disadvantaged. That is a bum rap. I do not buy that.

I was never told that I was going to get a GI bill and could take it to the University of Wyoming and get a law degree, but I loved it. I do not remember, when I signed up, that they said, "This is what you get, SIMPSON." Or a GI life insurance policy that I received. I do not remember that that was part of the package. But when I

got out, they did that, and it was great. I loved it.

I even borrowed money on that GI life insurance policy. I share that with you as a confession. You see, I was able to do that and get at 5 percent interest, and I want to thank all of you for paying the difference.

Now, what is SIMPSON doing getting 5-percent money out of my GI life insurance policy while the Government has to borrow it at 14 percent or 12 percent and give it to me at 5 percent, when I make $72,600 of your money and my wife dabbles in real estate? So I handled that, out of my guilt, the way all Americans do. I asked my wife if she would pay it back for me. So I paid off my GI loan at 5 percent interest. But what am I doing in the system? Yet, you bring that up here and the mail room will break down. That is where we are in this country.

Social Security—there is another remarkable thing. How have we come to the point in America where somehow we are to believe that all of the 39 million people on Social Security are foraging in garbage cans? That is the image that would be presented. How absolutely absurd! Millions of people on Social Security are well able to care of themselves and really would like to. Some are even so baldfaced as to try to return the money to the Federal Treasury, only to be told that it cannot be done and that they will just have to take their check and they will have to get into the Medicare system. They wish they could do something else, but that is the way it is.

Then, when we try to correct the abuses in the Social Security system or perhaps put a lock for 1 year on a cost-of-living allowance, we are portrayed as pinched and evil and mean spirited. That is not a very fun arena to play in, and that is the load we get.

Yet, the guy down the street has it figured out. Thank heaven, they still have it figured out, out there in Wyoming and Iowa and Tennessee, because they know somebody who lives down their street who was sitting at the breakfast table, in his 61st year of life, and the old man said to his spouse, "Go down and get a job and work for 10 quarters, so you can get on social security." She said, "That's a great idea." She put in 10 quarters and she got on, and she will live to be 75. That is the way it works. It really taps the Treasury.

If we tried to correct that, you'll see what would happen. That is fascinating. We all know people like that, who take advantage of the system.

We do not even pay attention to what the actuaries tell us: That a person could have started under Social Security in 1937, worked an entire adult lifetime, retired, and obtained all the money back in the first 18 months of the benefit period—all their money, every penny of it; no interest, admittedly, no compounding; no mention of what they could have done if they had put it in a different plan. That is so.

Then we wonder why it will not work. Every time we try to correct it, somebody on some side of the aisle will get up and address us with the fact that 39 million people on Social Security are in ragged, tattered, ragamuffin condition. That is not the way it is.

So I said to those of our senior citizens, including my remarkable father and mother, that what will happen in that situation is that when the people who are 30 years old now get to be 50, they are going to do a number on people who are 70. They will say,

> You could have corrected this so that I didn't have to pour my hard-earned money into this giant maw while you took it, and now I am tired of taking it, and so you take one for me.

There is that situation building in this country. People of 20 and 30 are cynical about Social Security because they have a real hunch that nothing is going to be there when they get ready to retire; and the way we blow it around, there probably will not be.

You can say, "But it is in the trust fund." Yes. It would be nice if we had a surplus in the trust fund, because the Government could then borrow money from the trust fund. But we cannot borrow from the trust fund because there is no money there. So they have to go to the market and get it, and that does make your interest go up. That is a curious thing that happens here.

So there we are with Social Security, and we will pretend that that has been solved because we are frozen in place, because there are enough of us who get a coterie of people and interest groups and media about us and say they are going to do a number on this issue or are going to do this or that. "Help me, and we will stop this they say. You help me stop it, and we will just raise hell." So they do, and they do it magnificently.

I shall never forget talking with a commander of a veterans group, of which I am a member, at the end of a spirited dialogue on what was wrong with the VA, even though we were putting $24 billion into America's veterans.

He said, "Look, SIMPSON, I've just got to get the membership up to 2 million people. That's my task."

I am sure he got them there. He is a great guy. We have had some very earthy discussions, the two of us. He is a delightful, pleasant guy. But the emphasis was to get the 2 million members; and you do that there again, just like we do things here—by juicing up the troops, except we are not after 2 million members. What happened to us was we got a $200 billion deficit by juicing up the troops.

I see my colleague from Ohio, the delightful gray-maned gentleman, Senator METZENBAUM, for whom I have come to have respect and high regard.

He has offered a remarkable bit of assistance to me if later in the evening I should require his presence. I thank the Senator from Ohio. He is very alert, because he knows what this experience is. I have seen him engage in this enterprise sometimes with good spirit and sometimes out of a notion of duty, and I must say that mine is more the latter than the former. I do appreciate his good counsel.

Nuclear regulation—I had not touched on that which is another thing which has been visited upon me as chairman. It must be a curse that I should have these three remarkable areas. Nuclear regulation—you see if you mention the word "nuclear" then you immediately think of Hiroshima. So it is very difficult to think of that power plant in Illinois and not think of Hiroshima.

So we have to deal with that and no one in that process is belittling the awesome and tragic happenings of Hiroshima. But this is what we have to deal with when we talk about commercial nuclear energy. And we have this vision of the great flash while we are talking about the light plant down the road or something of that nature. That makes a difficult situation as you may reflect upon it, Mr. President.

So as we then deal with nuclear power and I have been dealing with it, it is my oversight responsibility—I happened to be present the day after Three Mile Island. I was new here in my duties, and went to that site, and flew around the reactor for a period.

In any event, I shall never forget coming out of the meeting with the authorities and Senator GARY HART, who was chairman, and I was ranking member. He did a remarkable job with his work on the Three Mile Island incident, the chairman, Senator HART, did. He was tremendous. He kept it all on a high plane.

But I have never seen anything like the scene outside of that building—cables, microphones, the snapping of human bone and tissue—as media clawed their way to whatever judgment they were up to on this occasion, and the cover of almost every magazine in America displaying the cooling tower there in a blue haze of doom.

So we equate it all with the very worst things we do—or have done and that is one of the things I share with you that we do here so beautifully and that one is the use of fear, raw fear. You can do a lot with raw fear. You can do a lot with raw fear with people who do like nuclear power or do not like it. You can do a lot with raw fear with farmers. You do a lot with raw fear with uranium workers. You do a lot with raw fear with oil and gas

workers. You can do a lot with raw fear with veterans. You can do an awful lot with raw fear with Social Security recipients. And that is what we do beautifully here in this place because I guess we really are all impelled by a raw fear—and that raw fear is I would guess a fear of what the electorate will do to us and, of course, maybe that is the primal raw fear in this place. It may well be.

I am, Mr. President, receiving an extraordinary array of notes, all of them laudatory and quite gracious, some rather startling, some actually appalling. Nevertheless, it is my chosen mission to perform, and I do wish that the majority leader would return to the fray.

Mr. FORD. The Senator's directed mission.

Mr. SIMPSON. My directed mission. I am glad the Senator from Kentucky has interjected that it is my directed mission. That is a very true statement, and indeed so.

Now, I would not have possibly lost the train of my thinking by reviewing these notes that have come to me, so I must close them up and proceed—which I will do.

Oh, yes, back to nuclear energy. That is one of my themes here.

I have really been fascinated now at the irony. Here is the irony: those who are out to do commercial nuclear energy in and they done a fairly good job of it—but it will not come to pass because so many communities are dependent upon it in the United States and especially in the one State of Illinois—those who are out to do it in are now caught in the most bizarre and grotesque irony because while they tried to do in the nuclear industry, coal came along and then the issue of acid rain came along. They all want to do something about that now, and I think that we should do something about acid rain, not just in the Midwest and in the Northeast but in my own State where we have definitely that kind of a problem in the high forests. Here we never seem to finish the acid rain debate, and I assure you that in my capacity as assistant majority leader I am going to very diligently try to get that to the floor because that debate has to be done on this floor.

It cannot be done in a committee where all of us have learned the art of survival so beautifully by simply voting for the acid rain amendment and shooting it out to the floor. That is so we do not get shot at ourselves. But the debate will take place on this floor by Senators who really are deeply concerned about acid rain and concerned about whether it will "close up" their States. The Senators from Ohio, Illinois, Indiana, and Missouri will be fully debating that issue and that is when we will finally get a valid debate on that issue.

Mr. President, the senior Senator from Connecticut was giving me a remarkable bit of information which I deeply appreciate, and he passed that on to me and that has been helpful to me. I am going to put it with these other notes, and so back to—where was I in this extended debate? Would the official reporter read from his notes? This is like my days in court.

The VICE PRESIDENT. The official reporter will read the last statement of the Senator from Wyoming as requested.

The official reporter of debates [Mr. Frank A. Smonskey] read from his notes, as requested.

Mr. SIMPSON. Ah yes, acid rain. So we will have that debate. We will have that debate for the first time, and it will take place in a very spirited atmosphere because you will have the two Senators from Ohio and they can speak beautifully and intelligently on subjects, and you will have the two fine and able Senators from Missouri speaking on that issue, and the bright and energetic Senators from Indiana and the two fine friends from Illinois will be speaking, and, for the first time, we will hear both sides, and we do not get to hear both sides now, in committee. After we have heard both sides I think we will come to the conclusion that acid rain is a serious national issue. At least it is in my mind.

But we will also then come to the conclusion that what it is is being created by high sulfur coal, and insufficient pollution control equipment that only gets to 90 percent of pollutants, and does not remove up to 99 percent.

And then we will have reached the true irony, because after we have gone through the anguish of that debate, there will be seen to be only one stable energy source yet to use and that will be nuclear power. So they will have ended up shooting themselves first in the left foot and then the right, which is often well done here.

And so, with that, we will have finally come full circle on that debate. And I come from a State that is the second largest coal-producing State in the United States. And I see my colleague from West Virginia, a large coal-producing State, and, of course, the Senator from Kentucky, which we will soon overtake.

Now, I believe that I have——

Mr. FORD. Mr. President, will the Senator from Wyoming yield for a question?

Mr. SIMPSON. I yield for a question.

Mr. FORD. What is the difference between the Btu's of coal in Wyoming and Kentucky?

Mr. SIMPSON. Well, Mr. President, we have a good deal of water in our coal, but once we dry it out, it overpowers Kentucky coal.

Mr. President, at this point, I know I have transgressed on your time, and I have a message from my leader now which enables me to move and suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. DANFORTH]. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I want to advise my colleagues, as I did at 4 o'clock, I had hoped at this time we would have been out of this place, but we are going to have some votes pretty quickly if something does not happen. We are prepared to stay all tonight and all day tomorrow and maybe take off a couple of hours on Sunday, but the Ed Meese nomination is before the Senate. It should have been confirmed days ago. We have been quarreling about nothing for 3 days. The Secretary of Agriculture has already implemented what we agreed upon yesterday, and I do not know what we are here for. We are arguing over whether somebody is going to bring up something on Monday or a week from Monday, and it seems to this Senator that we are either going to do it or we are not going to do it, but we are going to do it very quickly. So I would just suggest, if there is not some action in the next 5 minutes, we will have a live quorum.

CALL OF THE ROLL

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

The assistant legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[QUORUM No. 4 EX.]

Armstrong	Dole	Pryor.
Cohen	Heinz	
Danforth	Mattingly	

The PRESIDING OFFICER. A quorum is not present.

The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I move to instruct the Sergeant at Arms to request the attendance of the absent Senators, and I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. PRYOR. I object.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas. The yeas and nays were ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. CHAFEE], the Senator from Utah [Mr. GARN], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Oregon [Mr. PACKWOOD], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] and the Senator from Georgia [Mr. NUNN] are necessarily absent.

The PRESIDING OFFICER (Mr. COCHRAN). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 88, nays 3, as follows:

[Rollcall Vote No. 7 Ex.]

YEAS—88

Abdnor	Glenn	McConnell
Andrews	Gore	Melcher
Armstrong	Gorton	Metzenbaum
Baucus	Gramm	Mitchell
Bentsen	Grassley	Moynihan
Biden	Harkin	Murkowski
Bingaman	Hart	Nickles
Boren	Hatch	Pell
Boschwitz	Hatfield	Pressler
Bradley	Hawkins	Proxmire
Bumpers	Hecht	Pryor
Burdick	Heflin	Riegle
Byrd	Heinz	Rockefeller
Chiles	Helms	Roth
Cochran	Hollings	Rudman
Cohen	Inouye	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kasten	Simon
Danforth	Kennedy	Simpson
DeConcini	Kerry	Specter
Denton	Lautenberg	Stafford
Dixon	Laxalt	Stennis
Dodd	Leahy	Symms
Dole	Levin	Thurmond
Domenici	Long	Trible
Durenberger	Lugar	Warner
East	Mathias	Wilson
Evans	Matsunaga	Zorinsky
Exon	Mattingly	
Ford	McClure	

NAYS—3

Goldwater	Quayle	Weicker

NOT VOTING—9

Chafee	Humphrey	Packwood
Eagleton	Kassebaum	Stevens
Garn	Nunn	Wallop

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

The assistant majority leader is recognized.

Mr. SIMPSON. Mr. President, I move the question.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. BYRD. Mr. President, there is no such motion in the Senate rules or Senate precedents.

If any Senator wants the Chair to put the question, all the Senator has to do is sit down and the Chair will put the question.

Mr. SIMPSON. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Edwin Meese to be Attorney General.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. That is the question I am putting before the Senate.

Mr. BYRD. Mr. President, I sat around here a long time and I have heard Senators say, "I move the amendment; I move adoption of the amendment; I move adoption of the resolution."

There is no such motion. All the Senator has to do is sit down and when no one seeks recognition the Chair has to put the question.

The PRESIDING OFFICER. The question is on the nomination.

The yeas and nays——

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. Mr. President, I am wondering if we are going to get an indication. I am rising to speak about the farm issue, and I will speak about it at whatever length is required.

I begin by asking if we are likely to get any indication from the leadership on the other side and maybe some indication as to where we are in the discussions to try to reach some kind of an agreement on the farm issue.

Those of us who have not been part of the discussions are interested in knowing how they are coming. Are we close to a conclusion? Is there somebody that could give an indication as to where that seems to stand at this point? And I would put that in the form of a question. I will yield for an answer without losing my right to the floor.

Mr. SIMPSON. Mr. President, I can share with you that the discussions are what could best be described as ongoing. The majority leader is in discussion with Senator BOREN, Senator EXON, and Senator LUGAR is involved there because of a Foreign Relations Committee jurisdictional issue with regard to Ethiopian aid. I do not think there is any secret about what is being attempted here but it does seem to grind along in a rather extraordinarily bizarre way. Since it does, the issue is that we have the Ed Meese nomination before us. We all know that. We have a discussion of a farm bill. We have an ICE bill, which is the interstate cost estimate bill, to be processed which is ready.

We have those things before the body, including the Ethiopian aid bill. That awaits our attention. All of those things await attention of I think perhaps both sides of the aisle—and that would be a charitable statement—but the issue is that we are going to stay here for a fascinating length of time until it is resolved. That is not a threat. That is reality.

Mr. RIEGLE. If I may inquire further of the majority whip, I had gotten the sense an hour ago just in talking around the floor and in the cloakrooms that we might be close to an agreement in the negotiations on the farm issue. I am wondering if that is an accurate report or not, not being in those discussions. Are we quite far apart or are we quite close together? Does it look like there is any chance that within an hour or some short period of time there might be an agreement? Can you give me some sense for how close we are or how far apart we are at this point in those negotiations?

Mr. SIMPSON. Mr. President, I am really not trying to be coy. I have seen in the last few days several agreements which I thought were agreements. They have all gone glimmering. I have been told three times today there was an agreement. I justly had hoped there was. There is not. I wish the minority leader were present. He has been in the negotiations. He and the majority leader are continuing their good efforts—both of them—and they have both been working diligently on it. I cannot give you a response to tell you except that I have heard those same rumors, and each time they arise but nothing comes back.

Mr. RIEGLE. I appreciate the frankness of the majority whip. I gather, if I hear you right, it sounds to me like you are continuing to talk but there is no sign that there may be an agreement in a very short period of time.

Mr. SIMPSON. Mr. President, I would advise the Senator from Michigan that I have just been advised that the principals are working now on a list of amendments to the proposal which embodies also a list of the amendments and what they specifically refer to as to what we will deal with in the unanimous-consent agreement on the bill to which they append. So I am advised that is "getting close" as they say in the trade.

Mr. RIEGLE. I would just say to the Senator that I know in our caucus which just ended with the vote here that we had endeavored on our side to develop that list, and the list was developed. And I know it was embroiled in the negotiations. I am just wondering in light of the fact that things are apparently still moving forward if we would not be better off at this point—rather than trying to sort of on issues strain if it is moving hopefully to a destination before long—if we are not better to decide among ourselves to wait just a little bit longer here and see if we do not have an understanding so that maybe we can solve everything

tonight and avoid a lot of hardknocking that may not be of any real result.

Mr. SIMPSON. Mr. President, we have already done that. And I suggest that we are here. We may as well continue our discussion of this fascinating subject. We look forward to that.

Mr. RIEGLE. It is always a pleasure to talk with my distinguished colleague.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I rise to oppose the nomination of Ed Meese to be Attorney General. As I said the other day, I believe the Senate of the United States ought to be about the important business of this country, and I do not believe that the important business of the country is taking up the nomination of Ed Meese at this time.

Ed Meese still gets his paycheck. He is still employed. He knows there is going to be food on the table for him tomorrow. The Justice Department is operating. We have an Attorney General. Yet, today an average of about 280 farmers went out of business. Tomorrow, another 280 will go out of business. The day after, another 280 will go out of business. The most important business that we can be about in this body is passing some meaningful legislation that will address the serious debt problems that our farmers have.

Mr. President, there is a screw loose someplace in America. We are out of balance. Something is drastically out of balance in this country. Wall Street is booming. It has never been better. Yet, agriculture is dying. Investment banking is going full speed ahead and yet agriculture is dying. More people are going to work and yet agriculture is dying. Mergers and acquisitions of corporations are proceeding at an ever-increasing pace, 50 percent more than there were just a couple of years ago; prices of stock are being bid up every day way beyond book value, 50 times book value sometimes and yet agriculture is dying; new yachts, luxury homes in the mountains and by the ocean; expensive homes are being built, and yet agriculture is dying. Salaries and fees have never been higher and yet agriculture is dying. So something is wrong and terribly wrong. Unless we do something, the structure of America is going to come tumbling down.

A lot of people try to say that the depression that is facing us in agriculture today is like the depression of the 1930's. It is nothing like that at all. At least, during the Great Depression, if I might use that misnomer, everybody was hurting—business, manufacturing, merchants, everyone, Wall Street, too.

Wall Street, too. We all remember that. And so were the farmers.

No, this is not like the depression because the other segments of the economy are moving forward. It is only agriculture that is going backward. That is why it should be incumbent on us to address this problem and to right this balance, to make this right again, because if we do not the tremendous depression that is taking place, the devaluation that is taking place in rural America, will rebound to affect urban America, too.

What we have to disabuse ourselves of, really, is the notion that seems to be prevalent that somehow these farmers got themselves into this problem by themselves, and that somehow they went out and speculated and, therefore, we do not owe it to them to help them out in this situation. That is Dave Stockman's theory. He says it about every day. Then it is repeated by the Secretary of Agriculture and others.

Well, I would say that there probably are a few farmers who speculated, who borrowed some money, who bought some high-priced land at high interest rates when they should not have done it. But I can say honestly that those who did that back in the seventies are already gone, for the most part. They have already been weeded out. As a matter of fact, I am sure that many of us who are here remember the tractorcade that came into Washington several years ago. That is basically what that was about. Many of those farmers who were here were those who really speculated. They saw the boom in grain prices because of the increased exports that we had in the seventies, and then they went out and bought up everything.

When the first crunch came in the midseventies, they could not even weather that. That is what that was about. So most of the people who engaged in speculation are already gone.

What we are facing now is those farmers going out of business who, in fact, used good management practices, who did not speculate, who tried to keep body and soul together, tried to keep the family together, and who were following the instructions given to them by their bankers, by the PCA's and the Federal land banks, by the land grant universities, all of whom were telling these farmers that they were not leveraged enough, that they ought to be leveraged even more.

Basically, what happened was this: Let us say you have a farmer who put the crop in in the spring and went out and harvested that fall. Let us take about 1978-79. Well, let us take 1979.

The farmer put in the crop that year and all during the year everything that the farmer had to buy increased in price. All of his input costs skyrocketed—his fuel, his fertilizer, his seed that he bought. In some cases in Iowa we had seed corn go up by almost 25 percent just in 1 year alone. So the seed, the fertilizer, the fuel, land cost, machinery cost, interest cost—everything was going up, all of their input costs.

And yet when the farmer harvested the crop in the fall of 1979 he found that the prices he got in the marketplace were not enough to pay all the bills that it cost to put the crop in and maintain his family during the year. So he went in to see his banker, or he went in to see the PCA during the winter before the next crop season.

He said, "You know, I do not have enough money to put in a crop next year, to keep my house going, to make some interest payments that I have." The banker said, "Not to worry. That is no big deal. After all, you are not leveraged enough. Look at the value of your land. It is going up every day."

So the farmer said, "Well, OK." Maybe he went home and talked about it. Maybe he did not quite trust his banker so he went down to see the PCA and the local PCA guy said the same thing, "Yes, you are not leveraged enough."

As a matter of fact, I know of cases when members of the PCA were going up and down the road selling money, pushing it out.

So maybe the farmer thought maybe he did not quite trust the PCA or the banker and he would think about it a little bit. Then he went home and opened his mail. There in the mail was the latest bulletin from the land grant university. It told him in black and white that if he was not leveraged to a certain degree, that he was a bad manager. He ought to be more highly leveraged.

Well, he heard all that and the farmer went back to the banker and the PCA and said, "Sure, you are right. I am not leveraged enough." So he borrowed the money, thinking he would be able to put in the crop next year and be able to pay it all back.

I have hundreds of examples from Iowa, hundreds, thousands of examples of farmers who did just exactly that, family people.

One comes to mind that I met just a couple of weeks ago. His father started the farm in 1940 at the end of the depression. He took over the farm in 1956, had a son in college and a couple of kids in high school. He tried to maintain a decent lifestyle. He did just that. Then he went out and borrowed the money and put in the crop the next year again. Again the next year everything went up in price, seed went up, fuel went up, machinery went up, fertilizer went up. And especially his repair parts. He did not buy a new tractor but he bought parts and some of the parts went up by 200 percent.

At the end of the next crop year, he went out and harvested the crop. What did he find? He found that the price still was not high enough to pay

all his bills. So he went back to the banker the next winter and he said, "Well, I harvested my crop and I paid off this, but I do not have enough money to keep my kid in college. I have another daughter about ready to go to college. I want some money to send her to college. My old car finally gave out and I had to go out and buy another car. I bought a cheaper car. I do not have enough money to get the crop in next spring."

The banker said, "Not to worry. Your land is going up in value. You can borrow money. You are not leveraged enough."

The PCA's told him the same thing and the land grant colleges told him the same thing. Everybody told him the same thing. And basically the Government told him the same thing through our policy. We were telling him, "Do not worry. Your land value is going up. Don't worry. The export markets are open. You will be able to export."

Well, this went on year after year after year, and the farmer year after year after year listened to his banker, the PCA, and all those experts who told him he was not leveraged enough.

Finally, he found that the export door was closed, not only because of the grain embargo but because of what I call Reagan's embargo by deficits.

We had the first embargo on soybeans by President Nixon. There were two embargoes put on wheat by President Ford. Then President Carter put on the grain embargo of 1980. They all hurt. None of us from farm areas supported any one of those embargoes.

Then Mr. Reagan came to office in 1981 and wanted to end the embargo. He ended the embargo put on by President Carter and then started one of his own, the most devastating embargo of all time.

If you look at the definition of embargo, an embargo is any restraint of trade. It is restraint of the individual selling.

Well, what the Reagan deficits did was just that, an embargo. It drove the value of the dollar up and cut off our exports abroad.

So I have always referred to it as Reagan's embargo by deficits. They have devastated our exports. Our exports fell more in 3 years than they had ever fallen before in the history of this country. So we have had that embargo, too, to live with. And the farmer did not cause that. So we have the situation where these family farmers—and I call them family farmers because, for the most part, they are family people. They have had children, they have raised their children on that farm, the children have helped on those farms. In some cases like the individual I was just talking about whose son was in college, the son was going to come back and help his dad on the farm. He was taking farm ops at Iowa State University.

I guess I did not finish my story about this individual. He never went out and speculated. He only tried to keep body and soul together, keep his family together. Last year was his last year in farming. No longer could he get any more credit to put a crop in. No longer could he continue farming. After farming that farm since 1940, his father first and then him, and his son who was taking farm operations at Iowa State now has no farm to come back to.

That is really the story of what is happening all over America today. The first gone are the speculators—oh, there are a few of them left. That is not whom we are talking about. As I say, something is out of balance. We have to get this more in balance in America. We just cannot continue to go on and have other segments of our economy booming—manufacturing, housing, transportation, fees, and salaries—all going up, yet we let agriculture be devastated as it is.

There is an old saying that depressions are farm led and farm fed. I know that may sound like a kind of trite expression, but I believe it is true because it has been true in the past; it is going to be true today, too. When these farmers go down, the machinery that they buy will not be bought. It is going to put people out of work. That has already happened in Iowa. In fact, I had an interesting experience. I met a worker at one of the John Deere plants. He was a United Auto Worker, a union man. He was put out of work, has been out of work for over a year. This was at a plant in Iowa where I think they are down to maybe 50 percent of what they had had just 3 years ago in the work force.

I was talking to him about being unemployed. He said, "Yes, and I know why, too."

I said, "Why?"

He said, "Because food got so cheap I got put out of a job."

He understood. He understood that the farmers are not buying. He understood that because the farmers were not making any money, he was unable to work and to make the machinery and the equipment that the farmers need to produce our food and fiber.

We have been blessed in this country with the best climate of any Nation on the face of the Earth. We have been blessed with the best soil, the best water. In my home State of Iowa, we can grow anything. When I was a kid growing up, we were poor. We lived in a small town of 180 people. As poor as we were, we never went without food, because we could always grow whatever we would eat. The soil would grow anything—fruits, vegetables, we even grew peanuts in Iowa. Still can, too. The law will not allow it, but we still could. But we can grow everything. The cellar was always full of food in the wintertime, canned food and everything.

Yes, we can grow everything and anything in the State of Iowa. We have been blessed, truly blessed, with this land and this equipment. Yet we are squandering it because we are not being good stewards of the land and we are not being good stewards of those who take care of the land.

I have said before that one of the strongest elements of agriculture is also one of the weakest elements. The independence exhibited by our family farmers is truly a remarkable trait—the strength, resilience, the ability to face the odds of weather and uncertain weather, pests, hailstorms, and yet to bounce back year after year with the optimism that only a farmer like that can exhibit. They are tough and they are independent.

But that same strength is also their biggest weakness, because while they can stand alone against the elements, while they can stand alone against the profusion of pests and rodents and other insects and animals which destroy their crops, while they can stand alone against the vicissitudes of what the weather might bring in terms of hail or floods, they cannot stand alone against the combined forces of those who buy their products, who buy their commodities, and the combined forces of governmental policies here, in America, and governmental policies abroad which, in fact, destroy the free market place that the farmer would so dearly love to have and which I would love to have for the farmer, too.

So, because he cannot stand alone against those combined forces that are very powerful—money forces, marketing forces, transportation forces, the force of governmental policy whether it is in Canada or in Europe or Argentina or Brazil or the governmental policy of this country—since he cannot stand alone against it, he needs someone, something, to bring those farmers together in a cohesive unit so that, together, they can fight these combined forces.

Well, Mr. President, there is only one entity, really, that is big enough, that is powerful enough, that has the breadth nationwide and worldwide and which should also have the interest and compassion to protect those farmers and to bring them together in that cohesive unit so that they, together, can confront those combined forces about which I just spoke. The only entity that can do that is, of course, the Federal Government of the United States of America.

I use the word "Federal," and, you know, Mr. President, lately, it has almost become an onerous term. Federal—it has also become a term that sort of has bad connotations to it, if we talk about the Federal Govern-

ment. Yet I was just reading, a few days ago, a speech by Abraham Lincoln during the time of the Civil War and I just read an interesting editorial about Abraham Lincoln on Lincoln's birthday here just a couple of weeks ago, in which the writer of the editorial said that Lincoln's greatness lie in the fact that he—Mr. President, I ask unanimous consent that the Senate stand in recess.

Mr. ARMSTRONG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. Mr. President, did I hear an objection?

As I said, the greatness really of Abraham lie in the fact that he wanted to preserve the Union and the federal form of government. There are those who wanted to start a confederate form of government, but Lincoln's greatness lie in the fact that he wanted to preserve the federal unit, the federal form of government, which we did. And so I do not look upon the term "federal" as any kind of a bad term. It is only bad if the Government becomes bad and really does not do what the people of this country want it to do. But it is up to the Federal Government to enact those policies that will indeed form our farmers into this cohesive unit and protect them against these powerful forces that work to their detriment, these forces about which I just spoke.

Now, that is really what we are talking about when we are talking about enacting legislation to help the farmers. We are talking about this mighty Federal Government acting in a responsible manner to bring together these farmers and to put them in a cohesive unit so that they can in fact preserve and protect their way of life and continue to contribute to the national economy.

Mr. METZENBAUM. Mr. President, may we have order? The Senator from Iowa is making a very intelligent speech. We all would like to listen to it. It is very difficult to hear with all the pandemonium on the floor.

The PRESIDING OFFICER. The Senator from Ohio makes a point of order. The Senate will be in order.

The Senator from Iowa.

Mr. HARKIN. I thank the Chair.

As I was saying, that is really what we are about in terms of trying to enact legislation. It is not just to help the farmer. It is to help this great Nation of ours. It is to help hold us together as one Federal union of States. Our farmers are not some group of individuals living off in some distant country. They are part of our Nation. Agriculture is an important part of our economy. We do not always think of those few individual farmers out there. We say, "Oh, well, we can do without them." Agriculture today makes up 23 percent of our gross national product, and it is those farmers out there living on the land with their families who produce that 23 percent of our gross national product.

That is what is going down the tubes, and that is why this depression is going to be farm led and farm fed unless we stop it, nip it in the bud. Instead of a governmental policy that would bring these farmers together in that kind of a cohesion, we instead hear from spokesmen in the administration that their job is to divide up the farm community, divide it up so that it falls apart. Of course, I refer to the article that appeared in the Atlantic Monthly 3 years ago which has become very famous, the interview with OMB Director David Stockman. He was quoted—and I am paraphrasing his words—as saying that indeed his job was to break up the farm bloc and thus destroy this cohesion. That is what he stated in 1981. He has been on it ever since.

Well, so we have had that to contend with. I do not think that it is really becoming or befitting of this Federal Government of ours to act in a way that would tend to divide up our farmers. Those of us who represent the farm bloc have a duty and a responsibility to ensure that our Government acts in a way, as I said, not just to help the farmer but to help preserve this great Nation and our agricultural base, to make sure that we not only protect our soil and our water but to protect those stewards of the land, those farmers of the land who produce the food and fiber for our country because if the Government will not, no one else will. There is no entity big enough, nor with enough breadth and scope to do it and so we have to rely upon the Federal Government to do this.

Now, we talk about the farmer. Well, we know there is no farm bloc in terms of blocking something, but that is really not the way the term was first introduced. The farm bloc came about back in 1921, and I am proud of the fact that the Senator who started the farm bloc was a Senator from the great State of Iowa. Senator W.S. Kenyon was the Senator who started the farm bloc. As I said, it was started in 1921, and I think it is important to reflect back as to what the farm bloc was, who the Members were and what they intended to do. They did not come together to block anything. It was not spelled b-l-o-c-k. It was spelled b-l-o-c. So they were not there to block something. But let me tell you who they were and why they came together and what their purpose was, because I think it is relevant to what we are about today.

The agricultural bloc was described by Arthur Capper, also a Senator, from Kansas, in a book that he had written. "The Agricultural Block," he said, "is that group of Members of Congress who have recognized that an economic upheaval threatens the Nation if the foundations of our prosperity are weakened."

The first sentence:

> The Agricultural Bloc is that group of Members of Congress who have recognized that an economic upheaval threatens the Nation if the foundations of our prosperity are weakened.

Remember that—the foundations of our prosperity. We seem to be going up. Our GNP is going up. But what is the foundation of that prosperity?

> They recognize that the American welfare depends upon the land and upon a permanent and prosperous agriculture.
>
> They recognize that the American farmer not only feeds and clothes us but that he is also the best customer of our industries.
>
> They recognize that the American farmer supports commerce, foreign and domestic, by producing over half of our exports; pays over half of the annual cost of transportation and maintains more than half of our public institutions.
>
> They recognize that national prosperity is dependant primarily upon agricultural prosperity and that unless that third of our population who live upon the farms prospers the Nation cannot have a continued growth and development.
>
> They recognize that we have passed into a new era in our national history in which we cannot allow the balance of real production which comes only from the land to get out of balance with the dependent manufacturing industries, commerce, banking and government.

That is precisely what I said when I opened my remarks this evening. Things are out of balance.

"They"—again speaking of the farm bloc—

> Recognize as just the claim of the man on the land for an equal voice in national affairs with those who live by trade, banking and manufactures which deal only with advancing stages of the raw product provided by the land. . . .
>
> The agricultural group later named the "Bloc" by popular writers, was formed at a meeting called by Senator Kenyon, May 9, 1921, held at the Washington office of the American Farm Bureau Federation, at which twelve Senators met to decide on a program for immediate attention. It included an equal number of representatives of the two leading political parties, principally Senators from the Middle West and South, our great agricultural sections, where the situation was most acute. Those present were Senators W. S. Kenyon, of Iowa; Arthur Capper, of Kansas; G. W. Norris, of Nebraska; F. R. Gooding, of Idaho; E. F. Ladd, of North Dakota; Robert M. La Follette, of Wisconsin; E. D. Smith, of South Carolina; J. B. Kendrick, of Wyoming; Duncan U. Fletcher, of Florida; Joseph E. Ransdell, of Louisiana; J. T. Heflin, of Alabama.

I wonder if that is a predecessor of our colleague HOWELL HEFLIN, who sits in this body today. If so, this J.T. Heflin, a former Senator, was one of the founding Members of the agricul-

tural bloc. Also, Morris Sheppard, of Texas.

At this meeting also there were present representatives of government departments, asked in to act as advisers on the program that should be adopted. There were representatives of the farmers who were asked to tell what farmers felt was their outstanding needs. The declaration of purpose by Senator W. S. Kenyon, of Iowa, was that this group give thorough and earnest consideration to the outstanding proposals to the end of securing action by Congress. Four Committees were appointed on the following subjects: Transportation, Federal Reserve Act, Commodity Financing and miscellaneous agricultural bills.

The next paragraph, I think, is most illustrative:

From the very beginning this movement was non-partisan and a recognition of the economic crisis; an endeavor to outline a plan for an economic re-adjustment rather than a scheme to gain partisan advantage. It declared for things rather than against them; for harmonizing views, not for creating discord; for cooperation, not antagonism; and for all citizens, not for farmers alone.

That is why this man from Iowa is so proud to be counted as a Member of the farm bloc, because I believe this also is our philosophy today. We seek not any partisan advantage, but we do seek readjustment, a balance in our economy.

We are for things; we are not against anything. We are not just here against Mr. Meese. We are not against anyone else in the administration. We are here for the Federal Government enacting programs that will create cooperation, not destroy it, that will harmonize views, and that will work for the benefit of all our citizens and not just the farmers alone.

The outstanding reason that brought this group together was the fact that the general public and the majority of Congress had not realized that the nation had passed into a new economic era in which the balance between agriculture and other industries must be more carefully safeguarded. From this beginning in May, 1921, the group was enlarged to include some 22 Senators and meetings were held from time to time at the office of Senator Kenyon.

From the very first Senator Kenyon was recognized as the leader of the group and it was chiefly due to his sincere interest in agriculture and vigorous leadership that the Bloc became effective.

The following Senators joined the group: Charles L. McNary, of Oregon; Peter Norbeck, of South Dakota; John W. Harreld, of Oklahoma; A. A. Jones, of New Mexico; William J. Harris, of Georgia; H. F. Ashurst, of Arizona; Pat Harrison, of Mississippi; Wesley L. Jones, of Washington; Robert N. Stanfield, of Oregon; Frank B. Kellogg, of Minnesota; Charles A. Rawson, of Iowa; and Claude A. Swanson, of Virginia.

A similar movement was started in the House and a group of Representatives with the same purpose and non-partisan objective was organized to represent the leading agricultural districts. The group has not been so thoroughly established as in the Senate, however, nor has it functioned in such an effective manner.

I would not want to say the same thing about today. I believe the Members of the House are effective. Agricultural matters have usually received more attention in the House than in the Senate.

And so it was in 1921.

The Agricultural Bloc was the result of the conviction forced upon the more thoughtful representatives of the farmers that they must unite on a simple and direct program in order to bring the nation to see the needs in the emergency and to act before it was too late. . . .

From the very first meeting the Agricultural Bloc was favored with the constructive advice of leaders who were familiar with the agricultural situation as well as numbers of other men prominent in national affairs, business and industry, who realized that the improvement of agricultural conditions was the first step toward the revival of prosperity.

In this group must be named Secretary of Agriculture Wallace. . . .

I might add, with a sense of pride, another former Iowan.

Secretary of Commerce Hoover, James R. Howard, President of the American Farm Bureau Federation; Charles S. Barrett, President of the Farmers' Union; S. J. Lowell, Master of the National Grange; Fred H. Bixby, President of the American National Livestock Association; Gifford Pinchot, Barney Baruch, Eugene Meyer, Smith Brookhart, Aaron Sapiro, and Thomas A. Edison.

Please note this name: Thomas A. Edison.

Most of these men appeared before meetings of the Bloc upon invitation to discuss specific measures. Many of them conferred with members frequently in respect to legislation.

Supplementing the advice of these leaders the members of the Bloc were in constant touch with the representatives of farm organizations located at Washington.

Prominent among them may be named Gray Silver of the American Farm Bureau Federation, Dr. T.C. Atkeson of the National Grange, Charles A. Lyman of the National Board of Farm Organizations, Charles Holman of the National Milk Producers Federation, and many others. At the very outset Senator Kenyon, the block leader, requested the support and advice of all who were in close touch with farmers' needs.

A long list of proposals by various individuals in Congress were attributed to the bloc which in reality were never discussed or considered by the group at all. Any agricultural measure that received favorable comment was likely to be called a product of the block even though it was produced by someone in no wise connected with the group. In many instances, group action which bore no relation whatever to the program of the agricultural group was pointed out as a part of its program in the press.

From the very outset there were certain questions which the agricultural bloc regarded as distinctly partisan, and outside the scope of a bipartisan organization. A list of measure relating to agriculture enacted since the agricultural bloc was organized is as follows. Mind you that the bloc had only been in 1 year. Amending the Farm Loan Act; increasing the capital $25 million—they were not the shy retirement types in those times—an amendment increasing the farm loan bond interest rate; the Future Trading Act; the Packer Control Act; the War Finance Corporation amendment; the cooperative marketing amendment; an amendment to include representatives for agriculture on the Federal Reserve Board. I wish we had one today. The bloc has undoubtedly speeded the progress of the movement toward better marketing and more justice in the distribution of consumers's price between the producers and the distributor. We still have far to go but we are on the way. We still have far to go but we are on the way.

Well, they put us on the way, the agricultural bloc under Senator Kenyon in 1921. We made great progress. We have made great progress down through the years and there are those who say that the farm programs have failed, and therefore, we have to do away with the Federal Government's involvement in agriculture.

But the farm programs have not failed. What has failed us has been the mismanagement of the farm programs; the total mismanagement of those farm programs. That is what has failed us. You say well, these farm programs have cost us all this money. That is not necessarily true. I point out that prior to the last 3 years the average cost of the farm programs for the latter part of the seventies averaged around $3 billion a year, but for the last 3 years the average cost of the farm programs averaged $12 billion a year—same programs. But what causes the increase in the amount of money being spent is the mismanagement for those farm programs because there was not the dedication at the level in the administration by the Director of the OMB or the Secretary of Agriculture to conduct its programs in a way that would have furthered the aims and goals set out by the agricultural bloc established in 1921.

Instead, the goal has been one to create discourse, as I said, when David Stockman gave his famous quote that his job was to break up the farm bloc and to destory the programs.

So we really have to understand that what we really are about is attempting to recapture in our country this concept and this belief—well-founded historically, supported in the past by Members of both political parties—that the Federal Government has a unique role to play in insuring the balance between agriculture and the other sectors of or society. However, what we see now is an attitude that,

well, whatever happens in agriculture happens, that somehow economy demands it, that these farmers be put out of business.

Well, I do not buy it for a minute. Those who say things like that seem to be saying that somehow the economy is an end in itself—that the economy is an end in itself. Well, I do not see it that way. I think the economy ought to be a means to an end. The end ought to be I believe embodied in our national system of what we are to be about as a country—those goals set forth in the preamble to the Constitution of the United States—to form a more perfect union, to establish justice, to ensure domestic tranquillity, to provide for the common defense, to promote the general welfare, to ensure the blessings of liberty for ourselves and our posterity.

That really ought to be our goal in terms of having an economy. Our economy ought to be a means to an end. The end ought to be the health and welfare, the happiness, the security of our people, to allow our people in this country in freedom of choice to engage in those endeavors which are conducive to the well-being of our society, and to ensure that extraneous forces, governmental forces, here or abroad, monopolistic practices, restraint of trade, overvalued dollars, tight money, high interest rates do not work unduly against any segment of our economy and our people. The economy should be a means to an end, and the end that we seek ought to be exactly that: Our health, welfare, and happiness for our people.

So when I hear those who say that the economy demands this, I say well, that should not be so because what they are, in effect, saying is that in agriculture our farmers have to get rich, get big, or get out. But really, is that the end that we seek? Is that really what we want for the people of our country? I do not mind if a farmer gets rich. I do not mind if there are rich farmers out there. I have some who I consider close friends of mine. Through their abilities, their intellects, their hard work, and their efforts, perhaps sometimes with a little bit of luck, too, they made a lot of money, and they got very wealthy.

I do not mind that. That does not bother me. That is fine. What bothers me is the attitude of those in high Governmental positions who say that that ought to be the only goal of those engaged in farming—get rich, get big or get out. But I ask rhetorically: What is wrong with a farmer who wants to live on his land and work on it, raise his family near a small rural community, educate his children in rural schools, send them on through college, be a good solid citizen of his township, community, his church, his State, his county, pay his taxes and grow the food and fiber that we need here at home and for our exports abroad who maybe does not want to get rich? But he wants to be a productive member of society. He only asks for a decent return on what he raises. He only asks that he be allowed to live his life in some semblance of independence and some semblance of having a decent quality of life and raise his family.

So that at the end of his or her lifetime that farmer can look back and say,

I raised a good family. I contributed to my church, to my community, to my State, to my country. I raised the food for our people, and I did a good job. I was a patriotic citizen.

He may not leave on to his children multimillion dollar estates. He may not be counted among the wealthier group. But what is wrong with that? I argue that there is nothing wrong with that. And that ought to be an end that we seek, to preserve and protect the rural areas of this country and for those who wish to engage in agriculture as a way of life, as a means of providing for themselves and their families, we ought to ensure that our economy works so that they can engage in it, without saying to them, "You either have to get rich, get big, or get out."

No, the economy does not demand that, only if those who are in charge of administering our economy sees the economy as an end in itself.

Well, we have been to that before, have we not, this strict ideological reference to laissez-faire economics? That strict adherence to laissez-faire capitalism, which has brought us to prosperity and ruin and prosperity and ruin many times in our history?

President Roosevelt used to speak of it as unfettered capitalism. Others speak of it is laissez-faire capitalism. But it is the sense that the economy is an end in itself and that the Government should have absolutely no role whatsoever to play in administering any segments of that economy.

Well, I believe those who say that are being very shortsighted, and I do not believe they understand and recognize the role of the Federal Government. I come back to basically where I started, that it is the purpose of our Federal Government to ensure the fulfillment of the preamble to the Constitution. It is not the purpose of our Federal Government to simply pay blind obeisance to any economic principle, to any economic theory—whether it is an economic theory to the right or to the left, capitalism or socialism or anything else. It is the purpose of our Government to operate the economy in such a way that our people are happy, are healthy, are contributing members of our society, and that they are, as I said, able to engage in commerce and agriculture in a way that is meaningful to them and meaningful to our society without having this threat hanging over their heads that they either have to get rich, get big, or get out.

When I think of saddling our family farmers, I am reminded of the story of the mom and pop grocery stores because someone said that to me the other day. They said, "Well, your family farmers are just like the old mom and pop grocery stores." You know, there used to be one every few blocks. They open early in the morning and stay open until late at night. Sometimes they would be open on Sunday after church, of course, and Saturday evening just in case you could not get something.

They said those went by the wayside because they were not economic; the economy demanded that those mom and pop stores go out of existence.

Well, I thought about that. I really must admit I did not like it. That evening, at about 10 o'clock at night, I stopped at the 7-11 store near where I live to pick up something to take home, and it occurred to me, as I drove by another 7-11 the next morning that was open at about 7 in the morning, that as I go around and see all of these stores, the 7-11's—and there are others, some open 24 hours a day, they are open on weekends—it occurred to me that what we have today is we have the mom and pop stores without mom and pop. But they are there, doing basically the same thing that the family did some years ago.

If the economy demands that those mom and pop stores go out of existence, I do not understand why the economy does not demand that that little chain store, open all hours of the days and on weekends, does not have to go out, too.

So we have the mom and pop stores without the mom and pop. What will happen if we continue with this ideology that is prevalent in certain sectors of our Government today? If we continue with that, we are going to drive our family farmers off the farm. There is no doubt about that. They will go. They will not own their land any longer because they will have to give it up. But the land is going to be farmed. Someone is going to farm it.

So what you are going to do is wake up 20 or 30 years from now and on that same 400 or 300 acres of land, or 250 acres of land, what we average in Iowa, someone is going to be there and it is going to be farmed. They are not going to own it. Their family will not have a stake in it. No, it will be just like that individual running that 7-11 store. He will be hired to do it, and probably hired at the minimum wage, too, without a stake in seeing that the land is taken care of.

So we will have the farms without the families, without that family element, without family ownership.

I think that is the time when this great Nation of ours is going to be at a great disadvantage in the world. We will have lost the bulwark, I believe, of our capitalistic system, which we all believe so strongly in, our free economic system, and also will have lost the bulwark of our democratic system, too; our Jeffersonian concept that has been with us since the days of Thomas Jefferson, who saw the abuses inherent in a few people owning a lot of land, the feudal system they left in Europe and which Great Britain tried to export to America.

Thomas Jefferson and others of our Founding Fathers, but Jefferson really pressed it, were the ones who so eloquently stated that our goal ought to be to insure that we have many farmers owning—and Jefferson emphasized owning—and living on their own land, working that land with the family.

And yet they tell us that losing family farmers and going to bigger and bigger farms and fewer and fewer farms is somehow progress. Progress? How can it be progress when we are reverting to the very thing we fought a revolution to get away from 200 years ago? Back to another feudal society? Fewer and fewer farmers with bigger and bigger farms? In Latin America today they are fighting revolutions over the fact that too few people own to much land. Yet we are headed down the same road.

So that is why we cannot just have this blind obedience to a concept that the economy demands it. What it is incumbent upon us to do is to define what we want for our people, what kind of society we want, and then you shape the economy to get us those ends. If the economy is not conducive to those ends, you change the economy. You just do not have blind obedience.

Well, it is again like our Founding Fathers said in the Declaration of Independence after that famous phrase that we hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, and among them are life, liberty and the pursuit of happiness.

Right after they said that it is the purpose of government to secure for people those rights and those freedoms, and when a government does not secure for the people those rights and those freedoms, it is not only the right but the obligation—I believe he said sacred duty—of the people to replace that government with one that does.

The same holds true for our economy. If our economy is not conducive to the ends that we seek, is not conducive to the balance that we need between agriculture, manufacturing, and other sectors of our society; if, in fact, the economy does not provide that pleasure of health, welfare, happiness, and security for our people, then I think it is not only our obligation but it is our sacred duty to change the economy to one that will, and not to bow down to some blind obedience to an ideological concept, to some kind of economic ganglia.

So that is really what we are about here, to try to shape and fashion that economy, to try and overcome this ideology. Nowhere does it exhibit itself more clearly and more plainly than in what is happening in agriculture.

Because what is happening in agriculture, we have this, again, concept by those charged with administering our farm programs—a blind concept in its blind obedience to the free marketplace. Oh, yes; they say, if only we would reduce the prices of our agricultural goods down, we could compete on the free market. That is where the farmers ought to get. That is what the President said in his press conference just the other evening.

He said, "We want to get the farmers off the subsidies and get them in the free market; we want to have this transition take place."

We have heard the Secretary of Agriculture talk about the free market. The OMB Director talked about the free market. That was what we want to get the farmers onto, this free market.

Again, just think, it is almost like a chant, almost like a religious chant—free market, free market, free market. Well, they ought to know, if they would only open their eyes, that there is not a free market for farmers, that that is, in fact, chasing the pot of gold at the end of the rainbow.

Oh, sure, I would love to live in a better world. I would love to live in a better world where there were no trade barriers, where other governments did not subsidize their farmers, where they did not subsidize exports or put up import barriers. I would love to live in that better world where we had that free marketplace.

I would also like to live in a world free from sin and crime, too. But I am not going to see it in my lifetime. And I am not going to see that better world of a free marketplace in my lifetime, either. Because we have never seen it.

Oh, yes, you can have a free market in some places in certain selected areas, maybe in certain selected items. I am sure that there is good competition in the free marketplace among certain items. There has to be. But in agriculture, it is not true.

First and fundamentally, it is not true because farmers are not competing against one another. That is the first mental block that you have to get over. My farmer in Iowa, raising corn and soybeans and wheat—a little bit of wheat—maybe oats, maybe raising cattle or hogs—is not in competition with the farmer down the road. Those two farmers do not go to the marketplace and bid against each other to see who can sell it the cheapest. That is not the way it is done. They both go down to the local elevator, or the hog buyer or the cattler buyer comes out to the farm and says, "We will give you this much for it, take it or leave it." They do not compete against one another. Farmers in this country do not compete against one another. So there is no competitive marketplace for them. That is the first reason, the fundamental reason why this concept of the present marketplace will not work in agriculture.

The second reason that it will not work—and I just alluded to that—is that farmers are perhaps the only business people in America today, the only business people in the world, who buy everything retail and sell everything wholesale. Every time the farmer goes to the store to buy something, he pays the full fare, but when he sells his grain, his cattle, his hogs or whatever it might be, he takes whatever price is offered. And that is it.

Oh, if he has a crop grown, maybe he will store it for a while and watch the prices go up or down. But he has no bargaining strength in the marketplace. He has to take what is offered to him for his commodities.

So, without any bargaining strength in the marketplace, how can there be a free marketplace? Now, if I—I have a little ballpoint pen here. If I make these ballpoint pens, I would say that there is probably a free marketplace out there, pretty much so, for these pens. You make them and you charge a certain price for them. If I make 100 times more of these pens than I can sell, what is going to happen to the price of my pen? It is going to go down.

Well, since I control my manufacturing, I say to my plant, "Don't make so many pens; we will cut down the supply a little bit."

To keep the demand up, the supply goes down, the price goes up. I make money. If I cut the supply too much and drive the price up too much, somebody else comes in and undercuts me and takes my market away. It can work in pens, whether I make the pens or somebody else is making them.

But that same concept cannot work in agriculture. Why can it not? Well, I am a farmer in the Midwest—any place in the country. I am just a farmer, anywhere in the country. I raise a crop—corn. I do not like the price that they are offering me for that corn. There is not much I can do about it. So next year, I say,

I don't like the price, it is too low, I think I will cut back how much I am going to grow to get the price up.

So, instead of planting 100 acres of corn, the farmer plants 50 acres of corn the next year.

Well, lo and behold, his neighbor down the road increases his planting by 50 acres. So the supply is kept up there and the farmer who cut back his production finds that not only is he getting the same price, he has less to sell. So, because he is not competing with the neighbor down the road or a farmer anywhere else, that marketplace is not working for him. That is the third reason why there is no such thing as a free marketplace for agricultural commodities.

The other reason that there is not really a free market out there is that the farmer really is in competition—not with other farmers but they are, indeed, in competition with foreign governments, foreign farmers who are supported by those governments, and I am going to say a little bit about that shortly.

He is in competition with all of those who take the raw product of the farmers, transport it, manufacture it, package it, process it, and deliver it to the ultimate consumer. That kind of competition does not result in a marketplace economy. Our farmers, on the first example, can grow their grain and try to sell abroad. We have done that in the past. But if the foreign governments decide that they want a share of that marketplace for selling those goods, then they step in and subsidize their farmers and they encourage more production and they have a governmental policy that says they are going to subsidize their agriculture and undercut our farmers. So if our farmers are left out there without any kind of Government supply management programs at all, then that farmer in America has to compete with the Governments of Europe, Latin America, Australia, and Canada.

Well, in any other setting, I think we would call that unfair competition because the farmer simply cannot compete in that market—not that individual farmer.

So there is no free marketplace out there beyond our shores and because of those forces at work with other governments, who are going to subsidize their farmers. And now, in this country, when those farmers sell their raw products and they are taken up by a few grain elevators and then they are processed by even maybe fewer processors, or they sell their livestock and there really are not that many bidders for it, and the number of slaughtering houses are dwindling in this country. Some of the biggest slaughtering houses now cover huge areas. Then there really is not much bargaining power that that individual farmer has, so there really is not a marketplace for him within our shores, either. So we really have to disabuse ourselves of that concept about the free marketplace about which they speak so highly, because there simply is not any marketplace out there that is free for the farmers.

As I said, I would love to live in a perfect world where they could do that. But the world is not like that. Therefore, my argument is that for our farmers to have a decent return and to be able to engage in their livelihood and to be productive members of our society, the Government has to ensure that there is indeed some form of supply management program for our farmers.

Now, I mentioned just a minute ago about making these ballpoint pens. If I make too many, the price is going to go down. So, therefore, I would cut down the production of them to get the price up.

To give another example of why that will not work in agriculture, especially in terms of our foreign markets, I was listening to the Secretary of Agriculture the other day talk about getting our prices down. "We had to lower our price supports," he said, "to world market clearing prices."

Well, I had two observations on that. My first observation was what is the world market clearing price? The other day, a bushel of corn on the Chicago board, I think, was probably around $2.70. In Iowa at the local elevator—and that is what I am really interested in, is what the farmer got for it—in Iowa, maybe the farmer got $2.50 for that bushel of corn. That same bushel of corn in Great Britain was bringing over $5 a bushel. That same bushel of corn in France was probably $6 a bushel; in Spain, even more.

So what is the world market price? Is it $2.50 in Iowa or $5 in Great Britain or $6 a bushel in France? So there is no world market price, as such, because those prices are determined by other factors—overvalued dollars, governmental policies on import duties, export, that kind of thing.

My second observation, however, I think was listening to the Secretary talk about lowering the price so that we can get more exports. It occurred to me, is that not really the solution for us, in terms of our lost automobile business, our car manufacturing business? A bright light went on in my head. I finally saw the light, according to Secretary Block and David Stockman. I have now figured out the way for us to put Toyota out of business, to put Datsun out of business. I have figured out the way for us to once again capture the whole world market in automobiles; put all of our people back to making cars.

We can take away every single car sale in the entire world if we only follow Secretary Block's advice and David Stockman's advice. How was that? Simple.

We just tell Ford Motor Co. to sell every one of its Mustangs for $1,000 a car. Why, that would do it. Toyota would go under. Datsun could not compete. The Japanese would be ruined and we would make more cars than you could imagine.

Well, there is only one fly in that ointment. We would go broke before they would go broke. We would go bankrupt because you cannot make Ford Mustangs for $1,000.

But that is what Secretary Block is telling our farmers to do. He says, "Grow the corn for less than it cost you to produce it so we can sell it on the world market."

What have we gained? We bankrupted our farmers in the process. Well, that kind of fuzzy-headed thinking by those who are administering our agricultural policy is what is going to bring this country to ruin.

So there is no free market out there. The sooner we recognize that the better off we are going to be.

What we do in fact need is to ensure, to ensure that our Government fulfills its ancient obligation of making that balance in our society, of making sure that all sectors of our society are functioning and are in balance.

How do we do that in agriculture? We do that in agriculture by making sure that the Government manages the farm program so as to have a strong supply management program. Because that individual farmer cannot act as the manufacturer of ballpoint pens, as I just so clearly illustrated. Therefore, there has to be some entity that will bring the farmers together to act as the manufacturer, so to speak, of our agricultural products. And that of course is the Government. And you do that with a supply management program.

Now, that is really what the agricultural bloc was talking about back in 1921 when the agricultural bloc was first started here in the U.S. Senate. Because, these Senators who started this agricultural bloc—and again I read from the story of the beginning of the agricultural bloc in 1921 when they said that those who formed this agricultural bloc "recognize that we have passed into a new era in our national history in which we cannot allow the balance of real production which comes only from the land to get out of balance with the dependent manufacturing industries, commerce, banking, and Government."

And so, really, again, that is what we have to be about today. They recognized in the first bills that they passed—amendment to the Farm Loan Act, increasing the capita $25 million. I do not know—I wish I had known this. I would like to figure out what $25 million in 1921 is worth today and what that would transfer into. We are talking about a couple billion dollars

here to help all these farmers. And they did $25 million in the first year the agricultural bloc was formed—the cooperative marketing bill, the Packer Control Act, an amendment increasing the farm loans bond interest rate.

As I said, these were Members of both political parties, Republicans and Democrats, who recognized the needs of the Government to have supply amendment.

Well, that is what we need now. We need a Department of Agriculture that works for the farmers and brings them together and does not divide them up, a Department of Agriculture that will engage in supply management.

The reason that they are not, I am sure, today is because of this ideological mindset that they have that the Government ought not to be involved in managing any part of our economy, let alone agriculture. If we could get over that ideological mindset, then perhaps we could make some progress in supply management. And, you know, they say that these farm programs cost money.

I referred to that earlier and I said I would come back to it, and I do want to get back to it because farm programs do not have to cost money. They only cost money if you do not want them to work and you mismanage them. As I said, for the last 4 years of the 1970's, the average farm program cost was about $3 billion a year. The first 4 years of the eighties, it was around $12 billion a year. So if you do not want them to work, you mismanage them.

In 1981 and 1982 we had no program management at all. Farmers planted fence row to fence row and the prices went down and the prices went down and the farmers planted more.

Now I want to talk about that for a second because that is another economic principle that many urban members and many urban sectors of our society do not understand. They would say, "Well, if the prices are going down, why would they plant more?" In other words, if I am a farmer and I planted a hundred acres of wheat and I took it to market and I got $3.50 a bushel for it, and the next year I planted 100 acres and I got $2.50 a bushel for it, then there are those who would say, "Well, you shouldn't plant so much. The next year, if you didn't get that much then, you should plant less." But in agriculture it works just the opposite.

I know it is a tough concept for some to understand, but the lower the prices go in agriculture to the farmer, the more the farmer has to plant; the more he has to plant if the prices go down.

Why is that? Well, it happens to do with the marginal costs of production. Because the marginal cost of production for a farmer is very low, approaching zero in some cases. And here is how that works: If I have 100 acres of land and I have planted that in wheat and I do not get a good enough price and the price is going down, I have already got all my fixed costs there. I have got my cost of land—my biggest cost—and I have got my machinery. If the price has gone down, what I try to do is squeeze more production out of the unit that I have because for me to produce a little bit more means I just have to sit on the tractor maybe a couple of hours a day and put in a little more seed perhaps. But that marginal cost of producing an extra acre is practically nothing.

So, therefore, as the prices go down, I try to squeeze as much production as I can and I produce more and more. And as I produce more and more and my neighbor down the road produces more and more and the farmer on the coast produces more and more, all over the country, as they produce more, the price continues to go down and we are caught in that spiral.

Every agricultural economist knows this. Any economist who has studied agriculture knows that. But somehow these people downtown did not know that in 1981. They did not know this in 1981 because they had no program. Therefore, the farmers produced more, the prices went down, and they said: "We won't have another program." So the prices went down, and the farmers produced more, and the surpluses went up, and the prices went down.

Then, in 1983, they panicked. They saw the sky falling in, and they decided to rush in. That is where you get in trouble, rushing in and not thinking about things. They rushed in with this PIK Program, the most massive set-aside, most massive farm subsidy program in the history of this country, by the very administration that said there should not be any farm program, and they are saying that today.

When the PIK Program was over with, we saw it for what it was worth; 50 percent of the PIK Program proceeds went for less than 5 percent of our farmers. The bigger you were, the more you got. It did not do a thing to help save the family farmers of this country in the long term. It saved them for 1 year, but we squandered billions on the PIK Program.

Now they tell us that this program costs so much money—as if they did not have anything to do with it. They enacted the PIK Program. We never passed it in Congress. The PIK Program was never passed by the Senate or the House of Representatives. It was only enacted administratively by this administration. Had it come through Congress, had we had the opportunity to debate, and discuss it, and to amend it, to have the hearings in our agricultural committees, as we should have, then we could have fashioned a program that would have been longer term than 1 year and a program that would not have squandered those billions of dollars. But they did not want to come to Congress, and one of the things that happened was that we did not have the payment limitation.

In 1975, I believe it was, Congress passed a limitation on payments to farmers of $50,000 a farmer, as the most they could get in payments. I supported that and still support it. But because the administration did not come to Congress for a solution to the farm problem in 1983 and went ahead administratively, they got around the law that said there had to be a $50,000 payment limitation.

So, what did we have? Story, after story, after story in the newspapers all over this country about this farmer getting $3 million in California, and $1 million here, and $2 million there. I do not blame those farmers for getting that money. They were there. That was the program for them. I do not blame them at all. What I am saying is that the shortsightedness of this administration brought that about. Now they are saying that the programs cost too much money.

They were the ones who administered that program; they put it in effect. They did not come to Congress and ask for it. Had they done so, we would have fashioned a much better program.

So those people who are now saying that these programs cost too much money do not understand that you can have good, effective supply management. We have had it in the past and we can have it today, too, because we can help those farmers join together to reduce their supply to meet the legitimate demands, and the farmer can make money in the marketplace—not from the taxpayers but from the marketplace. That is where I want to see the farmer make his money. Mind you, I did not say "from the free marketplace." I said "from the marketplace."

I want to see the farmer be able to sell his corn, wheat, oats, cattle, and hogs and get a fair price, and in that way cut down what we as taxpayers have to funnel out. This year, a new farm bill will be proposed that would do that.

If this administration says their intent is to cut down the amount of taxpayers' dollars going to farmers, I am for it. I do not want to see farmers' subsidies. I want to see a price out there that farmers can get, that they can pay for their feed, seed, and fertilizer, and keep their families together and put their kids through school. I do not want it done through subsidies. We can do that, as I said, without making the taxpayers come up with all the money.

We should have learned our lesson in 1983, after 1981 and 1982, but we

did not. Let me give you an idea of what has happened.

We have a situation today that is worse than it was in 1981. Let us reflect for a moment where we were 4 years ago. Ronald Reagan was about to be inaugurated. In the month Ronald Reagan was inaugurated, wheat in Kansas City, in 1981, was $4.50 a bushel. Corn hovered about $3.25 a bushel. Soybeans were $7.25 a bushel. Cotton was 80 cents a pound; 4 years later, wheat prices are down 75 cents; corn is down 60 cents; beans are down about $2, $3 in some places; cotton is down about 20 cents a pound.

Bad as these prices are, to add insult to injury, we have some people in this administration telling us that prices are still too high if we are going to be competitive in world markets.

Farm exports in 1981 were $43.8 billion. Last year, it came in at around $36 billion.

So this situation has produced a calamity in my State, a drastic decline in farm revenue. If we are not going to repeat the mistakes of the past, then the business we have to be about here is ensuring that the Government enacts a meaningful supply management program for the farmers of this country.

(Mr. DURENBERGER assumed the chair.)

Mr. GORE. Mr. President, I should like to pick up on some of the points that my colleague from Iowa has been making so eloquently. I appreciate his leadership on this issue. Having served with him for several years in the other body, I have long appreciated his eloquence, his wisdom, and his ability to get to the heart of an issue.

I think the discourse on the history of farm problems in this country which we have just heard is most educational and enlightening and really pertains directly to the issue before the U.S. Senate. I should like to talk about a slightly different aspect of the same issue, because I believe that the farm problems that are being experienced all across America are a direct result not of trends and developments, years and decades ago—although certainly these problems have been building for a long time and many factors have been involved—but the proximate cause of the disaster experienced by American farmers today is the economic policy of this administration. Why is that?

The budget deficits which we are now running at the rate of almost $200 billion a year are making our farm exports very difficult to sell. At the same time, we are being flooded with imports because products from other countries are about 30 percent cheaper than they should be, due to the dramatic rise in the value of the dollar, directly traceable to the budget deficit.

Yes, it is true that our recovery is stronger than that of other countries in the world, and as a result we are pulling products toward America that would otherwise find markets elsewhere in the world.

Yet, it is also true that the political stability of the United States has contributed, as it always does, to the value of the dollar relative to the currencies of other nations. But it is undeniably true that the real interest rates, those which measure the difference between inflation and the nominal rates, are higher here than in any other major developed country. As a direct result, the value of the dollar is about 30 percent higher than it should be.

Let me give a couple of dramatic illustrations of the effect this can have on agriculture.

Last year, in July, in Memphis, TN, there was a shipment of cottonseed oil brought up the Mississippi River from South America. Mr. President, Memphis, TN, is the heart of the cotton market in this country. Talk about bringing coal to Newcastle. Bringing cottonseed oil to Memphis from South America is much worse than bringing coal to Newcastle.

The reason why that shipment of cottonseed oil came up the Mississippi was that the value of the American dollar, because of the administration's fiscal policy, has made our cottonseed oil noncompetitive.

Let me give you another example: 3 weeks ago in the Wall Street Journal there was an article about wheat which outlined the plans of one major grain company showing how it was now technically profitable to purchase wheat in Brazil, bring it to the United States, transport it from our shores to grain elevators in Kansas, and sell it at a profit.

Mr. President, when it is more profitable to bring wheat from Brazil to Kansas than it is to purchase Kansas wheat in Kansas and sell it at those same grain elevators, then obviously something is terribly wrong. This illustrates the point that the farmers of this country are the victims of a misguided fiscal policy for America. Look at our farm exports; 4 years ago, if you subtract the net farm imports from our net farm exports, the total was $44 billion. This year, after 4 years of megadeficits, a devil-may-care attitude about the national debt, and the future of this country, those net farm exports have fallen to $36 billion a year. That is before you adjust for inflation. Is it not ironic—no, is it not tragic that there are millions of starving people in the world and, yet, Americas farmers, the most productive in the world, are on the verge of bankruptcy? It is not their fault.

When I say they are the most productive in the world, the figures bear that out. One hundred years ago, 50 percent of American citizens were involved in farming as their major source of employment. Today, less than 3 percent of American citizens are involved in farming. Yet, those 3 percent are producing more, more efficiently than did 50 percent of our population in the last century.

Is it not obvious that our destiny as a nation includes producing and selling a much larger share of the world's food and fiber? Here we have a disproportionate and huge percentage of the prime arable land on this entire globe. About 25 percent of the arable land in the entire world is on the North American Continent. Six percent of the people are in America. The population growth rate in the rest of the world, particularly in the underdeveloped world, is growing astronomically. The number of hungry people in the world is increasing dramatically. It is obvious from those facts that our destiny as a nation must include a national effort to tap the productivity of our farmers, and so structure our role in the world economy that those who are hungry can pay for the food we have to offer them. As we attempt to put together a structure of this kind, do we want to sit back and watch an enormous number of American farmers go suddenly bankrupt because of the insane fiscal policy that we are following in America that is making their task virtually impossible?

I do not believe we do. The question of what changes to make in the farm progams is relevant. But later this year, when the farm bill comes to the floor, those changes will be considered. The immediate question is one of survival. It is an emergency situation. That is why we are speaking here. That is why we have talked about the Meese nomination for quite some time, and what we are asking is eminently reasonable. It is not some wild unreasonable request. What we are asking for is a chance to consider an emergency farm bill to stave off disaster for America's farmers.

Why is that unreasonable? I am new to this body. I came from the other body. I know that next week the other body is in the normal course of events considering this emergency question. All we are asking is a chance for the majority to work its will, not on a partisan basis because in fact, many people in both political parties want a chance to vote for reasonable measures to save the American farmers. So our request is an eminently reasonable one. I hope that in due course we will have a chance to consider these changes and to talk about the emergency relief measures which are so greatly needed.

If we cannot have a fair chance to consider legislation, then what are we all about in this body? If when we see America's farmers on the verge of disaster and we sit back and do nothing,

and say that it is the sole responsibility of the executive branch to come up with some administrative changes that may or may not address the problem—if that is our approach, and if that is our attitude—then we are abdicating our responsibility.

David Stockman has said in a rather well-known statement that America's small farmers are just not worth saving. I could not disagree more, and I am sure that most Members of this body also strongly disagree with that statement. But he speaks for the administration to which we are asked to assign responsibility for solving this problem. Do we elected Senators from the people of this country respond to an emergency by turning to the executive branch and saying to David Stockman, even though you do not think that saving farmers is worth the effort, we are going to trust you and we are going to give you sole responsibility for solving this problem?

Mr. President, we are not prepared to do that. We are asking only that we have a chance to consider the legislation, that we have a chance to bring up germane amendments, that we have a chance to craft a bill which will really get the job done. And it is worth the effort.

One of the reasons why we have historically kept our commitment to the farmers of this country is that we have seen the wisdom of having a strong rural economy. One of the differences I have often thought between the United States and the Soviet Union in addition to the obvious differences, those having to do with our value systems and our political systems, our goals in the world, and all the rest—in addition to those obvious differences, there is another very important difference that has not been frequently discussed. It is this: In the Soviet Union most of the population is clustered in their large cities and medium-sized cities, and the vast expanse between their cities is populated by very low-income farmers using methods from another century in many cases, and getting production from the land that is really pitiful. But here in the United States we have wisely chosen to distribute the wealth and opportunities of this country evenly throughout the rural areas as well as in the urban areas.

And as a result, we have had the chance to develop the great resources of this country, and to tap the wealth of knowledge and the wealth of talent, and willingness to work hard in the rural areas, in the small towns. If you go out to the most rural area of Tennessee, and go to the small towns there, you will find a thriving small business district. And the reason it is thriving and the reason there are merchants, bankers, and others who are making a living there is because the farmers that surround that small town are bringing their wealth into the town. And our programs over the years have recognized how valuable that is to the entire country.

We have had programs like the Rural Electrification Administration. Not without some relevance, I might add, the same administration to which we are asked to entrust the faith of the farmers is proposing to virtually eliminate the Rural Electrification Administration.

We have had other programs going all the way back to the Homestead Act, the TVA, a lot of programs that were designed to make certain that the quality of life in rural areas was sufficiently attractive to encourage American citizens to go there and live, raise their families, make a living, and produce from the resources that this great country has.

Unless we act on the bill that we are trying to get to the floor next week, we may see an historic change in that long American pattern. We may see tens of thousands of farmers going into bankruptcy during the next few months, with a good number of financial institutions depending upon their assets and the collateral they have put up also going under, with a migration of people not toward the rural areas but from the rural areas toward the cities.

What are the long-range consequences of such a migration?

Well, for one thing, we would lose our historic advantage of having our population evenly dispersed across the land having the ability to develop the resources of America.

Sure, we have to make changes in these farm programs. I think everyone realizes that over the long haul we must orient them more toward a sensitivity to the world market dynamics. But let me emphasize again, Mr. President, that the question we are facing now is not one of subtleties and price support systems. The question we are facing now is one of emergency and survival.

I believe that we can rise to this challenge. I believe that there is enough goodwill, enough of a willingness to act on both sides of the aisle in this chamber, that we will get a chance to consider and vote on a farm bill, or significant amendments which comprise a farm bill, next week.

Negotiations have been going on. I hope they will be successful, because the end result that we are asking for is essential to the future of this country.

Mr. President, I was reading a book recently that I think bears directly on this problem. It illustrates the consequences of allowing the quality of life in farm areas to decline so rapidly that people move away from the farms.

This is a report on rural poverty. The report is about a problem which many in the United States do not realize exists. It affects some 14 million Americans.

At the time this report was written, the number of Americans affected was very large. Since then, until recently, that number has decreased. But at the time this report was written, rural poverty was "so widespread and so acute as to be a national disgrace."

The total number of rural poor would be even larger if many people had not moved to the city in previous times. They made the move, according to this report, because they wanted a job and a decent place to live. Few migrants returned to the rural areas they left. They apparently concluded that bad as conditions were in the urban slums which some of them went to, they were worse in the rural areas they had fled from. Some rural programs, especially farm and vocational agricultural programs, should be, must be, designed to be more effective. Some of them were developed in a period during which the welfare of farm families was not really the concern of all Americans. I hope that today is not such a time.

I believe that, as this study says, the Nation's major social welfare and labor legislation bypassed many rural Americans. Farm people were excluded from the Social Security Act in the early years, up until the mid-1950's. Farmers, farm workers, and workers in agricultural-related occupations are still excluded from some other major labor legislation, including unemployment insurance programs, the Labor-Management Relations Act, the Fair Labor Standards Act, and most State workmen's compensation acts.

The effect of these oversights is very severe for people in rural America.

Mr. President, before I go back to this report, I would like to address a slightly different subject and then come back to the question of the farm economy.

I would like to address the Meese nomination. I would also like to say that everyone in the Democratic caucus has said that as soon as there is some reasonable accommodation on the farm question which allows us to consider and vote on measures to help the American farmers, there would be no further delay whatsoever beyond an hour or beyond whatever reasonable short period of time is necessary to again focus the body's attention on that question and the issues most relevant to its resolution. But I would like to say at this time that it is with a good deal of reluctance that I oppose the nomination of Mr. Meese to be Attorney General of the United States. I have engaged in a great deal of soul-searching about the standards of conduct and ethics that we should apply to officials nominated for such high positions.

The report of the independent counsel appointed to investigate the financial affairs of Mr. Meese is an exhaustive review of the record. The report, however, is very narrowly focused on the criminal law. The report evaluated whether Mr. Meese could be criminally prosecuted for his conduct. It did not draw any conclusions as to his fitness for office. Such a judgment is for the Senate.

The key issue is one of public confidence—can the public have confidence in an Attorney General who at best was highly insensitive to the fact that persons who had done financial favors were being given significant Government jobs? In this case, regrettably, the answer is no.

The public cannot have confidence in an Attorney General who did not disqualify himself from a review of job applicants that included individuals who had given more than moral support during a time of financial difficulty in Mr. Meese's life. Deferral of loan repayments is more than moral support.

Lack of public confidence in Mr. Meese undermines his authority.

In a country where the highest court's building bears the noble inscription "Equal Justice Under Law" the public's confidence in our legal system depends upon the belief that the Nation's highest law enforcement official is committed to equal treatment under the law. Mr. Meese does not meet this standard.

In sum, an individual seeking to hold the Office of Attorney General should exemplify the best in public integrity, rather than the lowest common denominator. It is not enough to say that he did not violate the law. We must inquire further—is this individual committed to the highest of ethical standards? Does he avoid favoritism? If not, then he should not serve as Attorney General.

I fully expect to support most of the nominations—I am sure, virtually all of the nominations that the President sends to the Senate. I regret that in this case, I cannot support the nomination of Mr. Meese.

Let me return, if I can, to the question of the farm economy because I want to drive home the point that the farmers are merely victims of a larger problem which is being felt on the farm and will be felt elsewhere as well. How long can we continue to blithely ignore the consequences of budget deficits in the $200 billion range? Today, during this 24-hour period, we, the United States of America, borrowed $500 million. Tomorrow, we will again borrow $500 million. We will continue borrowing at that rate throughout this year and for the next 4 years, according to the fiscal policy which has been mapped out. When this administration took over, our national debt was $980 billion. Today, it is $1.8 trillion. By the end of this Presidential term, what will it be? $2½ trillion? $3 trillion? How long can this go on? It is madness.

In fact, the interest on the debt alone is now larger by $23 billion than the entire cost of all domestic discretionary spending. Just 5 years ago, the interest on the national debt was approximately $30 billion a year. Now it has been multiplied almost by five, and this year, it is expected to be in the $140 billion range, if not higher. If we continue this fiscal policy, it will not be just the farmers who are facing such severe problems.

Last week, Mr. President, I had some 25 town hall meetings in Tennessee, of the kind that several Members of this body now hold. The single most commonly asked question at those meetings was some variation of, how can we get protection from imports—whether it was tobacco farmers, grain farmers, whether it was people employed in textile plants, in boot factories. I even—you will find this difficult to believe, Mr. President, but I met with a group of country music executives in Nashville, who told me that, believe it or not, we are now experiencing a problem with imported country music. Difficult to believe—cheap cassettes containing material copyrighted years ago that producers in foreign countries have bought up and are now mass producing very cheaply and flooding into this country.

My point is this: Every single business, every single farm in this entire country is now under tremendous pressure from imports of every kind, category, and description, and the cause is the budget deficit first and foremost.

Of course, there are other factors involved, but the fact that the U.S. Government is borrowing $500 million every single day has driven the value of the dollar up 30 percent or, since August of 1971, the dollar has floated in relation to the value of other currencies. Now the amount of wealth which changes hands each day in the form of currency transactions around the world dwarfs stock transactions and bond transactions and other financial instruments almost by a hundredfold.

The cumulative result of all these transactions is that international investors and institutions that are liquid enough to transfer their wealth from the currency of one nation to the currency of another are all shifting from deutsche marks and yen and lira and pound sterling toward the dollar. It seems that every week, and some weeks every day, we read another headline about the dollar reaching an all-time record high. How can our farmers compete in that kind of environment? How can they sell their products when nations that never attempted to compete with us in the past are now encouraging new land to be cultivated, with crops that they never grew before because they see an opportunity to take from the American farmer markets that we have traditionally enjoyed and prospered from. It is not the farmer's fault that we are experiencing the current difficulties. We have an obligation in this body to take reasonable action to give a chance to those farmers who, by putting another crop in the ground, might be able to continue producing and contributing to the wealth of America. If we fail to act, we are condemning them to bankruptcy and financial ruin.

Beyond that, we are hurting the ability of this country to take advantage of what we hope will be expanding agricultural markets in the future. If we do not act but allow these farmers to go bankrupt, we will rue the day. If we do act and give them a chance, our job is still not completed because, let us be candid about it, the legislation we hope to bring to the floor next week will not solve all of the problems experienced by American farmers. More action will yet be required. One that will be required is an effort, hopefully on a bipartisan basis, to reduce the budget deficit, because if we save the farmers temporarily, only to confront them with a continued hostile world marketplace due to the results of this mad fiscal policy that we are following, then we have gained but little. We must for the farmers or all industries that compete against imports, for all industries that attempt to export products around the world, arrive at a bipartisan formula for reducing the budget deficit. So I want to reiterate that what we need to do is to get this legislation to the floor next week. We need a chance to fully consider and to vote upon a rational emergency farm program next week.

Some of my colleagues in this body who have just arrived may be interested in the story of the cottonseed oil which was shipped to Memphis or the wheat which has been proposed for sale in grain elevators brought from Brazil, because both of those illustrations show that the difficulties being experienced by American farmers today are not the fault of the American farmers. I gave those two examples earlier, but those examples are not the only ones that I could cite. Pork farmers are experiencing a flood of pork from across the border. Vegetable farmers are experiencing a flood of imported products. Tobacco farmers are witnessing the possible destruction of the tobacco program because of the fact that tobacco imports have increased over the last 10 years by 15,000 percent. All of our farm producers are under tremendous pressure as a result of the fiscal policy we are following and the effects of the deficit on

the value of the dollar. The tobacco program is an example which probably bears closer scrutiny.

Many people are under the false impression that tobacco is subsidized by the American taxpayers. Yes, I am familiar with the GAO report which was released last week which purports to show some technicality that actually results in a tiny trickle of revenue toward the program but we all know that is not the intent.

We all know that the program is designed to be completely and solely self-sufficient. It is and it will be. What the program really does is allocate the right to grow tobacco to hundreds of thousands of small farmers all across America. In Tennessee, for example, there are 100,000 tobacco farmers. The average acreage is less than 2 acres—1.9 acres, to be precise. And over the years this program has meant a few thousand dollars of cash income to small family farmers. In many cases the people involved will have a job in a factory, with a small farm that they tend in the morning before they go to work and in the afternoon and evenings when they return. The income, little as it is, from the tobacco they grow and sell is the only thing that keeps those farms profitable and keeps these producers going.

Now, in spite of the fact that this program is obviously needed, we must recognize that even this program is under tremendous pressure from imports. And again, just as with wheat, corn, pork, cotton, and every other agricultural product in America, we are seeing tobacco farmers victimized by the fiscal policy that we are following because the fiscal policy has increased the dollar to such an extent that it is pulling tobacco imports into the United States at a rate completely unprecedented in the history of this country. And these farmers, too, are going to be in extreme difficulty unless we change our fiscal policy.

Now, again, what we are asking for is something that is eminently reasonable. It is a question of survival for the farmers in this country. It is an emergency. It is a question of whether or not we are going to allow hundreds of thousands of hard-working family farmers to go suddenly bankrupt, probably never again to return to the farm or whether or not we are going to act in an expeditious way to save them.

Mr. President, I would like to go back to the other subject which we are discussing in the U.S. Senate during this period of time, and that is the nomination of Ed Meese to be Attorney General. There are a number of newspapers around the country that have taken editorial positions on this question. I would like to look at some of the editorials that have come to my attention.

The first one is from the Abilene Reporter-News in Abilene, TX. This is dated January 31, 1985. It is entitled "Questions Remain."

Presidential adviser Edwin Meese is not a crook. A special prosecutor determined as much after a painstaking investigation of Meese's financial affairs as a member of the White House team.

The investigation found "no basis" on which to prosecute Meese for criminal wrongdoing. So, it is fairly certain Meese will not be cracking rocks in a federal penitentiary.

But does a clean bill of health from a special prosecutor mean that Meese is entitled to serve as U.S. attorney general, as the highest ranking law enforcement official in the land? That is a quantum leap we wish the Senate did not have to consider.

Serious ethical questions remain. These are questions not covered by the letter of the law by which special prosecutors are constrained.

Reports this week revealed that staff members in the Office of Government Ethics concluded that Meese had violated federal ethics rules on at least two occasions. In one instance, Meese failed to disclose a $15,000 interest-free loan from a close friend. In another, he played a role in finding jobs for other friends who helped him out of financial straits.

Legal? Perhaps. Ethical? That is at least open to dispute—hardly a ringing endorsement of a future attorney general, whose ethics should be beyond reproach.

Mr. D'AMATO. Mr. President, the Senate is not in order. I am wondering if we could have some order so we could hear the speaker.

Mr. GORE. I appreciate the suggestion, Mr. President.

Meese's credentials in the legal field also leave much to be desired. He once served as an assistant district attorney in California. He was director of the Center for Criminal Justice Policy and Management at the School of Law at the University of California in San Diego before coming to Washington.

Aside from those positions, his primary occupation has been that of politician, chiefly as Ronald Reagan's friend, counsel and confidant.

These factors surely vex many of the senators charged with the task of deciding Meese's fitness to serve as attorney general. Texas' two senators said Tuesday, as hearings before the Judiciary Committee began, that they have not decided whether they will support Meese.

Lloyd Bentsen, a moderate Democrat who rarely votes against presidential nominees, is taking a "wait-and-see" attitude. Even more surprising, GOP Sen. Phil Gramm, a diehard Reagan loyalist, said he would not make a final decision until he reviews the Judiciary Committee report.

Reagan probably will never withdraw his appointment of Meese. He is as hardheaded as Harry Truman in supporting cronies in key positions.

This is the opinion of the Abilene Reporter News, I might interject.

The president's support has remained steadfast during last year's investigation and after the surfacing of the Ethics Office report this week.

Perhaps it's too much to expect that the Senate will reject Meese because his background is tainted and because he lacks the qualities to be anything more than a mediocre attorney general. But the country and the president would be better served if Reagan would choose another appointee from among the huge pool of qualified legal minds in the country.

(Mr. McCLURE assumed the chair.)

Mr. GORE. That editorial from the Abilene Reporter-News is similar to one from the Austin American Statesman. I would like to go through these editorials in alphabetical order. This one, dated January 29, 1985, is entitled "The Facts Remain: Meese Not Qualified for AG Post."

The Senate hearings this week on the nomination of Edwin Meese to be attorney general probably will break no new ground. The facts are not in dispute. Though a special investigator found no basis for charging Meese with criminal conduct, he clearly has scant sensitivity to or respect for high standards of ethical conduct and his nomination should be rejected.

If the Senate fails to confirm him, it will send a clear message that it expects nominees to such lofty positions as attorney general to be of high quality. "Not actually indicted" just isn't good enough.

But if the Senate confirms the nomination, it could be sending an unfortunately different message. It would be that it finds nothing wrong in Meese's, as White House counsel, having appointed to federal office six individuals who personally gave him tens of thousands of dollars in financial assistance or who were officers of a bank that extended him favorable treatment on more than $400,000 in loans; nothing wrong in Meese having received special treatment in being promoted from lieutenant colonel to colonel in the Army Reserve, over the objection of the Army deputy chief of staff; nothing wrong in changing records to show a legally questionable "moving expense" payment as a consulting fee; and nothing wrong with having failed to file complete financial disclosure forms.

Certainly, presidents are entitled to nominees who agree with them philosophically and politically and who are friends. But not when the nominee has an almost total blindness to the sort of ethical standards expected of the nation's top lawyer. There are thousands of better qualified lawyers who also are conservative Republicans and who are rigorously ethical. The Senate should tell President Reagan to find one to nominate as attorney general.

Now that is the opinion of the Austin American Statesman.

Again, if we go to another State, to the Bakersfield Californian has a similar opinion. This editorial is entitled "Better Candidates Exist."

Edwin Meese III returns to the Senate Judiciary Committee tomorrow for renewed hearings to determine whether the Senate should confirm him as Attorney General. It will be almost a year to the day since earlier hearings were suspended.

The earlier hearings were suspended to allow an independent counsel to investigate whether federal law had been broken during a complex series of financial transactions entered into by Meese. Questions also were raised about his role in Reagan campaign's acquisition of a Carter campaign debate briefing book—the overballyhooed "debategate" affair.

After a narrowly conducted five-month investigation special counsel Jacob Stein concluded that "no basis" had been found "for the bringing of a prosecution against Mr. Meese for violation of a criminal statute." Stein refused to "comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of his fitness for office."

We agree that is more appropriate for the Senate to determine than it is for a federal appointee.

We opposed Meese's earlier nomination to succeed William French Smith on two grounds: the questions that had been raised regarding improper actions which he may have taken while a presidential counselor and because we felt that there were better candidates.

We are willing to accept Stein's conclusion that Meese engaged in no criminal actions, even if his actions were indiscreet.

But nothing in the year that has passed between the two rounds of confirmation hearings has convinced us that Meese is the best person available for the job.

Meese is a former Alameda County District Attorney. A staunch conservative—which is not the basis of our objection to him—he has pledged to carry on Reagan administration policies: stronger drug enforcement actions, fighting organized crime and an emphasis on victims of crimes.

As good as that sounds, he has also said things which give us pause, such as characterizing the American Civil Liberties Union as being a part of a national crime lobby, the manner of his support for "preventive detention" and his advocacy of using illegally obtained evidence in trials.

The attorney generalship is one of the country's most sensitive domestically oriented offices. We think there are other persons available who can carry on the president's mandate in a more evenhanded way.

That is what the Bakersfield Californian has to say.

In Wisconsin, the opinion is quite the same. The Beaver Dam Daily Citizen has an editorial entitled "A Lesson From Meese." I would like to share this with my colleagues as well.

Twelve months is a long time for a Cabinet appointee to twist in the air. Something beyond mere partisan or ideological wrangling must have held up approval of Edwin Meese III by the Senate Judiciary Committee for that long. The designation of James Baker III, the fellow White House troika alumnus, as secretary of the Treasury took but one day to pass muster in the Senate Finance Committee before being promptly ushered down to the Senate floor for quick approval.

I remember that. Returning to the editorial:

The lesson in the Meese ordeal is that Cabinet appointments should be made in the first instance principally on the basis of professional competence and probity, not on the basis of personal loyalty to the president, reward for longtime service, or the desire to reassure a political constitutency that its support will not be forgotten. This is especially true of the post of attorney general, whose officeholder might have to confront the chief executive with unwelcome, impartial counsel.

The Meese appointment bore too heavy a personal weight. No acclamation of his impersonal competence by legal professionals came to his rescue. The conventional notion that a president should be able to appoint the people he wants played too strongly in the initial Meese decision. Once launched, the appointment ensured a personal ordeal for Mr. Meese and his family, an embarrassing loose end for President Reagan through the last election, and the prospect that Meese would have a harder time winning the confidence of the American people by his performance on the job, given the long public attack on his fitness.

That public confidence is important. The designers of the process would not have required Senate approval if a president's imprimatur on an appointment were enough.

The remarkable hiatus stemmed largely from reservations about Mr. Meese's ethical fitness for the job. It has all been gone over so many times that perhaps his supporters hoped that familiarity with the charges would make them seem less offensive. These include instances of financial assistance to Meese or his wife by individuals who later won government posts with his help, a preferential advance in Meese's Army Reserve status, and a record of testimony that showed a disconcerting imprecision in his recall of events and in the orderliness of his private affairs. A court-appointed independent counsel, Jacob A. Stein, found that Meese had committed no criminal actions. In recent days, an Office of Government Ethics staff report was made public. The report, rejected by the office's director, accused Meese of violating federal ethical standards.

In his defense, Mr. Meese ascribes his problems to disorder and haste in the early days of the Reagan administration, not to self-seeking, and he promises greater sensitivity to the appearances of conflict of interest in the future.

Another line of reservations about Meese derives from his views and actions on civil rights, on legal services for the poor, and other matters that could come into his domain for action as attorney general. Unfortunately, inquiry into these issues had to struggle for equal footing with the ethics question.

The sense in Washington for weeks now has been that Meese would eventually weather the assault on his nomination. But more-exacting attention to ethical principles in the White House four years ago would perhaps have eliminated the apparent conflicts of interest. And a more impersonal search for someone to fill the nation's top law enforcement office could also have given the Senate approval process a more affirmative ring than has been heard in the Meese case the past dozen months. (CSM)

That is from the Beaver Dam Daily Citizen.

And, now, the Bennington Banner in Bennington, VT, has an editorial entitled "The Meese Whitewash."

President Reagan has nominated for attorney general his White House counsel, Edwin Meese, who has a bad habit of getting financial favors from people who end up with cushy government jobs. The coincidences were striking enough to prompt the appointment last year of an independent counsel, who came to the conclusion that there wasn't enough hard evidence to justify a criminal indictment.

That's reassuring, but it doesn't answer the question at hand: whether Mr. Meese has the ethical sensitivity that the Senate should expect of a person asking to be confirmed as head of the Department of Justice. Therefore it is gratifying to know that Mr. Meese's ethics—and not just his criminal liability—have been addressed by the Office of Government Ethics.

The staff of that agency studied the report of the independent counsel and came to the conclusion that, in two matters, Mr. Meese's financial dealings had, in fact, appeared to conflict with his official duties. This is a violation of federal regulations which forbid actions by officials that might even "create the appearance of" preferential treatment for someone.

This clear statement of some of the issues involved in the Meese appointment was almost not available to the Senate Judiciary Committee as it begins what its Republican chairman, Strom Thurmond, has said will be just a one-day, hurry-up confirmation hearing of Mr. Meese. The contents of the report were kept under wraps by the Office of Government Ethics' director, David H. Martin, after he was persuaded by Mr. Meese's attorneys and White House officials not to take action on the staff's findings. The report saw the light of day only after it was leaked to The Wall Street Journal.

There are no damning new revelations in the document. All that the staff's attorneys did was to study the independent counsel's record, examine the pertinent federal regulations and come to a conclusion that should have been obvious to the Senate: Mr. Meese has not met the minimum standard for conduct by government officials or employees. The advantage of having this report on the table is that it forces senators to recognize just what they will be condoning if they give their blessings to this unworthy nomination.

That is from the Bennington Banner, in Vermont.

Now I would like to look at the editorial of the Bethlehem Globe-Times, in Pennsylvania. This is entitled "Confirmation of Meese Will Send Wrong Message."

CONFIRMATION OF MEESE WILL SEND WRONG MESSAGE

Most Washington insiders expect the U.S. Senate will confirm White House Counselor Edwin Meese III's appointment as U.S. attorney general. Normally, the president is given his choice on such appointments. If it happens in this case, however, the senators will have sent a troubling message about the state of our public ethics.

An independent counsel who investigated charges against Meese found there was insufficient evidence for prosecuting him. This is being interpreted as a clean bill of health, justifying speedy confirmation. In fact, the independent counsel's 385-page report is anything but vindication. It contains detailed, largely uncontested evidence of Meese's own low regard for ethics in government, and of his willingness to engage in behavior that raises the most serious questions about his fitness to become our country's chief law-enforcement officer.

Meese secured federal appointments for several people from whom he borrowed money or was helped financially, in some cases with no interest charged, and in one case failing to report the loan as required by law. The independent counsel said he could not prove the people won the jobs because of the financial relationship. But the counsel explicitly left it to others to determine whether Meese had adhered to standards of ethics and propriety required to head the Department of Justice.

In the past, receiving personal financial benefits, as Meese did, and then exercising

governmental power in favor of the benefactor has been condemned as grossly unethical—even when there was no proof of a causal connection.

When it became known that Sherman Adams, the senior White House aide to President Dwight D. Eisenhower, had accepted a vicuna coat, the loan of an expensive oriental rug and the payment of his hotel bills from a textile executive who had matters pending before other departments of the government. Adams was forced to resign, even though he had committed no crime.

When it became known that Supreme Court Justice Abe Fortas accepted a gift of $20,000 from financier Louis Wolfson and agreed to accept annual retainers, Fortas, too, was forced to resign, even though he neither gave nor promised official favors.

Even if an official can maintain complete impartiality, the sight of a government official using his office to help or simply to deal with individuals who have done him financial favors undermines public confidence in government. Free government cannot survive that loss of confidence.

In particular, the attorney general has more opportunity to set the ethical tone of an administration than any official other than the president. He must symbolize the fair-minded, impartial, sensitive but impersonal administration of justice. Organized society depends on a wide network of obligations that cannot be enforced by criminal punishment but that must be honored by most of us if we are to remain a free society.

One tangible result of confirmation would be to lower ethical standards for government workers throughout the nation. As Archibald Cox, the respected attorney, professor and former Watergate Special Prosecutor, has noted, a vote to confirm Meese would say to thousands of government officials and employees:

"We, United States Senators, think that anyone in public office should feel free to accept large financial favors. Don't worry that those who do you a favor may later look for government appointments or have business with the government that you may affect. Don't even worry about later participating in their appointment, or their receipt of other government benefits. We, as Senators, see nothing wrong in this. Just be sure not to commit a crime."

[The following proceedings occurred after midnight.]

Mr. BYRD. Will the distinguished Senator yield with the understanding that he not lose his right to the floor?

Mr. GORE. I will be glad to.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Senator may be allowed to yield to the distinguished majority leader and to me, if necessary, and that after we have been recognized that the Senator be recognized to complete his speech and that it not be counted as a second speech when he resumes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The majority leader.

Mr. DOLE. Mr. President, let me indicate at the outset that I believe we have now had about 4 days of good-faith negotiations. However, it now appears that the period for fruitful negotiations is coming to an end. Every time we have met, I think we have come close. Now we have received a request to allow seven amendments to a bill that would be called up on Monday. That is a decrease from a previous list of 14 amendments.

It seems to me that the farmers immediate financing problems have been successfully resolved by the administration's announcement a few weeks ago. I would say, in all candor, that this program has been improved through bipartisan efforts to clarify some of its provisions and to expand some others. And that revised program has now been implemented. Secretary Block this morning announced that they would implement the change in the cash-flow requirement for farmers with loans from commercial institutions from 110 percent to 100 percent.

The Secretary talked with the President and the President authorized the Secretary to indicate he was committed to implementing a plan of debt restructuring, expanded operating loans and other suggestions. In fact, 99 percent of that program had already been in place. So there is no dispute about that.

And so, Mr. President, I think it is clear the real short-term agricultural financing issues have been resolved.

The President has provided assurances that the administration is going to make this program work. Obviously, not every farmer is going to be helped. And no matter what amendments are offered, it is impossible to help every farmer.

The program to respond to the short-term financing needs of farmers has been in operation for months. Thousands of loans and loan guarantees have been approved. We are proceeding to monitor that program to make certain it is successful. As with every Federal program, I expect some will be disappointed, some will be disgruntled, and some will be dissatisfied. And, unfortunately, a number of farmers will suffer no matter what we do at the Federal level.

Now we are back to the basic question: Do we or do we not want to confirm the nomination of Ed Meese? Some do not. That is their right. But the majority of this body wants to confirm Ed Meese. We wanted to confirm Mr. Meese for the last 4 days. I think it is fair to say we are going to stay on the Meese nomination. We are not going to make any deals. We will take up the Meese nomination sooner or later. I hope sooner than later. I am convinced that the more we talk about bringing up some bills we can offer seven amendments to that it is not going to work.

So on the procedural fronts, the following is the procedure the majority leader intends to follow:

First, as indicated, we intend to stay on the Meese nomination until it is concluded.

Second, after I conclude tonight, and after the distinguished minority leader has made a statement, I intend to recess the Senate until 9:30 a.m. tomorrow, Saturday, and I expect frequent votes throughout the day tomorrow and in the evening tomorrow.

I expect we will not be in session on Sunday.

In a nice way, I would indicate to my colleagues that, come Monday, everybody should have rested up over the weekend. Get a lot of sleep, get a lot of rest, lie down if you watch TV on Sunday, because starting next Monday, we are going to stay all night. I know it is a chore to make that happen. I have never tried to engineer it. But I think we have to establish that Ed Meese is entitled to be confirmed.

In addition to that, there is a highway bill that involves about $7 billion. It means about 450,000 jobs to the American people, and it is stacked up behind the Meese nomination. Beyond that is the Africa famine relief bill, which the distinguished chairman of the Committee on Foreign Relations is prepared to bring up. It is stacked up behind the highway bill, and they are both stacked up behind the Meese nomination.

Finally, there is the sense-of-the-Senate resolution on farm credit, which we would offer to alleviate any doubt about what has been announced by the administration today. We would like to bring it up for a vote.

I have been reading and watching and listening to some of the media reports on the new farm credit initiative. Many reporters covering the story apparently never knew that the program has been in place since last September, and was revised 3 weeks ago. They may have the idea that we have really changed the program a great deal in the last 4 days. And we have, the sense that we have sharpened the focus on it. But the program clarifications announced by the administration today do not really change the way it was announced—unlimited loan guarantees under the September debt adjustment program.

There has been some talk that the original ceiling was only $650 million. That was never the case, and was never the intent of the administration. They made that clear 3 weeks ago. And for that clarification, I thank my distinguished colleagues on the Democratic side and on the Republican side.

We did make substantive change—reduction in the cash-flow requirement for farmers from 110 percent to 100 percent in order to be eligible for commercial loan restructuring. There is some question as to who we are helping more—farmers or the bankers.

I did not get many calls from farmers on this provision, but we have heard from a few bankers. I am not certain the bankers have really explained the change to the farmers because 110 percent is a better deal for the farmers than 100 percent, providing they can qualify.

As the Senator from Nebraska has pointed out on several occasions, there are a number of small bankers in the Midwest and other areas that are on the verge of insolvency. They are not going to participate unless they receive a little more assurance. So I do not intend to quarrel with the change to the 100 percent cash-flow requirement.

The Secretary announced he is implementing their program today. I understand the President will discuss the farm credit issue tomorrow morning in his radio message. The media has not yet caught up with it, but the administration had already provided assurance of unlimited operation loans for the 1985 through the Farmers Home Administration. There was never any doubt about that—it has been in the administration's package. It is a good program and it should be there because farmers in many areas are in distress.

Another major feature is the assurance that applications for FmHA loans and loan guarantees will be expedited. Just a few days ago FmHA announced they have hired or reassigned 1,000 additional loan officers to work off the current case backlog. In many States, including my State of Kansas, bankers are volunteering to help out. In Kansas, they are signing up about 80 loan officers to go into the field and help process applications.

In addition, under the approved lender program, where the banks make the decision on the loan application, Members on both sides agreed to require that FmHA process these decisions within 14 days. That is a positive step. It does no good to apply for a loan if no one gets around to processing the application.

There are some on both sides of the aisle who may want to do more. We have been trying to do more for the American farmer for 40 to 50 years. We have spent more money in the past 4 years on farm programs than was expended in the 15 years prior to that time. But somehow it did not work: farmers are in more distress, particularly in Iowa, Nebraska, and in parts of Minnesota, Missouri, Illinois, Kansas, and several other States. In addition, there is distress among farmers in Michigan, as I was informed last night by the distinguished Senator from that State.

Agriculture is an area the Senator from Kansas knows a little about. Some would suggest that one way to get farmers through the planting season is to make advance loan payments of one-third or 50 percent. Some in good faith want to offer such an amendment to the African relief bill. If we could agree that this would be the amendment to be offered, we might get agreement on this side not to object to a unanimous-consent request.

I happen to believe, however, that the advance loan proposal is not a particularly good proposal. I might add that my view is shared by the National Farmers Organization, the National Farmers Union, the National Grange, and the American Agriculture Movement—not known to be strong Republicans in many cases. All are opposed to the advance loan concept, and are concerned that it could jeopardize the future of the loan program for American farmers. Again, there are well-intentioned Members on both sides who may believe that this idea is just what the doctor ordered. I do not believe you can give a farmer a 50-percent advance loan to buy what he needs to plant the crop. When harvest comes, he is not going to have any money left. The next year, he is going to have to get a 100-percent advance loan. It is not going to work, and ought to be rejected.

I understand why sincerely motivated Senators want to make advance loans now for spring planting. Planting is a little later in some States, but we are getting down to that date. March 1 is sort of a magic date; March 15 is getting a little late; March 25 or so is almost too late. You have to implement the program—get the regulations in place, get the word to the farmer, and get the money to the farmer so he can go in and make the necessary preparations.

I do not quarrel with the effort of those who want to bring that up. I have said from the start, let us vote on Ed Meese first, then let us vote on the highway bill—let us put some people to work. Many farmers would like to have part-time highway work in my State. We do not have any money because we have not passed the ICE bill. That information comes from the top—from the Secretary of the Department of Transportation. She wants action. And the Senate is prepared to take that up.

We are also prepared to take up the African relief bill, if we would just get to the vote on Ed Meese. I think the distinguished chairman of the Judiciary Committee has made an outstanding case for the nomination. We have had extensive hearings. We have established a strong record. We are ready to vote. Maybe Ed Meese, in the entire scheme of things, is not so important. I bet Ed Meese is sleeping right now. But he's been waiting 13 months; he's been through a lot; and he deserves to be promptly confirmed.

But perhaps the real issue is, do we have order in the body. I have to believe that we follow the agenda the pending business is Ed Meese. It is going to be the pending business tomorrow; it is going to be the pending business Monday; unless we have a vote, and Tuesday and Wednesday and Thursday and Friday and Saturday, if need be.

I was asked if we are going to file a cloture motion. Not now because I have a feeling the vote might be around 53 to 47 on that cloture motion, even though many who would vote against cloture intend to vote for Ed Meese. So I understand we have a little problem here. I tried to reach Howard Baker. I cannot get him on the phone. He is probably sleeping now too.

So this is where we are. I am not so naive to believe that you do not negotiate around this place. If you did not negotiate, nothing would happen. But I also believe we have almost exhausted our options because every time we leave a negotiating session somehow, someone goes out and tells the press we are not making any progress, or the Republicans do not want to help the farmers, or the Democrats are holding up the farm vote. Maybe that is all right, but if we really want to help the American farmer, then we ought to all be willing to say, OK, we have a program in place; we should notify our State farmers home directors; we should notify our farmers through our newsletters that the program is out there. Let them know they can restructure their debt, that they can get operating money.

Now, the distinguished Senator from Illinois knows there are some who are not going to make it, but we have agreed to do enough for the banks. I do not say that critically because I get along very well with the banks lately. However, we are going to bail out a lot of these loans—90 percent of the assumed prinicipal balance of restructured loans are going to be guaranteed by the Federal Government. That is not a bad incentive.

Now, I have been receiving conflicting advice about whether we go home or stay. I have decided, after some reflection, that we ought to go home. We ought to think about it. We ought to come back in the morning, and we ought to see if we cannot let Ed Meese go. Let him go. How long does he have to wait? I tell you another guy who is anxious is the present Attorney General. I understand the moving vans are in town tomorrow ready to take him away. Everything is all packed. Things are going to get wrinkled if we don't get this done. [Laughter.]

So, Mr. President, I hope that we can conclude the action. I know my colleagues are prepared, if we could agree to certain things on S. 457, to give us unanimous consent to finish the Ed Meese nomination in 1 hour;

unanimous consent on the highway bill, no amendments, 1 hour; unanimous consent on the farm resolution, no amendments, 1 hour. I am advised by the distinguished minority leader it probably would not take that much time.

I am not certain what is really keeping us from taking up those three bills. I understand the desire to bring up the so-called Daschle or the Exon bill on S. 457. I have agreed to bring up S. 457 on Monday. If we bring it up, it is open to amendment. It seems to me that the distinguished Senator from Nebraska or someone else could offer the first amendment and see what happens.

So I want to make it clear that we are not trying to deprive anyone of their right to offer amendments. The distinguished chairman of the Foreign Relations Committee has agreed to bring up the bill on Monday. The distinguished chairman of the Budget Committee has agreed, I believe, along with the distinguished ranking member of the Budget Committee, to give us a budget waiver, so that will not slow things down. I would hope we could agree on that—bring it up, offer whatever amendments there may be on that side, offer whatever amendments there may be on this side. If they are passed, that is one thing. If not, we pass the Africa relief bill and move on to whatever legislation would be pending.

Mr. President, I appreciate the distinguished Senator from Tennessee yielding. We do have some unanimous-consent requests of the housekeeping variety. There are requests for special orders. We can take care of those, I understand, later.

Mr. GORE. Mr. President, under the terms already agreed to, I yield to the distinguished minority leader.

The PRESIDING OFFICER (Mr. CHAFEE). The minority leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Tennessee for his courtesy. I have listened to our distinguished majority leader with great interest, and I can understand the frustration that he feels. He has indicated that Mr. Meese is being held up, that the highway bill is being held up, the African relief bill is being held up, the sense-of-the-Senate resolution in connection with farm policy is being held up, and he has said that he is ready to vote.

Mr. President, we are ready to vote. We have carried on negotiations in good faith. We believe that the American farmer needs relief what he has been promised by the administration. We feel it is important that this Senate act promptly to provide that additional relief. We can do all these things. We can vote on Mr. Meese easily before noon today. We can vote on the highway bill before noon today. We can finish all of these bills and the nomination concerning which the majority leader has expressed interest in their adoption, confirmation, and passage.

We went to the majority leader's office with a list of 14 amendments. That is true. They all dealt with farm policy. The distinguished majority leader expressed a wish that we come to him with a list of the amendments. I had hoped that the list of amendments would be 5, 6, no more, but there were 14.

Then the distinguished majority leader and his colleagues indicated an interest in reducing that number, and so I went back and called my colleagues into conference. We were ready to reduce the 14 amendments to 7. We offered to have time limits on those amendments, in some instances 40 minutes on the amendments to be equally divided, in other instances 30 minutes to be equally divided. So all told these seven amendments would have had a time limitation of 3½ to 4 hours. I have no doubt that that time could have been reduced further. The distinguished majority leader indicated to us that, with reference to 14 amendments, he would not want to present this to the Senate because he felt in one instance, I believe, he would have some problems on his side, and so we assured him we would come back with fewer amendments.

We did not get to go back. We were told that the other side was caucusing that at the end of the caucus my five colleagues and I would be notified, and we intended at that time to go down to the distinguished majority leader's office and tell him about our seven amendments.

To make a long story short, the caucus ended. My five colleagues and I waited. The distinguished majority leader came to my office and indicated that he felt that negotiations had come to an end. So here we are.

Seven amendments, 3½ hours, and the nomination of Ed Meese can be confirmed, the highway bill can be passed, the sense-of-the-Senate resolution can be adopted without amendments, and we could have a time limitation on the African relief bill. We would not have to be in session on Monday to do these things, or certainly we could get on without business Monday, Tuesday, and Wednesday and complete all that.

I can remember when we have had 80 amendments, 90 amendments, 100 amendments, but we completed action on them; and in most instances, the time on those amendments was reduced as we neared the end. While it seemed to be very formidable that we would have 70, 80, or 90 amendments, we labored patiently, and we completed work on them—in many instances in far less time than would appear to be necessary.

That is where we stand tonight. We are ready to vote. But we think that we, as representatives of our constituents, have an obligation and a duty to our constituents to offer amendments if we think amendments will help them. We feel that way about the farmers' plight.

There are a lot of farmers out there, there are a lot of rural banks out there, there are a lot of people out there, and they want help, and they need help.

We can act on these measures quickly. But what is keeping us from acting? Apparently, there is a decision now that we are going to play hard ball and that we will just stay with Mr. Meese and let the farmers go to hell, that they have had enough help that what the administration has offered them is enough.

I am sorry that the situation has come down to this. I must confess that I have been in the leadership in one post or another a long time. I am in my 19th year here on this floor, and I have never seen anything like this.

There is a great sector of our population out there needing help—help which we can give. But apparently a decision has been made that we are going to stay on Meese until we finish with him, and then we are going to the highway bill—there is a bill that every State in the United States needs to have passed. But it will not be passed tonight, apparently, and help for the farmer apparently will not be given tonight, and the nomination of poor Ed Meese is not going to be confirmed tonight, apparently.

We are not interested in keeping Mr. Meese from being confirmed. We are going to vote. We know that in order for us to help the American farmer, this is our best shot. In order to give that relief quickly, this is our best shot. If we give up this little bit of leverage, we probably will not be able to help the American farmer at all until it is too late.

Mr. President, I think a little more patience is needed here. I am sorry that we have gotten to the point, apparently, where some of our friends on the other side of the aisle think that we are testing the leadership on that side of the aisle. We are not interested in that.

I have had a good working relationship for many years with the majority leader or the minority leader, whatever, on that side of the aisle. Knowing the problems the majority leader has, I think that we, as a minority, have acted responsibly, and we have given support in many instances over the years to the administration and to the majority leader.

This situation we are in tonight is a bad way to get started. All we have in this body are courtesy, understanding, and comity. Else, the Senate will dete-

riorate and it will become the laughing stock of the Nation. Most of us here do not want to see that happen to the Senate; but I am afraid, by what we have heard tonight and what we have heard today, that we are going to have a long and difficult way to travel as we go through these next 2 years. It is not going to be in the interests of the American people, it is not going to be in the interests of this institution, and the people's judgment will be upon us.

I know that the distinguished majority leader has problems. I have sympathy for his situation. I have a feeling that there have been times when, if it were left up to him alone, we would have reached agreement. But neither he nor I is completely at liberty to have our way.

The leadership is not what it appears to be. I would hope that he would relent and that we could go back and take another look; maybe we could reduce the amendments from seven to five or to four or whatever.

I have always been willing to try again and I think my colleagues here who served with me both when I was majority leader and when I, as minority leader, have always shown a disposition to try again, to be tenacious, to be patient. I know I have made mistakes. I have not always acted to please my own colleagues on this side of the aisle, but I have done what I thought was best under the circumstances, always keeping in mind this Senate and beyond that the American people for whom we are sent here to serve.

So, I will just have to abide by what the majority leader has decided.

I am sorry that he has indicated that we are going to be in session all night on Monday night. I also got the impression we were going to be in session on next Tuesday night if needed.

When I first came here, Lyndon Johnson was the majority leader. Lyndon Johnson held all-night sessions. I sat in that chair up there one time for 22 hours without stopping. I have seen the cots brought in. I have seen all-night sessions when Senator Mansfield was majority leader. We had all-night sessions when I was majority leader. I think we had one or two all-night sessions while Mr. Baker was majority leader. Sometimes, any majority leader finds it necessary to have an all-night session.

But in this instance it is obvious that we do not have to have all night sessions. We have offered right here on this piece of paper to get the whole kit and caboodle, and it can be done within 8, 10 hours. We can pass all of this: Meese, the highway bill, and get relief to the farmer. And is that not a small price to pay, 8 or 10 hours? We could probably finish it all tomorrow, or Monday, if we have to come in tomorrow, but if we had gotten an agreement we would not have to come in tomorrow. Mr. Meese is still getting paid. The Attorney General is still getting paid. We could have handled all this, avoided the tensions, and more importantly, avoided setting ourselves on a course that, if it continues as I think I hear, I regret very much for the people's sake that they are going to suffer.

I am sorry the gauntlet has been thrown down when it is so easy to complete it all. We Democrats know we do not have the majority here, the majority of the votes. We want to offer our amendments in good faith hoping we can get some help from the other side of the aisle and give the farmer the relief that he is entitled to. Let us look at that television set out there. The farmers are going to be in town next week, and we will hear from them some more. How will we feel if we stand and tell them, "Well, we could have helped you, but we just were not going to give the minority—we were not going to deal with them," that was the word that my good friend Mr. Dole used. "We are not going to deal with them."

I say again let us be patient. Let us go back. I am willing to go back for another hour, if necessary, half-hour, 20 minutes. It can be done in a single minute. As a matter of fact, we can do it right here now on the floor. We do not have to go anywhere, just agree on the five or seven little, pitiful amendments on both sides of the aisle and the whole thing is unwound.

I stand ready, may I say to my distinguished friend and to all Senators on both sides of the aisle, I stand ready to sit down and reason together and that is what we ought to do.

Mr. President, I ask unanimous consent that the list of 14 amendments to which we have referred be printed in the RECORD, and also that the final time agreement which was presented to the distinguished majority leader, and which was turned down, be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF DEMOCRATIC AMENDMENTS TO BE OFFERED TO S. 457—AUTHORS OF THE AMENDMENTS ARE NOTED WHERE KNOWN

1-3—3 amendments dealing with CCC advance money or other funds or early advance money.

4—1 amendment on cash flow on direct farm home loans.

5—Zorinsky amendment relating to Composite Banking Bill (amendment based on his bill, S.J. Res. 49).

6—Zorinsky amendment relating to restructuring portions of farm credit systems affecting co-ops and PCA's (amendment based on his bill, S. 466).

7—Harkin amendment relating to loan guarantees.

8—Pryor amendment relating to allocation of Farmers Home Administration personnel or extra personnel.

9—Levin amendment relating to speeding up the loan processing.

10—Bentsen amendment requiring SBA disaster loans to be made on the same basis as those made by Farmers Home Administration.

11 and 12—Cranston: Two amendments restructuring California farm loans (30 minutes equally divided on each).

13—Hart amendment relating to Emergency Farm Credit Relief Act (amendment based on his bill, S. 459).

14—Heflin amendment relating to SBA loans for farmers.

MODIFIED UNANIMOUS-CONSENT AGREEMENT PROPOSED BY DEMOCRATS

As in Legislative Session:

I ask unanimous consent that further debate on the nomination of Edwin Meese, III, to be Attorney General, be limited to 1 hour, to be equally divided in the usual form.

I further ask unanimous consent that when the Senate turns to the consideration of Calendar No. 4, S. 391, the highway bill, it be considered under the following time agreement: 1 hour on the bill to be equally divided between the Chairman of the Environment and Public Works Committee, and the Ranking Minority Member, or their designees; that no amendments, motions, appeals, or points of order be in order, and that the agreement be in the usual form.

I further ask unanimous consent that a sense of the Senate resolution to be offered by Senators Abdnor, Kasten et al, dealing with farm credit be considered before the close of business today, and that it be considered under the following agreement: 1 hour on the resolution, to be equally divided in the usual form; that no amendments be in order to the resolution; and the agreement be in the usual form.

I also ask unanimous consent that following the conclusion or yielding back of time on the sense of the Senate resolution, the Senate proceed to vote, without any intervening action.

I further ask unanimous consent that as the first item of business after the morning business, which shall occur after the leadership time and any special orders, on Monday, February 25, the Senate shall turn to S. 457 (the Africa relief bill) and that amendments must be germane and relevant to the committee substitute with the following exceptions: 7 agriculture related amendments from each side, and that these amendments not be subject to any points of order, and be the only amendments in order.

Further provided that the calling up of amendments be alternated between the two sides, and further provided that none of these amendments shall be offered in the second degree to any other amendment.

(Note: This assumes adoption of the budget waiver for S. 457.)

A colloquy between the two leaders establishing a time frame for consideration of H.R. 1239, the African Relief Appropriations measure.

Mr. GORE. Mr. President, I ask unanimous consent I be allowed to yield to the Senator from Oklahoma without losing my right to reclaiming the floor.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GORE. Mr. President, I yield for a question to the Senator from Oklahoma.

Mr. BOREN. Mr. President, I thank the Senator from Tennessee for yielding for a question.

I ask, in addition to the statements outlined by the majority leader, it is also true that it has been made clear in our caucus that we would stand ready, even absent further agreement, to allow the highway bill to go ahead and be brought up while the Meese nomination was temporarily set aside?

Mr. GORE. That is an important question and the answer is yes, from the very beginning of the negotiations, the minority leader and the negotiators, Senator BOREN and the Senator from Nebraska, and some others were instructed to inform the majority leader that if he wished to suspend consideration of the Meese nomination and proceed expeditiously to the ICE matter, have it passed and then return to a consideration of the Meese nomination, we would have absolutely no objection to that whatsoever. That is my understanding, and in fact that would please not only the Secretary of Transportation but the people in all 50 States of the Union, and maybe that is something we can do regardless of whether or not the matter under discussion here is resolved quickly or not. So I would say the answer to that question is yes, and I yield for another question.

Mr. BOREN. I also wish to ask, Mr. President, the Senator from Tennessee if it is not apparent now, and I think we have made so much good progress for which I am certainly personally grateful for the understanding that has been shown to me personally and to others, but would it appear now that we are simply hung up, is it not true, simply because we are not allowing 3½ to 4 hours for discussion of seven proposals to try to aid the farmer with all the other time that we have on the schedule available to us that it is now a matter simply of allowing 3½ to 4 hours for seven proposals to aid the farmers and not to insisting on the outcome of these but these merely be offered, an opportunity to offer them and discuss them for 3½ to 4 hours to help the hard-pressed farmers of the country and then we could have the whole matter resolved, including vote on the Meese nomination and all the other items we have indicated?

Mr. GORE. The answer to that question is yes, and listening between the lines of what the majority leader has said earlier I seem to hear that he personally might be willing to do that but that some others had counseled against it, and based on their counsel he proposed the suggestion that if we limited out consideration of farm matters to one single amendment which encompassed the Daschle bill then that would be acceptable and he went on to say that in his view that would be a disastrous bill to pass for the farmers of this country, and in further answering the Senator's question it would seem unusual to propose limiting our consideration of emergency farm relief to a single matter believed to be unwise. Seven amendments as the latest proposal from the minority leader spelled out certainly is not an unreasonable number of amendments given the magnitude of the crisis the farm economy is facing.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STAFFORD (by request):

S. 494. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to assure adequate funding for the cleanup of abandoned hazardous waste sites, and for other purposes; to the Committee on Environment and Public Works.

By Mr. ANDREWS (for himself and Mr. BURDICK):

S. 495. A bill to implement certain recommendations made pursuant to Public Law 98-360; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (by request):

S. 496. A bill to amend the Board for International Broadcasting Act of 1973 to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Foreign Relations.

By Mr. INOUYE:

S. 497. A bill for the relief of Mrs. Selva Gladys Orr; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 498. A bill to address the problems caused by the 1983 flood along the Colorado River Floodway; to the Committee on Governmental Affairs.

By Mr. GORTON (for himself, Mr. EVANS, Mr. STEVENS, and Mr. MURKOWSKI):

S. 499. A bill for the relief of Frederick Paul of Seattle, WA; Barry W. Jackson of Fairbanks, AK; and Thomas Fenton of Fairbanks, AK; to the Committee on the Judiciary.

By Mr. GORTON (for himself, Mr. STEVENS and Mr. MURKOWSKI):

S. 500. A bill for the relief of Frederick Paul and Aileen Paul; to the Committee on the Judiciary.

By Mr. HELMS (by request):

S. 501. A bill to provide a continuous, adequate, wholesome supply of food and fiber, assure a strong agricultural economy, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRASSLEY (for himself, Mr. SYMMS, Mr. NUNN, Mr. BOSCHWITZ, Mr. ZORINSKY, Mr. CHAFEE, Mr. DECONCINI, Mr. DOMENICI, Mr. SARBANES, Mr. EAST, Mr. HOLLINGS, Mr. STEVENS, Mr. CRANSTON, Mr. HEINZ, Mr. KENNEDY, Mr. MCCLURE, Mr. EXON, Mr. THURMOND, Mr. JOHNSTON, Mr. ABDNOR, Mr. LEVIN, Mr. DURENBERGER, Mr. HARKIN, Mr. ANDREWS, Mr. PRYOR, Mr. DENTON, Mr. GORE, Mr. LAXALT, Mr. GLENN, Mrs. HAWKINS, Mr. KERRY, Mr. DOLE, Mr. DIXON, Mr. WARNER, Mr. METZENBAUM, Mr. SIMON and Mr. LAUTENBERG):

S.J. Res. 61. A joint resolution to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week"; to the Committee on the Judiciary.

By Mr. GORTON (for himself, Mr. HOLLINGS, Mr. DANFORTH, Mr. LONG, Mr. PACKWOOD, Mr. INOUYE, Mrs. KASSEBAUM, Mr. FORD, Mr. PRESSLER, Mr. RIEGLE, Mr. STEVENS, Mr. EXON, Mr. KASTEN, Mr. HEFLIN, Mr. TRIBLE, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. ABDNOR and Mr. CRANSTON):

S.J. Res. 62. A joint resolution commemorating the Twenty-Fifth Anniversary of United States' Weather Satellites; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Mr. PACKWOOD, Mr. BURDICK, Mr. KENNEDY, Mr. DOLE, Mr. STENNIS and Mr. ZORINSKY):

S.J. Res. 63. A joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GORTON (for himself, Mr. EVANS, Mr. STEVENS and Mr. MURKOWSKI):

S. Res. 78. A resolution referring the bill for the relief of Frederick Paul, Barry W. Jackson, and Thomas Fenton to the Chief Judge of the United States Claims Court; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. MELCHER):

S. Con. Res. 18. A concurrent resolution expressing the sense of Congress that the provisions of the Internal Revenue Code of 1954 relating to installment sales and regulations prescribed by the Secretary under such provisions, should not be modified or amended in any way that will alter the manner in which mortgage-backed homeowner bond transactions are currently taxed; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD (by request):

S. 494. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to assure adequate funding for the cleanup of abandoned hazardous waste sites, and for other purposes; to the Committee on Environment and Public Works.

COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT AMENDMENTS

Mr. STAFFORD. Mr. President, I am today introducing, by request, the administration's Superfund legislation.

I am delighted that the administration has offered its Superfund legislation. I have been urging the President

to make his legislative proposals on Superfund since last year, and this action today should guarantee that the Congress will be able to reauthorize this vital law well in advance of its expiration on September 30, 1985.

I am introducing the legislation for the purpose of getting it before the Senate for consideration. The Committee on Environment and Public Works is scheduled to hold a hearing on Superfund on Monday, February 25. Lee Thomas, Administrator of the Environmental Protection Agency, is the only witness scheduled to testify and I anticipate that he will speak in support of the administration bill and comment on S. 51, the bill I introduced on January 3 on behalf of myself and eight other members of my committee.

The administration bill contains no surprises. The administration view has been well known for some time and those views have been expressed by Mr. Thomas and others in testimony before my committee on Superfund legislation.

My view on Superfund is also well known. The bill I introduced was developed by the Environment and Public Works Committee in the last session of the Congress and was approved by the committee by a vote of 17 to 1 last year. Of the 15 members of the committee that has been constituted in this Congress, all served on the committee last year and 14 voted for the Superfund bill. I expect the committee bill to continue to have that overwhelming support as we head into markup on Tuesday with a March 1 date as the target for reporting a bill.

I ask unanimous consent that the text of the administration bill, together with the President's letter of transmittal, along with a section-by-section analysis, two fact sheets and a statement by Lee Thomas be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act, together with the following table of contents, may be cited as the "Comprehensive Environmental Response, Compensation, and Liability Act Amendments of 1985".

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Sec. 401. Applicability of Amendments

AMENDMENT OF CERCLA

SEC. 2. Except as otherwise expressly provided, whenever in title I, II, or IV of this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be a reference to a section or provision of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. § 9601 et seq.).

STATEMENT OF FINDINGS AND PURPOSES

SEC. 3. (a) The Congress hereby finds that—

(1) Releases and threats of releases of hazardous substances continue to pose a serious threat to public health and the environment; and

(2) A major source of such threat is uncontrolled hazardous waste facilities, where hazardous substances have been disposed of in a manner that has resulted in, or that may in the future result in dangerous releases.

(b) In order to adequately protect human health and the environment from such releases, the Congress further finds it necessary to:

(1) continue a comprehensive Federal program focused on the cleanup of hazardous waste sites and releases or threatened releases of hazardous substances into the environment;

(2) strengthen existing enforcement authority so that responsible parties will bear responsibility for cleanup costs;

(3) create a viable and effective Federal-State partnership for cleanup efforts; and

(4) ensure that citizens be informed of and have an opportunity to comment on cleanup activities taking place within their community.

DEFINITIONS

SEC. 4. Section 101(14)(C) is amended by striking "hazardous waste" and inserting "substance" in lieu thereof, and by inserting "whether or not that substance would be considered a solid waste under the Act" after "Act" the first time that word appears.

TITLE I—PROVISIONS RELATING PRIMARILY TO RESPONSE

AUTHORITY TO RESPOND: SCOPE OF PROGRAM

SEC. 101. (a) Section 104(a)(1) is amended to read as follows:

"(a)(1) Whenever any hazardous substance is released or there is a substantial threat of such a release into the environment which may present a risk to public health or the environment, the President is authorized to act, consistent with the national contingency plan, to remove or arrange for the removal of, and provide for remedial action relating to such hazardous substance at any time (including its removal from any contaminated natural resource), or take any other response measure consistent with the national contingency plan which the President deems necessary to protect the public health or the environment. The President shall give primary attention to those releases which he deems may present a public health threat. The President, in his discretion, may authorize the owner or operator of the vessel or facility from which the release or substantial threat of release emanates, or any other responsible party, to perform the response action if the President determines that such removal or remedial action will be done properly by the owner, operator, or other responsible party.".

(b) Section 104(a) is further amended by striking paragraph (2) and inserting in lieu thereof the following:

"(2) The President shall not respond under this Act to a release or threat of a release:

(A) resulting from the extraction, beneficiation, or processing of ores and minerals which are covered under the Surface Mine Control and Reclamation Act of 1977;

(B) resulting from the lawful application of a pesticide product registered under Section 3, permitted under section 5, or exempted under Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act;

(C) to the extent it affects residential dwellings, business or community structures, or public or private domestic water supply wells, unless the release or threatened release emanates from a vessel or facility used for the deposition, storage, processing, treatment, transportation, or disposal of hazardous substances;

(D) of a naturally occurring substance in its unaltered form, or altered solely through naturally occurring processes or phenomena, from a location where it is naturally found; or

(E) covered by and in compliance with a permit, as that term is defined in section 101(10), if such hazardous substance was specifically identified, reviewed, and made part of the public record in issuing the permit and the permit was designed to limit such substance.

(3) Notwithstanding paragraph (2) of this subsection, the President may respond to any release or threat of release of a hazardous substance in any form if he determines, in his discretion, that the release or threat of release constitutes a major public health or environmental emergency and that no other person has the authority or capability

to respond to the emergency in a timely manner.".

(c) Section 104(b) is amended by striking the phrases, ", pollutant, or contaminant" and ", pollutants or contaminants" whenever they appear.

(d) Section 105 is amended by striking ", pollutant and contaminants,".

STATUTORY LIMITS ON REMOVALS

SEC. 102. Section 104(c)(1) is amended by striking "six months" and inserting "one year" in lieu thereof and inserting before "obligations" the following: "or (C) continued response action is otherwise appropriate and consistent with permanent remedy,".

PERMANENT REMEDIES

SEC. 103. (a) Section 104(c)(4) is amended by adding at the end thereof the following sentence: "For determining whether a remedy is cost-effective, the President may consider the permanence of such remedy.".

(b) Section 105(3) is amended by inserting before the semicolon at the end thereof the following: ", taking into account the permanence of any remedial measures".

OFFSITE REMEDIAL ACTION

SEC. 104. Section 101(24) is amended by striking the last sentence of the paragraph; striking the period after "welfare" the third time that word appears, and inserting a semicolon in lieu thereof, striking "or" before "contaminated materials" and inserting "and associated" in lieu thereof; and inserting before the period after "environment" the third time that word appears, the following: ", as well as the offsite transport and offsite storage, treatment, destruction, or secure disposition of hazardous substances and associated contaminated materials.".

NATIONAL CONTINGENCY PLAN

SEC. 105. (a) Section 105(8)(B) is amended by striking "at least four hundred of" when it appears.

(b) Section 105(8)(B) is further amended by striking the phrase "at least" following the word "facilities" the second time it appears and by inserting "A State shall be allowed to designate its highest priority facility only once" after the third full sentence thereof.

COOPERATIVE AGREEMENTS

SEC. 106. (a) Section 104(d)(1) is amended to read as follows:

"(d)(1) Where the President determines that a State or political subdivision thereof has the capability to carry out any or all of the actions authorized in this section, the President, in his discretion and subject to such terms as he may prescribe, may enter into a contract or cooperative agreement covering a specific facility or facilities with such State or political subdivision to take such actions in accordance with criteria and priorities established pursuant to section 105(8) of this title and to be reimbursed from the Fund for reasonable response costs incurred pursuant to such contract or cooperative agreement. Any contract or cooperative agreement made hereunder is subject to the cost-sharing provisions of subsection (c) of this section.".

(b) Section 101(25) is amended by striking "and" and by inserting before the semicolon at the end thereof the following: ", and enforcement activities related thereto".

PUBLICLY OPERATED FACILITIES

SEC. 107. Section 104(c)(3)(C)(ii) is amended to read as follows:

"(ii) at least 75 per centum or such greater amount as the President may deem appropriate, taking into account the degree of responsibility of the State or political subdivision, of any sums expended in response to a release from a facility, that was operated by the State or a political subdivision thereof, either directly or through a contractual relationship or otherwise, at the time of any disposal of hazardous substances therein. For purposes of this clause only, "facility" does not include navigable waters or the beds underlying those waters.".

SITING OF HAZARDOUS WASTE FACILITIES

SEC. 108. Section 104(c) is amended by adding at the end thereof the following new paragraph:

"(5)(A) Effective two years after the date of enactment of this paragraph, the President shall not initiate any response actions pursuant to this section, except for the provision of alternative drinking water supplies or the temporary relocation of affected individuals from their residential dwellings, neither to exceed one year, unless the State in which the release occurs first provides assurances deemed adequate by the President that the State will assure the availability of hazardous waste treatment or disposal facilities, either within that State or pursuant to a regional agreement, acceptable to the President with adequate capacity for the treatment, or disposal of all hazardous wastes that are reasonably expected to be generated within that State during a period of time specified by the President by regulation.

(B)(i) Notwithstanding subparagraph (A) of this paragraph, the President may take response action under this section if he determines, in his discretion, that a major public health or environmental emergency exists.

(ii) Notwithstanding subsection (c) of this section, the President shall not provide alternative drinking water supplies or the temporary relocation of affected individuals from their residential dwellings pursuant to subparagraph (A) of this paragraph or response pursuant to subparagraph (B)(1) of this paragraph, unless the State in which the release occurs provides assurances that the State will pay or assure payment of 40 percent of those costs, or at least 80 percent of those costs for actions related to facilities operated by the State or a political subdivision thereof, either directly or through a contractual relationship or otherwise, at the time of any disposal of hazardous substances therein.

(C) Effective on the date of enactment of this paragraph, in addition to the cost share required by paragraph (3) of this subsection, the State shall pay all additional costs associated with any out-of-State or, if the State is party to a regional agreement for the treatment or disposal of hazardous substances, out-of-region transportation of hazardous substances resulting from response actions taken pursuant to this section.".

COMMUNITY INVOLVEMENT

SEC. 109. Section 104(c) is amended by adding after new paragraph (5) the following new paragraph:

"(6) Before selection or approval of any remedial action to be undertaken by the United States or a State or any other person under this section or section 106 of this Act, notice of and an opportunity to comment on the proposed action shall be afforded to the public.".

HEALTH RELATED AUTHORITIES

SEC. 110. (a) Section 104(i) is amended by inserting "(1)" after "(i)"; striking the remaining part of the sentence following "Registry", and inserting a period in lieu thereof; inserting "(A)" before the second sentence of subsection (i); and adding the following:

": (i) in support of response actions and because of the immediate need to protect public health in the event of a release or threatened release of a hazardous substance, and upon request of the Administrator of the Environmental Protection Agency, State officials, or local officials, may provide health consultations, health assessments, and other technical assistance relating to the health effects of exposure to hazardous substances; and

(ii) to improve the ability to render future public health judgments and recommendations, and to further scientific knowledge of the health effects of hazardous substances, develop and conduct epidemiological studies, including pilot studies.".

(b) Section 104(i) is further amended by inserting "(B)" before the third sentence thereof, striking "In addition," capitalizing "said", and striking all of paragraph (1) and inserting in lieu thereof the following:

"(i) in cooperation with the States, Indian tribes, and with other Federal and local officials, establish and maintain appropriate registries of serious diseases and illnesses or registries of persons exposed to hazardous substances through the environment, whenever their inclusion in such registries would be scientifically appropriate or valuable for specific scientific studies or for long-term follow-up;".

(c) Section 104(i) is further amended by striking "(2)" and inserting "(ii)" in lieu thereof, striking "(3)" and inserting "(iii)" in lieu thereof, and striking all of paragraph (4) and inserting in lieu thereof the following:

"(iv) in cases of public health emergencies caused or believed to be caused by exposure to toxic substances, assist, and consult with private or public health care providers in the provision of medical care and testing of exposed individuals, including the collection and laboratory analysis of specimens as may be indicated by the specific exposure incident or any other assistance appropriate under the circumstances; and".

(d) Section 104(i) is further amended by striking "(5)" and inserting "(v)" in lieu thereof and striking the last sentence of the paragraph.

(e) Section 104(i) is further amended by adding the following new paragraph:

"(vi) All results of studies conducted under this subsection (other than health assessments) shall be reported or adopted only after appropriate peer review established by the Administrator of the Agency. Existing peer review systems may be used where appropriate.

(f) Section 104(i) is further amended by adding the following new paragraph at the end thereof:

"(2) The Administrator of the Environmental Protection Agency, or the head of the Agency to which response authority has been delegated, in his discretion, may perform exposure and risk assessments at a release for the purpose of determining appropriate action adequate to mitigate the public health threat. For purposes of this paragraph, "exposure and risk assessment" means the process for characterizing the potential risk from exposure to hazardous or toxic substances at a specific site, based upon hazard identification, dose-response assessment, exposure assessment, and risk characterization."

COMPLIANCE WITH OTHER ENVIRONMENTAL LAWS

SEC. 111. Section 104(c)(4), as amended by section 103(a) of this Act, is amended by inserting "(A)" after "(4)" and adding the following new subparagraph at the end thereof:

"(B)(i) When revising the national contingency plan pursuant to section 105, the President shall specify the extent to which removal or remedial actions selected under this section or secured under section 106(a) should comply with applicable or relevant standards and criteria of other Federal, State, or local environmental and public health laws. When making this determination, the President shall consider, among other factors, the following: the level of health or environmental protection provided by applicable or relevant standards and criteria; the technical feasibility of achieving such standards and criteria for different types of releases; the interim or permanent nature of particular response actions; the need for expeditious action; and the need to maintain availability of amounts from the Fund to respond to other releases which present or may present a threat to public health or the environment.

(ii) No permit shall be required under Federal, State, or local law for removal or remedial action selected under this section or secured under section 106(a).

(iii) Removal or remedial actions selected or taken under this section or secured under section 106(a) that have voluntarily met the provisions of section 102 of the National Environmental Policy Act of 1969 (Public Law 91-190, 83 Stat. 852) need not comply with any further public participation requirements which may be provided under this Act.

ACTIONS UNDER THE NATIONAL CONTINGENCY PLAN

SEC. 112. Section 107(d) is amended by inserting "response costs or" before "damages" both times that word appears and by inserting after "person" the second time that word appears the following: "and shall not alter the liability of any person who is liable or potentially liable under subsection (a) of this section who subsequently undertakes a response action.".

NATURAL RESOURCE DAMAGE CLAIMS

SEC. 113. (a) Section 107(f) is amended by inserting "(1)" after "(f)" and by adding at the end thereof the following new paragraphs:

"(2)(A) The President shall designate in the national contingency plan published under section 105 of this Act the Federal officials who shall act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act. Such officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship, and may upon request of and reimbursement from a State and at the Federal officials' discretion, assess damages for those natural resources under a State's trusteeship.

(B) The Governor of each State shall designate the State officials who may act on behalf of the public as trustees for natural resources under this Act and section 311 of the Clean Water Act and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act for those resources under their trusteeship.

(C) Any determination or assessment of damages to natural resources for the purposes of this Act and section 311 of the Clean Water Act made by a Federal or State trustee in accordance with the regulations promulgated under section 301(c) of this Act shall have the force and effect of a rebuttable presumption on behalf of the trustee in any judicial proceeding under this Act or section 311 of the Clean Water Act."

(3) With respect to Federal facilities, Federal agencies with custody and accountability for those facilities shall be the only trustee of natural resources on, under, or above these facilities for purposes of the Act.".

(b) Section 111(b) is amended by inserting a period after "title" the first time that word appears and striking all that follows.

(c) Section 111(c) is amended by striking paragraphs (1) and (2) and renumbering the following paragraphs accordingly.

(d) Section 111(e)(1) is amended by inserting "pursuant to subsection 111(a)(2)" after the word "Fund" the first time it appears.

(e) Section 111 is amended by striking subsections (d), (h), and (i) and relettering the remaining subsections accordingly.

(f) Section 111(a) is amended by striking paragraph (3) and renumbering the following paragraph.

(g) Section 111(e)(4) is amended by striking "Paragraphs (1) and (4) of subsection (a) of" and by replacing "t" with "T" in "this" when it appears.

RESPONSE CLAIMS

SEC. 114. (a) Section 111(a)(2) is amended to read as follows:

"(2) payment of any claim for necessary response costs incurred by any other person as a result of carrying out the national contingency plan established under section 311(c) of the Clean Water Act and amended by section 105 of this title: Provided, however, that such costs must be approved under said plan and certified by the responsible Federal official prior to the taking of any action for which costs may be sought; and".

(b) Section 112 is amended by striking subsection (a) and inserting in lieu thereof the following:

"(a) No claims may be asserted against the Fund pursuant to section 111(a)(2) of this title unless such claim is presented in the first instance to the owner, operator, or guarantor of the vessel or facility from which a hazardous substance has been released, if known to the claimant, and to any other person known to the claimant who may be liable under section 107 of this title. In any case where the claim has not been satisfied within sixty days of presentation in accordance with this subsection, the claimant may present the claim to the Fund for payment; provided, that no claim against the Fund may be considered during the pendency of an action in court to recover costs which are the subject of the claim.".

(c) Section 112(b) is amended by striking "$5,000" in paragraph (1) and inserting "$25,000" (in lieu thereof; and by striking all of paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The President may, if he is satisfied that the information developed during the processing of the claim warrants it, make and pay an award of the claim; provided, no claim may be awarded to the extent that a judicial judgment has been made on the costs that are the subject of the claim. If the President declines to pay all or part of the claim, the claimant may, within thirty days after receiving notice of the President's decision, request an administrative hearing.

(3) In any proceeding under this subsection, the claimant shall bear the burden of proving his claim.

(4) All administrative decisions made hereunder shall be in writing, with notification to all appropriate parties, and shall be rendered within ninety days of submission of a claim to an administrative law judge, unless all the parties to the claim agree in writing to an extension or unless the President, in his discretion, extends the time limit for a period not to exceed 60 days.

(5) All administrative decisions hereunder shall be final, and any party to the proceeding may appeal a decision within thirty days of notification of the award of decision. Any such appeal shall be made to the Federal district court for the district where the release or threat of release took place. In any such appeal, the decision shall be considered binding and conclusive, and shall not be overturned except for arbitrary or capricious abuse of discretion.

(6) Within twenty days after the expiration of the appeal period for any administrative decision concerning an award, or within twenty days after the final judicial determination of any appeal taken pursuant to this subsection, the President shall pay any such award from the Fund. The President shall determine the method, terms, and time of payment.".

(d) Section 112 is amended by striking subsection (d) and relettering the following subsection.

INDIAN TRIBES

SEC. 115. (a) Section 101 is amended by striking "and" at the end of paragraph (31), striking the period at the end of paragraph (32) and inserting a semicolon in lieu thereof, and adding the following new paragraphs:

"(33) "Indian tribe" means any Indian tribe, band, nation, group, pueblo, or community for which, or for the members of which, the United States holds lands in trust; and

(34) "Indian lands" means lands, title to which is held by the United States in trust for an Indian or an Indian tribe or lands title to which is held by an Indian or an Indian tribe subject to a restriction against alienation.".

(b) Section 104(c)(3), as amended by section 107 of this Act, is amended by inserting "or Indian tribe" after the word "State" the first four times that word appears and after phrase appears, and by adding a new sentence at the end thereof to read as follows: "The assurances required by this paragraph with respect to Indian lands may be made by the Department of the Interior if the Secretary of the Interior determines that an Indian tribe cannot provide those assurances.".

(c) Section 104(d), as amended by section 106(a) of this Act, is amended by inserting "or Indian tribe" after the phrase "political subdivision thereof" wherever that phrase occurs, and by inserting "or Indian tribe" after the phrase "political subdivision.".

(d) Section 103(a) is amended by striking the period at the end thereof and inserting, ", or to any affected Indian tribe."

(e) "Section 104(c)(2) is amended by adding, "or Indian tribe" after "States."

(f) Section 105(8)(B), as amended by section 105 of this Act, is further amended by inserting "or Indian tribe" after "State" the first time that word appears and after the phrase "established by the States"; and inserting "or Indian lands" after "State" the second time that word appears.

PREEMPTION

SEC. 116. Section 114 is amended by striking subsection (c) and relettering the following subsection accordingly.

STATE COST SHARE

SEC. 117. Section 104(c)(3)(C)(i) is amended by striking "10" and inserting "20" in lieu thereof.

TITLE II—PROVISIONS RELATING PRIMARILY TO ENFORCEMENT

CIVIL PENALTIES FOR NON-REPORTING

SEC. 201. Section 103(b)(3) is amended by striking "$10,000", inserting "$25,000" in lieu thereof, and inserting before the last sentence the following: "Any such person also shall be liable to the United States for a civil penalty of not more than $10,000 for each violation of this subsection. Any civil penalty for violations of this subsection in excess of $25,000 may be assessed in an action brought by the Attorney General in a United States district court pursuant to section 113. The Administrator may assess any penalty under this subsection for less than $25,000, such assessment shall become final unless, no later than 30 days after notice of the penalty is served, the person or persons named in the notice of the penalty is served, the person or persons named in the notice request a public hearing. Upon such request, the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents and may promulgate rules for discovery procedures.".

CONTRIBUTION AND PARTIES TO LITIGATION

SEC. 202. Section 107, as amended by section 205 and Title III of this Act, is amended by adding a new subsection to read as follows:

"(k)(1) In any civil or administrative action under this section or section 106, any claims for contribution or indemnification shall be brought only after entry of judgment or date of settlement in good faith.

(2) After judgment in any civil action under section 106 or under subsection (a) of this section, any defendant held liable in the action may bring a separate action for contribution against any other person liable or potentially liable under subsection (a). Such action shall be brought in accordance with section 113 and shall be governed by Federal law. Except as provided in paragraph (4) of the subsection, this subsection shall not impair any right of indemnity under existing law.

(3) When a person has resolved its liability to the United States or a State in a judicially approved good faith settlement, such person shall not be liable for claims for contribution under paragraph (2) of this subsection regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the claim against the others to the extent of any amount stipulated by the settlement.

(4) Nothing in this subsection shall affect or modify in any way the rights of the United States, a State, or any person that has resolved its liability to the United States or a State in a good faith settlement to seek contribution or indemnification against any persons who are not party to the settlement. In any such contribution or indemnification action, the rights of a State or any person that has so resolved its liability shall be subordinate to the rights of the United States. Any contribution action brought under this paragraph shall be brought in accordance with section 113 and shall be governed by Federal law.".

ACCESS AND INFORMATION GATHERING

SEC. 203. Section 104(e) is amended by striking "(2)" and inserting "(3)" in lieu thereof and by striking all of existing paragraph (1) and inserting in lieu thereof the following:

"(1) For the purposes of determining the need for response, or choosing or taking any response action under this title, or otherwise enforcing the provisions of this title, any officer, employee, or representative of the President, duly designated by the President, or any duly designated officer, employee, or representative of a State under a contract or cooperative agreement, is authorized where there is a reasonable basis to believe there may be a release or threat of release of a hazardous substance—

(A) to require any person who has or may have information relevant to (i) the identification or nature of materials generated, treated, stored, transported to, or disposed of at a facility, or (ii) the nature or extent of a release or threatened release of a hazardous substance at or from a facility, to furnish, upon reasonable notice, information or documents relating to such matters. In addition, upon reasonable notice, such person either shall grant to appropriate representatives access at all reasonable times to inspect all documents or records relating to such matters or shall copy and furnish to the representatives all such documents or records, at the option of such person;

(B) to enter at reasonable times any establishment or other place or property (i) where hazardous substances are, may be, or have been generated, stored, treated, disposed of, or transported from, (ii) from which or to which hazardous substances have been or may have been released, (iii) where such release is or may be threatened, or (iv) where entry is needed to determine the need for response or the appropriate response or to effectuate a response action under this title; and

(C) to inspect and obtain samples from such establishment or other place or property or location of any suspected hazardous substance and to inspect and obtain samples of any containers or labeling for suspected hazardous substances. Each such inspection shall be completed with reasonable promptness. If the officer, employee, or representative obtains any samples, prior to leaving the premises, he shall give to the owner, operator, tenant, or other person in charge of the place from which the samples were obtained a receipt describing the sample obtained and, if requested, a portion of each such sample. If any analysis is made of such samples, a copy of the results of the analysis shall be furnished promptly to the owner, operator, tenant, or other person in charge, if such person can be located.

(2)(A) If consent is not granted regarding a request made by a duly designated officer, employee, or representative under paragraph (1), the President, upon such notice and an opportunity for consultation as is reasonably appropriate under the circumstances, may issue an order to such person directing compliance with the request, and the President may ask the Attorney General to commence a civil action to compel compliance.

(B) In any civil action brought to obtain compliance with the order, the court shall, where there is a reasonable basis to believe there may be a release or threat of a release of a hazardous substance: (i) in the case of interference with entry or inspection, enjoin such interference or direct compliance with orders to prohibit interference with entry or inspection, unless under the circumstances of the case the demand for entry or inspection is arbitrary and capricious, an abuse of discretion, or not in accordance with law; and (ii) in the case of information or document requests, enjoin interference with such information or document requests or direct compliance with orders to provide such information or documents, unless under the circumstances of the case the demand for information or documents is arbitrary and capricious, an abuse of discretion, or not in accordance with law. The court may assess a civil penalty not to exceed $10,000 against any person who unreasonably fails to comply with the provisions of paragraph (1) or an order issued pursuant to paragraph (2).".

(3) Nothing in this subsection shall preclude the President from securing access or obtaining information in any other lawful manner.

(4) Notwithstanding this subsection, entry to locations and access to information properly classified to protect the national security may be granted only to any officer, employee, or representative of the President who is properly cleared.".

ADMINISTRATIVE ORDERS FOR SECTION 104 (b) ACTIONS

SEC. 204. (a) Section 104 is amended by adding a new subsection at the end thereof to read as follows:

"(j)(1) If the President determines that one or more responsible parties will properly carry out action under subsection (b) of this section, the President may enter into a consent administrative order with such party or parties for that purpose.

(2) The United States district court for the district in which the release has occurred or threatens to occur shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $10,000 for each day in which such violation occurs or such failure to comply continues.".

(b) Section 107(c)(3) is amended by striking "104 or".

NON-TRUST FUND AND PRE-TRUST FUND EXPENDITURES

SEC. 205. Section 107(a)(4) is amended by striking "and" from the end of subparagraph (B), striking the period from the end of subparagraph (C) and inserting "; and" in lieu thereof, and adding a new subparagraph at the end thereof to read as follows:

"(D) All other costs incurred by the United States Government subsequent to the enactment of the Resource Conservation and Recovery Act of 1976, in response to a release or threatened release of a hazardous substance from a facility used for the storage, treatment, or disposal of hazardous substances, where such person knew or should have known of the response action and the costs are not inconsistent with the response actions provided for in subsections 101(23) and (24) of this Act.".

STATUTE OF LIMITATIONS

SEC. 206. Section 113, as amended by sections 207 and 208 of this Act, is amended by adding at the end thereof the following new subsection:

"(h)(1) No claim may be presented nor may an action be commenced under this

title for recovery of the costs referred to in subsection (a) of section 107 more than six years after the date of completion of the response action. Provided, however, that within the limitation period set out herein a State or the United States may commence an action under this title for recovery of any cost or costs at any time after such cost or costs have been incurred.

(2) No action may be commenced for damages under this title more than three years from the date of discovery of the loss.

(3) No action for contribution may be commenced under section 107 more than three years after the date of judgment or the date of the good faith settlement.

(4) No action based on rights subrogated pursuant to section 112 by reason of payment of a claim may be commenced under this title more than three years after the date of payment of such claim.".

PRE-ENFORCEMENT REVIEW

SEC. 207(a). Section 113(b) is amended by adding "s" to the word "subsection" and inserting "and (e)" after "(a)".

(b) Section 113 is further amended by adding at the end thereof the following new subsections:

"(e) No court shall have jurisdiction to review any challenges to response action selected under section 104 or any order issued under section 104, or to review any order issued under section 106(a), in any action other than (1) an action under section 107 to recover response costs or damages or for contribution or indemnification; (2) an action to enforce an order issued under section 106(a) or to recover a penalty for violation of such order; or (3) an action for reimbursement under section 106(b)(2).

(f) In any judicial action under section 106 or 107, judicial review of any issues concerning the adequacy of any response action taken or orderd by the President shall be limited to the administrative record. The only objection which may be raised in any such judicial action under sections 106 or 107 is an objection to the response action which was raised with reasonable specificity to the President during the applicable period for public comment. In considering such objections, the court shall uphold the President's decision in selecting the response action unless the decision was arbitrary and capricious or otherwise not in accordance with law. If the court finds that the President's decision in selecting the response action was arbitrary and capricious or otherwise not in accordance with law, the court shall award the response costs or damages or other relief being sought to the extent that such relief is not inconsistent with the national contingency plan. In reviewing alleged procedural errors, the court may disallow costs or damages only if the errors were so serious and related to matters of such central relevance to the action that the action would have been significantly changed had such errors not been made.".

(c) Section 106(b) is amended by inserting "(1)" after "(b)" and adding a new paragraph at the end thereof to read as follows:

"(2)(A) Any person who receives and complies with the terms of any order issued under subsection (a) may, within sixty days of completion of the required action, petition the President for reimbursement from the Fund for the reasonable costs of such action, plus interest. Any interest payable under this paragraph shall accrue on the amounts expended from the date of expenditure at the same rate that applies to investments of the Fund under section 223(b) of this Act.

(B) If the President refuses to grant all or part of a petition made under this paragraph, the petitioner may within thirty days of receipt of such refusal file an action against the President in the appropriate United States district court seeking reimbursement from the Fund. To obtain reimbursement, the petitioner must establish by a preponderance of the evidence that it is not liable for response costs under section 107(a) and that costs for which it seeks reimbursement are reasonable in light of the action required by the relevant order. Provided, however, that a petitioner who is liable for response costs under section 107(a) may recover its reasonable costs of response to the extent that it can demonstrate, on the administrative record, that the President's decision in issuing the order was arbitrary and capricious or otherwise not in accordance with law. In any such case, the court may award to petitioner all reasonable response costs incurred pursuant to the portions of the order found to be arbitrary and capricious or otherwise not in accordance with law.".

NATIONWIDE SERVICE OF PROCESS

SEC. 208. Section 113, as amended by section 207 of this Act, is amended by adding after new subsection (f) the following new subsection:

"(g) In any action by the United States under sections 104, 106, or 107, process may be served in any district where the defendant is found, or resides, or transacts business, or has appointed an agent for the service of process.".

ABATEMENT ACTION

SEC. 209. Section 106(a) is amended by striking the phrases "or welfare" and "and welfare."

FEDERAL LIEN

SEC. 210. Section 107 is amended by adding after new subsection (1) the following new subsection:

"(1)(1) All costs and damages for which a person is liable to the United States under subsection (a) of this section shall constitute a lien in favor of the United States upon all real property and rights to such property belonging to such person that are subject to or affected by a removal or remedial action.

(2) The lien imposed by this subsection shall arise at the time costs are first incurred by the United States with respect to a response action under this Act and shall continue until the liability for the costs (or a judgment against the person arising out of such liability) is satisfied or becomes unenforceable through operation of the statute of limitations provided in section 113(h).

(3) The lien imposed by this subsection shall not be valid as against any purchaser, holder of a security interest, or judgment lien creditor until notice of the lien has been filed in the appropriate office within the State (or county or other governmental subdivision), as designated by State law, in which the real property subject to the lien is physically located. If the State has not by law designated one office for the receipt of such notices of liens, the notice shall be filed in the office of the clerk of the United States district court for the district in which the real property is physically located. For purposes of this subsection, the terms "purchaser" and "security interest" shall have the definitions provided in 26 U.S.C. § 6323(h). This paragraph does not apply with respect to any person who has or reasonably should have actual notice or knowledge that the United States has incurred costs giving rise to a lien under paragraph (1) of this subsection.

(4) The costs constituting the lien may be recovered in an action in rem in the United States district court for the district in which the removal or remedial action is occurring or has occurred. Nothing in this subsection shall affect the right of the United States to bring an action against any person to recover all costs and damages for which such person is liable under subsection (a) of this section.".

PENALTIES

SEC. 211. (a). Section 103(d)(2) is amended by striking "$20,000" and inserting "$25,000" in lieu thereof.

(b) Section 106(b) is amended by striking "$5,000" and inserting "$10,000" in lieu thereof.

FEDERAL AGENCY SETTLEMENTS

SEC. 212. (a). Section 107(g) is amended by inserting "(1)" after "(g)" and by adding the following new paragraph at the end thereof:

"(2) The head of each such department, agency, or instrumentality or his designee may consider, compromise, and settle any claim or demand under this Act arising out of activities of his agency, in accordance with regulations prescribed by the Attorney General: *Provided*, That any award, compromise, or settlement in excess of $2,500 shall be made only with the prior written approval of the Attorney General or his designee. Any such award, compromise, or settlement shall be paid by the agency concerned out of appropriations available to that agency. The acceptance of any payment under this paragraph shall be final and conclusive, and shall constitute a complete release of any claim against the United States and against the employees of the United States whose acts or omissions gave rise to the claim or demand, by reason of the same subject matter.

FOREIGN VESSELS

SECTION 213. Section 107(a)(1) is amended by striking "(otherwise subject to the jurisdiction of the United States).".

TITLE III—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

[Reserved]

APPLICABILITY OF AMENDMENTS

SEC. 401. The amendments made by this Act to section 104 (a) and (b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 shall not apply to releases listed as of January 1, 1985, in the national hazardous substance response plan published pursuant to section 105(8)(B) of that Act.

DEAR MR. PRESIDENT: I am pleased to send you proposed legislation of critical importance to every American, the Administration's proposal for improving the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (better known as Superfund) and for extending the taxing authorities which support it, now due to expire on September 30, 1985.

My Administration has been moving forcefully to implement the Superfund program, expanding the national priorities list from the statutorily mandated minimum of 400 sites to 756 sites, greatly augmenting the money available for the program, and, most importantly, beginning the cleanup process at an ever increasing number of sites. The danger to public health and the environment presented by releases and threatened releases of hazardous substances from inac-

tive waste sites persists, however, and we must not lose the momentum we have achieved.

The Administration's proposed legislation will more than triple the size of the existing program, from $1.6 billion to $5.3 billion. In order to fund this three-fold increase, we are requesting the Congress to extend for another five years the existing tax imposed on the manufacture of certain chemicals and to enact a fee, which will go into the dedicated trust fund, on the disposal and treatment of hazardous waste. These taxes and fees will raise approximately $1 billion per year over the next five years, which should provide adequate, stable, and equitable financing for the program. I strongly believe that funds used to pay for the program should be generated entirely through these dedicated sources, not the general treasury.

In addition to the expansion of the Superfund, we are requesting other authorities which will allow us to build on our momentum and will strengthen our ability to respond to the health and environmental threats emanating from abandoned hazardous waste sites. These authorities will allow us to:

Continue a comprehensive but focused Federal response program;

Strengthen our existing enforcement tools to ensure that responsible parties undertake or pay the costs of cleanup;

Enhance the Federal-State partnership needed for effective response action; and

Actively involve citizens in the cleanup decisions that will affect them.

To help ensure prompt enactment of responsible legislation, I have instructed Lee Thomas, Administrator of the Environmental Protection Agency, to make reauthorization of this important legislation his highest priority.

Sincerely,

RONALD REAGAN.

SECTION-BY-SECTION ANALYSIS: EPA'S PROPOSED AMENDMENTS TO CERCLA

SECTION 1

Short title

The short title of the legislation is the "Comprehensive Environmental Response, Compensation, and Liability Act Amendments of 1983" (CERCLA Amendments).

SECTION 2

Amendment to CERCLA

This legislation, which reauthorizes the Superfund program from FY 1986 to FY 1990, amends the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA or "Superfund").

SECTION 3

Statement of Findings and Purposes

This section sets forth the findings and purposes of CERCLA. The major findings are that—

Releases and threats of releases of hazardous substances continue to pose serious threats to public health and the environment;

A major source of the hazardous substance release problem results from releases from uncontrolled hazardous waste facilities; and

To protect human health and the environment, a comprehensive Federal program is needed. The program must include strengthened enforcement authority, a Federal-State partnership and expanded citizen participation for effective response to hazardous waste sites and releases or threatened releases of hazardous substances.

The objective of this section is to clarify Congressional intent that the focus of the Superfund program should be on responding to releases or threatened releases of hazardous substances from uncontrolled hazardous waste sites.

SECTION 4

Definitions

Section 101(14) lists those substances which are hazardous under CERCLA by reference to substances listed under five other environmental laws. Section 101(14)(C) includes as hazardous under CERCLA "any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act". . . .".

This amendment would clarify that a substance need not be a "waste" to be considered a CERCLA hazardous substance under this subsection, so long as the substance meets the criteria of section 3001 of the Solid Waste Disposal Act.

SECTION 101

Authority to respond

CERCLA section 104(a)(1) currently authorizes response action "unless the President determines that such removal or remedial action will be done properly by the owner or operator of the facility . . . or by any other responsible party." The amendment would clarify and confirm that the President has the discretion to decide when responsible parties are authorized to conduct cleanup in lieu of Fund-financed response.

This amendment is not intended to preclude or discourage responsible parties from conducting cleanup actions without the formal permission of the Federal government. The current requirements of section 105 of CERCLA (National Contingency Plan) contemplate a significant role for private parties in response actions.

The amendment is intended to clarify that the Federal government would not be precluded from conducting a response action, merely because responsible parties have indicated some willingness to take some form of response action. This amendment would confirm that if the Federal government determines that Federal response is needed, the President would have the discretion to determine the appropriate response and to take action; responsible parties would not be authorized to forestall Federal response.

Scope of program

The language in the statute authorizes response to the release into the environment of any designated hazardous substance, or polutant or contaminant which may present a threat to public health, welfare, or the environment.

The amendment would focus Superfund response authority on the problems associated with releases of hazardous substances from uncontrolled hazardous waste sites. Specifically, the amendment would—delete "pollutant or contaminant" from the Act; delete "welfare" from the phrase "public health, welfare, and the environment" in the Act; authorize response whenever there is a release or substantial threat of a release into the environment which may represent a "risk" to public health or the environment; and prohibit Superfund response from certain categories or releases, unless the President determines that a major public health or environmental emergency exists and that no other person has the authority or capability or respond in a timely manner—from mining activities covered by SMCRA; from the lawful application of pesticides registered under FIFRA; affecting residential, business, or community structures when contamination is not caused by a release from a hazardous substance treatment, storage, or disposal facility; affecting public or private domestic water supply wells when contamination is not caused by a release from a hazardous substance treatment, storage, or disposal facility; from naturally occurring substances in their unaltered form; and covered by an in compliance with a permit, issued under other federal environmental laws.

The effect of the amendment would be to ensure that Superfund responses are focused on those releases of hazardous substances which present the greatest threat to public health and the environment, and to enhance EPA's ability to effectively manage the program.

SECTION 102

Statutory limits on removals

Section 104(c)(1) of CERCLA limits removal actions to six months in duration and $1 million in cost unless certain waiver criteria are met. These criteria include: a finding that continued action is necessary to prevent or mitigate the emergency and to protect public health and the environment, and that assistance would not otherwise be provided on a timely basis. Because of the limits established in this provision, some removals have been scaled-down below the level needed to achieve a cost-effective response.

This amendment would provide an additional and independent criterion for waiving the statutory limits on removal actions and increase the six month duration limitation to one year. The new criterion would permit removals to exceed the $1 million cost and one year duration limitations if the response action is "appropriate and consistent with a permanent remedy." The amendment would ensure that removals accomplish a more complete response, if such response is appropriate in that situation.

The primary effect of the amendment would be to enhance the President's ability to choose the most effective response in removal situations. Generally, the amendment would allow, where appropriate, the first operable units of remedial actions to be considered removals. This would provide the Agency with increased flexibility to quickly initiate the appropriate removal. This ability to implement a response quickly would enhance efforts to contain the migration of hazardous substances. In turn, this would result in increased public health and environmental protection and may be less costly since hazardous substances could be contained before they migrate to a much larger area requiring greater response.

SECTION 103

Permanent remedies

Section 104(c)(4) of CERCLA requires the selection of an appropriate remedial action that is consistent with the National Contingency Plan (NCP) and is cost-effective in light of concerns about protecting public health and the environment, considerations of Fund-balancing, and the need for immediate action. There is no explicit requirement that the selection of a remedial action take into consideration permanent solutions or alternative treatment technologies.

EPA currently considers the long-term effectiveness and the permanence of alternatives in its selection of the appropriate re-

medial action. This amendment would provide explicit Congressional approval of EPA's position and would allow revision of the NCP to implement this approach to permanent remedies.

SECTION 104

Offsite remedial action

Section 101(24) of CERCLA, which defines "remedy or remedial action", provides that additional threshold criteria must be met before the President may undertake off-site disposal of hazardous substances. This creates a bias against off-site disposal and reflects past Congressional and EPA emphasis on on-site land disposal as the preferred remedial action.

The objective of the amendment is to eliminate the statutory bias for on-site remedies by making the statute neutral with regard to on-site or off-site remedies.

Congress, as reflected in the 1984 amendments to the Resource Conservation and Recovery Act, and EPA have come to recognize the value of treatment and other alternative technologies.

The primary effect of this amendment would be to reduce the proliferation of sites requiring monitoring in perpetuity (by consolidating wastes from many sites into one larger and closely monitored facility), by recognizing the value of permanent off-site remedies, such as treatment.

SECTION 105

National contingency plan (NCP)

This amendment would (1) eliminate the requirement that the NCP include at least 400 facilities, and (2) clarify that States are allowed only one highest priority designation for the life of the list.

The deletion of the phrase "at least 400 facilities" would allow the Agency to select and place on the National Priorities List, only those facilities which present "the greatest danger to public health or welfare or the environment."

The second part of the amendment would be a Congressional ratification of EPA's present policy which is to permit the States to make only one highest priority designation. This policy is reflected in the most recent proposed revisions to the NCP.

These amendments allow the President to effectively limit the NPL to only those facilities which pose significant problems to public health or the environment as determined through Agency regulation.

SECTION 106

Cooperative agreements

The amendment would explicitly permit contracts and cooperative agreements to cover more than one facility, as is current EPA policy, and clarifies and confirms that response includes enforcement activities associated with a remedial or removal action. The objective of the amendment is to facilitate State response activities by permitting States to enter into agreements covering more than one site, and by providing Fund money for response actions, including enforcement activities.

The primary effect of the amendment would be to increase State participation in response and enforcement activities. This would increase the overall pace and effectiveness of the Superfund program.

SECTION 107

Publicly operated facilities

Section 104(c)(3) of CERCLA requires States to pay at least 50 percent of response costs for hazardous substance releases from facilities owned by the State or political subdivision thereof at the time the release occurred.

The amendment would change the 50 percent State cost share to 75 percent and impose the 75 percent or greater cost-share only at those facilities operated directly or indirectly by the State or political subdivision. The test for imposing the 75 percent or greater cost-share would be related to operation rather than ownership of the facility at the time of disposal of hazardous substances. The cost-share under this amendment would apply to sites owned and operated by the State; sites owned by the State and operated by a private party under a contract or lease with the State; and sites owned by a private party but operated by the State. The objective of the amendment is to impose the cost-share on States only in those cases where the State is involved in the operation of the facility, either directly or indirectly.

This amendment would also clarify that for purposes of this amendment only that the term facility will not include navigable waters or the beds underlying those waters, and thus a 75 percent cost share would not be imposed on States for response actions at such facilities.

SECTION 108

Siting of hazardous waste facilities

Section 104(c)(3) of CERCLA requires that States assure the availability of hazardous waste disposal facilities for off-site remedial actions that are in compliance with subtitle C of RCRA. States are not, however, required to nor provided incentives for creating or expanding existing capacity for managing wastes, or otherwise provide for future treatment and disposal of hazardous wastes. In order to maintain an aggressive Superfund program, it is essential to ensure that States have adequate waste disposal capabilities.

This amendment would provide initiatives to States to create and expand capacity for managing wastes within the State by prohibiting the use of Fund money for response actions in those States that do not assure the availability of hazardous waste disposal capacity sufficient to handle that State's needs during a period of time to be specified by regulation. The amendment would be effective two years after enactment.

There would be limited exceptions to this prohibition. First, the amendment would permit Fund expenditures for alternative drinking water or for temporary relocation of affected individuals from their homes for up to one year. Second, Fund money could be used to finance a response action in a State that does not provide the above assurance if the President determines that a major public health or environmental emergency exists.

Any response action taken where the State fails to assure the availability of sufficient offsite capacity would be subject to a higher cost share.

The amendment would also require States to pay any additional costs associated with transporting wastes outside the State's boundaries (or outside the region, if the State has entered into a regional agreement for hazardous waste treatment and disposal) in addition to the cost of the remedy. This clause would be effective upon enactment.

The objective of the amendment is to create an economic incentive for States to expand existing or create new long-term in-state capacity to manage hazardous wastes.

SECTION 109

Community involvement

CERCLA does not presently address the role of community involvement in response actions. Existing federal policy does, however, provide for an active community role as expressed in existing program guidance and the proposed revisions to the National Contingency Plan.

This amendment would require public notification and an opportunity for public comment on the proposed action. The primary objective of the amendment is to ensure community involvement in remedial actions taken pursuant to this Act, including Fund-financed and enforcement actions.

Because the President has already incorporated the requirements set forth in this amendment in operating guidance, the amendment itself would not impose new responsibilities on the federal government.

The amendment confirms the President's commitment to community involvement in the Superfund program.

SECTION 110

Health related authorities

Section 104(i) of CERCLA establishes the Agency for Toxic Substances and Disease Registry (ATSDR). ATSDR, in cooperation with EPA and other Federal agencies, is authorized to implement the health related authorities of the Act. These authorities include the establishment and maintenance of: a national registry of diseases and illnesses associated with and persons exposed to hazardous substances, and a data base on the health effects of hazardous substances. CERCLA does not clearly define specific roles and responsibilities of ATSDR and EPA in implementing these and other health related authorities.

The amendment would clarify that the primary purpose of health related activities is to support response actions through health assessments, consultations, and other technical assistance relating to the health effects of exposure to hazardous substances, and to improve the ability to render future public health recommendations through expanding the existing body of scientific knowledge.

In addition, the amendment would clarify existing roles and responsibilities of ATSDR and EPA in conducting various health related activities. Specifically, the amendment would authorize EPA as well as State and local officials to request that ATSDR provide health consultations, assessments, and other assistance to determine the health effects of exposure to hazardous substances. ATSDR may provide such assistance. The President would also be authorized to conduct exposure and risk assessments at sites where a release has occurred.

The amendment would not significantly affect current health related activities but it merely provides a statutory basis for current roles and responsibilities undertaken by ATSDR and EPA.

SECTION 111

Compliance with other environmental laws

This amendment would authorize the President to specify in the National Contingency Plan (NCP) the extent to which remedial and removal actions selected under section 104 or selected under section 106 should comply with applicable or relevant standards and criteria established under other Federal, State or local environmental and public health laws. The amendment would specify the factors the President must consider in making this determination;

these include: the level of health or environmental protection provided by the standard; the technical feasibility of achieving the standard; the interim or permanent nature of the response; the need for expedient action; and the need to preserve funds to respond to other respond to other releases.

The objective of the amendment is to clarify and confirm the President's authority to determine when response actions should comply with other Federal, State, or local laws, which is set forth in existing EPA policy. This amendment confirms that because of the unique statutory provisions of CERCLA, and requirements for response action that strict compliance with other statutory provisions is often not appropriate or necessary.

SECTION 112

Actions under the national contingency plan

Section 107(d) of CERCLA exempts persons from liability for damages resulting from actions taken or omitted in responding to hazardous substance releases.

This amendment would add that persons (e.g., EPA contractors and others) conducting response actions in accordance with the NCP or at the direction of an on-scene coordinator are also exempt from liability for future response costs. This means that, for example, contractors would not be held liable for additional response costs at a site if another response action is taken at a site where the contractor already conducted a previous action (if a second response action was taken because the first response was not sufficient to address the problem), unless the original action was negligent or intentionally misconducted.

The primary effect of the amendment would be to limit contractor liability for future response costs. The amendment would not affect third party liability claims. Nor would the amendment affect the liability of persons liable or potentially liable under section 107(a) who undertake a response action under this act.

SECTION 113

Natural resource damage claims

The amendment would clarify existing language about the responsibilities of Federal and State natural resources trustees. In general, the Federal or State trustee would perform assessments of damage to resources under its jurisdiction, except that Federal trustees may perform assessments on behalf of States and may be reimbursed by States for performing the assessments. Neither Federal nor State trustees would be required to use the damage assessment regulations being prepared by the Department of the Interior, but if they used the Department of the Interior regulation the assessment would be entitled to a presumption of validity.

The amendment would also eliminate use of the Fund to pay trustees for damage to natural resources. Accordingly, all references to natural resource damage claims against the Fund would be deleted from the Act. The ability of Federal and State trustees to recover damages from responsible parties under section 107 would not diminish.

Finally, Federal agencies with custody and accountability for specific Federal facilities would be the sole trustee of natural resources on, under, or above such facilities for purposes of CERCLA.

SECTION 114

Response claims

Section 111 of CERCLA authorizes parties who conduct response actions to assert claims against the Fund to recover necessary response costs incurred in carrying out the National Contingency Plan. The procedures to be followed in presenting and processing these claims against the Fund are set forth in section 112. This amendment would clarify and streamline the process for response claims.

The amendment would make the following changes: Clarify authority to preauthorize response claims; eliminate provisions for negotiations with responsible parties; substitute an administrative hearing process for claims adjustments and arbitration; and clarify time frames for review of claims.

The availability of response claims can expedite private party cleanup. Following preauthorization for all or portions of the cleanup, private parties can promptly conduct cleanup action, and bring claims to the Fund when the response action is completed.

CERCLA currently prescribes five steps at a minimum in the process from initial presentation of the claim to the responsible party to final payment of an award. Where administrative review and judicial appeal are involved the process may take as many as eight steps before the claimant receives final payment of an award.

The amendments to this section would streamline the claims procedure. First, section 111 would be amended to clarify the authority of the Agency to preauthorize response claims. Preauthorization can be used to assure that response actions are conducted properly, and that they are limited to available funds.

Second, the provisions for negotiations with responsible parties prior to payment of claims would be eliminated. Such negotiations as are needed would be conducted prior to preauthorization.

Third, an administrative hearing process would be substituted for the arbitration procedure presently provided for in the statute. The arbitration procedure is a vestige of certain economic damage claims which were not enacted in 1980. In that the claims procedures will involve only reimbursement of costs, there is no reason for claims to be arbitrated.

Response costs, are not particularly appropriate for consideration by a panel of arbitrators.

Fourth, certain ambiguities in the timeframes for Presidential action would be clarified.

SECTION 115

Indian tribes

CERCLA is presently silent regarding the status of tribal governments and Indian lands. Current CERCLA policy, however, recognizes tribal governments as independent sovereigns with authority and responsibility over reservations roughly analogous to that of State governments. This means that tribal governments are subject to various notification, consultation, health related activity, and financial and disposal capacity assurance requirements.

The proposed amendment would clarify the role of States, Indian tribes, and the Federal government for facilities on Indian lands. It defines Indian lands to include only those where there is some type of trust responsibility or restriction against alienation.

Subsection (a) would add two new definitions, "Indian tribe" and "Indian lands." Both definitions are tied to the United States trust responsibility. Not all Federally recognized Indian tribes would be included in the CERCLA definition; only those tribes for which land is held in trust.

Section (b) would set forth the procedure for remedial actions on Indian lands. Indian tribes would be required to provide the assurances specified in section 104(c)(3) for sites on Indian lands. If the Secretary of the Interior finds that a tribe cannot provide these assurances, the Department of the Interior may provide them on behalf of the tribe. States would not be required to provide assurance for sites wholly on Indian lands.

The amendment authorizes the President to enter into agreements with Indian tribes to carry out response actions under section 104 and the National Contingency Plan and to enforce these agreements. Indian tribes would be reimbursed from the Fund for reasonable response costs.

Also, Indian tribes would be notified by the National Response Center of releases that affect Indian lands.

SECTION 116

Preemption

Section 114(c) of CERCLA preempts States from requiring persons to contribute to any fund designed to provide compensation for claims for response costs or damages which may be compensated under CERCLA. The provision is not clear and it has been argued that the intent of this provision is to preempt States from imposing State taxes to finance certain CERCLA and non-CERCLA action.

The amendment would delete the section which preempts States from imposing taxes for purposes already covered by CERCLA. The objective of the amendment is to ensure that States may impose taxes to meet Superfund cost-share requirements, and to foster State cleanup at sites not covered by CERCLA.

The primary effect of the amendment would be to remove a potential barrier to the creation of State superfund programs. The amendment may result in an increase in the number and pace of hazardous substance response actions undertaken or partially funded by States since States would be able to raise funds to assist such hazardus substance response.

SECTION 117

State cost-share

Section 104(c)(3)(C)(i) of CERCLA requires States to pay ten percent of costs for remedial actions at privately owned facilities.

This amendment would alter the existing Federal-State cost-share to require States to pay 20 percent of the remedial action costs at privately owned sites. The cost-share for State or political subdivision sites would be 75 percent (see section 106 of this Act).

The objective of this amendment is to reduce the existing burden on the Federal government for financing remedial response actions by requiring the States to pay a larger share of costs at privately owned sites. The amendment is consistent with an overall goal of these amendments in increasing the role of the States in conducting response actions.

TITLE II—PROVISIONS RELATING PRIMARILY TO ENFORCEMENT

SECTION 201

Civil penalties for nonreporting

Section 103(a) of CERCLA requires any person in charge of a vessel or facility to notify the National Response Center as soon as the person in charge has knowledge of any release of a hazardous substance in an amount that equals or exceeds the reportable quantity established under section 102. These notifications serve as one basis for the Federal government to determine whether response action is appropriate for the release.

The existing statute provides only criminal penalties for failure to report. This amendment would increase the criminal penalty to $25,000 and provide additional enforcement flexibility by allowing the imposition of a civil penalty of up to $10,000 per violation.

The amendment would enable the Administrator to assess civil penalties aggregating less than $25,000 for such violations; penalties aggregating more than $25,000 may be recovered by the Attorney General through a civil action.

Civil penalties for violations of notification requirements have several advantages:

First, civil penalties may be imposed in situations where the violations do not merit the sanctions associated with criminal violations.

Second, when the Federal government takes an enforcement action to compel private party cleanup action for such a release, the Federal government may now also seek penalties for violations of the notification provision in the cleanup enforcement action.

SECTION 202

Contribution and parties to litigation

This amendment would change section 107 of CERCLA to provide a greater degree of finality to settlements reached with responsible parties, and to expedite private party cleanup by simplifying the litigation process in imminent hazard and cost recovery actions.

This amendment would clarify and confirm existing law governing liability of potentially responsible parties in three respects: Parties found liable under section 106 or 107 would have a right of contribution, allowing them to sue other liable or potentially liable parties to recover a portion of the costs paid; parties who reach a judicially approved good faith settlement with the government would not be liable for the contribution claims of other liable parties; and where a civil or administrative action is underway, contribution actions could be brought only after a judgment is entered or a settlement in good faith is reached.

The first provision should help to encourage private party settlements and cleanups. Parties who settle or who pay judgments as a result of litigation, could attempt to recover some portion of their loss in subsequent contribution litigation from parties who were not sued in the enforcement action. Private parties may be more willing to assume the financial responsibility for cleanup if they are assured that they can seek contribution from others.

The second provision would help bring an increased measure of finality to settlements. Responsible parties who have entered into a judicially approved good faith settlement under the Act would be protected from paying any additional portion of costs to other responsible parties in a contribution action.

The third provision would allow more expeditious management of litigation. Hazardous waste sites often involve dozens or even hundreds of potentially responsible parties with differing types and degrees of involvement in the facility. While the government may sue all potentially responsible parties, it need not sue all these parties. It may instead sue a limited number of parties to secure complete cleanup or all costs of cleanup under the theory of joint and several liability. In some instances these parties have in turn sued other potentially responsible parties in the same judicial action. In several cases this has resulted in massive and potentially unmanageable litigation.

The amendment would clarify that if an enforcement action is underway, claims for contribution or indemnification could not be brought until a judgment or settlement is reached. This change would allow the government to limit the number of parties in its actions, so that litigation could be conducted in a more efficient and expeditious fashion.

SECTION 203

Access and information gathering

Section 104(e) of CERCLA clearly authorizes the Agency to request information concerning the treatment, storage, disposal or handling of hazardous substances, and to enter premises where hazardous substances were generated, stored, treated, disposed, or transported. This amendment would clarify and confirm the President's right to access and information concerning the release or threatened release of hazardous substances by making explicit the original intent of Congress when CERCLA was enacted in 1980.

Currently, there is no explicit authority to enforce information requests under CERCLA. In addition, there is no explicit language to compel parties to provide access to the site or adjacent areas. Access to the site is obviously needed to conduct a response action. The President may also need access to adjacent areas to conduct sampling or move equipment.

While landowners generally will provide access voluntarily, explicit statutory authority would encourage private parties to consent to access and information requests, and would provide explicit mechanisms for the President to obtain access and information when such requests are reasonable but refused.

This amendment would also establish procedures for the President to issue orders for access and information. The President would notify potential recipients of orders and provide an opportunity for consultation. The President could also seek to have the Federal courts enjoin interference with access and direct private parties to comply with orders. This provision would enable the government to seek judicial relief so that necessary response actions would not be unduly delayed.

SECTION 204

Administrative orders for section 104(b) actions

CERCLA section 104(b) currently authorizes the President to conduct a variety of investigations, studies, and information gathering activities. Under this section, remedial investigations and feasibility studies (RI/FSs) are performed to serve as the basis for choosing the appropriate extent of remedy.

In some circumstances, it may be appropriate to allow potentially responsible parties to conduct RI/FSs or other investigations or studies. This approach would free up government resources to address other sites, and would increase the likelihood that private parties would assume responsibilities for cleanup of the site. Such private-party RI/FSs are most effective when they are performed pursuant to an administrative order that clearly sets out the responsibilities of the private parties.

This amendment to CERCLA would provide for administrative orders on consent without the need for any findings by the President with regard to potential hazard at the facility, to allow the planning and investigative stages of response actions to proceed more expeditiously. The order would be enforceable in district court, and the court could issue a civil penalty for noncompliance.

It should be noted that EPA retains the authority to choose the appropriate remedy, based on a Record of Decision developed by EPA. This amendment would not authorize orders on consent for actual cleanup activities under section 104.

This section would also include a technical amendment to section 107 of CERCLA. Section 107 currently provides for treble damages from any person who is liable for a release or threat of release and who fails without sufficient cause to comply with an order under section 104. The penalties established for violations of administrative orders for access under section 203 of this Act, and orders on consent for private party studies and investigations, are sufficient incentives to assure compliance. Accordingly, the reference to treble damages for violations of section 104 orders would be removed. This would not change the President's authority to seek treble damages for violations of orders under section 106.

SECTION 205

Nontrust fund and pretrust fund expenditures

This amendment would clarify and confirm that CERCLA establishes liability for costs incurred by the United States in response to a release or threatened release of a hazardous substance from a treatment, storage or disposal facility where the response was after passage of the Resource Conservation and Recovery Act of 1976 and the party knew or should have known of the response action. Such costs must not have been inconsistent with remedial or removal actions under CERCLA.

The United States has incurred substantial response costs in connection with responses at hazardous waste facilities occurring after enactment of RCRA that are wholly consistent with CERCLA's goals and authorities. Where the person knew or should have known of the Federal response action, but did not act to clean up the release, it is entirely appropriate and consistent with CERCLA to clarify and confirm that responsible parties are liable for such response costs.

SECTION 206

Statute of limitations

CERCLA currently includes no explicit statute of limitations for the filing of cost recovery actions under section 107. Nevertheless, the Federal government recognizes the need for filing of cost recovery actions in a timely fashion, to assure that evidence concerning liability and response costs is fresh, to help replenish the Fund, and to provide some measure of finality to affected responsible parties. The absence of an ex-

plicit statute of limitations has also led to some uncertainty concerning whether the existence of such a statute of limitations should be assumed under Federal law.

This amendment would eliminate this uncertainty by establishing a six-year statute of limitations for the filing of cost recovery actions. The six-year statute of limitations is the same as the period established by a clear line of cases involving the parallel provisions in section 311 of the Clean Water Act. Because response actions may extend for a number of years, the government is not precluded from commencing an action for recovery of costs at any time after such costs have been incurred.

For purposes of this section, the response action is regarded as completed upon completion of any operation and maintenance activities funded by the Federal government.

In addition, this amendment would provide a three-year statute of limitations: for damage actions, running from the date of discovery of the loss; for contribution actions, running from entry of judgment or the date of settlement; and for rights subrogated pursuant to a claim paid from the Fund, from the date of payment of such claim.

SECTION 207

Preenforcement review

The purpose of this amendment is to clarify the process for judicial review of government decisions on the appropriate extent of remedy and liability of responsible parties. This section establishes that: Review of all Presidential decisions concerning remedy is on the administrative record; there is no preenforcement review of section 106 administrative orders; and administrative orders are subject to judicial review once response action is completed.

(a) Record Review:

While CERCLA does not explicitly state how decisions on remedies will be judicially reviewed, the Federal government has taken the position and certain courts have suggested that review of decisions concerning remedy, like most administrative decisions, are on the basis of the administrative record. This amendment would clarify and confirm that judicial review of the response action is limited to the administrative record and that the action shall be upheld unless it is arbitrary, capricious, or otherwise not in accordance with law. Reliance on an administrative record helps assure that the basis for the response decision is clearly articulated and open to the scrutiny by the public and responsible parties.

Limiting judicial review of response actions to the administrative record also expedites the process of review and ensures that the reviewing court's attention is focused on the information and criteria used is selecting the remedy.

(b) Preenforcement Review:

Section 106 orders may be subject to judicial review at the time the government acts to enforce the order and collect penalties for non-compliance. This amendment would clarify and confirm that orders are not subject to judicial review prior to that time.

The clarification reflects the fact that preenforcement review would be a significant obstacle to the use of administrative orders. It is likely that preenforcement review would lead to considerable delay in providing cleanups, increase response costs and discourage settlements and voluntary cleanups.

(c) Review of Orders:

The changes discussed above clarify and confirm the existing process. Section 208(c) would amend section 106 to establish new procedures for reimbursement of certain response costs and to provide for judicial review of administrative orders once the response action required by the order is completed.

Under the amendment, responsible parties can request reimbursement from the Fund for costs incurred in responding to an order. If the President refuses to grant all or part of a petition for reimbursement, responsible parties may file an action in district court seeking reimbursement. Responsible parties can obtain reimbursement if they can show that: The are not liable, and that the costs which they incurred in responding to the order were reasonable; or the response action ordered by the President was arbitrary and capricious or otherwise not in accordance with law.

This provision is intended to foster compliance with orders and expeditious cleanup, allowing potentially responsible parties to preserve their positions concerning liability and the appropriateness of the response action, in circumstances where they agree to undertake the cleanup. Under the record review provisions discussed above, responsible parties would also have opportunities for input into the decision making process for choosing the appropriate response action.

SECTION 208

Nationwide service of process

Rule 4(f) of the Federal Rules of Civil Procedure limits effective service of process to the territorial limits of the State in which the district court is held, unless a Federal statute provides otherwise. Difficulties have arisen in obtaining personal jurisdiction over certain defendants in actions by the United States under CERCLA. This amendment would move these difficulties by providing that the United States may serve a defendant in any district where he resides, transacts business, or may otherwise be found.

SECTION 209

Abatement action

This amendment would delete the references to "welfare" in section 106 of CERCLA. Consequently, enforcement or abatement action could only be taken when the President determines that there may be an imminent and substantial endangerment to the public health or the environment because of an actual or threatened release of a harzardous substance from a facility. This amendment focuses CERCLA enforcement efforts on public health and the environment.

SECTION 210

Federal lien

This amendment would enable the United States to recover at least some of its response costs through an in rem action against the real property that is the subject of the response action. Such protection for the United States would also enable it to recover the increase in land value resulting from the response action, thus preventing unjust enrichment of the property owner.

The amendment would provide that all costs and damages for which a person is liable to the United States under section 107(a) shall be a lien on all real property affected by the response action. The lien would arise at the time the United States first incurs response costs, but would not be perfected as against purchasers, security interest holders, and judgment lien creditors (all as defined in the tax lien statute, 26 U.S.C. § 6321 *et seq.*) until notice of the lien has been recorded or filed. The notice provision would not apply with respect to any person who knew or should have known that the United States has incurred response costs.

SECTION 211

Penalties

This amendment would increase criminal penalties in section 103(d)(2) of CERCLA for destruction of records from $20,000 to $25,000. Civil penalties under section 106(b) of CERCLA for violation of a 106 order would be increased from $5,000 to $10,000 per day. These increases in penalties are intended to significantly strengthen existing incentives for compliance with CERCLA provisions.

SECTION 212

Federal Agency Settlement

The existing section 107(g) of CERCLA makes Federal agencies liable for response costs and natural resource damages from releases of hazardous substances in the same manner as a private entity. This may be the basis for legitimate claims which should be paid by the United States without resort to litigation. However, CERCLA currently neither confers authority nor specifies procedures for administrative payment of such claims.

This amendment provides procedures for administrative settlement of CERCLA claims. The language is modeled closely after a similar provision in the Federal Tort Claims Act, 10 U.S.C. § 2672. Under the amendment, Federal agencies are authorized to settle claims for $25,000 or less in accordance with Justice Department procedures, and to arrive at tentative settlements for Justice Department approval for amounts over $25,000.

SECTION 213

Foreign vessel liability

This amendment would delete from CERCLA a clause that had the unintended effect of excluding from liability under section 107 all foreign vessels not under United States jurisdiction, even when such vessels release hazardous substances in areas otherwise subject to United States jurisdiction.

TITLE III—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

Title II of CERCLA amended the Internal Revenue Code of 1954, establishing the Hazardous Substance Response Trust Fund (Fund). The Fund is comprised primarily of revenue derived from excise taxes on certain petrochemicals and inorganic raw materials, as well as on domestic crude oil and imported petroleum products (87%) and appropriations from the General Fund (12%). Revenues in the Fund are used to finance Superfund response and support activities.

The present CERCLA tax scheme is referred to as a "feedstock tax" because it imposes a tax on the basic chemical building blocks of chemical products. The hazardous substances and wastes associated with the problems addressed by CERCLA are byproducts of production processes that use these raw materials.

The Fund was designed to contain approximately $1.6 billion from FY 1981 through FY 1985. Current authorization to impose taxes to finance the program expires September 30, 1985. This amendment is needed to authorize the imposition of taxes

to finance Superfund response actions over the next five years.

The tax structure set forth in these amendments has been designed to meet the following objectives: To provide a stable and predictable source of revenue; to broaden the tax base from which contributions are received; to minimize adverse economic impacts on taxed industries; and to focus the tax on the type of industries and practices that have caused the problems that are addressed by Superfund.

The amendment would authorize a Fund of approximately $1 billion per year, or roughly $5.3 billion from FY 1986 through FY 1990. This represents the level of funding that can be effectively managed over the next five years and raised without significant adverse effects on tax paying firms.

The amendment would establish a Fund with revenue derived primarily from three sources.

The first source of revenue would be derived from a feedstock tax. This tax would be imposed on crude oil and petroleum products as well as the 42 chemical feedstocks taxed under the present statute. The tax rates imposed on these feedstocks would remain the same as the rates established in 1980: approximately $4.87 per ton for petrochemical feedstocks, approximately $4.45 per ton for inorganic raw materials (with adjustments for elemental equivalency), and 0.79 cents per barrel for crude oil and petroleum products. This feedstock tax would maintain the current CERCLA exemptions on methane or butane used as fuel, substances used in the production of fertilizers, sulfuric acid produced as a by product of air pollution control, substances derived from coal, and taxable chemicals made from previously taxed taxable chemicals. The feedstock tax has been designed to raise approximately $300 million per year.

The second source of revenue would be derived from a waste-management tax. This tax would be imposed on the receipt of hazardous wastes at a qualified treatment, storage, or disposal unit (i.e., a unit permitted under the Resource Conservation and Recovery Act (RCRA)), as well as on hazardous wastes disposed of in the ocean or exported from the United States. The tax liability would be imposed on the owner or operator of a qualified hazardous waste management facility, the owner or operator of a vessel that disposes of wastes into or over the ocean, and the exporter of hazardous wastes.

The tax rates imposed under the waste-management tax would increase each year of the tax, and would be higher for landfills, surface impoundments, waste piles, and land treatment units. The following amount per wet-weight ton would be imposed:

Fiscal year	*Rate*[1] *Per ton*
Fiscal year 1986	$9.80
Fiscal year 1987	10.09
Fiscal year 1988	11.13
Fiscal year 1989	13.48
Fiscal year 1990	16.32

[1] Beginning in 1987, the tax rates would be adjusted annually to compensate for any shortfalls in projected revenues. If necessary to meet revenue targets, the tax may be extended from October 1, 1990, through March 31, 1995, at the same rates applicable in Fiscal Year 1990.

For waste exported from the U.S., disposed into or over the ocean or received at a qualified hazardous waste management unit other than specified above, the following amount per wet-weight ton would be imposed:

Fiscal year	*Rate*[1] *Per ton*
Fiscal year 1986	$2.61
Fiscal year 1987	2.68
Fiscal year 1988	2.96
Fiscal year 1989	3.59
Fiscal year 1990	4.37

[1] Beginning in 1987, the tax rates would be adjusted annually to compensate for any shortfalls in projected revenues. If necessary to meet revenue targets, the tax may be extended from October 1, 1990, through March 31, 1995, at the same rates applicable in Fiscal Year 1990.

Wastes managed in units not subject to permits under subtitle C of RCRA (e.g. wastes stored in tanks and containers for less than 90 days), wastes from CERCLA response actions, and wastes generated by Federal facilities would not be subject to the waste-management tax. Additionally, a credit would be given for taxes already paid on wastes that are transferred from one taxable unit to another. If the units involved in the transfer have different applicable tax rates, the credit would be based on the lower rate.

The waste-management tax has been designed to raise approximately $600 million per year.

The third source of revenue would be derived from interest on Superfund investments, fines, costs recovered from parties responsible for response actions financed from the Fund, and intra-fund transfers. This portion of the Fund would raise approximately $100 million per year.

TITLE IV—MISCELLANEOUS PROVISIONS

SECTION 401

Applicability of amendments

This amendment would add a new section to CERCLA providing that the amendments relating to section 104(a) and (b), which limit response authority under CERCLA, would not affect sites listed on the NPL prior to January 1, 1985.

The effect of the amendment would be that sites listed as final on the NPL prior to January 1, 1985 would not be affected by the amendments to sections 104(a) and (b). Sites which remain proposed for inclusion on the NPL may be affected by the amendments. In other words, sites which remain proposed that do not pertain to releases from uncontrolled hazardous waste sites or are specifically excluded from Superfund response (e.g., mining wastes covered by SMCRA or sites contaminated solely as a result of the lawful application of pesticides) would not be eligible for Superfund response, because they did not become final NPL sites by January 1, 1985.

Superfund Reauthorization Fact Sheet

President Reagan transmitted to Congress February 22 the Comprehensive Environmental Response, Compensation and Liability Act Amendments of 1985. The bill would reauthorize Superfund for five years.

SUMMARY OF KEY PROVISIONS

Resources: More than triples funds available for Superfund activities over current law. Existing law established a $1.6 billion trust fund through fiscal year 1985. The proposed reauthorization would generate $5.3 billion between fiscal years 1986 and 1990. Approximately 90 percent of these funds would be raised through a tax on petrochemical feedstocks and the management of all RCRA hazardous wastes (⅓ feedstock; ⅔ waste end).

Scope: The proposed bill would concentrate EPA resources on hazardous waste sites. These are the sites Congress originally intended that Superfund focus on. The response program in the Administration's bill would address abandoned and uncontrolled hazardous waste sites, municipal and industrial waste sites with problems, and sites governed by the Resource Conservation and Recovery Act but held by insolvent companies. In addition, the bill includes a "safety valve" that enables the President to respond to any hazardous substance release that constitutes a major public health or environmental emergency.

Enforcement: The proposed reauthorization contains several major changes in EPA's enforcement program. They are designed to ensure that responsible parties conduct and pay for more cleanups. Key enforcement provisions would:

Increase all criminal penalties $25,000; all civil penalties would increase to $10,000. New civil penalties would be created to augment criminal sanctions where they do not already exist.

Expedite civil actions by requiring that separate suits be brought against other potentially liable parties for contribution after judgment or settlement in enforcement actions.

Specifically define governmental access and information-gathering powers and establish the authority to enforce them.

Impose federal liens for response costs upon all real property owned by responsible parties affected by an agency response action.

It is expected that these new authorities will significantly supplement fund-financed cleanup activities. In fiscal year 1986, EPA expects responsible parties to conduct cleanup work worth between $400 and $500 million. Through 1990, we expect these cleanups to total some $2 billion, bringing the estimated value of all Superfund activities over the next five years to nearly $7.5 billion.

State Responsibilities: The current law's preemption of state superfund-like taxing statutes would be eliminated. States will be able to raise revenues for their own cleanup activities. The proposal also promotes multisite cooperative agreements and allows state enforcement costs to be eligible for funding. The states would be required to pay an increasing share of the cost of cleaning up sites. The state matching share for sites where the state is not a responsible party would increase from 10 percent to 20 percent. For sites where the state is the site operator, the state share would increase from 50 percent to 75 percent.

Community Involvement: The proposal would make it a statutory requirement that affected citizens be notified of proposed cleanup actions. They would also be given the opportunity to comment on any proposed action and on alternatives. This amendment applies to all long-term cleanup actions, whether they are funded-financed activities or the result of enforcement action.

Projections: As a result of these provisions, EPA projects that through fiscal year 1990, engineering studies will have begun at over 1,500 sites. Actual construction will be underway or completed at 920 sites. In addition, we will have undertaken emergency cleanup actions at 1,741 sites.

Superfund Revenues Fact Sheet

In designing a tax to raise revenue for funding the Superfund program EPA sought to meet the following objectives:

To provide a stable and predictable source of revenue;

To broaden the base from which revenue is received;

To minimize adverse economic impacts on industries;

To impose the tax on the type of industries and practices that have caused the hazardous substance release problems Superfund was designed to address;

To encourage a reduction in the quantities of hazardous waste generated and to discourage the management of hazardous wastes in surface impoundments and landfills.

EPA's proposed amendments to Superfund seek to raise approximately $5.3 billion to finance the program over the next five years (from FY 1986 to FY 1990).

EPA proposes to raise $5.3 billion from three sources:

(1) Feedstock: A tax on crude oil and 42 petrochemicals and raw materials used in the production of chemicals that contribute to the hazardous substance release problem addressed by Superfund.

The feedstock tax base and tax rates are the same as the current tax used to finance Superfund since 1980.

This tax is designed to raise approximately $300 million per year over the next five years.

(2) Waste-management: Revenues from the management of hazardous wastes. This includes a tax on all hazardous wastes received at a qualified (i.e., RCRA-permitted) treatment, storage, or disposal unit, as well as hazardous wastes disposed of in the ocean or exported from the United States.

The tax would be imposed on the owners or operators of hazardous waste management facilities or vessels, and on exporters of hazardous wastes.

The tax is designed to encourage alternatives to land disposal by imposing a higher rate on the management of wastes in landfills, surface impoundments, waste piles and land treatment units. This provision will complement the 1984 amendments to the Resource Conservation and Recovery Act, which direct EPA to consider restricting certain wastes from Land-based units.

This tax is designed to raise approximately $600 million per year over the next five years.

(3) The remaining $100 million per year would be derived from interest on Superfund investments, from fines, and from costs recovered from parties responsible for hazardous substance release cleaned up by Superfund.

Superfund is currently financed primarily by the feedstock tax identified above in this fact sheet and money from general revenues (12 percent). The current tax, the general revenues, and interest on the fund has raised approximately $1.6 billion to finance Superfund response activities since 1980.

STATEMENT BY LEE M. THOMAS, ADMINISTRATOR, U.S. ENVIRONMENTAL PROTECTION AGENCY, FEBRUARY 22, 1985

Today, President Reagan transmitted to Congress the Comprehensive Environmental Response, Compensation, and Liability Act Amendments of 1985. This proposal would reauthorize the Superfund law for five more years with greatly expanded funding, stronger enforcement provisions, an approach to cleanup focusing on hazardous waste sites, and a guaranteed role for the public.

The bill is the product of months of work by the entire Executive Branch. It is a consensus document which has the full support of the President. He has directed me to make this measure my top legislative priority.

The legislation sent to Congress today will give us the tools we will need to continue implementing Superfund at the accelerated pace we established during the past two years. Our proposal:

Triples the resources available for cleaning up hazardous waste sites.

Focuses those resources on the most serious problems.

Strengthens our enforcement capabilities and ensures that responsible parties pay for and conduct more cleanups.

Enhances the roles of both federal and state governments in undertaking response actions.

Guarantees a meaningful role for affected citizens.

Assures an adequate, stable, and equitable financial base for the program.

The $5.3 billion program proposed today, coupled with an aggressive enforcement stance, will yield dramatic results during the second five years under Superfund. By the end of fiscal year 1990, we project that engineering studies—the first step in full cleanup of priority sites—will have been started at more than 1,400 sites. Actual construction will be underway or completed at over 900 sites. In addition, by the end of fiscal year 1990, we will have undertaken emergency cleanup actions at more than 1,700 sites to eliminate immediate threats to human health and the environment.

Before answering your questions, I want to review briefly some of the key provisions of our legislative proposal:

Resources: The bill more than triples funds available for Superfund activities over the current law. The existing act established a $1.6 billion trust fund through fiscal year 1985. We propose a reauthorization which would generate $5.3 billion between fiscal years 1986 and 1990. One-third of these funds would come from the existing tax on chemical and petrochemical feedstocks. The other two-thirds would be generated by a waste-end tax on hazardous waste treatment and disposal.

Scope: The proposed bill will concentrate EPA resources on hazardous waste sites, including uncontrolled and abandoned hazardous waste sites, municipal and industrial waste sites with problems, and sites governed by the Resource Conservation and Recovery Act but held by insolvent companies. In addition, the bill includes a "safety valve" that enables the President to respond to any hazardous substance release deemed a major public health or environmental emergency.

Enforcement: A number of tough new provisions will enable EPA to ensure responsible parties conduct and pay for more cleanups. All criminal penalties would be increased to $25,000, while all civil penalties would be increased to $10,000. New civil penalties would also be created to augment criminal sanctions where they do not already exist. EPA will also be authorized to impose federal liens for response costs upon all real property owned by responsible parties affected by an agency response action.

We are confident that aggressive enforcement will yield significant benefits in the amount of cleanup work that will be done. Our projection is that responsible party cleanup during the five-year life of our proposed program will supplement fund-financed activities to the tune of $2 billion. Thus, through 1990, we will see $7.5 billion going to clean up hazardous waste sites.

State Responsibilities: The states will play an increasingly important role under our reauthorization package. The current law's preemption of state superfund-like taxing statutes would be eliminated, allowing states to raise revenues for their own cleanup programs. State enforcement costs will be eligible for federal funding support, and states will be permitted to undertake multisite cooperative agreements. We will also be looking to the states to shoulder a somewhat larger portion of the cost of implementing Superfund remedies. The bill increases the state share for long-term cleanup at sites where the state is not a responsible party from 10% to 20%. Where the state operated the site, its share would increase from 50% to 75%.

Community Involvement: Affected citizens will be guaranteed a meaningful role in selecting cleanup remedies at Superfund sites. The proposal makes it a statutory requirement that citizens be notified of proposed cleanup actions and that they have an opportunity to comment on any proposed action and alternatives.

This bill represents a fulfillment of the commitment made by this Administration last year to propose reauthorization of Superfund early in the 99th Congress. It allows us to maintain our cleanup momentum by greatly increasing available resources and focusing them upon hazardous waste sites.

Additionally, strengthened enforcement provisions will give us the tools we need to promote more responsible party cleanups. Community involvement language will give citizens needed assurances that they will be heard when cleanup decisions are made.

I urge members of the Senate and House to consider its provisions carefully in crafting an extension of this vital law. I will work closely with the Congress to expedite consideration of this bill.

Thank you.

By Mr. ANDREWS (for himself and Mr. BURDICK):

S. 495. A bill to implement certain recommendations made pursuant to Public Law 98-360; to the Committee on Energy and Natural Resources.

IMPLEMENTATION OF GARRISON COMMISSION RECOMMENDATION

● Mr. ANDREWS. Mr. President, today I join with my distinguished colleague, Senator BURDICK, in introducing legislation to ratify the recommendations of the congressionally mandated Garrison Diversion Unit Commission.

It is my hope that the Congress will act quickly in considering the Commissions's proposals so that the people of North Dakota may finally receive the benefits of Federal water resource development that were promised to them over four decades ago.

While the history of the Garrison Diversion project has been marred by controversy, I believe that using the GDUC recommendations as a basis, Congress may now act, as my colleague suggests, to end the conflict and fulfill the Federal commitment to compensate the State of North Dakota for the losses it incurred, and continues to incur, as a result of its required

participation in the Pick-Sloan Missouri Basin Program.●

● Mr. BURDICK. Mr. President, Mr. ANDREWS and I are introducing today a bill which reflects the recommendations adopted by the Garrison Diversion Unit Commission.

As my colleagues may recall, the Commission was established by Public Law 98-360, the fiscal year 1985 Energy and Water Development Appropriations Act, to study the many issues associated with the Garrison Diversion project in North Dakota. Subsequent to the Commission's submittal of its recommendations to the Secretary of the Interior on December 20, 1984, the Interior Department drafted legislation, which is being introduced today, that would provide the authority necessary to implement the Commission's recommendations.

In testimony before the Commission in November and December, I expressed reservations about several aspects of the Commission's recommendations. I now look forward to a thorough and comprehensive review by the Congress to resolve these issues so that the Federal Government's promise of a Federal water project to North Dakota can at last be fulfilled.●

By Mr. LUGAR (by request):

S. 496. A bill to amend the Board for International Broadcasting Act of 1973 to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Foreign Relations.

BOARD FOR INTERNATIONAL BROADCASTING AUTHORIZATION ACT

● Mr. LUGAR. Mr. President, by request, I am introducing for appropriate reference a bill to amend the Board for International Broadcasting Act of 1973 to authorize appropriations for fiscal years 1986 and 1987.

This proposed legislation has been requested by BIB and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a sectional analysis of the bill and the letter from the Executive Director of the Board for International Broadcasting to the President of the Senate dated February 11, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 496

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, This Act may be cited as the "Board for International Broadcasting Authorization Act, Fiscal years 1986 and 1987."

AUTHORIZATION OF APPROPRIATIONS

SEC. 1. Section 8(a)(1)(A) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877) (a) is amended to read as follows—

"(A) $142,125,000 for the fiscal year 1986 and $139,977,000 for the fiscal year 1987."

BOARD FOR INTERNATIONAL BROADCASTING,
Washington, DC, February 11, 1985.

Hon. GEORGE BUSH,
President of the Senate, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith proposed legislation to make required amendments to the Board for International Broadcasting Act of 1973 and to authorize appropriations for the Board to carry out its responsibilities as specified in that Act.

The bill provides for authorization of appropriations for the Board's operation during fiscal years 1986 and 1987.

A sectional analysis explaining the proposed legislation is enclosed.

The Office of Management and Budget has advised the Board that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Respectfully,

WALTER R. ROBERTS,
Executive Director.

SECTIONAL ANALYSIS

SECTION 1

This paragraph authorizes appropriations of funds to continue support for the activities of Radio Free Europe/Radio Liberty (RFE/RL) in fiscal years 1986 and 1987. The fiscal year 1986 authorization also includes $39.8 million for modernization of RFE/RL transmitter sites, and for the continuation of this modernization program, the fiscal year 1987 authorization includes $33.3 million.●

By Mr. DECONCINI:

S. 498. A bill to address the problems caused by the 1983 flood along the Colorado River Floodway; to the Committee on Governmental Affairs.

COLORADO RIVER FLOODWAY TASK FORCE ACT

Mr. DECONCINI. Mr. President, today I am introducing legislation which will establish a task force made up of Federal, State, local, and private representatives with the purpose of determining the proper management of the Colorado River from Hoover Dam to the Mexican border.

The Colorado River includes a series of multipurpose dams which provide a variety of benefits to Upper Basin as well as Lower Basin States. Through these dams, the river affords flood control, power generation, water for irrigation, municipal and industrial use, fish and wildlife enhancement and preservation, as well as recreational benefits. Because of the many and diverse purposes of the river, conflicts sometimes occur with respect to its management which present problems to residents along the river, as well as State and Federal agencies.

The Bureau of Reclamation, the agency charged with managing the operation of the dams along the river, through the direction of the Secretary of the Interior, has developed criteria for the operation of the structures. For the most part, the established operating criteria is sufficient to meet the demands for water and power. However, there are times when weather changes and runoff from areas upstream, create a need to change the criteria to accommodate immediate and unforeseen demands being placed on the structures. The problem, Mr. President, is that there are times when acts of nature do not give Bureau of Reclamation personnel sufficient time to react without causing additional problems, like flooding to downstream areas.

The summer of 1983 clearly illustrates this point. Because snowmelt in the Upper Basin areas greater than anticipated, Reclamation could not respond immediately to change the operation of the dams without creating much greater than normal releases from the structures. This action, although a responsible one on the part of the Bureau of Reclamation, did create considerable flood damage to personal property in areas along the river. The effect of the flooding is still in evidence in many areas where water has not sufficiently receded to thoroughly estimate property damage.

While the situation that resulted in 1983 is a rare occurrence, it tells me that all Federal, State, local, and private interests along the river need to develop a policy which is consistent with the wise management of water, power, and flood control, taking into consideration what may occur in the future. The creation of a task force, outlined in the bill, will permit all individuals who may be directly impacted by the operation of the river below Hoover Dam to thoroughly review the management of this floodway and put forth their comments and recommendations on future management and development, which will then be forwarded to the Secretary of the Interior and the Congress. The task force will have a year in which to complete its mission. Hopefully, after the assessment has been completed, public officials will be in a better position to determine what the permanent policy on management of the floodway should be.

One additional duty the task force will be assigned, Mr. President, is to review the economic losses incurred as a result of the 1983 flooding along the river. If, on the basis of the information that is presented, the task force feels compensation should be justified, the task force will make the appropriate recommendation to the Secretary of the Interior who will then be authorized to allow certain individuals access to the Court of Claims to plea their case.

I have no doubt that the Bureau of Reclamation acted in the most responsible manner possible in the operation of these dams in 1983. The General Accounting Office conducted an investigation and concluded that the Bureau did not act negligently. However, because the losses were substantial, I believe the compensation question needs to be explored.

The task force includes representatives from all Indian tribes, States, counties, and cities located along the Colorado River below Hoover Dam. Also included are two private citizens from each State appointed by the Governor of each State and a representative from the Colorado River Wildlife Council. Federal representatives include the Bureau of Reclamation, Bureau of Land Management, Corps of Engineers, the Federal Emergency Management Agency, and the Department of Agriculture. Additionally, it includes a representative from law enforcement agencies along the river.

The task force provides a balanced team of residents, professionals, and officials from every level of government to provide the Congress with recommendations for a balanced solution to the Colorado River flooding problem.

Mr. President, the task force is a responsible means to determining a permanent policy for the management of the Colorado floodway. It is my hope that the Senate can review this legislation and take the appropriate action before we have another flooding situation.

By Mr. GORTON (for himself, Mr. EVANS, Mr. STEVENS, and Mr. MURKOWSKI):

S. 499. A bill for the relief of Frederick Paul of Seattle, WA; Barry W. Jackson of Fairbanks, AK; and Thomas Fenton of Fairbanks, AK; to the Committee on the Judiciary.

RELIEF OF CERTAIN INDIVIDUALS IN CONNECTION WITH THE NORTH SLOPE

Mr. GORTON. Mr. President, today I am introducing a private bill for the relief of Frederick Paul of Seattle, WA; Barry W. Jackson of Fairbanks, AK; and Thomas Fenton of Fairbanks, AK. Accompanying this bill is a resolution, Senate Resolution 78, referring the bill to the U.S. Claims Court. This legislation is necessary to provide full judicial review of the claims of these men arising from their efforts on behalf of the Eskimos of the North Slope of Alaska in conjunction with the Alaska Native Claims Settlement Act of 1971 [ANCSA]. Senators EVANS, STEVENS, and MURKOWSKI are cosponsoring these measures, and Congressman MIKE LOWRY is sponsoring relief legislation for Fred Paul in the House of Representatives.

Mr. Paul, a member of the Tlingit Indian Tribe of Alaska and a Seattle resident, has championed the rights of Native Americans for many years, as did his father and grandfather before him. The culmination of his work came in 1971, when, after spending 5 years and 7,000 hours on behalf of the Arctic Slope Eskimos and others, he was a linchpin in passage of the Alaska Native Claims Settlement Act. ANCSA carved out 44 million acres in Alaska and set up a $962 million fund to help settle the Native Alaskans' land claims. Of that total, Mr. Paul's clients, the Eskimos of the North Slope, received $50 million and 5 million acres of land.

In 1966, Fred Paul took on the case of the *Arctic Slope Native Association*, whose members believed that part of Alaska was theirs by aboriginal right. He accepted the challenge, and as required by law, sought and signed a contract with the Interior Department to represent the Natives Association, in keeping with the statutory requirements of section 81 of title 25 of the United States Code. For the next 5 years he put in 7,000 hours of his own time, and traveled thousands of miles to talk to his 3,500 clients, who were scattered over northern Alaska.

When Congress passed the landmark Settlement Act, it abolished all lawyer contracts, and instead provided a $1.9 million fund for the 27 lawyers and consultants. The act further restricted reimbursable expenses to cover only a few types of costs, and exclude many other direct out-of-pocket expenses. Fred Paul's share of that fund came to a little over $275,000—an amount that, in light of Fred's long and unwavering commitment of time, energy, and money, pales in comparison to the value of the ANCSA settlements and to fee awards for similar suits.

The two Alaskan lawyers, Barry Jackson and Thomas Fenton, also represented Alaskan Natives, and have also actively sought redress of their ANCSA award. The facts and circumstances of their claims are substantially similar to Fred Paul's, so Senators EVANS, STEVENS, MURKOWSKI, and I are incorporating the claims of the three men into one bill, and one congressional reference resolution referring the bill to the Claims Court. The Claims Court would then weigh the merits of each individual claim, and report to Congress on the amounts, if any, legally or equitably due to them from the United States.

Fred Paul signed his 1966 contract with Interior in good faith, and trusted that his statutorily regulated and administratively approved attorney's contract was valid and enforceable. That contract stated that he would be entitled to an equitable fee. ANCSA voided that contract. Because of some of the legal intricacies between Native Americans, the courts, and Congress, the three men have been unable to obtain a full judicial hearing on the equity and legality of this abrogation.

This bill and reference resolution address this problem. The measures ask the U.S. Claims Court, which has jurisdiciton for claims against the Federal Government, to examine the facts of the situation and report to Congess. The court would examine whether Congress tread upon the Eskimos' right to counsel and to petition Congress, and whether it justly denied the mens' contractual rights to equitable fees. My legislation does not prejudge whether this is so—it simply asks the Claims Court to review the petitions, and within 18 months report to Congress on whether their claims, taken individually, are legal or equitable, and the amounts, if any, legally or equitably due to them from the United States.

Mr. President, it is my great hope that the Senate will act on this bill and resolution promptly, so that these issues can be heard in full and resolved.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, as well as a memorandum on the situation by Fred Paul.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to Frederick Paul of Seattle, Washington, $——; to Barry W. Jackson of Fairbanks, Alaska, $——; and to Thomas Fenton of Fairbanks, Alaska, $—— in full settlement of their claims arising from legal services performed between January 1, 1966, and December 18, 1971, on behalf of Arctic Slope Eskimos and other natives of Alaska in connection with the enactment of the Alaska Native Claims Settlement Act of 1971 notwithstanding the limitations and restrictions contained in sections 10, 20, and 22(a) of said settlement Act or contention arising out of the appoval of their contractual relationships required by section 81 of title 25, United States Code.

(b) No part of the amounts appropriated in subsection (a) in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not to exceed $1,000.

By Mr. GORTON (for himself, Mr. STEVENS, and Mr. MURKOWSKI):

S. 500. A bill for the relief of Frederick Paul and Aileen Paul; to the Committee on the Judiciary.

RELIEF OF FREDERICK AND AILEEN PAUL

Mr. GORTON. Mr. President, today I am reintroducing a private bill for

the relief of Frederick and Aileen Paul of Seattle, WA. This legislation would relieve the Pauls of all Federal income tax liability on sums awarded Mr. Paul by the U.S. Court of Claims in 1975.

Fred Paul received this award as compensation for 7 years of legal services on behalf of the Alaskan North Slope Eskimos. Mr. Paul's efforts were instrumental to the passage of the Alaska Native Claims Settlement Act of 1971 [ANCSA] and the creation of the North Slope Borough.

Mr. Paul, who is one-fourth Tlingit Indian, did not include his $275,000 in legal fees in his gross income for 1975 because of a provision in ANCSA which states:

Revenues originating from the Alaska Native Fund shall not be subject to any form of Federal * * * taxation at the time of receipt by a * * * individual Native through dividend distributions *or in any other manner.*" 43 U.S.C. 160(a) [emphasis added].

He was advised by three tax attorneys that this provision would cover his legal fees. The Internal Revenue Service and the courts, however, have interpreted the law to mean that his fees were not tax exempt, and that the Paul's owe more than $275,000 in taxes and interest on them. The IRS has begun collection proceedings, and it is my hope that we can act swiftly on this legislation to head off the IRS' efforts, by relieving the Paul's of this unwarranted tax liability.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Frederick Paul (social security numbered xxx-xx-[redacted]) and Aileen Paul (social security numbered xxx-xx-xxxx) of Seattle, Washington, are hereby relieved of all Federal income tax liability, including interest and penalties, on sums awarded to Frederick Paul in 1975 by the United States Court of Claims. Such sums were made available pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 and the following) and were awarded as compensation for legal services rendered by Frederick Paul from 1966 to 1971 on behalf of the Inupiat Natives of the North Slope of Alaska and other Alaska Natives.

A MEMORANDUM ABOUT FREDERICK AND AILEEN PAUL

THE CONTRACT

In January, 1966, Inupiat of Alaska's North Slope turned to Frederick Paul to protect their land and culture. They turned to him because he was an Alaskan Native and a lawyer who had vast historical knowledge of their aboriginal claims.

Alaska's Eskimos were then, by and large, continuing to live on a subsistence economy, had a life expectancy of 33 years, a mid-term third grade education and an 80% plus unemployment rate.

They were then being assaulted by the largest corporations in the world seeking oil. Though they had lived there for thousands of years, their rights to the land had never been resolved.

The United States, claiming fee title, maintained it was part of the Federal domain and thus: The State of Alaska claimed it could select such lands pursuant to its rights under the 1958 Statehood Act; Private business was acquiring mineral lease-hold rights throughout the Slope at fifty cents an acre; and Conservationists were attacking their whaling and subsistence practices.

Nevertheless, Paul undertook the assignment.

Under 25 USC 81, to represent a Native group and be paid from Native funds, one must first secure a contract "approved" by the Secretary of Interior. Mr. Paul secured such a contract with the Eskimos and it was approved by the Secretary's delegate.

The contract provided his fee was to be contingent, in an "equitable amount" as determined by the Secretary or an independent tribunal not to exceed a certain maximum.

PERFORMANCE UNDER THE CONTRACT

During the next six years, Mr. Paul fought the oil companies, the Secretary, the State, the business community and environmentalists, expending thereby 7,000 hours of endeavor and about $15,000 of his own funds for expenses. Such was his devotion to the Eskimos, the time commitments destroyed his law practice otherwise as he was a solo practitioner.

The most significant impact of this commitment was the Natives' disconsolation and even anger at the invasion of their land and the need to find a solution to their claims by ordered reason and the rule of law. There were many opportunities for resort to the tactics of the streets, but Paul, with associated counsel, kept the peace.

THE ACCOMPLISHMENT TO WHICH HE CONTRIBUTED

The end product was the Alaska Native Claims Settlement Act of 1971, 43 USC 1600, which awarded 44 million acres of prime Alaska lands to Alaska's Natives in fee along with just under one billion dollars in cash. His direct clients got $50 million in cash and 5 million acres on the North Slope. The Act is not unfairly characterized as the only bloodless redistribution of wealth in the history of man.

THE ABROGATION OF HIS CONTRACT

But the end product demanded its retribution. Whether intended or not, ANCSA punished the lawyers. Section 22(a) abrogated Paul's (and others) contract though by Congressional authority, the Secretary's delegate had approved it.

Instead, out the monetary payment to the Natives it set aside $1.9 million for the payment to the lawyers and appointed the Chief Commissioner of the Court of Claims to determine who got how much. The Act further limited the types of services to be deemed compensable out of that fund. After three and one-half years of wrangling among the lawyers, they were so exhausted that they compromised their rspective claims among themselves. In May, 1975, Paul got his share, $275,095.00.

No factor for inflation was allowed. Payment of interest was by the Act forbidden. Some 34 categories of services were by the Chief Commissioner deemed outside the scope of compensable services. For them, Paul has never been paid one red penny.

CONSTITUTIONAL CHALLENGES TO ITS ABROGATION

He thought that sum was unfair and so he sued the Natives for a judicial determination of an "equitable" fee, alleging the abrogation of his contract as being unconstitutional. The courts held otherwise and dismissed his complaint, 639 F.2d 507.

He then said to himself, "Surely if the clients are forbidden to pay, then the taxpayers should." So he sued the United States for the value of his contractual rights, by virtue of the Just Compensation Clause. He alleged that constraining lawyers in presenting grievances to the government was an invasion of the Petition Clause.

Secondly, he alleged that people have a right to rely on a contract approved, before the fact, by an administrative agency pursuant to a Congressional delegation of power.

The Court of Claims held otherwise, and dismissed his complaint. 687 F.2d 364.

The court even had the insensitivity to remark in the opinion that it was not "outraged" at Paul's argument that his effective rate of compensation was "$10 to $12" per hour. Certiorari was denied.

By the time of ANCSA's enactment on December 18, 1971, Paul had spent so much time in representing the Eskimos, he had no other practice. Soon the clients drifted away, unconcerned about his financial problems.

By the time he received his fee of $275,095.00, in May, 1975, he had debts of over $100,000.00 and little practice.

THE TAX PROBLEM

Paul, within the meaning of ANCSA, is a "qualified" Native. The money for the fee had originated in the "Alaska Native Fund." For that category, ANCSA in 21(a) decreed such funds were tax exempt. All revenue so originating paid to a qualified Native "in any other manner" was exempt.

He, therefore, while disclosing the receipt of the funds in his 1975 IRS return, claimed it as exempt. Not so, said the courts, 77 T.C. No. 55 (1981), affirmed without a published opinion in 1983. Had he in 1976 paid the tax, he would have had a zero net worth. The tax with interest and the penalties imposed for not currently paying, now equals the fee, about $275,000.00.

REMEDIES AVAILABLE

There are two avenues available for possible Congressional relief to the Pauls.

The first is simply a private bill reasserting the primacy of the Congress over the courts to this effect: When Congress decrees something, the courts should not rewrite legislation. Hence, the exemption should be reasserted. The Pauls recognize that in today's political climate, particularly when such a bill must survive the consent calendar, the odds of getting both houses of the Congress to pass and the President to sign such a bill are slim. It requires 536 people to personally form a judgment as to its merits.

They, therefore, have suggested a second route, that provided by 28 USC 1492 and 2509, entitled "Congressional Reference". Its thrust is that *either* House may request the Claims Court to render a report back to the Congress on the equities of the situation. The court holds hearings, there is an automatic review by three judges, the Attorney General is there to safe-guard the interests of the United States.

Thus, the Congress need not resolve its own conscience as to the merits, for that is the job of an independent court.

Paul feels confident that after a judicial hearing, he can prove the injustice meted out to him and that the court's report would contemplate a figure sufficient to pay the old tax and the tax on the new money and still leave something over for him and his wife. He is willing to meet head on that question. He has never had a hearing on the merits for the adequacy of his fees. He seeks such a hearing.

After the report is rendered by the court to the Congress the Congress still has an opportunity to obey or disregard such report. The Pauls are willing to face the task of getting an appropriation out of the Congress.

By Mr. HELMS (by request):

S. 501. A bill to provide a continuous, adequate, wholesome, supply of food and fiber, assure a strong agricultural economy, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL ADJUSTMENT ACT OF 1985

● Mr. HELMS. Mr. President, at the request of Secretary of Agriculture John R. Block I am introducing the administration's farm bill.

As I have indicated on numerous occasions, I am convinced that this is a watershed year for agriculture. All of us are aware of the problems of America's farmers and ranchers. And all of us want to remedy the serious problems in the farm economy. The question is: How to do it?

We cannot and will not ignore these short-term problems, but neither can we ignore the fundamental problems that simply must be corrected if we are ever to put U.S. agriculture on the path of prosperity.

Mr. President, the point is this: Many of today's problems in the agricultural economy are the result of the present farm programs. I believe it is clear to most citizens that our present farm programs are just not working. This is revealed by the fact that during the past 4 years net farm income declined 27 percent compared to the previous 4 years while direct Federal payments to farmers increased by more than 300 percent.

That is why we must face up to reality. That is why we must use the opportunity afforded by the expiring farm legislation to reform general agricultural policy to make it market oriented, flexible, internally consistent, long-term in design, and sensitive to all elements of the production system.

The general thrust of the administration's bill is to move in that direction. Because of that, the administration bill will receive the careful consideration of all who are interested in the long-term health of our agricultural economy.

While saying that, I also want to point out that I will shortly be introducing my own farm bill which differs in some respects from the administration's bill. The Committee on Agriculture, Nutrition, and Forestry will be holding hearings on these proposals and other farm bills in March.

Mr. President, I ask unanimous consent that the text of the administration's bill be printed in the RECORD at the conclusion of my remarks along with, a summary of the bill, a section-by-section analysis, a title-by-title cost estimate, questions and answers, and issue papers prepared by the administration to accompany its Agricultural Adjustment Act of 1985.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby declared to be the policy of the Congress, recognizing the fundamental importance of agriculture to the United States and the world and the unparalleled productive capacity of the American agricultural industry, to assure a continuous, adequate, and wholesome supply of food and fiber and the long-term stability for American agriculture. This Act may be cited as the "Agricultural Adjustment Act of 1985".

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TITLE I—AGRICULTURAL TRADE AND EXPORT EXPANSION

STATEMENT OF POLICY

SEC. 101. It is the policy of the United States to—

(1) promote free and active world trade in agriculture goods by negotiating with key United States trading partners to agree on a program to reduce or eliminate practices that are restricting international agricultural trade; and

(2) reduce or eliminate United States restrictions on imports of agricultural goods as part of a program of mutual opening of agricultural markets by the major agricultural trading nations of the world.

RESTRICTIONS ON THE EXPORTATION OF AGRICULTURAL GOODS

SEC. 102. It is the policy of the United States to encourage the export of agricultural commodities and products and not to restrict the exportation of such commodities and products, except under the most compelling conditions. Safeguards and limitations on restrictive actions are provided by section 812 of the Agricultural Act of 1970, section 1002 of the Food and Agricultural Act of 1977, and section 1204 of the Agriculture and Food Act of 1981.

TRADE NEGOTIATIONS

SEC. 103. (a) The Trade Act of 1974, as amended, is further amended by—

(1) adding at the end of paragraph (b)(1) of section 181 the following: "In addition, the Trade Representative shall make a separate compilation of this analysis and estimate for United States exports of agricultural commodities and their products and submit this compilation to the Committee on Agricultural of the House of Representatives and the Committee on Agricultural, Nutrition and Forestry of the Senate at the same time that the Trade Representative submits the full compilation to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.".

(2) adding a new section 182 to read as follows:

"SEC. 182. ELIMINATION OF BARRIERS TO U.S. AGRICULTURAL EXPORTS.

"(a) The United States Trade Representative shall, together with the Secretary of Agriculture, seek to eliminate the major barriers and distortions identified under section 181(a) for United States exports of agricultural commodities and their products. If negotiations with other countries to reduce or eliminate the identified major barriers or distortions are not proceeding satisfactorily by July 1, 1986, the United States Trade Representative, together with the Secretary of Agriculture, shall submit to the Congress a report indicating what actions will be taken to offset the effects of those barriers or distortions and to secure adequate progress in the negotiations.

"(b) The President shall recommend a plan to the Congress to phase out, in return for comparable action by other major agricultural trading countries, all major trade barriers to the importation of agricultural commodities or their products into the United States by September 30, 1990."; and

(3) amending the table of contents for Title I by adding at the end thereof the following:

"Sec. 182. Elimination of Barriers to U.S. Agricultural Exports.".

EXPORT PROMOTION PROGRAMS

SEC. 104. The Commodity Credit Corporation, in making available any guarantees of the repayment of credit extended on terms of up to 3 years in connection with the export sale of United States agricultural commodities or their products, shall take into account—

(1) the credit needs of countries that are potential purchasers of United States agricultural exports;

(2) the creditworthiness of those countries; and

(3) whether the availability of Commodity Credit Corporation guarantees will improve the competitive position of United States agricultural exports in world markets.

PUBLIC LAW 480 AMENDMENTS

SEC. 105. Section 409 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is further amended by—

(1) striking out in the first sentence "December 31, 1985" and inserting in lieu thereof "September 30, 2000"; and

(2) striking out in the second sentence "Agriculture and Food Act of 1981" and inserting in lieu thereof "Agricultural Adjustment Act of 1985".

MARKET DEVELOPMENT

SEC. 106. (a) Congress finds that the maintenance and expansion of foreign markets for United States agricultural commodities is vital to the economic well-being of the Nation. The Secretary of Agriculture shall continue strong and effective efforts to assist United States producers, processors, distributors, and exporters to maintain and expand foreign markets for United States agricultural commodities.

(b) The Secretary of Agriculture shall conduct a study evaluating the effectiveness of current activities of the Department of Agriculture in maintaining and expanding foreign markets for United States agricultural commodities, and shall submit a report thereon to Congress not later than one year from the date of enactment of this Act.

TITLE II—WHEAT

LOAN PROGRAM

SEC. 201. (a) The Secretary shall make commodity loans available to producers of each of the 1986 and subsequent crops of wheat. A producer must pledge production from a crop as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of wheat pledged as security for the loan.

(b) The basic loan rate for each class of each crop of wheat shall be equal to 75 percent of the national average market price received by producers for that class of wheat during the marketing years for the three immediately preceding crops of wheat as determined by the Secretary. The Secretary shall make a commodity loan available to a producer at the basic loan rate for the class of wheat pledged as security for the loan adjusted in accordance with a schedule prescribed by the Secretary to reflect differences in quality and location.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

PAYMENT PROGRAM

SEC. 202. (a) The Secretary shall make payments available to producers of each of the 1986 and subsequent crops of each class of wheat which are computed by multiplying (1) the payment rate established for each class of the crop by (2) the acreage planted to each class of the crop on a farm by (3) the farm's payment yield for the crop.

(b) The payment rate for each class of each crop of wheat shall be the amount by which the national average market price received by producers of that class of wheat during the marketing year for that crop is less than (1) the national average market price received by producers of that class of wheat for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

(c) A farm's payment yield for each crop of wheat shall be based on the actual yields per harvested acre on the farm for the immediately three preceding crops of wheat. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other conditions beyond the control of the producers. If any of the three immediately preceding crops of wheat was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

ACREAGE REDUCTION PROGRAM

SEC. 203. (a) The Secretary shall provide for an acreage reduction program for the 1986, 1987, and 1988 crops of wheat under which the acreage of wheat planted for harvest on any farm is limited to the acreage base established for wheat for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces wheat in excess of the permitted wheat

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acreage for a farm for a crop shall be ineligible for loans and payments with respect to that farm for that crop of wheat. The acreage base for a farm for any crop shall be the average acreage planted on the farm to wheat for harvest in the three crop years immediately preceding the year prior to the year for which the determination is made. The acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

(b) A number of acres on a farm determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of wheat times the number of acres actually planted to wheat, by (2) the number of acres authorized to be planted to wheat under the acreage limitation established for the crop shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion. In determining the amount of land to be devoted to conservation uses under an acreage reduction program with respect to land that has been farmed under summer fallow practices, as defined by the Secretary, the Secretary shall consider the effects of soil erosion and such other factors as the Secretary considers appropriate.

(c) A producer on a farm desiring to participate in the program conducted under this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any acreage reduction agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

GENERAL PROVISIONS

SEC. 204. (a) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this Title precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

(b) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(c) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(d) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

(e) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(f) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

TITLE III—FEED GRAINS

LOAN PROGRAM

SEC. 301. (a) The Secretary shall make commodity loans available to producers of each of the 1986 and subsequent crops of corn, grain sorghum, and barley. A producer must pledge production from a crop of any such commodity as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of the commodity pledged as security for the loan.

(b) The basic loan rate for each crop of corn, grain sorghum, and barley shall be equal to 75 percent of the national average market price received by producers for the commodity during the marketing years for the three immediately preceding crops of that commodity as determined by the Secretary. The Secretary shall make a commodity loan available to a producer at the basic loan rate for the commodity pledged as security for the loan adjusted in accordance with a schedule prescribed by the Secretary to reflect differences in quality and location.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

PAYMENT PROGRAM

SEC. 302. (a) The Secretary shall make payments available to producers of each of the 1986 and subsequent crops of corn, grain sorghum, and barley which are computed by multiplying (1) the payment rate established for the crop of the commodity by (2) the acreage planted to the crop of the commodity on a farm by (3) the farm's payment yield for each crop of the commodity.

(b) The payment rate for each crop, grain sorghum, and barley shall be the amount by which the national average market price received by producers for each such crop during the marketing year for that commodity is less than (1) the national average market price received by producers for the commodity for each of the three marketing years immediately preceding the year for which the payment is made, multipled by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

(c) A farm's payment yield for each crop of the commodity shall be based on the actual yields per harvested acre on the farm for the immediately three preceding crops of the commodity. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other conditions beyond the control of the producers. If any of the three immediately preceding crops of the commodity was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

ACREAGE REDUCTION PROGRAM

SEC. 303. (a) The Secretary shall provide for an acreage reduction program for the 1986, 1987, and 1988 crops of corn, grain sorghum, and barley under which the acreage of each of the commodities planted for harvest on any farm is limited to the acreage base established for the commodity for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces a crop of a commodity in excess of the permitted acreage for that commodity for a farm shall be ineligible for loans and payments with respect to that farm for that crop of the commodity. The acreage base for a farm for any crop shall be the average acreage planted on the farm to the commodity for harvest in the three crop years immediately preceding the year prior to the year for which the determination is made. The acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

(b) A number of acres on a farm determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of the commodity times the number of acres actually planted to the commodity, by (2) the number of acres authorized to be planted to the commodity under the acreage limitation established for the crop of the commodity shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion.

(c) A producer on a farm desiring to participate in the program conducted under this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any acreage reduction agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

GENERAL PROVISIONS

SEC. 304. (a) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this Title precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

(b) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(c) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(d) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

(e) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(f) The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers.

TITLE IV—COTTON

LOAN PROGRAM

SEC. 401. (a) The Secretary shall make commodity loans available to producers of each of the 1986 and subsequent crops of upland cotton and extra long staple cotton. A producer must pledge production from a crop of the commodity as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of the commodity pledged as security for the loan.

(b) The basic loan rate for each crop of upland cotton and extra long staple cotton shall be equal to 75 percent of the national average market price received by producers of the commodity during the marketing years for the three immediately preceding crops of the commodity as determined by the Secretary. The Secretary shall make a commodity loan available to a producer at the basic loan rate for the commodity pledged as security for the loan adjusted in accordance with a schedule prescribed by the Secretary to reflect differences in grade, staple, micronaire, location, and other factors.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

PAYMENT PROGRAM

SEC. 402. (a) The Secretary shall make payments available to producers of each of the 1986 and subsequent crops of upland cotton and extra long staple cotton which are computed by multiplying (1) the payment rate established for the crop of the commodity by (2) the acreage planted to the crop of the commodity on a farm by (3) the farm's payment yield for each crop of the commodity.

(b) The payment rate for each crop of upland cotton and extra long staple cotton shall be the amount by which the national average market price received by producers for each such crop of the commodity during the marketing year for the crop of that commodity is less than (1) the national average market price received by producers for the commodity for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

(c) A farm's payment yield for each crop of the commodity shall be based on the actual yields per harvested acre on the farm for the immediately three preceding crops of the commodity. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other conditions beyond the control of the producers. If any of the three immediately preceding crops of the commodity was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

ACREAGE REDUCTION PROGRAM

SEC. 403. (a) The Secretary shall provide for an acreage reduction program for the 1986, 1987, and 1988 crops of upland cotton and extra long staple cotton under which the acreage of the commodity planted for harvest on any farm is limited to the acreage base established for the commodity for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces a crop of the commodity in excess of the permitted acreage for that commodity for a farm shall be ineligible for loans and payments with respect to that farm for that crop of the commodity. The acreage base for a farm for any crop of the commodity shall be the average acreage planted on the farm to the commodity for harvest in the three crop years immediately preceding the year prior to the year for which the determination is made. The acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

(b) A number of acres on a farm determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of the commodity times the number of acres actually planted to the commodity, by (2) the number of acres authorized to be planted to the commodity under the acreage limitation established for the crop shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion.

(c) A producer on a farm desiring to participate in the program conducted under this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any acreage reduction agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

GENERAL PROVISIONS

SEC. 404. (a) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this Title precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

(b) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(c) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(d) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

(e) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(f) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(g) For purposes of this Title, extra long staple cotton means cotton which is produced from pure strain varieties of the Barbadense species or any hybrid thereof, or other similar types of extra long staple cotton, designated by the Secretary, having characteristics needed for various end uses for which American upland cotton is not suitable and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of such varieties or types and which is ginned on a roller-type gin or, if authorized by the Secretary, ginned on another type gin for experimental purposes.

TITLE V—RICE

LOAN PROGRAM

SEC. 501. (a) The Secretary shall make commodity loans available to producers of each of the 1986 and subsequent crops of rice. A producer must pledge production from a crop as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of rice pledged as security for the loan.

(b) The basic loan rate for each type of each crop of rice shall be equal to 75 percent of the national average market price received by producers for that type of rice during the marketing years for the three immediately preceding crops of rice as determined by the Secretary. The Secretary shall make a commodity loan available to a producer at the basic loan rate for the type of rice pledged as security for the loan adjusted in accordance with a schedule prescribed by the Secretary to reflect differences in quality, location, and other factors.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

PAYMENT PROGRAM

SEC. 502. (a) The Secretary shall make payments available to producers of each of the 1986 and subsequent crops of each type of rice which are computed by multiplying (1) the payment rate established for each type of the crop by (2) the acreage planted to each type of the crop on a farm by (3) the farm's payment yield for the crop.

(b) The payment rate for each type of each crop of rice shall be the amount by which the national average market price received by producers of that type of rice during the marketing year for that crop is less than (1) the national average market price received by producers of that type of rice for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

(c) A farm's payment yield for each crop of rice shall be based on the actual yields per harvested acre for the immediately three preceding crops of rice. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other conditions beyond the control of the producers. If any of the three immediately preceding crops of rice was not produced on the farm, the farm's payment yield shall be determined taking into consideration the

yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

ACREAGE REDUCTION PROGRAM

SEC. 503. (a) The Secretary shall provide for an acreage reduction program for the 1986, 1987, and 1988 crops of rice under which the acreage of rice planted for harvest on any farm is limited to the acreage base established for rice for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces rice in excess of the permitted rice acreage for a farm for a crop shall be ineligible for loans and payments with respect to that farm for that crop of rice. The acreage base for a farm for any crop shall be the average acreage planted on the farm to rice for harvest in the three crop years immediately preceding the year prior to the year for which the determination is made. The acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

(b) A number of acres on a farm determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of rice times the number of acres actually planted to rice, by (2) the number of acres authorized to be planted to rice under the acreage limitation established for the crop shall be devoted to conservation uses, in accordance with regulations issued by the Secretary. Such regulations shall assure protection of such acreage from weeds and wind and water erosion.

(c) A producer on a farm desiring to participate in the program conducted under this section shall execute an agreement with the Secretary providing for such participation not later than such date as the Secretary may prescribe. The Secretary may, by mutual agreement with the producers on the farm, terminate or modify any acreage reduction agreement if the Secretary determines such action necessary because of an emergency created by drought or other disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

GENERAL PROVISIONS

SEC. 504. (a) If the failure of a producer to comply fully with the terms and conditions of the program conducted under this Title precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. The Secretary may authorize the county and State committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to waive or modify deadlines and other program requirements in case in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

(b) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(c) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(d) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

(e) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(f) The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers.

TITLE VI—SOYBEANS

LOAN PROGRAM

SEC. 601. (a) The Secretary shall make commodity loans available to producers of each to the 1986 and sebsequent crops of soybeans. A producer must pledge production from a crop as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of soybeans pledged as security for the loan.

(b) The basic loan rate for each crop of soybeans shall be equal to 75 percent of the national average market price received by producers for soybeans during the marketing years for the three immediately preceding crops of soybeans as determined by the Secretary. The Secretary shall make a commodity loan available to a producer at the basic loan rate for soybeans pledged as security for the loan adjusted in accordance with a schedule prescribed by the Secretary to reflect differences in quality and location.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

GENERAL PROVISIONS

SEC. 602. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(b) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

TITLE VII—DAIRY

PRICE SUPPORT PROGRAM

SEC. 701. (a) Except as provided in subsection (b) of this section, the Secretary shall make price support available for the period beginning October 1, 1985, and ending September 30, 1987, to producers of milk through the purchase of milk and the products of milk at a level of $11.60 per hundredweight for milk containing 3.67 percent milkfat.

(b)(1) If the Secretary estimates on April 1, 1986, that for the twelve month period beginning on such date the net price support purchases of milk or the products of milk will exceed 5 billion pounds milk equivalent, the level of price support in effect on that date shall be reduced by 50 cents per hundredweight.

(2) If the Secretary estimates on January 1, 1987, that for the nine month period beginning on such date that the net price support purchases of milk or the products of milk will be at a level which exceeds an annual rate of 5 billion pounds milk equivalent, the level of price support in effect on that date shall be reduced by 50 cents per hundredweight.

PAYMENT PROGRAM

SEC. 702. (a) The Secretary shall make payments available to producers of milk for each of the fiscal years after 1987 in an amount computed by multiplying (1) the payment rate established for the fiscal year by (2) the quantity of milk marketed as milk or milk products by a producer during the fiscal year.

(b)(1) The payment rate for the 1988 fiscal year shall be the amount by which the national average market price received by producers for all milk for that fiscal year is less than the lesser of (A) the national average market price received by producers for all milk in fiscal year 1987 and (B) 90 percent of the national average market price received by producers for all milk for the three fiscal years immediately preceding the 1988 fiscal year.

(2) The payment rate for each of the 1989 and subsequent fiscal years shall be the amount by which the national average market price received by producers for all milk in each such fiscal year is less than (A) the national average market price received by producers for all milk for the immediately preceding three fiscal years multiplied by (B) 85 percent for fiscal year 1989, 80 percent for fiscal year 1990, and 75 percent for each of the 1991 and subsequent fiscal years.

(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this section.

(d) The Secretary shall provide for the sharing of payments made under this section for any farm among the producers on the farm on a fair and equitable basis.

GENERAL PROVISIONS

SEC. 703. (a) The Secretary may issue such regulation as the Secretary determines necessary to carry out the provisions of this Title.

(b) The Secretary shall carry out the programs authorized by this Title through the Commodity Credit Corporation.

TASK FORCE

SEC. 704. (a) The Secretary shall appoint a task force consisting of ten individuals in accordance with the provisions of subsection (b) of this section which shall (1) study the need for federal milk marketing orders administered by the Secretary under the Agricultural Marketing Agreement Act of 1937 and the degree to which the orders serve public objectives; (2) assess the impact of existing federal milk marketing orders on producers, processors, distributors and consumers; (3) identify, describe, and evaluate feasible alternatives to the existing milk marketing order program which evaluation shall include an analysis of the costs and benefits of the commercial reconstitution of milk for fluid use; and (4) prepare, by September 30, 1990, a report of its findings and recommendations, if any, for regulatory and legislative changes in the milk marketing order program.

(b) Of the ten individuals comprising the task force required by subsection: (1) three shall be milk producers; (2) three shall be processors of milk or represent milk processors; (3) two shall be agricultural economists from land grant universities and (4) two shall be representatives of consumer organizations. With respect to the three individuals who are or represent milk processors, two shall be representatives of cooperative organizations which are engaged in the processing of milk and one shall be an independent processor of milk, an official of an individual processor of milk or a representative of an organization which represents individual processors of milk.

FEDERAL MILK MARKETING ORDERS

SEC. 705. Effective for the period January 1, 1986, through December 31, 1989, the Agricultural Adjustment Act, as reenacted and

amended by the Agricultural Marketing Agreement Act of 1937, is further amended by striking out in subparagraph (B) of subsection 8c(5) all that part of said subparagraph (B) which follows the comma at the end of clause (c) and inserting in lieu thereof the following: "(d) a further adjustment to encourage seasonal adjustments in the production of milk through equitable apportionment of the total value of the milk purchased by any handler, or by all handlers, among producers on the basis of their marketings of milk during a representative period of time, which need not be limited to one year, and (e) a provision providing for the accumulation and disbursement of a fund to encourage seasonal adjustments in the production of milk may be included in an order.".

TITLE VIII—PEANUTS

LOAN PROGRAM

SEC. 801. (a) The Secretary shall make commodity loans available to producers of each of the 1986 and subsequent crops of peanuts. A producer must pledge production from the crop as security for a commodity loan for that crop and the amount of the loan shall be based upon the loan rate as determined under subsection (b) of this section and the quantity of peanuts pledged as security for the loan.

(b) The basic loan rate for each crop of peanuts shall be equal to the lesser of (1) 75 percent of the national average market price received by producers for peanuts during the marketing years for the three immediately preceding crops of peanuts as determined by the Secretary or (2) $250 per ton for peanuts. The Secretary shall make a commodity loan available to a producer at the basic loan rate adjusted in accordance with a schedule prescribed by the Secretary for differences in quality, type, location, and other factors.

(c) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

PAYMENT PROGRAM

SEC. 802. (a) The Secretary shall make available to producers of each of the 1986 and subsequent crops of peanuts payments which are computed in the manner prescribed by this section.

(b) The amount of any payment for any crop of peanuts shall be computed by multiplying the quantity of eligible peanuts as determined under subsection (c) of this section by the payment rate as determined under subsection (d) of this section.

(c)(1) The total quantity of peanuts for which producers on a farm may receive payments for each of the 1986 through 1990 crops shall be the lesser of (A) the quantity computed by multiplying (i) the acreage planted to the crop on a farm by (ii) the farm's payment yield for the crop or (B) the farm's payment quota. The farm's payment quota shall be the basic farm poundage quota which was allocated to the farm for the 1985 crop year, without regard to any temporary adjustments for the 1985 crop year, adjusted to take into account any permanent or temporary transfers of a payment quota to or from the farm in accordance with the provisions of section 803 of this Act.

(2) For each of the 1991 and subsequent crops, a producer shall be eligible for payments for the quantity computed by multiplying (A) the acreage planted to the crop on the farm by (B) the farm's payment yield for the crop.

(d)(1) The payment rate for the 1986 crop shall be the amount by which the national average market price received by producers for peanuts during the marketing year for that crop is less than $550 per ton.

(2) The payment rate for each of the 1987 and subsequent crops shall be the amount by which the national average market price received by producers during the marketing year for that crop is less than (A) the national average market price received by producers for peanuts for the three marketing years immediately preceding the year for which the payment is made multiplied by (B) 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop and 75 percent for each of the 1991 and subsequent crops.

(e) A farm's payment yield for each crop of peanuts shall be based on the actual yields per harvested acre on the farm for the immediately three preceding crops of peanuts. The actual yields shall be adjusted by the Secretary for abnormal yields in any year caused by drought, flood, other natural disaster, or other conditions beyond the control of the producers. If any of the three immediately preceding crops of peanuts was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

TRANSFERS OF FARM PAYMENT QUOTA

SEC. 803. (a) For the 1986 through 1990 crops of peanuts, if a farm with a payment quota is transferred to a new owner, the payment quota shall remain with the farm.

(b) For the 1986 through 1990 crops of peanuts, a payment quota may be permanently transferred from one farm to another if the quota is transferred (1) by reason of the death of the owner or owners of the transferring farm, (2) by gift, or (3) to a farm of a member of the family of an owner of the transferring farm. The term "member of the family of an owner" means (1) an ancestor of an owner, (2) a spouse of an owner, (3) a lineal descendant of an owner or (4) a spouse of a lineal descendant of an owner.

(c) A temporary transfer of all or part of a farm's payment quota for a crop year may be made for any of the 1986 through 1990 crops of peanuts if both the owner and operator of the transferring farm agree to such transfer in writing and the transfer is to a farm with the same operator.

(d) Any transfer under this section shall be subject to the following conditions: (1) no transfer of the farm payment quota from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholders; (2) no transfer of the farm payment quota shall be effective until a record thereof is filed with the county committee for the county to which such transfer is made and such committee determines that the transfer complies with the provisions of this section; and (3) such others terms and conditions as the Secretary may prescribe.

SEC. 804. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(b) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to the assignment of payments) shall apply to payments made under this Title.

(d) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(e) The Secretary shall provide adequate safeguards to protect the interests of tenents and sharecroppers.

TITLE IX—SUGAR

LOAN PROGRAM

SEC. 901. (a) The Secretary shall make commodity loans available on a fiscal year basis for each of the 1986 and subsequent crops of sugar cane and sugar beets produced in the United States. The loan rate shall be the lesser of 75 percent of the national average market price for sugar, raw value, for the three fiscal years immediately preceding the crop year or 12 cents per pound, raw value. The loan rate for the 1986 and subsequent crops of sugar beets shall be the rate determined by the Secretary to be fair and reasonable in relation to the loan rate for sugar cane.

(b) A commodity loan shall accrue interest at a rate prescribed by the Secretary and shall be repaid, together with accrued interest, within the same fiscal year in which the loan was disbursed.

(c) The Secretary shall take all steps available to him that he determines are practicable, reasonable, and consistent with the agricultural and foreign policies of the United States to avoid the acquisition of stocks of sugar by the Commodity Credit Corporation under the loan program authorized by this section.

PAYMENT PROGRAM

SEC. 902. (a) The Secretary shall make available to producers of each of the 1986 and subsequent crops of sugar cane and sugar beets payments which are computed by multiplying (A) the payment rate established for the crop by (B) the quantity of harvested production of the crop, computed on a raw value basis for sugar cane and a refined value basis for sugar beets.

(b) The payment rate for each crop of sugar cane shall be the amount by which the national average market price for sugar, raw value, is less than the following amount, raw value:

(1) for the 1986, 1987, 1988, 1989, and 1990 crops, the higher of 18 cents per pound, 16 cents per pound, 14 cents per pound, 12 cents per pound, and 12 cents per pound, respectively, or 75 percent of the national average market price for sugar for the three fiscal years immediately preceding the crop year for which the payment is made; and

(2) for each of the 1991 and subsequent crops, 75 percent of the national average market price for sugar for the three fiscal years immediately preceding the crop year for which the payment is made.

(c) The payment rate for each crop of sugar beets shall be the amount by which the national average market price for sugar, refined value, is less than the following:

(1) for the 1986 through 1990 crops, the amount determined by the Secretary to be fair and reasonable in relation to the amount for sugar cane under subsection (b) of this section; and

(2) for each of the 1991 and subsequent crops, 75 percent of the national average market price for sugar, refined value, for the three fiscal years immediately preceding the crop year for which the payment is made.

GENERAL PROVISIONS

SEC. 903. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(b) The Secretary shall carry out the program authorized by this Title though the Commodity Credit Corportion.

(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

(d) The Secretary shall provide for the sharing of payments made under this Title for any farm among the producers on the farm on a fair and equitable basis.

(e) The Secretary shall provide adequate safeguards to protect the interest of tenants and sharecroppers.

TITLE X—WOOL AND MOHAIR

PAYMENT PROGRAM

SEC. 1001. (a) The Secretary shall make payments available to producers of wool and mohair for each of the 1986 and subsequent marketing years which are computed by multiplying (1) the payment rate established for the marketing year by (2) the quantity of wool or mohair marketed in the marketing year.

(b) The payment rate for shorn wool for each of the 1986 and subsequent marketing years shall be the amount by which the national average market price received by producers for shorn wool during the marketing year is less than the smaller of (1) $1.65 per pound or (2) the amount determined by multiplying (A) the national average market price received by producers of shorn wool for each of the immediately preceding three marketing years, by (B) 100 percent for the 1986 marketing year, 95 percent for the 1987 marketing year, 90 percent for the 1988 marketing year, 85 percent for the 1989 marketing year, 80 percent for the 1990 marketing year, and 75 percent for the 1991 and subsequent marketing years.

(c) The payment rate for pulled wool shall be established at such level in relationship to the payment rate established for shorn wool as the Secretary determines will maintain normal marketing practices for pulled wool.

(d) The payment rate for mohair for each of the 1986 and subsequent marketing years shall be the amount by which the national average market price received by producers for mohair during the marketing year is less than the smaller of (1) $5.17 per pound, or (2) the amount determined by multiplying (A) the national average market price received by producers of mohair for each of the three marketing years immediately preceding the year for which the payment is made, by (B) 100 percent for the 1986 marketing year, 95 percent for the 1987 marketing year, 90 percent for the 1988 marketing year, 85 percent for the 1989 marketing year, 80 percent for the 1990 marketing year, and 75 percent for each of the 1991 and subsequent marketing years.

GENERAL PROVISIONS

SEC. 1002. (a) The Secretary may issue such regulations as the Secretary determines necessary to carry out the provisions of this Title.

(b) The Secretary shall carry out the program authorized by this Title through the Commodity Credit Corporation.

(c) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under this Title.

TITLE XI—FOOD ASSISTANCE RESERVE

ESTABLISHMENT OF RESERVE

SEC. 1101. The Secretary may establish a food assistance reserve of up to 500 million bushels of wheat and feed grains to be used in accordance with the provisions of this Title.

USE OF STOCKS

SEC. 1102. (a) Stocks of the reserve may be made available by the Secretary to meet urgent humanitarian needs.

(b) In connection with the use of the stocks in the reserve, the Secretary may pay for processing, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery.

MANAGEMENT OF STOCKS

Sec. 1103. (a) The Secretary, in order to establish the reserve or replenish the stocks of the reserve, may (1) acquire wheat or feed grains for the reserve through purchases from producers or in the market if the Secretary determines that such purchases will not unduly disrupt the market, and (2) designate stocks of wheat and feed grains otherwise acquired by the Commodity Credit Corporation as stocks of the reserve.

(b) The Secretary may provide for the periodic rotation of stocks of the reserve to avoid spoilage and deterioration of such stocks.

GENERAL PROVISIONS

Sec. 1104. (a) The Secretary may issue such rules and regulations as the Secretary determines necessary to carry out the provisions of this Title.

(b) The funds, facilities and authorities of the Commodity Credit Corporation shall be used by the Secretary in carrying out the provisions of this Title.

(c) Any determination by the Secretary under this Title shall be final.

TITLE XII—GENERAL PROVISIONS

PAYMENT LIMITATION

Sec. 1201. (a)(1) The total amount of payments which a person shall be entitled to receive under—

(A) one or more of the annual programs authorized by Titles II, III, IV, V, VIII, IX, and X of this Act shall not exceed $20,000 for the 1986 crops, including the 1986 marketing year for wool and mohair;

(B) one or more of the annual programs authorized by Titles II, III, IV, V, VIII, IX, and X of this Act shall not exceed $15,000 for the 1987 crops, including the 1987 marketing year for wool and mohair;

(C) one or more of the annual programs authorized by Titles II, III, IV, V, VII, VIII, IX, and X of this Act shall not exceed $10,000 for each of the 1988 and subsequent crops, including each of the 1988 and subsequent fiscal years for dairy and each of the 1988 and subsequent marketing years for wool and mohair;

(2) If the Secretary determines that the total amount of payments that will be earned by any person under the program in effect for any crop will be reduced under this subsection, any conservation use acreage requirement established under an acreage reduction program for the farm or farms on which such person will be sharing in payments earned under such program shall be adjusted to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

(b) The Secretary shall issue regulations defining the term "person" and prescribing such rules as the Secretary determines necessary to assure a fair and reasonable application of such limitations.

NONRECOURSE LOANS

SEC. 1202. (a) A producer may, at the time of application for a commodity loan under Title II, III, IV, V, VI, and VIII of this Act, designate the loan as nonrecourse up to a total outstanding principal balance for all commodities at any time of $200,000. Applicants for commodity loans under Title IX of this Act may also designate those loans as nonrecourse under terms and conditions and up to a level prescribed by the Secretary. The Secretary shall, to the extent the Secretary determines practicable, prescribe a level that is equivalent to permitting each producer of sugar beets and sugar cane to have a total outstanding principal balance for all commodities at any time of up to $200,000. In addition, the Secretary shall provide, to the extent the Secretary determines practicable, that nonrecourse loans for sugar shall be taken into account in determining the appropriate producer's outstanding nonrecourse loan principal balance for purposes of the $200,000 limit provided by this Section.

(b) In the case of nonrecourse loan, the borrower shall not be personally liable for any deficiency arising from the sale of the collateral securing the loan unless such loan was obtained through fraudulent representations by the borrower. This provision shall not, however, be construed to prevent the Commodity Credit Corporation or the Secretary from requiring borrowers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program. There is authorized to be included in the terms and conditions of any such nonrecourse loan a provision whereby on and after the maturity of the loan or any extension thereof Commodity Credit Corporation shall have the right to acquire title to the unredeemed collateral without obligation to pay for any market value which such collateral may have in excess of the loan indebtedness.

(c) In the case of nonrecourse loan the payment rate with respect to the collateral securing the loan under a payment program established by Titles II, III, IV, and VIII of this Act shall, notwithstanding the provisions of those Titles, be the lesser of (i) the payment rate which would otherwise be applicable to the commodity or (ii) the amount by which the national average market price for the commodity which is pledged as the collateral is less than the loan rate for the collateral.

MEASUREMENT OF FARMS AND REPORT OF PLANTINGS

SEC. 1203. (a) The Secretary shall provide for ascertaining, by measurement or otherwise, the acreage of any agricultural commodity or land use on farms for which the ascertainment of such acreage is necessary to determine compliance under any commodity program administered by the Secretary under this Act. Insofar as practicable, the acreage of the commodity and land use shall be ascertained prior to harvest, and, if any acreage so ascertained is not in compliance with the requirements of the program, the Secretary may provide, under such terms and conditions as may be prescribed, a reasonable time for the adjustments of

the acreage of the commodity or land use to the requirements of the program.

(b) The Secretary shall by appropriate regulations provide for the remeasurement upon request by the farm operator of the acreage planted to such commodity on the farm and for the measurement of the acreage planted to such commodity on the farm remaining after any adjustment of excess acreage hereunder and shall prescribe the conditions under which the farm operator shall be required to pay the county committee for the expense of the measurement of adjusted acreage or the expense of remeasurement after the intitial measurement or the measurement of adjusted acreage. The regulations shall also provide for the refund of any deposit or payment made for the expense of the remeasurement of the initially determined acreage or the adjusted acreage when because of an error in the determination of such acreage the remeasurement brings the acreage within permitted acreage or results in a change in acreage in excess of a reasonable variation normal to measurements of acreage of the commodity. Unless the requirements for measurement of adjusted acreage are met by the farm operator, the acreage prior to such adjustment as determined by the county committee shall be considered the acreage of the commodity on the farm in determining whether the permitted acreage has been exceeded.

RECONSTITUTION OF FARMS

SEC. 1204. For the purposes of any commodity program authorized by this Act, in any case in which the ownership of a tract of land is transferred from a parent farm, any payment quota, history acreage and base acreage for the farm shall be divided between such tract and the parent farm in the same proportion that the cropland acreage in such tract bears to the cropland acreage in the parent farm, except that the Secretary shall provide by regulation the method to be used in determining the division, if any, of the payment quota, history acreage and base acreage in any case in which—

(1) the tract of land transferred from the parent farm has been or is being transferred to any agency having the right to acquire it by eminent domain;

(2) the appropriate county committee determines that a division based on cropland proportions would result in a payment quota, history acreage and base acreage which is not representative of the operations normally carried out on any transferred tract during the base period; or

(3) the parent farm is divided among heirs in settling an estate.

ADVANCE PAYMENTS

SEC. 1205. If the Secretary determines that payments are to be made to producers under one or more of the commodity programs authorized by this Act, the Secretary is authorized to make advance payments to producers in such amounts and under such terms and conditions as the Secretary determines to be necessary.

FINALITY OF COMMODITY LOANS AND PAYMENTS

SEC. 1206. The facts constituting the basis for any loan or payment under any commodity program authorized by this Act, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary or by the Commodity Credit Corporation, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any person who is entitled to any such payment dies, becomes incompetent, or disappears before receiving such payment, or is succeeded by another who renders or completes the required performance, the payment shall, without regard to any other provision of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and as provided by regulations.

DETERMINATIONS BY SECRETARY

SEC. 1207. (a) Determination made by the Secretary under any commodity program authorized by this Act shall be final and conclusive: *Provided*, That the scope and nature of such determinations shall not be inconsistent with the provisions of the Commodity Credit Corporation Charter Act.

(b) The Secretary shall determine the rate of loans, payments, and purchases under this Act without regard to the requirements for notice and other procedures for public participation in rulemaking contained in section 553 of title 5, United States Code, or in any directive of the Secretary.

DEFINITIONS

SEC. 1208. For the purposes of this Act—

(a) "Department" means the Department of Agriculture.

(b) "Marketing year" means, with respect to the following commodities, the period beginning on the first and ending with the second date specified below:

Barley, June 1-May 31;
Corn, September 1-August 31;
Cotton, August 1-July 31;
Grain Sorghum, September 1-August 31;
Mohair, January 1-December 31;
Peanuts, August 1-July 31;
Rice, August 1-July 31;
Soybeans, September 1-August 31;
Wheat, June 1-May 31;
Wool, January 1-Decmeber 31.

(c) "Producer" means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State who produces in the United States one or more of the commodities for which a program is authorized by this Act.

(d) "Secretary" means the Secretary of Agriculture.

(e) "State" includes any Territory, the District of Columbia and Puerto Rico.

(f) "United States" means the several States and Territories, the District of Columbia and Puerto Rico.

TITLE XIII—REPEAL OF PRIOR LEGISLATION

AGRICULTURAL ADJUSTMENT ACT OF 1938

SEC. 1301. (a) Except as provided in subsection (b), the Agricultural Adjustment Act of 1938 (52 Stat. 31, as amended) is repealed effective on the date of enactment of this Act, except that—

(1) sections 301, 358(k), 358(l), 358(m), 358(n), 358(o), 358(p), 358a(i), 358a(j), 359(c), 359(f), 359(g), 359(h), 359(i), 359(j), 359(k), 359(l), 367, 368, 372, 375, 376, 386, and 388, as amended, shall be effective through the 1985 crop of peanuts; and

(2) sections 373, 374, 378, 379 and 385, as amended, shall be effective through the 1985 crops of wheat, feed grains, upland and extra long staple cotton, rice, and peanuts.

(b) Subsection (a) shall not be applicable to the following sections of the Agricultural Adjustment Act of 1938 (52 Stat. 31, as amended)—

(1) sections 201, 202, and 301(a) (1) and (2), as amended; and

(2) Title III, Subtitle B, Part 1, as amended, and sections 301, 361, 362, 363, 364, 365, 366, 367, 368, 371, 372, 374, 375, 376, 377, 378, 379, 385, 386, and 388, as amended, with respect to tobacco.

AGRICULTURAL ACT OF 1949

SEC. 1302. (a) Except as provided in subsection (b), the Agricultural Act of 1949 (63 Stat. 1051, as amended) is repealed effective on the date of enactment of this Act, except that—

(1) section 101(i), as amended, shall be effective through the 1985 crop of rice;

(2) section 103(g), as amended, shall be effective through the 1985 crop of upland cotton;

(3) section 103(h) shall be effective through the 1985 crop of extra long staple cotton;

(4) section 105B, as amended, shall be effective through the 1985 crop of feed grains;

(5) section 107B, as amended, shall be effective through the 1985 crop of wheat;

(6) section 107C shall be effective through the 1985 crops of wheat, feed grains, upland cotton, and rice;

(7) section 108A shall be effective through the 1985 crop of peanuts;

(8) section 109, as amended, shall be effective through the 1985 crops of wheat, feed grains, and upland cotton;

(9) subsections (a), (b), (c), (d), (e), (g), (h), and (i) of section 110 shall be effective through the 1985 crops of wheat and feed grains, except that the Secretary shall not, subsequent to the date of enactment of this Act, authorize the extension of any outstanding price support loans under subsection (b) of section 110;

(10) section 201, as amended, shall be effective through the 1985 crops of soybeans, honey, sugar beets, and sugar cane and shall be effective for milk through September 30, 1985; and

(11) sections 401, 402, 403, 404, 405, 406, 408, 412, as amended, shall be effective through the 1985 crops of wheat, feed grains, upland and extra long staple cotton, rice, soybeans, honey, sugar beets, sugar cane, and peanuts and shall be effective for milk through September 30, 1985.

(b) Subsection (a) shall not be applicable to the following sections of the Agricultural Act of 1949 (63 Stat. 1051, as amended)—

(1) section 416, as amended; and

(2) sections 106, 106A, 106B, 401, 402, 403, 404, 405, 406, 408, and 412, as amended, with respect to tobacco.

MISCELLANEOUS STATUTES

SEC. 1303. (a) Section 302(f) of the Agricultural Act of 1948 (62 Stat 1258) is repealed effective on the date of enactment of this Act.

(b) Sections 706 and 708 of the Food and Agriculture Act of 1965 (79 Stat. 1211, as amended) are repealed effective on the date of enactment of this Act.

(c) Sections 327 and 328 of the Food and Agriculture Act of 1962 (76 Stat. 631) are repealed effective on the date of enactment of this Act

(d) Public Law 74, 77th Congress (55 Stat. 203, as amended) is repealed effective with regard to wheat planted for harvest in the 1986 and subsequent calendar years.

(e) Section 506 of the Agriculture and Food Act of 1981 (95 Stat. 1241) is repealed effective on the date of enactment of this Act.

(f) Except with respect to tobacco, section 803 of the Agricultural Act of 1970 (84 Stat. 1381) is repealed effective on the date of enactment of this Act, except that such section shall be effective through the 1985 crops of wheat, feed grains, upland cotton, extra long staple cotton, rice, and peanuts.

(g) Public Law 660, 75th Congress (52 Stat. 762), is repealed effective on the date of enactment of this Act.

(h) Section 813 of the Agricultural Act of 1970 (87 Stat. 239, as amended) is repealed effective on the date of enactment of this Act.

(i) The Food Security Wheat Reserve Act of 1980 (Title III of the Agricultural Act of 1980, 94 Stat. 2578) is repealed effective on the date of enactment of this Act.

(j) Section 208 of the Agricultural Trade Suspension Adjustment Act of 1980 (Title II of the Agricultural Act of 1980, 94 Stat. 2573) is repealed effective on the date of enactment of this Act.

(k) Effective with respect to the 1986 and subsequent marketing years for wool and mohair—

(1) sections 701, 702, 703, 704, 705, 706, 707, and 708 of the National Wool Act of 1954 (Title VII of Public Law 83-690, 68 Stat. 910-912, as amended) are repealed; and

(2) Public Law 94-312 (90 Stat. 690) is repealed.

(l) Section 15 of the Agricultural Marketing Act (46 Stat. 18, as amended) is hereby amended as follows—

(1) by deleting subsection (d); and

(2) by redesignating current subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985

SHORT TITLE

SEC. 1401. This title may be cited as the "National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985".

FINDINGS

SEC. 1402. Section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101) is amended by—

(1) striking out paragraphs (2), (3), (5), (7), (8), (10), and (11);

(2) redesignating paragraphs (4), (6) and (9) as (2), (3), and (4) respectively; and

(3) adding paragraphs (5) and (6) to read as follows:

"(5) It is and has been the policy of the United States to support food and agricultural research, extension, and teaching in the broadest sense of these terms. The partnership between the Federal Government and the States, as consummated in legislation and cooperative agreements, and the cooperative nature of efforts to implement this policy in cooperation with the food and agricultural industry has been eminently successful.

"Cooperative research, extension, and teaching programs have provided the United States with the most productive and efficient food and agricultural system in the world. This system is the basis of our national affluence and it provides vast amounts of food and fiber to other people around the world. However, the food and agricultural system is dynamic and changing.

"The research, education, and teaching programs must be maintained and constantly adjusted to meet ever changing challenges. National support of cooperative research, extension and teaching efforts must be reaffirmed and strengthened at this time to meet major needs and challenges in the following areas:

"(A) FOOD AND AGRICULTURE SYSTEM EFFICIENCY.—The productive capacity of American agriculture is a valuable national asset. The agriculture food and fiber products have a strong competitive position in world markets. To maintain and improve the American position, it is necessary to increase our emphasis on production efficiency and profitably of the farm enterprise. Agricutural research has been production-oriented, but in today's situation a revised direction is needed. Emphasis must shift from farm production to farm profitabiltiy. Through research and education programs—leading to cost-reducing technologies, improved pest and drought resistance, new uses for agricultural products, and more efficient marketing and management approaches—farm income can be strengthened and consumers of American farm products can be assured of a continued and abundant supply of food, fiber, and forest products.

"(B) MODERN RESEARCH, METHODS, FACILITIES AND EQUIPMENT.—By taking advantage of recent breakthroughs in molecular biology, genetic engineering, and computer technology, agricultural scientists today are better able to resolve long-standing problems as well as evolving problems and situations. These developments have created a need for more sophisticated laboratory instruments and updated computers. However, a General Accounting Office study has found that many Federal laboratories are underused and underfunded. The Agricultural Research Service presently operates 115 laboratories, each performing a vital function. The Agricultural Research Service must continually evaluate its laboratories to determine if efficiencies can be improved through consolidation, upgrading of existing facilities rather than constructing new laboratories, and through increased use of university research facilities for mutually beneficial projects.

"(C) EXPANDED COOPERATIVE RELATIONSHIPS AMONG FEDERAL, UNIVERSITY AND PRIVATE PERFORMERS OF AGRICULTURAL RESEARCH.—The agricultural research system must be strengthened by building on the Federal-State partnership which has provided the scientific foundation for a highly effective and efficient American agricultural enterprise. There is a need to better enunciate the missions for Federal, university, and private performers of agricultural research and developments that are mutually supportive. Barriers which hamper the exchange of knowledge, personnel, equipment, facilities, and collaborative efforts, must be corrected, e.g., patent, personnel and anti-trust policies. In cooperation with the private sector, incentives must be provided for Federal scientists to follow through on research results which have market potential. In high technology fields, such as biotechnology, the development of cooperative research centers where public and private resources can be merged to address specific scientific issues, such as bioprocess engineering or applied microbiology, is encouraged.

"A working partnership and functional linkage must be formed among the performers in order to develop the scientific talent which is and will be required by American agriculture.

"Many agencies of the Federal government make decisions which affect agricultural research and the need exists to establish linkages between the research and regulatory functions. It is in the best interest of the farmer, rancher and consumer to improve coordination of agricultural issues within the Federal infrastructure. The Subcommittee on Food, Agricultural and Forestry Research addresses such issues. It is expected that this committee will function actively and that the Secretary of Agriculture will provide such support as may be necessary to facilitate the work of the committee.

"(D) AN ATMOSPHERE OF MUTUAL UNDERSTANDING AND TRUST AMONG FEDERAL AGENCIES, THE GENERAL PUBLIC, AND THE PRIVATE SECTOR ON REGULATORY RESPONSIBILITIES OF THE FEDERAL GOVERNMENT.—Biotechnology guidelines and regulations must be harmonized throughout the Federal government so that they may promote scientific development and protect the public. The risk assessment processes used by various Federal agencies must be standardized. There is a need to clarify and simplify the path that private sector firms must follow to meet Federal health and safety requirements. Scientists and scientific institutions need to reduce their isolation from the community at large regarding the implications of current scientific investigations.

"(E) NATURAL RESOURCES.—Improved management and conservation of soil, water, forest and range resources are vital to maintain the resource base for food, fiber, and wood production. An expanded research program in the area of soil and water conservation, and forest and range production practices is needed to develop more economical and effective management systems. Key objectives of this research are:

"(i) incorporating water and soil saving technologies into current and evolving production practices;

"(ii) developing more cost-effective and practical conservation technologies;

"(iii) managing water in stressed environments;

"(iv) protecting the quality of the Nation's surface water and groundwater resources;

"(v) establishing integrated multidisciplinary organic farming research projects including research on alternative farming systems that will identify options from which individual farmers may select the production components that are most appropriate for their individual situation;

"(vi) developing pest management systems that are more highly targeted to their beneficial consequences; and

"(vii) improving forest and range management technologies which meet demands more efficiently, better protect multi-resource options, and enhance quality of output.

"(F) PROMOTION OF THE HEALTH AND WELFARE OF PEOPLE.—The basic objectives of food and agricultural research, extension, and teaching programs are to make the maximum contribution to the health and welfare of people and the economy of the United States including the enhancement of family farms, to improve community services and institutions, to increase the quality of life in rural America, and to improve the well-being of consumers. The rapid rate of social change, economic instability, and current energy problems increase the need for expanded programs of research and extension in family financial management, housing and home energy consumption, food preparation and consumption, human development (including youth programs), and development of community services and institutions.

"(G) HUMAN NUTRITION.—The challenge to meet the food needs of the world continues, but there is an increasing need to address nutrition research and educational issues associated with diet resulting from

changing life styles and with respect to special groups such as the elderly, teenagers, infants, and pregnant women. The gap must be closed which currently exists between production agriculture and human nutrition requirements, i.e. through the development of plants and animals that more closely satisfy changing human nutrition needs.

"(H) INTERNATIONAL FOOD AND AGRICULTURE.—American agricultural production has proven its ability to produce the abundant quantities of food for an expanding world population. Not all nations of the world are as fortunate as the United States. Despite rising expectation for improved diets in the world today, there are instances of drought, civil unrest, economic crises or other conditions which preclude the local production or distribution of food. There are instances where localized problems impede the ability of farmers to produce needed food products. It is also recognized that many nations have progressive and effective agricultural research programs which produce results of interest and applicability to American agriculture. The exchange of knowledge and information between nations is essential to the well-being of all nations. A dedicated effort involving the Federal Government and the State cooperative institutions, and other colleges and universities is needed to expand international food and agricultural research, extension, and teaching programs. Improved cooperation and communications by the Department of Agriculture and the cooperators with international agricultural research centers, counterpart agencies and universities in other countries, is necessary to improve food and agricultural progress throughout the world.

"(I) COOPERATIVE EXTENSION SERVICE.—The Cooperative Extension Service is a unique achievement in American education. It is an agency for change, a catalyst for individual and group action with a history of nearly 75 years of public service. Cooperative Extension is a vast partnership made up of local residents, the State land-grant universities, the U.S. Department of Agriculture, and county governments throughout the nation. All these groups share in planning, financing, and operating Extension programs. Extension's job is education. The Service transmits practical information produced by research centers and universities to the public. Extension's aim is to help people identify and solve problems, many times through the use of new technology. Extension programs are designed to help fulfill local and State needs. Yet these programs are flexible enough to accommodate national objectives. More than 3,000 Cooperative Extension offices throughout the country form an information network that is nationally conceived, yet locally available. Extension's mission is better agriculture, better homes, better communities—in the aggregate, a better world.

"(J) THE NATIONAL ARBORETUM.—The National Arboretum is an important national resource established in 1927 as a center for research and education in the plant sciences. Since 1959, the National Arboretum has been open to the public as a display and show area for ornamental plant materials as well as still continuing as a research and education center. It is the goal of the Department of Agriculture to increase research on the breeding, selection, collection, preservation, and introduction of North American landscape plants through the National Arboretum. The Department of Agriculture will continue to develop the National Arboretum as a living museum, preserving North American plant material in gardens and collections, and using them for research and education and making this information available to the public. The Department of Agriculture will, in cooperation with the public and private sectors, utilize the Master Plan which was completed in 1984 as a guide for future development of the National Arboretum; and

"(6) Long-range planning for research, extension, and teaching is a key element in meeting the objectives of this title; accordingly, all of the elements in the food and agricultural science and education system are encouraged to expand their planning and coordination efforts.".

RESPONSIBILITIES OF THE SECRETARY AND COORDINATING ROLE OF THE DEPARTMENT OF AGRICULTURE

SEC. 1403. Section 1405 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3121) is amended by—

(1) adding "and" immediately after the semicolon in paragraph (9);

(2) striking out the semicolon and "and" at the end of paragraph (10) and inserting in lieu thereof a period; and

(3) striking out paragraph (11).

JOINT COUNCIL ON FOOD AND AGRICULTURAL SCIENCES

SEC. 1404. (a) Section 1407(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(a)) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1989".

(b) Section 1407(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3122(d)) is amended by—

(1) striking out "and by relating Federal budget development and program management to these processes" in paragraph (1); and

(2) Striking out "and specifying the levels of financial and other support needed to carry out such programs;" in subparagraph (2)(G)(i).

NATIONAL AGRICULTURAL RESEARCH AND EXTENSION USERS ADVISORY BOARD

SEC. 1405. (a) Section 1408(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(a)) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1989".

(b) Section 1408(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(b)) is amended by—

(1) striking out "twenty-five" and inserting in lieu thereof "twenty-eight";

(2) striking out "and" at the end of paragraph (10);

(3) striking out the period at the end of paragraph (11) and inserting in lieu thereof a comma; and

(4) adding at the end thereof the following new paragraphs:

"(12) one member representing State departments of agriculture,

"(13) one member representing agricultural economists, and

"(14) one member representing agricultural educational interests.".

(c) Section 1408(f) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123(f)) is amended by—

(1) striking out "and levels of funding among federally supported agricultural research and extension programs" in subparagraph (2)(E); and

(2) striking out "its appraisal of the President's proposed budget for the food and agricultural sciences for the fiscal year beginning in such year and" in subparagraph (2)(F).

SECRETARY'S REPORT

SEC. 1406. Section 1410 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3125) is amended by—

(1) adding "and" immediately after the semicolon in paragraph (2);

(2) striking out the semicolon and "and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(3) striking out paragraph (4).

PROGRAM OF COMPETITIVE, SPECIAL, AND FACILITIES GRANTS FOR AGRICULTURAL RESEARCH

SEC. 1407. Section 2 of the Act of August 4, 1965 (7 U.S.C. 450i) is amended by—

(1) striking out the third sentence in subsection (b) and inserting in lieu thereof the following: "For purposes of the preceding sentence, high priority research shall include—

"(1) research aimed at the discovery of new scientific principles and techniques that may be applicable in agriculture and forestry;

"(2) research with emphasis on biotechnology aimed at the development of improved new and innovative products, methods, and technologies which will increase productivity of agricultural and forestry resources;

"(3) research in food and human nutrition;

"(4) research in the fields of animal production and health;

"(5) research in the fields of soil and water; and

"(6) research to develop industrial uses for agricultural products.";

(2) striking out the last sentence in subsection (b) and inserting in lieu thereof the following: "There are hereby authorized to be appropriated annually for the purpose of carrying out the provisions of this subsection, such sums as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977.".

(3) adding at the end thereof a new subsection (i) to read as follows: "(i) The Federal Advisory Committee Act (5 U.S.C. App.) and title XVIII of the Food and Agriculture Act of 1977 shall not apply to panels or boards created for the purpose of reviewing applications or proposals submitted under the provisions of this section.".

GRANTS TO ESTABLISH OR EXPAND SCHOOLS OF VETERINARY MEDICINE

SEC. 1408. Section 1415(c)(1) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151(c)(1)) is amended by striking out "Four per centum" and inserting in lieu thereof "Five per centum".

AMENDMENTS TO THE RESEARCH FACILITIES ACT OF 1963

SEC. 1409. (a) Section 1 of the Act of July 22, 1963 (7 U.S.C. 390) is amended by—

(1) inserting "on a matching funds basis" after "through Federal-grant funds";

(2) inserting "and equipment" after "finance physical facilities"; and

(3) striking out "an adequate research program" and inserting in lieu thereof "agricul-

tural research and related academic programs".

(b) Section 2 of the Act of July 22, 1963 (7 U.S.C. 390a) is amended by—

(1) striking out "which are to become a part of such buildings"; and

(2) inserting "matching" after "through means of".

(c) Section 3 of the Act of July 22, 1963 (7 U.S.C. 390b) is amended by—

(1) inserting "the District of Columbia, Guam, the Virgin Islands of the United States, American Samoa and Micronesia" after "Puerto Rico" in paragraph (1); and

(2) inserting "forestry or veterinary medicine" after "to conduct agricultural" in paragraph (2).

(d) Section 4 of the Act of July 22, 1963 (7 U.S.C. 390c) is amended by—

(1) striking out all after "in section 2 of this Act," in subsection (a) and inserting in lieu thereof "such sums as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977.";

(2) striking out subsection (b); and

(3) redesignating subsection (c) as subsection (b).

(e) Section 5 of the Act of July 22, 1963 (7 U.S.C. 390d) is amended by striking out "apportioned", striking out the comma after "instrumentation" and inserting in lieu thereof a period, and striking out all that follows.

(f) Section 7 of the Act of July 22, 1963 (7 U.S.C. 390f) is amended by inserting "equipment and" after "multiple-purpose", and inserting "and related programs, including forestry and veterinary medicine" after "food and agricultural research".

(g) Section 8 of the Act of July 22, 1963 (7 U.S.C. 390g) is repealed.

(h) Section 10 of the Act of July 22, 1963 (7 U.S.C. 390i) is amended by striking out "available for allotment" and inserting in lieu thereof "made available".

(i) Section 11 of the Act of July 22, 1963 (7 U.S.C. 390j) is amended by striking out "Three per centum" and inserting in lieu thereof "Five per centum".

GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION

SEC. 1410. (a) Section 1417(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(a)) is amended by—

(1) striking out "Such grants shall be made without regard to matching funds, but each" in paragraph (2) and inserting in lieu thereof "Each"; and

(2) striking out the last sentence in paragraph (3) and inserting in lieu thereof "Each recipient institution shall have a significant commitment to the food and agricultural sciences generally and to the specific subject area for which such a grant is to be used."

(b) Section 1417(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(d)) is amended to read as follows: "(d) There are hereby authorized to be appropriated annually for the purposes of carrying out the provisions of this section such sums as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of this Act.".

STUDY

SEC. 1411. Section 1424 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174) is repealed.

HUMAN NUTRITION RESEARCH AND INFORMATION MANAGEMENT SYSTEM

SEC. 1412. Section 1427 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3177) is repealed.

INTERNATIONAL AGRICULTURAL RESEARCH AND EXTENSION

SEC. 1413. Section 1458(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291(a)) is amended by—

(1) striking out "the training" in paragraph (3) and inserting in lieu thereof "technical assistance, and the training and advising"; and

(2) inserting "through the development of highly qualified scientists with specialization in international development" in paragraph (4) after "countries".

WEATHER AND WATER ALLOCATION STUDY

SEC. 1414. Section 1460 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3302) is repealed.

ORGANIC FARMING STUDY

SEC. 1415. Section 1461 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3303) is repealed.

AGRICULTURAL RESEARCH FACILITIES STUDY

SEC. 1416. Section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3304) is repealed.

AUTHORIZATION FOR APPROPRIATIONS FOR EXISTING AND CERTAIN NEW AGRICULTURAL RESEARCH PROGRAMS

SEC. 1417. Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended to read as follows:

"SEC. 1463. (a) Notwithstanding any authorization for appropriations to enable the Agricultural Research Service to perform agricultural research, demonstration and related activities in this or any other Act, there are hereby authorized to be appropriated for such purposes not to exceed $488,000,000 for the fiscal year ending September 30, 1986, $500,000,000 for the fiscal year ending September 30, 1987, $509,000,000 for the fiscal year ending September 30, 1988, $519,000,000 for the fiscal year ending September 30, 1989, and not in excess of such sums as may after the date of enactment of this title be authorized by law for any subsequent fiscal year.

"(b) Notwithstanding any authorization for appropriations for agricultural research and related programs administered by or funded through the Cooperative State Research Service in this or any other Act, there are hereby authorized to be appropriated for such purposes not to exceed $252,000,000 for the fiscal year ending September 30, 1986, $270,000,000 for the fiscal year ending September 30, 1987, $284,000,000 for the fiscal year ending September 30, 1988, and $307,000,000 for the fiscal year ending September 30, 1989, and not in excess of such sums as may after the date of enactment of this title be authorized by law for any subsequent fiscal year.".

AUTHORIZATION FOR APPROPRIATIONS FOR EXTENSION EDUCATION

SEC. 1418. Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended to read as follows:

"SEC. 1464. Notwithstanding any authorization for appropriations for extension and related programs administered by or funded through the Extension Service in this or any other Act, there are hereby authorized to be appropriated for such purposes not to exceed $265,000,000 for the fiscal year ending September 30, 1986, $272,000,000 for the fiscal year ending September 30, 1987, $276,000,000 for the fiscal year ending September 30, 1988, and $281,000,000 for the fiscal year ending September 30, 1989.".

AUDITING, REPORTING, BOOKKEEPING, AND ADMINISTRATIVE REQUIREMENTS

SEC. 1419. Section 1469 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3315) is amended by striking out "three per centum" in paragraph (3) and inserting in lieu thereof "five per centum".

GENERAL AUTHORITY TO ENTER INTO CONTRACTS, GRANTS, AND COOPERATIVE AGREEMENTS

SEC. 1420. Section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318), is amended by—

(1) redesignating subsection (b), (c), and (d) as (c), (d) and (e); and

(2) inserting a new subsection (b) to read as follows:

"(b) Notwithstanding the provisions of chapter 63 of title 31, United States Code, the Secretary is authorized to use a cooperative agreement as the legal instrument reflecting a relationship between the Department of Agriculture and State cooperative institutions, as defined in section 1404 (16) of this Act, State departments of Agriculture, all colleges and universities, other research or education institutions and organizations, Federal and private agencies and organizations, individuals and any other party, when the Secretary determines that the objectives of the agreement will serve a mutual interest of the parties to the agreement in agricultural research, extension, and teaching activities, including statistical reporting, and that all parties will contribute resources to the accomplishment of those objectives. Notwithstanding any other provision of law, any Federal agency may participate in such cooperative agreements by contributing funds through the appropriate agency of the Department of Agriculture or otherwise when it is mutually agreed that the objectives of any such agreement will further the authorized programs of the contributing agency.".

RESTRICTION ON TREATMENT OF INDIRECT COSTS AND TUITION REMISSION

SEC. 1421. Section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318) is amended by inserting at the end thereof the following: "This prohibition on the use of funds for the reimbursement of indirect costs shall not apply to funds transferred, advanced, or reimbursed to the Department of Agriculture under the provisions of the Foreign Assistance Act of 1961, as amended. For agreements involving the use of such funds, the amount of indirect costs to be reimbursed shall be negotiated on a case-by-case basis.".

AQUACULTURE ASSISTANCE PROGRAMS

SEC. 1422. Section 1475 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended by striking out subsection (e).

AQUACULTURE ADVISORY BOARD

SEC. 1423. Section 1476 of the National Agricultural Research, Extension, and Teach-

ing Policy Act of 1977 (7 U.S.C. 3323) is repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 1424. Section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended by—

(1) striking out all after "appropriated" through the end of subsection (a) and inserting in lieu thereof "annually such sums as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of this Act;" and

(2) striking out the last sentence in subsection (b).

RANGELAND RESEARCH ADVISORY BOARD

SEC. 1425. Section 1482 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3335) is repealed.

APPROPRIATIONS

SEC. 1426. Section 1483 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336) is amended by—

(1) striking out all after "appropriated" through the end of subsection (a) and inserting in lieu thereof "annually such sums as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of this Act;" and

(2) striking out the last sentence in subsection (b).

AGRICULTURAL RESEARCH AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE INSTITUTE

SEC. 1427. Section 1432(b) of the National Agricultural Research, Extension, and Teaching Policy Act Amendment of 1981 (7 U.S.C. 3222 note) is repealed.

AUTHORITY TO AWARD GRANTS TO UPGRADE 1890 LAND-GRANT COLLEGE RESEARCH FACILITIES

SEC. 1428. (a) Section 1433(a) of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 (7 U.S.C. 3223(a)) is amended by inserting "including agricultural libraries" after "research facilities and equipment".

(b) Section 1433(b) of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 (7 U.S.C. 3223(b)) is amended by striking out all after "section" through "September 30, 1986," and inserting in lieu thereof "such sums as may be necessary for the fiscal years ending September 30, 1986, and September 30, 1987, subject to the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of this Act,".

SOYBEAN RESEARCH ADVISORY INSTITUTE

SEC. 1429. Section 1446 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 (7 U.S.C. 2281 note) is repealed.

AMENDMENT TO THE SMITH-LEVER ACT

SEC. 1430. Section 3(b) of the Act of May 8, 1914 (7 U.S.C. 343b) is amended by adding a new subsection (c) at the end thereof as follows:

"(c) Funds made available to the States under subsection 3(d) of this Act may be transferred, if so provided in an appropriation Act, to subsection 3(b)(1) of this Act and incorporated into the respective States' base. Such transferred funds shall be available for the same purpose, and subject to the same administrative limitations and distribution among the States, that prevailed when the funds were appropriated under subsection 3(d) of this Act.".

TITLE XV—RESOURCE CONSERVATION

DEFINITIONS

SEC. 1501. For purposes of this Title—

(1) "agricultural commodity" means any agricultural commodity planted and produced by annual tilling of the soil, or on an annual basis by one-trip planters;

(2) "field" means that term as defined by the Secretary, except that any highly erodible land on which an agricultural commodity is produced after the date of enactment of this Title and which is not exempt under section 1503 of this Title shall be considered as part of the field in which such land was included on such date of enactment;

(3) "highly erodible land" means land that has an excessive rate of erosion as determined by the Secretary.

PROGRAM INELIGIBILITY

SEC. 1502. Except as provided in section 1503 and notwithstanding any other provision of law, following the date of enactment of this Act any person who during any crop year produces an agricultural commodity on highly erodible land on a field on which such highly erodible land is the predominant class shall be ineligible for that crop year for—

(1) any program benefits made available through the Commodity Credit Corporation or by the Agricultural Stabilization and Conservation Service;

(2) any loan assistance made available through the Farmers Home Administration; or

(3) crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

EXEMPTIONS

SEC. 1503. (a) Section 1502 shall not be applicable to any person who, during any crop year, produces any agricultural commodity on highly erodible land on a field on which such highly erodible land is the predominant class if all the commodities provided on highly erodible land by such person during that crop year were—

(1) produced on any land that was cultivated to produce any of the 1975 through 1985 crops of agricultural commodities;

(2) planted before the date of enactment of this Act;

(3) planted during any crop year beginning before the date of enactment of this Act; or

(4) produced (A) in an area within a conservation district under a conservation system that has been approved by a conservation district after it has been determined that the conservation system is in conformity with technical standards set forth in the Soil Conservation Service technical guide for that conservation district, or (B) in an area, not within a conservation district, under a conservation system determined by the Secretary to be adequate for the production of such agricultural commodity on highly erodible land.

(b) Section 1502 shall not be applicable to any person who produces an agricultural commodity on any highly erodible land during any crop year if such land was planted in reliance on the determination by the Soil Conservation Service that such land was not highly erodible land. The exemption allowed by this subsection shall not be applicable to any crop which was planted on any land after the Soil Conservation Service determines such land to be highly erodible land.

(c) Section 1502 shall not be applicable to any loan made before the date of enactment of this Act.

REGULATIONS

SEC. 1504. The Secretary may issue such rules and regulations as the Secretary determines necessary to carry out the provisions of this Title.

TITLE XVI—AGRICULTURAL CREDIT

FARM REAL ESTATE INTEREST RATES

SEC. 1601. Section 307(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(2)) is amended by deleting from paragraph (2) the phrase "1 per centum" the first time it appears and inserting in lieu thereof the words "one and one-eighth per centum".

SALE OF NOTES ON NONRECOURSE BASIS FROM AGRICULTURAL CREDIT INSURANCE FUND

SEC. 1602. Section 309(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(d)) is amended by striking the period at the end of the second sentence and adding: ", including, but not limited to the sale on a nonrecourse basis and relieved of any statutory or regulatory provisions that might be available to a borrower if the borrower remained indebted to the Secretary.".

SALE OF NOTES ON NONRECOURSE BASIS FROM RURAL DEVELOPMENT INSURANCE FUND

SEC. 1603. Section 309A(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929a(e)) is amended by striking the period at the end of the second sentence and adding: ", including, but not limited to the sale on a nonrecourse basis and relieved of any statutory or regulatory provisions that might be available to a borrower if the borrower remained indebted to the Secretary.".

OPERATING LOAN INTEREST RATE

SEC. 1604. Section 316(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1946(a)(1) is amended by deleting from the second sentence of paragraph (1) the phrase "1 per centum" the first time it appears and inserting in lieu thereof the words "one and one-eighth per centum".

EMERGENCY LOAN INTEREST RATES

SEC. 1605. Section 324(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1924(b) is amended by—

(1) deleting the "For" at the beginning of paragraphs (1) and (2) and inserting in lieu thereof: "For disasters occurring prior to October 1, 1985, for".

(2) adding a new paragraph (3) as follows:

"(3) For disasters occurring on or after October 1, 1985, the interest rates, except for guaranteed loans, shall be as determined by the Secretary, but (A) if the applicant is not able to obtain sufficient credit elsewhere, not in excess of the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the average maturities of such loans, plus an additional charge not to exceed one and one-eighth per centum as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum, and (B) if the applicant is able to obtain sufficient credit elsewhere, not in excess of the rate prevailing in the private market for similar loans, as determined by the Secretary. The interest rate on any guaranteed loan shall be such rate as may be agreed upon by the borrower and lender, but not in excess of a rate as may be determined by the Secretary.".

CROP INSURANCE AS AFFECTING EMERGENCY LOAN ELIGIBILITY

SEC. 1606. The Consolidated Farm and Rural Development Act is amended by adding after section 330 (7 U.S.C. 1971) a new section 330A to read as follows:

"SEC. 330A. For disasters occurring on or after October 1, 1985, no applicant shall be eligible for a production loss loan under section 329, or a physical loss loan attributable to crop(s) under section 321, with respect to any crop(s) for which crop insurance was available to the applicant under the Federal Crop Insurance Act for the crop(s) damaged by the disaster nor shall such damaged crop(s) be considered in determining the per centum of loss under section 329.".

ONLY GUARANTEED FARMER PROGRAM LOANS TO BE MADE; LIMITED EXCEPTION; GUARANTEE LIMITS

SEC. 1607. The Consolidated Farm and Rural Development Act is amended by adding after section 346 (7 U.S.C. 1994) a new section 346A to read as follows:

"SEC. 346A. Notwithstanding the provisions of any other law, for fiscal years beginning with 1986: (1) no insured farm real estate, operating, or disaster emergency loans shall be made from the Agricultural Credit Insurance Fund, except that through fiscal year 1990, loans for annual farm operating purposes may continue to be made in such amounts as may be provided in appropriation Acts to existing borrowers who on the date of enactment of this section have outstanding loan(s) under subtitle B of this title which were made for annual farm operating purposes; and, (2) for guaranteed loans of the types described in (1) above, no guarantee shall exceed 75 per centum of any loss sustained on the principal and interest of such loan except in the Secretary's discretion, under such regulations as the Secretary may promulgate, the guarantee may be increased not to exceed 90 per centum of any loss sustained on the principal and interest for appropriate hardship cases.".

TITLE XVII—MISCELLANEOUS

FAMILY FARM

SEC. 1701. Section 102(b) of the Food and Agriculture Act of 1977 (7 U.S.C. 2266(b)) is amended to read as follows:

"(b) In order that Congress may be better informed regarding the status of the family farm system of agriculture in the United States, the Secretary of Agriculture shall submit to Congress by September 1, 1986, and every other year thereafter a written report containing current information on trends in family farm operations and comprehensive national and State-by-State data on nonfamily farm operations in the United States. The Secretary shall include in each report (1) information on how existing agricultural and agriculture-related programs are being administered to enhance and strengthen the family farm system of agriculture in the United States, (2) an assessment of how Federal laws affect the growth of nonfamily farm operations and investment in agriculture by nonfamily farm interest, both foreign and domestic, and (3) other information that the Secretary deems appropriate or determines would aid Congress in protecting, preserving, and strengthening the family system of agriculture in the United States.".

USER FEES FOR REPORTS, PUBLICATIONS AND SOFTWARE

SEC. 1702. Section 1121 of the Agriculture and Food Act of 1981 (7 U.S.C. 2242a) is amended to read as follows:

"The Secretary of Agriculture may furnish upon request copies of software programs, pamphlets, reports, or other publications, regardless of their form, including electronic publications, prepared in the Department of Agriculture in carrying out any of its missions or programs, and charge such fees therefor as the Secretary may determine to be reasonable: *Provided*, That the imposition of such charges shall be consistent with the provisions of 31 U.S.C. 9701: *Provided further*, That all monies received in payment for work or services performed or for software programs, pamphlets, reports, or other publications provided shall be available until expended to pay directly the costs of such work, services, software programs, pamphlets, reports, or publications, and such monies may be credited to appropriations or funds that incur such costs.".

COMMODITY CREDIT CORPORATION REIMBURSEMENT

SEC. 1703. Section 2 of Public Law 87-155, is amended to read as follows:

"SEC. 2. Commencing with the fiscal year beginning October 1, 1985, there is hereby appropriated, out of any money not otherwise appropriated, an amount sufficient to reimburse Commodity Credit Corporation for net realized losses sustained or anticipated as reported by the President to Congress from time to time.".

TITLE XVIII—EFFECTIVE DATE

SEC. 1801. Except as otherwise provided herein, the provisions of this Act shall become effective on enactment.

SUMMARY OF THE AGRICULTURAL ADJUSTMENT ACT OF 1985

In 1985, the law that currently governs the agricultural commodity programs will expire, as will the authorities for agricultural research and associated programs and foreign food aid programs. If no new legislation is enacted this year, the research and food aid programs will cease to operate after 1985. Price and income support programs for agricultural producers, however, will be governed by non-expiring "permanent" legislation that was enacted in the 1930's and 1940's.

The Agricultural Adjustment Act of 1985 (AAA of 1985) is designed to chart a new course for agriculture—a path is market-oriented yet provides a compassionate transition period until the sector makes the necessary adjustments. It provides a more long-term, consistent agricultural policy that ebbs and flows with the market and allows adjustments to occur because the farmer can respond to the marketplace rather than to government program provisions. The AAA of 1985 also permits the U.S. farmer to challenge his competitors in world markets rather than aiding and abeting them by accepting a disproportionate share of the adjustments to world market developments. It also addresses the difficult and important issues such as soil and water erosion and agricultural credit in a direct but reasonable manner.

BASIC OBJECTIVES OF THE AAA OF 1985

In developing the Agricultural Adjustment Act of 1985, the Administration has been guided by the need to achieve certain objectives in any legislation. If these objectives can be met the U.S. agricultural sector will continue to be the most efficient, productive and competitive industry in this country and, indeed, in the world.

Long Term Agricultural Policy: The AAA of 1985 focuses on creating a policy environment that will be relatively stable and predictable, so that farmers can make realistic investment and production decisions. This contrasts with the current environment, in which agricultural policy responds to short-term problems without providing any effective long-term solutions.

Market Orientation: Price and income support levels in the AAA will be tied to a moving average of past market prices. Farmers will then have an opportunity to respond to market signals, rather than producing in response to the artificial support rates set by Government programs.

Enhance U.S. Competitiveness: In recent years, the world recession, the high value of the dollar and problems of debtor nations have made it very difficult for U.S. agricultural commodities to compete in the international marketplace. The rigid and high levels of U.S. price and income supports have aggravated this problem. The Administration's proposed Farm Bill will allow U.S. producers, who are extremely efficient, to better compete in world markets rather than withdrawing from the market as a result of inflexible price supports and increasing acreage reduction programs.

Orderly Transition: The bill provides for a five-year transition period from current programs to more market-oriented programs. This will allow farmers to assess their operations and decide how to manage their resources most effectively in the new environment.

Equity and Consistency: Under current legislation, the program for each agricultural commodity bears little relationship to the others. The Administration's proposal would put producers on an equal footing by providing the same relative level of income and price support after the five-year transition period. In addition, the legislation integrates the objectives of the commodity programs with other agricultural programs and policies.

Budget Restraint: In a time of large budget deficits, high interest rates, and a strong dollar, it is imperative that we exercise fiscal retraint and remove the entitlement nature of agricultural programs and policies. This legislation recognizes the need to impose finite cost control over our farm programs. The AAA is estimated to cost less than half as much as a continuation of current programs over the FY 1987-91 period.

MAJOR PROVISIONS OF AGRICULTURAL ADJUSTMENT ACT OF 1985

Domestic commodity programs

For wheat, feedgrains, cotton and rice, producers will continue to be eligible for government loans and income supports through the use of target prices which provide deficiency payments to producers. The loan level would be set each year at 75 percent of the previous three-year average of market prices. Target prices would be set at 100 percent of this same price average in 1986; the percentage would then decline each year until it reaches 75 percent for the 1991 and succeeding crops.

To be eligible for loans and deficiency payments, producers would be required to participate in voluntary acreage reduction programs in 1986, 1987, and 1988. For the 1989 and succeeding crops, authority for acreage reduction and other supply control programs would be eliminated.

A portion of CCC inventories of wheat and feed grains would be maintained to meet domestic and international humanitarian needs. Authority for the farmer-owned reserve currently in place would cease, as

would the authorities for several special purpose emergency reserves now operated by the Government.

The soybean program would continue to rely solely on loans, but the loan rate would be determined in the same manner as for wheat, feed grains, cotton and rice. No acreage reduction program would be available for soybeans.

The current dairy purchase program would continue to operate in fiscal years 1986 and 1987, with the support price geared to expected Government purchases. Then, beginning in fiscal year 1988, the program would be converted to a direct payment program with the target price calculated as a declining percentage of the market prices for the preceding three years, in the same manner as the other commodities.

Peanuts are currently produced under a restrictive quota system that guarantees a high price for peanuts produced for domestic edible use, and a much lower price for non-quota peanuts that are exported or crushed for oil. The Administration's proposal would phase out this system. Loan rates would be set at 75 percent of the three-year average price and would be available to all producers. Those who have quotas would receive a direct payment based on a declining percentage of the market prices for the preceding three years.

Beginning with the 1986 crop year, sugar producers would be eligible for direct payments while processors would continue to be eligible for price support loans.

Loans and direct payments made to producers under this legislation will be targeted to medium and small-sized farms. Beginning in 1986, loans made on all program commodities will be nonrecourse up to a crop year limit of $200,000 per producer. This means that the commodities may be signed over to the government in full satisfaction of a producer's loan obligation. Amounts above $200,000, however, would be recourse loans. A producer would be required to repay the full value of the loan plus interest, just as he would for any commercial transaction.

All direct payments made for commodities covered by this bill will be limited to $20,000 per person in 1986, $15,000 per person in 1987, and $10,000 per person in 1988 and succeeding years.

Agricultural trade and export expansion

A major component of the AAA of 1985 is the establishment of a formal and explicit agricultural trade policy which is consistent with our domestic agricultural policy. The major provisions provide a commitment on the part of the U.S. Government to promote open access in world markets for U.S. agricultural exports. The provisions firmly establish the U.S. as a reliable supplier of agricultural commodities by continuing the elimination of the use of agricultural embargoes on a selective basis and by guaranteeing sanctity of export contracts.

Additionally, the provisions seek expanded trade by negotiating with our key trading partners to implement programs which reduce restrictive trade practices. The Secretary of Agriculture and the U.S. Trade Representatives are to report to Congress on the extent and impact of trade barriers on agricultural exports. In the event that negotiations to remove or reduce barriers, including export subsidies, are not progressing satisfactorily, the Secretary of Agriculture and the U.S. Trade Representative are to submit a report recommending what actions will be taken to offset the effects of such barriers.

Export expansion programs are continued with the GSM-102 Export Credit Guarantee program set at a level consistent with the credit needs of countries which are importing U.S. agricultural products and meet creditworthiness requirements. The P.L. 480 foreign food aid programs are reauthorized.

Agricultural research, teaching and extension

The major change proposed is a greater emphasis in research and extension on increasing the efficiency and profitability of the farm enterprise rather than just its productivity. The current research system is efficient and flexible enough to meet anticipated needs, as witnessed by the emerging use of biotechnology.

Resource conservation

The resource conservation portion of the Farm Bill contains strong "sodbuster" provisions. Under these provisions any operator who begins tilling erodible soils that had not been in production for the past 10 years would be ineligible to obtain any Federal farm program benefits. The only exception would be for producers who follow a plan approved by the local conservation district.

Agricultural credit

The AAA of 1985 shifts all Farmers Home Administration (FmHA) loans for new borrowers from direct to guaranteed lending beginning in fiscal year 1986. It further provides for a phasing out of existing direct operating loans by fiscal year 1990. In addition, the multi-peril all risk crop insurance is substituted for the FmHA emergency lending program.

AGRICULTURAL ADJUSTMENT ACT OF 1985—SECTION-BY-SECTION ANALYSIS

TITLE I—AGRICULTURAL TRADE AND EXPORT EXPANSION

Statement of policy

Section 101 provides that it is the policy of the United States (1) to promote free trade in agriculture through negotiations with key United States trading partners to remove agricultural trade restrictions, and (2) as part of that policy, remove U.S. restrictions on agricultural imports as part of a program of mutual opening by other major agricultural trading nations of their agricultural markets.

Restrictions on the exportation of agricultural goods

Section 102 provides that it is the policy of the United States to encourage the export of agricultural commodities and products and not to restrict the exportation of such commodities and products except under the most compelling conditions. Safeguards and limitations on restrictive actions are provided by section 812 of the Agricultural Act of 1970, section 1002 of the Food and Agriculture Act of 1977, and section 1204 of the Agriculture and Food Act of 1981.

Trade negotiations

Section 103 makes two substantive amendments to the Trade Act of 1974. First, it amends section 181 of that Act, as added by section 303 of the Trade and Tariff Act of 1984, to require the United States Trade Representative to furnish a separate version of the report required under section 181 to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition and Forestry of the Senate. This version would consist of the analysis for agricultural trade. Second, this section would add a new section 182 to the Trade Act of 1974 requiring the United States Trade Representative, together with the Secretary of Agriculture, to seek to eliminate the major barriers and distortions for United States agricultural exports. If negotiations with other countries are not proceeding satisfactorily by July 1, 1986, the United States Trade Representative and the Secretary must submit a report to Congress indicating what actions they will take to offset the effects of those barriers or distortions and what actions they will take to secure adequate progress in the negotiations. The new section 182 would also require the President to recommend a plan to Congress to phase out the United States' major barriers to agricultural imports by September 30, 1990, if other major agricultural trading countries agree to take comparable action.

Export promotion program

Section 104 directs the Commodity Credit Corporation to take into account potential purchasers' credit needs and creditworthiness and the extent to which guarantees would be effective in improving the competitive position of United States agricultural exports in world markets, whenever the Commodity Credit Corporation makes available guarantees of credit extended on terms of up to 3 years for export credit sales of United States agricultural commodities or their products. Currently, the Commodity Credit Corporation makes such guarantees available under its Export Credit Guarantee Program (GSM-102) (7 CFR Part 1493).

Public Law 480 amendments

Section 105 amends section 409 of Public Law 480 to extend through September 30, 2000, the authority to finance sales under Title I and to enter into programs of assistance under Title II of Public Law 480.

Market development

Section 106(a) recognizes the vital importance to the economic well-being of the Nation of effective efforts to develop foreign markets for United States agricultural commodities and directs the Secretary of Agriculture to continue to assist producers, processors, distributors, and exporters to maintain and to expand foreign markets for United States agricultural commodities. That assistance could include a continuation of the program of "cooperator agreements" between the Department of Agriculture and nonprofit agricultural trade organizations.

Section 106(b) requires the Secretary of Agriculture to conduct a study of the Department's current foreign market development activities and to submit a report thereon to Congress within one year from the date of enactment of this Act.

TITLE II—WHEAT

Loan program

Section 201(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of wheat who pledge their production as security for the loan.

Section 201(b) provides that the loans will be made available at the basic loan rate for each class of each crop of wheat pledged as security for the loan adjusted to reflect for differences in quality and location. The basic loan rate for each class of each crop of wheat is equal to 75 percent of the national average market price received by producers for that class during the marketing years for the three immediately preceding crops of wheat as determined by the Secretary.

Section 201(c) provides that a loan shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

Payment program

Section 202(a) provides that the Secretary shall make payments available to producers of each class of each of the 1986 and subsequent crops of wheat. The payments are to be computed by mutiplying (1) the payment rate established for each class of the crop by (2) the acreage planted to each class of the crop on a farm by (3) the farm's payment yield for the crop.

Section 202(b) provides that the payment rate for each class of each crop of wheat is the amount by which the national average market price received by producers of that class of wheat during the marketing year for that crop is less than (1) the national average market price received by producers of that class for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

Section 202(c) provides that a farm's payment yield for each crop of wheat shall be based upon the actual yields per harvested acre on the farm for the immediately three preceding crops of wheat. The actual yields shall be adjusted by the Secretary for abnormal yields in any year resulting from a natural disaster or other conditions beyond the control of producers. If any of the three preceding crops of wheat was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

Acreage reduction program

Section 203(a) provides that the Secretary shall establish an acreage reduction program for each of the 1986, 1987, and 1988 crops of wheat. Under the program, the acreage of wheat planted for harvest on any farm is limited to the farm acreage base established for wheat for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces wheat in excess of the permitted wheat acreage for the farm shall be ineligible for loans and payments with respect to that farm for that crop of wheat. The farm acreage base for any crop of wheat shall be the average acreage of wheat planted for harvest on the farm in the three crop years immediately preceding the year prior to the year for which the determination is made. The farm acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

Section 203(b) provides that, when an acreage reduction program is in effect, producers shall devote a specified number of acres on the farm to conservation uses. The number of acres on the farm required to be devoted to conservation uses is determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of wheat times the number of acres actually planted to wheat, by (2) the number of acres of wheat authorized to be planted to wheat under the acreage limitation in effect for the crop. In determining the amount of land which is required to be devoted to conservation uses under an acreage reduction program involving land that has been farmed using summer fallow practices, the Secretary is required to consider the effects of soil erosion and other appropriate factors.

Section 203(c) provides that a producer on a farm who wishes to participate in the acreage reduction program must enter into an agreement with the Secretary for such participation not later than a date prescribed by the Secretary. The Secretary may terminate or modify the agreement by mutual agreement with the producers on the farm if the Secretary determines that such action is necessary as a result of an emergency created by a disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

General provisions

Section 204(a) provides that if the failure of a producer to comply fully with the terms and conditions of the wheat program precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. In addition, the Secretary may authorize State and county Agricultural Stabilization and Conservation committees to waive or modify deadlines and other program requirements where the failure or lateness does not affect adversely the operation of the program.

Section 204(b) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the wheat program.

Section 204(c) provides for carrying out the wheat program through the Commodity Credit Corporation.

Section 204(d) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under the wheat program.

Section 204(e) requires that the Secretary provide for the sharing of payments made under the wheat program for any farm among the producers on the farm on a fair and equitable basis.

Section 204(f) requires that the Secretary provide adequate safeguards to protect the interests of tenants and sharecroppers.

TITLE III—FEED GRAINS

Loan program

Section 301(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of corn, grain sorghum, and barley who pledge their production as security for the loan.

Section 301(b) provides that the loans will be made available at the basic loan rate for each crop of corn, grain sorghum, and barley pledged as security for the loan adjusted to reflect differences in quality and location. The basic loan rate for each crop of corn, grain sorghum, and barley is equal to 75 percent of the national average market price received by producers for the commodity during the marketing years for the three immediately preceding crops of the commodity as determined by the Secretary.

Section 301(c) provides that a loan shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

Payment program

Section 302(a) provides that the Secretary shall make payments available to producers of each of the 1986 and subsequent crops of corn, grain sorghum, and barley. The payments are to be computed by multiplying (1) the payment rate established for each crop of the commodity by (2) the acreage planted to the crop of the commodity on a farm by (3) the farm's payment yield for each crop of the commodity.

Section 302(b) provides that the payment rate for each crop of corn, grain sorghum, and barley is the amount by which the national average market price received by producers for such crop during the marketing year for that commodity is less than (1) the national average market price received by producers for the commodity for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

Section 302(c) provides that a farm's payment yield for each crop of the commodity shall be based upon the actual yields per harvested acre on the farm for the immediately three preceding crops of the commodity. The actual yields in any year resulting from natural disasters or other conditions beyond the control of producers. If any of the three preceding crops of the commodity was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factor as the Secretary determines will produce a fair and equitable yield.

Acreage reduction program

Section 303(a) provides that the Secretary shall establish an acreage reduction program for each of the 1986, 1987, and 1988 crops of corn, grain sorghum, and barley. Under the program, the acreage of each of the commodities planted for harvest on any farm is limited to the farm acreage base established for the commodity for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces the commodity in excess of the permitted acreage for that commodity for a farm shall be ineligible for loans and payments with respect to that farm for that crop of that commodity. The farm acreage base for any crop of the commodity shall be the average of the commodity planted for harvest on the farm in the three crop years immediately preceding the year prior to the year for which the determination is made. The farm acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

Section 303(b) provides that, when an acreage reduction program is in effect, producers shall devote a specified number of acres on the farm to conservation uses. The number of acres on the farm required to be devoted to conservation uses is determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of the commodity times the number of acres planted to the commodity, by (2) the number of acres of the commodity authorized to be planted to the commodity under the acreage limitation in effect for the crop.

Section 303(c) provides that a producer on a farm who wishes to participate in the acreage reduction program must enter into

an agreement with the Secretary for such participation not later than a date prescribed by the Secretary. The Secretary may terminate or modify the agreement by mutual agreement with the producers on the farm if the Secretary determines that such action is necessary because of an emergency created by a disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

General provisions

Section 304(a) provides that if the failure of a producer to comply fully with the terms and conditions of the feed grain program precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. In addition, the Secretary may authorize State and county Agricultural Stabilization and Conservation committees to waive or modify deadlines and other program requirements where the failure or lateness does not effect adversely the operation of the program.

Section 304(b) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the feed grain program.

Section 304(c) provides for carrying out the feed grain program through the Commodity Credit Corporation.

Section 304(d) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Act (relating to assignment of payments) shall apply to payments made under the feed grain program.

Section 304(e) requires that the Secretary provide for the sharing of payments made under the feed grain program for any farm among the producers on the farm on a fair and equitable basis.

Section 304(f) requires that the Secretary provides adequate safeguards to protect the interests of tenants and sharecroppers.

TITLE IV—COTTON

Loan program

Section 401(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of upland cotton and extra long staple cotton who pledge their production as security for the loan.

Section 401(b) provides that the loans will be made available at the basic loan rate for each crop of upland cotton and extra long staple cotton pledged as security for the loan adjusted to reflect differences in grade, staple, micronaire, and other factors. The basic loan rate for each crop of the commodity is equal to 75 percent of the national average market price received by producers for the commodity during the marketing years for the three immediately preceding crops of the commodity as determined by the Secretary.

Section 401(c) provides that a loan shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

Payment program

Section 402(a) provides that the Secretary shall make payments available to producers of each of the 1986 and subsequent crops of upland cotton and extra long staple cotton. The payments are to be computed by multiplying (1) the payment rate established for the crop of the commodity by (2) the acreage planted to the crop of the commodity on a farm by (3) the farm's payment yield for each crop of the commodity.

Section 402(b) provides that the payment rate for each crop of upland cotton and extra long staple cotton is the amount by which the national average market price received by producers of each crop of the commodity during the marketing year for that commodity is less than (1) the national average market price received by producers for the commodity for each of the three marketing years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

Section 402(c) provides that a farm's payment yield for each crop of the commodity shall be based upon the actual yields per harvested acre on the farm for the immediately three preceding crops of the commodity. The actual yields shall be adjusted by the Secretary for abnormal yields in any year resulting from natural disasters or other conditions beyond the control of producers. If any of the three immediately preceding crops of the commodity was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

Acreage reduction programs

Section 403(a) provides that the Secretary shall establish an acreage reduction program for each of the 1986, 1987, and 1988 crops of upland cotton and extra long staple cotton. Under the program, the acreage of the commodity planted for harvest on any farm is limited to the acreage base established for the commodity for the farm reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces the commodity in excess of the permitted acreage for a crop of the commodity for a farm shall be ineligible for loans and payments with respect to that farm for that crop of the commodity. The farm acreage base for any crop of the commodity shall be the average acreage of the commodity planted for harvest on the farm in the three crop years immediately preceding the year prior to the year for which the determination is made. The farm acreage base may be adjusted to reflect established crop rotation practices to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

Section 403(b) provides that, when an acreage reduction program is in effect, producers shall devote a specified number of acres on the farm to conservation uses. The number of acres on the farm required to be devoted to conservation uses is determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of the commodity times the number of acres actually planted to the commodity, by (2) the number of acres of the commodity authorized to be planted to the commodity under the acreage limitation in effect for the crop.

Section 403(c) provides that a producer on a farm who wishes to participate in the acreage reduction program must enter into an agreement with the Secretary for such participation not later than a date prescribed by the Secretary. The Secretary may terminate or modify the agreement by mutual agreement with the producers on the farm if the Secretary determines that such action is necessary as a result of an emergency created by a disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

General provisions

Section 404(a) provides that if the failure of a producer to comply fully with the terms and conditions of the cotton program precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. In addition, the Secretary may authorize State and county Agricultural Stabilization and Conservation committees to waive or modify deadlines and other program requirements where the failure or lateness does not affect adversely the operation of the program.

Section 404(b) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the cotton program.

Section 404(c) provides for carrying out the cotton program through the Commodity Credit Corporation.

Section 404(d) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments made under the cotton program.

Section 404(e) requires that the Secretary provide for the sharing of payments made under the cotton program for any farm among the producers on the farm on a fair and equitable basis.

Section 404(f) requires that the Secretary provide adequate safeguards to protect the interests of tenants and sharecroppers.

Section 404(g) provides for a definition of extra long staple cotton.

TITLE V—RICE

Loan program

Section 501(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of rice who pledge their production as security for the loan.

Section 501(b) provides that the loans will be made available at the basic loan rate for each type of each crop of rice pledged as security for the loan adjusted to reflect differences in quality, location, and other factors. The basic loan rate for each type of each crop of rice is equal to 75 percent of the national average market price received by producers for that type of rice during the marketing years for the three immediately preceding crops of rice as determined by the Secretary.

Section 501(c) provides that a loan shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

Payment program

Section 502(a) provides that the Secretary shall make payments available to producers of each of the 1986 and subsequent crops of each type of rice. The payments are to be computed by multiplying (1) the payment rate established for each type of the crop by (2) the acreage planted to each type of the crop of rice on a farm by (3) the farm's payment yield for the crop.

Section 502(b) provides that the payment rate for each type of each crop of rice is the amount by which the national average market price received by producers of that crop of rice during the marketing year for that crop is less than (1) the national average market price received by producers of that type of rice for each of the three mar-

keting years immediately preceding the year for which the payment is made, multiplied by (2) 100 percent for the 1986 crop, 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

Section 502(c) provides that a farm's payment yield for each crop of rice shall be based upon the actual yields per harvested acre on the farm for the immediately three preceding crops of rice. The actual yields shall be adjusted by the Secretary for abnormal yields in any year resulting from natural disasters or other conditions beyond the control of producers. If any of the three immediately preceding crops of rice was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

Acreage reduction program

Section 503(a) provides that the Secretary shall establish an acreage reduction program for each of the 1986, 1987, and 1988 crops of rice. Under the program, the acreage of rice planted for harvest on any farm is limited to the farm acreage base reduced by 15 percent for the 1986 crop, 10 percent for the 1987 crop, and 5 percent for the 1988 crop. A producer who produces rice in excess of the permitted rice acreage for a farm for a crop shall be ineligible for loans and payments with respect to that farm for that crop of rice. The farm acreage base for any crop of rice shall be the average acreage planted on the farm to rice for harvest in the three crop years immediately preceding the year prior to the year for which the determination is made. The farm acreage base may be adjusted to reflect established crop rotation practices and to reflect such other factors as the Secretary determines should be considered in determining a fair and equitable base.

Section 503(b) provides that when an acreage reduction program is in effect, producers shall devote a specified number of acres on the farm to conservation uses. The number of acres on the farm required to be devoted to conservation uses is determined by dividing (1) the product obtained by multiplying the number of acres required to be withdrawn from the production of rice times the number of acres actually planted to rice, by (2) the number of acres of rice authorized to be planted to rice under the acreage limitation in effect for the crop.

Section 503(c) provides that a producer on a farm who wishes to participate in the acreage reduction program must enter into an agreement with the Secretary for such participation not later than a date prescribed by the Secretary. The Secretary may terminate or modify the agreement by mutual agreement with the producers on the farm if the Secretary determines that such action is necessary as a result of an emergency created by a disaster or to prevent or alleviate a shortage in the supply of agricultural commodities.

General provisions

Section 504(a) provides that if the failure of a producer to comply fully with the terms and conditions of the rice program precludes the making of loans and payments, the Secretary may, nevertheless, make such loans and payments in such amounts as the Secretary determines to be equitable in relation to the seriousness of the failure. In addition, the Secretary may authorize State and county Agricultural Stabilization and Conservation committees to waive or modify deadlines and other program requirements where the lateness or failure does not affect adversely the operation of the program.

Section 504(b) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the rice program.

Section 504(c) provides for carrying out the rice program through the Commodity Credit Corporation.

Section 504(d) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments which are made under the rice program.

Section 504(e) requires that the Secretary provide for the sharing of payments made under the rice program for any farm among the producers on the farm on a fair and equitable basis.

Section 504(f) requires that the Secretary provide adequate safeguards to protect the interests of tenants and sharecroppers.

TITLE VI—SOYBEANS

Loan program

Section 601(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of soybeans who pledge their production as security for the loan.

Section 601(b) provides that the loans will be made available at the basic loan rate for each crop of soybeans pledged as security for the loan adjusted to reflect differences in grade, quality, and location. The basic loan rate for each crop of soybeans is equal to 75 percent of the national average market price received by producers for the commodity during the marketing years for the three immediately preceding crops of soybeans as determined by the Secretary.

Section 601(c) provides that a loan shall be repaid, together with accrued interest, within nine months after the month in which the loan application is made.

General Provisions

Section 602(a) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the soybean program.

Section 602(b) provides for carrying out the soybean program through the Commodity Credit Corporation.

TITLE VII—DAIRY

Price support program

Section 701(a) requires that, except as provided in section 701(b), the Secretary shall make price support available for the period beginning October 1, 1985 and ending September 30, 1987 to producers of milk through the purchase of milk and milk products at a level of $11.60 per hundredweight for milk containing 3.67 percent milkfat.

Section 701(b)(1) provides that, if the Secretary estimates on April 1, 1986, that net price support purchases of milk or the products of milk for the twelve-month period beginning on that date will exceed 5 billion pounds milk equivalent, the level of price support in effect on that date shall be reduced by 50 cents per hundredweight.

Section 701(b)(2) provides that, if the Secretary estimates on January 1, 1987, that for the nine-month period beginning on that date net price support purchases of milk or the products of milk will be at a level which exceeds an annual rate of 5 billion pounds milk equivalent, the level of price support in effect on that date shall be reduced by 50 cents per hundredweight.

Payment program

Section 702(a) provides that the Secretary shall make payments available to producers of milk for each of the fiscal years after 1987 in an amount computed by multiplying the payment rate for the fiscal year by the quantity of milk marketed as milk or milk products by a producer during the fiscal year.

Section 702(b) provides that the payment rate for the 1988 fiscal year shall be the amount by which the national average market price received by producers for all milk for fiscal year 1988 is less than the smaller of (i) the national average market price received by producers for all milk for fiscal year 1987 or (ii) 90 percent of the national average market price received by producers for all milk for the three fiscal years immediately preceding the 1988 fiscal year. Section 702(b) provides further that the payment rate for each of the 1989 fiscal year and subsequent fiscal years shall be the amount by which the national average market price received by producers for all milk in each such fiscal year is less than (i) the amount computed by multiplying the national average market price received by producers for all milk for the immediately preceding three fiscal years by (ii) 85 percent for fiscal year 1989, 80 percent for fiscal year 1990, and 75 percent for fiscal year 1991 and all subsequent fiscal years.

Section 702(c) specifies that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments which are made under the dairy program.

Section 702(d) requires that the Secretary provides for the sharing of payments made under the dairy program for any farm among the producers on the farm on a fair and equitable basis.

General provisions

Section 703(a) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the dairy program.

Section 703(b) provides for carrying out the dairy program through the Commodity Credit Corporation.

Task force

Section 704(a) provides that the Secretary shall appoint a task force consisting of ten individuals which shall (A) study the need for federal milk marketing orders administered by the Secretary under the Agricultural Marketing Act of 1937 and the degree to which such orders serve public objectives; (B) assess the impact of existing federal milk marketing orders on producers and other parties; (C) identify, describe, and evaluate feasible alternatives to the existing milk marketing order program which evaluation is required to include an analysis of the costs and benefits of the commercial reconstitution of milk for fluid use; and (4) prepare, by September 30, 1990, a report of the task force's findings and recommendations, if any, for regulatory and legislative changes in the milk marketing order program.

Section 704(b) specifies that of the ten members on the task force, three shall be milk producers, three shall be processors of milk or represent milk processors, two shall be agricultural economists from land grant universities, and two shall be representatives of consumers organizations. Section

704(b) provides further with respect to the three individuals on the task force who are or represent milk processors, that two of the three individuals shall be representatives of cooperative organizations engaged in the processing of milk and the other individual shall be an independent processor of milk, or a representative of an organization which represents individual processors of milk.

Federal milk marketing orders

Section 705 extends, for four years, through December 31, 1989, the authority for seasonal incentive plans, otherwise known as seasonal base-excess and "Louisville" plans, in federal milk marketing orders.

TITLE VIII—PEANUTS

Loan program

Section 801(a) provides that the Secretary shall make loans available to producers of each of the 1986 and subsequent crops of peanuts who pledge their production as security for the loan.

Section 801(b) provides that the loans will be made available at the basic loan rate for each crop of peanuts pledged as security for the loan adjusted to reflect differences in quality, type and location. The basic loan rate for each crop of peanuts is equal to the smaller of (1) 75 percent of the national average market price received by producers during the marketing years for the three immediately preceding crops of peanuts as determined by the Secretary or (2) $250 per ton.

Section 801(c) provides that the loans shall be repaid, together with accrued interest, within a period of nine months after the month in which the loan application is made.

Payment program

Section 802(a) provides that the Secretary shall make payments available to producers of each of the 1986 and subsequent crops of peanuts.

Section 802(b) provides that the amount of any payments are to be computed by multiplying (1) the quantity of eligible peanuts of each crop by (2) the payment rate established for each crop.

Section 802(c) provides that, for each of the 1986 through 1990 crops, the total quantity of peanuts for which producers on the farm may receive payments shall be the smaller of (1) the total quantity computed by multiplying the acreage planted to the crop on a farm by the farm's payment yield for the crop or (2) the farm's payment quota. The farm's payment quota is the basic farm poundage quota which was allocated to the farm for the 1985 crop year, disregarding any temporary adjustments for that crop year, adjusted to take into account any permanent or temporary transfers of a payment quota made to or from the farm in accordance with section 803. For each of the 1991 and subsequent crops of peanuts, a producer is eligible for payments on the quantity computed by multiplying (1) the acreage planted to the crop on a farm by (2) the farm's payment yield for the crop.

Section 802(d) provides that the payment rate for the 1986 crop of peanuts is the amount by which the national average price received by producers during the marketing year for that crop is less than $550 per ton. The payment rate for each of the 1987 and subsequent crops of peanuts is the amount by which the national average market price received by producers during the marketing year for the crop is less than (1) the national average market price received by producers for peanuts for each of the three marketing years immediately preceding the year for which the payment is made multiplied by (2) 95 percent for the 1987 crop, 90 percent for the 1988 crop, 85 percent for the 1989 crop, 80 percent for the 1990 crop, and 75 percent for each of the 1991 and subsequent crops.

Section 802(e) provides that the farm's payment yield for each crop of peanuts shall be based upon the actual yields per harvested acre on the farm for the immediately three preceding crop of peanuts. The actual yields shall be adjusted by the Secretary for abnormal yields in any year resulting from a natural disaster or other condition beyond the control of producers. If any of the three preceding crops of peanuts was not produced on the farm, the farm's payment yield shall be determined taking into consideration the yields of comparable farms in the surrounding area and such other factors as the Secretary determines will produce a fair and equitable yield.

Transfers of farm payment quota

Section 803(a) provides that, for the 1986 through 1990 crops of peanuts, if a farm with a payment quota is transferred to a new owner, the payment quota shall remain with the farm.

Section 803(b) provides that a payment quota may be permanently transferred from one farm to another only if the quota is transferred by reason of the death of the owner of the transferring farm, by gift, or to a farm of a member of the family of an owner of the transferring farm.

Section 803(c) provides that, for any of the 1986 through 1990 crops, a temporary lease or transfer of all or a part of the farm's payment quota may be made if both the owner and operator of the transferring farm agree to the transfer in writing and the transfer is to a farm with the same operator.

Section 803(d) provides that that no transfers of a farm payment quota from a farm subject to a mortgage or lien will be permitted unless the transfer is agreed to by the lienholder and no transfer will be permitted until a record of transfer is filed with, and approved by, the county ASC committee for the county to which the transfer is made. Section 803(d) further provides that all payment quota transfers shall be subject to such other terms and conditions as the Secretary may prescribe.

General provisions

Section 804(a) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the peanut program.

Section 804(b) provides for carrying out the peanut program through the Commodity Credit Corporation.

Section 804(c) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments which are made under the peanut program.

Section 804(d) requires that the Secretary provide for the sharing of payments made under the peanut program for any farm among the producers on the farm on a fair and equitable basis.

Section 804(e) requires that the Secretary provide adequate safeguards to protect the interest of tenants and sharecroppers.

TITLE IX—SUGAR

Loan program

Section 901(a) establishes a loan program for the 1986 and subsequent crops of sugar cane and sugar beets. Loans are made available on a fiscal year basis. The sugar loan rate is based upon 75 percent of the national average market price, raw value, for the three fiscal years immediately preceding that crop year. However, the loan rate for sugar cane would be no greater than 12 cents per pound, raw value. The loan rate for the 1986 and subsequent crops of sugar beets would be set by the Secretary and would be fair and reasonable in relation to the sugar cane loan rate.

Section 901(b) provides that the loans shall be repaid, together with accrued interest, within the same fiscal year in which the loan was disbursed.

Section 901(c) directs the Secretary to take all the steps that the Secretary determines are practicable, reasonable and consistent with the agricultural and foreign policies of the United States to avoid the acquisition of stocks of sugar by the Commodity Credit Corporation under the sugar loan program.

Payment program

Section 902(a) provides that the Secretary shall make payments available to producers of each of the 1986 and subsequent crops of sugar cane and sugar beets. The payments are to be computed by multiplying (1) the payment rate established for each crop by (2) the quantity of harvested production of each crop.

Section 902(b) provides that the payment rate for each crop of sugar cane is the amount by which the national average market price for sugar, raw value, is less than the higher of (1) 75 percent of the national average market price for sugar, raw value, for the three fiscal years immediately preceding the crop year for which the payment is made or (2) on a per pound, raw value basis, 18 cents for the 1986 crop, 16 cents for the 1987 crop, 14 cents for the 1988 crop, 12 cents for the 1989 crop, and 12 cents per pound, raw value, for the 1990 crop.

Section 902(c) provides that the payment rate for each crop of sugar beets is the amount by which the national average market price for sugar, refined value, is less than (1) for each of the 1986 through 1990 crops, the amount determined by the Secretary to be fair and reasonable in relation to the payment rate established for sugar cane and (2) for each of the 1991 and subsequent crops, 75 percent of the national average market price for sugar, refined value, for the three fiscal years immediately preceding the crop year for which payment is made.

General provisions

Section 903(a) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the sugar program.

Section 903(b) provides for carrying out the sugar program through the Commodity Credit Corporation.

Section 903(c) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments which are made under the sugar program.

Section 903(d) requires that the Secretary provide for the sharing of payments made under the sugar program for any farm among the producers on the farm on a fair and equitable basis.

Section 903(e) requires that the Secretary provide adequate safeguards to protect the interests of tenants and sharecroppers.

TITLE X—WOOL AND MOHAIR

Payment program

Section 1001(a) provides that the Secretary shall make payments available to producers of wool and mohair for each of the 1986 and subsequent marketing years. The payments are to be computed by multiplying (1) the payment rate established for the marketing year by (2) the quantity of wool or mohair marketed in the marketing year.

Section 1001(b) provides that the payment rate for shorn wool for each of the 1986 and subsequent marketing years shall be the amount by which the national average market price received by producers for shorn wool during the marketing year is less than the smaller of (1) $1.65 per pound or (2) the amount which is determined by multiplying (A) the national average market price received by producers for each of the preceding three marketing years, by (B) 100 percent for the 1986 marketing year, 95 percent for the 1987 marketing year, 90 percent for the 1988 marketing year, 85 percent for the 1989 marketing year, 80 percent for the 1990 marketing year, and 75 percent of the 1991 and subsequent marketing years.

Section 1001(d) provides that the payments rate for pulled wool shall be established at such level in relationship to the payment rate established for shorn wool as the Secretary determines will maintain the normal marketing practices for pulled wool.

Section 1001(d) provides that the payment rate for mohair for each of the 1986 and subsequent marketing years shall be the amount by which the national average market price received by producers for mohair during the marketing year is less than the smaller of (1) $5.17 per pound or (2) the amount which is determined by multiplying (A) the national average market price received by producers for each of the preceding three marketing years, by (B) 100 percent of the 1986 marketing year, 95 percent for the 1987 marketing year, 90 percent for the 1988 marketing year, 85 percent of the 1989 marketing year, 80 percent for the 1990 marketing year, and 75 percent for the 1991 and subsequent marketing years.

General provisions

Section 1002(a) authorizes the Secretary to issue such regulations as the Secretary deems necessary to carry out the wool and mohair program.

Section 1002(b) provides for carrying out the wool and mohair program through the Commodity Credit Corporation.

Section 1002(c) provides that the provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act (relating to assignment of payments) shall apply to payments which are made under the wool and mohair program.

TITLE XI—FOOD ASSISTANCE RESERVE

Establishment of reserve

Section 1101 provides that the Secretary may establish a food assistance reserve of up to 500 million bushels of wheat and feed grains to be used in accordance with the provisions of Title XI.

Use of stocks

Section 1102(a) provides that the stocks of the reserve may be made available by the Secretary to meet urgent humanitarian needs.

Section 1102(b) provides that in connection with the use of the stocks in the reserve the Secretary may pay for processing, reprocessing, packaging, transporting, handling, and other charges, including the cost of overseas delivery.

Management of stocks

Section 1103(a) provides that the Secretary, in order to establish the reserve or replenish the stocks of the reserve, may (1) acquire wheat or feed grains for the reserve through purchases from producers or in the market if the Secretary determines that such purchases will not unduly disrupt the market, and (2) designate stocks of wheat and feed grains otherwise acquired by the Commodity Credit Corporation as stocks of the reserve.

Section 1103(b) provides that the Secretary may provide for the periodic rotation of stocks of the reserve to avoid spoilage and deterioration of such stocks.

General provisions

Section 1104(a) provides that the Secretary may issue such rules and regulations as the Secretary determines necessary to carry out the provisions of Title XI.

Section 1104(b) provides that the funds, facilities and authorities of the Commodity Credit Corporation shall be used by the Secretary in carrying out Title XI.

Section 1104(c) provides that any determination by the Secretary under Title XI shall be final.

TITLE XII—GENERAL PROVISIONS

Payment limitation

Section 1201(a) limits the total amount of payments which a person is entitled to receive under this Act. The total amount of payments which a person may receive under Titles II, III, IV, V, VIII, IX, and X of this Act with respect to (1) the 1986 crops, including the 1986 marketing year for wool and mohair, is $20,000, and (2) the 1987 crops, including the 1987 marketing year for wool and mohair, is $15,000. The total amount of payments which a person may receive under Titles II, III, IV, V, VII, VIII, IX, and X of this Act with respect to the 1988 and subsequent crops, including each of the 1988 and subsequent fiscal years for dairy and each of the 1988 and subsequent marketing years for wool and mohair, is $10,000. If the Secretary determines that the total amount of payments that will be earned by any person under a commodity program will be reduced by this subsection, any acreage requirements established by an acreage reduction program for the farm or farms on which such payments will be earned may be adjusted so as to be fair and reasonable in relation to the amount of the payment reduction.

Section 1201(b) provides that the Secretary shall issue regulations defining the term "person" and prescribing such rules as the Secretary determines necessary to assure a fair and reasonable application of these limitations.

Nonrecourse loans

Section 1202(a) provides that a producer may, at the time of application for a commodity loan under Titles II, III, IV, V, VI, and VIII, of this Act, designate the loan as a nonrecourse loan. The total outstanding balance of all nonrecourse loans for all commodities at any time may not exceed $200,000. Applicants for a sugar loan may also designate the loan as nonrecourse under terms and conditions and up to a level prescribed by the Secretary. The Secretary is directed to prescribe a level equivalent to permitting each sugar producer to have a total outstanding balance for all commodities at any time of $200,000, and to provide that, to the extent practicable, nonrecourse sugar loans will be taken into account in determining producers' $200,000 nonrecourse loan limit.

Section 1202(b) provides that a borrower shall not be personally liable for any deficiency arising from the sale of collateral securing a nonrecourse loan unless the loan was obtained through fraudulent representatives by the producer or the borrower. Borrowers may be required to assume liability for deficiencies in the grade, quality, or quantity of commodities pledged as collateral or for failure to properly care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with program requirements. The terms and conditions of a nonrecourse loan may provide that on and after the maturity of the loan or extension thereof that CCC shall have the right to acquire title to the unredeemed collateral without obligation to pay for any market value which the collateral may have in excess of the loan indebtedness.

Section 1202(c) provides that the payment rate with respect to collateral securing a nonrecourse loan under a program established by Titles II, III, IV, V, and VIII of this Act shall, notwithstanding the provisions of those Titles, be the lesser of (i) the payment rate which would otherwise be applicable to the commodity or (ii) the amount by which the national average market price for the commodity which is pledged as the collateral is less than the loan rate for the collateral.

Measurement of farms and report of plantings

Section 1203(a) provides that the Secretary shall ascertain, by measurement or otherwise, the acreage of any commodity or land use on a farm to determine compliance with any program authorized by this Act. Such measurements, insofar as practicable, shall be made prior to harvest.

Section 1203(b) provides that the Secretary shall allow, upon request of the farm operator, for the remeasurement of acreage planted to a commodity. Provision is also made for the payment by the farm operator of such measurements and the refund of any deposit or payment made by the farm operator if the remeasurement reveals an error in the original measurement.

Reconstitution of farms

Section 1204 provides that, when the ownership of a tract of land is transferred from a parent farm, any payment quota, history acreage and base acreage for the farm shall be divided between such tract and the parent farm in the same proportion as the cropland in the tract bears to the cropland acreage in the parent farm. However, section 1204 provides that the Secretary may provide alternative methods of apportionment when (1) the land is acquired by an agency with the right of eminent domain, (2) the division based on cropland proportions would not be representative of normal activities carried out on any of the transferred tract, and (3) the parent farm is divided among heirs in settling an estate.

Advance payments

Section 1205 provides that the Secretary may make advance payments to producers if the Secretary determines that payments are to be made under any commodity program authorized by this Act.

Finality of commodity loans and payments

Section 1206 provides that the facts constituting the basis for any loan or payment under any commodity program authorized by this Act, or the amount thereof, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. It also authorizes the Sec-

retary, in the event a producer entitled to a commodity program payment dies, becomes incompetent, or disappears before receiving payment, to make the payment as the Secretary determines fair and reasonable in all the circumstances.

Determinations by Secretary

Section 1207(a) provides that determinations made by the Secretary under any commodity program authorized by this Act shall be final and conclusive to the extent that the scope and nature of such determinations are not inconsistent with the provisions of the Commodity Credit Corporation Charter Act.

Section 1207(b) provides that the Secretary shall determine the rate of loans, purchases, and payments under this Act without regard to the requirements for notice and other procedures for public participation in rulemaking contained in section 553 of title 5, United States Code, or in any directive of the Secretary.

Definitions

Section 1208 sets forth definitions for certain terms which are used in this Act.

TITLE XIII—REPEAL OF PRIOR LEGISLATION

Agricultural Adjustment Act of 1938

Section 1301(a) provides that, except for the sections listed in section 1301(b), the Agricultural Adjustment Act of 1938, (52 Stat. 31, as amended) is repealed effective on the date of enactment of this Act, except that—

(1) sections 301, 358(k), 358(l), 358(m), 358(n), 358(o), 358(p), 358(i), 358a(j), 359(c), 359(f), 359(g), 359(h), 359(i), 359(j), 359(k), 359(l), 367, 368, 372, 375, 376, 386, and 388, as amended, shall be effective through the 1985 crop of peanuts; and

(2) sections 373, 374, 378, 379, and 385, as amended, shall be effective through the 1985 crop of wheat, feed grains, upland and extra long staple cotton, rice, and peanuts.

Section 1301(b) provides that section 1301(a) shall not be applicable to the following sections of the Agricultural Adjustment Act of 1938 (52 Stat. 31, as amended)—

(1) sections 201, 202, and 301(a)(1) and (2), as amended; and

(2) Title III, Subtitle B, Part 1, as amended, and sections 301, 361-368, 371, 372, 374-379, 385, 386, and 388, as amended, with respect to tobacco.

Agricultural Act of 1949

Section 1302(a) provides that, except for the sections listed in section 1302(b), the Agricultural Act of 1949 (63 Stat. 1051, as amended) is repealed effective on the date of enactment of this Act, except that—

(1) section 101(i), as amended, shall be effective through the 1985 crop of rice;

(2) section 103(g), as amended, shall be effective through the 1985 crop of upland cotton;

(3) section 103(h) shall be effective through the 1985 crop of extra long staple cotton;

(4) section 105B, as amended, shall be effective through the 1985 crop of feed grains;

(5) section 107B, as amended, shall be effective through the 1985 crop of wheat;

(6) section 107C shall be effective through the 1985 crops of wheat, feed grains, upland cotton, and rice;

(7) section 108A shall be effective through the 1985 crop of peanuts;

(8) section 109, as amended, shall be effective through the 1985 crops of wheat, feed grains, and upland cotton;

(9) subsections (a), (b), (c), (d), (e), (g), (h), and (i) of section 110 shall be effective through the 1985 crops of wheat and feed grains, except that the Secretary shall not, subsequent to the date of enactment of this Act, authorize the extension of any outstanding price support loans under subsection (b) of section 110;

(10) section 201, as amended, shall be effective through the 1985 crops of soybeans, honey, sugar beets, and sugar cane and shall be effective for milk through September 30, 1985; and

(11) sections 401, 402, 403, 404, 405, 406, 408, and 412 as amended shall be effective through the 1985 crops of wheat, feed grains, upland and extra long staple cotton, rice, soybeans, honey, sugar beets, sugar cane, and peanuts and shall be effective for milk through September 30, 1985.

Section 1302(b) provides that section 1302(a) shall not be applicable to the following sections of the Agricultural Act of 1949 (63 Stat. 1051, as amended)—

(1) section 416, as amended; and

(2) sections 106, 106A, 106B, 401, 402, 403, 404, 405, 406, 408, and 412, as amended, with respect to tobacco.

Miscellaneous statutes

Section 1303(b) provides that section 302(f) of the Agricultural Act of 1948 (62 Stat. 1258) is repealed effective on the date of enactment of the Act.

Section 1303(b) provides that sections 706 and 708 of the Food and Agriculture Act of 1965 (79 Stat. 1211, as amended) are repealed effective on the date of enactment of the Act.

Section 1303(c) provides that sections 327 and 328 of the Food and Agriculture Act of 1962 (76 Stat. 631) are repealed effective on the date of enactment of the Act.

Section 1303(d) provides that Public Law 74, 77th Congress (55 Stat. 203, as amended), is repealed effective with regard to wheat planted for harvest in the 1986 and subsequent calendar years.

Section 1303(e) provides that section 506 of the Agriculture and Food Act of 1981 (95 Stat. 1241) is repealed effective on the date of enactment of the Act.

Section 1303(f) provides that, except with respect to tobacco, section 803 of the Agricultural Act of 1970 (84 Stat. 1381) is repealed effective on the date of enactment of the Act, except that such section shall be effective through the 1985 crops of wheat, feed grains, upland cotton, extra long staple cotton, rice and peanuts.

Section 1303(g) provides that Public Law 660, 75th Congress (52 Stat. 762), is repealed effective on the date of enactment of the Act.

Section 1303(h) provides that section 813 of the Agricultural Act of 1970 (87 Stat. 239, as amended), is repealed effective on the date of enactment of the Act.

Section 1303(i) provides that the Food Security Wheat Reserve Act of 1980 (Title III of the Agricultural Act of 1980, 94 Stat. 2578) is repealed effective on the date of enactment of the Act.

Section 1303(j) provides that section 208 of the Agricultural Trade Suspension Adjustment Act of 1980 (Title II of the Agricultural Act of 1980, 94 Stat. 2573) is repealed effective on the date of enactment of the Act.

Section 1303(k) provides that, effective with respect to the 1986 and subsequent marketing years for wool and mohair—

(1) sections 701, 702, 703, 704, 705, 706, 707, and 708 of the National Wool Act of 1954 (Title VII of Public Law 83-690, 68 Stat. 910-912, as amended) are repealed; and

(2) Public Law 94-312 (90 Stat. 690) is repealed.

Section 1303(l) provides that section 15 of the Agricultural Marketing Act (46 Stat. 18, as amended) is amended by deleting subsection (d) of that section and redesignating current subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

TITLE XIV—NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1985

Short title

Section 1401 provides that this title may be cited as the "National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985".

Findings

Section 1402 amends section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by revising the congressional findings to delete the no longer valid findings that the work of agencies conducting federally supported research is not fully coordinated, that such agencies have been only partially successful in responding to the needs of all persons affected by their research and useful information produced through their research is not being efficiently transferred to the people, that increased research is necessary to alleviate inadequacies of the marketing system, and that federal funding levels have not been commensurate with needs. In addition section 1402 is amended by revising the congressional findings to recognize changing circumstances and the current need for strengthened national support of cooperative research, extension and teaching efforts in the following areas: (A) Food and agricultural system efficiency; (B) Modern research methods, facilities and equipment; (C) Expanded cooperative relationships among federal, university and private performers of agricultural research; (D) An atmosphere of mutual understanding and trust among federal agencies, the general public, and the private sector on regulatory responsibilities of the federal government; (E) Natural resources; (F) Promotion of the health and welfare of people; (G) Human nutrition; (H) International food and agriculture; (I) Cooperative extension service; and (J) National Arboretum.

Responsibilities of the Secretary and coordinating role of the Department of Agriculture

Section 1403 amends section 1405 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by deleting paragraph (11), which required the Secretary to develop in conjunction with others a long-term needs assessment for food, fiber, and forest products and to determine the research requirements necessary to meet such needs. The assessment has been completed.

Joint Council on Food and Agricultural Sciences

Section 1404(a) amends section 1407(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by extending the term of the Joint Council on Food and Agricultural Sciences, which expires on September 30, 1985, through September 30, 1989. Section 1404(b) amends section 1407(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by deleting from the statement of the primary responsibility of the Joint Council the requirement to relate Federal budget development and program management to the bringing about of more effective research, extension, and teaching in the food and agricultural sciences by improving

planning and coordination; and by deleting from the Joint Council's annual June 30 submission of recommendations on priorities for food and agricultural research, extension and teaching programs the requirement for specifying the levels of financial and other support needed to carry out such programs.

National Agricultural Research and Extension Users Advisory Board

Section 1405 amends section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by extending the term of the National Agricultural Research and Extension Users Advisory Board, which expires on September 30, 1985, through September 30, 1989. This amendment also provides for an increase in size of the Users Advisory Board from 25 to 28 members to include a representative of the State departments of agriculture, a representative of agricultural economists, and a representative of agricultural educational interests. In addition, this section amends the statement of the specific responsibilities of the Advisory Board by deleting from the requirement for its annual July 1 report to the Secretary its statement of recommendations as to levels of funding among federally supported agricultural research and extension programs; and by deleting from the requirements for its annual February 20 report to the President, the House Committee on Agriculture, the House Committee on Appropriations, the Senate Committee on Agriculture, Nutrition, and Forestry, and the Senate Committee on Appropriations its appraisal of the President's proposed budget for the food and agricultural sciences for the fiscal year.

Secretary's report

Section 1406 amends between 1410 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (1977 Act) by deleting the requirement that the Secretary include in the 1984 report to the President and the Congress on the Nation's agricultural research, extension, and teaching activities the Secretary's needs assessment developed pursuant to section 1405(11) of the 1977 Act because the assessment has been completed and the report issued.

Program of competitive, special, and facilities grants for agricultural research

Section 1407 amends section 2 of the Act of August 4, 1965. Section 2(b) authorizes a program of competitive grants for research to further the programs of the Department of Agriculture. Such grants to the greatest extent possible, are to be allocated to high priority research. Section 2(b) is amended to revise the listing of high priority research areas specifically covered to include: (1) research aimed at the discovery of new scientific principles and techniques that may be applicable in agriculture and forestry; (2) research with emphasis on biotechnology aimed at the development of improved new and innovative products, methods, and technologies which will increase productivity of agricultural and forestry resources; (3) research in food and human nutrition; (4) research in the fields of animal production and health; (5) research in the fields of soil and water; and (6) research to develop industrial uses for agricultural products. In addition, section 2(b) is amended to authorize annual appropriations of such sums as may be necessary for competitive research grants subject to the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977. Finally, section 1407 adds a new subsection (i) which provides that the Federal Advisory Committee Act and title XVIII of the Food and Agriculture Act of 1977 shall not apply to panels or boards created for the purpose of reviewing applications or proposals submitted under the competitive and special grant programs.

Grants to establish or expand schools of veterinary medicine

Section 1408 amends section 1415 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by increasing from 4 to 5 percent the percentage of funds appropriated for grants to States to establish or expand schools of veterinary medicine that shall be retained by the Department of Agriculture for administration, program assistance and program coordination.

Amendments to the Research Facilities Act of 1963

Section 1409(a) amends section 1 of the Act of July 22, 1963 (Research Facilities Act) which sets forth the Congressional policy of supporting research at eligible institutions through Federal grant funds to help finance physical research facilities. It is amended to provide that such grants be on a matching basis and that the funds may be used to help finance research equipment as well as facilities as required for the effective conduct of agricultural research and related academic programs.

Section 1409(b) amends section 2 of the Research Facilities Act which provides that the purpose of the Act is to assist eligible institutions in the construction, acquisition, and remodeling of buildings, laboratories, and other capital facilities (including the acquisition of fixtures and equipment which are to become a part of such buildings) which are necessary to more effectively conduct research in agriculture and related sciences through grants. Section 2 is amended to eliminate the requirement that allowable fixtures and equipment include only those which are to become part of research buildings and to provide that the grants be matching grants.

Section 1409(c) amends section 3 of the Research Facilities Act to revise the definition of "State" to include the District of Columbia, Guam, the Virgin Islands and the United States, American Samoa and Micronesia. In addition, it expands the definition of "eligible institution" which currently includes State agricultural experiment stations under the direction of 1862 land-grant colleges, departments otherwise established pursuant to standards prescribed by any State the purpose of which is to conduct agricultural research, the Connecticut Agricultural Experiment Station at New Haven, Connecticut, the Ohio Agricultural Experiment Station at Wooster, Ohio, 1890 land-grant colleges including Tuskegee Institute and institutions receiving funds under the McIntire-Stennis Act. The definition is amended to include departments otherwise established pursuant to standards prescribed by any State the purpose of which is to conduct forestry or veterinary medicine research.

Section 1409(d) amends section 4 of the Research Facilities Act by authorizing annual appropriations in such amounts as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977. In addition, it strikes out subsection (b) which established a formula for allocation of amounts appropriated among eligible institutions.

Section 1409(e) amends section 5 of the Research Facilities Act by removing the reference to apportioned funds since, by deletion of the formula, funds will not be apportioned among all eligible institutions annually. In addition, it eliminates the requirement to insure that the facility proposals from States have more than one eligible institution provide for a coordinated research program.

Section 1409(f) amends section 7 of the Research Facilities Act to provide that with respect to multiple-purpose equipment and physical facilities, that portion that is to be used for food and agricultural research and related programs, including forestry and veterinary medicine, shall be the basis of determination of fund support under this Act.

Section 1409(g) repeals section 8 of the Research Facilities Act.

Section 1409(h) amends section 10 of the Research Facilities Act to eliminate a reference to allotment.

Section 1409(i) amends section 11 of the Research Facilities Act to increase from 3 to 5 percent the amount of funds appropriated under the Act that shall be available to the Secretary for administration of the Act.

Grants and fellowships for food and agricultural sciences education

Section 1410 amends section 1417 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (1977 Act) by eliminating the requirement in subsection (a) that grants authorized thereunder be made without regard to matching funds provided by recipients. The elimination of this requirement will permit weight to be given to those proposals submitted by institutions that propose to share in the costs of the supported activity. In addition, this amendment would require that recipient institutions have a significant commitment to the specific subject area for which a grant is to be used. Finally, section 1410 authorizes annual appropriations for grants and fellowships for food and agricultural sciences education in such amounts as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the 1977 Act.

Study

Section 1411 repeals section 1424 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which required the Secretary to perform a study assessing the potential value and cost of establishing regional food and human nutrition research centers and to submit a report thereon to the Congress. The study has been completed and the report has been made.

Human nutrition research and information management system

Section 1412 repeals section 1427 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which required the Secretary of Agriculture and the Secretary of Health and Human Services to formulate and to submit to Congress a plan for a human nutrition research management system. The plan has been submitted.

International agricultural research and extension

Section 1413 amends section 1458(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by expanding the Secretary of Agriculture's authority to work with developed and transi-

tional countries on food, agricultural and related research and extension to include the provision of technical assistance and advice along with the training of persons from such countries engaged in such activities. In addition, it qualifies the Secretary's authority to assist U.S. colleges and universities in strengthening their capabilities for food, agricultural, and related research and extension relevant to agricultural development activities in other countries by specifically providing that this shall be accomplished through the development of highly qualified scientists from all sectors with specialization in international development.

Weather and water allocation study

Section 1414 repeals section 1460 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which required the Secretary to conduct a weather and water allocation study and to report thereon to the President and the Congress. The study has been completed and the report submitted.

Organic farming study

Section 1415 repeals section 1461 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which required the Secretary to conduct an organic farming study and to report thereon to the President and the Congress. The study has been completed and the report submitted.

Agricultural research facilities study

Section 1416 repeals section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which required the Secretary to conduct a study of the status and future needs of agricultural research facilities and to report thereon to the President and the Congress. The study has been completed and the report submitted.

Authorization for appropriations for existing and certain new agricultural research programs

Section 1417 amends section 1463(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by consolidating all existing authorizations for appropriations to enable the Agricultural Research Service to perform agricultural research, demonstration and related activities and authorizing appropriations for such purposes through fiscal year 1989 as follows: $488,000,000 for fiscal year 1986, $500,000,000 for fiscal year 1987, $509,000,000 for fiscal year 1988, and $519,000,000 for fiscal year 1989. Section 1463(b) is amended by consolidating all existing authorizations for appropriations for agricultural research and related programs administered by or funded through the Cooperative State Research Service and authorizing appropriations for such purposes through fiscal year 1989 as follows: $252,000,000 for fiscal year 1986, $270,000,000 for fiscal year 1987, $284,000,000 for fiscal year 1988, and $307,000,000 for fiscal year 1989. In addition, it deletes 1463(c) which provides that not less than 25 percent of the total funds appropriated to the Secretary in any fiscal year for the cooperative research programs provided for under the Hatch Act of 1887 and the McIntire-Stennis Act, the special and competitive grant programs provided for in sections 2(b) and 2(c) of the Act of August 4, 1965; the animal health research program provided for in section 1433 and 1434 of the 1977 Act, the native latex research program provided for in the Native Latex Commercialization and Economic Development Act of 1978; and the research provided for under various statutes for which funds are appropriated under the Agricultural Research heading, shall be appropriated for agricultural research at State agricultural experiment stations under the Hatch Act.

Authorization for appropriations for extension education

Section 1418 amends section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 of consolidating all existing authorizations for appropriations for extension and related programs administered by or funded through the Extension Service and authorizing appropriations for such purposes through fiscal year 1989 as follows: $265,000,000 for fiscal year 1986, $272,000,000 for fiscal year 1987, $276,000,000 for fiscal year 1988, and $281,000,000 for fiscal year 1989.

Auditing, reporting, bookkeeping, and administrative requirements

Section 1419 amends section 1469 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (1977 Act) by increasing the amount of appropriations to be retained by the Secretary for the administration of programs authorized under the 1977 Act from 3 to 5 percent except as provided elsewhere in the 1977 Act or any other Act.

General authority to enter into contracts, grants, and cooperative agreements

Section 1420 amends section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by adding a new subsection (b) which authorizes the Secretary to use a cooperative agreement as the legal instrument reflecting a relationship between the Department of Agriculture and State cooperative institutions, State departments of agriculture, all colleges and universities, other research or education institutions and organizations, Federal and private agencies and organizations, individuals and any other party, when the Secretary determines that the objectives of the agreement will serve a mutual interest of the parties to the agreement in agricultural research, extension and teaching activities, including statistical reporting, and that all parties will contribute resources to the accomplishment of those objectives. Such cooperative agreements may be entered without regard to the provisions of the Federal Grant and Cooperative Agreement Act (now codified in chapter 63 of Title 31, United States Code), which prescribe criteria for executive agencies in selecting and using contract, grant and cooperative agreement instruments. In addition, it would permit any Federal agency to participate in such cooperative agreements by contributing funds through the appropriate agency of the Department of Agriculture or otherwise when it is mutually agreed that the objectives of the agreement will further the authorized programs of the contributing agency.

Restriction on treatment of indirect costs and tuition remission

Section 1421 amends section 1473 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, which provides, in part, that no indirect costs or tuition remission shall be charged against funds in connection with cooperative agreements between the Department of Agriculture and State cooperative institutions. The amendments make this prohibition on the use of funds for the reimbursement of indirect costs not applicable to funds transferred, advanced, or reimbursed to the Department of Agriculture under the provisions of the Foreign Assistance Act of 1961, as amended.

Aquaculture assistance programs

Section 1422 amends section 1475 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 by deleting subsection (e) which requires the Secretary to submit a report to the President and certain Congressional Committees each March 1 on the Department's progress in meeting the purposes of the Aquaculture assistance programs.

Aquaculture Advisory Board

Section 1423 repeals section 1476 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 which provided for the establishment of an Aquaculture Advisory Board.

Authorization of appropriations

Section 1424 amends section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (1977 Act) by authorizing annual appropriations for aquaculture assistance programs in such amounts as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the 1977 Act. In addition, it deletes the requirement that the Secretary consult with the Aquaculture Advisory Board.

Rangeland Research Advisory Board

Section 1425 repeals section 1482 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 which provided for the establishment of a Rangeland Research Advisory Board.

Appropriations

Section 1426 amends section 1483 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (1977 Act) by authorizing annual appropriations for the rangeland research program in such amounts as may be necessary within the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the 1977 Act. In addition, it deletes the requirement that the Secretary consult with the Rangeland Research Advisory Board.

Agricultural research at 1890 land-grant colleges, including Tuskegee Institute

Section 1427 repeals section 1432(b) of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 which provided for an annual grant of funds to one 1890 land-grant college for the conduct of a dairy goat research program.

Authority to award grants to upgrade 1890 land-grant college research facilities

Section 1428 amends section 1433 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 to clarify that grants made under this section to assist 1890 land-grant colleges in the acquisition and improvement of research facilities may be used for the acquisition and improvement of agricultural libraries. In addition, it extends the authorization for appropriations for such grants for one additional year through fiscal year 1987, subject to the limitations of the overall authorizations for appropriations in sections 1463 and 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977.

Soybean Research Advisory Institute

Section 1429 repeals section 1446 of the National Agricultural Research, Extension,

and Teaching Policy Act Amendments of 1981 which established a temporary Soybean Research Advisory Institute to assess and to make a comprehensive report on research on soybean production and utilization. The report has been made and the Institute dissolved.

Amendment to the Smith-Lever Act

Section 1430 amends section 3(b) of the Smith-Lever Act which establishes the base amount of funds to be allocated to each State annually for cooperative extension work. The amendment adds a new paragraph 3 which permits Congress through appropriate provision in an appropriation act to transfer funds previously made available to the States under section 3(d) of the Smith-Lever Act to the subsection 3(b)(1) base. Once incorporated in the 3(b)(1) base, the transferred funds would remain available for the same purposes, and subject to the same administrative limitations and distribution among the States, that applied when the funds were appropriated under section 3(d).

TITLE XV—RESOURCE CONSERVATION

Definitions

Section 1501 sets forth definitions for certain terms which are used in this Title:

(1) "Agricultural commodity" is defined as any agricultural commodity planted and produced by annual tilling of the soil, or on an annual basis by one trip planters. This definition excludes perennials such as fruit and nut trees and grape vines.

(2) "Field" means that term as defined by the Secretary, except that any highly erodible land on which an agricultural commodity is produced after the date of enactment of this Act and which is not exempt under section 1503 of this Title is to be considered as part of the field on which such land was included on such date of enactment.

(3) "Highly erodible land" is defined as land that has an excessive rate of erosion as determined by the Secretary.

Program ineligibility

Section 1502 provides that, following the date of enactment of the Act, any person who during any crop year produces an agricultural commodity on highly erodible land on a field on which such highly erodible land is the predominant class will be ineligible for that crop year for (1) any program benefits made available through the Commodity Credit Corporation or by the Agricultural Stabilization and Conservation Service; (2) any loan assistance made available through the Farmers Home Administration; or (3) crop insurance under the Federal Crop Insurance Act. Exceptions to this prohibition are contained in section 1503.

Exemptions

Section 1503(a) provides that the prohibitions of section 1502 shall not apply to any person who, during any crop year, produces any agricultural commodity on highly erodible land on a field on which such highly erodible land is the predominant class if all the commodities produced on highly erodible land by such person during that crop year were—

(1) produced on any land that was cultivated to produce any of the 1975 through 1985 crops of agricultural commodities;

(2) planted before the date of enactment of the Act;

(3) planted during any crop year beginning before the date of enactment of the Act; or

(4) produced (A) in an area within a conservation district under a conservation system that has been approved by a conservation district after it has been determined that the conservation system is in conformity with technical standards set forth in the Soil Conservation Service technical guide for that conservation district, or (B) in an area, not within a conservation district, under a conservation system determined by the Secretary to be adequate for the production of such agricultural commodity on highy erodible land.

Section 1503(b) provides that the prohibitions of section 1502 shall not apply to any person who produces an agricultural commodity on any highly erodible land during any crop year if such land was planted in reliance on a determination by the Soil Conservation Service that such land was not highly erodible land. However, the exemption allowed by section 1503(b) shall not apply to any crop which was planted on any land after the Soil Conservation Service determines such land to be highly erodible land.

Section 1503(c) provides that the prohibitions contained in section 1502 shall not apply to any loan made before the date of enactment of the Act.

Regulations

Section 1504 provides that the Secretary may issue such rules and regulations as the Secretary determines to be necessary in order to carry out the provisions of this Title. Pursuant to this authority, the Secretary may determine, among other things, whether an agricultural commodity has been "produced" on highly erodible land during a crop year, as that term is used in section 1502.

TITLE XVI—AGRICULTURAL CREDIT

Farm real estate interest rates

Section 1601 amends Section 307(a) of the Consolidated Farm and Rural Development Act to increase from one to one and one-eighth percent the maximum additional charge that may be added to the interest rate on a farm real estate loan.

Sale of notes on nonrecourse basis from agricultural credit insurance fund

Section 1602 clarifies the existing authority of the Secretary to sell any notes evidencing loans funded out of the Agricultural Credit Insurance Fund to private parties. The clarification specifies that among the other bases that the sale may be on is a nonrecourse one and free of any statutory or regulatory benefits that might accrue to the borrower if the borrower were to remain indebted directly to the Secretary.

Sale of notes on nonrecourse basis from rural development insurance fund

Section 1603 clarifies the existing authority of the Secretary to sell notes evidencing loans funded out of the Rural Development Insurance Fund in the same manner that section 1802 does regarding loans funded out of the Agricultural Credit Insurance Fund.

Operating loan interest rate

Section 1604 amends Section 316(a) of the Consolidated Farm and Rural Development Act to increase from one to one and one-eighth percent the maximum additional charge that may be added to the interest rate on an operating loan.

Emergency loan interest rates

Section 1605 amends Section 324 of the Consolidated Farm and Rural Development Act to provide that that disaster occurring on or after October 1, 1985, emergency loans to those applicants who could not obtain sufficient credit elsewhere, be at a formula rate based on the Government's cost of borrowing, with an additional charge of up to one and one-eighth percent. This would be a change from present statutory requirements that an emergency loan for an applicant's actual loss be at a rate not in excess of 8 percent if the applicant cannot obtain credit elsewhere. Loans to applicants who could obtain credit elsewhere would continue to be made at prevailing private market rates.

Crop insurance as affecting emergency loan eligibility

Section 1606 provides that, for disasters occurring on or after October 1, 1985, emergency disaster loans will not be made to producers for crop losses if federal crop insurance was available at the time of the disaster to cover those crops damaged by the disaster. Section 1606 also provides that, in such cases, a producer cannot use the damaged crop to calculate the percentage of production loss sustained by that producer as required by section 329 of the Consolidated Farm and Rural Development Act.

Only guaranteed farmer program loans to be made; limited exception, guarantee limits

Section 1607 provides that, starting with fiscal year 1986, no farm real estate, operating, or disaster emergency loan shall be made as an insured loan by the Secretary. These loans could only be made by private lenders and guaranteed by the Secretary. The one exception is that for fiscal years 1986 through 1990 insured loans for annual farm operating purposes could still be made by the Secretary providing they were only made to existing borrowers of the Secretary who already had loans under Subtitle B of the Consolidated Farm and Rural Development Act for annual farm operating purposes and whose loans were in existence as of the date section 1607 is enacted. Section 1607 also imposes a specific statutory limitation—starting with fiscal year 1986—on the percentage of guarantee by the Secretary of any loss sustained on the principal and interest of any farm real estate, operating, or disaster emergency loan. The percentage limit on such farm loan guarantees will be 75 per centum; however, the limit can be raised to 90 per centum in the discretion of the Secretary and if the Secretary determines that the request for a guarantee involves a hardship case.

TITLE XVII—MISCELLANEOUS

Family farm

Section 1701 amends section 102(b) of the Food and Agriculture Act of 1977 (7 U.S.C. 2266(b)) to require that the Secretary of Agriculture submit to Congress a report containing current trends in family operations and comprehensive data on nonfamily farm operations every year, rather than every year as required under current law, and to make less specific the requirements for what is to be contained in the report. The purpose of these changes is to reduce the frequency of the family farm report given the relatively minor year-to-year changes, and to allow greater flexibility in reporting.

User fees for reports, publications, and software

Section 1702 amends section 1121 of the Agriculture and Food Act of 1981 to expand the authority of the Secretary to collect and retain user fees for the provision of pamphlets, reports, or other publication. Previously, user fees were collected and retained only for pamphlets, reports, or other publications provided by the Economic Research

Service or the Statistical Reporting Service. The amendment extends the authority to all offices and agencies of the Department of Agriculture. In addition, this section specifically includes software programs in the list of items for which a user fee may be charged and retained by the providing office or agency. It also would allow the collection and retention of user fees for materials published electronically, as well as in traditional hard copy.

Commodity Credit Corporation reimbursement

Section 1703 provides for a permanent appropriation to reimburse the Commodity Credit Corporation for sustained or anticipated net realized losses.

TITLE XVIII—EFFECTIVE DATE

Section 1801 provides that, except as otherwise provided in the Act, the provisions of the Act shall become effective on enactment.

TITLE-BY-TITLE COST ESTIMATE AAA OF 1985

	Fiscal year—					
	1987	1988	1989	1990	1991	1987–91
Title I: Agricultural Trade and Export Expansion	3.1	3.1	3.0	3.0	3.0	15.2
Title II: Wheat	1.8	1.2	.6	.6	.6	4.8
Title III: Feedgrains	1.0	1.5	.6	.6	.5	4.2
Title IV: Cotton	.2	[1]	[1]	−.1	[1]	.1
Title V: Rice	.3	.2	.1	.1	.1	.8
Title VI: Soybeans	.2	[1]	0	0	0	.2
Title VII: Dairy	1.2	1.5	0	0	0	2.7
Title VIII: Peanuts	[1]	[1]	0	0	0	[1]
Title IX: Sugar	0	0	0	0	0	0
Title X: Wool and Mohair	.1	0	0	0	0	.1
Title XI: Food Assistance Reserve	[2]	[2]	[2]	[2]	[2]	[2]
Title XIV: Agricultural Research [3]	1.8	1.9	2.0	2.0	2.0	9.7
Total	9–14	7–11	6–8	5–7	5–7	30–45

[1] Less than ±$100,000,000.
[2] Outlays included in estimates for commodity titles.
[3] Funding levels authorized through fiscal year 1989.

AGRICULTURAL ADJUSTMENT ACT OF 1985
QUESTIONS AND ANSWERS
(Prepared by U.S. Department of Agriculture)

L. GENERAL BACKGROUND AND OVERVIEW

1. *Q.* Why is the Reagan Administration proposing omnibus farm legislation that is market oriented in its approach?

A. It has become clear to many, both inside and outside of government, that existing farm policies and programs are not serving agriculture well. The basic program tools—nonrecourse loans, direct payments and supply control programs—have been in use for more than 50 years and have changed more in form than in substance. Supply control programs have proven to be particularly ineffective. In the meantime, agriculture itself has changed much in composition and orientation. Agricultural policy needs to adopt to the changing dynamics of the agricultural sector. That requires that agricultural policy be flexible to adjust to changing economic conditions. A market-oriented approach will provide that flexibility.

2. *Q.* Why can't we, as some suggest, simply "fine tune" and "tighten up" our existing farm programs and policies and make them more effective?

A. Our rigid farm programs cannot adjust to changing market conditions and have recently been working against, rather than for, agriculture. Rigid price support levels, set above world-market clearing levels for some commodities, have encouraged excessive production and stock accumulation and have contributed to our loss of world markets. High target prices have been inducing increased production both here and abroad. Moreover, they provide a price umbrella for our competitors. As we are forced to pursue acreage reduction programs because of the high target prices, other countries have expanded production and their share of world trade at the expense of U.S. producers and taxpayers.

Some have proposed that acreage reduction programs be tightened by using strict rules and regulations, such as cross-compliance and offsetting compliance. However, any time such rules are enacted or proposed to be used, they are met with strong opposition by the Congress. For example, in 1984 Congress required USDA to count summer fallow land as conservation use acres (CUA), and that CUA rules for 1984 crops be no more restrictive than in 1983. Thus, it is unrealistic to expect restrictive rules to stay in place very long.

3. *Q.* There are some who would prefer to move towards stricter production controls and higher price supports. Why is the Administration not considering this type of policy?

A. A review of two programs which have operated under such a system, peanuts and tobacco, provides much insight of the effects of moving in that direction. In 1930, the U.S. harvested 1.1 million acres of peanuts. By 1980, 50 years later, harvested acreage increased only slightly to 1.4 million acres. Per capita production of major peanut products has remained virtually unchanged since the mid-1960's. For tobacco, U.S. production has declined by about 10 percent over the past 20 years, while world production has doubled. Meanwhile, our share of world tobacco trade has dropped by about 50 percent due to high and escalating support prices that have made the U.S. less competitive in world markets.

There is considerable evidence that tight controls on these commodities did not, over the long run, benefit farmers; instead, the economic value of the quotas and allotments has been captured by landowers in increased land values and higher leases. In the long-run, a move to mandatory controls would futher reduce the overall competitiveness in U.S. agriculture's continued loss in world trade share, and result in less total economic activity in the sector.

4. *Q.* Why don't we maintain current price and income supports and subsidize our surplus production onto the international market, similar to the European Economic Community's Common Agricultural Policy?

A. With no supply controls, farmers would be expected to respond to the current price incentives and expand production. However, the marketplace could not be expected to support both high price supports and expanded production in domestic markets. In order to subsidize exports, marketing boards or dual pricing systems would have to be put in place. Domestic prices would be set higher than world prices, and either direct government subsidy or revenues earned through domestic sales would be used to buy down the price of commodities entering foreign markets. Government costs would skyrocket. Although farm income may raise in the short run, higher values and incomes would be bid into higher land prices, more inputs would be used, higher production costs would result, and ultimately we would have a less efficient and competitive agricultural sector.

The European Economic Community (EEC) has been under financial pressures as government costs have steadily increased, exceeding $16 billion last year even with the high value of the U.S. dollar. If the U.S. moved to a system similar to the EEC, CCC outlays would increase to unsustainable levels, pressures would likely increase for more protectionist measures and each country would resort to using its Treasury to compete against one another.

5. *Q.* Presently, there appears to be no consensus in agriculture on which direction agricultural policy should take. Why do you think a majority of those in the agricultural sector will support a more market-oriented agricultural policy?

A. While there may not be a consensus on the type of agricultural policy we should have, most farmers agree that they would rather receive their income from the marketplace than from the government. In addition, they also want a long-term consistent agricultural policy that they can depend on year after year. Finally, most of those concerned with the agricultural sector want long-term and effective solutions to two very important problems facing agriculture—soil and water erosion and agricultural credit. The Administration's proposal—the Agricultural Adjustment Act of 1985—provides for those goals and objectives.

6. *Q.* What are the goals and objectives of the AAA of 1985?

A. The AAA of 1985 provides a comprehensive approach for agricultural policy that is market-oriented and long-term in design. The AAA of 1985 contains the following goals and objectives:

1. *Long-Term Design.* Unlike previous omnibus farm bills, this legislation clearly states the direction of farm policy from the mid-1980's through the end of the twentieth century, rather than another four years.

2. *Marketing Orientation.* Price and income supports for all commodities will ultimately be based on nonrecourse loan or price support rates at 75 percent of the applicable three-year moving average of U.S. market prices for each respective commodity. Authorities under permanent legislation would be repealed.

3. *Consistency.* For the first time, omnibus farm legislation will provide consistency among commodity programs and other agricultural policies. International trade, natural resource conservation, agricultural credit, research, and grain reserve policies and programs are integrated with the objectives of the commodity programs in order to ensure government programs and policies are not working at cross purposes, as they often have in the past.

4. *Transition Program.* The legislation provides for an orderly transition period of five years through all commodity titles as well as other programs. It phases out obsolete and unnecessarily restrictive programs and phases in the market-oriented provisions.

5. *Equity.* At the end of the transition period producers would be put on an equal footing since, after five years, all commodities would be treated identically and guaranteed the same relative level of price support.

7. *Q.* There are several programs and policies mentioned that have not been included in past farm bills. Could you be more specific regarding the programs and policies in the AAA of 1985?

A. The following is a general description of the major provisions of the AAA of 1985:

Domestic Market Farm Programs. They will enable producers to make long-term decisions without the constant threat of direct or indirect government intervention. They will provide for a transition from high and rigid price supports to flexible and market-clearing price supports that producers will be able to rely on for their well-being. Acreage reduction programs, quotas and allotments would also be phased out over the transition period. The authorities under existing permanent legislation that affect each particular commodity would be repealed. A single, limited food assistance grain reserve would be established for wheat and feed grains.

Export and Trade Orientation. These provisions are consistent with the domestic farm program provisions, and would include three broad objectives. First, it is clearly stated that no restrictions shall be imposed on agricultural exports for either short-supply reasons (rising domestic prices) or for foreign policy reasons. Second, the United States must enter into multilateral negotiations with our key trading partners and implement a program to reduce restrictive trade practices in the agricultural sector. Third, farm income will be increased through fair and expanded trade in agricultural exports.

Resource Conservation. The Secretary would be required to implement "sodbuster" provisions which would stipulate that any person who produces an agricultural commodity on highly erodable land, which had not been in production for the preceding 10 years, would be ineligible for any direct or indirect Federal agricultural program benefits.

Agricultural Credit. The legislation substitutes multi-peril all risk crop insurance for the Farmers Home Administration (FmHA) emergency lending program. In addition, the legislation shifts from direct to guaranteed lending on all FmHA loans for new borrowers beginning in FY 1986. The legislation provides for a phasing out of existing direct operation loans by FY 1990.

Agricultural Research. The focus of agricultural research would shift more from production concerns to farm profitability, with emphasis on cost reducing technologies, improved pest and drought resistance, new uses for agricultural products, and more efficient marketing and management approaches.

8. *Q.* Why is the AAA of 1985 extended to the year 2000, rather than for four years, as traditionally has been the case with omnibus farm legislation?

A. The 1981 Farm Bill was written with rigid price and income supports that were scheduled to increase each year by specified and mandated amounts. Those provisions were based on an economic environment that never materialized. As a result, the legislation worked against rather than for agriculture. More importantly, the legislative changes necessary to respond to changes in economic conditions—i.e., changes in the dairy program and target price freezes—did not come easily or without significant costs.

At the same time, farmers have struggled from year to year not knowing what kind of farm programs to expect and when they will be implemented. Like all businesses, farmers need to make long-term plans regarding capital investment and management decisions. However, it is impossible to make these decisions not knowing the general direction of U.S. agricultural policies and programs. That is why it is necessary to have legislation in place that is long-term and consistent, and that allows farm programs and policies to adapt to changes in economic conditions.

9. *Q.* Isn't the AAA of 1985 a fairly radical approach to addressing future farm policy?

A. It is radical to the extent that it makes a break from the past and proposes reasonable solutions. It is radical to the extent that it is not restrictive, phases out supply management programs, and most important, is not temporary in terms of either design or objectives. In other words, it is almost the exact opposite of our current farm legislation. While it makes dramatic changes in the way we address farm policy, it provides a five-year transition period to implement those changes. This legislation is based on establishing the necessary priorities for agriculture. It makes some difficult choices, but does it in a fair and compassionate way.

10. How is it possible to make loan or price support levels for all program commodities market-oriented given the diverse programs, the varying supply/demand situations, commodity characteristics and industry structures that exists for each commodity?

A. This legislation recognized that there are major differences among the major commodities. As such, each commodity has a five-year transition period to phase out obsolete programs and phase in market-oriented price supports. Since there are vast differences in existing commodity programs, the transition of each commodity to an equal footing at the end of five years will not operate precisely in the same way. However, under the AAA of 1985, all producers of each program commodity will receive price support during as well as after the transition period. Different adjustments are made for some commodities (explained under Section II—Program and Policy Provisions) during the transition period in an effort to put all commodities in both a fair and equitable position at the end of five years.

11. *Q.* Consistency among commodity programs and other agricultural policies is mentioned as a primary objective of the AAA of 1985. Precisely, how are these provisions consistent, particularly in contrast to current government policies and programs?

A. First, all commodities will move in a market-oriented direction. At the end of five years, all commodities will be given the same relative level of price support on their production. Currently, price supports for some program commodities are set above market-clearing levels and are based on outdated formulas, irrespective of the current economic conditions. The one clear exception is the current provision for soybeans. The price support provisions of the AAA of 1985 are patterned after the current soybean program in order to achieve flexible, market-clearing price supports.

Second, this legislation contains only limited authority for acreage reduction programs. It has been demonstrated time and again that supply control programs have not been effective or made the sector more prosperous. And, while the United States has willingly continued to unilaterally implement programs to reduce production, our foreign competitors have responded by increasing their production and their world market shares.

Third, in addition to high price supports, target prices have had several unintended consequences such as raising land prices and production costs, reducing our competitiveness in world markets and encouraging farmers to expand acreage even under surplus conditions. Under this legislation, target prices are based on a declining annual percentage of a three-year moving average of U.S. market prices.

Fourth, moving to a more market-oriented agricultural policy will allow the United States to become even more competitive in world markets. In addition, the United States will be provided with the ability to work through GATT to eliminate major trade barriers or unfair trade practices and promote policies that achieve more "open" access to markets.

Fifth, sodbuster provisions are proposed to prevent crop production on highly erodible land that has resulted in a misallocation of resources and contributed to our soil and water erosion problems.

12. *Q.* This legislation has only limited authority for acreage reduction programs. Does this also pertain to other supply control programs such as quotas and allotments? With limited supply control programs in place, won't excessive surpluses result in a relatively short time?

A. Current authority under the so-called "permanent law" would be repealed. There would be a phase-out of authority for acreage reduction programs and the immediate elimination of quotas, allotments, and other restrictive statutes. However, in the case of peanuts and tobacco, producers who have historically held allotments and/or quotas would receive a direct payment that is based on an annual declining percentage of a three-year moving average of U.S. market prices.

Initially, some producers may choose to increase production of some commodities by not complying with the voluntary acreage control program. However, they would be expanding with the knowledge that they would not receive loan and target price protection on any of their production and that the price and income supports will be moving towards market-clearing levels over a period of five years.

Voluntary acreage reduction programs (ARP) for wheat, feed grains, cotton and rice would be in place for three years through the 1988 crop year. The level of ARP would decline each year and would be phased out entirely beginning with the 1989 crop year and thereafter.

13. *Q.* How and why is the payment limitation lowered and what effect will that have on program participation and, ultimately, upon the agricultual sector?

A. This legislation contains provisions for a declining payment limitation on all commodity programs where producers are eligible for potential deficiency payments. However, the limitation has been sharply reduced from the current $50,000 level to $20,000, and declines to $10,000 for the 1988 crop year.

Given the current structure of agriculture, a relatively small number of large farms produce a large portion of program crops. In general, about 10 percent of U.S. farmers produce about two-thirds of the total output and do not depend on farm programs to supplement family incomes. Conversely, about two-thirds of the producers produce 10 percent of the output and receive about five-sixths of their family income from off-farm sources. Thus, it is about one-fourth of the producers who must rely on farm program benefits and who will most likely need assistance under future agricultural legislation. However, the top 13 percent of farms account for 45 percent of direct payments while 71 percent of the farms receive 22 percent of the payments.

In order to provide payments to those most in need, it is essential to target payments to producers who do not have large operations or obtain most of their family income from nonfarm sources. In addition, it is imperative that the Federal budget deficit be brought under control. Without some limit on the amount of direct payments to producers, large budget exposure is possible.

Limiting direct payments to farmers to $20,000 per person in 1986, $15,000 in 1987, and $10,000 in 1988 and thereafter would ensure that payments would reach those operators in greatest need for assistance and would not exclude many farmers. For example, in 1981 only 2 percent of farmers receiving government payments would have lost benefits had a $10,000 payment limitation been in effect. In 1982, cash grain producers with sales between $40,000 and $100,000 received an average of $5,500 in government payments.

II. PROGRAM AND POLICY PROVISIONS

Title I: Agricultural trade and export expansion programs

Objectives

A. To increase farm income through fair and expanded trade in agricultural products.

B. To enhance the reliability of the United States as a supplier of agricultural commodities by eliminating the use of agricultural embargoes and by guaranteeing sanctity of export contracts.

1. Q. What are the major provisions of the agricultural trade title?

A. The major provisions include:

Agricultural trade policy

A. The U.S. Government is committed to:

1. Promoting open access in world markets for U.S. agricultural exports by negotiating with our key trading partners to reduce restrictive trade practices in the agricultural sector.

2. Reducing or eliminating U.S. restrictions on agricultural imports in exchange for similar concessions on the part of our trading partners.

3. No restrictions will be imposed on agricultural exports because of rising domestic prices (short-supply reasons). In addition, an embargo on agricultural products shall not be used as an instrument of foreign policy except in extreme situations and only then as part of a broader embargo.

4. Protect the sanctity of existing export contracts for the sale of agricultural commodities in the unlikely event of an embargo.

B. The Secretary of Agriculture shall:

1. Determine which countries are adversely impacting trade in specific agricultural products through the use of trade barriers or unfair trade practices.

2. Assess the use of major foreign trade barriers or unfair practices and their impact on the U.S. agricultural exports.

3. Report the findings to Congress.

C. The U.S. Trade Representative shall:

1. In administering its responsibilities under Section 181 of the 1984 Trade Act,[1] perform a seperate analysis regarding acts, policies and practices which constitute significant barriers to, or distortions of, exports of U.S. agricultural commodities. A separate estimate of the impact of these practices on U.S. commerce should be included in a report to the Committees on Agriculture in the House and Senate as well as to the Finance and Ways and Means Committees.

2. In conjunction with the Secretary of Agriculture, seek to eliminate those major trade barriers or unfair trade practices identified. In the event that by July 1, 1986, negotiations to remove or reduce such barriers, including export subsidies maintained by other countries, are not progressing satisfactorily, the U.S. Trade Representative and the Secretary of Agriculture shall submit to the Congress a report indicating what actions will be taken to offset the effects of trade barriers and unfair trade practices and to secure adequate progress in the negotiations. In drawing up this report, greater use of long-term credit, special sales of CCC stocks, export or export credit subsidies and bilateral trade agreements shall be considered.

D. The President shall:

Recommend a plan to the Congress to phase out by September 30, 1990, all major agricultural trade barriers imposed on foreign products entering the U.S. market in return for comparable action eliminating agricultural trade barriers by foreign countries.

Export Expansion Programs

A. Short-term Credit

1. The Secretary of Agriculture is required to continue the GSM-102 Export Credit Guarantee program at a level consistent with the credit needs of importing countries for U.S. agricultural commodities when creditworthiness requirements are fulfilled and such credit requests serve to increase short-term demand for U.S. agricultural exports, build longer-term markets or improve the competitive position of U.S. agricultural exports in world markets.

B. P.L. 480 program is reauthorized.

C. Market Development

1. The Administration is committed to continue strong and effective market development programs for agricultural products.

2. Require the Secretary of Agriculture to evaluate the effectiveness of existing market development programs and report to Congress within one year as to ways in which they may be improved.

2. Q. The agricultural trade policy outlined in Title I would appear to be in direct conflict with the trade practices of many of our competitors and trading partners. How does this legislation deal with that possible confrontation?

A. First, a five-year transition period is provided for which allows the United States to fully determine the extent of trade restrictions and the impact of these restrictions on U.S. agricultural products that enter foreign markets.

Second, at the same time, the United States will likely have begun negotiations on another round of talks with signatory members of the General Agreement of Tariffs and Trade (GATT) in 1986. This will complement the process of identifying these restrictions, assessing their impact, and negotiating reductions.

Third, by 1990, a report will be submitted by the President to the Congress identifying what actions will be taken to offset the impact of the identified trade restrictions.

Fourth, during this process, U.S. domestic farm policy will be moving towards more market orientation. At the end of five years, the U.S. agricultural sector should be positioned to be more competitive and able to reduce the barriers it now has in place.

In essence, the process of promoting open access in world markets for U.S. agricultural exports will be phased in over a five-year transition period. This will provide ample time for U.S. agriculture to be able to make trade concessions and more importantly obtain mutual reductions in trade restrictions from our major trading partners.

3. Q. How will U.S. producers view this approach to agricultural trade policy?

A. Most producers would rather receive a price for their commodities from the marketplace than from government programs. To that extent, most producers are willing to accept a more market-oriented domestic farm policy, but only if they are guaranteed reasonable and fair access to world markets. To do that, the Federal Government must be willing to stand behind U.S. farmers and guarantee them this access. That requires negotiations with key trading partners to reduce restrictive trade practices. it also requires that the Federal Government guarantee that it will no longer impose embargoes or other restrictions on U.S. agricultural products for either short-supply or foreign policy reasons. The only exception would involve extreme situations and only then as a part of a broad embargo where sacrifices are shared by all economic sectors.

4. Q. How will existing cases of trade violations and unfair practices of our trading partners be handled during this interim process of identifying and analyzing the adverse impact of trade restrictions?

A. The comprehensive review by the U.S. Trade Representative, in conjunction with USDA, will in no way impede the ongoing process of seeking a resolution to existing trade cases, nor deter continuous negotiations that take place with our trading partners. Indeed, the review and analysis will complement the existing process and should help in the next round of negotiations of GATT. These provisions will only serve to demonstrate the resolve of the United States to seek more open access to world trade and provide for a timely transition period in order to reach these objectives.

5. Q. This legislation proposes the reauthorization of some existing export expansion programs. What are the major objectives of these programs and how will they complement the domestic farm policy?

A. With the adoption of a more market-oriented policy for U.S. agriculture, farmers will depend to a greater extent on export markets for the generation of farm income. However, if a market-oriented policy is to benefit U.S. agriculture, the United States must implement a coordinated set of domestic and export market policies which enable U.S. exporters to compete in world markets and guarantee access to importing country markets. Thus, U.S. export programs must be designed to ensure that the United States is a reliable supplier and must enable U.S. exporters to meet the price and credit terms offered by competing exporters.

Titles II and III: Wheat and feedgrains

1. Q. What are the major provisions of the wheat and feedgrain titles?

A. The major provisions include:

Loan rates based on 75 percent of national average prices received by producers of each of the respective commodities during the immediately preceding three years.

Nonrecourse loans are for nine months.

[1] Pursuant to Section 181 of the Trade Act of 1984, as amended, the USTR is required to identify and analyze acts, policies, or practices which constitute significant barriers to or distortions of U.S. exports and to make an estimate of the trade-distorting impact of such acts, policies or practices on U.S. commerce. The USTR must submit an annual report on this analysis and estimate to the Committees on Finance and Ways and Means.

Nonrecourse loans are limited to $200,000 to any producer for all commodities on all farms in which the producer has an interest. Loans in excess of $200,000 are recourse loans.

The Secretary shall establish separate loan rates and target prices for different classes of wheat.

Target prices for both wheat and feedgrains are calculated on an annual declining percentage of the three-year moving average of U.S market prices at the following levels:

Crop year	*Target price*
Percentage of 3-year moving average U.S. market prices:	
1986	100
1987	95
1988	90
1989	85
1990	80
1991	75
Thereafter	75

Deficiency payments are equal to the crop (or class) target price minus the national season average price times the harvested production of the crop on the farm.

A voluntary acreage reduction program will be offered at the following levels: 15 percent-1986 crop year; 10 percent-1987 crop year; 5 percent-1988 crop year. For the 1989 crop year and thereafter, the authority for acreage reduction or other supply control programs would be eliminated.

For crop years 1986, 1987, and 1988, producers must comply with the voluntary acreage reduction program in order to receive loan and target price benefit.

Feedgrains included are corn, sorghum, and barley.

Authorities under permanent legislation that affect wheat, corn, sorghum, rye, barley, and oats would be repealed.

2. *Q.* Traditionally, nonrecourse loans have been a major component of farm commodity programs. The AAA of 1985 proposes to use nonrecourse loans up to a level of $200,000, at which point they become recourse. How would these nonrecourse and recourse loans work?

A. With nonrecourse loans, when market prices are low, farmers can use the commodities they poduced as collateral for Federal loans. If prices fail to rise above loan levels, farmers can forfeit their collateral to the Commodity Credit Corporation (CCC) up to a level of $200,000 of outstanding loans. With recourse loans, farmers can secure loans from the government by pledging their commodity as collateral. At the end of the loan period, the producer would be obligated to repay the loan with interest, which more closely approximates normal commercial lending practices. In the event the recourse loan is not repaid, the government will have further recourse against the borrower in the form of penalties and denial of other program benefits. For instance, if a producer defaulted or was unable to repay the loan, the equivalent amount of the loan plus interest could be deducted from potential deficiency payments that producers are eligible to receive. In addition, the producer can be denied any future program benefits if he failed to repay his recourse loan.

3. *Q.* Why are the loan rates based on a percentage of the three-year moving average of U.S. market prices?

A. Basing loan rates on previous market prices has the advantage of allowing loan rates to adjust to changes in the competitiveness of our agricultural products abroad and still provide a safety net to farmers. Setting loan rates on the basis of a three-year moving average of past market prices limits the effects of extreme weather-related price fluctuations on later loan rates, yet provides for appropriate adjustments as economic conditions change. In addition, it removes the tendency for high and inflexible loan rates to be capitalized into the value of fixed assets.

Setting the loan rate at 75 percent of a three-year moving average helps to ensure that the loan rate remains below market-clearing commodity prices in all but extreme situations. For instance, in situations when a period of short supplies and high commodity prices was followed by a period of excess supplies and low market prices, loan rates determined by past prices could possibly exceed cost of production and long-term market-clearing prices. However, basing loan rates on a fraction of past prices will most likely minimize the extent of market interference.

4. *Q.* The Secretary is required to establish separate loan rates for different classes of wheat. What is the reasoning for multiple loan rates?

A. In the past, the wheat program has operated under a single loan rate, although there are five major classes of wheat grown in the United States. However, pricing problems can arise since the various classes are grown in distinct regions, have different end uses, and are each marketed differently. Establishing separate loan rates will allow each class or type of wheat to have a loan rate that accurately reflects it use and value.

5. *Q.* What is the rationale for basing target prices on an annual declining percentage of the three-year moving average of U.S. market prices? It would appear that after five years, target prices would no longer exist. Are you not phasing them out?

A. Typically, target prices have been set above market-clearing levels and mandated over a period of time, such as occurred in the 1981 Farm Bill. This has effectively guaranteed that acreage reduction programs would be required in order to ensure that market prices were at least nearer to predetermined levels. As target prices escalations force greater cutbacks and prices move up, our competitors produce more and take over our markets. As our markets dwindle, even larger cutbacks are necessary. Thus, it is important that target prices do not interfere with the signals from the marketplace. Otherwise, they lead to increased production abroad and larger surpluses in the long-term.

Basing target prices on the same concept as loan rates will allow for an income transfer but not interfere with market-clearing levels. By providing for a five-year transition, agriculture will become more competitive and overcapacity will be reduced to the point that producers can rely on the marketplace for their well-being and, for the most part, remove the necessity for an income transfer mechanism. However, if under extreme conditions the price fell below the target price, producers would still be provided a form of direct assistance.

6. *Q.* The legislation repeals authorities under permanent legislation and phases out those for supply control programs. Both wheat and corn, particularly in recent years, have had large surpluses. Without continued supply management programs, how will this legislation prevent the buildup of the existing surpluses?

A. The incentive to producers to expand production will be heavily influenced by the level of loan and income price supports. With loan and target rates established below market-clearing levels, producers will more readily respond to signals in the marketplace and make production adjustments accordingly. In addition, producers will be able to obtain and receive price protection and program benefits for most of their production by complying with the voluntary acreage reduction programs in the first three years.

Thereafter, the authority for acreage reduction of any other type of supply control program would no longer be in effect. Thus, the incentive to initially expand production outside the programs will be lessened as those producers will not benefit from high support rates or by increasing the size of their base for the purpose of future programs.

7. *Q.* What cropland acreage base will be used under the acreage reduction program to determine the amount of acres planted for each farm?

A. The acreage base for a farm for any crop will be the average acreage of the three crop years immediately preceding the year for which the determination is made.

Titles IV and V: Cotton and rice

1. *Q.* What are the major provisions of the cotton and rice titles?

A. The major provisions include:

Loan rates based on 75 percent of national average prices received by producers of each of the respective commodities during the immediately preceding three years.

A nine-month loan period.

Nonrecourse loans are limited to $200,000 to any producer for all commodities on all farms in which the producer has an interest. Loans in excess of $200,000 are recourse loans.

The Secretary shall establish separate loan rates and target prices for upland cotton and extra-long staple (ELS) cotton.

Target prices for each of the respective commodities are calculated on an annual declining percentage of the three-year moving average of U.S. market prices for each of the respective commodities at the following levels:

Crop year	*Target price*
Percentage of 3-year moving average U.S. market prices:	
1986	100
1987	95
1988	90
1989	85
1990	80
1991	75
Thereafter	75

A voluntary acreage reduction program will be offered at the following levels: 15 percent—1986 crop year; 10 percent—1987 crop year; 5 percent—1988 crop year. For 1989 crop year and thereafter authority for acreage reduction or other supply control programs would be eliminated.

Deficiency payments are equal to the crop target price minus the national season average price times the harvested production of the crop of the farm.

For crop years 1986, 1987 and 1988, producers must comply with the voluntary acreage reduction programs in order to receive loan and target price benefits.

Authorities under permanent legislation as they affect cotton and rice will be repealed.

2. *Q.* The price support for cotton is currently based on either the lower of 85 percent of the average spot market price for upland cotton or 90 percent of the average Northern European price for upland cotton.

Why is the price support under this legislation being set on the basis of 75 percent of the three-year moving average of U.S. market prices?

A. As with all price supports, the loan rate should be market-oriented and remain below market-clearing prices in all but extreme situations. While the cotton loan rate is more market-oriented than most, setting the loan rate at 75 percent of a three-year moving average provides consistency among commodities. More importantly, it provides consistency with the determination of the levels for target prices, which are also based on a three-year moving average of U.S. market prices.

3. *Q.* Why is a separate loan rate and target price established for extra-long staple (ELS) cotton?

A. While ELS cotton represents a small amount of total U.S. cotton production (less than 2 percent) it is grown only in certain areas of the country where it is well adapted to hot dry weather conditions. In addition, its markets are chiefly high-value products as opposed to the apparel, household and industrial products made from upland cotton.

4. *Q.* Why are separate loan rates being established for different types of rice?

A. There are currently three major types of rice produced in the United States. There is relatively little substitution among these types for most users of rice. Supply-demand imbalances that appear in the aggregate may not indicate the market situation for a single class of rice.

Moreover, planting of new, high-yielding rice varieties is increasing, which could aggravate imbalances in the market for one rice type compared to another. Separate loan rates which accurately reflect supply-demand conditions and end uses will address the excess supply problems that arise when establishing loan rates for just one type of rice.

5. *Q.* What cropland acreage base will be used under the acreage reduction program to determine the amount of acres permitted to be planted to the crop on each farm?

A. The acreage base for a farm for any crop will be the average of the crop planted for harvest on the farm for the three crop years immediately preceding the year for which the determination is made.

Title VI: Soybeans

1. *Q.* What are the major provisions of the soybeans title?

A. The major provisions include:

All producers eligible for nine-month loans.

Loan rates are based on 75 percent of the three-year moving average of U.S. market prices.

Nonrecourse loans are limited to $200,000 to any producer for all commodities on all farms in which the producer has an interest. Loans in excess of $200,000 are recourse loans.

Authorities under permanent legislation as they affect soybeans will be repealed.

2. *Q.* How does this legislation differ from current legislation regarding soybeans?

A. Under current legislation, the loan level is established at 75 percent of a five-year moving average of the season average price received by farmers, excluding the high and low years. In addition, a minimum loan rate of $5.02 per bushel is required. Under this legislation, the loan rate is also established at 75 percent, but is based on national average prices received by producers for soybeans during the three immediately preceding years. There is no specified minimum.

3. *Q.* Will acreage reduction programs be required as a condition of eligibility for price support?

A. No. There would be no authority for acreage reduction or other supply control programs for soybeans.

Title VII: Dairy

1. *Q.* What are the major provisions of the dairy title?

A. The major provisions include:

For marketing years 1985/86 and 1986/87, the support price for manufacturing grade milk will be established as follows:

(1) On October 1, 1985, the support price will be $11.60/cwt., except that on April 1, 1986, if the Secretary of Agriculture estimates that CCC purchases of dairy products for the following 12 months are projected to exceed 5 billion pounds milk equivalent, the Secretary shall reduce the support price by 50 cents/cwt.

(2) On January 1, 1987, if the Secretary estimates that CCC purchases of dairy products for the following 9 months are projected to exceed an annual rate of 5 billion pounds milk equivalent, the Secretary shall reduce the support price by 50 cents/cwt.

For marketing year 1987/88 and thereafter, a direct payment program will be established. Target prices will be calculated on an annual declining percentage of the three-year moving average of U.S. milk prices at the following levels:

Marketing year	*Target price* [1]
As percentage of 3-year moving average U.S. market prices:	
1987/88	[2]
1988/89	85
1989/90	80
1990/91	75
Thereafter	75

[1] Payment rate based on national average market price received by farmers for all milk.

[2] The lesser of a) the all-milk price received by producers in fiscal year 1987 or b) 90 percent of the average prices received by producers for all milk in the preceding three years.

The Secretary of Agriculture is required to appoint a task force to review the Federal Milk Marketing Order Program. The task force shall consist of three producers, three processors (two from cooperatives and one independent processor), two agricultural economists from the Land Grant universities, and two representatives from consumer organizations.

The task force shall:

(1) Study the need for Federal milk marketing orders and clarify their purpose;

(2) Assess the impacts of the existing Federal Milk Marketing Order Program on milk producers, processors, distributors and consumers;

(3) Identify, describe and evaluate feasible alternatives to the existing program, including analyzing the costs and benefits from commercial reconstitution of milk for fluid use;

(4) Recommend regulatory and legislative changes as deemed appropriate and implement by no later than September 30, 1990.

Authorities under permanent legislation as they affect dairy will be repealed.

2. *Q.* Why is the support price initially established at $11.60/cwt. for the 1985/86 marketing year, particularly when it is uncertain whether the authority will be exercised under the Dairy and Tobacco Adjustment Act of 1983 allowing the Secretary to adjust the support price based on projections of CCC purchases?

A. In spite of the diary diversion program created by the 1983 Act, there still appears to be an overcapacity of resources in the dairy sector as CCC purchases still remain well above historical levels and are projected to continue to cost taxpayer nearly $1.5 billion in FY 1985. The dairy price support program must have flexibility and allow the price support level to adjust to changing economic conditions. The $11.60/cwt. level provides a logical and reasonable starting point to achieve a market-oriented dairy policy.

3. *Q.* For marketing years 1985/86 and 1986/87, the authority for making support price adjustments is scheduled for April 1, 1986, and January 1, 1987. What is the reasoning for the timing of these adjustments?

A. At the beginning of the 1985/86 marketing year, the support price will be established at $11.60/cwt. That support price will be lowered 50 cents/cwt. at each decision point if surpluses persist. Thus, it provides timely intervals for phasing the support price towards market orientation.

4. *Q.* Beginning with marketing year 1987/88, the current purchase program will be converted to a direct payment program. Why is the method of price support changed after two years?

A. Once the support price becomes more market-oriented, it would remain below the market price, except possibly during flush production periods or extreme support/demand conditions. At that point, little or no dairy products would be sold to the government, no longer necessitating the need for a purchase program. If the market price for milk falls below the target price level, farmers will receive a deficiency payment based on the difference between the market price and the target price, thus offering them income protection.

5. *Q.* How will the transition be made from a purchase program to a direct payment program?

A. The concept of moving the support price towards market orientation will be phased in under the current purchase program as price supports will gradually be reduced. In 1987/88, the direct payment program will operate with a target price initially set at the lower of 90 percent of a three-year moving average of U.S. market prices for all milk or the price received by producers for all milk in 1986/87. If the average market price is less than the target price, all dairy farmers would be eligible for a payment based on the difference between the market and target price, subject to an overall $10,000 payment limitation.

6. *Q.* Is there a provision for advanced deficiency payments to dairy farmers?

A. Yes, the legislation provides the Secretary flexibility to make periodic payments to milk producers including the ability to provide advance deficiency payments.

7. *Q.* Once the direct payment program begins, how will CCC dispose of the existing government stocks of dairy products?

A. CCC will continue to meet existing program requirements for both domestic and foreign donations so long as stocks exist. They would be disposed of in a manner which would minimize interference with the marketplace.

8. *Q.* The legislation requires that a task force be appointed by the Secretary of Agriculture and review the Federal Milk Marketing Order Program. Why are milk marketing orders undergoing such a thorough review?

A. Federal milk marketing orders set minimum prices which must be paid by processors to dairy farmers or their cooperatives for grade A (fluid grade) milk in markets where producers have elected to come under

Federal orders. Higher minimum prices are established for milk for fluid use than for regulated Grade A milk used in manufactured products. The proceeds from milk sales in each market are pooled and farmers receive a blend or average price.

Milk used for fluid use and dairy products are designated by classes. Minimum class prices are established on the basis of specified relationships to the market price of manufacturing grade milk, so they automatically reflect changes in support prices. As such, Federal milk marketing orders have lent regularity and a degree of price certainty to fluid milk markets.

However, there is growing concern that milk marketing orders may be contributing to inefficiencies in resource use, including excess production in some areas. There is also some concern that milk marketing orders make fluid milk more expensive to some consumers or incomes less to some producers than they need to be. And, as the price support program is adjusted to bring milk production more in line with use, pressures for changing the marketing order program will mount. Thus, it would behoove all concerned with the future of the dairy industry to assess the impact of the existing marketing order program and make recommendations that may improve their purpose.

Title VIII: Peanuts

1. Q. What are the major provisions of the peanuts title?

A. The major provisions include:

The 1985 crop farm poundage quota of 1.1 million tons will be retained through 1990 for direct payments to ease the transition to a market oriented program.

Loans.—All producers are eligible for nonrecourse loans, limited to $200,000 to any producer for all commodities on all farms in which the producer has an interest. Loans in excess of $200,000 are recourse. The period is up to nine months. The loan rate is the lower of $250 per ton or 75 percent of immediately preceding three-year U.S. market average price.

Direct Payments—Direct payments will be made to producers with payment (1985 poundage) quotas. The payment rate is the difference between the established price and the national season average price. Established price is set as follows:

Crop year	*Established price*
Dollars per ton.	
1986	$550
As percentage of 3-year moving average U.S. market prices.	
1987	95
1988	90
1989	85
1990	80
Thereafter	75

In crop year 1991 and thereafter, the loan rate and the established (target) price are at the same level, providing all producers similar loan and target price benefits.

Permanent transfers of payment quota are authorized only (1) on death of owner, (2) as a gift, or (3) to a family member.

Temporary transfers are allowed if both owner and operator agree to such transfers.

Authorities under permanent legislation as they affect peanuts will be repealed.

2. Q. Why is the nonrecourse loan rate for peanuts established at the lower of 75 percent of a three-year moving average of U.S. market prices or $250 per ton?

A. Under this legislation, the present two-tier price system is no longer in effect, eliminating the necessity for a quota and non-quota loan. Basing the loan rate on the lower of $250 per ton (which approximates average U.S. variable costs of production for peanuts) or 75 percent of the three-year moving average of U.S. market prices provides *all* producers the availability of harvest time credit.

3. Q. Why are producers who presently hold poundage quotas allowed to receive a direct payment?

A. In order to move to a more market-oriented peanut program, it is necessary to phase out the existing poundage quotas. The value of peanut allotments was capitalized into the price of the land originally assigned the historical allotment. While allotments were discontinued under the 1981 Farm Act, the poundage quotas that were assigned to allotment holders under 1977 Farm Act were continued. As a result, the value of the original allotments are now reflected in the poundage quotas. An estimate for 1981-83 puts this value for an owner-user at $140 per ton. By immediately eliminating the quotas, their value would be zero, causing an immediate drop in land values and severe economic dislocation to quota holders. Thus, a declining direct payment will allow quota holders an orderly transition period to shift resources to competing uses. Beginning in 1991, direct payments would be made to all producers if season average prices fell below 75 percent of a three-year moving average of U.S. market prices or $250/ton, whichever is lower.

4. Q. Under the 1981 Farm Act, the poundage quotas were reduced each year to a level of 1.1 million tons for 1985. At what level or levels will the direct payments be made to quota holders?

A. The direct payments will be based on the 1985 quota level of 1.1 million tons throughout the transition period, with the payment level declining each year until it equals the loan rate in the 1991 crop year.

5. Q. Why is the initial direct payment level established at $550 per ton as opposed to 100 percent of the three-year moving averaging of U.S. market prices?

A. 1984-crop quota peanuts were supported at $550 per ton. In an effort to provide an orderly transition from the use of poundage quotas, the payment rate is initially established at the level supported under current law. For each succeeding crop year through 1990, the payment rate is based on a declining percentage of the three-year moving average of U.S. market prices.

6. Q. Won't allowing anyone to produce peanuts result in a surplus and depress prices?

A. Since acreage allotments were removed under the 1981 Farm Act, anyone is allowed to produce peanuts. However, any peanuts produced in excess of poundage quotas ("additional" peanuts) are restricted to the export or crushing market or the lower of the two-tier price system. The establishment of a market-oriented loan rate will allow producers to receive a price from the marketplace based on the allocation of end uses for peanuts free of any marketing controls or encumbrances.

7. Q. What will happen regarding the marketing restrictions on quota and additional peanuts?

A. All marketing restrictions relating to specific end uses of both quota and additional peanuts are eliminated, allowing peanuts to flow freely to either domestic or export end uses.

Title IX: Sugar

1. Q. What are the major provisions of the sugar title?

A. The major provisions include:

Beginning with crop year 1986, commodity loans are available at the rate of 12 cents per pound, or 75 percent of the 3-year moving average of U.S. market prices, whichever is lower.

Loans must be repaid in the same fiscal year they are made to processors.

Nonrecourse loans are available to any processor at a level to reflect not more than $200,000 per producer. Loans in excess of $200,000 per producer are recourse.

The Secretary shall establish separate loan and target price rates for beet and cane sugar.

For crop year 1986 and thereafter, establish a direct payment program to growers will be established. The payment rate will be the difference between the national season average price and the established price. The established price will be set at the following levels:

Crop year	*Established price* [1]
Cents per lb. [2]	
1986	18
1987	16
1988	14
1989	12
1990	12
As percentage of 3-year moving average U.S. market prices:	
1991	75
Thereafter	75

[1] Due to the low world market price for sugar in recent years, the payment rate is phased down in 2-cent increments in order to provide an effective transition to a 3-year moving average of U.S. market prices.

[2] Or 75% of three-year moving average, whichever is higher.

Authorities under permanent legislation that affect sugar are repealed.

2. Q. Beginning with crop year 1986, sugar will be supported through loans to processors. How will this differ from the current program?

A. Under the current program processors are eligible to receive a nonrecourse loan. To be eligible for the loan program, a processor must agree to pay at least the minimum specified support price to any grower who delivers sugarbeets or sugarcane to the processor. In 1981, Congress strongly urged the President to use all legislative authorities available to avoid adverse budgetary outlays under the sugar program. Thus, in administering the domestic sugar program, USDA has tried to aviod forfeitures of sugar to CCC. This is largely accomplished by establishing a market stabilizations price (MSP) for raw cane sugar above the purchase or loan rate.

Under this legislation, nonrecourse loans would be made available to processors at a level to reflect up to $200,000 per producer. However, the loans would have to be repaid in the same marketing (fiscal) year that they were made to processors.

3. Q. Why must nonrecourse loans be repaid in the same marketing (fiscal) year they are made?

A. Under current law, loans must be made and must mature in a single fiscal year. For example, under the 1984 sugar program, beginning October 1, 1984, loans can be made for six months, but all loans must mature by the end of the fiscal year—September 30, 1985. Under this legislation, the eligibility requirements and length of maturity for nonrecourse loans will be the same as in the recent past.

4. Q. How will the Secretary ensure that outlays under the sugar program will be minimized?

A. The Secretary will take all steps available to him that are practicable and reasonable to avoid the acquisition of stocks of sugar by the Commodity Credit Corporation.

Title X: Wool and mohair

1. *Q.* What are the major provisions of the wool and mohair title?

A. The major provisions include:

Establish a direct payment program whereby the payment rate for wool and mohair will be the difference between the national season average price and the established price. The established price will be set at the following levels:

AS PERCENTAGE OF 3-YEAR MOVING AVERAGE U.S. MARKET PRICES [1]

Crop year	Established price	
	Wool	Mohair
1986	100	100
1987	95	95
1988	90	90
1989	85	85
1990	80	80
Thereafter	75	75

[1] Or $1.65 per pound for wool, and $5.17 per pound for mohair, whichever is lower.

2. *Q.* How does the direct payment program under this legislation differ from the current incentive payment program?

A. Under the current program, wool and mohair producers receive an incentive payment which is supposed to encourage the production of higher quality wool and improve wool marketing. The payment rate is based on the percentage needed to bring the national average market price received by producers up to the support price. However, the gap between the rising incentive price and the lower market price has resulted in rising program costs.

Under this proposal, wool and mohair producers will receive a direct payment based on the difference between the season average price and an established price which is the 1984 support level or a declining percentage of a three-year moving average of U.S. market prices, whichever is lower.

3. *Q.* Will payments be continued for unshorn lambs?

A. Yes. The payment rate for pulled wool will continue to be established at such level in relationship to the support price for shorn wool as the Secretary determines will maintain normal marketing practices for pulled wool.

4. *Q.* Presently, wool program payments are not subject to a payment limit. Are they under this legislation?

A. Yes. Since producers will receive direct payments in the form of deficiency payments, they will be subject to the payment limitation.

5. *Q.* There are some who contend that the revenue raised from tariffs charged on imported raw wool and wool textiles more than offsets wool program expenditures and that the current program does not cost taxpayers anything and provides benefits to consumers. If so, why is the current program being changed and made subject to a payment limitation?

A. Commodity Credit Corporation (CCC) funds are used to operate the wool incentive and mohair support program. Since CCC is reimbursed through annual appropriations from Congress, the payments to wool and mohair producers represent a direct outlay that is paid by U.S. taxpayers.

Under the Tariff Act of 1930, duties are collected on imported raw wool and wool manufactures. Those duties are deposited into the Federal Treasury. They are not used to specifically offset the costs of the wool and mohair program. Provisions were included in the National Wool Act of 1954 which would limit, both on a fiscal and cumulative basis, the amount of payments to wool and mohair producers to 70 percent of all duties collected on wool and wool manufactures. With the exception of one year, the limit has never been reached. On a cumulative basis, duties have continued to exceed costs of the wool and mohair program.

Irrespective of these limitations, the revenues collected from duties on wool and wool manufacturers are not used to offset costs of the wool and mohair program. That is consistent for other major commodities in which outlays incurred from government programs are not offset by any existing duties or tariffs of like commodities imported in the United States.

More importantly, the primary function of the incentive program—to encourage the production of higher quality wool and improve wool marketing—has not proved effective. U.S. wool production and average fleece weight has declined steadily since at least 1970. At the same time, total raw wool and wool imports have been highly variable over the same time period, although they have steadily increased since 1979.

The effect of the wool program on consumers is likely negligible. The small size of the U.S. wool market in relation to the world market and the substantial volume of U.S. wool imports suggest that U.S. wool prices are more related to world wool prices than to incentive payments.

Honey Price Support Program

1. *Q.* What are the major provisions of the honey program?

A. None. The authorities under permanent law for the honey price support program are repealed and no program is provided for under this legislation.

2. *Q.* What is the increasing for eliminating the honey price support program?

A. There are several reasons for this decision. First, the program benefits very few beekeepers. An estimated 90–95 percent of the 211,600 beekeepers in the United States are hobbyists who own less than 25 colonies of honey bees. Most honey produced by hobbyists is consumed at home, given to friends and relatives, or distributed through local outlets. Another 10,000 own from 25 to 299 colonies, and together with hobbyists account for about one-half of the total colonies and 40 percent of honey production. For this second group, honey generally does not serve as the principal source of income. Commercial beekeepers number about 1,600, or less than 1 percent of the total beekeeping population. Yet, this group accounted for almost 60 percent of honey production.

Second, the honey price support program violates almost all free market principles by allowing the level of price support to be established above the market price. This has been the situation since 1980, when honey was acquired by the CCC for the first time since 1969. These forfeitures have occurred simply because the support price is significantly above the average market price. As a result, too much honey is being produced to allow the market to clear at prices at or above the support rate. This results in a grossly inefficient use of resources that benefits relatively few (primarily 1,600 commercial beekeepers—less than 1 percent of all beekeepers) at a significant cost to taxpayers ($90 million alone in FY 1984).

3. *Q.* Won't the termination of the honey price support program result in a substantial decline in the number of honeybee colonies and jeopardize the pollination of our fruit, vegetable, nut and seed crops?

A. it is important to note that the bulk of the pollination of plants in the United States is provided either by wild bees or colonies managed by beekeepers who are engaged only in honey production and receive no pollination fee. Most of the pollination service that is for rent to growers in the United States is provided by the large commercial beekeepers. Hobbyists and part-time beekeepers are generally not engaged in providing pollination services for rent because they cannot economically justify investment in equipment to transport honeybees from one pollination site to another.

Research by USDA has revealed that pollination costs are a very small part of the total cost of producing crops requiring pollination services and could be increased to compensate those beekeepers who provide pollination services for rent. Likewise, increased pollination fees could also offset or reduce the economic effect of lower domestic honey prices for those beekeepers actively engaged in providing pollination services for a fee.

4. *Q.* What if commercial beekeepers were not able to increase pollination fees sufficiently to offset or reduce lower domestic honey prices?

A. If it is determined that pollination services are in need of a subsidy, it would be more efficient to directly support those activities rather than do so indirectly through a costly and inefficient honey price support program.

5. *Q.* U.S honey stocks totaled over 165 million pounds in 1983, or one-half of the world stocks of honey. An estimated three-fourths of the stocks are being held by the government. With the termination of the honey price support program, how would CCC dispose of those stocks?

A. Currently, CCC disposes of the majority of its honey stocks through food assistance programs operated by the Food and Nutrition Service in USDA. Only a small amount of honey is sold on the open market since, except for certain circumstances, the CCC is precluded from selling its honey at less than 105 percent of the acquisition cost. Thus, CCC would continue to provide donations of honey to nonprofit, emergency and domestic relief organizations. In addition, any disposal in the open market would continue to be orderly and operate under the present rules and regulations.

Title XI: Food assistance reserve

1. *Q.* What are the major provisions of the Food Assistance Reserve title?

A. The major provisions include:

The Secretary has the discretionary authority to designate up to 500 million bushels of wheat and feed grains in a reserve for humanitarian purposes.

The stocks necessary to establish this reserve may come from existing CCC inventories or purchases.

The Secretary has authority to replenish the reserve when the level for either wheat or feedgrains falls below 500 million bushels.

The Secretary will have the authority to establish rules and regulations regarding:

1. Purchase of wheat and feedgrains for the reserve;

2. Rotation of reserve grain;

3. Use of reserves to meet emergency famine relief.

2. Q. What is the rationale for establishing a single reserve?

A. The rationale behind the Food Assistance Reserve is to provide a separate reserve that can be drawn from on short notice in order to meet domestic and international humanitarian needs, particularly in areas which need emergency famine relief.

3. Q. Under this legislation the Secretary may replenish the reserve whenever the level for either wheat or feedgrains falls below 500 million bushels. Can he acquire grain above the 500 million bushel level?

A. No. The Secretary cannot purchase stocks in excess of 500 milion bushels for the Food Assistance Reserve.

Title XII: General provisions

Payment limitation.—Establish a payment limitation per person, where applicable, for wheat, feedgrains, cotton, rice, dairy, peanuts, tobacco, sugar and wool and mohair at the following levels: 1986 crop year—$20,000; 1987 crop year—$15,000; 1988 crop year—$10,000; and for the 1989 crop year and thereafter—$10,000.

Loan limitation.—Establish a $200,000 limitation on the amount of outstanding nonrecourse loans where applicable, that can be made to each producer during each crop year. The $200,000 limitation also applies to sugar processors.

Corn marketing year.—Change current marketing year for corn from October 1 through September 30, to September 1 through August 31.

Title XIV: Agricultural research, extension and teaching

1. Q. What are the major provisions of the Agricultural Research Title?

A. The major provision include:

Establish USDA as the lead agency in the Federal Government for the food and agricultural sciences, and to emphasize that agricultural research, extension and teaching are the distinct missions of USDA.

Identify needs and establish priorities for research, extension and teaching programs and to assure that results of research are effectively communicated and demonstrated to farmers, processors, handlers and consumers.

Increase cooperation and coordination in the performance of agricultural research by Federal departments and agencies, the States, State Agricultural Experiement Stations, colleges and universities, and user groups.

Award competitive grants for high-priority agricultural research among research workers and all colleges and unversities and provide grants for the improvement of agricultural research facilities and equipment.

Administer a program of competitive education grants and fellowships to strengthen research, extension, and teaching programs in the food and agricultural sciences.

Title 14 contains several specific directives. The major directives are:

USDA is designated as the lead agency for human nutrition research (except with respect to the biomedical aspects); the Secretary if directed to coordinate nutrition research activities with the Department of Health and Human Services.

The Secretary is directed to consult with the Joint Council on Food and Agricultural Sciences, the Users Advisory Board, and other advisory groups in the formulation of basic policies, goals, strategies, and priorities for programs of agricultural research, extension, and teaching.

The Secretary is directed to promote and develop higher education programs in the food and agricultural sciences by formulating and administering higher education programs.

The Secretary is directed to regularly conduct program evaluation to meet the purposes of this title. An appropriation of $1 million annually has been provided for this purpose.

2. Q. What is the major change proposed in the Agricultural Research Title?

A. Four years ago there was great concern as to whether we would be able to grow enough food and fiber to meet domestic needs and international markets. Therefore the 1981 Farm Act heavily emphasized the need to improve production. American farmers have proven their ability to meet production needs, to the extent that supply exceeds market-clearing prices for many commodities. In Title 14 of the new farm bill, we are placing greater emphasis on the role of research and extension in strengthening the efficiency and use of production resources and profitability of the farm enterprise.

3. Q. Are you proposing any major changes in USDA research programs?

A. We are not proposing any major changes in these programs as the research system is efficient and flexible to meet anticipated needs. We will continue to develop the emerging use of biotechnology in our research programs. We are also continuing the competitive research grants program to focus on high-priority needs and help strengthen the quality of agricultural research.

4. Q. Are you proposing to eliminate any provisions of the existing Title 14?

A. We are deleting some provisions of the 1981 Farm Act which mandated certain reports or actions in a specified time period. We have completed all such reports and actions and the legislation is no longer applicable. We are also proposing to eliminate the advisory boards for aquaculture and rangeland management as these interests are represented on other advisory boards.

5. Q. There has been concern expressed over the construction of facilities by the Agricultural Research Service which the Congress has mandated. Has this issue been addressed?

A. Yes. Improvements in facilities and equipment at our universities are needed to assure their capacity to meet current and future development opportunities in agricultural science and education. We are also concerned that building facilities at universities using ARS funding authorizations has raised problems for both the Federal and State partners. However, this has been the only option available to both the legislative and excecutive branches. We are proposing to rewrite the Research Facilities Act which would allow USDA to assist the colleges on a matching basis for the construction of non-USDA-owned agricultural or related program facilities.

Title XV: Resource conservation

1. Q. What are the major provisions of the Resource Conservation title?

A. The major provisions include:

"Sodbuster" prohibitions.—Any operator of Class IVe, VIe, VII, or VIII land which had not been in crop production for the preceding 10 years and who tills it without having a conservation plan approved by the local conservation district, will thereafter be ineligible for all Federal farm program benefits for all of the commodity grown on such land and for the same commodity grown on any other land by the same operator.

2. Q. The sodbuster provisions call for strict penalties for any producer who brings land designated as highly erosive into crop production. How serious is this problem?

A. The amount of erosion-prone land being utilized for row crops and cultivated uses has increased sharply in recent years. In 1982, 43.6 million acres of land class IVe, VIe, VIIe soils were utilized as cultivated cropland in the United States. The comparable acreage was 32.5 million in 1977, an 11-million acre increase. It has been estimated that soil movement on over 22 million of these acres is quite severe, while the remaining half have soil erosion problems that can be handled in many instances with good soil management practices. In order to ensure that more erosion-prone land is not brought into crop production, it is essential that strict provisions are in place to deter it.

3. Q. The sodbuster provisions state that any operator of highly erodible land which had not been in production for the preceding 10 years and who tills it without following an approved conservation system will be ineligible for Federal farm program benefits. Will the producer be required to adhere to the conservation system?

A. Yes.

4. Q. Is the ineligibility for farm program benefits limited to commodity program benefits or all Federal farm program benefits?

A. If an operator brings erosion-prone land into production and violates other existing conditions, he will be ineligible not only for commodity program benefits, but all Federal farm program benefits.

Title XVI: Agricultural credit

1. Q. What are the major provisions of the Agricultural Credit title?

A. The major provisions include:

Effective in crop year 1986, the Farmers Home Administration emergency (EM) program will not be made available to producers in those countries in which crop insurance is available on the individual commodity that is affected by occurrences of natural disasters.

To encourage the expansion of crop insurance and provide for more competitive pricing for producers, the Federal Crop Insurance Corporation (FCIC) is authorized to permit commercial insurance companies to establish their own premium rate structures for approved multi-peril or limited risk crop insurance policies. FCIC will determine, based on its own actuarial evaluation, the maximum subsidy rate to be applied to any multi-peril or limited risk crop insurance policy. The Corporation shall set the maximum rate payable to any commercial offering regardless of the pricing structure established independently by the commercial insurance firm.

Beginning with FY 1986, all farm loans authorized under FmHA programs will be offered to borrowers on a guaranteed basis not to exceed 75 percent of the loan amount through commercial or Farm Credit System lenders. However, borrowers facing financial hardship are eligible for guarantees of up to 90 percent of the loan amount. Guarantees to established operators will not exceed 75 percent.

Beginning with FY 1986, FmHA, in cooperation with commercial lenders, will take steps to phase out existing direct operating (OL) loans. This phase-out is to be conducted at the end of five years. To accomplish this transition, the Secretary is authorized to take the following courses of action; Existing FO and OL loans may be subject to sale or transfer to a commercial or Farm Credit System lender on such terms as may

be determined by the Secretary on a nonrecourse basis.

2. Q. What impact will be felt if the FmHA Emergency Loan Program is eliminated?

A. The crop insurance program, administered by FCIC and delivered through private insurance companies and agents, provides the best government-sponsored alternative to traditional government disaster programs.

Crop insurance is now available on 35 crops in virtually every crop-producing area in the country, including those formerly covered by the low yield disaster payments program administered by ASCS. Recent changes in the program, such as basing guarantees on a producer's actual production experience, have made the program a truly viable risk management program that should be considered in an overall risk management strategy.

With the elimination of traditional government disaster programs, the crop insurance program emerges as the logical private sector answer to these programs. With continued improvement of the product and expansion of crop insurance availability of major commercial agricultural products, the elimination of the FmHA emergency loan program should have little impact on a prudent farmer's ability to maintain financial stability.

3. Q. Do you expect more farmers to participate in the federally sponsored all-risk crop insurance program?

A. We have every reason to expect crop insurance participation to increase among the Nation's agricultural producers.

Recent changes in the program, including provisions that make the program more attractive to higher yielding farmers, address major complaints about the program in the past that have led, at least partially, to the low participation rates. Adverse selection—the condition inherent in the old crop insurance program that drove coverage down and prices up—will be reversed under the new program, making it possible to offer generally higher coverages at reduced overall rates.

The actual production history program, first introduced in 1983 on cotton and rice crop insurance policies, produced sharply higher rates of participation on those two crops. It is expected that the introduction of APH in other crop areas will similarly produce the same result.

4. Q. How do you plan for crop insurance to make up the difference in farmers needs if FmHA disaster loans were terminated starting next year?

A. FCIC and USDA management personnel have made a major effort to increase the awareness about the new crop insurance program among farmers, professional farm managers, and agricultural lenders.

The new program has been greeted enthusiastically, and many of the complaints voiced in the past have been mitigated by recent program changes. FCIC expects to continue this public awareness program in conjunction with ASCS and the Cooperative Extension Service, which have offices and personnel in every agricultural county. Every commercial grower in the country should have readily available current information on the new crop insurance program and how it can be tailored to meet individual needs.

5. Q. How can the government encourage farmers to use federally sponsored crop insurance to protect themselves against the risk of loss from natural disaster?

A. Government-sponsored public awareness programs, such as those administered through the Cooperative Extension Service and ASCS, can do much to increase the awareness of crop insurance and the changes in the program among agricultural producers.

Numerous risk management tools are available to farmers, including forward contracting, hedging, the options markets, and soil management. Crop insurance may not be the most appropriate risk management device for every farmer; or crop insurance may be most appropriately used in combination with other devices.

It is the intention of FCIC to make very farmer aware of the FCIC crop insurance program and the changes in the program that make it a high value option that should be considered in every farmer's risk management strategy.

Through the use of such programs, we expect prudent farmers to select risk management alternatives to the traditional and costly Government sponsored disaster programs of the past.

6. Q. The insured programs are highly subsidized loan programs costly to the taxpayer. Do guaranteed loans cost significantly less than insured loans?

A. We believe that guaranteed loans cost the government substantially less than insured loans. While we do not have readily available comparative cost figures, a number of factors are involved. Guaranteed loans are made without interest subsidy. The borrower pays the lender rate to the lender. The lender makes and services the loans, with minimal input from FmHA, thus substantially reducing government personnel costs. Due to the limited FmHA input in guaranteed loan-making and servicing, less personnel would be required to handle comparative caseloads.

7. Q. FmHA has been criticized for the time required to process farm loan applications. Would this be improved in a guaranteed program?

A. Yes. The local lenders are in a position to adjust quickly to workload demands and are highly conscious of the obligation to promptly serve their clientele. They have, or can obtain and train, a highly qualified staff to process and service loans. The farmer receiving a guaranteed loan is dealing with a local lender, a part of the community.

8. Q. Would funds be available locally for a substantially increased guaranteed loan level?

A. Banks and other lenders have funds for lending. Any hesitation for lending to farmers is substantially removed through the government guarantee. A streamlined FmHA guaranteed program can be highly successful. Local farmers are dealing with local lenders they know, using depositor funds for loans.

9. Q. Some banks, at least smaller ones, have rather limited lending levels and limited funds. How does this affect guaranteed lending?

A. We understand that only the unguaranteed portion of a loan counts against a bank's limit. In addition, banks may sell the guaranteed portion of the loan to a secondary lender, thus replenishing the banks' funds.

10. Q. Is it profitable for a bank or other lender to participate in an FmHA guaranteed program?

A. Yes. The farmer pays the lender the going rate of interest. The guarantees reduce most of the risk. Banks may sell the guaranteed paper on the secondary market and they can collect servicing fees. Losses to the lender should be minimal. Overall, there is profit for the lender.

Title XVIII: Effective date

The effective date of this legislation is October 1, 1985, or enactment. Authority under this legislation will expire September 30, 2000.

ISSUE PAPERS

(Prepared by U.S. Department of Agriculture)

Long-term Agricultural Policy.

Market-oriented price and income supports.

Acreage reduction programs.

Foreign response to changes in U.S. agricultural policy.

The dairy purchase program and a direct payment program.

Market access and export expansion policies.

Deficiency payments based on season averge prices.

Payment limitation.

LONG-TERM AGRICULTURAL POLICY

Agriculture, by its very nature, is subject to inherent volatility and uncertainty. Many of the factors that significantly affect agriculture, such as weather, are out of anyone's control and beyond the reach of farm policy. As a result, the Government has a responsibility to support some reasonable level of income and price protection for the farm sector in order to insure a continuous, adequate, and wholesome supply of food and fiber. In carrying out this responsibility, the Government should provide an environment in which market forces can signal desirable resource adjustments to farmers.

Today's agriculture is increasingly specialized and requires long-term capital commitments and management decisions that cannot realistically be made in the absence of a relatively stable and certain farm policy environment. The basic volatility in agricultural production should not be augmented by persistent short-term policy shifts.

The 1985 Farm Bill should contain a vision of the potential of agriculture in the future. The legislation must recognize the realities of today's agriculture and must provide an opportunity for agriculture to expand its position in the U.S. and world economy.

It has become increasingly clear that present farm policy is not dealing effectively with desirable adjustments that will lead to potential expansion in U.S. agriculture. The rigid price supports of the 1981 Farm Bill, which were originally designed to provide only moderate income support, were set so high that they induced increased production both domestically and abroad. Pegging price supports above market-clearing levels led to record Government-held surpluses, caused very large budgetary expenditures, and reduced our ability to compete in world markets. The high support prices encouraged production abroad at the same time that it was necessary to implement the largest acreage reduction program in the history of U.S. farm programs in order to reduce plantings.

The reason American agriculture found itself in this difficulty was that it was saddled with a farm policy based on outdated principles and designed to handle a short-run view of the world economy that never actually developed. It also lacked the flexibility to adapt to changing conditions. At

the time the 1981 Farm Bill was formulated, a major concern was that world food needs would outpace production in the the 1980's. Many also believed the United States was the only country that possessed the potential to expand food production enough to meet world needs. At the same time, there was great concern over inflation and rising production costs. Thus, the 1981 Farm Bill was developed in a climate of optimism for export growth and pessimism over controlling inflation rates that had escalated production costs. Land prices were escalating beyond levels that most farmers could pay for out of cash flow.

The problem was that the farm legislation adopted in 1981 was designed for an economic environment that never materialized. As U.S. and world agricultural output reached record levels in 1981 and 1982, the world entered a severe recession. Worldwide demand for agricultural products weakened and U.S. exports declined significantly. The sharp rise in Third World debt also hurt the ability of many of our customers to finance imports. Meanwhile, the value of the U.S. dollar steadily increased as foreign investors sought security and favorable rates of return in a U.S. economy that was taming inflation and setting the groundwork for an economic recovery. The increase in the value of the dollar, and the decline in the value of foreign currencies, meant that U.S. products became much more expensive in terms of the domestic currencies of our foreign customers. To make matters worse, protectionist trade measures restricted U.S. access to foreign markets. Export subsidies by U.S. competitors further damaged U.S. agricultural exports.

THE AGRICULTURAL ADJUSTMENT ACT OF 1985

These recent events demonstrate the unpredictability of the future and the critical need for agricultural policy to be capable of responding to both short-and long-range changes without having to resort to large-scale government intervention. Those events also highlighted the fact that many of agriculture's concerns are outside the immediate reach of farm policy due to the changing nature of the agricultural industry, the fluctuations in both domestic and global economic activity, and foreign and domestic economic policies. The 1985 Farm Bill should be formulated to foster an expanding U.S. agriculture in the coming decades.

Without a flexible long-term agricultural policy based on the needs of modern agriculture, we risk doing irreparable damage to our farm and agribusiness economies, and this the overall economic standing of the United States. Agriculture is the largest and one of the most important and efficient American industries. It provides 22 percent of the Nation's jobs, 20 percent of its GNP, and supplies consumers both here and abroad with the highest quality and most reasonably priced food and fiber supply anywhere in the world. Agricultural exports and international food aid not only provide economic growth and trade and serve humanitarian needs, but they also help promote a safer world in which to live by the creation of mutual bonds of interest in the form of trade relations.

Farmers and other agribusinesses need to know what the role of government will be in U.S. agriculture in the years ahead. Long-term capital investments in farming, fertilizer and chemical production, farm machinery, and other related industries are necessary if U.S. agriculture is to maintain its competitive advantages in world markets. However, that investment will not be forthcoming if investors are not certain whether the total capacity of agriculture will be utilized, as in 1981, or if government programs will suddenly idle a large percentage of that capacity without warning, as it did in 1983 under the Payment-in-Kind program. We need a long-term farm policy that clearly defines and limits the role of government in agriculture. Only then can we be certain that agriculture will have a policy environment in which it can reach its potential.

MARKET-ORIENTED PRICE AND INCOME SUPPORTS

Price supports

The authority for commodity loan programs, known as price supports, comes from the Agricultural Adjustment Acts of 1933 and 1938. Since that time, they have been the major farm policy tool for providing short-term credit to producers during the marketing year and a price floor for the market. The use of loan programs has changed little since the origin of price supports even though the risks of using loan rates as an income enhancement tool were apparent by the mid-1950's. Support prices still serve, in varying degrees, as price floors, income support mechanisms, and marketing tools, depending on the commodity and the time period involved.

As a price floor, commodity loan rates have been used as a safety net to protect farmers from sharp drops in prices due to short-term weather or demand factors. It is argued that this helps to maintain the productive capacity of agriculture by providing some assurance that random and uncontrollable shocks to the market will be cushioned when market prices deviate substantially and temporarily below trend levels.

Also, it is argued that in years of short crops, stocks acquired under loan and purchase programs can be released as prices begin to rise, lessening the short-term impact on dairy, livestock, and poultry feeders while buffering the rise in food prices. This, in turn, benefits consumers by assuring adequate, wholesome food supplies at relatively stable prices.

While the use of price supports as a means to support market prices and incomes may have been partially legitimate in the past when agriculture was predominantly oriented to the domestic market, it does not appear to work in today's global market. When commodity loan rates are set above the price the market would otherwise dictate, the government becomes a substitute for the marketplace. Excessive production, reduced markets and excessive stock accumulations are the results. When loan rates are set above variable costs, farmers are guaranteed a return. The reduction in risk is an incentive to expand production despite developments in the marketplace. Even in the face of declining prices and rising surpluses, large acreages remain and production increases. Farmers do respond to price signals—but in this case, the signals are coming from the loan rates. It is estimated that loan rates now cover average variable costs for over 98 percent of all corn and wheat production. It is safe to assume that if almost everyone's average variable costs are covered, then at least half of the production is guaranteed a return above variable costs.

Some also argue that this has encouraged further acreage expansion including more fragile land—land that can then be idled under acreage reduction programs with little effect on total output. For example, in 1982, we witnessed record wheat and corn production despite acreage reduction programs of 15 and 10 percent, respectively.

Moreover, the impacts are not confined to program crops. The higher loan rates on wheat are almost certainly the key incentive to expanded wheat and soybean double-cropping in the Southeast. With most of the variable costs of wheat assured through the market price floor established by the loan program, producers in the Southeast have tremendous incentives to plant wheat on acreage intended for soybeans later in the crop year. For example, double cropped soybeans reached 11.5 million acres in 1982, compared with 3.2 million acres in 1978. The result is increased production of both commodities. And as new growth regulators, which can accelerate plant growth by as much as 10 days, are released, double-cropping soybeans could appear as far north as Kansas and northern Missouri. Since the economic feasibility will be influenced by the degree of price protection provided to wheat, soybean producers in northern regions who cannot double-crop and grow only soybeans will be impacted by the wheat program. Some wheat producers, such as dryland wheat farmers, could also be impacted as others grow both more soybeans and wheat.

The dairy program is another example of high price supports leading to excess production. In the Food and Agriculture Act of 1977, the minimum support price for manufactured milk increased from 75 to 80 percent of parity. In addition, the 1977 Act required a semi-annual adjustment of the support price. As a result, prices received by farmers increased substantially: during fiscal year (FY) 1981 milk prices averaged over a third above the FY 1978 average. Consequently, dairy production increased continuously until the 1983/84 marketing year when a series of factors, including reductions in the support price and the dairy diversion program, led to a decrease in production. At the same time, CCC purchases of surplus production grew dramatically—from 1.1 billion pounds in FY 1979 to 16.6 billion pounds in FY 1983. Likewise, the cost of the dairy program rose from $234 million in FY 1978 to $2.5 billion in FY 1983.

This problem could be further aggravated by new production techniques. Recent tests at Cornell University reveal that injections of a growth hormone can increase milk production per cow by 15 to 40 percent without substantial change in feed ratios. Inflexible price supports cannot adjust to these realities. It is estimated that each 5-percent increase in milk production caused by the use of the growth hormone could result in more than $1 billion in additional CCC outlays.

Rice serves as a good example of excessive stock accumulation caused by price supports above market-clearing levels. Ending stocks of rice increased from 16.5 million cwt. in 1980/81 to 71.5 million cwt. in 1982/83. The ratio of stocks to total use rose from 11 to 58 percent over that two-year period. About 40 percent of the 1982 rice crop and 43 percent of the 1983 crop was placed under CCC loan, compared with only 17 percent of the 1980 crop. In California, over 56 percent of the 1983 rice crop was placed under loan. Moreover, nearly two-thirds of the rice placed under loan in 1983 was forfeited to the CCC, including nearly all the California crop that had been placed under loan.

We have also witnessed similar situations for feed grains, wheat, cotton, dairy, and tobacco in recent years. For example, nearly one-fourth of the total 11 billion bushels of wheat and corn produced in 1982 were put

under loan. Of the over 2½ billion bushels put under loan, three-fourths were forfeited to CCC or entered the farmer-owned reserve. By the end of 1982, the ending stocks of wheat and corn equaled nearly 50 percent of annual use, compared with a 21-percent level at the end of 1980.

American farmers now depend upon foreign customers for marketing about 60 percent of their wheat production, 45 percent of their soybeans and rice, and over 50 percent of their cotton. The U.S. accounts for nearly half the world grain trade and three-fourths the soybean trade. When our loan levels exceed world prices, our competitiveness erodes.

Moreover, our competitors expand their production based on the price floor we create with out support levels. It seems apparent that competitors do react to our price floors, and it is reflected in their production decisions for certain major commodities. As an example, our major wheat competitors expanded their acreage by 8 percent from 1981 to 1983 under the shelter of our price umbrella, while we unilaterally reduce our acreage by nearly a fourth in an effort to enhance farm prices and reduce budget exposure. Furthermore, the Canadians, who have steadily expanded their production, openly expressed their displeasure when we lowered the wheat loan rate for the 1984 crop. Other countries have expressed similar concerns.

Rice, cotton, and tobacco are other examples of commodities where our support levels are reducing our share of world markets. For instance, in the last three years the volume of U.S. rice exports has declined by a third while our major competitor, Thailand, has increased its exports by over a third. Currently, U.S. milled rice is about $150 to $175 per metric ton above the Thai price on the world market. Normally, U.S. rice commands only a $70 to $80 premium due to quality differences. This means that our rice loans are now about $2.00 per cwt. above the world market. Some suggest that it is not surprising that Thailand has now replaced us as the number one exporter of rice.

In addition, for both cotton and tobacco we have witnessed substantial growth in world production while our exports have either declined or stagnated. In the last 20 years, world tobacco production has doubled and our share of world tobacco trade has dropped by about 50 percent. U.S. tobacco exports have declined nearly 25 percent in the last five years. In the case of cotton, the U.S. share of world production last year fell to less than 12 percent of world production compared with more than half of global output in 1930.

In recent times, honey support prices, established at the statutory minimum of 60 percent of parity, have risen well above world market levels. As a result, U.S. imports increased from 9 million pounds in 1970 to about 110 million pounds in 1983. Meanwhile, U.S. ending stocks climbed from around 35 million pounds in the 1970's to 166 million pounds in 1983—a stocks-to-use ratio of 60 percent compared with only 12 percent just five years earlier. Also, over the last five years government acquisitions have gone from zero to an estimated 115 million pounds. Effectively, domestic honey is now being sold to the Federal Government and is being displaced in the domestic market by less expensive imports.

Income supports

Income transfers to farmers date back as early as the Agricultural Adjustment Act of 1938. This law directed the Secretary to make direct payments to producers of wheat and other "base" commodities (corn, cotton, rice, and tobacco) if and when funds were provided through appropriations. Then, during the 1960's, complying wheat producers received wheat certificates and direct payments determined by the difference between the market price and the announced value per bushel of the wheat certificate on a designated portion of their production. These programs were forerunners of the current target price/deficiency payment program.

The current target price/deficiency payment program grew out of policies set forth in the early 1970's. By 1960, accumulation of commodity stocks had reached record levels—over 2 billion bushels of corn and 1.5 billion bushels of wheat. This was a direct result of setting price supports above market-clearing levels and the inability to control production through voluntary programs. It was envisioned that separating price and income support objectives of commodity programs would permit reductions in loan rates to increase exports, strengthen demand for grain domestically, eliminate surpluses, and reduce the need for often ineffective and complicated production control programs. The nonrecourse loan rate was to provide a price floor and would become operative only with excessively large crops or extremely slack demand. Farmers' income were to be supported at minimum levels whenever prices fell below target levels.

The Agricultural and Consumer Protection Act of 1973 introduced the present concept of target prices and deficiency payments. Under that legislation, target prices were established for wheat, cotton, corn, barley, and sorghum. Since 1973, the target price/deficiency payment program has been extended to include rice and oats. Deficiency payments are paid to producers whenever the announced target price is above the average farm price for a designated portion of the marketing year. The deficiency payment rate equals the minimum difference between the target price and the average farm price or the loan rate and, thus, generally varies inversely with the level of market prices. Only producers participating in announced acreage reduction programs are eligible to receive payments, with total cash payments to any single producer currently limited at $50,000 per year.

There were some good reasons why the target price/deficiency payment concept was originally established. But past experience indicates that the target price/deficiency payment program has had several unintended consequences such as raising land prices and production costs, reducing our competitiveness in world markets, and encouraging farmers to expand acreage even under surplus conditions. And, some complain about such program benefits going to large as well as small producers without regard to need.

Let us look at the results. The inflationary period of the 1970's taught us that basing target prices on costs of production can add fuel to an inflationary spiral. Including land cost in the determination of target prices can lead to an increase in land prices affecting production costs which, in turn, leads to a further increase in target prices. Higher target prices then lead to higher land prices as farmers attempt to profit from higher target prices by expanding acreage, either by purchasing or renting more land.

But even when target prices are not directly tied to land prices or costs, they still may contribute to an increase in land prices. For example, some argue that the target price may cover total costs for some producers but not for others since production costs vary among producers in different regions of the country. If target prices more than cover production costs for some geographically concentrated group of farmers, land prices and production costs in that location will be bid up, with the benefits going to existing landowners and not to new entrants or renters.

Target prices set above market-clearing levels, such as those mandated in the 1981 Farm Bill, are an effective guarantee that acreage reduction programs will be required. The current target price/deficiency payment program, by itself, could cost U.S. taxpayers in excess of $10 billion annually given the existing differential between target prices and loan rates. Faced with a large budget exposure and political pressure resulting from spending in excess of $10 billion annually on deficiency payments, not to mention the costs of CCC loans and purchases, storage payments, and export programs, there is no choice but to implement production control programs in an effort to enhance farm prices.

This situation had led to real problems for U.S. agriculture. For example, as target price escalations force greater acreage cutbacks and as prices increase, our foreign competitors are sent a signal to increase their output and take over our markets. As our markets dwindle, even larger acreage cutbacks are needed. For example, even after coming off of a 1983 rice crop that was dramatically reduced because of the payment-in-kind program, analysis suggests that rice stocks at the end of the 1985 crop year will likely build back to excessive levels even with a 35-percent total acreage reduction program and over 90-percent participation in the announced program. And even then, the price of rice will likely not move much above the loan rate with such a stock build-up.

Unfortunately, the rest of the world can see the same forces at work. They see price floors to protect our producers from downside price risk and they see budget pressures that ensure U.S. production controls in order to push market prices higher. Reduced risk, smaller competing U.S. supplies, and potentially higher market prices are an open invitation to competitors to increase their production.

Moreover, the facts seem to suggest that high target prices encourage our farmers to increase their acreage bases and yields on acres remaining in production. If loan rates are covering 98 percent of average variable costs, then target prices well above loan rates are providing a large incentive to build bases simply for the purpose of receiving benefits from future government programs. Some farmers may even expand acreage by plowing up highly erodible land. For example, cropland in the Delta and Southeast has been increasing at the rate of 5 percent per year since 1980.

The commodity programs may also be stimulating an unwise depletion of our water resources. Irrigation has nearly doubled in the last 3 decades and is now practiced on over 50 million acres. The largest increase recently has occurred in the Northern Great Plains through the use of ground water. Since Federal irrigation investments have steadily declined since the mid 1960's, much of this expansion is coming through

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private investments. One of the primary factors encouraging this irrigation development appears to be the price and income support programs, since the major use of the newly irrigated land is for corn, cotton, wheat, and other program crops. From 1929 to 1978, 60 percent of the increase in irrigated acreage occurred on the principal program crops. We are mining and depleting our water resources to produce more of the agricultural products for which we already have burdensome supplies.

The Agricultural Adjustment Act of 1985

Target prices must be set at levels that do not interfere with the signals from the marketplace. Otherwise, they can lead to increased production costs, reduced competitiveness, increased production abroad, and larger surpluses in the long run. The Agricultural Adjustment Act of 1985 proposes a transition from the current rigid levels of income and price support to levels tied to market price movements. The loan rates would be established at 75 percent of a three-year moving average of market prices. This will allow the loan rate to adjust according to changes in supply and demand and keep support prices below market-clearing levels. Target prices will be phased down over a five-year period. For the 1986 crop year, the target prices would be 100 percent of the three-year moving average of market prices. For the 1987 crop year, it would be 95 percent of the average, for 1988 it would be 90 percent, and by the 1991 crop year the target price would be 75 percent of the three-year moving average.

No minimum loan rates or target prices are proposed. Rigid price floors would hinder the effectiveness in adjusting our price and income supports to current economic conditions. Rapidly emerging technologies could sharply increase yields per acre, greatly expand output, and sharply reduce per unit cost. Farmers would then have the opportunity to expand market volumes at lower prices and to increase profits if loan rates were more flexible. Without this flexibility, the productivity gains would simply end up in government stocks through loan forfeitures. At the same time, prices could remain under pressure from continued weak demand. This could signal a reduction in planted area unless loan rates hold the prices above market-clearing levels.

In either case, the inflexibility would lead to building stocks, loss of export markets, and stagnation in resource adjustments. The AAA of 1985 provides for a price and income support policy that will not restrict the growth of this Nation's number one industy, but will enhance it. The price support policy is flexible and geared for a market susceptible to rapid changes in world economic conditions, weather, and new technologies.

ACREAGE REDUCTION PROGRAMS

Acreage reduction programs (ARP's) have been used since 1933 to help reduce production and improve prices and income. They have taken many different forms, including soil banks, acreage reserves, conservation reserves, voluntary and paid diversions, setasides, and payment-in-kind (PIK). Some of these programs have restricted acreage use for a single year, others for many years. While experience varies somewhat by specific program, ARP's have generally proven to be costly and inefficient way to reduce production. Further, to the extent that ARP's have reduced production, they have also contributed to losses in U.S. export market share by concentrating a disproportionate share of adjustments for periodic surpluses in the United States.

Since the 1930's, acreage reduction programs such as allotments were used in an attempt to control production. Such programs seldom achieved their intended results. Farmers rapidly increased yields on allotted acreage and overproduction continued to be a chronic problem. By 1960, surplus stocks and large government outlays had generated considerable pressure for reform.

For most commodities, that reform took one of two paths: (1) continued high price supports with tighter controls on production that included both acreage allotments and marketing quotas, or (2) separation of price and income supports with voluntary acreage reduction programs.

Peanuts and tobacco pursued the first path. In 1930, the United States harvested 1.1 million acres of peanuts. By 1980, the United States harvested 1.4 million acres of peanuts, up only slightly from 1930. Per capita production of major peanut products has remained virtually unchanged since the mid-1960's. Cheaper peanuts are available, but only for the export market or crushing.

For tobacco, U.S. production has declined by about 10 percent over the past 20 years, while world production has doubled. Meanwhile, our share of world tobacco trade has dropped by about 50 percent due to the high and escalating support prices that have made the U.S. less competitive in world markets. Pressures are now mounting to control cheaper imports.

There is substantial evidence that the tight controls on these commodities did not benefit all farmers; instead, the economic value of the quotas and allotments has been captured by landowners in increased land values and higher leases. Recent data indicate that there are approximately 550,000 tobacco allotments. While there are no precise figures available, available estimates suggest that around 150,000 farmers actually produce tobacco. Most of these farmers are paying the allotment holders for the right to produce tobacco under the program. The value of the allotment is production expense for farmers who are not allotment holders, but it is a cost that is not related to the actual cost of producing tobacco.

The second path was chosen for most other major commodities. However, the facts suggest that voluntary acreage reduction programs have been largely ineffective for a number of reasons.

First, farmers who choose not to participate in the voluntary acreage reduction programs tend to expand acreage for two reasons: (1) they hope to capitalize on the higher market prices expected to result from the programs and (2) they wish to increase the size of their base for the purpose of future programs. Experience with wheat provides a good example. In 1981, when no acreage reduction program was in place, 81 million acreas of wheat were harvested. In 1983, about 28.2 million acres of wheat base were idled; yet, the harvested acreage was only 20 million acres less than in 1981. While this still represented a 25-percent reduction in harvested area, 1983 production was only 15 percent small than the 1981 crop due to higher yields.

Some observers have suggested that tightening up the rules and regulations for the voluntary acreage reduction programs would make them more effective. Cross-compliance (authorized in the Agricultural and Food Act of 1981 for use with set-aside programs) and offsetting compliance are usually suggested. Cross-compliance requires a producer to participate in all acreage reduction programs for which he or she is eligible in order to obtain commodity program benefits on any one of them. Offsetting compliance requires that farmers with multiple farm units participate in the acreage reduction programs on all units to be eligible for program benefits on any one unit.

Cross-compliance, offsetting compliance, or any other measure that would tighten up the acreage reduction programs, however, are almost always met with strong opposition by some in the Congress. In 1980, producers were supposed to keep plantings of all program corps within a historically determined "normal crop acreage" (NCA) to receive program benefits. When this measure started to really take effect, the Congress mandated that producers be allowed to receive deficiency payments even when plantings exceeded the NCA. More recently, the Congress has required that summer fallow be counted as conservation use acres (CUA), and that the CUA rules for 1984 crops be no more restrictive than in 1983, when some would say that they were already fairly liberal. While it may be possible to tighten up such programs, it seems the more appropriate question is whether it is realistic to expect such rule changes to stay in place very long.

Second, about 12 percent of U.S. farms now market about two-thirds of all farm products. Thus, the participation of large units in such acreage reduction programs is important. However, the law limits the amount of deficiency and diversion payments that an individual may receive to $50,000 per year. The payment limitation therefore makes participation less attractive to large units, as the benefit to be gained seldom outweighs the potential value of the foregone production.

A third reason that voluntary acreage reduction programs are ineffective is increased yields on acres remaining in production. When a reduction program is in effect, farmers leave their best acreage in production, and intensify cultivation on that acreage. Research shows that for every 10 percent of acreage base idled, average yield on the remaining acres increases 3.5 percent for cotton, 3 percent for corn, 2 percent for wheat, and 1 percent for grain sorghum. Rapid gains in technology continue to improve overall yields—current corn yields are 17 percent higher than 10 years ago—and new cropping rotations, such as wheat and soybean double-cropping, continue to be adopted.

When farmers invest in more fertilizer, pesticides, irrigation water, and other inputs in an attempt to circumvent the intent of acreage reduction, a more capital intensive and costly structure of production results. These higher costs continue to exacerbate the cost-price squeeze while reducing our competitive position in world markets. The high cost structure leads farmers to perceive the need for higher income supports (target prices). If the higher income supports are implemented, the concern turns toward budget exposure and adds pressure for more acreage controls, perpetuating the cycle.

As the United States unilaterally reduces acreage, other exporting countries expand their acreage and market shares. In fact, since the United States has often artificially reduced supply in periods of reduced prices, a disproportionate share of the adjustment to what is often a world oversupply problem has been concentrated in the United States. The ARP's have also raised world prices.

This combination has encouraged competing countries to increase their production and exports and exports at the same time that U.S. producers are being encouraged to reduce production and relinquish export share.

American farmers now depend upon foreign customers to buy about 60 percent of their wheat production, 45 percent of their soybeans and rice, and over 50 percent of their cotton. The United States accounts for nearly half the world's grain trade and three-fourths of the soybean trade. When the United States attempts to adjust supply relative to demand through acreage reduction programs, our competitors *do* react, and it is reflected in their production decisions for certain major commodities. As an example, our major wheat competitors expanded their acreage by 8 percent from 1981 to 1983 while we unilaterally reduced our acreage by nearly a fourth in order to enhance farm prices and reduce budget exposure. Over this period, the U.S. share of world wheat trade fell from 44 to 35 percent while our major competitors increased their share from 52 to 60 percent. Furthermore, the Canadians, who have steadily expanded their production, openly expressed their displeasure when we lowered the wheat loan rate for the 1984 crop. Other countries have expressed similar concerns.

Rice and cotton are other examples of commodities where the combination of our support levels and acreage programs are reducing our share of world markets. For instance, in the past three years the volume of U.S. rice exports has declined a third while our major competitor, Thailand, has increased its exports by over a third. It is not surprising that Thailand has now replaced the United States as the number one exporter of rice. In addition, for cotton we have witnessed substantial growth in world production while we have restricted our acreage and allowed our exports to decline or stagnate.

The U.S. share of world cotton production last year fell to less than 12 percent of world production compared with more than half of global output in 1930.

The Agricultural Adjustment Act of 1985

Our long history with the use of acreage reduction programs has clearly demonstrated that such programs lead to a smaller, less competitive agricultural sector. We have stifled the growth in some commodity areas with tight acreage and production controls. In other areas, we have perpetuated a continued erosion of our world market share.

Since acreage programs have become deeply embedded in the economic structure of agriculture, it would be inappropriate to eliminate them immediately. The AAA of 1985 proposes to phase out the acreage reduction programs over a period of 3 years to provide an orderly transition within the commodity sectors. This transition also serves notice to the rest of the world that the United States is no longer willing to bear a disproportionate share of the supply adjustments for the world nor is it willing simply to withdraw from the international marketplace.

FOREIGN RESPONSE TO CHANGES IN U.S. AGRICULTURAL POLICY

A major change in U.S. agricultural policy will produce two types of reactions from foreign nations. First, there is the impact of the U.S. policies upon world market prices. If world price signals are not prevented from being transmitted across national borders, prices in foreign countries change in response to movements in world market prices. Those movements in foreign internal prices then induce shifts in foreign production and consumption patterns. Second, changes in U.S. policy can lead other nations to alter their policies, thereby sending different signals to their producers and consumers.

Presently, the nonrecourse loan program and corresponding acreage reduction programs operated by the United States help to support world market prices near U.S. loan rates and above market-clearing levels. Under these circumstances, a reduction in the level of loan rates would lower world market prices. Foreign prices would also decline, depending on the extent to which would price movements produce a change in internal prices. In the absence of any changes in other market factors, lower prices would reduce foreign production and increase consumption, thereby reducing agricultural exports by our competitors, increasing foreign imports, and increasing U.S. agricultural exports.

The magnitude of the increase in U.S. exports will depend on the degree to which changes in world prices are mirrored by changes in foreign internal prices. Currently, this transmission varies greatly by country and by commodity. Soybeans, for example, are comparatively freely traded; hence, changes in world prices of soybeans are reflected in changes in internal prices. The transmission of coarse grain prices is more restricted, but the major U.S. market, Japan, does permit coarse grains to be imported freely for use in livestock feed. Price transmission in the world wheat market is limited. Virtually all major importers—Japan, the centrally planned economies, and many developing countries—completely insulate their internal wheat prices from movements in world wheat prices.

Two major wheat-exporting countries—Australia and Canada—use marketing boards and price pooling. These institutions slow, but do not prevent, world price movements from being reflected in internal price adjustments. Producers in those countries receive an initial payment from the marketing boards for their wheat. Deliveries are then pooled and sold in domestic and world markets. If the receipts from the pool exceed board operating costs, the surplus monies are returned to producers, but generally at least a year after harvest. If the pool incurs losses, the board absorbs the loss. The lowering of world prices would force either a lowering of payments to farmers or increased absorption of losses by the boards.

The European Community (EC) and Argentina are the two remaining major competitors in the world wheat market. The EC fixes internal support prices well above world market levels. These support prices are unaffected by world price changes; instead, the EC adjusts its compensatory export subsidy to counteract world wheat price changes. Lowering the U.S. loan rate for wheat would greatly increase the subsidy required for the EC to be competitive, causing program outlays for the Common Agricultural Policy (CAP) to increase even further. With the CAP already under intense pressure from its growing costs, a drop in the U.S. wheat loan rate would likely force some change in the existing system. If Argentina held its export taxes constant, a lowering of the world price would lead to lower internal prices, hence production would fall and internal use would rise.

The Agricultural Adjustment Act of 1985

While the lowering of price support levels proposed in the Agricultural Adjustment Act (AAA) of 1985 will increase the pressure for changes in the farm policies of both our competitors and importers, this action is complemented by an aggressive stance with respect to market access. The agricultural trade title of the AAA of 1985 serves notice to the world that as the United States moves its domestic farm policies in a more market-oriented direction, we expect the rest of the world to significantly reduce or eliminate the unfair trade practices that have limited our market access or eroded our market shares. A continuation of such policies would result in actions by the United States to protect our position in the marketplace.

Japan and the EC would change their agricultural policies over time in response to the more market-oriented U.S. Policy. Current policies reflect a difficult-to-change political consensus among a wide range of national and private interests and change would be gradual over the 5-year period. Although their domestic agricultural policies have trade effects, those policies were selected primarily to redistribute income among domestic producers, consumers, and taxpayers. The EC would likely leave support prices at current levels for the present, but would need to increase its export subsidy, as world wheat prices fell, to maintain exports. Consequently, EC budget outlays for wheat support programs would rise. Higher agricultural budget outlays by the EC would likely lead to a reduction in EC support prices and a moderation in its agricultural policies over time.

So far, the EC has resisted major changes in the CAP despite increased budgetary pressures. However, the high value of the U.S. dollar relative to EC currencies has recently made the EC more solvent and reduced the pressure for policy reform. It does this by making EC commodities more competitive in both domestic and third-country markets and narrowing the differences between world and EC prices, thus reducing the subsidies paid to EC exporters. The budget pressure from reduced world prices coupled with a clear U.S. export policy stated in the AAA of 1985 will, however, likely bring a major re-examination of EC policies.

The other major competitors would change policies in response to a more market-oriented U.S. agricultural policy. Australia would respond to the change by gradually lowering its internal farm prices. Hence, wheat production would be reduced, while domestic use would rise. Both lower world and internal prices would discourage Australian exports. The Canadian reaction would likely be, at first, to slightly raise producer support prices and, perhaps also, prices at flour mills. Wheat exports by Canada would expand as the Canadians retaliated with price reductions to preserve their market share. However, over a 5-year transition period, the Canadian Wheat Board would probably have to adjust its policies and prices relative to world levels to maintain a sound financial position. Brazil and Argentina face such large demands for hard currency that it is unlikely that exports from those countries would drop. However, further expansion would be limited by the reduced economic incentives and by the more competitive U.S. agricultural products.

Clearly, each commodity has a distinctive market environment conditioned by the nature of competitor and importer policies. As a result, the AAA of 1985 will have different impacts on different commodities:

Wheat

During the 1975–83 period, the U.S. share of the world wheat market fluctuated in the range of 38 to 48 percent. The major foreign competitors—Argentina, Australia, Canada, and the EC—have collectively accounted for nearly all of the remaining world trade. The competitors, particularly the EC, have made significant inroads in recent years. The EC's share has roughly doubled from 8–9 percent in the mid-1970's to its present share of 16–18 percent.

The United States currently holds a 39-percent share of the world wheat market. Record exportable supplies in many competing nations have put pressure on world prices and intensified competition. The forecast for the 1985/86 market year indicates that the U.S. share may fall to 36 percent while the competitors' share rises to 58 percent.

Under the AAA of 1985, total wheat trade will expand signficantly in response to lower prices throughout the transition period. U.S. wheat exports are expected to be highly competitive in this market. U.S. exports are likely to rise steadily to recapture 43–45 percent of a growing world market by 1991/92. While the competitors' exports will also increase, their market share will decline.

Coarse grains

The U.S. market share in recent years has been about 60 percent (excluding intra-EC trade), down from over 70 percent in 1979/80. Since the early 1980's, Argentina has significantly increased its role as a major coarse grain exporter with about 13 percent of the world market. Competition from the European Community also increased substantially—and it will become a net exporter in 1984/85.

U.S. coarse grain exports in 1984/85 are forecast at 60 million metric tons with large USSR corn purchases accounting for most of the gain. Competitor exports in 1984/85 are forecast to be about 1 million tons lower than a year earlier as the bulk of the increase in world demand has gone to the United States. The competitor share of the world market for the year is about 24 percent.

Under the AAA of 1985, U.S. sales are anticipated to increase by about 13–15 million tons as world trade expands in response to lower prices. The United States is expected to take about 63–65 percent of this larger market while major competitors account for 25 percent.

Soybeans

The U.S. share of world soybeans exports dropped from 93 percent in 1970 to around 83 percent in the early 1980's. The major competitors, Brazil and Argentina, rapidly expanded soybean output and exports, reaching nearly 13 percent of the world soybean trade in the early 1980's.

Part of the decline in U.S. soybean exports is attributable to unfavorable exchange rates and weak demand for meat. While our competitors' share of soybean exports have increased, their tax policies encouraged even more gain in meal exports by applying lower taxes to meal exports than to soybean exports. Competitor nations will account for nearly half of world soybean meal trade in 1984/85, compared with only 10 percent in 1970.

Under the AAA of 1985, the United States will expand its share of world soybean trade as lower prices at the start of the period improve world demand. Demand growth in the future will be heavily influenced by the nature of the price relationship between soybean meal and grains.

Rice

The U.S. share of world rice exports has been on the decline during the past decade. The market share has dropped from 24 percent in 1975 to 17 percent in 1984, while the major foreign competitors have raised their share from 24 percent to 51 percent.

The AAA of 1985 is expected to increase the quantity of U.S. rice exported and stop the decline in U.S. market share. With more reasonable prices and plentiful supplies of high-quality rice from the United States, some Asian and African nations can be expected to purchase greater quantities of the preferred high-quality varieties.

Cotton

In the 1970's, U.S. cotton exports showed an upward trend, both in absolute terms and as a percentage of world exports. However, in the early 1980's this trend was reversed—market share fell from 40 percent in 1979/80 to only 27 percent in 1982/83. With production shortfalls in several exporting countries in 1983/84, the U.S. share rebounded to around 35 percent of world exports.

The United States will continue to be the world's major cotton exporter in 1984/85. However, large foreign supplies and a deterioration in U.S. price competitiveness may reduce our share to 30–32 percent of world cotton trade. The major competitors' shares may total about 40 percent. With the improved crop outlook, foreign ending stocks will be large in the current year.

A more market-oriented approach in the United States, with the corresponding lower loan rates, would signal a drastic change in U.S. policies to foreign producers. The lower loan rates would indicate that U.S. producers will place more emphasis on export markets. This will result in lower production from foreign competitors and an increase in U.S. Market share.

THE DAIRY PURCHASE PROGRAM AND A DIRECT PAYMENT PROGRAM

The Dairy Price Support Program, which was established in 1949, has supported the milk price received by farmers through purchases of butter, nonfat dry milk, and American cheese. Purchase prices are set at levels designed to enable manufacturers to pay farmers at least the announced support price for milk.

The original purpose of the price support program was to stabilize milk prices received by dairy farmers and assure consumers of an adequate and wholesome supply of milk and other dairy products at reasonable prices. However, the program has periodically been used to move prices above market-clearing levels and has resulted in high product purchases by the Commodity Credit Corporation at substantial taxpayer cost. For example, program costs reached a record $2.6 billion in the 1982-83 marketing year. This amount equaled about 13 percent of total cash receipts from farm marketings of milk and cream—and it averaged about $13,000 per commercial dairy farmer. However, since these government expenditures were for processed dairy products, farmers did not receive the full amount.

Increased returns to individual farmers from guaranteed milk prices depend on the volume of individual farm marketings. Since there is a wide range in size of dairy farms, there is a wide difference in program benefits. In 1982, 18 percent of the dairy farms had fewer than 20 cows and received 2 percent of the total revenue from dairy sales. In contrast, 10 percent of the dairy farms had 100 or more cows and received 40 percent of the total revenue from dairy sales.

Benefits of price supports are skewed toward larger farms. For example, if the support price raised the farm price by 50 cents per hundredweight, the annual gross revenue would increase about $600 for a farm with 10 milk cows, but about $30,000 for a farm with 500 milk cows.

Milk price enhancement and program benefits generally are capitalized in the long run into asset values such as dairy cow prices, land suited to dairying, and equipment. The capitalization of dairy program benefits into farm asset values increases milk production costs, and makes dairying less competitive. It increases the value of assets of established dairy farmers, but increases the costs of new entrants and those who rent.

When dairy price supports are used to raise milk prices above market-clearing levels, milk and dairy product prices to consumers increase, giving producers a signal to expand milk production. Meanwhile, farmers receive these distorted price signals and put more resources into milk production. This results in excessive investment in the dairy sector leading to surpluses and increased government costs.

Since the price support for milk is achieved through government purchases of storable milk products, price support policy has a large impact on the manufactured dairy products industry. In 1983, the Commodity Credit Corporation (CCC) purchased 70 percent of the nonfat dry milk production, nearly one-third of total butter production, and over one-fourth of the American cheese production. When it is profitable to manufacture dairy products for sale to the government, and processing plants strive to operate near capacity to reduce manufacturing costs, incentives for new product development and merchandising are greatly reduced.

For a dairy purchase program to operate effectively, market outlets must be available within a reasonable time for the products purchased by the CCC. In the 1950's and 1960's, domestic food donations and foreign assistance programs provided outlets for most of the dairy products the Government bought. However, when food stamps replaced direct food distribution in the 1970's, the school lunch program became the only sizable domestic outlet until late 1981. Direct distribution was resumed on a limited scale that year. In addition, the Reagan Administration initiated butter, cheese, and nonfat dry milk donation programs about the same time. These programs have distributed over a billion pounds of products since FY 1982.

The Agricultural Adjustment Act of 1985

The Agricultural Adjustment Act of 1985 proposes a system of direct payments to farmers that would avoid the costs and adverse effects of supporting milk prices by government purchases and the problems of storing, transporting, and disposing of surplus production. This direct payment program would be phased in over a two-year period in order to allow the dairy industry time to adjust. The conversion would be accomplished by first making the support price for the current purchase programs

more market-oriented. Then, the support price would remain below the market price, except possibly during flush milk periods or very extreme supply/demand conditions. At that point, since little or no dairy products would be sold to the government, a purchase program would no longer be needed.

A direct payment (or deficiency payment) program would have many of the features of the target price approach used in major crop support programs since the early 1970's. Payments would be made directly to individual producers to the extent that prevailing market prices fell below the designated target price levels. Farmers would get direct payments based on their current production.

The following describes the advantage of a direct payment program in comparison with the current purchase program:

It would have a greater market orientation with market-clearing prices reacting to changing supply and demand.

It would provide dairy producers with direct income support.

Wholesale dairy product prices would adjust up and down to marketclearing levels.

Consumer milk and dairy product prices and expenditures would be more competitive with other foods and substitutes.

Commercial use of dairy products would increase.

The resources of some cooperative and proprietary manufacturing firms would be channeled from producing butter, powder, and cheese for USDA purchase to developing and merchandising new products for the commercial market.

There would be no government dairy product purchase, storage, and disposal costs.

Government dairy program expenditures would go directly to dairy farmers.

Dairy price policy would be linked more closely to other commodity programs and overall U.S. agricultural policy.

MARKET ACCESS AND EXPORT EXPANSION POLICIES

To revese recent declines in the volume of U.S agricultural exports, U.S. commodities must become more competitive in international markets and efforts should continue to expand long-run foreign demand. However, changes in U.S. domestic policies designed to increase the competitiveness of U.S. exports may not lead to an increase in exports if our products do not have free and equitable access to markets abroad and if countries do not have the required foreign exchange to import from the United States. Thus, foreign market access and foreign purchasing power are important determinants of the effectiveness of policies designed to improve U.S. competitiveness. In addition, programs to develop markets in importing countries will help to increase U.S. agricultural exports by expanding foreign demand.

Policies to promote greater access to foreign markets would increase demand for U.S. agricultural products by lowering barriers to imports and increasing trade contacts. Removal of trade restrictions increases U.S. export demand by allowing U.S. products to compete on a more equitable basis in importing countries, and by reducing incentives for countries to produce their own commodities when they could be purchased more cheaply from us. Market access could be increased by trade negotiations to reduce restrictive trade practices.

The main issues of agricultural trade are the widespread use of quantitative restrictions and other non-tariff barriers to restrict agricultural imports, and the use of export subsidies. Non-tariff import barriers are more restrictive than tariffs because they insulate importing countries from world market price signals. For example, if international market prices drop, these prices may not be passed on to consumers and producers in importing countries that use protectionist policies. Use of export subsidies allows competitor countries to unfairly undercut the prices offered by U.S. exporters.

The United States' two major agricultural trading partners, the European Community and Japan, use non-tariff barriers—particularly variable levies and quotas—to limit access to their markets. They also use subsidies to expand export sales. However, non-tariff barriers are also used by many developing countries to limit free access to their markets, especially for wheat and rice. Many countries, especially developing and centrally-planned countries, make their import purchases through marketing boards that have monopoly power over import decisions.

Demand expansion programs are primarily designed to raise the level of U.S. agricultural exports by easing financial constraints in importing countries and by helping U.S. producer groups and other interested parties to develop overseas markets. Credit programs provide dollar purchasing power for U.S. commodities within countries that would otherwise not be able to buy because of foreign exchange problems or income constraints. Short-term credit programs provide credit to countries that have cash flow problems, whereas long-term credit programs such as Title I of Public Law 480 target credit to low-income developing countries with chronic foreign exchange problems. Market development expenditures expand demand for agricultural exports over the longer term through a variety of techniques that include: advertising and other product promotion activities; technical assistance to improve productivity in industries such as baking, milling, or livestock feed compounding; and providing information on product quality and pricing to importers.

Market development programs differ from credit programs in their impact on U.S. export demand. Credit programs facilitate moving U.S. commodities through export channels immediately while helping to build long-term markets for U.S. exports. Market development programs promote long-run demand for exports through investment in economic development that will permanently alter foreign demand for imported agricultural commodities.

Agriculture Adjustment Act of 1985

The Agriculture Adjustment Act of 1985 proposes a program that would allow U.S. producers to compete efficiently in world markets. All the commodity programs in this bill are designed to minimize distortion of market signals to producers and to free producers from restrictive laws. The bill's export programs would further strengthen the U.S. position.

The export title of the bill encompasses three broad objectives that have been central to the export doctrine of the Reagan Administration for the past four years. First, the bill clearly and unequivocally restates the commitment that no restrictions or embargoes will be imposed on agricultural products for short supply or foreign policy reasons, except in extreme situations and only then as part of a broader embargo.

Second, the bill requires that the U.S. enter into multilateral negotiations with our key trading partners to implement a program of reduction in restrictive trade practices in the agricultural sector. As a part of the process, the Secretary of Agriculture would determine which countries are adversely affecting trade in specific agricultural products through trade barriers or unfair trade practices, and assess the impacts of these factors on the export of U.S. products. The U.S. Trade Representative would perform a similar analysis. Based on their findings, the Secretary and the U.S. Trade Representative would begin negotiations to eliminate these major trade barriers or unfair trade practices. Should such negotiations fail to progress satisfactorily, the Secretary and the U.S. Trade Representative would be required to propose actions that would (1) offset the effects of trade barriers and unfair trade practices and (2) secure further progress in the negotiations. Such actions could include, but not be limited to, greater use of intermediate and long-term credit, special sales of CCC stocks, exports or export credit subsidies, and bilateral trade agreements.

Also, the U.S. Trade Representative would be required to recommend a plan to phase out by the end of FY 1990 all major agricultural trade barriers on foreign products entering the U.S. market, in return for comparable action by foreign countries.

A third objective of the export title is to maintain adequate funding for export promotion programs. Export credit guarantees offered under the GSM-102 program would be required to maintained at a level consistent with the needs of importing countries for U.S. agricultural commodities. The appropriate level of credit would be determined by the credit-worthiness of potential borrowers, as well as the degree to which such credit would be likely to increase short-term demand for U.S. agricultural exports, build long-term markets or improve the competitive position of U.S. agricultural exports in world markets. The P.L.-480 program would be reauthorized, and the Secretary of Agriculture would be required, to the extent practicable, to establish multi-year programming to better achieve U.S. program objectives.

The export title also restates the commitment of the United States to strong and effective market development programs. In support of this commitment, the Secretary would be required to evaluate the effectiveness of existing market development programs and to devise ways in which they might be improved.

DEFICIENCY PAYMENTS BASED ON SEASON AVERAGE PRICES

Under current law, deficiency payments for wheat, feedgrains, and rice are paid on the difference between the target price and the loan rate or the average market price for the first 5 months of the current marketing year, whichever is higher. Deficiency payments for upland cotton, however, are the difference between the target price and the loan rate or the calendar year market price, whichever is higher.

One rationale for deficiency payments based on market prices for only a portion of the marketing year was to permit payments to be distributed to producers when they need cash to purchase production inputs such as fertilizer, seed, and insecticides for the following crop year. However, with existing authority to make advanced deficien-

cy payments, this basic rationale has less credibility.

Agricultural Adjustment Act of 1985

Under the Agricultural Adjustment Act of 1985, deficiency payments will be based on the difference between the target price and the higher of the loan rate and the season average market price. Producers' incomes will continue to be protected even when prices fall to the loan rate, thus providing incomes security to producers during times of extremely low prices. However, that protection will be based on the total marketings during the entire season, not on some fraction of total marketings.

Corn and wheat producers generally sell only slightly more than half their crop during the first 5 months of the marketing year. Thus, nearly 50 percent of marketings are not considered when payments are computed using market prices for the first 5 months of the crop year. Rice producers generally market less than half of their crop during the first 5 months of the crop year, so payments are determined by prices received on only a fraction of the current year's marketings. Upland cotton deficiency payments are determined using the calendar year average market price, which overlaps the previous crop year (August 1–July 31) by 7 months and the current crop year by 5 months. On average, upland cotton producers market only slightly over 50 percent of their production in the first 5 months of the crop year. As a result, current year upland cotton deficiency payments are calculated using market prices received on about 50 percent of the current year's marketings and about 50 percent of the previous year's marketings.

Marketing year 1982/83 provides a good example of the bias that can result from basing payments on market prices for the first 5 months of the crop year. For wheat, the season average price was $3.55 per bushel, while the market price for the first 5 months was $3.34 per bushel. The difference was even more pronounced for corn—the season average market price was $2.68 per bushel while the market price for the first 5 months was $2.24 per bushel. The 1982/83 rice season average price equaled $8.11 per hundredweight (cwt.) while the 5-month average price was $7.69 per cwt. And, the season average price for upland cotton (59.1 cents per pound) greatly exceeded the calendar year average price for 1982/83 (55.2 cents per pound).

The reverse situation (market prices for the first 5 months that exceed the season average price) could occur in a year following a short crop when prices are the highest at harvest. Large differences occurred for rice and upland cotton following the 1980 drought. The 1981 rice season average price of $9.05 per cwt. was substantially below the 5-month average price of $10.40 per cwt.—a difference of $1.35 per cwt. For upland cotton, the season average price equaled 54 cents per pound while the calendar year average price was 63.2 cents per pound. Table 1 provides a brief history of the relative price movements of the two series.

As we move to a more market-oriented farm policy, it is important that incentives provided through government programs reflect market conditions and at the same time protect farmers from extreme price movements. Under the Agricultural Adjustment Act of 1985, payment levels will correspond to movements in market prices, thereby insuring that payment levels accurately reflect the real economic environment facing farmers rather than short-term intraseasonal fluctuations in prices.

WHEAT, CORN, COTTON, AND RICE SUPPORT LEVELS AND PRICES, 1977–83

	1977	1978	1979	1980	1981	1982	1983
Wheat (dol./bu):							
Target price	2.90	3.40	3.40	3.63	3.81	4.05	4.30
Loan rate	2.25	2.35	2.50	3.00	3.20	3.55	3.65
Deficiency payment rate	.65	.52	.....	.....	.15	.50	.65
5-month average price	2.10	2.88	3.83	3.89	3.66	3.34	3.51
Season average price	2.33	2.97	3.78	3.91	3.65	3.55	3.54
Corn (dol./bu):							
Target price	2.00	2.10	2.20	2.35	2.40	2.70	2.86
Loan rate	2.00	2.00	2.10	2.25	2.40	2.55	2.65
Deficiency payment rate	.....	.03	.....	.....	.....	.15	.....
5-month average price	1.80	2.07	2.37	3.11	2.43	2.24	3.15
Season average price	2.02	2.25	2.52	3.11	2.50	2.68	3.20
Upland Cotton (cents/lb.):							
Target price	47.80	52.00	57.70	58.40	70.87	71.00	76.00
Loan rate	44.63	48.00	50.23	48.00	52.46	57.08	55.00
Deficiency payment rate	.....	.....	.....	.....	7.67	13.92	12.10
Calendar year price	56.20	55.10	58.90	73.30	63.20	55.20	63.90
Season average price	52.10	58.10	62.30	74.40	54.00	59.10	66.10
Rice (dol./cwt.):							
Target price	8.25	8.53	9.05	9.49	10.68	10.85	11.40
Loan rate	6.19	6.40	6.79	7.12	8.01	8.14	8.14
Deficiency payment rate	.....	.78	.....	.....	.28	2.71	2.77
5-month average price	9.08	7.75	9.87	11.30	10.40	7.69	8.63
Season average price	9.49	8.16	10.50	12.80	9.05	8.11	8.50

PAYMENT LIMITATION

The original concept of a payment limitation was initiated in the Soil Conservation and Domestic Allotment Act of 1936. However, the payment limitation as we think of it today was not invoked until the Agricultural Act of 1970 and has continued as a part of U.S. farm policy since that time.

The purposes of the payment limitation are to target farm income supports more toward middle and lower income farms, and to reduce Federal outlays. At the same time, this more equitable distribution of farm benefits limits the capitalization of program benefits by large operators into even larger operations.

Payment limitations also tend to curb the artificial inflation of farmland prices that occurs when farm program benefits are available (a process called "capitalization"). In fact, many believe that the large increases in farm program benefits in the 1970's helped push farmland prices to artificially high levels.

At the time the payment limit was first introduced, it was evident that farms were rapidly becoming larger and fewer in number. From just 1950 to 1970, the number of farms declines nearly 50 percent and the average size grew from 213 acres to 374 acres. This trend has continued in recent years. Today the average size of a U.S. farm its 437 acres.

Currently, about 12 percent of the Nation's farms account for two-thirds of farm marketings. This group of large farms (with annual sales of over $100,000) has an annual average income of $82,000 per household—well above the national average for all households ($28,600). This group of farms, as a whole, is not in dire need of income support through program benefits.

However, this same group of farms has a growing impact on farm program participation and program effectiveness. According to the 1982 Agricultural Census, 2.4 percent of the corn growers produce over 21 percent of total U.S. corn production; 2.2 percent of the wheat growers account for 22 percent of total production, 3.7 percent of the cotton producers account for nearly a third of the total output; and 3.5 percent of the rice growers account for 22 percent of the total rice crop. For each of these four crops, about 10 percent of the growers produce about half of the total production. Therefore, commodity programs designed to control supplies are affected when large operators decide not to enter the program due to the payment limitation.

The 1985 cotton program provides a good example of the possible impact of the payment limitation on program effectiveness. Based on the provisions of the 1985 cotton program, the expected deficiency payment, and the average farm program yield, it will take about 500 acres of cotton to reach the $50,000 payment limitation. According to the 1982 Agricultural Census, growers with over 500 acres of cotton account for about 60 percent of total cotton production. Thus, it is easy to see how the payment limitation would reduce program effectiveness if participation of large growers is reduced or they are allowed to plant other crops.

The effects of the payment limitation vary between commodities and regions of the country. For instance, rice and cotton farms are generally larger, on average, than corn and wheat farms and therefore are more likely to be affected by a payment limit. In 1982, U.S. rice growers planted an average of about 280 acres; cotton growers, 255 acres; wheat growers, 160 acres; and corn growers, 100 acres. If, for exampe, one-half of maximum deficiency payments are paid out for the 1985 program crops, about

45 percent of the 1985 rice crop and 43 percent of the cotton crop would be produced on farms subect to the $50,000 payment limitation, compared with only 2 percent of the wheat crop and less than 1 percent of the corn.

The impact of a payment limitation varies greatly between regions because of the differences in farm sizes and yields (see Table 1). For instance, program cotton yields in California are over 1,000 pounds per acre, and acreage averages about 440. This compares with a yield of less than 400 pounds in Texas and an average acreage of 280 acres. Again, using one half of maximum deficiency payments for the 1985 cotton program as an example, about 80 percent of the cotton in California would be grown on farms subject to the $50,000 payment limitation and only 20 percent in Texas.

The story is similar for other commodities. For instance, the program yield for wheat in Washington is nearly 48 bushels per acre and the average acreage is about 435 acres compared with a yield of about 25 bushels in Texas and an average acreage of only 225 acres. For rice, the program yield in California is about 6,500 pounds and the average acreage is 430 acres compared with a yield of 4,100 pounds in Louisiana and an average acreage of only 230 acres. The average dairy herd in Kentucky is less than 25 head with production per cow below 10,000 pounds per year compared with an average herd of over 200 head in California and average production per cow of over 15,000 pounds.

THE AGRICULTURAL ADJUSTMENT ACT OF 1985

The focus of the 1985 Farm Bill is toward a more market-oriented agriculture and a phasing-out of acreage reduction programs that have been largely ineffective in the past. Without program requirements for acreage reductions, all producers are eligible for program benefits and the payment limitation becomes more important.

TABLE 1: REGIONAL DIFFERENCES BETWEEN ACREAGE AND YIELDS [1]

Crop and state	Average acreage	Average yield/acre	Average production
Corn (bushels):			
Iowa	139	116	16,124
Nebraska	189	104	19,656
N. Carolina	46	96	4,416
S. Dakota	138	67	9,246
U.S. average	98	107	10,534
Wheat (bushels):			
Kansas	237	31.9	7,560
N. Dakota	335	30.1	10,084
Texas	225	24.2	5,445
Washington	436	47.2	20,579
U.S. average	159	33.5	5,327
Cotton (bales):			
California	437	2.19	957
Mississippi	264	1.68	443
Texas	278	.60	167
U.S. average	256	1.16	298
Rice (hundredweight):			
Arkansas	232	45.0	10,440
California	429	64.7	27,756
Louisiana	228	41.0	9,348
Texas	450	47.4	21,330
U.S. average	282	47.9	13,508

[1] Based on the 1982 Agricultural Census.

Limiting direct payments to farmers to $20,000 per operator in 1986, $15,000 in 1987, and $10,000 in 1988 and thereafter would insure payments reach those operators in greatest need of assistance. Deficiency payments would be the only direct payments authorized. The payment rate would be set equal to the difference between the target price, which would be set by formula, and the loan rate or the season average market price, whichever is higher. Total payments per acre to a producer would be this payment rate times normal yield.

The table below shows the effects of a $20,000 payment limitation, assuming that one-half of maximum deficiency payments are made. 1985 program provisions are assumed.

	Program yield/acre	Acreage cutoff	Farms affected (percent)	Share of production on farms affected (percent)
Crop:				
Corn (bushels)	102.0	908	0.8	9.6
Wheat (bushels)	36.4	848	3.9	29.0
Cotton (pounds)	550	319	26.0	73.0
Rice (pounds)	5,000	223	44.0	80.0

In periods of large production, growing stocks, and depressed prices, the payment limitation reduces the federal budget exposure. Once acreage reduction programs are phased out and all producers become eligible for program benefits, the possibility of large budget exposure becomes even greater. For instance, if all producers were eligible for a 50-cent payment on wheat based on U.S. production of 2.6 billion bushels, the budget exposure would be $1.3 billion. Assuming a 38-bushel average farm yield and a $10,000 payment limit, the budget exposure would be $1.06 billion. Thus, the budget exposure would be reduced by nearly a fifth, while only 7 percent of U.S. wheat farms would be affected by the $10,000 payment limit.

Payments to farmers have been limited since 1971. Unlimited payments are perceived as an unnecessary drain on the Treasury and as inequitable. From 1974 though 1983, deficiency paymant cost a total of $6.8 billion. Payments varied widely. They were zero in three years, yet over $1 billion in five years. The largest amount paid was $1.7 billion in 1982. These payments have been highly concentrated, however, with 80 percent of the total payments received by only 30 percent of producers.

In 1981, compliance with an acreage reduction program was not required as a condition of eligibility for deficiency payments; hence, a large number of producers received payments. Nearly 1 million persons received about $1.1 billion in payments for six different crops.

Reducing the payment limitation to $10,000 would still provide small and medium-sized producers with direct income support while limiting direct payments to large farmers who do not need Federal assistance. In 1981, only 2 percent of producers would have lost some benefits had a $10,000 payment limit been in effect, but budget savings would have been nearly 20 percent. The effect would be slightly greater for commodities, particularly cotton, where larger operators are more prevalent. In 1981, a $10,000 payment limit would have affected 12 percent of cotton producers and would have reduced budget outlays to cotton producers by about one-third. For other commodities, a $10,000 limit would have affected less than 1 percent of all producers.●

By Mr. GRASSLEY (for himself, Mr. SYMMS, Mr. NUNN, Mr. BOSCHWITZ, Mr. ZORINSKY, Mr. CHAFEE, Mr. DECONCINI, Mr. DOMENICI, Mr. SARBANES, Mr. EAST, Mr. HOLLINGS, Mr. STEVENS, Mr. CRANSTON, Mr. HEINZ, Mr. KENNEDY, Mr. MCCLURE, Mr. EXON, Mr. THURMOND, Mr. JOHNSTON, Mr. ABDNOR, Mr. LEVIN, Mr. DURENBERGER, Mr. HARKIN, Mr. ANDREWS, Mr. PRYOR, Mr. DENTON, Mr. GORE, Mr. LAXALT, Mr. GLENN, Mrs. HAWKINS, Mr. KERRY, Mr. DOLE, Mr. DIXON, Mr. WARNER, Mr. METZENBAUM, Mr. SIMON, and Mr. LAUTENBERG):

S.J. Res. 61. Joint resolution to designate the week of May 1, 1985, through May 7, 1985, as "National Osteoporosis Awareness Week"; to the Committee on the Judiciary.

NATIONAL OSTEOPOROSIS AWARENESS WEEK

● Mr. GRASSLEY. Mr. President. I am happy to introduce legislation today which would designate the week of May 1, 1985 through May 7, 1985 as "National Osteoporosis Awareness Week".

My goal in introducing this joint resolution is to promote and support the education of the American population on the preventive measures available to fight this debilitating disease.

Osteoporosis is a condition in which bone mass decreases causing bones to be more susceptible to fracture. Between 2 and 5 million Americans seek medical help each year for some problem linked to osteoporosis. It afflicts approximately 15 million Americans overall, beginning as early as age 35, and is particularly a threat to thinboned, light-skinned women, women who undergo an early menopause and women whose female relatives have osteoporosis. In fact, 88 percent of osteoporosis victims are women. But this is not to say that it is a disease that afflicts only women. As the aging process progresses the risk of developing osteoporosis increases and, for that reason, our older Americans, male and female, must become aware of this disease.

Every year about 1.3 million persons 45 years and older suffer from fractures attributable to osteoporosis. Fractures of the spine, hip and wrist are most common. The dowager's hump is the result of a spine fracture. It is estimated that 150,000 hip fractures occur each year as a consequence of osteoporosis and about 12 percent of these people will die of related complications. I know from visits with older Iowans that these fractures are debilitating and, for many, incapacitating, resulting in a loss of independence and freedom.

When I look at statistics stating that: 19.6 percent of our population consists of women over 40; 11.6 percent of our population is 65 years and older; 13.1 percent of our population will be over 65 by the year 2000.

That figure will increase to 21.7 percent by 2050, and a statistic that I have a personal interest in: 13.3 per-

cent of Iowa's population is over 65, I become concerned about the possible increase in the number of Americans suffering from osteoporosis.

In light of the importance of reducing the budget deficit, I am concerned that the short-term direct costs for osteoporosis patient's care are projected to exceed $1 billion annually without considering indirect long-term costs of extended nursing care. These statistics are what have prompted me to introduce this legislation today.

Research is being done to find the cause of osteoporosis, a method of detecting it and a treatment. Presently, however, once osteoporosis has developed, there is no cure.

There are steps that can be taken to prevent osteoporosis. The amount of calcium intake has been noted as a major link in the development of this disease. Bone contains 99 percent of the calcium of the body, the other 1 percent is used for the heart beat, muscles to contract and relax, for blood to clot and for nerves to transmit messages. The body does not make its own calcium, therefore, it is necessary to maintain a rich-in-calcium diet, particularly if you are at high risk of developing osteoporosis. Through the years, when the body does not have enough calcium to put into the blood, it will take it from the bones. If this continues, the bones will become weak and brittle to the point that they will fracture under everyday common stresses, that is osteoporosis.

Milk and other dairy products such as cheese and yogurt are a main source of calcium in our diet. The average calcium intake is 450-550 milligrams a day. This is one-half the amount recommended by a special panel, the consensus development conference on osteoporosis, convened by the National Instiutes of Health [NIH] last April.

For women, the decrease in the production of estrogen after menopause increases the risk of developing osteoporosis because estrogen is necessary in preserving bone in women. Oral doses of estrogen, known as estrogen replacement therapy, compensate for the natural decline in estrogen production and has proven an effective means of preventing osteoporosis.

Moderate weight-bearing exercise such as jogging, walking and biking is another preventive measure. This is important because exercise stimulates the formation of new bone. Americans who are at risk should, with the help of their doctors, become aware of and implement the necessary precautions which might decrease their chances of developing osteoporosis.

I would like to conclude by commending the National Dairy Council [NDC] for their efforts in alerting Americans to the affects of osteoporosis and calcium intake. I understand that between January 1 and April 30 of this year, the National Dairy Council will hold 2,000 1-hour consumer workshops to create awareness of calcium needs, risks, benefits and sources. The National Institute of Health also offer many pamphlets on osteoporosis and I would urge everyone to take advantage of these materials and workshops.

Hopefully, this resolution as well as other legislation such as the recently passed Older Americans Act amendments of 1984, a reauthorization of the 1965 law, will support and promote the education of osteoporosis. I feel that it is particularly appropriate that "National Osteoporosis Awareness Week" will be the first week of a month of commemorating and celebration of our older Americans. I urge my colleagues to join me in support of "National Osteoporosis Awareness Week".●

● Mr. DURENBERGER. Mr. President, I am pleased to cosponsor my colleague Senator GRASSLEY's joint resolution to designate the first week of May, 1985 as "National Osteoporosis Awareness Week."

Osteoporosis, or "porous bone disease," ranks closely behind arthritis as a major chronic disease that affects older Americans, particularly women. Osteoporosis is a disorder that is characterized by a weakening of the bones and increased susceptibility to a variety of fractures. It has been estimated that nearly one-quarter of women in the United States have or will develop this disease in their lifetimes. Although osteoporosis is not exclusively a condition which affects women, their lighter bone structure predisposes them to a higher rate of this illness. In America today, women are eight times more likely than men to suffer from osteoporosis and bone fractures relating to it. Approximately 1.5 million of the fractures that occur in Americans over the age of 45 are attributable to this disease, costing our country an estimated $3.8 billion in acute care expenses.

Prevention is the key to controlling this disease. Although research is presently being conducted, there is no effective cure for osteoporosis once the condition has developed. However, there are measures that may prevent the onset of this disease. Among the key factors in prevention are the maintenance of sufficient levels of calcium and estrogren, as well as exercise, good posture, and stopping smoking.

Education and awareness can play an important role in the prevention of this disease. With improved preventive measures, osteoporosis need not be an inevitable part of the aging process for women in our Nation.

My objective in cosponsoring this legislation is to help alert and educate the American public regarding the scope of this disease and the measures that are available to us in the prevention of osteoporosis. With improved prevention and education I am confident that we can reduce the number of Americans afflicted with osteoporosis and limit its adverse health effects. Mr. President and Members of Congress, I strongly support the declaration of a National Osteoporosis Awareness Week, and I urge the passage of this valuable legislation.●

By Mr. GORTON (for himself, Mr. HOLLINGS, Mr. DANFORTH, Mr. LONG, Mr. PACKWOOD, Mr. INOUYE, Mrs. KASSEBAUM, Mr. FORD, Mr. PRESSLER, Mr. RIEGLE, Mr. STEVENS, Mr. EXON, Mr. KASTEN, Mr. HEFLIN, Mr. TRIBLE, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. ABDNOR, AND Mr. CRANSTON):

S.J. Res. 62. Joint resolution commemorating the 25th anniversary of the U.S. weather satellites; to the Committee on the Judiciary.

TWENTY-FIFTH ANNIVERSARY OF UNITED STATES WEATHER SATELLITES

Mr. GORTON. Mr. President, I am very pleased to introduce, on behalf of myself and 18 of my colleagues, legislation to commemorate the 25th anniversary of U.S. weather satellites—April 1, 1985—by designating the week of March 31 through April 6, 1985, as "National Weather Satellite Week."

We feel that this national recognition is warranted by the revolutionary improvements that weather satellites have made in weather forecasting during the past 25 years and the resulting protection of the safety and welfare of Americans in all 50 States, and of people in more than 100 other nations that directly receive U.S. weather satellite data.

Before the existence of weather satellites, meteorologists relied upon surface and aircraft observations to monitor and predict weather conditions. The world's first weather satellite called the "Television Infra-Red Observation Satellites [TIROS-1]," was launched from Cape Canaveral on April 1, 1960. Although TIROS-1 lasted only 78 days, it demonstrated that weather satellites could contribute dramatically to the accuracy of weather forecasts.

In 1961, President Kennedy announced plans for an operational weather satellite system capable of global atmospheric coverage, continuous monitoring of U.S. weather conditions, and direct readout to ground stations. Our current weather satellite system, managed by the National Oceanic and Atmospheric Administration [NOAA], has more than achieved these objectives.

NOAA operates two complementary weather satellite systems, the geostationary satellite [GOES] system and the polar-orbiting [NOAA] satellite system. The best known of these are the GOES satellites, which hover

more than 22,000 miles above fixed positions on the Earth—thus the term "geostationary"—and take pictures of the Earth every 30 minutes. The pictures shown on television weather forecasts are from GOES satellites. NOAA continuously monitors weather conditions over almost the entire Western Hemisphere by positioning two GOES satellites at respective longitudes of 75° and 135° west.

The polar-orbiting satellites orbit the Earth so as to generate global weather data twice per day per satellite. A two-satellite system provides coverage of any given spot on the Earth every 6 hours. The NOAA satellites profile the atmosphere vertically, measuring atmospheric temperature and moisture at various levels.

Having described the primary forecasting functions of NOAA's weather satellites, I will mention briefly some related applications of weather satellite data. The data can be used to predict flash floods by monitoring rainfall, to predict major flooding by monitoring mountain snowpacks, to forecast freezing temperatures that can ravage citrus crops if unexpected, to guide fishermen to schools of fish by measuring sea surface temperature, to predict crop yields by use of vegetation indexes sensitive to chlorophyll, and even to spot forest fires in remote areas by detecting heat and smoke. All of these applications are important to my home State of Washington, and I am certain, to many other States.

One application of weather satellites that is of particular interest to Washington State is their ability to monitor volcanic activity, such as the recent eruptions of Washington's Mount St. Helens. The ash clouds from volcanic eruptions cause short-term problems for aviation, agriculture, and commerce in general, and long-term climate changes which are not fully understood. Mount St. Helens also caused some flooding, not only at the time of eruption but for months thereafter as natural dams formed by debris from the eruptions broke. Although river levels were monitored primarily by ground instruments, many of the measurements reached weather stations by radio transmissions relayed through the GOES satellites.

Weather satellites also represent an unparalleled example of international cooperation in sharing of meteorological data. A longstanding tradition of world-wide data sharing has been maintained through the World Meteorological Organization and the World Weather Watch. Satellites from the United States, the European Space Agency, Japan, India, and the Soviet Union combine to monitor world-wide weather conditions on a continuous basis. Our major contribution to this satellite network is a tremendous source of international goodwill, as was demonstrated by the international outcry over our consideration of weather satellite commercialization, a concept that the Congress rejected resoundingly.

A great example of this international cooperation is the search-and-rescue satellite [SARSAT] program, in which United States—polar-orbiter—and Soviet satellites are equipped to detect distress signals originating from boats and planes. One SARSAT rescue incident occurred in a remote part of Washington State where two University of Washington students in a small plane crashed on a mountain in the dead of winter. Their signal was picked up by a passing satellite and they were rescued the next day. This story is just one of many associated with the SARSAT program which has saved over 300 lives in less than 3 years.

The future course of NOAA's satellite systems is dependent on budgetary decisions that will be made in the coming months. I intend to introduce authorizing legislation and schedule hearings before the Commerce Committee's Subcommittee on Science, Technology, and Space, which I chair, in the very near future. I do not intend for this joint resolution to have any bearing whatsoever on these budget issues; I simply wish to recognize a program which has been and continues to be the finest of its kind in the world.

I am confident that my colleagues will agree that this 25th anniversary deserves our recognition, and that this legislation can be approved quickly. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 62

Whereas United States' weather satellites have tracked the Earth's weather since April 1, 1960, and have brought unique benefits to the American people and to the world;

Whereas weather satellites have proven exceptionally valuable in detecting, monitoring, and giving early warning of hurricanes, severe storms, flash floods, and other life-threatening natural hazards, on a local, national, and international basis;

Whereas the international weather satellite search-and-rescue program has saved over 300 lives since 1982;

Whereas the achievements of the scientific and aerospace communities in developing weather satellites have contributed significantly to the United States' leadership in satellite technology, international cooperation in space; and an integrated global weather forecasting system;

Whereas television and radio weather forecasters have made major contributions to public health, safety, and welfare through the use and general dissemination of weather satellite information;

Whereas weather satellites have evolved into environmental satellites that also monitor snow and ice cover, frost damage, vegetation, forest fires, volcanic eruptions, sea surface temperatures, and ocean currents;

Whereas environmental satellite data are used for research and for commercial purposes in meteorology, hydrology, agriculture, oceanography, forestry, and fisheries;

Whereas the United States' international prestige is enhanced by the direct dissemination of environmental satellite data to more than 120 countries;

Whereas the National Aeronautics and Space Administration has been the world leader in the development of experimental and prototypical weather and environmental satellites; and

Whereas the National Oceanic and Atmospheric Administration of the Department of Commerce has demonstrated outstanding leadership in the management of operational weather and environmental satellite systems and programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of March 31 to April 6, 1985, is hereby designated as National Weather Satellite Week in recongition of the 25th Anniversary of Weather Satellites and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies.

Mr. HOLLINGS. Mr. President, April 1, 1985, marks the 25th anniversary of the U.S. weather satellite program. In recognition of this program and its accomplishments, I would like to join the distinguished Senator from Washington and ask that the week of March 31 through April 6 be designated as "National Weather Satellite Week."

Under the auspices of the National Aeronautics and Space Administration [NASA] and most recently the National Oceanic and Atmospheric Administration [NOAA], the weather satellite program has revolutionized weather and storm forecasting. The information provided by both the geostationary satellites [GOES series] and the polar-orbiting satellites [NOAA series] is vital to the Nation's social and economic welfare. The people that make up the NOAA team are a dedicated and competent group of professionals whose efforts deserve recognition upon the 25th anniversary of the program.

In order to provide you with more information about the history and the functions of NOAA's weather satellite systems, I have enclosed two articles published in the 25th anniversary commemorative issue of Weatherwise magazine. Without objection, I ask that a copy of these articles, "Weather Satellites Fulfilling the Promises" and "Weather Satellites Come of Age," be inserted in the RECORD at the conclusion of my remarks.

Mr. President, while there are differences of opinion as to what course of action is best for the future weather satellite program, I hope you agree that the weather satellite program should be commemorated. Today, we all take the view from space for grant-

ed. Yet 25 years ago weather forecasters knew the Earth and its atmosphere only as seen from the ground or an aircraft. With the advent of the weather satellite, we are better able to learn more about the planet Earth and its complex weather patterns. Also, we are better able to protect people and precious resources.

Mr. President, on behalf of the many distinguished original cosponsors of this resolution, I ask the Senate to take prompt action on this resolution and to commemorate the 25th anniversary of the U.S. weather satellite services in a most appropriate manner.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FULFILLING THE PROMISES

(By Robert G. Cowen)

When dust from Mt. St. Helens boiled into the stratosphere May 18, 1980 ever-watchful weather satellites quickly spotted it. Meteorologists could see the winds grab that dust and spread it eastward hour by hour in a series of pictures that helped them warn jet aircraft of the dangerous ash cloud and later to assess possible climatic consequences. (They turned out to be minor.)

We take this all-seeing perspective for granted these days. No hurricane bears down upon us undetected, no tornado-spawning front or thunderstorm phalanx eludes surveillance. On millions of television screens daily, the mystical symbols of the weather map are transformed into "living cloudscapes."

We forget that it was only 24 years ago that the first launch of the experimental weather satellite—TIROS, meaning Television and Infrared Observation Satellite—was greeted by considerable skepticism from many "practical" forecasters.

Would these expensive gadgets ever produce anything but pretty cloud pictures? And what would you do with the pictures anyway when they arrived by mail several days later? Weather people need timely, reasonably accurate measurements of pressure, temperature, humidity, and winds at several levels throughout the atmosphere—not just scenery. Against this need all that the Weather Bureau could promise was a description of the cloud pictures in laconic teletype code, which would still be many hours late.

Weather satellite prophets were undisturbed. They included such farsighted scientists as the late Harry Wexler, Weather Bureau research director, Morris Tepper (now retired), who would shepherd the development of much weather satellite technology at the National Aeronautics and Space Administration (NASA), and David S. Johnson, also retired, who was the longtime head of the National Environmental Satellite Service (NESS). They knew that once meteorologists had the Olympian perspective of seeing weather in large scale from above, they would never be satisfied with the worm's-eye view of looking up at it station by station from below.

". . . INDIVISIBLE"

Wexler drew a picture of what a satellite might see—a tantalizing scene of North America with those now familiar cloud patterns sweeping over it—and remarked, "There are many things that meteorologists do not know about the atmosphere, but of this they are sure, that the atmosphere is indivisible, and that meteorological events occurring far away will ultimately affect local weather."

By filling in the blank oceanic areas on weather maps and covering the "data poor" southern hemisphere, satellites, Wexler believed, would at last enable meteorologists to deal with weather in this comperhensive perspective. This remains the justification and fruitage of what has become a global weather satellite network in which most nations participate. Europe, Japan, the Soviet Union, and the United States maintain satellite systems, primarily for their own purposes but providing benefits that are shared worldwide.

Yet even the prophets had twinges of doubt when NASA launched that first TIROS experimental satellite April 1, 1960. Harry Wexler and his colleagues felt that the "superb" pictures it sent back (which seem fuzzy and inadequate today) confirmed their faith in the weather satellite's potential. But they also knew they had to come through on their other promises, and the technology for doing so was by no means all in hand nor even particularly well defined.

Besides a comprehensive view of cloud patterns and early warning of ocean storms, they were promising timely, reasonably accurate data throughout the atmosphere, which forecasters demanded—and on a global basis. They were dreaming of imagining things the eye cannot see such as large scale movements of invisible water vapor and of measuring the upward flow of heat radiation which is a major element in the income-outgo (sunshine-heat radiation) energy budget of the atmosphere. They spoke of someday "stripping away" the clouds to survey the surface everywhere, and of monitoring snow and ice cover, ocean waves and currents, and sea surface temperatures, which are an important determinant of large scale weather patterns.

Yet, in 1960, engineers were still discovering what it meant to build space hardware that would work reliably day after day for several years, never mind inventing new sensors. And rocket launches were still touch and go. It's little wonder that the "practical" forecasters did not take the space talk too seriously. To their credit, the prophets never did suggest they would do it all right away. Morris Tepper repeatedly and patiently explained to overeager reporters the difference between long range hopes and the nitty-gritty of turning the TIROS series of experimental satellites into a workaday weather observing system. Such caveats were often lost in the media hype of the day.

Were the skeptics justified, or have the promises been kept? "We did all we said we'd do and then some," David Johnson said proudly on the 20th anniversary of the launch of TIROS I in 1980.

GOALS

Johnson could point to general and specific achievements when he said promises had been kept. He could also look at the initial set of formal goals that were set in 1961 when Congress authorized the Department of Commerce to establish and run a global environmental satellite system. Working through what now is the National Oceanic and Atmospheric Administration (NOAA) and its predecessor agencies (the Weather Bureau, which later became part of the Environmental Science Services Administration), the Commerce Department formed a continuing partnership with NASA in which the space agency has done and still does much of the experimental work. There was a series of simply stated but challenging goals.

First, "establish an operational system for viewing the atmosphere regularly and reliably on a global basis, both day and night, with direct readout to local ground stations within radio range of the satellite."

This goal began to be realized in 1966 with the launch of the first two operational weather satellites, ESSA-1 and ESSA-2, whose designs were proved in a series of 10 TIROS experiments. Nighttime coverage was not yet possible, but one of the satellites carried an automatic picture transmission system that broadcast satellite pictures to anyone with the relatively inexpensive equipment needed to receive them. Today some 120 nations take advantage of these transmissions from NOAA satellites—to say nothing of private groups, schools, and even Scout troops, some of which have built their own receivers. By 1970, with the launch of NOAA 1, an improved TIROS system, infrared scanners that form picturelike images inaugurated nighttime coverage on a global basis. Placed in a nearly polar orbit, this satellite series could cover virtually all the earth.

A second formal goal was to "establish an operational system for sounding the atmosphere regularly and reliably on a global basis and for providing quantitative inputs to numercial weather predictions." That meant providing data that working weather people would feel were good enough to feed into their forecasting computers. NOAA 2, launched in 1972, began to satisfy that objective by taking temperature soundings on nearly a global basis.

A third goal called for "an operational system for continuous viewing of weather features (rather than just a few times a day) and for collecting and relaying environmental data from remote platforms such as buoys, ships, automatic stations, aircraft, and balloons." Continuous viewing meant geostationary satellites. NASA began developing them in 1966. But NOAA's system didn't become fully operational until GOES 1 (Geostationary Operational Environmental Satellite) was launched in 1975.

Today NOAA's National Environmental Satellite, Data, and Information Services has six GOES spacecraft in orbit, but only two, GOES East and GOES West, are fully operational. These complement the polar-orbiting NOAA 7 and 8 TIROS N satellites, which represent the fourth generation of the TIROS system. Both GOES and the polar orbiters can read out data from remote platforms and relay it. The level of a mountain stream or air temperature in the remote Arctic now can be read as easily as though the instruments were downtown.

Weather satellites will be 25 years old next spring. Much has been accomplished and much more is expected. While not the complete panacea that early dreamers had visualized, weather satellites have proved to be extraordinarily versatile instruments of meteorological research and weather forcasting, invaluable in their panoramic vision.

Moreover, weather satellites continue to provide surprises. The most recent is the utility of the sensors on polar-orbiting satellites to assess worldwide vegetation conditions. NOAA is applying this newly realized capability in a variety of programs funded by the Agency for International Development to detect and ameliorate the effects of

drought on countries in Africa, Asia, and Central and South America.

As Dr. John H. McElroy, curent head of NOAA's satellite service, points out, "The simple truth is weather satellites are our only means to examine the earth's environment on a routine, daily basis. And, the more we look at this tired old planet of ours, the more we learn."

WEATHER SATELLITES COME OF AGE

(By Patrick Hughes)

In late August 1900, a tropical storm born over the mid Atlantic gathered strength as it moved west north-westward. It raked several Caribbean islands in early September, then curved westward into the Gulf of Mexico. During the next two days, with just two ship reports to go by, Weather Bureau forecasters could only issue vague storm warnings for the Gulf Coast. They knew the storm was out there somewhere, but not its location and direction of movement. Nor did they have any inkling of its gathering size and intensity.

On Saturday, September 8, 1900 a great hurricane surged into Galveston, Texas, literally engulfing it in the worst natural disaster in U.S. history (see *Weatherwise*, August 1979, Vol. 32, No. 4). It killed some 12,000 Americans, 6,000 in the city alone. There is no record that any hurricane warnings ever reached Galveston.

Sixty one years later, in September of 1961, an even more dangerous storm was bearing down on the Gulf Coast. An experimental weather satellite spotted Hurricane Carla, and its observations helped forecasters locate the storm and judge its movement, size, and intensity. The resulting hurricane warnings led to the largest mass evacuation of Americans to that time. More than 350,000 people living in threatened areas along the low-lying Gulf Coast were able to flee to safety before the hurricane hit. And, in contrast to 1900, only 46 people were killed. Early on, the weather satellite had established itself as a valuable lifesaving application of space-age technology.

Today, weather forecasters and television viewers alike tend to take the view from space for granted. Yet, only 25 years ago, we knew the earth and its atmosphere only as seen from the ground, or from the slightly enhanced perspective of aircraft. Now, thanks to the satellite, we have been able to step back far enough to see the entire world and its swirling weather systems.

The development of the weather satellite has much in common with the growth of the manned space program. Both have been made possible by the ingenuity and joint efforts of both government and private industry. And as in the space program, there have been false starts and delays, but the end result has been a success story that has brought unique benefits to Americans, to the world community, and to meteorology itself.

ROCKETS AND CLOUD PATTERNS

A decade before an eerie "beep beep" from space announced that Sputnik I was orbiting the earth every 96.2 minutes, a few American scientists were using camera-equipped rockets to probe the upper atmosphere. The most striking feature of the panoramic cloud pictures those probes produced was the great degree of organization of large-scale cloud patterns, an organization not apparent from terrestrial or aircraft observations. These pictures were the inspiration for the weather satellite.

Explorer I, the first U.S. satellite, was blasted into orbit by an Army Redstone Rocket on January 31, 1958. The world's first weather satellite, TIROS I (Television Infra-Red Observation Satellite), was launched from Cape Canaveral on April 1, 1960. Five hours later, President Eisenhower was looking at a cloud picture from space.

TIROS I, a 270-pound "pillbox," was built by RCA under the technical direction of the U.S. Army Research and Development Laboratories and later NASA. Weather Bureau and military meteorologists cooperated in the development of design and performance specifications.

Although an experimental spacecraft, TIROS I produced an unexpectedly large amount of immediately useful information. During the 78 days the satellite's television equipment operated, it took nearly 23,000 pictures of the earth and its shifting cloud cover. A few days after launch, Weather Bureau and military forecasters were already making operational use of its cloud pictures.

On May 25, 1961, in a special message to a joint session of Congress on the nations' space program, President Kennedy requested funds to develop a National Operational Meteorological Satellite System. Scientists wanted a system able to view the global atmosphere on a regular basis both day and night, and able to provide direct readout to anyone on the ground. It also was to provide continuous viewing of U.S. weather events, as well as vertical profiles of the global atmosphere for use in Weather Bureau computer prediction models.

Today, these goals have been achieved, though there is still room for improvement. Two U.S. polar-orbiting satellites monitor weather over the entire globe. Much higher up, equator-orbiting satellites keep near continuous watch on weather systems affecting the United States. These spacecraft are complemented by a number of similar foreign satellites.

OVER THE POLES FOR A GLOBAL VIEW

The current operational polar-orbiting satellites, NOAA-7 and NOAA-8, circle the earth in near polar, sun-synchronous orbits or approximately 850km (530 mi) and 810km (500 mi), respectively. Each spacecraft covers the whole earth twice a day.

These fourth-generation polar-orbiters are the latest in a long series of spacecraft designed and built by RCA Astro Electronics under the technical direction of NASA and (after the experimental TIROS spacecraft) operated by the National Oceanic and Atmospheric Administration (NOAA).

NOAA 7 and 8 provide advanced imagery data, as well as special radiation measurements from which vertical profiles of temperature and the water vapor content at three atmospheric levels can be calculated. About 16,000 global soundings are provided daily to National Weather Service computer forecast models. These soundings add particularly valuable information about weather conditions over ocean areas, where conventional data are lacking.

MONITORING U.S. WEATHER

A different kind of spacecraft was needed to meet the need for continuous viewing of U.S. weather systems, a satellite whose orbit and speed would make it hover constantly over the same point on earth—a "geostationary" satellite.

Increased rocket power during the mid 1960s made it possible to launch a satellite to the higher altitude needed to achieve a geostationary orbit. NASA launched the first experimental geostationary satellite late in 1966, followed by another experimental spacecraft a year later. These two satellites provided the technological base for today's Geostationary Operational Environmental Satellites (GOES).

NASA launched the first GOES prototype, a Stationary Meteorological Satellite (SMS), on May 17, 1974, the second on February 6, 1975. The current operational geostationary satellites (GOES 5 and 6), also operated by NOAA, are in circular orbits above the equator at altitudes of approximately 35,800 km (22,240 miles). They hover at 75° and 135° west longitude, respectively. Each views almost one third of the earth's surface. GOES 5 (East) monitors North and South America and most of the Atlantic Ocean; GOES 6 (West) watches North America and much of the Pacific Ocean basin.

The prototype satellites and GOES 1, 2, and 3 were built for the government by the Ford Aerospace Corporation, GOES 4, 5, and 6 by Hughes Aircraft.

GOES 5 and 6 provide full-earth-disc pictures every 30 minutes throughout the day and night; partical pictures can be obtained more often to monitor the development and movement of severe storms. These capabilities permit near-continuous viewing of storms and cloud cover, as well as determination of wind fields at cloud altitudes.

On an experimental basis, GOES 5 and 6 provide vertical profiles of temperature and moisture distribution, as well as imagery of atmospheric water vapor content. Both geostationary and polar orbiting satellites carry instruments to monitor solar activity, as well as systems to collect and relay environmental observations radioed to them from automatic, remotely located instrument platforms such as river and tide gages, seismometers, buoys, ships, airplanes, and automatic weather stations. In addition, GOES satellites are used to transmit satellite imagery and National Weather Service weather maps directly to amateur and professional users. (See the article by Robert Popham in this issue.)

A wealth of data has been flowing earthward from weather satellites for nearly the past two-and-a-half decades. Newer generations of spacecraft and instruments have increased the number, type, and value of meteorological observations and applications. Moreover, weather satellites have proven useful in other areas, ranging from the detection of volcanic eruptions to the assessment of agricultural and oceanic conditions.

STORM WARNINGS AND WEATHER FORECASTS

Satellites have made perhaps their most important contribution by detecting and tracking tropical cyclones, including the hurricanes of the Atlantic and eastern Pacific, the great typhoons of the western Pacific, and similar cyclones of the Southern Hemisphere. Since the start-up of a U.S. operational satellite service in February 1966, no tropical storm has gone undetected anywhere in the world.

GOES satellite imagery was the only warning of Hurricane IWA's approach to the Hawaiian Islands in November 1982. IWA was monitored closely as it developed in an ocean area southwest of Hawaii. Aftter moving northward for several days, it abruptly turned toward the Islands, and, within 24 hours, struck Kauai and Oahu. The National Weather Service hurricane warnings, based heavily on satellite imagery, helped keep the death toll of IWA down to only one, even though property damage in heavily settled coastal areas of the is-

lands totaled almost one-quarter of a billion dollars.

Geostationary satellites also provide near continuous coverage of the atmospheric environment that breeds tornadoes, squall lines, and other local severe convective storms. Strong convection "triggers" often can be detected in satellite imagery before severe storms develop. When they do, the satellites monitor their life cycles and track their movements. This information is used routinely by Weather Service forecasters in severe weather forecasts and warnings.

GOES imagery also is used to estimate rainfall amounts for flash flood warnings. In winter, polar orbiting satellites monitor mountain snowpacks and river ice jams to warn of potential spring melt flooding.

In the spring of 1983, NOAA monitored the unusually heavy snowpack (150-300 percent of normal) in the Rocky and Sierra Nevada mountains. The runoff from the snowpack led to major flooding in Salt Lake City and the Colorado River Basin. During the periods of rapid snowmelt, NOAA field stations produced satellite-based snow cover charts for approximately 30 western drainage basins as often as once a day. The charts were used by various federal and state agencies to help predict snowmelt runoff amounts and permit the early release of water stored in major dams to lessen flood damage.

The average American is familiar with the whorls and swirls of the GOES satellite cloud pictures shown on TV. The cloud patterns are visible manifestations of invisible air masses, frontal systems, and wind fields. Polar orbiters provide similar (composite) cloud images to monitor weather worldwide.

Because the prevailing winds blow from the west over the continental United States, observations of weather conditions over the Pacific Ocean are particularly important to U.S. forecasters. Most of those observations come from satellites. U.S. satellite data also are used extensively by foreign meteorological services, including those in the southern hemisphere, where relatively few conventional weather observations are available.

Overall, according to a 1983 assessment issued by the American Meteorological Society, weather satellites have contributed significantly to the increase in accuracy achieved over the past 25 years in daily weather forecasting for periods of one to five days.

ICE AND SNOW

Sattelite images portray the extent and character of ice fields with a completeness and frequency never before possible. They have greatly improved global mapping of sea and lake ice, and monitoring of the seasonal variations of the polar ice cap.

Polar-orbiting satellites monitor rapid sea-ice formation that often traps ships in Arctic areas, particularly along Alaska's north slope. Satellite imagery charts are used to support arctic resupply operations, offshore oil exploration, Great Lakes shipping, and as a navigation aid by the U.S. Navy, the Coast Guard, and private shipping.

Imagery from polar-orbiting satellites also is used to prepare weekly northern hemisphere snow and ice charts that show the distribution of snow cover over the continents.

FIRE AND SMOKE

Weather satellites provide an unprecedented view of volcanic eruptions. Both polar orbiters and GOES satellites detected and monitored the four large eruptions of El Chichon in Mexico in March and April of 1982, allowing scientists to analyze and track the huge, stratospheric ash cloud produced by the final eruption on April 4, 1982. The cloud took three weeks to circle the earth, then spread into a nebulous veil that eventually stretched from pole to pole.

Eruptions of the Indonesian volcanoes Galunggung and Una Una, in the summers of 1982 and 1983, respectively, were also monitored by U.S. weather satellites (polar orbiters). Ash clouds from both eruptions clogged jet airliner engines, causing them to stall. Fortunately, the pilots of the stricken planes managed to restart their engines and land safely. As a result of these and similar near-disasters, the Air Line Pilots Association and the FAA, and the International Civil Aviation Organization are investigating the use of satellite observations to detect and track volcanic clouds on an operational basis and reroute air traffic around them.

A special infrared channel on a polar-orbiter satellite sensor is particularly sensitive to high heat sources and has proven effective in pin-pointing wildfires in remote areas. Large-scale fires and the smoke they generate also are detectable in visible imagery by both types of satellites. Last year, GOES satellite imagery was used to locate large grass and forest fires in Alaska.

FRUIT AND VEGETATION

On cold winter nights, when frost is expected in the southern citrus belt, GOES satellites images are used to monitor the southward progress of freezing surface temperatures. Based on these observations, National Weather Service meteorologists issue forecasts and warnings to growers in areas such as Florida and southeast Texas so smudge pots and other devices can be used to prevent or limit crop damage.

Polar orbiter satellites have sensors sensitive to chlorophyll, the "green" in plants. This sensitivity can be used to survey crops and vegetation to determine their density and vigor. These characteristics, in turn, are possible indicators of climatic changes, as well as of regional phenomena such as drought, desert creep, and deforestation. Since 1982, NOAA has been producing weekly national and global Vegetation Index maps that can be used to monitor crop conditions over large areas during the growing season, and to evaluate the results of regional land use.

SEA SURFACE TEMPERATURE AND OCEAN CURRENTS

Polar-orbiting satellite sensors produce between 20,000 and 40,000 sea surface temperature observations daily (the number varies with cloud cover.) Sea temperature patterns reveal ocean features such as the Gulf Stream "wall" and associated eddies, cold water upwellings off the West Coast, the Gulf of Mexico look current, and changing flow patterns in equatorial ocean currents.

Sea surface temperature observations help meteorologists study ocean influences on weather and climate, such as the El Nino, a widespread warming of water off the west coast of South America. The usually strong El Nino of 1982-83 was associated with the heaviest rain and worst flooding in 50 years in Ecuador and northern Peru; heavy rain in California, Louisiana, and Cuba; and crippling drought in other areas of the world.

Sea surface temperature analyses also have been of great value to West Coast fishermen in finding tuna and salmon. These species tend to congregate in upwelling, nutrient-rich waters near ocean thermal fronts.

On the East Coast, fishermen use satellite sea-surface temperature charts to find swordfish. According to the president of the Swordfishermens' Association, "We used to spend up to five days looking for a fish, and now we can go right to the place where the fish are . . ."

We have only begun to tap the potential of these weather/environmental satellites. At NOAA's National Environmental Satellite, Data, and Information Service (NESDIS), which operates the satellites, scientists are searching satellite imagery and data for new clues to environmental dynamics, new applications of this privileged view of earth and environment.

ONE WORLD OF WEATHER

Weather is one of the universal experiences of the human race; one person's weather today is another's tomorrow. No nation can forecast its weather accurately using only data from within its own boundaries.

In August 1960, NASA and the Weather Bureau jointly invited scientists of 21 nations to participate in the analysis of weather data to be gathered by TIROS II. Routine national and international distribution of cloud analyses and storm advisories prepared from satellite photographs was arranged following the launch on November 23, 1960.

A year later, NASA and the Bureau began training meteorologists from 27 countries to use satellite photographs in weather analysis and forecasting. Today, NOAA continues to train foreign meteorologists, both in the United States and in workshops conducted in their own countries.

In 1961, in an address to the U.N. General Assembly, President Kennedy proposed intensified international cooperation in solving global weather forecasting problems. In response, the U.N.'s World Meteorological Organization established both research and operational programs to make full use of the potential of weather satellites. The Global Atmospheric Research Program, jointly sponsored by the WMO and the International Council of Scientific Unions, led to improved understanding of global circulation and thus to improved atmospheric models. The World Weather Watch was established in 1968, to provide a permanent, internationally integrated global weather forecasting system. It includes polar orbiting satellites and a global ring of geostationary spacecraft to monitor closely the swirling weather patterns constantly circling the Earth.

The United States committed the first satellites to the World Weather Watch, but deployment of spacecraft by other nations soon followed. Today, Japan maintains a Geostationary Meteorological Satellite over the western Pacific; the European Space Agency's METEOSAT monitors Europe, Africa, the Mediterranean, and the eastern Atlantic; and India's Insat observes the Indian Ocean and surrounding regions. In addition, the Soviet Union operates two polar-orbiting spacecraft.

Before the advent of meteorological satellites, weather observations were available for less than one-fifth of the globe. Little if any information was available for the polar regions or vast stretches of Asia, Africa, and South America. Over the oceans, tropical storms formed and grew to maturity undetected until they sank a ship or savaged an inhabited island or coastline. Today, weather satellites provide practically continuous viewing and remote sensing of the atmos-

phere on a global scale, allowing meteorologists of all nations to follow the ebb and flow of worldwide weather patterns.

SEARCH AND RESCUE FROM SPACE

This global coverage has made possible a dramatic new satellite service—search and rescue from space. The United States, Canada, France, the Soviet Union, the United Kingdom, Sweden, and Norway have joined in the deployment of a satellite search and rescue system to help find and rescue people in distress in remote ocean, desert, arctic and wilderness areas.

At present, NOAA 8 and two Soviet polar orbiters carry equipment that detects faint distress signals anywhere on the globe and relays them to rescue forces via local ground stations. Canada and France provide the instruments on the U.S. spacecraft, the USSR provides a compatible system, and the other countries provide ground stations.

More than 185 lives have been saved since the program began on June 30, 1982. NASA developed and manages the still experimental U.S. system. NOAA will assume management when the program is declared operational in early 1985.

Weather satellites began by helping save people threatened by tropical storms. Now, they also watch over travelers in trouble, the latest in a long list of unique and invaluable benefits provided by these spacecraft over almost a quarter of a century.

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. HEINZ, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 51

At the request of Mr. STAFFORD, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 51, a bill to extend and amend the Comprenhensive environmental Response, Compensation and Liability Act of 1980, and for other purposes.

S. 70

At the request of Mr. INOUYE, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 70, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 147

At the request of Mr. PROXMIRE, the name of the Senator from Massachusetts [Mr. KERRY] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 147, a bill to prohibit U.S. banks from making loans to enterprises in South Africa and to ban new investment by U.S. corporations in South Africa and for other purposes in order to distance the United States from the abhorrent apartheid policies of the South African Government and to send a clear signal to that regime to modify those racist policies or face further economic isolation.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 260

At the request of Mr. HEINZ, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such Code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 263

At the request of Mr. METZENBAUM, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 263, a bill to provide a deduction from gross income for individual taxpayers who maintain a household which includes a dependent of the taxpayer who suffers from Alzheimer's disease.

S. 282

At the request of Mr. HOLLINGS, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 282, a bill to establish a National Trade Council within the Executive Office of the President, and for other purposes.

S. 326

At the request of Mr. BINGAMAN, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Kentucky [Mr. FORD], the Senator from North Dakota [Mr. BURDICK], the Senator from Michigan [Mr. LEVIN], and the Senator from Hawaii [Mr. INOUYE] were added as a cosponsors of S. 326, a bill to amend the Public Works and Economic Development Act of 1965 to authorize appropriations for additional fiscal years.

S. 329

At the request of Mr. HECHT, the names of the Senator from Wyoming [Mr. WALLOP] and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsor of S. 329, a bill entitled the Highway Speed Modification Act of 1985.

S. 377

At the request of Mr. DECONCINI, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsor of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 401

At the request of Mr. PELL, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 401, a bill to require the Secretary of Defense to establish an accounting procedure within the Department of Defense to identify and control expenditures for advisory and assistance services, and for other purposes.

S. 434

At the request of Mr. D'AMATO, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 439

At the request of Mr. MITCHELL, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 439, a bill to make permanent the exemption from the Federal Unemployment Tax Act for services performed on certain fishing boats.

S. 472

At the request of Mr. DOLE, the names of the Senator from California [Mr. CRANSTON], the Senator from Delaware [Mr. ROTH], the Senator from Indiana [Mr. LUGAR], the Senator from Indiana [Mr. QUAYLE], the Senator from Nebraska [Mr. ZORINSKY], the Senator from North Dakota [Mr. ANDREWS], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of S. 472, a bill to amend title V of the Social Security Act, and section 2192 of the Omnibus Budget Reconciliation Act of 1981, to modify the terminology relating to certain disabled children.

S. 479

At the request of Mr. DENTON, the names of the Senator from North Carolina [Mr. EAST], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 479, a bill to prohibit any act of violence or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor.

S. 480

At the request of Mr. HATCH, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 480, a bill to authorize the Secretary of Education to make grants to strengthen the capacity of postsecondary institutions to respond to the continuing education needs of adults, to link postsecondary resources more closely to the preparation and performance of the American work force, and to enhance Federal policies affecting the development of the Nation's human resources.

S. 487

At the request of Mr. MATHIAS, the names of the Senator from Alaska [Mr. STEVENS], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 487, a bill to recognize the organization known as The Statue of Liberty-Ellis Island Foundation, Inc.

SENATE JOINT RESOLUTION 20

At the request of Mr. SYMMS, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from New Hampshire [Mr. HUMPHREY] were added as cosponsors of Senate Joint Resolution 20, a joint resolution proposing an amendment to the Constitution of the United States with respect to the English language.

SENATE JOINT RESOLUTION 21

At the request of Mr. GRASSLEY, the name of the Senator from Alabama [Mr. DENTON], was added as a cosponsor of Senate Joint Resolution 21, a joint resolution proposing an amendment to the Constitution of the United States with respect to life.

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the names of the Senator from Tennessee [Mr. GORE], the Senator from South Dakota [Mr. ABDNOR], the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Carolina [Mr. EAST], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 50

At the request of Mr. RIEGLE, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of Senate Joint Resolution 50, a joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Idaho [Mr. MCCLURE], the Senator from Georgia [Mr. NUNN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Virginia [Mr. TRIBLE], the Senator from Montana [Mr. BAUCUS], the Senator from New York [Mr. D'AMATO], the Senator from Arizona [Mr. DECONCINI], the Senator from North Carolina [Mr. EAST], and the Senator from Utah [Mr. HATCH], were added as cosponsors of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 58

At the request of Mr. CHILES, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from North Dakota [Mr. ANDREWS], the Senator from California [Mr. WILSON], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 58, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week."

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the names of the Senator from Rhode Island [Mr. PELL], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 60, a bill to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the name of the Senator from South Carolina [Mr. HOLLINGS], was added as a cosponsor of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. DANFORTH, the name of the Senator from Maine [Mr. COHEN], was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution relating to United States-Japan trade.

SENATE CONCURRENT RESOLUTION 18—RELATING TO TAX TREATMENT OF HOMEOWNER BONDS

Mr. DECONCINI (for himself and Mr. MELCHER) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 18

Whereas the homebuilding industry is critical to the health of our Nation's economy;

Whereas certain mortgage-backed bonds, known as "homeowner (builder) bonds", are means of self-help developed by the homebuilding industry whereby builders have joined together cooperatively within the limitations of traditional tax laws and business practices to provide needed financing for construction and purchase of homes;

Whereas mortgage-backed homeowner (builder) bonds have provided the means by which thousands of home buyers have been able to acquire homes;

Whereas mortgage-backed homeowner (builder) bonds are currently a useful method for making housing available during periods of high interest rates;

Whereas additional benefits are obtained by both home buyers and the economy through the use of GNMA or other Federal agency securities as collateral for such bonds;

Whereas the taxation of mortgage-backed homeowner (builder) bonds is currently governed by principles of taxation that have existed for almost sixty years, and whereas these principles of taxation where not modified when the Internal Revenue Code of 1954 was substantially amended in 1980 after several years of careful study; and

Whereas any precipitous change in the currently existing taxation of mortgage-backed homeowner (builder) bond transactions could have a catastrophic impact on the homebuilding industry; Now therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the provisions of the Internal Revenue Code of 1954 relating to installment sales and the regulations prescribed by the Secretary of the Treasury under such provisions, or any other provision of the Internal Revenue Code or regulation, should not be modified or amended in any way that will alter the manner in which mortgage-backed homeowner (builder) bond transactions are currently taxed.

Mr. DECONCINI. Mr. President, today I am submitting a concurrent resolution expressing the sense of the Congress that the tax treatment of homeowner bonds should not be altered.

Home ownership is a fundamental element of the American dream. The homebuilding industry is one of the largest employers in the United States and a dominant contributor to the economy. As we all well know, the homebuilding industry has in recent years been subjected to unprecedented strains.

During the late 1970's, homebuilders and first-time home buyers found it increasingly difficult to secure reliable sources for affordable home mortgages. This difficulty resulted from volatile interest rates and the decision by mortgage lenders to curtail fixed rate home mortgages.

As the prime interest rate was approaching a record high of 21.5 percent, the building industry was subjected to unprecedented strains. From well over 2 million housing starts in 1978, the industry plunged to just 1 million starts in 1982. Sources of money for affordable home mortgages became scarce.

In response to this situation, homeowner bonds were created as a new source of private sector mortgage money.

In simple terms, builder bonds are bonds sold to the public as a means of raising construction capital and financing the purchase of homes by consumers. The collateral used to back these bonds comes from home mortgages held by the issuer. Under present provisions of the Tax Code, the funds raised through builder bonds are not considered taxable; however, the funds generated from the home mortgages serving as collateral are considered taxable income. This tax treatment also serves the purpose of allowing the builder to obtain the maximum level of usable investment capital through the long recognized in-

stallment sales method of reporting income.

This cooperative approach whereby builders pool their mortgages as collateral for the bonds is especially important to the smaller and middle-sized builder which could not issue bonds on its own.

These bonds have enabled homebuilders to provide many buyers with lower interest rates and lower financing costs than would be available from traditional lending sources. Most of the homes financed with this method have been in the moderately priced range which traditionally has served first-time home buyers.

Included in the Treasury tax proposal is a provision which would eliminate the homeowner bond source of home mortgages. It would impose a tax on builders when moneys are borrowed: that is, when the bonds are sold, as opposed to when actual income is received; that is, when the mortgages are paid off, as is now the case. The Treasury proposal would be devastating to the homebuilding industry and to the home buying public without significantly increasing overall revenues to the Federal Government.

It may in fact decrease revenues. A recent study which employed the Wharton model for the national economy concluded that the ultimate impact of the use of these bonds was to increase revenues to the Treasury, since home construction and jobs were increased.

This administration has consistently pushed for private sector support and initiatives. The homebuilders did not come to Congress or the administration to ask for help. Instead, through their own initiative they found a new financing mechanism within already existing perimeters. Yet, the Treasury proposal seeks to stymie that initiative and return homebuilders to the position they have successfully overcome.

Therefore, today, I am submitting a sense of the Congress resolution that this Congress is opposed to any modification of the installment sales reporting provisions of the IRS Code as it applies to mortgage-backed bond transactions.

Expressing this opposition is expressing the hopes of a large number of consumers to obtain a home they can afford at reasonable interest rates and supporting the continued health of the homebuilding industry.

SENATE RESOLUTION 78—TO REFER THE BILL S. 499 TO THE COURT OF CLAIMS

Mr. GORTON (for himself, Mr. EVANS, Mr. STEVENS, and Mr. MURKOWSKI) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 78

Resolved, That the bill S. 499, for the relief of Frederick Paul of Seattle, Washington, Barry W. Jackson of Fairbanks, Alaska, and Thomas Fenton of Fairbanks, Alaska now pending in the Senate is hereby referred to the United States Claims Court and the Chief Judge of the United States Claims Court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code; said court shall file its reports within eighteen months from the dates of filing of Mr. Paul's petition, Mr. Jackson's petition, and Mr. Fenton's petition, respectively in said court giving such findings of fact and conclusions of law therein as shall be sufficient to inform the Congress of the nature and character of the demands as claims legal or equitable, against the United States, and the amounts, if any, legally or equitably due from the United States to the claimants.

ADDITIONAL STATEMENTS

GROWTH ALONE WILL NOT SOLVE BUDGET DEFICITS

● Mr. ARMSTRONG. Mr. President, in the next few weeks Congress will face its toughest challenge, trying to restore order in Government finance by reducing currently mammoth budget deficits. Tough decisions lie ahead. Either Congress eliminates huge budget deficits and thereby secures future economic stability or we do nothing, and tempt financial chaos. Some say that the tough decisions that need to be made can somehow be avoided by trusting in economic growth alone to reduce budget deficits. Of course expanded revenues from a growing economy can help reduce budget deficits. But to rely solely on economic growth as the panacea to budget deficits would be a mistake, in my opinion.

On this critical point, I urge my colleagues read a recent article in the Wall Street Journal entitled "Growth Alone Won't Do it" (February 13, 1985) by Mr. Frank Gregorsky of the House Republican Study Committee. His article recounts how during the last 2 years the revenue gains from economic growth were easily outpaced by surging growth in Federal outlays.

In tackling the deficit, Congress must shun tempting but illusory panaceas. Economic growth alone will not reduce budget deficits; only growth accompanied by disciplined spending will. I ask that Mr. Gregorsky's article be printed in the RECORD.

The article follows:

GROWTH ALONE WON'T DO IT

(By Frank Gregorsky)

Too many people make federal budget policy without having any idea of what's in the budget and how it relates to the economy. The partisans of economic growth as cure-all took heart from the fact that the fiscal 1984 budget deficit was $20 billion narrower than the fiscal 1983 budget deficit. This was hailed as evidence that economic growth could eventually balance the budget. But a look at the budget, item by item, suggests that new rules are at war with old formulas. It is time to reexamine the links between deficit spending and economic growth.

During fiscal 1983 growth averaged 5%. During fiscal 1984 it was a roaring 6.2%. We had, by any definition, a strong economy. (And it is still strong: This is the 10th straight quarter of economic growth.) Unemployment, from a December 1982 peak of 10.6%, had fallen to 9.1% by the close of fiscal 1983. Still, that year's deficit was much bigger than fiscal 1982's—$195 billion vs. $110 billion. The link—economic recovery, rising red ink—was partly because average unemployment was higher during fiscal 1983 than during fiscal 1982.

But what about the perverse figures for fiscal 1984? Unemployment fell from 8.7% in October 1983 to 7.1% by June 1984 (with no trend since). The average rate dropped from near-10% during fiscal 1983 to 7.7% for fiscal 1984. In the 1970s, liberals and conservatives agreed that a 1% annualized drop in unemployment would cut the deficit $25 billion to $30 billion. By that standard, the 1984 deficit should have plunged about $60 billion. It declined only $20 billion.

We can't blame the shortfall on revenues. The federal tax take expanded smartly in fiscal 1984. Total revenues rose $66 billion from 1983, nearly 11%. If we could count on that every year for the next three, with the new money not spent, the deficit would be gone by fiscal 1988. Economic growth would indeed "end deficits." But, while revenues were rising $66 billion, aggregate 1984 spending was increasing $46 billion—even with a sharp downward trend in joblessness, economic growth the highest in decades, and a low inflation rate taking pressure off cost-of-living adjustments.

What sort of "automatic budget reductions" should a booming gross national product trigger? For starters, unemployment compensation and food stamps should cost less. That part of conventional wisdom remains wise. The Employment and Training Administration, which administers unemployment payments, cost a whopping 31.3% less during fiscal 1984. Food stamp outlays fell a bit (2.3%) from their fiscal 1983 levels. Prosperity-induced reductions in these two areas saved almost $16 billion in fiscal 1984.

But other items should have held level or dropped in cost as prosperity returned. These functions are at least partly influenced by the economy's strength. But they rose with the GNP, as table 1 shows.

TABLE 1.—*Not 'Countercyclical' now—percent growth during fiscal 1984*

"Human development" (human services block grants, work incentives, family social services	10.3
Federal housing programs	7.9
Child nutrition programs	7.8
Community planning and development	6.9
"Assistance payments" (formerly AFDC)	6.0
State grants for Medicaid	5.7
Low-income energy assistance	1.7

Source: Treasury Department

Why these rises during 12 months of more than 6% GNP growth? Perhaps bureaucratic overhead gobbled up the money even as aggregate benefit payments fell. That's a favorite suggestion of those who hope to cut budgets without taking away checks from voters. But most of the items in the table

are transfer-payment operations, without much Washington overhead.

A more compelling conclusion is that the "safety net" is so broad and deep that people stay in it even when economic growth surges. The GNP is no longer very good at bidding Americans away from the services of the welfare state.

Liberals will suggest the defense budget is really driving the spending side. In fact, Pentagon outlays accounted for only $17 billion of the $46 billion rise during fiscal 1984. Interest on the debt accounted for an additional $21 billion. That means all other spending rose $8 billion. That many not sound like much, but non-debt, non-defense costs are not supposed to rise during the second year of an economic recovery.

The Council of Economic Advisers' monthly economic indicators show how total domestic spending and unemployment have been moving in opposite directions. The "transfer payments" index in the indicators covers social insurance benefits, direct relief, and payments to veterans. In 1982's fourth quarter, with unemployment at 10.5%, transfer payments were at an annual rate of $399 billion. In 1983's third quarter, with unemployment at 9.2%, they had risen to $403 billion. In June 1984, with unemployment down to 7.1%, they were at a $416 billion annual rate. By last November, with joblessness at 7%, transfer payments were costing over $424 billion.

Some budget functions took cuts in fiscal 1984. Revenue-sharing outlays dropped 1%. The Environmental Protection Agency got 5.6% less, and the Department of Education 6.4% less. Agriculture Department spending fell $19 billion from its fiscal 1983 level of $46.3 billion (an all-time high). Appalachian development programs lost a fifth of their allocation, as did the Civil Aeronautics Board. The Small Business Administration parted with 46.7% of its 1983 money. Domestic spending wasn't entirely out of control.

Yet those savings only make more alarming the overall rise in spending. Not only did the economic expansion fail to dent key social-welfare programs, but it was deliberate policy to lavish new funds on other items. Table 2 shows some of last year's big winners.

TABLE 2.—*Where the budget ballooned—Percent growth during fiscal 1984*

Rural Electrification Administration	579.4
Foreign military assistance	130.9
Export-Import Bank	84.8
Federal Railroad Admin	77.9
Nuclear waste disposal fund	69.4
Bilingual education (Department of Education)	67.0
Farmers Home Administration	41.0
International Security Assistance	36.9
Agency for International Development	31.3
Guaranteed student loans	27.0
Disaster relief	20.3
Interest on the public debt	19.4
Federal prison system	17.4
Federal spending on highways	17.3
Legal Services Corporation	15.8
Military procurement	15.4
National Institutes of Health	11.0
Spending by Congress on Congress	10.2

Source: Treasury Department.

Five years ago, tax-cutting conservatives honestly assumed that low inflation and high economic growth would generate new tax revenues and control spending; economic health would thus end deficits. The 1981–82 recession prevented an early test of that theory, and many Republicans asserted that the deficit was mostly cyclical (and hardly structural). When the recovery blossomed early in 1983, they said the U.S. would now "grow its way out of the deficit."

The theory of the fiscal optimists has now been tested, during eight quarters of low inflation and economic boom. During that period, the red ink totaled $370 billion; during fiscal 1984, unemployment's plunge did not reduce aggregate spending levels, even with defense and debt interest factored out. The first quarter of fiscal 1985 also showed good growth—along with poor progress on the deficit.

The U.S. economy can't grow fast enough to catch up with the deliberate high spending that has followed the Reagan team's 1981–82 budget cuts. Neither can the economy grow fast enough to overtake spending on an aging population interacting with too-generous transfer-payment laws. Sen. Alan Simpson was right: "No slot machine in America pays off like that." Economic growth remains an insurance policy against bigger deficits. But it will take politicians investing political capital to achieve balanced budgets.

At the very least, the numbers are telling us to change the terms of debate. Liberal Democrats need to forget charges of mass victimization via budget cuts; Reagan partisans should put away the rose-colored glasses. With the election over, people in various political camps can afford to take a magnifying glass to everything the government does, or thinks it does. We need fewer soft options from the interest groups and more hard data from the GAO. We need to put aside ideological budgeting and to perfect investigative budgeting.●

AN OPPOSING VIEWPOINT

● Mr. HECHT. Mr. President, I recently received a copy of an article written by one of my constituents, Robert L. Bobbett of Las Vegas, NV. The article was published in the National Catholic Reporter on December 7, 1984. I ask that the article be printed in the RECORD.

The article follows:

[From the National Catholic Reporter, Dec. 7, 1984]

BISHOPS' PEACE PASTORAL BLEW IT

(By Robert L. Bobbett)

The National Conference of Catholic Bishops should not have published its pastoral letter on war and peace. Although such a paper might have presented fresh approaches to nuclear disarmament, instead, "The Challenge of Peace" reflects a philosophy of timid withdrawal, fear and surrender rather than statesmanship, strength, courage and a display of loyalty to the United States.

To read "The Challenge of Peace" carefully takes three hours, more or less. It takes much longer to study the wording that skillfully masks the implications of full compliance with the bishops' message. No person who would follow the guidance of the entire pastoral could ever be a strong U.S. president or a dependable military commander.

The document reads very much as if it were written primarily to please a few senior bishops by junior bishops seeking to become archbishops—and several of them did. The tone of the pastoral approves of more people becoming conscientious objectors and avoiding employment in defense industries. The bishops' philosophy is a far cry from Article VI of "The U.S. Fighting Man's Code":

"I will never forget that I am an American fighting man, responsible for my actions and dedicated to the principles which made my country free. I will trust in my God and in the United States of America."

Basically, the letter seeks a world free of nuclear weapons and threats of wars. To achieve this, the bishops advocate making the superpowers subordinate to some higher world organization, such as the United Nations, to establish a peace based upon a socialist-type distribution of world assets. They are not clear on how the world would safely make transition from peace with nuclear weapons to a secure free world without these weapons, but they offer to participate in the negotiations.

One may ask why the bishops have chosen this time to again publicize their traditional opposition to nuclear weapons. First, there is strong evidence the free-world antinuclear movement was originally a program planned and financed by the Soviet Union (USSR) as part of its long-range efforts to weaken and divide the allied countries. Once started, the free-world pacifists took over the funding and publicity. By the 1980s, the nuclear movement was a ready-made cause for the bishops and their Protestant counterparts to further develop.

Second, the American bishops need a strong emotional cause to set the stage for the election of an American cardinal as pope whenever that requirement next arises. The American favorites are being groomed, and the rest of the bishops are maneuvering carefully so as not to offend any of the prospects. The candidates know who they are and are posturing so as to display those pontiff qualities expected to be sought in the next pope.

Now, an interesting difference separates the U.S. papal candidates from our Pope John Paul. He is reported to have declared one time that he would give up the chair of Peter if necessary to defend his Poland. In their pastoral letter, there are no indications any U.S. bishop would do the same for America. Near the end of the pastoral, the bishops do make a weak statement of loyalty to the United States, but it is followed by a qualifying declaration of their worldwide citizenship.

The phrase "war and peace" is an erroneous proposition. All rational people desire peace with honor and justice. The real issue is how best to go about keeping people both alive and free in a nuclear-oriented world. The right solution, and possibly the only solution respected by our foes and our allies, is the strategy of deterrence—deterrence based upon full military preparedness supported by a strong national resolve to defend the United States whenever necessary. If the formula for deterrence is: "Deterrence = Military Capability X National Will," then the bishops are tampering with both sides of the equation.

The bishops agree that peace is not merely the absence of war; true peace must be constructed on the basis of freedom, justice and love. But their solution ignores the historical fate of the countries that have sought to obtain "peace of a sort" by the expedient of surrendering a portion of their freedom and security. Our American legacy rejects that solution that the bishops suggest.

In "The Challenge of Peace," the bishops spend considerable time covering the rules of engagement in what they define as a "just war." Many of their requirements are already basic to our Christian-Judaic culture. The bishops appear unconcerned that

the Marxist-Leninist "just war" doctrine claims the right to promote revolutionary changes in society by violent means. Accordingly, the bishop-defined "just war" rules will not insure peace or security or an allied victory or the survival of the United States.

It is a shame so much of "The Challenge of Peace" looks as if it were prepared behind the Iron Curtain: It repeatedly encourages and praises conscientious objectors; it counsels military personnel to be bold in questioning combat plans and orders; it virtually rules out the use of U.S. nuclear weapons for either defensive or offensive purposes; it urges reliance on unarmed individual passive resistance as a national means of meeting an invading force; it says to win over the invader and to make him a friend while at the same time being ready for martyrdom. Throughout the pastoral, the bishops set the emotional stage for people to choose to die rather than to use lethal weapons in defense of anything. It is almost unbelievable that our American bishops would make such suggestions. Nevertheless, this is the philosophy that will be taught in our Catholic schools and universities as directed by the National Conference of Catholic Bishops.

An interesting insight into the bishops' thinking is revealed by the strong implication that it is morally acceptable for military people to kill one another in combat provided civilian casualties are avoided. The unstated emphasis is that, if there must be wars, then have them in some remote area where only military professionals will be injured or killed. The bishops ignore the fact that societies wage wars, not the generals and admirals. Accordingly, it is increasingly difficult to accurately sort out those who are truly noncombatants. For example, the open and covert activities of priests, nuns and brothers in this century, plus their civil disobedience and other political activities today, certainly have removed the religious profession from any noncombatant status it may have once enjoyed.

Actually, members of the clergy have always been closely involved in, if not directly responsible, for, both national and international conflicts. Their search for political power has a long history and probably will continue.

At one point, the bishops use the words of Pope Paul VI, "butchery of untold magnitude," to describe the bombing of Hiroshima and Nagasaki, but they make no mention of American and Allied losses at Pearl Harbor, Bataan and London and during the Holocaust. It is disappointing to many people that our bishops could be stampeded into approving such a one-sided pastoral letter. We do know that several bishops had the background and the courage to vote against the letter.

So why should patriotic Americans be concerned about the bishops' letter? Most pastoral letters are just filed and do not receive much attention. The bishops knew this and made provisions in their letter for it to be taught in every Catholic school, university and parish under their control or influence in the future. The ill effects are likely to show up in many future generations. Through their pastoral, the bishops have provided what is generally called aid, comfort and encouragement for enemies of the United States and its allies.

Now, the parents of children attending Catholic schools must grill their children every evening and try to undo the damages done in that day's "theology" class promoting the merits of being a conscientious objector, injecting nuclear-age fear into students and causing general disregard for traditional American patriotism. It may take years to overcome the damage the bishops are doing to the patriotic development of Catholic children and young adults. Unless patriotic American Catholics at every level of society firmly condemn and reject the bishops' war and peace letter, Catholicism in the United States will be tainted as unpatriotic for years to come. We must not abandon our classrooms to socialist-minded clergy and pacifist lay teachers.

Can anything be done to change this situation? How do you get a bishop's attention? Even if he listens, and agrees, how can he retract a letter he and his fellow bishops have carved in stone? Probably nothing can be done to change the letter or to recall it. Still, the damaging effects of the pastoral can be reduced by lowering the bishops' enthusiasm for actively pursuing the matter. Start by stopping donations to activities most visable to your pastor and to your bishop. Of course, give instead to some other charitable cause.

Avoid donations to any church activity that tends to undermine the foundations of American democracy by one-sided pacifism, lawlessness and the perversion of Christian theology into Marxist revolutionary ideology. In the search for universal social justice, the Catholic church and its sister churches must not simply attempt to replace atheistic communistic practices with Vatican-type socialistic goals.

I hope American lay people and their clergy agree that one of our immediate goals is to achieve an international reconciliation that lowers both the perceived and the actual nuclear thresholds that bother so many people today. The negotiations must continue. The bishops can help best by their prayerful support of our national leaders who are responsible for keeping the United States strong and free. They should also turn their episcopal efforts inward to bring the church into the 20th century, where it will again try to provide spiritual support for the people. To a significant degree, our children and our friends have not been leaving their church, the church has left them. When this trend is reversed, perhaps we will also see a significant reduction in the valid causes of world nuclearphobia

(Robert L. Bobbett served 31 years with the U.S. Air Force, flew 164 combat missions and earned more than 30 awards and decorations. He was appointed a lay eucharistic minister in 1970 and has served on several parish councils.)●

ADDRESS BY CARDINAL BERNARDIN ON POVERTY

● Mr. SIMON. Mr. President, I had the privilege to be at Catholic University recently, where Joseph Cardinal Bernardin talked about poverty in our country and what our priorities should be.

It was an unusually insightful talk, the kind of observations we have come to expect from Cardinal Bernardin.

I submit the address for the RECORD at this point so that my colleagues in the House and Senate, and their staffs, will have a chance to read it and reflect upon it as we move toward determining what our national priorities and what our national budget will be.

The address follows:

THE FACT OF POVERTY TODAY: A CHALLENGE FOR THE CHURCH

(By Joseph Cardinal Bernardin)

Let me begin by expressing my appreciation to Father Byron, President of Catholic University, for the invitation to deliver this address on the fact of poverty and the challenge it poses for the Church. Both the topic and the place of the lecture have special relevance.

The bishops of the United States are engaged in a major effort to help the Church in the U.S. in its analysis and response to the fact of poverty. The first draft of the pastoral letter, "Catholic Social Teaching and the U.S. Economy," is merely an initial step in an extended process. Its goal is to engage every level of the Church in study, discussion and decisions about how the church can and must respond to the cry of the poor.

The opportunity for me to address an audience at Catholic University as part of this process has both symbolic and substantive significance. The Church always acts with a sense of its history and its tradition. The tradition of the U.S. Church's social teaching on poverty has been profoundly influenced by this University. To come to the intellectual home of Msgr. John A. Ryan and Bishop Francis Haas, of Father Paul Hanley Furfey and Msgr. George Higgins is to acknowledge the U.S. Church's debt to this University. It also recognizes that the social tradition continues here, symbolized by Fr. Byron's own ministry and by the work of so many of your faculty.

My purpose this evening is to analyze the relationship of the Church to the fact of poverty in our time. I will examine where we stand as a Church, what we can bring to the struggle against poverty, and how we should proceed in this struggle precisely as the Church.

More specifically, I will address three questions: the nature of the problem we face, the role of the Church, and one aspect of the policy debate on poverty.

I. THE NATURE OF THE PROBLEM: THE FACT AND THE FACES OF POVERTY

Let me begin with two assertions: (1) much of the poverty in the world is hidden from us; (2) the poor usually live at the margin of society and too often at the margin of awareness of those who are not poor. Yet, in the world of the 1980s, although many of the poor are hidden, it is also impossible for the rest of us to hide from the poor.

The faces of poverty are all around us. Chicago and Washington are different cities, but I have lived in both of them long enough to know that the only way to hide from the poor is to stay in one's room or home. We cannot walk to work or to the bus stop, we cannot run a noontime errand without seeing the faces of poverty—on the heating grates, in the doorways, near the bus terminal and huddled in the winter around the places which serve the cheapest cup of coffee.

After walking through the poverty of the city during the day, we are confronted with the faces of poverty on a wider scale in the nightly news. Ethiopia is an extreme case, but not as extreme as we might first think. The fact of poverty is the dominant social reality for over 100 countries of the world. Numbers can be numbing in their effect, but they can also crystallize a challenge.

The fact of global poverty means: 800 million people live in conditions of "absolute poverty", that is, "a condition of life so limited by malnutrition, illiteracy, disease, high infant mortality, and low life expectancy as to be beneath any rational definition of human decency" (Robert McNamara, Speech to Board of Governors of the World Bank); 2.26 billion people—half of the world's population—live in countries with a per capita income of less than $400 per year; and 450 million people are malnourished.

Statistics illustrating the global reality of poverty could be given in much greater detail, of course. But statistics do not tell us all we need to know. The Gospel points out that these poor people are our brothers and sisters. The first draft of the pastoral letter wisely devotes a substantial section to the U.S. relationship with the rest of the world because the resources of this nation and its role in the world constitute a serious responsibility in responding to the absolute poverty of our 800 million brothers and sisters.

My specific concern this evening, however, is not the faces and figures of *global* poverty, but poverty in the United States. The fact of world poverty is so massive that it can overwhelm us. The fact of poverty in the United States is a part of our national life, but it is not recognized as a dominant fact of our existence. It can easily blend into a larger picture which stresses—not poverty—but the power and productivity of the nation.

Poverty is surely present but, in the dominant national perspective—provided by magazines, media and movies—it is not a significant feature. Poverty is present but, when we plan for the future, the poor are not central to the planning. Poverty is present but, in the policy debates of the nation, the poor exercise little leverage.

The drafting of the pastoral letter on the economy is still in its early stages. However, it has already accomplished something which commentators have quickly noticed: The letter makes space in the policy debate for the fate of the poor in a way which has not been evident for some years now.

We need to make space for the faces of the poor in our personal consciences and in the public agenda because the facts tell us that poverty is not so marginal in this nation as we might think. At the end of 1983, by official government estimates, 35 million Americans were poor. That meant 15% of the nation was defined as poor. The hidden poor were another 20-30 million who lived just above the poverty line.

Who are the poor? They represent every race and religion in the nation. They are both men and women, and, so very often, they are children. The poor are a fluid population. People move in and out of poverty. With unemployment still affecting at least 7-8 million people, the condition of poverty touches millions for some part of their lives.

No group is immune from poverty, but not all share it equally. Some of the statistics in the pastoral letter are striking: blacks are 12% of the American population but 62% of those persistently poor; women who head households constitute 19% of the family population, but 61% of persistently poor families. The very old and the very young know the reality of poverty in disproportionate numbers.

The causes of poverty are a subject of honest disagreement, but the fact of poverty, even in a nation of our resources, cannot be disputed. It is the Church's response to this fact which is my major concern this evening.

II. THE ROLE OF THE CHURCH

The role of the Church in this question or any other must be shaped by the perspective of the Scriptures as these are read in the Catholic tradition. The draft of the pastoral letter develops the Scriptural case in detail. Here I will simply indicate the lines of an argument which is self-evident to anyone who examines the biblical basis of our faith. The argument is quite simple: The poor have a special place in the care of God, and they place specific demands on the consciences of believers.

The biblical argument runs through both Testaments, as the draft of the pastoral letter has shown. The prophets, in particular, specify the theme. In spite of their different styles and personalities, the prophets converge on a single message: the quality of Israel's faith will be tested by the character of justice in Israel's life. For the prophets, the test cases for Israel are specific: The way widows, orphans and resident aliens are treated measures the link between faith and justice.

Jesus himself continues the prophetic tradition. He clearly identifies his ministry with the preaching of the prophets as, for example, in the fourth chapter of St. Luke's Gospel. He consciously finds those on the edge of society—the "widows, orphans and resident aliens" of his time—and lifts up their plight even as he responds to their needs. He identifies himself so concretely with the poor that the first letter of St. John can say that love of God is measured by love of neighbor.

The biblical mandate about the poor is richer and more powerful than I can convey in this address. I recommend further study of the pastoral letter because it concisely gathers these biblical themes in its first chapter. However, I can synthesize the lesson the Church is trying to learn from the biblical perspective. It is found in a phrase which runs throughout the letter: the Church must have a "preferential option for the poor." This concept, rooted in the Scriptures, developed with originality by the Church in Latin America and now becoming a guide for ministry in the universal Church under the leadership of Pope John Paul II, illustrates how the Church learns anew from the Scriptures in every age.

The power of the phrase, "preferential option for the poor," is that it summarizes several biblical themes. As the pastoral letter states, it calls the Church to speak for the poor, to see the world from their perspective, and to empty itself so it may experience the power of God in the midst of poverty and powerlessness.

This, in all honesty, is an extraordinarily demanding view of what we should be as a Church. It is clear we have a distance to go in implementing this view of the Church's mission and ministry. Nevertheless, we have begun by taking the imperative seriously.

The option for the poor, I would suggest, will be realized in different ways according to the situation of the Church in different societies and cultures. Now we need to ask that the phrase means for the ministry of the Church in the United States.

I do not have a blueprint for determining the specific meaning of the "option for the poor" or integrating the concept into our ministry in this country. However, one dimension of the task especially interests me—the role of the Church as a social institution in our society. The Church as a social institution has made two distinct responses to the fact of poverty. The first has been to organize itself to carry out works of mercy. The fulfillment of the command to feed the hungry, clothe the naked and care for the sick has found direct and immediate expression in the Church from the apostolic age until today. The methods of doing this work have varied, but all can be classified as direct, social service to the poor.

The manifestations of this dimension of ministry are well known in the United States. They include Catholic Charities and social services in every diocese, St. Vincent de Paul Societies in every parish, and institutions—such as orphanages, hospitals and shelters for the homeless—established by communities of men and women religious and others throughout the country.

This form of social ministry is well know, but it is not the only way the Church addresses the fact of poverty. The second and complementary witness to the option for the poor is the Church's role as advocate and actor in the public life of society. The roots of this dimension of social ministry are found in the prophets who teach us to ask questions about how we organize our life as a society. The prophets asked questions in Israel about patterns of land ownership and wages, about the rules and customs used to design the social life of the nation. The prophets did not stop at formulating the norm that the quality of faith is tested by the character of social justice. They pressed specific questions about the social patterns in the life of Israel.

The conditions of twentieth-century industrial society are radically different from eighth-century B.C. Israelite society. Nevertheless, the prophets' style of social questioning has been taken up in the Church's social teaching of this century. The purpose of this social teaching is to measure the social and economic life of society by the standards of social justice and social charity.

The leadership of the popes in this century has, in turn, produced a body of social teaching from the bishops. The best known example was probably drafted in some faculty residence on this campus by John A. Ryan when he authored the 1919 pastoral letter of the U.S. Bishops. The first draft of the 1984 pastoral letter on the economy stands in this tradition of social teaching.

These two dimensions of the Church's life—its ministry of direct social service and its role as an advocate for the poor in society—remain the principal channels for the Church's response to poverty. The challenge we face in making an effective option for the poor is how these two aspects of social ministry are integrated into the full life of the Church today.

In a large, complex, bureaucratic, secular society like the United States, the Church's social service role is more needed than ever. We should not try to duplicate what society does well in supplying social services, but, in particular, we should bring two dimensions to the system of social care. First, the delivery of some social services is best done in a decentralized local mode. For many social services today, only the taxing power of the state can raise sufficient funds to meet human needs. But the state is often not the best agency to minister services to people in need. The Church and other voluntary agencies can often deliver, in a humane and compassionate way, services that only the state can fund.

Second, the Church's agencies of direct social service should be a source not only of compassion but also creativity. Public bureaucracy is not known for creative innova-

tion. Its size and complexity often prevent it from acting in anything but routine patterns. In every field from housing to health care to hospices, there is room for new creative methods of public-private cooperation to feed the hungry, shelter the homeless and heal the sick. We can do better what we are already doing. With 35 million poor in our midst, we can reach beyond what we are doing!

In saying this, I want to be correctly understood. I am aware that Catholic Charities, the Catholic health care system and other diocesan and national networks are already involved in significant efforts of creative and direct service. It is the very success of these efforts which will give us courage to extend our efforts.

There is another sense in which I want to be clearly understood. We cannot be consistent with Catholic tradition unless we accept the principle of subsidiarity. I fully support a pluralist social system in which the state is not the center of everything. Nevertheless, I do not want the principle of subsidiarity used in a way which subverts Catholic teaching on the collective responsibility of society for its poor. I am not endorsing a concept of decentralization or federalism which absolves the government from fulfilling its social responsibilities.

Both the Catholic and American traditions urge a pattern of public-private cooperation. This means the state has a positive social role, and we have social responsibilities as religious organizations. The churches alone cannot meet the social needs of this nation, and we should not try to do so. We should be prepared to play a major role, but part of our role is to enter the public debate and work for a compassionate, just, social policy.

This is the second challenge which confronts the Church today: how to fulfill the role of advocate in the public debate. This is the role which the Bishops' Conference is seeking to fulfill in its pastoral letters, first on peace and now on social justice. It is the role Bishop Malone stressed in his presidential address to the bishops last November. He argued that, on issues as diverse as abortion, Central America, nuclear war and poverty, failure of the bishops to speak would be a dereliction of civic responsibility and religious duty.

It is this role which puts the bishops in the midst of public controversy. Controversy is the companion of participation in public policy debate. That is why it should not be surprising that contributions of the scope and range of our two pastoral letters cause controversies.

At the same time, it is important to understand the purpose of the bishops' interventions. In the pastoral letters—and in many other documents, such as congressional testimonies, speeches and letters of individual bishops—we speak at the level of both moral principles and the application of these principles to particular policies. We regularly assert that we understand and want others to understand that the moral principles we present have a different authority than our particular conclusions. We invite debate and discussion of our policy conclusions. We know they must be tested in the public arena, in the academic community and in the professional community. We have been using the process of successive drafts to stimulate this discussion.

Since I was so directly involved in the pastoral letter on war and peace, I believe there is specific merit in joining principles and policy proposals in the same document. Its purpose is not to foreclose debate, but to foster it. The policy conclusions give a sense of how the moral principles take shape in the concrete situations our society faces. I think we would be mistaken as bishops if we did not distinguish principles from policy judgments. But I think we would fail to stimulate the public argument if we withdrew from the arena of policy choices.

Our role is not to design or legislate programs but to help shape the questions our society asks and to help set the right terms of debate on public policy.

We have an excellent example in the issue confronting the Administration, the Congress, and the general public as we begin 1985—the deficit debate. It is the kind of highly technical and complex question which a modern state must face. The way the question is decided will shape the life of our society. The fact is that the deficit must be cut. The choices facing the Administration and the Congress are how to cut spending to reduce the deficit.

The technical details are admittedly immense, but the general policy question is not purely technical. At the core of the deficit debate is the trade-off between military spending and social spending. How that trade-off is adjudicated requires moral discernment as well as economic competence.

In the 1980s virtually every program for the poor has been cut: More than 2 million poor children lost health care benefits; half a million disabled adults lost cash and medical assistance; and one million poor families lost food stamp benefits. In general, spending for the poor is less than 10% of the federal budget, but it has sustained 33% of all budget cuts.

These cuts in social spending have been accompanied by significant, steady increases in military spending. It is the responsibility of the federal government to provide for the common defense and to promote the general welfare. Military spending will justifiably be part of the budget. But the deficit forces us as a nation to ask who will bear the burden of the deficit. Military spending should not be insulated when plans for reducing the deficit are formulated.

I have no misconceptions about bishops being competent to write a national budget. But it is not beyond our competence or role to say that the burden of reducing the deficit should not be borne by the most vulnerable among us. Programs for the poor have been cut enough! The burden must be shared by all sectors of the economy. The specifics of how to do it fall beyond my responsibility, but shaping the question of how we face the deficit is clearly part of what the Church should do as advocate in the social system.

III. THE POOR AND THE POLICY DEBATE—ONE ISSUE

In the deficit debate, the fate of many of the poor is at stake. This evening I would like to focus attention on a particular group by addressing a specific dimension of poverty: the feminization of poverty. This phrase has been coined by Dr. Diana Pierce, a Catholic University faculty member who has made a significant contribution to the study of poverty. She has focused her research on the plight of women who are divorced, widowed or unmarried. She has surfaced data which have special relevance for the Church in the policy debate about poverty.

Dr. Pierce's pioneering work has helped many begin to understand the severe economic consequences of motherhood and sex discrimination in this country. Of course, men, especially minorities and youths, also suffer from unemployment and poverty, and millions of intact families have inadequate income. However, poverty is growing fastest among women and children.

As we look at this issue, it will be helpful to remember that nearly all (94%) women marry and nearly all of them (95%) have children. Reducing the economic price of motherhood should be a priority for our society. This disproportionate burden of poverty on women and children is appalling. Current statistics reflect some of this grim picture: Two out of three poor adults are women; three out of four poor elderly are women; almost half of all poor families are headed by women, and half of the women raising children alone are poor; one in four children under six is poor; one in three black children under six is poor.

Even if poverty did not weigh so disproportionately on women, the growth of both the number and percentage of the poor would be cause for alarm and action. For those of us in the Church, this situation is profoundly disturbing. The fact that poverty is so concentrated among women and children should galvanize our energies and focus our attention on the conditions that create the situation.

A closer look at poverty among women reveals that it is strongly linked to two sets of factors: (1) job and wage discrimination and (2) responsibility for the support and care of children.

Job and wage discrimination leave women concentrated in the lowest paying jobs, with more problems finding full-time year-round work. But, even when women overcome these obstacles, they still earn substantially less than men. Dr. Pierce's data indicate that women college graduates working full-time and year-round still make less than male high school dropouts! Of course, most women workers are not college graduates, and so the disparity in incomes is even greater for those in the lowest paying jobs.

While this discrimination affects most women, those whose husbands are employed are partially insulated, at least temporarily, from its worst effects. For women raising children alone, of course, the situation is much worse because they are often financially responsible for most or all of their children's support. Despite some well-reported exceptions, child care and support fall mainly on women. The increased rates of divorce and out-of-wedlock births have left more women than ever solely responsible for the support of children.

Increasingly, it appears that it now takes the earnings of two adults to support a family in the United States. A single parent—widowed, divorced or unmarried—finds if difficult to stay above the poverty line. When that parent faces additional obstacles, such as the cost of day care (which can easily take more than a fourth of an average woman's salary) and sex discrimination in employment, the cards are overwhelmingly stacked against her.

The job market often offers little hope to a single mother trying to escape poverty. Unfortunately, other potential sources of supplemental income are also very limited. Child support is paid regularly to only a very small proportion of eligible mothers. Welfare benefits are so low that, in most states, the combined value of Aid to Families with Children (AFDC) and food stamps doesn't even approach the poverty line. For the fifty States and the District of Columbia, the median benefit is 74% of the poverty threshold.

I cite these statistics and the case of women in poverty not because it is the only issue we must face as a Church in the policy debate but because it is one we should face with special emphasis. I have argued the case for a consistent ethic of life as the specific contribution which the Church can and should make in this nation's public debate. Central to a consistent ethic is the imperative that the Church stand for the protection and promotion of life from conception to death—that it stand against the drift toward nuclear war which has been so evident in recent years—and that it stand against the trend to have the most vulnerable among us carry the costs of our national indebtedness.

To stand for life is to stand for the needs of women and children who epitomize the sacredness of life. Standing for their rights is not merely a rhetorical task! The Church has its own specifically designed social services to protect and promote life. Through them we must counsel, support and sustain women seeking to raise families alone and to provide their children with the basic necessities—necessities which the most well endowed society in history surely should be able to muster.

But the Church cannot simply address the problem of the feminization of of poverty through its own resources. It must also stand in the public debate for such programs as child care, food stamps, and aid to families with children. I do not contend that existing programs are without fault or should be immune from review. My point is that something like them is a fundamental requirement of a just society.

Whenever I speak about the consistent ethic, I am always forced by time limitations to omit or neglect crucial themes. In the past, I have stressed that our concern for life cannot stop at birth, that it cannot consist of a single issue—war or abortion or anything else. I have always considered that a substantial commitment to the poor is part of a consistent ethic and a concern for women in poverty a particularly pertinent aspect of this "seamless garment." This evening I am grateful for the opportunity to spell out why and how the Church should stand on these issues.

Ultimately, the pastoral letter on peace and the letter on the economy should help us as a Church develop the specific features of a consistent ethic. In the end, every social institution is known by what it stands for. I hope the Catholic Church in this country will be known as a community which committed itself to the protection and promotion of life—that it helped this society fulfill these two tasks more adequately.●

ESTONIAN INDEPENDENCE DAY

● Mr. SARBANES. Mr. President, February 24 will mark the 67th anniversary of the Estonian Declaration of Independence, and it is therefore a most appropriate time to pay tribute to the courage and spirit of the Estonian people. The declaration is both a reminder of the rich heritage of the Estonian people and an expression of their abiding faith in the future. For while their personal and national integrity is cruelly oppressed it has not been extinguished.

Although nations and empires of Europe have fought over the Estonian soil through the centuries, foreign domination has never destroyed the identity, pride or dignity of the people of Estonia. When the Estonian Republic was established after World War I, its citizens expressed their commitment to a free and democratic society in a remarkable constitution, a document modeled after the French, Swiss, and United States Constitutions, and a beacon of human rights and democratic government. During the brief period between World War I and II, Estonians prospered; they attained exceptionally high educational standards, and growth in the major spheres of agriculture and industry became a model for other democratic nations. The 100,000 Estonian-Americans with whom we join in their day of celebration contribute greatly to the economic, cultural, political, and academic growth of their adopted American communities. To every activity, they bring a deep respect for the traditions of freedom and democracy, traditions they had brought from their own country.

Estonian Independence Day symbolizes the determination and spirit of the Estonian people. It provides an opportunity for Americans to reflect upon the proud heritage of their fellow citizens of Estonian descent and their dedication to the principles of freedom and liberty for which this day stands. This day is also an occasion to remember courageous Estonians like Mart Niklus, who continue, against all odds, to speak out in support of the basic human rights defined in the Helsinki Final Act.

Not more than 6 months ago, Mart Niklus celebrated his 50th birthday as a prisoner of conscience in the notorious Soviet Chistopol prison, where Anatoly Shcharansky is also incarcerated. Apart from a period during 1966–75, Mart Niklus has spent virtually all of his adult life in prison. A courageous spokesman for his Estonian heritage, he has been condemned repeatedly for anti-Soviet activities. Even while imprisoned, he has remained outspoken in his protests against Soviet violations of human and national rights.

Brave Estonians, like Mart Niklus, in the face of KGB interrogations, internal exile and long terms in labor prison camps, continue to petition for a nuclear freeze zone in Estonia. Let us take this, the occasion of the 67th anniversary of the Estonian Declaration of Independence, and remember these courageous men and women, and hope, as they hope, that the day is not far off when they may once again live as a free and independent society.●

WEEKLY COLUMNS OF SENATOR SIMON

● Mr. SIMON. Mr. President, each week I write a column for the news media of Illinois. When I say I write the column, that is literally true—I write it myself. It is not a staff produced column. I'm taking the liberty of inserting in the RECORD the first few columns I've written this year. I will enter them in the RECORD each week so that my colleagues and their staffs will know my thinking on a variety of issues and so they can help refine my thinking. I need that.

The material follows:

DEBT-FREE ANNIVERSARY REMINDS US THAT DIFFICULT GOALS ARE ATTAINABLE

An anniversary slipped by the other day which should have been more formally noted: On January 8, 1835 the United States government made the final payment on the national debt. The nation was debt-free.

Andrew Jackson was President. Secretary of the Navy, Mahlon Dickerson, predicted inaccurately that the date would go down in American history as a holiday second only to July 4th.

Senator Thomas Hart Benton in flowery language said this was a phenomenon "so long unseen on earth, a great nation without a national debt . . . to the astonished vision of a wondering world."

The newspapers reported there was "great cheering."

How distant that January day of 1835 seems—and not simply because of the passage of time.

With a national debt which now stands at $1.6 trillion, we are not likely to see the retirement of the U.S. debt in my lifetime, nor in the lifetime of anyone reading these words.

Now we are struggling to avoid increasing it too much in the next fiscal year, a pale goal compared to the goal reached in Andrew Jackson's day.

While the latter goal is less dramatic, it should be the solid resolve of Democrats and Republicans in the House and Senate and in the administration to stop this headlong rush into fiscal chaos.

Contrary to what some political leaders may suggest to you, stopping this showballing debt is not going to be easy.

But the question is not whether it can be done; obviously it can. The real question is one of will, one of courage.

Will the Democrats and Republicans in Congress have enough courage to move within the next four years to a balanced budget? Will the administration, no longer faced with reelection problems, face the real problem?

We are now living on a gigantic credit card, spending more than we take in, and we are telling those from whom we borrow: send the bill to our children and our grandchildren.

This fiscal year the national debt will be approximately $210 billion. In fiscal year 1962, when John F. Kennedy was president, many people were concerned about a total federal budget that that year crept past $100 billion. Now the federal budget is over $900 billion and the interest alone on the debt this past fiscal year was $132 billion.

January 8, 1835.

That date should remind us that difficult things are attainable.

We should honor those who achieved that goal of eliminating the national debt by acheiving a more modest goal; moving toward balancing the budget.

And then I hope we can seriously talk about gradually reducing the federal indebtedness.

IS "STAR WARS" WORTH THE COST?

Should we be putting weapons into space? That fundamental question faces the United States and the Soviet Union, and it is far more important than any decision we have confronted since we decided to make the first atomic bomb.

It is an extremely important decision for two reasons: its huge cost and its devastating impact on arms control.

We are now scheduled to spend $26 billion on "star wars" research, but the Administration's estimate of the total cost of building the system is $500 billion. Former Secretary of Defense Harold Brown says $1 trillion. Other estimates are even higher.

We have never known anything with that kind of price tag. For example, the total cost of constructing the interstate highway system is $123 billion.

If we go ahead with the space weapons program, there would have to be very substantial cuts in programs such as medical research, education, and help to senior citizens—or deficits and inflation like we have never known. Or huge increases in taxes.

The choice is one of those three.

But devastating as the cost is, its destabilizing impact on a world teetering on self-destruction is even greater.

If we accept weapons in space, we also accept the notion that satellites can knock out other satellites. That should concern us because our primary method of verification of weapons is through satellites. If we lose our ability to verify arms control agreements, then the cap is off the arms race completely, and the chance that civilization itself can survive is slim.

Knocking out satellites would also eliminate a key method of communication for the U.S. armed forces, which are much more widely scattered than the Soviet forces. The Soviets would suffer little internal communications damage.

And computers would tell us whether satellites were being attacked, and whether it was necessary to launch our nuclear missiles. We are heavily dependent on computers now, but there is at least a window of human judgment. That window would close almost entirely. Civilization could be destroyed because a computer malfunctioned.

But isn't there the possibility that these space weapons can stop all nuclear weapons, and end the threat of nuclear destruction?

That is a line some are trying to sell, but there is no substance to it. Cruise missiles, missiles delivered by bombers—just to give two examples—are nuclear warheads which do not enter space.

Nuclear warheads do not need exotic delivery systems. You can put a nuclear warhead on the back of a pickup truck, park the truck in downtown Manhattan, and push a button thousands of miles away, and there is no more Manhattan.

Even if the space weapons are developed to the full potential now conceived, nuclear weapons will still trouble us.

Isn't this just a defensive weapon?

There is a fine line between defensive and offensive weapons, but almost all defensive weapons have offensive implications.

From the Soviet point of view, if we can knock out their missiles that enter space, we then have a greater ability to totally destroy the Soviets without having the United States destroyed. They view the "star wars" technology as a first-strike threat. We obviously see the same potential the other way around.

But aren't we ahead in this research, and shouldn't we push to stay ahead of the Soviets?

It's somewhat mixed; we are ahead in overall technology and unquestionably soon will be ahead in virtually all areas; the Soviets are ahead in some parts now.

But in most aspects of the arms race, once one side moves ahead the other side eventually catches up, and the arms race continues to escalate. When we were ahead and put multiple-warheads on missiles, it did not take too long for the Soviets to do the same.

My conclusion is that we should move prudently, cautiously, but solidly in the direction of an agreement with the Soviets for a ban on all weapons in space. Negotiating with them will not be easy; it will require great patience on our part, as well as toughness.

We should quickly make known our willingness to include a total ban on space weapons deployment in an arms control agreement, that is verifiable.

Failure to reach an agreement with the Soviets on this would result in the most dangerous step yet taken in the arms race, a step that would cause tremendous economic problems within our country, and a step that would make virtually impossible any future arms control agreements.

LEARNING FROM HISTORY

Are we destined to repeat history?

When Hitler started his policies of racial discrimination followed by the slaughter of six million Jews, the United States was nominally opposed to Hitler's actions, but we did little until the war exploded.

Had we shown concern early, and applied pressure on Germany against those policies, it is possible World War II with its more than 35 million casualties might have been avoided.

Racial oppression and its violence in one country rarely is confined to the borders of that country. That is a clear lesson of history.

In South Africa, under a system of racial discrimination much worse than anything the United States has known since the Civil War, 18 million blacks are being harshly abused by a government chosen by four million whites.

Blacks cannot vote; husbands and fathers cannot live with their families if they want to work; educational opportunites for blacks are extremely limited, and blacks can only travel and live in certain areas of the nation.

Last June I had the opportunity to spend half a day with South African Bishop Desmond Tutu, the Anglican black leader who recently received the Nobel peace prize—though he cannot vote. His basic message to me was simple: South Africa is headed toward massive bloodshed unless the most powerful economic force in the world today, the United States, exerts leverage against the apartheid policies of South Africa.

Our present policy is to use "constructive engagement"—a sort of friendly persuasion—to get South Africa to change her policies. The difficulty with that approach is that it is viewed by South Africa as an indication that we are really not that much concerned about the abuse of 18 million people who happen to be black, and it is viewed by all of black Africa as a pro-apartheid policy.

President Reagan posed the questions incorrectly when he asked: "Can we abandon a country that has stood beside us in every war we have fought? A country that, strategically, is essential to the free world in its production of minerals that we must have?"

The reality is that our failure to stand firmly against injustice in South Africa endangers the future of all of the whites in South Africa as well as the blacks, and threatens the loss of strategic materials from everywhere in Africa.

What we are doing—and failing to do—plays into the hands of the Marxists who have always claimed that our ideals are phony, that we are only interested in enriching ourselves.

Too often we have stood alone with South Africa in resolutions at the United Nations; we have welcomed their military visitors; in general we have shown little sensitivity to the plight of the blacks in that country.

When Senator Kennedy recently visited Namibia, under South African control, the organized churches of Namibia (Methodist, Episcopal, Roman Catholic, Lutheran, and United Congregational) issued a formal statement that speaks eloquently: "It is with mixed feelings that we greet you today. On the one hand we welcome you as a champion of civil liberties. . . . On the other hand you are an American citizen whose present Administration's policies obstruct the aspirations of the majority of our people."

In Namibia they spend $4,000 for every white child for education, and $700 for every black child in school—and far fewer blacks are permitted to go to school.

The list of abuses goes on and on.

But what can we in the United States do? Four actions would deliver a message that might help:

1. Senator William Proxmire of Wisconsin has suggested that we prohibit all further U.S. loans and investments in South Africa. That does not stop Ford or General Motors or any other American company from continuing their present operations, but this would signal that the South African economy would decline unless their policy changes.

2. Urge other countries to follow the Proxmire plan.

3. Prohibit the importation of South African coal into the United States. We have plenty of coal, and bringing in coal that is produced almost by slave labor should not be permitted.

4. In an organized way, Christians and Jews should encourage white citizens of South Africa to change their country's policies, not piously but constructively, patiently, firmly from a country like ours which has moved from slavery to discrimination to a more enlightened policy—but recognizing that we have not solved all our problems.

The Lutheran World Federation last year suspended from its official membership the two white Lutheran church bodies in South Africa that have refused to stand against apartheid. It was an important gesture.

In the United States, prior to the Civil War, the Quakers were able to take a strong stand against slavery in part because a dedicated Quaker, Benjamin Lundy, traveled through the South convincing slave-owners who were Quakers that slavery was wrong. More than a decade before the Civil War there were no more Quakers who owned slaves and their friends were able to exert significant leadership.

The U.S. government can do much more, and it should.

Individuals of conscience who quietly visit South Africa and see its pain and anguish can also contribute a great deal by urging change.

South Africa must understand that we care.

If that message is delivered, then history need not be repeated, and literally millions of lives can be saved.

Simon Opposes Meese Nomination

I shall not vote to confirm Ed Meese as Attorney General, and it may be the only negative vote I will cast on any of the President's nominees.

I will cast that vote not because I believe Meese has serious character flaws. My impression is that he has used bad judgment on some personal financial matters, but that fundamentally he is a decent man. And my vote is not based on a partisan or hasty judgment.

Late in 1960, Robert Wallace, then on the personal staff of President-elect John F. Kennedy, called me and said that the newly elected President was seriously thinking about naming Robert F. Kennedy as the Attorney General. He asked my reaction.

I told him that I liked Bobby Kennedy, had great respect for his ability, but that the Attorney General ought to be someone who is not too close to the President.

The Attorney General, I pointed out, had to make sensitive decisions in the area of law enforcement and the administration of justice. There ought to be complete public confidence that the decisions reached by the Attorney General are not because of his coziness with the President.

I still believe that.

Unfortunately President Reagan's nomination of Ed Meese falls into the traditional category of the appointment of a crony or close friend of the President.

In recent times we have had at least one Attorney General who did not fall into that category. President Gerald Ford appointed Ed Levi, former law school dean at the University of Chicago, an appointment that was universally praised.

If Gerald Ford knew Levi at all, he barely knew him.

What Ford did was to appoint a legal scholar of great distinction who would, if necessary, exercise judgment independent of the White House.

That is what the American public should expect from an Attorney General.

Richard Nixon's appointment of Elliot Richardson became significant when his appointee resigned because Archibald Cox was fired as a special prosecutor in the Watergate mess.

While Richardson was not a legal scholar of the same eminence as Ed Levi, there was enough distance between the President and his appointee that the Attorney General's resignation resulted in national headlines and a further insight into the problems of the Nixon presidency.

Meese is being named Attorney General for one reason and one reason only: he is a close friend of the President. I do not expect the President to appoint an enemy to such a post, but in this position there ought to be a clear signal to everyone that justice will be served by that official above all else. The Meese appointment does not meet that standard.

If Ed Meese were to be appointed Secretary of Transportation or chairman of the Federal Communications Commission or Ambassador to Denmark or to any one of a host of other positions, I would vote for him.

But for Attorney General, no.

Credit for Farmers Needed

Something has to be done for farm credit, and quickly.

Within sixty days most farmers will have to go to their banks to borrow money for this year's plantings, and unless something is done, many banks will have to decline making the loans.

Having some immediate farm credit is not a substitute for a long-range plan. Some kind of long-range farm program will be voted on this year, but a long-range plan is not the answer for farmers and bankers who find themselves in a squeeze right now.

Statistically Illinois is not hurting as much as Iowa or Nebraska, but it is bad in Illinois too. And for the Illinois farmer facing foreclosure—and there are many of them—suggesting that Illinois farmers on the average are not hurting as much as Iowa or Nebraska farmers is no comfort.

Farmers have been caught in a triple squeeze. Their costs—particularly interest costs—have soared; the prices they receive for farm commodities have gone down; and the value of their land has gone down.

That land value loss has meant that in extreme cases farmers have borrowed more than the value of the property they own. And that has caused banks real trouble.

In Nebraska two farm-credit banks and six country banks have failed since Labor Day. In Iowa 300 banks are listed by that state as having an above average number of problems, and 48 of that number are on the federal "problem list."

In discussing the farm situation, Republican Governor Terry Branstad of Iowa told the Washington Post recently, "The downward spiral is speeding up."

And what hits farmers and rural banks, also hits people who sell fertilizer and farm implements and men's clothing and everything else in a rural community—and eventually that touches on life in the big city also.

Republicans and Democrats in the House and Senate and Administration officials are all in agreement that something has to be done quickly about credit.

I hope something substantial can emerge. Each day we fail to act, more family farms go under.

In the meantime we must begin working on a long-range program.

It should include two features, among many others:

Encouragement for genuine soil conservation. We are gradually losing our topsoil in a world that will need it more and more.

Greater limitation on what an individual farm operator can receive by way of subsidy. On last year's PIK (Payment in Kind) program, for example, 26 farms in California received more than $1 million each, one of them $6.5 million. Subsidies ought to be geared to the family farm.

To those of you who are farmers, I would welcome your suggestions on what our long-range farm program should be. We need something that significantly helps farmers, but does not cost too much money.

But before we get to drafting that bill, some emergency farm credit is necessary.

Dealing With the Budget Deficit

The budget presented by the Administration has some features I applaud, but also some areas of concern—enough concern for most members of Congress that the Republican members of the United States Senate announced in advance that they would listen to the President's suggestions but that they were going to draft their own budget.

What is good about the budget is that it does show restrain in some areas, and has an overall slowing of growth in spending, though growth continues.

What concerns me and many other members of Congress of both political parties are three things:

First, we believe that the budget is not tough enough in moving to reduce deficits. The proposal would get us down to a $144 billion deficit in 1988. That is if everything goes along as smoothly as the Administration predicts—and almost every Administration paints the future with rose-colored glasses. If there are many serious bumps in the road, the $144 billion deficit rises sharply.

Even the $144 billion deficit is intolerable.

At a meeting I attended the other day, James Forster, president of both a bank in DeKalb and the Illinois Bankers Association, urged that we cut the $200 billion deficit in half this next fiscal year with whatever combination of effort is needed to do it.

I wish I could give him a vote in the U.S. Congress!

My feeling is that we ought to aim for a reduction of at least $60 billion in the deficit in this next fiscal year and then over a period of three more years get it down to zero. That is possible to do, if we have the courage. Moving more rapidly than that as Jim Forster has suggested I would favor, but I doubt that it is a realistic possibility politically.

A second concern that many of us have with the budget is that military expenditures are permitted to rise 13% (or about $31 billion) while programs to help poor people are dropped an average of 5%.

Many military leaders tell us that it is foolish to spend money as speedily as we are doing it on defense, that it results in needless waste. I agree with them.

My colleague, Senator Alan J. Dixon, had some doubts about a weapon. At the urging of the military he went down to Texas and got into a tank and tried the weapon himself. The results confirmed his concerns. The weapon turned out to be less accurate in firing and then jammed. Senator Dixon now is for developing a weapon that will work and not spending more money on this one.

Wasting money on the military while cutting back on funds for people in real need strikes many of us as imbalanced.

A third concern is that investments that will pay off in the long run for the country are cut back far too much.

An example is student aid. Under this proposal, hundreds of thousands of students would have to drop out of college. That is not the way to build a better future for our country. We are in a world that is increasingly competitive—but the federal budget does not recognize that.

Also, programs that encourage the development of small business and industry in areas of high unemployment are proposed to be cut back substantially.

What will finally happen on the budget will not be clear for several months. But within 90 days I have the feeling that we will know whether the House and Senate have the courage to deal with the deficit significantly, or only enough to make political speeches back home.

How we meet that test is important to you and to the future of your children and our country.●

OLD VIRTUES

● Mr. GOLDWATER. Mr. President, some time ago, I made a speech on the floor of the Senate in which I rather subtly suggested that all this country needed to get us out of the troubles we are in is a little bit of that thing we call courage. Herbert Hoover expressed it, I think, maybe in a better way, when he reminded us of the old virtues, how they have always worked and always will work. So, I add to my suggestion of being courageous in these times to, although I know some of our colleagues hate to think of looking backward, maybe looking at some of the old virtues, reappraising them and coming to the decision that they are not bad after all. I ask that this piece by Herbert Hoover, appearing in the New Age of February 1985, be made a part of the RECORD.

The item follows:

The principal thing we can do, if we really want to make the world over again, is to try the use of the word "old" again. It was the "old" things that made this country the great nation it is.

There is the Old Virtue of religious faith.

There are Old Virtues of integrity and truth.

There is the Old Virtue of incorruptible service, and honor in public office.

There are the Old Virtues of economy in government, of self-reliance, thrift, and individual responsibility and liberty.

There are the Old Virtues of patriotism, real love of country, and willingness to sacrifice for it.

These "old" ideas are very expensive. And they would help win hot and cold wars. I realize such suggestions will raise that odious word, "reactionary," but some of these "old" values are slipping away rapidly from American life. And if they slip too far, the lights will go out in America, even if we win the hot and cold wars.●

DESMOND TUTU, BISHOP OF JOHANNESBURG

● Mr. KENNEDY. Mr. President, Bishop Desmond Tutu is well-known to the Members of this body and to the American people. He has become a profile in courage and commitment for all freedom-loving people in the world.

Last September, Bishop Tutu's friends were overjoyed to learn that he was coming to the General Theological Seminary in New York City for a 4-month sabbatical. And so Bishop Tutu was here, living in our midst, when the Nobel Prize Committee announced last October that he would be the recipient of the 1984 Nobel Peace Prize. Because he was with us at the time the prize was announced, and because he stayed in our country until the end of the year, the American people had an extraordinary opportunity to become acquainted with this remarkable man. We were able to see the strength of his character and purpose firsthand as we saw him interviewed on television, as we read his speeches in the press, as we saw him travel through our country. We witnessed as well his remarkable wisdom and humor and poise as he spoke out for freedom and justice for his people.

It was surprising to discover, during my trip through South Africa last month, that the American people had a deeper understanding of—and a much greater familiarity with—Desmond Tutu than did the vast majority of the members of the white community in South Africa. I realized that, during the brief period of time that Bishop Tutu had lived with us in the United States, the American people had gotten to know him better than did most white South Africans who had lived in the same country with him for over 50 years.

This phenomenon, I think, is evidence of the tight control that the South African Government exerts over the television media in that country. The authorities perceive, perhaps correctly, that it would be dangerous to the system of apartheid for the white community of South Africa to learn how humane and compassionate and profound this black leader really is, to discover that, above all, Desmond Tutu is a Christian clergyman preaching the Word of God.

And so the people of South Africa are denied the chance of seeing a free and open and unedited television interview with a South African who, although known throughout the world, still remains an outcast in his own country. Indeed, the people of South Africa rarely hear Biship Tutu's voice since whenever he does appear on the South African Broadcast Co. news shows, there is always a voice-over commentary by the SABC newscaster.

I had the great privilege to be Bishop Tutu's guest in South Africa last month—at his home and in his country. During my trip, our families became close friends, and I came to see that the source of Desmond Tutu's strength is not just his religion and his own conscience but it is also his wife, Leah, and his family.

On February 3, Bishop Tutu was enthroned as the new Bishop of Johannesburg. On the occasion of his enthronement, he gave a remarkable speech on the role of the Church in South Africa.

I would respectfully request that the text of Bishop Tutu's enthronement charge be included at this point in the RECORD, and I commend it to my colleagues.

The material follows:

ENTHRONEMENT CHARGE

INTRODUCTION: IS. 6:1-5

It is my first and happy task as bishop of Johannesburg to welcome you all to this Cathedral Church where so many significant events of my life have taken place. 25 years ago next December 18th I was made a deacon by Archbishop Paget because Ambrose Reeves the diocesan had been deported. It is important that I remember that I have been enthroned as bishop in the silver jubilee year of my being made a deacon and what that is saying about the nature of my ministry as bishop. In December 1961 I was ordained priest by Leslie Stradling. In 1975 I was installed as Dean of Johannesburg and Rector of this Cathedral Church by Timothy Bavin; and then a few weeks after the start of the Soweto uprising, I was consecrated Bishop of Lesotho in the self same Cathedral church where today I have been enthroned as diocesan. It probably makes me unique. I heard those sighs of monumental relief. You are saying "we really could not take another Desmond!". Leah once gave me a birthday card showing a Darby and Joan couple with the caption on the outside "We have a beautiful and unique relationship," which is not too bad. On the inside it went on to say "I am beautiful and you are certainly unique!"

I welcome especially warmly our friends from overseas declaring so visibly what it means to be members of the one holy catholic and apostolic church; and our friends from the South African ecumenical community and my former SACC colleagues. You have been wonderfully supportive to me and to the SACC during a testing and stimulating time. I thank you most warmly for that support and for your upholding of us in your fervent prayers which have sometimes seemed to be an almost physical experience of being borne up. We have often been reminded of the vision of the prophet Zechariah speaking of the restored Jerusalem which because it will be so populous will be without conventional walls, and Yahweh promises to be as a wall of fire round the restored Zion. We have known ourselves to be surrounded by a like wall of fire—the wall of fire of your intercessions, love and concern. It is wonderful to belong to the Church of God and to know that we had sisters and brothers round the world whom we could not count whose representatives came to support us in the SACC wonderfully when they testified before the Eloff Commission.

To all our friends, and the representatives of foreign governments I say a very warm welcome to you.

APPRECIATION

It is a great privilege to come to this diocese with such a splendid tradition and I thank God for calling me to be the Father in God of His people in the diocese. May I first thank the Archbishop for his part in this service and for his friendship which I value greatly. I thank my brother Bishops Simeon and Sigisbert for all that they have done in sharing episcopal oversight until now and to Simeon special thanks for serving as Vicar General. I may not have done too many good things, but I think I can preen myself for having brought Merwyn Castle to this diocese as precentor in the Cathedral. Thank you Merwyn and your colleagues on the Cathedral staff for all that you have done to prepare for and organise this splendid service. I want to thank the Archdeacons and lay-officers of the Diocese as well as my brother priests, and the religious communities serving God so well in this diocese and the choirs that have led us superbly in this service. Thank you too to the people of God in the diocese for your commitment and devotion to our Lord and Saviour Jesus Christ. I come to a diocese with a splendid team of people dedicated to work for the praise and glory of God, for the edification of the Church and for the

service of God's children who are in the world.

This diocese has a grand tradition and I know I enter into the magnificent labours of some outstanding christians as Bishop of Johannesburg. I think of that giant of a man, Geoffrey Clayton who witnessed so powerfully against apartheid and as Archbishop died after writing a letter to the then Prime Minister warning of the Anglican Church's attitude to an implementation of the so-called "Church Clause". I think of such as Ambrose Reeves who saw more clearly than most of his contemporaries the disastrous consequences of Bantu Education. Today we are reaping the whirlwind in the current unrest focussed on the crisis in black education. I think of such as Leslie Stradling who still puts us so greatly in his debt through his devotional writings and as a teacher in christian spirituality. My work is cut out to follow the much loved Timothy Bavin.

I know just how difficult it will be because I seem destined to be his successor since I followed him as Dean of Johannesburg. He was quietly courageous not ruffling too many feathers and yet getting difficult things done. We thank God for all these men that he has raised and you must pray that their successor will not betray that tradition.

May I be permitted to express a special word of appreciation first to my former colleagues of the SACC. I will miss you for when things were really rough, I knew I could rely on your undivided support and loyalty. And to my own family particularly Leah and our children, I thank God for you. Without you, most of what God has accomplished through me would have been impossible.

TEXT OF SERMON

A Scottish Congregationalist P T Forsyth has declared "Society without the Church is hopeless". What then is the raison d'etre of the church, what does it exist for? Is it a cosy club for likeminded persons who can be persuaded once a week to disturb their normal routine to have their christian prejudices confirmed whilst they are insulated against the harsh realities of life out there without their being shaken out of a complacency as they are assured that God has sanctified their sacrosanct way of life? Or does it exist to be a kind mystical ivory tower or some spiritual ghetto unconcerned about what goes on under the noses of its members whilst they claim to offer worhsip to God in the meantime as excuse for that neglect? Or does it exist to become involved in a mad rush of good works agitating its members into a frazzle as they rush from one good work to another leaving behind the so-called beneficiaries of all this wearing the haggard and woebegone expressions of those who have been done good by at all costs?

No, the Church exists primarily according to Holy Writ for God and so St Peter can invite new christian converts:

"Come and let yourselves be built as living stones into a spiritual temple; become a holy priesthood to offer spiritual sacrifices acceptable to God through Jesus Christ" (1 Pet 2:5,6).

The Epistle to the Hebrews provides an exegesis of the "spiritual sacrifices" when the writer declares:

"Through Jesus, then let us continually offer up to God the sacrifice of praise i.e. the tribute of lips which acknowledge his name and never forget to show kindness and to share what you have with others; for such are the sacrifices which God approves". (Heb 13:15-16).

The Church is the fellowship whence adoration, worship and praise ascend to the heavenly throne and in company with the angels and archangels and with the whole host of heaven we sing as did the cherubic choir in Isaiah's vision and as we shall soon be bidden to do in this glorious service:

"Holy, Holy, Holy, Lord God of Hosts, Heaven and earth are full of thy glory".

Our God is the almighty God, the Lord of Lords and King of Kings who dwells in light unapproachable whose train we are told fills the Temple and who is high and lifted up—the mysterium tremendum, the transcendent and utterly ineffable One whose very name mortals can name only with fear and trembling. Hebrews says let us "worship Him as He would be worshipped with reverence and awe, for our God is a devouring fire." (Heb 12:29).

We have sometimes given the impression that we have become over familiar with the holy things of God speaking His ineffable name lightly and we have sometimes appeared to have lost the sense of the numinous and the transcendent mystery of God before whom with a Job we should murmur more frequently:

"I know that thoud canst do all things And that no purpose is beyond thee But I have spoken of great things which I have not understood, things too wonderful for me to know . . . now I see thee with my own eyes Therefore I melt away I repent in dust and ashes" (Job 42:1-6).

or with Isaiah we should cry more often:

"Woe is me. I am lost for I am a man of unclean lips And I dwell among a people of unclean lips Yet with these eyes I have seen the King, the Lord of Hosts". (Isaiah 6:5).

And when we do that for which we primarily exist, we shall find that the Lord will say as to Isaiah:

"See this hath touched your lips, And your iniquity is removed And your sin is wiped away!"

My dear family in the Lord we must give thanks to God that He has seen fit to renew His Church so that today the lives of many christians and parishes are being renewed through the operation of God the Holy Spirit. We are seeing wonderful things happening. Worship renewed is filled with praise, thanksgiving and adoration. It is more joyous and people especially white people are no longer apparently cold and unemotional. They are becoming free in the Lord to worship Him with all that they are, body, mind and spirit.

It no longer seems as if congregations have swallowed unexpected doses of castor oil as if there was a necessary link between glumness near church and holiness. Renewed christians are eager to proclaim without embarrassment the wonderful love of God for all His children without distinction and saying to those who are afar off "Draw in and accept Jesus as your Saviour, as Lord and Master of all your life."

We thank God for this movement of His Holy Spirit which reminds the Church that it is Spirit filled or it is nothing, that it must be charismatic or it is dead.

And so my dear friends, I pray that we in this diocese will receive God's help so that He can enrich and deepen our life of worship so that we are those who know that the spiritual is utterly central to all we are and do, that we are those who know how to put first things first, and for us unquestionably it is the worship, adoration and praise of God the Holy and undivided Trinity, Father, Son and Holy Spirit. For He knows that for us christians our resources are ultimately spiritual resources. For this reason I beseech you in the Lord that we look to the rock from which we are hewn, let us return to our roots. We are catholic. We are a sacramental church. I want to urge that our parishes if that is not already the case should become more Catholic and so work for the time when the daily celebration of the holy mysteries of the Eucharist is standard practice throughout the diocese. We are approaching Lent. It is a good time for reassessment when many of us do want to have God deepen our spiritual life. What better time therefore for a parish.

It does not matter that the church is not full, that there are but one or two parishioners present. For you are never alone. The whole church of God is present with you at every celebration because Christ the Lamb of God is present and where Christ is, the Church is present also—the church quiescent of those who are asleep in Christ, the church militant of those working with Christ in His vineyard on earth and the church triumphant of those in glory who behold God face to face. The church is not empty for if our eyes could be opened we should see it filled to overflowing with angels and archangels and the cloud of witnesses surrounding us.

It does not matter that there are but a handful physically present. Surely, the most important thing is that God is being worshipped and adored in that parish, the perfect and all sufficient sacrifice is being offered, thanksgiving ascends to the throne of glory in the Eucharist and intercessions are being made for the world God loved so much that for it He gave His only begotten Son.

I pray that God will renew us in this diocese which had wonderful blessings from God's bounty in the Year of Mission—I pray He will renew us, starting with me so that we shall become a worshipping, an adoring community who are full of praise and thanksgiving. Where best to express this than in worship, in the Eucharist?

I pray that God will renew us, so that we will offer ourselves to Him, so that He will do with us that which it is His will to do, that we will offer ourselves to Him whole and entire, body, soul and spirit in giving Him without holding back our lives, our time and talents so that we will be truly a dedicated people who know that they are holy people because they belong to a holy God because they are dedicated to Him. Where best can we do this if not in worship, in the Eucharist?

I pray that God will renew us so that we are filled with thanksgiving for all that He has done for us and for all that He has given us and continues to do. What do we have which we have not received?—our gifts, our material and spiritual possessions, our families and friends—"all things come of thee" we say.

How can we ever thank God adequately for all this, for the Gift of Himself in His Son and in His Holy Spirit, for the forgiveness of our sins not once but many times over, for letting us have the boldness to call Him "Father, Abba" for sunshine and rain, for the grass and the trees, for water, for blue skies and cloud, for food, for music, for love and friendship, for singing birds, for wind, for the stars, for snowcapped mountains, for the knowledge of Him, for His immeasurable bounty and His unbounded love,—how can we ever thank Him enough?

and were best to do this impossible task if not in our worship, in the Eucharist?

I pray that God will renew us, so that in deep gratitude to Him we will be moved to give generously. We do not give generously many of us because we are not mindful of God's love for us and that all we have and are come from His compassionate hand. All does belong in a literal sense to Him and when we give Him we but return to Him what belongs to Him. He does not need it just as a mother or a father do not need the gifts which their children give them using the money which came from their parents in the first place. But which one of us would ever want to exchange those shy, perhaps useless, gifts that our children give us for pragmatic and more expensive presents? What price can you place on what they seek to convey in love and appreciation and joy?

Because everything belongs to God, we who are His stewards are obliged to return part to represent the whole. If we do not, we are robbing God of that which is His due. We offer Him Sunday as His special day because everyday, all time belongs to Him. We give Him a tithe as the very minimum that should be returned to God expressing our acknowledgement that our money, our possessions come from Him and belong to Him. We offer Him our time, talents and life in worship, to serve Him in church and in community, because all our time, our talents, our life come from Him. Where best can we declare this if not in worship in the Eucharist? The diocese will henceforth tithe its income—to help forward God's work in other parts of His world and in the diocese in our development programs. May I say that it has been a bit of a puzzle that a diocese in the wealthiest part of South Africa should be experiencing financial difficulties. I am sure we are a generous people and when our eyes are opened to the wonders of God's bounty we will be a grateful people too.

We will be a dedicated people characterised by dedicated giving since we know ourselves to be God's stewards.

We know that God's arithmetic is somewhat odd. When you subtract by giving away, you get more. When you seek to hoard, somehow you seem to lose out. You have been told so many times of the Dead Sea in the Holy Land. The water is dead and salty because the Dead Sea receives water but does not give out any and consequently there is no movement. God cannot give us anything more if we are full. He is ready to pour out His inexhaustible riches on us provided we are open to receive and to give. There is no reason why this diocese should not have an impressive Endowment Fund of R5 million. That is the target I am setting us. This is in line with last year's Synod resolution about our Golden Jubilee. We should be offering ourselves as did Isaiah when he heard the Lord say: "Whom shall I send? Who will go for me?"

We should be able to say: "Here I am send me."

And He will say: "Go and tell this people."

We have been hobbled too long in our evangelism and mission work because we have lacked the financial resources to do the Lord's work of extending His Kingdom and proclaiming the Good News of His love for all His people. We have not raised up Jesus to show to those who are hungry for the Word of Life. I hope that we can follow the suggestion of a member of the Diocese and set aside one day this year when all of us as a diocese will each pledge, in a day of thanksgiving, worship and prayer, a day's salary to start this Endowment Fund. We will provide details of this campaign as soon as possible but we can begin praying for God's blessings on all of us that He will move us to see His generosity to us and so let us respond to His generosity generously.

I hope we can very soon fill the post of Diocesan Advisor in Mission. A church that is not missionary, disobeys the Commission of its Lord and Master to go make disciples of all people.

I pray that God will renew us in penitence as we contemplate the Cross of our Saviour and see what sin has done to love unbounded. We will pray for a deepened and sensitive contrition for our own sins and for the sins of the world—our personal and corporate sin that has caused and causes so much misery and anguish to God's children who become the casualties of man's inhumanity to his fellows. And where better than in worship, at the Eucharist?

I pray that God will renew us in the fervour of our intercessions for His children who are in the world and for the world. We are meant to be a priestly body that represents God to the world and bears the world in its heart to God, carrying the cries that come from the wretched of the earth to the mercyseat of God. We are the reconciling koinonia of the reconciled and the forgiving fellowship of the forgiven who show forth in our life that our Lord has broken down the middle wall of partition, so that we can be what Harvey Cox has called a verbum visible—that proclaims by its very life as a kind of audio-visual aid for the world that we are the first fruits of the Kingdom where there is no such thing as Jew and Greek, slave and freeman, male and female, "for we are all one person in Christ Jesus". (Ga 13:28).

I bid you pray for our country for I am fearful that we are entering a time of deepening crisis with ever increasing polarisation of a society that is the most fragmented of any that I know. We do pray regularly for our country, but I ask that our parishes if they do not do so already have one day in the week when we will pray for the healing of our land and the coming of God's Kingdom of justice and peace. We have been given the wonderful privilege of a share in our Lord's glorious ministry of reconciliation. And God wants us to be peacemakers in this land but it is a costly ministry, for true reconciliation is not a crying "Peace, Peace where there is no peace!". True reconciliation cost God the death of His Son and if we want to work for reconciliation, we must have counted the cost, in misunderstanding and vilification and in repudiation and being pilloried and discredited, in being counted as the scum of the particlar world in which we seek to minister, in suffering and perhaps in dying. But we can do no other if we follow in the footsteps of the Man of sorrows who was acquainted with grief for the sake of others.

We must work together with God so that our parishes become more and more nonracial. It is a tall order given the laws of racial segregation. In a land that boasts of freedom of worship the church is hindered from being truly the church by man made laws which demand that christians should get the permission of secular authority before they can have christian fellowship. If white christians want to worship in Soweto or any other black township, to do so without that permit is to court arrest. But why should christians need such permission? We should become more clearly who we are, members of the one body of Christ and thus members one of another. We must hasten the diocesan policy of non-racial appointments to our parishes and since we look to a new kind of society in South Africa, nonracial, democratic and just, we should be learning a little more about one another. Apartheid battens on ignorance which makes us fearful of one another. May I suggest that it is high time that we learned one another's languages. I will certainly want to encourage by brother priests to learn to know at least one indigenous language other than English or Afrikaans. It may be important to have white priests in black townships to dispel any erroneous notions which people there may have picked up in having unfortunate dealings only with the police the army and a phalanx of bureaucrats who have the unenviable task of applying evil and unchristian policies.

I am so thankful that in many of our parishes we have bible study and prayer groups as well as house churches. The vigour of our spritual life depends so much on such initiatives. God be praised that we have such splendid facilitators in the spiritual life as Francis Cull and David Beetge and that more and more people realise that without a firm spiritual base, we are at the mercy of all kinds of ill winds. We are being blessed in that the directed retreat movement is coming into its own. We are blessed to that Jan Dijkman is going to help us become biblically literate through the diocesan bible college which I want to commend most warmly.

I come to Johannesburg because I believe God has called me to be a pastor. I thank God that during nearly 7 years as General Secretary of the SACC I had for half that time the privilege of being rector of St Augustine's, Orlando West.

I thank those wonderful people and my colleagues Father Moroa and Makatini. It was they who helped to keep my feet on the ground and who helped to keep me relatively sane. I want to be a faithful, compassionate and loving father in God for the family that God has entrusted to me in this diocese. No one can doubt that even in the most ideal conditions no man can take on such a solemn and heavy responsibility trusting in his own strength and ability. He must rely so much on God's blessings and grace and the prayers of so many. It must be infinitely more so in our present circumstances.

I sympathise in a real sense with those who many feel that I have been foisted on an unwilling diocese and as a human being, I would have loved to have been the choice of your elective assembly. That has not happened. God has determined that it should take place in another equally valid and canonical way. I would be grossly insensitive and blind not to know that a significant section of my diocese being influenced by some strange newspaper, radio and television reporting is at the very least apprehensive of the one they have got as father in God. Some may feel like most whites in South Africa that they have been given a horrid ogre, someone many white South Africans most live to hate. Before I deal with this, could I say that because I am concerned for the flock of Christ entrusted to me and for their well-being, I want to let it be known that I intend to remain in the diocese of Johannesburg in two senses. I have received countless invitations to go here, there and everywhere. I have decided to turn down virtually all those invitations, because I want to know the diocese and give you my flock the chance to get to know me a little

better. It could just be that a miracle will happen and people be a little surprised that I was perhaps not quite such a horrid ogre as they thought, that I might just be a slightly more lovable ogre than they had believed possible. I also hope that God will concur with me on this. Unless it becomes abundantly clear that God wills me to do otherwise, I hope to end my active ministry as the Bishop of Johannesburg. I won't want to be like the man who when told he had been chosen to be bishop of a certain diocese said he was going to pray before making his decision, whilst his wife went upstairs to start packing for their next move.

I also want to make it known that I want to support the process of dividing the diocese, so that God's people will get the kind of espiscopal caring that can come only when dioceses are of a manageable size. I thus want to give my blessing to this process and ask those concerned to go ahead with deliberate speed.

Mr dear friends and people of God I have been portrayed as a politician trying very hard to be a bishop, as a person who loves confrontation, who does not care about reconciliation, an advocate of disinvestment and whilst talking peace really promoting violence and bloodshed and some have even said they believed I was a communist. Now I am aware that they say of self justification, your friends do not need it and your enemies do not believe it. But like St Paul before me I will indulge in a little foolishness to try to some extent to put the record straight. The facts may produce a slightly different image of Bishop Tutu.

I have generally sought to give the South African government credit when I thought it deserved credit. I have been in the habit of sending the Prime Minister and Cabinet Ministers congratulatory messages. As examples, I sent Mr P W Botha one such when he made his "Adapt or die" speech and I have commended him here and abroad (I never say outside S.A. what I do not say first here at home) for his courage in declaring that the future of South Africa could no longer be determined only by whites, but was saddened that he should have vitiated something with such a great potential for solving the crisis of our land by the exclusion of blacks. It was on my initiative that eventually in August 1980 the leaders of the SACC member churches met with Mr P W Botha and some of his senior Cabinet colleages. I have been on several SACC delegations to meet with various ministers to deal with one or other aspect of our perennial problem. Our efforts at defusing a tense situation before a funeral in Atteridgeville were publicly commended by a Cabinet Minister last year. We met at our request at least two times last year with Government Ministers in an effort to find a solution for the mounting unrest. We had an SACC delegation of which I was a member visiting Turfloop and Fort Hare to help resolve the student crises at those universities. When I became SACC General Secretary, I found correspondence between my predecessor and the DRC asking the white DRC to send an observer to attend our Executive Committee meetings and this, not on a reciprocal basis.

There was no reply from the DRC. I followed this up and the reply which came was that they could not send an official observer. I suggested that it could be an unofficial observer. That too was turned down. Their Ecumenical Officer at the time then said we would have to continue to meet informally as we had been doing. We then organised a Consultation on Racism and I issued invitations to all churches including the 3 white DRC churches. I had no reply from these except responses in an Afrikaans newspaper. I asked the consultation whether in their name I could send a letter to the DRC because I felt under divine constraint to do so, expressing sorrow for what we had done to hurt our DR sisters and brothers and longing fervently for the day when we could celebrate the Holy Mysteries together. Nothing of significance, I said in that letter could happen if the DRC was not involved. The consultation was angry at the DRC snub but permitted me to write the letter. I have spoken at all the white Universities except the UPE and that includes all the Afrikaans universities, at most not just once.

All these are instances of conduct that is surely very odd for someone hellbent on confrontation. The only confrontation that is valid is the confrontation of the Gospel of Jesus Christ with evil and injustice and oppression. And we are ministers of reconciliation based on justice and equity.

May I point out that I have not as yet advocated disinvestment. Up to now I have called for international pressure, diplomatic, political but above all economic to persuade the South African Government to go to the conference table with the authentic representatives of all sections of our community and in the case of the black community nearly all those are either in jail or in exile. It has surely been the pressure of the sports boycott that has produced multiracial sport an anomaly in an apartheid society.

There is economic pressure used through things such as the different Codes to seek to improve the lot of black workers. Our concern, however, is not for an amelioration or improvement of the apartheid dispensation.

It is to see apartheid which is totally evil and immoral and unchristian dismantled. Consequently I have said that we must all work together to see that goal achieved.

I have actually called for increased foreign investment on stringent conditions—that black workers are housed as family units near the place of work of the breadwinner—no migratory labour; the unionisation of black workers, the only real reform we have had and for which the government must be commended—thus the worker would be free to sell his labour wherever he pleases, so no influx control that applies only to blacks; massive investment in black education and training.

I need to add two further conditions: an end to the denationalisation of blacks and so to forced population removals. These conditions should be implemented within 18 to 24 months. The onus is on the government. I give notice that if in 18 to 24 months from today apartheid has not been dismantled or is not being actively dismantled then for the first time I will myself call for punitive economic sanctions whatever the legal consequences may be for doing so. These conditions are strangely similar to those recently proposed by the leaders of the business community (English and Afrikaans speaking). Long ago in 1980 I asked the Prime Minister to express a commitment to a common citizenship for all South Africans, to abolish the Pass Laws, arbitrary bannings and detention without trial and to stop all forced population removals and institute a common education system for all. He ignored my call. No one has pointed out the similarity between what I have been calling for for years and the business leaders' conditions. Not even the Press because it would, I suppose improve my image. That is a great sadness. I am committed to peaceful change. When I say so I am the blue eyed boy of all. And when I canvass strategies that are unlikely to bring about that fundamental change which we all claim we want to see, why, I would be top of the popularity stakes. But as soon as we suggest methods that might bring fundamental change about then we are pilloried and vilified. We are told we must not use violence and I agree. But we have no voting power so that is out as a method of effecting change. And then we are told we should not enlist the support of the international community, what then is left as an option for us?

It is noteworthy that in my call for international pressure, I have been repudiated only by whites and predictable blacks working within the system who benefit from the present status quo.

We hear cries that what we are advocating will cause suffering for blacks. I am impressed with this concern for our lot. I am a little puzzled why it is that there should be this concern about a possible future suffering that may be inflicted on blacks and yet those who are so concerned utter hardly a squeak of protest about actual present suffering.

How many christians have protested over the callous and inhumane treatment of hapless women at the K.T.C. squatter camps? It was not a likely future suffering. It was only too harshly real and present? How many christians were concerned about and have protested against the continuing and vicious policy of forced populations removals when God's children are treated as if they were things, rubbish dumped in arid poverty stricken bantustan homeland resettlement camps? How many christians have seen the squalor and misery in these places so that they could write not about the possible nightmare of black mothers with starving children because of international pressure, but about the actual nightmare of children having to drink water to fill their stomachs because there was no food in a land that could be the bread basket of Africa. Is it any wonder that some of us are somewhat sceptical of what appears to be a self serving altruism?

Nearly a million black workers took part in the November two day stayaway not to improve their salaries but for overt political reasons in a time of high unemployment when they could be so easily victimised. It shows that they are ready to accept additional suffering if it will change apartheid. How long would non-blacks have tolerated such blatant injustice and oppression? How long would non-black fathers have been willing to be separated from their families for 11 months at a time whilst they lived in single sex hostels as migrant workers? How long would non-blacks have tolerated being stripped of their South African citizenship? I was born and bred in South Africa. All my forebears as far as you can go are South Africans. Today I travel with a document that with a straightface as it were, describes my nationality as "undeterminable at present".

A black man is good enough to be Archbishop of Bloemfontein as is the case of Roman Catholic, Archbishop Peter Buthelezi and he is a member of the important Anglican Roman Catholic International Committee. In the land of his birth he cannot vote and yet an 18 year old because he or she is white/and now coloured and Indian can vote. When you tell this to people overseas without any embellishment for none is needed they are rightly appalled.

Why are christians in this beautiful land not so appalled that they work to change such an intolerable system? If you come to the Cathedral on a weekday you will witness an obscenity just outside its walls. There is almost always a police van parked outside to be packed in moments with the victims of another pass swoop. Every black person, male or female of 16 years and upwards must carry a pass. Not to have it is an offense. One of our priests had to be rescued from such a swoop because he did not have his pass. I am sure our fellow South Africans must declare all these conditions unacceptable. It was in this context that I spoke of the Russians at St. Paul's Cathedral. I hate communism with every fibre of my being as I believe most blacks do. My statement was meant to alert people about how blacks perceived the evil of apartheid, that nothing could for them ever be so bad as apartheid. When you are in a dungeon and a hand is stretched out to free you, you do not ask for the pedigree of the hand owner. Who is South Africa no black would be willing to exchange places with blacks even for a day?

We are accused of mixing politics with religion. It is interesting that accusation almost invariably is made when a particular socio-political dispensation is declared to be unjust. If by some aberration I happen to say I did not think apartheid is so bad or that increased prosperity and so increased foreign investment would undermine apartheid, why I would not hear again from my erstwhile critics. I have never heard victims of oppression and injustice complain that people were mixing religion and politics. Their complaint would be that not enough of this was being done.

I have kept saying that what we do or say is based on our understanding of the biblical imperatives and the Gospel of Jesus Christ. The God of the Bible is first encountered not in a religious setting but in an out and out political experience, in helping a rabble of slaves to escape from bondage.

It is on the basis of this political act that He comes to be known as Creator and Lord of all life, because He was encountered first as a liberator. In the prophets we hear how He rejects as an utter abomination religious acts however meticulously carried out if they have no bearing on how the people live out their everyday lives outside church as it were. Listen to what God says in Isaiah 1:10-17;

"Hear the word of the Lord, you rulers of Sodom; attend, you people of Gomorrah, to the instruction of our God: Your countless sacrifices, what are they to me? says the Lord.

I am sated with whole-offerings of rams and the fat of buffaloes; I have no desire for the blood of bulls, of sheep and of he-goats.

Whenever you come to enter my presence—who asked you for this? No more shall you trample my courts. The offer of your gifts is useless, the reek of sacrifice is abhorrent to me. New moons and sabbaths and assemblies, sacred seasons and ceremonies, I cannot endure. I cannot tolerate your new moons and your festivals; they have become a burden to me, and I can put up with them no longer. When you lift your hands outspread in prayer, I will hide my eyes from you. Though you offer countless prayers, I will not listen.

There is blood on your hands; wash yourselves and be clean. Put away the evil of your deeds, away out of my sight.

Cease to do evil and learn to do right, pursue justice and champion the oppressed; give the orphan his rights, plead the widow's cause."

The authenticity of a proper relying attitude is tested in concrete ways. The God of the Bible scandalises religious people constantly.

Listen to what happens in Is. 58:3-8:

"Why do we fast, if thou dost not see it? Why mortify ourselves, if thou payest no heed? Since you serve your own interest only on your fast-day and make all your men work the harder, since your fasting leads only to wrangling and strife and dealing vicious blows with the fist, on such a day you are keeping no fast that will carry your cry to heaven. Is it a fast like this that I require, a day of mortification such as this, that a man should bow his head like a bulrush and make his bed on sackcloth and ashes? Is this what you call a fast, a day acceptable to the Lord? Is not this what I require of you as a fast: to loose the fetters of injustice, to unite the knots of the yoke, to snap every yoke and set free those who have been crushed? Is it not sharing your food with the hungry, taking the homeless poor into your house, clothing the naked when you meet them and never evading a duty to your kinsfolk? Then shall your light break forth like the dawn and soon you will grow healthy like a sound newly healed; your own righteousness shall be your vangard and the glory of the Lord your rearguard."

And then when you are anointed by the Spirit of this God this is what happens Is 61:1-3.

"The spirit of the Lord God is upon me because the Lord has anointed me; he has sent me to bring good news to the humble, to bind up the broken-hearted, to proclaim liberty to captives and release to those in prison; to proclaim a year of the Lord's favour and a day of the vengeance of our God; to comfort all who mourn, to give them garlands instead of ashes, oil of gladness instead of mourners' tears, a garment of splendour for the heavy heart. They shall be called Trees of Righteousness, planted by the Lord for his glory."

Yes we began by saying we are created to worship God and that is the raison d'etre of the Church but our God does not permit us to luxuriate in a spiritual ghetto with Him. When Jesus is baptised He receives the Holy Spirt and it is this Holy Spiirt which propels Him into the wilderness to engage the Evil one in combat. Throughout His life, Jesus had moments of disengagement to prepare Him for the moments of engagement when He proclaimed the Kingdom of His Father by word and deed. When people came to Him and they were hungry, He did not say let us pray about it and goodbye He fed them.

When they were sick He healed them. . When John the Baptist asked whether He was the Expected One this is how Jesus replied Luke 7:22-23.

"Then he gave them his answer: 'Go', he said, 'and tell John what you have seen and heard: how the blind recover their sight, the lame walk, the lepers are made clean, the deaf hear, the dead are raised to life, the poor are hearing the good news—and happy is the man who does not find me a stumbling-block.'"

All these activities were on a par, they proclaimed His Father's Kingdom. He refused to remain on the mount of Transfiguration as Peter was suggesting. He came down into the valley to be involved with human need and crass misunderstanding.

There were no false dichotomies as between the sacred and the secular; the profane and the holy, the material and the spiritual. In our faith, God gives us His divine life, utterly spiritual, in and through the Sacraments, through mundane ordinary everybody material things—bread, wine, oil, water etc. He communicates spiritual things to us.

That is why Archbishop William Temple could speak of Christianity as the most materialistic of the great religions. When God the wholly other, the transcendent one intervened decisively in human affairs He came not as some disembodied spirit. No, He came as a real human being to save real human persons, creatures of flesh and blood. Hence we believe in the Resurrection of the body not in the immortality of the soul. When we worship, we declare that God is Lord of all life, not just of aspects of it; we dare not as christians compartmentalise life lest we become unbiblical and therefore unchristian. Jesus says we will be judged whether we are fit for heaven or the warmer place not by whether we prayed or went to church (do not say Bishop Tutu said Jesus said these things are not important) but by whether we fed or did not feed the hungry, we clothed or did not clothe the naked; we visited or did not visit the sick and the imprisoned. And more startling is that He calls those to whom we should minister as a working out of our worship the least of His brethen and serving them is to serve Jesus Himself. (Mt 2531ff). The Bible says He who says he loves God and hates his brothers is a liar. (1 Jon 4: 19ff).

That is quite categorical. How can you say you love God whom you have not seen if you hate the brother whom you have? (1 Jon 4:20).

The Bible says love God, love neighbour. It is 2 sides of the same coin. The coin must have both. Our love of God is authenticated and expressed in and through our love of neighbour.

All life belongs to God including politics. If we want not to be involved then we must not worship the God and Father of our Lord Jesus Christ. We must not worship the God of the Bible. Our everyday life is meant to be a working out of our life of worship.

"The aim of the church is to bring about social justice. Justice must be done to the poor and oppressed, and if the present system does not serve this purpose, the public does not exert itself for justice in society, and together with the help she can offer, also be prepared to serve as champion for the cause of the poor, others will do it. The poor have their right to say: I do not ask for your charity, but I ask to be given an opportunity to live a life of human dignity."

Those words are not an SACC or Tutu pronouncement. They come from a paper by a DRC worthy, Ds C D Brink delivered at the Volkskongress July 1947.

Listen to what an outstanding Anglican Bishop the Anglo-Catholic Frank Weston has to say:

But I say to you, and I say it with all the earnestness that I have, if you are prepared to fight for the right of adoring Jesus in His Blessed Sacrament, then, when you come out from before your tabernacles, you must walk with Christ, mystically present in you, through the streets of this country, and find the same Chirst in the peoples of your cities and villages. You cannot pity Jesus in the slum. . . . . It is folly, it is madness, to suppose that you can worship Jesus in the Sacrament and Jesus on the throne of glory, when you are sweating Him in the bodies and souls of His children.

. . . You have your Mass, you have your altars, you have begun to get your tabernacles. Now go out into the highways and hedges, and look for Jesus in the ragged and the naked, in the oppressed and the sweated, in those who have lost hope, and in those who are struggling to make good. Look for Jesus in them; and, when you have found Him, gird yourself with His towel of fellowship and wash His feet in the person of His brethren."

At the end of the Eucharist we say:

Father almighty we offer ourselves to you as a living sacrifice in Jesus Christ our Lord. Send us out into the world in the power of the Holy Spirit to live and work to your praise and glory.

Just as we lived and worked to His praise and glory in the worship service. I come as your Pastor, black and white. I love you all very deeply. I am concerned for the agony and anguish of families where their sons are fighting on the border, fighting an unnecessary war to defend something I believe is utterly indefensible. The problem of our country is not on the border. It is right here in our midst—it is apartheid, it is injustice and oppression. Inspired by our worship and adoration of God and so made sensitive to discover Jesus Christ among the poor, the hungry, the oppressed, I hope you will speak out and witness against what causes suffering and anguish to God's children just because they are black and I am confident that you will support your Bishop when he witnesses on your behalf.

I for my part cannot keep quiet when God's children hurt when they live in single sex hostels when they are banned or detained arbitrarily when they are uprooted when they are prey to drugs, to prostitution and I pray that you too will be unable to keep quiet like the prophet Jeremiah who declared that God's word was like a fire burning in his breast. I too cannot help it. God has taken me by the scruff of the neck and I have had it.

There are very very many splendid white people. That is a trite truism. I have said that if I was white I would have needed accesses of grace to oppose a system providing me with such substantial benefits and privileges. And consequently those white South Africans who oppose apartheid should be saluted more vociferously than their black counterparts. I hope you will get to know that I love South Africa passionately and that of most people I love so much to be loved. It is a great cross to bear to be a universal ogre. What a great anguish we experienced when we arrived at Jan Smuts after receiving the award in October to be met with those hostile glares.

Not a single one of the whites at the airport as we went through Passport Control and customs even greeted us let alone wished us well. It was as if we had returned convicted of the most heinous crimes. But it is certainly not like the heavy cost others have had to pay for being involved in the struggle for the liberation of all South Africans, black and white—being imprisoned, being detained without trial, being banned arbitrarily being forced to go into exile.

Please dear white fellow South Africans hear the cri de coeur we utter. It is that we too are just ordinary human beings. We too love to be with our wives everyday, we too want our children to rush out to meet us as we come back from work, we too would like to live where we can afford it. We too want to be able to move freely everywhere in the land of our birth, we too want to have security of tenure. We too want to participate in the decisions that affect our lives. These are not extravagant demands. They are the expectation of any human being. We want to have a new kind of South Africa. Where we all, black and white can walk tall together, balck and white, into the glorious future which God is opening up before us, black and white together.

Let us talk together black and white. Thanks be to God that the Government may be doing so now with the ANC. I offered myself long ago as a go between. I renew that offer in all seriousness for we will not have security and peace until we have justice and we now have that without the participation of the premier black liberation group the ANC. I pray that the government will give a general amnesty to all political prisoners and exiles. After all they released Robey Leibrandt as one of their first acts when they came to power in 1948.

I love you all deeply. Give me a chance to show you that I do. But even if you do not, I will still love you. I copy a very good example from our Roman Catholic brethren. I have a motto for my episcopate in Johannesburg. It conflates 2 biblical passages: "Beloved let us love one another because love is from God; if there is this love among you then all will know that you are my disciples." Let that love be the distinctive characteristic of our life together and then we will say with St Augustine "Love God and do as you like."

God calls us to be fellow workers with Him to transform the hatreds, the jealousies, the anxieties, the pain, the wars, the famines, the ills, the animosities of this world into His Kingdom of Shalom, of Goodness, of laughter, of joy, of peace, of righteousness, of compassion, of caring, of sharing, when the Kingdom of this world will become the Kingdom of our God and His Christ and He shall reign forever and ever Amen. And then we shall see the fulfilment of the vision in the Revelation of St John the Divine (Rev 7: 9-12)

"After this I looked and saw a vast throng, which no one could count, from every nation, of all tribes, people, and languages, standing in front of the throne and before the lamb. They were robed in white and had palms in their hands, and they shouted together:

"Victory to our God who sits on the throne, and to the Lamb!"

And all the angels stood round the throne and the elders and the four living creatures, and they fell on their faces before the throne and worshipped God, crying:

"Amen, Praise and glory and wisdom, thanksgiving and honour, power and might, be to our God for ever and ever!"●

ECONOMIC PREDICTIONS AND GROUNDHOG DAY: THERE IS MORE TO BEING RIGHT THAN GETTING THE RIGHT ANSWER

● Mr. MATHIAS. Mr. President, February is a time filled with predictions about the weather and the economy. I am told that the custom of forecasting the weather based on the groundhog's shadow was imported by our forefathers from Europe. Legend has it that if the groundhog comes out of his quarters and sees his shadow there will be 6 more weeks of winter, but if the day is cloudy and no shadow appears, an early spring is on the way. Those concerned about this year's result will be happy to know that they can have it either way they want it. Of the many groundhog predictors around the country, some of them did see their shadows, while other groundhogs did not.

While we must wait another 3 weeks to see which groundhog is correct, few of us would suggest that there is really a connection between the actual outcome of the weather and this bit of folklore. Even a groundhog that has been fairly accurate over the years could hardly be relied upon as an infallible prognosticator of the change in seasons. The point being, that unless you are only gambling, there is more to being right then simply guessing the correct outcome. You have got to be right for the right reasons.

This is a point we would do well to keep in mind when we consider our budget and its effect on our economy. We have the largest budget deficit in the history of our Republic and the best economic performance in 30 years. But before we conclude from this that deficits do not matter or that we can simply grow out of this problem, we should remember that economists, like the groundhog, can occasionally be right for the wrong reasons.

Consider the following, that even with a 4-percent real growth rate, the budget submitted by the President for next year has a deficit of $230 billion with projected deficits of about that amount for the next 4 years. If the economy falters and a recession hits or even if normal growth occurs, this deficit will be much larger and its potential consequences much greater. Before we conclude that these deficits do not matter, we should examine the areas where their shadow is already being cast: On our trade deficit, on our overvalued dollar and on the faltering sectors of our economy. It may be that our economy is simply enjoying an unusual" February thaw" before the consequences of these massive deficits take full effect.

In this regard, I commend to my colleagues two articles, one by David S. Broder and the other by Hobart Rowen. Their discussion on the enormity of the deficit and the need for immediate action is both illuminating and instructive.

I ask that the two articles be printed in the RECORD.

The articles follow:

32.3, 36.7, 49.5, 65.8, 67.6, 111.1 . . .

(By David S. Broder)

WASHINGTON.—State of the Union speeches, if they are as good as President Reagan's was Wednesday night, are poetry. Budgets are prose—or, worse, numbers.

The State of the Union Message is where a president showcases everything that is going right, everything he hopes to accomplish. Budgets are where you sometimes have to confess that things are off track.

But there is nothing in the constitution that requires a president to advertise calamity. So Mr. Reagan, like his predecessors, hid it away, deep in the thickets of the budget document he put out last Monday.

Half of the scare story was tucked away in a table on page 157 of chapter five of the budget. The other half appears nowhere; you have to go into the past records to find it for yourself.

I am going to put down a series of numbers for you to look at: 32.3, 36.7, 49.5, 65.8, 67.6, 111.1. Here are four more: 130.4, 142.6, 152.9, 159.2.

I am not trying to be mysterious. The numbers measure the annual interest payments on America's national debt. Put a dollar sign in front. Put a billion behind. What they describe is a runaway locomotive.

The first six numbers, running up from $32 billion to $111 billion, represent the actual increase in the annual interest payment between 1979 and 1984. (Only the last number is included in Mr. Reagan's budget.) It has more than tripled. And the next four numbers, jumping from $130 billion to $159 billion, are Mr. Reagan's projection of the annual interest payments in the next four years.

Note that the rate of increase slows—since the Reagan budget assumes that "the 91-day Treasury bill rate (a key to the rate of interest the government pays) will "decline steadily from an average of 9.6 percent in calendar year 1984 to 5.9 percent in 1988." Set aside that blue-sky forecast and annual interest payments zoom to the $200-billion range.

Note, too, that even under Mr. Reagan's optimistic forecast, annual interest payments will have multiplied by five in 10 years.

And they will continue to soar, because, under Mr. Reagan's budget, even if every single one of his savings proposals is accepted by Congress (fat chance!) he would have us increase the federal deficit by $144 billion in 1988 and add proportionally to the annual interest bill.

The point is not complicated; it is just one that Mr. Reagan wants to keep secret: The deficit is eating us alive; it is running away with us.

And it cannot be cured on the spending side, even if you swallow all Mr. Reagan's medicine.

This is no big discovery on my part. Last September Senator Daniel P. Moynihan, the New York Democrat, wrote: "the interest deficit has begun to go out of control. In 1980 the Treasury spent $52 billion in interest payments. This year the bill will reach $111 billion. By 1989, $214 billion . . . what Lord Keynes called the 'magic of compound interest' works with debt as well as with savings. It starts slowly, then explodes."

That explosion is now happening. It will occur whatever Congress does with Mr. Reagan's proposed budget cuts—even if it accepts them all.

The explosion will go on until it ravages the value of the dollar—unless someone has the courage to say that Americans have to pay for the amount of government services they get. That is, unless someone says, "Raise taxes."

Mr. Reagan won't, because he promised not to. The Democrats won't, because Walter F. Mondale did, and he lost 49 states.

I am a political reporter, and I understand political realities. But I can also add and subtract. And since I am not running for anything, I can tell you what the politicians won't: Taxes have to go up.

The president's Council of Economic Advisers hinted at the truth in a report last Tuesday. The Wall Street Journal caught Senator Bob Packwood, the Oregon Republican who chairs the Senate Finance Committee, suggesting that it might be necessary to raise taxes, and it warned him, "We'll be watching."

If the cost of a weapons system or a welfare program were quintupling, everyone would say it was out of control. But interest payments are quintupling in a decade, and almost every politician looks the other way.

Why? Because they think the people will not accept tax increases. That is a strange assumption. Hidden away in Mr. Reagan's budget is a table showing that the tax increase passed by Congress in 1982 (in partial penance for the tax-cut orgy of 1981) brought in $36 billion in 1984 and will bring in $254 billion between 1984 and 1988. The 1984 tax bill will add $72 billion more in receipts.

Did those tax increases unleash a flood of new spending proposals? Did they abort the recovery, diminish investment incentives, trigger a taxpayer revolt or destroy the American way of life? Hell no; they just reduced the hemorrhage of red ink. But Mr. Reagan says taxes must not be raised, and he won 49 states, so that settles the matter. America has a president who believes in traditional values. All but one: He doesn't believe in paying his bills. And the Democrats are too scared to challenge him.

Our kids will pay for this folly.

THE DEFICIT: "POTENTIALLY LETHAL CANCER"

(By Hobart Rowen)

WASHINGTON.—There is a tendency in some quarters to scoff at the federal budget deficit. After all, the sky hasn't fallen, despite the huge deficits piled up by President Reagan. Thus political columnist Tom Wicker suggests (IHT, Feb. 7) that all the talk about deficits represents "hysteria along the Potomac." Mr. Wicker says the economy has been doing well and the deficit has been "a major stimulus to solid economic growth." So why worry?

Others who belittle the deficit problem, including some business lobbyists and unreconstructed supply-siders, point out that predictions of double-digit interest rates that would "crowd out" investment have not been borne out.

This all seems reasonable. But those who brush off the deficit are giving us, at best, a highly selective reading of the situation. Even top officials of the Reagan administration finally concede that the accumulated budget deficits are swelling at such a frightening pace that economic growth alone will not be enough to cut them back to safe levels.

Mr. Reagan skirted the issue in his State of the Union speech. But Budget Director David Stockman said bluntly, "The president realizes that this is the last opportunity to restrain government and to reduce its size."

A member of the president's Council of Economic Advisers, William Niskanen, put it plainly: "There is no way to avoid either present or future taxation for the current level of government services. It must be financed by taxes sooner or later . . . Borrowing only puts off the time in which the taxes have to be raised."

It is fallacious to assume that the economy is strong and healthy despite the deficits. The reality is merely that America has enjoyed a sharp rebound from a severe recession that left many important weak areas, as was pointed out recently by the president of the Federal Reserve Bank of New York, E. Gerald Corrigan.

The crucial fact is that the national debt is growing at a faster rate than is the economy. The debt is feeding on itself at progressively higher rates.

Interest to the national debt, according to a new report by the Congressional Budget Office, is the fastest growing component of the budget—swelling faster than Social Security payments or military spending.

Ten years ago, interest payments on the debt totaled a mere $23 billion, or 7 percent of the budget. By 1985, interest costs have soared to $130 billion, or 13.7 percent of the budget. That is why Mr. Niskanen called the deficit "a slow-acting but potentially lethal cancer that must be dealt with sooner rather than later."

President Reagan's budget document shows that the gross federal debt at the end of 1980 of $914 billion will double by the end of this year to $1.841 trillion. The portion of the debt held by the public has risen from 28 to 37 percent of GNP in this period. The CBO estimates that if policies are not changed, the debt will be 50 percent of GNP by 1990.

"Historical evidence provides little guidance for gauging the precise economic effects of peacetime deficits of such magnitude and duration, but *they clearly imply adverse consequences for long-run standards of living,"* the CBO said.

Mr. Niskanen, like the president, prefers to get the deficit down by cutting spending. "The arithmetic answer is that we cannot increase federal debt relative to the size of the economy indefinitely," Mr. Niskanen told reporters. "That ratio has got to stabilize, and the president's budget stabilizes that ratio by 1988 [at 40 percent]. But if that ratio keeps going up and going up, you either are going to have a progressive reduction of non-interest spending, or a progressive increase in tax rates. Now, that is an either-or. It doesn't say it has to be spending or it has to be taxes."

The answer to the charge of "hysteria" is simple: Sensible people who make few mistakes in arithmetic say that if it keeps on the way it is going, the government will soon have to abandon much of its normal operations just to be able to pay interest on the old debt, or raise taxes to pay all its bills—and raise them a lot. That would create a drastic "crowding out" of the private economy, and a recession of spectacular proportions.

The only reason this has not yet happened, says economist Stephen Marris, is that the United States has been importing vast amounts of capital from abroad at a pace three times greater than at any time since the Civil War. This cannot go on forever.

Is there no other choice? Yes, the Fed can crank up the printing presses, leading to hyperinflation. Remember the history of post-World War I Germany? Do American want to push wheelbarrows loaded with dollars to the grocery store for a bottle of milk and a loaf of bread? They may have to, unless Democrats and Republicans alike decide that the federal budget deficit is serious.●

THE OVERVALUED DOLLAR

● Mr. SIMON. Mr. President, a key element in the crisis that is being vis-

ited upon our farmers is the overvalued dollar—bloated in large part by runaway Federal deficits of the last few years—that serves as a de facto surcharge upon every product that the United States seeks to sell abroad.

Last year the United States accumulated a record $123 billion trade deficit, and the figure this year could well exceed that. These are not meaningless figures. They paint a picture of U.S. goods becoming less and less competitive in markets we have long dominated; of U.S. marketing networks withering and dying; of millions of our citizens losing their jobs.

Our farm and manufacturing sectors both suffer the punishing effects of the overvalued dollar, and perhaps no community in our Nation offers a better view of this relationship in microcosm than the Quad Cities of Illinois and Iowa. I commend to the attention of the Senate an article that offers a revealing analysis of this subject.

The article follows:

[From the Wall Street Journal, Feb. 22, 1985]

IN THE MIDWEST'S QUAD CITIES, CHEAP IMPORTS ARE BANE OF LOCAL FARM ECONOMY

(By Art Pine)

DAVENPORT, IOWA—Like many two-income American couples these days, Ted and Claudia Lushch have been on something of a buying spree since the economic recovery got underway.

Over the past year and a half, they have bought a microwave oven, a TV set, a camera, a bicycle, an iron, a calculator, a new set of china, a comforter, a fishing rod, a pair of eyeglasses, some games and dolls for their children and lots of clothing, including a blazer, a jogging outfit, boots and shoes, sweaters and shirts, hats and a scarf. To top if off, they are taking a rare midwinter vacation this year. "We're definitely spending more than we did a couple of years ago," Mr. Lushch says.

But the Lushches' burst of spending isn't all helping to sustain the U.S. recovery. The microwave, calculator, camera, china and blazer all were made in Japan; the iron came from Brazil; the shoes and eyeglasses from Italy; the hats from Britain; the jogging suit and some sweaters from Taiwan; the boots from South Korea; the shirts from France; and the games and a scarf from West Germany. And the vacation trip destination? Mexico. It is cheaper than going to Florida, Mrs. Lushch says, adding: "It really surprises you when you think about it."

ECONOMIC SHOCK

The imports and the overseas vacation trip reflect the impact of the superhigh dollar, which has made foreign goods cheaper—and more attractive—here in the U.S. and has made American products more costly abroad. Since its low point in mid-1980, the dollar has soared a breathtaking 53% on an index that is weighted according to U.S. trading patterns—and an average 100% against the currencies of the other major industrial nations. The jump is the biggest since 1931.

Flemming Larsen, international economist for Wharton Economic Forecasting Associates, calls the dollar's spectacular climb over the past 4½ years "one of the major international economic shocks of the past 20 years"—on a par with the series of oil-price rises in the mid-1970s.

"In some ways, the dollar's rise is causing a lot more fundamental structural change than oil," says Barry Bosworth, a Brookings Institution economist. "With the oil shock, except for those in the oil and gas business, the price rise affected everyone equally. Here, the dollar's rise has produced major distortions for specific countries and sectors. For those directly involved, the shock has been far more profound."

FUNDAMENTAL CHANGES

As the Lushches' buying list will attest, the dollar's recent rise has given foreign competitors another big plus: Even here in the Midwest, consumer resistance to foreign-made products finally has all but disappeared. "I don't think we even looked (at the labels), for the most part," says Claudia Lushch. "In some areas, it's hard to find an American product," Ted Lushch says.

Donald Keller, owner of a large local hardware store complex, agrees. "Two years ago, I'd say consumers here cared a lot, but now I don't think they do," Mr. Keller says. "You'd have a hard time finding anything made in America in some lines," he adds.

The strong dollar has fundamentally changed life for American corporations and consumers. It has helped keep inflation down, by absorbing excess demand and providing competition from lower-priced imports; brought consumers a wider choice; and made overseas vacations a bargain. It also has forced U.S. companies to make badly needed adjustments: Under pressure from foreign imports, many have taken major steps to trim production costs, slow wage rises, invest in new technology and improve their efficiency and marketing techniques. "To that extent, it's been something of a blessing," says Robert Lawrence, a Brookings Institution trade specialist.

A CHANGING LANDSCAPE

But the heightened competition has a more painful side. It has produced what Edward Bernstein, a Washington-based international economic consultant, calls "a divided economy." Although most of the U.S. is enjoying robust growth and general good times, industries directly affected by the dollar-exporters, manufacturers, agriculture and mining—are "in a true depression," with their market shares eroding rapidly and their profit margins severely squeezed, Mr. Bernstein asserts.

Paula Stern, who heads the U.S. International Trade Commission, worries that many of these changes have gone so far they will be difficult to reverse once the dollar declines. Some U.S. exporters have lost market shares abroad that they will be hard put to regain, and foreigners have gained a foothold in markets here. More ominously, U.S. firms have begun buying parts abroad or moving their production facilities overseas to take advantage of lower labor and materials costs—depriving the U.S. economy of those jobs. "It's changing the very landscape here," Ms. Stern asserts.

Walter Joelson, General Electric Co.'s chief economist, warns that five years of rising cost advantages have enabled foreign manufacturers to develop nationwide distribution systems in the U.S. that have all but guaranteed them the volume they needed to increase their production scale and to take advantage of state-of-the-art technologies. In one such example, Siemens AG, the giant West German electrical company, recently acquired the ITE circuit-breaker division of Gould, Inc., giving Siemens production and distribution facilities to make transformers in the U.S.

Import figures are staggering. Spurred on by the faster growth and higher demand in the U.S., the influx has produced a record $123 billion trade deficit for 1984—larger than the entire federal budget 20 years ago. Commerce Secretary Malcolm Baldrige predicts the red-ink figure could approach $150 billion this year. After adjustment for inflation, imports of goods now account for almost 15% of the entire U.S. market—up from 12.7% in 1983 and 6.3% 20 years ago.

In some sectors, the import gains have been even more dramatic. Imports of capital goods, for example, soared to 25.9% of the U.S. market in 1984, from 16.2% in 1980. There have been dozens of other surges. Imports of aluminum rose 112% in 1984; dolls and stuffed toys, 132%; bicycles, 67%. Even some high-tech industries, such as computers, haven't been exempt. Overall imports totaled $341.2 billion for 1984, up 26.4% from the previous year; by contrast, they were only $22 billion two decades ago.

What makes the dollar problem so acute is that the U.S. economy is more dependent on foreign trade now than it was even a decade or two ago. Ms. Stern points out that through the mid-1960s, imports and exports together amounted only to about 6.5% of the total economy. By the mid-1970s, trade accounted for 10%; today it's up to 12%. What's more, the U.S. no longer has the clear lead over Japan and Europe in technology, as it did just after World War II. And America faces new competition from developing countries such as Brazil, Taiwan and Korea in products such as steelmaking, aircraft, machine tools and electronics, which once were the province of industrialized nations.

Both the good and the bad are here to see in Davenport and the Quad Cities community—an area that includes neighboring Moline, East Moline and Rock Island, all in Illinois. Long an important manufacturing center, the area is home to huge farm-implement-making companies and the many machine shops and small manufacturing plants that help serve them. The economy here is built on agriculture; and for years, Quad Cities residents thought they were virtually immune from ordinary recessions. Today, unemployment is 13.5%, and Davenport's city administrator, Bruce Romer, says, "A major villain is the high dollar."

HARD-HIT FARMERS

Although the Lushches—he is a marketing director at an accounting firm, she a part-time bookkeeper—have benefited from a wider buying choice and lower prices, the strong dollar creates problems for most of Davenport's industry and labor force. To Quad Cities residents, by far the biggest victim is the local farm economy. The dollar's impact in depressing farm exports exacerbates farmers' difficulties with falling land prices and heavy debt.

That in turn is killing the area's farm-implement manufacturers. Giants such as Deere & Co. and International Harvester Co. have been laying off workers in the face of the farm problem. Other Quad Cities' manufacturers also have been hard hit. In late January, officials at Caterpillar Tractor Co.'s sprawling Mount Joy plant, one of the area's largest employers, announced their U.S. plants have become so uncompetitive that they decided to move production of four major product lines to Scotland and France. Over the next two years, 600 work-

ers here will lose their jobs. Caterpillar officials blame the high dollar, which has crimped export sales.

The recession and the high dollar have hit the Quad Cities hard. Since 1979, Deere, Harvester and Caterpillar have laid off 12,000 people in the area. Most will never get their jobs back. Reflecting on Caterpillar's decision to move overseas, Everett Hopping, the local United Auto Workers president, laments, "They used to export construction equipment. Now, they're exporting jobs."

I. Weir Sears Jr., president of a Quad Cities tractor-seat-manufacturing firm, is pondering a similar move. Only a few years ago, he recalls, his company—Sears Manufacturing Co.—had a clear edge in bidding to supply Caterpillar and the area's big farm-implement makers, but these days he has been overrun by competition from a firm in West Germany. "The strength of the dollar is giving them a 20% edge," Mr. Sears complains, "and we've done about all we can to cut costs." Last month, Mr. Sears reluctantly completed plans to shift part of his firm's production to a new site in Wales over the next two years. "Sad as it may seem," he says, "we're now at the point where we can make parts in Wales and bring them over here more cheaply than we can make them here."

LOSING BATTLE

The saga of Sterling Multi-Products Inc., of nearby Prophetstown, Iowa, is typical of many firms that have felt the dollar's impact here. Sterling manufactures medical instruments and tools such as forceps and scissors for removing surgical sutures. Over the past 24 months, the U.S. firm has fought a losing battle against import competition—this time from Pakistan.

"Two years ago, we were fully competitive," says Merle Nice, the company's president. But the dollar's unrelenting rise finally gave imports a price advantage. Sterling reacted quickly, slashing its own prices here at home, turning to cheaper—imported—steel and other raw materials and investing in new, more efficient production machinery. Mr. Nice already has spent $250,000 on new punch presses and milling machines and will add another $250,000 worth over the next six months. Workers have held down wage demands. Overall, Sterling has been able to cut its prices remarkably—almost in half.

Yet, largely because of the soaring dollar, the company's prices now are down only to where the import prices were a year ago—and the import prices have dropped further: The Pakistani product now sells for 8½ cents apiece, compared with 14 cents for Sterling's. And the foreign product has improved. "They're making an acceptable product now," Mr. Nice says. "Very honestly, I dont know what we can do anymore." Caught in a bind, Sterling is looking for other products to make. "We're going to try to go on to something else," he shrugs.

GUITARS FROM JAPAN

To be sure, in many U.S. industries, the inability to meet foreign competition isn't just a result of the high dollar. But it is clear that the dollar's recent rise has heightened the competition from imports and enabled new competitors to gain a foothold. Michael Beardsley, a Quad Cities music-store owner, recounts sadly how only a couple of decades ago U.S. guitar firms still had the edge in sales here. Then came the Japanese. By the early 1980s, Tokyo dominated the U.S. market. In many cases, Japanese guitars set the standard for excellence, Mr. Beardsley says, adding that "75% of what we sell is made overseas. Two years ago, it was only half."

The same is true for other products. In a large shopping center in nearby Moline, Ill., toy-store manager Dean Pemberton concedes that imports have virtually taken over the toy business. Surveying the dolls, games, stuffed animals and toy trucks all made in Europe or the Southeast Asian countries, he shrugs: "This place'd be three-quarters empty if they took them out."

The current surge of imports isn't expected to continue at these levels indefinitely. The U.S. economy had begun to slow from its 1983-'84 pace, and the European and Asian economies are on the rebound. So Americans' appetites for imports are likely to ease somewhat, while foreign demand for American-made products may be about to rise.

But almost no one expects the high dollar to turn around soon. Edward Yardeni, economist for Prudential-Bache Securities, predicts the U.S. currency will continue high because the markets perceive this is a good place to invest. Predictions for the dollar's decline show little more than a 5% to 10% drop over the coming year at most. For the moment, at least, the foreign competition seems here to stay.

ELEANOR ROOSEVELT AND THE UNITED NATIONS

● Mr. KENNEDY. Mr. President, this year we are, with great ceremony and fanfare, celebrating the 40th anniversary of the end of World War II. But, another anniversary approaches almost unnoticed—this year will also be the 40th year since the founding of the United Nations.

After the vast death and destruction of that tragic war, the United Nations represented the shining hope of mankind that we might, at last, work as an international community to resolve our differences through negotiations rather than through armed conflict.

One of the greatest accomplishments of the United Nations has been to "institutionalize international involvement in human rights." In an excellent speech delivered at Vassar College on the centennial commemoration of Eleanor Roosevelt's birth, former ambassador Richard N. Gardner eloquently explored that beginning, and the vital role played by Mrs. Roosevelt.

She began by confronting the Soviet representative on the question of the forced repatriation of wartime refugees. After winning that battle, she was elected to be the first Chairman of the Permanent U.N. Commission on Human Rights. She poked and prodded a widely diverse group into drafting a Universal Declaration of Human Rights that was "acceptable to all religions, cultures, and ideologies", and could be "readily understood by the common people of the world." Throughout the fall of 1948, during the crisis period of the Berlin blockade, she shepherded the declaration through 85 meetings of the Third Committee of the General Assembly until it was finally approved. At last, at 3 a.m. on December 10, 1948, the General Assembly approved the Universal Declaration.

Mrs. Roosevelt went on to serve our country at the United Nations until 1952. Mr. Gardner first met her as a graduate student come to watch the American delegation in action at the Palais de Chaillot in Paris. He requested and received permission to accompany her for several days in order to research a magazine article about her. In a February 12, 1952, article for the New York Times Sunday Magazine, he wrote of her powerful weekly broadcasts in French, "The United Nations This Week," which went out over French, Belgian, and Swiss networks. At a time when resentment against the United States was growing rapidly, her voice did more "to create goodwill for the United States in Western Europe" than that of any other American.

For all its shortcomings, the United Nations has made a major contribution to the struggle for human rights throughout the world. As Mrs. Roosevelt would say, we have come a long way toward "considering first the rights of man." Mr. President, I ask that the full text of Mr. Gardner's speech and his article entitled "'First Lady' of the Voice of America" appear at this point in the RECORD.

The material follows:

THE ENDURING HUMAN RIGHTS LEGACY OF ELEANOR ROOSEVELT [1]

(By Richard N. Gardner)

(Richard N. Gardner holds the Henry L. Moses Professorship in Law and International Organization at Columbia University. He served as Deputy Assistant Secretary of State for International Organization Affairs from 1961 to 1965 and as U.S. Ambassador to Italy from 1977 to 1981. His article on his first meeting with Mrs. Roosevelt appeared in The New York Times Sunday Magazine in 1952 under the title "First Lady of the Voice of America.")

On a gray afternoon in late December, 1945, the members of the United States delegation began arriving at a New York dockside to take the "Queen Mary" to the first session of the United Nations General Assembly in London. One by one the famous delgates drew up in black limousines, with motocycle escorts and sirens sailing, pausing as they emerged for popping flashbulbs, before boarding the austere ocean liner, still in its wartime garb as a converted troopship.

Among the celebrities were Senator Tom Connally, Democrat of Texas, Chairman of the Foreign Relations Committee; Arthur Vandenberg, of Michigan, the Committee's ranking Republican; one past and one future Secretary of State, Edward R. Stettinius, Jr., and John Foster Dulles.

With less fanfare, an extraordinary army of advisors to the delegation was also decanted at dockside that same afternoon—Ralph Bunche, Abe Fortas, Ben Cohen, Leo Pasvolsky, and Alger Hiss. Only the head of

[1] Lecture delivered October 15, 1984, at the Eleanor Roosevelt Centenary, Vassar College.

the delegation was missing—Secretary of State James Byrnes would fly to join the delegation in London.

A few hours later, after the excitement of these early arrivals had subsided, a small car driven by a friend quietly dropped off another member of the delegation—a tall lady dressed conservatively in black. She walked alone to the ocean liner and slowly mounted the gangplank. When she was halfway up someone noticed who the tall lady was—Eleanor Roosevelt, widow of the 32nd President of the United States.

When, earlier that month, President Harry Truman had asked Mrs. Roosevelt to serve on the American delegation to this critical first organizing session of the U.N. General Assembly, her first reaction, in her own words, was, "Oh, no! It would be impossible. How could *I* be a delegate to help organize the United Nations when I have no background or experience in international meetings?" But President Truman insisted and she reconsidered, seeing an opportunity to contribute to her late husband's main postwar goal—the establishment of a global organization to help maintain world peace.

That lonely walk up the gangplank of the Queen Mary was to transport Eleanor Roosevelt, in a way she could scarcely imagine, into a new world of international diplomacy. After thirteen years in the White House, where her tireless work on behalf of victims of poverty and discrimination had been overshadowed by the towering figure of FDR, she was embarking on her own on a new career which would one day earn her the undisputed title of "First Lady of the World."

It would be scarcely necessary to recall the essential facts of Mrs. Roosevelt's odyssey were they not all but forgotten by most Americans under the age of forty. Eleanor Roosevelt represented the United States at the United Nations from 1946 to 1952. During those six years the uneasy wartime alliance between the United States and the Soviet Union disintegrated into the open hostility of the cold war. At the very heart of the confrontation between East and West lay the issue of human liberty. Incredibly, it was to President Roosevelt's widow, a lady of 61 at the time of his death in 1945, a woman who had never held public office, a woman ridiculed and maligned from both right and left for her personal manner and political belief, it was to this woman that fell the task of being the West's principal spokesman in the United Nations in defense of the rights of the individual against the powers of the state.

Eleanor Roosevelt's story in these years can be seen as a tale of triumph for all those who sought to make a government's treatment of its own citizens a matter of international concern. It should also be seen, as Joseph Lash makes clear in his fascinating biography, Eleanor: The Years Alone, as a personal triumph of a woman overcoming a deeply-ingrained sense of insecurity through determination and hard work, proving herself in what at the time was almost exclusively a man's world, and winning in the end not only self-respect, but also the respect of others who refused at the start to take her seriously.

Mrs. Roosevelt's first days on the "Queen Mary" were not auspicious. The famous men on the delegation were polite but condescending, and made it clear that as far as serious business was concerned, she was so much surplus baggage. It was only well into the voyage that she learned from Senator Vandenberg that she had been assigned to the Third Committee of the General Assembly, the one dealing with social, cultural and humanitarian matters. She understood only too well what was going on. As she wrote later in her autobiography:

"I could just see the gentlemen of our delegation saying, 'Oh, no! We can't put Mrs. Roosevelt on the political committee. What could she do on the budget committee? Does she know anything about legal questions? Ah, here's the safe spot for her—Committee 3. She can't do much harm there!' "

But a funny thing happened when they got to the U.N. forum. Unforeseen by all, it was in Mrs. Roosevelt's Third Committee that simmering cold war tensions were first to erupt, capturing world attention and thrusting her into the spotlight. The issue was the forced repatriation of over a million wartime refugees—Ukrainians, Byelorussians, Poles, Czechs, Latvians, Lithuanians, Estonians, Spaniards and Jewish survivors of Nazi death camps. The Russians and their satellites insisted that the refugees be required to return to their homelands. Speaking for the United States, Mrs. Roosevelt insisted that every refugee must have the right to choose whether or not to return to his country.

Defeated in the vote on the Third Committee, the Russians brought the matter to the General Assembly plenary. Their spokesman was Andrei Vishinsky, prosecutor in Stalin's purge trials of the 1930's. Dulles and Vandenberg had misgivings about sending Mrs. Roosevelt into battle with Moscow's most skilled advocate, but by now Mrs. Roosevelt was the only American delegate familiar with the item. It was too late to replace her.

Late at night, before a tense General Assembly in London's Church House, Vishinsky declared that those refugees refusing repatriation were traitors and quislings—a tolerance for such people, he said, "is known in history by the name of Munich." Speaking without a prepared text, Mrs. Roosevelt answered Vishinsky in quiet, firm and simple language. Some European countries, which had gone through civil and international conflict might take a different view, she observed, but it was the responsibility of the United Nations "to frame things which will be broader in outlook, which will consider first the rights of man." One of her advisors was later to call it the most effective extemporaneous speech ever made by an American delegate to the United Nations. The General Assembly overwhelmingly affirmed the refugees' right of free choice.

The next morning, John Foster Dulles congratulated Mrs. Roosevelt: "I feel I must tell you that when you were appointed I thought it terrible and now I think your work here has been fine!" Mrs. Roosevelt commented wryly in her diary: "So—against odds, the women move forward, but I'm rather old to be carrying on this fight!"

It was only the beginning of Mrs. Roosevelt's duels with Russia's Grand Inquisitor on the refugee issue. At the resumed session of the General Assembly in New York in the fall, Vishinsky returned to the attack, labelling the refugees refusing repatriation as "fascists." Mrs. Roosevelt calmly replied that she had visited the refugee camps herself. "They did not appear to be fascists," she said. "They did not want to return because their country no longer belonged to them."

When she finished, the delegates applauded her in an unusual departure from diplomatic tradition. One New York Times reporter commented that the "Gibson Girl" has bested "the Commissar."

The Russians were not amused. Vishinsky was overheard to call Mrs. Roosevelt "that meddling old woman." Stalin reportedly threatened to appoint someone else Lenin's widow and bring her to the United Nations, "if that old woman doesn't shut up."'

Mrs. Roosevelt was gaining confidence. Women, she now felt, could do the job as well if not better than men. Of some of the famous men on the American delegation, she was forming a less-than-enthusiastic judgment. "These representatives of ours," she wrote in her diary, "don't build friendship for us. They have no confidence, so they are rude and arrogant and create suspicion. Honesty and friendliness goes down, but they haven't the technique." Writing a friend about their "foibles," she added: "I'm so glad I never feel important, it does complicate life!"

Mrs. Roosevelt had met the challenge of standing up to the Russians on the refugee issue, but her main work still lay ahead. In the spring of 1946, she had been asked to serve on a preparatory commission to establish a permanent U.N. Commission on Human Rights. In January 1947, after the permanent Commission had been established, Mrs. Roosevelt was promptly elected its Chairman. The lady who only a year before had complained that she had "no background or experience in international meetings" found herself responsible for drafting an "international bill of human rights" along with such formidable figures as Rene Cassin of France, Charles Malik of Lebanon, P.C. Chang of China, Carlos P. Romulo of the Philippines, and Alexander Borisov and Alexei Pavlov of the Soviet Union.

The seeds of institutionalized international involvement in human rights had been laid by FDR himself in his "Four Freedoms" speech to the Congress on January 6, 1941. There he had said that the postwar world order must be based on four essential freedoms—freedom of speech and expression, freedom of religion, freedom from want, and freedom from fear—"everywhere in the world." The Charter of the United Nations, in contrast to the League of Nations Covenant, made human rights a basic objective and a universal obligation. Article 55 of the Charter declared that the United Nations shall promote "human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion." In Article 56 all members pledged themselves "to take joint and separate action in cooperation with the Organization" for the achievement of these purposes.

This was all very well, but how was the Human Rights Commission to proceed? Many nations wanted the Commission to begin by drafting a Covenant on Human Rights—a treaty document legally binding on governments. Ever the pragmatist, Mrs. Roosevelt argued that a Declaration of Human Rights should come first—a nonbinding set of principles that could be promulgated quickly without waiting for the difficult process of treaty drafting and ratification. She feared that the U.S. Senate would balk at a treaty with formal legal commitments on how the United States should treat its own citizens. (In the light of the later history of Senate intransigence on the Genocide Convention and other human rights instruments, how right she was!) "The world is waiting for the Human Rights Commission to do something," Mrs. Roose-

velt pleaded; thus Declaration first, treaties afterward.

Mrs. Roosevelt finally won that argument, but it was only the beginning of her difficulties. The group that assembled to draft the Universal Declaration of Human Rights, as it came to be called, represented widely diverse cultural, philosophical, religious and political traditions. The Chinese wanted to base the Declaration on the philosophy of Confucius, the Catholics on the teachings of Sr. Thomas Aquinas, the liberals on those of Locke and Jefferson and the Communists on the doctrines of Karl Marx. In drafting sessions at her home in Washington Square, and in subsequent meetings in New York, Geneva and Paris, Mrs. Roosevelt insisted that the Declaration must be acceptable to all religions, cultures and ideologies. She also pleaded with the lawyers that the document must be readily understood by the common people of the world.

Not surprisingly, Mrs. Roosevelt soon found herself embroiled in more confrontations with the Russians. It was clear they meant something quite different by the terms "freedom" and "democracy." They wanted a provision after each article saying it was up to the State to determine whether or not a specific right was being observed. And they pushed for the inclusion of economic and social rights—rights to employment, education, health care—which they said were no less important than the political rights guaranteed in the U.S. Constitution. After some discussion, Mrs. Roosevelt persuaded a reluctant State Department to accept this latter Soviet proposal. Had not FDR, after all, once said that "necessitous men are not free men"? Had he not framed the postwar goal of "freedom from want"—"everywhere in the world"?

Despite this move to meet them part way, the Russians were now stonewalling. They had apparently decided that a Universal Declaration would not be to their liking and could be a postwar embarrassment. They made long vitriolic harangues on racial discrimination and unemployment in the United States. But Mrs. Roosevelt was not to be pushed around. In her autobiography she recounted with evident relish how she dealt with a Soviet delegate who was particularly insistent in such attacks: "He seemed likely to go on forever, but I watched him closely until he had to pause for breath. Then I banged the gavel so hard that the other delegates jumped in surprise and before he could continue, I got in a few words of my own. 'We are here to discuss ways of safeguarding human rights. We are not here to attack each other's governments and I hope the delegate of the Soviet Union will remember that when we meet on Monday. Meeting adjourned.' "

On another occasion, when a Russian delegate returned to the theme of the plight of Black Americans, Mrs. Roosevelt proposed that the Russians could send a team to observe racial problems in the United States if the U.S. could do the same in the Soviet Union. That effectively cut short the Soviet attack. "The Russians seem to have met their match in Mrs. Roosevelt," The New York Times observed. One State Department advisor marvelled: "Never have I seen naivete and cunning so gracefully blended."

Now Mrs. Roosevelt, determined to press the Declaration to completion, drove her U.N. colleagues mercilessly. There were twelve, fourteen, sixteen hour days, and some delegates may have secretly whispered the famous prayer ascribed to FDR: "O Lord, make Eleanor tired!" A delegate from Panama begged Mrs. Roosevelt to remember that U.N. delegates have human rights, too.

By the summer of 1948 the Universal Declaration had finally taken shape. Framed as Mrs. Roosevelt wanted, in simple and eloquent prose, it drew heavily on the American Bill of Rights, the British Magna Carta and the French Declaration of the Rights of Man. It consisted of a Preamble and 30 Articles setting forth the human rights and fundamental freedoms to which all men and women are entitled everywhere in the world without distinction.

Article 1 laid down the basic philosophy of the Declaration: "All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act toward one another in a spirit of brotherhood." Article 2 set out the principles of equality and non-discrimination in the enjoyment of human rights. Articles 3 through 21 laid down basic political and civil rights, including the right to life, liberty and property; freedom from torture or cruel, inhuman or degrading treatment or punishment; freedom from arbitrary arrest, detention or exile; the right to a fair and public hearing by an independent and impartial tribunal; freedom of thought, conscience and religion; freedom of opinion and expression; the right to peaceful assembly and association.

Articles 22 through 27 establish the economic, social and cultural rights to which "everyone is entitled as a member of society." These included the right to work; the right to social security; the right to equal pay for equal work; the right to rest and leisure; the right to a standard of living adequate for health and well-being; the right to education; and the right to participate in the cultural life of the community.

Not intended to be legally binding on governments, the test was, in Mrs. Roosevelt's words, "a declaration of basic principles of human rights and fundamental freedoms to be stamped with the approval of the General Assembly and by formal vote of its members and to serve as a common standard of achievement for all peoples of all nations."

But would the General Assembly approve the Declaration? When it convened in Paris in the fall of 1948, the East-West confrontation had reached a new level of intensity. The Soviets were blockading Berlin. Communist parties were in open and frequently violent opposition in France and Italy. Communist trade unions led a wave of strikes throughout Western Europe. Speaking in French at the Sorbonne, Mrs. Roosevelt told a crowd of 2,500 that the Russians' failure to respect human rights was now a major obstacle to world peace.

At the insistence of the Soviets, and with the support of other nations, the Third Committee of the General Assembly decided to debate and vote on the whole Declaration article by article and line by line—"exactly as though," Mrs. Roosevelt complained, "it was all an entirely new idea and nobody had ever looked at it before." This required 85 meetings until finally the Committee approved the Declaration and forwarded it to the Assembly plenary.

On December 10, 1948, at 3:00 in the morning, the General Assembly finally approved the Universal Declaration by a vote of 48 in favor, none against, and eight abstentions (the Soviet Union and its satellites, Saudi Arabia, and South Africa). The delegates rose to give Mrs. Roosevelt a standing ovation. Charles Malik observed: "I do not see how without her presence we could have accomplished what we actually did accomplish."

With the adoption of the Universal Declaration, Mrs. Roosevelt reached the height of her popularity in the United States and the world. She was proud of her role in shaping the Declaration; indeed, she considered it the crowning achievement of her life. Yet all the honors and awards that followed never altered her simplicity and modest lifestyle. When large crowds surrounded her she would remark with her toothy smile: "People are so interested in the United Nations!" Though she was writing a daily newspaper column and was in constant demand for speeches and interviews, she continued her close friendship with U.N. delegates and Secretariat members. She preferred the U.N. cafeteria to the more elegant Delegates' Dining Room. On her 65th birthday, in 1949, she was in line alone holding her tray in the U.N. cafeteria.

Mrs. Roosevelt's last years as Chairman of the Human Rights Commission were devoted to the drafting of the human rights treaty that, it had been agreed, would follow the Declaration. As she foresaw, this was to be a complex and time-consuming endeavor. At her initiative, the Commission decided to break the task into two and to draft separate Covenants—one on Political and Civil Rights embracing the traditional freedoms guaranteed in Western societies, the other on Economic, Social and Cultural Rights, which lend themselves less readily to enforcement than to long-term planning and promotion. These Covenants were completed by the United Nations in 1965, three years after Mrs. Roosevelt died. As she foresaw, they would cause problems for the United States. Although President Carter eventually signed them, they have never received the advice and consent of the United States Senate.

The Presidential election of 1952 brought Mrs. Roosevelt's service at the U.N. to an abrupt end. Although her five-year term on the Human Rights Commission had several years to run, President Eisenhower accepted her resignation even before he was inaugurated and lost no time appointing her successor. The new Secretary of State, John Foster Dulles, quickly announced a new U.S. human rights policy. Henceforth, he said, the United States would no longer participate in the drafting of human rights treaties and in no circumstances would it ratify any of them. Instead, it would support only U.N. studies and advisory services on human rights questions. It soon became clear that, with Mrs. Roosevelt's departure, the United States would abandon its leadership role in the promotion of human rights not just in the United Nations, but more broadly in the world.

But Mrs. Roosevelt's legacy of U.S. human rights leadership was not eclipsed forever. With the arrival of the Kennedy Administration in 1961, many who had known Mrs. Roosevelt and shared her vision were back in high office—Adlai Stevenson to the United Nations and Dean Rusk at the State Department. The Department's Bureau of International Organization Affairs, of which this writer was now fortunate to be a part, pressed successfully to reverse the Dulles policy. The United States resumed its former leadership role in the drafting of human rights treaties and even began ratifying some of them—the Slavery and Forced Labor Convention, for starters. And out of the Kennedy Administration came a bold new idea for the practical implementation of human rights standards—a U.N. High Commissioner for Human Rights, a kind of global ombudsman who could investigate

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violations of human rights and bring them to the attention of U.N. bodies.

Although blocked for years by the Soviet Union and some Third World nations, the High Commissioner proposal has gained renewed momentum and stands a good chance of adoption at one of the next sessions of the General Assembly. But even without the High Commissioner, the U.N. Human Rights Commission and its Subcommission on Discrimination and the Protection of Minorities are now regularly examining individual complaints of human rights violations and expressing judgments on national actions which constitute a "persistent pattern of gross violations of human rights." And, perhaps most important, human rights has become a major item on the foreign policy agenda of the United States and of other countries around the world.

Thirty-six years have now passed since the adoption of the Universal Declaration by the General Assembly. It has been published in the native languages of all countries, serving as a rallying point for such diverse victims of oppression as Lech Walesa in Poland and Nelson Mandela in South Africa. It is used as a yardstick to measure governmental performance both by U.N. bodies and non-governmental organizations like Amnesty International and the International League for Human Rights. It has influenced the drafting of the constitutions and the legislation of many states. It has been the main source of inspiration for more than 20 legally-binding international human rights treaties now in force and for regional human rights institutions in Europe and Latin America. It has been cited as evidence of emerging customary law by the International Court of Justice and, increasingly, national courts, including those of our own country.

If Mrs. Roosevelt were with us today, what would she have to say about the state of human rights in the United States, in the United Nations, and in the world at large? What would she have to say about U.S. policy toward the Soviet Union, after all her bruising encounters with Soviet representatives at the U.N.? Answers to such questions are speculative and subjective, at best, but having read almost everything written by Mrs. Roosevelt or written about her, I am tempted to try.

First, she would be immensely pleased by the gains for human rights in the United States—the march toward equality of Catholics, Jews, Blacks, Hispanics and other minorities, even while recognizing that our progress is still incomplete. And, of course, women. Eleanor Roosevelt helped open the door for Geraldine Ferraro, Diane Feinstein, Sandra Day O'Connor, Elizabeth Dole, and countless other women who are unconscious beneficiaries of trail-blazing actions for which Mrs. Roosevelt was mocked in her time. As Congressman Neil Stabler said after her death in 1982:

"She made us all aware that what a woman thinks and what a woman does are important—to herself, to her family, and to the whole community. In the rest of the world and especially in those areas where women are still treated as chattels, she became a symbol of hope for women who are reaching out for recognition as human beings."

Second, she would be saddened, but not entirely surprised, by the widespread violations of human rights still going on around the world. She always insisted that the real test was not what a nation said in the U.N. for all the world to hear, but what it did at home for all the world to see. "It is not just a question of getting the [Human Rights] Convenants written and accepted, "she told U.N. delegates. "It is a question of actually living and working in our countries for freedom and justice for each human being."

Third, she would feel betrayed by the U.N.'s distortions and double standards in dealing with human rights complaints. A strong supporter of Israel, she would have been appalled at the General Assembly resolution equating Zionism with racism. She would protest that U.N. bodies regularly denounce Israel, South Africa and Chile while ignoring Cuba, Vietnam and the Soviet Union. She would insist that the Declaration of Human Rights, like our Constitution, is color-blind: That the U.N. must consider not only how white men treat black men, but how white men treat white men, how black men treat black men, and how black men treat white and other minorities in their midst. At the same time, having a long-term vision, she would take some satisfaction that recently the U.N. has been willing to take up the cases of Poland, Afghanistan, and even the plight of Andrei Sakharov.

Fourth, I believe Mrs. Roosevelt would be troubled by the double standard in human rights adopted by the Reagan Administration. "But surely," I can hear her saying, "a person on the rack doesn't much care whether he is being tortured by an 'authoritarian' or a 'totalitarian' regime!" She would wonder aloud at the folly of our ever imagining that right-wing dictatorships like the military junta in Argentina could ever be reliable allies. She would remind us that FDR called upon us to work for human rights "everywhere" in the world.

Fifth, I think Mrs. Roosevelt would differ profoundly with the confrontational style of current American diplomacy—both at the United Nations and more generally in the world. Not that she was "soft" on Communism or on the Russians. Although William Buckley called her "a woman of perilous intellectual habits," her record at the U.N. demonstrated her unqualified rejection of Communism and her firmness toward the Russians. She supported NATO and the buildup of our postwar military strength, and she met with Khruschev in Sochi in 1957, she took him to task for Soviet repression in Eastern Europe. Communist subversion in the Third World, the Soviet arming of Arab countries against Israel and Soviet limits on Jewish emigration. She used to say that the only thing that tried her patience more than dealing with the Russians was dealing with her own family.

But she was, as Joseph Lash put it, a "reluctant cold warrior," not an avid one, and there is an important difference. She wished to explore every honorable avenue of East-West understanding in the mutual interest of both sides. She was never self-righteous, didactic or strident in her U.N. speeches. She sought to understand her adversaries. She respected diversity. And she made every delegate she met, whether she agreed with that delegate or not, feel as if he was her friend.

"The world," she wrote, "cannot be understood from a single point of view. I keep repeating this because this is one of our blind spots as Americans."

When I first met Mrs. Roosevelt towards the end of her career as a U.N. diplomat, she told me she was growing more and more concerned about whether American leadership and American public opinion would maintain a balance in responding to the Soviet challenge. It was in Paris, in the winter of 1951-52. The Sixth General Assembly was meeting, and when Warren Austin fell ill Mrs. Roosevelt was asked to lead the American delegation.

I was on mid-term vacation from Oxford where I was working on a doctoral dissertation in economics. I confess now that, like many nascent academics, I was not free from intellectual snobbery. I was skeptical that Mrs. Roosevelt could adequately represent our country in the dangerous and complex confrontations with the Russians. I went to the Palais de Chaillot to see her in action.

I became so impressed by Mrs. Roosevelt's performance as chief U.S. delegate that I determined to write an article about her for an American magazine. But to do so I had to spend some time with her. Her press secretary understandably saw no need to give a favorable response to this request from an unknown 24-year old graduate student. But I took my case to Mrs. Roosevelt as she emerged from a U.N. committee room one day, and she said yes.

During the next days she permitted me to accompany her on all of her activities—her weekly radio broadcast to the French people, her speeches in U.N. committees, her press conferences with U.N. journalists, her meetings with dozens of foreign delegates. At the end of our last day together, I thought she looked terribly frail, vulnerable, and, yes, tired.

The Eisenhower Republican wave was rising at home, and so was McCarthyism. Stimulated by Russia's brutal suppression of freedom in Eastern Europe and by the Russian-encouraged Korean War, a virulent American nationalism was on the rise, coupled with widespread disillusionment with the United Nations and with U.S. efforts at international cooperation. Mrs. Roosevelt's way of seeing the world—emphasizing not only firmness in dealing with the Russians but also a pragmatic search for cooperation based on mutual interest—seemed suddenly threatened.

I wanted to comfort her, and I said something about what a great job she had done that day explaining the American government's position in the United Nations.

She looked at me with her shy smile. "Thank you," she replied. "But sometimes I think there is an even bigger job ahead of me at home."

"First Lady" of the Voice of America

(By Richard N. Gardner)

One Sunday last fall, shortly after the United Nations General Assembly opened in Paris, millions of families in Western Europe were listening uneasily to the evening news broadcasts. Western delegates, they heard had warned of "evil" men who plan "aggression." Soviet delegates had "laughed" at Western peace proposals.

Then, suddenly, the listeners heard a strange new voice. It was an American voice, but it spoke to them clearly in careful French. It was a high voice—it even broke in places—yet somehow calm and soothing. As it spoke the clamor of controversy and the threat of war faded slowly to the background.

"I am speaking to you today," the voice said, "from the Palais de Chaillot, where the sixth session of the General Assembly is taking place. I have been asked to tell you, from time to time, what I think of the work we are doing here and why we of the United States delegation believe that these meet-

ings are so very important. I think what you want to know—especially you women of post-war Europe—is whether you shall be able, tomorrow, to tell your children that peace is, at long last, a reality. * * * I believe peace is something you must cultivate with great care and tenderness * * * We have come to Paris to present a program for peace."

In response to such broadcasts this magnetic speaker attracted such comments as these:

"With fervor and deep emotion," wrote a mother in Vannes, "we have listened to your warm, persuasive voice. You are where you belong, at the Palais de Chaillot, where the fate of peace is being debated. I wish I could come to Paris to see you and listen to you."

"I listen with considerable attention," wrote an old woman in Paris, "to your kind words which are restful, hopeful and give us such good advice."

One listener expressed his admiration in a poem:

When over the airwaves, your voice reaches us,
The whole country hastens to hear your words,
For you are able to rid us of our doubts * * *
And lead us to the goal, away from fear and strife.

The voice is that of Mrs. Franklin Delano Roosevelt. It is a voice, Europeans will tell you, that in recent months "has done more to create goodwill for the United States in Western Europe" than that of any other American.

The idea to put Mrs. Roosevelt to work in this way as a spokesman for peace and freedom can be credited to Fernande Auberjonois, head of the French desk of the Voice of America. Early last fall members of the Voice staff were looking for someone to establish a link between America's U.N. delegation in Paris and the French public. To Auberjonois there was only one logical choice. Mrs. Roosevelt had assets possessed in Europe by no one else—a beloved and respected name, a reputation in her own right as a diplomat and a fighter for social justice, and a simple feminine manner which would appeal to the average listener.

Yet her task was formidable. Resentment against the United States had increased rapidly in recent months. She was going to face an audience of at least fifteen million listeners. For the Voice had succeeded in getting the peak listening hour on French, Belgian and Swiss networks, 8:15 to 8:30 Sunday evening, right at the end of the main news program.

Any doubts that Mrs. Roosevelt could handle the job were quickly dispelled by the first broadcast. The French-speaking listeners were surprised and pleased to hear her speaking to them in their own language. They liked the way she explained complex issues in terms everyone could understand. Most of all, perhaps, they liked her restrained, quiet manner of discussing the world crisis. And since she was frank enough to engage in self-criticism, they didn't mind so much if she criticized them a little.

Soon the demand for Mrs. Roosevelt grew. Other countries wanted talks on the U.N. Switching languages as one might switch gears, Mrs. Roosevelt did broadcasts in German, Spanish and Italian. At the same time the regular French broadcast, "The United Nations This Week," was beamed back to the United States for rebroadcast to countries behind the Iron Curtain.

As time went on Mrs. Roosevelt was asked to do extra broadcasts in French to supplement her weekly talks. At Christmas, for example, she was "interviewed" by five little French children from Montmartre, all of them dressed in the traditional costumes of the French Revolution.

"Madame Roosevelt," asked one young man breathlessly, "does Père Noël come down the chimney in America, too?" Mrs. Roosevelt assured him that he did. She supplied additional data on Santa's looks, costume, and reindeer.

"Madame Roosevelt," piped a darkhaired little girl who had to be helped up to the microphone, "do you have punishment in America when you're not good?"

"Oh, no," she replied, shaking her head for emphasis. "Daddy just tells his children that if they're bad Santa Claus won't bring them any presents."

The children were completely won over. When, at the end of the "interview," Mrs. Roosevelt went on to do her weekly broadcast, they just stood in the sound booth and gaped.

This ability to communicate with all audiences on all levels has made Mrs. Roosevelt the most demanded of all American speakers in Paris, not only for radio broadcasts but for personal appearances. One of the most successful talks was before the Young Friends of Liberty, an anti-Communist youth group. For some time many of America's best brains had been looking for a formula which would dramatize the difference between the Western and Soviet disarmament proposals. A few days before her speech, while lunching with President Auriol of France and his son, Mrs. Roosevelt was asked to explain the points of disagreement. Without any preparation, she hit upon a simple metaphor.

"That's wonderful." M. Auriol explained. "Why don't you say that in your speech?" Mrs. Roosevelt did. It came out like this.

"This in my right hand, is the stuff that threatens destruction. This, in my left hand, is the paper pledge to prohibit the use of it in a bomb. Now I ask you: Do you want the signatures of Foreign Ministers on this piece of paper, or do you want the United Nations to control this stuff? Which will be more effective in prohibiting its use for destructive purposes?"

To many that was the most concise and effective statement of the western case on disarmament made during the session of the General Assembly now drawing to a close. One of the best testimonials to Mrs. Roosevelt as an effective spokesman for America has been the bitter attack on her in the Communist press.

Perhaps the most significant letters Mrs. Roosevelt receives are those that are neither entirely pro-American nor entirely pro-Communist. These reveal a sincere skepticism and a groping for assurances about American policies.

One listener asked: "When you speak of human rights and respect of the individual, do you include Negroes too? P.S.—I am not a Negro."

It is to the authors of these letters that Mrs. Roosevelt's words are primarily directed. It is on them that they can have their greatest effect. Many people in Europe, Mrs. Roosevelt feels, are genuinely "afraid" of the United States. Many of them have been impressed by Soviet propaganda that American rearmament offers the greatest danger of a new war. The only solution, she believes, is to "keep repeating assurances of our peaceful intentions."

The Voice of America has already decided to ask Mrs. Roosevelt to continue her broadcasts to Europe when she returns to the United States. She feels an important task still lies before her in explaining the attitudes of people in Europe and Asia to people in the United States. She says this is at least as important as making those in Europe and Asia understand American policies.

"Sometimes I think there is an even bigger job ahead of me at home."●

THE AMERICAN RESPONSE TO AFRICAN FAMINES

● Mr. HEINZ. Mr. President, the famines that continue to engulf the poverty-stricken countries of sub-Saharan Africa are among the gravest crises facing the world today. This tragic situation has reached catastrophic proportions; it is estimated that as many as 14 million Africans currently face starvation. Because we are blessed with abundant agricultural resources and the most productive farmers in the world, I believe we have a humanitarian responsibility to help alleviate the human suffering caused by this huge catastrophe.

I am pleased to note that the United States is leading the world in response to this massive suffering. Over one-half of all food aid to sub-Saharan Africa is provided by the U.S. Government, which is in addition to the massive support provided by private American relief organizations.

During the last year, the Congress provided $150 million in emergency food aid to Africa, in addition to the regular food aid programs. Nevertheless, this clearly is not enough to alleviate the amount of suffering which currently exists. I feel that the recent U.S. pledges of additional emergency aid are a giant step in the right direction. Since October 1, 1984, over 1.8 million tons of food, valued at $588 million, have been approved for delivery to sub-Saharan Africa. This is more than half of the estimated 3 million tons of food which will be needed in the region and does not include U.S. donations under multilateral programs, such as the U.N. World Food Program. Combined with the regular food aid and disaster relief programs, the official U.S. contribution by the end of this fiscal year will total more than $1 billion.

The humanitarian response from private U.S. groups and individuals should also be a source of considerable pride for all Americans. A recent appeal for volunteers has resulted in 6,000 Americans requesting to join the Peace Corps to go to Ethiopia and help the relief organizations. By early January, over $90 million had been donated for famine relief to Ethiopia by private citizens and the money continues to roll into the private relief organizations at a record pace.

Volunteers for private relief agencies are working in the most remote parts of Africa to help deliver food and medical supplies. These brave and generous Americans are enduring extreme hardships so that they can save the lives of others. This is the true spirit of America and the values for which it stands.

Unfortunately, the massive amounts of emergency food aid to Africa are only a Band-Aid approach to Africa's food crisis and will do nothing to prevent the famine from recurring. Beyond the obvious short-term responses, I feel it is imperative that we ascertain the underlying causes of this tragedy in order to prevent future famines.

Of course, there is no simple cause to such a massive and complex problem. Drought, population growth, economic and social policy mismanagement, and in some cases such as Ethiopia, the failure of Marxist-styled agricultural policies, have all played a part in bringing about this tragic famine.

In addition to the emergency programs, I believe a long-term U.S. commitment to improving the economic and agricultural conditions in these underdeveloped nations is necessary so that these tragic famines do not recur. In this area, the President has recently established two initiatives which I feel deserve close congressional attention.

First, the African Economic Policy Initiative was proposed by President Reagan last year and the Congress, with my support, provided $75 million for the first year of this program. This initiative is designed to provide additional support for African nations which attempt to establish growth-oriented economic policies and reforms necessary to improve their agricultural productivity. I will also strengthen the effectiveness of international assistance programs by improving the coordination of these programs at a more local level.

Second, the administration has endorsed the concept currently known as Food for Progress. This program seeks to bring about reform in the key agricultural sector by offering additional food aid to countries which work toward establishing free market approaches in production, pricing, and distribution of agricultural products. While the details of this proposal are still being developed by the administration, I look forward to its introduction in the Senate in the near future.

Mr. President, the country most severely hit by catastrophic famine has been Ethiopia. Almost all Americans have been shocked and horrified by the ghastly news and pictures coming from this troubled nation. Fortunately, media attention has helped to focus the worlds attention upon this vast and tragic situation.

The United States response to the Ethiopian tragedy has been phenomenal. Over 200,000 tons of food, worth almost $115 million, have been provided since October 1, and are being distributed by private voluntary organizations and the U.N. World Food Program. This is a tremendous increase over the level of aid given in fiscal year 1984, when the United States provided only 41,000 tons of food at a cost of $17.3 million for the entire year.

This massive humanitarian effort has continued despite open hostility from the Communist Ethiopian Government toward the United States. Although the United States famine relief effort is barely recognized by the Ethiopian Government, the people of that country realize the tremendous generosity of Americans and have expressed their appreciation to the many volunteer relief personnel working there. People all over the world can see that this United States generosity is a stark contrast to the aid the Soviet Union has provided over the past years: military equipment, Soviet ideology, and a general indifference to human suffering.

One of the more disturbing aspects of the famine relief program has been the indifference shown by the Ethiopian Government toward its own starving citizens, especially those living in the northern sections of the country. This area is currently controlled by rebels fighting for independence from the Marxist government. As a result of this conflict, the Ethiopian Government has refused to allow emergency shipments of food to reach the innocent people starving there, who are being used as pawns in a political struggle.

This apparently intentional starvation of a country's own people is reprehensible and totally unacceptable. The United States should continue to insist that all food-carrying vehicles be guaranteed what is known as safe passage—which is similar to granting the Red Cross access to the whole country—so that all needy Ethiopians can receive the food which we have donated.

Mr. President, over the years, America and her people have demonstrated time and again their willingness to sacrifice for worthy humanitarian causes. This crisis, of such large and horrible proportions, has required the United States and other nations of the world to rise past emergency efforts and to ignore political differences to help alleviate human suffering. We have risen to this challenge quite admirably. But after the story of these tragic famines has left the front pages and the evening newscasts, we must be certain the United States remains the world's leader in providing both emergency and long-term aid to sub-Sahara Africa.●

THE VALIANT STRUGGLE OF THE KOREAN PEOPLE FOR HUMAN RIGHTS

● Mr. HARKIN. Mr. President, on Tuesday, January 29 the Center for International Policy and the North American Coalition for Human Rights in Korea sponsored a testimonial luncheon in the Dirksen Building for South Korean political opposition leader Kim Dae-jung just prior to his return to his homeland. Some 90 Washington leaders of human rights organizations and friends of South Korea were present to honor Mr. Kim and to wish him a safe journey home to participate in the restoration of democracy in that troubled country. We now know that Mr. Kim's return was hardly "trouble-free" as our State Department had vainly hoped. But judging by the National Assembly elections which followed, it did give the electorate a tremendous boost in their fight for representative government.

At the luncheon, Donald L. Ranard then director of the center and a former director of the office of Korean affairs in the Department of State spoke of the valiant struggle of the Korean people for human dignity since the beginning of this century. Mr. Ranard's remarks remind us of the link between human rights and national security, and the importance to our image abroad of speaking out in the cause of human freedom.

Mr. President, I request that Mr. Ranard's remarks at the luncheon be printed in the RECORD.

The remarks follow:

REMARKS BY DONALD L. RANARD AT A TESTIMONIAL LUNCHEON FOR KIM DAE-JUNG

For the greatest part of this century Korea has been synonymous with the struggle of a people for human dignity. Nowhere has this struggle been more persistent, more marked by courage and bravery, and against greater adversities. It has been fought against a background of a forty-five-year cruel occupation by Japan, a bitter war of aggression from the north, a twelve-year oppressive rule by Syngman Rhee, eighteen years of increasingly authoritarian government under General Pak Chong-hee and now the continuing repressive rule of still another military government that similarly lacks essential legitimacy.

In this struggle, U.S. foreign policy towards Korea has been characterized by ambivalence in distinguishing between its own national security and human rights—as though these interests were unrelated. Our policies toward Korea have seen examples of both shameful retreat from our own values as well as great dedication to principle.

In 1895 when a Japanese-inspired revolt deposed the Korean king and murdered the Korean queen, Secretary of State Olney instructed the American Minister Resident in Korea to refrain from becoming involved in internal affairs. "Confine yourself", he said, "strictly to protection of American citizens and interests." This timidity continued to earmark American diplomacy throughout the Japanese occupation. At one point in 1919 when Korean nationalism brought

about resistance to Japanese authority, our consulate in Seoul was instructed "not to do anything which may cause Japanese authorities to suspect the American government sympathizes with the Korean nationalist movement."

And yet there were truly heroic moments as when the United States went to the defense of South Korea in 1950 in a bitter war which ultimately cost our country some 50,000 young men and billions in economic and military assistance.

And certainly another historic moment occurred in 1960 following a grossly corrupt election when our embassy in Seoul acting on its own initiative put itself squarely on the side of the Korean people by publicly calling for the "settlement of justifiable grievances." And again in 1961 when our embassy openly opposed—again on its own initiative—the coup that brought General Park Chong-hee to power. Marshall Green, the diplomat responsible for those acts and statement, both unprecedented in American diplomatic history—is with us today—and I should like you to know of his role.

There were other great moments as well. Like for example the prompt action taken by the State Department in 1973 to frustrate the KCIA kidnapping plot against Kim Dae-jung and save his life in what certainly was an assassination plot. Wes Krieble, the State Department officer who played a large role in that action is also here today.

Looking back over the pages of our diplomatic relations with South Korea, it is clear no one American political party is due greater praise or deserving of greater blame. It was a Democratic president who courageously acted to defend Korea in 1950. It was a Democratic administration that failed to act forthrightly at the time of the Kwangju massacre in 1980. It was a Republican Secretary of State, Christian Herter, who in 1960 called in the Korean Ambassador and bluntly told him that the repressive measures in his country were "unsuited to a free democracy." And then handed out his remarks to the press. Strong action and words worth recalling whenever we listen to the advocates of so-called quiet diplomacy. And it is a Republican administration now that limply hopes Kim's return will be "trouble-free."

I have recalled these events because they remind us that there were proud moments in the history of our relations with Korea when diplomats advanced our country's interest in freedom, and other moments when they were blind to the importance of human rights to our own national security. The image of our country is never higher than when our representatives have the courage of their convictions, and never lower than when they evade their responsibility for speaking out.

So much then for the background against which today's luncheon is being held. We meet today to honor a man who stands as a giant in the history of the Korean struggle for human dignity. No other Korean I know has sacrificed more in defense of liberty, and none has done so against greater risk to life and safety. He is deserving of our respect and our support in his crusade, and I am pleased you have joined us today in this testimonial to his courage.●

ARMS CONTROL ILLUSIONS

● Mr. SYMMS. Mr. President, the American people must know the truth about Soviet arms control violations, and the implications of these violations on our national security. There is a faction within the administration that resists disclosure of Soviet violations while promoting arms control as a public pacifier, unwilling to admit that the era of SALT has only resulted in unilateral disarmament on the part of the United States.

This President believes, unlike the men who have preceded him in his office, that he may be able to achieve a mutural, verifiable arms control agreement that will enhance stability, and contribute to the lessening of world tensions. But the odds are heavily stacked against him. The United States, unlike the Soviet Union, has to contend with heightened public expectations, with a Congress seeking to eliminate critical strategic programs which have brought the Soviets back to the talks, with a Soviet-manipulated worldwide peace movement, and with a media all too anxious to blame the United States for refusing to relent to Soviet negotiating pressures.

Norm Podhoretz, in the January 24, New York Times, wrote an excellent article exposing the arms control process for what it really is—"the great superstition of our time." Mr. President, I ask for unanimous consent to include this incisive piece, "Arms Control Illusions" in the CONGRESSIONAL RECORD.

ARMS CONTROL ILLUSIONS

(By Norman Podhoretz)

Even some enthusiasts of arms control acknowledged that there was something almost dementedly disproportionate in the coverage, by the press and television, of the Shultz-Gromyko meeting in Geneva. What troubled these enthusiasts was the danger that excessive expectations might be aroused—hopes that would then lead to disappointments that would in turn bring discredit upon the entire process of arms control negotiations. But what if the journalistic treatment of Geneva in fact inadvertently exposed a truth about the illusions surrounding arms control that have taken root in our political culture in general?

These illusions rest on the idea that by negotiating with the Soviet Union we can not only cut down the size of the arsenals on both sides but that we can also render them less threatening, thus increasing stability and reducing the risk of nuclear war. By now, this idea is so widely taken as intellectually and morally self-evident that anyone who questions it is treated with incredulity and outrage. Nevertheless, there is virtually no evidence to support the faith in arms control and a great deal of evidence that makes it seem altogether irrational.

Consider the historical record. In the 1920's and 1930's, a similar belief in disarmament produced a series of agreements between the Western democracies and their totalitarian enemies of that period, Japan and Germany. The best that can be said for these agreements is that if their purpose was to prevent the outbreak of war, they obviously failed. The worst that can be said—and it has been said by the former director of the Arms Control and Disarmament Agency, Eugene V. Rostow—is that they had the opposite effect of helping to bring on World War II "by inhibiting the possibility of military preparedness . . . through which Britain and France could easily have deterred the war."

Most students of the period accept this assessment, but some simultaneously argue that the invention of nuclear weapons has created a greater incentive to disarmament than existed in the pre-nuclear age. Yet the arms control agreements of the nuclear age have never made good on their promise of reductions in the quantity of nuclear arsenals. Take, for example, the Test Ban Treaty of 1963, one of the proudest achievements of the arms control process. It may have driven the testing of new nuclear weapons underground, but it has diminished neither the number of tests nor the number of new weapons developed through such tests.

Nor have the limitations established by negotiation realized their promise of greater stability. Thus the placing of more than one warhead on a single missile, now regarded by almost all arms control enthusiasts as destabilizing, was itself a product of the first strategic arms limitation treaty, which restricted the number of missiles rather than the number of warheads.

The arms control agreements of the nuclear age also resembled the disarmament treaties of the 1920's and 1930's in another way: they have resulted in cutbacks by the democratic side and increases on the totalitarian side. As the Japanese and Germans did with the disarmament agreements of the 1930's, the Soviet Union took full advantage of what was legally permitted under the first strategic arms limitation treaty, while also cheating on its sister agreement, the Anti-Ballistic Missile Treaty of 1972 (another vaunted achievement of arms control), to increase the quantity and improve the quality of its nuclear weapons. The United States, following the precedent of the democracies in the 1930's, slashed its defense budgets in the years between the two strategic arms limitations agreements.

There is nothing accidental about this pattern. In the nuclear age, no less than in the pre-nuclear age, the democracies, for economic and other reasons, have been eager to spend as little as possible on defense. Conversely, their totalitarian enemies, in a relentless pursuit of imperialist expansion and hegemony, have been just as eager to achieve military superiority. Given these asymmetrical objectives, arms control negotiations have inevitably served as a screen for unilateral cuts by the democratic side.

In short, whether we examine the historical record or the nature of the superpower conflict, we find no rational justification for the faith in arms control. On the contrary, we are far more justified in characterizing this faith as the great superstition of our time.

Like all superstitions, this one is rooted in fear, and like all fears it can easily prompt action whose unintended consequence will be to bring about the very thing it is meant to avoid. In the case of the superstitious faith in arms control, this could happen—indeed it is already happening—through an erosion of support for defense spending and a weakening of the American military capability that has been the only reliable guarantor of peace in the nuclear age. Worse yet, it could lead to the abandonment of the Strategic Defense Initiative, which, unlike the doomed delusions of Geneva, really does hold out the rational hope of an eventual escape from the threat of nuclear war.●

COL. WILLIAM A. "BOX" HARRIS

● Mr. SARBANES. Mr. President, with the death of Col. William "Box" Harris, Maryland has lost a genuine healer, whose public career was virtually synonymous with the extraordinary improvement of race relations in our State during the past two decades.

Box Harris served with great distinction and honor in both World War II and Korea. On his return to Maryland, William Harris assumed a pioneering and leadership role that led him to heal wounds in our society wherever he found them—he became Maryland's first black parole officer, first black deputy U.S. marshal, and the first director of community relations for the Baltimore City Police Department. He helped bring about the integration of the Maryland National Guard, where he was instrumental in cooling inflamed racial tensions in Cambridge on the Eastern Shore.

Among Colonel Harris' many achievements were awards from the National Conference of Christians and Jews, the Afro-American Award for superior public service and the highest civilian honor from the Department of the Army, the Outstanding Civilian Service Medal. In fact, at the time of his death last week, Box Harris was in Japan at the request of the U.S. Army speaking as a part of the Army's Black History Week activities.

Mr. President, I ask that several articles chronicling the many distinguished accomplishments of this outstanding public servant be reprinted in the RECORD at this point.

[From the Baltimore Evening Sun, Feb. 14, 1985]

COLONEL HARRIS

It took Maryland a long, hard time to demolish the color bars that, looked back on now, seem both so pointless and so cruel. All credit to those who, like Col. William A. Harris (known universally as Box), joined in pushing them over; all discredit to those who resisted. But is it worthwhile, in the aftermath, to dwell on that sorry aspect of history? When Box Harris's sudden death is announced—from afar, where he was helping the Japanese to understand America better—do we improve things by reminding ourselves that so recently someone could have been the first black holder of this office, the first to be accepted into that organization?

The answer will come best from the persons who today carry on Box Harris's work, in state government, in the city police, in the National Guard. Meanwhile, unhappy news of this kind is the time for recall of Box Harris the individual, for recollection perhaps of how distantly and well he carried Maryland's name. When the Babe Ruth Birthplace and Maryland Baseball Hall of Fame wanted Henry Aaron to come do honor to the man whose home run record he had outdone, who was the one person able to go to Atlanta and persuade an unsure Aaron that the invitation and welcome were genuine? Colonel Harris, that's who.

[From the Baltimore Evening Sun, Feb. 20, 1985]

"BOX" HARRIS IS RECALLED AS SKILLFUL MEDIATOR

(By Frank D. Roylance)

While William A. "Box" Harris' friends and admirers gathered for his funeral inside the Cathedral of Mary Our Queen, an old high-school chum stood outside in the chill air and spoke of his friend.

"I remember one time in school, [Harris] and I had a little shoving match about a young lady," the man said yesterday.

The fight, perhaps a half-century ago at Baltimore's Douglass High School wasn't serious, the man recalled. No one was bloodied. "And [Harris] got the young lady anyway."

But the scuffle—demonstrated something about Harris that his friend never forgot. "We never stopped speaking; we never parted. We were always friends," the man said.

Harris' ability to talk with people, to calm their anger and find their common interests, would later make him a leader of men as a soldier, a policeman and a peacemaker.

His old friend—City Council President Clarence H. Du Burns—called Harris' talent for peacemaking "unique."

"He was one of the greatest mediators there ever was," Burns said. "He just had a way of getting people to listen to him. If you can get people to listen, you can come up with something. I wish I had it."

Harris, 66, died last week in Tokyo while on a goodwill tour for the U.S. Army. He was buried at Arbutus Cemetery after a Mass of Resurrection attended by nearly 500 people. Gov. Harry R. Hughes; U.S. Sen. Paul S. Sarbanes, D-Md.; Rep. Parren J. Mitchell, D-7th; Mayor William Donald Schaefer; and Police Commissioner Bishop L. Robinson were honorary pallbearers.

Burns, who also served as an honorary pallbearer, remembered the 1968 racial disturbances in Baltimore, when Harris was director of community relations for the city Police Department.

It was a delicate, difficult role. Harris was a cop—a black cop—assigned to win the confidence of a black community suspicious and fearful of cops, virtually all of whom were white.

Harris was chosen for the job because of his proven ability to communicate and reason with all quarters in the racial disturbances four years earlier in Cambridge on the Eastern Shore. At the time, he was a captain with the Maryland National Guard units stationed there to keep order.

Harris succeeded in easing tensions in Baltimore. He also heightened the sensitivity of the police to their own abuses and prejudices that made their work more difficult. He pushed for increased hiring and promotion of black officers, neighborhood police-community relations committees and storefront police offices to improve communications with the neighborhoods.

In eulogizing Harris, the Rev. James Power, pastor at Our Lady of Lourdes Church in northwest Baltimore, said he "loved the world and the people in it. He held many high positions and he consorted with the high and mighty. But, he was always Box. He was always approachable."

Harris' wife, Ivy, his two daughters, Barbara and Donna Harris; a sister and brother-in-law, Nellie and William R. Bowie; as well as nieces, nephews and other relatives were among the mourners at the funeral.

[From the Baltimore Sun, Feb. 13, 1985]

COL. BOX HARRIS DIES; HELPED TO "HEAL WOUNDS"

(By David Michael Ettlin)

Col. William A. (Box) Harris, who established the city Police Department's community relations program amid the racial tension of the late 1960's and served as an adviser to three Maryland governors, died yesterday in Tokyo. He was 66.

Colonel Harris, a former Army and Maryland National Guard officer, collapsed while speaking on the Afro-American family and the military at a luncheon meeting of the Japan Chapter of the Association of the United States Army at the Camp Zama Community Club. He was pronounced dead at 1:38 p.m. at the Army camp's health clinic, officials said.

Colonel Harris had been invited to Japan by U.S. Army Headquarters there, along with his wife, Ivy, to take part in its Black History Week activities. An Army spokesman said Colonel Harris spoke earlier at symposiums with students and teachers at military elementary and high schools.

An Army veteran of World War II and the Korean Conflict, Colonel Harris helped bring about the racial integration of Maryland National Guard facilities three decades ago and was the first black state parole officer and deputy U.S. marshal in Maryland.

His abilities in community relations first came to prominence in 1964, when the National Guard, under Gen. George Gelston, occupied Cambridge for three months to maintain order in the wake of an outbreak of violence. The Guard pulled out in July, but then-Captain Harris remained until November at the request of a gubernatorial commission.

He served as a bridge in relations between blacks and whites, and focused much of his effort on young people. On one occasion he took the football teams of two local high schools—one all-black, the other all-white—to a Baltimore Colts intrasquad game. They went to Baltimore on two integrated buses, with nary a problem.

Two years later, when the Baltimore Police Department was being reorganized under the leadership of General Gelston, Colonel Harris was named its first director of community relations.

Under General Gelston and his successor as police commissioner, Donald D. Pomerleau, Colonel Harris became a key figure in race relations here as the department developed a reputation for trying to avoid confrontations with fledgling black activist groups, and worked to restore calm in the wake of the rioting of 1968.

"My job is to go out and sell police-community relations. . . . I have to heal the wounds," Colonel Harris said when he was appointed to the Police Department in 1966. Among his efforts was establishing a city-wide police-community relations program, headed by a sergeant in each of the nine districts, that still exists today.

The colonel's achievements in race relations brought him numerous honors, including a Brotherhood Award from the National Conference of Christians and Jews.

In 1971, when Mr. Pomerleau promoted him to lieutenant colonel, he became the highest-ranking black in the department. The colonel noted then the increasing numbers of black officers in the department and said that the time was not far off when the city would have a black commissioner.

But he added, "The day of the white and black kind of thing is out now. The supervi-

sor's eyes don't get big any more when a black man comes in to apply for a job as a police officer."

In 1973, Colonel Harris left the Police Department—initially with a leave of absence—to accept an appointment by then-Governor Marvin Mandel as special assistant for community relations. He continued in that capacity in the administration of Blair Lee III, and retired in 1979 from the staff of Governor Hughes.

Colonel Harris was the son of Dr. William A. Harris, a Baltimore surgeon who died in 1938. He served in the Army in World War II, and worked his way through college, graduating in 1950 from Morgan State with a degree in sociology.

He served in the Korean Conflict as a first lieutenant, returning to Baltimore in 1951—and immediately making his presence known in the field of race relations. He joined in a group of 18 black officers returning from Korea who refused to join the Maryland National Guard until its facilities were fully integrated.

In 1952, he became Maryland's first black parole and probation officer, and the state's first black deputy U.S. marshal four years later—a job he held for nine years.

The National Guard duty in Cambridge served as a pivotal experience in his career. In 1965 he was named program development officer for the Eastern Shore in the Maryland Office of Economic Opportunity—and became, again, a one-man task force.

This time, however, it was in helping communities establish locally run anti-poverty programs under new federally funded programs. Occasionally, he had to cope with local controversy such as opponents to his efforts in Cecil county who objected to "creeping socialism."

Colonel Harris, whose name at various times had been boosted for such jobs as police commissioner and state secretary of public safety, served in recent years on several boards and commissions, among them the state Inmate Grievance Commission, the city Zoning Commission and the boards of the University of Baltimore, Towson State University and Good Samaritan Hospital.

Survivors include his wife and two daughters, Barbara C. and Donna X. Harris, all of Baltimore.

[From the Baltimore Evening Sun, Feb. 13, 1985]

WILLIAM "BOX" HARRIS RECALLED AS PIONEER

(By Michael A. Fletcher)

Col. William A. "Box" Harris, was remembered today as a pioneer who quitely opened doors for blacks in the city police department and fought to overturn racial segregation in the Maryland National Guard.

Harris, 66, died yesterday while addressing servicemen in Tokyo. The former Army and Maryland National Guard officer collapsed at a luncheon meeting of the Japan chapter of the Association of the United States Army at the Camp Zama Community Club. Harris and his wife, Ivy, had been invited to Japan to take part in Black History Week activities.

Harris was appointed major in charge of the Baltimore Police Department's community relations division in 1966, making him the highest-ranking black in the department at that time. That appointment also made him the first black to join the force in a rank other than patrolman.

His work as a police official under George Gelston, his former general in the National Guard, is credited with quietly opening many doors for blacks during the tumultuous 1960s.

His style, friends remember, was that of a negotiator, a behind-the-scenes worker who kept people talking and asked for little credit for himself.

While head of community relations, Harris instituted several changes—including storefront police precincts and summer youth corps jobs with the department—that helped improve the police department's image in poor black neighborhoods.

Harris was promoted to lieutenant colonel in charge of the department's traffic division in 1971, becoming the first black division chief in the department's history.

In 1973, Gov. Marvin Mandel appointed Harris executive assistant for community services. He served there until he retired in September 1979.

Before working with the city police, Harris was best known as the black Maryland National Guard captain asked to remain in Cambridge for five months after other guardsmen were pulled out following rioting in 1964.

Although some black leaders criticized Harris for "playing it safe" with the "white power structure," he managed to earn the respect of black citizens through his community relations work while remaining a symbol of the National Guard's authority.

"Black in the 1960s there tended to be hostile relations between the local police and the black community," recalled U.S. Rep. Parren J. Mitchell, D-7th. "In many cases, he paved the way so there didn't have to be conflict."

Although Harris, a World War II and Korean War veteran, was always the consummate soldier and police officer, he challenged authority when he saw injustice.

He was outspoken against segregation in the Maryland National Guard during the late 1940s.

Also, in 1968, he became the first black officer to apply for membership in the Maryland Law Enforcement Officers Association, a group of police and other law enforcement officers working in the state. His application came three years after the group dropped a provision banning black members.

Harris was a graduate of Morgan State College, and a member of Kappa Alpha Psi fraternity. He became Maryland's first black parole officer in 1952 and four years later, he was appointed a deputy U.S. marshal, the first black in Maryland to hold that position.

"Maryland and I have lost a good and wise friend," said U.S Sen. Charles Mathias Jr., for whom Harris worked in several political campaigns.

Harris is survived by his wife, Ivy, two daughters, Donna and Barbara, and a sister, Nellie Bowie, all of Baltimore.

Funeral arrangements are incomplete.

[From the Baltimore News American, Feb. 13, 1985]

WILLIAM A. "BOX" HARRIS DIES AT 66—FORMER POLICE AND NATIONAL GUARD OFFICER WAS VISITING JAPAN

(By Clarence Brown)

William A. "Box" Harris, a former lieutenant colonel with the Baltimore city Police Deparment and a retired Maryland National Guard colonel, died Monday while on a goodwill mission in Japan for the U.S. Army.

He was 66.

Mr. Harris was in Japan to present awards for Black History Month.

Mr. Harris was born in Baltimore but attended Storer High School in Harper's Ferry, W.Va. He graduated in 1940.

He joined the Army during World War II in May 1943, and served in England, France and Germany in the 3078th Ordnance Company. He was discharged from the Army Feb. 21, 1946.

Mr. Harris graduated from Morgan State College in 1948 with a degree in psychology. He later got a master's degree in corrections.

After graduating from college, Mr. Harris became a social worker with the Department of Public Welfare. He later served in the Korean War, commanding a stockade for several years.

After the war he became Maryland's first parole and probation officer, a position he held for 3½ years before becoming a United States deputy marshal.

In August 1965, after nine years in that position, Mr. Harris became a program development officer for the Maryland Office of Economic Opportunity on the Eastern Shore following racial riots in Cambridge.

He worked there for seven months, helping presidents develop anti-proverty projects. He also served as a liaison between blacks and whites in Eastern Shore towns. Mr. Harris was on duty as a captain in the National Guard during the Cambridge riots.

In 1966, Gen. George Gelston, then acting Baltimore city police commissioner, appointed Harris head of the Community Relations Department at the rank of major. He was the department head until 1971, when he was promoted to lieutenant colonel and took over the traffic division. He was a major in the National Guard when he was appointed to his first police position.

In January 1968, Harris became the first black police officer to apply for membership in the 1,500-member Maryland Law Enforcement Officers Inc. He was sponsored by then police Commissioner Donald D. Pomerleau, Deputy Commissioner Ralph G. Murdy, and Howard J. Meiser, treasurer of the police association. Even though the group had changed its bylaws in 1964, no blacks had applied for admissions.

Mr. Harris was elected to the board of directors of the National Police Community Relations Officers in 1969. He retired from the Maryland National Guard in 1971 at the rank of colonel after 20 years of service.

Mr. Harris was the highest ranking black officer in the Police Department in 1973 when he became Gov. Marvin Mandel's special assistant for community relations.

Funeral arrangements were incomplete Tuesday night.

[From the Baltimore Evening Sun, Feb. 19, 1985]

HUNDREDS GATHER FOR HARRIS FUNERAL

(By Frank D. Roylance)

Hundreds of mourners gathered today at the Cathedral of Mary Our Queen to say goodbye to William A. "Box" Harris, a retired city police colonel, National Guard officer and civil rights pioneer who died last week in Japan.

Harris' open flag-draped silver coffin rested at the front of the North Charles Street cathedral while dignitaries, friends and family gathered for a mass of Christian burial.

Members of a National Guard honor guard served as Harris' pall bearers, while members of the state's congressional delegation, state and local leadership as well and

military, police and fratenal organizations were present as honorary pallbearers.

The homily was to be delivered by Monsignor Martin Schwalenberg, pastor of St. Charles Church in Pikesville.

Throughout his public career, Harris worked to ease racial conflict wherever he found it.

"I have to heal the wounds," he said in 1966 when he was named director of community relations for the city Police Department.

It was a conviction he always seemed to follow, choosing diplomacy and persuasion over confrontation to resolve the conflicts he encountered, from segregation in the Maryland National Guard to racial disturbances on the Eastern Shore to police-community conflicts on the streets of Baltimore.

Harris, 66, a former lieutenant colonel in the city Police Department and a colonel in the National Guard, died Feb. 12 in Japan while traveling on a goodwill mission for the U.S. Army.

Today's funeral was with full military honors.

Harris is survived by his wife, Ivy, two daughters, Barabara C. and Donna X. Harris; a sister, Neillie Bowie; and several nieces, nephews, cousins and other relatives.

In 1971, Harris said he could not remember where in his Baltimore childhood he had acquired the nickname "Box," except that it was early in his elementary school days.

Harris achieved a number of firsts during his lifetime: In 1952, he became the first black parole officer in the state Department of Parole and Probation; in 1956, he became the first black deputy U.S. marshal in Maryland; in 1966, he was the highest-ranking black officer in the city Police Department; and, in 1968, he was the first black accepted into the Maryland Law Enforcement Officers Association.

After returning from the Korean War, during which he had commanded a segregated unit, Harris in 1952 joined 17 other black Army officers in refusing to join the Maryland National Guard until its facilities were fully integrated. They soon were.

A veteran of World War II, he worked briefly as a social worker in Baltimore before returning to the Army to serve in Korea.

He was a 1971 recipient of the annual Brotherhood Award of the Maryland Region, National Conference of Christians and Jews.

Harris was a member of the National Association for the Advancement of Colored People, the Knights of Columbus, the Maryland Law Enforcement Officers Association and the Health and Welfare Council of Central Maryland Inc. In 1972, he was named a trustee of the University of Baltimore.

In the summer of 1964, Harris was a captain in the National Guard, stationed in Cambridge on the Eastern Shore, which had undergone a year of racial unrest that stemmed from efforts to integrate public schools and other public facilities and was aggravated by a visit by then-segregationist Alabama Gov. George C. Wallace.

Harris was a liaison between the Guard and the demonstrators.

After the troops finally were withdrawn in July of that year, leaders on all sides—white and black, liberal and conservative—asked that Harris remain to help heal the scars left by the conflict.

"Captain Harris is like a chemical catalyst," said one Cambridge newspaperman at the time. "When he's around, things happen."

Harris was praised for his skillful diplomacy in Cambridge. Said one school board member: "Captain Harris is so diplomatic, everyone seems happy to cooperate with him."

Harris remained in Cambridge for five months, organizing Scout troops for young people and recreational programs for the elderly and taking youngsters to Baltimore to see Oriole games and Colt practices.

"Give a child a decent start," he once said, "and he'll build his own future."

A year later, Harris was named program developer for the Eastern Shore under the Maryland Office of Economic Opportunity. Operating out of Cambridge, he helped organize community anti-poverty organizations in nine Eastern Shore counties.

In June 1966, Harris was appointed by Baltimore Police Commissioner George M. Gelston to the sensitive position of director of community relations, charged with promoting understanding between the city's mostly white Police Department and its restless black neighborhoods.

"People must be given a different image of the policeman," Harris said "They have to be made aware that he's the guy who's protecting them while they're asleep. He's out there walking in the rain and snow while they are sitting comfortably in their living rooms watching television."

Harris routinely was called to the scenes of disturbances to cool tempers and calm emotions by "friendly persuasion." Sometimes, like a lightning rod, he himself became the target of the crowd's anger—from whites because he was black, and from blacks because he was a policeman.

From within the Police Department, Harris worked for promotions of black officers to the ranks of sergeant and above. There were just six in those ranks when he began. There were 20 when he left. He also organized programs, nine local police-community relations councils and storefront police centers to promote better understanding between the department and citizens.

In 1971, Harris was promoted to lieutenant colonel and named to head the department's Traffic Division, but he said he would not give up his healing work. "I'm available to assist anyone I can, black or white," he said.

"The people are not afriad of the policeman anymore," Harris said of his work with the Police Department. "Of course, there are still some bad guys, but the insults and the brutality do not exist like they used to."

"The time is not far off," he said in 1971, "when Baltimore will have a black [police] commissioner." Acutally, it would be 13 years later.

In 1973, Gov. Marvin Mandel named Harris special assistant for community relations, where he continued to serve as a bridge between the black community and government.

Harris had worked in the last two campaigns of Sen. Charles McC. Mathias, R-Md.

Harris was the son of Baltimore surgeon William A. Harris. He graduated from high school in West Virginia and earned a bachelor's degree in sociology, with a minor in pyschology, from what was then Morgan State College.

OBITUARY

We picture death as coming to destroy, Let us rather picture Christ as coming to save.

We think of death as sending, Let us rather think of life as beginning and that more abundantly.

We think of losing; Let us think of gaining.

We think of parting; Let us think of meeting.

We think of going away; Let us think of arriving.

And as the Voice of Death whispers, "You Must Go From Earth",

Let us hear the Voice of Christ saying, "You Are But Coming to Me!"—Norman MacLeod.

William A. Harris, affectionately known as "Box" Harris, was born in Baltimore, Maryland on November 12, 1918, the son of the late Dr. William A. Harris and Mable Thompson Harris. He departed this life suddenly on Tuesday, February 12, 1985 in Tokyo, Japan.

"Box" spent his early years in the public schools of Baltimore; however, he received his high school diploma from Storer College in Harper's Ferry, West Virginia. He was a graduate of the then Morgan State College and of Coppin State College.

He was raised in a Christian home and during adulthood accepted the Catholic faith. For many years he was a faithful worker of Our Lady of Lourdes Parish and more recently of St. Charles Bartholemew Parish.

Known as a "man amongst men", a charismatic leader, a pioneer who opened doors for others, a negotiator and mediator, "Box" Harris had many "firsts".

He became Maryland's first black parole officer in 1952 and four years later was appointed Deputy U.S. Marshal, the first black in Maryland to hold that position.

In 1966, he was named the first Director of Community Relations with the Baltimore City Police Department and became a key figure in race relations here. As a Major, he worked diligently to restore calm in the rioting of 1968. By 1971, he was promoted to Lieutenant Colonel in charge of the department's traffic-division, becoming the first black division chief in the department's history.

In 1973, he left the police department to accept an appointment by then Governor Marvin Mandel as Executive Assistant for Community Services and continued in this capacity until his retirement, under Governor Harry Hughes' administration in 1979.

"Box's" achievements in the military were equal to his success in public service. He was an army veteran of World War II and the Korean Conflict and helped bring about the racial integration of the Maryland National Guard facilities three decades ago.

His abilities in community relations came to prominence in 1964 when the National Guard, under General George Gelston, occupied Cambridge, Maryland for three months to maintain order in the wake of an outbreak of violence. The Guard was pulled out in July, but "Box", who was then Captain Harris, remained until November at the request of a gubernatorial commission. He was retired from the Maryland National Guard in 1972 and in 1977 was appointed Colonel by the Governor of the State of Maryland.

His achievements in race relations brought him numerous honors including a Brotherhood Award from the National Conference of Christians and Jews. In 1964 and in 1971, he received the Afro-American Award for superior public service. In December, 1982, he was honored by Morgan State University's Golden Bears Association at the Annual Golden Bear Roast. Posthumously, Colonel Harris was awarded the highest civilian honor from the Department

of the Army the Outstanding Civilian Service Medal.

Always an advocate for youth and the elderly, "Box" continued his good works after retirement. He was a regular volunteer at the C.O.I.L. (Communities Organized to Improve Life), Southwest Senior Center and recently developed and implemented a four week series of workshops on Crime Prevention at the Waxter Center for Senior Citizens.

To his family and friends, "Box" was known as a caring, loving man whose kindness and generosity were without measure. Ever the guardian of his entire family, he offered his all. He was a role model and inspiration for many and was never too busy to help others in need. "Box's" sense of humor was infectious; he could be counted on to "lift your spirits". His winning personality endeared him to many. "Box" was a devoted husband, father, brother, and uncle, a true family man!

He was a member of Kappa Alpha Psi Fraternity and received many fraternal awards through the years. Other affiliations include the Knights of Columbus, the National Organization of Black Law Enforcement and the Military Order of Foreign Wars of which he served as Commander.

He leaves to mourn his devoted wife of thirty-six years, Ivy; daughters, Barbara and Donna Harris; a sister and brother-in-law, Nellie and William R. Bowie; nieces; nephews and a host of other relatives and friends.

JOSEPH MEYERHOFF

● Mr. SARBANES. Mr. President, Maryland and indeed the world have lost a benefactor, philanthropist, and leader of rare vision with the death of Joseph Meyerhoff. His sudden and unexpected passing deprived local, national and international organizations of a true humanitarian who never lost sight of the ends of our activity, which for Joseph Meyerhoff meant the improvement of human life, intellectually and spiritually as well as materially.

Joseph Meyerhoff, in the eloquent words of Rabbi Louis L. Kaplan, was both a dreamer and a pragmatist. His vision was large and future-oriented. The philanthropy of Joseph Meyerhoff knew no limit—in Baltimore and throughout the world, particularly in Israel—most conspicuous was his loyal support of the Baltimore Symphony Orchestra, which enabled it to achieve its current stature as one of the nation's quality musical organizations.

Mr. President, the accomplishments and contributions of Joe Meyerhoff, his legacy to us, are best expressed in his own words, "Why not do what you can to make life a little richer for others. I think that is a pretty nice legacy." Mr. Meyerhoff has left us a pretty nice legacy and I ask that Rabbi Kaplan's eulogy, as well as several articles and editorials expanding on Joe Meyerhoff's contributions be printed in the RECORD.

The material follows:

JOSEPH MEYERHOFF (1899-1985)—IN MEMORIAM—FEBRUARY 5, 1985

There was a man,

And behold he is no more!

Joseph Meyerhoff was not a big man physically, but he was a great man. He was not humble, but he was truly modest. Immaculate in dress and appearance, his social grace and good manners were not studied, but innate. Goodness was not a pose and kindness not an assumed stance. He was a natural. In the dignity and dedication of his daily life, he demonstrated that a man can be honest, decent, thoughtful, kind and considerate and he does not need to be a saint or a hermit, or even a man of the cloth, to live the good life.

Joseph Meyerhoff was called to positions of leadership in local, national and international organizations, and however much they enlarged his horizons and enriched his personality, he gave back far more than he received. He brought vision and devotion to every task he undertook. His analytic mind, logical reasoning and deep human concern were means that he used, equally in building successful business enterprises, and in his public service and community endeavors. He never lost sight of the ends, which for him meant the improvement of human life, intellectually and spiritually as well as materially.

Born on the eve of the 20th century, Joseph Meyerhoff did not turn his back on the lasting values of the 19th century, even as he embraced the accelerating changes which successive decades of the 20th century brought into being. He has been raised in a home of very modest means and hard work after school was a daily regimen. Still he found time for athletic activities and he retained a lively interest in sports all his life. He was greatly influenced by his home and its traditional Jewish values of learning and "Tzadakah"—which means "justice," not "charity"—which were regarded as paramount. Reverence for the faith of his fathers impelled him to be a member and generous supporter of Beth Jacob Congregation and of the city's Orthodox Jewish educational institutions.

Throughout his life Joe retained a deep feeling for people in need, individuals as well as the community. Involvement in business and in the many organizations on whose boards he served could not deter him from responding to a call for help from a deserving person.

Joe Meyerhoff was a master juggler, who could keep his heart, mind and hand moving in many activities simultaneously. He was one of a select group of real-estate developers who changed the landscape of our city and its environs, to make shopping more convenient and accessible and homes more habitable and affordable. He was a Founding member of the National Association of Home Builders and of the Home Builders Association of Maryland and served as President of both. He loved Baltimore and Maryland and his contributions to our civic and cultural life can be seen everywhere and are of lasting significance. The Associated Jewish Charities, the United Way and the Community Foundation have been the beneficiaries of his openhanded generosity and of his ongoing participation in the development of their programs. His attitude was that if an organization merited substantial financial support, he should also give it of his time and effort.

The Baltimore Hebrew College, whose building he helped to plan and whose libraries his funds made possible, is evidence of two of his major interests: higher education and books. Rabbi Friedman, I believe, will touch on Joe's contributions in these vital areas and others in Israel. Here at home, the list of Joe's benefactions is too long to be completely enumerated. The Johns Hopkins University, the Wilmer Institute, the Peabody Conservatory, the Lyric Theater, the University of Maryland in Baltimore and at College Park, Loyola and Notre Dame Colleges, Dropsie College, Brandeis and Yeshivah Universities, the Albert Einstein College of Medicine and the Jewish Theological Seminary of America, the Baltimore Museum of Art, the Walters Art Gallery, Maryland Institute College of Art, Villa Julie, Western Maryland, Washington and St. Mary's Colleges, Sinai and Provident Hospitals—these and more have enjoyed the munificence of Joe's gifts. They also reveal the catholicity of his interests.

Ten honorary degrees were conferred on Joe by colleges and universities here and in Israel. He accepted these with grace but also with the recognition that the Hebrew word for "honor" derives from the root which also means "heavy", a "burden". An honor, if taken seriously, is an added burden. He hoped that others might be encouraged to help carry such "burdens".

Twenty years ago Joe was asked to assume the presidency of the Baltimore Symphony Orchestra Association. He hesitated, recognizing that this was to be almost a "creatio ex nihilo". Thanks to Rebecca's urging, he acceded to the request. The results of his efforts in these two decades are seen in this magnificent sanctuary of music in which we have gathered to bid him farewell and in the excellence of the orchestra, which we heard a few moments ago. Only members of his family and those of us who have been closely associated with him, know the extent of his devotion and the magnitude of his financial contributions. Though he had confidence in the architects, engineers and builders, he visited the construction site daily to inspect the progress of work.

Like the Biblical Joseph, Joe Meyerhoff was a dreamer and a pragmatist. His vision was large and future-oriented. Concerned for the improvement and viability of the orchestra, he devoted endless hours soliciting friends in the business and banking community for support of an adequate endowment fund. He felt amply rewarded by the present distinguished international reputation achieved by the Baltimore Symphony and by the enthusiastic response of all who frequent what I have chosen to call this magnificent sanctuary. When the Symphony Association Board decided that this was to be named "The Joseph Meyerhoff Symphony Hall" he was deeply appreciative.

Joe took seriously the ethical teachings of our faith and the ideals of democracy, that all people are created equal. He gave concrete expression to this conviction by playing a leading role in the establishment of the Center Club, to provide attractive surroundings for lunch and dinner to all, without discrimination on the basis of religion, race or sex. There were no seams in Joe's personality. He had integrated his love of Baltimore, Maryland, the United States and Israel into a unitary wholeness and holiness.

Since the tragic news was announced, the media have written and spoken about Joe Meyerhoff's legacy. It is a rich and unparalleled one and he was grateful that life had made it possible for him to do all that he did for our city and state. His deepest satisfaction, however, came from seeing that his children, Bud, and Lyn Meyerhoff, and Ellie and Herbert Katz, chose to walk in the way of their father, even if on occasion they marched to the beat of another drummer.

And the next generation of both these families have already taken their place in the same honorable ranks. This "threefold cord" cannot be easily broken and this is Joe Meyerhoff's supreme legacy.

Permit me to add a few personal words. I first met Joe some fifty years ago when he attended an Adult Jewish History class which I taught at the old Y.M. & Y.W.H.A. Our association soon ripened into a friendship, which in time included my wife and the entire Meyerhoff family of four generations. Joe's frequent trips to Israel and his increased participation in helping to build its cultural and artistic institutions awakened in him a desire to improve his knowledge of Hebrew, which he had studied as a youngster. For a time he would come into my office on Park Heights Avenue before going downtown, one or two mornings a week to study modern Hebrew and to speak it. These last fifteen years, I have had the privilege of working at his side as Executive Vice President of The Joseph Meyerhoff Fund, Inc. I have come to appreciate even more the superlative qualities of his character, his absolute integrity and honesty, his respect for others and himself, his strong love of family and loyalty to friends and his caring for human beings, whatever their station in life. Joseph Meyerhoff was a faithful guardian of the divine image in the world.

Rebecca, Bud, Lyn, Ellie and Herbert, and all the family, yours was a rare privilege to have Joseph Meyerhoff as your paterfamilias. Some may count his years and say that he lived a long and creative life, which is true, because he made each day count. There are people who live beyond their time and a few like Joseph Meyerhoff, who, regardless of age, leave us before their time.

We do not know what is beyond this our earthly life.
But this we know!
We remember in loving gratefulness one
Who shared the warmth of his heart and mind with us;
Whose spirit touched our lives and quickened in us
Heightened awareness of the wondrous things in the world about us
And of the latent powers lying dormant within us;
Who lavished on us his most precious gifts of love and friendship.
As long as breath remains in us
We shall keep his memory fresh,
And pronounce his name with a benediction.

LOUIS L. KAPLAN.

[From the Baltimore Sun, Feb. 4, 1985]

JOSEPH MEYERHOFF, PATRON OF BSO, DIES

(By Katie Gunther)

Joseph Meyerhoff, the celebrated philanthropist who almost singlehandedly transformed the Baltimore Symphony Orchestra from a floundering debt-ridden institution into a flourishing organization with a new concert hall, has died of heart failure.

Funeral services for the 85-year-old Mr. Meyerhoff, who was still active as chairman of the BSO board, will be held at 1 p.m. tomorrow at the Expressionistic concert hall at West Preston and Cathedral streets that he helped build and that bears his name—the Joseph Meyerhoff Symphony Hall.

Mr. Meyerhoff, who had a history of heart trouble, died Saturday evening at Johns Hopkins Hospital.

He was brought to Hopkins last Tuesday from his winter home in Palm Beach, Fla., for surgery to correct an injury he received in a fall. Relatives said he was recovering well from the surgery when he had two heart attacks—one Thursday and the second Saturday night.

Minutes before the 3 p.m. Sunday Favorites concert was to start yesterday, Frank Baker, Jr., president of the BSO board of directors and one of the city's trustees, stepped from the wings onto the stage of the concert hall and announced Mr. Meyerhoff's death.

"Good afternoon, ladies and gentlemen. I have a very sad announcement to make to you today," he said. "Joseph Meyerhoff suffered a heart attack last night and died at 8:10 p.m. * * * We have lost a very, very dear friend."

His voice shaking, Mr. Baker continued, "I could say a great deal about my friend, Joseph Meyerhoff. * * * I have been most fortunate to have been associated with him, both in a business way and with the symphony."

When Mr. Meyerhoff became chairman of the symphony's board in 1965, "we were more well known as a regional company, and we played less than 40 weeks a year," Mr. Baker said. Under Mr. Meyerhoff's leadership, "our symphony just kept on growing and growing until now we have a symphony of international repute."

A post-concert reception with state legislators and other officials was canceled, and the concert program was changed: Gabriel Faure's sad, lyrical Pavane, opus 50, which was to have been played second on the program, was moved up to open the concert.

Tchaikovsky's Variations on a Rococo Theme, opus 33, which also had been originally included in the program, was played second. The composer's 1812 Overture was removed from the program, along with pieces by Hector Berlioz and Maurice Ravel, in favor of Tchaikovsky's 5th Symphony.

Terry Rubinstein, one of Mr. Meyerhoff's grandchildren, said yesterday that Tchaikovsky was Mr. Meyerhoff's favorite composer.

After announcing the program changes, Mr. Baker requested that the audience stand and observe a moment of silence.

Mayor Schaefer and Governor Hughes both attended yesterday's concert. The mayor learned of Mr. Meyerhoff's death as he was preparing to enter the hall.

"That really hits me really hard," he said. "I go in this building now and I will see him. It was his vision. It was his love for music that saved the symphony.

"He was one of the great men I've met in my lifetime."

Lou Panos, Governor Hughes's press secretary, told the governor of Mr. Meyerhoff's death earlier in the day. "Joseph Meyerhoff was one of our most valuable citizens," Mr. Panos quoted the governor as saying. "Because of his generosity and leadership . . . life in Maryland today is a fuller, more enjoyable experience."

Mr. Meyerhoff—a builder whose personal fortune has been estimated at about $100 million—was born in Russia, the fifth of six children. He was 7 years old when his family left Russia in 1906 for the United States, coming straight to Baltimore.

The family lived in East Baltimore for two years, then moved in 1908 to Druid Hill avenue, just above North avenue. Mr. Meyerhoff's father opened a meat market in the area; Mr. Meyerhoff attended city public schools, and graduated from City College in 1916.

That fall, Mr. Meyerhoff enrolled in the night law-school program at the University of Maryland. "I didn't have any great love for the law," he said in an interview two years ago. "But I didn't know what else to do. I had to work days [at his father's store] so going to law school nights was the only thing that made sense."

He dropped out after a year, and in July, 1918, enlisted in the Army. He was assigned to the Student's Army Training Corps at the Johns Hopkins University, returned to law school after his discharge from the Army and graduated in 1920.

That summer, while waiting to take the bar exam, he went to work for his brother, Morris, building houses on Glen Avenue near Park Heights. He also married Rebecca Witten that year; the couple had met while she was a student at Eastern High School and he was in his first year of law school.

By 1921, Mr. Meyerhoff had started building houses on his own, though he continued doing legal work for his brother. In 1924, his brother ran into financial problems and declared bankruptcy; Mr. Meyerhoff was responsible for paying several notes he endorsed for his brother's company, but he refused to declare bankruptcy. It took him 10 years to pay off the notes.

Mr. Meyerhoff gave up law after his brother's bankruptcy and began working solely as a builder. For the first few years, he concentrated on building row houses, but in later years he built homes to order in neighborhoods such as Guilford, Stoneleigh, Homeland and Roland Park.

He started building apartment houses during World War II. He built One Slade, a high-rise luxury apartment building in Northwest Baltimore, 10 years ago, selling his house and moving in himself as soon as it was finished.

In 1982, Mr. Meyerhoff estimated that he had built more than 15,000 individual and group homes in the Baltimore area and another 17,000 apartments in Maryland, Pennsylvania, Georgia and Florida.

He also built 19 shopping centers, including Edmondson Village, Eastpoint, Westview and Hillendale.

Mr. Meyerhoff's association with the Baltimore Symphony Orchestra began in 1964, when he was visited in his office by a delegation from the BSO that asked him to "help rescue" the floundering symphony. Mr. Meyerhoff recalled that he went home and told his wife that he had been asked to become head of the symphony.

"I laughed and said, 'Can you imagine that? I wouldn't have that headache for anything in the world.'" Mr. Meyerhoff said, "She looked at me and said, 'Why not? Somebody's got to help.'"

And so Mr. Meyerhoff became president and chairman of the symphony board in 1965. The Joseph Meyerhoff Symphony Hall—a $23 million auditorium designed by the nationally renowned architect Pietro Belluschi—was dedicated two years ago, and in many ways marked a culmination of Mr. Meyerhoff's efforts on behalf of the symphony.

Both city and state funds went into building the symphony hall, but Mr. Meyerhoff himself contributed $10 million to the project.

In addition to the BSO, countless other appeals and causes received time and financial assistance from Mr. Meyerhoff.

He was particularly interested in the development of Israel. Two years ago, he estimated that he had donated about $5 million to the country for construction of "various capital projects," including six libraries, several pavilions and a technical college.

He was a member of the executive committee of the United Jewish Appeal of the United States, and was the organization's general chairman from 1961 to 1964.

He was a member of the boards of the Baltimore Museum of Art, the Baltimore Opera, the Baltimore Hebrew College, the Tel Aviv University, the Tel Aviv Museum and Sinai Hospital. During the 1960s, Mr. Meyerhoff also served on the Baltimore Metropolitan Area Study Commission and the Planning and Building Committee of Provident Hospital.

Most recently, he joined the building committee of the Peabody Institute to help the conservatory's expansion efforts.

The philanthropist held honorary degrees from the Baltimore Hebrew College, Tel Aviv University, Dropsie University, Hebrew University and the Weizmann Institute.

Despite his many successes, Mr. Meyerhoff refused to indulge in what he called "hero stuff." He disliked talking about his accomplishments, preferring to let his deeds speak for themselves.

"Once you've taken care of your children and your grandchildren, what are you going to do with your money?" he said two years ago. "You're sure as hell not going to take it with you. So why not spend it? Why not do what you can to help make life a little richer for others? I think that's a pretty nice legacy."

In addition to his wife and his son, Harvey M. (Bud) Meyerhoff, Mr. Meyerhoff is survived by a daughter Eleanor M. Katz, of Hollywood, Fla.; a sister, Lena Pushkin, of Miami Beach; 11 grandchildren, and 9 great-grandchildren.

[From the Baltimore Evening Sun, Feb. 4, 1985]

JOSEPH MEYERHOFF DIES

(By Susan Warner)

Joseph Meyerhoff, who made millions in real estate and construction and gave much of it away, was remembered today as a man who built an enduring Baltimore legacy with his time and his generosity.

Meyerhoff, who for 17 years had been chairman of the board of the Baltimore Symphony Orchestra Association and headed a string of other civic, educational and religious organizations, died Saturday night at Johns Hopkins Hospital after a heart attack. He was 85.

Services for Meyerhoff are scheduled for 1 p.m. tomorrow at the Meyerhoff Symphony Hall, built largely because of his efforts. He is to be buried at the Baltimore Hebrew Congregation Cemetery after private graveside services.

"I remember him as an example, as someone who was always committed to work and giving of himself and his money to make this community and the world a better place," said Meyerhoff's son, Harvey, who now runs the family's real estate business with his son, Joseph Meyerhoff 2nd.

"We'll miss him," Harvey Meyerhoff said, "and his death is a loss to the community. But what he did here will live on in terms of brick and mortar and an attitude and a commitment for having some responsibility for other people."

"What I remember most is the hats he wore and his humility," said Meyerhoff's granddaughter, Zohara Hieronimus. "The way someone would wear a crown, he always wore hats. He was just so simple and so humble."

In an interview two years ago, Meyerhoff explained his idea of philanthropy: "Once you've taken care of your children and your grandchildren, what are going to do with your money? You're sure as hell not going to take it with you. So why not spend it? Why not do what you can to help make life a little richer for others?"

The death of Meyerhoff was announced to concertgoers yesterday at the start of the Baltimore Symphony's 3 p.m. matinee. The announcement by symphony President Frank Baker Jr. drew a gasp from the audience.

The concert's program, conducted by associate conductor Catherine Comet, was to have included works by Berlioz, Faure and Ravel performed by the orchestra, the Baltimore Symphony Chorus and the Baltimore Symphony Chamber Singers. But in respect for Meyerhoff's death, the choral numbers and Tchaikovsky's 1812 Overture were replaced with Tchaikovsky's more somber 5th Symphony.

Symphony officials also canceled a post-concert reception for members of the General Assembly in attendance. Gov. Harry Hughes and Mayor William Donald Schaefer also were present, seated in boxes just above stage right.

"This is a man I considered a great man," Schaefer said during intermission. "Without him the symphony would not be here . . . and the hall would not have opened. He is a strong man in the community and he cared about the people of Israel. He was a wonderful businessman and a real inspiration to me. His memory will always be here, as long as the symphony hall will be here."

The governor said, "Just like this hall is not just a hall for Baltimore, he [Meyerhoff] had statewide importance. Even though this is a great loss, he has left behind a great legacy."

Baker said Meyerhoff had been vacationing in Florida since December, and injured his head in a fall about three weeks ago. When he began experiencing dizziness, he called his doctor in Baltimore and was advised to return to Maryland for medical attention.

He was admitted to Hopkins and underwent surgery Jan. 28 for that injury, according to Baker.

"He was doing very well" until he had a slight heart attack Thursday, Baker said. Meyerhoff was moved to the coronary care unit, where he had a heart attack Saturday night and died in his sleep at 8:10.

Baker said that during Meyerhoff's 17 years as president of the Baltimore Symphony, "the orchestra just grew and grew, from what you might class a regional orchestra to a really international orchestra."

Meyerhoff had stepped down as president of the symphony last year but still held the position of chairman of the board when he died.

Baker said Meyerhoff responded repeatedly to the symphony's needs both with his energy and leadership, and with his generosity. Meyerhoff's financial gifts underwrote half the cost of the orchestra's European tour several years ago, and he gave almost $11 million of the $24 million cost of the new symphony hall.

The new hall liberated the orchestra from scheduling difficulties at the Lyric Theater, Baker said, and helped to transform the Baltimore Symphony from an orchestra that performed just 38 weeks of the year to one that performs year-round.

Meyerhoff's son said that of all his father's philanthropies he was most devoted to Judaism and Israel.

"Dad grew up in a Jewish household," Harvey Meyerhoff said. "His father observed the rituals of Judaism and he passed on the practice and the concepts of what Judaism is all about."

Joseph Meyerhoff was a member of the executive committee of the United Jewish Appeal and from 1961 to 1964 served as its United States general chairman. In 1949, he led a United Jewish Appeal leadership mission to Israel to investigate the plight of Jewish war refugees, and became active in the sale of Israel bonds. He was also a member of the board of the Industrial Development Bank of Israel, and had received honorary degrees from several Israeli universities.

Meyerhoff also was a life member of the board of the Jewish Charities and Welfare Fund of Baltimore, serving as president from 1959 to 1961, and chairman of its annual campaigns in 1949, 1951, 1952 and 1953. He was a member of the boards of the Council of Jewish Federation and welfare funds from 1960 to 1966 and the Jewish Agency Inc. from 1961 to 1969.

When he was 7, his family immigrated to Baltimore from Russia and began operating a grocery store on Druid Hill Avenue.

Meyerhoff worked his way through school as a delivery boy. As a young man he played shortstop in the minor leagues. He remained a baseball fan throughout his life.

He was graduated from City College in 1916 and, after serving in the Army's Students Training Corps at Johns Hopkins University, he was graduated from the University of Maryland Law School in 1920.

He began practicing law but did not like being a lawyer, his son said.

The summer before, he had begun to help his brother Morris build homes. And although Morris went bankrupt in 1924, Joseph continued as a builder, amassing a personal fortune that two years ago was estimated at $100 million.

In 1979, Meyerhoff's company, Monumental Properties Inc., liquidated its real estate assets in 14 states for just under $1 billion. The Meyerhoff family, which held about 30 percent of the company's shares, made an estimated $180 million in the sale.

Among the holdings of the company were 19 shopping centers, including Edmondson Village, Eastpoint and Hillendale and 15,000 housing units in the city and Anne Arundel, Howard and Baltimore counties. The company also had built 17,000 apartments in Maryland, Pennsylvania, Georgia and Florida.

In the Baltimore area, the company had developed 1,000-unit subdivisions at Westview Park, Woodbridge Valley, Loch Raven Boulevard and Dundalk, and had built homes to order in Guilford, Stonleigh, Homeland and Roland Park.

Harvey Meyerhoff said his father's business ambition may have been aimed at providing for charity, but only in part.

"I don't think his sole goal in life was to give money away, because he enjoyed the chase," Harvey Meyerhoff said. "He loved his work."

Joseph Meyerhoff was a life member of the board of the National Home Builders Association, serving as national president from 1946-47, and president of the Home Builders Association of Maryland in 1943. In 1977, he was inducted into the national association's hall of fame.

In January 1967, several local open-housing advocacy groups picketed the symphony because of Meyerhoff's refusal to voluntarily enforce racial desegregation in his developments.

But in March that year, he came out in support of a state law that would require him and his competitors to abide by open occupancy.

"It's not practical on a voluntary basis. The rules have to be the same for everybody," Meyerhoff said. "Meaningful progress on all important instances [of discrimination] has been achieved only after suitable laws were passed."

After he and his son broke up the original Monumental Properties Inc., they formed a smaller real estate company, Magna Properties Inc., that is now developing housing in Florida and a shopping center in North Carolina.

In addition to his work with the symphony and Jewish organizations, Meyerhoff also devoted his time and money to a host of other civic and charitable organizations.

He was a member and chairman of the board of the Maryland State Planning Commissison from 1957 to 1963, a member of the Maryland State Board of Public Welfare from 1953 to 1957 and a member of the Baltimore Metropolitan Area Study Commission from 1962 to 1963.

He was a member of the board of the United Fund of Central Maryland from 1970 to 1975.

Meyerhoff also was a member of the board of the planning and building committee of Provident Hospital from 1965 to 1973 and a member of the board and vice president of Sinai Hospital from 1943 to 1959.

He was also a member of the Greater Baltimore Committee and was president of the Center Club of Baltimore from 1964 to 1974.

Meyerhoff also served on the boards of the B'nai Brith Hillel Commission, the Baltimore Museum of Art, the Baltimore Opera Company, the Baltimore Hebrew College and the America-Israel Cultural Foundation.

In addition to his son, Meyerhoff is survived by his wife, the former Rebecca Witten; a daughter, Eleanor M. Katz of Hollywood, Fla.; a sister, Lena Pushkin, of Miami Beach, Fla.; and 11 grandchildren and 9 great-grandchildren.

The family has asked that donations in Meyerhoff's memory be made to the Associated Jewish Charities of Baltimore or the Baltimore Symphony Orchestra.

[From the Baltimore News American, Feb. 5, 1985]

MR. MEYERHOFF'S LEGACY

Much is being said, and should be said, about the good works of Joseph Meyerhoff who died at 85 last weekend. He achieved great success in his life. Arriving here 78 years ago as an immigrant from Russia, he built a real estate empire and attained a reputation as highly disciplined, organized and, on occasion, even ruthless. He became a doting father and grandfather, and he became an advocate for Baltimore and for Israel.

What we salute, however, is not his great works, but his great instinct, an instinct to give back some of what he had received, an instinct to help others, an instinct, as the English poet Matthew Prior said, to "open in each heart a little heaven."

In that respect, he has equal rank in Baltimore history with Enoch Pratt and Johns Hopkins, George Peabody and Henry Walters.

His legacy is an array of philanthropy that he knew no limit—in Baltimore, in the United States and throughout the world, particularly in Israel. One thing that made his giving distinctive was its timing, coming as it did in an age of unbridled selfishness, when many people were preoccupied instead with buying the latest fashions, keeping up with the Joneses and on amassing a portfolio of investments that provided maximum return.

His instinct was to share his bounty with others. He became a pioneer in the United Jewish Appeal, and one of Baltimore's great philanthropists, providing assistance to local museums, hospitals, and universities. Most conspicuous was his loyal support of the Baltimore Symphony Orchestra, virtually willing it to succeed and financing it to its current stature as one of the nation's dozen quality musical organizations.

An orchestra adds to the vitality of a city and to the quality of life for the people who live here. An orchestra is one of those things that attracts people of talent and ability to the place and provides inspiration to people of all ethnic and economic stations.

The capstone of Meyerhoff's affair with the orchestra was the symphony hall that carries his name. In just two years, it has become much more than home for the BSO. It has become the stage for a wide range of events—lectures, theater, conferences, and a concert hall for music of all kinds. It provides a variety of activities that enriches our city and touches those who live or visit our city, "opening to each heart a little heaven."

[From the Baltimore Sun, Feb. 4, 1985]

JOSEPH MEYERHOFF

Joseph Meyerhoff had a profound respect for life and for the gifts that life had brought him. He believed in giving back those gifts—to his faith, to his nation and to his community. "You're not going to take it with you," he once remarked. "So why not spend it? Why not do what you can to make life a little richer for others. I think that's a pretty nice legacy."

Mr. Meyerhoff's legacy was more than "pretty nice." When he died this past weekend at the age of 85, Israel's library system, the University of Maryland's Jewish Studies Center and an astounding number of other cultural, educational and medical institutions were the richer for his good works. The most spectacular evidence of his philanthropy with permanent home of its own in a symphony hall that bears his name.

When yesterday's concert for Maryland legislators was transformed into a tribute to Joe Meyerhoff, it was played at The Meyerhoff, a splendid $23 million hall to which he contributed $10 million. So it has come to pass that this refugee from the pogroms of Czarist Russia stands now in the select company of Marylanders who can be called a The—as in The Hopkins, The Pratt, The Peabody and The Walters.

What separates Mr. Meyerhoff's achievements from those of Johns Hopkins, Enoch Pratt, George Peabody, Henry Walters is a century of time. In the latter half of the Nineteenth Century, Baltimore's wealthiest men competed in contributing to their city. By the time Baltimore began receiving the benefit of Mr. Meyerhoff's largesse, the tradition of giving was fairly moribund.

This was especially true for the symphony. But with passion and hard work, Mr. Meyerhoff helped transform the orchestra and, with it, the city's cultural life. The Meyerhoff idea of "giving back" is taking hold among well-to-do Baltimoreans.

Mr. Meyerhoff's mark is also in this city in another sense. He accumulated his fortune as a builder of homes and shopping centers. His Edmondson shopping center, built in 1946, was a pioneering experiment that was copied all over the country. The Meyerhoff version of the Baltimore row house, post World War II, is part of the landscape along Loch Raven Boulevard, Westview Park, Woodbridge Valley and other sections.

As his means grew, Mr. Meyerhoff took a leadership role in national Jewish charities and in fund-raising for the state of Israel. Later in life, his work as chairman of the State Planning Commission and president of the Baltimore Symphony focused more of his attention closer to home.

Mr. Meyerhoff worked hard to ensure that he built endowments as well as edifices. He wanted not only bricks and mortar but sound institutions. The best way his fellow citizens can show their thanks is to follow his path to the extent that their means allow. What better tribute could there be to Maryland's newest theater.

[From the Baltimore Sun, Feb. 4, 1985]

MEYERHOFF LEGACY: A FUTURE FOR ARTS

(By Eric Siegel)

When Joseph Meyerhoff became chairman of the board of the Baltimore Symphony Orchestra in 1965, the BSO was as artistically obsure as it was financially troubled.

It didn't have a regular home and was forced to practice for its concerts at the Lyric, in public schools and in vacant spaces all over the city—in the manner of what longtime music director Sergiu Commission called "a gypsy orchestra."

After two decades of forceful leadership and unfailing philanthropy on the part of Mr. Meyerhoff, who died Saturday night at the age of 85, the BSO is regarded generally as near the top of the second rank of American orchestras, one of the 15 or 20 best aggregations of musicians in the country.

The BSO still has some stubborn funding problems—as do most arts organizations these days—but they seem more manageable than insurmountable.

Perhaps above all, the BSO has an attractive, 2½-year-old, state-of-the-art auditorium of its own in the Joseph Meyerhoff Symphony Hall—a fitting monument to both in gumption and generosity of the man whose name it bears.

Of course, the BSO was not the only beneficiary of Mr. Meyerhoff's largess.

As Elliott W. Galkin, former director of the Peabody Conservatory and now head of the school's graduate program in music criticism, said yesterday: "Wheterever one might look in Baltimore's educational, cultural and medical institutions, there are the results of Joseph Meyerhoff's philanthropy . . . . His life was devoted to the support and stimulation of this city's schools, libraries and hospitals."

In the world of the arts, in addition to chairing of the arts, in addition to chairing the board of the symphony, he sat on the boards of directors of both the Baltimore Opera Company and the Baltimore Museum of Art.

"It really is very difficult to give a proper assessment of Joe's influence because it was so pervasive," Arnold L. Lehman, director of the Museum of Art, where Mr. Meyerhoff also served as a member of the building and grounds committee, said yesterday. "More important than his incredible generosity was his leadership. It was invigorating and energizing to see a man of that age take the approach of looking well into the future."

Mr. Lehman conceded that Mr. Meyerhoff's "great love was music" but added,

"He also had a great feeling for the visual arts."

"The two areas were brought together in the Joseph and Rebecca Meyerhoff Auditorium in the museum in which we are able to present programs of music of all kinds and also lectures and film programs in the visual arts," he said.

But Mr. Meyerhoff will rightfully be most remembered for his work and philanthropy on behalf of the BSO—which many observors said yesterday was comparable to that done by the late Henry Lee Higginson for the Boston Symphony Orchestra.

"Without him, the BSO would never have achieved its present artistic eminence and financial security," said Mr. Galkin, who observed the BSO's development as a former music critic for The Sun as well as a local music educator.

"His financial support was crucial," said Joseph Leavitt, who served as the BSO's executive director from 1973 until his retirement last year. "I doubt we'd be here without his financial support."

"He was a great collector of funds for the symphony," Mr. Leavitt said. "He not only gave to it, he got for it."

Among his financial contributions were the establishment of a program of endowed chairs, the underwriting of a successful European tour, and the provision of funds for the BSO's first recording efforts.

Important though they were, those contributions pale beside the $10 million he gave to build the BSO a new concert hall.

The idea for a new hall, as Mr. Meyerhoff readily acknowledged, was not his but that of Mr. Comissiona, the Romanian-born conductor who served as the BSO's music director from 1969 until last season.

"When I came to Baltimore I had a long talk with Mr. Meyerhoff in which we laid plans together for the future of the orchestra," Mr. Comissiona, who could not be reached for comment yesterday, recalled in an interview shortly before the opening of the Meyerhoff Symphony Hall in September, 1982. "We spoke of improvement, expansion of the orchestra, broadcasts, recordings, tours."

"But one of the most important of all was the need for a new concert hall. What an orchestra needs for permanency and continuity is its own home where it can put down its own roots."

Originally, he had planned to put up $2.5 million of his own money toward the projected $15 million cost, with the rest coming from the state and the city.

But by the time the building was completed, the cost was more than $20 million, with Mr. Meyerhoff putting up $10 million of the total.

In addition to increasing his own contribution, he was instrumental in overcoming resistance to the idea of the construction of a new hall for the symphony by those concerned that without the BSO as a tenant, the venerable Lyric might have to shut its doors.

Mr. Meyerhoff commissioned a study on possible future uses of the Lyric, which concluded that within a couple of years after the orchestra's departure, the Lyric could fill many of its dates by booking other events.

One crucial question is the future of the BSO following Mr. Meyerhoff's death.

"I don't know how to answer that," said Mr. Galkin, a member of the BSO's board.

But, noting that music director designate David Zinman is a "first-class conductor" and that the "orchestra's better than it's ever been," he said, "I think the future is a good future."

Which would be a most fitting monument to Mr. Meyerhoff.

[From the Baltimore Evening Sun, Feb. 4, 1985]

JOSEPH MEYERHOFF: HE GAVE MORE THAN JUST MONEY

(By Alfred Haynes)

With the death of Joseph Meyerhoff, the cause of the arts in Baltimore has lost perhaps its greatest benefactor since the days of George Peabody, Enoch Pratt, Johns Hopkins and Henry Walters.

Historically, great musical institutions such as symphony orchestras and opera companies have never been able to survive successfully solely on the proceeds of ticket sales or governmental grants; the rest has had to come from individuals or private foundations or outright gifts from corporations.

The nation is dotted with concert halls made possible through gifts from civic-minded philanthropists, one of the most notable being the fabulous Carnegie Hall in New York, donated by the great Pittsburgh steel tycoon and still standing after nearly a century.

The Joseph Meyerhoff Symphony Hall is one of Baltimore's enduring monuments to the vision and generosity of a man who came to America as a Russian immigrant boy, became a millionaire and shared his fortune for the betterment of the nation and city he loved.

Music and the other arts were high on his list of values he considered worthy of preservation, and he devoted many of his later years to that purpose.

He jokingly admitted, "My wife got me into it." But Meyerhoff, who was not musical himself but later developed a love for music, had been interested in the welfare of the Baltimore Symphony for some years prior to the building of the new hall. When Sergiu Comissiona took the helm of the BSO as musical director in the early 1970s what had been in the back of his mind germinated.

For many years, the orchestra had been a struggling and sometimes mediocre organization with no home of its own, having to share quarters and concert dates with the Baltimore Opera and numerous other groups in the excellent but inadequate Lyric Theatre.

With Comissiona, Meyerhoff envisioned a world prestige symphony orchestra in a concert hall second to none. That dream became a reality when he provided $10.5 million of the $23.5-million cost of the new hall, the difference coming from the city and state.

Meyerhoff channeled his interest in the BSO into an almost full-time volunteer job, his associates said. But his efforts did not stop there. The Baltimore Museum of Art now has its own gem of a concert hall bearing his name, and the successful completion of a $12-million fund-raising campaign, announced the day before his death, will make possible a large and much needed building and educational expansion of the Peabody Conservatory, of whose board he was a member.

Frank Baker, Jr., the BSO board president and who was also formerly associated with Meyerhoff as an executive of Monumental Properties, said:

"He was an outgoing personality, a dynamic leader, very friendly. At times he got impatient when things weren't accomplished in due time; he liked to get things done, and he was a man of action.

"He loved people, mixed well, and he liked to entertain. He had a box at the symphony and liked to invite friends and associates to come to the concerts and oftentimes would entertain them afterwards."

Regarding Meyerhoff's early involvement with the BSO, he said:

"A group of leading citizens came to him and said, 'Joe, really you ought to get involved and make something of this orchestra.' Joe was always interested in getting involved in worthwhile undertakings and this was really a civic responsibility. There was no question that Rebecca [his wife] encouraged him to take it. Once Joe got involved, he went the whole way; there was no halfway. He never went on a board just to lend his name . . .

"We were having difficulties in the 1970s. We were a tenant at the Lyric; the dressing rooms weren't as nice as they could have been, and the building was getting old. Commissioner came to Joe and said that if we were ever able to develop a great orchestra, we had to have a home of our own and a hall that was specifically designed for the symphony.

"As the years went on, Joe continued to talk about it and started visiting symphony halls around the country. He engaged [Pietro] Belluschi [the architect] and the two traveled together looking at halls . . ."

"Joe was a very generous person. He felt that Baltimore had been good to him in a business way and that he had an obligation to share his accumulated wealth with the City of Baltimore. And he felt that one way to do that was with the Symphony."

Joseph Leavitt, who retired last spring as executive director of the BSO and who is now executive vice president of the Fort Lauderdale (Fla.) Symphony, said that "he (Meyerhoff) was a man who really ran the symphony full time during the years I was there. He was a very active board president and got involved with every project and during the years before the hall was built was completely immersed in that.

"We traveled around the country with the architect and he was determined that everything should be first class.

"That kind of a giver doesn't stop with money. Wherever he invested, he wanted to know a lot about what was happening and wanted to be sure things were expended wisely and leaning toward quality . . . He wanted that hall to have terrific acoustics, to be very comfortable and have good sightlines, and he spent hundreds and hundreds of hours looking at other places.

"He also made a lot of changes in the hall when he decided it was getting to be too much of an all-purpose hall where there would have to be compromises on acoustics and other things that make a symphony hall."

"There was no doubt that he was the boss and everybody knew it," Leavitt said. "And like most topnotch people, he was demanding because he wanted high quality results . . . He didn't suffer fools much.

"He really made an effort to learn a lot about the music business. Once he got involved in it, he immersed himself in what knowledge he needed to run an orchestra—the economics of touring, about ticket campaigns and selling.

And he had a large part to play when Maestro Comissiona left. He kept himself up to date on conductors and got to be a very discriminating listener."

Anne Garside, a Peabody spokesperson, recalled that "Joseph Meyerhoff, soon after the opening of Meyerhoff Hall, was puttering around the Peabody concert hall seeing what needed to be done. It was just in the renovation stage at that point."

"He was the sort of man who always needed a building project. In the last two years he became more and more involved in the Peabody's building plans and was the chairman of our building committee."

Robert Pierce, the Peabody's director, was formerly principal hornist with the BSO and, as head of the players committee, was on the opposite side during the orchestra's work stoppage some years ago.

"He was certainly a tough bargainer and a very able one," Pierce reflected, emphasizing that Meyerhoff did not directly do the bargaining.

"Whatever was finally hammered out was finally agreed to and he adhered to it absolutely; he was not the kind of person who, if he did not get exactly what he wanted, would walk out of the game. And that was the measure of the man.

"His death is a great loss to the Peabody. He was an active trustee and his mind and experience he brought to that position was a vital one. I deeply admired him. He was a staunch supporter of what I was doing and a good adviser."

[From the Baltimore News American, Feb. 12, 1985]

MEYERHOFF WAS A TRUE HUMANITARIAN

We are deeply grateful for the generous coverage you gave to our grandfather's life and sudden passing. Joseph Meyerhoff was a true humanitarian and your stories made it possible for others to learn of his endowment to the world, his deeds, sense of purpose and quality of life and mind. We are also deeply touched by the number of people who did not know our grandfather but chose to honor him by attending his memorial service.

Many who never knew him personally have now had the opportunity to share his life.

Now we will have not only our own recollections but your written words to ensure that Joseph Meyerhoff's heritage is passed on to his children's children's children.—The grandchildren of Joseph Meyerhoff, Pikesville.●

THE RETIREMENT OF DONALD ZIMMERMAN

● Mr. D'AMATO. Mr. President, one of our most able and dedicated public servants, Donald Zimmerman, the Deputy Associate Director of the Bureau of Alcohol, Tobacco and Firearms Office of Law Enforcement, retired on February 3 after 25 years of service.

Deputy Associate Director Zimmerman is a native of New York. He joined ATF in 1960 as a special agent in New York, and went on to become a supervisor there. In 1972, the year ATF became a Bureau, he was transferred to Washington, DC, as special agent in charge of the Bureau's Intelligence Branch. He left Washington in 1977 to become special agent in charge for the State of Michigan. Mr. Zimmerman returned to Washington in 1979 to head the Office of Internal Affairs. He was named to his current position in 1982.

As a manager, Don Zimmerman has helped to steer that agency from its principle mission, when he joined the Bureau, of suppressing moonshining to its current role as the Federal law enforcement expert on bombings, arsons, and criminal misuse of firearms.

It is to Don Zimmerman's credit that he has played a major role in plotting a steady and productive course for the Bureau of Alcohol, Tobacco and Firearms. While the missions given to ATF have often been the subject of controversy, its achievements, because of men and women like Don Zimmerman, have been positive and significant.

Last year, for example, ATF recommended nearly 3,000 of the Nation's most dangerous offenders for prosecution. Of those charged with firearms violations, 48 percent were involved in illicit narcotics and 57 percent had prior felony records. ATF's record in solving arson and bombing cases is also impressive.

Don Zimmerman can be proud of the Bureau he has served so well. I want him to know how very proud we are of him.●

HARLON CARTER PASSES THE MANTLE AT NRA TO RAY ARNETT

● Mr. HELMS. Mr. President, for the past 8 years, Harlon B. Carter has served the National Rifle Association as executive vice president. It has been said that he possesses extraordinary powers, but he has said modestly, and truthfully, that the powers rest with the 3 million NRA members nationwide who are dedicated to preserving and defending the second amendment of the Constitution, especially the right to keep and bear arms.

Recently Harlon Carter stepped down as executive vice president of the NRA. He will continue to serve the NRA in an advisory capacity and will serve on the association's executive council. He will now have the opportunity to spend time with his family, go hunting, fishing, and participate in the numerous shooting sports he so loves.

Mr. President, Harlon performed the duties of his office with dignity, in keeping with his proud character. Those of us who know this remarkable man join in extending our best wishes to Harlon Carter on his retirement.

The NRA board of directors knew they had a job on their hands finding a new chief executive officer of comparable stature. At the January meeting of the NRA board of directors they did just that by unanimously electing G. Ray Arnett.

Mr. President, Ray Arnett is another citizen of great character and wonderful temperament who enjoys a well-deserved reputation for integrity, honesty, and loyalty. He has many attributes of a successful chief executive officer: a fine presence, quick wit, honed intelligence, and an enormously persuasive manner. He has been a champion of both popular and unpopular causes; but most importantly he has never let prevailing opinion divert him from the course he thinks is right. In his new position, Ray Arnett will be supporting the constitutional freedoms of American citizens to own firearms for sport, personal protection, or recreational purposes. Ray Arnett will also fight to support professional fish and game managers against antihunting extremists.

In a nutshell, Ray Arnett is a man Harlon Carter will be proud to have follow in his footsteps—and the National Rifle Association's 3 million members and the Nation will be the beneficiaries.

Ray Arnett is a nationally and internationally acclaimed hunting and conservation authority. He began his career as a geologist in Bakersfield, CA: He later served for 7 years as the State's fish and game director under then Gov. Ronald Reagan. Most recently was the Assistant Secretary of Interior for Fish, Wildlife and Parks. He was appointed to that position early in 1981 by President Reagan and served until his recent resignation.

Mr. Arnett has made a lifetime career of serving the interests of this Nation by being actively involved in wildlife management and shooting sports.

Mr. Arnett was a director of the National Wildlife Federation for 17 years. He served two terms as president of the National Wildlife Federation before retiring in 1978. He is one of the founders, and later board chairman, of the Wildlife Legislative Fund of America and of its companion organization, the Wildlife Conservation Fund of America. He also has held posts with the Wilderness Leadership School, Game Conservation International, World Wilderness Congress, Californians for Recreation, and Ducks Unlimited.

Mr. Arnett was recently appointed to the Fish and Wildlife Foundation by President Reagan.

Born in Quantico, VA, and a Marine Corps veteran, Mr. Arnett saw combat during World War II in the Pacific Theater, during which he received a field commission. He served an additional 2 years during the Korean conflict.

I realize that many of my colleagues have had the opportunity to exchange barbs and words of wisdom with Ray Arnett on matters of concern to hunters, firearm owners, sportsmen, wildlife enthusiasts, and conservationists. And he has always been direct and forthright.

It will be a pleasure to work with Ray in his new capacity. At all times he has championed the interests of hunters, firearm owners, and American sportsmen. His contributions to a better understanding of our natural resources and conservation policies have already become benchmarks in the history of our Nation's conservation development.

Mr. President, I believe it is appropriate at this time, to call on my colleagues to join in congratulating Ray Arnett on his election as executive vice president of the National Rifle Association. This honor is well deserved.●

THE NOMINATION OF EDWIN L. MEESE III AS ATTORNEY GENERAL

● Mr. MOYNIHAN. Mr. President, I will vote not to confirm Mr. Meese, now counselor to the President, for the office of Attorney General.

The record presented to us is hardly a simple one; else the Senate would not have been treating with the question for getting on to 1 year. Even so, I do not find myself in doubt as to the balance of the issue.

I was the third person to hold the position of counselor to the President. Arthur F. Burns was the first, Bryce N. Harlow the second. They set the standards for that office. The position has, or had, no duties as such save as the President of the United States desires counsel. In offering that counsel, it had to be assumed that no personal interest would in any way influence the advice given; nor yet would there be any appearance of such influence.

Faithful to his trust in every other regard of which I am aware, I must even so judge that Mr. Meese did not sufficiently understand this central duty; or if he did understand, did not sufficiently abide by it. That is too great a lapse to be put aside in considering his qualifications for Attorney General.

I cannot doubt that he will be confirmed. I wish him well in his work, and trust his recent experience will enlarge rather than narrow his views.●

ORDER OF PROCEDURE

Mr. GORE. It is my understanding, Mr. President, that the majority leader wishes to offer a unanimous consent request and then to move that we adjourn until tomorrow morning, and under those circumstances I yield the floor.

Mr. DOLE. Mr. President, I would just say before I make the unanimous-consent request that I fully understand the difference of opinion on both sides. I think I understand what is happening on the other side, and I just hope we do not lose sight of the plight of the farmers while we are so busily engaged in politics.

I understand the farm credit problem is an issue, and I understand there are farmers in deep difficulty in my State and other States. But I think that anyone who would fairly examine the list that was submitted to us would admit that there are many banking provisions and entire farm credit packages, and no hearings have been held on anything.

Again, I repeat, when we were discussing all this yesterday, there were only two amendments being considered—two. And I told my distinguished friend from Oklahoma I thought he was making a mistake on the one, the 110 percent cash flow requirement for Farmer's Home borrowers. I thought it was helpful to the farmer, who would have to pay less. He said, "Well, if we can't work it out, I can offer an amendment." The other difference was on advance CCC loans—I think it was number 11 or 12 on the list of about 14 requests—and would have made $5 billion available for advance loans.

I do not want to disagree with any of my colleagues, particularly the distinguished minority leader. But I wanted to explain why it is rather difficult for us to move forward when we are presented with 14 amendments, some of which are actually bills. I will give you one example: The Hart amendment relating to the Emergency Farm Credit Relief Act, bill No. S. 459; special loans for California.

None of these things have been discussed all week. There will be other opportunities for farm legislation. I have been around here for a long time. I have been on the Agriculture Committees in the House and Senate for many years.

I know how easy it is to leave impressions, and I do not want to leave the impression that we are being unreasonable. If we went back to what we were negotiating on, I think I could persuade my colleagues to consider a Daschle amendment or an Exon amendment, whether it is an advance loan of 50 percent or a third or whatever. I could get that agreement. If we wanted to vote up or down on the Farmer's Home cash flow requirement—100 or 110 percent—I hope I could get that agreement.

Now, what I expect has been done is to make 14 amendments into 7. I bet they are all in there. That, I suggest, cannot be negotiated. And I hope we have not broken the mold.

ORDERS FOR SATURDAY, FEBRUARY 23, 1985

ORDER FOR RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m. on Saturday, February 23.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATORS PROXMIRE AND BOREN

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that, following the two leaders under the standing order, the following Senators be recognized for not to exceed 15 minutes each for special orders: Senator PROXMIRE and Senator BOREN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following morning business, the Senate will automatically resume the Meese nomination, in executive session. Rollcall votes could occur early in the morning, possibly as early as 10:30 a.m.

It is the intention of the leadership to take up S. 391, the highway bill, and the farm credit legislation, if available, following the confirmation of the Meese nomination.

Again, as I indicated earlier, I think it is fair to suggest that rollcall votes may be expected throughout the day.

RECESS UNTIL 9:30 A.M.

Mr. DOLE. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess in accordance with the previous order.

The motion was agreed to; and, at 1:04 a.m., the Senate, in executive session, recessed until later today, Saturday, February 23, 1985, at 9:30 a.m.

SENATE—*Saturday, February 23, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 9:30 a.m. on the expiration of the recess, in executive session, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Eternal God, author of life, who "gives to all, life and breath and all things * * * in whom we live and move and have our being." (Acts 17:25, 28), thank You for this beautiful day with its intimation of spring and new life. Thank You for birdsongs which have been silent—for the fragrance in the air and the warmth of the Sun which caresses. Thank You for the expectation of Passover and Easter with their promise of deliverance and resurrection.

This has been a difficult, frustrating, and exhausting week Father—as the Senate works its way out of its stalemate, grant that there be no residue of bitterness or enmity. May all negative emotions be dissolved in Your love and forgiveness.

Be with families who have been affected by the Senate schedule. Thank You for their patience and understanding. Give to them in these next hours some time together which will be redemptive, pleasurable and renewing. In the name of Him who is the Giver of life. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. RUDMAN. Thank you, Mr. President.

SENATE SCHEDULE

Mr. RUDMAN. Mr. President, awaiting the arrival of the majority leader, or the majority whip, the schedule for today is that there is leader time under the standing order of 10 minutes each. There are special orders in favor of Senator PROXMIRE and Senator BOREN for not to exceed 15 minutes. And following those orders, there is going to be routine morning business not to extend beyond the hour of 10 a.m. with statements limited to 5 minutes each. Following that, the Senate will automatically return to the Meese nomination.

The majority leader has indicated that rollcall votes are expected throughout the day, the evening, and he has informed me that votes could occur as early as 10:30 a.m. this morning.

I am going to reserve the balance of the leader's time, and will yield to the distinguished acting minority leader, or the minority leader, if he wishes.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader.

I yield my time under the standing order to Mr. PROXMIRE. If Mr. PROXMIRE does not use it, I ask unanimous consent that it may be reserved.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDENT pro tempore. The distinguished Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from West Virginia, the Democratic leader, and I am happy to reserve his time to later in the day. I will use my time under the special order.

The PRESIDENT pro tempore. The distinguished Senator from Wisconsin is recognized.

WHY STAR WARS IS NOT THE ANSWER TO MUTUAL ASSURED DESTRUCTION

Mr. PROXMIRE. Mr. President, the administration advocates of star wars have taken to condemning the so-called MAD, or mutual assured destruction doctrine, that has—whether we like it or not—constituted the heart of our defense against nuclear attack by the Soviet Union for the past 30 years. Superficially the Reagan administration seems to have an easy target. After all just the common acronym MAD conveying a notion of insane, berserk, wild offers a tempting and easy shot. Think of it. It is indeed a terrible truth that we rely for our safety on the threat of the most terrible and total annihilation of any nuclear adversary. How can any humane and civilized person accept the notion that if our adversary should attack we would retaliate with a more terrible and devastating strike that might, in the end, destroy mankind. How can anyone who loves his fellow man and accepts the tenets of any religious faith embrace such a terrible doctrine even for retaliation for the most destructive imaginable offenses by the other side, indeed even if the other side institutes the initial strike?

Well, Mr. President, no one likes it but we have been living under that terrible doctrine for more than a generation. And grim as it is, it has kept the peace. If we give up on that doctrine, if we renounce retaliation and mutual assured destruction, we may save our souls, but we surrender our country. That is quite a dilemma. It is terrible; but it is true. And it paves the way for those who favor a star wars program; that is, the Reagan administration. It can and has come on with a sweet siren song. They say let us use the infinite magic of modern American science to build an antimissile system that will kill no one, that contains no nuclear weapons, but that will simply defend us. Why not shoot down the incoming intercontinental ballistic missiles? The never-ending marvels of science can show the way for a system that eventually may become almost perfect. But whether nearly perfect or not, it will enable this country to intercept much—probably most and perhaps 90 percent—of the Russian land-based intercontinental ballistic missiles. And ICBM's constitute 70 percent of their nuclear deterrent.

As former Secretary of Defense Robert McNamara has pointed out, there are so many things wrong with this star wars argument that it is hard to know where to start. First it will not work even if the most optimistic assumptions of its advocates turn out to be completely fulfilled. Assume that it can achieve 90 percent success against incoming ICBM's. Will that mean that 90 percent of the Soviet's land-based deterrent has been taken out of the act? No. It means that for a fraction of the cost of building the star wars defense, the Russians can completely nullify that defense by increasing their offensive missiles by a factor of 10. If they have 5,000 land based ICBM's now, they can build 50,000. If they do, then a 90-percent successful star wars would still permit the same number; that is, 5,000 ICBM's to penetrate our defense. The Soviets according to Hans Bethe, the Nobel Prize winning scientist who is a

world renowned expert on nuclear arms, can also overcome the star wars defense by deploying decoys and by hardening the skins of their offensive missiles.

The Russians would have still another alternative. Star wars only works against land based ICBM's. The Russians—defense—can simply shift their deterrent to submarine and bomber launched missiles—like the cruise missiles—against which the star wars defense would be useless. So the star wars defense would drive a trillion dollar hole in the budget without providing any improved military security.

Star wars also makes a shambles of arms control. It would destroy the Anti-Ballistic Missile Treaty—an arms control treaty that was ratified by the Senate in 1972. It would require years of testing so it provides still another alibi for not stopping the arms race by negotiating a comprehensive and total ban on the testing of nuclear weapons. And it would goad the Russians into an immense build-up of their offensive nuclear missiles.

Well, what is the alternative? It is not easy. It certainly is not pleasant. Living indefinitely with mutually assured destruction offers a vista of endless anguish and fear. But it also constitutes a willingness to face the brutal and terrible truth, and on that truth to build a mutual and verifiable freeze on nuclear arms testing, production and deployment. Once we agree to stop the testing of nuclear arms we halt the essential dynamism of the arms race. From that point we can work to reduce nuclear arms on all sides, knowing that any reduction of arms with the freeze firmly in place, means that neither side will nullify nuclear arms reductions by simply building ever more devastating, less vulnerable and more accurate arms. What does it benefit us if with arms control we reduce nuclear arms by a factor of two, if at the same time we increase the destructive power of new nuclear weapons by a factor of four? The Reagan administration tells us we should reduce the number of nuclear arms, not freeze them. But they insist on continuing research and testing to make even newer and more destructive nuclear arms.

THE CONTINUING AGONY OF CAMBODIA

Mr. PROXMIRE. Mr. President, the people of Cambodia have suffered tremendous damage to their existence from civil war, the atrocities by the Khmer Rouge, and the invasion and subsequent takeover by Vietnam. Expert observers have estimated that between 20 to 35 percent of the population lost their lives between 1970 and 1980. The Khmer, the dominant ethnic group in Cambodia, provide a tragic example of the severe disruption and near destruction of culture's identity because of genocidal turmoil.

The Khmer were embroiled in a civil war between 1970 and 1975, the outcome of which put the Khmer Rouge in power. Headed by Pol Pot, the Khmer Rouge committed mass executions, tore apart families, suppressed religion, and depopulated cities. Ostensibly a time of peace, Pol Pot's short but ruthless tenure was marked by an obsessive attempt to wipe out the Khmer culture. His political extremism sought the conformity of a distinct people to the Communist policies of his ideals. He did not succeed in this attempt. But in making the attempt he destroyed many of the Khmer people.

Pol Pot's atrocities were so severe that when Vietnam invaded the country in 1978 they were regarded as liberators at first. Unfortunately, Vietnam has not been so benevolent to the Khmer people. Besides being responsible for a famine that killed tens of thousands of people, Vietnam has allowed hundreds of thousands of Vietnamese into the country. Many of these settlers assert power over the subjugated Khmer and disrupt traditional fishing and farming practices.

The Vietnamese have also caused disruption through their pursuit of the 25,000 to 40,000 guerrillas who still control remote areas of the country. The 250,000 people who inhabit the areas under guerrilla rule have been victims of intimidation from both sides, with many forced to flee to the overcrowded refugee camps in Thailand. Cambodia's agony continues.

As a distinct people, the Khmer of Cambodia have been torn apart by the political warfare waged in the country since 1970. The world cannot afford the destruction of its rich diversity of ethnic groups. In the pursuit of their protection, I urge you to ratify the genocide treaty.

Mr. President, I yield back the remainder of my time and I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR BOREN

The PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma [Mr. BOREN] is recognized for not to exceed 15 minutes.

Mr. BOREN. I thank the Chair.

THE AGRICULTURE CRISIS

Mr. BOREN. Mr. President, we have now gone into another day in this debate which is being characterized as a filibuster against the Meese nomination. In the past few hours, unfortunately, some rather strong and harsh remarks have been made on both sides. I see some signs that there are increasing tones of partisanship in the debate and that there is a real danger that we could see this Senate further divided along political lines.

Mr. President, I hope that will not happen on this debate or on other debates as the year goes along on very pressing issues before us.

At this particular point in our history, our country is faced with some very difficult decisions that must be made. We all realize that to get our budget back under control and to keep our country from severe economic problems in the future that will confront our children and our grandchildren, we are all going to have to yield a little on our positions; that all of us as Americans are going to have to sacrifice; that those of us on this side of the aisle are going to have to ask those special constituencies of ours to make a sacrifice, and those on the other side of the aisle will have to do so as well. In other words, the only way we are going to be able to solve our problems is for all of us to get together as Americans and do that.

Mr. President, I want to simply say that in this body—and I saw the Senator from Kansas on the floor just a moment ago—my own personal friendships extend to both sides of the aisle. Some of the closest personal friends that I have here or any place else happen to sit on the other side of the aisle from the Senator from Oklahoma. That is true this morning. It is certainly true in the mind of this Senator just as it was true a week ago.

Some people have asked whether or not the actions which we are undertaking are designed to test the new leadership on the other side of the aisle, particularly the leadership of the distinguished majority leader, the Senator from Kansas.

Let me say, Mr. President, that when I say some of my closest personal friends and some of the people for whom I have the highest regard in this body sit on the other side of the aisle, I certainly include the Senator from Kansas, the majority leader, high on that list. No one has been kinder to me since I came to the Senate.

I am one of three Senators, including the Senator from Kansas, who happen to serve on both the Agriculture Committee and the Finance Committee.

During the past 4 years that the Senator from Kansas has chaired the Finance Committee, it has been my

privilege to work with him very closely on a number of matters. There are probably few Members of this body on either side of the aisle with whom I have joined in cosponsoring more legislative proposals than I have with the Senator from Kansas.

I have said to the press in recent days and I say it again here on the floor that when it has come to trying to help the situation in agriculture, time and time again I have gone to the Senator from Kansas, the distinguished majority leader, and I have always found him willing to join in the effort to be of help to the farmers of this Nation. I say that again for the RECORD. I hope that the media will carry that, including the media in his home State of Kansas, because that is a sincere and factual statement of his own contribution.

Mr. President, it is true that during the course of this debate I have criticized the administration's failure to deal with the impending farm crisis. I think they deserve that criticism. As of the day before yesterday, under the program which the administration had previously announced before we began this action which has been called a filibuster, 104,000 applications for help from the farmers of this country had been received by the Farmers Home Administration under the various programs that they administer. Less than 6,000—actually about 5,200—of those applicants had received help.

Under the guaranteed loan program in the entire United States only 34 had been approved, even though there are literally thousands of farmers on the verge of liquidation.

Clearly, that program is not working. Clearly, the administration did not heed the signs of danger that many of us were trying to point out.

Since we began this action on the floor, a thousand employees have been added to the Farmers Home Administration, changes in the regulations have been announced reducing the income requirements for farmers to participate so that more can be helped, reducing the time required by the Farmers Home Administration to process the guaranteed loan applications, and many other areas of substantial progress were announced by the Secretary of Agriculture over the last 3 or 4 days.

I am happy about those actions, Mr. President. I applaud the fact that those actions have been taken. I regret taking action on the floor, and the use of parliamentary tactics that I personally do not like to utilize, to get the process moving to get that accomplished.

Mr. President, having made that criticism of the administration and the criticism of the failure to act until we began this parliamentary action on the floor, should that be regarded as a partisan criticism, because I am a Democrat and the administration I am talking about happens to be Republican?

No, Mr. President, I do not make that criticism because I belong to one party and the administration is of another party. I would make the same criticism if the administration in office were of my own political party.

If my colleagues on the other side of the aisle have any temptation to believe that my criticisms are partisanly motivated, I would ask them to get out the press clippings of the statements I made at the time that a Democratic President, President Carter, imposed the embargo on the sale of grain.

I would say to the distinguished presiding officer and my friends on the other side of the aisle, if they think that I am being critical of an action of this administration, they would find my comments mild compared to what I had to say about action of a democratic administration at the time the embargo was imposed.

The Senator from Nebraska and I, without thinking of the politics, without thinking of the change of leadership in the Senate, without any other consideration than feeling a sense of frustration that not enough was being done to deal with a crisis that we saw building on the farm, decided that we had no choice but to announce that we would use all the parliamentary tools available to us to stop action on other matters until we could get the agricultural crisis put on the agenda of the Nation—on the front burner, so to speak—requiring the immediate attention of the administration and the Congress. We did that for only one reason, and that is to help the farmers of this country. Not just the farmers, but to help all the people of this country, because we are convinced that all Americans are going to pay a terrible price if farmers fail.

Mr. President, I do not like filibusters. I have criticized them often. I do not like the parliamentary tactics which have to be used to carry them on. We have engaged them only as a last resort to get action. I would say that these circumstances are different from most filibusters. I am not filibustering against the nomination of Mr. Ed Meese. I happen to have a good personal relationship with Mr. Meese. I was one of the first people on this side of the aisle to indicate that I intended to vote for the confirmation of Mr. Meese. I still intend to vote for his confirmation when that matter comes to a vote, and I hope it can be soon. I hope it could be today, Mr. President.

I have not been filibustering to prevent action on Mr. Meese; I have been filibustering to try to get action scheduled on more help for the farmers. I have not been filibustering to try to prevent action by the Senate, but to try to get the Senate to have an opportunity to act to give more help for the farmers.

Mr. President, I have been in all of these negotiations, and let me say again I appreciate the spirit that has existed on both sides. I commend both the minority leader and the majority leader for the spirit in which they have attempted to conduct these negotiations. I hope they can soon be brought to a close.

We have made it very clear on our side that this morning, for example, in the next 30 minutes, we could take up the highway bill and pass it, then return to the Meese nomination. I hope that that would be done.

I am sure that if the majority leader would agree to bring up the Dixon bill, which has been held at the desk, we could probably go ahead and pass the Ethiopian relief bill and come back to the Meese nomination and act on it.

A lot has been said about whether or not, during the negotiations, we requested an opportunity to act on 2 amendments, 3 amendments, 14 amendments, 7 amendments. Mr. President, I have been in all those negotiations. We have raised two or three main issues on this side—cash advances for the farmers are money that they are going to get ultimately anyway, so it has no impact on the budget; it simply helps them now in an immediate cash crisis. Changing the economy is necessary so we can help more farmers, improving the financial structure so more private banks will be in a position to participate in the program. But we have never specified an exact number of amendments, only the number of broad issues, until we were asked for a list of amendments. When we were asked for a list of amendments by the leadership on the other side, we had, of course, to call every Senator on our side and ask, "Do you have an amendment you would like to offer?"

I remember there were 14 amendments, again on these broad subjects that they wanted to offer. When we said we were ready to vote on all the other matters if we would simply have a vehicle for offering those amendments, we were turned down. Too many amendments, we were told.

We went back and changed that offer to cut the number in half, down to 7. We offered to put time limitations on those 7 so that perhaps at a maximum, 3½, perhaps 4 hours of time would be consumed on the Ethiopian relief bill on the matter of helping the farmers.

Mr. President, that offer was not only turned down, it was not even really considered, because we were told that negotiations were at an end before that point.

Mr. President, it is as simple as this: All we are asking for is to schedule 3½ to 4 hours of time on the Senate floor,

out of all the time that many of us in our own frustration see wasted on the floor of the Senate, wasted by Government in general in Washington—3½ to 4 hours, in which we could discuss, not in a partisan sense or in a rancorous sense or in a personal sense, whether or not additional steps should be taken to help the farmers beyond those ordinarily announced. We have made great gains and made those gains because we have had bipartisan negotiations conducted in an excellent spirit.

Mr. President, there are those on the other side of the aisle who say they do not believe these additional steps should be taken. I believe them when they say they think they are unwise. I agree with those on this side of the aisle, including this Senator from Oklahoma, who say we have not done enough, we ought to do more.

I think the thing to do is, without personal rancor, or politics, take that 3½ or 4 hours and bring up those proposals and let those who favor them vote for them and those who are against them in good conscience vote against them. All we are asking for is to have an opportunity to consider the proposal not cluttered up by other issues. We have a farm crisis before us. We do not want a parliamentary situation where busing, abortion, and every other kind of emotional issue under the sun could be brought in here to distract our attention from what we can do with the crisis before us, what is the most effective action we can take. So let us have a parliamentary situation in which we can focus the sole attention, without being distracted by red herrings, on the plight of the farmer and the danger imposed by the plight of that farmer and the danger to the American economy. Let us have 3½ or 4 hours in which we can do it. Let us have a reasonable number of proposals. We have voted on thousands of issues before this body over a number of years. Surely 3½ or 4 hours is not unreasonable.

Mr. President, while we conduct our negotiations to try to reach an agreement where we can vote on the Meese nomination, it would be my suggestion to take up the highway bill and pass it. It could be done in a matter of 30 minutes. We would be happy to see the Meese nomination set aside, the highway bill passed, and maybe that would make it easier for even the majority leader to negotiate, because he would certainly have someone high up in the Department of Transportation with whom he has daily contact and communication that I am sure would be pleased by our action.

I see the distinguished minority whip has come on the floor. I say to him this morning and to his colleagues, let us try to find a way to get together today; let us bring ourselves together. It is not a partisan matter. We are friends here and surely, friends who have the interest of the Nation at heart—and I think on both sides of the aisle, we have the interest of the Nation at heart—surely we can get together in a bipartisan fashion and come up with a reasonable solution.

Let us back away from confrontations and work toward cooperation. That must be our spirit, both now and for the rest of this year. Let us end this current disagreement, an honest difference of opinion about what should be done to help the farmer, in a way that will build bridges for the future for cooperation on important issues to come.

I am one Senator who was delighted to read of the initiatives of the distinguished majority leader and majority whip earlier in press accounts about what they hope to do to get together a bipartisan coalition on the budget deficit. I was standing on the sidelines applauding, ready to become part of that action in the future. I still feel that way.

There are other days ahead of us and other issues ahead of us. Let us simply deal with the matter at hand in a way that will make our cooperation and our unity firmer in the future and will make those problems easier to tackle and help us together as Americans.

Mr. President, this was not a filibuster begun for a partisan purpose. This was not a filibuster begun to try to prevent action on Ed Meese. It was a filibuster begun as a last resort because in frustration we did not know what else to do, not to stop action but to gain access on the floor of the Senate to effective steps to help the American farmer and to help the American economy.

I say again, if this administration were of my own political party, just as it was when I criticized the action on the embargo, the Senator from Oklahoma would be taking the very same steps if they were necessary to get action from the administration.

I thank the Chair and I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. DANFORTH). There will now be a period for morning business.

SENATOR ZORINSKY'S RESPONSE TO THE PRESIDENT

Mr. BYRD. Mr. President, Senator Zorinsky—the senior Senator from Nebraska and ranking Democrat on the Senate Agriculture Committee—this afternoon provided the Democratic response to the President's weekly radio address.

Our distinguished colleague from Nebraska is to be commended for his eloquent statement and the able leadership he has provided during this important effort to protect our family farm system of agriculture.

I ask unanimous consent that the text of Senator ZORINSKY's statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. SENATOR EDWARD ZORINSKY—NATIONAL RADIO RESPONSE TO PRESIDENT REAGAN'S SATURDAY RADIO ADDRESS

This is Ed Zorinsky, Democratic Senator from Nebraska and the senior Democrat on the Senate Agriculture Committee. My role today is to respond for my party to President Reagan's radio address aired just one hour ago. That's not easy for me to do—because I frequently agree with the President. I often support him in the Senate. I support him, for example, on the MX missile. I support giving him line-item veto power. And, of course, I support him in his efforts to cut the federal budget—so our monumental deficit can be reduced.

But I don't always agree with the President. And one area where I'm respectfully convinced his priorities and advice are wrong is farm policy, his topic today. Agriculture is our nation's number one industry. it's the single most positive factor in our balance of trade and the employer of a third of our workforce.

But, as most Americans know, agriculture is in deep trouble today. There is abundant evidence showing that our family farm system of agriculture is threatened with extinction. And the policies of the Reagan Administration, I'm sorry to say, are part of the problem.

Listen to some cold, hard facts about agriculture today:

In the last three years, more than 24,000 farmers with Farmers Home Administration loans have been forced to liquidate.

The General Accounting Office recently reported to me that another 16,000 FmHA borrowers are so far behind on payments that liquidation appears inevitable.

The Agriculture Department estimates that 430,000 farmers have debt loads that are dangerously high.

If you get the impression America's farmers are fighting for their economic lives, you're right. It's a tragedy of staggering proportions and the stage it's playing on is rural America.

The Administration's response to this drama has been pitifully inadequate. Rather than provide assistance, it has targeted key federal farm programs for reduction or extinction. Rather than offer a helping hand, it has turned a cold shoulder to farmers' pleas for emergency aid.

In recent days, we've heard a lot about the Administration's supposed willingness to provide extra help to get farmers through the next few critical weeks. But, at best, that help applies only a Band-Aid to agriculture's problems.

So farmers should not be overly optimistic today. Instead, they might think back soberly to last fall—just before the election. That's when the Administration, with great fanfare, announced a "debt adjustment" program designed to help farmers reeling from low prices, high interest rates and record crops. Many from farm states hailed the plan as the answer to their prayers.

Just yesterday, I received word that federal guarantees of farm loans nationwide under this program have amounted to just

21. That's right, 21—nationwide. In addition, of the $650 million Congress provided for all farm loan guarantees last Fall, only $44 million has been used. Apparently, that's what this Administration means when it talks about help for farmers.

And yet, Washington had no difficulty helping out Chrysler Corporation and Continental Bank when they were in trouble. It had no difficulty bailing out New York when it needed help. And it has no trouble continuing to give billions of dollars to unappreciative foreign governments, some of whom use our own foreign aid to subsidize their farmers in international export markets.

It's time Washington treated farmers as well as it treats multi-national corporations and foreign nations. Along with many of my colleagues, I'll soon be offering legislative proposals on the Senate floor and in the Agriculture Committee aimed at doing just that. Some will be short-term proposals, designed to ease agriculture through the current, severe credit crunch. Some will be long-term, aimed at setting our farm economy on a sound footing for the foreseeable future.

Farmers don't want and don't expect a federal handout. But they do deserve a reasonable chance to compete and earn a profit in the marketplace. Farmers don't want and don't expect immunity from federal belt-tightening aimed at reducing the deficit. But they do deserve equality with all Americans in that belt-tightening.

Until the Reagan Administration understands this, I'm afraid agriculture is in for continued tough times. Until some of the others in Washington realize this, there will be no brighter tomorrow for farmers. And until the President and his team are ready to provide meaningful help to farmers drowning in debt through no fault of their own, the flood of foreclosures in the farm belt will continue. Mr. President, let us all recognize that our nation's food is not born in the aisles of our supermarkets.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Report to accompany the bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes (Rept. No. 99-4).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. TRIBLE (for himself and Mr. QUAYLE):

S. 502. A bill to amend the Federal Financing Bank Act of 1973 to assure the proper budgetary treatment of credit transactions of Federal agencies; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ABDNOR (for himself, Mr. KASTEN, Mr. BENTSEN, Mr. ANDREWS, Mr. DENTON, Mr. EAST, Mr. GORTON, Mr. GRASSLEY, Mrs. HAWKINS, Mr. LAXALT, Mr. MATTINGLY, Mr. NICKLES, Mr. QUAYLE, Mr. SPECTER, Mr. DOLE, Mr. HELMS, Mr. SIMPSON, Mr. COCHRAN, Mr. PRESSLER, Mr. MCCONNELL, Mr. EVANS, Mr. WARNER, Mr. MCCLURE, Mr. BOSCHWITZ, Mr. DURENBERGER, Mr. CHAFEE, Mr. GRAMM, Mr. DOMENICI, Mr. WALLOP, Mr. ARMSTRONG, Mr. HATCH, Mr. MURKOWSKI, Mr. SYMMS, and Mr. WEICKER):

S. Res. 79. A resolution expressing the sense of the Senate with regard to emergency credit for American farmers; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TRIBLE (for himself and Mr. QUAYLE):

S. 502. A bill to amend the Federal Financial Bank Act of 1973 to assure the proper budgetary treatment of credit transactions of Federal agencies; to the Committee on Banking, Housing, and Urban Affairs.

CREDIT ACCOUNTING REFORM ACT

● Mr. TRIBLE. Mr. President, over the years, the Federal Government has become a major lender, as well as a major guarantor of private loans to private borrowers. Not only does it lend massive amounts to selected borrowers, it also guarantees repayment of huge amounts of private borrowing.

Today, there are more than $229 billion in direct Federal loans outstanding, and the Federal Government has already guaranteed repayment of $503 billion of "other people's" loans.

Federal lending and guaranteeing will continue on a massive scale in the years to come. The Congressional Budget Office projects, for example, that new Federal direct loans will average $41 billion per year over the next 5 years, and new Federal loan guarantees will average $76 billion in the same period.

Federal loans and loan guarantees involve extensive taxpayer subsidies to selected borrowers. For example, Federal loans carry below-market interest rates; loan repayments are commonly deferred or forgiven; and loan defaults are routine. Similarly, loan guarantees allow certain borrowers to borrow at lower cost than they could otherwise achieve, and a portion of federally guaranteed loans will end in default, leaving taxpayers to pick up the tab.

In all these cases, Federal taxpayers are making gifts to federally selected borrowers. Congress and the American people need to know how much is being spent in this way.

At present, Congress has almost no idea of what new loans and guarantees will cost at the time credit assistance is provided. Despite the huge number, massive size, and rapid growth of Federal credit assistance programs—despite the major burdens these activities impose on Federal taxpayers—Congress knows virtually nothing about what these activities cost.

This stunning lack of information makes it impossible for Congress to evaluate individual credit programs; to devise cost-effective forms of Federal assistance; to evaluate and "trade off" credit programs and other Federal expenditure programs; or to determine overall budget and credit policy in a rational manner.

Along with Senator QUAYLE and with Representative BILL GRADISON in the House, I am introducing legislation to provide this information to Congress, and to create an incentive for Congress to use it by including the cost of new credit assistance in the Federal budget.

Our bill, the Credit Accounting Reform Act of 1985, will identify the cost of new Federal credit activity with the help of private markets, and will bring those costs into the budget in a timely manner. As an added bonus, the Congressional Budget Office estimates that adoption of this bill would reduce Federal outlays by $21 billion between 1986 and 1990.

Under our bill, market processes would play an important role in identifying the subsidy cost of Federal loans and loan guarantees. New loans would be auctioned, and Federal guarantees reinsured as part of this process. Because the bill relies on secondary—resale—markets for loans, and markets for private insurance services, we call it the "Market Plan." This approach was suggested by the Congressional Budget Office in its March 1984 study, New Approaches to the Budgetary Treatment of Federal Credit Assistance.

If our bill is adopted, Congress and the American people will know, for the first time, what Federal credit assistance costs at the time loans and guarantees are extended. Congress will be able to evaluate individual credit programs; to design assistance in a cost-effective manner; to compare credit programs meaningfully with one another and with other Federal spending programs; and to set overall budget and credit policy in a more intelligent way. In addition, because credit costs will show up accurately in the budget when loans and guarantees are made, Congress will have a powerful incentive to use the information provided—an incentive it now lacks.

Achieving these goals requires replacement of the present system of budget accounting for credit programs, a system which is hopelessly inadequate, incomplete, and misleading, and which contains perverse incentives for the abuse and overuse of certain Federal credit programs and the underuse of others.

CURRENT CREDIT ACCOUNTING: THE NEED FOR REFORM

A brief sketch of the current system of accounting for credit activities will illustrate the need for a thorough reform.

First, current accounting for direct loans: Current accounting practices for direct Federal loans are seriously flawed. First, many billions of dollars of subsidized loans have been, and continue to be, extended off-budget. Since they are not included in the Federal budget, they appear to have zero cost. Second, even the budget numbers relating to on-budget direct loans contain no useful information about the cost of these loans.

The current budget measure of on-budget loans is net lending. An agency's annual net lending is calculated by taking the amount of outlays for new loans made during the year, adding outlays for loans guaranteed earlier but defaulting this year, and subtracting amounts collected this year as repayments of earlier loans. For example, if an agency makes $5 billion in new loans, pays $1 billion to pay off earlier guarantees on loans defaulted during the year, and receives $2 billion in repayments, its net lending is $4 billion for the year.

Obviously, net lending tells us nothing about the cost of new loans, since two of the three items involved in the calculation—default costs and repayments—refer to credit activities of earlier years.

Nor do new loan disbursements—loan outlays—tell Congress anything about the cost of these new loans. Generally, the cost of a loan will be less than the amount lent, since there will usually be future repayments of principal and interest. Thus, the cost of making $5 billion in new loans will be less than $5 billion; indeed, it would be zero if the loans carry market rates of interest and are fully repaid.

To summarize, exclusion of some loans from the Federal budget, and use of net lending to represent the cost of lending, produce a seriously misleading picture of costs. These practices can make high-cost programs seem cheap, and low-cost programs seem expensive. For example, a program with large numbers of new, heavily subsidized loans appears inexpensive, if its net lending is reduced by large repayments of earlier loans. Similarly, a new loan program with a moderate volume of unsubsidized loans can appear more expensive than it is, simply because there are no offsetting repayments of earlier loans to bring down its recorded net lending.

Second, current accounting for loan guarantees: Under present accounting practices, a new loan guarantee generally has no budget impact in the year it is made. Guarantees usually do not involve immediate Federal outlays, and guarantees are expressly excluded from the definition of budget authority. Hence, their cost appears to be zero in the year extended. The cost of costless guarantees only becomes apparent in later years, when the underlying loans are defaulted and Federal taxpayers have to foot the bill. Then, and only then, are Federal outlays recorded.

This accounting system causes serious problems. For example, it encourages overuse of loan guarantees, since they seem costless. And overuse of guarantees diminishes the controllability of Federal spending, since guarantees are contracts which must be honored when loans are defaulted. Thus, a surge of uncontrollable guarantees can undermine the Congress' best efforts to reduce outlays and the deficit.

THE COST OF FEDERAL LOANS AND GUARANTEES

To understand the market plan reform we are proposing for credit accounting, it is necessary to understand how the cost of Federal credit activities should be measured, and how private markets can help to reveal those costs.

As noted earlier, the cost of a Federal loan is less than the amount lent, as long as repayments of principal and interest are expected. Expected repayments reduce the cost of Federal loans below the amount lent.

Actually, the cost of a loan is the amount lent minus the present value of expected repayments. The difference between the amount lent and the present value of repayments tells us the gift element in the loan, its subsidy or cost to the Government. The logic of this is simple: if $50 millon is lent, and repayments worth only $40 million are expected, the Government is effectively providing a $10 million gift, or providing a subsidy costing $10 million.

The subsidy or cost of Federal lending depends on the loan program, with the cost ranging from zero—if market-rate loans are made and timely repayment is expected—up to the full amount of the loan—if default or forgiveness of the loan is expected immediately. Most Federal loans fall somewhere between these two extremes, since the present value of expected repayments is positive, but less than the amount lent.

If a loan is sold to the highest bidder in a competitive market, its sale price will closely approximate the present value of expected repayments. This fact allows us to use markets to reveal the cost of Federal loans. Thus, a $1 million loan, with subsidized interest rate, which sold for $750,000 would have a subsidy cost of $250,000.

Put another way, loan resale markets tell us the present value of expected loan repayments. Once this amount is known, it can be subtracted from the amount lent to reveal the subsidy. This procedure, using markets, is the heart of the market plan.

Turning to the cost of loan guarantees, we find that the cost of these guarantees is the present value of expected future default costs. That is, the cost of a loan guarantee today is the amount that would have to be set aside today in order to cover default expenses which will be incurred in the future. This present value—this cost—depends on the amount of the loan guaranteed, the likelihood of default, and the typical time before a default occurs.

If private insurers were invited to bid competitively to reinsure Federal loan guarantees, the price they would charge in a lump sum for taking over the risk would closely approximate the present value of expected default costs. Thus, soliciting private bids for reinsurance services would reveal the cost of Federal loan guarantees. This principle underlies the market plan, which calls for competitive reinsurance of Federal loan guarantees.

THE MARKET PLAN PROPOSAL

Our proposed market plan will identify the subsidy costs of Federal credit programs; integrate those costs into the Federal budget; and give Congress an incentive to use the information.

First, loans and the market plan: loan auctions: For new Federal loans, reform of credit accounting would be achieved as follows. The Government would make loans, and incur outlays, as it now does, and would then auction the loans to determine their value. In this auction, both private investors and an impartial government agent would bid on each loan. Each loan would be sold to the highest bidder, to ensure that the Government receives full value for its loans, and to minimize taxpayer subsidies. Receipts from the loan sale would be considered offsetting receipts and would be subtracted from the loan outlays of the lending agency in the agency's budget. In this way, the agency's budget would include the cost of every loan. The total of such subsidies for each loan program would be controlled by annual appropriations to the agency. During the year, the agency could make and sell loans up to its appropriation.

By this procedure, all subsidies would be attributed to the appropriate program and agency, included in the Federal budget, and controlled by congressional appropriations.

Second, guarantees and the market plan: reinsurance: For new loan guarantees, budget reform would involve similar steps. Once a Federal agency guaranteed a loan, it would reinsure the risk at the lowest possible cost. The Government would solicit reinsurance services from private insurers as well from an impartial government entity. The guaranteeing agency

would then pay a lump sum premium to the bidder who offered to reinsure the Government's risk at the lowest cost. This lump sum premium, which measures the present value of expected default costs, would be included in the agency's budget as an outlay. The guaranteeing agency's ability to incur these costs would be limited by an annual appropriation. In this way, costs would be revealed by a bidding process, integrated into the unified budget, and controlled through the appropriations process.

Third, the Market Plan and Federal credit programs: Our proposal would not change any Federal credit program. Loans and guarantees could continue to be made as they now are, on the same terms and conditions as at present. Borrowers assisted by Federal credit programs would suffer no loss of assistance, no change in their eligibility for assistance, and no change in repayment responsibilities.

The Market Plan would simply generate reliable, timely information on the cost of these programs. Congress might use this information to alter programs later, or it might not, but it would have accurate information on program costs which it now lacks.

Fourth, differences from earlier legislation: This bill revises earlier legislation, S. 2500 from the last Congress, in several important respects.

First, as revised, the Market Plan would be prospective only. It would only apply to loans originated, or guarantees committed, after the effective date.

Second, as revised, the bill does not require that all new Government loans be sold to private investors, nor that all new guarantees be reinsured with private insurers, since an impartial Government agency will also bid on loans and reinsurance. Private investors would acquire Government loans only if they offer the highest bid in the loan auction. Private insurers would reinsure Government guarantees only if they offered this service for the lowest price. Thus, the Government would be the residual investor in Government loans, and would sometimes self-insure its own guarantees.

These two changes—prospective application of the plan and the Government bidder—should eliminate concerns about a fire sale of Federal loans for less than they are worth, or about overpriced reinsurance of Federal guarantees. Thus, taxpayers should be at least as well protected—and in some cases, better protected—than under the current system where Government holds all its loans and self-insures all its guarantees.

Third, since the Government itself will bid on all loans, and offer to reinsure all guarantees, rules are provided in the bill to ensure that all Government bids and offers are fair and impartial.

Finally, in order for investors and insurers to know the repayment characteristics of the loans on which they are bidding, and to understand the liabilities they are offering to reinsure, Federal credit agencies are authorized to disclose relevant information, and the Office of Management and Budget is authorized to design standardized loan and guarantee contracts so that the terms and conditions of each loan and guarantee will be clear to both borrowers and lenders.

CONCLUSION

The current system of accounting for Federal credit programs is inadequate, incomplete, and misleading. The Market Plan we are proposing would correct these problems. As Dr. Rudy Penner, Director of the Congressional Budget Office, has stated:

Improved budgeting for federal credit is necessary for Congress to rationally address the allocation of the Government's and the Nation's scarce resources. Without knowledge of cost . . . informed choice is impossible. Without a measure of the subsidy cost of credit, there is no possibility of selecting a budget that will maximize public benefits.

I hope you agree, and urge your support of the Market Plan.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis of the bill appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 502

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Credit Accounting Reform Act of 1985".

SEC. 2. AMENDMENTS OF FEDERAL FINANCING BANK ACT OF 1973.

(a) Statement of Findings and Purposes; Definitions.—The Federal Financing Bank Act of 1973 is amended by striking out sections 2 and 3 and inserting in lieu thereof the following:

"FINDINGS AND DECLARATION OF PURPOSES

"SEC. 2. (a) The Congress finds that—

"(1) the Federal Government is a major lender of funds and guarantor of loans,

"(2) such financial transactions are not adequately coordinated with overall Federal fiscal and debt management policies, and

"(3) the budgetary treatment of such financial transactions fails to depict their cost to the Federal Government in an accurate or timely manner.

"(b) The purposes of this Act are to assure coordination of Federal and federally assisted borrowing programs with the overall economic and fiscal policies of the Federal Government and to assure that the budgetary treatment of such programs accurately reflect their cost to the Federal Government.

"DEFINITIONS

"SEC. 3. For purposes of this Act—

"(1) FEDERAL AGENCY.—The term 'Federal agency' means an executive department, an independent Federal establishment, or a corporation or other entity established by the Congress which is owned in whole or in part by the United States.

"(2) OBLIGATION.—The term 'obligation' means any note, bond, debenture, or other evidence of indebtedness, but does not include Federal Reserve notes or stock evidencing an ownership interest in the issuing Federal agency.

"(3) GUARANTEE.—The term 'guarantee' means any guarantee, insurance, or other pledge with respect to the payment of all or part of the principal or interest on any obligation, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions, or other guarantee or pledge arising out of a statutory obligation to insure such deposits, shares, or other withdrawable accounts.

"(4) DIRECT LOAN.—The term 'direct loan' means a disbursement of funds by a Federal agency (not in exchange for goods or services) under a contract which requires the repayment of such funds with or without interest. Such term shall also include an obligation guaranteed by a Federal agency and purchased by the Bank. Such term shall not include any commodity price support loan made by the Commodity Credit Corporation.

"(5) REINSURANCE.—The term 'reinsurance' means any insurance policy which—

"(A) is issued by—

"(i) an insurance company which meets such requirements as the Bank may prescribe under this Act, or

"(ii) the Bank,

"(B) is to indemnify the Federal agency for any loss from the risks assumed by such agency under the guarantee, and

"(C) is purchased through a single-premium payment.

"(6) BANK.—The term 'Bank' means the Federal Financing Bank established by section 4 of this Act.

"(7) SUBSIDY.—The term 'subsidy' means—

"(A) in the case of a direct loan, any excess of the amount loaned over the price at which such loan is sold under section 6, and

"(B) in the case of a guarantee, the cost of the reinsurance purchased under section 6.

"(8) CREDIT RISK.—The term 'credit risk' means the risk that the borrower will be unable to meet his obligation sunder the loan agreement.

"(9) INTEREST RATE RISK.—The term 'interest rate risk' means the variation in the net worth of the Bank due to fluctuations in interest rates."

"(b) FUNCTIONS OF FEDERAL AGENCIES.—The Federal Financing Bank Act of 1973 is amended by striking out section 15 and inserting in lieu thereof the following:

"FUNCTIONS OF FEDERAL AGENCIES

"SEC. 15. (a) Notwithstanding any other provision of law, any Federal agency which after October 1, 1986, makes a direct loan or guarantees any obligation shall (as soon as practicable after making such loan or guaranteeing such obligation) transmit to the Bank—

"(1) the loan obligation (or the guarantee agreement in the case of guaranteed obligation), and

"(2) such information with respect to the borrower as may be necessary for the Bank to carry out its responsibilities under section 6.

Notwithstanding any other provision of law, any information received by the Bank under paragraph (2) may be disclosed by the Bank to the extent necessary to sell the obliga-

tion, or purchase reinsurance, under secion 6.

"(b) To the extent practicable, any Federal agency, when making a direct loan or guaranteeing any obligation, shall use the appropriate standard contract formulated by the Bank under section 6."

"(c) FUNCTIONS OF THE FEDERAL FINANCING BANK.—The Federal Financing Bank Act of 1973 is amended by striking out section 6 and inserting in lieu thereof the following:

"FUNCTIONS

"SEC. 6. (a) Purchase of Certain Obligations—

"(1) IN GENERAL.—The Bank may make commitments to purchase, and purchase and sell on terms and conditions prescribed by the Bank, any obligation which is issued or guaranteed by a Federal agency. Any Federal agency which is authorized to issue or guarantee any obligation is authorized to issue or sell such obligation directly to the Bank.

"(2) YIELD DETERMINATIONS.—Any purchase by the Bank under paragraph (1) shall be upon such terms and conditions as to yield a return at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration—

"(A) the current average yield on outstanding marketable obligations of the United States of comparable maturity, or

"(B) whenever the Bank's own outstanding obligations are sufficient, the current average yield on outstanding obligations of the Bank of comparable maturity.

"(b) AGENCY DIRECT LOANS.—

"(1) IN GENERAL.—Within 90 days after a Federal agency has made a direct loan, the Bank (acting as agent for such agency) shall sell the obligation resulting from such loan (either directly or through pooled participation arrangements). All sales under this paragraph shall be made to the highest bidder at a public auction conducted by the Bank or an agent of the Bank.

"(2) BANK TO ENTER BID.—

"(A) IN GENERAL.—The Bank shall enter a bid in each auction conducted under paragraph (1) and shall purchase any obligation for which it submits the highest bid in such auction.

"(B) BASIS FOR MAKING BID.—Any bid submitted under subparagraph (A) shall be based on the Bank's estimate of the present value of the obligation being sold. In making such estimate, the Bank shall take into account (to the extent necessary to meet the requirements of subsection (e)(3)) the expected stream of revenue from the obligation, potential defaults, the Bank's costs (including overhead), and all expenses associated with maintaining a risk-free portfolio.

"(3) LIMITATION ON POOLED PARTICIPATION ARRANGEMENTS.—Pooled participation arrangements may be used by the Bank only to the extent that such arrangements permit the proper allocation of subsidy costs to the appropriate budget account.

"(4) OBLIGATIONS SOLD NONRECOURSE.—All obligations sold under this subsection shall be sold without recourse to the Federal Government and no guarantee by a Federal Agency of such an obligation shall be effective.

"(c) AGENCY GUARANTEES.—

"(1) IN GENERAL.—Within 90 days after a Federal agency guarantees any obligation, the Bank (acting as agent for such agency) shall purchase reinsurance for the risks assumed by such agency under such guarantee. All purchases under the preceding sentence shall be from the lowest bidder at a public auction conducted by the Bank or an agent of the Bank.

"(2) BANK TO SUBMIT BID.—

"(A) IN GENERAL.—The Bank shall enter a bid in each public auction conducted under paragraph (1) and shall issue a reinsurance contract in each auction in which it submits the lowest bid.

"(B) BASIS FOR MAKING BID.—Each bid under subparagraph (A) shall be made on the basis of the Bank's estimate of the expected defaults (net of the expected premiums). In making such estimate, the Bank shall take into account (to the extent necessary to meet the requirements of subsection (e)(3)) the Bank's costs (including overhead), and all expenses associated with maintaining a risk-free portfolio.

"(3) RIGHT TO PREMIUMS FROM BORROWER.—Notwithstanding any other provision of law, if the borrower is required to pay premiums, fees, or other consideration for any guarantee of an obligation by a Federal agency, the person issuing the reinsurance contract for such guarantee shall be entitled to receive such premiums, fees, or other consideration.

"(d) BANK TO MAINTAIN ASSETS EQUAL TO LIABILITIES.—

"(1) IN GENERAL.—In the case of assets and liabilities acquired on or after October 1, 1986, the Bank shall maintain assets with a market value equal to the value of its liabilities (including contingent liabilities). The current market value of its assets (and the value of its liabilities) shall be determined as of the close of each fiscal year by an audit conducted by the Comptroller General.

"(2) TREATMENT OF SHORTFALL.—If as of the close of any fiscal year the value of the liabilities (including contingent liabilities) of the Bank exceeds the market value of its assets, there is hereby appropriated to the Bank an amount equal to such excess. Any amount appropriated under the preceding sentence—

"(A) shall be included in the unified budget required by section 1105, title 31, United States Code, and

"(B) shall be transferred by the Secretary of the Treasury to the Bank as soon as practicable after the determination is made.

"(3) TREATMENT OF SURPLUS.—If as of the close of any fiscal year the market value of the assets of the Bank exceeds the value of its liabilities (including contingent liabilities), the Bank shall transfer such excess to the general fund of the Treasury. Any amount required to be transferred under the preceding sentence—

"(A) shall be treated as an on-budget miscellaneous receipt for Federal budgetary purposes, and

"(B) shall be transferred by the Bank as soon as practicable after the determination is made.

"(e) OTHER FUNCTIONS OF THE BANK.—

"(1) FEES.—The Bank shall collect a fee from the agency making the loan or the guarantee to cover all of its costs of acting as agent in selling such obligation or reinsuring such guarantee.

"(2) STANDARD CONTRACTS.—In order to facilitate the sales of direct loans and purchases of reinsurance, the Bank (in consultation with the Office of Management and Budget) shall formulate standard contracts to be used by Federal agencies when making direct loans or guaranteeing obligations.

"(3) ELIMINATION OF CREDIT AND INTEREST RATE RISKS.—The Bank shall manage its portfolio in a manner (and engage in other transactions) as may be necessary to minimize credit and interest rate risks and shall invest funds and maintain reserves to cover its contingent liabilities.

"(4) REPORT.—The Bank shall report annually to the Congress on all loans purchased by the Bank and on all reinsurance contracts issued by the Bank. Such report shall include recommendations to improve the market acceptance for future issues of the type purchased and for increasing private sector participation in reinsurance. To the extent feasible, such report shall attribute losses and gains of the Bank to the agency originating the loans or guarantees which were the source of the losses or gains."

(c) BUDGET TREATMENT.—Subsection (c) of section 11 of the Federal Financing Bank Act of 1973 is amended to read as follows:

"(c)(1) Except as otherwise provided in this Act, the receipts and disbursements of the Bank in the discharge of its responsibilities shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

"(2) FOR FEDERAL BUDGETARY PURPOSES—

"(A) in the case of a direct loan made by a Federal agency after October 1, 1986, (including an obligation guaranteed by a Federal agency and purchased by the Bank), the subsidy (and only the subsidy) shall be treated as an outlay made by such agency, and

"(B) in the case of an obligation guaranteed by a Federal agency after October 1, 1986, the subsidy shall be treated as an outlay of such agency.

"(3) A Federal agency may make a direct loan or guarantee an obligation after October 1, 1986, only to the extent that an appropriation has been made to the agency for the subsidy (or, in the case of a loan or guarantee made without a direct appropriation, only if a limit on the amount of such loans or guarantees has been established in an annual appropriations Act)."

(d) LOAN SERVICING.—The Federal Financing Bank Act of 1973 is amended by striking out section 16 and inserting in lieu thereof the following:

"LOAN SERVICING

"SEC. 16. Nothing in this Act shall be construed as changing the responsibility for servicing direct loans made by a Federal agency or obligations guaranteed by a Federal agency."

(e) EXEMPTION FROM SECURITIES LAWS.—Subsection (b) of section 11 of the Federal Financing Bank Act of 1973 is amended by striking out "issued by the Bank" and inserting in lieu thereof "issued by the Bank, and all obligations (and interests in obligations) sold by the Bank."

SEC. 3. AMENDMENTS OF OTHER ACTS.

(a) REQUIREMENT THAT BUDGET SHOW SUBSIDIES.—Paragraph (2) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 is amended to read as follows:

"(2) The term 'budget authority' means authority provided by law to enter into obligations which will result in immediate or future outlays involving government funds. In the case of the authority to insure or guarantee the repayment of indebtedness incurred by another person or government, the amount of the budget authority shall be treated as equal to the subsidy determined under the Federal Financing Bank Act of 1973."

(b) GOVERNMENT CORPORATION CONTROL ACT.—

(1) Paragraph (3) of section 9101 of title 31, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(N) the Federal Financing Bank."

(2) Paragraph (2) of section 9105(a) of such title 31 is amended by striking out "the Federal Savings and Loan Insurance Corporation" and inserting in lieu thereof "the Federal Savings and Loan Insurance Corporation, Federal Financing Bank,".

SEC. 4. EFFECTIVE DATE.

(a) GENERAL RULE.—The amendments made by this Act shall take effect on October 1, 1986; except that section 6(e)(2) of the Federal Financing Bank Act of 1973 (relating to formulation of standard contracts), as amended by section 2, shall take effect on the date of the enactment of this Act.

(b) COORDINATION WITH OTHER PROVISIONS.—The amendments made by section 2 of this Act—

(11) shall supersede, modify, or repeal any provision of law heretofore enacted to the extent such provision is inconsistent with such amendments, and

(2) shall not be superseded, modified, or repealed except by a provision of law hereafter enacted which expressly amends the Federal Financing Bank Act of 1973.

SECTION-BY-SECTION ANALYSIS: CREDIT ACCOUNTING REFORM ACT OF 1985

SECTION 1. SHORT TITLE

The popular title of the act is "The Credit Accounting Reform Act of 1985."

SECTION 2. AMENDMENTS TO THE FEDERAL FINANCING BANK ACT OF 1973

Findings and purposes

This section strikes out the existing findings and purposes sections of the Federal Financing Bank Act of 1973 (FFB Act) and inserts the following updated findings:

(1) the Federal Government is a major lender of funds and guarantor of loans,

(2) such financial transactions are not adequately coordinated with overall Federal fiscal and debt management policies, and

(3) the budgetary treatment of such financial transactions fails to depict their cost to the Federal Government in an accurate or timely manner.

There are two specific purposes that the revised FFB act is to accomplish. They are:

(1) assuring coordination of Federal and federally assisted borrowing programs with the overall economic and fiscal policies of the Federal Government, and

(2) assuring that the budgetary treatment of such programs accurately reflect their cost to the Federal Government.

Definitions

The bill adds five new definitions to the FFB Act. The definitions clarify and explain terms made necessary by the expansion of the Federal Financing Bank's (the Bank) role in coordinating Federal credit activity. The five new terms and definitions are:

Direct loan—a disbursement of funds by a Federal agency (not in exchange for goods and services) under a contract which requires the repayment of such funds with or without interest. Direct loans do not include commodity price support loans made by the Commodity Credit Corporation.

Reinsurance—any insurance policy which is issued by an insurance company and meets any other requirements established by the Bank or a policy issued by the Bank, the purpose of which is to indemnify the Federal agency for any loss from the risks assumed by such agency under the guarantee. Such reinsurance is to be purchased by a single-premium payment.

Subsidy—in the case of a direct loan is the difference between the amount loaned and the price at which the loan is sold by the Bank at auction. In the case of a guarantee it is the cost of the reinsurance purchased by the Bank.

Credit risk—the risk taken by a lending institution that a borrower may not be able to meet his obligations under the loan agreement.

Interest rate risk—means variation of the net worth of the Bank due to fluctuations in interest rates.

Functions of Federal agencies

Subsection 2(b) of the Credit Accounting Reform Act of 1985 strikes out section 15 of the FFB act. Section 15 deals with the Bank's treatment under the Government Corporation Control Act which requires congressional review of the Corporation's budget, and credits, and reports by the Comptroller General. The bill directly amends the Government Corporation Control Act to include the Bank under its provisions and therefore section 15 is no longer necessary.

The bill inserts a new section 15 which requires all agencies to transfer their newly originated loan obligations and loan guarantee commitments to the Bank for sale to or reinsurance by private investors or the Bank. Under the provisions of this section, any Federal agency which makes a loan or a loan guarantee after October 1, 1986 must give the Bank the loan obligation or the guarantee agreement in the case of a guaranteed obligation, along with any information with respect to the borrower that may be necessary for the Bank to sell the loan at auction or purchase reinsurance at auction in the case of a loan guarantee. Notwithstanding any provision of law to the contrary the Bank is allowed to disclose any information it has acquired regarding the borrower to the extent necessary to sell the obligation or purchase reinsurance. To the extent practicable all Federal agencies are required to use standard contracts formulated by the Bank.

Functions of the Federal Financing Bank

Section 2(c) of the Credit Accounting Reform Act amends section 6 of the FFB act to expand the responsibilities of the Bank. In addition to financing agency debt, the Bank will now be responsible for marketing agency originated loans and purchasing reinsurance for government guaranteed loans.

Agency Direct Loans. Within ninety days after an agency makes a loan, the Bank acting as an agent for the agency, must sell the obligation at public auction to the highest bidder. The Bank is empowered to develop and sell pooled participation arrangements, but only to the extent that such arrangements permit the proper allocation of subsidy costs to the appropriate budget account. All obligations sold by the Bank are sold without recourse to the Federal Government and without any guarantee by a Federal agency for repayment.

The Bank is required to make a bid on each obligation sold at auction and must purchase any obligation for which it submits the highest bid. The Bank's bid is to be based on an estimate of the present value of the obligation being sold taking into consideration the following factors:

The expected stream of payments from the obligation,

Potential defaults,

The Bank's costs (including overhead), and

All expenses associated with maintaining a risk free portfolio.

Agency guarantees. Within ninety days after a Federal agency guarantees an obligation, the Bank, acting as an agent for the agency, is required to purchase reinsurance for the risks assumed by the agency under the guarantee agreement. The Bank's purchase of reinsurance is to be from the lowest bidder at a public auction conducted by the Bank or an agent of the Bank.

The Bank is required to enter a bid on each issue offered at auction and to issue a reinsurance contract for each offering for which the Bank submits the lowest bid. In determining its bid the Bank is to consider the following factors:

The Bank's estimate of the expected defaults (net of the expected premiums).

The Bank's cost (including overhead), and

All expenses associated with maintaining a risk free portfolio.

Notwithstanding any other provision of law, if the borrower is required to pay premiums or provide any other consideration for any guarantee of an obligation by a Federal agency, the person or firm issuing the reinsurance contract is entitled to receive the premiums or consideration paid.

Maintain assets equal to liabilities. For assets and liabilities acquired after October 1, 1986 the Bank must maintain assets with a market value equal to the amount of its liabilities (including its contingent liabilities). The current market value of its assets and liabilities is to be determined as of the close of each fiscal year by an audit conducted by the Comptroller General.

If, after the audit is conducted, the Comptroller General determines that the market value of the Bank's liabilities exceed the market value of its assets, the bill provides a permanent appropriation to the Bank in an amount equal to the deficiency of the Bank's account. The appropriation is to be included in the unified budget.

If the market value of the Bank's assets exceed the value of its liabilities at the close of the fiscal year the Bank is to transfer the excess to the general fund of the Treasury. The transfer to the Treasury is to be treated as an on-budget miscellaneous receipt for Federal budgetary purposes.

Other functions of the Bank

Fees. The Bank may charge a fee to the agency making the loan or guarantee to cover all of the Bank's costs of acting as an agent in the selling of the obligation or reinsuring the guarantees.

Standard Contracts. In order to facilitate the sale of direct loans and purchase of reinsurance, the Bank, in consultation with the Office of Management and Budget, is to develop standard contracts to be used by Federal agencies when making direct loans or guaranteeing obligations. The standard contracts are to be available for use when this bill is signed into law.

Elimination of credit and interest rate risks. The Bank is required to manage its portfolio in a manner that will minimize credit and interest rate risk. The Bank is to maintain a reserve to cover its contingent liabilities. It may invest funds and engage in any transactions intended to fulfill these requirements.

Report to the Congress. The Bank is to report to the Congress annually on all loans purchased by the Bank and on all reinsurance contracts issued by the Bank. The report is to include recommendations on

how the Congress or agencies can improve the market acceptance for future issues of the type purchased by the Bank and how to increase private sector involvement in reinsurance. To the extend feasible, the Bank's report is to allocate losses and gains of the Bank to the agency originating the loans or guarantees which were the source of the losses or gains.

Budget treatment

Section 2(c) of the bill amends subsection (c) of section 11 of the FFB Act to require that the subsidies for direct loans and obligations guaranteed by a Federal agency after October 1, 1986 be recorded in the originating agency's budget as an outlay of the agency. After October 1, 1986, an agency may make a direct loan or guarantee an obligation only to the extent that an appropriation has been made to the agency for the subsidy or in the case of a loan or guarantee made without a direct appropriation only if a limit on the amount of such loans or guarantees has been established in an annual appropriations Act.

Loan servicing

Section 2(d) of the bill strikes section 16 of the FFB Act dealing with payments on behalf of public bodies which is no longer relevant, and inserts a new section dealing with loan servicing. The new section states that it is not the intent of this bill to change the responsibility for servicing direct loans made by a Federal agency or obligations guaranteed by a Federal agency.

Exemption from securities laws

Section 2(e) of the bill amends subsection (b) of section 11 of the FFB Act to include all obligations and interests in obligations sold by the Bank in the existing securities exemption.

SECTION 3. AMENDMENTS TO OTHER ACTS

Congressional budget to show subsidies

Section 3(a) amends paragraph (2) of section 3 of the Congressional Budget and Impoundment Control Act of 1974, the definition of "budget authority," to include the amount of the subsidy. In the case of the authority to insure or guarantee the repayment of indebtedness incurred by another person or government, the budget authority attributed to the program under the concurrent resolution is to be an amount equal to the subsidy as determined under the Federal Financing Bank Act of 1973, as amended.

Government Corporation Control Act

Section 3(b) of the bill amends section 9101 of title 31, United States Code, to include the Bank in the definition of a government Corporation under the requirements of the Government Corporation Control Act. It also amends paragraph (2) of section 9105(a) of title 31 to include the Bank in the requirement for a yearly audit of the Bank's books by the Comptroller General.

SECTION 4. EFFECTIVE DATE

General rule

Amendments made by this bill, except for those relating to standard contracts, take effect on October 1, 1986. Provisions relating to standard contracts take effect upon enactment of this bill.

Coordination with other provisions

Amendments made by section 2 shall supersede, modify, or repeal any provision of law previously enacted to the extent that such provisions is inconsistent with such amendment. Amendments made by section 2 shall not be superseded, modified, or repealed except by a provision of law which expressly amends the Federal Financing Bank Act of 1973.●

ADDITIONAL COSPONSORS

S. 323

At the request of Mr. PROXMIRE, the names of the Senator from Montana [Mr. BAUCUS], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 323, a bill to amend the Federal Election Campaign Act of 1971 to limit contributions by nonparty multicandidate political committees in election campaigns for the U.S. Senate, to provide for tax credits for contributions to general election campaigns for the U.S. Senate, and for other purposes.

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

ADDITIONAL STATEMENTS

TECHNICAL INNOVATION AND BUREAUCRACY

● Mr. WALLOP. Mr. President, as this Government prepares to undertake the large task of developing and building new defensive weapons, it should focus on an essential truth it seems to have forgotten: major innovations almost never come out of military research bureaucracies. These bureaucracies tend to transform any call for a new weapon into programs that will keep them employed indefinitely. They strive after technical perfection and bureaucratic harmony. But either they get so tied up in management problems, or in excessive technical requirements, that they do not produce prototypes of new weapons. When they do, they do not work well.

History is full of examples. At the turn of the century, the mechanics of the modern technique for pointing naval guns was developed over the objections of the Navy, by a single lieutenant working directly for Teddy Roosevelt. In the 1940's, the atom bomb went from concept to weapon in 4 years because its invention was made the responsibility of an organization with no other interest. In the early 1950's, this country built nuclear powered submarines quickly and well because the President and the Congress saw fit to put the project into the hands of a low-ranking maverick—Capt. Hyman Rickover. The Pentagon has never forgiven him for succeeding. In the mid-1950's, we raced the Soviets to put a satellite in space. The very sophisticated official project Vanguard failed miserably. Only then did we turn to a neglected immigrant engineer who had had the good fortune to work without a bureaucracy: Werner Von Braun. The ballistic missile was developed by an ad hoc team headed by Bernard Shriever. Similarly, the Polaris system was developed by "Red" Raborn. In none of these programs were there rules other than the one dictated by the goal: succeed, and fast.

Mr. President, each of these instances teaches us the same lessons about official research and development. Last week yet another of these instances, the development of the Sidewinder missile, was succinctly described in the Wall Street Journal. I believe it would serve the public interest to include this in the RECORD. And, Mr. President, while we are at it, maybe the public, the Congress, and the President should consider the national interest best served by placing the strategic defense initative on a track of success free from the shackles of ordinary Pentagon R&D procedures. America is entitled to better and our survival demands it.

The article follows:

[From the Wall Street Journal, Feb. 15, 1985]

WEAPON OF CHOICE: AFTER NEARLY 30 YEARS, SIDEWINDER MISSILE IS STILL POTENT, RELIABLE

(By John J. Fialka)

In the early 1950s, one of the nation's most potent, most reliable and simplest weapons was born under a cover of deepest secrecy at a Navy test facility in California's Mojave desert.

Known by the code name "Local Project 612," the Sidewinder missile-development program was so secret that its very existence was kept from meddlesome Navy and Pentagon officials in Washington who were financing it.

And that, Sidewinder enthusiasts insist, is what made all the difference.

In an era when the Defense Department is plagued with criticism for buying $7,600 coffee pots, $400 hammers and a number of trouble-prone, multibillion-dollar weapons systems, the story of the Sidewinder is peculiar.

Next year the heat-seeking, air-to-air missile will experience its 30th year in the U.S. combat arsenal. Some military experts maintain that an updated version of the Sidewinder continues to be the nation's most effective and successful weapon. While many more expensive weapons systems have come and gone, the Sidewinder remains the fighter pilots' weapon of choice in the U.S. and in 19 other air forces around the world. The Sidewinder has been used in recent years by U.S. and allied forces to shoot down Libyan, Syrian and Argentinian fighter jets. The Russians have developed their own version of the missile.

Sidewinder missiles currently cost around $70,000, making them by far the cheapest air-to-air missiles in the Pentagon's inventory. (By comparison, Phoenix air-to-air missiles cost about $1 million each.) The Sidewinder's price is kept down by the fact that 14 companies, led by Raytheon Co. and Ford Aerospace & Communications Corp., compete to make its various parts.

But the Sidewinder represents a weapons-development adventure that probably can't be repeated, says Walter B. Laberge, one of its Navy developers. "I know of no contractual technique that would permit it," says Mr. Laberge, an engineer who now is in charge of research for Lockheed Corp.'s missile and space program.

JUNKYARD SCAVENGING

The Sidewinder was designed by a small team of men at the Navy's Naval Weapons Center at China Lake, Calif. The team, which included Mr. Laberge, was led by a physicist, the late William B. McLean. He scrounged money from other projects, scavenged spare parts from Pasadena junkyards and was driven by a passion for making cheap, simple things that work.

Current weapons-development programs, Mr. Laberge says, are rigidly generated from specifications set by the military—specifications, he says, that are "almost always asking for too much.

"The way the world works," he adds, "once you get the specification, you win the contract only by selling the customer what he wants. We set ourselves up by presuming we know the answer before we've done it."

That was not the way of Bill McLean, who sheltered the Sidewinder program from its critics and eventually forced the missile on a reluctant Pentagon. He ignored specifications and concentrated on concepts that his experiments told him would work.

The Sidewinder saga began in the late 1940s, when the Air Force and the Navy set the specifications for a new kind of missile. It had to perform in all weather conditions and had to be able to kill enemy aircraft by striking them head on.

Those specifications pumped billions of dollars into two major missile-development programs, the Navy's Sparrow and the Air Force's Falcon. They were to be highly complex, almost miniaturized fighter planes that carried their own radar beacons.

"MISERABLE MATHEMATICIAN"

Mr. McLean, who arrived at China Lake in 1945, was sure the Sparrow-Falcon approach wouldn't work. "He (McLean) was a miserable mathematician, but he had an incredible feeling for how things should work," recalls Thomas S. Amlie, an assistant on the project who later became the director at China Lake.

What would work, Mr. McLean concluded, was a simple, rocket-propelled bomb with a heat-detecting device built into its nose. It would thus automatically home in on the intense heat of jet-engine exhausts.

Working part of the time in his garage, Mr. McLean designed about 85% of the missile himself. It had a total of nine moving parts and its "brain" consisted of seven radio tubes. It used gas pressure from burning rocket fuel to move its control fins and to generate a small amount of electricity.

There were no heavy batteries to wear down, no hydraulics systems to leak or freeze, no precision-machined tolerances. "It had the mechanical complexity of a small washing machine combined with a table radio," recalls Howard A. Wilcox, Mr. McLean's principal assistant at the time.

The first problem Mr. McLean ran into was money. China Lake, at the time, was operated by the Navy's Bureau of Ordnance. The Navy's Bureau of Aeronautics in Washington was in charge of all missile development, and it was devoting all of its money to the Sparrow.

China Lake had a small amount of discretionary funds; and when those were exhausted, Mr. McLean's superiors in the Bureau of Ordnance—which had an intense rivalry with the Bureau of Aeronautics—found ways to siphon money from other programs to keep Sidewinder going.

For a while Sidewinder existed as "Feasibility Study 567." Then a Defense Department official touring China Lake discovered the project and decreed that it be canceled because it would never work. After that Sidewinder went on as "Local Project 612."

Because of much tighter cost controls, "Today you couldn't hide a program like that," asserts Mr. Wilcox, who estimates that the total development cost of the Sidewinder came to $30 million.

Mr. McLean's next problem was testing. The first 13 shots of the Sidewinder failed. That, according to Mr. McLean's co-workers, would have also doomed a major development program. Officially, however, Sidewinder didn't exist. So Mr. McLean took what he had learned from the failures (caused by vibrations of the rocket interfering with electrical guidance) and applied that knoweldge to a 14th shot, on Sept. 11, 1953. It hit the target.

Once the Sidewinder team demonstrated the missile could hit targets, the Navy's official interest was soon aroused. The Air Force, though, was resistant.

Then Mr. McLean worked out a deal with an assistant secretary of the Air Force: If the Sidewinder could beat the Falcon in a shoot-out, the Air Force would consider buying some.

There are many stories about the shoot-out, which was staged by the Air Force at Holloman Air Force Base in New Mexico in 1956. Mr. McLean and a few people he had brought with him from China Lake found themselves up against a team of technicians from Hughes Aircraft Co., which was developing the Falcon.

According to Mr. Wilcox, the Navy was given the corner of one hangar, an aging F-86 fighter and a few wrenches. The Air Force assigned itself a newer fighter and tons of Hughes test equipment to monitor the more complex and delicate Falcons.

Whether any of this bothered Mr. McLean was hard to tell. "He was an easy man to overlook in a crowd, although people never did because he was a rather nervous individual," recalls Mr. Wilcox. "He was always twitching slightly. His brain was always going at a mile a minute."

At one point, Mr. Amlie recalls, Mr. McLean decided to rattle the opposition by demanding that he be given some test equipment. What more did the Navy want? the Air Force asked. A stepladder and a flashlight, Mr. McLean responded.

After a toss of a coin, the plane carrying the Sidewinder went up and knocked down the first target drone with one shot. For six straight days the Hughes team struggled with the Falcon, but it refused to leave the launcher. Then, out of desperation, the Air Force ordered another Sidewinder shot. Another drone was destroyed.

"Their missile was so damn complicated and expensive that they couldn't fire it unless it was perfect," Mr. Wilcox said. "Our philosophy was when the pilot hits the pickle (pilot slang for trigger), the missile goes."

This aspect of the Sidewinder wasn't lost on the U.S. pilots who later went into combat over North Vietnam, where the Sidewinder proved to be three to four times more effective than other missiles in dogfights. (the Pentagon also purchased and continues to use both the Sparrow and Falcon missiles.)

One combat veteran, Navy Cmdr. Charles M. deGruy, recalls that on the instrument panel of his F-4 Phantom there was a switch that selected the type of missile to fire:

"One said Radar (the Sparrow) and the other one was Heat (Sidewinder). Because of the relative confidence you had in the Sidewinder, most of the guys who crossed the beach went in there with their switch in the Heat position."

At about that time, the Russians unveiled the Atoll, a missile believed to be copied from stolen plans of an early version of Sidewinder. Atolls have since been sold to 25 other countries.

During the later 1970s, the Navy figured out several ways to improve the Sidewinder. For one, the heat-seeking element in the missile's nose was cooled by a bottle of liquid nitrogen, making it supersensitive.

When Sidewinders sense heat, they emit a low growling noise that is heard in the pilot's earphones. It means the missile has found a target. The older Sidewinder wouldn't growl until pilots approached the rear of an enemy plane.

With the more sensitive nose, Sidewinders can attack from the side and, in some cases, from the front, explains Capt. Lawrence E. Blose, the Navy's current Sidewinder program manager. "The fact that you can do that does wonderful things to the enemy's psyche," he says.

The first combat test of the improved missile came in August 1981 when two Navy F-14s encountered two Soviet-built Libyan fighters over the Gulf of Sidra in the Mediterranean. The Libyans fired their Atolls first and missed. The F-14s fired two Sidewinders. Both hit.

In June 1982, the Israeli air force shot down about 85 Syrian Migs over the Bekaa Valley, losing only two of their own jets, both to groundfire. Although the specifics of this fighting are still secret, U.S. sources have been told that the Sidewinder was the major weapon used and that the ratio of its kills to missiles fired was over 80%. A spokesman for the Israeli air force won't confirm these figures. "But you can say," he adds, "that the Sidewinder is a good missile."

At about the same time, the Argentine air force was discovering just how true this was. According to Jeffrey Ethel, the co-author of a new book—"Air War South Atlantic"—that is based on interviews with both Argentine and British pilots who fought over the Falklands, British Sidewinders destroyed 19 airplanes out of 23 attempts.

The book notes that the Argentine pilots didn't help themselves any by assuming their best defense was to turn tail and try to outrun the slower British Harriers; a maneuver that set off Sidewinder growls in the British pilots' ears.

For his efforts on the Sidewinder, Mr. McLean received a $25,000 award from the government and a plaque from President Eisenhower. He was later transferred from China Lake to the Navy's submarine-warfare research center in San Diego, where he served as technical director until retiring in 1974. He died four years later.

To the end, he remained a maverick within the system. The Pentagon, he once complained before a Senate committee, has forgotten the need to experiment with prototypes.

"The total acquisition process," he said, "rewards the design of complex and expensive systems and penalizes work on simpler and therefore less expensive ones."●

U.S. AID TO EL SALVADOR

● Mr. LEVIN. Mr. President, I would like to call attention to an in-depth policy report released last week by three members of the Arms Control and Foreign Policy Caucus. It is useful to insert in the RECORD this bipartisan report by Senator MARK HATFIELD, Representative GEORGE MILLER from California, and Representative JIM LEACH from Iowa, the present chairman of the caucus.

The report, entitled "U.S. Aid to El Salvador: An Evaluation of the Past, a Proposal for the Future," should stimulate and contribute to the congressional and public debate about U.S. policy toward El Salvador. It includes some disturbing findings about possible lack of candor of the executive branch in its dealings with the Congress, and, by proposing a new method of analysis of our aid, challenges the administration's claim that economic aid to Salvador exceeds military aid by a 3 to 1 ratio. The report also alleges the existence of an intensified air war in El Salvador, made possible by the provision of equipment from the United States, and warns against increased civilian casualties as a result. Finally, it includes major policy recommendations.

The report is lengthy, and will no doubt be controversial. But it presents a provocative analysis and proposes new approaches.

As the report itself states, it "was prepared jointly by its sponsors and their staff, and by the staff of the Arms Control and Foreign Policy Caucus. It does not seek to reflect the views of the members of the caucus."

I ask that the report be printed in the RECORD.

The report follows:

U.S. AID TO EL SALVADOR: AN EVALUATION OF THE PAST, A PROPOSAL FOR THE FUTURE

SUMMARY

The United States has provided $1.7 billion to the Government, Central Bank and Armed Forces of El Salvador since the outbreak of civil war in 1980. Over these five years, U.S. funding for El Salvador has grown dramatically—increasing nearly tenfold between fiscal years 1980 and 1984. It now stands at over half a billion dollars a year, and the Administration is expected to request similar or larger amounts in the future.

The purpose of this report is to provide Congress with an analysis of the lessons of past funding for El Salvador, so that legislators can make informed decisions on upcoming requests. We have obtained information on the projects, activities and equipment provided by U.S. aid that is far more detailed than that which is generally available to the Congress, and have analyzed the data to ascertain the content, strategy and impact of the aid. We believe that many Members of Congress, if not most of us, will be surprised to learn of the actual use of that aid, and of the strategy it reflects.

The report is divided into five sections:

The first section explains the need for the report, by documenting the lack of responsiveness and candor of the Executive Branch in providing Congress with accurate information on our Salvadoran aid. This section gives specific examples of instances where insufficient, misleading, and even false information has been provided to Congress.

The second section challenges the Administration claim that "economic" aid is three times as great as "military" aid. By developing more precise and more realistic categories of aid, based on its use rather than what U.S. agency administers it, we find instead that direct war-related aid is double the amount of our aid for reform and development; and that the largest single category of aid is indirect war-related economic maintenance, which merely neutralizes the effects of the civil war.

The third section analyzes the "direct war-related aid," and describes the overall U.S. strategy reflected by that aid—a strategy which seeks a military victory over the rebels, and a strategy which has escalated from a relatively straightforward attempt to expand and upgrade the Salvadoran Army into a sophisticated and technological counter-insurgency strategy, reminiscent of Vietnam, of aerial bombardment and air mobile assault. This strategy is found likely to require increased U.S. involvement in terms of both funds and personnel.

The fourth section evaluates the three categories of U.S. aid which are not "directly war-related:" Indirect War-Related Aid, Aid for Reform and Development, and Commercial Food Aid. This section concludes that efforts for true reform have been stymied by the right wing, by the civil war itself, and by relatively low U.S. funding priorities. It also finds that the strategy of maintenance, while successful in the short run in propping up a government, is likely to require increased U.S. resources in the long run. And finally, it finds that this strategy of maintenance actually serves as a disincentive to negotiations for a political settlement.

The last section suggests ways that Congress, through changing the composition of the U.S. aid package, can reduce the level of violence in El Salvador and shift U.S. policy from a policy which seeks an unattainable military solution to one which provides maximum support for a cease-fire, followed by intense negotiations for a settlement. Recommendations include proposals to stop funding the air war; to redirect the Cash Transfer funds to Reform and Development programs; to enforce the original 55-man cap on U.S. military personnel in El Salvador; and to require that U.S. military action can be undertaken only with the prior consent of Congress.

SECTION I: THE NEED FOR THIS REPORT: THE CONGRESSIONAL-EXECUTIVE RELATIONSHIP ON AID TO EL SALVADOR

This report is intended to provide Congress with an analysis that will focus debate over U.S. aid to El Salvador on the purposes and effects of that aid, rather than simply on the amount of aid to be provided, or on the conditions that the Government of El Salvador must meet to obtain it. In brief, this report should help Members of Congress become familiar with the content and strategy of U.S. funding for El Salvador—the "what" and "what for," in addition to the amount or the "how much."

An analysis of the purposes and effects of U.S. aid would usually be seen as the task of the Executive Branch. Literally hundreds of personnel in agencies participate in the preparation of information for Congress on the Salvadoran aid program. Unfortunately, as this section will document, the Administration has provided insufficient, misleading and in some cases false information to Congress. As a result, Congressional-Executive relations have become increasingly strained. Following are examples of the insufficient, misleading and false information which have provoked increasing Congressional skepticism of Administration representations.

Examples of insufficient information

Classified and unclassified Congressional Presentation documents for FY84 Supplemental and FY85 aid to El Salvador, from both AID and DOD, were unusually meager in their descriptions of the content of proposed funding. AID requested all $120 million of FY84 Supplemental funds and $140 million of $290 million in FY85 funds under the single line item "New Activities", rather than providing the usual project titles and descriptions for its requests. No break-down of "New Activities" was made available to Congress until after House and Senate floor votes on both the authorization and appropriation.

DOD's request was even less informative than AID's, being three as compared to 18 pages long, in a request for $311 million. Neither specific types of equipment nor total quantities were listed. Formal attempts by Members of Congress to get more details resulted in the transmittal of data only on past, not proposed, aid. For both AID and DOD programs, Members of Congress knew how much funding was to be provided, but not what it was intended to buy.

The Administration failed to inform all relevant committees of plans to build an airbase in eastern El Salvador. The closest they came to disclosing these plans was to suggest that the existence of only one field in the country hampered helicopter efforts to cover the whole country.[1] The Administration acknowledge that the airbase was being built over a month after Congressional floor votes on the aid request, and, perhaps coincidentally, only after Newsweek had reported the construction plans.

The Administration hid from virtually all Members of Congress, including those on specific Committees of jurisdiction, its intention to supply El Salvador with four AC-47 gunships. Although the AC-47s represented a major increase in the level of violence in the civil war (since they can deliver 18,000 rounds per minute and blanket the size of a football field), they were not listed in the Administration's aid requests or included in briefings prior to floor votes in both houses.[2]

Following press reports of U.S. intentions to supply the four gunships, Members of Congress protested that the issue had never been discussed during review of the aid requests. As a result, an agreement was reached to send only one AC-47, and that one a downgraded one which would be used on a trial basis under rules precluding its use in populated areas.[3] Without information from the media, the original four gunships would have been delivered.

Examples of misleading information

In response to Congressional inquiries about corruption in the U.S. Cash Transfer program in El Salvador, AID repeatedly denied that corruption was a significant problem, and stated that "management ac-

Footnotes at end.

tions" in the Salvadoran Central Bank had corrected whatever problem had existed. AID's position was contradicted by its own internal studies of the problem of corruption in the Salvadoran Central Bank. AID's Inspector General found that 20 percent of the transactions reviewed by the Central Bank in a spot-check for corruption were fraudulent, and a respected AID contractor, the Arthur Young accounting firm, concluded that corruption was "far beyond control" of the Central Bank personnel charged with detecting it.[4]

AID also restricted information about corruption, by classifying the Arthur Young report, which also documented the existence of a massive "black market" for foreign exchange in El Salvador.

The Administration has provided Congress with overly optimistic reports on the progress of the Salvadoran Armed Forces and the military situation in El Salvador. In a haunting reminder of Congressional-Executive relations during the Vietnam War, the Administration has at times appeared to take on the role of cheerleader rather than analyst in its military reports to Congress, as exemplified by the statement of the commander of U.S. forces in Central America, General Paul Gorman, that up to 90 percent of the Salvadoran countryside would be under Army control in two years. Other top Administration officials have claimed that the military stalemate in El Salvador has been broken, in favor of the Salvadoran Armed Forces.[5]

The situation on the ground does not appear to offer as optimistic an assessment: the ratio of active forces has remained roughly four to one (Army over rebel) since 1980; the ability of the rebels to cripple the economy with attacks on power lines, dams, roads and crops has not diminished; and the rebels continue to be able to mass, attack military targets at times and places of their choosing, and disperse safely—as proven by a recent battle at El Salto, where the rebels reportedly inflicted heavy damage on one of the Army's top battalions.

The Administration is also providing Congress with overly optimistic reports about the Salvadoran economy, asserting that a "recovery" is underway there whose benefits will be "widely distributed throughout the society."[6] In fact, domestic production has dropped between 25 and 35 percent since 1979; unemployment stands between 40 and 50 percent; 20 percent of the population has been driven to refugee camps or exile; massive capital flight of over $1 billion has cut public investment to half, and private investment to one-quarter, of previous levels; the tax system is non-functional in entire areas and taxes raise less than one-half of the Salvadoran budget; and rebel attacks on the economy that are responsible for many of these indicators show no signs of abating.[7]

Finally, the Executive Branch has apparently misled Congress about the very nature of U.S. strategy in El Salvador, by repeatedly asserting that the pursuit of economic and social reform was favored over the pursuit of a military victory over the rebels. and yet in spite of repeated claims that U.S. aid is "three to one" economic over military, the next section of this report will show that, under a more realistic evaluation, military aid is double that of our aid to reform and develop the economy. This reflects a military strategy devoted to prosecuting the civil war, and not one addressing the economic and social problems leading to the civil war.

Examples of false information

In seeking $93 million in FY84 Supplemental military aid for El Salvador, the Administration claimed that a dire "emergency" existed in the supplies available to the Salvadoran Army, when in fact, the Pentagon's own management data show that this claim was false.

Administration officials stated that "without these funds, the El Salvadoran Armed Forces will either go back to the barracks or collapse." Secretary of State Shultz affirmed that the Salvadorans were "running out of supplies right now," and President Reagan claimed that Salvadoran soldiers were going into battle with "one clip" of ammunition for their rifles.

In fact, there was no emergency: Pentagon management data obtained by Caucus Chairman Leach confirm statements by personnel in the field, including the Chief of Staff of the Salvadoran Armed Forces, that adequate supplies were available to continue a high rate of operations through the elections. According to this data, supplied by the Defense Security Assistance Agency (DSAA), there was $32 million of military aid available in the pipeline, much of which could have been diverted to arms and ammunition if necessary.[8] In any event, the majority of the Supplemental aid was used not to resupply existing units in the field, but rather to continue expending the Army by building new units.

In the five months prior to the "emergency" request, DSAA records show that general military expansion was emphasized over emergency supply of fighting units in the field: in these months, 44 percent of military aid funds were spent on U.S. personnel for training and technical assistance, and only 30 percent on arms and ammunition—the reverse of the percentages spent on these categories in the previous three years.[9]

Not only was there no emergency in Salvadoran supplies, but the materiel requested was largely inappropriate for emergency use in any case. Some $26 million was to be used for training and equipping nine new battalions (none of which were scheduled for combat duty in the immediate future); another $29 million was allocated to expanding the helicopter fleet by 12, and purchasing new trucks and supporting equipment; and finally, $4 million was to upgrade the Salvadoran communications network. Over 60 percent of the original request, then, could not have been used to offset a shortfall in arms and ammunition, even if one had existed.[10]

The Administration has denied the existence of an intensified air war on non-military civilian targets in El Salvador, which seeks to drive civilians out of rebel zones. Extensive press reports, Salvadoran government actions and reports from independent monitors of the situation strongly contradict these claims. For instance:

Although DOD stated that no bombing had taken place on Guazapa Volcano early in 1984, at least one newspaper (Christian Science Monitor) reported that the area "resembles a ghost town," with "every structure damaged by bombing." [11]

Similarly, although Assistant Secretary Motley denies "indiscriminate" bombing and asserts that the Salvadoran pilots have developed "nearly surgical precision" in their bombing, independent human rights observers assert that the evidence is "overwhelming" that the army engages "regularly" in "indiscriminate attacks" on civilians.[12]

Finally, in contradiction of official claims that civilians are exempt from bombing, President Duarte has issued guidelines to the Air Force to reduce civilian casualties from air strikes.[13]

The Executive Branch has provided false information to Congress concerning the number of U.S. military personnel operating in El Salvador, about the roles they are performing, and about the duration of their presence there:

Although in 1981 DSAA testified that the trainers "have gone there with the idea the jobs would be done in months or at most one year," they remain there four years later;

Although the Administration agreed to and has widely publicized the 55-man cap on U.S. military personnel in the country, in fact total U.S. military personnel there on a given day is probably twice this number. This is because of DOD's new definitions of what falls under the 55-man cap: originally, the ceiling included all personnel except Embassy Guards and employees of the Defense Attache's office. Now, however, the cap excludes not only guards and attaches, but also 11-16 members of the "Milgroup" which oversee the use of military aid and advise the Salvadoran High Command on strategy and tactics; 23 military trainers helping Salvadoran soldiers learn battlefield medical skills; and undisclosed number of advisers on "temporary duty" of one-two weeks at a time; and about a dozen civilian contract personnel from private U.S. contractors. Some 50 of these "excluded" personnel, on top of a rapid increase in the Defense Attache's office from 6 in '81 to 26 in '84, indicates that the 55-man cap is exceeded. If one includes personnel "in or over" El Salvador, yet additional personnel would have to be included, such as the U.S. pilots who regularly fly reconnaissance flights from Honduras and Panama.

Although the Executive Branch since 1981 has maintained that U.S. personnel are not in areas which would expose them to hostilities (and thus also trigger the War Powers Act), in fact U.S. trainers have been stationed in six Salvadoran brigade headquarters throughout zones of conflict, and members of the U.S Milgroup and trainers travel to the site of combat operations to assess the performance of the Salvadoran Army. Some have come under hostile fire.[14]

As recently as late 1984, the Administration pledged to Congress to deploy only one AC-47 gunship to El Salvador, until completion of an "interim" period in which the effect of the gunship's operations on human rights would be evaluated in consultation with Congress. The State Department has conceded that in fact a second gunship went into battle on the same day that the first was initially deployed (Jan. 8, 1985.)

The Administration claims that the Salvadoran Air Force armed the second AC-47 with the spare armament for the first one, without U.S. consent. However, the Administration has now affirmed its intent to retain both gunships in El Salvador during the evaluation period—in contradiction of the original agreement.

Congressional frustration with insufficient, misleading and false information has motivated this report. The following sections will provide a more realistic analysis and appraisal of the U.S. aid program and its trends.

SECTION II: WHAT IS THE NATURE OF U.S. AID? A NEW APPROACH

The U.S. has provided $1.7 billion in aid to El Salvador over the past five years. The Administration repeatedly asserts that "by a three to one margin," the aid is allocated to "economic and social development" rather than a "military solution" to El Salvador's civil war.[15] This Section shows that in fact the opposite is closer to the truth. By developing new, more realistic and more precise classifications of U.S. aid (See Table 1), we show that aid for "reform and development" in El Salvador accounts for only 15 percent of all U.S. aid in the past five years, whereas aid for direct prosecution of the war is double that amount (30 percent of our aid.) Of the remaining aid, the vast majority is indirectly war-related, because it addresses needs created by the war and allows continued expansion of the war, rather than addressing the underlying inequities that give rise to and now sustain the war. The last category of aid (11 percent) is commercial food aid, which is sold on the open market by the Salvadoran government rather than distributed directly to the people.

The in-depth analysis of U.S. aid performed in this Section disputes as artificial the traditional "economic" vs. "military" breakdown to which both the Executive Branch and the Congress have grown accustomed. This traditional categorization is flawed because it describes aid simply by which U.S. agency administers it—rather than by what the aid is actually used for. Instead, we have developed a new formula of four categories rather than the Administration's two, which categorizes each project and activity by its use. Rather than accepting a bureaucratic categorization, we develop a functional one. We believe this is a more accruate way not only to evaluate the effect of our aid, but also to determine the direction of our policy. The four categories described in this Section are (1) Reform and Development Aid; (2) Direct War-Related Aid; (3) Indirect War-Related Aid; and (4) Commercial Food Aid.

(1) Aid for reform and development

Aid for reform and development, the primary purpose of which is to address the problems that give rise to and sustain the civil war by creating conditions under which the vast majority of the Salvadoran population could participate in the political process and the economy, accounts for only 15 percent ($267 million) of total U.S. funding for El Salvador over the past five years.

This category of aid includes all those U.S. projects which are truly intended for economic and political reform in the country, and thus is made up of five components (see Tables 2 and 3): for major reforms in agriculture ($137 million), the judicial system ($10 million) and government ($9 million); AID development projects intended to improve the quality of life ($104 million); and USIA scholarships ($8 million).

This category of aid does not include projects which seek simply to maintain the economic status quo which existed before the civil war, or which (even though they may be administered by AID) may indirectly enhance the war effort (these projects are included in Category 3, "Indirect War-Related Aid"). Nor does this category include any U.S. military training, although some assert that U.S. efforts to train the Salvadoran military are indeed "reform-related." Our decision that these military training programs should be considered "direct war-related aid" rather than aid for "reform and development" is based on the fact that the great majority of such training focuses on technical military skills that help the Salvadoran soldiers wage war. For example, an in-depth review of the training schedules of Salvadoran soldiers in an Army-run program found that instruction "even peripherally related to human rights" accounted for less than three percent of instructional time.[16] In any event, even if all military training funds were included in the "reform and development" category, the overall change in distribution of funds would be minimal: direct war-related aid would total 27 not 30 percent; and reform and development aid would total 18 not 15 percent.

The components of aid for reform and development are discussed below:

Agrarian Reform ($137 million).

U.S. funding for agrarian reform in El Salvador was comprised of six separate AID projects. The largest of these provided credit to cooperatives and farms formed in the early stages of the land reform movement. AID obtained colons for the projects' credit lines by exchanging the dollars appropriated by Congress with the Salvadoran government. Smaller projects provided training for Salvadorans implementing agrarian reform and support for actual farm operations.

Judicial Reform ($10 million).

U.S. assistance to judicial reform funded one project with two distinct components, a "judicial protection unit" and a "judicial investigative unit."

The judicial protection unit was trained and equipped to safeguard witnesses, jurors and judges against violence from those in El Salvador opposing the prosecution of alleged "death squad" members and of military personnel implicated in violent acts against civilians. Some AID funds may have been used to purchase weapons for this unit, in apparent violation of the legal prohibition on the use of Economic Support Funds for such purposes. The judicial protection unit appears to be dormant following the successful prosecution of four National Guardsmen for the murders of American churchwomen.

The judicial investigative unit has recently been commissioned to investigate dramatic cases of "death squad" killings, but to date no charges have been brought for any death squad murders.

Governmental Reform ($9 million).

AID funded three projects that were intended to improve the Salvadoran Government's ability to govern. Establishing a functioning electoral system consumed 40 percent of the funds in this category; the remainder trained and supported personnel managing the Salvadoran bureaucracy.

AID Development Projects ($104 million).

AID funded 17 projects in El Salvador over the five years which were not part of the land reform, judicial reform or governmental reform, but which were clearly intended to improve living conditions and economic opportunities for Salvadorans. These projects range from medical care to population planning, from education to support for small businesses. Some would argue that many of these projects belong in the category of indirect war-related aid, since they provide services to Salvadorans as part of pacification plans managed by the Salvadoran Armed Forces. While we understand this argument, we have put these programs in the "reform and development" category because their purpose is to change the conditions that existed prior to the war, rather than restore the status quo in the manner of, for example, projects that rebuild infrastructure, or the Cash Transfer.

USIA Scholarships ($8 million).

USIA is expanding its scholarship program in Central America, in keeping with one of the recommendations of the Kissinger Commission. El Salvador will receive nearly 2,000 scholarships for study between 1985 and 1989 in the United States.

(2) Direct war-related aid

Direct war-related aid from the U.S. to El Salvador over the past five years, since President Carter began transferring lethal equipment there in January of 1981, exceeds half a billion dollars ($523 million), and represents 30 percent of our total aid program.

This direct war-related aid is made up of those funds which are provided directly from the U.S. military to the Salvadoran military, and are intended to expand the army, train the soldiers, and provide the equipment and facilities to wage the civil war. It has increased from $35 million by the end of fiscal year 1981 to $197 million by fiscal year 1984.

This category is conservatively defined, and does not include a large portion of U.S. aid funds which indirectly aid the war effort by supporting the government so it has the finances to prosecute the war; or which address problems caused specifically by the war. These programs are instead included in Category (3), Indirect War-Related Aid. (If all "war-related" aid were to be included in one category, it would represent 74 percent of our total aid program.)

A detailed analysis of these direct war-related funds is included in Tables 4 and 5, based on data from DSAA not normally supplied to Congress, but provided in response to a specific request from Caucus Chairman Jim Leach.[17] These tables reveal the breakdown as follows:

31 percent for Arms and Ammunition to equip the Army as it quadrupled in size. Nearly three-fourths of the funds went for ammunition. The listing of types of weapons *(See Table 5)* demonstrated that the primary emphasis over the past four years has been on light arms. The rebels have no artillery pieces to match the few the Army deploys.

23 percent for Maintenance and General Supplies, ranging from uniforms to sleeping bags.

19 percent for Aircraft, primarily Huey troopcarrying helicopters armed with machine guns and at times rockets, and A-37 jets for aerial bombardment. The percentage of funding for aircraft has risen dramatically lately, from 6 percent in 1983 to 22 percent in 1984. This rise was due to a seven-fold increase in funding for aircraft in 1984 *(See Table 4)*, as U.S. military strategy called for expansion of bombardment and air-mobile assault. The Huey fleet nearly tripled in size, and the A-37 fleet nearly doubled.

18 percent of U.S. personnel providing training for the expanding Army and Air Force, and technical services for the increasing amounts of equipment being transferred to El Salvador.

9 percent for Ground Transportation and Communication, primarily trucks and radios.

(3) Indirect war-related aid

Indirect War-Related Aid, which addresses needs arising from the civil war and in some cases actually assists in the prosecution of the war, accounts for the largest

single category of U.S. funds over the past five years: 44 percent of the total U.S. program, or $767 million.

The programs we include here are not "directly" war related because they do not provide services or equipment to the forces fighting the war on a daily basis. But nor are they "economic" in the traditional sense of the word, because they are neither reform-oriented nor development-oriented. Rather, they are in a separate category of their own, as programs which may be "economic" in form, but which are also intimately related to the war, and in some cases actually indirectly assist in its prosecution.

This category includes (a) Cash Transfers ($585 million) which sustain the Salvadoran government and economy in the face of the economic collapse brought on by the war; (b) Aid to displaced persons ($92 million), driven from their homes by the war; and (c) Aid to rebuild infrastructure which has been damaged by rebel military activity ($90 million).

An explanation of each category *(See Tables 6 and 7)* follows:

Cash Transfers:

The largest single program of U.S. aid to El Salvador, and perhaps the least understood, is the Cash Transfer. Initiated as a stop-gap measure at $45 million in 1981, the Cash Transfer now stands at over $150 million a year. Under the Cash Transfer program, the United States provided the Salvadoran Government with dollars. The Salvadoran Government then sells those dollars to businesses in El Salvador, who purchase them with Salvadoran colons. The businesses use the dollars to import goods from the United States, and the Government uses the colones as revenues for its budget.

In categorizing the Cash Transfer as indirect war-related aid, we differ with the Executive Branch, which labels the program as "economic" aid "for economic and social development." While clearly we agree that the Cash Transfer is economic in form, we believe it is crucial to distinguish between U.S. aid programs intended to reform and develop El Salvador's economic and political system (and thereby remove the underlying causes of the war), and those programs such as the Cash Transfer, intended simply to maintain the status quo prior to the economic collapse brought on by the war.

In arguing the "economic" nature of the Cash Transfer program, AID contends that the local currencies it raises are used to fund Salvador's agriculture programs and to support the displaced population. In fact, the local currencies raised by the Cash Transfer have been made "fungible" (i.e., can be used anywhere in the budget) through a special waiver. This waiver is the only one of its kind AID has granted anywhere in Central America.[18]

The fungible nature of the Cash Transfer means that these funds, while not directly traceable, are indeed "indirectly war-related." The Cash Transfer's relationship to the war manifests itself in the following ways:

It helps to fill the budget deficit of the Salvadoran government, clearly aggravated if not caused by the war. In 1980, the year before Cash Transfers began and the year the war broke out in earnest, the government raised $407 million in taxes. By 1982, it raised only $310 million. The difference was made up by the Cash Transfer, which by 1982 stood at $100 million; [19]

It indirectly sustains the expanded Armed Forces: Salvadoran spending for pay, bonuses and general support for the Armed Forces nearly tripled from 1980 to the present, from $106 million to $270 million (in real terms). Cash Transfers in the same period rose from 0 to $150 million; [20]

It has enabled the Salvadoran government to shift its budget priorities to fight the war: Since 1980, Salvadoran military expenditures have increased 154 percent in real terms, while non-military spending has fallen five percent; and

By filling the economic gap caused by the war ($1 billion in capital flight caused by the threat and then the onset of war; a 74 percent reduction in domestic private investment; etc.), it has replaced sources of foreign exchange and allowed the private business community to operate.[21]

In summary, the Cash Transfer provides direct budget support for the Salvadoran Government, and indirect support for the prosecution of the war. Clearly, without the Cash Transfer, the Salvadoran Government could never have tripled its spending on the Armed Forces.

Aid to the Displaced Population ($92 million).

A staggering 20 percent of El Salvador's population have fled their homes during the civil war—some one million people out of five million. Ten percent of the population has left the country, but another 10 percent (525,000) live in refugee camps or squatter settlements (a higher percentage than Vietnamese homeless at the height of the Vietnam War). [22] In the past five years, U.S. aid to the displaced population has totaled $92 million—or five percent of total U.S. funding for El Salvador.

More than half ($53 million) of the aid for the displaced has been used in AID's emergency program that provides health care, shelter and minimal employment *(See Table 7)*. Another $37 million has provided free food for refugee camps, under USDA's Title II food aid program. Minor support grants ($2 million) were also made to the Red Cross and Green Cross and other agencies.

We consider these humanitarian programs to be indirectly war-related because they address needs caused solely by the war. While there have been persistent reports of the Salvadoran military using U.S. humanitarian aid for military purposes (for example, to induce villages to form civil defense patrols or to encourage refugees to return to their homes as part of pacification programs), we do not believe that aid to the displaced population is being used to prosecute the war, and thus do not place it in "direct war-related."[23] Nonetheless, this aid should not be classified as part of efforts to reform and develop El Salvador: it neither contributes to eliminating the problems that led to the civil war, nor does it aim to improve the economic situation of the country. Rather, it is an emergency maintenance program.

Rebuilding Infrastructure ($90 million).

This final component of indirect war-related aid is comprised of two projects that provided equipment and salaries for Salvadorans repairing infrastructure damaged by rebel attacks. A key element of rebel strategy has been to attack economic infrastructure, such as bridges and power lines. The U.S. response to these attacks has been these two projects. The Administration considers them to be "economic" rather than "military" because the Salvadoran economy benefits from the improved commerce and communications that come with the rebuilt infrastructure, and because they are administered by AID rather than DOD. We consider them to be indirectly war-related because they respond to military attacks, and attempt to restore the status quo prior to the attacks, rather than to reform and develop the economy to improve the quality of life.

(4) Commercial food aid

USDA delivered $182 million in Title I food aid to El Salvador over the past five years—11 percent of our total aid program.

We have placed these funds in a separate category because the colones which are raised by the sale of Title I food on the commercial market eventually to to an assortment of programs. Those who argue that they are "indirect war-related" note that roughly half of the proceeds are integrated into the pacification effort, and another 25 percent go to aid displaced persons. Those who argue they are "reform and development"-oriented note that the pacification programs include the reopening of Phase I farms and other reform and development projects. The best solution to the problem appears to us to be to create a new category.

SECTION III: DIRECT WAR-RELATED AID AND U.S. MILITARY STRATEGY

The previous Section described the uses of all the various types of U.S. aid to El Salvador, and classified them into four categories. This Section analyzes in more details the "Direct War-Related Aid" category, and by doing so describes the overall U.S. strategy reflected by that aid. In describing the uses of the aid, it reveals a step-by-step escalation of a strategy for a military victory, and shows that our original attempt to expand and upgrade the Salvadoran Army has broadened and deepened, resulting in a counterinsurgency strategy, reminiscent of Vietnam, of aerial bombardment and air mobile assault, which has heightened casualties among the civilian population. This Section also shows that a once fairly simple strategy of getting the Army out of the barracks to fight in small mobile units has become a vastly more sophisticated and technological one, requiring increased U.S. involvement in providing both funds and equipment, and consequently involving U.S. personnel more directly in combat-related activities.

Step one: Expanding the Army

Since the U.S. initiated its war-related aid program in FY81, the size of the Salvadoran Army and security forces has grown from a combined strength of 12,000 in 1980 to 42,000 in 1984. This nearly four-fold expansion has been accomplished through the massive training, arming and equipping of Salvadoran soldiers, using U.S. funds. Of the roughly 30,000 members of the Army, 19,000 have been trained with U.S. military aid. Another 7,000 have been trained with U.S. funds but are no longer active in the Army.[24] Among the units trained were 6 "Immediate Reaction" battalions (850–1000 men each), 8 mid-sized battalions (600 men each) and 11 "Hunter" battalions (350 men each.)[25]

In order to train this many soldiers without exceeding the limit of U.S. trainers in El Salvador, the U.S. military trained large numbers of Salvadorans at the Regional Military Training Center in Honduras (known by its Spanish acronym 'CREMS'), beginning in 1983. Some 100 Green Berets from the U.S. Special Forces were stationed at CREMS, training primarily newly-formed Salvadoran units.

The expansion of the Army has meant a change in the number and role of U.S. advisers in El Salvador.

The Executive Branch's ongoing assurances to Congress that "at no time are there

more than 55 U.S. trainers in El Salvador" are true only if one overlooks changes in how the 55 are counted.[26] *(See also Section I.)* In 1981, nine members of the U.S. Military Group at the U.S. Embassy were counted as part of the 55; in 1984, the 11-16 Milgroup members were not counted as part of the total. Similarly excluded from the 55-man cap are 20-25 medical trainers sent in 1984, private U.S. contract personnel providing maintenance services on U.S.-supplied aircraft, and members of the Defense Attache's office, whose staff has quadrupled from an average of six in 1981 to 26 in early 1984. Also not included are the several hundred members of a U.S. Intelligence Battalion based in Honduras who regularly fly missions over El Salvador to gather battlefield intelligence.

Changes in the numbers of U.S. advisers have been accompanied by a relaxation on the rules governing their deployment in El Salvador. As the expanded Armed Forces moved more frequently into the countryside, U.S. personnel increased their direct supporting role. In 1981, U.S. military personnel were restricted to secure areas near San Salvador (with the exception of a naval team based in La Union); but by 1984, Operational Planning and Assistance Teams (OPATs) of 2-3 "trainers" had been stationed in each of El Salvador's six Army brigade headquarters throughout the country, assisting commanders in management and planning, and even moving with the headquarters during field operations.[27]

Similarly, as recently as July 1983, three "trainers" were relieved from duty for traveling by helicopter over a combat zone; yet by October, 1984, the head of the U.S. Milgroup and several trainers flew into the heart of rebel territory during an air mobile assault, and remained at the command post overnight. Finally, U.S. personnel began to increase their aerial reconnaissance role: an Army intelligence battalion of several hundred members began to fly reconnaissance missions in OV-1 observation craft from Honduras over EL Salvador; U.S. Air Force C-130s flew similar flights from Howard Air Based in Panama; and CIA flights, such as the one from Salvador's Ilopango Air Base which killed four Americans in the fall of 1984, also probably perform battlefield reconnaissance.[28]

Throughout the 1981-1984 period of Army expansion and increasing U.S. involvement, the size of the rebel force also expanded—from roughly 2-3,000 in 1980 to 9-11,000 in late 1984 *(See Figure 3).* The rebels have continued to hit economic targets such as bridges and power lines, and for the most part have managed to avoid fixed battle with the Army—succeeding instead in melting away and regrouping for their next operation.

Step two: The "National Campaign Plan," or pacification

In the summer of 1983, the Salvadoran Army initiated a program known as the National Campaign—a model pacification backed by the U.S. Milgroup and patterned after a component of U.S. strategy from the Vietnam War. The National Campaign was devised to implement a new, aggressive style of counterinsurgency: instead of fighting a "9 to 5 war," the Army would saturate the countryside with constant day and night patrols. Instead of sending thousands of troops into battle against guerilla forces, only to withdraw when the operation was over, the Army would clear and hold a rebel-held area; enhanced security would then permit peasants to return to their homes, plant crops and revive the economy. Security would be maintained by organizing civilians into "civil defense patrols" loyal to the government. "Civic action" and public works projects would also be instituted in an attempt to gain public support. The National Campaign was given its trial run in San Vicente province, under the name "Operation Well-Being," and was judged so crucial to overall policy that U.S. military strategists declared that "we will win or lose on this operation."[29]

The small units and "civic action" crews moved into San Vicente in June of 1983, but rebel forces evacuated the area, again resisting combat on the Army's terms. A number of civic action projects were initiated, but by the end of the year, Operation Well-Being was faltering. Rebel forces returned to San Vicente in August, inflicting substantial casualties on Army troops and hurting morale. A rebel offensive in other provinces in September drew off most of the crack troops stationed in San Vicente, leaving behind second-tier forces which "reverted to the same kind of behavior that the Americans say had cost them the initiative in the past, digging in rather than advancing by small night patrols and often giving up weapons in the face of unexpectedly fierce guerilla attacks."[30] U.S.-financed civic action projects, including the reopening of schools and roads, continued to go forward in a number of areas, but largely at the sufferance of rebel commanders also trying to win the loyalty of the peasants.[31] By December of 1984, only three of the 33 municipalities in El Salvador asked to form civil defense units had complied with the order.[32]

U.S. Ambassador Thomas Pickering assessed Operation Well-Being in December, 1983, in these words: "The Army has not shown the capacity to deal with the counteroffensive and the area of the plan. We had said that was a clear test."[33]

The floundering program in San Vicente led to another shift in Salvadoran war-fighting tactics. Salvadoran commanders turned away from the small units proposed by U.S. strategists, and reverted to more conventional "sweep" operations through rebel zones involving large numbers of government troops. At the same time, the aerial bombing of rebel-contested zones surged. The stepped-up air war appeared to have two complementary objectives: to disrupt the rebels' ability to mass for attack, and to drive civilians out of areas in the countryside that the rebels controlled or contested, thereby denying the rebels a base of logistical support.[34]

Step three: The air war

(A) Aerial Bombardment

An intensification of aerial bombardment of rural areas in the five northeastern provinces where the rebels were most active began in late 1983, as the National Campaign of pacification was winding down. According to Pentagon figures, average flying hours for UH-1H helicopters and A-37 strike aircraft—the core of El Salvador's air attack capability—increased by over 220 hours per month between July, 1983 and February, 1984. UH-1H flight hours increased 60 percent (from 364 to 582 per month), and A-37 flight hours increased 68 percent (from 31 to 52).[35] Britain's Jane's Defence Weekly also reported an increase of A-37 air strikes, citing U.S. military sources for a figure of 227 air strikes in all of 1983 (an average of 19 each month), versus 74 air strikes in the month of June, 1984, alone.[36] Air attacks from UH-1Hs were especially heavy during the election period of March-May, 1984, when helicopters were flying at three to four times their previous frequency.[37] The stated aim was to enhance security for the elections.

U.S. officials categorically deny that U.S personnel have in any way advised or encouraged the Salvadoran Air Force to bomb rebel zones to disrupt life there and drive out civilians. But while there is no direct evidence that U.S. advisers encouraged the strategy, there is little doubt that U.S. aid provided the ways and means to carry it out. *(See Table 5 and Table 8.)*

Through U.S. military aid, El Salvador received seven A-37s since 1982 (three more are on their way in 1985), and (in 1982) $1.2 million worth of 500 and 750 pound iron bombs. Beginning in 1982, the U.S. also provided the "nose rods" to convert the iron bombs (which normally explode when they hit the ground) to anti-personnel fragmentation devices that explode in the air. U.S. intelligence may also have helped to pinpoint bombing targets: the step-up in bombing raids by the Salvadoran Air Force coincided with published reports that U.S. pilots were flying reconnaissance missions out of bases in Honduras and Panama.

The Executive Branch denies that there is any "indiscriminate" bombing, and asserts the A-37 pilots have developed "near surgical precision" in their bomb deliveries.[38] These assertions have been challenged by a growing body of evidence from U.S. journalists, both Salvadoran and U.S. independent monitors of the war, and President Duarte himself—who last September actually issued new regulations to the Air Force to minimize damage to civilians and encourage respect for human rights. The core of the problem appears to lie in the Salvadoran officers' failure to distinguish between civilians and guerillas in zones of conflict; this failure is reflected in the remarks of a Salvadoran officer who, explaining an incident where 42 peasants died, said "there are no people living in those hamlets—only terrorists."[39] But perhaps the most direct evidence of the effect of the bombing is its contribution to the swelling population of displaced persons; displaced persons registered by the Red Cross in zones of conflict increased from 80,000 to 105,000 between January and July of 1984; and displaced persons in government-controlled areas rose from 262,000 to 342,000 from November 1983 to May 1984.[40] In less than eight months, over 100,000 civilians were driven from their homes.

While the increase in aerial bombardment appears to have hurt the rebels in certain ways—such as making it riskier for them to mass for attack—the view that the strategy could actually be counterproductive was reflected in a classified report to the Pentagon by a team headed by retired Major General John Singlaub. "Dropping 500-pound bombs on insurgents is not the way to go," said Gen. Singlaub. "There is a need for very discriminate firepower."[41]

(B) Air mobile assault

With the rebels somewhat dislocated by the effects of aerial bombardment, an expansion and escalation of the air war has taken place, known as air mobile assault.

Air mobile assault is designed to keep the rebels on the run through unexpected helicopter assaults in rebel zones, and eventually to wear them down to a small number of rural "bandits" who pose no substantial military threat. The air-mobile concept was initiated in 1984 (although U.S. strategists hoped to implement it as early as 1981),

with the approval by Congress of vastly increased military assistance (although Congress' knowledge of its strategic implications was less than complete).

FY84 and FY85 military assistance totaling $328 million has allowed the Salvadoran Armed Forces to almost triple the number of helicopters in its inventory from 19 in January of 1984 to 46 by the end of the year. The increase in the number of helicopters is intended to support the "air cavalry" technique used widely in Vietnam, in which government troops make surprise raids into guerilla areas or rapidly reinforce troops under attack. As The New York Times described it:

"To catch the guerrillas, the army is developing long-range reconnaissance patrols of 10 to 20 men. The patrols are trained to enter guerrilla areas to gather intelligence and carry out ambushes at night. With a fleet of 40 to 50 helicopters, the army is expected to be able to send small patrols to make contact with the guerrillas and immediately reinforce them by air with a 500- to 800-man battalion." [42]

As part of the air assault capability, the U.S. has begun providing AC-47 gunships, equipped with three pilot-controlled .50-caliber machine guns. The guns, which can deliver up to 1500 rounds per minute, represent a significant increase in the firepower of the Salvadoran Army.

It is unclear whether this air mobile assault technique can actually overcome the rebels. It may enhance the mobility of the Army to the point that the rebels are permanently on the run. On the other hand, the Army may rely on the increased technology too much, and revert to its traditional behavior of stressing firepower from a safe distance rather than aggressive small-unit tactics. In addition, helicopter operations are riddled with problems. First, they are vulnerable to ground fire—last winter, 28 soldiers died when two helicopters collided while trying to avoid rebel ground fire—and could become more vulnerable if the rebels acquire the SAM-7 hand-held missiles they are rumored to be seeking. Second, it is far from clear that the expanded helicopter fleet can be successfully operated and maintained: helicopter maintenance is a "logistical nightmare": last July, for example, roughly half were grounded at one time.[43] Third, the complexity of the maintenance might require U.S. military or contract personnel to oversee. Fourth, there is a shortage of trained Salvadoran pilots and copilots to operate them.[44] And finally, they are likely to increase human rights abuses, as Salvadoran troops continue to fail to discriminate between civilians and guerrillas in rebel-contested zones—as proven by recent instances.[45]

The three separate strategies which have been pursued since 1981 to achieve a military victory over the Salvadoran guerrillas have each failed to achieve their desired result. In spite of increased U.S. financial aid and increased U.S. involvement of personnel, conditions within El Salvador continue to deteriorate. The number of displaced people grows daily. The number of civilian casualties increases, and threatens to worsen under increased aerial assaults. And finally, official estimates of the number of rebels have climbed steadily, from 2,000 (1981), to 4–6,000 (1983), to 9–11,000 (1984), and now, in the most recent interview at the end of 1984, "10, 12, 13, 14,000." [46]

SECTION IV: AN ANALYSIS AND EVALUATION OF AID THAT IS NOT DIRECTLY WAR RELATED

Section II classified U.S. funding for El Salvador into four categories, and Section III analyzed the strategy and impact of the funding which was directly related to prosecution of the war. This Section similarly analyzes the other three categories of aid, which the Administration refers to collectively as "economic" and which we prefer to divide according to their functions: aid for reform and development; indirect war-related aid, and commercial food aid. As we did in Section III, by analyzing and evaluating these categories of aid, we seek to describe the overall strategies reflected by the aid.

U.S. aid that is not directly war-related totaled $1.2 billion over the five years, and has focused on two simultaneous strategies:

Addressing the effects of the civil war, by meeting economic and social needs created by the war, such as the need for import-financing, revenues and the rebuilding of infrastructure; and

Addressing the causes of the civil war, by funding programs to limit and punish right-wing violence, to promote land reform, and to improve the standard of living of the poor majority.

In short, one focus of U.S. strategy has been on funding maintenance, and the other has been on funding change. By a three to one margin ($767 million to $267 million), U.S. aid has favored maintenance over change in the categories of aid that are not directly war-related.[47]

Our analysis of these strategies leads to the following conclusions:

The strategy of change, reflected in aid for reform and development, has been halting, and stymied by right wing opposition and by the existence of the civil war itself. Nonetheless, these efforts have had historic significance in Salvadoran politics.

The relatively low funding priorities accorded reform and development programs by U.S. strategy has reduced their impact in the country: whereas our direct war-related aid amounts to over $50,000 per Salvadoran rebel, our reform and development aid amounts to only $300 per Salvadoran living in "absolute poverty."

While the strategy of maintenance has in the short run generally succeeded in keeping the Salvadoran Government and economy from collapsing, in the longer term it will require increased U.S. resources, as the war continues to devastate the economy and create refugees.

The strategy of maintenance hinders the chances for a negotiated settlement in El Salvador, because the high levels of aid for maintenance remove the incentive for the Government to pursue serious negotiations, and support financially the political forces in Salvador's business community who traditionally have been most opposed to reform and negotiations.

Addressing the causes of the war: A strategy of change

Although right-wing death squad violence sparked the onset of the Salvadoran civil war in 1980, there is little disagreement that decades of economic and social inequities fostered and now sustain it. By funding programs which aim at changing the conditions which gave rise to the war, the United States has entered an historical political dispute over the future of the country.

U.S. efforts to reform and develop El Salvador's social and economic system have a mixed record. While there have been major successes (as with the fair counting of election ballots or the initiation of a land reform program), there have also been dramatic failures (land reform has come to a halt, and death squad leaders have not been brought to trial.)

In general, while our reform and development programs have aimed at progressive change, they have been obstructed by three circumstances: the power of the right wing in El Salvador, which has resisted all efforts at reform; the civil war itself, which by its very nature not only disrupts the economy but also hampers efforts to develop it; and the relatively low level of funding, amounting to $300 for each of the poorest Salvadorans, compared to $50,000 to fight each guerilla.[48]

A brief evaluation of U.S. initiatives follows:

Governmental Reform: The most direct result of our $9 million was the establishment of a national registry of voters and of procedures and technology to limit chances of election fraud—which have so plagued Salvadoran elections in the past. While these efforts culminated in last year's Presidential elections, which were judged by independent observers to be fairly conducted, the process and procedures remain in place for future elections, including this spring's Assembly and municipal elections.

Judicial Reform programs seek to create a judicial system which will apprehend and punish perpetrators of political violence; and the conviction of four National Guardsmen for the murders of four American churchwomen was an historic event largely attributable to these programs. This conviction proved the value of the concept as well as the impact of Congressional and Executive Branch pressure on the Salvadoran government.

The impact of these programs has been reduced by two factors. First, their scope was limited to begin with: for instance, they do not extend to alleged massacres by Army units during sweeps of rebel zones. And second, the ARENA Party's control of the major components of the judicial system has stymied efforts to investigate and prosecute offenders. For instance, even under the Duarte Administration, no charges have been brought for political violence, and the judicial protection unit that served at the trial of the National Guardsmen is apparently non-functioning. Judicial reform programs seem to be on hold until right wing control of the Supreme Court and Attorney General's office is ended.

Land Reform programs, which would transfer economic power in rural El Salvador from the traditionally wealthy to the traditionally impoverished, has encountered strong resistance—both legal and illegal—from the right wing. Its success to date is a matter of much dispute.

A number of analysts argue that land reform is badly faltering.[49] As evidence, they cite a scathing evaluation by AID's Inspector General, published in January of 1984 after two years of ARENA control of the land reform agencies.[50] The Inspector General found all three phases of land reform in serious difficulty: Phase I from economic constraints that made the majority of them not "viable," as well as from right wing violence that had forced a number of cooperatives to relinquish their claims to title; Phase II from the National Assembly's refusal to approve its implementation; and Phase III from physical intimidation of new and prospective land-holders. The Inspector General criticized AID's field staff for reporting land reform to be a success without visiting more than a fraction of

eligible farms. Since the release of the report, the National Assembly has voted to end transfers of land under Phase III, refused once again to approve Phase II, and reduced Duarte's requests for funds for land reform agencies (which have now come under the control of the Christian Democrats.)

On the other hand, land reform can also validly be seen as traveling a difficult, historic road with a fair measure of success. AID's mission in El Salvador vigorously contested AID's Inspector General's assessment, pointing out that forcible evictions of new land-owners had declined, and that many of those evicted were being returned to their land.[51] An in-depth study by a respected AID contractor, the Checchi Company, found that, to the evaluators' surprise, "the agrarian reform is very much alive in El Salvador. After a set-back following the March, 1982 elections, the process resumed in June, 1982, with the active backing of the Armed Forces."[52] With the Christian Democrats now controlling the land reform agencies, there is reason to assume that governmental support will improve, though continuing right-wing control of the National Assembly will limit it. Like judicial reform, land reform has become an important symbol in the struggle between Christian Democrats and ARENA, and major changes in land reform's fortunes will probably await a significant shift in those two parties' political power.

The impact of aid for development projects such as education, health care, population or small business programs, is difficult to assess for two major reasons: in part because the bulk of their funds ($70 million of $104 million) has been appropriated in the last 16 months, and most such projects require long lead-times; and in part because the small AID in-country staff cannot adequately monitor the projects.

Nonetheless, three tentative conclusions are possible:

First, the needs of the country's poor people are vastly aggravated by the war: the real per capita GDP of lower income groups has declined about 35 percent since 1978; primary school enrollment has declined from 85 percent before the war to 50 percent last year; and value added by the manufacturing sector declined by 33 percent between 1978 and 1983.[53]

Second, the level of U.S. aid being provided does not come close to compensating for the disruption caused largely by the war, and realistically is seeking only to restore the pre-war standard of living. In education, for instance, AID funding has focused on building and reopening schools in conflict zones, and support Salvadoran efforts to put enough teachers back into the schools so enrollment can return to 75 percent—still below 1979 levels.[54]

And finally, the civil war—not surprisingly—disrupts not only monitoring, but also implementation, of the programs. For example, while about a third of AID's development projects have gone for medical programs to "revitalize" the national health system, a number of the clinics were closed in zones of conflict because the medical interns were unwilling or unable to practice in these areas.[55] Similarly, even where schools have been reopened in conflict zones, some of them are shared with the rebels, who use them for political indoctrination.[56]

One of the more positive signs for the development programs is that much of the appropriated total remains to be expended. The above tentative conclusions are based only on preliminary programs.

Addressing the effects of the Civil War: A strategy of maintenance

Even before the Salvadoran rebels initiated their war against economic targets, the threat of a widening civil war had badly shaken the Salvadoran economy. As discussed previously and according to AID figures, Salvadorans removed $1 billion in capital from the country, cutting domestic investment by 75 percent and eliminating an entire year's worth of import financing. Since then, the economic chaos has been compounded by the rebel campaign, the tripling of expenditures for the Armed Forces, and the strain of half a million internal refugees. Gross Domestic Product has fallen 25-35 percent (in real terms) since the civil war started.

U.S. indirect war-related aid was intended to maintain the Salvadoran Government and economy in the face of this man-made disaster. In the short term, the strategy of maintenance can be considered a success: crucial imports have been financed; declining tax revenues have been replaced; power lines have been rebuilt; and refugees have been cared for—although in each case U.S. maintenance was only a portion of the need generated by the war.

From a longer-term perspective, though, the strategy of maintenance must be judged a failure. El Salvador has become dependent on U.S. maintenance as a subsidy at ever-increasing levels as the economy, absent U.S. aid, continues to deteriorate under the burden of the war. The tripling of indirect war-related aid from $69 million in 1981 to $216 million in 1984 brought an artificial stability to the Salvadoran Gross Domestic Product, which has stopped its decline from pre-war levels with this infusion of aid. Economic activity other than that sustained by U.S. aid, and tax revenues, have continued to decline. Real economic stability, brought on by the return of Salvadoran capital, foreign finance and renewed domestic private investment, would appear to await the cessation of the civil war.

Like direct war-related aid, the indirect war-related aid that maintains the Salvadoran Government and economy has delayed serious negotiations to settle the civil war. The high level of aid for maintenance permits the Salvadoran Government to resist the economic pressures that would have forced it to the bargaining table years ago without U.S. aid. And insofar as this aid has allowed a strategy which emphasizes military victory, and which has increased rather than decreased the level of violence, it has served as a disincentive to negotiations.

U.S. indirect war-related aid continues to fill the Government budget, rebuild rebel-damaged infrastructure, and care for refugees. The incentive for negotiating with the rebels may be still further reduced by the awareness of the Government and Armed Forces that the effects of additional rebel activity will be mitigated by additional indirect war-related aid.

Lastly, the Cash Transfer program—the largest single component of indirect war-related aid—strengthens the political power of those individuals and groups who are most resistant to the concept of reform and change within the society—the international sector of San Salvador's business community. This group, composed largely of large importers, is aligned politically with the ARENA Party, and has consistently denounced proposals for land reform, for negotiations, and for banking and financial reform. To the extent that our Cash Transfers strengthen the influence of this community, the program reduces the chances for a peaceful or equitable settlement.

SECTION V: RECOMMENDATIONS: HOW U.S. AID COULD ENCOURAGE A NEGOTIATED SETTLEMENT

El Salvador has experienced a national trauma of major proportions over the past five years. Some 50,000 Salvadorans have been killed (roughly 40,000 of whom were non-combatants), the per-capita equivalent of 2,400,000 people being killed in the United States. The economy has virtually collapsed under the strain of the civil war, with Gross Domestic Product dropping between 25 and 35 percent, and unemployment standing between 30 and 40 percent. Only U.S. aid equivalent annually to 55 percent of the Salvadoran Government's budget and 15 percent of the Gross Domestic Product has kept the Government, the Armed Forces and the economy functioning.

Tragically, if U.S. aid is composed in the future as it is at present, the next five years will be as violent and unproductive for El Salvador as the past five years. Under current U.S. aid strategy, there is no light at the end of this tunnel.

U.S. aid strategy has favored a military solution to the civil war, focusing twice as much funding on direct war-related aid to the Armed Forces (30 percent) as on aid for reform and development which aims to change the conditions that led to the civil war (15 percent.) The largest share of aid (44 percent) simply neutralizes the everincreasing effects of the civil war, permitting the Government and Armed Forces to continue their search for a military solution.

Yet a military solution remains elusive. Rebel strength and activity have kept pace throughout the civil war with increases in the Armed Forces' size and operations. Although it is difficult to assess the long-term impact of the current air war on the military balance, rebel attacks on both military economic targets are continuing now much as they did a year or two ago. The overall level of military violence, especially that which affects civilians, is increasing with the technological escalation of the air war.

We propose a major shift in U.S. policy in El Salvador, and a major shift in the composition of U.S. aid to implement it. Our policy must be maximum support for a cease-fire, followed by intense and serious negotiations for a swift settlement. U.S. policy must unequivocally reject a military solution in favor of a negotiated settlement, and then redirect U.S. aid to support this policy.

Our recommendations for implementation of this new policy are, in summary:

Reduce the level of violence by stopping funding for the air war;

Encourage reform and negotiations by redirecting the Cash Transfer to Reform and Development projects;

Limit U.S. combat support by returning to the numbers and roles of U.S. personnel assisting the Salvadoran military effort in 1981; and

Require that direct U.S. military action can be undertaken only with the prior consent of the Congress.

These recommendations are discussed in detail later in this Section.

We recognize that there are risks associated with actions such as these, which both symbolically and in practice support a negotiated settlement rather than a military solution. The right wing in El Salvador continues to use its power—both legal and illegal—to block any policy short of total commitment to a military solution. President Duarte's power is already tenuous. His ef-

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forts to fulfill his campaign pledge to investigate and prosecute participants in death squads and military massacres have been stymied. He was unable to make the top commanders in the Armed Forces accept his call for a Christmas truce. Supporters of present policy might argue that our proposals would tip the balance of power away from Duarte by reinvigorating right wing resistance, perhaps in the form of a resurgency of the death squads of a military coup.

We think that the possibility of such a reaction is small. Far more likely is that the right wing will be forced to accommodate any clear Congressional consensus—as it has in the past—to avoid jeopardizing the continuation of U.S. funding for El Salvador. Powerful pragmatists in the Salvadoran military have come to the conclusion that a resurgence of death squads or a military coup would sour Congress on funding for El Salvador.

In fact, a Congressional consensus against such activities has already had the desired effect. The reduction in death squad activity since 1981, although due to a number of causes, is due at least in part to the perception in El Salvador that the death squads were jeopardizing increased funding. The "Kasten-Dodd" Amendment to the FY85 Foreign Aid Appropriation, which cuts off all U.S. aid in the event of a coup, has made it clear in El Salvador that direct resistance by the military to Duarte's orders is unacceptable to the U.S. Congress. This amendment should be included in succeeding foreign aid bills as a matter of course.

In any event, the United States must not be held hostage by terrorist or anti-democratic groups: we must vigorously pursue a policy that is in our best interests and in the best interests of the Salvadoran people: cease-fire and negotiations. The alternative is to consign El Salvador to bleed slowly to death over the coming years, as the misguided search for a military solution continues and even escalates with the expansion of the air war.

That is not to imply that a negotiated settlement will come easily, without major concessions on all sides. U.S. policymakers can not determine what concessions must be made to achieve an agreement. What constitutes a just settlement in the Salvadoran civil war can be determined only by Salvadorans. U.S. policy and aid strategy, though, can encourage Salvadorans on both sides of the bargaining table to view a continuation of the civil war as an unacceptable alternative to a negotiated settlement, and can support them in their efforts to achieve an agreement.

Our recommendations, then, are offered not as a panacea for El Salvador's problems, but rather as realistic proposals to encourage the Salvadorans to solve them themselves. By recognizing the impossibility of a military solution, we hope to enhance the prospects for a negotiated settlement.

1. Stop funding the air war

The escalation of the air war in 1984, with the increase in air strikes, the tripling of the helicopter fleet and the introduction of the AC-47 gunship, has raised additional barriers to a cease-fire and negotiations. Aerial bombardment and air-mobile assault are tactics that increase the level of violence, just when a decrease is needed to encourage a cease-fire. The rebels and the Armed Forces have experimented with informal cease-fires for brief periods, and the notion of "humanizing" the war by simultaneously reducing rebel sabotage and Government bombardment has been broached in the dialogue between Duarte and the rebels.

The air war undermines the chances for a cease-fire and settlement because it notifies the rebels that the Armed Forces remain committed to a military solution, and are unwilling to adopt tactics that differentiate between armed rebels and civilians living in rebel zones.

Congress should, accordingly, prohibit the use of U.S. aid for additional A-37 attack bombers, UH-1H and 500-D helicopters, and AC-47 gunships. Armaments, munitions, spare parts and services for those craft already in the Salvadoran inventory should also be proscribed from U.S. funding. Congress would in effect be declaring the air war in suspension, to reduce the level of violence and encourage a cease-fire and settlement.

Critics of this approach may argue that suspension of the air war would provide the rebels a military advantage—encouraging them to pursue a military solution rather than negotiate seriously. Our response is that while there may be a short-term gain for the rebels—inasmuch as the Armed Forces' ability to move quickly into rebel zones will be hindered, and the rebels' ability to regroup will improve—this gain would be insignificant in the context of a cease-fire. The purpose of the cessation in the air war would be to set the stage for a cease-fire and negotiations. Such an initiative would give the rebels a powerful incentive to reach a cease-fire, since exploiting the suspension of the air war over the longer term would only lead to its resumption.

2. Redirect the cash transfer to reform and development

Efforts to reform and develop El Salvador's political and economic system have been stymied by right-wing opposition and the low priority accorded to those efforts by U.S. aid strategy. Funding for reform and development stands at 15 percent of total funding, while funding for indirect war-related economic maintenance is three times as large. Congress should reverse these proportion by transferring all funding requested for the Cash Transfer to AID's reform and development projects.

Such a shift in resources would have a profound impact, by improving the conditions—particularly in the judicial and agricultural systems—that led to and sustain the civil war. Equally important would be the powerful message sent to all parts of Salvadoran society that the United States was putting its weight behind reform and negotiations, rather than a military solution. Continuation of the Cash Transfer, in contrast, will merely delay the inevitable negotiations between the Government and the rebels, by negating some of the effects of the civil war and reducing the incentive of the Government to negotiate.

Critics of this approach may argue that redirecting the Cash Transfer's resources to reform and development efforts would damage Duarte's ability to govern by cutting off his lifeline of critical imports and budgetary assistance. They may also argue that reform and development projects cannot absorb effectively even the funds available to them now, and so would be overwhelmed with a tripling of funding.

It is true that both the international sector of the Salvadoran economy and the Salvadoran Government have grown dependent on the Cash Transfer, and would have to be cut back to account for its redirection. Transferring the funds to reform and development would not necessarily require a dramatic reduction in total imports, as the agricultural and small business sectors could be provided with foreign exchange for project-specific imports with a portion of the redirected funds. Similarly, a dramatic reduction in Government spending could be avoided by using a portion of the redirected funds to support the Government's own reform and development expenditures.

It is also true that a major increase in funding for reform and development poses a management problem for AID staff in El Salvador who are unable to monitor and evaluate many of the projects already underway. This problem could be addressed in two ways. First, AID could transfer some of the funds into a holding fund, for use when promising projects had been started and required additional funding. Second, AID could use some of the increase to hire additional personnel for monitoring and evaluation.

The importance of a redirection of the Cash Transfer, both by supporting reform and development projects as well as by symbolically endorsing reform and negotiations, should not be underestimated. The benefits of such a change in policy, we believe, are well worth the risks it entails.

3. Enforce the 55-man cap: Return U.S. military personnel to their numbers and roles in 1981

By changing the restrictions on their activities, DOD has been able to place U.S. Armed Forces in combat zones, and in roles that directly support Salvadoran combat operations. This drift from training into combat support has been accompanied by a near-doubling of U.S. military personnel in El Salvador, permitted by DOD's changes in the definition of U.S personnel covered by the 55-man cap. These trends should be reversed:

OPAT advisers operating at the brigade headquarters of El Salvadors's military departments should be returned to training tasks well-removed from rebel zones;

U.S. military personnel, as a rule, should be restricted to areas with little risk of combat;

Reconnaissance flights by U.S. Army pilots operating from Honduras and U.S. Air Force pilots operating from Panama in support of Salvadoran Army units should be terminated; and

The 55-man cap should be interpreted as it was in 1981, with only U.S. Marine guards at the Embassy and Defense Attaches excepted.

4. Require that direct U.S. military action can be taken only with the prior consent of the Congress

Enactment of the "Foley-McHugh" Amendment, which requires Congressional approval prior to the introduction of U.S. Armed Forces into combat in or over El Salvador and Nicaragua, is the best way to reaffirm Congress' role in decision relating to direct military action in El Salvador. The amendment passed the House twice in 1984, but was weakened in conference in both cases to advisory language.

TABLE 1.—THE DISTRIBUTION OF U.S. FUNDING FOR EL SALVADOR FISCAL YEAR 1981–85

Categories	Fiscal year 1981	Percent	Fiscal year 1982	Percent	Fiscal year 1983	Percent	Fiscal year 1984	Percent	Fiscal year 1985	Percent	Total for 5 yr	Percent of total
Indirect war-related aid:												
Cash transfers	44,900		100,000		120,000		165,000		155,000			
Displaced population	10,549		13,902		12,496		31,043		24,073			
Rebuilding infrastructure	13,430		26,430		14,900		20,000		15,000			
Total	68,879	46.2	140,332	50.6	147,396	44.8	216,043	40.7	194,073	43.0	766,723	44.1
Direct war-related aid: Military equipment and services	35,000	23.4	82,000	29.5	81,300	24.7	196,550	37.0	128,250	28.3	523,100	30.0
Reform and development:												
Agrarian reform	11,100		20,846		36,100		37,000		32,225			
Judicial reform							3,500		6,000			
Governmental reform	720		603		4,623		1,500		1,050			
AID projects	7,282		6,630		20,626		29,738		39,450			
USIA							1,000		7,000			
Total	19,102	12.8	28,079	10.1	61,349	18.6	72,738	13.7	85,725	19.0	266,993	15.4
Commercial food aid: Public Law 480 (title 1)	26,277	17.6	27,200	9.8	39,000	11.9	46,000	8.6	44,000	9.7	182,477	10.5
Total (for each fiscal year)	149,258	100.0	277,611	100.0	329,045	100.0	531,331	100.0	452,048	100.0	1,739,293	100.0

Note.—Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985. Percent refers to percentage spent for each category in each fiscal year.

TABLE 2.—REFORM AND DEVELOPMENT, SUMMARY

Function	Agency	Fiscal year— 1981	1982	1983	1984	1985	Total for 5 yr	Percentage of total for 5 yr
Agrarian reform	AID	11,100	20,846	36,100	37,000	32,225	137,271	51.4
Judicial reform	AID				3,500	6,000	9,500	3.6
Governmental reform	AID	720	603	4,623	1,500	1,050	8,496	3.2
Development projects	AID	7,282	6,630	20,626	29,738	39,450	103,726	38.8
Scholarships	USIA				1,000	7,000	8,000	3.0
Total		19,102	28,079	61,349	72,738	85,725	266,993	100.0

Note.—Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.

Source: Figures provided by respective agencies.

TABLE 3.—REFORM AND DEVELOPMENT, DETAILS

	Fiscal year— 1981	1982	1983	1984	1985	Total for 5 yr
REFORM ACTIVITIES						
AGRARIAN REFORM:						
0289 AIFLD OPG				2,000	2,000	4,000
0229 Small producer development	1,125	1,125	1,000	4,000	5,000	12,250
0210 Irrigation systems for phase I small farms					3,525	3,525
0262 Agrarian reform and organization	8,375	2,096	2,000			12,471
0265 Agrarian reform and management			9,200	11,000	8,500	28,700
0263 Credit for phase I cooperatives on small farms	1,600	17,625	23,900	20,000	13,200	76,325
Subtotal (agrarian reform)	11,100	20,846	36,100	37,000	32,225	137,225
Judicial reform: 0296 Judicial reform (subtotal judicial reform)				3,500	6,000	9,500
Governmental reform:						
0167 Program development and support	260	153	223	250	550	1,436
0293 Salvadoran elections program			3,400			3,400
0260 Management training for implementation of reforms	460	450	1,000	1,250	500	3,660
Subtotal (Governmental reform)	720	603	4,623	1,500	1,050	8,496
Total (reform—AID)	11,820	21,449	40,723	42,000	39,275	155,267
DEVELOPMENT ACTIVITIES (AID)						
0287 New industry				13,000	3,000	16,000
0295 Educational systems revitalization				2,000	13,775	15,775
0253 Health and nutrition	450		3			453
0149 Family planning and population control	1,500	1,636				3,136
0291 Medical supplies and management			16,775	8,605	10,225	35,605
0251 Building community infrastructure and credit for community business	5,125	4,000				9,125
0275 Salvadoran demographic association family planning			1,800	1,800	2,500	6,100
0181 Program development and support (population)	30	50	48	644	200	972
0178 Program development and support (health)	50	26	239	505	600	1,420
0168 Program development and support (education, and overseas education fund)			297	284	400	981
0094 Community development projects	50		300	350	350	1,050
9999 PVO—OPG		470			2,000	2,470
0177 Program development and support (community development projects)	77	448	214	815	650	2,204
0286 Technoserve			950	1,150	650	2,750
0300 Save the children—OPG				235	600	835
XXXX Water management projects					4,500	4,500
Reg. LAC training initiatives (agriculture and education)				350		350
Total (AID development projects)	7,282	6,630	20,626	29,738	39,450	103,726
DEVELOPMENT PROJECTS—USIA						
Scholarship program (total USIA)				1,000	7,000	8,000
SUMMARY						
AID—Reform	11,820	21,449	40,723	42,000	39,275	155,267
AID—Development	7,282	6,630	20,626	29,738	39,450	103,726
USIA—Development				1,000	7,000	8,000
Total (Reform and development)	19,102	28,079	61,349	72,738	85,725	266,993

Note.—Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.

Source: Figures provided by respective agencies.

TABLE 4.—DIRECT WAR—RELATED AID, SUMMARY OF MILITARY EQUIPMENT AND SERVICES[1]

Function	Fiscal year 1981	Percent	Fiscal year 1982	Percent	Fiscal year 1983	Percent	Fiscal year 1984	Percent	Total for 5 years	Percent for 5 years
Arms and ammunition	15,689	44.8	24,715	36.7	30,090	41.5	35,641	23.7	106,135	32.6
Maintenance and general supplies	8,911	25.4	8,662	12.9	16,059	22.1	32,676	21.7	66,308	20.4
Aircraft	7,216	20.6	18,316	27.1	4,607	6.3	32,644	21.7	62,783	19.3
U.S. personnel: training and technical assistance	1,663	4.7	10,058	14.9	12,830	17.7	33,815	22.5	58,366	18.0
Ground transportation and communications	1,577	4.5	5,655	8.4	8,980	12.4	15,640	10.4	31,852	9.7
Total (for fiscal years)	35,056	100.0	67,406	100.0	72,566	100.0	150,416	100.0	325,444	100.0

[1] Data drawn from Defense Security Assistance Agency Computer Run on Deliveries. Figures therefore resemble, but do not match, those in table 2, which are for obligations. Data current for end of fiscal year 1984.

Note: Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.

TABLE 5.—DIRECT WAR—RELATED AID, DETAILS

Function	Fiscal year—				
	1981	1982	1983	1984	Total for 5 yr
ARMS AND AMMUNITION, TOTAL					
Weapons:					
Pistols		54			
Rifles	784	6,779	4,112	3,706	
Machineguns	398	1,397	1,424	182	
Howitzers 105 mm C					
Mortars 60 mm	50	56	18		
Mortars 81 mm	264	127	57	1,955	
Rifles recoilless 90 mm	122	91	497	411	
Subcaliber weapons					
Other weapons up to 75 mm	33	21	44	159	
Other weapons, ordnance equipment C					
Weapons spares C					
Total weapons	2,331	9,783	10,985	8,718	31,718
Ammunition:					
Bombs	206	1,215		917	
Cartridge up through 22 mm	3,468	6,482	5,593	5,755	
Cartridge 37 mm to 75 mm	666	473	718	1,143	
Cartridge 75 mm to 90 mm	726	565	2,028	980	
Cartridge 105 mm to 155 mm C					
Grenades	450	379	96	450	
Mines		45	34	6	
Mortar rounds 60 mm	1,413	1,249	902	1,093	
Mortar rounds 81 mm–4.2 In	4,511	1,454	1,175	3,903	
Rockets		484		196	
Other ammunition and components C					
Total ammunition	12,689	14,673	18,337	24,739	70,438
Subtotal arms and ammunition	15,020	24,456	29,332	33,457	102,255
MAINTENANCE AND GENERAL SUPPLIES					
Tool kits and sets	24		28	6	
Miscellaneous other support equipment C					
Other supplies C					
Repair and rehabilitation	350	1,867	1,353	5,542	
Supply operations C					
Logistics management exp. C					
Total maintenance and general supplies	8,900	10,523	17,409	37,215	74,047
AIRCRAFT					
Attack A–37		3,417		441	
Cargo C–123		666		66	
Observation O–2		488	93	105	
Helicopter UH–1	5,671	8,474	2,294	21,224	
A/C mods, age, and other	16	1,035	300	3,309	
A/C spare parts	1,529	4,236	1,920	7,499	
Total aircraft	7,216	18,316	4,607	32,644	62,783
U.S. PERSONNEL: TRAINING AND TECHNICAL ASSISTANCE, TOTAL					
Training Aids and Publications			30	690	
Training	1,189	9,386	7,216	26,964	
Technical Assistance C					
Technical Assist. FLD-Team (TAFT)	231				
Administrative Expenses				388	
Books, Maps, and Publications	75	107	25	1	
Other Services			5,074	4,285	
Total U.S. personnel: Training and technical assistance	1,663	10,058	12,830	33,815	58,366
TRANSPORT AND COMMUNICATION					
Communication equipment:					
Radio ground-air equipment		7			
Radio-radar equipment airborne	79	846	1,778		
Telephone sets		61		50	
Telephone and telephone terminal and transmission equipment		27		67	
Other communications equipment	77	1,821	2,066	8,867	
Communications equipment spares	123	362	558	904	
Total Comm. Equipment	279	3,124	4,402	9,888	17,693
Ground transportation:					
Military bridges	264				
Trailers, all types	93			65	
Trucks, ¼ ton, all types	109			212	
Trucks, 2½ ton, all types	421		183		
Vehicle and support equipment spares	46	259	585	1,907	

TABLE 5.—DIRECT WAR—RELATED AID, DETAILS—Continued

Function	Fiscal year— 1981	1982	1983	1984	Total for 5 yr
POL, gases and fuels	97	6	3	3	
Total ground transport	1,030	265	771	2,187	4,253
Naval Forces:					
Miscellaneous boats and craft			1,008	1,065	
Ship spare parts	948	664	2,217	145	
Total Naval Forces	948	644	3,225	1,210	6,047
Total transport and communication	2,257	4,053	8,398	13,285	27,993
Total all functions for 4 fiscal years	35,056	67,406	72,566	150,416	325,444

Notes: Figures are based on actual deliveries provided by DOD to El Salvador. Figures may be off slightly due to rounding errors. Figures are in thousand of U.S. dollars as of Nov. 6, 1984.
Source: Defense Security Assistance Agency computer run provided to Representative Jim Leach, December 1984.

TABLE 6.—INDIRECT WAR—RELATED AID, SUMMARY

Components	Agency	Fiscal year— 1981	1982	1983	1984	1985	Total for 5 yr	Percentage for 5 yr
Cash transfers to sustain Government	AID (0264, 0267)	44,900	100,000	120,000	165,000	155,000	584,900	76.3
Displaced population	AID[1]	10,549	13,902	12,496	31,043	24,073	92,063	12.0
Rebuilding infrastructure	AID (0256, 0279)	13,430	26,430	14,900	20,000	15,000	89,760	11.7
Total (for each fiscal year)		68,879	140,332	147,396	216,043	194,073	766,723	100.0

[1] AID's mission in El Salvador administers nearly all U.S. aid to the displaced population, including funds obligated by other U.S. agencies. See table 7.
Note.—Figures are in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.
Source.—Figures provided by respective agencies.

TABLE 7.—AID TO DISPLACED POPULATION IN EL SALVADOR

	Fiscal year— 1981	1982	1983	1984	1985	Total for 5 yr
Emergency Program for Displaced Population:						
AID: 510-0281			2,275	18,460	17,000	
State Department Refugee Programs		3,047	2,250	7,000		
Office of Foreign Disaster Assistance		3,000				
Subtotal		6,047	4,525	25,460	17,000	53,032
Miscellaneous support:						
Food Aid to Refugees (USDA)	9,100	7,687	7,787	5,035	7,073	
Office of Foreign Disaster Assistance, Red Cross and Miscellaneous	842	168	233	548		
State Department Refugee Programs Support to Red Cross	607					
Subtotal	10,549	7,855	8,020	5,583	7,073	31,031
Total	10,549	13,902	12,496	31,043	24,073	92,063

Note.—Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.
Source: Figures provided by respective agencies.

TABLE 8.—QUANTITIES DELIVERED OF SELECTED CATEGORIES OF DIRECT WAR-RELATED AID

Function	Fiscal year— 1981	1982	1983	1984	Total for 5 yr
ARMS AND AMMUNITION, TOTAL					
Weapons:					
Pistols		225			
Rifles	2,000	14,638	8,347	8,096	
Machineguns	105	225	380	46	
Howitzers 105 mm C					
Mortars 60 mm	80	44	12		
Mortars 81 mm	30	12	4	136	
Rifles recoilless 90 mm	72	43	150	149	
Subcaliber weapons			8		
Other weapons up to 75 mm	14	9	2	23	
Total weapons	2,301	15,196	8,903	8,450	34,874
AIRCRAFT					
Attack A-37		6		1	
Cargo C-123		2		1	
Observation 0-2		4	2	5	
Helicopter UH-1	9	15	4	27	
Total aircraft	9	33	6	34	76
GROUND TRANSPORTATION					
Trailers, all types	6			10	
Trucks, ¼ ton, all types	6			10	
Trucks, 2½ ton, all types	6		2		
Total ground transportation	18		2	20	40

TABLE 8.—QUANTITIES DELIVERED OF SELECTED CATEGORIES OF DIRECT WAR-RELATED AID—Continued

Function	Fiscal year—				Total for 5 yr
	1981	1982	1983	1984	
NAVAL FORCES					
Miscellaneous boats and craft (total naval forces)			1	1	2

Source: Data drawn from Defense Security Assistance Agency computer run on deliveries provided to Representative Jim Leach, December 1984. Data current as of Nov. 6, 1984.

TABLE 9.—NONCONCESSIONARY FINANCING FOR EL SALVADOR, U.S. AGENCIES

Agency	Financing	Fiscal year—					Total for 5 yr	Percentage of total
		1981	1982	1983	1984	1985		
CCC	Guarantees	27.04	21.07	22.80	26.50	45.00	142.41	79
AID/HIG	do		5.0	5.0		10.00	20.0	11
Exim	Insurance/credit	1.0	5.8	4.7	5.1		16.0	9
OPIC	Insurance		.2	1.5			1.7	1
Total (for fiscal years)		28.04	32.07	34.0	31.60	55.0	180.11	100

Note.—CCC: Commodity Credit Corporation, USDA; AID/HIG: Housing Investment Guarantee Program; Exim: Export-Import Bank; OPIC: Overseas Private Investment Corporation. Figures in thousands of U.S. dollars as of December 1984, including estimates for fiscal year 1985.

Source.—Figures provided by respective agencies.

FOOTNOTES

[1] See Under Secretary of State William Schneider and DSAA Director Philip Gast, *Administration Briefing to the Congress on FY 1984-85 Request for Central America*, July-August, 1984, pp. 22-23; "U.S. Help for an Air Base in El Salvador," *Newsweek*, September 17, 1984.

[2] The planes were to be financed by the second (General) supplemental appropriation. Neither the Congressional Presentation Document (CPD) given to Congress at the start of the foreign aid cycle nor updates of the aid request in briefings and hearings mentioned the gunships. Of the four most relevant Committees or Subcommittees, only the Foreign Operations Subcommittee of Senate Appropriations maintains that it had been informed prior to floor votes approving these funds that they were to be used for AC-47s. This information appears to have been provided only to Subcommittee majority members.

[3] See letter of Assistant Secretary of State Tapley Bennett to Rep. Weiss (D-N.Y.), November 1, 1984, and letter of Deputy Assistant Secretary of Defense Nestor Sanchez to 92 Members of Congress, October 4, 1984, for a review of the rules of engagement for the "trial" gunship.

[4] These quotes are from news stories on the report, which is still classified. See, for example, "Salvador is Faulted on Diversion of Aid in Auditors' Report," *New York Times*, February 14, 1984, p. A-1. The Inspector General's report is discussed in detail in a study by the Washington-based Center for International Policy, William Goodfellow, *U.S. Economic Aid to El Salvador: Where is it Going?* May, 1984.

[5] See testimony of Gen. Paul Gorman, "The Role of the U.S. Southern Command in Central America," House Foreign Affairs Subcommittee on the Western Hemisphere, August 1, 1984. See also "U.S. Aides Say Salvadoran Army is Now on Top," *New York Times*, October 7, 1984.

[6] See AID, *Congressional Presentation for Fiscal Year 1985*, Annex III, Volume II, p. 66.

[7] AID reports a 25 percent drop in domestic product and 40 percent unemployment. Many analysts find even these estimates conservative. See U.S. Embassy, San Salvador, *U.S. Economic Assistance Program*, briefing paper, January 7, 1985. The figure on refugees and exiles is taken from Committee on the Judiciary, U.S. Senate, *Refugee problems in Central America*, Staff Report to the Subcommittee on Immigration and Refugee Policy, September 1, 1983. Figures on capital flight and the decline in investment are taken from U.S. Embassy, San Salvador, *Briefing Book, El Salvador*, January, 1983, p. 6. Figure on taxes derived from recent estimates in AID, *Congressional Presentation for Fiscal Year 1985*, Annex III, Volume II, p. 62, which placed Salvadoran expenditures at $680 million, revenues at $437 million in 1982. Of these revenues, $127 million were raised by U.S. balance of payments aid exchanged for local currencies by the Government. Total taxes raised then, were only $310 million, or less than one-half of expenditures.

[8] A computer run of U.S. deliveries to El Salvador, provided to Caucus Chairman Jim Leach (R-Ia.), showed that of $264 million in military aid appropriated by Congress from 1980 to March, 1984, $212 million had been delivered. Another $19 million was withheld pending a verdict in the trial of alleged killers of four U.S. churchwomen, leaving $32 million still in the pipeline.

[9] According to the computer run cited in footnote 8.

[10] DSAA briefing paper supplied to Congress (untitled), March 13, 1984.

[11] Response of Michael Andricos, DOD's legislative liaison for Central American issues, to an inquiry made by Caucus staff for Chairman Leach, February, 1984; see also "Salavador Raiding Villages," *Christian Science Monitor*, April 6, 1984.

[12] See *Responses to Specific Questions Sent to Assistant Secretary Motley*, submitted to Rep. Michael Barnes (D-Md.), Chairman of the House Foreign Affairs Subcommittee on the Western Hemisphere, by the State Department, August 2, 1984; Americas Watch and the Lawyer's Committee for International Human Rights, *Free Fire*, August, 1984, p. 40. The verdict of *Free Fire* is that: ". . . the evidence is overwhelming that the armed forces continue to regularly engage in indiscriminate attacks on civilians. . . ." For other reports on the air war, see also *National Catholic Reporter*, April 20, 1984 ("The shadow of a little-noted air war is falling over this country's rural population, emptying towns and terrorizing civilians. . . ."); *Wall Street Journal*, August 8, 1984; and *Washington Post*, April 12, 1984.

[13] See "Duarte Ratifies Instructions to Air Force," *Foreign Broadcast Information Service*, September 13, 1984; "Duarte Issues Rules for Air Attacks," *New York Times*, September 13, 1984.

[14] See the review of these incidents in *U.S. Policy in Central America: Against the Law?*, a report by six members of the Arms Control and Foreign Policy Caucus, September 11, 1984, pp. 28, 29, 33, 34.

[15] President Reagan, in his television address of May 9, 1984, characterized all non-DOD aid to Central America as "dollars to be used for economic and social development." In the July, 1984, issue of *National Security Newsletter*, Deputy Assistant Secretary of Defense Nestor Sanchez claimed that the ratio of "economic" to "military" aid in Central America showed that the United States was not pursuing a "military solution."

[16] See Americas Watch and the American Civil Liberties Union, *Report on Human Rights in El Salvador, Second Supplemental*, January, 1983, p. 87.

[17] DSAA provided Chairman Leach with two computer runs. The first, which was current as of March 2, 1984, is cited above in footnotes 8 and 9. The second was current as of November 6, 1984. These runs account for deliveries of equipment and services funded by DOD aid, which lag slightly behind obligations.

[18] See Larry Nowels, *Local Currencies Generated by Economic Support Funds in Central America*, Congressional Research Service (Library of Congress) memorandum, October 26, 1983. According to AID, this waiver has been partially rescinded. The recision, though, has little effect on the "fungibility" of the currencies generated by the Cash Transfer.

[19] See footnote 7 for an explanation of the effect of U.S. aid in compensating for declining tax revenues.

[20] See U.S. Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers, 1972-1982*, Washington, DC, 1984, p. 25, for figures on Salvadoran military expenditures through 1982. The figure for 1985 ($270 million) is taken from "Rightists Oppose Duarte, Decree Budget Changes," *Foreign Broadcast Information Service*, January 2, 1985. Conversion of the 1980 figure to 1985 dollars made with the implicit price deflator for GNP.

[21] AID Inspector General, *Private Sector Support Program*, Audit Report No. 1-519-83-8, April 20, 1983, p. 1, links the "deterioration of the country's domestic resources and foreign exchange positions" directly to the need for the Cash Transfer. See also footnote 7.

[22] The 525,000 figure is taken from U.S. Embassy, San Salvador, *Displaced Persons (sic) Program*, Briefing paper, January 7, 1985. The comparison to Vietnam is from Committee on the Judiciary, U.S. Senate, cited above in footnote 7, September 1, 1983.

[23] See "Villages in Salvador Resist Plans for Self-Defense," *New York Times*, January 7, 1985, p. A-3; "U.S. Food for Displaced Salvadoreans Diverted by Corruption and Bad Management," *Christian Science Monitor*, March 6, 1984.

[24] See *Report on the Whereabouts of Military Equipment and Salvadoran Troops Trained with U.S. Military Assistance Funds*, published by the State Department, pursuant to P.L. 98-332.

[25] See letter to Rep. George Miller (D-Cal.) from the Department of Defense, December 14, 1984.

[26] See, for example, the Administration's response to questions submitted for the record by Rep. Clarence Long (D-Md.), in House Appropriations Subcommittee on Foreign Operations, U.S. Congress, *Foreign Assistance and Related Programs Appropriations for 1985*, Part 3, 1984, p. 433.

[27] General Accounting Office communication to Rep. George Miller (D-Cal.), December 14, 1984; Col. Evans, El Salvador Desk Officer, DOD/ISA, in a meeting with Congressional staff, December, 1984.

[28] See "U.S. Reconnaissance Aids In Combat," *Washington Post*, March 29, 1984; "U.S. Steps up Use of Spying Planes in Salvador War," *New York Times*, March 30, 1984; "4 Americans From CIA Killed As Plane Crashes in El Salvador," New York Times, October 20, 1984, p. 1.

[29] Quoted in "A Plan to Win in El Salvador," *Newsweek*, March 21, 1983.

[30] "U.S. Plan for Salvador Stalls," Washington Post, November 6, 1983.

[31] "Salvadoran Rebel Area Gets U.S. Aid," *Washington Post*, December 18, 1983.

[32] "Escalation in El Salvador," *Los Angeles Times*, January 14, 1985.

[33] "U.S. Pilot Program in Salvadoran Area in Danger of Failing," *New York Times*, December 18, 1983.

[34] See footnotes 11 and 12.

[35] See response to Rep. Clarence Long (D-Md.) in House Appropriations Subcommittee on Foreign Operations, op. cit., 1984, p. 295.

[36] "USA Boosts Military Aid to El Salvador," *Jane's Defense Weekly*, November 17, 1984, p. 877.

[37] General Accounting Office communication to Rep. George Miller (D-Cal.), December 14, 1984.

[38] See footnote 12.

[39] Salvadoran Army Major Ricardo Salvador Murcia, quoted in "Salvadorans Say 42 Killed in Hamlets," *Washington Post* (reprint from *Boston Globe*), September 9, 1984.

[40] See Americas Watch and Lawyers' Committee for International Human Rights, *Free Fire*, August, 1984, pp. 32-34.

[41] Quoted in "Salvadoran Escalation," *Associated Press*, May 31, 1984.

[42] Quoted in "U.S. is Bolstering Salvadoran Copters," *New York Times*, September 19, 1984.

[43] General Accounting Office communication to Rep. George Miller (D-Cal.), December 14, 1984.

[44] Col. Evans, El Salvador Desk Officer, DOD/ISA, in a meeting with Congressional staff, December, 1984. Col. Evans also stated that the Salvadoran Air Force has requested that civilian contract personnel be retained from Bell Helicopters to service the recent additions to the Huey fleet.

[45] In one particularly chilling incident in August, 1984, helicopter-borne troops encircled and opened fire on hundreds of unarmed peasants and a small number of armed rebels in Chalatenango province. Salvadoran Archbishop Arturo Rivera y Damas condemned the incident, in which he said 50 people had died, and called for an investigation. According to Catholic Relief Services, almost 1,000 refugees fled El Salvador for Honduras in the two months following this incident. Interview of CRS official by staff of Rep. George Miller (D-Cal.), January 10, 1985; "Salvador Prelate Asks Study of Grisly Reports," *New York Times*, September 17, 1984.

[46] Communication of Michael Andricos, DOD's legislative liaison for Central American issues, to Rep. George Miller (D-Cal.), January 10, 1985; Col. Evans, El Salvador Desk Officer, DOD/ISA, in a meeting with Congressional staff, December, 1984.

[47] Some U.S. programs in El Salvador are not included in this comparison because they are not concessionary, and so not technically "aid." They are compiled in Table 9.

[48] According to the Overseas Development Council, there are some 900,000 Salvadorans living in what the World Bank calls "absolute poverty." U.S. funding for reform and development has been $267 million.

[49] Among these analysts would be Lionel Gomez, former deputy administrator of one of the Salvadoran land reform agencies; Martin Diskin, professor of political science at the Massachusetts Institute of Technology; and John McAward, who has managed programs in El Salvador for the Unitarian Universalist organization.

[50] AID Inspector General, *Agrarian Reform in El Salvador*, January 18, 1984.

[51] AID, *AID Management Response to Inspector General's Audit of El Salvador Agrarian Reform*, January 26, 1984.

[52] Checchi and Company, *Agrarian Reform in El Salvador*, January, 1983, available from AID.

[53] Figures taken from U.S. Embassy, San Salvador, *Policy Paper for the GOES (Government of El Salvador)*, draft, May 15, 1984. GDP figure: p. 2; school enrollment: p. 32; value-added: p. 18.

[54] Ibid, p. 36.

[55] Dr. Richard Goldstein, in an interview with Caucus staff, December, 1984. See also Dr. Goldstein's review, *Problems in Providing Humanitarian Assistance to Displaced Persons in El Salvador*, November, 1984, Aesculapius International Medicine.

[56] "Rebels Pull Strings of U.S Aid Program in El Salvador Province," *Christian Science Monitor*, December 9, 1983, p. 1.●

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Time for morning business has expired.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of Edwin Meese III, of California, to be Attorney General of the United States.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I appreciate the kind remarks that have been offered by my warm friend, the distinguished senior Senator from Oklahoma, in which he indicated the very narrow area of difference that apparently divides the two sides at this point in time. I am happy to see that he is presently visiting with the majority leader and the majority whip. I am sure as they leave us arm in arm, even now, they are discussing how narrow those differences are. I see the benign look on both of their countenances as they stand there reassuring one another that the democratic system will ultimately work. Even now as this Senator talks the moment of truth may be arriving right here in front of all of us on the floor of the Senate so at any moment now, after their conversation, though it may have terminated temporarily, I am sure it will be indicated that we can proceed to the nomination of Mr. Meese, although it does seem that the majority leader is leaving us temporarily to contemplate his discussion with the Senator from Oklahoma.

Mr. President, one of the things that occurs in places like this at times like this is we kind of forget what we are arguing about and how little difference there might be between us.

I have not been in the Senate long but I was elected to the Illinois House of Representatives in 1950. That was the year that Everett McKinley Dirksen defeated Scott Lucas, who at that time was the Democratic majority leader in the Senate, and as many know Senator Dirksen went on to great heights in this body; he became the minority leader. There is a building near here named after him and one in Chicago named after him. He made his mark on contemporary American politics.

I recall after I had been in the Illinois House a little while, about as long as I have been in the Senate now, an argument came up that resulted in the first major filibuster when I was in the Illinois House. It probably seems rather inconsequential three decades later, but as a young man I recall how impressed I was by the fact that they put cots in all the hallways, everyone spent night and day there for several days. I recall that one older member had a heart attack because of the long hours, the intemperate attitudes by everyone in those days. The issue was that in those days, even as now, in Illinois we had a number of different funds. You did not put everything into the general revenue fund. You had separate funds. We had an agricultural premium fund, and the agricultural premium fund was used to have county fairs in the 101 of the 102 counties outside Cook in our State where the farmers came and they selected the best cow and the best pig and the best relish prepared by the farm wife, the finest ear of corn.

That was of course then, as it is now, a major thing in the rural areas of my State. There was a massively powerful man whose newspaper is still very powerful by the name of Colonel McCormick. He owned the Chicago Tribune. He decided in those days that it was not reasonable and fair to use the agricultural premium fund just for the other 101 rural counties—I should not say rural counties but the other 101 counties out of Cook, which of course is the major big county with the city of Chicago in it. He suggested that they should use part of the agricultural premium fund to build a big exposition center in Chicago. As you know, it is there now and it is called McCormick Place.

Well, Mayor Daley, the mayor of Chicago, embraced that idea. He thought it was a very good one. Needless to say, many down State legislators, just by virtue of the fact that Colonel McCormick and Mayor Daley loved the idea, thought it was terrible.

Well, you might think we are divided now, but let me tell you something. Three decades ago, when I was just a young kid in my twenties in the Illinois House, the division on a geographic and philosophical basis between the mayor of Chicago and Colonel McCormick on the one hand and downstate legislators of major power was great, because this was before one man one vote and our Senate was divided on the basis of area, not people, and the power was in the downstaters. So the filibuster began and it lasted—maybe history will not support this statement because divided this far from the occurrence I probably might be exaggerating a little bit, but it lasted several weeks, I believe. Certainly it lasted more than the few days we have been engaged here in discussing the plight of the farmer. There was a State representative from downstate by the name of Paul Ziegler, a big, massive man—he later became a Senator—huge, huge man who was leading the filibuster. As I say, it went on for a long, long time. A man had a heart attack, people engaged in fistfights on the floor of the house; rent their garments, screamed—did outrageous things. We were the laughingstock of the State, after this had gone on for a long time and folks had been sleeping on those cots and eating at their desks. You could do that in the Illinois

house. I am glad we cannot, may I say to my friend, do that here on the floor of the Senate.

Finally, Mr. Ziegler had gone to the washroom. As he was coming back, reporters from the major Chicago newspapers of those days—in those days, there was the Tribune, the Sun Times, the Daily News, and the old Herald American—stopped him. They said, "How far apart are you now?" He said, "I don't know."

They said, "What are your differences?" He said, "I don't know."

They said, "What would it take to resolve it?" He said, "I don't know."

I was standing there at the time, and I thought that is about right. We do not know what we are doing any more. Our emotions have caught us in this. We are the victims of what we have created. We are just hollering and shouting and mad at each other, and we do not remember why any more. It was really true. Eveybody was outraged, committed to the raw emotion, but nobody remembered why.

There obviously are differences of opinion that led us to the place where we are this morning, this Saturday.

I want to say this, Mr. President: I was here at 1 o'clock this morning, or whatever time it was, when the majority leader and the minority leader presented their points of view. I have heard many fine speeches. Both, I thought, in their own perfectly moderate way, presented the positions of the two great political parties this morning. It was very well done by both.

As I sat here, I thought, "My goodness, gracious, our distintuished majority leader is absolutely presenting his points so perfectly that I have to be wrong. He must be right. He said it just perfectly."

Then our minority leader rose, and I thought, "He won't be able to deal with this."

I do not know if the Presiding Officer was here, but it was the finest speech I have heard from the minority leader since I have had the honor of serving in this great body. Very quietly—you could hear a pin drop—he presented our position. I thought it was really excellent. I wish every American could have heard this at 1 o'clock this morning.

I thought that these two men discussing what divided us was perfectly done, eminently showing why they are leaders: Because, out of a group of men, they stand apart, having that degree of excellence that permits them, in a special way, to suggest what these great parties sometimes try to achieve.

I want to suggest this to the President, for what it is worth: Those two men who spoke so eloquently at 1 o'clock this morning about what divided us, in my view, left alone for 15 minutes, by themselves, just the two of them, could come back to our separate caucuses 15 minutes later and present to each of our separate caucuses, as quietly as they did at 1 o'clock this morning, the solution somewhere between the two different points of view and resolve this thing before lunch. I truly believe that.

I speak only for myself as, I think, a moderate centrist, from the standpoint of the position of my political party, and I think even from the standpoint of the Senate, as one who is perfectly willing to accept something soon that will bring us together.

I have indicated that I am going to vote against Mr. Meese, but his nomination is going to be confirmed. I have been in public life all my adulthood. I am perfectly willing to have Mr. Meese's nomination confirmed before lunch today, with my negative vote, and go on to the business of the country.

The probability is very good that there have been better Attorneys General in the history of the country, and there is all kind of evidence that there have been many worse. I am sure Mr. Meese would be perfectly adequate as Attorney General. Although I would not want to support his nomination, I do not shrink from it. I am not worried about it. I think the country would be all right.

I would like to vote on ICE. The Presiding Officer Mr. [DANFORTH] and I live across the river from one another. I could drive to his house in less than an hour. I know his State, which is next to mine, better than any other State, and I guarantee that both need the money for our roads. I would like to pass ICE today, I say to the chairman of the Public Works Committee. I would like to pass it before lunch and give it my vote and build highways and put people to work. I am for that.

I will vote for the resolution. I do not think that resolution does enough, but it does more than we had a week ago. I always vote for half a lunch if I cannot get a full lunch.

Mr. STAFFORD. Mr. President, will the most able Senator yield?

Mr. DIXON. I yield, since the Senator called me a most able Senator.

Mr. STAFFORD. I recognize the truth when I see it.

I join the Senator in the most urgent wish that we might pass the interstate cost estimates bill this morning.

Mr. DIXON. Why do we not call it up now, and he and I will pass it?

Mr. STAFFORD. I would be delighted to do that, but it is for the majority leader to do that.

Mr. DIXON. He is a kind and benign man. Perhaps he would.

Mr. STAFFORD. He is not paying much attention to what we are saying.

Mr. DIXON. Look at the pleasant countenance. Surely, such a man would not deny us at this moment the pleasure of passing ICE.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. DIXON. I yield, without losing the privilege of the floor to my distinguished colleague, the assistant majority leader, the distinguished Senator from Wyoming.

Mr. SIMPSON. I do not know how much more of this I can stand today.

Mr. DIXON. You are a humble man, but you will accommodate it, I know.

Mr. SIMPSON. I am going to try to bear up under it and take it on me as if it were lashes. [Laughter.]

I was visiting with the Senator from Colorado and was distracted from the conversation, but I heard the glowing remarks, did not miss those, and was reflecting that the Senator from Colorado looked rested and healthy. He is a delightful gentleman. I have served with him on the Nuclear Regulation Subcommittee. He was chairman when I started. I was ranking member, and those roles are now reversed. I said to him, "As you get healthier looking and more rested, I am becoming more emaciated and beat up," and he reflected that that was probably true.

In any event, I do admire what the Senator from Illinois has brought to the body in the way of the issue—certainly, what the Senator from Oklahoma [Mr. BOREN] has brought to the issue.

I do not think any of us dreamed, when Senator BOREN and Senator EXON decided to proceed with their comments about the farm issue, that we would have reached this point.

I was a legislator in a State legislature. I was a majority leader. I have been a minority member. I think it is always good to remember how it is when you are on both sides.

I remember very distinctly how it was when I was in the minority in this body. I am not here to be petulant or petty, but at some future time I will relate those experiences of being in the minority while our very capable majority leader then, Senator BYRD, was trying to get his agenda performed.

It meant a great deal to him that he did get his agenda performed and to do that he expressed an extraordinary array of procedures to get that agenda performed. That is why I have high regard for him.

Now, we have another majority leader who has an agenda to perform. There is no escaping what the agenda is. The agenda is the Ed Meese nomination, the interstate cost estimate issue, and famine relief in Ethiopia. We think those are important.

We thought the farm issue was so important that we expressed to the President, and he was ahead of us and so was the Secretary of Agriculture, that they do something. Something was done to the tune of over $680 million with millions more in the pipeline

to accommodate the farmers of the United States.

We will not be able to make them all whole. The Senator from Illinois knows that. The issue, as unfortunate as it is, so that no one is misguided, the issue is that we have a majority leader who has an agenda, and in February of the first year of his tenure if we are not able to express that agenda and bring that agenda to the Senate, then it is going to be a long, tedious 2 years. I do not look forward to that; indeed I do not.

But I can tell you the prerogative of a majority leader is an agenda, and anyone who has served, as my colleague from Illinois has served in a legislature, knows that that is the very essence of leadership.

So, amid all the miasma of stuff that flies around here about the farmers and what is to become of them, and the heartless President, and a heartless Secretary of Agriculture; and Republicans doing in the farmers of America, as I said yesterday, those unfortunate people do not give a whit whether the Democrats are trying to pass something or the Republicans are trying to pass something. Their only wonder is, "What are they doing?"

So I will not even put a partisan tilt on it because everyone else has done that so magnificently, and anyone who can come to this floor and say that that has not occurred is deluded. So it has been a partisan tilt. It remains a partisan tilt. It is fascinating to me.

I am fully prepared to remain here for an extended period of time until we deal with the agenda of the majority leader recently elected. That is my loyalty at this time.

There should be no ability to distort that or to lose track of it or to miss it anywhere.

So I have sat through the negotiations. There could not be anyone whom I know more pleasant to deal with than Senator DAVID BOREN of Oklahoma. We came here at the same time. We have shared many interests together. We share a common love of many things. He is a friend. Senator JIM EXON came here when I did. We came in the same class. So I have learned to enjoy him, a spirited man who enjoys a scrap just like your loyal correspondent enjoys a scrap.

So that is where we are.

So, we met many times, and I know the Senator from Oklahoma and the Senator from Nebraska went back to their group and said, "Here we think we have something." I watched that happen three times. "I think we have something. I think maybe we have an agreement here. I think maybe if we had a letter here, I think if we had this."

We waited and we negotiated and we will again. There is no question about that. We will again.

And during the course of that the majority leader remained open, accessible, attentive, and then yesterday we were presented with 14 amendments which are not just housekeeping amendments; they are substantive amendments. And it is interesting to me that these do not seem to get reported as to what they are. I can assure you that they are not dots and tittles upon the statute books. They are items of absolute substance. Some of them have been languishing in the back bay of this place for 30 years and the only reason they have been languishing there is because they are known colloquially as turkeys.

Let me review just some of them without naming the sponsors of them.

Mr. DIXON. One man's turkey is another man's meal I say to the Senator.

Mr. SIMPSON. That is right. I say that, Mr. President, one man's junk is another man's treasure, and that certainly is what we have here, because we have restructuring of portions of the farm credit system affecting coops and PCA's. We have amendments relating to loan guarantees. We have amendments relating to allocation of Farmers Home Administration personnel or extra personnel. We have amendments relating to speeding up loan processing. We have amendments requiring SBA disaster loans to be made on the same basis as those made by the Farmers Home Administration. We have two amendments restructuring the entire farm loan system in California. We have an amendment relating to an entire bill called the Emergency Farm Credit Relief Act. We have an amendment relating to SBA loans for farmers. We have an amendment relating to a composite type of banking bill. We have amendments as to how banks establish their capital requirements and the fact they cannot drop below minimum requirements which have nothing to do with this issue. We have amendments on cash flow on direct farm home loans. We have a myriad of amendments dealing with Commodity Credit Corporation advance money or other funds or early advance money. That is what we have.

That was presented to our majority leader yesterday.

It was not well received and, therefore, the majority leader in his good faith and good conscience went back and sought to seek another agreement, at which time he did. And then we boiled that down to seven—not we, they, boiled that down to seven and maybe it could get to two or maybe it could get to three. I am really not aware. I really do not know.

All I do know is what I have expressed with great repetition and that is very simply that we have a new leader and his name is ROBERT DOLE and he is the majority leader of the Senate and he has an agenda. Would that control of the agenda were not perceived to be at issue because I do not believe that that was ever intended to be the result here, certainly not with the minority leader, who has accommodated me on many occasions and who with his awesome abilities could control this place for 2 years. That is the nature of his skill. He is awesome. I have the deepest respect for his awesome abilities, and I mean that sincerely. He knows that. I have shared that with him.

If you want to know where we are at Saturday at 10:30 a.m. on this date, we are at a very simple juncture. We have a majority leader with an agenda and he intends to perform that agenda. How long that takes is not for me to determine.

Mr. DIXON. Mr. President, may I say that as in every other case I am greatly impressed by my friend from Wyoming who even prior to his ascendancy to the office of the assistant majority leader of this great body has always impressed me as one of great intellect and wit, a person who stood out among his peers in this place, and I am always enlarged intellectually by the contributions he makes to my personal experience here.

I understand what he says about minorities and majorities. In the 20 years I was in the Illinois Legislature, 12 in the house and 8 in the senate, I was in the majority 4 of the 20 years and in the minority 16 of the 20. So I have that experience.

And I can appreciate the different attitudes that one acquires in either group. In 1970, when I was elected State treasurer, we achieved the majority in both places in the house and senate in my State. And as the newly elected State treasurer I was asked to—and a rising person in my party—I was asked to speak to a joint session of the two houses. It was the first time we had a majority in the State senate since the early days of Franklin Delano Roosevelt. So that was 1970. It had been over three decades since we had been a majority in the Senate. The two houses were full. My party was the majority in both places. And I was selected to speak to my brethren, my party being the party in both places.

Here is what I said to them, Mr. President, to my colleagues of my Democratic persuasion who were in the majority for the first time in over three decades in Illinois. I said: "Be kind to the minority because you will be one again someday."

I do not know how long these differences will go on. Without getting to the whole general issue, though, my friend, the assistant majority leader, has read from a list of 14 amendments. He called them turkeys and, of course, I told him one man's turkey is another man's meal. So there is some differ-

ence of opinion about the quality of those 14 different items on that list.

But I think that what is important to understand is that we had already authorized the minority leader to reduce it to seven and he was on the way to the majority leader to so inform him when the negotiations were terminated. So the list is not 14, it is already 7.

The majority leader, in his remarks early this morning, had indicated that he understood that there were two or three differences, so the majority leader by his own account recognized that two or three amendments were reasonably upon the agenda in his own perception of the thing. So I guess somewhere between the seven we were prepared to offer before the door for doing business was closed and the three the majority leader himself had countenanced, you know there is that difference.

If the minority leader, who spoke so beautifully and so eloquently, in my view, last night, is right in suggesting that the time involved for the seven was 3½ hours, and the majority leader has indicated three he himself contemplated, assuming some area in there, we are really here debating at great length already this morning a contemplated timeframe of probably a couple of hours. This whole immense charade, all of this involvement of all of these bodies and lights and electricity and energy and people, is the difference of opinion about spending a couple of hours on the floor, as I see it. And if what we are going to offer are turkeys, then I suppose there is very little to be concerned about on the other side.

Mr. CHAFEE. Will the Senator yield for a question?

Mr. DIXON. I am delighted to yield to the Senator.

Mr. CHAFEE. You say this is a charade. This is no charade. This is a very fundamental argument we have here. It is not a question of 2 hours or this hour or that hour. It is a question of who is going to run the Senate—and you know that as well as I do—who is going to determine the agenda of the Senate.

Mr. DIXON. I think the Senator——

Mr. CHAFEE. Wait a moment; if I may continue.

Mr. DIXON. You certainly may.

Mr. CHAFEE. So when you say it is a charade, that is the way you characterize it. That is not the way anybody else is characterizing it around here; certainly not on this side. So let us get that straight.

And you can go on and on and talk and continue, but it is clear that this has nothing to do with farmers, this has nothing to do with Ed Meese. The basic question is: Who is going to determine the agenda of the Senate?

Now, I listened to the distinguished minority leader last evening talking about the necessity to proceed with the business of the country and he is concerned about the future of the Senate and all that. We all are. But I also served 6 years here while he was majority leader. And there was never any question about who was going to determine the agenda for this Senate—which bill came first, which bill came second, which bill came third. That was determined by the majority leader.

Now we have a new situation here in which those on your side are clearly trying to determine what comes first. Let us call it what it is. It is no charade. It is a very fundamental matter that we feel deeply about.

As far as Mr. Meese goes, let us have a vote. I am for him. I think most on this side are for him. How your people stand, I do not know. Let us have a vote up or down.

Let us proceed with the farm problem. But this business of concern for the farmers that is being so vehemently expressed on your side of the aisle is just not so. If they want to get on it, let us get on with it. And they have got the capability.

But the real issue before this Senate is: Who is going to determine the agenda? I can remember when I first came here we had 37 Members on this side and somebody on this side got up and said, "I move to adjourn." And the majority leader, now the minority leader, came on the floor in rightful indignation and said, "The determination of when we are going to adjourn is made by the majority leader." And he was right and we were wrong.

And if you want total chaos in this place, you will have it when the minority, and a minority of the minority, is trying to determine what comes next on the agenda.

We went through a very valuable exercise here, an exercise that was bipartisan. We had a committee, a task force headed by the distinguished junior Senator from Indiana. And he had before him the problem of the Senate not being able to get on with its business. And one of the deep concerns—sure there were procedural matters, and we have not yet wrestled with them—are we going to have a long debate on a motion to proceed? Are we going to have filibusters on a motion to proceed? How is the Senate going to do its business?

One of the problems was so many Senators were involved in a multitude of committees, so they took the 234 positions on those committees and negotiated with the other side.

They reduced them. First, they thought we would get them to 200 and then to 203. They ended up with 214, which is a major achievement. The objective of the committee was not to keep people off of committees. It was so the business of the Senate can move ahead.

Now we have a new problem. The new problem is that the minority suddenly thinks that they want to say what is going to happen around here and emasculate the ability of the majority leader to determine the schedule.

Now, that is no charade. That is a very fundamental matter and it is a matter in which your leader, now the minority leader, then the majority leader, had no qualms about when he was in the majority. He knew exactly how to run this place and how it should be run, and that is with the majority leader determining the schedule.

If people want to filibuster and keep the schedule from proceeding, that is their business. It grinds everything to a halt. We cannot get on with legislation such as the highway program, such as the farm program, whatever comes next, aid to Ethiopia. But it is a very fundamental difference that we are engaged in. I do not want the Senator's comments to go unchallenged that this is some charade. It is no charade at all.

Mr. DIXON. I thank the distinguished Senator from Rhode Island for his contribution to the discussion, and I appreciate he may be amazed to know the point of view that he expresses. I can only speak for this individual Senator. I cannot speak for everybody on this side, but how the view has been created here that some want to challenge the leadership of the majority leader is a little beyond my understanding.

I happen to have the greatest personal regard for the majority leader. The record in my home State is kind of replete with remarks by the now senior Senator, but then mostly the junior Senator from Illinois at a variety of places when I was asked about the abilities of the Senator from Kansas even before he became majority leader. I had indicated my profound respect for the majority leader. I serve on the Agriculture Committee with the Senator and, frankly, have been impressed many times over 4 years with the Senator's ability to bring different points of view together and to accommodate different points of view.

I mean this very sincerely. On the Agriculture Committee sometimes between the different points of view the moderate voice that brought us together was the Senator from Kansas. I am personally quite impressed by the Senator from Kansas. I certainly have no trouble at all with accepting the Senator's role as the majority leader. I suspect the Senator will discharge it with great ability.

So if there is on the other side some perception of this as a challenge of that, I do not think it is well put. I can understand that in differences of opinion it is difficult to understand some-

times what creates those differences. But I only say to my friends on the other side that I speak as only one Senator.

I think that the Senator selected will be an excellent majority leader, and I do not have any trouble at all with saying that in a public place, as I have said it back home in my home State when I said they came with a very strong man when they selected the Senator from Kansas on the majority side as their leader. I do not have any problem with that. I do not have any problem at all with the Senate majority leader setting the agenda. It has been done that way for generations. I did not come here to change everything. I think it is a fine way to do business. It is perfectly all right with me for the majority leader to set the agenda. I had no intention of trying to change it, I do not want to change it, and I would not have it any other way.

I think it is very fair to state that the agenda could go forward with a slight accommodation concerning the consideration of a few amendments, and I suppose that is still negotiable, although I am not one of those in the negotiating party. I am not applying for part of the job either. I think there are those that are representative of both sides that are perfectly capable of doing that negotiating.

To the extent that the terminology employed offended my warm friend and colleague from Rhode Island, I will correct the term to say that it is at least the perception of some of us who are here this morning that have been seeing this thing going forward for the last part of yesterday, and the early part of the day, that our differences are very small.

I suppose that from the extremes of either position here the differences may look sort of large, but I have to say it looks awfully small to me. It looks like the things that are contained in the resolution that is still kicking around here someplace are pretty acceptable, and would pass. The resolution would probably pass almost unanimously. There is not much difference about that.

Mr. JOHNSTON. Will the Senator yield?

Mr. DIXON. My good friend from Louisiana, I am so delighted to yield to you.

Mr. JOHNSTON. I thank my good friend from Illinois. I got into the end of a very interesting conversation about one's turkey and another man's meal. I found that so interesting I had to come over to find out if we were really making any progress. I must confess that I am a bit mystified by this whole thing. I hear talk of 14 amendments, some of which are turkeys, some of which have been languishing around for 30 years. I do not know that. But of course I do know that it has been agreed to cut them to seven. But does the Senator know what is the objection to the seven? Is it because of the identity of the seven or is it because seven or is it because seven are too many amendments to consider because it would take too long. What is the objection to the seven?

Mr. DIXON. I really do not know. What I pointed out before my dear friend from Louisiana arrived this morning was—and he was here with me in the early morning hours around 1 when the majority leader himself for whom I have profound respect, and I do not want to change in any way what the majority side has done in that regard—the majority leader himself said we figured there would be about three.

So I guess somewhere between the number of three, three on the low side and seven on the high side, is the number.

My first experience in public life was as police magistrate. That was an equivalent to a justice of the peace back in Illinois. Justices of the peace in the old days had a wonderful way of deciding things. They just split the difference all the time. Since I got in the Senate I know that is usually the system we employed between the House and Senate in the conference committees. You can almost bet in advance that they do not need to meet. They will split the difference.

Mr. JOHNSTON. Has it ever been suggested? Surely it cannot be time because here we are grinding up all this time.

Mr. DIXON. We already used more time than we would have used on the amendments.

Mr. JOHNSTON. It cannot be that. It mystifies me. How did it pertain to the continent because you put in any one amendment everything. You could put every one of these so-called turkeys that have been languishing in the back bays for 30 years all in one amendment. Where is the logic? Where is the reasoning on that?

Mr. DIXON. I wish I could help my friend from Louisiana who has been here longer and knows more about this Chamber than the Senator from Illinois. I had suggested right before you got here that anybody that heard the majority and the minority leader speak so beautifully, so fairly, and so moderately at 1 this morning would readily understand that the two of those good people could get together for 10 or 15 minutes and I feel confident in my heart could come back to the separate caucuses and say look, here is where they are, here is where we are, here is a fair decision.

What do you guys think or you ladies and gentlemen? What do you think? I think we can do that, go out to lunch, confirm Mr. Meese this afternoon, pass ICE, and pass the resolution and go on home for the weekend, come back Monday and take up Ethiopian relief and have whatever number of amendments we agreed to, dispose of them in 2½ or 3 hours, and be done with it. Everybody knows one is the Daschle amendment, or something similar to it, for money in the spring to buy the seed, the fuel, and the fertilizer. Everybody knows that. Another one is the difference between 100 and 110 percent in cash-flow on the Farmers Home Administration direct loans, and everybody knows that. The third one is probably an amendment that has been crafted by the distinguished new ranking member of the Agriculture Committee, the Senator from Nebraska, Senator ZORINSKY.

I do not even know what that amendment contemplates I must confess. I have heard it talked about in the conference enough that people must think it is pretty important if it is important to the distinguished ranking member of the Agriculture Committee who knows agriculture in this country very well. It is good enough for me. Really those are the three basic things we are talking about.

As the distinguished Senator from Louisiana pointed out, whether that is three amendments or one, you put it all in, 10, 9, 8, or 7, I do think those would be best served by being three separate amendments. But how many amendments we end up with I do not think is very material. It is 10 minutes to 11. We started at 9. We could be finished already.

Mr. JOHNSTON. How in the name of all that is good and just could it be thought that there is some logic to limiting amendments to three? We have got a crisis now that affects the basic breadbasket of America, the basic industry, the family farm, a way of life, a culture that every Member of this body would subscribe to.

And yet, here we are in a filibuster over what? Over whether it is proper to have only 3 amendments or 7 amendments or 14 amendments. That is the most—well, I will not use a term like ridiculous because there are too many smart and capable people who hold the view, but let us say it is a position that seems to me to be unworthy of the crisis that faces the country. Those who regard this as a partisan attack, and least of all an attack upon the good majority leader, BOB DOLE, also bother me.

Mr. DIXON. I will say to the Senator from Louisiana that it bothers me, too, because Senator DOLE is my friend. We have both been in our caucuses. I believe I can state in all honor that the Senator and I have talked about the fact that he was a great choice by the other side, that he is a bright and superior man who will lead this place in a great fashion. If any-

body thinks I am trying to denigrate his leadership in this body, I want to make it clear that that is not so. I know it is not so of the Senator from Louisiana.

Mr. CHAFEE. May I ask a question of the Senator from Illinois?

Mr. DIXON. I would be delighted to try to answer.

Mr. CHAFEE. To reverse the old song, "Your lips tell me no, no, no, but there's yes, yes, yes, in your eyes."

Mr. DIXON. One of the finest songs ever written.

Mr. CHAFEE. All this palaver about your admiration for the majority leader and these marvelous statements that you made about his home State are undermined by your conduct on this floor.

And the weeping for the family farmer we heard from the Senator from Louisiana. If you are concerned with the family farmer, let us get on with it. Who is conducting a filibuster? Is it the Republcans who are on the floor? No, you are on the floor preventing the Senate from getting on with its business.

Mr. DIXON. If the Senator——

Mr. CHAFEE. Let me just finish.

Last night we heard the junior Senator from Tennessee holding the floor. He does not yet have a suite of offices, I suspect, but he is conducting a filibuster his first days here.

Mr. MATHIAS. Vote, vote.

Mr. CHAFEE. "Vote," says the Senator from Maryland. That is what we say. Vote, vote, vote say the multitude. Let us get on with it.

Mr. MATHIAS. Vote, vote, vote.

Mr. CHAFEE. On and on we drone. Last night we started listening to the reading of 42 editorials. Is that getting on with the business of the Senate?

Mr. DIXON. I missed that part.

Mr. CHAFEE. You were not attentive to your duties.

Mr. DIXON. I apologize for that.

Mr. JOHNSTON. What is the business of the Senate?

Mr. CHAFEE. The business of the Senate is the nomination of Mr. Meese.

Mr. JOHNSTON. How does that help family farmers?

Mr. CHAFEE. Because as soon as we dispose of that, let us hear it, up or down, I do not know how you will vote though I hope you vote for Mr. Meese—no one knows—let us have a vote. Are you ready to move to a vote? I will move to a vote now on Mr. Meese. Are you ready?

Mr. MATHIAS. Vote.

Mr. DIXON. I think there are some small questions on a difference of opinion with regard to amendments to the Ethiopia bill.

Mr. CHAFEE. Let us talk about the matter before the Senate.

Could I make a parliamentary inquiry? I ask the Chair, What is the matter before the Senate?

The PRESIDING OFFICER. The question is whether the Senate will advise and consent to the nomination of Edwin Meese to the Office of Attorney General.

Mr. CHAFEE. Are we ready to vote? In 15 minutes we have heard up and down about every subject in the world. Suddenly we are in Ethiopia. Ladies and gentlemen, what is the business? Mr. Meese. He has nothing to do with Ethiopia. He is not here for confirmation for Secretary of State. He is here for Attorney General.

Mr. SYMMS. And not for Secretary of Agriculture.

Mr. CHAFEE. That is correct.

Are you prepared to vote? Yes or no?

Mr. DIXON. In due course, the probabilities are very excellent that the Senate will vote on that precise question.

Mr. CHAFEE. Well, that is a political answer, what a marvelous answer. "Are you ready to vote?" The answer is, "In due course the probabilities are we will move to a vote on the nomination of Mr. Meese."

We are ready to vote. Let us vote.

Mr. MATHIAS. Vote, vote.

Mr. CHAFEE. Are you ready?

Mr. DIXON. In the due course of time, there will be a good opportunity to do that.

Mr. CHAFEE. Let us not hear any more about the time. Could I make one more statement?

Mr. DIXON. I will be delighted to hear another statement.

Mr. CHAFEE. We can get hip deep in all the problems of the family farmer in 15 minutes. A rollcall vote takes 15 minutes. Let us go. Let us hear all about the family farmer, have the vote on the matter before the Senate, and then let us go on the next subject.

Mr. JOHNSTON. Will the Senator from Illinois yield to me?

Mr. DIXON. I would be delighted to. I was so impressed with what the Senator from Rhode Island had said, I would like to see the other side of that question illuminated by my friend from Louisiana.

Mr. JOHNSTON. I thank the distinguished Senator from Illinois. I continue to be somewhat amused by saying let us help the family farmer by moving to the business of the day.

That is not the family farmer. It is Mr. Ed Meese. What happens after Ed Meese? I guess we go to Ethiopia and abortion. From there there is busing. I have a position on those rather similar to that of the Senator from North Carolina. But there is no guarantee that we will get to the family farmer on that which he needs: credit, help, getting his crop in the ground.

The nomination of Edwin Meese, which I can state to my colleagues at this point I support, helps the family farmer not at all.

Mr. SYMMS. Will my colleague yield for a question?

Mr. JOHNSTON. Yes, without losing my right to the floor.

Mr. SYMMS. The majority leader has made it very clear that when the Ethiopian relief bill comes to the floor——

The PRESIDING OFFICER. The Senator from Illinois has the floor. Does he yield?

Mr. DIXON. Mr. President, I yield the floor to my colleague.

The PRESIDING OFFICER. The Senator cannot yield the floor to another Senator other than for the purpose of asking a question.

Mr. DIXON. I yield to my colleague from Louisiana for the purpose of asking a question.

Mr. JOHNSTON. Mr. President, I thank my distinguished colleague from Illinois very much for yielding for the purpose of asking a question.

I really would be interested in hearing the question of my friend from Idaho. Perhaps I could yield back to my friend from Illinois and he can ask the question of him.

Mr. SYMMS. Will the Senator from Illinois yield to this Senator so I may pose a question? I would like to hear the answer of the Senator from Louisiana to my question.

Mr. DIXON. I beg the Senator's pardon. I am delighted to yield to the Senator to ask a question.

Mr. SYMMS. The Senator from Kansas, the distinguished majority leader, has repeatedly said there will be no limitation on amendments made to the farm bill, or whatever the subject, with respect to the Ethiopian-African famine bill, which could be up as soon as Monday. I would like to know how you think you are helping the American farmer by delaying the Ed Meese nomination when we could get on with the farm problem when Ed Meese is confirmed. Ed Meese is not running for Secretary of Agriculture. I am acquainted with that. We already have a Secretary of Agriculture who has made his position clear. How can you on that side of the aisle in good conscience say you are helping the family farmer by delaying the business of the Senate, which will not allow you to get to the farm amendments? I would love to hear the answer to that question.

Mr. JOHNSTON. Will the distinguished Senator from Illinois allow me to answer that question?

Mr. DIXON. I am delighted to yield to my friend from Louisiana.

Mr. JOHNSTON. I thank my distinguished friend for bringing up what is so important. In case my distinguished friend has not been hearing what Secretary Block has been saying, the other day in the Budget Committee for the latest time, he wants radically to restructure the American farm, its method of financing, the role of the

Federal Government, and the whole panoply of Federal legislation.

What he wants to do is back away. What he wants to do is get the Government out of the credit business by steps. What he wants to do is get the Government out of the target price business.

When I say——

Mr. SYMMS. The Senator is not addressing the question. The question is how does filibustering Ed Meese's nomination have anything to do or what the Secretary of Agriculture is doing have anything to do with getting some help to the American farmer, on which they can have his amendments on the floor by Monday if he would move forward with it.

Mr. JOHNSTON. What I really want to do is answer the question, Mr. President.

Mr. SYMMS. I have not had a farmer tell me that filibustering Ed Meese's nomination would help him.

Mr. JOHNSTON. Mr. President, the distinguished Senator from Idaho asked a question and I really want to answer it.

Mr. Block wants to radically restructure farming and Mr. Block is the Secretary of Agriculture of the United States of this administration. There are a great many Senators on that side of the aisle—I know—who disagree with Mr. Block but we were going hellbent for leather——

Mr. MATHIAS. Mr. President, I call for regular order. Who has the floor?

Mr. DIXON. I have the floor, Mr. President.

The PRESIDING OFFICER (Mr. HECHT). The regular order is that the Senator from Illinois has the floor and may not sit down and retain the floor and may only yield for questions.

Mr. MATHIAS. Mr. President, the Senator has not yielded for a question. There is a colloquy going on between the Senator from Louisiana and the Senator from Idaho. This has nothing to do with any statement by the Senator from Illinois.

Mr. JOHNSTON. Mr. President, I was asked a question.

The PRESIDING OFFICER. The Senator from Illinois is entitled to a warning. If he yields further or sits down, he will lose the floor.

Mr. DIXON. Mr. President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. I yield the floor.

Mr. CHAFEE addressed the Chair.

CALL OF THE ROLL

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. CHAFEE. I object.

The PRESIDING OFFICER. The objection is heard.

The assistant legislative clerk resumed the call of the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SIMPSON. I object.

Mr. FORD. Mr. President, I want to make a motion.

The PRESIDING OFFICER. The objection is heard.

The assistant legislative clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 5 Ex.]

Chafee	Ford	Mathias
Cochran	Hecht	Simpson
Danforth	Johnston	Symms
Dixon	Long	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

Mr. SIMPSON. Mr. President, I move to instruct the Sergeant at Arms to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from Florida [Mrs. HAWKINS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. EAGLETON], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 86, nays 2—as follows:

[Rollcall Vote No. 8 Ex.]

YEAS—86

Abdnor	Burdick	Denton
Andrews	Byrd	Dixon
Armstrong	Chafee	Dodd
Baucus	Chiles	Dole
Bentsen	Cochran	Domenici
Bingaman	Cohen	Durenberger
Boren	Cranston	Evans
Boschwitz	D'Amato	Exon
Bradley	Danforth	Ford
Bumpers	DeConcini	Glenn
Gore	Laxalt	Pryor
Gorton	Leahy	Riegle
Gramm	Levin	Rockefeller
Grassley	Long	Roth
Harkin	Lugar	Rudman
Hart	Mathias	Sarbanes
Hatch	Matsunaga	Sasser
Hatfield	Mattingly	Simon
Hecht	McConnell	Simpson
Heflin	Melcher	Specter
Heinz	Metzenbaum	Stafford
Helms	Mitchell	Symms
Hollings	Moynihan	Thurmond
Inouye	Murkowski	Trible
Johnston	Nickles	Wallop
Kasten	Nunn	Warner
Kennedy	Packwood	Wilson
Kerry	Pell	Zorinsky
Lautenberg	Proxmire	

NAYS—2

Quayle	Weicker

NOT VOTING—12

Biden	Goldwater	McClure
Eagleton	Hawkins	Pressler
East	Humphrey	Stennis
Garn	Kassebaum	Stevens

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, we have been on this nomination now all week. This nomination has been pending over a year. It seems that really the time has come to vote.

As I have always understood, regardless of which party is in the majority, the majority has the right to control the agenda. Our distinguished majority leader, Senator DOLE, has set the nomination of Mr. Meese as the first item to be considered, and I would hope——

Mr. BYRD. Mr. President, may we have order, so that Senators may hear?

The PRESIDING OFFICER. The Senate will be in order.

Mr. THURMOND. Mr. President, I hope that both sides will agree that the majority does have the right to fix the agenda and that we will proceed to vote. We can vote on that item, we can bring up the next item, and in that way we can dispose of the people's business. I now call for a vote on the nomination of Mr. Meese to be Attorney General.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President——

Mr. LONG. Mr. President——

Mr. CHILES. Mr. President, I have the floor at this time, and I yield to the minority leader.

Mr. GORE. Mr. President——

Mr. WEICKER. I object.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. CHILES. Mr. President, my understanding is that negotiations continue to go on. My understanding is that the majority leader has now tendered to the minority leader a proposition, and I think that is sort of under discussion now. I trust that that is right.

I think that at this time it would be inappropriate to move further, until we smooth out some of the wrinkles we had before us last night.

The Senator from Oklahoma had some proposition he was interested in last night, as I recall, as I was leaving here around 1:30, as did the Senator from Nebraska. I thought we were trying to put all those in basic order, as to how they would be taken up.

Mr. BYRD. Mr. President, will the distinguished Senator from Florida yield to me, without losing his right to the floor, for the purpose only of commenting on the subject matter to which he has referred?

Mr. CHILES. I yield.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, can a Senator yield for something like that? I thought a Senator could yield only for a question.

Mr. SARBANES. By unanimous consent.

The PRESIDING OFFICER. By unanimous consent.

Is there objection?

Mr. CHAFEE. I object.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. CHILES. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, I hope that Senators will be reasonable.

[Laughter.]

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. As I indicated, I was seeking to protect the rights of the Senator from Florida when he had yielded to me.

Mr. President, the distinguished majority leader has presented to me a proposal. I have not yet had an opportunity to read it. I have had time to read it, but I am engaging in discussions and have not read it. But I am now prepared to read it and come back to the distinguished majority leader after a brief period of time.

I just wanted to make that statement in view of the fact that the distinguished Senator from Florida had indicated that he heard that that was the situation, and he is correct.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I thank the Chair.

Mr. President, this morning I came to the floor early on and several of my colleagues on both sides of the aisle were not here at that time. I would like to repeat something that I said then and repeat it with great earnestness. We are going to have a lot of problems come before this body over the next year, very serious problems, problems of getting our budget deficits under control, arms negotiations, national security, and many others. Let me say with great sincerity, when the Senator from Nebraska and I started using the parliamentary tools that we have been employing we did so for one and only one reason and that was an earnest desire to try to do something to help the American farmer and to avert problems for the total American economy. That was our sole purpose in mind.

There was another broader political purpose. There was certainly no political purpose to make a point in terms of the internal organization of the Senate.

I said this morning, also, one of my warmest personal friends happens to be the Senator from Kansas who now is the majority leader. There are few Senators on this floor with whom I work more closely or have cosponsored more legislation proposals together, including proposals to help American agriculture.

I think it is so important that we resolve the issue that we now have before us in a way that will build bridges of understanding for the future and will not cause us to divide ourselves. We are going to need each other on many important issues. We are going to need to find ways to bring us all together as Americans if we are going to deal with these problems because we are going to have to ask all of the American people without regard to party or economic status to get together and make some common sacrifices to help our country.

I would hope that we could begin this morning in the spirit of trying to work together, and I assure you that having sat in on some, and most probably all of the sessions, between the minority leader and the majority leader, those two people as individuals and as leaders of the Senate, I think, are earnestly approaching the current matter in that spirit.

I want to say, too, to my colleagues on the other side of the aisle, and I have so many dear personal friends on that side of the aisle, that if they have heard me make any criticisms of the administration on farm policy, and I am sure they have heard me say that, I make those out of conscientious conviction and that I would have made them if the current administration happened to be of my political party. If they have any doubt about that, I wish they would go back to read what I had to say when the President of my own party imposed an embargo on the sale of grain. They might think my current comments were moderate compared to what I had to say at that time.

So we are motivated seriously by what we feel is important.

I just hope we will find a way to provide a forum in which we can have a chance to act on what we think are proposals to help the American farmer. We may be right; we may be wrong. We have differences of opinion on this floor about what the most effective means of helping the farmers are. These are not personal differences; they are not party differences. In fact, I do not think there will be votes along party lines when we come up with many of those proposals to look at. They are conscientious differences of opinion and I hope we can find a way to just resolve them, vote on them, decide them, put them in behind us and get on with finding ways in which we can all cooperate together in the days ahead.

If there is any important message we can send to the American people it is that the people in this room in this body who have been sent here to represent them want to work together and to find ways of having common agreement.

So I hope that each and every one of us in this Chamber can start today with a resolution that we start emphasizing the things on which we can agree and that we seek above all else to find if there are other points on which we can agree.

I appreciate very much the spirit in which our negotiations have already been carried forward. I want to say that I will earnestly, as one individual Senator, try to continue to do that, try to continue with a spirit that has been set in these meetings, with the leaders on both sides, the distinguished majority leader and the distinguished minority leader. We owe them a debt of gratitude in their personal relations and in their personal negotiations. Those two individual Senators are trying to build bridges of understanding and cooperation.

As we try to negotiate and as we do have discussions on and off the Senate floor, I hope that what is said on the Senate floor on both sides will foster that spirit today of trying to find understanding and cooperation and that we remember the friendships that are on both sides, that we remember who we are sent here to represent, and that we remember that the people want us to try to find ways to work together and that we can take the discussion in that spirit.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I associate myself very closely with the re-

marks of my colleague and fellow coworker from many years back, when we had the opportunity to serve as Governors of our States.

I believe we are in a critical period right now, not only on this particular issue but what is going to happen in the next 2 years.

I told the majority leader yesterday, and I believe while those people on that side of the aisle and I do not agree, the record shows that I have voted with you more than most of the people on this side of the aisle and I do not know whether that is good or bad but the record speaks for itself. The record also shows, I think, that I have high regard and respect for all of you over there.

So let me first say that I told the majority leader yesterday that although the feeling was rampant amongst some quarters over there and rampant among the people in the press that this was a move to destroy the standing of the majority leader, I am sorry if it turns out that way because I tell you from the bottom of my heart I have never heard that mentioned over here. It has never been part of our plan.

When I talk about "our plan," let me tell you the things work out sometimes a whole lot better than you ever believe. How did we get into this situation?

It was not a grandiose plan organized by anyone, including the Senators from Oklahoma and Mississippi. It started this way: 3 or 4 days before adjournment the Senator from Oklahoma called me and we were talking about the desperate farm situation, and, believe me, it is desperate. I think it is much more desperate than some well-meaning people right here on this floor today fully realize.

We at the suggestion of my colleague from Oklahoma decided to write a letter to the majority leader which essentially said we think something must be done on a crash basis and unless something is accomplished during the recess period, we will use whatever prerogatives we have on the floor of the Senate to force action, and we laid it out. The majority leader knew that. We talked about it briefly before the recess.

During that recess we were talking on the phone one day to the Senator from Oklahoma, who was in Oklahoma, and this Senator, who was in Nebraska, and I cannot tell you how delighted I was to find out for the first time that the Ed Meese nomination was the first thing scheduled to come up on the floor of the Senate. So if you want to blame anyone, if you want to blame anyone for latching onto the Meese nomination, blame me because I think I was the instigator of that.

I would simply say to you, if you were in my position or if you were in the position of the Senator from Oklahoma and others who share the major crisis concern—it was not fully realized it was going to hit us right on the top of the head in the next 60 days in the agricultural sector of America—if you were in that position and you felt as sincerely as we do over here, I think there is not a one of you who would have not seized on the Meese nomination and used it as we have, had there been a Democratic President and some man named Ed Meese being put up for Attorney General of the United States, because I said, as I said the other day, we in Nebraska care far more about getting the spring crops in the ground than the confirmation of Ed Meese.

Now, you can criticize me if you want, and say, "That's not the way to do business." The leading newspaper in Nebraska has severely criticized me. Of course, they are Republicans and they do it all the time, so it does not bother me a great deal. But this newspaper has criticized me for using this tactic. I have chosen the tactic. I am not saying whether it is a good or a bad tactic from a strategic standpoint. But I think so far it has worked reasonably well. We have at least centered attention on the problem.

So, having told you who to blame, go ahead and blame. I suggest to you that down in your heart you would have done the same thing had you felt as strongly about an issue as I do. Therefore, I certainly hope that we can continue the good-faith efforts that we have. I think we are so close to coming up with some kind of an agreement basically to say, "Give us seven amendments, give us 3½ hours, give us votes on that. We will give time agreements." I think we are so close to some kind of a resolution that I do not think it is the time to say we are not going to negotiate.

I am delighted to hear the majority leader has come back with another proposal that I understand we are about ready to take a look at. I simply want to say that all we want is a chance to do some more of what we think is necessary to save a considerable segment of the agricultural sector today. We are going to insist, as insist we can—and I must say I have never seen, those on this side of the aisle as united as they are on this issue, nor trying to be more responsible, despite what some people think to the contrary.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I have had a number of inquiries from colleagues on both sides about the schedule for the day. I will say very candidly I do not know what the schedule for the day is.

I indicated earlier this morning, about 1 a.m., that if we could come back and discuss the negotiations on farm credit, then I think that amendments would be a possibility. But if we were going to start trying to negotiate 14 or 15 amendments, or even a larger number, then that is just not negotiable.

As I understand it, we had a difference of opinion in two areas. It was my view then that, if we could not agree, we would just offer those two amendments. That did not bother anyone. It did not bother the distinguished chairman of the Foreign Relations Committee, and S. 457 came out of his committee.

But there are 86 of us here today—in fact, there are 87. Through some communication problem, the distinguished Senator from Florida, Senator HAWKINS, was not recorded, but she is present. So there are 87 of us here. There is no reason we cannot complete this today.

The distinguished minority leader said earlier this morning that if everybody could come together we would be out of here by noon. Unfortunately, that is probably not likely.

I would say to my colleagues that, as soon as there is any solid information, I will be prepared to make some statement. I would also propound at some later point the unanimous-consent agreement on the nomination of Mr. Meese, on the highway bill, and on the farm resolution. If we cannot get some agreement on S. 457, it would seem to me we could still dispose of those three items. We have already agreed to bring up S. 457, which is open to amendment, on Monday. Both sides can then offer all the amendments they want to offer. But, apparently, that is not satisfactory to some.

I just say this to make the record clear. It is not that we have a quarrel with anybody offering amendments. We have all been around long enough to know that if a bill comes up, somebody is going to offer an amendment. But we do not want to be in the position of giving one side the privilege of offering certain amendments without giving the other side the privilege of offering certain amendments. So if the Democrats in this case want to offer nongermane amendments on farm credit, we may have Members who want to offer nongermane amendments on something else. There have been suggestions from prayer in school to abortion to other issues that we discuss from time to time in this Chamber. So that, in essence, is where we are.

If we go back to where this Senator believes we were 2 days ago, we were discussing whether or not to bring up an amendment on advance loans. That is one amendment that was being discussed. The other was the so-called 110-percent cash-flow requirement under the Farmers Home Administra-

tion part of the debt adjustment program. Those are the two areas that I understood we could not resolve, and those were the two amendments this Senator thought would be offered.

So I will visit with the distinguished minority leader. The leadership has to try to keep things moving. If we cannot work it out, then we will just continue where we are.

But I want my colleagues to know that we hope not to make a habit of having Saturday sessions. We hope to resolve this matter. But, as I indicated last evening, if we cannot, then we have to do the best we can.

Several Senators addressed the Chair.

Mr. LEAHY. Will the Senator yield?

Mr. DOLE. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I have not previously involved myself in this debate, but I can only say that listening to my distinguished friends from Oklahoma and Nebraska reminded me of nothing so much as the wise old saying, "What you do speaks so loudly I cannot hear what you say."

We have now been debating for the better part of the week on the nomination of an individual for an important position in the Cabinet of the United States. It is a controversial nomination. There are a substantial number of Members who will vote against it. But I know of no instance during the relatively short period of time that I have been here, and have heard of no other, in which a filibuster has been carried on with respect to a nomination for a position in the Cabinet when the goal of the filibuster was not to defeat that nomination or to prevent it from coming to a vote, but to take control over setting the agenda of the Senate from the majority leader, in whom it is appropriately lodged, and to give it to those who are utilizing the nomination as an opportunity to filibuster.

I believe that I speak for the vast majority, probably all, of the Members on this side of the aisle, when I say that I regard that as totally inappropriate and totally inconsistent with the customs of the Senate of the United States. It is obvious that it is not advancing the cause even of those who promote many major, dramatic, and expensive changes in farm programs of the United States.

Under the rules of the Senate, almost any other proposal, any legislative proposal which comes before the body, can be used as a vehicle on which to attempt to add nongermane amendments on the subject of farm legislation or, for all practical purposes, anything else. So the completion of the Meese nomination 3 or 4 days ago would have almost certainly opened the opportunity on the next bill or the bill after next to discuss directly and with appropriate amendments the subject of farm legislation.

But, as the majority leader has so eloquently said, we now have a situation in which the Members on the other side want the opportunity to introduce nongermane amendments on a rather tight time schedule, even though many of them are full and major bills which have had no hearings in any committee whatsoever, without the opportunity even for members of the majority to bring up other subjects at the same time.

It seems to me clear that this is highly inappropriate, that if Members wish to debate on the merits of a particular nomination, they, of course, have the right to do so. Presumably, they have a right to engage in a filibuster directed at that nomination if they feel strongly enough about it. But I do not see for the life of me how the leadership on this side, or any other majority leader, can allow the use of a filibuster on one subject to control the subject matter which will be discussed by the Senate of the United States on an entirely different and unrelated subject.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I note one thing. There was a reference to this whole discussion being some part of a leadership battle. I heard a couple people who really should know better say that to me this morning. I suggest, Mr. President, that if anybody feels that, they are either very new to the Senate, or they are talking to the wrong people, or have really a lack of sense of history of what the Senate is about. I have been here for over a decade now, served with leaders—Senator Mansfield, Senator Scott, Senator Baker, Senator BYRD, Senator DOLE. It certainly has been my experience thoughout that decade the leadership seeks comity with each other because it is the only way the Senate can go along. Throughout all of these negotiations, both the distinguished majority leader and the distinguished minority leader have acted with the utmost of good faith.

We have negotiated on farm issues, and it has been my privilege again for over 10 years to negotiate farm bills with the distinguished majority leader, the senior Senator from Kansas, in his role as a member of the Agriculture Committee, with the distinguished chairman of that committee, Senator HELMS, and throughout the years with others. In fact, having served on the Senate Agriculture Committee longer than any other Member on this side of the aisle, I can state that we have had intensive negotiations before. There is nothing new this year in those negotiations and we have usually reached, after a period of negotiations, most of our agricultural legislation, certainly during the past 10 years, and passed by consensus with both the Republicans and Democrats agreeing. I state that again as I said as a person on this side of the aisle who has served on the Senate Agriculture Committee longer than anybody else over here.

So I hope—I express this to my friends in the press, staff, Senators, especially new Senators again on both sides of the aisle—that nobody looks at this as some kind of attack upon the Senate leadership, nor should it ever turn to an attack of leadership on another side. There is a great deal of respect by Senators on both sides of the aisle toward the distinguished majority leader as there should be. There is no reason why the body should not have the utmost respect for the floor leaders, the majority leader, the deputy majority leader, the minority leader and the deputy minority leader, and should look at the fact that for years and years this body has worked best when it realizes that after we have negotiated things the comity that exists between the leadership is what makes it possible to reach a conclusion of whatever it is that we are doing.

I look at people—I almost hate to say anything about the history of the Senate when I see distinguished Senators like the distinguished Senator from Louisiana, Senator LONG, the distinguished Senator from South Carolina, Senator THURMOND, people who, of course, have served here far longer than I have been even old enough to vote and know far more about the history of this body than I. But I think both of those distinguished Members, the two most senior Members I see here in the body from either side, would be the first to state that it is that comity between the leadership on both sides of the aisle that make it possible for the Senate to move along.

I sat in a lot of these negotiations on the agricultural legislation. I have seen Senators working very hard in good faith on both sides trying to reach an agreement. I happen to think that we are very close to an agreement. I think we could reach one and I hope for the sake of this body, of course—but more importantly, for the sake of the people that we represent through the 50 States—that this body reaches a kind of an agreement that historically it usually does which represents the diverse views and diverse geographical areas but also with the expertise, the goodwill, the honesty, and integrity of all 100 Members of this body.

I find it frustrating if there is any suggestion that honesty and integrity may be lacking. I see it not lacking at

all in any of the 100 Members. We should first disabuse ourselves of that, realize that we are here under the Federal system to represent diverse interests, diverse States, and this is the one place where all 50 States come in and have an equal voice and equal chance to express their will. That is what we are doing. I hope indeed we are very close to it.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the discussion of the nomination of Mr. Meese and the associated farm issues has proceeded along a really extraordinary course. Although the tone of the discussion has been courteous, in fact just beneath the surface of a courteous presentation is an extraordinarily confrontational tactic. What is at stake here is not the right of Senators to present amendments. There is no thought on the part of any Senator, certainly not on the part of the leadership on this side of the aisle, to preclude the right of any Senator to offer any amendment at any time. But what the other side is angling for, the leverage that they are seeking to use, is to qualify a certain group of amendments of their choosing to obtain a time limitation on those amendments and to preclude other Senators on this side of the aisle or over there from also exercising the same privilege.

Mr. GORE. Will the Senator yield for a question?

Mr. ARMSTRONG. I think at this moment it would be well for me to round out my thought and I would be happy to engage with the Senator in a discussion, colloquy, or respond to questions.

But let me take a moment, if I may, to explain the situation as I see it. And, if I am mistaken, I will be glad to have the Senator correct me. During the course of this discussion Senators on both sides of the aisle have made it clear that they care about farmers. I would like to join that group.

There are a lot of people in rural Colorado who I care about. They are hurting. There are a lot of us who would like to help them. But not one of them, let me say to my colleagues, has come to me and said the way to help me is to filibuster the Meese nomination. I have not heard from one person, not one farmer, not one rancher, not anyone from the agribusiness, and I have not heard from one of our people from the agribusiness banks say the way, by gosh, to help the farmers is to filibuster the Meese nomination, nor have I heard from one of them who have said the way to help rural America is to preclude amendments on the subject of farm legislation. That is exactly what is the root of this effort. It is not to open the door to amendments but to limit the time for debate of amendments on farm legislation and to prevent all Senators from offering such amendments.

I cannot recall that I have ever criticized a filibuster. In fact, on some occasions when unpopular filibusters have been in process in this Chamber, I have risen to defend the right of Senators to speak at any length that they wished to speak and in fact to exercise their right to prevent the passage of legislation by extended debate. That is part of our tradition. I think it is a proper thing. It appears to me that there is more than majority rule in this Chamber, that majority rule is one principle by which we operate but we also have a principle that, if a determined minority cares enough about an issue and cares more intensely about an issue, the majority ought to have the right, the privilege, the opportunity to prevent the majority from working its will.

In other words, an indecisive majority, a majority which really does not care about a pending piece of legislation, ultimately yields to a determined minority.

And I think that is all right. I think that is a good practice. I think that is a good tradition of this body.

But what we are doing here is not about the Meese nomination. It is not, so far as I am able to determine, a filibuster by the opponents of Mr. Meese for being Attorney General.

It is an attempt to use this issue to foreclose the right of Senators to offer amendments on another bill, which I guess we are going to take up next week or at some later time.

It is not an attempt to secure more rights for Senators, to broaden the scope of debate, to permit more amendments to be offered.

It is an attempt to restrict those rights.

Our friend from Vermont a moment ago said that we should disabuse ourselves of the question of integrity or honesty of Members.

That is a straw man. No one is raising the question of integrity. At least I have not heard in the hours I have been on the floor that question raised. Nor is the question whether or not we are for the farmers. That has been raised. That is a straw man.

We have a whole Chamber full of straw men. The issue is not whether you are for farmers. It is not whether you are for Mr. Meese. The issue is whether or not, when and in due course we get to the farm bill. I do not know whether it will be today, tomorrow, next week, a month from now, when the planting will be, or when. At some point we will have farm legislation here. We will have a lot of farm legislation on this floor, some in connection with the relief bill for Africa, some in the general farm bill, and other opportunities in the course of this year will bring up other farm legislation.

That is not in dispute.

What is in dispute is whether all Senators will have the right to offer amendments.

It so happens the Senator from Colorado does not have a single amendment in mind to offer on the bill which is going to come up next week, or whenever we get to it on famine relief. I might have on the general farm bill. If I think about it long enough, I might even have some that would come to mind if this drags out long enough. I might think of some relating to the famine relief bill.

My interest is not on a specific amendment I want to offer. My interest is to express to the leadership on this side of the aisle my very grave concern were they to negotiate a limitation on the right of Senators on either side of the aisle to offer amendments on subsequent legislation, or to agree under this kind of threat to a limitation on the time of debate for amendments that may be offered on subsequent legislation.

I see that the Senator from Tennessee has again arisen. I am pleased to have stated as best I can my concern and to respond to his requests.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. I appreciate the courtesy of the Senator from Colorado. I would like to ask his opinion on the following facts:

No. 1, the offer made from this side to the other included the right of Senators on the Republican side of the aisle to offer an equal number of amendments to the number agreed to that would be offered from this side of the aisle. So it would not be an effort to reserve to Democratic Senators the exclusive right to offer amendments covering farm legislation.

If the agreement turned out to be seven amendments that would be offered by Democratic Senators, then there would be an opportunity for seven amendments to be offered by Republican Senators.

The second fact is that the time limitations for discussion and debate of the amendments in question was offered from this side as good faith evidence that what we were all about was not a dilatory effort to string out debate on farm measures. We felt that by offering to limit the amount of time on each amendment this would make it more attractive to the other side of the aisle and that it would be easier to accept. It was in an effort to be reasonable and reach a compromise.

If the Senator from Colorado, Mr. President, or any others felt that the time limits proposed here were too short, I feel certain that there would be a willingness to expand the time for

each amendment to some reasonable length of time. But the shortness of the time limitations outlined by the minority leader were intended to be heard on the other side as evidence that we are being more than reasonable and that we are not trying to do anything but to get the opportunity to consider and vote upon an emergency farm aid package which must be acted upon within the next few weeks or it will not do any good.

Given those two facts—No. 1, that an equal number of amendments would be available to both sides, and No. 2, that the time limits are not intended to be constraining but, rather, are intended to be reasonable and are certainly flexible—would that change the opinion of the Senator from Colorado of the offer that was made last evening?

I might add one thing, that on the offer of seven amendments, we were not able to make that offer last night because the Republican caucus voted to cut off negotiations while we were en route to present the latest offer. Now that negotiations have continued, that offer is on the table, as is a counteroffer from the minority leader.

My question very simply is, would the Senator from Colorado agree that with that clarification the position taken by the minority leader and others negotiating in our behalf is eminently reasonable?

Mr. ARMSTRONG. Mr. President, before responding to the Senator, may I first observe that having been in the Senate a few years, I have rarely seen a new Member of the body—in fact, I cannot recall that I have ever seen a new Member of the body—come so quickly to the floor and speak with such great poise and eloquence and with such command of the parliamentary situation. I congratulate him for his presentation, not only today but also his lengthy address on yesterday which, while I did not agree with the the substance, I admired for its style and for the manner in which it was presented.

Now, to return to his question.

The direct answer is no. I do not think that the position which was advanced by the minority leader was a reasonable one. It is not one with which I agree, although I must say that in his final remarks last night, the distinguished minority leader made what I thought was one of the most skillful presentations I have ever heard, because he managed to make a proposition which seems to me to be eminently injurious to the rights of Senators sound like it was free enterprise, sound like it was opening up the process, sound like it was liberating Senators to consider the farm bill, to do something for the benefit of farmers.

The reality is that Senators under the rules and traditions of this body have the right to offer amendments any time they want to. You see, we do not have a rules committee. You do not have to get it prequalified. You do not have to have anybody's approval.

When we are considering legislation, all you have to do to get an amendment considered is to arise and send an amendment to the desk. Sometimes you cannot get recognized first. Whoever sits in that chair and who sits in the leader's chair across the aisle is entitled under the precedents of this body to be recognized first. But except for that, so far as I know there has never been an occasion in my years in the Senate when a Senator could not be recognized in the order he sought recognition, the leaders first but after that everybody regardless of seniority, regardless of party, is recognized in the exact order in which they arose to seek recognition, Once you have the floor, you have the right to offer an amendment. You do not have to have a precondition; you do not have to have an advance agreement; you do not have to filibuster the Meese nomination to get that right. All you have to do is stand up and offer an amendment. In fact, it would be in order even now for the Senator or any Senator to offer a sense-of-the-Senate resolution.

I have asserted myself. Let me assure myself that I am correct.

May I inquire of the Chair, if I have the floor, as I do at the moment, would I not be in order to offer a sense-of-the-Senate resolution if I wished to do so?

The PRESIDING OFFICER. A resolution is not generally privileged for consideration. Also the Senate is now in executive session and no legislative business may be conducted except by unanimous consent.

Mr. ARMSTRONG. Under the rules of the Senate, do I understand a sense-of-the-Senate resolution is not in order at this time?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. I thank the Chair and I appreciate the Chair's clarifying that matter.

This, I gather, would be the only time, virtually, when such a resolution would not be in order. In any case, a sense-of-the-Senate resolution will not resolve the farm problem. What we need is legislation. That would be in order on any bill that might arise.

So, as I yield the floor, I would just ask my colleagues to consider that when all is said and done no agreements are necessary. The rights of Senators to offer these amendments are already protected. In an agreement to limit amendments, to limit time for the consideration of amendments, the Senators are not doing a service to the farmers nor, in my opinion, this body.

Finally, just as a postscript, Mr. President, let me acknowledge that this is a matter about which reasonable men will disagree. I do not know that we are all in agreement on this side of the aisle, although I judge most of us think this is not a helpful tactic on the part of the minority. I do not know how it is going to turn out, but for what it is worth, I personally think that if the Senate enters into a unanimous-consent agreement the effect of which is to restrict amendments and to impose time limitations on amendments on unrelated legislation and prevent Senators from offering amendments, we shall, in the long run, regret it.

Mr. SARBANES and Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, although he is not now on the floor, I wish to commend the Senator from Nebraska [Mr. EXON]. When he spoke earlier, he said if anyone was to be blamed for this approach of linking consideration of action on the Meese nomination with an assurance that there will be an opportunity to act on farm legislation, he is to be blamed. I do not think he is to be blamed. I think he is to be commended.

The fact of the matter is—which we are tending to lose sight of in the discussion this morning—that there is a crisis existing in many parts of the country with respect to the farmers and a very serious situation existing everywhere else. It ranges from the very serious to an absolute crisis.

There seems to be a lot of paranoia running rampant in the Chamber about motives and intention. Hopefully, the Senators from Oklahoma [Mr. BOREN] and Nebraska [Mr. EXON] put that to rest a few minutes ago when they made it very clear that their whole purpose in this enterprise has been to ensure the opportunity to act in a timely and reasonable fashion with respect to farm legislation.

The Senator from Colorado, speaking just a few minutes ago, said, "Well, we might act on farm legislation in a week or in a month or later in this session."

Mr. ARMSTRONG. Mr. President, will the Senator yield briefly?

Mr. SARBANES. I do not think I am misquoting the Senator in that statement, am I, Mr. President?

Mr. ARMSTRONG. I certainly am not accusing the Senator of misquoting me, but I believe he may have misunderstood the import of my remarks, if what I said is exactly what he said—I think perhaps it is not. What I attempted to say and believe I did say is that we would be considering legislation on the farm crisis this week and again in a month and again later on.

I also point out that the amendments which are of interest to farm State Senators, including the Senator from Colorado, need not be offered only on farm legislation but would be in order on any legislation which might come through. I am just illustrating that there will be a lot of opportunities to do this, virtually unrestricted opportunity. I thank the Senator for yielding.

Mr. RIEGLE. Will the Senator yield for just a moment on that point?

Mr. SARBANES. Yes.

Mr. RIEGLE. Mr. President, I was listening very carefully to what the Senator from Colorado said, and without having it quoted back, because I take him at precisely his word as to what he thinks he said. What I heard him say is that we will act on it "next week or at some later time."

That is precisely the question, the timeliness of the situation. We need some guarantee that we can act within, say, the next 7 days.

Mr. SARBANES. I accept the Senator's interpretation of what he said. I am not trying to be difficult.

Mr. ARMSTRONG. Mr. President, this Senator acknowledges that I might well have misspoken myself. If I did, it would not be the first time. I do that all the time. What is obvious is that if we had not bogged down in this filibuster exercise, we would have already gotten to this legislation, the Meese nomination would have been disposed of 2 or 3 days ago, and we would have been through with the famine relief legislation and prepared to consider other legislation next week.

Mr. SARBANES. The important point is that this farm matter must be acted on with urgency. It is not correct to say that the Senator from Nebraska has not produced results. Mr. Speakes said, when the White House announced that the President had ordered the Secretary of Agriculture to proceed administratively with the provisions that were contained in some early negotiations here concerning administrative actions that were to be taken, that that had been given an impetus and been precipitated by the fact that there was a filibuster taking place on the Meese nomination.

So, right there, to start with, the Senators form Nebraska and Oklahoma and the many Senators who have joined with them, Senators who appreciate the critical situation in which the farmers find themselves have precipitated the recently announced administrative action. That admission was made by the White House spokesman himself.

They know that if the farmers do not get an answer in the next few weeks, they are going to go down the drain. The Senator from Nebraska, fully aware of that, and those who have joined with him, are trying to provide the farmers with emergency action from the Federal level including legislative action. That emergency help must go beyond the announced administrative action which are but a first step, and this must involve legislative action.

Second, there was no talk about bringing up a vehicle for legislative action—now the African relief bill—next week to which amendments could be attached with respect to the farm issue until we engaged in this enterprise on the Meese nomination that has been taking place here for the last few days.

On the amendments, what is being sought from this side is eminently reasonable. It is the opportunity to offer a limited number of amendments on the farm issue to that legislation and to have them considered and acted upon. There is no effort whatever to be dilatory or to delay. That is why the offer was made of time limits on these amendments, so they could be taken up, considered, and acted upon. There was no effort to preclude Members on the other side from offering amendments on the farm issue.

If Members on that side want to offer amendments on the farm issue that could be worked out and included in the agreement, so that there would be an assurance of an opportunity next week to take up this farm crisis and to consider emergency legislation with respect to it.

It is not beyond the wisdom and ability of this body to craft an agreement that would provide that assurance so that we would have an opportunity to act. There is no guarantee that when the Senate considers these various proposals, it will adopt them. It may, in fact, reject them. Who knows? That remains to be seen when they are considered. So no one is delaying this nomination to get an assured result with respect to the farm issue. All that is being sought is an opportunity to act on the farm issue and to act in a reasonable and timely fashion, next week.

To work out the nature of the amendments, actually, we on this side offered a list of amendments in response to a request that was made to us by the majority side, who wanted an indication of what amendments would be offered and some agreement on what the amendments would be. The last proposal that was put on the table represented a significant cutting of the number of amendments that people wanted to offer in an effort to provide a more limited framework in which to act on the farm issue.

I do not think that the Senator from Nebraska need apologize, because, in my judgment, had he and those who have joined with him not embarked on this effort, the crisis facing American farmers would have remained off the agenda, both of the executive branch and of the Senate.

As it is the executive branch has moved to a very limited degree. The general view is that it will not really address the problem except at the margin, but at least it will do that, provide some attention to the problem at the margin. And if the Senate can move next week to consider the legislative vehicle which is on the calendar and reach reasonable understandings on farm-related amendments that would be offered to that vehicle, we would have a chance to consider on the substance this crisis that is confronting farmers all across the land and in certain States is about to wipe them out, about to ruin the life work of thousands and thousands of people.

There has not been an effort to move out of the regular procedure. The majority leader called up the Meese nomination and debate has ensured. There has not been an effort under regular procedure to limit that debate. Mr. President, could I make an inquiry. Is there a cloture petition at the desk on the nomination?

The PRESIDING OFFICER. There is no cloture motion that has been filed.

Mr. SARBANES. I thank the Chair. The distinguished Senator from Nebraska and those who have joined with him appreciate the urgency which the people they represent face. I happen to feel it is an urgent matter for the Nation. It is a very interesting to observe that the legislation to which we will consider farm amendments, if we work out an understanding, is to provide relief for the hunger problem in Africa. We are in a position to move on hunger relief legislation for some other continent because of the ability and the productivity of the American farmer; the very people whose work makes it possible for us to respond to this hunger emergency are the people whose survival is at stake in terms of considering legislative proposals next week.

Now, that is the thinking. There is the perception of a crisis, at least on the part of many of us in this Chamber. The distinguished Senator, from Nebraska and Oklahoma and others have moved to ensure as best they can that there will be an opportunity to consider legislation addressed to that crisis and to try to respond to it. They are seeking only a reasonable chance to have the amendments offered, considered and acted upon, for the Senate thereafter to carry out its business with dispatch and at least provide the chance to resolve this matter.

Now, all of the other conjectures about what is at work, as I said, are paranoia running rampant. I hope that it has been put to rest by some of the statements that were made earlier this morning. I trust that we can work

out an understanding that ensures that the problems faced by American farmers, which are critical in a time sense—it is now a matter of weeks. Either they get some help in the next few weeks or they are finished, gone.

(Later the following occurred:)

Mr. SARBANES. Mr. President, will the Senator yield so I may make a unanimous-consent request?

Mr. RIEGLE. I thank the Chair. I want to say something to my colleague from California in a moment. The Senator from Maryland has asked me to yield for a unanimous-consent request.

I ask unanimous consent to yield to him for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, earlier in the debate, at the time I was making the point that the efforts of the Senators from Nebraska and Oklahoma had led to this change in administration policy, I made reference to a story on a statement by Larry Speakes, the White House spokesman.

This is a UPI story in which it reports that Larry Speakes announced that—

"President Reagan told Agricultural Secretary John Block to put into effect new farm credit rules proposed by Senate Democrats."

Of course, we do not think these rules go far enough in helping the farmer and that is why we want to act on the legislation. But it represents for some a modicum of assistance. Later in that UPI ticker story, it says that—

Speakes conceded that the new action was in response to the filibuster and would not have taken place otherwise.

I quote this story to address the contention that this entended debate on the Meese nomination is delaying action on farm measures. The fact is that this exercise is bringing about administrative action on the farm measures. As the White House spokesman conceded, the new action was in response to the filibuster and would not have taken place otherwise. And the chance to enact meaningful farm legislation will also be in response to that effort. I again commend my colleagues who have led the effort and the fight in this regard.

I ask unanimous consent that the UPI dispatch be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON.—President Reagan told Agriculture Secretary John Block Friday to put into effect new farm credit rules proposed by Senate Democrats, spokesman Larry Speakes announced.

Speakes appeared to suggest the move was the administration's final compromise offer to the Democratic legislators.

"The President desires that we move quickly on an administrative basis without the necessity of legislation," Speakes said, blaming the Democrats, who rejected the administration deal, for talking rather than acting to soothe angry debt-ridden farmers.

The key element in the administrative action, demanded Wednesday by Senate Democrats filibustering the nomination of Edwin Meese as Attorney General, is that farmers need only to show the likelihood of breaking even instead of showing a 10-percent profit to qualify for low-cost loans.

Accusing the Democrats of engaging in "a political exercise," Speakes conceded that the new action was in response to the filibuster and would not have taken place otherwise.

"The (Democratic) resolution says the administration agrees. The administration agrees. That's enough," Speakes said.

"We think this is sufficient . . . and now is the time to stop talking and start working," he said.

Speakes said the new rules would be effective "if not immediately, then very shortly."

At his news conference Thursday night, Reagan promised to "do (his) utmost" to help debt-burdened farmers, but Senate Democrats broke off a proposed deal, charging it would "wring out" thousands of farmers.

A compromise among Senate Republicans and Democrats and Block on minor improvements in the administration's debt package fell apart Thursday when Democrats complained of Block's refusal to consider additional steps beyond the deal.

Mr. SARBANES. Mr. President, I commend the Senators from Nebraska, Oklahoma, and their other colleagues who have worked so hard on this matter in order to try to address the pressing crisis in American agriculture.

Mr. RIEGLE. Will the Senator yield just briefly for a question?

Mr. SARBANES. Certainly.

Mr. RIEGLE. I commend him for his statement and the clarity with which he has described the facts as they are before us. Is it not true, I might ask the Senator, that the only reason we are seeking a limitation on the number of amendments and time limits on the amendments and the fact that they be germane, in that they relate to the agriculture issue, is that we want to be able to take it up and let the Senate work its will. And however the Senate decides to vote, and settles the issue. We must be sure that the issue is not brought up and then sent down sidetracks by nongermane amendments or endless amendments, from wherever they might come. Rather we must have a situation which would ensure, after a full debate, an opportunity on both sides to present germane amendments, and then there would be a final set of votes and that the Senate would have a chance to work its will in time to meet this agricultural crisis before the planting season goes by?

Mr. SARBANES. If the Senate does not act before the planting season goes by, these farmers are finished. They are gone. They will not be recovered. They will be in effect destroyed. That is Nebraska, in my judgment, has been absolutely right in the approach he has taken in order to try to address the problems of the American farmers.

Mr. RIEGLE. If the Senator will yield further for a comment, with the time lags involved in implementing laws and legislation that we might pass next week on an emergency farm package, once we act next week—and it is critical that we do—it will take some matter of days for the administrative machinery to work to carry out any emergency legislation that we would pass. And so, with the calendar closing in on the farmers and the planting season, we cannot afford to have this slip beyond next week. We have to act upon it next week to settle the issue so that there is then time for that legislation to take effect, to actually move the money, the credit, the wherewithal out to the farmers in time.

That is the whole crux of this issue now. If we were not up against the calendar in terms of the planting season, we could do this over a longer time frame. Unfortunately, that is not the case. The time urgency of the situation requires that we act in the Senate within the next 7 days. If it spills over another week or several weeks or 2 or 3 months, then we have failed. It is just that simple.

I thank the Senator for yielding.

Mr. SARBANES. Mr. President, I yield the floor.

Mr. CHAFEE addressed the Chair.

Mr. LONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I feel I am in the land of Alice in Wonderland. I hear the words, "emergency, crisis, critical in a time sense," and the people who are saying these extraordinary words are the people who are delaying the process of the Senate. Let us get on with business.

Now, Mr. President, may I ask, what is the business of the Senate? What is before us now?

The PRESIDING OFFICER. The pending question is the nomination of Edwin Meese to be Attorney General.

Mr. CHAFEE. Well, are we prepared to vote? Let us get this on and then we can turn to the matters that are critical in a time sense, crisis, emergency. Can we vote?

Mr. SARBANES. Will the Senator yield in response to that question?

Mr. CHAFEE. I will yield for a question. Are you ready to go?

Mr. SARBANES. I thought the Senator put a question.

Mr. CHAFEE. I put a question.

Mr. SARBANES. Who does the Senator wish to respond to his question?

Mr. CHAFEE. If the Senator wants to give me an answer, go ahead. I am not going to lose the floor if he wishes to respond.

Mr. SARBANES. I am not trying to take the floor away from the Senator. Was the question put to be responded to by the thin air or does the Senator want somebody to respond?

Mr. CHAFEE. It is a rhetorical question.

Mr. RIEGLE. I am prepared to respond.

Mr. SARBANES. I am prepared to respond to the Senator's question.

Mr. CHAFEE. The Senator has had adequate time. He started a little after 12.

Mr. RIEGLE. I am prepared to vote today on the Meese nomination.

Mr. CHAFEE. Splendid. Why not now? Are we ready? Can I move the question?

Mr. LONG addressed the Chair.

Mr. CHAFEE. Are there objections?

Mr. LONG addressed the Chair.

Mr. CHAFEE. I guess there are objections?

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. LONG. Mr. President, if the Senator wants to vote, he ought to yield the floor.

Mr. CHAFEE. Mr. President, I have the floor. Others have had the floor a long time.

Mr. FORD. Parliamentary inquiry, Mr. President.

Mr. CHAFEE. We have heard some extraordinary statements today.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor. Does he yield for an inquiry?

Mr. CHAFEE. We have heard some extraordinary statements about getting on with this crisis.

Mr. FORD. Will the Senator yield for a parliamentary inquiry?

Mr. CHAFEE. Sure.

Mr. FORD. How many minutes can a Speaker speak in any one legislative period when he is interrupted? Can he speak off and on as long as the Chair recognizes him? Some of us have been sitting here all morning wanting to speak and we cannot even get the floor and some have been recognized two and three times. Now, can you be recognized once, go around and come back again or does the parliamentary procedure allow them to get up just any time they want to and ask questions of the thin air?

The PRESIDING OFFICER. The Chair recognizes the Senator he first sees.

Mr. CHAFEE. Do I have the floor, Mr. President?

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. FORD. That means anybody the Chair may see first.

Mr. BOSCHWITZ. Regular order, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. FORD. What is the regular order?

The PRESIDING OFFICER. The regular order is that the Senator from Rhode Island has the floor, and he has refused to yield for any purpose.

Mr. CHAFEE. Things are getting testy around here. [Laughter.]

Let us proceed, Mr. President. I have the floor. I have listened to the distinguished Senator from Maryland, who spoke at considerable length. Others here have spoken. No one can ever accuse the Senator from Kentucky of being bashful in seeking the floor.

Mr. President, here is the situation: The matter before the Senate is the nomination of Mr. Meese. After that, we can move right to a series of matters. Talk of the crisis on the farm, let us get to this. I believe the nomination of Mr. Meese was originally proposed on Tuesday. We have been on this matter 4 days now.

What is really the fact here is that the Members on the other side wish to determine the agenda. I hear flowery things said about the majority leader—our wonderful friend, how we admire him. All that apparently is true. But they do not wish to permit the majority leader to determine the agenda, the way every majority leader in the past has done. When we started the session in January, the majority leader said that the first piece of business would be the nomination of Mr. Meese. But, no, that is not satisfactory. A group on the other side said. "No, that is not for the majority leader to determine, as it has always been in the past. We are going to determine that agenda."

That is the crucial matter here. It has nothing to do with farmers. It has nothing to do with the nomination of Mr. Meese. The point before us is who is going to run the show—the majority leader or a group over there who seem to have taken charge? So this is a very important point.

This is not the first time we have dealt with this matter. People have spoken on this in the past. As I mentioned earlier, we had the situation some 6 years ago when we were in the minority. We had about 38 or 39 Members. Suddenly, we determined one evening that we were going to adjourn. Onto the floor, rightfully, stormed the majority leader, now the minority leader.

He said: "This is nonsense. Who is going to run the place? Somebody has to run this show."

He was right, and we did not prevail, obviously.

So we are back in the situation where the majority leader now, the distinguished Senator from Kansas, has said what the agenda is going to be. But that is not satisfactory. They do not want it that way. They want it differently.

They have legitimate concerns for the farmers, which they have expressed time and time again. But those concerns are not any greater on that side than they are here. We have farm States represented just as much as over there. I think I can speak with some objectivity, since no one has ever accused Rhode Island of being a farm State. But I am prepared, as others are here who have no immediate involvement with the problems, to get on with the farm matter in the course of the agenda as the majority leader has stated. No one here can quarrel with his concern and his knowledge about farm matters.

So, Mr. President, I hope we can move to the nomination of Mr. Meese and that it can be done quickly. As a matter of fact, I have understood that those on the other side have offered a 1-hour time limitation, and I cannot understand why they are conducting a filibuster.

Last night, somebody got up and started reading through editorial after editorial—"A" for Abilene, and I do not know what the last one was. That is no way to run this place. We should get on with the problems before us. This is just a start.

It seems to me that the urgency of what we are doing here now is not this particular matter. This is important enough. But the urgency, the crucial point, is how we are going to run the Senate. This is going to come up time and time again. I refer Senators to the history by the now minority leader about the powers of the leaders, of which he spoke eloquently in one of his history lessons here. In the course of that, he has pointed out that one of the duties of the majority leader is to set the agenda, the procedure, by which we conduct business.

That is what we are seeking here now. If we do not settle this now, if we let the minority, or a minority of the minority set the agenda—I do not know who is running things over there—if we let them determine what is going to come up, so it will be with every issue.

The majority leader might say that we are going to deal with a treaty, and suddenly over there they will say, "No, we don't want that, we want to move to school prayer." Well, if you want total chaos, all of us came through the last session discouraged by the way this place was running, and we sought some reforms. Some reforms, modest though they might be, have been enacted. But this will be the greatest step back that this Chamber has ever seen, if the majority leader cannot determine what comes to the floor.

Mr. President, this is of deep concern to me and, I think, to others here. I hope that the minority, who have

blocked the progress and who talk of emergencies and crises and urgencies, will let us get on with the business of the Senate, which includes dealing with farmers.

Mr. LONG. Mr. President, the Senator from Louisiana plans to vote for the confirmation of the nomination of Mr. Meese, unless someone can talk him out of it between now and the time the vote occurs. I will have a few words to say in due course about the debate on the Meese nomination.

I must say, Mr. President, that I have been impressed here today with about half or nearly half of the conversation about what we should do about the nomination and what we should do about the farmers, which has come from the other side of the aisle.

For example, the able Senator from Washington [Mr. GORTON] took the floor and said it was unprecedented. He said that, in his recollection, no one had ever held up any relevant matter in order to bring about action on something on which they wanted a vote. I guess his recollection does not go back very far, because there are lots of precedents in the history of the Senate where Senators stood in the way of acting on matters they deemed to be less important, in order to insist on action on something they deemed to be extremely important.

In fact, history, to my certain knowledge, will record situations where a Senator held up action on the first, original Social Security bill because the session of Congress was expiring, and he was seeking to compel the leaders on both sides to permit action on a bill that would save farmers their homes, back in the midst of the Great Depression.

There is nothing new about it. If Senators find that there is something very important that should be acted upon, they have every right to protest about time passing when action is needed to help distressed people in the United States of America, while they are being asked to spend their time on other matters deemed to be less important.

It was made clear by those on this side of the aisle—Mr. BOREN, Mr. EXON, and their supporters—that they intended to resist acting on matters that they deemed of less consequence until there was a commitment that they could have an opportunity to do something about the situation with regard to farmers.

And no one here is seeking to prevent the majority leader from moving forward as he deems in his judgment to move us forward, except that if this means that the program is going to preclude the opportunity to act timely with regard to the farm problem then Senators would feel that they had no choice but to stand in the way or impede action on something that they believe is less urgent in favor of something that they believe has greater urgency.

I say, Mr. President, I have had a very considerable amount of communication with regard to Mr. Meese's nomination, but I just came from the town of Lafayette, LA, just yesterday, and one of the few letters I have supporting Mr. Meese is from the mayor of that city. I have three letters supporting Mr. Meese. One of the three comes from the mayor of Lafayette, LA.

That was of no concern in that area compared to the concern about the farmers and what their plight is. As a matter of fact, at that very moment when I was there yesterday, there was a group that we call the Policy Jury Association. In other States, you might call that the Association of County Commissioners or County Judges or any other names in different States. The Police Jury Association in Louisiana are grass-roots elected officials on the ward-by-ward basis throughout each parish representing the people in all areas.

Of course, farmers are of great concern. Many of those people are farmers because obviously when a parish is divided up on a geographical basis a considerable number of those representatives will come from those rural areas. They were very concerned about the farmer. What are we going to do about the farmer? The farmer's plight is very distressing at this moment.

As a matter of fact, Mr. President, it appears to me that the farmer's plight at this moment is about as bad as it has been at any time since the Great Depression.

The farmers of our Nation, particularly those in the South from which I hail, have reached a very critical stage in the stability of their financial conditions, and the financial health of the farm industry has a direct bearing on the financial health of the Nation as a whole.

It is crucial, therefore, that we take the necessary steps for providing our farmers with the opportunity to make a reasonable profit, to allow for the economic well-being of their families and households, and to assist in the overall growth of our Nation.

The American system of agriculture has proven to be the most efficient and productive source of food and fiber in the world. In fact, agriculture is this country's greatest enterprise. Unfortunately, we sometimes take for granted many of the benefits our farmers provide us on a daily basis.

American agriculture is in such a precarious position right now that unless we take immediate steps to assure availability of credit for our farmers in the short run there will be only a few steps left to be taken in the long run.

We have a responsibility to come to the aid of those who literally feed our Nation and yet are suffering from many conditions beyond their control.

So, Mr. President, I again urge that we do what we can in the short term and I pledge my best efforts to see that we do something as early as possible.

It is obvious to every one associated with agriculture that the industry is in bad shape. Current prices for most commodities are at the lowest level that they have been in many years. The major exporting crops such as rice, soybeans, and cotton are plagued by low export levels which are attributed to large world stocks, the high value of the U.S. dollar and a weak world economy. These conditions are likely to continue until the world economy recovers and the U.S. resolves its large deficit problem. Favorable actions affecting these values are needed to have a more normal currency value relationships and in effect "weaken" the U.S. dollar. This, of course, would have a positive effect on our exports. Also a major factor affecting the agriculture economy is the rewrite of national farm program legislation in 1985.

The depressed agricultural economic condition has had a direct effect on the cost and availability of credit. It has also had an effect on the source of credit. I have a table which provides a breakdown of farm loans by source for real estate and non-real estate for the United States and Louisiana. The information was obtained from Farm Credit Reports compiled by the American Bankers Association as of January 1, 1984.

The alarming figure in this table is that 50 percent of the crop operating loans in Louisiana are financed through Farmers Home Administration, a lender of last resort. This indicates that a large number of Louisiana farmers making agricultural loans are not in a favorable financial position based on Farmers Home Administration loan criteria for eligibility. This situation is not unique to Louisiana. In neighboring States of Mississippi and Alabama, all members of Jackson Farm Credit Bank, Farmers Home Administration makes up 57 percent and 40 percent respectively of all non-real estate farm loans. Also it is projected until economic conditions improve these percentages will be sustained if not increased.

Mr. President, I ask unanimous consent to have printed in the RECORD that table to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Source	United States (million dollars)	Rounded to nearest percent	Louisiana (thousand dollars)	Rounded to nearest percent
Nonreal estate:				
Banks	39,066	47	294,900	24
PCA	18,735	22	267,077	22
FLB	850	21	9,537	21
FmHA	13,977	17	613,086	50
CCC	10,801	13	52,964	4
Total	83,429		1,237,564	
Real estate:				
Banks	9,099	8	237,800	13
FLB	49,948	43	1,053,486	56
Life Insurance Co	12,718	11	235,100	13
FmHA	9,329	8	157,351	8
Individuals and others	32,320	29	187,438	10
Total	111,414		1,871,175	
Grand total	194,543		3,108,739	

Mr. LONG. Mr. President, the main credit burden facing agricultural producers in Louisiana and the United States is the large number who are highly leveraged. According to Neil Harl, professor of economics at Iowa State University, farmers with a debt to asset ratio of greater than 70 percent are in the most trouble. In other words, for every $10 of assets, these farmers owe more than $7 in debt. At this level it would take an 8-percent return on all assets just to pay the interest bill.

Mr. President, I have a table here that gives the overall view of the debt ratio to equity, and I ask unanimous consent to have that table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BANK FARM CUSTOMER'S DEBT TO ASSET RATIO

[Region (percent of bank customers)]

	Northeast	Corn Belt	South	Plains	West	United States
Debt to asset ratio (percent):						
Under 40	39	42	31	37	37	39
41 to 60	30	28	27	30	34	29
61 to 80	19	18	20	19	19	19
81 and over	12	12	22	13	10	12

Based on American Bankers Association Survey in mid-1984.

Mr. LONG. Mr. President, Professor Harl states that farms with ratios greater than 40 percent are facing financial problems and most are losing net worth. With a 40 percent ratio, it takes a return of 4.5 percent to pay interest costs. In the South, 69 percent of all producers are in that category.

As agricultural producers become more highly leveraged they face the problem of higher interest costs and also the problem of where they will be able to obtain credit. More and more producers are failing to meet financial standards and collateral requirements to remain customers of private lenders. At one time, PCA was the major agricultural production loan lender in Louisiana. As the table above shows, now they account for only 22 percent of all nonreal estate farm loans. Recently, as stated earlier in the report, several of the individual PCA's have merged. These mergers were for various reasons, but certainly a weak loan portfolio had to be a contributing factor. PCA officials state that loan volume peaked out at around $1 billion in 1981 and was at a low level of $725 million this past year. Since PCA is a cooperative, it must balance its losses with adjusted income from interest rates and collateral requirements of existing borrowers who are members of the cooperative. PCA identifies the majority of their problem loans as customers who did not own any land and whose collateral was based on depreciated and devalued farm machinery. PCA officials stated that last year slightly over 150 borrowers could not be financed in the Alexandria and Jennings Associations. These two have merged into one lending organization.

Federal land bank has also experienced difficulty with many of its agricultural loans. Federal land bank officials stated that as of last year in this three-State area, it had acquired approximately 68,000 acres of property due to past due debt foreclosures. This property is mortgaged for approximately $1,000 an acre or a total of $68 million. This figure is expected to increase this coming year. Federal land bank has 38,000 borrowers in the three State area and has over half of the agricultural real estate in this area mortgaged. While officials state that 95 percent of their borrowers are making note payments, the 5 percent remaining borrowers represent over 11 percent of the volume. Federal land bank officials analyzed their problem loans as 11 percent rural home loans, 11 percent part-time farmers and 78 percent full-time farmers. Of Federal land bank acquired properties, 48 percent were soybean farmers, 15 percent were cotton farmers, 15 percent were cattle farmers, and 8 percent were rice with the remainder in other crops. Also, the problem loans were characterized as full-time farmers, borrowers who had large expansion in the 1970's and no outside income, and borrowers who were soybean only farmers who farmed on "heavy buckshot" soil. This large acquisition of property was what prompted the 8-percent resale policy. Federal land bank officials stated that the Jackson Federal Land Bank is among the strongest reserved banks in the country with a 2-percent reserve for losses as compared to a 1-percent reserve in other banks. This is the reason that officials say that the Jackson Federal Land Bank can afford to offer the 8-percent program. It would seem critical that the large amount of foreclosures for the Federal land bank decline, for as the amount of land that winds up in the hands of the bank increases, the value of such land depreciates.

A further decline in land values will only add to the problems of agricultural producers who are in trouble. Declining land values will also drag more producers who are on the verge of trouble into debt repayment problems as their collateral value is tied in many cases directly to land prices. It is unclear at this time how successful the 8-percent program will be in returning this land to the roles of revenue producers for Federal land bank. Federal land bank must continue to closely monitor the resale of its land and the effect it will have on land values. Also, the amount of dollars in nonperforming assets have a major problem putting pressure on Federal land bank interest rates. These problems affect Federal land bank and PCA for they must, in turn, borrow the funds at which they lend their borrowers.

The new programs offered by Farmers Home Administration do not appear to be providing much relief for existing borrowers in easing their debt loads. National statistics released as of December 26, 1984 by Farmers Home show that only 2,800 farmers have qualified for the 25-percent set-aside program. They also state that over 80,000 borrows who are presently with Farmers Home have applied. Farmers Home had approved only 126 applicants for the 25-percent deferral program in Louisiana. Apparently the program requirements are such that it is applicable to only a very limited number of Farmers Home borrowers. Generally, Farmers Home officials say that many producers have such a large and/or long-term debt load that even the 25-percent deferral will not show a positive cash flow over a period of time. Also, most private lenders appear reluctant to participate in the 10-percent Writeoff Loan Guarantee Program. As of the end of the year, no one had made use of this guarantee program. Overall it appears that private lenders are reluctant to use any of the loan guarantee programs offered by Farmers Home. This situation is disturbing, especially because lending limits are twice as high for guaranteed loans as for direct loans.

Private lenders state that the Farmers Home loan guarantee programs require too much redtape and tend to be categorized as a problem loan by Federal and State bank examiners. Farmers Home officials stated that guidelines from Washington, DC, have authorized them to continue to finance existing borrowers if they can show repayment ability for the current loan request and have followed previous agreements with the agency. Officals indicated that they only denied 3 percent of the loan applications that met their eligibility criteria last year and don't expect any significant change this coming year. The 3-percent figure may be misleading in that it does not reflect the large number of applicants who were sited as ineligible. The estimate on the number of people who

was denied applications were not available for this report. There appears to be a significant problem arising for producers who are not current Farmers Home borrowers and who are unable to obtain financing from private lenders. These officials stated that new borrowers will have to meet stricter cash-flow requirements. Officials stated that due to budget reductions, they expect to have less money available in Louisiana to lend this year than last year. This smaller amount of funds to lend plus the fact that many commercial-size producers will not meet the family farm size criteria indicates that these producers who cannot be financed by private lenders will have no source of credit. This fallout from private lenders will surely increase unless the economic situation for agriculture improves. And no one at this point, Mr. President, sees any improvement in sight. Private agricultural banks are not immune to this problem. One source indicated that as many as 70 percent of crop production loans from one major private agricultural bank in Louisiana will not be repaid in full this year. The agriculture credit situation in Louisiana is in a critical state and may be in for a major adjustment as to lending practices, collateral requirements and other factors that will tighten up credit availability for agriculture producers. The solvency of many financial institutions may be at stake.

SUMMARY AND RECOMMENDATIONS

In summary, one of the most alarming features of this report is the high percentage of non-real-estate farm debt that is being financed by Farmers Home, a lender of last resort. Out of the $1.3 billion in total non-real-estate farm debt in Louisiana, under $613 million or 50 percent is in the hands of Farmers Home. Also of note is the fact that the recently announced Farmers Home programs that were designed to help ease the financial burdens of Farmers Home and non-Farmers Home borrowers has not provided much relief. As the report indicated, only 2,800 farmers nationwide out of over 80,000 total borrowers in Farmers Home had qualified for the 25-percent set-aside program with Farmers Home. In Louisiana, only 126 applicants representing a loan volume of around $5 million had qualified for the same program. This is well under 1 percent of the total loan volume in Louisiana. Participation in the 10-percent guaranteed program for non-Farmers Home borrowers is even worse with no participants in Louisiana at this time. The economic health of all farm credit agencies appears to be in jeopardy. This is signaled by the decreased funds expected for Farmers Home this year in Louisiana, the low loan volume and high losses of the PCA, and the high takeover of land by the FLB.

While there are a large number of credit programs available from the various agencies, the problems of agriculture producers are such that many will not be able to stay with private lenders due to being highly leveraged and also cannot qualify for Farmers Home programs. The result of this is that many borrowers will be without a source of credit. Unless the agricultural economy improves, the loan portfolio's of private lenders will continue to weaken.

It is obvious that the relative health of all agricultural credit institutions is directly tied to the recovery of agricultural economy. The dilemma faced by credit institutions is a problem that should receive consideration in all levels of agriculture policy debate—particularly in the upcoming farm program debate. Farmers Home will surely be closely scrutinized during this year as to its effectiveness and even more as to its cost to the Treasury. Many Congressmen are giving consideration to a separate agriculture credit subtitle in the new public spot light for near future.

The problem now being experienced by agriculture credit institutions both private and government is due in large part to weak agriculture economy. The fact that producers have not been able to show any positive net income from farm operations due to low prices have directly affected their debt repayment ability. Therefore for the agriculture credit institutions to recover in the long run, all of agriculture must experience economic recovery. Agriculture credit relief cannot be isolated from a meaningful reform of our trade policy or an adequate national farm program. What affects any one of these policy areas as well as many others, affects them all. It would do little good to formulate a short-run answer to the agriculture credit problem at the expense of a meaningful farm program.

The committee, upon arrival approval of the State board, recommends that this report be sent to Farm Bureau leadership to make them aware of existing credit programs and how they are working; and to make them aware of the agriculture credit problems facing producers in the short term and in the future. The committee also recommends that this report be sent to the Louisiana congressional delegation to make them aware of our problems. Also, the committee recommends that the information in this report and any other substantive information available be used by Louisiana Farm Bureau in State and national farm policy, as well as ag trade policy and ag credit discussions and legislative debates.

(Mr. COCHRAN assumed the chair.)

Mr. President, this is just part of the problem that exists for the farmers in Louisiana which causes me, Mr. President, to second the motion that immediately after the nomination on Ed Meese is concluded, the next order of business should be legislation that will give us the opportunity to provide adequate credit for farmers.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. MELCHER. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from California.

Mr. MELCHER. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield for a question.

Mr. MELCHER. I thank my friend from Louisiana for yielding.

Mr. WILSON. Mr. President, I have no objection to the question being taken. I think as a matter of order, though, the Senator had yielded and the Senator from California was recognized.

The PRESIDING OFFICER. It was the Chair's impression that the Senator from Louisiana was yielding the floor and the Senator from California being the first person the Chair heard seeking recognition was recognized. However, it is apparent to the Chair that the Senator from Louisiana had not left his feet, and he has now yielded for a question to the Senator from Montana.

Mr. WILSON. I have no objection to that, although, Mr. President, I would appreciate recognition at the conclusion of the question of the Senator from Montana.

The PRESIDING OFFICER. The Chair will recognize the first Senator seeking recognition after the Senator from Louisiana yields the floor.

Mr. FORD. Mr. President, point of information, if I may: does that mean that I will have an equal chance with the Senator from California after this question is through?

The PRESIDING OFFICER. The Senator is correct.

Mr. FORD. What about the folks who do not have such a loud voice?

The PRESIDING OFFICER. The Chair will recognize the Senator first seeking recognition after the Senator from Louisiana yields the floor. The Senator from Louisiana has the floor.

Mr. LONG. I yield to the Senator from Montana for a question.

Mr. MELCHER. I gather from the Senator's question that what is at stake here is a very rapid turnaround in the credit situation for American farmers. Do I assess that correctly?

Mr. LONG. Yes.

Mr. MELCHER. If the Senator will yield further, what really needs to be done is in order to have a chance to help farmers in this credit situation, it is imperative that the legislative vehicle be before the Senate—and that amendments be allowed and then if the amendments carry, that there be a

good opportunity for that vehicle be allowed to become law. It is that urgent, is it not?

Mr. LONG. Yes. Basically, the point of view of those who have been accused of delaying the Meese vote is that after the vote on the Meese nomination they feel that we should proceed to a matter even more crucial and more pressing than the Meese nomination. As far as the Senator from Louisiana is concerned, I am ready to vote on the Meese nomination. I also think it is fair that we ask for leadership and, after all, the leadership of the Senate, even though elected by a majority on the other side of the aisle, theoretically at least represents all Senators, and theoretically at least is doing what all Senators think is in the best interest of the Nation.

I find it difficult to believe that anyone really thinks we should be concerning ourselves with matters of lesser consequence and matters of lesser urgency when there is something that is critical or pressing such as the farm credit situation for the farmers who are suffering in the country. So I strongly agree with the Senator. There are other matters that should be considered. The first order of business really ought to be get on the farm situation.

Mr. MELCHER. If the Senator would yield for one final question, and I will tell my colleagues this will be my last question, the Senator from Louisiana has been in this body approximately 40 years.

Mr. LONG. Thirty-six.

Mr. MELCHER. Thirty-six, give or take a few—40. Is it not true that often, despite the best intentions of the majority leader and the minority leader—maybe 99 or almost all of the Senate body having acted upon a piece of legislation—that we find that legislation is not going to become law or not become law rapidly enough and, therefore, it is necessary to attach the same proposals that are the will of the Senate to another vehicle, to pass the House, and it might become law more rapidly to meet an urgent crisis? Is that not true?

Mr. LONG. Mr. President, down through the years, the Senator from Louisiana has had the privilege of being a part of the majority and being a committee chairman, and being the manager of significant bills on this Senate floor. This Senator has had someone offer an amendment that was totally irrelevant to the bill that we had before us, but an amendment which, from the point of view of that Senator, was a matter of crucial importance. If the majority of the Senators favored that amendment, then it was our duty to go to the House of Representatives and try to persuade them to go along with it, and if we could not persuade them to go along with it, try to persuade the executive branch and the President to sign the bill with the amendment on there.

So there is nothing new about having even a single Senator raise an issue that should in his judgment be considered. In view of the disastrous situation that exists for farmers at this moment, it is in my judgment quite appropriate and even the duty of Senators to do everything within their power to see that they do have an opportunity to resolve the difficult farm credit situation that exists at this time, to the benefit of the farmers, rather than sit here and be told I am sorry we cannot get around to that, we have something else we have to think about. We will talk about it later. Of course, the Senator knows so well if we talk about it later, if it is very much later, it will be too late because the farmers need money now to plant their crops.

Mr. MELCHER. I thank the Senator for yielding for the question.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, too much has been said here on this floor. I have spared my colleagues my participation in this debate. I note that my dear friend from Louisiana, who is an old hand here, who has just recounted some 36 years of service to the country in the U.S. Senate, said that he thought that we should proceed with the Meese nomination, should proceed to consider the farm credit legislation.

Mr. President, he is right. But my friend, who is no longer on the floor, from Rhode Island, I think, put this thing with painful clarity this morning when he stated what is at stake here is how we will run this House. That is not a pretty matter. In the public interest there must be an orderly process. But there has not been an orderly process, Mr. President, not one that would encourage confidence on the part of the American people in the way the Senate has conducted its business—not last year and not so far this year. That is more than unfortunate because this body elected by the people should be worthy of the confidence of the people who elected us. But, instead, we have taken hours and hours and filled pages and filled the air with comments that I think many have to consider as self-serving, as political business as usual.

Those of us who come from farm States, and I come from the largest, do not need to be reminded by our colleagues that there is a farm credit crunch, that there is a crisis. We hear from our constituents.

Indeed, some of the comments that have been made on this floor are presumptuous in the extreme. Anyone whose constituents are hurting and who have told him so does not need any additional impetus. But there is, in fact, a principle which has been addressed very squarely this morning by the Senator from Rhode Island that has to do with a time-honored tradition in this Senate. The majority leader conducts the business. In order to have an orderly process, someone must set an agenda and then we collectively should act upon it.

I have heard a number of concerns expressed, that to delay the Meese nomination and all the business that will follow has been occasioned by the fact that we will be addressing nongermane amendments and the crisis will not be addressed, that in the name of addressing other collateral considerations having nothing to do with that crisis we will be delayed from dealing with that issue itself.

That need not be the case. Anyone on this floor could ask for and obtain unanimous consent that when we come to address the farm credit legislation we deal only with germane amendments. I will go further, Mr. President. I would suggest that it would be a very fine thing for this body to adopt through rules that we address only germane amendments on the vast majority of the pieces of legislation that come before us. Perhaps what we should do is about August introduce 10 bills that simply say an act of the United States of America and then allow Members to amend them as they choose and restrict the rest of the legislation that we consider to germane amendments.

A strange thing might happen. We might be finished with the regular business long before August.

But what consumes the time and the attention of this body to all too great an extent is the repetitive indulgence, the self-indulgence, of Members who perhaps from conviction bring amendments that have nothing to do with the matter at hand, take time, make us go late into the evening, and work weekends.

None of us should object to working late at night or working on weekends, Mr. President, if it is to the point. But we waste time. We waste money. We waste the confidence of the American people.

I do not think that is a thing we can afford to continue doing indefinitely. We have done it much to much.

So another old hand, not nearly so long in service as the Senator from Louisiana, the junior Senator from Rhode Island, cut right through and said that it is important who sets the agenda and that it must be the majority leader.

The distinguished minority leader, I am sure, would adhere to that tradition. It is not pettiness on the part of a majority leader when he takes umbrage that someone seeks to preempt his prerogatives because it is his responsibility to see to it that the busi-

ness moves. But under our rules, Mr. President, any majority leader is going to suffer acute frustration because collectively we are undisciplined, we are without restraint, and it is costing the American people time and money, and something very precious, belief that democracy can operate if not efficiently, at least responsibly.

Mr. President, I think that is important, and I think that it is a tragedy that we do not get to the business that is important.

There are three pieces of legislation stacked up behind the Meese confirmation. The Meese confirmation could be dealt with in 20 minutes by a simple up-or-down vote. We could move to any one of these three pieces of legislation. There really is not much, I think, in the way of debate on the so-called ICE legislation, but what is at stake is money that the States have been hungering for in order to rebuild their highway system. It is literally a matter of life and death on which this Congress, for reasons that have not been good and sufficient, has been unable to act for much too long a period. But now finally the bill is ready. It is before us. We could act on that in 20 minutes. I hope it is understood there are to be no amendments because it is critical that we get the money to the States.

And then the famine relief bill. I do not know what amendments are proposed, Mr. President. I do not know that that will consume a great deal of time.

It may then be that there will be great discussion and rigorous debate on the subject of farm credit relief. That may be entirely proper because reasonable men and women may well differ on what they think is the proper approach, what the magnitude of the problem may be. But if we have unlimited amendments and do not concern ourselves with whether we are trying to play the game of combining 14 into 1 but do consider only those that are germane to the problem, then it would seem to me we offer to the American public some reasonable hope and expectation that the Senate will do what it is supposed to do. That is to do the public's business.

But what we are doing is nonsense. It demeans the best traditions of this body. The rights of the minority, which are supposed to be protected by the institution of the filibuster, are properly a concern of the majority because the majority will one day be the minority in due course.

What we should do, Mr. President, is not engage in ploys, partisan ploys or personal ploys. The time has come to get on with the business.

I really do not know why we must negotiate further on this farm credit bill. Let us simply take the amendments as they come, provided they are germane and do not deal with other subjects. If this is the crisis that I believe it to be and that I have heard from colleagues on both sides of the aisle that it is, in fact, then let us get to it. The quickest way to get to it, honoring not a petty principle but one important to the future functioning of this body, is that we allow the agenda to be set by the majority leader, that we adhere to that agenda and deal with the business of the public as fairly and as efficiently as democratic debate will allow. I thank the Chair.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I would like to address the Senator from California before he leaves the floor in connection with his comments.

I would just say to the Senator that I do not think there is an attempt here by anybody to put the farm issue or the farm credit emergency ahead of the Meese nomination. If we were trying to do that, we would ask that the farm issue be handled and settled before the Meese nomination. We have not asked for that.

What we have said is that we are prepared today, once we have an understanding that the farm issue will be taken up within the next week, handled and settled within that timeframe, we are prepared today, within the matter of a short period of time, to act upon the Meese nomination and any other issues, for that matter, which have been discussed which the majority leader might wish to bring before us.

This is not an effort to try to insert the farm issue in front of other things, not at all. I think the suggestion might be out there to the effect that maybe that is what we are doing. That is not what we are doing, as I am sure the Senator knows.

Mr. WILSON. If my friend will yield——

Mr. RIEGLE. Just a second. I will be happy to have the Senator's response or thoughts on it.

Mr. WILSON. If my friend would yield.

Mr. RIEGLE. I will in just a second, because I shall be happy to have the Senator's response. What we are saying is that unless we have an understanding today on the issues that he himself has raised—germaneness so that we do not get a lot of extraneous issues brought in on the farm legislation, some limitation on the time period for debates so we know in the end we do not get a disposition of the farm issue and it will not go on endlessly or, in a sense die under the weight of the filibuster—what we need is some understanding, as much for the Senator's State of California, I must say, with its substantial stakes involved here, as for any other. That is really what we are seeking. I do not think there is a desire to be arbitrary about it.

I think there is a desire to be flexible in terms of setting the amount of time, engineering how the germaneness rule will be done, deciding how many amendments might be offered from both sides, determining how much time might be allowed, but in the end, having an absolute ironclad guarantee on a bottom line agreement that says after a reasonable period of time, that the farm credit debate will end and the Senate will vote, and the Senator from California will have the opportunity to vote, as will the other 99. In the end, the Senate will have a chance to work its will on a timely basis.

Whatever that verdict is, I am prepared to see us live with it. I do not think anybody who has helped raise this issue is trying to mandate the outcome. No one can predict precisely how the votes will fall. I said the other night that I thought there were 60 votes here—in other words, a substantial majority, a bipartisan majority—for additional farm credit emergency legislation. I hold to that prediction. I think there are. I have heard Members on the Senator's side of the aisle speak. I do not know how the Senator from California will elect to vote on these different amendments, but when we have them up, we shall all have to make our judgment and cast our votes. Then we shall find out.

But does the Senator not think that the Senate ought to have its chance to work on emergency farm credit legislation within the next week?

I yield without losing my right to the floor for a response.

Mr. WILSON. I think that every assurance has been given that that would occur. Frankly, we could have gotten to it a lot earlier than next week. We could get to it today. We could have gotten to it yesterday or the day before.

I remind my friend from Michigan of the rather candid statement made by our good friend, the Senator from Nebraska, who said, in effect:

> I think had you been in my shoes, you would have seized the Meese nomination to try to bring this issue to the fore as well.

That is all well and good for him. I credit him with the best of intentions as the steward of legislative responsibility for his State.

We understand there is a farm credit crisis. I do not think anybody on either side of the aisle is unaware of that or unwilling to deal with it. But I think he has indicated very clearly that he sought to exploit the Meese nomination, along with some others, frankly, to hold it hostage until such time as some action could be had on the farm credit bill.

The irony of that position, very clearly, is that it has held up action on the farm credit bill.

Mr. RIEGLE. On that point, let me reclaim my time and pose another question to the Senator from California.

Indeed, can he give the Senate an assurance that all the Members on his side of the aisle, all the Members, are prepared to agree to a germaneness understanding on the farm credit legislation?

Mr. WILSON. I cannot do that, but I can tell the Senator that I would be confident that a majority of them would. I would be happy to put that question, as I just did in my remarks, because I think that it is clear that we are suffering not just in the public's eye—and quite deservedly—but also those who are genuinely concerned about the problem, who want to deal with it, I think, would be compelled to agree that only germane amendments are in the interest of dealing with it as expeditiously as possible.

Mr. RIEGLE. That is precisely the point, Mr. President. I, in turn, can give the assurance, Mr. President, to the Senator from California that all the Members on this side of the aisle, all 47 Members on this side of the aisle, are prepared to agree to a germaneness understanding so that any amendments to farm credit emergency legislation next week would only deal with that subject. So the problem is not on this side of the aisle. The problem is on the side of the aisle of the Senator from California.

In fact, there are Members on his side of the aisle who have said that it would be their intention, unless they have changed their minds since, but as of last night, their stated intention was to bring up nongermane amendments, obviously with the purpose of delaying actually coming to a final conclusion on the farm credit legislation.

In fact, one Senator from the Senator's side of the aisle was quoted to the effect that he had a drawerful of nongermane amendments because, for whatever reasons, he was not satisfied with the notion that there be a germaneness limitation.

So, I think unless the Senator from California can assure the Senate that when our side of the aisle is prepared to give a unanimous understanding with respect to germaneness and when the unwillingness to do that is on the Senator's side of the aisle, it seems to me that he is under some burden to tell us how we are to resolve that problem and not just pretend that it is not there.

It is there and we are not going to be able to help farmers in California or farmers in Michigan or farmers anywhere if we have somebody bringing up nongermane amendments day after day and string out farm credit legislation right past the planting season.

Mr. WILSON. Perhaps my friend from Michigan is authorized to speak for his caucus in representing that that is the sole stumbling block. If so, I say to him I would be more than happy to take to Members on my side of the aisle that good news, because if that is the case, we can get on with this very quickly.

Mr. RIEGLE. The Senator from Michigan is not proposing to speak for my caucus. That is the responsibility of the minority leader and he does that very ably. What I can do is report to the Senator that, from the discussions that we have had, we are together on that issue. There is no dissent on the Democratic side and we have, in fact, incorporated that as part of our offer to settle this issue.

The sticking point has come, and I want the Senator to understand—perhaps he does, perhaps he does not—that prior to this colloquy, the barrier to an understanding of a time agreement on the germaneness issue has come from that side of the aisle, his side of the aisle, not this side. If the Senator could find a way to clear it away, that would be a very helpful step, helpful to farmers across the country. And I think we could move, we could get this settled.

I do not think it is proper and I do not think it is fair to somehow represent that what is holding us up is somehow less identifiable than that or is somehow off somewhere where we cannot identify it and get at it. We know where the problem is, and the problem can be addressed. I think if we can get an agreement on that side to limit the number of amendments and to have some understanding on time that is agreeable to both sides on the germaneness issue so we know when we will get a vote, say within 7 days, we can wrap this up. We can vote on the Meese nomination within an hour, and I want to do so. I think we have had that around here long enough. But if we are not going to have an understanding that we are going to have a chance to settle the farm credit emergency issue in time to solve the problem, all the rest of this is sophistry. Anybody can say he is for helping the farmers, but if we are not going to be able to vote up or down within a week's time here, Senators who say that do not mean it.

Mr. GORE. Mr. President, does the Senator yield for a question?

Mr. RIEGLE. Yes.

Mr. GORE. In making the statement that everyone is for saving the farmers and helping the farmers, the Senator from Michigan does not intend to overlook the fact, I am sure—and I ask this as a question—that the chief budget and economic spokesman for this administration said publicly that the small farmers in America were not worth saving.

In fact, is it not true that before this exercise began, there was an extreme reluctance on the part of the administration to consider any significant measures for bringing relief to the small farmers of this country?

Is it not also true that only after this extended discussion of the merits of Mr. Meese's nomination——

Mr. WILSON. Mr. President, a point of parliamentary inquiry.

The PRESIDING OFFICER (Mr. GRASSLEY). The Senator from Michigan has the floor.

Mr. WILSON. I thought I had yielded for a question to the Senator from Michigan. That was my parliamentary inquiry. Do I not still have the floor?

Mr. RIEGLE. Mr. President, if I may, I think the Senator——

The PRESIDING OFFICER. The Chair stands corrected.

Mr. WILSON. I thank the Chair.

Mr. RIEGLE. Mr. President, I would ask that the RECORD be checked. The Senator from California ended his remarks and yielded the floor. I sought recognition in my own right and was given recognition. I asked the Senator from California if he might remain on the floor to respond to a question by me, and he did that. Then the Senator from Tennessee asked that I yield to him for a question, which I have done. But the RECORD will clearly show that the Senator from Michigan has the floor. I do not want to be discourteous to my colleague from California, and I would be happy——

Mr. WILSON. I think there is a difference in understanding on that, and I will be happy to accept the ruling of the Chair.

Mr. RIEGLE. If there is any confusion about it—because I am not confused—I would ask the RECORD be read back so there is no disagreement about it.

The PRESIDING OFFICER. If there is that misunderstanding, at this point we will have to check the RECORD.

Mr. GORE. Mr. President, if I could be recognized on the point of the parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Tennessee will be recognized.

Mr. GORE. I believe I remember the RECORD quite accurately. At the point in time when the Senator from Michigan yielded, he asked that he be allowed to yield to the Senator from California without losing the floor so that the Senator from California might answer a question. If I am not mistaken—and I may well be—it is customary at that point for the President to say "Without objection it is so ordered."

In any event, the Senator from California proceeded to respond to the

question propounded by the Senator from Michigan, and both Senators appeared to be proceeding on the understanding that such a request had been allowed, In any event, the Senator from Michigan was under the assumption that he retained the floor.

Mr. WILSON. Mr. President, I was under the assumption that I had retained the floor in order to entertain the question of the Senator from Michigan. The Senator and I had been engaged in a colloquy. He has asked questions. I have responded. That is why I intervened with the parliamentary inquiry when the Senator from Tennessee took the floor and I do so because I was asked a question in good faith by my friend from Michigan, and I think that since the question was directed to me, it does not really fall to the Senator from Tennessee to make my response.

Mr. RIEGLE. If I can be heard again, Mr. President, I think the RECORD will show—if it is necessary to have it read back, we can do so momentarily—that the Senator from California completed his earlier statement. When he did, I sought recognition. I said, "Mr. President," and the Presiding Officer recognized the Senator from Michigan. I took the floor. I spoke. I asked the Senator from California, who had just spoken, if he might not leave the floor at that point but stay and entertain a question from me, which I posed.

Mr. WILSON. Which I agreed to do, Mr. President.

Mr. RIEGLE. Yes.

Mr. WILSON. Mr. President, rather than putting staff to the trouble of going back to the RECORD, let me suggest that we deal with this in a different fashion. I thought my friend wished an answer. I will make that answer briefly. Then I will be happy to yield the floor to whomever the Chair recognizes.

Let me simply suggest that what we are doing now is more of the same. Conviction I respect, but I think the kind of procedures in which we are engaging are simply viewed by the public as self-serving advancement of political positions.

When the response is sought to a question as to where we are in negotiations and the Senator from Tennessee then seeks to obtain the floor in order to discuss the Budget Director's prior commentaries, that is not responsive, certainly from my point of view. It seems to me it is exactly the kind of thing this body should be seeking to avoid. What we need to do, I hope all three of us agree, is to, as quickly as we can, get to consideration of the farm credit legislation and the other pieces of legislation remaining before us that are clearly on our agenda, because even when we have dealt with this farm credit legislation, I hope you will agree we are going to have to deal with not just the symptoms but the root causes of the crisis that has occasioned our concern about farm credit.

We are going to have to deal with foreign trade. We are going to have to deal with, indeed, the price support system. All of that lies before us. The American public is waiting for us to get to it.

I tell my friend from Michigan, I hope his colleagues and mine are prepared to do that with germane amendments. I hope they are prepared to do it expeditiously. But what we have seen in the past days, not just the past hours, has been a waste of time, a waste of opportunity, and the American people will not thank us for it. With that, Mr. President, I will yield.

Mr. SARBANES and Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. RIEGLE. Mr. President, I wish to make a comment with respect to my colleague from California, with whom I have just had a colloquy and for whom I have high regard. I would not want our exchange, while we may have a difference on this issue of how to handle it from a parliamentary point of view, to be thought of as a difference that would be anything less than in the spirit of good working relationships and good friendships here in the Senate. Whatever our understanding was as to who had the floor a moment ago, those things occur in the normal course of events. I will ask, however, because I have no doubt in my own mind that I had the floor, that the record be transcribed at the end of the statement that I am now making so that it is clear what the order was in terms of the Senator from Michigan having sought the floor in his own right, having gotten the floor in his own right, and having first asked a question of the Senator from California, to which he responded, and then, when asked by the Senator from Tennessee to yield to him for a question, I had done so when the controversy arose.

In any event, I want to come back to another point, and that is the point that has been mentioned off and on over the last 2 or 3 days.

I say this to my colleague from California, who is still in the Chamber. I think it is essential that, apart from the subject matter that is before us now, and whatever sameness or difference of opinion exists, we all work together and that we all respect each other's efforts and respect each other's motives, which I think, for the most part, we do around here. I think that for the Senate to work as a whole, there has to be that kind of relationship across party lines.

I am one of the few Members of this body who has served in Congress on both sides of the aisle. I think tensions perhaps do become stretched and a little heightened when the difference between the parties numerically in the Chamber is very small. When one gets a division of 53 to 47 in the Senate, that means that the Senate is quite evenly divided as between the parties, although obviously the majority party runs the show, and properly so. That is the custom.

However, within the rules, and within the practices of the Senate, all Senators, whether in the majority or the minority, have certain rights available to them and to their States. Within the rules, they are free and, in fact, depending upon the issue, bound to try to compel the Senate to deal with issues of great urgency that are before the country.

Over the last several days, I have not seen anybody violate the rules. I have seen everybody working within the rules. There has been a little bit of acrimony here and there, and I think that is regrettable. That is what happens when people are perhaps overtired or tempers are short or the differences of opinion are deep—that there can be flashes of anger or impatience. But I think we have to resist that. I think the whole purpose of this body is not to play out our personal feelings of that kind but to figure out where the body of opinion lies. Where is the judgment of the Senate as a whole? What is the final sense of 100 Senators, regardless of party, regardless of region? What is the final judgment of the Senate as a body?

This is why I believe it is important that the relationships at the top, between the leaders on both sides of the aisle, be preserved in the most positive way.

Regardless of the differences that may relate to substance or personalities on a given debate here, there, or what have you, down in the ranks of the Senate as a whole, it is very important for the workings of the Senate and the success of the Senate as an institution that at the top of that institution, the organizational top level of the Senate, the leaders on both sides be able to work together with good will and with a very solid set of personal relationships that enable them, on behalf of both sides of the Senate, to work through those controversies, to work through these differences of opinion, to work through the efforts to try finally to reach a consensus within the Senate.

I take that to the final point I want to make on that, and it is this: In the area of emergency farm credit legislation, the Senate needs to work its will. We need to find out what the judgment of the Senate is as a whole—not just the view of the Senator from Michigan or just the view of the Senator from California or just the view of the Senator from Tennessee, or any other one or two or even a group.

What we need here, on an emergency problem, is the chance for the Senate as a whole to work its will and for a majority to be able to rule.

It is my view—and I hope in time to have the chance to test whether or not this is right—that on emergency farm credit legislation, a substantial majority of the U.S. Senate is prepared to vote to respond in a major way to this problem. I mean by that the additional legislative steps beyond the administrative steps that were announced yesterday.

I think there are probably 60 votes here. Maybe the number is 58; maybe it is 62. It is in that range. But it is more than 50, and it is more than 51, and it is more than 52 of Senators, in my judgment, who are prepared, within the next 7 days or so, to vote to pass emergency farm legislation. I believe that that majority, if it is there, ought to have a chance—more than a chance, we ought to have an iron-clad opportunity—for that majority to be able to work its will and work the will of this country.

I know there may be a handful of people who want to thwart that, for whatever reasons. It may be one Senator, it may be five or six Senators—who knows?—who wants to block that exercise of judgment by a majority of the U.S. Senate on this emergency farm problem. I do not think they should be allowed to do so. In this insurance, the majority ought to have a chance to work its will and to rule in this country. That is all. We are not asking for anything more than that. We are not asking to put this issue ahead of Edwin Meese. We are not asking that at all. What we have said is exactly the opposite.

We are prepared to vote today on the Meese nomination. But what we want is an ironclad guarantee that within a week's time, the Senate will be able to vote up and down on emergency farm legislation, so that we can act in time to save the farmers of this country from coast to coast. That is all we are asking. Is it unreasonable? No, it is not unreasonable. The ultimate test in showing that will be when the votes are counted.

There is only one reason why we do not have an agreement right now, and it is that the expectation is there that when the votes are counted, the majority will be in favor of emergency farm legislation. Some do not want to see that happen, so they would like to prevent it. I hope they are not going to succeed.

My proposition is very simple: Let the Senate vote on it. Yes, let us vote on Meese first. Let us get that out of the way. I am ready to vote on that today. That has been the statement unanimously on my side of the aisle.

Let us understand that we will take up the farm issue—not today, but next week. We will take it up next week and settle it next week. We will act on the Meese nomination today. We will take that first. I think that is a reasonable proposition, a very reasonable proposition.

The only reason we are hung up is that the votes are here to pass farm legislation, and there are those who are determined to block it. They do not want it to pass, and they want to tie it in knots next week or the following week or the week after, until the planting season goes by. It is not secret.

Here is today's Washington Post with the headline story, "Reagan Plan To Cut U.S. Role in Farming Unveiled by Block."

Reference was made earlier to the testimony of the Director of Management and Budget before the Senate Budget Committee, on which I serve. I was present when he ripped the farmers up one side and down the other. He said, frankly, that they ought to go out of business. That is the whole essence of this story on page 1 of the Washington Post today. The same is true of stories in the New York Times today.

This administration has in mind to put a large part of the farm sector of this economy out of business. We want to prevent that. We want farmers who are in trouble to have a chance to save themselves, because we think it is good national policy, and that is why we want action on a timely basis.

So I do not think we are asking much. Frankly, if we do not have the votes, after reasonable debate, after presenting the issue, if the votes are not here, then we are prepared to accept that verdict. We are not insisting that we win. We are only insisting that we have a chance to vote on final passage and that is not asking very much. It is not asking very much.

(Mr. COCHRAN assumed the chair.)

Mr. RIEGLE. If we can get an understanding coming back from the other side that, "Yes, we will give you an ironclad guarantee that we will vote in the next 7 days up or down on an emergency farm package," then we can move to the Meese nomination in the next 5 minutes.

But I am frank to say it has not been forthcoming and it has taken days and nights and a lot of hard negotiation by an excellent negotiating team on our side. We are not trying to mandate the outcome. We cannot mandate the outcome. What we are trying to do is get an outcome. What we want is a vote. And when people stand up and say "Well, sorry, we can't give you a vote, we can't give you a guarantee, we can't give you assurance on germaneness, no, we can't give a limitation on time, no, we can't promise we will give you a final up-and-down vote," when you cannot give us those things you have not given us anything, and than you have not given the farmers anything but the runaround.

There have been enough farmers go down the drain in this country in the last several months and tens of thousands more are poised to go down the drain in the weeks ahead, and the time to act is now.

And I have heard this not just from farmers. I have heard it from bankers and I have heard it from bankers coast to coast. I have heard it from California bankers. I have heard it from Michigan bankers, Iowa bankers, Tennessee bankers, Texas bankers, especially those who are deeply involved in agricultural loans.

What they are saying is give the farm sector a chance to work this thing out. Do not pull the rug. Do not create a credit farm crisis. Do not pull down these farm banks. Do not pull down these farm families.

I asked the other day Federal Reserve Chairman Paul Volcker in the Banking Committee. I said, "Look, the rate of farm bank failures is rising astronomically." I said, "Who is going to provide credit in these farm communities and I mean credit not just to the farmers, but who is going to be providing the credit to everybody else in those farm communities when those banks go down?"

You know what his answer was? He said, "We don't have an answer to that. We are alarmed about it. We are concerned about it."

I am concerned about it, too. But those are the stakes we are playing with here.

So when I hear people say, "Well, look, sorry, we can't give you an understanding on a firm vote, no, we can't give you that, I am sorry, can't work it out," so forth and so on, "We are just going to let this thing ride on down the track; we will get to it later, maybe we won't." That is not sufficient. We need ironclad understandings.

And frankly I watch television in the evening as most of the people do in this Chamber and outside. I have seen farm family after farm family on the evening news losing their farms, losing their possessions at public acutions. These farmers may be in their midsixties or their midfifties and their wives and their children and grandchildren are standing out there watching their belongings being sold at 5 cents on the dollar. Everything they have is gone—their land gone, their farm gone, their furnishings gone, and maybe they are left with just a secondhand car to drive away in and a couple suitcases. Tears are running down their faces.

Here we are saying: "We do not have time to deal with that now. That is not urgent enough; we will put that over sometime in the future."

Well, if it were just happening to a handful of people, or if this were just

a tiny problem, someone might say: "Well, that is the way the free market works. There are winners and losers, and these folks just did not do it properly and we just cannot stop to think about them."

That is not the case. We are talking about a problem of enormous national dimension, so much so that it has a major bearing even on the banking credit structure in this country.

We are talking about hundreds of thousands of farms that are in immediate jeopardy within the period of the next several weeks. And here comes the calendar. The planting season is here and a planting season is not going to wait for parliamentary delays or arguments by someone who wants to bring up amendments on subjects totally unrelated to farming, because as that calendar advances and as that seed has to be gotten and it has to be put into the ground, if the farmers miss those deadlines then it is all over, and everybody understands that.

So that is why there is a sense of urgency. This is not an arbitrary thing. Spring is coming. It is right around the corner. The time to plant is now. If we do not resolve the credit issue, then we are going to miss the chance. So, it is not a question of someone inventing a problem. It is not a question of someone coming in here to try to jam the works.

The fact of the matter is we have a national emergency on our hands in this sector of the economy. It is time to do something about it, and the time to do something about it is today.

If we wanted to be arbitrary on our side of this aisle we would say let us not deal with the Meese nomination until we deal with farming. Let us take farming up first. Let us take it up today. Let us settle it in the next 3 days and then we will dispose of Meese.

We have not said that. No. We have been far more reasonable than that. We said we are prepared to act on Meese today if you will give us an assurance, ironclad assurance we can act on this farm emergency within the next week's time and we are open as to the arrangements. We will work it out. We are flexible. We are not trying to be arbitrary.

Only on one issue are we arbitrary and that is we want the Senate to work its will on final passage on emergency legislation within the next week so that it is in time to do the job. That is what we are asking.

(Mr. WALLOP assumed the chair.)

Mr. RIEGLE. Mr. President, let me tell you something. We have a responsibility to ask that. We are not going to yield. We are not going to yield. And it is not a challenge to anybody. It is a fact of a calendar and the enormity of this national crisis that is building up in the farm sector of the economy. That is what has gotten us here today, nothing else. If that problem were not here we would have settled these other issues long ago.

So that is what is at stake. Yes, there has been a lot of posturing and I think there has been a lot of attempt to try to take and put this in some other context in terms of who sets the agenda or trying to challenge someone or this, that, or the other. That is not the issue.

The other day in Minnesota 20,000 farmers showed up at the State capitol, 20,000. I wish they were here in this Chamber today so everybody could take a look at them and see the face of this problem. That is one State, the State of Minnesota. It is happening all over the country in the farm areas because of the desperation.

So it is proper that we be in here on a Saturday. I am glad we are here. We ought to be here. We ought to be here working on this issue and if necessary tomorrow and if necessary Monday and right straight on through until we get it settled because if we just drift, if it is "business as usual," if it is just a matter of letting this thing come up in due course and we just chew on it and let the clock run, we are going to be too late to act in a timely fashion for the farmers of this country. So the time to act is now. And I think we can and I think the votes are here.

So I would simply say to anyone here on the other side of the aisle why do we not vote and find out? Why do we not vote and find out? Let us get the issue up here and let us vote. If the votes are not here, they are not here. I think they are here. I think they are here. I think we have 60 votes. Maybe it is 58; maybe it is 62. I think there are 60 votes in this Chamber to respond to this problem and they ought to have the opportunity to be voted and to be cast.

So, Mr. President, I would hope that the negotiators who have worked so long and hard on our side, on the other side, the majority leader, the minority leader, the minority whip, the majority whip, the negotiators for both sides who worked so hard. I would hope that we would respect what they are doing. I would hope that we would support it. I would hope that we would encourage them to not stop short of an agreement and an understanding, and to let us get to a point where we have a vehicle that is reasonable and is fair but that allows for the disposition of this problem.

I think we are close. What I hear is that we continue to negotiate, we are very close to one another, and that is the way it should be.

As I said at the outset of these remarks, you know this is a very special body, the Senate, every State with two Members. Really, there is nothing quite like it. Having served for 10 years in the House, with 435 Members, the dynamics are totally different because of the size of the body. But here we do not have proportional representation based on population. We have the representation of equal representation from each of the 50 States regardless of size or population, and so we are a unique body and we have to be able to work together and we have to be able to respect one another and work with goodwill despite whatever difference of opinion that we have.

But in the end I think our basic responsibility is to let these urgent national issues come before the Senate, be acted upon by the Senate and be decided by the Senate, and that is all this Senator is asking.

I am not asking for a guaranteed outcome. I am not asking for any version to be passed. I am only asking that the Senate have the right and the chance to pass whatever version it decides upon. That is all I am asking.

I hope that whatever the hard words of the last few days and the bumps and scrapes that may have occurred along the way, that those be put aside and forgotten. Because that is not the important thing here. I think it is important to try to have less of that and more good will, more discussion back and forth.

But in the end I think the Senate has to be given the chance to act upon urgent national issues. When we are criticized in the public, too often we are criticized because we do not act or because we just cannot act in time. But we can act in time here.

The emergency administrative relief yesterday is a small step in the right direction. It is too little and it is late. Nevertheless, it is helpful.

But what is really going to do the job is the legislation that we have the chance to consider next week, to get that up, to debate that and to add to the law the additional response that is needed to meet the magnitude of this problem. It may well be that Senators on the other side of the aisle will offer the package that the Senate in its wisdom decides to accept and I may well vote for it. And I have no problem with that. I am not trying to predetermine the outcome. I just want an outcome and the farmers want an outcome and they deserve to have one.

So I think that is where we are at this point. I think we can solve this problem. I hope that within an hour we will have an agreement here. I think we can. I think the desire is so strong, at least with respect to what I hear spoken, and I add my voice to it, within our caucus, to try to have the understanding, to try to have a reasonable arrangement that both sides can live with so that in the end the Senate can work its will. And if the Senate is able to work its will on a timely basis, then I will feel we have discharged our obligation to the country and to the farm community. And that is some-

thing I think we can rightly feel proud about if we get it done.

Mr. President, earlier there occurred a question as to whether or not I had lost my right to the floor during a colloquy with the Senator from California.

The record clearly shows that Mr. WILSON had yielded the floor, at which point I was recognized by the Chair.

I continued to speak until interrupted by the Senator from California asking me if I would yield to him for a question. At that time I did not yield and I continued to speak. At a later point in my remarks I yield to the Senator from California with the specific proviso that I would not lose my right to the floor.

I have since checked the record, Mr. President, and it clearly shows that I retained possession of the floor.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, as I listened to my friend from Michigan, I heard one phrase that struck a very responsive cord. He made the point that he has seen no one in these past few days, however they may have tried tempers and passions, who has violated the rules of the Senate. I quite agree with that, and I think that makes the point eloquently that the rules of the Senate allow us, without violating them, to violate our trust because they allow us to consume time and money without addressing the public business.

We have had some discussion on germaneness. I will simply say again that I would prefer a rule change that required that amendments be germane. Perhaps then we could have a season, sometime later when we have done the pressing business, when those pet projects that so occupy so many Senators' minds could be offered as amendments to bills which are introduced purely as an act, to be amended with no substance pending, simply a vehicle for amendments so that within a specified time we could vent all of those favored pet projects.

But I must say that under those rules, which we seem stuck with, there apparently is good news and the good news is that the Senator's desire to vote is likely to be accorded him; that hopefully we will very shortly have before us an agreement, an agreement that will be propounded under our rules, however inadequte those rules. I am expressing a personal opinion. It seems to me that the public is not well served by the rules of the U.S. Senate and that the reforms that we have inaugurated are small but vital steps but should be considered the beginning rather than the end.

But, in any case, as it relates to the matter at hand, I share the optimism that has been expressed. In fact, I will go further to say that I am advised that we can reasonably entertain a much greater basis for optimism that will afford us all the opportunity to vote on the important matters that we have discussed—the Meese confirmation, the farm credit legislation, the African famine relief and the so-called ICE legislation.

Mr. President, I suggest the absence of a quorum.

Mr. BUMPERS. Will the Senator withhold just a second, please?

Mr. WILSON. I will withhold.

Mr. BUMPERS. Mr. President, it now looks as though, based on the cloakroom grapevine, that a settlement of this issue is imminent. And I know everybody will be grateful for that. I have not spoken a lot on the issue and do not intend to today, but I do want to relieve myself of a few thoughts I have had on this entire subject.

First, I want to say that I am not going to vote for the confirmation of Ed Meese. I am not going to belabor the reasons, because I have heard pros and cons on the floor and Members of this body are sufficiently well-informed of the pros and cons on the confirmation.

I will say one thing. I think that the chief law enforcement officer of the United States—Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senator is correct. The Chamber will be in order so that the Senator from Arkansas can be heard.

Mr. BUMPERS. Mr. President, I think the chief law enforcement officer of the United States ought at least to go into the office with the respect, the unequivocal respect, and admiration of the people of the United States on two grounds: First, the exemplary qualities of the nominee; and second, the unimpeachable integrity of the nominee.

To suggest that somebody is qualified to be Attorney General simply because he has not been found to have committed an indictable offense is not the test. And the advise and consent role of the U.S. Senate is an important one. I have never for a moment believed that I ought to vote for a Presidential nominee simply in order to "give the President his man."

And if you go back and read the Federalist Papers, you will find that Madison and Jay and Hamilton did not intend for the Congress to lay down just because the President sends a name over here. They wrote at length and they wrote brilliantly on the subject of the Senate's advise and consent role. And I again commend those papers to my colleagues as a study of our responsibilities under the Constitution of the United States.

So far as I know, Ed Meese is a very personable, certainly gregarious man. I do not know him well. I might vote for him if he were being nominated to some other position.

But the chief law enforcement officer of the United States ought to be like Caesar's wife—not only pure, but he should convey the appearance of purity.

Getting down to the farm issue and the matter at hand—the resolution that has been negotiated and generally agreed to by both sides, and what we are probably going to pass this afternoon—I want to say first of all that I think the battle has been worth waging, but I also want to say to the bankers and farmers in my State, "It ain't much."

One time when I was Governor—and in 1974, I was Governor, but I was running for the Senate—I never will forget a big Democratic rally I attended up in the northwest corner of the State. And we had a trial lawyer who ran for office every 2 years. This year he happened to be running for Lieutenant Governor. And the lead runner for Lieutenant Governor spoke just before he did, and waxed eloquently on how important the Lieutenant Governor's job was. He described functions of the Lieutenant Governor that I certainly did not know anything about, and had not learned during my 4 years as Governor. But anyway, the old gentleman who was the perennial candidate for office followed him, and he said, "Now my distinguished friend"—and he called his mame—"has told you how important the job of Lieutenant Governor of Arkansas is," and he says, "I have come to tell you it ain't very important even though I am running for it. It pays good, it is all inside work, and their ain't no heavy lifting." And he looked down at me. I was sitting on the front row. And he said, "Governor, no offense to you, but the truth of the matter is the Lieutenant Governor just sits around waiting for your heart to quit beating."

So that is what this resolution is. It "ain't" much. But it is better than nothing, and it has focused national attention on the gravity of a situation. And from that standpoint, I am glad I have been a participant.

I traveled my State last week and met with virtually nothing but farm groups. I am sorry that every Member of the Senate could not have been with me. More especially, I am sorry that John Block and President Reagan could not have been with me.

You know, I do not go home 100 to 150 days a year because I enjoy riding on airplanes. I go home because I think it helps me keep up with what my people are thinking, what their problems are, and how I can help with those problems here. And last week, if you could have seen the hollow-eyed desperation in the faces of hundreds and thousands of farmers, if everybody here could have seen it, there

would be no nonsensical talk of moving to the free market, there would be none of this nonsense I have heard here for the past 4 days about how the farmers have literally invited the situation. Certainly there would be none of this sub rosa feeling that I detect in the U.S. Senate that, after all, you are only talking about 7 to 8 percent of the farmers who are going to go under.

I want to tell you, No. 1: the President's budget proposals on agriculture and the bill that was sent out by the Department of Agriculture yesterday on the farm program is dead, dead, dead. I can tell you there are going to be almost as many Members on that side of the aisle who are going to say no to that farm proposition.

I might also add that I found it most interesting to look at the budget which was submitted several weeks ago, which talks in philosophical terms about the phasing out of all price supports, all farm supports, and moving to an entirely free market in agriculture only to see the Department of Agriculture's bill come over yesterday and it literally destroys my wheat farmers, it destroys my rice farmers, it will destroy—even though there is no Federal program—my soybean farmers, and it will destroy what few cotton farmers we have in our State. But, you know, there is not one word in that bill about tobacco.

Is it not curious—or perhaps you do not find it so—that we have a budget coming out assuming the elimination of all farm programs and moving into the happy land of free markets except for tobacco? We do not grow any tobacco in my State. And I would have a very difficult time justifying a vote for any kind of a bill that eliminated all farmers in my State or all the farmers in most States except those which grow tobacco.

There has been a lot of debate on the floor to the effect that we have to do this because these programs have not worked. Well, I ask my colleagues, Whose fault is that? Is that the farmers' fault? Is anybody willing to stand on the floor of the Senate and say these farm programs have not worked because of the farmers? I do not think so. I think you might get a few Senators to say that there is an absolute bankruptcy of ideas in the U.S. Congress about what to do with a mushrooming crisis in rural America.

I am not going to object to this proposed agreement that is about to be offered here in a moment. But I am really sorry that we are limited to two amendments and two amendments in the second degree under that agreement. I thought seven amendments was fair, and even with the seven amendments, one that I was going to offer would not have been allowed. What I would like to see is a committee appointed by the Speaker, the majority leader, the minority leader, and the President. This is one of the President's solutions to every problem that is controversial; that is, appoint a commission. I think we ought to get others involved in this, somebody that is not running for reelection in 1986, somebody that does not have a parochial interest to protect in his home State, and see if they could come up with a fair program that would salvage the American farmer, but I am not going to get a chance to offer that under this agreement. So I will hold that amendment for a future time.

It is a real tragedy that issues like this have a way of getting into the partisan arena. You know, the farmers in my State, I do not know how they voted; I hear most of the farmers of this country voted for President Reagan.

Mr. DOLE addressed the Chair.

Mr. BUMPERS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. BUMPERS. I yield to the majority leader for a question.

Mr. DOLE. Excuse me. I thought the distinguished Senator from Arkansas was yielding the floor. I was going to suggest the absence of a quroum.

Mr. BUMPERS. I am sorry. I will be through in just a moment. But as I was about to say, I can tell you the farmers in my State and the farmers in your State—it does not make any difference who they voted for and right now—could not care less. They expect this body to act responsibly toward their interests even though they only account for about 3 percent of the people in this country. I said the other day, if you go to the doctor with a broken rib, you are 50th in line, and 49 other people have a broken rib, you could not care less about those other 49 broken ribs. You want yours taken care of.

And you can tell the American farmer about the growth rate in the fourth quarter, how magnificent it was, how personal income is on the rise, how many housing starts there were last week, and they could not care less.

So, Mr. President, the duty of this body is clear and our motives ought to be honorable, even though they may prove to be wrong and misguided.

Let me just finally say so far as I am concerned, this has nothing to do with any test of leadership. The majority leader has been around here a long time and I can tell him, and he already knows it, his leadership is going to be tested time and time again. Every leader is tested time and time again here. That is what leadership is all about.

But I have never seen this matter put in those terms, nor have I ever heard it mentioned in the cloakroom on this side of the aisle. I regret that that was ever mentioned. Frankly, I think that began with the press and just caught fire like a prairie fire around here. It never had any substance. I know the majority leader to be a man of immense intelligence, great skills as a legislator, and is well respected on this side of the aisle.

But he knows that this is not the first disagreement between him and his colleagues and the minority leader and his colleagues. That is the way the system works. That is the way it is supposed to work.

So when we want to get down to voting and using whatever procedures we have at our disposal under the rules of the Senate to make a point, we have a legitimate right to do it.

The first 6 years I was in the Senate we were in the majority and, believe you me, the then minority used those rules extremely well and effectively, as they had a right to do.

Mr. President, I will make this one final point. Everybody here knows we politicians have one common failing. We all want to be loved by our constituents. We want to be understood. It drives us up a wall when we think people do not understand our motives. Therefore, as they say, we have a tendency to burrow under every fence we cannot straddle. But I can tell you this, the problem is not just the farm program. It is also the deficit. I can tell everybody in this Chamber there are no painless solutions. There is not a single solution to the farm crisis or the deficit crisis that you can vote responsibly on without alienating some of your constituents. It is just not in the cards. You have to make up your mind, are you going to suck it up or are you going to let it go just the way it has been going.

As I see it, those are our options. I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I intend to suggest the absence of a quorum in just a few moments. I will do so, so that maybe some of our colleagues who may be away from the building or their office will have a chance to come to the floor. Within 5 to 10 minutes I would hope to propound a unanimous-consent request. I will indicate now before suggesting the lack of a quorum that there has been a discussion this morning.

I met with the distinguished minority leader. I made a proposal to the distinguished minority leader. We discussed it. I modified it to some extent and resubmitted it to the distinguished minority leader. I think we have the basis of an agreement. But it is going to take unanimous consent, obviously.

Mr. President, I now suggest the absence of a quorum and would say

within about 5 to 10 minutes I will propound the unanimous-consent request.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, if I may have the attention of my colleagues, because this is an important matter; if we can reach an agreement we shall dispose of the Meese nomination, the highway bill, and the farm legislation, hopefully, within the next couple of hours.

I would say, before I propound the unanimous-consent agreement, what I have done on my side is clear and check it with those who have committee responsibilities: the distinguished Senator from Indiana [Mr. LUGAR], the distinguished Senator from Mississippi [Mr. COCHRAN], who in turn cleared it with the distinguished chairman of the Appropriations Committee [Mr. HATFIELD], and the distinguished chairman of the Senate Agriculture Committee [Mr. HELMS]. I think we are in agreement and I now propound the unanimous-consent request.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I ask unanimous consent that debate on the question advising and consenting to the nomination of Edwin Meese III to be Attorney General be limited to 1 hour to be equally divided in the usual form.

I ask unanimous consent, as in legislative session, that when the Senate turns to consideration of Calendar Order No. 4, S. 391, the highway bill, it be considered under the following agreement:

That 1 hour on the bill be equally divided between the chairman of the Environment and Public Works Committee, and the ranking minority member, or their designees;

That no amendments, motions, appeals, or points of order be in order; and

That the agreement be in the usual form.

I further ask unanimous consent that a sense-of-the-Senate resolution to be offered by Senators ABDNOR, KASTEN, and others, dealing with farm credit, be considered before the close of business today, and that it be considered under the following agreement:

That 1 hour on the resolution be equally divided in the usual form; and

That no amendments be in order to the resolution; and the time agreement be in the usual form.

I also ask unanimous consent that, following the conclusion or yielding back of time on the sense-of-the-Senate resolution, the Senate proceed to vote, without any intervening action.

Further, I ask unanimous consent that, following morning business on Monday, February 25, which shall occur after the leadership time and special orders, the Senate shall turn to the consideration of Calendar Order No. 8, S. 457, the Africa relief bill, and it be considered under the following agreement:

Two amendments in order in the first degree, to be offered by the majority leader or his designee, dealing with the farm credit issue only;

Two amendments in order in the first degree, to be offered by the minority leader or his designee, dealing with the farm credit issue only;

That first first-degree amendment be offered by the minority leader or his designee, and that the succeeding first-degree amendments be offered by opposite sides of the aisle;

No other first degree amendment to be in order;

Two amendments in order in the second degree, to be offered by the majority leader or his designee, which must be relevant to the first-degree amendment they propose to amend, and be offered by a Member from the same side of the aisle as the first-degree amendment;

Two amendments in order in the second degree, to be offered by the minority leader or his designee, which must be relevant to the first-degree amendment they propose to amend, and be offered by a Member from the same side of the aisle as the first-degree amendment;

No other second degree amendments to be in order;

Five minutes on any debatable motions, appeals, or points of order, on relevancy which shall be the only points of order in order submitted to the Senate;

And that the agreement be in the usual form.

I also indicate with reference to that, not a part of the unanimous-consent agreement, that the majority and minority leaders agree and pledge to each other and the Senate that when the Senate turns to the consideration of S. 457, the Africa relief bill, the business will stay before the Senate until there is a final disposition of that legislation; finally, that there will be a colloquy among the distinguished Senator from Mississippi [Mr. COCHRAN], the majority leader, and the distinguished minority leader [Mr. BYRD], on the timing and consideration of H.R. 1239, the Africa relief appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, Mr. President, I do not expect to object.

Mr. President, I join with the distinguished majority leader in expressing the hope that there will be no objection to this agreement. It has been very carefully worked out, painstakingly, and agreed to by those Senators, as Mr. Dole has indicated, who have the primary responsibilities—the chairman and ranking members of the subcommittees and Senators who have been present at the discussions and who are very deeply involved.

I wish to express appreciation to those Senators, and may I just mention a few on this side of the aisle, with no intention to try to list all, but I think it would be understood if I mentioned the following: Messrs. BOREN, HARKIN, EXON, ZORINSKY, MELCHER, PRYOR, and CRANSTON. I have just written these names down on my notepad here, and if I may have overlooked someone, it is entirely inadvertent.

Mr. President, what the agreement means is that we can proceed quickly to vote on Mr. Meese. I think it was Mr. PELL who suggested that he has an airplane to board in the next little while. He would like to see that time cut from 1 hour to 5 or 10 minutes or whatever. But my colleagues, of course, may object to further limiting that debate if they so wish.

But we have already had a great deal of time in which to talk about it. As far as I am concerned, I shall by unanimous consent enter my own statement of opposition to Mr. Meese's appointment into the RECORD without taking time to read it.

With respect to the highway bill, that can be handled, as I understand from Mr. BENTSEN and others, without taking the whole hour on the bill. There will be no amendments to it and no motions, no appeals or points of order.

I am saying to the distinguished majority leader that if he wishes to try further to reduce the time on those matters I am certainly receptive to doing so. My colleagues can speak their own minds.

Third, the sense-of-the-Senate resolution—and we all understand, I think, that that is the resolution which has been floating around and has been available to Senators on both sides of the aisle—with no changes in that resolution, we can vote on that in 1 hour or less.

I do not know that there will be any desire to cut that hour further, but we could consider doing so.

That would enable us to have three rollcall votes this afternoon and dispose of those three matters.

The very involved request with respect to S. 457 would simply provide that each side of the aisle would have

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two amendments in the first degree if each side of the aisle wishes to offer that many.

Then the same side of the aisle that presents the two first-degree amendments could, if so decided to be necessary, offer the two second-degree amendments thereto.

The other side of the aisle could also offer two in the first degree, and they could offer two in the second degree to their two amendments in the first degree. The agreement would also provide that the amendments in the second degree would have to be relevant to the amendments in the first degree.

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. Will Senators cease their conversation so that the minority leader may explain the interpretation of the unanimous-consent agreement?

Mr. BYRD. I thank the Chair and I thank the distinguished majority leader. There would be no amendments that are not relevant to the farm issue, with the added provision that will allow amendments in the first and second degree anent appropriations. No point of order would lie against that particular type of amendment.

Mr. President, the colloquy would then ensue between Mr. BYRD, Mr. DOLE, and Mr. COCHRAN, and I would hope we would allow any other Senator to also participate in that colloquy because everyone has to be satisfied with respect to the timing of the African relief appropriations bill, H.R. 1239.

Moreover, Mr. DOLE and I have entered into a gentleman's agreement which would provide that when the Senate turns to the consideration of S. 457, the African relief bill, that business will stay before the Senate—unless the two leaders agree otherwise—until that bill is finally disposed of, however long that takes.

Now, the words "disposed of" could involve an up or down vote, could involve passage of the measure, could involve rejection of the measure, could involve tabling the measure, could involve indefinitely postponing the measure. These are ways of "disposing" of the matter. As I often said with respect to Mr. Baker, if I had his word, I could walk off the floor and know that that word would be kept. I had no concern about Mr. Baker's promises when he assured me that I did not have to stay on the floor. "This is all that will be done," he said, and I never found that faith broken. I feel exactly the same way about Mr. DOLE. He and I have arrived at that understanding, and I hope that our colleagues will be happy with that. As a matter of fact, I would rather have that understanding than to attempt to tie it down in a unanimous consent agreement which might be considerably difficult to achieve.

So, Mr. President, I thank the distinguished majority leader and all Senators on both sides of the aisle who have participated in this difficult exercise. I believe that we are soon reaching the end of it. Senators on both sides of the aisle are to be highly complimented on their diligence, their dedication to their duty, and on the fine manner in which they, generally, have conducted their debate.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, to fill out the balance of the agreement, I will ask the distinguished Senator from Mississippi to indicate what action may be expected on H.R. 1239.

Mr. COCHRAN. Mr. President, if the distinguished Senator will yield, it is the intention of the subcommittee with jurisdiction to take that bill to the committee for markup, probably on the Tuesday following the House action that is planned for this coming Thursday. This would be a markup session in the full committee on Appropriations on Tuesday, March 5. The chairman of the full committee, Senator HATFIELD, who has just stepped off the floor, has indicated to me that it is his intention to deal with that matter as expeditiously as possible and to request that the matter be taken up on the floor of the Senate as soon as it can be scheduled following the work of the Committee on Appropriations.

Mr. BUMPERS. Will the Senator from Mississippi yield for a question?

Mr. COCHRAN. The majority leader has the floor. I would be happy to respond to a question.

Mr. DOLE. I will be happy to yield.

Mr. BUMPERS. It is my understanding, for the benefit of our colleagues, that that bill does not contain food relief for Africa, that it is support services and so on, that we are not holding up the shipment of food to starving Ethiopians; is that correct?

Mr. COCHRAN. If the majority leader will yield, the appropriations bill does contain money to fund the Public Law 480 program, and that part of the money will be used to purchase food. Other parts of the appropriation will be used to pay for the shipment of food. Then there is another section that involves disaster aid and refugee assistance under the jurisdiction of the Foreign Operations Committee. So this is the appropriations bill that the administration is requesting to provide famine assistance to sub-Sahara Africa.

Mr. BUMPERS. Will the Senator yield further?

Mr. COCHRAN. I am happy to yield.

Mr. BUMPERS. The bill which is coming over here Monday that we are going to take up, that is a separate matter.

Mr. COCHRAN. That is different.

Mr. BUMPERS. There is no food in that matter; is that correct?

Mr. DOLE. That is correct.

Mr. COCHRAN. That is the authorization bill the Senator is referring to that will be reported from the Committee on Foreign Relations and handled on the floor by the Senator from Indiana [Mr. LUGAR] which will be dealt with on Monday. The bill that I will be managing on the floor per the instruction of the chairman of the Committee on Appropriations will be the supplemental appropriations bill following House action on that bill. It is a House bill that is expected on next Thursday. Then we will take it to committee, report it out, and bring it back or in some other fashion bring it to the floor in as expeditious a manner as possible.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. DOLE. I will be happy to yield to the distinguished Senator from Oklahoma.

Mr. BOREN. I thank the majority leader.

Mr. President, I do not intend to object to this unanimous-consent request. In fact, I earnestly support it. I compliment the majority leader and minority leader for propounding this request. As one who has been involved in the parliamentary maneuvers the last several days, I feel we have already made some progress on helping the farmers. More needs to be done.

But I believe this agreement will give us the opportunity for consideration of additional measures that we have all earnestly sought. I am also so pleased to see this agreement concluded in a manner which I think enhances the spirit of bipartisanship and cooperative attitude that we hope we can build in the Senate, an attitude of comity and trust that will help us deal with other problems in the future.

Mr. President, I compliment both of our leaders for propounding this agreement and for obtaining it in a manner that I think bodes well for the future of this body as we deal not only with the farm problem but other very difficult matters that we are going to confront in the future.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. I yield.

Mr. BYRD. I simply wish to thank Mr. BOREN for his kind words with reference to the distinguished majority leader and myself.

Mr. DOLE. Mr. President, I will, after we have heard other comments from Senators on each side, suggest we reduce the 1-hour limitation in each of the three proposals to 30 minutes equally divided, 15 minutes on each side.

Mr. PELL. Mr. President, If I may ask a question. Do we really need 30 minutes on each side?

Mr. DOLE. I hope not.

Mr. PELL. Can we make it 10 minutes? Nobody's mind is going to be changed.

Mr. DOLE. I just hope we get to it. I tried 30. I will be happy to yield to the Senator from Nebraska.

I will try 30.

I yield to the Senator from Nebraska.

Mr. EXON. Mr. President, I thank the Senator from Kansas for yielding.

I thank the majority leader and the minority leader and those on that side of the aisle and those on this side of the aisle who have been in very, very intensive, sometimes very pointed, discussions that have come to what appears to be an agreement today.

I am delighted that we are moving ahead, to move along with the three items we intend to vote on this afternoon, and then move on next week to even more meaningful and vitally necessary assistance to solve the agricultural crisis in the bread basket of America today.

I want to clarify one thing. I have tried to listen and maybe I missed it. I agree with all the points that have been propounded in the unanimous-consent request. I am not sure that I heard this correctly. If it was covered, please correct me.

One of the things I think we had agreed to, which was going to be handled in colloquy, was an agreement between the majority leader and the minority leader that on the amendments that will be coming up next week on the African aid bill, there would be an agreement for each side to be recognized in some kind of order. Was that covered in the unanimous-consent request that was propounded?

Mr. DOLE. Yes, that is correct.

Mr. EXON. I thank the majority leader and the minority leader.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. DOLE. I yield to the distinguished Senator from Montana.

Mr. MELCHER. I thank the distinguished majority leader for yielding. I compliment him on his initiative today.

Mr. DOLE. Mr. President, may we have order?

The PRESIDING OFFICER. Senators and staff will cease conversations.

Mr. MELCHER. Mr. President, I compliment the majority leader for taking the initiative this morning in bringing back a proposal to us. I merely rise to ask this of the majority leader: In connection with the remarks of the Senator from Mississippi, the subcommittee chairman, who will be handling H.R. 1239, that is the appropriation bill for African relief.

Mr. DOLE. This is correct.

Mr. MELCHER. Assuming that it is marked up on March 5, would it be reasonable to believe that it could be called up on the floor the following week?

Mr. COCHRAN. If the majority leader will yield, it is my hope that it could be brought up on the floor as soon after markup as possible, consistent with the assistance of the majority leader. It will be our recommendation that, as soon as the committee completes it, it be brought to the floor, even waiving the 3-day rule, if we can do it.

So far as the committee is concerned, every effort will be made to get floor action on the bill as soon as possible after committee action is completed.

Mr. MELCHER. I ask the majority leader if it would be his intention to call up the bill when it becomes available.

Mr. DOLE. It would be my intention. I understand from the distinguished chairman of the Appropriations Committee, Senator HATFIELD, and the distinguished chairman of the subcommittee that that is certainly the intent. We want the bill up. The answer is yes.

Mr. MELCHER. I thank the majority leader and the junior Senator from Mississippi.

Mr. DOLE. Mr. President, I will now seek to modify the unanimous-consent request by reducing the 1-hour limit in each of the three instances to 30 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS. Mr. President, reserving the right to object that is only on the Ed Meese nomination?

Mr. DOLE. That is on each. There is an hour on Meese, an hour on the highway bill, and an hour on the farm resolution.

Mr. BUMPERS. I object to the unanimous-consent request as it applies to ICE.

Mr. DOLE. Then, I make that request on Ed Meese and the farm resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The majority leader still has the floor.

Mr. BUMPERS. Is there a unanimous-consent request pending?

The PRESIDING OFFICER. There is.

Mr. BUMPERS. I want to reserve the right to object, and I want to make a couple of points.

First, I have discussed this with the minority leader and the ranking minority member of the appropriate committee on highway legislation, the ICE bill.

I have two amendments with which they are both familiar. When we were talking about this I did not realize that there was going to be this unanimous-consent request. I originally did not know that the unanimous-consent request would include no amendments on the ICE bill.

I discussed this with the Senator from Texas [Mr. BENTSEN], and he makes a very compelling argument.

I am like everybody else. I have a couple of projects in my State, and there is a great deal of parochial interest in them and has been for years. These things have been bandied around for years. I have to do everything I can to keep faith with my people, even to the extent of making myself obnoxious to my colleagues occasionally, but that means you do not get your amendments agreed to.

I want to say this: This will possibly be the only vehicle coming through this body this year on which to offer these two amendments. While I regret that this unanimous-consent request provides for no amendments to be offered, I must respectfully request the right to speak for 10 or 15 minutes on the amendments, and I hope to get a commitment from the Senator from Texas and the chairman of the subcommittee that hearings will be held.

These are extremely important projects in my State. The State of Arkansas is willing to put up $60 million to match $20 million, so you can see the deep interest in my State. The unanimous-consent request would not even allow me the opportunity to discuss this in this body.

The PRESIDING OFFICER. Does the Senator register an objection?

Mr. BENTSEN. May I respond to that?

Mr. DOLE. I yield to the Senator from Texas. I certainly have no objection to that.

Mr. BENTSEN. Mr. President, I understand the concern of the Senator from Arkansas. I share that concern with him. Obviously, I cannot speak for the chairman of the committee. As the ranking minoirty member, I am sympathetic to that and would support the chairman of the committee in having hearings in that regard. I had the same type of situation in my State.

Mr. BUMPERS. I am willing to grant the Senator from Texas time to talk about it.

Mr. BENTSEN. I am willing for the Senator to state his position before the Senate.

Every member of that committee had demonstration projects they felt were very important to their State, and everyone gave up in this kind of situation. ICE has been delayed for many months.

Speaking only as the ranking minority member of that committee and not for the chairman——

Mr. BUMPERS. Is the Senator going to control 30 minutes of the time on the ICE bill?

Mr. BENTSEN. Yes, that is correct.

Mr. BUMPERS. Would the Senator be willing to recognize me or to yield to me at some point during the debate to at least discuss these two items?

Mr. BENTSEN. Absolutely. I would be delighted to do that. Will the Senator from Arkansas leave the chairman and the ranking minority member some time?

Mr. BUMPERS. Certainly, if the Senator thinks the bill is more important than my amendments. [Laughter.]

Mr. DOLE. Mr. President, I renew my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered that following Morning Business on Monday, February 25, 1985, which shall occur after the Leadership time and any special orders, the Senate shall turn to the consideration of Cal. Order 8, S. 457, the Africa Relief Bill, and it be considered under the following agreement:

That there be 2 amendments in order in the first degree, to be offered by the Majority Leader, or his designee, dealing with the farm credit issue only;

That there be 2 amendments in order in the first degree, to be offered by the Minority Leader, or his designee, dealing with the farm credit issue only;

That the first 1st degree amendment be offered by the Minority Leader or his designee, and that the succeeding first degree amendments be offered by opposite sides of the aisle;

That no other first degree amendments be in order;

That there be 2 amendments in order in the second degree, to be offered by the Majority Leader, or his designee, which must be relevant to the first degree amendment they propose to amend, and be offered by a Member from the same side of the aisle as the first degree amendment;

That there be 2 amendments in order in the second degree, to be offered by the Minority Leader, or his designee, which must be relevant to the first degree amendment they propose to amend, and be offered by a Member from the same side of the aisle as the first degree amendment;

That no other second degree amendments be in order;

That there be 5 minutes on any debatable motions, appeals, or points of order on relevancy, if they are submitted to the Senate; and that such points of order be the only points of order eligible to be made.

That the division of time be in the usual form.

Mr. BYRD. Mr. President, again, I want to congratulate all Senators. I am confident that we will make rapid progress now. I hope we will proceed as rapidly as possible and yield back time where we can.

The PRESIDING OFFICER. The Senate will be in order.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

Mr. THURMOND. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question before the Senate is, Will the Senate advise and consent to the nomination of Edwin Meese III to be Attorney General of the United States. There are 30 minutes, equally divided.

Mr. THURMOND. Mr. Preident, may we have order in the Senate before we start?

The PRESIDING OFFICER. The Senate will be in order.

Mr. THURMOND. That means each side has 15 minutes.

The PRESIDING OFFICER. That is correct.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Mr. Meese to be Attorney General of the United States.

Mr. Meese was selected and appointed by President Reagan to be Attorney General of the United States. When the President appoints someone to his Cabinet, it is assumed that that person is a man of character and competency and is qualified to fill the position, and such presumption would continue throughout the process, until evidence is shown to the contrary.

Now, Mr. Meese is a man of broad experience. He served as prosecuting attorney in California. He served as a law professor. He served as a legal affairs secretary to the Governor of California, and he served as chief of staff to the Governor of California.

Mr. President, we had 7 days of hearings on this nomination. We had 50 witnesses come before the committee, and when the question was raised about Mr. Meese and some matters were raised as to his qualifications, the distinguished minority member of the committee, Mr. BIDEN, and myself requested that independent counsel be appointed to investigate these matters. Mr. Meese himself also requested an independent counsel to investigate these matters. We suspended the hearings for the rest of that year. This independent counsel took 5 months to investigate this matter. He heard over 200 witnesses. No witness refused to testify or claimed any immunity. He went into it very carefully and when the matter was over he gave Mr. Meese a clean bill of health.

Also, then the question arose when he came back after that investigation about whether there was certain ethical matters that should be looked into, and we called upon the Office of Government Ethics to look into those matters. An article appeared in the paper that some attorney down there had said that there was an appearance of impropriety, and what happened was an internal memorandum was sent to the chief of that office stating that there was an appearance of impropriety. In other words, it should be further looked into. So the chief of the office did look into it further and the office all together with the attorneys involved, and there were a number of them, discussed it very carefully, investigated it further, and came out with a verdict that Mr. Meese had done nothing unethical.

In other words, this appearance of impropriety disappeared in the face of the facts that were gone into by the Office of Government Ethics. In other words, when the truth came out, the appearance disappeared.

I want to say that after that was done, then the committee voted; the committee voted 12 to 6 to report Mr. Meese favorably to the Senate.

There is no evidence now that has been sustained that shows Mr. Meese is not competent. There has been no evidence presented to show that he is not a man of integrity. There has been no evidence to show that he is not a man of dedication. There has been no evidence to show he is not a man of patriotism, and we feel that Mr. Meese should be confirmed, and we recommend to the Senate that Mr. Meese be confirmed.

As chairman of the Judiciary Committee, I am proud to stand here and endorse Mr. Meese as I feel that he will make an excellent Attorney General, will perform his duties well and that even those who now have some questions will be pleased with his performance in office.

I feel that equal justice under the law will be done by this man and that all concerned will be pleased with his acts as Attorney General.

Mr. President, I wish to take this opportunity to commend Duke Short, the chief investigator of the Senate Judiciary Committee, for the able and dedicated service he rendered in connection with the Meese nomination. He and the members of his staff worked exceedingly hard to get all the facts during the investigation of this nomination and were most helpful to the committee. They deserve to be highly commended, and we are very proud of the manner in which they performed their duty in connection with this nomination.

Mr. President, I am going to reserve the remainder of my time, except I understand the distinguished Senator from California wishes to speak, and how long does he want?

Mr. WILSON. Five minutes.

Mr. THURMOND. If there is any opposition over here to Mr. Meese, they have a chance to speak now.

Mr. METZENBAUM. Mr. President, the Senator from Ohio has spoken long and often on this issue and does not intend to deliver another address. However, I am informed that the ranking minority member of the Judiciary Committee is on his way to the floor and does desire to be heard.

I, therefore, suggest the absence of quorum.

The PRESIDING OFFICER [Mr. ANDREWS]. On whose time?

Mr. METZENBAUM. How much time does each side have at the moment?

Mr. THURMOND. Mr. President, I understand each side has 15 minutes. How much have I used?

The PRESIDING OFFICER. The Senator has used 5 minutes of his time.

Mr. THURMOND. I reserve the other 10 minutes.

Mr. METZENBAUM. On the side of the opposition.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the nomination of Edwin Meese III to be Attorney General of the United States raises a number of extremely difficult questions for all of us in the Senate who are called upon to exercise our constitutional responsibility of advice and consent.

As a matter of constitutional principle, I believe that the President of the United States is entitled to broad discretion in choosing his Cabinet and appointing the other principal officers of the executive branch. It is clear that Ed Meese has strong qualifications in many areas of law enforcement and criminal justice, and I know that all of us in Congress would want to work with him as Attorney General, as we have with Attorney General Smith, on new and effective initiatives to deal with the increasingly serious problem of crime and drugs in our society.

It is also clear that Ed Meese is one of President Reagan's most trusted advisers and enjoys the full confidence of the President. It is obvious that the President cares deeply about this nomination; in fact, the relationship of trust and confidence between President Reagan and Mr. Meese is a powerful argument in favor of his confirmation.

Although I have serious reservations about the policies of the Reagan administration in many areas, that is not a sufficient reason to oppose a nomination. Indeed I have acted whenever possible to support the President's nominees for the Cabinet and other positions in the administration. In the early weeks of this Congress, for example, I have already voted to confirm James Baker as Secretary of Treasury, William Bennett as Secretary of Education, John Herrington as Secretary of Energy and Donald Hodel as Secretary of the Interior. So it is with genuine reluctance that I oppose the confirmation of Ed Meese as Attorney General.

My principal concern over this nomination is whether Mr. Meese will truly be an Attorney General for all Americans—a people's lawyer who will fairly represent every citizen, especially the poor and the powerless, who will need his help the most, in order to obtain the equal protection of the laws guaranteed to them by the Constitution.

To some extent, the problem with this nomination is that Mr. Meese, throughout his career, has had—and continues to have—strong convictions about what the law in certain areas ought to be—whereas the Attorney General of the United States must apply the law as it is.

For example, Mr. Meese has been a relentless adversary of the program of Federal legal services for the poor. When pressed at the confirmation hearing about his justification for eliminating the Legal Services Corporation and relying instead on private voluntary efforts to fill this need, Mr. Meese strongly implied that the American Bar Association had modified its longstanding commitment to a strong Federal program. The ABA president immediately wrote to the Senate Judiciary Committee to clarify the record and to refute the suggestion that the ABA had abandoned its numerous past statements to Congress in support of the Legal Services Corporation.

At last year's hearings on his nomination, Mr. Meese assured the Senate Judiciary Committee that despite his past record, he would firmly uphold the Legal Services Corporation law. Yet less than 2 weeks later the administration nominated members of the Board whose very commitment to the principle of legal services was—to say the least—questionable. The Senate adjourned in 1984 without confirming any of 11 nominees, whereupon the administration peremptorily bypassed the confirmation process by making recess appointments of 11 persons to the Board.

During the 4 years of the Reagan administration, a total of 40 recess appointments have been made to the Legal Services Board—but not a single appointment has been confirmed by the Senate. And at every stage of this unfortunate confrontation between the administration and the Senate, the machinations of Mr. Meese were clearly present. This is not the kind of effort that can be characterized as trying to firmly uphold the legal services law.

The Reagan record on the appointment of minorities as Federal judges is another example of my concern over the nomination. At the hearing, this was also an area where Mr. Meese was unwilling to accept the settled fact that, after 4 years in office, the administration has only named two black judges out of 165 appointments to the Federal courts.

I raised this issue with Mr. Meese at his hearing last year, and I told him I would do so again this year—so there was no surprise. Still, he declined to admit the plain record of only two black appointments in 4 years. This is a figure widely available, easily verified, and in fact confirmed by the Justice Department the day of the hearing. Yet Mr. Meese was not sure that it was accurate.

I look forward to working closely with the next Attorney General to improve the administration's record on minority appointments to the Federal bench, but the first step must be a shared willingness to deal with the facts as they are.

Many other issues relating to this nomination provide similar examples. Over the past 4 years Mr. Meese has been a principal architect of administration policies that have exploited numerous openings to roll back progress on civil rights. These incidents have included flagrant attempts to provide tax subsidies for segregated schools; to narrow the ban on discrimination because of race, sex, age, or handicap in programs receiving Federal aid; and to undermine the independence of the Civil Rights Commission, the Nation's conscience on civil rights for over a quarter century.

These actions speak louder than any words. The voluminous hearings before the Senate Judiciary Committee have detailed these concerns, and on the record before us, I urge the Senate to reject this nomination.

Mr. BIDEN. Mr. President, I shall vote against the nomination of Mr. Meese. I shall do so not because of any suggestion of unlawful activity, not because of temporary ethical lapses, if any, and not because of an absence of human decency. Mr. Meese has been nominated for Attorney General, a position of immense governmental discretion, the power of which legitimately transcends even the bounds of a national Presidential administration.

The Office of Attorney General of the United States is a position of professional prestige and professional privilege. The occupant of the Office should serve as a beacon to both the Nation generally and to the nationwide bench and bar specially. The Office requires sophisticated professional character, sensitive intellectual integrity, balanced historic perspective and independence, both modest in manner and self-assured in execution. We should not be fearful to at least seek the silent strength of Lincoln, the brilliant scholarship of Holmes, and the disinterested integrity of Robert Taft. If our focus in the past has not been on these qualities, as some have suggested and rightly so, then let us now set a new course on a higher plane. Mr. President, with due deference to Mr. Meese, we should, by our

refusal to consent to this nomination, respectfully ask the President to search again.

I yield the floor.

Mr. BINGAMAN. Mr. President, after much thought and a careful review of the factual record presented before Congress on this nomination, I must vote against confirming Edwin Meese as Attorney General.

During the past few months I have listened with interest to both the opponents and proponents of Mr. Meese's nomination. I have carefully reviewed the independent counsel's report and the Senate confirmation hearings record. Much has been written and stated regarding this nomination and much controversy still surrounds it. In fact, instead of setting the record straight, the report and the hearing have raised more questions.

I fully recognize the great latitude owed the President to appoint the men and women he seeks to serve in his Cabinet. But our system also provides a check on that appointment power by requiring the Senate to confirm or not to confirm. I believe we shirk our responsibility if we do not exercise independent judgment based upon review of the case. Personally, I still have serious questions regarding Mr. Meese's suitability.

The facts as presented portray, in my mind, an individual who is dedicated to the President and who has administrative qualities. But the facts also portray too many circumstances of questionable and unwise conduct for a prospective Attorney General of the United States.

Since it is clear that Mr. Meese has the support of a majority in this body, I wish him well in his new position. I also hope that my reservations about this appointment prove to have been unjustified. Nevertheless, those reservations exist and based on them, I feel compelled to vote against confirmation.

Mr. HEFLIN. Mr. President, today we are here to consider the nomination of Edwin Meese III for the position of Attorney General. This is one of the most difficult decisions I have made since coming to the U.S. Senate.

Over the past year as a member of the Senate Judiciary Committee, I have participated in the confirmation process. I have approached this responsibility, mandated by the Constitution, in what I consider to be a reasoned and thoughtful manner.

Article II, section 2 of the Constitution grants the President the power to nominate individuals to Federal positions. But that power is not absolute. The Constitution grants a reciprocal power to the Senate—that of advice and consent. Perhaps, of all of our responsibilities, this one is the most important. It is because of this clause that we select individual men and women who will watch over and protect the public trust.

The Attorney General is an attorney, administrator and adviser, but he or she also safeguards the public's view of our ideals. The Attorney General is this Nation's guardian of justice. Our Nation has thrived for more than two centuries and has been the guiding inspiration for free men because of our unique system of justice. The Attorneys General in the past have played important roles in either guiding or misguiding that inspiration.

Last month, the Judiciary Committee continued this confirmation hearings of Edwin Meese, and because of the allegations raised and the questions in my own mind, I attended all 3 days of the hearings. I listened to the testimony of all the witnesses and I have carefully studied all the materials available, including the report of the independent counsel, Jacob Stein, and the analysis of that report by Common Cause.

Several of the allegations caused me concern. Particularly: acceptance by Mr. Meese of $10,000 in moving expenses from the Presidential transition trust, which was later designated as a consulting fee; the participation of Thomas Barrack in the sale of Meese's California home and Mr. Barrack's subsequent Federal appointment as Assistant Secretary of Commerce; the failure to disclose a $15,000 loan from Edwin Thomas made to Mrs. Meese; and Meese's change from retired to active status in the Army Reserve and his subsequent promotion to colonel.

Mr. Meese has addressed many of my concerns and one by one, he has offered a plausible explanation of each situation. Because of Mr. Meese's responses to my questioning and because of my own strong belief that a President should have his nominees confirmed in the absence of clear and convincing evidence that the nominee is unfit, unqualified or that his service would be detrimental to the Nation, I voted to report Mr. Meese's nomination to the full Senate for further debate and deliberation. I wanted to ensure that all my colleagues had the opportunity to consider this nomination and reach their own decision.

I look at the position of Attorney General as the embodiment of what we believe to be good and right in this country. The job demands integrity, honesty, impartiality and above all, a deep respect for and commitment to the law. Maybe it is unfair to place upon an office, standards which some consider unattainable, or ideals which some believe are unrealistic. But, I believe, as we all do, that justice must not be overshadowed by self-interest and we must never let politics dictate integrity.

The confirmation process has been a rigorous one. But I hope that even though the process has been tiring, it has been positive for Mr. Meese and others who will one day seek Government service.

The expectations of the American people are high, but that is because they invest an awesome responsibility in their public officials. The process helps ensure that the public's perception is protected.

We are not in a courtroom. But in a way, we are asked to assume the role of a judge. We have heard the evidence and now we must evaluate that evidence. We must each decide if Edwin Meese is qualified to serve as this Nation's Attorney General.

I can do no more than make a decision based upon what I have read, what I have seen, and what I have heard.

In the final judgment, I can find no reason not to support this nomination. I know there will be those who will disagree with my decision. But I have participated in this process with one thought in mind—that when all is said and done, that justice would be achieved. In my mind, it has been.

Mr. Meese, the task is before you. I wish you the best of luck.

Thank you, Mr. President.

● Mr. CHILES. Mr. President, since entering the Senate in 1971 I have with rare exception supported the nominations submitted to the Senate by Presidents of both parties. I strongly believe that the President, the individual chosen to lead this Nation, must have in his administration the people he determines can best help him carry out his responsibilities. In a number of cases the persons nominated for important posts were not, in my judgment, an appropriate choice either in terms of the policies they espouse or having adequate experience. However, I have deferred to the prerogative of the President to choose the members of his own team.

In fulfilling its constitutional mandate to advise and consent, the Senate must pass on the qualifications of nominees, ensuring that standards of integrity and competence are satisfied. The role of the Senate is not to second guess the President but in essence to protect the institutions of government from a steward not equal to the task. In doing so we must not be petty or partisan and the record of the Senate indicates that Presidential nominees have been rejected for only the most compelling of reasons.

In considering the nomination of Edwin Meese to be Attorney General, I have focused primarily on the office of Attorney General. To my mind the basic concern involves the unique responsibilities of that office. The Attorney General is much more than the administrator of the Department of Justice. The Attorney General is the chief law officer of the Federal Gov-

ernment. He represents all citizens in enforcing the law in the public interest. He is the people's lawyer. He is entrusted with protecting society against criminals and subversion, safeguarding the consumer and enforcing drug, immigration and naturalization laws. To him are vested the sensitive decisions to prosecute violators for restraints on and monopolization of trade and to enforce the antitrust laws to ensure competitive conditions in our free enterprise system. He is responsible for enforcing Federal civil rights laws which prohibit discrimination. It is the Attorney General who determines whether justice is administered in a fair and even-handed manner. And it is the Attorney General who must ensure in reality and in the public perception that the Department of Justice is an instrument of law and not of politics.

The vital nature of this office argues for a nominee who meets the highest standards of the legal profession. It argues for a person who is nominated for the caliber of his professional qualifications and not for political services. If any officer of the Cabinet should be removed from the political process, it is the Attorney General.

In recent memory that has not been the case. Since World War II, four Presidents have appointed as Attorney General a principal leader of a Presidential campaign in which they were elected. The American Bar Association warned:

> The close connection between partisan politics and the Office of Attorney General has seriously reduced the effectiveness of the Department of Justice, inflamed fears about the integrity of the administration of justice and created a substantial credibility gap in the minds of the public.

That warning should be heeded as the Senate considers the nomination of yet another "political" Attorney General.

My concern with this nomination rests primarily with the nature of the Office of Attorney General. Mr. Meese has been subject to the most searching scrutiny and not been charged with any criminal or ethical misconduct. Mr. Meese's errors appear to be ones of judgment and sensitivity. If he were nominated for most other government posts, I believe I could vote for his confirmation. He has served the President loyally and deserves his reward. The Attorney Generalship is not an appropriate reward. I don't want to focus on Mr. Meese personally but on the question of what factors should disbar a person from serving as Attorney General. Certainly lack of integrity or competence should preclude. And as the Senate has once indicated, it is not a post for a political operative. It is on that score I find Mr. Meese wanting.

As chief of staff of the 1980 Reagan Presidential campaign, Mr. Meese obviously played a leading partisan role in the election of a President. In 1977 the Senate passed an amendment offered by the Senator from Texas, [Mr. BENTSEN] barring those who had a high level campaign role from serving as Attorney General or Deputy Attorney General. I supported that legislation and it remains my view that the Senate was correct in its judgment that the Office of Attorney General must be guarded from involvement or the appearance of involvement in partisan politics. The nomination of Edwin Meese represents the first appointment of a "political" Attorney General since passage of the Bentsen amendment. The amendment is not law but it should apply. The larger and more significant matter at issue is not Mr. Meese himself but the importance of the Attorney General being removed from the political realm. Our rule for any President must be that this office is off limits to politics and now is the time to make that rule the will of the Senate.

Mr. President, on that basis I would vote not to confirm Edwin Meese as Attorney General of the United States.●

Mr. MURKOWSKI. Mr. President, we are all aware of the recent scrutiny of Mr. Meese. Few persons in our Government have undergone such extensive reviews of their personal and professional lives. The review of Mr. Meese's activities revealed no illegalities, although Ed Meese has admitted that he would have done certain things differently to avoid even the appearance of impropriety. I agree with Mr. Meese's assessment.

Ed Meese is a member of the President's team. When all else is said and done, it is the President who bears the glories and travails for the actions of his Cabinet members. Mr. Meese has served as counselor to the President, a member of the Cabinet and as a member of the National Security Council. Before coming to Washington, Mr. Meese was the executive assistant and chief of staff to President Reagan when he was Governor of California. Surely by now the President knows exactly the timber of this man.

As helmsman of our Nation's Justice Department it will be up to Mr. Meese to carry on the administration's campaign against illegal drugs. He is a veteran of many years in this war, and the has the street savvy that can only be acquired by a prosecutor who has fought crime, which he did in Oakland, CA, for 8 years. Mr. Meese has also served for several years as vice chairman of the California Organized Crime Control Commission and has gained sensitivity to the needs of the criminal justice system by serving as the director of the Center for Criminal Justice Policy and Management when he was a law school professor at the University of San Diego. Finally, his commitment to crime prevention is exemplified by his active ongoing participation in the American Bar Association's Criminal Law Section.

Mr. Meese also has the managerial skills which are necessary to run the Justice Department. He graduated from Yale with a degree in public administration and later served as vice president of Rohr Industries, a company which is a leader in the aerospace industry.

Mr. Meese possesses the necessary qualifications to serve as Attorney General. He enjoys the full confidence of the President and I expect that Ed Meese will fullfil the responsibilities of this important Cabinet office with distinction.

Mr. PELL. Mr. President, I am voting for the nomination of Mr. Edwin Meese to be Attorney General of the United States after a thorough study of the merits and serious consideration of the issues involved.

As I considered the questions raised about Mr. Meese's fitness to serve as the Attorney General of the United States during the Senate Judiciary Committee hearings and by the report of the Independent Counsel, I gave substantial weight to my belief that the President should have broad discretion in selecting a Cabinet to enforce the Constitution and laws of the United States and to implement his administration's policies.

The questions raised during the hearings caused me a great deal of concern and uneasiness. Mr. Jacob Stein, the Independent Counsel, after an exhaustive tracking of documents and testimony, concluded that there was no nexus between the purported financial favors and appointments to Federal jobs. Mr. Stein found "no basis with respect to any of the 11 allegations for the bringing of a prosecution against Mr. Meese." Thus, Mr. Stein's findings have removed any question of criminal activity from this nomination. Although I still have reservations about the wisdom of this appointment, those reservations do not overcome my belief that it is the rare occasion when the tradition of allowing the President a relatively free hand should not be observed.

Based on the lack of substantial and credible evidence to establish that Mr. Meese is lacking, in either a professional or ethical sense; I am voting, with some reluctance, in favor of his nomination to serve as the Attorney General of the United States.

Mr. MOYNIHAN. Mr. President, I will vote not to confirm Mr. Meese, now counselor to the President, for the office of Attorney General.

The record presented to us is hardly a simple one; else the Senate would not have been treating with the question for getting on to a year. Even so, I

do not find myself in doubt as to the balance of the issue.

I was the third person to hold the position of counselor to the President. Arthur F. Burns was the first, Bryce N. Harlow the second. They set the standards for that office. The position has, or had, no duties as such save as the President of the United States desires counsel. In offering that counsel, it had to be assumed that no personal interest would in any way influence the advice given; nor yet would there be any appearance of such influence.

Faithful to his trust in every other regard of which I am aware, I must even so judge that Mr. Meese did not sufficiently understand this central duty; or if he did understand, did not sufficiently abide by it. That is too great a lapse to be put in considering his qualifications for Attorney General.

I cannot doubt that he will be confirmed. I wish him well in his work, and trust his recent experience will enlarge rather than narrow his views.

Mr. SPECTER. Mr. President, I am voting to confirm Attorney General-Designate Edwin Meese III, because in the many years I have known and worked with him, I have found him to be competent and ethical; and I do not believe the unproven charges of unethical conduct which the Judiciary Committee and the full Senate have considered at length should disqualify him from serving as the President's choice for Attorney General.

At the extensive hearings before the Judiciary Committee, I carefully listened to and questioned witnesses on the charges that he obtained favors from Government employees for whom he helped secure jobs. No one contends that there was a quid pro quo; or, stated differently, that Mr. Meese traded an official decision for financial benefit to himself. The uncontradicted evidence showed that the terms of the loan transactions had been established between the parties before Mr. Meese sat on the board which reviewed appointments; and all obligations owed by Mr. Meese were fully paid.

The hearings dealt extensively with questions of the appearance of impropriety and the substance of impropriety. Those hearings considered at length charges of misconduct. Such charges could be categorized as "issues" or "questions" or "appearances" of wrongful conduct. The evidence showed, in my judgment, that there was no wrongful conduct or impropriety.

The Judiciary Committee hearings, and the inquiries of the independent counsel and ethics board, necessarily and properly involved extensive radio, television and newspaper coverage. Considering the attendant publicity, no matter how conclusive the exonerating evidence may be, that evidence can never erase the perception in some people's minds that Mr. Meese has become tainted and should not become the Attorney General of the United States.

Since the evidence shows Mr. Meese did not act wrongfully or unethically, it would obviously be fundamentally unfair to Mr. Meese to disqualify him because of public doubts which are an inevitable result of the process of considering such charges.

Senator JOSEPH BIDEN of Delaware, ranking Democrat on the Senate Judiciary Committee, agreed in the course of the hearings that Mr. Meese had done nothing illegal or unethical. Notwithstanding those conclusions which Senator BIDEN stated on the record, he added that he opposed Mr. Meese's nomination because an Attorney General should reach a "higher standard." It is my judgment that an individual Senator's "standards" or "higher standards" are not grounds for voting against the President's nominee under the Senate's "advice and consent" role under our Constitution where a nominee is competent, honest and ethnical, although I respect Senator BIDEN's differing view.

My own public policy judgments differ with some of Mr. Meese's substantive positions and many Pennsylvania constituents, through letter and telephone calls, have made me aware that it is unpopular to vote to confirm Mr. Meese as Attorney General because of a public perception of taint or because of Mr. Meese's positions on substantive issues. Again, as I see it, those factors are not grounds for voting against Mr. Meese under the Senate's "advice and consent" role under our Constitution.

During the course of hearings, I questioned Mr. Meese closely on many substantive issues. It was regrettable that so much of the hearings focused on Mr. Meese's specific conduct as opposed to broader policy considerations which would guide Mr. Meese if, as and when confirmed as Attorney General.

On the issue of civil rights, I was reassured with Mr. Meese's testimony in support of affirmative action to provide greater employment opportunities for minorities and women. On the important subject of procedural safeguards on vital policies of the Immigration and Naturalization Service, I was pleased with his commitment to review and change critical policies of INS as they related to evaluation of prospective defenses by immigrants before deportation proceedings are instituted, the issuance of summons instead of warrants of arrest where flight was not anticipated and a change to "in camera" proceedings to avoid possible retaliation against the immigrant by the nation of origin.

On the very important issue of fighting violent and organized crime, I believe Mr. Meese's background and experience well qualify him to be Attorney General. His experience goes back more than a quarter of a century when he served as assistant district attorney in Alameda County, CA. In the many contacts I have had with him over the years, I have found him to be knowledgeable and extremely capable in this field.

Another aspect is worthy of comment, and that is that this vote of the Senate in a fundamental sense constitutes a verdict on the life and career of a man who has contributed most of his adult life to public service. Knowing him as I do and having closely observed the events of the past year while his confirmation has been pending before the Senate, I have watched Mr. Meese undergo as gruelling an experience as anyone who has aspired to serve in Government. As an accepted and fair part of our system, many citizens and many observers, including in this matter even editorial writers from foreign countries, have spoken freely about Mr. Meese—usually in derogatory terms.

To understate the matter, Mr. Meese has persevered to vindicate his reputation. Based on the man I know personally and on the evidence in the record from the Judiciary Committee hearings and the independent counsel's findings, he is entitled to that vindication.

If men of ability are to continue to aspire to high public office, which carries with it the hearing process and the attendant publicity, then the Senate must be meticulous in sifting the facts and making the ultimate judgment in order to do justice to the public and the President's appointee notwithstanding a widespread public perception which is wrong.

These factors, in my considered opinion, call for an affirmative vote and the confirmation of Edwin Meese III, to be Attorney General.

Mr. RIEGLE. Mr. President, there are a number of aspects of the Meese nomination for Attorney General that are deeply troubling.

There is, however, an overriding disqualification in terms of Mr. Meese's fitness to serve as Attorney General.

That factor is his long-time intimate personal relationship with President Reagan and his leading role as a campaign director in Ronald Reagan's previous campaigns which disqualifies him for this critical Cabinet position.

I had precisely the same concerns with Mr. Griffin Bell and his intimate personal and campaign relationship with President Carter. I therefore opposed and voted against the Bell nomination, which occurred within my own party in 1977.

The sad example of John Mitchell is a vivid illustration of why the Attorney General must have a well estab-

lished arm's-length relationship from the President.

President Ford wisely and properly acted in such a way in naming Edward Levy as his Attorney General, a well qualified nominee with whom President Ford did not have an intimate personal or campaign relationship.

I similarly thought it was improper when President Kennedy named his brother as Attorney General in 1961—and so stated at the time.

So I cannot support this nomination and feel the country is poorly served by it.

Mr. DECONCINI. Mr. President, I think the distinguished chairman of the committee rules the time here. I would like to have only a minute or two in behalf of Mr. Meese.

Mr. THURMOND. I am pleased to yield to the Senator.

Mr. DECONCINI. Mr. President, I have looked at this nomination probably as hard as any nomination that we have had before us.

We have had several for Attorney General. I remember when the nomination of Judge Bell came before the Senate. We gave him a thorough review. We demanded that Mr. Bell drop membership in a couple of clubs because there was some indications that perhaps they discriminated against membership.

When Mr. Civiletti came before the Judiciary Committee, we demanded and were able to receive from him that he would set up a Hispanic advisory board, which he did.

And those two gentlemen, I think, served this country well. They were the choice of the President. There were some Members here who did not feel like they were the best choice.

I happen to be one of those Members today who does not feel Mr. Meese is the best choice. But I have looked at it very carefully and in conscience I cannot come to a conclusion otherwise after the investigator, the Office of Government Ethics, has concluded that this man has done nothing wrong.

I like to hold myself up as the sterling citizen who would say, "Well, I certainly would not do what Mr. Meese did; that certainly I can put myself above this because of my financial resources," or what have you or "I would declare this in the heat of discussion in the office regarding employment," and what have you. And I would. And I wish Mr. Meese had.

But the reality, or the bottom line, as we like to say in the business world, is that Mr. Meese did nothing that was unequal. And that is not just my standard, that is the standard that was judged by the Judiciary Committee.

Now there are many reasons you might not like Mr. Meese. You might not like him because of his statements on people sleeping on grates. I did not like that. You might not like him because he has not been a forceful person to put forth equal opportunity, perhaps promote more women on the bench. And I disagree with that. And you might not like him because he borrowed some money from a friend who ended up getting a job. And I do not like that.

But he said under oath, and it was satisfied to this Senator in the testimony by the report as put into the record of the independent investigator, as well as the Office of Government Ethics, that this man committed no wrong.

Now, given that, then, the question is do we set a standard of our own? Mine? That the Senator from Arizona has a standard that everyone has to meet and if you meet that standard, then you can serve in the Cabinet of President Ronald Reagan. And if you meet this standard, then you can serve in the Cabinet of Walter Mondale or of Jimmy Carter or Senator LLOYD BENTSEN, who will be President of his country some day, I predict.

The point is, I am not going to place my standard on this individual. I am willing to rely on his some 7 days of hearings, on the pertinent questions that we put to him and by the independent investigators as well as the Office of Government Ethics, and conclude that he has committed no wrong.

As I said, he would not be my choice if I were the nominator. But I believe that he is entitled to an opportunity to serve this country and he has committed himself to a standard now that we all wish that we all had, that we never made a mistake, that we never infringed on any personal friendships, that we never did any favors for anybody.

Time will only tell. I think Mr. Meese has not only been through a grueling process but realizes the seriousness of his poor judgments. He admits it. Time and time again he said if he had to do it again some of the decisions he made he would not have made them in that direction. How much can you bleed someone? How many times can you bleed them? "Hey, you made a mistake. Hey, this is a bad thing. You should slap yourself on the back."

I think we have an opportunity now to let this man prove himself. I hope for his country, I hope for Mr. Meese and his family and for the President of the United States and all of us that he will fulfill that commitment that he made to the Judiciary Committee.

Mr. THURMOND. Mr. President, I want to commend the able Senator from Arizona for the careful and deliberate attention he gave to this nomination and for the logical conclusion he has reached.

Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes, 42 seconds remaining.

Mr. THURMOND. Mr. President, I now yield 3 minutes to the distinguished Senator from California and the balance of the time to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Mr. President, no candidate for the office of Attorney General in history has gone through so grueling, so rigorous an investigation and examination of his ethical and professional capabilities as has Ed Meese. The full resources of the FBI, the Internal Revenue Service, the General Accounting Office, and congressional staffs have been made available for months to the independent counsel, Mr. Stein, who then thereafter methodically sifted through the intimate details of Ed Meese's personal and professional life.

What did the record show? In the words of the report: "We find no bases with respect to any of the 11 allegations against Mr. Meese."

Indeed, in the words of the report, though he was charged with not making comments on the ethical conduct or the propriety of Ed Meese, the independent counsel cast the language of his findings in a way that gave the maximum support to the conclusion just stated by the Senator from Arizona. The language, which I quote now in part, reads: "We found no indication of any underlying improper or illegal conduct."

Not only is this man cleared of any charges, not just with respect to criminal liability but with respect to unethical conduct. Those who say they are concerned about appearances on this floor should be. They should be concerned as well with the appearances of this body. They should be concerned that the kind of rigorous examination, which is proper for this office, not become one that is in any way tainted with the appearance of partisanship or seeking to undermine a man because of the philosophy he holds.

In fact, what we have seen I think is a very costly experience for the United States. We will never be able to quantify what the experience of Ed Meese in enduring this ordeal has cost the United States in terms of the talent that will not seek appointment to high office, because, although of similar talent, lesser men, lesser in fortitude, lesser in dedication, will decide that they will not subject themselves or their families to that kind of ordeal.

The United States is fortunate that Ed Meese is a greater man, one with that kind of peculiar dedication, one who has been willing to sacrifice not just financially, but to have the thickest possible hide. I hope there will be more like him.

The PRESIDING OFFICER. The Senator from Utah is recognized for 1 minute and 44 seconds.

Mr. HATCH. Mr. President, this has been an interesting nomination. It has been an important nomination. It has been one of the most scrutinized nominations in history. There have been serious allegations made against Mr. Meese. But the special counsel found that those allegations are without merit from a criminal standpoint. The Office of Government Ethics has found there are no ethical violations. The committee has not found any ethical violations or violations or moral terpitude. Therefore, what really is left is a judgment about Mr. Meese based upon the life that he has lived.

I submit to this body that if you look at Mr. Meese's life, if you look at what he has accomplished, if you look at the service he has given, if you look at the distinguished academic career and the distinguished prosecutorial career and the distinguished career in serving the State of California and, of course, the Government of the United States of America, it seems difficult for me to conclude—and I think for everybody else who looks at it carefully and honestly—that Mr. Meese should be denied this opportunity to serve his Government at this time in this place.

I also think we ought to all consider the ordeal that he has been through and the approach of certain groups and certain people in trying to destroy his reputation. I would also caution and ask our colleagues to look at this man's family, look at the sacrifices he has made here in Washington, the suffering he has gone through, and I feel confident Mr. Meese will pass here today.

Mr. BIDEN. Mr. President, how much time does the Senator from Delaware have?

The PRESIDING OFFICER. Ten minutes and twenty-two seconds.

Mr. BIDEN. I yield 2 minutes to the Senator from Maine.

Mr. MITCHELL. Mr. President, I would like to set the record straight on some statements that have just been made, particularly quotations from the independent counsel's report. I think it is important that when we quote something we quote not half a sentence but the entire sentence. The statement was made by the distinguished Senator from California, quoting the report, that—

We find no basis with respect to any of the 11 allegations against Mr. Meese.

What the full sentence says is:

We find no basis with respect to any of the 11 allegations for the bringing of a prosecution against Mr. Meese for the violation of a Federal criminal statute.

That is a far different thing than finding no basis with respect to any of the allegations. And I say to my good friend and distinguished Senator from Arizona, the independent counsel never said that Mr. Meese did nothing wrong.

He said there is no basis for bringing a Federal criminal prosecution.

Mr. DECONCINI. If the Senator will yield, I will be glad to respond to that. What is wrong is wrong in someone's mind. In the law he did nothing wrong. That is what the independent counsel said, and that is all I ever said or the Senator from California. You are wanting to place a judgment of your own on what is wrong.

Mr. MITCHELL. No. I am just saying there is a vast difference between independent counsel saying there is no basis for bringing a criminal prosecution. That is a vast difference. That is a prosecutorial discretion. I just say to the Members of the Senate that rarely has a President nominated for such a high position a nominee who combined a lack of professional qualifications with the demonstrated record of ethical insensitivity which in combination in my judgment makes this——

Mr. WILSON. Will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from Delaware yielded to the Senator from Maine has expired.

Mr. MITCHELL. Mr. President, may I have another minute to complete?

Mr. BIDEN. I will yield another minute but I will not yield for a question. I only have 8 minutes left.

Mr. MITCHELL. I want to conclude by saying this is clearly a nomination that will be approved I believe by all of the references that have been made to the independent counsel's report. As a justification, all this says is that there is no basis, no sufficient evidence to bring a criminal action against this individual.

If ever there were a minimal standard to argue in someone's behalf, that is it. The erosion of the principle of high standards for office has now reached the point where the principal argument in behalf of the nominee for Attorney General of the United States is that he has not committed an action for which he can be indicted. I submit to the Senate that is not the most accurate and devastating evidence of the erosion of the standards which the people of this country ought to have—ought to have—and I believe the people still do have for the very highest public office, the most important law officer, law enforcement official in this country whose standards, whose ethics and whose judgment will be imprinted on the law of this country over the next 4 years to a degree far more even than the President of the United States. I think we ought to ask ourselves whether the standards demonstrated in this report are those that we want in the highest office of the land. To me the answer is clearly no. I thank the Chair.

Mr. THURMOND. How much time is left, Mr. President?

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The time of the majority has expired. The Senator from Delaware is recognized.

Mr THURMOND. How much time is left?

Mr. KERRY. Mr. President, will the Senator from Delaware yield for 30 seconds?

Mr. BIDEN. The Senator from Delaware will be delighted to yield in just a moment. I want to make two comments. I compliment the Senator from Maine on his comment. He has accurately portrayed what is at stake here. We have now concluded that if you are not eligible for indictment, your are eligible for appointment to the Cabinet of the President of the United States.

The second point I would like to make, the Senator from California and I had a little exchange before the committee.

I would like to reiterate that the Senator pointed out that no Attorney General nominee has gone through what in fact this nominee has gone through. I would only add none has deserved it as much.

I now yield to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Thank you, Mr. President.

Mr. President, I rise not only as a new Senator, but also as a former prosecutor who administered a district attorney's office in the largest county in Massachusetts and one of the 10 largest counties in the United States. I have prosecuted organized crime, white collar crime, and political corruption, and I have tried cases before the bar in private practice as well. It is these experiences, experiences which were critical to my own development as a person in public life, that bring me to oppose the confirmation of Mr. Meese as Attorney General.

Like many of my colleagues, I believe a President should as a general matter be free to choose who he wishes to serve him in his administration. But in certain instances the institution of the Senate must preserve the standards of our other institutions by saving no to the President. That is our solemn responsibility and this is such a case.

It is one thing to simply say that the Attorney General of the United States heads the Department of Justice and thereby fills one of our most important public positions. It is another to understand the enormous breadth of responsibility that we convey with this appointment. He or she runs the largest law firm in the Nation, serves as counsel for all our citizens, representing them in enforcing the law in our

public interest. The Attorney General is responsible not only for protecting us against criminals, but for safeguarding consumers, ensuring competition in business to maintain free enterprise, and enforcing our civil rights laws to fight discrimination.

This is an extraordinarily demanding job description, for what is without doubt one of the most demanding jobs in government. The Attorney General of the United States is responsible for upholding our national standard of justice, and that is—or ought to be—a high standard indeed.

We do not have to reach back far in our own memories to recall how important this choice is. During Watergate, our entire Nation looked at improprieties in high office—including the office of Attorney General—and admitted that something was terribly wrong with the behavior and the standards of those who were running our country. The actions which gave rise to Watergate were a national disgrace. On the other hand the response of our institutions, our courts, our Congress, and ultimately the executive department itself, were a continuing source of national pride. The courts said no, you cannot commit these improprieties. And ultimately those who committed those improprieties left office voluntarily, with nearly all acknowledging that they had done something wrong, that they had violated a public trust.

This was a critical experience for many of us. We saw our institutions challenged by those who brought lesser standards to political life. And after we began to understand to what degree their morals had corrupted and weakened our public institutions, we insisted upon a more demanding standard.

In the case of an Attorney General, that standard must be especially high and we should not deviate from it. It should require that a nominee for this position have demonstrated capacity for the work entailed, be clearly free from any suspicion of conflicts or inappropriate actions for a public person, be a person with demonstrated commitment to justice and to our justice system, and be someone who is adequately independent and to some extent beyond partisan politics.

This final standard, of political independence, is one standard which the Watergate scandals particularly recommended, after we saw what could happen when a campaign official and close friend of a President became the Attorney General of the country.

I regret that in my opinion Mr. Meese does not meet these basic standards. One searches through his résumé for a history of employment, publications, administrative legal experience, legal scholarship, legal practice, or any other appropriate experience that would qualify him for the position.

Yes, Mr. Meese was an assistant district attorney in Alameda County in California in the late 1950's and 1960's. No, this does not make him qualified to be Attorney General of the United States, unless mere employment as a prosecutor makes one qualified to be the Nation's chief prosecutor. Yes, Mr. Meese practiced law for a period. But during this time, he devoted most of his attention to the world of politics, not the world of law. Between the two, there is a world of difference that I think all of us recognize.

It is clear that many of our Nation's citizens are far more qualified for the position of Attorney General than Mr. Meese, as suggested by Senator METZENBAUM'S list, presented here earlier this week. Certainly, any of the individuals Senator METZENBAUM listed from Massachusetts have demonstrated greater qualifications than Mr. Meese to be Attorney General. If President Reagan wanted someone with adequate qualifications, he could take his pick from the Massachusetts portion alone of Senator METZENBAUM'S list. The President should take a look at that list. It includes 18 persons in the private practice of law, 1 U.S. attorney, 2 Federal judges, 1 State judge, 10 professors, 4 bar officials, and the attorney general of the Commonwealth, Frank Bellotti. And I could add others not on this list, too, if the President were interested.

Instead of someone qualified—and I am sure California has as many qualified persons to be Attorney General as Massachusetts—President Reagan has chosen Mr. Meese, who I have no doubt intends to do his best at the job. But good intentions are not qualification enough for this job. Being Attorney General of the United States requires more. And at the very least, it requires a special commitment to the impartial and vigilant enforcement of our laws, to the process of our judicial system, to the improvement of the quality of justice, and the clear ability to distinguish between politics and law enforcement.

Mr. Meese has devoted himself not to the legal system or the justice system or the administration of law, but to the elections and reelections of Governor Reagan and President Reagan. No one would assert that there is anything dishonorable in such a commitment to the political process and the interests of one individual. But this should not be enough to justify confirmation by the Senate on the issue of qualifications.

Even before Watergate, the Senate made unmistakably clear that it would not accept modest credentials as the standard for appointment to high office. The Senate rejected not one but two Supreme Court nominees on the grounds they were not qualified for the profound demands of the job. One of our colleagues invited the Senate then to adopt the standard of mediocrity in deciding to confirm these nominees. The Senate rejected them and the standard of mediocrity. More than a decade later, I do not think we should reverse that decision.

Thus on the matter of qualifications alone I believe Mr. Meese does not deserve to be confirmed. But Mr. Meese is not only unqualified. He carries with him a history of actions that merit disqualification. Much has been said about the Stein report and the fact that Mr. Meese was cleared of having committed an indictable offense. It is a long way from saying that Mr. Meese is not indictable to saying that he should be Attorney General of the United States. I do not think the Senate should adopt that standard as the core ethical qualifier for an Attorney General. And I wonder, Mr. President, what has happened to us as a nation when in making a choice for so high an office the standard of confirmation is discrediting the negative rather than applauding the affirmative.

Let me cite one incident of the many reviewed in the Stein report which I think typifies the questions raised by this nomination—the acceptence by Mr. Meese of $10,000 for consulting fees which actually represented illegal moving expenses. I do not think you have to be a lawyer to understand that merely changing the designation of the payment, as was done by Mr. Meese or done on his behalf, does not get around the specific prohibition of the law. Congress intended that public servants not be reimbursed for the cost of moving to Washington from their home States. Mr. Meese took the $10,000 anyway. To me, such a direct and callous circumvention of ethical and legal restraints demonstrates a lack of judgment which should not be rewarded with a position which by its nature requires even more demanding judgments.

Thus, we should not give our consent to the nomination because, first, Mr. Meese is not qualified for the job, and second, he has shown sufficiently limited understanding of the ethical standards required in public life that I think he has disqualified himself from approval.

But I also think Mr. Meese deserves to be rejected because he has demonstrated by word and deed that he does not have the commitment to justice itself that is required for any Attorney General.

A man who called the American Civil Liberties Union a criminals' lobby is not prepared to fight for civil liberties. A man who supports tax exemptions for segregated schools is not fully prepared to fight for equal enforcement of our laws and for civil rights. A man who says that Ebenezer

Scrooge was misunderstood and who believes that there is no need for legal services for the poor is not someone who can adequately serve as counsel to the millions of Americans who cannot afford to pay for a lawyer to protect their legal rights.

Our system of justice is only as good as the justice it offers the least well off of our citizens. Mr. Meese has done little in his career to suggest that as Attorney General he would be committed to working for better justice for the poor. On the contrary, he appears to view legal services for the poor to be outside the province of government entirely. And I do not think the Senate should accept this in a nominee for Attorney General.

Over the past quarter century, we have done much to improve the quality of justice throughout the United States. From the stirrings of civil rights with the case of Brown versus Board of Education, the protections offered those accused of a crime in cases like Gideon versus Wainwright and the Miranda decision, the strides made with the passage of legislation like the 1964 Civil Rights Act and the Voting Rights Act, we have demanded ever higher standards of justice from our Nation.

Now is not the time to confirm an Attorney General who would fall back from all that we have accomplished.

Finally, if the struggles of the past years and the crucible of Watergate taught us anything, we have learned that an Attorney General must be independent. His or her responsibilities go far beyond the political and the partisan. An Attorney General has hard judgments to make. But those judgments are made far harder when he or she is a close political associate and former campaign official of a sitting President.

As Attorney General, Mr. Meese may well find that the requirements of the law and the political positions of the President differ. In such times, the Attorney General should have the independence to tell the President what the law demands, rather than to bend to the Executive will. His duty is not merely to his President, but to our standard of justice itself, which by its nature should not bend to the politics of the day.

The standard of independence is something I think the Senate should insist upon. For the very reasons that the President considers Mr. Meese qualified to be Attorney General; namely, that he is a close friend and adviser and long-time campaign aide, I believe he is unqualified. Mr. Meese does not bring with him the distance or impartiality appropriate and necessary for the Office of Attorney General.

As Senators, we have the special responsibility and privilege of giving our advice and consent to Presidential appointments. Confirmation is always a serious business, but this office we consider now carriers with it special considerations. I do not see how I could meet my responsibility to the people of my State or of my country and vote to confirm Mr. Meese. I strongly and respectfully urge my colleagues to vote against the confirmation of this nomination.

Mr. BIDEN. Mr. President, how much time does the Senator from Delaware have?

The PRESIDING OFFICER. Five minutes fifteen seconds.

Mr. BIDEN. I yield 4 minutes to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I did not intend to speak but as I sat here and I hear a halo being painted around the head of Mr. Meese, I thought it important that we not let the record be silent as to what the facts are.

First, let me start off by pointing out that this body, many Members of which are seated here this afternoon, in 1976 voted, and the Senate voted unanimously, that never again should an Attorney General be appointed by a President, and if appointed, be confirmed by the Senate if that individual was involved in directing the campaign effort of the President. Mr Meese was second in command of the campaign effort. He would attempt to say that he did not have anything to do with the delegates or something of that kind. But that was not the thrust of it. The thrust was when this body voted unanimous to support that position, that never again should the Office of the Attorney General be politicized. That is what is involved in Mr. Meese's appointment.

But my dear friend and colleague who sits next to me said that the Senate Judiciary Committee found that Mr. Meese's conduct was ethical. I do not think they found that at all. The committee voted 12 to 6 to refer the nomination to the floor of the U.S. Senate with a recommendation—favorable. That did not mean that they found that his conduct was ethical. I am not certain whether some did not indicate by their comments that they had reservations about his past conduct but were hopeful that his ethical conduct in the future would be appropriate. Certainly, there can be no question about it as far as anybody who knows the facts in connection with this man's conduct; that he has not been sensitive to the ethical proprieties as to his conduct or his lack of conduct. And the Senator from Arizona, who just spoke in his favor, was the one who asked him—

Why didn't you give back the promotion that you received from lieutenant colonel to colonel after you had learned that the inspector general indicated that the rules had been changed in order to accommodate you and to make it possible for you to have that promotion?

It was he who raised that point. The fact is that the Office of Government Ethics, it is true, said that his conduct was right. But you have to look at those facts also. The two individuals who spent the most time examining into the facts came to the conclusion that Mr. Meese had violated in three separate instances the White House rules and regulations with respect to ethical conduct. That is conduct that gives the appearance of impropriety.

Then when they went to the boss, the boss who had been a radiant political operative and the boss then had a little talk with them, after that they changed their minds and said, well, maybe we were wrong in the first instance. Let us not kid ourselves.

Mr. Meese's conduct has not indicated that he has a paragon virtue, nor can anyone suggest that he has conducted himself properly and ethically. I would guess as others have already indicated that he will be confirmed this afternoon. I accept that as a fact.

I learn around here when you have the votes the arguments and the merits sometimes mean very little. But the fact is that we can only hope that Mr. Meese's future conduct will be far better than his past conduct.

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. BIDEN. Mr. President, I only have 1 minute left. Let me conclude this entire process by suggesting that we are adopting a new standard for appointment to Attorney General or any Cabinet office here. It seems to me that if you read the editorials that are in favor of Mr. Meese, and those that are not, the issue is constantly raised whether or not we are raising the standard which may be too difficult for anyone to repair to. That is one of the issues that have been raised. The fact of the matter is that I think it is about time we raised the standards back up. It may be unfortunate that Mr. Meese was around when we were trying to do that, some would argue, but the fact of the matter is we should have the disinterested integrity of a Robert Taft in this office. We should have the integrity and the intellectual capabilities of other great people that have served in this body, in the Presidency, and the Attorney General Office. We should not be fearful to seek that. We should not be afraid to say to a President that is what we are going to demand of you regardless of their political philosophy. The last thing that I would like to say is that my time is up.

THE VOTE ON CONFIRMATION OF EDWIN MEESE TO BE ATTORNEY GENERAL

Mr. BYRD. Mr. President, throughout my career in the Senate, I have held the view that those persons elected to the office of President of the United States should be entitled to fill

major appointee positions in the executive branch with persons in whom they can place their complete trust and confidence. In effect, when the people of this great Nation elect a President, I believe they entrust to that person the direction of the executive branch—which can be accomplished only if the President can select the senior officials therein.

It is true that the Constitution invests in the U.S. Senate the responsibility of "advice and consent" in such Presidential appointments. But it is my view that the Senate's role should be exercised carefully and conservatively. I believe that the Senate's function properly is to raise and answer to its satisfaction the question: "Is this nominee fit to preserve, protect, and uphold the Constitution and laws of the United States and to execute the responsibilities of the position to which the President is naming him?"

I do not believe advice and consent matters are questions of partisan politics. I do not believe it is proper for the Members of the opposition party to use the advice and consent responsibility as a mandate or opportunity for petty political warfare. I do believe it is both proper and important to use confirmation hearings as a means to review administration actions and policies, and to seek to determine future administration intentions in similar respects. However, I do not believe it is right—nor do I believe it was intended by the Founding Fathers who placed this responsibility in the Constitution—to use my vote on Presidential nominations as a device for embarrassing a President or his administration.

I believe that my voting record on nominees of Presidents of the other party will confirm my statement.

But while I hold the beliefs I have just described with strength an conviction, I also hold with strength and conviction the belief that the well-being of this Nation must be the uppermost consideration in the mind of each Senator whenever he or she casts a vote on confirming Presidential nominees.

Today, the Senate is being asked by the President to confirm the nomination of a close aide to the office of Attorney General of the United States. The person who holds this office is the chief law enforcement officer of the United States of America—the person, second only to the President of the United States, upon whom our system of democratic government and its Constitution place the greatest responsibility for upholding respect for law and order and our assuring that our Federal Government is above reproach and honorable in every respect in fulfilling the responsibilities that the citizens of the United States have placed in it.

The Attorney General is, in fact, the executive responsible for critical determinations of how the power of our Federal Government—ceded to it by the people, who are the ultimate authorities in our democratic system—will be used in the Government's interaction with individual citizens, and how the rights and privileges of citizenship will be assured or denied to individual citizens under law.

In my view, this position requires sound judgment, acute sensitivity to the nuances as well as the obvious characteristics of official behavior, a clear, fundamental, unequivocal commitment to protect and defend the Constitution, to abide by all laws while insisting that all other citizens do likewise, and to provide a sterling example to all Federal Government officials and, more broadly, to all American citizens, of adherence to the highest standards of personal ethics and conduct.

It is saddening, Mr. President, to be confronted with what appears to me to be a diminution—an erosion—within our Government of the standards of public service, of selflessness among our elected or appointed officials, or of complete devotion of those officials to the commonweal. We must be troubled by circumstances where public office is used to any degree in order to obtain private gain for an official or for an official's family, friends, or professional associates.

We cannot fail to be affronted by examples of such erosion just on the basis of principle—because it means that the democratic system which I and tens of millions of Americans hold dear, and for which so many Americans have paid so dearly in our more-than-200-year history, has short-changed our citizens, who have placed their trust in our Government.

Such lapses in adherence to the highest standards may be like the effect of the drops of water that fall on rock over a period of time: Eventually, the unremitting drops wear the rock away. We should be concerned that if they are exposed constantly to a government where selfishness is the norm, where conflict of interest is permitted to go unchallenged, where private gain by public officials is an everyday occurrence, where laws are ignored if officials happen not to agree with them or find them inconvenient, or where disregard of ethical standards is no impediment to high Federal office, Americans eventually will become cynical and will refuse to continue to place their trust in government. Should that day ever come, our Union will crumble around our feet—and those of us who sat by while these things came to pass will bear the responsibility.

I believe Abraham Lincoln shared this fear, and voiced it eloquently, when on January 27, 1837, he spoke the following words: "At what point, then, is the approach of danger to be expected? I answer, if it ever reach us it must spring up amongst us; it cannot come from abroad. If destruction be our lot we must ourselves be its author and finisher. As a Nation of freemen we must live through all time or die by suicide. I hope I am over wary; but if I am not, there is even now something of ill omen amongst us. I mean the increasing disregard for law which pervades the country * * *."

The facts that have been presented during the course of the Judiciary Committee's confirmation hearings on the nomination of Edwin Meese support the independent counsel's conclusion that there was not sufficient evidence to indict Mr. Meese for his actions in several notable cases where he skirted widely accepted and understood standards of ethics.

It also is apparent to me that Mr. Meese has been devoted to pursuing the objectives and interests of the President of the United States who has nominated him. Certainly the President would find this an important and commendable trait, and many others would as well.

If Mr. Meese were a candidate for most positions in this country, I expect many would find him competent, capable, and sufficiently qualified. But the office to which he has been nominated is not just any position. Given the great importance of the office of Attorney General of the United States of America, I believe the Senate is honor-bound to examine his situation more closely.

Among the relevant facts are these:

Mr. Meese twice supported the suggestion that a person who had granted him financial favors be named to a high Federal position. While the independent counsel determined that the facts did not support prosecution because no definite link of reciprocity could be found, ethical standards were violated in these actions.

Mr. Meese joined in approving a person for a Presidential appointment after the person had performed a substantial personal financial favor for him. Again, while the independent counsel determined that no prosecution was warranted because no definite link of reciprocity could be found, ethical standards were violated.

Mr. Meese selected a person providing him with substantial financial favors to assume a high Federal position—and also failed to disclose the financial favors as required by the Ethics in Government Act.

Mr. Meese supported the appointments to Federal offices of several officers of a bank then giving him favorable treatment on several hundred thousand dollars in loans.

Knowing that it was preferential treatment, Mr. Meese accepted a pro-

motion to colonel in the Army Reserve, and helped a key officer involved in providing that promotion to him to obtain reappointment to a high military position.

Mr. President, neither I nor any of my colleagues stand here today properly as judge or jury for Edwin Meese. It is not our responsibility or our right under law to prosecute him for the actions I have just recounted—actions which Mr. Meese has not denied. In any event, an independent counsel has already investigated these matters, and has concluded that they are not grounds for indictment.

I also do not stand here today to personally condemn Mr. Meese for these actions. Taken separately, it is arguable that any one of these ethical violations might have been inadvertent. None of us is perfect; all of us can and do make mistakes.

No, Mr. President, the Senate is charged neither with prosecuting Mr. Meese nor judging him on the grounds of personal morality. And I hope and trust that no Senator will attempt to do either.

What I believe the advice and consent responsibility does require us to do, Mr. President, is to determine if Mr. Meese is fundamentally suitable to hold the high office of Attorney General of the United States of America.

After careful consideration, I have concluded, sadly, that I must vote against confirming him. I would like to briefly detail the reasons I have come to the conclusion I have just stated:

In all Federal offices—but surely in the office of Attorney General—I believe it is vital that the occupants demonstrate adherence to recognized ethical standards. It is imperative that they adhere to ethics laws and Executive orders applying to them. Executive Order 11222, "Prescribing Standards of Ethical Conduct for Government Officers and Employees," in effect since 1965, prohibits actions—

> Which might result in, or create the appearance of * * * using public office for private gain; * * * giving preferential treatment to any organization or person; * * * losing complete independence or impartiality of action; * * * or * * * affecting adversely the confidence of the public in the integrity of the Government."

It appears to me, based on the evidence visible through the confirmation hearings before the Judiciary Committee, that Mr. Meese has transgressed this Executive order.

The reason for such regulations has been eloquently stated by many public servants over our history, but none has stated it more eloquently than it was stated by the late Senator Paul H. Douglas in a study titled "Ethics in Government":

> Today the corruption of public officials by private interests takes a more subtle form. The enticer does not generally pay money directly to the public representative. He tries instead by a series of favors to put the public official under such a feeling of personal obligation that the latter gradually loses his sense of mission to the public and comes to feel that his first loyalties are to his private benefactors and patrons. * * * Throughout this whole process, the offical will claim—and may indeed believe—that there is no causal connection between the favors he has received and the decisions which he makes. He will assert that the favors were given and received on the basis of pure friendship unsullied by worldly considerations. * * * The two series of acts will be alleged to be as separate as the east is from the west.

For the purposes of discussion, Mr. President, I want to lay aside the question of whether Mr. Meese was guilty of a strictly defined violation of applicable ethics standards, or how many times he did or did not violate strictly defined standards, or how seriously he violated those standards. I would like to focus on Mr. Meese's apparent insensitivity to ethical standards.

The aspect of the entire episode involving Mr. Meese that most troubled me, as I tried to determine whether I should vote to confirm his nomination, is the undisguisable reality that Mr. Meese either is incapable of discerning potential or actual ethical conflicts, or is unwilling to allow his behavior to be impeded by conformity with established ethical standards. That is it in a nutshell.

So, Mr. President, it is this realization, more than any other single factor, that is the reason that I must oppose Mr. Meese's nomination today. The Attorney General of the United States is a position where commitment to our rule of law and our system of justice should be absolute and where, equally important, the recognition of impropriety and subsequent avoidance of same must be natural, willing, and constant. Yet, on the basis of his record which Mr. Meese candidly confirms, I fear, if he were confirmed to this office, that he would fail to recognize, much less avoid, conflicts of interest or other more serious breaches of the public's trust. Where the damage to the Union from his previous lapses may not appear on the surface to have been calamitous, lapses in the Justice Department could have grave repercussions—for the Nation as a whole; for individual citizens; or for the liberties and freedoms that are so fundamental to our way of life and form of government. To confirm his nomination to the Justice Department in light of what we know would be to invite such an outcome. In any case where I am so persuaded, I believe I would not be true to my sworn duty as a U.S. Senator were I to vote to confirm the nomination.

Mr. President, the people of the United States are entitled to a higher standard for their Attorney General than the absence of an indictment or conviction for criminal activity. The office means more than that. The responsibilities of the office are more critical than that. Our Government, and the democracy it embodies and protects, are inestimably more important than that.

A standard must be established and met to which the people of this Nation—particularly our young people—can look with confidence and faith. I believe it is a standard of excellence, integrity, and ethical sensitivity, and not mediocrity, that must be applied here.

I am sorry to say that I do not believe that the nominee in this instance meets the high standards for this office which the people of this Nation have a right to expect. Consequently, I shall vote against the nomination.

The PRESIDING OFFICER. All time has expired.

Under the unanimous-consent agreement entered into, the yeas and nays are now ordered whether or not the Senate will advise and consent to the nomination of Edwin Meese as Attorney General.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we have a couple of our colleagues who will not be available for another 10 to 15 minutes. In the meantime, I am going to ask unanimous consent to call Calendar Order No. 7, Senate Resolution 64, the budget waiver accompanying S. 391, the highway bill, as in legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Reserving the right to object, and I do not intend to object, I am concerned that there may be some Members who want to leave.

Mr. DOLE. It will only be for 15 minutes.

Mr. METZENBAUM. I am not in the category of those who want to get away, but I am concerned for them. I know Senator PELL wanted to get away. I just do not think we ought to put this aside.

Mr. DOLE. Will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. DOLE. If the Senator will yield, we are trying to accommodate the distinguished Senator from Mississippi. It will take a while for him to get here. We thought we might move off the Meese confirmation for not to exceed 15 minutes to make back-to-back state-

ments. I would say we would proceed not later than 3:45.

Mr. METZENBAUM. May I ask if the Senator from Rhode Island wants to be present to vote?

Mr. BYRD. Yes, he wants to vote, but I think he will be very understanding with respect to our waiting for Senator STENNIS.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

BUDGET ACT WAIVER

The PRESIDING OFFICER. The clerk will state the resolution.

The bill clerk read as follows:

A resolution (S. Res. 64) waiving Section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 391.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The resolution (S. Res. 64) was considered and agreed to, as follows:

S. RES. 64

Resolved, That section 303(a) of the Congressional Budget Act of 1974 is hereby waived with respect to the consideration of S. 391, the Interstate Highway Funding Act of 1985.

SEC. 2. This waiver is necessary so that multiyear highway legislation may be considered by the Senate. Highway authorizations are contract authority which when enacted create new spending authority. To consider this multiyear highway bill such a waiver is required by section 303(a).

INTERSTATE HIGHWAY FUNDING ACT

Mr. STAFFORD. Mr. President, I call up Calendar Order No. 4, S. 391, the Interstate Highway Funding Act bill.

The PRESIDING OFFICER. Does the Senator call the bill up as in legislative session?

Mr. STAFFORD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

A bill (S. 391) to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

Mr. STAFFORD. Mr. President, once again I come before my colleagues with legislation which would approve an interstate cost estimate [ICE] and interstate substitute cost estimate [ISCE]. The Interstate Highway Funding Act of 1985 is an original bill—S. 391—reported by the Committee on Environment and Public Works on January 29, 1985. However, it is very similar to S. 3024 which passed the Senate last October. Congressional passage of S. 391 would release to the States $7 billion in already authorized and long overdue funding and provide for the administrative release of such funds in the future.

The $7 billion figure represents 18 months of backlogged interstate construction funds totaling $5.3 billion, interstate substitute highway and transit funding of $780 million, and approximately $972 million in 85 percent minimum allocation funds. All of this $7 billion should have been made available to the States in fiscal year 1984.

The situation is now so critical with 46 States unable to do any interstate highway work and the possible loss of a second straight construction season that I hope all extraneous issues can be set aside and the ICE and ISCE quickly approved. The entire Federal-Aid Highway Program must be reauthorized in fiscal year 1986, and I would therefore urge my colleagues in the Senate and in the House of Representatives to lay aside other highway issues until we have the opportunity to consider them next year.

There are two major changes between S. 178, which I joined with Senator SYMMS and other committee members in introducing on the first day of the 99th Congress, and S. 391, an original bill reported by the committee on January 29. First, given the serious concern over the magnitude of the Federal budget deficit, the committee unanimously agreed to lower the fiscal year 1986 obligation ceiling for the highway program from $14.45 billion, as authorized in the Surface Transportation Assistance Act of 1982, to $12.75 billion, which represents a freeze at the fiscal year 1985 level of $13.25 billion plus an additional $500 million cut.

Second, committee members agreed to delete 14 demonstration projects worth approximately $150 million in new Federal spending. Many of those highway projects are very meritorious and all met the guidelines developed by the committee which limited the maximum Federal share to 50 percent of the total project cost or $12.5 million, whichever was less. However, the committee found it inappropriate at this time to authorize any new spending when the entire program is being cut back.

Mr. President, ICE/ISCE legislation is once again available for consideration thanks to the vigorous efforts of many concerned Senators. I especially appreciate the untiring efforts of Transportation Subcommittee Chairman SYMMS, and Senator BENTSEN and Senator BURDICK, ranking minority members on the full committee and subcommittee.

The need for release of these funds becomes more urgent by the day. Approval of the interstate estimates is of bipartisan and national interest. I hope my colleagues will give favorable consideration to S. 391—the Interstate Highway Funding Act of 1985.

Mr. President, I want to clarify two items contained in subsection (e) of section 129 contained in S. 391. This provision is intended to allow several States to obligate a limited amount outside the obligational limitation in fiscal year 1985. The provision is limited to those States who turned back obligational authority on August 1, 1984, expressly because the interstate cost estimate and interstate substitute cost estimate had not been approved and, therefore, did not have sufficient apportionments to use this obligational authority in fiscal year 1984. The affected States and the amount of apportionments and allocations which would not be subject to the fiscal year 1985 obligational limitation are: $6,300,000 for Alabama, $6,000,000 for Connecticut, $58,386,451 for Florida, $17,708,000 for New Jersey, $16,795,645 for Oklahoma, $7,000,000 for Utah, and $7,588,433 for West Virginia. It is the committee's intent that section 129(e) only applies to the States I have just listed and to the amounts I have just listed for each State.

Mr. STAFFORD. Mr. President, I yield to the distinguished Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. SYMMS. Mr. President, I will be very brief in my remarks and try to address concisely what is in this bill for those Senators or members of their staffs who happen to be listening in.

Mr. President, I thank Chairman STAFFORD and the ranking members, Senators BENTSEN and BURDICK, for their efforts, and the members of the committee, in presenting this legislation. I thank the Senate for giving us the opportunity so early this year to be able to vote on this legislation, S. 391, the Interstate Highway Funding Act of 1985.

Mr. President, I am pleased we have an opportunity so early in the year to vote on the highway legislation laid before us today. Passage of S. 391, the Interstate Highway Funding Act of 1985, would provide congressional approval of the interstate cost estimate [ICE] and the interstate substitute cost estimate [ISCE] and, thereby, release over $7 billion in interstate construction and interstate substitute funds. The urgent need for these funds cannot be overstated, and I commend my colleagues on the Environment and Public Works Committee for their expeditions consideration and approval of this bill. Senator STAFFORD, the distinguished chairman of the committee, has moved quickly to bring the legislation to the floor, and I

thank him for his efforts in this regard.

As chairman of the Transportation Subcommittee, I can assure my colleagues that in the minds of their respective State transportation commissioners and directors there is no more important, no more urgently needed, piece of legislation facing this Congress than the measure we are considering today. Passage of S. 391 would release an 18-month backlog of interstate construction and interstate substitute funds which the States have not received because of Congress's failure to approve an ICE and ISCE during the last session.

Already, more than 40 States have run out of interstate money, and a recent survey by the American Association of State Highway and Transportation Officials [AASHTO] indicates that 239 highway projects have been delayed for lack of funds. The same survey suggests that if no ICE legislation is approved by the end of 1985, the States will have to place 1,174 projects, worth over $4 billion, on hold. Moreover, a study just released by the Road Information Program [TRIP] indicates that early approval of the ICE would generate more than 417,000 jobs across the country, including a direct construction payroll of $3.2 billion. It is no wonder Transportation Secretary Dole has referred to the ICE and ISCE legislation as a matter of critical importance and called for its enactment by March 1, 1985, so the money can be allocated in time for the spring construction season.

My colleagues on the Environment and Public Works Committee were keenly aware of the need for fast congressional action on the ICE when they adopted S. 391 by a voice vote during a full committee markup. Committee action on the bill also included the adoption of two amendments which reflect the Members' concern about the growth in Federal budget deficits.

The first of these amendments sets the obligation limitation for fiscal year 1986 trust fund allocations at $12.75 billion—or $500 million below the fiscal year 1985 obligation ceiling. The Surface Transportation Assistance Act [STAA] of 1982 set the fiscal year 1986 obligation limitation at $14.45 billion, so the committee amendment reduces trust fund outlays for that year by a total of $1.7 billion.

The second amendment adopted by the committee deleted the section containing demonstration projects. As introduced on the first legislative day of the session, this ICE legislation contained a section providing $153.6 million in new authorizations for special highway projects. In recent years, the number of requests for funding of demonstration projects has increased to the point that the required additional budget authority would create an unbearable drain on the highway trust fund. A recent study by the Federal Highway Administration indicates the ultimate cost to complete the demonstration projects in last year's Senate and House bills, including the eligibility clarification for the Boston central artery and third harbor crossing, could have reached $7.5 billion. Obviously, the trust fund is not designed to support projects of this magnitude in addition to the regular interstate programs. In order to preserve the integrity of the Federal-Aid Highway Program and reduce Federal outlays for fiscal year 1986 and beyond, the committee voted to strike all demonstration projects from the Senate bill.

Aside from the budget-conscious merits and emergency nature of the bill, I would urge my colleagues to support S. 391 because of the administrative release language which it includes. This language provides that the Secretary of Transportation will continue to submit the ICE and ISCE to Congress every other January 1, and Congress will continue to have from January to October to review the cost estimates and make any changes it desires. However, if Congress fails to act by October 1, the legislation directs the Secretary to make the necessary adjustment to the ICE and ISCE and then administratively proceed to apportion the funds on October 1. In this way, States will not be penalized and the Federal-Aid Highway Program will not be disrupted, as is happening now. I believe this provision offers our best hope of removing the highway program from the political arena and providing the basis for sound financial management of the trust fund.

S. 391 also expands the number of highway trust fund categories on which the minimum allocation formula is based. Three major categories of highway assistance—namely, interstate discretionary, bridge discretionary, and emergency relief—as well as several smaller trust fund programs are added to the 85-percent minimum calculation in order to provide donor States a return closer to 85 percent of the amount they contribute to the highway trust fund. I join the distinguished Senator from Vermont, the distinguished Senator from Texas, and the committee in support of this provision because it provides greater equity and the promise of long-term stability for our highway program.

Mr. President, I want to thank the chairman of the committee, Senator STAFFORD, and the ranking minority member, Senator BENTSEN, for their untiring efforts on behalf of this legislation. Approval of the ICE and ISCE is truly a bipartisan and national concern. I urge my colleagues to approve S. 391 without amendments so we can approach the other body with a clean bill that reflects the Senate's commitment to a fiscally sound and responsible highway program.

The PRESIDING OFFICER. The majority has used its time under the agreement of the Senate.

Mr. STAFFORD. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. STAFFORD. This Senator was under the impression that it was a half-hour equally divided on the other two items and the unanimous-consent request was an hour on the ICE.

Mr. BENTSEN. Mr. President, the Senator from Vermont is correct.

The PRESIDING OFFICER. The Senator is correct. There are 23.5 minutes available to the majority after the Meese nomination. At this point, the original 15 minutes, the balance of the original 15 minutes, goes to the minority.

Mr. STAFFORD. I thank the Chair.

Mr. THURMOND. Mr. President, I rise today to express my strong support for prompt favorable action on the pending measure, S. 391, the Interstate Highway Funding Act of 1985.

Mr. President, it is very important that this legislation be quickly enacted so that long overdue highway funds can be released to the States. Further inaction on the part of Congress with regard to approval of the interstate and interstate substitute cost estimates will seriously impair the ability of the States to proceed with important and much-needed highway construction projects. Available interstate construction funds have already fallen below $10 million in 43 States, and unless the interstate and interstate substitute cost estimates are approved expeditiously, States will be unable to obligate the $13.25 billion in Federal-aid highway funds available in fiscal year 1985.

Release of these funds is long overdue, and I urge my colleagues to join me in supporting swift action on this important measure.

Mr. CHAFEE. Mr. President, I strongly support the Interstate Highway Funding Act of 1985 and want to commend Senators SYMMS and STAFFORD for their efforts in shaping this important legislation.

It is fitting for this to be one of the first major pieces of legislation to be considered in the Senate during the new Congress. Legislation to approve the apportioning of highway funds to the States was one of the main pieces of unfinished business of the 98th Congress.

Passage of this legislation grows more crucial each day. The Nation's program of interstate highway construction is nearly at a standstill because for the past year, Congress has been unable to approve the interstate cost estimate and interstate substitu-

tion cost estimate. The failure of Congress to approve these measures promptly could delay the start of this spring's construction season and further damage the Federal-State partnership which has put highway dollars to work on important road systems across the United States.

In December 1982 we passed landmark legislation which nearly doubled the gasoline tax from 4 to 9 cents per gallon in order to increase the Federal investment in highway and bridge repair. In order for the Federal Highway Program to remain viable, construction and repair dollars from the Highway Trust Fund must be made to the States in an orderly and dependable manner. Last year we found ourselves mired in a legislative quagmire due to disagreements over special interest projects and other issues.

This delay has depleted the highway funds available for obligation by the States and it threatens the long-term stability of the Highway Program. Transportion Secretary Elzabeth Dole has indicated that passage of the ICE and ISCE is a top priority of the administration, and the Nation's Governors and State transportation officers have alerted us to the need to press ahead on this measure.

In approving this measure today the Senate also has its first opportunity to take action to reduce our Nation's massive Federal budget deficit. Reducing the deficit is unquestionably our top domestic priority this year.

Members of Congress from both parties agree that we must adopt a balanced program of spending reductions in order to avert the economic crisis posed by the deficit. It is essential for each committee to examine carefully the programs within its jurisdiction, and to recommend savings wherever feasible.

This measure includes an amendment which I offered, and which was unanimously approved by the committee, to reduce the obligations limitation of the highway program for fiscal year 1986. Through our ability to adjust the obligation ceiling, the Highway Program is made an accountable part of the Federal budget process. A limitation on obligations is the most equitable way of reducing Federal outlays through the Highway Program, since it permits States to continue their highway and bridge activities according to each State's priorities.

The bill now before us will reduce the obligation from the current level of $13.25 billion to $12.75 billion. This action will give us outlay savings of $285 million in fiscal year 1986, growing to $891 million in fiscal year 1987 and $258 million in fiscal year 1988, or $1.4 billion in savings over a 3-year period. This is a modest but important first stop in transforming our words about the deficit problem into action to resolve it.

This legislation also includes a number of important provisions designed to make the Highway Program more responsive to State and local problems and priorities. Its passage is extremely important to the long-term effectiveness of the program. I hope that it can be approved promptly in order that a conference can be scheduled with the House at an early date.

Mr. ABDNOR. Mr. President, today we have before us highway legislation which would approve the interstate cost estimate [ICE]. As my colleagues should be aware, the fate of the ICE has been dangling by a thread for almost 2 years.

At stake is about $7 billion in vitally needed highway construction funds, $26 million of which belongs to my home State of South Dakota. Unfortunately, several Members of Congress have denied States, the construction industry, and the motoring public use of these funds for 18 months.

Every day I receive telephone calls and mail from people in South Dakota who ask why Congress won't release this money. The South Dakota Department of Transportation asks why these funds aren't being released so that they can be put to use. It asks why is it so difficult to realize that South Dakota and other States need this money to carry on a highway program, to build new highways and expand others, and provide highway users their money's worth.

Highway contractors ask why Congress is jeopardizing the construction season, and indeed their very businesses. They say that when Congress increased the fuel tax in 1983, States and the construction industry were promised a 50-percent increase in Federal assistance for urgent construction and repair work on our Nation's highway system. Unfortunately, some Members of Congress have reneged on their commitment and have chosen instead to delay ICE moneys. They have chosen to break their promise, and, at the same time, have chosen to break the back of the construction industry.

Motorists in my home State of South Dakota ask why the money they already have paid in fuel taxes isn't being put to work. Unfortunately, some Members of Congress have chosen instead to let our highway system deteriorate further and have made my constituents and yours drive over the same old potholes and unrepaired roads again and again.

How do I answer these questions? How can I answer these questions? Well, I tell them the truth. I tell the South Dakota Department of Transportation, I tell the contractors, and I tell the motoring public that some Members of Congress want special pork-barrel projects and that they have held the ICE hostage until they can get them.

Several weeks ago when the ICE was being marked up in committee, I offered an amendment that stripped over $153 million of such pork-barrel projects from the bill. The reason for my amendment was straightforward. We must release needed highway funds now and we simply cannot afford to encumber the bill with controversial and costly pork barrel or demonstration projects. Additionally, it seems rather ridiculous to spending billions of dollars for such projects when our Nation is facing a huge Federal deficit and Congress is attempting to cut spending.

I urge my colleagues to fulfill Congress' promise to the construction industry by passing a "clean" ICE bill—one that is free of controversial and budget-breaking projects. We have that opportunity today, and I believe that we must make good on our promise. The construction industry cannot afford to let another construction season pass by without funds, the States cannot afford to let our highways fall into even greater disrepair and allow projects to go uncompleted, and the motoring public cannot be deprived of safe highways. Congress therefore can do no less than pass a "clean" ICE immediately. I urge my colleagues to join me in this effort.

Mr. DIXON. Mr. President, the State of Illinois, particularly in the Chicago metropolitan area, has made substantial use of what can be called underfinancing—that is, providing more local funds to match Federal funds for some projects than is required by law. The State does so in order to make more flexible use of its Federal highway funds, and to stretch Federal highway dollars to cover more work. In northeastern Illinois, for example, many projects have been financed at a 70-30 Federal-local matching ratio, instead of the 75-25 ratio set in law for many programs.

Now as I understand the law, that ratio is a maximum, and not a mandate for a particular Federal-local matching arrangement. I would like to ask my distinguished colleague and warm friend, the distinguished chairman of the Senate Environment and Public Works Committee, Senator STAFFORD, whether he agrees with me that current law permits local communities to overmatch Federal funds, creating Federal-local matching ratios lower than the ratios commonly used to describe the Federal-local sharing requirements?

Mr. STAFFORD. Mr. President, section 120 of title 23, United States Code, provides that the Federal share payable on primary, secondary or urban projects shall not exceed 75 percent. I would interpret this to mean that the Federal-State matching ratios in law are maximums and States should have some flexibility in allow-

ing local communities to provide a higher match of local funds.

Mr. DIXON. Mr. President, I thank my colleague from Vermont for his answer and would ask him an additional question. The State of Illinois and local communities in Illinois have been able, in the past and with the Federal Highway Administration's approval, to increase the Federal participation rate for a project after the project has been authorized, up to the maximum rate. FHWA now seems to be saying that it will not permit this practice. Now I understand that this procedure can create some additional administrative work for FHWA, but I believe it provides important flexibility and assistance to the State and local communities in their management of Federal highway funds. I would like to ask my friend if he will work with me to resolve this matter with the Federal Highway Administration?

Mr. STAFFORD. I would be pleased to work with my colleagues from Illinois. My staff is available at any time to work with your staff. I understand my colleague's concern and will cooperate with him in an effort to find a reasonable and appropriate solution.

Mr. DIXON. Mr. President, I thank my colleague for this answer and for his willingness to work with me to resolve a matter of importance to my State.

Mr. McCONNELL. Mr. President, I would like to commend the extensive efforts of Senators STAFFORD and SYMMS and the other members of the Environment and Public Works Committee in seeking the release of the highway trust fund apportionments to the States. I have seen a marked difference in the condition of Kentucky's highways since the enactment of the Surface Transportation Assistance Act and believe it is in the best interests of our States to maintain the integrity of the highway trust fund.

Although I am a new Member to this body, it has been my understanding that highway trust funds are dedicated for transportation purposes only. Could the distinguished chairman of the Environment and Public Works Committee advise me on whether my assumption is correct?

Mr. STAFFORD. The Senator from Kentucky is correct. The highway trust fund is financed by a dedicated user fee and the funds are to be spent for transportation purposes.

Mr. McCONNELL. That is reassuring, Mr. Chairman, because I have learned that the President's fiscal year 1986 budget proposes to transfer fiscal year 1984 and fiscal year 1985 highway trust funds appropriated for the Cumberland Gap Tunnel project in my State to accounts within the Department of the Interior for nontransportation related activities. I infer from your comments that this is contrary to congressional intent.

Mr. STAFFORD. That is correct. Any transfer of highway trust funds to nontransportation related accounts would be contrary to the intent of the Surface Transportation Assistance Act and would set a disturbing precedent. As chairman of the authorizing committee, I will do whatever I can to ensure that these trust funds are used for their intended purpose.

Mr. McCONNELL. I thank the chairman for having clarified this matter and for his assistance.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. STAFFORD. Mr. President, will the Senator yield to me to make a request for a rollcall vote?

Mr. BENTSEN. Yes.

Mr. STAFFORD. Mr. President, I ask for the yeas and nays on passage of this bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BENTSEN. Mr. President, I shall speak briefly, then yield my time to the ranking member on the subcommittee, the distinguished Senator from North Dakota [Mr. BURDICK]. I would also like to add the request that he recognize the Senator from Arkansas, which I agreed to earlier, so he can speak to the demonstration projects.

Mr. President, on January 29, the Environment and Public Works Committee approved the highway bill as its first major order of business this year.

We moved expeditiously for good reason: Although we came close last year, there was no final approval of legislation to release interstate construction funds so critical to the transportation system of our Nation.

Because of this unfortunate situation, it becomes even more important for this body to move immediately.

The Nation's Interstate System is one of the most significant achievements of this Nation during the past three decades. Its vast interconnecting network provides convenient and relatively safe transportation routes for business, pleasure, and defense.

One of the keys to its success has been the development of an overall plan between the States and the Federal Government which assures a consistent flow of funds to carry out this important program.

In 1983, the release of funds was delayed several months while Congress debated the merits of several special interest projects. Finally, after urgent appeals from all of the States, Congress released one-half of the fiscal year funds which prevented the complete collapse of interstate building programs.

The passage of the highway bill pending before us today will not only release the remaining 18 months of backlogged funds, but provides for administrative release of future interstate money by the Federal Highway Administration. Congress will maintain the right of review and would still be able to make changes it deems necessary.

The difference between this bill and the one we passed last year is that all the demonstration projects have been dropped, and the obligation limitation for fiscal year 1986 has been cut from $14,450 billion to $12,750 billion.

As in the last Congress, this bill includes a provision to modify the formula used to determine the 85-percent minimum allocation for so-called donor States.

This is a matter of elemental fairness to States including Texas which have consistently paid more into the highway trust fund than they receive back.

Over the years, this $1 for every 81 cents overpayment provided money so that other States with smaller revenue capabilities could participate in building a nationally integrated Interstate System.

Congress agreed in 1982 that it was time to assure donor States at least 85 percent of the revenue they contribute. Unfortunately, the current formula used to figure this amount actually provides less than 85 percent.

Only apportioned programs are considered under the formula now in use. The more accurate and fair approach is to include all programs whether apportioned or allocated—such as discretionary money—in determining the 85-percent minimum return.

Mr. President, this provision in the highway bill has been carefully considered and determined to be sound and fair. Legislation without it would be inadequate in that it would not be up to what Congress intended and what our donor States expect and deserve.

I would also like to address another important feature of this bill—a provision for the planting of native wildflowers along our Nation's highways. Not only does this type of planting add beauty to the highway system, it is in keeping with the times in that it has the potential to reduce mowing costs by 25 percent or more.

Section 122 requires that States expend at least one-quarter of 1 percent of the Federal-aid highway construction funds used for landscaping for the planting of wildflowers. Included in the definition of wildflowers and seedlings would be the State flower and shrubs—and I hope some of you have seen the bluebonnets along the interstates in Texas. Experiments there also show that such plantings have resulted in water savings and a reduction in litter.

Upon request of a State, the Secretary may waive the planting requirement where it is not practical, such as in areas not conducive to wildflower

growth and where grass is planted for farm purposes.

This body has for a number of years been involved in beautifying our Nation's roadways, and this is a modest and effective way to continue that work.

I urge my colleagues to support this legislation.

MINIMUM ALLOCATION FORMULA CHANGE

Mr. President, 29 years ago, the Federal highway trust fund was created. The Federal-Aid Highway Act and the Highway Revenue Act, both of 1956, resulted in three groups of highway assistance programs to be funded by this trust fund:

The Interstate Highway System.

The traditional Federal-aid program for construction of primary, secondary, and urban-extension systems.

Small assistance programs such as roads through public lands, Indian reservations, national parks, and national forests.

Since that time, the fund has additionally taken on funding of other programs, including hazard elimination, mass transit and safety. Other disbursements from the fund include demonstration projects, special projects, discretionary funds for interstate and primary highways, and bridges.

The fund has been built up by a series of excise taxes on those who used the highways during this 29-year period. The chief elements of this income are gasoline taxes, diesel, special motor fuel and lubricating oil taxes, tire and tread rubber taxes, and taxes on trucks and truck parts. These have been collected at the State level and forwarded to the Federal Government to be included in the Federal highway trust fund revenues.

At the outset of both the interstate program and the trust fund, it was realized that, because of the urgent need to expeditiously connect the larger cities throughout the Nation for the purposes of commerce, personal mobility, and national defense, there would have to be dislocations in the expenditure of funds.

Some States, obviously, would be able to develop and construct highway projects faster than others. Some States would not be able to generate sufficient revenue in a timely manner to build what was required within their borders. The highway trust fund provided a means of shifting funds to meet these requirements, and, of course, this meant there would be States that received less in Federal funding than they contributed in revenue while others received more.

This inequity was accepted because it was foreseen that this flexibility would allow a national highway network to be expeditiously built through every State in the Union, one that would not be limited by an individual State's inability to raise sufficient and timely revenue.

In fact, some years ago, when several smaller States feared they would not receive adequate funding based on an existing formula to build their portion of the Interstate System, Congress enacted legislation which guaranteed all States at least one-half of 1 percent of the interstate construction money and one-fourth of 1 percent of the bridge replacement program. Over the years this has been expanded to include a one-half of 1 percent guarantee for primary, secondary, urban, safety and Interstate 4R.

In 1985, more than 20 States will be beneficiaries of these provisions. Because of the national benefit received by all Americans in increasing the capacity for movement of commerce, for pleasure, and defense, I have consistently supported legislation to make this possible.

However, it must be recognized that time and conditions change. The Interstate System has essentially been built. The major challenges today are to build a relatively few miles of high cost interstate; to find ways of funding the high maintenance requirements, and continuing to meet the needs of growing and expanding population areas.

The perspective of nearly 30 years has also demonstrated that under our current formula, some States have paid more into the highway trust fund every year since 1956 than they received back. Texas alone has contributed over $2 billion more. Combined, donor States have supplied $6.5 billion to assist other States since 1956. Although the basic principles of States sharing resources must necessarily continue, the time has come for these donor States to have some of this burden lightened. Otherwise, we face an unwillingness on the part of highway users in these donor States to pay, for they know as well as we that they deserve to gain a reasonable benefit from their payments.

When Congress passed the Surface Transportation Assistance Act of 1982, it demonstrated an understanding of this need for fairness and equity by including a provision to assure that donor States receive at least 85 percent to the funds they pay into the trust fund. This guarantees these States a fairly reasonable return of their contribution and also continues to provide extra funds to be shared with other States.

Since this provision was passed in the 1982 legislation, it may reasonably be asked what I and other Senators are trying to accomplish with section 124 of the pending highway bill. Let me begin by pointing out that it is presently impossible to determine how much revenue each State contributes on a current annual basis. As a result, instead of making the simple mathematical computation of taking 85 percent of State's revenue to determine the proper amount, a formula was developed to estimate what this return should be.

This formula is based on the relationship of the latest known revenue contributions and the funds to be received by a State from the highway trust in the current year. I discovered that all funds being disbursed from the trust fund were not being included when the 85-percent minimum allocation was determined. The effect of the error was to skew the formula so less than 85 percent is actually paid back to the donor States.

Mr. President, if actual current revenue were available by State it would be a simple matter to pay 85 cents on the dollar as Congress intended. Since it isn't that simple, all my provision does is clarify which categories are to be included in the 85-percent calculation so that it is as accurate as possible.

Fiscal responsibility is really a matter of equity. No one wants to continually pay for less than they receive unless some assurance of fairness is forthcoming. Let me clearly point out that this amendment neither reduces the allocation of any State nor does it eliminate a source of revenue which can be shared with other States as the need requires.

Texas and other donor States will still pay more into the highway trust fund than they receive back. Increasing payments to these donor States to assure them a minimum return of their money is fiscally responsible in that it prompts continued success of the Federal-aid highway system.

If authorizations are exceeding overall revenue then the real question becomes one of reducing total expenditures or increasing taxes, or both. Recognizing the changing nature of highway requirements, it may be time to reassess if States should be guaranteed one-half of 1 percent interstate payment if their Interstate System has been completed. Maybe we should cap the amount a donee State receives over and above what it contributes to the trust fund, for example. These are far-reaching measures, but I think they must be pursued if we cannot agree to guarantee our donor States a fair return on their payments.

Mr. President, I yield to the distinguished Senator from North Dakota.

Mr. BURDICK. Mr. President, I am pleased that the Senate majority and minority leaders have set aside this time to discuss highway legislation. Quick approval of the interstate cost estimate [ICE] and interstate substitute cost estimate [ISCE] releasing more than $7 billion in construction funds is very important. According to the last count, over 40 States have exhausted their interstate construction

funds and cannot move ahead with projects. Unless urgent action is taken, States will be forced to shelve more than 200 highway projects for the second construction season in a row.

The legislation is very similar to S. 3024 which died in conference with the House last October. At that time, conferees failed to agree on funding for special purpose projects totaling $880 million.—Senate $178 million, House $640 million.

The committee made many tough decisions to get this bill to the Senate floor. Members agreed to remove new authorizations from the bill which would hinder its passage. This action was taken to minimize further disruption of the highway program caused by delayed construction.

Last year States made a major effort to reprogram their highway projects to replace delayed interstate funds. As a result, many high priority projects were pushed aside. By reprogramming, States have almost reduced the $6 billion backlog in projects an used up much of their unobligated balances. It is doubtful that States can continue to reprogram much longer. States need these interstate construction funds to reduce budgetary problems caused by going with the higher Federal-State matching ratios for substituted projects.

The legislation before us today is straightforward. It approves the necessary 1983 cost estimates for release of funds for the last half of fiscal year 1985 and for fiscal year 1986. Because interstate funds are available 1 year in advance, States should have received these funds in 1984 and 1985. In addition, it approves the 1985 estimates in order to apportion interstate construction funds for fiscal year 1987 and 1988.

The legislation also provides for an administrative release of interstate construction funds beyond 1988. The Secretary of Transportation would continue to submit the estimates to Congress every other January 1. Congress would have until the following October to review the estimate. If no action was taken, the Secretary is directed to administratively apportion the funds. The committee believes that this provision will preserve Congress oversight responsibilities and at the same time assure the successful and timely completion of the interstate system.

In addition to the release of interstate construction funds, the committee also extensively discussed the need to reduce the Federal deficit. The debate centered on whether the highway program, which is financed from user fees, should be included in budget cuts. Since the highway trust fund is part of the unified budget, the decision was made to reduce outlays. The Congressional Budget Office predicts a $1.2 billion outlay saving over the 1986–90 period.

The reduction is accomplished by setting an obligation ceiling of $12.75 billion for fiscal year 1986. That is $500 million below the 1985 level and a $1.7 billion reduction from the level authorized by the Surface Transportation Assistance Act of 1982.

It is important to note that this reduction does not reduce the total authorization provided to States under the current highway program. The limitation has the effect of reducing the dollar amount each State can obligate in contracts during fiscal year 1986. The committee thought it was fairer to reduce spending by lowering the obligation limitation rather than specific categories. This provide States more flexibility to determine which projects could best be delayed with the least hardship to their overall transportation program.

The decision to reduce the obligation ceiling was not easy for committee members. Nor will it be easy for some States, like North Dakota, with small highway programs to postpone projects. The reduction was $500 million below what I thought would be acceptable to my State. However, I endorsed the committee's final decision that such a reduction was warranted to bring the deficit under control.

I would encourage my colleagues to pass this legislation. If the interstate construction funds are not approved in the near future, the highway program will be affected by more than deficit reductions. Without these funds, States will not have sufficient apportionments and allocations to obligate the $13.25 billion available during this current fiscal year.

Swift action will be welcomed by your State highway departments and contractors. My State needs immediate relief. If it does not receive the promised $26 million, the highway commissioner has indicated he will pull $7 million in contracts from the March bid letting. I am sure that there are many States like North Dakota which will be confronted in short order by similar problems.

I know that some Senators may be disappointed by having their projects removed from the bill. However, the Senators will have another opportunity to present their States' case when the committee conducts hearings on the highway reauthorization legislation which must be passed before the 99th Congress adjourns.

Mr. President, I have been contacted by Senators JOHNSTON and LONG regarding the State of Louisiana's continuing interest in special purpose funding for two extensions of I-49. I ask unanimous consent that the floor colloquy which occurred during the last highway debate on October 4, 1984, be printed in the RECORD.

There being no objection, the colloquy was ordered to be printed in the RECORD, as follows:

Mr. JOHNSTON, Mr. President, I understand the many difficulties the managers of this bill have encountered in attempting to negotiate approval of the interstate cost estimate and I am relieved that we are now taking action that will allow States with high priority interstate projects to receive the Federal assistance that is necessary for construction to continue.

At the same time, Mr. President, I believe there is an urgent need to address other highway concerns that will improve our Nation's infrastructure. In this regard, earlier this year I testified before the Committee on Environment and Public Works. The purpose of my testimony was to call to the attention of the Committee a serious flaw in the design of I-49 in Louisiana and to request the necessary authorization to cure this deficiency. Mr. President, I would like to briefly describe the situation in Louisiana.

In the early 1970's, Congress authorized construction of I-49 in Louisiana. I-49 is 206 miles long and it is the only major north-south highway in the State. It begins at an intersection with I-10 in Lafayette and extends in a northerly direction to its termination with I-20 in Shreveport, Shreveport is my hometown and it is located in the northwest corner of the State.

The problem, Mr. President, is that when we authorized I-49, we connected I-10 in south central Louisiana with I-20 in north Louisiana. However, both of these termination points empty the traffic from the interstate into the middle of a major city. By extending I-49 approximately 3 miles in each direction, we can alleviate this problem and vastly improve our National Defense Highway System.

As I mentioned, Mr. President, without these extensions the traffic from I-49 will empty into the middle of busy cities. For example, if we do not extend the northern terminal of I-49 from I-20 to I-220, the I-49 traffic will have to use city streets to reach the next controlled access route. Most likely, motorists will use Allen and Western, two small roads near the present terminal of I-49 in Shreveport. I am very familiar with both of these roads.

Current plans call for making Allen a one-way road going south and Western a one-way road going north. Presently, the traffic flow is about 3,400 vehicles per day on Allen and about 6,300 vehicles per day on Western. Upon completion of I-49 in the Shreveport area, traffic is expected to increase to approximately 13,083 vehicles per day on Allen and to 17,667 vehicles per day on Western. That means that when I-49 is completed, three times as many vehicles will be dumped into downtown Shreveport. Mr. President, Allen and Western are your typical city streets. They are very small, modest streets and the projected increase in traffic on them will create an impossible traffic situation.

Alternatively, to reach I-220 a motorist could take I-20 to Market Street. However, if he went down Market Street, he would have to travel through 12 traffic lights in the heart of downtown Shreveport. Consequently, the present design of I-49 defeats the whole reason for having an interstate road because you will be dumping the traffic into the middle of a city.

Mr. President, the situation in Lafayette is equally as difficult as the situation in

Shreveport. Presently, I-49 terminates at an intersection with I-10 in Lafayette, a 3 mile stretch of road known as the Evangeline Thruway, then connects I-49 with U.S. 90, the major east-west highway in southern Louisiana.

The Evangeline Thruway sounds like a substantial road and it was a good road when it was built. However, the thruway is currently handling 1.49 times the traffic it was designed to handle and it is terribly congested. Mr. President, the Evangeline Thruway is presently servicing 45,000 vehicles per day. Once I-49 is completed, it is expected to service from 60,000 to 65,000 vehicles per day.

Moreover, Mr. President, the Evangeline Thruway intersects with 27 different roads. None of these intersections are major intersections, with traffic at these intersections being controlled by stop lights. At the remaining 18 intersections traffic entering the Evangeline Thruway is controlled by stop signs.

Mr. President, I do not know of any noncontrolled access road in this country that can service traffic of this magnitude. It is virtually impossible to cross a road that is servicing 60,000 to 65,000 vehicles per day. The situation is a mess now and if we do not do something about it we are going to have a gridlock.

Mr. President, Lafayette has grown very quickly from a small sleepy country town to the capital of the oil industry in Louisiana. In fact, a recent New York Times article states that Lafayette is one the Nation's fastest growing metropolitan areas, having grown 19 percent since 1980. Because of the fast pace at which this town has grown, the roads were not designed for easy access or for heavy concentrations of traffic. Consequently, today, Lafayette is a mess in terms of traffic control and this situation will deteriorate further unless we do something about it.

Mr. President, the House has recognized the seriousness of this situation and it has authorized $40 million so that we can begin the preliminary engineering and design work that is needed to alleviate this problem. I understand that the managers of the Senate bill would like to go to conference with the cleanest bill possible. While I can appreciate their position, I cannot overemphasize how important it is to correct this problem. Consequently, I would like to ask the managers of the bill if it will be possible for the Senate conferees to retain the House language that address the I-49 design problems?

Mr. RANDOLPH. I fully understand the importance of these projects to the Senators from Louisiana and I will be pleased to work with the House conferees in reaching an acceptable compromise on demonstration projects which can be a basis for a solution to this transportation problem.

Mr. BENTSEN. Coming from an energy producing State myself, I understand the importance of having an adequate Interstate System to facilitate the movement of our domestic energy supplies. Consequently, I will be pleased to work with the House conferees as the bill relates to the position of the Senators from Louisiana.

Mr. STAFFORD. I recognize how important these projects are to the State of Louisiana and I will work with my colleagues in the House in seeing that this problem is adequately addressed in conference.

Mr. SYMMS. I think the request of the Senators from Louisiana is a worthwhile project. There is little question about it. Furthermore, I appreciate their cooperation in not offering their amendment on the floor. Consequently, I am willing to see that their concern is addressed in the conference report.

Mr. BURDICK. I want to assure the Senators from Louisiana that I understand the sense of urgency you have on these projects. I agree with you that the projects as Shreveport and Lafayette are meritorious, and I will support your position in conference.

Mr. JOHNSTON. Mr. President, I appreciate having these assurances from the distinguished Senators and I thank them for their attention and support.

Mr. LONG. Mr. President, I would like to reaffirm statements made by my distinguished colleague from Louisiana, Senator JOHNSTON, regarding the importance and necessity of extending I-49, 6.7 miles—3.7 miles of the proposed extension would be to the north terminal of the Interstate, thus connecting I-49 with I-220 in Shreveport-Bossier City. The remaining 3 miles would be in the Lafayette area.

I want my colleagues to know that I wholeheartedly endorse this extension and urge their favorable consideration on the merits of the project.

I-49 was authorized by Congress in the early 1970's and is 206 miles in length. I-49 begins at an intersection of I-10 in Lafayette and extends to its termination point of I-20 in Shreveport. I-49 is the only major North-South highway in the State of Louisiana.

Currently, I-49 terminates in two major cities which have tremendous traffic problems. The modest extension proposed will alleviate traffic congestion in Shreveport and Lafayette, thereby creating a controlled access road from New Orleans to Shreveport.

Lafayette, LA, is one of the fastest growing cities in the Nation. Since 1980, the population has increased by 19 percent. This dramatic increase in population has caused a tremendous burden on city streets, and has created unsafe conditions.

Lafayette was once a small country town. It is now the capital of the oil industry in Louisiana. The streets of Lafayette were not designed for easy access or heavy concentration of traffic. The major connection street for I-49 in Lafayette. Evangeline Thruway, handles more than 45,000 vehicles a day. Once I-49 is completed, it is expected to service from 60,000 to 65,000 vehicles a day.

Many of the problems experienced by Lafayette also exist in Shreveport, to which my good friend and colleague, Senator JOHNSTON, can attest.

Shreveport is the home of Barksdale Air Force Base, which is where the 8th U.S. Air Force is headquartered. Barksdale is the home of the B-52 and the KC-135 tankers which deploy with the B-52's.

Employment at Barksdale is well over 6,000 and it is anticipated expansions will occur in the near future. With increased employment at the base, there will be greater demand for easy access to other military facilities in the area. Extending I-49 North will make Barksdale more accessible to other facilities.

The House has already passed a highway bill which includes an authorization of $40 million for preliminary engineering and design work on the I-49 project. Mr. President, I would like to urge my colleagues to consider retaining the House authorizing language for the I-49 demonstration project when this bill goes to conference.

Mr. MOYNIHAN. Mr. President, I rise in support of S. 391, the Interstate Highway Funding Act of 1985. Clearly the most important part of this bill is the approval of the interstate cost estimate and the release of interstate construction funds for fiscal years 1985, 1986, 1987, and 1988. The Department of Transportation should already have apportioned funds for 1985 and 1986, but has been unable to do so because the 98th Congress failed to approve a 2-year ICE. As a result, 43 States have unobligated balances below $10 million.

New York has a relatively large reserve of unobligated funds—$79 million as of January 1—but approval of an ICE is as crucial to New York as any other State. The State of New York will imminently receive a dredge and fill permit for the long-delayed Westway, removing the final legal hurdle for this vital project. I am hopeful that 8 years after the U.S. Department of Transportation approved Westway as part of the Nation's Interstate Highway System, construction will soon begin. When it does, New York will have an especially strong need for its full share of authorized interstate construction funds.

I further applaud the sections of S. 391 directing the Secretary of Transportation to release interstate funds even if Congress fails to approve an ICE. This will avoid future delays similar to those we are now experiencing.

I am also pleased with section 114, which will repeal the Federal review of bridge tolls. Only 92 of the 295 toll bridges in the United States are subject to Federal regulation. There is no rational reason that some bridges are regulated and some are not. Tolls on one bridge in New York are regulated eastbound but not westbound. This bill will eliminate the unnecessary regulation.

I hope we can rapidly pass S. 391 and allow work on the Nation's Interstate Highway System to resume.

Mr. GORE. Mr. President, I had intended to offer an amendment to this bill on the floor today to include $12.5 million in funding for the Pellissippi Parkway extension. This is an important project which Senator Baker worked hard to include in last year's highway bill, and I am disappointed that the committee did not amend this legislation to include funds for the parkway. However, I respect the need to pass this bill expeditiously so that funds which have been held up since last October can be made available to the States, including Tennessee's share of $89.9 million to fund several highway projects across the State. I certainly have no desire to hold up this funding any longer by offering an amendment at this point contrary to the desires of the committee. However,

I hope you can give me assurances that you will work with me to consider including funding for the much needed Pellissippi Parkway extension in later legislation?

Mr. BENTSEN. You have my assurance that, should the Environment and Public Works Committee consider demonstration projects in the future, I will provide my full cooperation to help assure that the Pellissippi Parkway extension receives a full and fair hearing. I have already worked closely with Senator SASSER and Senator GORE on this project and had been prepared to introduce an amendment to fund the parkway on their behalf within the constraints of the bill. However, the committee voted to delete all demonstration projects from the bill.

Mr. SASSER. Mr. President, I rise to state my complete agreement with the statement of the junior Senator from Tennessee. I look forward to continuing to work with Senator BENTSEN and Senator GORE on behalf of this important project.

Mr. BAUCUS. Mr. President, I know that everyone in this body understands the importance of passing the interstate cost estimate [ICE]. Without the ICE, interstate highway construction will grind to a halt. We are already very close to delaying projects in a number of States.

I do have some concerns about the ICE as reported by the Environment and Public Works Committee, and I should like to note them briefly.

First, out of concern for the problem of the Federal budget deficits and in recognition of the urgent need to reduce the deficit and thus Federal spending, the committee lowered the obligation ceiling from the fiscal year 1986 projection of $14.25 to $12.75 billion. I preferred a freeze in the obligation ceiling at the fiscal year 1985 level of $13.25 billion, until we had assurance that other important budget items—like the defense budget—would bear their share of deficit reduction.

The second concern I have with the committee's action is that we approved a "clean" ICE without any agreement with the House of Representatives about their approach. I have no objection to a "clean" ICE if we could be sure that the House of Representatives will not include a large number of demonstration projects in their bill—putting us in an extremely difficult negotiating position.

My final, and most serious, concern is the possibility that the House might try to change the interstate 4R formula. I join several colleagues in adamantly opposing any formula change in the ICE. In fact, I would not hesitate to do everything possible to delay the consideration of the ICE conference report if such a formula change were included.

I believe the 85-percent minimum allocation formula that Senator BENTSEN so effectively advocates directly addresses the concerns over the present formula.

Mr. President, despite these concerns, I am pleased that the Senate is prepared to take action to approve the ICE. There is highway work waiting in every State. There are jobs waiting to be filled in every State. Let's approve the ICE now, negotiate successfully with the House, and let the States get on with their important highway work.

Mr. SASSER. Mr. President, some $2.5 trillion is needed to rebuild America's sagging infrastructure. An obsolete and eroded infrastructure will hold back this Nation's economic growth. Now is the time to face our public works dilemma and to seek cooperative solutions.

Mr. President, as we turn our attention to reducing Federal spending, serious consideration must also be given to the impact which proposed cuts may have on our infrastructural stability. Since 1965, our gross national product has risen some 62 percent in constant 1972 dollars. Yet, during this same period, from 1965 to 1980, public work expenditures in 1972 terms have declined by 19 percent.

Experts have estimated that local, State, and Federal governments will have to spend close to $3 trillion this decade just to maintain the present level of service of our Nation's public facilities. The specific needs include $1 trillion for highways and bridges, $600 billion for city streets, $125 billion on municipal water systems, and $40 billion for ports and inland waterways.

Mr. President, the administration, in recent years, has indicated its desire to get the Federal Government out of the public works business. But when nearly 250,000 or one-half of our Nation's bridges are either functionally deficient or obsolete, and the United States continues to fall woefully behind other competitors in the export of its most abundant resource, coal, now is hardly the time to retreat from the job of rebuilding our infrastructure. Rather, now is the time to solicit cooperative solutions to insure that our Nation's highways, bridges, dams, and ports will serve our economic needs in the 21st century.

Now is the time to make some critical decisions about the future of our Nation's deteriorating highways, bridges, sewer systems, and dams. Public works improvement efforts will continue to require a concerted State, local, and Federal commitment. Nonetheless, I believe that it is incumbent on the Federal Government to assume a central role in laying out the agenda for upgrading our Nation's highways, bridges, dams, and sewer systems.

In this regard, I call attention to one area about which I have had a particular concern, that is, the condition of our Nation's bridges.

Of the 565,000 bridges nationwide, 45 percent are functionally deficient or obsolete. Some 126,655 deficient bridges have been cited as so unsafe so as to be restricted to light traffic, or closed altogether. The total estimated repair bill for bridges is approximately $48 billion.

Last year, I testified before the Committee on Environment and Public Works regarding the need for national bridge improvements. In the past two Congresses, I have introduced legislation which required the Department of Transportation to conduct a broad reassessment of our Nation's bridge needs. Included in my legislation, S. 1575, were provisions for timely bridge inspections, qualified bridge inspectors, and a study of our bridge sufficiency ratings to reflect adequate and accurate bridge repair priorities.

While funding will be a prime consideration in reversing the escalating trend toward bridge deterioration and disrepair, equally important will be the prudent allocation of our limited resources. To such an extent that funds are limited, it is important that we take the time now to take stock of our bridge inventory and ways to improve it.

Mr. President, I am pleased that the Committee on Environment and Public Works has incorporated my bridge repair legislation into the current highway bill, S. 391 S. 391 requires the Department of Transportation to conduct a study of our Nation's bridge inventory with emphasis on improving the quality of inspection, the qualifications of inspectors, and the accuracy of the bridge sufficiency rating system. I believe that this study will, in the short term, help us to identify those structures most in need of repair.

Mr. President, at this point, I ask to have printed in the RECORD a recent article which provides additional information on the problems of repairing and rebuilding our Nation's bridges, as well as the efforts of other countries in this regard.

The article follows:

[From ENR, Dec. 13, 1984]

INSPECTION'S IMAGE STILL TARNISHED

The essential first step in repairing the nation's bridges is a dirty business, requiring people to scramble over bridge towers, slither along bird-dropping-encrusted deck girders and slosh through culverts. While in these precarious and unpleasant situations, bridge inspectors not only have to take measurements, notes and photographs, they sometimes have to make judgement calls on just how safe that bridge is.

Inspectors supply the essential baseline information that determines maintenance programs. And yet clear, comprehensive figures on inspection costs aren't available. Also, there is doubt that all inspections are properly conducted. All this might be understandable if inspection weren't the starting

point on the critical path toward a sound bridge system.

"Inspection is an on-going line item—it doesn't pay for anything, so it gets cut" in tight times, says John J. Ahlskog, the Federal Highway Administration's director of inspection, explaining the tendency of many state and local governments to scrimp on inspection, which is often lumped with the maintenance program. Funding inspections may also be unpopular for another reason: they highlight deteriorating bridges and thus force greater diversion of scarce resources to maintenance.

EYE-OPENING DISASTERS

The catastrophic collapse of the Silver Bridge in West Virginia in 1967 killed over 40 persons and galvanized the nation's engineers and politicians, serving as a catalyst for changing inspection procedures, says a source close to the inspection scene.

Inspection of the pre-Silver Bridge era was often the responsibility of a district's maintenance supervisor whose main concern was to maintain pavements, not look at structures, says Charles F. Scheffey, science adviser for FHWA's office of research, development and technology. Maintenance jobs then were basically patronage positions in Pennsylvania, says Louis G. O'Brien, recently retired from Pennsylvania's Department of Transportation maintenance department.

In 1968, FHWA codified inspection procedures for all bridges on the federal-aid system, based on standards set by the American Association of State Highway and Transportation Officials. In 1978, these procedures were extended to off-system bridges, usually the responsibility of counties or cities, and comprising over half the nation's bridges.

Inspecting to meet the new federal standards "opened a lot of people's eyes . . . the conditions were worse than they had thought," and the need for better trained inspectors was apparent, says O'Brien.

Federal law also requires that all bridges—structures over 20 ft. long—and their ratings be listed in one place. This inventory is almost complete and shows that over half of the nation's 571,000 bridges are either structurally deficient—meaning some defect limits their capacity—or functionally obsolete—meaning their alignments or widths are unsafe.

Fifteen and a half years after the Silver Bridge collapse, the nation was jolted again, when three persons were killed when a bridge span fell at night into the Mianus River in Connecticut. The National Transportation Safety Board blamed the collapse on deficiencies in Connecticut's inspection and maintenance program. But preliminary testimony at the NTSB hearing indicated that FHWA's review of Connecticut's program had been woefully inadequate, and inspection training manuals supplied by FHWA didn't contain important information on certain critical bridge details.

Primarily because it says it doesn't have enough staff to supervise state programs, FHWA has resisted the call of some that it police state inspection programs, says Ahlskog. This would require sending in inspection "hit squads" to see that the state's records jibe with what's in the field. "Our posture is that the states are responsible for what they have to do" to comply with requirements, he says.

SUING FOR COMPLIANCE

One group sued the U.S. Department of Transportation and FHWA to try to enforce current inspection and maintenance standards. The Center for Auto Safety, Washington, D.C., requested that the court force the agencies to invoke the mandated penalty—cutting off of funds—for noncompliance with federal bridge-inspection standards. The center hoped to force an examination of the federal inspection requirements and funding mechanisms. The court dismissed the center's suit last month, saying the center had no right to sue and it hadn't shown that cutting funds would remedy the problem.

While the center's claim that cutting bridge funds could improve the bridge program might seem absurd to some observers, to county engineers and administrators who are required to meet the federal standards—often without federal assistance—it touched a raw spot. "It is a fact that many counties are very poor and are in a bind," says Herbert O. Clossner, director of the Hennepin County, Minn., department of transportation. He says that not only aren't there always funds to pay for proper inspection, but there are very real political ramifications to following up on the inspections. Since the county might not be able to rehab a bridge to design loads, it must post it—enforcement of which can isolate or inconvenience many taxpayers and voters, he says.

But there could be financial benefits to taking that extra step. "You bet your life that [having an in-depth bridge inspection record] made a difference" in getting federal funds, says Melvin B. Larson, city engineer for Springfield, Ill. Larson has worked for Illinois DOT as a liaison between it and county governments. Illinois made out well in the distribution of federal funds for bridge rehab because it had such good documentation on its bridges, he says.

ELUSIVE QUALITY

FHWA estimates that at least $80 million is spent annually for bridge inspection in the U.S. This means the average bridge inspection, done every two years, costs $280. While this seems like a modest amount, for a state or county with many bridges, the cost can add up. At least 15% and no more than 35% of federal replacement funds can go to off-system bridges. The state decides which off-system bridges or programs will get the money—leaving it open to political wrangling.

Because of financial pressure, inspection contracts are going to the lowest bidders, says Milton L. Johnson, executive secretary of the National Association of County Engineers and also the Wapello County, Iowa, county engineer. He feels secure selecting a few consultants and going with the low proposal. "But there are a lot of counties without county engineers—so even the preliminary selection process is shaky," he adds.

The American Road & Transportation Builders Association is concerned about price-based inspection work. "There is a sense that too many corners are being cut" in bridge inspection, says an ARTBA spokesman.

"We want to avoid rating a bridge if we can't do a proper inspection. We want hands-on time," says Frank J. Kempf, corporate bridge engineer manager for Michael Baker Corp., Beaver, Pa. "There is no substitute for brains on a job," he says.

"Quality of inspection is elusive," says Heinz P. Koretzky, chief of PennDOT's bridge management division. Pennsylvania is encouraging documentation of every aspect of the inspection—to ensure that there are no "walk-through" inspections, he says.

But a comprehensive inspection-rating system is probably more a nice idea than an attainable end. "There is a tremendous amount of interpretation in inspection. You need a good inspection organization, but you also must rely very heavily on the integrity of the inspectors," says Gerald A. Donaldson, associate director for the Center for Auto Safety.

FOCUSING ATTENTION

Research over the past 10 years has helped inspectors focus on critical details during their work, and many states have supplemented federal inspection handbooks with additional books on fatigue-critical details. Many bridge engineers credit John W. Fisher, Lehigh University civil-engineering professor, with classifying fatigue-critical details on steel bridges.

"John has made inspection much pertinent," allowing for more intelligent use of an inspector's time, says Wade L. Gramling, chief of PennDOT's roadway management system division. "Lehigh has alerted the world to the problem of fatigue cracking, but attention shouldn't be diverted altogether away from studying nonfatigue-critical details—such as connections," says consultant Abba G. Lichtenstein, president of Lichtenstein & Associates, Inc., Fair Lawn, N.J. He points out that failures at these critical points would be devastating.

THE FIRST STEP

While technical refinements and improved inspection techniques are nice, according to many consultants involved with inspection, the problems with the bridge inspection program will be solved by only one thing: money. But even a great inspection program is only as effective as the maintenance program that it ties into. The funds that are needed to fix the many deficient bridges in the country will dwarf the $80 million spent annually on inspection. It's also a load that states and counties have resisted carrying. According to one FHWA official: "The biggest shock in the inspection program is the sad lack of follow-up."

OTHER COUNTRIES MOVE TO IMPROVE INSPECTION

Bridge inspection around the world, as in the U.S., suffers from funding, education and record-keeping problems. The responsibility for inspection is usually distributed down through some national system to districts and towns.

Neglect and innovation. The frequency and depth of inspections vary considerably among nations. Like the U.S., after World War II, France invested much in building new bridges but budgeted little for inspection. The collapse of an 18th-century arched bridge in 1977 in Tours, however, aroused the public and brought about tighter standards.

While bridges in Brazil are supposedly inspected every two years, there is no listing of ratings. Trucking companies hire consultants at their own expense to ensure specific bridges can carry heavy loads—such as transformers or generators. Local engineers say these unofficial reports are the best source of bridge information in the country.

Better laid plans. Stepping up to the forefront of inspection—at least on paper—is West Germany. There, road crews—not necessarily professional engineers—must cursorily inspect every bridge four times a year. An engineer must look for signs of deterioration once a year. A team of inspectors must cover a checklist of points every three

years. And, an exhaustive "chief inspection" must take place every six years.

Germany requires that bridge inspectors be engineers with "a huge span of bridge experience," says Friedrich Standfuss, head of bridges and engineering for the federal Transport Ministry's roads department.

Inspection of Germany's 29,000 federal bridges is estimated to cost $5 million a year. While this might seem a modest amount, "You'll hear everywhere that funds and staff are scarce," says Gunter Lehmann who is in charge of inspection and upkeep of 6,500 bridges in the western part of the country. Consultants hired by district and municipal authorities agree that these small entities don't have their bridges inspected as often as required. One German consultant says the public is becoming sensitive to the issue, though, especially as more reports are published on problems of prestressed concrete bridges built during the boom years of the '60s.

The Swiss hope to head off unexpected problems that might develop in new designs. "On the basis of change and experiences we come to new concepts" in bridge inspection, says Casper Reinhart, head of the techni al division of the Swiss Society of Engineers and Architects. The society, not the government, set the guidelines for Swiss bridge inspection. Current standards were published in 1975 and are to be revised next year to reflect changing practices and materials in bridge building.

Asian observations. Japan is looking to the U.S. to learn how to deal with problems that are becoming familiar here. Just as the U.S. looks to Europe to see how its concrete designs will fare, Japan watches the U.S. to see how steel bridges age. Steel fatigue cracking is just beginning to show up in Japanese bridges.

Ironically, Japan's current obsession with bridge inspection and maintenance was fueled by *America in Ruins* by Susan Walter and Pat Choate. Walter has lectured on infrastructure several times in Japan, and popular television documentaries followed.

The Japanese currently use U.S. Federal Highway Administration material in their bridge maintenance programs and, along with the British and Austrians, have sent delegations to study U.S. inspection programs.

Mr. SASSER. Mr. President, the time has come to take a serious look at our Nation's bridge shortfall. I believe that a full study of this problem by the Department of Transportation is both necessary and warranted. I applaud the Committee on Environment and Public Works for incorporating a bridge repair study into S. 391.

Mr. BURDICK. Mr. President, I yield to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I would prefer to go after the rollcall vote. How much time does the minority side have?

The PRESIDING OFFICER. Three minutes remain.

Mr. BUMPERS. I just cannot get it all said in 3 minutes and I hate to be interrupted. I wonder if anybody—does the majority leader wish to have more time on this?

Mr. DOLE. If the Senator from Arkansas could complete in 8 minutes, we could ask unanimous consent to have it extended.

Mr. BUMPERS. That would be fine.

Mr. President, has the majority leader made the request?

Mr. DOLE. Yes, Mr. President, I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, the Senator from Arkansas is recognized for 8 minutes.

Mr. BUMPERS. Mr. President, I thank the distinguished majority leader.

First, I thank the committee for including in the bill an amendment which I offered last fall and was accepted on a bill that never went to conference and therefore failed. It is one that was extremely important in my State. It allows us to use our bridge replacement money to replace ferries also. We have three or four ferries in our State. The whole thrust of the money is to replace dangerous bridges. I promise you the ferries in our State are more dangerous than any of our bridges, and I thank the committee for putting that in the bill.

Second, Mr. President, I do not want to belabor these two projects, and I do not doubt that other Members have projects that are near and dear to them and to the people back home and that there are political implications in trying to get those projects funded. But these two projects have been around a long time, and all they do is grow worse.

I am pleading with my colleagues for understanding because these two projects will never be completed without help here. We do not have the money, and we will never have the money.

One is a project in Fort Smith, AR, called the Waldron Road project, which is one of the things I wanted to talk about. It is probably the most heavily traveled street in the State of Arkansas. It not only serves a college campus, it serves an interstate, it serves the biggest shopping center in the city. The traffic count there has increased 2,300 percent in 5 years. And the traffic count is going up exponentially every year. The city of Fort Smith would have to spend all of its urban highway money for 5 years and fund absolutely nothing else in order to build the project.

Mr. President, I understand these demonstration projects. We all do. I just wish I were on this committee sometimes. All I am saying is I am laying it on the table: We cannot get the two most critical problems in our State solved without your help.

Mr. SYMMS. Would the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. SYMMS. I thank the distinguished Senator for yielding. I say I know the Senator can testify before a committee, and he understands the Federal highway problems, as great Governor of his State.

The committee and me as its chairman are willing to try to get the Senator a vehicle before the 99th Congress ends where we will have another opportunity. We will have to mark up major highway legislation before October 1, 1986. So it is the intention of the committee to have some hearings and start under way immediately with major highway legislation, and the Senator will be at the top of the list for consideration.

Mr. BENTSEN. Will the Senator yield?

Mr. BUMPERS. I am happy to yield.

Mr. BENTSEN. I am familiar with the two projects, Mr. President, to which the Senator from Arkansas refers. I am convinced that they are important projects to the State of Arkansas, and we will do all we can to see that the Senator is properly represented in the committee and will have a full opportunity to present them.

Mr. BUMPERS. Mr. President, I especially thank the Senator from Idaho and the Senator from Texas for those comments. The chairman of the committee has indicated to me that he will hold hearings.

Mr. STAFFORD. Mr. President, I join with my colleague in assuring the very able Senator that we will have hearings.

Mr. BUMPERS. I thank the Senator from Vermont.

Mr. SYMMS. There is a group of Senators in exactly the same situation as the Senator from Arkansas. Senator THURMOND is very interested in a project, this Senator has one, and there are others that will be considered.

Mr. BUMPERS. I thank the Senate.

Mr. President, S. 391 contains a number of provisions that are very important to the State of Arkansas—among them, approval of the interstate cost estimate. Approval of an ICE will release approximately $26.4 million in interstate construction funds to Arkansas. In addition, Arkansas' 85-percent minimum allocation for 1984, 1985, and 1986, a total of $19.1 million, is also included in the bill. The release of the 85-percent minimum allocation is critical to Arkansas. These funds partially make up for the fact that the citizens of my State pay more into the highway trust fund than is returned to them. The 85-percent minimum allocation is particularly useful to my State because these funds are not subject to any restriction for expenditure by category. They can, thus, be used for any Federal-aid highway project. The availability of the 85-percent floor funds will permit the Arkansas Highway and Transportation Department to advance numerous highway projects in various categories to the construction stage. For the past year, many of these projects

have been delayed, pending release of the 85-percent funds.

I am also pleased that the Environment and Public Works Committee included in S. 391 my proposal to permit States to use section 144 Federal bridge replacement funds for ferryboat replacement. The committee accepted that language during our consideration of the highway bill last fall. Arkansas has four remaining automobile ferries that the State highway department would like to replace with bridges. Economic growth in the areas served by Arkansas' ferries has been stunted, and residents of these areas are frequently inconvenienced by ferry schedules, weather, and water conditions that prevent the boats from operating. Adoption of this amendment to section 144 of title 23, United States Code, will allow Arkansas to divert a sufficient portion of its allotted Federal bridge replacement funds to replace its remaining car ferries with bridges.

The Environment and Public Works Committee chose not to include any highway demonstration projects in S. 391, in hopes of facilitating an expeditious passage of the ICE. Mr. President, I have no desire to delay passage of this important legislation. I had two amendments that I intended to offer to this bill. These amendments would fund two highway demonstration projects in my State.

The two projects are familiar to many of my colleagues because I have discussed them frequently, and I offered amendments in the past to fund them. One project involves the widening of U.S. Highway 71 in northwest Arkansas. The other amendment would fund widening and signalization of several major commercial arteries in Fort Smith, AR. This project has come to be known as the Waldron Road project.

Last October, during our consideration of the highway authorization bill, I offered, and then withdrew, these amendments following assurances from the bill's floor managers that they would give the proposals their utmost consideration when we went to conference with the House. Funding for Highway 71 and Waldron Road was already included in the House-passed bill. As we all know, the highway bill never made it out of conference, and that is why we're debating S. 391 today.

I understand the decision of the Environment and Public Works Committee to report out a "clean" bill. It is important for the reasons I have already stated that the Senate act expeditiously on this legislation. But, I have to tell Senators that these two projects are critical to my State. Mr. President, it is a matter of life and death. U.S. Highway 71 is a death trap. Accidents on this mountain highway are five times the statewide average. Heavy tractor-trailer rigs, many of which are engaged in interstate commerce between States north and south of Arkansas, routinely jackknife on Highway 71's steep grades and hairpin turns. These truck accidents are some of the most grisly I have ever witnessed. The loss of life, limb, and property on this highway is overwhelming, but it can be prevented. This is truly an interstate problem that requires an interstate solution.

My other amendment, would have provided a very small, but critical amount of money to help the city of Fort Smith solve an urban traffic problem that it is absolutely incapable of dealing with on its own. The amendment would have provided funds for the widening and improved signalization of several major arteries connecting a major commercial district of Fort Smith with Interstate 540.

I would like to take a few minutes of the Senate's time to describe these two projects in a bit more detail:

U.S. HIGHWAY 71 IMPROVEMENTS

Mr. President, the amendment I intended to offer provides funds to assist the State of Arkansas to widen U.S. Highway 71. The major north-south highway through the Ozark Mountains. The State of Arkansas desperately needs Federal assistance to undertake this project. In the past 10 years, we in Arkansas undertook in our limited way with limited means to do something about the problem of Highway 71, but we will never be able to handle this project alone. This amendment will make limited funds available from the highway trust fund so that a new Highway 71 could be built.

The Arkansas Highway and Transportation Department proposes to widen the road from two to four lanes. Highway 71 is already eligible for interstate 4-R funds, but most of Arkansas' allotment of 4-R funds is already allocated to repair projects on existing interstate mileage. With the combination of interstate 4-R funds, regular Federal-aid highway funds, State moneys, and the assistance provided by this amendment, the State of Arkansas will be able to carry out the needed improvements to Highway 71. This legislation will provide funds for preliminary engineering, design, right-of-way acquisition, and relocation activities in connection with the project. This amendment only provides $25 million. The State of Arkansas will commit $60 million in interstate funds to complete a usable segment.

Many people argue that States should rely on regular Federal-aid highway allocations to fund specific State projects. This argument has merit in most cases, but there is something unique about Highway 71. Highway 71 is as important to out-of-State motorists and truckers as it is to the people of Arkansas. It is the major connecting route for Missouri and Oklahoma motorists to reach Interstate 40 from eastern Oklahoma and southern Missouri. The highway is clogged with out-of-State trucks, many of which operate at unsafe speeds on the route's treacherous, hairpin curves and steep grades. The combination of this traffic and the geographical conditions along the route contribute to accident statistics five times the State average. The condition of Highway 71 is truly a Federal problem that requires a Federal solution.

The Ozark region is the fastest growing area in Arkansas and one of the fastest growing regions in the country. Residents, visitors to the region, and students attending the University of Arkansas all use Highway 71. This two-lane highway simply cannot handle such a volume of traffic. On football weekends, Highway 71 between Interstate 40 and Fayetteville is a virtual parking lot with bumper-to-bumper traffic moving at a crawl. As a parent, I can tell my colleagues that I have worried every time my children have traveled that route.

The Arkansas Highway and Transportation Department rates the level of service on Highway 71 "D," on a scale of "A" to "F"—"A" being the best and "F" the worst. The highway is one steep grade after another for approximately 90 miles. The average speed on those grades is 10 to 20 miles per hour. Highway 71 serves an average of 11,000 vehicles per day. The average number of vehicles served on a comparable U.S. highway in Arkansas is 3,600. Twenty-one percent of the vehicles using Highway 71 on a given day are heavy trucks. Fatal accidents on Highway 71 are five times the statewide average of 1.9 per 100 million vehicle miles traveled. Between 1980 and 1982 there were 8 fatal accidents causing 16 deaths.

Last October, when the Senate debated S. 3024, the Federal-Aid Highway Act, I offered an amendment that would have authorized $25 million in funding over a 2-year period for Highway 71. My amendment was already incorporated in the House-passed version of the highway bill. Following assurances from the chairman of the Senate Environment and Public Works Committee that the Highway 71 language would receive the Senate conferees' serious consideration in conference, I withdrew the amendment. Unhappily, the highway authorization bill stalled in conference and didn't pass before the 98th Congress adjourned.

Mr. President, if any project is deserving of this body's special consideration, it is the Highway 71 project.

WALDRON ROAD PROJECT

Mr. President, the amendment I intended to offer would authorize a highway demonstration project in

Fort Smith, AR. Many of my colleagues are already familiar with the Waldron Road project because I introduced this same amendment to the highway authorization bill last year. The amendment would fund a demonstration project to widen streets and provide new signalization in Fort Smith, AR, the State's second largest city. Traffic through Fort Smith's busiest commercial section moves at a crawl; accidents are frequent; property damage is heavy; and economic growth in the area is adversely affected. It is a situation which the city and the State are absolutely incapable of dealing with. Authorization of funding for a highway demonstration project in this area is imperative, and I think if my colleagues will listen to an explanation of this proposed project, they will agree that it is extremely deserving of our consideration.

The Waldron Road project was incorporated in the House-passed version of the highway bill last year. I offered this same amendment to the Senate bill, but following assurances from the chairman of the Public Works Committee that the Waldron Road language would receive the Senate conferees' serious consideration in conference, I withdrew the amendment. Unhappily, the highway authorization bill stalled in conference and didn't pass before the 98th Congress adjourned. For that reason, I am again seeking authorization of this vital project.

Specifically, the Waldron Road project would involve acquiring an 80-foot right-of-way along two major arterial roads—Waldron Road and Grand Avenue; relocating families and businesses which are affected by the acquisition; relocating necessary utilities; widening Waldron Road and Grand Avenue to four, and in some places five lanes; and installing necessary signalization. The total length of the improvements is some 2.03 miles. The cost to complete the project is $8.5 million.

Waldron Road serves the area with the highest concentration of commercial development in Fort Smith. I'm sure that my colleagues are familiar with the typical pattern of suburban development when stores and offices from a city's old downtown move to outlying areas. That is what has happened in Fort Smith, and the result is an area so congested with automobile traffic that it is nearly impossible to enter Waldron Road from either the community college or the businesses and shopping centers that line the route. Two more shopping centers are under construction in the area, which will add to the congestion. Waldron Road also intersects Grand Avenue, which is connected to Interstate 540 by an interchange. Traffic entering and exiting Interstate 540 at Grand Avenue causes additional traffic problems in the area. The intersection of Waldron Road and Rogers Avenue, also known as Arkansas State Highway 22, is the most congested intersection in Fort Smith, and is one of the most congested in the State of Arkansas.

Another factor contributing to the traffic congestion around Waldron Road is Westark Community College. From 1975 to 1983 enrollment in the Community Services Program increased from 500 to 12,000, or a phenomenal 2,300 percent. During the past 5 to 10 years, very few improvements to Waldron Road have been made for lack of city funds. I think that you can see why Waldron Road is so congested. With the proposed improvements, it is fully anticipated that the traffic problem will be alleviated to a great extent.

I can personally attest to the serious nature of the traffic problems in the Waldron Road corridor. My home is only a few miles outside Fort Smith, and the Waldron Road area is where we must go to do our shopping. The congestion is worse than anything I have ever experienced in the Washington area. In the Waldron Road corridor between 1981 and June 1984 there were 249 traffic accidents resulting in 62 personal injuries and $270,340 in property damage. I ask unanimous consent that the following city of Fort Smith official traffic and accident records be included in the RECORD as if read.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY

	Number of accidents	Personal injuries	Property damage
Waldron Rd. (Euper Lane to Grant Ave.)	214	58	$241,740
Grand Ave. (Waldon Rd. to I-540)	35	4	28,600
Total	249	62	270,340

Traffic count on Friday July 27, 1984 at Waldron, north of Euper Lane, both north and south bound.

Time	Count
0100	177
0200	127
0300	81
0400	38
0500	23
0600	17
0700	42
0800	85
0900	123
1000	105
1100	190
1200	464
1300	1,153
1400	1,102
1500	888
1600	1,133
1700	1,254
1800	1,257
1900	1,049
2000	1,080
2100	1,084
2200	670
2300	397
2400	270
Total	12,807

Mr. BUMPERS. The city of Fort Smith is not eligible for sufficient funds under existing Department of Transportation programs to undertake the necessary improvements to Waldron Road. The project represents 20 to 30 percent of the entire city budget—an amount that the city cannot be expected to commit to a single project. Fort Smith would be forced to use every penny of its urban high density funds for a period of 5 years to complete this project, and other important needs would go unmet. Nevertheless, the project is vital to the safety and economic well-being of the city and surrounding areas.

Mr. President, if any project is deserving of this body's special consideration, it is the Waldron Road project. I thank the distinguished floor manager for his argument to hold hearings on a bill, identical to the amendment I would have offered.

Mr. PRYOR. Mr. President, I support the effort of my colleague from Arkansas [Mr. BUMPERS] and I hope the chairman of the committee and the ranking minority member will promptly hold a hearing on this very important project.

The demonstration project being discussed by my colleague would authorize the State of Arkansas to use funds for the planning and design of U.S. route 71 between Interstate 40 and the Arkansas-Missouri border. In other words, we could use interstate 4R funds for this project.

Mr. President, this is appropriate in my view since the State of Arkansas has essentially completed its interstate construction, and stands to pay more in gasoline taxes than it receives from the trust frund for construction.

Highway 71 is one of the most heavily traveled and most dangerous routes in Arkansas, Mr. President. The approximate 45-mile route from Alma to Fayetteville and Springdale is a corridor of commercial traffic and university students and faculty that is extremely mountainous and crooked. This northwest corner of Arkansas is one of the fastest growing regions in our country and it needs modern advances in transportation to continue this growth. The cities of Fort Smith, Van Buren, Alma, Fayetteville, Springdale, Rogers, and Bentonville would be served by this project, as well as areas of Missouri that need a safer, more expeditious route.

For all of these reasons, Mr. President, I strongly support this project, and I sincerely hope that hearings can

be held in the very near future on this important project.

Mr. BINGAMAN. Mr. President, I rise in support of the legislation offered today to delegate to the Department of Transportation the authority to administratively establish interstate cost estimates [ICE]. Highway trust fund money for interstate construction is supposed to be allocated to the States every 2 years. However, before it can be released, Congress must approve an interstate cost estimate of the funding needed for interstate work.

The repeated failure in 1983 and 1984 to pass the ICE has resulted in long and expensive delays to our Nation's interstate construction program. We are now facing an emergency that threatens the entire Federal-aid program. Since the inception of the interstate highway system nearly 30 years ago, funding has proceeded in an orderly fashion, providing the finest national highway system anywhere. It provides American industry with a safe and dependable means for shipping goods. It is essential to our economy.

The 1983 ICE was approved 3 months late. In 1984, the ICE was delayed twice. In early March 1984, the President signed a 6-month ICE which was 5 months overdue and resulted in the delay of the release of approximately $5 billion of funds. Efforts to provide an ICE for the second half of 1984 and all of 1985 have even been delayed 11 months. This has resulted in the delay in the release of approximately $7 billion in interstate construction funds. With the start of the spring construction season, highway construction across the country will come to a virtual standstill. We must not let this happen.

At the current time, 22 States have less than $1 million of remaining interstate funds and 43 States have less than $10 million. My home State of New Mexico is due to receive more than $26 million. This represents approximately 1,575 jobs which the State sorely needs.

I commend the members of the Senate Environment and Public Works Committee for their swift action in bringing this bill to the floor for our consideration. I urge my colleagues to approve this legislation and bring an end to the unnecessary delays we have experienced in completing our Nation's interstate construction program.

RELEASE OUR HIGHWAY FUNDS

Mr. LAUTENBERG. Mr. President, I rise in support of S. 391, the Interstate Highway Funding Act of 1985. This bill is well known to all of us as the ICE bill. This legislation approves the interstate cost estimate, an exercise that until recently was considered a routine matter. It is routine no more, because for the last year Congress has withheld over $7 billion which has been withheld from the States.

This legislation is vital to my State of New Jersey. Major interstate highway construction projects are being delayed in New Jersey due to congressional inaction. Thousands of jobs are not being performed. When the citizens of New Jersey and other States saw the Congress raise gas taxes in 1982 they did not expect the benefits of that user fee to be denied to them. The users have paid their fees and it is time to get on with the work.

Last October, negotiations broke down on highway legislation in a dispute over the inclusion of demonstration projects and the Central Artery Project in Boston. Senators threatened filibusters and the administration was talking about a veto. I supported a demonstration project for New Jersey in the highway bill. However, it is clear that we must now move to approve the ICE.

Mr. President, having said this, I want to note that I strongly support a project that was included in the House bill last year to complete Route 21 in Passaic, NJ. I continue to be interested in that project. Should the House send us legislation containing demonstration projects, and should we go to conference on that bill, my colleagues can expect that I will support it. Route 21 is vital to Passaic. The completion of this road will link Passaic with major east-west highways and population centers in New Jersey. Passaic is in need of revitalization and this project is part of that effort.

The legislation before us, Mr. President, means some $237 million to my State. That includes both interstate construction funds and interstate substitute funding. Projects like the construction of I-287 in northern New Jersey and I-78 near the Pennsylvania border are at stake here.

This bill also carries legislative provisions of interest to my State. Provisions of this bill affect authorities running toll facilities which cross the Hudson and Delaware Rivers. I was pleased to be able to work out a compromise in committee which would not unduly restrict port authorities in their use of toll revenues.

Mr. President, I was also pleased to have the committee accept a provision I offered to address needs of the container transport industry consistent with current administrative exemptions. The ocean container business is vital to my State and to this Nation's international trade.

Mr. President, perhaps the most important aspect of this bill is a provision providing for the administrative release of the ICE. Its enactment will not only break the log jam we face now, but will insure that we not encounter this problem again in the future.

I urge the adoption of this legislation.

Mr. SARBANES. Mr. President, I want to express my strong support of S. 391, the Interstate Highway Funding Act of 1985. This important legislation recognizes that approval of the interstate cost estimate and the intersection substitute cost estimate is long overdue. I cosponsored similar legislation at the beginning of this session of the 99th Congress in hopes that the introduction of legislation would trigger expedited consideration of an ICE approval, and I commend the members of the Senate Environment and Public Works Committee for moving so quickly in this area.

Delay in passing the appproval of ICE has caused major highway funding problems in many States including Maryland. This legislation provides for the approval of $5.3 billion in ICE funds covering an 18-month period as well as approval of $780 million in ISCE money. Further delay in releasing this funding would have resulted in serious construction delays in Maryland including the rehabilitation of the Jones Falls Expressway, the construction of section B of the Baltimore Metro, and implementation of the Baltimore Region Suburban Bus Program. Passage of this legislation will free up as much as $3.07 million in highway and transit construction funding in Maryland.

I am especially pleased that section 131 of this bill will allow States to make adjustments to their interstate substitution programs which have been approved in concept by the Secretary on or before September 30, 1983. Should this legislation be enacted, States add or delete projects up to 1 year after the date of enactment of this bill. In Maryland, this will allow the addition of the National Freeway in western Maryland to the concept plan. In addition the language in the committee's report states:

> The Committee recognizes that the completion of the National Freeway in Western Maryland is a project which will serve the City of Baltimore as well as other parts of the State. The completion of the Freeway will provide assistance to the Port of Baltimore and to shippers, consumers, and travelers in Baltimore, and therefore meets the requirement of the Interstate Substitution Concept Program that all projects involved in a transfer of funds serve the same geographical area, as long as the Governor and affected local officials agree.

Mr. President, I am delighted that this language has been included in the committee's report. It makes clear that the use of interstate transfer funds for construction of the National Freeway is a valid use of these funds released from the Baltimore area.

This is an important bill, and the fact that it is the first substantive legislation to be taken up on the Senate floor in this new Congress is an indica-

tion of the urgent need for it. I urge my colleagues to join in the effort to enact the ICE approval as quickly as possible.

Mr. BOREN. Mr. President, I would like today to express my support for the passage of a clean interstate cost estimate bill. Currently $39.3 million in interstate construction funds and $58.7 million in minimum allocation funds are being withheld from Oklahoma's construction program due to the delay in approving the ICE.

Each month of delay erodes the buying power of the construction dollar and adds to the cost of completing critical interstate and other highway projects which could be financed with minimum allocation funds. Release of our State's apportionment of these Federal funds will allow Oklahoma to initiate over $100 million in new construction projects which will in turn create jobs beneficial to my State's faltering economy.

Mr. President, Oklahoma is not alone in her desire to see quick passage of a clean ICE bill. There are no fewer than 12 States that are suffering from the withholding of interstate construction funds as well as the lack of a timely release of over $1 billion in minimum allocation funds which are dependent upon the approval of the ICE bill.

Mr. President, I would urge my colleagues to consider the merits of this legislation and vote for its final passage.

Mr. KASTEN. Mr. President, it is well past time we ratified an interstate cost estimate [ICE] and interstate substitute cost estimate [ISCE] bill.

I have long favored a bill like S. 391 that frees up funds for approved highway construction without costly pork barrel projects. The bill approves the ICE for the second half of fiscal year 1985 and for all of fiscal year 1986. Interstate construction all across our Nation has come to a virtual standstill because of inaction, shortsightedness, and irresponsibility. The State of Wisconsin, like many other States, has been held hostage to those in Congress who are only interested in promoting themselves and their last minute, special projects. In the process, they have managed to ignore the well-being and health of our Nation's interstate highways.

How long must the people of Wisconsin wait for highway funds that they have contributed toward and which are rightly theirs? The failure of Congress to act decisively on interstate funding has resulted in the loss of $96 million (CONGRESSIONAL RECORD figures used by Senator DOLE on February 20, 1985) to Wisconsin alone, and has jeopardized close to 60 crucial highway projects now designated in my State for construction and repairs.

Without these funds, it is impossible for Wisconsin to begin to plan for its spring and summer construction periods. Spring may arrive late in Wausau, but this kind of delay is ridiculous. Let's not forget the full consequences of our delay on this issue. Not only will the traveling public suffer from unbuilt and unrepaired roads; thousands of construction workers will remain unemployed after an idle winter. Tens of thousands of smaller businesses and suppliers who provide construction materials will suffer unnecessarily. In Wisconsin alone, almost 5,000 jobs are at stake.

Parliamentary gimmicks and quicksand amendments have made quick action on this legislation impossible. Last year, costly transit projects and tunnels attached in the House delayed final passage of a similar bill. At that time, I called on House conferees to put aside parochial interests so we could get essential highway projects moving again. Unfortunately, they failed to do so.

I urge the Senate to act responsibly by acting immediately. Time is at a premium. There is no more time for deliberations in the huddle. The House, too, must play ball or face the consequences of forfeiture.

I want to thank Senator DOLE for his strong leadership in bringing this bill up for a vote on the floor, and Senators STAFFORD, SYMMS, and BENTSEN on the Senate Environment and Public Works Committee for their fine work. I ask the majority leadership in the House to show the same strength and resolve by doing what is clearly right for the American people.

Mr. President, as an original cosponsor of this bill, I am ready to vote immediately, because I know that for every additional hour that is wasted here in Washington, another day will slip by before roads and bridges in Wisconsin are repaired and the safety of travelers in Wisconsin and throughout the country is ensured.

Thank you.

Mr. GLENN. Mr. President, I rise today in support of the Interstate Highway Funding Act of 1985. I am pleased to do so because this bill approves the release of the interstate cost estimate [ICE] and the interstate substitute cost estimate [ISCE] which have been unnecessarily delayed. Many of the State of Ohio's badly needed highway projects have been postponed until Congress releases these essential funds.

In the past, approval of the ICE has been a fairly routine matter. During the past 2 years, however, Congress has had difficulty reaching an agreement on an ICE and ISCE approval. This difficulty arose, Mr. President, because of disputes over funding formulas and parochial projects connected with ICE legislation. These disputes have accomplished little and have cost a great deal. My own State of Ohio has had nearly $250 million dollars held hostage because representatives from other States have been unable to resist the temptation to attach pet projects to this legislation.

The result of such congressional bottlenecks is that our transportation infrastructure, the foundation upon which our economy is built, continues to crumble. Our roads are breaking up and our bridges are falling down. These problems will only grow worse through neglect and, as these problems grow, our economic productivity will continue to decline. We can begin to make progress in these as soon as we pass a clean ICE.

Today, the Senate will be taking an appropriate first step in that direction. The legislation we are considering contains not only an 18-month ICE, it directs the Secretary of Transportation to release the interstate construction and substitute funds administratively if Congress has not approved an ICE and ISCE by October 1. In light of the problems we have encountered in the past, I feel this is a reasonable solution and I urge its immediate support.

PASSAGE OF THE ICE IS URGENTLY NEEDED

Mr. QUAYLE. Mr. President, our Nation's highways are already pitted by potholes. There are both controllable and uncontrollable causes for this tragedy. As we all know, this has been an unusually harsh winter, with predictable results for our Nation's highways. Soon the thaws, freezing rains and downpours of late winter and early spring will worsen that damage to our streets and highways. As all of us know, potholes are a serious traffic safety hazard. In densely populated urban areas or out in rural townships, a traveler's safety is jeopardized when repairs are not made in a timely fashion. We cannot control the weather, but we can respond in a rational way to its ravages.

A few years ago, the Congress showed tremendous interest in our Nation's crumbling infrastructure, including speedy repair of highways, bridges and completion of the Interstate System. For the past 18 months, however, we have shown too little of that concern. In fact, we have done nothing to address this pressing national problem.

There are construction workers in my State who desperately want to work. There are contractors who are ready to begin projects. There are State highway officials who have long lists of projects that need to be done. State and local governments are ready and able to cooperate with the Federal Government. For once, the problem is not that there is no money to make these repairs or to begin new projects. In fact, $7.2 billion is in the highway trust fund. The failure to repair our Nation's streets and highways can only be blamed on the Congress of the United States.

For the past year and a half, the Congress has failed to agree upon an interstate cost estimate [ICE] and the interstate substitution cost estimate [ISCE]. Forty-six of the States have run out of highway construction and repair money, while they have been waiting for the Congress to act. Many States have been dipping in their own State till. Others can't afford to take up the slack.

The failure of Congress to approve an ICE is having another adverse side-effect. It is throwing salt into the wound of unemployment. While unemployment has been going down across the Nation, it has remained unacceptably high among construction workers. It is estimated that a $1 billion expenditure for highways creates about 32,300 highway-related jobs, plus an additional 30,000 jobs induced from the spending of wages and profits. The failure to release $7 billion in Federal highway funds has potentially impacted up to 436,100 jobs nationally. In my home State of Indiana, over 4,000 jobs related to highway construction are at stake. Already the unemployment rate in Indiana has climbed above 20 percent, while the national average hovers around 14 percent. Both figures are unacceptable. Congress can ill-afford to exacerbate the problem by further inaction.

One segment of our economy that can least afford this delay is that represented by minority business enterprises [MBE's]—firms which are mandated by the Surface Transportation Assistance Act of 1982 to receive a minimum of 10 percent of highway contracts, where feasible.

In Indiana, this goal has been exceeded: In the first 11 months of fiscal year 1984, MBE firms were awarded contracts amounting to 11.7 percent of the value of total contracts let in my State. Indiana has about 130 MBE contractors of which 40 have been active in fiscal year 1984. Many MBE firms have expressed their deep concern to me about the impact that our failure to act has on their businesses. I share this concern for them and for all highway related businesses and workers.

There is an old saying: "He who hesitates is lost." It is clear that Indiana and other States in the upper midwest, the entire construction season will be lost again if Congress hesitates to enact this legislation. Once a highway project is started, it cannot be left incomplete over the winter.

At stake for Indiana is over $130 million in highway funds. I feel that when a State honors its obligation under a Federal program, only to have Congress fail to meet its responsibility, the States and the taxpayers have every right to be outraged. It's high time people stopped playing pork-barrel politics with the interstate cost estimate. Members should not be allowed to hold our highway construction and maintenance funds hostage for Federal funding of pet projects in their districts or States.

So I encourage my colleagues, in both House and Senate, to act without delay and approve an ICE bill to allow badly needed construction and repair projects to proceed, and to allow thousands of ready workers to get back on the payroll.

Mr. GRASSLEY. Mr. President, I am very concerned about the devastating effects on employment and the economy that will result with further delays in approving the interstate cost estimate legislation. The Interstate Highway Funding Act of 1985 which we are about to vote on will help complete the interstate in Iowa. In all, congressional inaction has caused the impoundment of $7 billion in highway construction funding.

This inaction presents a particularly serious problem for Northern States such as Iowa where every day of warm weather is vital to the construction process. Materials suppliers and contractors must know their summer demands well in advance in order to commence their work as soon as weather permits. Since the sealed bid-letting process takes 8 weeks after funding authorization has been approved, failure to approve the highway bill at this time will mean the loss of an entire construction season, along with hundreds of desperately needed jobs.

If the Iowa Department of Transportation is unable to let construction bids soon, work in the economically depressed Waterloo area will have to be deferred until 1986. In total, over $70 million worth of interstate substitution projects, 3,000 construction jobs, and the resulting economic stimulus are jeopardized for this year.

It is important that we pass this legislation now. It is my hope that the leadership of the House Public Works Committee will refrain from including special projects in this bill which have held up this legislation for the past two sessions of Congress. I want to commend the members of the Senate Committee on Environment and Public Works and especially the distinguished chairman, Mr. STAFFORD, for his continued leadership in bringing this bill to this stage so soon in the session. It is my hope that the Speaker of the House will follow the Senate's lead and pass this clean bill.

Mr. DOLE. Mr. President, I am pleased to rise today in support of this legislation to approve the interstate cost estimate and the interstate substitute cost estimate. The distinguished Senators from Vermont and Idaho, as well as the other members of the Committee on Environment and Public Works are to be commended for quickly bringing this legislation before the Senate this session.

OUR RESPONSIBILITY

The Surface Transportation Assistance Act of 1982 requires that Congress approve an interstate cost estimate before interstate construction funds can be apportioned to the States. This oversight function is entirely appropriate, but it must be exercised in a timely manner. In order to assure stable long-term funding so the States can do the planning necessary for large costly projects, Congress has generally approved an interstate cost estimate for 2 years.

Unfortunately, Mr. President, our track record in that regard, of late, has not been impressive. Almost half of the fiscal year 1984 apportionment, which should have been made available on October 1, 1983, has not yet been released and is contained in this legislation. The fiscal year 1985 apportionment, which should have been released this past October, has also not been released due to the inability of the Congress to pass an interstate cost estimate bill. This is certainly not for lack of effort by either the Committee on Environment and Public Works or the Senate. But it is a fact.

DETRIMENTAL IMPACT OF DELAY

This delay is having a detrimental effect on the Highway Program. As of last October, 36 States had exhausted their unobligated interstate balances. My State of Kansas had less than $1 million left. The $7.1 billion in this bill needs to be made available for the summer construction season. The time has come to set aside personally desirable projects and nongermane issues and pass this legislation.

Continued failure to produce an interstate cost estimate would have serious and far ranging consequences. It is estimated that for every $1 billion spent for Federal highway assistance, 32,000 onsite and offsite construction jobs are created, which creates another 30,000 jobs indirectly. This legislation represents at least 210,000 direct construction jobs. Moreover, the motorists of the United States are penalized as their tax money sits idle in the highway trust fund instead of being put to work constructing and repairing the Nation's highways.

WE NEED A CLEAN BILL

The committee has done an admirable job of bringing the Senate a substantially clean bill. They stood firm against the many requests for the funding of demonstration projects. The time has come to face the fact that we are never going to have a bill if every Member of Congress uses it as an opportunity to bypass the Federal Highway Program. Large new authorizations jeopardize the solvency of the highway trust fund and feed the expectation that the Federal Government will fund projects beyond the regular Federal aid program even if the project does not have a high

enough priority to be included in a State's transportation plan.

I might add that I understand there is now a real possibility that the House Public Works Committee will share our view of the importance of this legislation and also pass a clean bill.

ADMINISTRATIVE AUTHORITY

Mr. President, I also believe the committee has acted wisely by including a provision directing the Secretary of Transportation to release the interstate construction and substitute funds administratively if Congress has not acted by October 1. This provision preserves Congress' oversight responsibility while preventing the legislative paralysis we have experienced over the last year. The process would continue to work much as it does now. The only difference is that States would receive their apportionment on October 1 whether Congress acts or not.

MINIMUM ALLOCATION

The Surface Transportation Assistance Act of 1982 provided that each State should get back at least 85 percent of what it contributed for construction.

This responded to the criticism that, over the years, some States were receiving far less than they contributed in revenues.

The committee bill clarifies that the minimum allocation provision is based in all categories of Federal construction aid, including discretionary allocations.

I understand the administration opposes this provision because it will increase Federal outlays.

However, it should be noted that the committee accepted an amendment offered by the distinguished Senator from Rhode Island [Mr. CHAFEE] which will reduce the maximum amount of funds which could be obligated in fiscal year 1986 by $500 million, compared with the limitation for fiscal year 1985. This is $1.7 billion less than the obligation limit set for fiscal year 1986 in the Surface Transportation Assistance Act. It is estimated that this amendment will reduce outlays by $285 million in fiscal year 1986 and $1.4 billion over 3 years.

Because the change in the minimum allocation formula includes discretionary funds, it is difficult to project the cost of the amendment over a period of years. It is, however, estimated that the Chafee amendment will more than offset the cost in the change in the minimum allocation formula in fiscal year 1986.

CONCLUSION

Mr. President, given our current efforts to come to grips with the Federal deficit it would be highly inappropriate for this early legislation to be loaded up with special interest spending. This is our first opportunity to demonstrate that we are serious about spending restraint. It will send an important signal to the American people. Therefore, I encourage all Senators and our colleagues in the House to exercise restraint, pass a clean interstate cost estimate and allow the States to get about the business of building highways.

Mrs. HAWKINS. Mr. President, I am pleased that we are finally able to pass legislation releasing the Federal-aid highway funds to which our States are entitled. I am only sorry it has taken so long.

Florida, which still has significant portions of its Interstate System under construction, will receive $349,240,000 in funds from the legislation. These funds are sorely needed, and I sincerely hope this legislation will receive prompt consideration in the other body.

I am especially pleased that our bill contains provisions for automatic release of these funds in the future if the Congress is unable to reach agreement on the necessary legislation. The highway trust fund represents a compact between the American motorists and the Federal Government, one which is to insure that the taxes paid by the motorist are readily transferred to his State government for construction and repair of the roads on which he drives.

There is no justification whatever for holding the release of those funds hostage for special projects authorized outside of the standard procedures. Let me be clear that I am not necessarily opposed to special authorization for highway projects—I have in fact sought such projects myself in the past, and will undoubtedly do so in the future. But we must all realize that these are of secondary importance to the basic issue of providing highway funds to the States, and these must be released on a regular basis if there is to be any sort of orderly and prudent use made of the funds.

I therefore urge those who will serve as Senate conferees on this legislation to stand fast on the automatic release provisions of the bill. We cannot afford a repetition of the present situation.

IN SUPPORT OF THE INTERSTATE HIGHWAY FUNDING ACT OF 1985

Mr. BYRD. Mr. President, I strongly support the passage of S. 391, the Interstate Highway Funding Act of 1985, the so-called ICE bill. Passage of this measure is vital to ensure that the States have funds available for their highway projects. I understand that about 40 States have less than $10 million in interstate highway funds. This amount is not enough to allow the States to move forward with their major highway projects.

In many States, highway funds are almost nonexistent. My State of West Virginia, for example, has about $27,000 left in unobligated highway funds. Moreover, because an interstate cost estimate bill has not been passed by the Congress, about $137 million in highway funds for West Virginia has not been released.

Mr. President, the States have been waiting a long time for these funds, and it is past time we acted. The Senate has the opportunity now to release about $7.1 billion in highway funds for which so many States have a desperate need.

I am confident that the Senate will pass this important legislation.

Mr. STAFFORD. Mr. President, I think on this side we are prepared to yield back the remainder of our time.

The PRESIDING OFFICER. Is the Senator from North Dakota prepared to yield back his time?

Mr. STAFFORD. Mr. President, on this side, if there is time, I will yield 1 minute to the Senator from New Mexico.

The PRESIDING OFFICER. The Senate will be in order.

The Senator will have to ask unanimous consent if the Senator from New Mexico is going to be recognized before this vote in order to facilitate a shorter vote.

Mr. DOMENICI. I do not seek unanimous consent. I thought the Senator had additional time. I will wait.

The PRESIDING OFFICER. Does the Senator wish unanimous consent?

Mr. STAFFORD. Mr. President, we are prepared to yield back, if our colleagues on the other side will yield back their time.

The PRESIDING OFFICER. Does the Senator from North Dakota yield back his time?

Mr. BURDICK. Mr. President, we yield back our time.

The PRESIDING OFFICER. All time is yielded back.

The majority leader is recognized.

Mr. DOLE. Mr. President, as I understand it, the yeas and nays have been ordered on the Meese nomination?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. DOLE. And the yeas and nays have been ordered on the highway bill?

The PRESIDING OFFICER. That is correct.

Mr. DOLE. Therefore, the two votes will occur back to back?

The PRESIDING OFFICER. Since time has been yielded back, that is correct.

Mr. DOLE. We are prepared to vote on the Meese nomination?

The PRESIDING OFFICER. We are prepared to vote on the Meese nomination. Does the Senator desire to ask a shorter period of time on the second vote?

Mr. DOLE. I think we would use up the 5 minutes getting it, so no.

VOTE ON EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Edwin Meese III, of California, to be Attorney General? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. STEVENS] would each vote "yea."

Mr. CRANSTON. I announce that the Senator from Florida [Mr. CHILES] is necessarily absent.

I further announce that, if present and voting, the Senator from Florida [Mr. CHILES] would vote "nay."

The PRESIDING OFFICER [Mr. EVANS]. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 63, nays 31, as follows:

[Rollcall Vote No. 9 Ex.]

YEAS—63

Abdnor	Gramm	McConnell
Andrews	Grassley	Murkowski
Armstrong	Hatch	Nickles
Bentsen	Hatfield	Packwood
Boren	Hawkins	Pell
Boschwitz	Hecht	Pressler
Burdick	Heflin	Quayle
Chafee	Heinz	Roth
Cochran	Helms	Rudman
Cohen	Hollings	Simpson
D'Amato	Inouye	Specter
Danforth	Johnston	Stafford
DeConcini	Kassebaum	Stennis
Denton	Kasten	Symms
Dole	Laxalt	Thurmond
Domenici	Long	Trible
Durenberger	Lugar	Wallop
Evans	Mathias	Warner
Exon	Matsunaga	Weicker
Ford	Mattingly	Wilson
Gorton	McClure	Zorinsky

NAYS—31

Baucus	Gore	Moynihan
Biden	Harkin	Nunn
Bingaman	Hart	Proxmire
Bradley	Kennedy	Pryor
Bumpers	Kerry	Riegle
Byrd	Lautenberg	Rockefeller
Cranston	Leahy	Sarbanes
Dixon	Levin	Sasser
Dodd	Melcher	Simon
Eagleton	Metzenbaum	
Glenn	Mitchell	

NOT VOTING—6

Chiles	Garn	Humphrey
East	Goldwater	Stevens

So the nomination was confirmed.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. HATCH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me express my heartfelt congratulations to Edwin Meese. With this vote, his integrity, as well as the integrity of the Senate confirmation process, has been vindicated. It was a long, difficult road for Ed to travel, but he maintained a steady course. He knew he was right, he never gave up, and he won.

Let me also express my deepest admiration for Ed's wife, Ursula, and their children, and my regret for all the pain and heartache the controversy surrounding this nomination must have caused them. I hope they can take solace in the fact that in the end, we did the right thing. Ed Meese has been awarded the job he spent a lifetime preparing for. I urge all my colleagues to join me in wishing him the best as the new Attorney General of the United States.

Finally, Mr. President, let me commend the distinguished chairman of the Senate Judiciary Committee for his expert handling of this nomination on the floor. The nominee could have had no better spokesman to present his case. Commendations should also go to the distinguished Senator from Utah for his articulate and effective advocacy for the nomination, and the substantial amounts of time he spent on the floor to help bring this matter to its final resolution. And, of course, thanks and appreciation should be extended to all the Judiciary Committee staff members who worked so hard on this nomination, including Duke Short and Dennis Shedd, with Senator THURMOND, and Steve Markman, with Senator HATCH.

Mr. THURMOND. Mr. President, I am extremely pleased by today's vote because I believe that Edwin Meese will be an outstanding Attorney General. He is a man of great ability, dedication, and character.

Today's vote, and the exhaustive investigations which were conducted during the confirmation process, firmly established, in my opinion, that Mr. Meese is an honest and decent man, who will serve his country with great distinction in this new post. I congratulate him and look forward to his service at the Department of Justice.

Mr. President, since we have just confirmed a new Attorney General, I want to take this opportunity to reflect upon the numerous accomplishments of Attorney General William French Smith, who will soon return to private life at his home in California.

As chairman of the Senate Committee on the Judiciary, I have been privileged to work closely with this outstanding advocate of law and order. Attorney General Smith actively supported the much-needed comprehensive anticrime package that was passed into law last session. In addition, many other important breakthroughs occurred in the area of criminal law under his leadership. For example, 13 newly organized crime drug enforcement task forces were established around the country, indicting 4,000 persons in less than 2 years. Despite budgetary constraints, Federal law enforcement resources have doubled in the last 2 years. At the international level, Attorney General Smith put into place a new program of mutual extradition assistance treaties—an achievement for which he deserves just recognition.

Through his able assistance, the bankruptcy system underwent necessary and productive reforms. With the codification of the adjunct bankruptcy judges and the creation of 85 additional Federal judgeships, the Federal courts will be able to operate more efficiently and effectively.

Although immigration reform was not completed during Attorney General Smith's tenure, valuable groundwork and much progress occurred, which will greatly help his successor, Mr. Meese, to succeed in this endeavor.

During the 4 years William French Smith was Attorney General, several noteworthy Supreme Court cases were also decided. Decisions narrowing the exlusionary rule, restoring balance to the first amendment, and adding significant case law on religious clauses, were just a few of the major constitutional victories to which the Justice Department contribute through briefs and arguments before our Nation's highest tribunal.

Mr. Smith also helped lead the way in antitrust law enforcement. New merger and vertical restraint guidelines were promulgated during his tenure.

While Attorney General Smith was head of the Justice Department, 175 capable individuals were confirmed in Federal judgeships, including the appointment of Associate Justice Sandra Day O'Connor—the first woman to serve on the U.S. Supreme Court. I know that the Attorney General is proud to have played a part in this historic event.

Mr. President, our Nation has indeed been fortunate to have a man of William French Smith's ability, dedication and integrity to serve at the helm of the Justice Department. This true gentleman is well known for his broad grasp of the law, his common sense, well reasoned approach to all legal matters, and his commitment to the fair and impartial administration of justice for all Americans. I consider it a privilege and a special pleasure to

have worked with a man of his high caliber, and I am honored to call him a close and trusted friend. As they leave Washington, he and his lovely wife, Jean, have my best wishes that they will receive God's richest blessings for many years of good health and happiness. I know my colleagues, and my fellow Americans, join me in offering our deepest appreciation to William French Smith for a job superbly done.

Mr. president, I ask unanimous consent that the following biographical sketch of William French Smith and a fitting tribute written by syndicated columnist James J. Kilpatrick, be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"FINE WORK"—WILLIAM FRENCH SMITH STEPS DOWN

(By James J. Kilpatrick)

So many farewell parties have been given lately for William French Smith that the gentleman is beginning to feel like a poached egg, saturated in the warmth of the praise he's been hearing. The laurels are fully deserved. As the president's attorney general, Smith has done a superlative job.

He returns to California with a sense of having stayed the course. He is the first attorney general since Bill Rogers (1956–60) to serve the entire four-year term of the president who appointed him. Since then we have had a quite a parade: Kennedy, Katzenbach, Clark, Mitchell, Kleindienst, Richardson, Saxbe, Levi, Bell and Civilletti. Of these, Edward Levi is remembered chiefly as an academic with fine credentials in antitrust law, and Griffin Bell is remembered as the ablest of the whole Carter contingent. The others are mostly forgettable.

Though he was moderately active in California's Republican politics prior to 1980, Smith has kept himself scrupulously aloof from partisan politics since he took over as attorney general. He is a handsome fellow, courtly, reserved, immaculately tailored, with a fine head of silver hair. He looks patrician, but the adjective carries a connotation of stuffiness that doesn't fit.

Conservatives admire Smith for a whole variety of reasons. Liberals tend to dislike him intensely, chiefly because of their perception of Smith as an attorney general who is soft on civil rights. It's a bum rap. The policies that Smith has promoted, chiefly through the top-notch work of William Bradford Reynolds, are precisely the policies of his boss, the president of the United States. Smith recently spoke to the point in a report to departmental employees:

"Guiding our efforts is a single principle: Individuals should be treated as individuals, without regard to race, creed or ethnic background."

It is that principle that so infuriates Smith's critics. In one instance after another, Smith and his lieutenants have refused to support racial discrimination. They have steadfastedly resisted racial quotas. They have supported "affirmative action" only where necessary to correct injustices brought about by deliberate racism.

Nothing in the record of these past four years supports the notion that Smith has soft-pedaled civil rights. The Department of Justice has brought 178 new cases alleging criminal violations of civil rights, and it has filed 46 new suits alleging discrimination in employment. Smith has filed or supported 83 proceedings to enforce the right to vote.

Under his leadership the department has done fine work in combating organized crime. The figures are startling: In these four years the department has obtained indictments against nearly 4,000 persons charged with trafficking in narcotics. A third of the defendants are identified as kingpins of organized crime. Partly because so many mobsters have been sent to prison, drug supplies have declined in half a dozen major cities; and mainly because of the government's assault on the drug traffic, the index of serious crimes has declined for three years in a row.

Smith can point to other accomplishments. His department figured significantly in pushing to passage last year a major revision of the criminal code. He never did win enactment of the immigration bill on which he labored devotedly, but he leaves a firm groundwork for his successor to build on. His recent Operation FIST, conducted by U.S. marshals, led to a roundup of 3,300 fugitives from felony charges.

It hasn't been all sweetness and light. Smith inherited some tenured lawyers who have dragged their feet in pursuing policies of the Reagan administration. Smith had to endure some painful moments when it transpired that his law firm had awarded him a large bonus as severance pay. Even so, the unhappy moments have been few, and the rewarding hours have been many. Smith will be missed.

BIOGRAPHICAL SKETCH OF WILLIAM FRENCH SMITH, ATTORNEY GENERAL OF THE UNITED STATES

William French Smith, Attorney General, sworn in January 23, 1981; born in Wilton, N.H., August 26, 1917; A.B., summa cum laude, 1939, University of California, Phi Beta Kappa; LL.B., 1942, Harvard Law School; U.S. Naval Reserve, lieutenant, 1942–46; Gibson, Dunn & Crutcher, Los Angeles, Calif., senior partner, 1946–81; board of regents, University of California, 1968 to present (chairman, 1970–72, 1974–75, 1976); board of trustees: Henry E. Huntington Library and Art Gallery, San Marino, Calif., 1971 to present; Claremont Men's College, Claremont, Calif., 1967–80; Cate School, Carpinteria, Calif., 1971–78; Northrop Institute of Technology, Los Angeles, 1973–75; California Chamber of Commerce, 1963–81 (president, 1974–75); Los Angeles World Affairs Council, 1970 to present (president, 1975–78); advisory council, Harvard University School of Government, 1977; member: American Law Institute Chicago; American Judicature Society, Chicago; fellow, American Bar Foundation; State Bar of California; American Bar Association; Los Angeles County Bar Association; advisory board, Center for Strategic and Intenational Studies, Georgetown University, Washington, D.C., 1978 to present; U.S. Advisory Commission on International Educational and Cultural Affairs, Washington, 1971–78; board of directors, Legal Aid Foundation, Los Angeles, 1973–72; member, Harvard Law School Association of Southern California, 1946 to present (national vice president and chairman, 1962–64); awards: American Jewish Committee Human Relations Award, 1979; University of California Outstanding University Service Award, 1971; University of California Alumnus of the Year Award, 1981; board of trustees, National Symphony Orchestra, Washington, 1975 to present; Center Theatre Group, Los Angeles Music Center, 1970–81; chairman, California delegation, Republican National Convention, 1968; vice chairman, 1972, 1976, 1980; married to the former Jean Webb Vaughan; four children: William French Smith III, Stephanie Oakes Lorenzen, Scott Cameron Smith, and Gregory Hale Smith.

Mr. President, I now announce that certain Senators on this side of the aisle are absent who would have voted for Mr. Meese's confirmation if they had been present. These Senators are: Senators GARN, GOLDWATER, HUMPHREY, STEVENS, and EAST.

I wish the record to show they would have voted for him if they had been here.

Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. THURMOND. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERSTATE HIGHWAY FUNDING ACT OF 1985

The Senate resumed consideration of S. 391.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Florida [Mr. CHILES] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 10 Leg.]

YEAS—94

Abdnor	Boren	Cochran
Andrews	Boschwitz	Cohen
Armstrong	Bradley	Cranston
Baucus	Bumpers	D'Amato
Bentsen	Burdick	Danforth
Biden	Byrd	DeConcini
Bingaman	Chafee	Denton

Dixon	Johnston	Pressler
Dodd	Kassebaum	Proxmire
Dole	Kasten	Pryor
Domenici	Kennedy	Quayle
Durenberger	Kerry	Riegle
Eagleton	Lautenberg	Rockefeller
Evans	Laxalt	Roth
Exon	Leahy	Rudman
Ford	Levin	Sarbanes
Glenn	Long	Sasser
Gore	Lugar	Simon
Gorton	Mathias	Simpson
Gramm	Matsunaga	Specter
Grassley	Mattingly	Stafford
Harkin	McClure	Stennis
Hart	McConnell	Symms
Hatch	Melcher	Thurmond
Hatfield	Metzenbaum	Trible
Hawkins	Mitchell	Wallop
Hecht	Moynihan	Warner
Heflin	Murkowski	Weicker
Heinz	Nickles	Wilson
Helms	Nunn	Zorinsky
Hollings	Packwood	
Inouye	Pell	

NOT VOTING—6

Chiles	Garn	Humphrey
East	Goldwater	Stevens

So the bill (S. 391) was passed, as follows:

S. 391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interstate Highway Funding Act of 1985".

INTERSTATE COST ESTIMATE APPROVAL

SEC. 102. The Secretary of Transportation shall apportion for the fiscal years ending September 30, 1985, and September 30, 1986, the remaining sums to be apportioned for such years under section 104(b)(5)(A) of title 23, United States Code, and shall adjust and reapportion for the fiscal year ending September 30, 1985, the apportionment made on March 9, 1984, under section 104(b)(5)(A) of title 23, United States Code, using the apportionment factors in table 5 of the Committee Print Numbered 98-202 of the Committee on Environment and Public Works of the Senate.

INTERSTATE SUBSTITUTE COST ESTIMATE APPROVAL

SEC. 103. The Secretary of Transportation shall apportion for the fiscal years ending September 30, 1984, September 30, 1985, and September 30, 1986, the remaining sums to be apportioned for such years under section 103(e)(4) of title 23, United States Code, and shall adjust and reapportion for the fiscal year ending September 30, 1984, the apportionment made on March 9, 1984, under section 103(e)(4) of title 23, United States Code, using the apportionment factors contained in the Committee Print Numbered 99-4 of the Committee on Environment and Public Works and the Committee on Banking, Housing, and Urban Affairs of the Senate.

85 PER CENTUM MINIMUM ALLOCATION

SEC. 104. The Secretary of Transportation shall adjust and reallocate the allocation made on March 9, 1984, under section 157 of title 23, United States Code, prior to the amendment thereto made by this Act, to reflect the full apportionment of Interstate funds for the fiscal year ending September 30, 1985, and the full apportionment of Interstate highway substitute funds for the fiscal year ending September 30, 1984, made as a result of this Act.

1985 INTERSTATE COST ESTIMATE APPROVAL

SEC. 105. The Secretary of Transportation shall apportion for the fiscal years ending September 30, 1987, and September 30, 1988, the funds to be apportioned for such years under section 104(b)(5)(A) of title 23, United States Code, using the apportionment factors in table 5 of the Committee Print Numbered 99-3 of the Committee on Environment and Public Works of the Senate.

RELEASE OF INTERSTATE CONSTRUCTION FUNDS

SEC. 106. Section 104(b)(5)(A) of title 23, United States Code, is amended by inserting after "September 30, 1990." the following: "In September of each year, the Secretary shall adjust the last estimate submitted to reflect (1) all previous credits, apportionments and lapses of previous apportionments, (2) previous withdrawals of Interstate segments under section 103(e)(4) of this title, (3) previous allocations of Interstate discretionary funds under section 118(b)(2) of this title, and (4) Interstate transfers of funds under section 119(d) of this title. The Secretary shall use the Federal share of such adjusted estimate in making apportionments on October 1 of the year of adjustment if the Congress has not approved an Interstate Cost Estimate to make such apportionment.".

RELEASE OF INTERSTATE SUBSTITUTE FUNDS

SEC. 107. (a) Section 103(e)(4) of title 23, United States Code, is further amended by inserting after the sixteenth sentence the following: "In September of each year, the Secretary shall adjust the last cost estimate submitted to reflect (1) changes in the amounts available to the Secretary under this paragraph, (2) changes in State estimates of the division of funds between substitute highway and transit projects, and (3) the allocation and apportionment of substitute highway funds in prior fiscal years. The Secretary shall use the Federal share of such adjusted estimate in making apportionments for substitute highway projects on October 1 of the year of adjustment if the Congress has not approved an Interstate Substitute Cost Estimate to make such apportionment.".

(b) Section 103(e)(4) of title 23, United States Code, is further amended by inserting after the existing twenty-second sentence the following: "In September of each year, the Secretary shall adjust the last cost estimate submitted to reflect (1) changes in the amounts available to the Secretary under this paragraph, (2) changes in State estimates of the division of funds between substitute highway and transit projects, and (3) the allocation and apportionment of substitute transit funds in prior fiscal years. The Secretary shall use the Federal share of such adjusted estimate in making apportionments for substitute transit projects on October 1 of the year of adjustment if the Congress has not approved an Interstate Substitute Cost Estimate to make such apportionment.".

PERIOD OF AVAILABILITY EXTENSION

SEC. 108. (a) Notwithstanding the provisions of section 118 of title 23, United States Code, sums authorized for the Interstate System for the fiscal year ending September 30, 1985, shall remain available for expenditure for the Interstate System until September 30, 1986.

(b) Notwithstanding the provisions of section 103(e)(4) of title 23, United States Code, sums apportioned under section 103(e)(4) of title 23, United States Code, for the fiscal year ending September 30, 1984, for public mass transit projects or for highway assistance program projects shall remain available for obligation until September 30, 1986. Such sums which are apportioned to a State and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) by September 30, 1985, shall be apportioned among those States which have obligated all such sums (other than such an amount) in accordance with the latest estimate of the cost of completing the appropriate substitute projects in each State.

EMERGENCY RELIEF STATE MATCH

SEC. 109. (a) Subsection (f) of section 120 of title 23, United States Code, is amended by striking "shall not exceed 100 per centum of the cost thereof: *Provided*" and inserting in lieu thereof "on account of any project on a Federal-aid highway system, including the Interstate System, shall not exceed the Federal share payable of a project on a system as provided in subsections (a) and (c) of this section: *Provided,* That the Federal share payable for eligible emergency repairs to minimize damage, protect facilities or restore essential traffic accomplished within 30 days after the actual occurrence may amount to 100 per centum of the cost thereof: *And provided further*".

(b) Section 120(f) of title 23, United States Code, as amended by this section is effective for all natural disasters or catastrophic failures which occur subsequent to enactment of this Act.

PRIORITY FOR INTERSTATE DISCRETIONARY FUNDS

SEC. 110. Section 118(b)(2) of title 23, United States Code, is amended by inserting after "which is not open to traffic" the following: "and high cost projects which are eligible for Federal assistance with funds apportioned under section 104(b)(5)(A) of this title and are on an Interstate segment which is on a common alignment of more than 7.9 miles with any other Interstate segment and on which actual construction with funds apportioned under such section is under way on the date of enactment of the Surface Transportation Assistance Act of 1982".

HIGHWAY PLANNING AND RESEARCH

SEC. 111. Section 307(c)(1) of title 23, United States Code, is amended by inserting after "section 104 of this title", the following: "and for highway projects, section 103(e)(4)".

OFF-SYSTEM BRIDGE PROGRAM

SEC. 112. Section 144, title 23, United States Code, is amended by adding a new subsection as follows:

"(n) Notwithstanding any other provision of law, with respect to any project not on a Federal-aid highway system for the replacement of a bridge or rehabilitation of a bridge which is wholly funded from State and local sources, is eligible for Federal funds under section 144 of title 23, United States Code, is noncontroversial, is certified by the State to have been carried out in accordance with all standards applicable to such projects under such section 144, and is determined by the Secretary upon completion to be no longer a deficient bridge, any amount expended after the effective date of this section, from such State and local sources for such project in excess of 20 per centum of the cost of construction thereof may be credited to the non-Federal share of the cost of other projects in such State which are eligible for Federal funds under section 144, in accordance with procedures established by the Secretary.".

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WOMEN BUSINESS ENTERPRISES

SEC. 113. Section 105(f) of the Surface Transportation Assistance Act of 1982 is amended as follows:

(1) after "small business concerns" insert ". Such small business concerns may be either".

(2) strike the period after "thereto" and insert "or owned and controlled by women.".

TOLL FACILITY DEREGULATION

SEC. 114. (a) Section 4 of the General Bridge Act of 1906 (34 Stat. 85, 33 U.S.C. 494), as amended, is amended by deleting the last sentence thereof.

(b) Section 17 of the Act of June 10, 1930 (46 Stat. 552, 33 U.S.C. 498a), as amended, is repealed.

(c) Section 1 of the Act of June 27, 1930 (46 Stat. 821, 33 U.S.C. 498b), as amended, is repealed.

(d) Sections 1-5 of the Act of August 21, 1935 (49 Stat. 670, 33 U.S.C. 503-507), as amended, are repealed.

(e) Sections 503 and 506 of the General Bridge Act of 1946 (60 Stat. 847, 848, 33 U.S.C. 526, 529), as amended, are repealed.

(f) Section 133 of Public Law 93-87 (87 Stat. 267, 33 U.S.C. 526a) is repealed.

(g) Section 6 of the International Bridge Act of 1972 (86 Stat. 732, 33 U.S.C. 535(d)) is repealed.

(h) Section 6(g)(4) of the Department of Transportation Act (80 Stat. 937, 49 U.S.C. 1655(g)(4)) is repealed.

(i) Tolls for passage or transit over any bridge constructed under the authority of the Bridge Act of 1906, as amended, the General Bridge Act of 1946, as amended, and the International Bridge Act of 1972, shall be just and reasonable.

RAIL-HIGHWAY CROSSINGS

SEC. 115. Notwithstanding any other provision of law, no report, list, schedule or survey compiled by or for a State for the purposes of complying with any requirement of title 23, United States Code, or the Highway Safety Act of 1973 concerning the evaluation of hazardous roadway conditions or rail-highway crossings in order to plan and prioritize projects to enhance safety, shall be required to be admitted into evidence or used for any other purpose in any suit or action in any Federal or State court.

TOLL REVENUES

SEC. 116. Section 129 of title 23, United States Code, is amended by adding the following new subsection:

"(j)(1) Each operator of toll roads, toll tunnels, toll ferries, and toll bridges, other than an international toll facility or toll facility subject to an agreement under this section or section 105 of the Surface Transportation Assistance Act of 1978 on a Federal-aid system in a State shall biennially certify to the Governor of the State that such facilities are adequately maintained and that the operator of such toll facility has the ability to fund the replacement or repair of any such facilities that are not adequately maintained without using Federal-aid highway funds. Failure to certify shall preclude Federal funding out of the Highway Trust Fund of any facilities owned or operated by the operator of such toll facility.

"(2) The Governor shall report biennially to the Secretary the toll facilities subject to paragraph (1) of this subsection, that have so certified and those which have not certified in accordance with paragraph (1) of this subsection. If funds from the Highway Trust Fund are used to repair or replace such toll facilities, the States' apportionments for the following fiscal year under section 104 of this title shall be reduced by the amount of Highway Trust Fund moneys expended: *Provided*, That such reduction shall not be made if the State has executed an agreement covering such toll facilities under this section or section 105 of the Surface Transportation Assistance Act of 1978.".

RIGHT-OF-WAY DONATION

SEC. 117. (a) Notwithstanding any other provision of title 23, United States Code, the State matching share for a project under title 23, United States Code, may be credited by the fair market value of land incorporated into the project and lawfully donated to the State after the effective date of this subsection. For purposes of this subsection the fair market value of donated land shall be established after the date the donation becomes effective or when equitable title to the land vests in the State, whichever is earlier. This subsection shall not apply to donations made by an agency of a Federal, State, or local government. The credit received by a State pursuant to this subsection may not exceed the State's matching share for the project to which the donation is applied.

(b) Section 323 of title 23, United States Code, is amended by—

(1) inserting after "Donations." an "(a)"; and

(2) inserting the following new subsection:

"(b)(1) A gift or donation in accordance with subsection (a) may be made at any time during the development of a project: *Provided*, That any document executed as part of such donation clearly indicates that—

"(i) all alternatives to a proposed alignment will be studied and considered pursuant to the National Environmental Policy Act;

"(ii) acquisition of property under this subsection shall not influence the environmental assessment of a project including the decision relative to the need to construct the project or the selection of a specific location; and

"(iii) any property acquired by gift or donation shall be revested in the grantor or successors in interest if such property is not required for the alignment chosen after public hearings and completion of the environmental document.".

(c) Section 4651 of title 42, United States Code, is amended as follows:

(1) insert after "programs" in the first sentence the following "to promote joint projects between States and landowners and other entities in order to maximize Federal and State dollars";

(2) insert new paragraph (10) as follows:

"(10) Promotion of joint projects wherein private citizens and other governmental entities participate in the cost through land donations and/or financial contributions is consistent with Federal policy and should be encouraged by all Federal agencies. To this end donations of right-of-way and/or financial contributions by a State or other political subdivision, or any person is permissible.".

(d) Notwithstanding any other provision of law, the fair market value of any lands which have been or in the future are donated or dedicated to the State of California necessary for the right-of-way for relocation and construction of California State Route 73 in Orange County, California, from its interchange with Interstate Route I-405 to its interchange with Interstate Route I-5 shall be included as a part of the cost of such relocation and construction project and shall be credited first toward payment of the non-Federal share of the cost of such relocation and construction project. If the fair market value of such lands exceeds the non-Federal share of such relocation and construction project, then the excess amount, upon the request of the State of California, shall be credited toward the non-Federal share of the cost of any other project on the Federal-aid system in the State of California. To further the purposes of this section and section 323 of title 23, United States Code, any recorded irrevocable offer of dedication or donation of property within the right-of-way shall be considered as part of the State right-of-way acquisition for purposes of this section if such offer is irrevocable and effective no later than such time as the State of California requests final reimbursement for the Federal share. In no case shall the amount of Federal-aid reimbursement to the State of California on account of such relocation and construction project exceed the actual cost to the State for such project.

RIGHT-OF-WAY PAYBACK

SEC. 118. Section 103(e)(4) of title 23, United States Code, is amended by adding at the end thereof the following sentences: "Of sums made available to the Secretary under this paragraph for a State, an amount equal to the amount expended in Federal funds to purchase right-of-way for the withdrawn route or portion thereof in every case where right-of-way has not been disposed of by the State as of the date of enactment of this sentence shall not be available for release by the Secretary until the right-of-way disposition decision has been made in accordance with 103(e)(5)(B), (6)(B), or (e)(7) of this title. The amount apportioned to each eligible State pursuant to the thirteenth and nineteenth sentences of this paragraph shall be based on the full remaining value of the sums made available under this paragraph as determined by the Secretary but the total of such apportionments shall not exceed the remaining value of such sums less the amount unavailable for release by the Secretary. Sums retained by the Secretary shall be made available for apportionment upon partial or full repayment of funds in accordance with section 103(e)(7) of this title or upon determination by the Secretary that, under section 103(e)(5)(B) or (6)(B), repayment is not required.".

BRIDGE STUDY

SEC. 119. (a) The Secretary of Transportation shall conduct a study of the Bridge Replacement and Rehabilitation Program. This study shall include, but is not limited to—

(1) an analysis of the progress made toward replacing and rehabilitating inadequate bridges both on the Federal-aid system and off the system; a projection of future needs of the bridge program; and an evaluation of the States' prioritization in addressing bridge repair and replacement;

(2) a review of the bridge inspection program including the adequacy of the AASHTO "Manual for Maintenance Inspection of Bridges 1983"; the adequacy of qualification requirements for bridge inspectors; the status of the bridge inventory; and the adequacy of State bridge inspections;

(3) an analysis of the effectiveness of the bridge discretionary program;

(4) a review of the bridge program's effect on the rehabilitation of historic bridges including the development of specific stand-

ards which would apply only to the rehabilitation of historic bridges, and an analysis of any other factors which would serve to enhance the rehabilitation of historic bridges.

(b) The Secretary of Transportation shall report to the Congress the results of the study under subsection (a) not later than one year after the date of enactment of this Act.

(c)(1) The Secretary of Transportation shall make appropriate arrangements with the Transportation Research Board of the National Research Council to carry out a study of the bridge formula as it affects the configuration and gross vehicle weight of large vehicles; the effect of certain large vehicles on the average life of a bridge; the current status of and effect of grandfather rights applicable to this formula. The study shall be done in consultation with the Federal Highway Administration, the American Association of State Highway and Transportation Officials, and others having an interest in and knowledge of the subject.

(2) The Transportation Research Board shall report to the Congress the results of this study not later than eighteen months after the appropriate arrangements have been made.

TECHNICAL AMENDMENTS

SEC. 120. (a)(1) Section 103(e)(4) of title 23, United States Code, is further amended by striking out the sixth, seventh, and eighth sentences and inserting in lieu thereof the following: "The sums apportioned and the sums allocated under this paragraph for public mass transit projects shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year. The sums apportioned and the sums allocated under this paragraph for projects under any highway assistance program shall remain available for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year. Any sums which are apportioned or allocated to a State for a fiscal year and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of such fiscal year shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them for such fiscal year. Such reapportionments shall be in accordance with the latest estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.".

(2) The last sentence of section 103(e)(4) of title 23, United States Code, is amended by striking out "designed" and inserting in lieu thereof "designated".

(b)(1) The second section 126 of the Surface Transportation Assistance Act of 1982, relating to bicycle transportation, is amended by striking out "SEC. 126." and inserting in lieu thereof "SEC. 126A.".

(2) Section 133 of such Act is amended by striking out "(a)" the first place it appears.

(3) Section 163 of such Act is amended by striking out "appropriated" and inserting in lieu thereof "apportioned".

(4) Section 415 of such Act is hereby repealed.

(5) The third sentence of section 108(d) of such Act is amended by striking "this title," and inserting in lieu thereof "title 23, United States Code,".

(c)(1) The analysis of chapter 1 of title 23, United States Code, is amended (1) in the item relating to section 127 by striking out "and width", and (2) by striking out the item relating to section 146 and inserting in lieu thereof:

"146. Carpool and vanpool projects.".

(2) Section 120 of such title is amended by redesignating the second subsection "(i)", and subsections "(j)" and "(k)" as subsections "(j)", "(k)", and "(l)", respectively.

(3) The first sentence of section 122 of such title is amended by inserting "or for substitute highway projects approved under section 103(e)(4) of this title" before "and the retirement".

(4)(A) Subsection (b) of section 125 of such title is amended by striking out "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors," each place it appears and inserting in lieu thereof "the Federal-aid highway systems, including the Interstate System".

(B) Subsection (c) of such section is amended by striking out "routes functionally classified as arterials or major collectors" and inserting in lieu thereof "on any of the Federal-aid highway systems".

(5) Subsection (e) of section 144 of title 23, United States Code, is amended by adding at the end thereof the following: "Funds apportioned under this section shall be available for expenditure for the same period as funds apportioned for projects on the Federal-aid primary system under this title. Any funds not obligated at the expiration of such period shall be reapportioned by the Secretary to the other States in accordance with this subsection.".

(6) The second sentence of section 204(b) of such title is amended by inserting "the Secretary or" before "the Secretary of the Interior".

(7) The last sentence of section 402(j) of such title is amended by striking out "chapter" and inserting in lieu thereof "section".

(d) Section 111 of title 23, United States Code, is amended by inserting "(a)" before "All agreements" and by adding at the end thereof the following new subsection:

"(b) Notwithstanding subsection (a), any State may permit the placement of vending machines in rest and recreation areas, and in safety rest areas constructed or located on rights-of-way of the Interstate System in such State. Such vending machines may only dispense such food, drink, and other articles as the State highway department determines are appropriate and desirable. Such vending machines may only be operated by the State. In permitting the placement of vending machines, the State shall give priority to vending machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Act of June 20, 1936, commonly known as the 'Randolph-Sheppard Act' (20 U.S.C. 107a(a)(5)). The costs of installation, operation, and maintenance of vending machines shall not be eligible for Federal assistance under this title.".

(e) Section 154(e) of the title 23, United States Code, is amended—

(1) by striking out "criteria which takes" and inserting in lieu thereof "criteria which take";

(2) by inserting after "posted" the following: "on January 1, 1983,"; and

(3) by inserting before "in accordance with" the following: ", and on highways built after such date with speed limits posted as fifty-five miles per hour,".

HISTORIC BRIDGES

SEC. 121. (a) Section 144, title 23, United States Code, is amended by adding a new subsection as follows:

"(o) When a Federal-aid project undertaken pursuant to this section uses a bridge entitled to protection under section 138 of this title, section 303 of title 49, or section 470f of title 16, the costs incurred to mitigate harm to such a bridge shall be eligible for funds authorized under this section as follows:

"(i) For a bridge which remains in service to accommodate the highway system of which it is an integral part, reasonable costs incurred due to actions deemed by the Secretary to be required by section 138 of this title, or section 303 of title 49, or requested by the State, to mitigate harm to such a bridge shall be eligible for participation.

"(ii) For a bridge eligible for demolition with Federal funds under this section, the cost to preserve such bridge at the original or new location shall be eligible for participation, in an amount equal to the cost of demolition: *Provided*, That a State, local, or private entity agrees in writing to assume future legal and financial responsibility for such bridge.

"(iii) For a bridge eligible for demolition with Federal funds under this section, reasonable costs to preserve such bridge at the original or new location shall be eligible for participation at the option of a State provided such State agrees in writing that the bridge will be devoted to public purposes and a public entity will assume future legal and financial responsibility for such bridge.".

(b) Section 144(c)(2) is amended by striking "may, at the request of a State," and inserting in lieu thereof "shall require each State to".

WILDFLOWERS

SEC. 122. Section 319 of title 23, United States Code, is amended by inserting an "(a)" after section 319 and inserting the following new subsection.

"(b) The Secretary shall require the planting of native wildflowers seeds and/or seedlings as part of any landscaping project under this section. At least one-quarter of 1 per centum of the funds expended for landscaping projects shall be used for such plantings. The requirements of this subsection may be waived by the Secretary if the State certifies that such native wildflowers or seedlings cannot be grown satisfactorily or planting areas are limited or otherwise used for agricultural purposes. Nothing in this subsection shall be construed to prohibit the acceptance of native wildflower seeds or seedlings donated by civic organizations or other organizations and individuals to be used in landscaping projects.

ELIGIBILITY FOR EMERGENCY RELIEF

SEC. 123. A project to repair or reconstruct any portion of a Federal-aid primary route in the vicinity of Horseshoe Bend, Idaho, which has experienced slide damage as a result of excessive snow and rainfall shall be eligible for assistance under section 125 of title 23, United States Code.

MINIMUM ALLOCATION

SEC. 124. (a) Section 157(a) of title 23, United States Code, is amended to read as follows:

"(a) Beginning with fiscal year 1985, as soon as practicable after the date of enactment of the Interstate Highway Funding Act of 1985, and in each of the fiscal years thereafter, on October 1, the Secretary of Transportation shall allocate among the States, as defined in section 101 of this title, amounts sufficient to insure that a State's percentage of the total apportionments in

each such fiscal year and allocation for the prior fiscal year of authorized Federal-aid highway programs and Federal-aid highway projects, except allocations for forest highways, Indian reservation roads, and parkways and park highways in accordance with section 202 of this title, highway related safety grants authorized by section 402 of this title, nonconstruction safety grants authorized by sections 402, 408, and 406 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data is available.".

(b) The amendment made by subsection (a) shall become effective on October 1, 1984.

(c) Notwithstanding the provisions of subsections (a) and (b) of this section, in the fiscal year ending September 30, 1985 the Secretary of Transportation shall allocate to each State, as defined in section 101 of title 23, United States Code, and subject to section 157 (b) and (c) of title 23, United States Code, the larger of:

"(1) The amount sufficient to insure that the State's percentage of the total apportionments in such fiscal year and allocation for the prior fiscal year of authorized Federal-aid highway programs and Federal-aid highway projects, except allocations for forest highways, Indian reservation roads, and parkways and park highways in accordance with section 202 of title 23, United States Code, highway related safety grants authorized by section 402 of title 23, United States Code, nonconstruction safety grants authorized by sections 402, 408, and 406 of title 23, United States Code, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data is available.

"(2) The amount sufficient to insure that the State's percentage of the total apportionments in such fiscal year of Interstate highway substitute, primary, secondary, Interstate, urban, bridge replacement and rehabilitation, hazard elimination, and rail-highway crossings funds under sections 103(e)(4), 104(b), 144, and 152 of title 23, United States Code, and section 203 of the Highway Safety Act of 1973, as amended, shall not be less than 85 per centum of the percentage of estimated tax payments attributable to highway users in that State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data is available.".

(d) For the fiscal year ending September 30, 1986, the Secretary of Transportation shall, notwithstanding the provisions of subsection (a) and (b) of this section, not preclude any State from receiving any additional funds as authorized by subsection (c) if the Congress approves such extension by law.

MARYLAND TRANSFER

SEC. 125. (a) The first sentence of section 7 of Public Law 98-229 is amended by inserting "amounts requested by the State of Maryland not to exceed" after the phrase "the Secretary shall transfer".

(b) The second sentence of section 7 of Public Law 98-229 is amended by striking out "$100,000,000" and inserting in lieu thereof "such amounts transferred".

(c) The third sentence of section 7 of Public Law 98-229 is amended by striking out "$100,000,000" and inserting in lieu thereof "an amount equal to the amount transferred from section 103(e)(4)"; and add at the end of the third sentence "in Baltimore, Maryland".

I-395 DEMONSTRATION CORRECTION

SEC. 126. Public Law 98-205 is amended by striking section 3 and inserting in lieu thereof the following:

"SEC. 3. Notwithstanding any other provision of law, the Secretary of Transportation shall assist the Commonwealth of Virginia and the District of Columbia, in carrying out a demonstration project on Interstate Highways 95 and 395 in Virginia and the District of Columbia for a period of not less than twelve months commencing within thirty days after the District of Columbia completes reconstruction of George Mason Bridge. The use of the express lanes on such highways shall be restricted under the experiment to buses, emergency vehicles, and other vehicles carrying four or more persons during the hours of 6 o'clock ante meridiem to 9:30 o'clock ante meridiem on Monday through Friday, exclusive of holidays, on northbound lanes and during the hours of 3:30 o'clock post meridiem to 6 o'clock post meridiem on Monday through Friday, exclusive of holidays, on southbound lanes during the demonstration period: *Provided*, That the Commonwealth of Virginia and the District of Columbia in consultation with the Secretary of Transportation may adjust such hours and refine the demonstration to enhance safety, minimize congestion, and maximize the use of the facility. During the demonstration period, the Commonwealth of Virginia and the District of Columbia in consultation with the Secretary of Transportation shall carry out an environmental assessment of the effects of the high occupancy vehicle restrictions including, but not limited to, capacity of the facility, congestion on the facility and its approaches, modal choice in the corridor and air quality, and shall, upon completion of such assessment, report to the Congress the results of the assessment and the demonstration project.".

BUY AMERICA

SEC. 127. Section 165(a) of the Surface Transportation Assistance Act of 1982 is amended to read as follows:

"Notwithstanding any other provision of law, the Secretary of Transportation shall not obligate any funds authorized to be appropriated by this Act or by any Act amended by this Act or, after the date of enactment of this Act, any funds authorized to be appropriated to carry out this Act, title 23, United States Code, the Urban Mass Transportation Act of 1964, or the Surface Transportation Assistance Act of 1978 and administered by the Department of Transportation, whose total cost exceeds $500,000, unless steel and manufactured products used in such project are produced in the United States.".

WASTE ISOLATION PILOT PROJECT

SEC. 128. For the fiscal year ending September 30, 1986, and thereafter, there is authorized to be appropriated $58,000,000 for the upgrading of certain highways in the State of New Mexico for the transportation of nuclear waste generated during defense-related activities.

OBLIGATION LIMITATION

SEC. 129. (a) Notwithstanding any other provisions of law, the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed $12,750,000,000 for fiscal year 1986. These limitations shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, or projects covered under section 147 of the Surface Transportation Assistance Act of 1978, or section 9 of the Federal-Aid Highway Act of 1981, or section 118 of the National Visitor Center Facilities Act of 1968.

(b) For the fiscal year 1986, the Secretary of Transportation shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(c) During the period October 1 through December 31, 1985, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (b) for fiscal year 1986, and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection for such fiscal year.

(d) Notwithstanding subsections (b) and (c), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1986, revise a distribution of the funds made available under subsection (b) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by this Act and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses and Federal lands highways.

(e) The limitation established by subsection (a) of this section shall not apply to an amount of funds apportioned under section 104(b)(5)(A) of title 23, United States Code, during the fiscal year ending September 30, 1985, to a State equal to that amount which such State returned in unused obligation authority in August 1984 which would not have been returned if all of the Interstate construction funds authorized for apportionment during the fiscal year ending September 30, 1984, had been apportioned in the fiscal year ending September 30, 1984.

BICYCLE PROJECTS ELIGIBILITY

SEC. 130. The second sentence of section 217(b)(1) of title 23, United States Code, is amended by inserting "and sums appor-

tioned or allocated for highway substitute projects in accordance with section 103(e)(4) of this title" after the word "title".

INTERSTATE TRANSFER CONCEPT PLAN

SEC. 131. The third sentence of section 103(e)(4) of title 23, United States Code, is amended by striking the period at the end and inserting in lieu thereof ": *Provided*, That the States may adjust their Interstate substitution programs which were approved in concept by the Secretary on or before September 30, 1983, to drop and add projects up to one year after the date of enactment of this Act, without altering the existing entitlement.".

139 (a) AND (b) ROUTE DESIGNATION

SEC. 132. (a) The last sentence of section 139(a) and the fourth sentence of section 139(b) of title 23, United States Code, are each amended by striking out "this sentence" and inserting in lieu thereof "the Interstate Highway Funding Act of 1985".

(b) Subsection (a) of section 119 of title 23, United States Code, is amended by striking out "this sentence" and inserting in lieu thereof "the Interstate Highway Funding Act of 1985".

RELEASE OF CONDITION RELATING TO CONVEYANCE OF CERTAIN HIGHWAY

SEC. 133. Notwithstanding paragraph (1) of subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 (84 Stat. 1739) and any agreement entered into under such subsection, no conveyance of any road or portion thereof shall be required to be made under such paragraph or agreement to the State of Maryland and the State of Maryland shall not be required to accept conveyance of any such road or portion. Funds authorized by such section may be obligated and expended without regard to any requirement of such paragraph or agreement that such conveyance be made.

PRISON INDUSTRY IMPACT STUDY

SEC. 134. Within nine months after the date of enactment of this section, the Secretary of Transportation after consultation with the transportation officials and Governors of the 50 States and the District of Columbia, shall submit to Congress a comprehensive study of the involvement of State prison industries which furnish convict-produced materials for use on Federal-aid highways and the impact on private industries which produce products similar to those of prison industries. The study shall also examine the socioeconomic effects of prison industry programs in the rehabilitation and job training of convicts participating in such programs.

DISCRETIONARY FUNDS

SEC. 135. (a) The Secretary of Transportation in allocating discretionary Interstate Substitute Highway funds shall give consideration to any State which has its overall allocation of such funds, including both formula and discretionary, reduced by an amount in excess of 45 per centum from the fiscal year ending September 30, 1983, to the fiscal year ending September 30, 1984, and where such reduction exceeded $100,000,000.00.

(b) The amendment made by subsection (a) shall terminate on September 30, 1989.

FERRY REPLACEMENT

SEC. 136. (a) Subsection (g) of section 144 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding any other provision of law, any State or States may, at their option, utilize any of the funds provided them to carry out this section for the construction of bridges to replace ferries, which ferries were in existence on January 1, 1984. The Federal share payable on account of any such highway bridge construction pursuant to this subsection shall be the same as provided for highway bridge replacement or rehabilitation.".

(b) This paragraph shall be applicable with respect to funds apportioned each State for the fiscal year ending September 30, 1985, and for subsequent years.

EXTENSION OF INNOVATIVE TECHNOLOGY PROGRAM

SEC. 137. Subsection (b) of section 142 of the Surface Transportation Assistance Act 1982 is amended by striking "September 30, 1985", and inserting in lieu thereof "September 30, 1986".

OCEAN TRANSPORT CONTAINERS

SEC. 138. (a) The second sentence of section 127(a) of title 23, United States Code, is amended—

(1) by inserting "(1)" before "is thirty-six feet or more";

(2) by inserting after "thirty-six feet or more" the following: ", or (2) in the case of a motor vehicle hauling any ocean transport container within five years of the enactment of the Interstate Highway Funding Act of 1985, thirty feet or more"; and

(3) by inserting after "except in the case of the overall gross weight of any group of two or more consecutive axles" the following: "on any vehicle (other than a vehicle comprised of a motor vehicle hauling any ocean transport container after five years of the date of enactment of the Interstate Highway Funding Act of 1985),".

(b) Section 127 of such title is further amended by adding at the end thereof the following new subsection:

"(c) For purposes of this section, the term 'ocean transport container' has the meaning given the term 'freight container' by the International Standards Organization on the date of enactment of the Interstate Highway Funding Act of 1985 in series 1, Freight Containers, third edition (reference numbered ISO668-1979(E)).".

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

SENATE SCHEDULE FOR NEXT WEEK

Mr. DOLE. Mr. President, let me just state very quickly—because I know a number of Members have commitments to make on Monday, and I will get the unanimous-consent agreements later—we will take up Calendar No. 8, S. 457, the Africa relief bill, under management and arrangement with respect to a number of amendments to be offered on limited farm credit issues.

It is expected that no rollcall votes will occur before 4 p.m. I will do the rest of the consent order later.

The next vote on the farm resolution will be the last vote of the day.

Mr. SARBANES. Mr. President, will the majority leader yield for a question?

Mr. DOLE. Yes.

Mr. SARBANES. What time did the majority leader indicate we will come in and go on the bill?

Mr. DOLE. We will go in at noon, and probably be on the bill at 1 o'clock, with no votes before 4 o'clock.

Mr. WILSON. Mr. President, will the majority leader yield for a question?

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President.

I address the question to my friend, the distinguished majority leader. Earlier in the day the distinguished minority leader had gracious comments regarding both sides' participation in the negotiations of this agreement, which I think we are all pleased to hear. That, however, was distinctly at odds with a number of earlier statements that had suggested, implied, and in fact very explicitly stated that the holdup on reaching this agreement was the fault of the Republicans.

I think in the interest of fairness at the beginning of what is a 2-year term that holds prospects either for great accomplishment or great frustration that it would be wise to set the record straight so that we can know precisely what justified the gracious comments of the minority leader which I think were contradicted by some of those earlier statements.

I ask, sir, if you could tell us a little of the recent history of the Senate, its immediate past history with respect to negotiations of this agreement.

Mr. DOLE. If the Senator will yield, I wonder if I might do that following the action on the bill itself because we have a number of Members trying to make commitments.

Mr. WILSON. I am happy to entertain any time the distinguished majority leader desires.

Mr. DOLE. I thank the Senator.

SENATE RESOLUTION 79—EXPRESSING THE SENSE OF THE SENATE WITH REGARD TO EMERGENCY CREDIT FOR AMERICAN FARMERS

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABDNOR. Mr. President, I send a resolution to the desk, on behalf of myself and others, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 79) expressing the sense of the Senate with regard to emergency credit for American farmers.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABDNOR. Mr. President, this resolution expresses the sense of the Senate relating to the farm credit resolution.

First, let me say I cannot praise our majority leader, BOB DOLE, enough for his persistence, patience, and, more especially, for his sincere concern for the whole proposition of agriculture.

I can say the same thing for the chairman of the Agriculture Committee, JESSE HELMS, for the hours and days that he put into this.

Mr. President, I think this discussion ran over a 5-day period. We are all very pleased, I believe, with the result.

Mr. President, every Member in this Chamber shares a deep concern for the current difficulties in American agriculture. The debt problems facing many good, efficient managers is substantial in South Dakota and many other areas of the country. It is essential that we bring our full attention to this problem now because the fate of many farmers and ranchers will be determined in the next few weeks.

The only avenue open to those of us who want to provide meaningful assistance to our farmers now is through the aggressive use of authorities already on the books. I commend the administration for its attention to the difficulties facing many agricultural producers and their cooperation with many of us in Congress who want to help ensure that these authorities are used immediately to their fullest extent.

On September 18, the President announced the Debt Adjustment Program to assist farmers who receive credit from the Farmers Home Administration as well as commercial lenders. Further modifications of this program were announced early this month to address concerns raised by borrowers and lenders and to provide additional cooperation from bank regulators and other Federal agencies. Obviously, for this program to be successful in assisting farm borrowers, the utmost cooperation of the farm credit system and other commercial lenders will be required.

The administration's previously announced farm credit initiatives range from increased staff assistance and loan restructuring authority at FmHA county offices to consideration of adjustments in banking procedures by Federal regulatory agencies. The program brings together the credit expertise of all levels of Government as well as the private sector. The initiatives must balance prudent concern for the taxpayer with concern for farmers and lenders. Within those parameters, and with full cooperation on all levels, the program can supply the necessary tools to overcome agriculture credit problems.

Clearly, the President's Debt Adjustment Program is having a beneficial effect on troubled farm borrowers through the following actions:

The Farmers Home Administration has used the debt set-aside authority to assist over 13,000 of its borrowers through repayment deferrals and loan reschedulings. More requests for these actions are being granted every day to eligible applicants.

Lenders have been given the option of reducing either the borrowers' principal or interest rates to achieve a positive cash flow in exchange for a Government guarantee of up to 90 percent of the remaining principal.

FmHA has created 20 emergency action teams to process 1-year crop loan guarantees in communities where a lending institution has failed.

The Secretary of Agriculture has ordered the shifting of personnel from the ASCS to FmHA offices to help with the processing of loan applications. Also, over 800 temporary employees were hired this week to help clear application backlogs.

Federal agencies with regulatory responsibilities for lending institutions are encouraging lenders to work with borrowers suffering financial problems.

FmHA is investigating the best ways in which "credit hot lines" can be created and operated to provide financial information and advice.

A review is being made of requirements for hiring financial and farm management consultants by FmHA for county-level counseling service; increased efforts are being made to add to the 300 already under contract.

Commercial banks are encouraged to apply for approved lender status to help speed the processing of loan guarantees.

A Cabinet-level farm credit coordinating group has already met to monitor and coordinate credit issues.

Despite these actions, some of us have demanded that more must be done if we are to help even more farmers and ranchers.

Mr. President, the resolution before us today evidences the further modifications the administration has agreed to in order to address the farm credit situation. The resolution is a result of almost continuous daily meetings between concerned farm-State Senators and the administration.

The foremost concern in the minds of many Senators is to ensure the availability of ample funds from FmHA to meet the demand of eligible borrowers. We have assurances from the administration that adequate funding will be made available through the FmHA Direct Farm Operating Loan Program as well as the guaranteed loan programs to carry out a successful debt adjustment program. All doubts as to whether there will be adequate funding to provide for farmers' needs who are eligible for FmHA credit assistance can be put to rest.

As I previously stated, the assurance of adequate funding also holds true for the guarantee loan authority. The FmHA will have ample guarantees to cover eligible applications from private sector lenders under the debt adjustment program.

One concession we obtained from the administration which is important to many Senators, including me, is the reduction in the cash flow requirement for eligibility for guarantees of indebtedness held by private lending institutions from 110 percent to 100 percent. This will allow lenders to write off a lower amount of a borrower's principal or interest to be eligible for loan guarantees and, hopefully, this will cause a greater level of participation by private bankers for the ultimate benefit of our farmers and ranchers.

Another assurance given Congress by the administration is that the level of guarantee under the interest rate writedown option will be increased on a yearly basis to a maximum guarantee of 90 percent. This will encourage greater participation by lending institutions and, possibly, a longer credit relationship with these borrowers.

Mr. President, the resolution we are considering today recognizes that all lending institutions have a shared responsibility to their farm borrowers to go to every possible length to provide the assistance offered in the President's credit initiatives. I might also add that there is a shared responsibility among lenders, both private and Government, and the borrowers, for the debt problems we are addressing. Some have said that all lenders have not aggressively sought to cooperate with the President's program on behalf of farmers and have stated that bankers were waiting for Congress to sweeten the pot before they began helping their borrowers. I hope this is not the case. However, the modifications granted by the administration early this month and detailed in this resolution should remove all hesitancy for private lenders to embrace the Debt Adjustment Program and proceed to restructure farmers' indebtedness in time for this spring's plantings.

This resolution also recognizes that the States also have a shared responsibility to provide assistance to troubled farmers. State legislatures in the affected States might consider various programs on the local level to supplement the considerable assistance being provided to financially stressed farmers by the Federal Government.

A concern reflected in this resolution addresses the necessity for farm borrowers to receive family living expenses as priority releases from farm production income. Earlier this year, I introduced legislation which would

provide for this. This provision directs the Secretary of Agriculture to ensure that FmHA borrowers who have pledged the proceeds from their crop sales as collateral for loans, will be entitled to a portion of these funds as living expenses. Although a provision for adequate living expenses in the past has been contained in FmHA regulation, clarification will be provided with this resolution that it is the intent of Congress that this be the case in all instances.

Many FmHA county offices are experiencing significant backlogs in the processing of loan applications. Through passage of this resolution, we will express to the Secretary that adequate personnel and other resources should be made available so that applications are processed in an expeditious manner. Further, FmHA should endeavor to reach a decision on direct-loan applications within 60 days and applications for guarantees submitted from approved lenders within 15 days.

Mr. President, this resolution expresses the sentiment of the Senate that Federal and State regulatory agencies exercise forebearance and restraint in classifying loans and in their treatment of agricultural lenders. Bank examiners should not needlessly scare bankers away from sticking with farm borrowers for another year.

In order that actions might be considered in the future to assist farmers and agricultural communities facing financial stresses, the Congress directs the Secretary to undertake a study of this situation. It is apparent that our current farm problems do not affect only farmers. In many cases agribusinesses are severely imperiled and widespread troubles in a local farm economy can adversely affect entire communities and rural States. A study by the Secretary of what means might be undertaken to ease this distress would be appropriate.

The final provision, Mr. President, calls for the Secretary of Agriculture to monitor the compliance of this resolution over a 90-day period following enactment and to provide weekly reports to Congress on the implementation of these farm credit initiatives. This monitoring will allow for an adequate review to ensure that all appropriate authorities are being used to assist troubled farm borrowers. If the provisions contained in this resolution are not strictly adhered to, I can assure my colleagues that I will lead the fight to make sure the wishes of this body are fulfilled.

Mr. President, action is necessary now if we are to help farmers plant this year's crops. A delay of several weeks will be too late. And, the only way this can be accomplished is through the use of the current law. We need action right away. Right now, like instantly, or else it will be too late for some farmers and ranchers.

There is no doubt that this administration has been most cooperative in offering initiatives under existing authorities to assist farm borrowers and to broaden those initiatives when necessary. This resolution expresses the additional lengths they have been willing to go to address the concerns of Congress. I strongly urge its adoption as our only realistic avenue under the severe time restraints to bring needed credit assistance to our farmers in time for planting season.

I must emphasize that for the President's Debt Adjustment Program, with the modifications called for in this resolution, to be successful in helping farmers, there must be cooperation among all segments of the agricultural lending community. The farm credit system, commercial banking institutions, as well as borrowers, must join together to work our way out of the farm debt problems facing viable farm operators. I believe the actions called for in this resolution, together with the initiatives offered by the administration previously, can adequately address these difficulties so that an overwhelming majority of our farmers can continue to produce the food and fiber on which our Nation is so dependent.

These measures are emergency measures only. We all know that in order to restore long-term prosperity to agriculture, we must develop a farm bill which will allow farmers and ranchers to make a profit. Toward this end, I look forward to working with all my colleagues.

Mr. President, we think we have come a long way in the last few days and weeks, but I want to point out that these measures are emergency measures only. We all know that in order to restore long-term prosperity to agriculture we must develop a farm bill which will allow farmers and ranchers to make a profit. Toward this end, I look forward to working with all my colleagues.

Mr. President, at this time, I yield to the Senator from Nebraska.

Mr. ZORINSKY. Mr. President, I yield 2 minutes to the Senator from Maryland.

Mr. SARBANES. Mr. President, earlier some doubts were cast on the effectiveness of the filibuster with respect to Mr. Meese in invoking or precipitating action on the farm crisis. White House spokesman Larry Speakes conceded only a day ago that the new administrative action supported by the President, which corresponds to items in this resolution, was in response to the filibuster and would not have taken place otherwise.

Mr. President, I ask unanimous consent that the UPI story reporting this statement by Mr. Speakes be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD as follows:

FARM DEBT

WASHINGTON.—President Reagan told Agriculture Secretary John Block Friday to put into effect new farm credit rules proposed by Senate Democrats, spokesman Larry Speakes announced.

Speakes appeared to suggest the move was the administration's final compromise offer to the Democratic legislators.

"The President desires that we move quickly on an administrative basis without the necessity of legislation," Speakes said, blaming the Democrats, who rejected the administration deal, for talking rather than acting to soothe angry debt-ridden farmers.

The key element in the administration action, demanded Wednesday by Senate Democrats filibustering the nomination of Edwin Meese as Attorney General, is that farmers need only to show the likelihood of breaking even instead of showing a 10 percent profit to qualify for low-cost loans.

Accusing the Democrats of engaging in "a political exercise," Speakes conceded that the new action was in response to the filibuster and would not have taken place otherwise.

"The (Democratic) resolution says the administration agrees. The administration agrees, that's enough," Speakes said.

"We think this is sufficient . . . and now is the time to stop talking and start working," he said.

Speakes said the new rules would be effective "if not immediately, then very shortly."

At his news conference Thursday night, Reagan promised to "do (his) utmost" to help debt-burdened farmers, but Senate Democrats broke off a proposed deal, charging it would "wring out" thousands of farmers.

A compromise among Senate Republicans and Democrats and Block on minor improvements in the administration's debt package fell apart Thursday when Democrats complained of Block's refusal to consider additional steps beyond the deal.

Mr. ZORINSKY. Mr. President, I yield 2 minutes to the Senator from Iowa.

Mr. HARKIN. I thank my distinguished colleague.

Mr. President, I wanted to rise to say that I will vote for this sense-of-the-Senate resolution, but I do not want my vote to be viewed as indicative that this resolution really means something.

We always vote for nice-sounding words and things that are harmless. That is really what this sense-of-the-Senate resolution is, just a lot of nice-sounding words. But it really does not do anything. It is only a little bit of a problem. It has no meat on its bones at all. I hope that the farmers in my State and the farmers throughout America will not think that, by passing a lot of nice-sounding language, something is going to be done. It will not be.

The resolution does not take the place of a commitment by this administration to implement the laws they already have on the books to restructure the farm debt and to make sure that our farmers have the loans that they need before going to the fields this spring.

Mr. ABDNOR. Mr. President, I yield to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the able Senator from South Dakota [Mr. ABDNOR] for his generous comment. There has been no more diligent and effective advocate of the farmers of America than JIM ABDNOR, and his efforts during this arduous week have been so very helpful.

Contrary to the comments of the Senator from Iowa [Mr. HARKIN], I feel obliged to observe that while some have been doing all the talking this week, others have been at work to implement reasonable and prudent assistance to distressed farmers. Again I commend Senator ABDNOR—and, of course, the distinguished majority leader.

Mr. President, all Senators share a deep concern about the current difficulties in American agriculture. Nobody holds a monopoly in that regard, despite political posturing that is sometimes in evidence. The debt problems facing many good, efficient managers are substantial in many areas of the country. It is essential that we devote good-faith attention to this problem.

Mr. President, I have been working on this matter since last fall. I recognized then, as did others, that farmers could not afford to wait for a comprehensive emergency credit package to be enacted by Congress and then wait for regulations to be promulgated by the Department of Agriculture. Such a laborious process would not have helped even one farmer this spring.

The filibuster this week has not helped even one farmer one bit.

The only avenue open to those of us who genuinely wanted to provide proper and meaningful assistance to our farmers now is through the aggressive use of authorities already on the books. I commend the administration for its attention to the difficulties facing many agricultural producers and their cooperation with many of us in Congress who want to help ensure that these authorities are used immediately to their fullest extent.

Let us look at the facts:

This past September 18, the President announced the Debt Adjustment Program to assist farmers who receive credit from the Farmers Home Administration as well as commercial lenders. Further modifications of this program were announced early this month to address concerns raised by borrowers and lenders and to provide additional cooperation from bank regulators and other Federal agencies. Obviously, for this program to be successful in assisting farm borrowers, the utmost cooperation of the Farm Credit System and other commercial lenders will be required.

Mr. President, the administration's previously announced farm credit initiatives range from increased staff assistance and loan restructuring authority at FmHA county offices to consideration of adjustments in banking procedures by Federal regulatory agencies. The program brings together the credit expertise of all levels of government as well as the private sector. The initiatives must balance prudent concern for the taxpayer with concern for farmers and lenders. Within those parameters, and with full cooperation on all levels, the program can supply the necessary tools to overcome agriculture credit problems.

The broadening and further clarification of these previously announced authorities called for in a resolution we have prepared and, for the most part, agreed to by the administration, evidences the extent to which they are willing to go to meet the concerns expressed by Congress.

The primary concern among Senators from both sides of the aisle is that adequate funding be available from the Farmers Home Administration to meet the credit demands from eligible borrowers for this spring. Commitments have been forthcoming from the administration that this will be the case in both the direct FmHA farm operating loan program and the farm operating loan guarantee program. Farmers who qualify for FmHA credit assistance will find it available.

Mr. President, there was absolutely no reason for any reasonable person to doubt that this would be the case. President Reagan has always ensured that ample operating funds were available to eligible FmHA borrowers for the past 4 years. In fact, the level of funding for the FmHA farm operating loan program has increased about threefold since 1980. I have no doubt that the skepticism expressed by some has more to do with partisan politics than reality.

One especially significant point in the resolution we have prepared is the clear recognition of a shared responsibility among all entities having a stake in providing assistance to farmers facing financial difficulty. A primary obligation is borne by the lenders—the Farm Credit System, and commercial bankers—who must must take the initiative to work with borrowers in utilizing the tools provided by the Debt Adjustment Program to void foreclosures and to ensure that adequate funding is available for this year's crop.

The Federal Government cannot, and should not, be expected to remove the responsibility from commercial lenders to help their troubled borrowers. The roots of our current farm debt situation can be traced to a number of causes, not the least of which was the encouragement from lenders to incur large debts in the late 1970's and early 1980's. Now, we must join together in resolving these difficulties.

State governments are also recognized in this resolution to have a responsibility to supplement Federal programs in assisting farm borrowers. And, I might add one point that is exceedingly clear to me—that the restrictive land ownership laws of several States have contributed, to a great extent, to our present situation. The plummeting of land values has caused a severe problem for many farmers trying to raise additional capital for this year's crops. To prohibit certain investors from maintaining a stable market for farm land can only lead to the problems facing many farmers. I would hope that these States, including Iowa, Kansas, Nebraska, Minnesota, and others, will reconsider these farmland ownership statutes in light of the hardship they are causing their farmers.

There is no question that this administration has been most cooperative in offering initiatives under existing authorities to assist farm borrowers and to broaden those initiatives when necessary. Our resolution expresses the additional lengths they have been willing to go to address the concerns of Congress. I strongly urge its adoption as the only realistic avenue under our severe time constraints to bring needed credit assistance to our farmers in time for planting season.

I must emphasize that for the President's Debt Adjustment Program, with the modifications called for in this resolution, to be successful in helping farmers, there must be cooperation among all segments of the agricultural lending community. The Farm Credit System, commercial banking institutions, as well as borrowers, must join together to work our way out of the farm debt problems facing viable farm operators. I believe the actions called for in our resolution, together with the initiatives offered by the administration previously, can adequately address these difficulties so that an overwhelming majority of our farmers can continue to produce the food and fiber on which our Nation is so dependent.

Mr. ABDNOR. Mr. President, I yield to the Senator from Wisconsin.

Mr. KASTEN. Mr. President, Senate Resolution 79 represents a major victory for hard-pressed American farmers. This resolution outlines the steps that the administration has agreed to take to help the President's Debt Adjustment Program work for farmers and for the commercial lenders who serve them. Agriculture Secretary Block has stated his intention to implement these steps by administrative action.

The administration has given assurances that no eligible and qualified

farm borrower will be denied help under the debt adjustment program because of inadequate guarantee authority and we will monitor that.

The administration has agreed to reduce the minimum cash-flow requirement for loan guarantees from 110 percent to 100 percent, thus making it possible for banks and other commercial lenders to receive a Federal loan guarantee if they can get a troubled borrower to the break-even point. Without this change, many lenders would not have had adequate incentive to participate in this important program and we will also monitor that. Eligible farmers must not be turned away.

Mr. President, it is highly unfortunate that consideration of this resolution has been so long delayed. We will have an opportunity next week to consider additional farm credit issues, and farm credit is sure to be an important issue in this years farm bill.

But it is my sincere hope that the passage of this resolution marks the end of the pointless wrangling over the debt adjustment plan itself. We all know that this program does not represent a complete solution to the farm credit crisis. I believe, however, that we will best serve the American farmer if we let this program do its work to meet the short-term credit crisis, while we in Congress do our work to find a permanent solution to the farm debt problem.

That work will not be easy, and as this resolution notes, the Federal Government cannot do the job by itself. Wholehearted cooperation from State governments and the commercial lending community will be needed to finish the job. But we have made a beginning a strong beginning, and with this resolution; I urge its adoption.

Mr. DOLE. Mr. President, I am pleased to be a cosponsor of this sense-of-the-Senate resolution offered by the distinguished Senator from South Dakota, Senator ABDNOR. The provisions of this resolution reflect the efforts of Senators from farm States on both sides of the aisle, and will do much to assist financially pressed farmers to obtain needed operating capital in advance of spring planting this year. It also reflects the cooperation and support of the administration, which agreed to implement its provisions yesterday.

Mr. President, I ask unanimous consent that a summary of the main provisions of this resolution be printed at the end of my remarks. I would only add two items at this point, recognizing that the discussion of the farm credit issue is apparently going to continue when the Senate reconvenes on Monday and takes up the Africa relief bill.

First, I think we should all realize that spring planting time is just around the corner for many farmers. Spring crops in Kansas are planted mostly in April, and farmers arrange their financing well before then. Other parts of the country plant even earlier. So I think no one should be under the illusion that we are going to be able to pass new legislation, go to conference with any of the bills that are pending in the House, and produce a bill acceptable to the administration in time to be signed into law and implemented this spring.

The second point, Mr. President, is that, no matter how generous or concerned we are here in Washington—and I know and respect the concerns of many of my colleagues on both sides of the aisle on this subject—I think we all know that the current problems in American agriculture are deeply rooted in long-term conditions in our domestic and international agricultural economic situations. We can provide emergency credit now, and we can get some farmers planted who might otherwise not have found financing. But we cannot use the same band-aid approach to dealing with the basic problems facing this basic American industry.

Mr. President, we will shortly be engaged in work on the new farm bill. There are other areas in agriculture which we may also need to become more involved in this year. I only hope we can address these issues in a fundamental and meaningful way, and not gloss over the problems or just try to throw money at them. For one thing, we do not have the money. We have a large Federal debt and growing deficits and debt service payments. For another, I believe our farmers are about out of patience with our traditional shortsighted responses to farm problems, and that they want some real answers for a change.

So, Mr. President, I would close by calling on the administration to make a priority of implementing the various provisions of this resolution and of their Debt Adjustment Program. What we do inside the beltway is only as useful and beneficial as the effectiveness with which laws and regulations are administered. And to be effective, these programs must be quickly and fully administered in the next few weeks.

Thank you, Mr. President.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

PROVISIONS OF SENSE-OF-SENATE RESOLUTION ON FARM CREDIT

1. Adequate loan guarantees will be made available under the September Debt Adjustment Program to meet demand by lending institutions to refinance farmers this spring.

2. The cash-flow requirement for farmers to be eligible for commercial loan restructuring under the Debt Adjustment Program is reduced from 110% to 100%.

3. Adequate credit will be made available under the Farmers Home Administration Insured (Direct) Operating Loan Program to meet demand in 1985.

4. The percentage of loan guaranteed under the interest concession option will be increased yearly to a maximum of 90% of principal.

5. Applications for FmHA loans and loan guarantees will be expedited (FmHA has announced that 1,000 additional loan officers are being reassigned to work on the current case backlog.)

6. Action on loan application decisions by approved lenders will be required within 15 days; action on FmHA loan and loan guarantee requests will be processed within 60 days, to the fullest extent possible.

7. Federal and State regulatory agencies are encouraged to exercise restraint and forebearance in making adverse classifications with respect to agricultural loans.

Mrs. HAWKINS. Mr. President, the Senate has been involved during the last week or so, in efforts to resolve the problems facing the American farmer. Make no mistake about it, the problems are real, and in fact, grave for many American men, women, and children who work and live in one of the most productive sectors of our economy. Unfortunately, history reveals that when we lose the family farmer, he rarely returns to the land on which his family lived and farmed. Thus, when we lose our family farmer, we lose part of our history, our very heritage.

When we have gone as far as to bail out Chrysler, New York City, the International Monetary Fund, Continental Bank, and many others, I must ask, "Why shouldn't we go that extra step and help our own people, our own farmers, who are in need of assistance now more than ever?" When a farmer sees that we have bailed out others, how do you think he must feel; he sees those other actions as bailouts, but what we are doing in this resolution is not—we are talking about investment in America which means insurance for the future.

Unlike many others that we have helped, the farmer and rancher must contend with many factors totally beyond his control. Sure, many of our nonagricultural businesses can also be affected by weather conditions, irresponsible Government actions, pests, diseases, and other factors, but none have to deal with all of these threats at once, any one of which could totally destroy their business. When considering these factors, it makes perfect sense to me to do all that is in our power to assist our own people who, through their own ingenuity and perserverence, have become such a fundamental segment of our society. If those bail outs, to which I have referred earlier, were viewed as beneficial to our country, surely some assistance to our farmers and ranchers is in order. I would rather guarantee a loan or provide some other assistance to an American farmer than bail out some international fund which does not

help us. I would rather back an honest, hard-working businessman like the farmer than some large institution or corporation which may or may not ever get back on to a sound financial footing. Sometimes I think that the reason we have not been asked to help the farmers before is because they aren't all located in one building in Washington that Members of Congress must pass every day. Our farmers and ranchers have no expensive press departments nor public relations staffs to lobby the Congress and the media about their plight. Rather they are out in the fields, or groves, or pastures, trying to make it from day to day.

Mr. President, the Senate has been working on a resolution of the current agricultural credit issue for some time now. I believe that the administration and the Congress both firmly believe that each is working for the American farmer. Although we all might not agree on what course of action we should take, I honestly believe that we are doing what is right for America and our agricultural sector. And that is why I am excited about the prospects of a resolution to the credit issue. The Senate and the White House, with bipartisan support, should and will ultimately provide our own people with the assistance that we have already provided to others. It is time we realize the significance of our efforts and put partisan bickering behind us in order to move forward on behalf of all American farmers and ranchers.

Mr. BAUCUS. Mr. President, over the past couple of days I have joined with a number of my farm State colleagues in speaking out on the deep problems troubling our farm economy. I think everyone now recognizes that swift action by the Farmers Home Administration and private financial institutions is necessary for the survival of many of our family farms.

I wish I could be reassured by the statements made by Secretary Block that the administrative actions by the Department of Agriculture will meet the critical need for affordable credit for our farmers and ranchers.

But I am skeptical—as are the farmers and ranchers of Montana—that the Farmers Home Administration will live up to their promises.

Why am I skeptical?

Last summer Montana experienced a third, and in some areas a fourth, year of drought. With the drought we faced grasshopper infestations, range fires, and forest fires. Thirty-two Montana counties asked for and received disaster assistance from the USDA.

Mr. President, the disasters occurred last summer. The disaster assistance was asked for last fall. The much needed assistance has yet to reach most farmers. Why? Because the FmHA offices across the State do not have the personnel or the resources to extend this disaster assistance.

We are now at the time of year when all farmers and ranchers are making their financial plans—how they will finance this year's operations. Of course, many turn to the FmHA for their financing. The FmHA is the lender of last resort.

But farmers and ranchers are being turned away. They are being told that unless they are already an FmHA client, they cannot expect to receive FmHA financing.

I will, in good faith, support the resolution that is before us. I view it as a statement of our intent to watch the executive branch. I hope the Secretary and the FmHA will also support the resolution. I also hope the Secretary of Agriculture and the FmHA know that we will be watching—that we will hold their feet to the fire on their commitment. More importantly, the American farmers and ranchers will be firsthand observers of the commitment of the USDA—and they are deserving of the best efforts and strong commitment by that Department.

I will watch with interest and I look forward to enacting legislation to lock in and grant further relief.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. ZORINSKY. Mr. President, I support the pending resolution on farm credit assistance. I am pleased that the resolution incorporates—and the administration has agreed to implement—some of the provisions included in emergency farm credit legislation that I introduced, Senate Joint Resolution 49. Most importantly, I am pleased that the agreement we have reached will provide the Senate with an opportunity to consider additional farm credit legislation on Monday.

The changes in the Farmers Home Administration programs that will be made as a result of the negotiations that led to this agreement will be of benefit to some farmers. However, there should be no misunderstanding about what these administrative changes will mean for farmers.

The program adjustments agreed to by the administration are not going to reverse the rapidly deteriorating condition of the agricultural economy. Those program adjustments do not go far enough in providing farmers with the assistance that is needed to meet existing debt obligations.

For those reasons, I will continue my efforts to enact legisaltion incorporating the provisions of Senate Joint Resolution 49. In that connection, I intend to include several of the key provisions of that legislation in one or more of the amendments that will be offered on Monday.

Clearly, additional credit assistance will be needed to assist the thousands of farmers who are on the brink of financial ruin.

In a three-part series that will begin on Sunday, Sonja Hillgren—the farm editor for United Press International—provides an eloquent and accurate portrayal of the farm credit crisis. I recommend that my colleagues read that series and take its message to heart.

The cure for the credit crisis is not the band-aid we are applying today. More, much more, will be required to preserve our family farm system of agriculture.

I ask unamimous consent that the text of part I of "The Farm Debt Crisis: An American Dream Plowed Under" be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

THE FARM DEBT CRISIS: AN AMERICAN DREAM PLOWED UNDER

PART 1: THE GREAT DEPRESSION REVISITED

(EDITOR'S NOTE.—Today's farm debt crisis, reminiscent of the Great Depression, could doom hundreds of thousands of farmers who are billions of dollars in debt. While the crisis is on the farm, the ripples are spreading to the local cafe and country bank and eroding the agribusiness structure in America, in a special three-part series, UPI Farm Editor Sonja Hillgren, who has watched these events unfold for the past decade, examines what is happening today, the conditions that brought on the problem, and what the future may bring.)

(By Sonja Hillgren)

Nebraska State Troopers shot farmer Arthur Kirk dead at age 49 in a standoff over his debt to the bank.

He was killed last October by troopers called in after he threatened Hall County sheriff's deputies who tried to summon him to court.

Kirk owed Northwest bank $301,891 and had stopped talking to them. But he had recently sold crops and livestock and his bankers believed he had $100,000.

Troopers said Kirk, armed with an AR-15 rifle, carrying a gas mask and wearing a motorcycle helmet, fired first.

In only three years, Kirk's life's work had shriveled from a 2,000-acre farm to the 240-acre Nebraska homestead where he was born. His despair drove him to political radicalism and the confrontation.

In Missouri, there were 37 suicides among farmers in 1982, 53 in 1983 and probably more in 1984.

At Memphis, Mo., Bill Shoop and his wife Donna—$1.1 million in debt and hanging on by a thread to 615 acres, down from 3,000 acres a few years ago—eased their heartache by reaching out to neighbors. In the nine months since they opened a counseling office, they have helped 174 farmers.

The Shoops, from personal experience, develop bankruptcy filing strategies and encourage taciturn farmers to talk about their grief. To help them "realize it wasn't their fault," said Mrs. Shoop, a nurturer by nature.

But she acknowledges an implied threat of violence when she predicts failed farmers in

northeast Missouri will let their livestock and their machinery go, but they will not leave the land.

Shades of the Great Depression.

While no one knows how many farmers will go out of business in the next few years, an educated guess is 200,000—about one-third of medium-sized farmers who gross $50,000 to $500,000 a year. One expert says 35,000 to 100,000 farmers could be forced out of business this spring if they cannot get financing to plant this year's crops.

Money is tight because rural bankers, made wealthy by farmers in the 70s, feel they have no option but to reduce unprofitable farm loans in their portfolios. Those loans made in the 70s were based on outmoded banking practices of loaning money on the basis of collateral instead of cash flow.

"For farmers who have lost money for years, does it really make any sense for their bank to lend them money so they can lose it on their 1985 crop as well?" said one banker. "From our point of view what is going on in agriculture is like playing Russian roulette with a full load."

American farmers have borrowed $212 billion against assets approaching a value of $1 trillion. Neil Harl, an Iowa State University economist and expert on the problem, estimates farmers with unstable finances owe $140 billion of that debt.

If they go under, land and equipment will flood already depressed markets, reduce equity and raise interest rates for more financially secure farmers.

In regions hit hardest by the farm debt crisis, land values have fallen by as much as 40 percent. Harl estimates farm assets have declined $200 billion this decade—twice the Government estimate.

"We appear to be on the verge of pushing four to five times as much land on the market as those markets have handled in good times," Harl warned.

Harl and colleagues at Iowa State are just beginning to study the impact of the farm debt crisis on the overall economy—banks, small businesses, schools and hospitals hurt by falling property tax receipts and the nation's agribusiness complex, which employs 23 million Americans.

Harl was involved in a survey this spring—conducted by the Farm Journal Magazine, Iowa State and the University of Missouri—that found 42 percent of commercial farmers in 12 Central States are under moderate to severe financial stress.

"The rest of the country is a year behind," he said.

Harl remembers the Great Depression, when his father had $100 to make it through the winter of 1936 and plant the spring crop. Yet the problem he has studied nearly a year is not the same.

Farms in trouble today are not the small homesteads acclaimed in American mythology. Rather, they are good-sized, family-run businesses. Their cash transactions are crucial to their neighbors' livelihoods. They are aggressive risk takers who responded to a call a decade ago for America to feed the world.

The mid-1970s seemed so promising. The American farmer thrived on cheap energy, cheap capital and high farm exports. But now these farmers are in the wrong place at the wrong time, mired in a transition from the boom of the 1970s to the deflationary 1980s.

When interest rates were low and predictable, some farmers expanded by borrowing against the rising value of their land. But when rates skyrocketed late in this decade, interest payments started eating an increasing share of receipts from crop and livestock sales.

Farmers found agriculture is not profitable enough to sustain interest rates of 15 percent, much less peaks of 21 percent. The high interest rates translated into annual operating losses, which eroded equity built up in the 70s.

Paying interest on total U.S. farm debt—supposing interest rates of 12 percent—costs $25 billion a year, equal to the value of U.S. corn, sorghum, oats and barley crops last year.

The average farmer in Minnesota has lost $57,000 in equity in three years. The Federal Reserve Bank of Minnesota found one-third of its banks cannot justify loans to half or more of their borrowers.

Some 6,700 of the Farmers Home Administration's 273,000 clients bowed out of farming last year and the agency restructured debts for 33,000 borrowers.

The agency owns 629,000 acres of land, or about 2,000 farms that it foreclosed on and upon which it now collects rent, sometimes from former owners. It is under orders not to sell any land in Iowa, Minnesota, Missouri, Kansas, Illinois, Nebraska, North Dakota, South Dakota or Wisconsin—for fear of depressing land prices further.

If 16,700 prime candidates for failure—who already have had some official action taken against them—go under, FmHA could end up owning 5 million acres.

The farm credit system, a federally chartered, farmer-owned lending group that holds 32 percent of total farm debt, lost $368 million in 1984. System banks across the nation had to absorb losses from the Northwest, where eight of its banks, called production credit associations, have gone under.

Last year 79 commercial banks failed, the most since the Depression. Of 40 banks that failed after mid-June, 22 were agricultural banks—even though they make up only one-third of the nation's 14,700 banks.

In the recent recession, American industry adjusted to excess capacity by shutting down plants. American agriculture is now faced with the same kind of excess.

The 1970 mythology advertised the American farmer as the world's most efficient. That assessment, however, described the farmer only in terms of labor efficiency and was contingent on cheap energy and capital.

Only 2.5 percent of Americans are farmers. They produce most of the food consumed by Americans on just two-thirds of U.S. cropland and ship the rest abroad. But political and economic forces that sent energy and capital costs soaring reduced that efficiency.

The farmer's dilemma is comparable to that of the developing nations, which borrowed vast sums in the 1970s from international lending agencies and Western banks awash in oil revenues and eager to lend.

When high interest rates and a strong dollar shoved some nations close to default in the 1980s, the United States, other Western governments and international institutions helped refinance the staggering debts to give the developing nations time to adjust to the new economic realities.

American banks had lent especially heavily to Latin America, and big banks brought in hundreds of smaller institutions to share the load. When the foreign debt crisis loomed in late 1982, smaller banks tried to jump ship, but the Federal Reserve pressured them to stay on.

For American farmers, the story is different.

There has been only a limited rescheduling effort and no pressure on banks to stick with agriculture, and their withdrawal of capital is exacerbating this spring's farm credit crunch.

The difference, according to Ray Goldberg, agribusiness professor at Harvard Business School, is that foreign debts could have brought down major banks. Farm debt will not. "When the going got rough, the commercial banks left the farmer," he said.

Harl said the $140 billion in unstable farm debt is equal to "one and one-half Mexicos, three and one-half Argentinas." And it is three and one-half times the money at stake when the Government stepped in to help Continental Illinois Bank avoid bankruptcy.

Even small banks are retrenching. The problem poses a dilemma for South Dakota State Senator Roger McKellips, a rural banker who got his State's entire 105-member legislature to travel to Washington to lobby for more farm aid.

"Nobody wants to finance an industry that's losing money year after year," McKellips said. To calm bankers' nerves, the Reagan administration announced a restructuring effort last September and modified it in February.

The administration plan offers Federal guarantees for farm loans if lenders agree to shave principal or interest by 10 percent. The interest option was added in February after banks found reducing loan principal unworkable. Only $25 million of $650 million in guarantees were used from September to January.

The plan also offers to set aside up to 25 percent of principal on farmers home debt for up to five years.

Harl said it should help farmers with debts of $40 to $70 for every $100 in assets. But some 70,000 farmers with debt-to-asset ratios of more than 70 percent will not be helped.

For the short term, Harl supports infusing cash into rural America by giving farmers half of their price support loans in the spring rather than all of it in the fall, as is the current practice.

"But," he said, "it doesn't help the long-term equilibrium." Next: The roots of crisis—a boom gone bust.

Mr. GRASSLEY. Mr. President, I want to thank our distinguished minority leader, as well as my good colleagues on both sides of the aisle, for their interest and support for working toward assuring desperately needed assistance to help relieve the severe economic crisis hovering over midwest farmers, small rural main street family businesses, and agricultural service and imput businesses.

Much has been said during the last few days about this crisis, on the Senate floor and during our round the clock negotiations. It is not necessary at this time to repeat it all.

But I would like to reassure my colleagues that their efforts during these trying few days have been for a very worthy cause. It is no exaggeration when I tell my colleagues that in all my years, I have never seen such widespread, tragic economic upheaval that is occurring in the Midwest today. The crisis is not limited to farmers who

were poor managers, who got caught in speculation. And it is not limited to the small family farmers. The present economic crisis affects farmers of all size.

It is important, very important, to remember that this economic crisis is not limited to only farmers. In a State like Iowa, where four out of five jobs depend upon agriculture, when farmers suffer, so do the family hardware stores, the local mechanic, the grocery store, the gas dealer, the implement dealer, the school systems—I could go on and on. You get the picture.

The crisis is of immediate importance because thousands of farmers across the country, possibly over 10,000 in Iowa alone, are unlikely to obtain enough money to even put their crops in the ground this spring. Time is short. That's why we from farm States are pushing so hard now.

I am pleased with the provisions of our farm resolution. It clears up a number of questions about the President's debt restructuring program that has helped keep it from being fully utilized.

We were concerned about the level of loan authority to cover the debt restructuring demand. Now we have assurances from the administration that they will cover that demand.

We were concerned that the 110-percent cash-flow requirement for farmer eligibility, while in the long run might lessen the debt burden for farmers, might be too severe and thus keep farmers from becoming eligible in the first place. Our resolution underscores our assurances from the administration to lower that cash-flow requirement down to 100 percent.

We were concerned about the availability of farm operating loans from Farmers Home Administration. The Administration has assured us that operating loan demand will be covered.

Loan applications have not been processed quickly enough. So I am pleased that the Administration has agreed to commit to a goal of a 14-day turnaround on loans processed by commercial lenders. I am also pleased that the Administration has agreed to provide for over 100 additional temporary employees to help process loans in Iowa alone.

In summary, during our negotiations over the last few days, we were able to nail down a number of important points about the critically needed debt restructuring program. Now we must call on lenders, regulators, State and Federal officials to work diligently and quickly to make this program work to help absolutely every farmer they can.

But like many of my other farm State colleagues, I believe that more is needed. Certainly, none of us are under the delusion that every farmer and small rural business in this country can be saved from this crisis. But there are a number of things that can be done that should cost the Government very little, and yet can quickly release needed funds to farmers for spring planting.

One such provision was included in a bill that I introduced earlier this week. It allows advance commodity loan payments at sign-up for the farm program. Senators DIXON and EXON introduced similar proposals.

I have received very positive feedback from farmers throughout Iowa about this plan. The Iowa Farm Bureau supports it, as do rural businesses which depend upon a credible source of capital from farmers needing planting supplies. I recognize some farm groups have stated concern about this approach because they feel it will only prolong the agony for farmers who have no chance of making it. I disagree. At least in Iowa, this credit crunch hit hard and fast during a few short months as land prices all of a sudden plunged causing panic among lenders who otherwise would provide the necessary operating capital for these farmers. I believe that many, if given some room to breath, will have time to reorganize their operations and work their way out of this mess.

Furthermore, this is a means of getting needed money to a farmer quickly through an agency, the Agriculture Stabilization and Conservation Service, that is not swamped with other paper work as is the Farmers Home Administration. If handled carefully, the cost to the Government should be minimal. A number of protections can be included to reduce exposure to the Treasury while still getting advance loans into the hands of farmers.

Therefore, I look forward next week to being able to push for this and other provisions that can help our citizens from farm States.

Again, I thank my colleagues for their patience and concern. And I hope that they will continue forward next week with the bipartisan support and cooperation necessary to secure additional forms of assistance needed to thwart off economic collapse of a major segment of our country's economy.

Mr. EXON. Mr. President, I intend to support this sense-of-the-Senate resolution as a first step in the right direction of providing the family farmers and ranchers of this nation with the hope they are looking for to be able to continue to operate this year. But I want to stress that this Senator, and I know there are others in this body who share this view, believes that this action is only the initial step. We need to continue our efforts to make program improvements to insure that our entire agriculture structure can survive the heavy burden the current financial stress has placed on this important sector of our Nation's economy.

My colleagues have heard much over the last few days relating to the current agricultural crisis. Senators supporting our efforts have outlined, in detail, the severity of the current situation and that action on this problem can be delayed no longer. It is critically important that we act and act now to stave off further erosion in our agriculture economy.

Mr. President, the task which many of us undertook on Tuesday of this week to bring the current agriculture situation to the attention of the Administration was one which we knew would not be easy. When Senator BOREN and I notified the distinguished majority leader that it was our intention to undertake such actions as were necessary in order that the farm issues would receive the attention it desperately needed and deserved, we knew that we would be subject to criticism. Nevertheless, it was our decision, and the decision of many, many other Senators who believed as we, that the time for action to address the immediate credit needs of our food producers could wait no longer.

On Monday, we will have legislation before the Senate which will provide the Senate with the opportunity to undertake further and even more meaningful additional legislative measures to address the depressed state of our rural economy. When we reach that point next week, I ask each and everyone of my colleagues to help those of us who will be directly involved in submitting these proposals to the Senate for action.

Finally, Mr. President, I must again emphasize that the resolution which is about to be acted on today is only the first step. There is no question in this Senator's mind that additional action will be necessary if we are to give our family farmers and ranchers the opportunity to withstand the current crunch and regain their economic health.

Mr. BINGAMAN. Mr. President, I wish to offer my support for the sense-of-the-Senate resolution with regard to emergency credit for American farmers. I congratulate my colleagues for their commitment and dedication in pursuing a resolution that provides the assistance necessary to avert the credit crisis now gripping the agricultural sector of our Nation. This resolution is a major victory for the American farmer.

I am pleased to have participated in this significant breakthrough. The time and energy spent this week bringing to the attention of the Senate, the administration and the American public the severity of the financial plight facing the American farmer is time and energy well spent. Our efforts have been well received.

The administration has agreed to a series of construction actions. These

include assurances to Congress that adequate funding and loan guarantee authority will be immediately available for eligible and qualified borrowers. The administration has agreed to reduce the minimum positive cash-flow requirements under the President's Debt Adjustment Program and to adjust upward each year the percentage of the loan guarantee to a maximum guaranteed amount of 90 percent. These steps will encourage additional participation by commercial lenders and provide farmers with adequate access to sufficient operating funds. The Secretary of Agriculture will ensure that the Farmers Home Administration will have the adequate personnel and resources available for processing program loans and loan guarantees on a timely basis—between 15 and 60 days. Additionally, it would ensure that farm borrowers receive family income expenses as priority releases from farm production income. These additional assurances by the Administration should help alleviate the immediate crisis facing farmers throughout the United States.

I am especially pleased that the Senate is taking action on the resolution at this time and that we will consider specific credit proposals next week.

In my home State of New Mexico 13,600 farmers are contributing $1 billion in gross cash receipts. Of these, 11 percent—1,527 farmers—presently have loans with Farmers Home Administration. Of these 1,527 loans, 41 percent are delinquent. Obviously, there is a tremendous need for immediate action in my State and throughout the country to resolve the farm credit crisis. I believe that this resolution provides the initial step necessary to restore some hope and stability to lenders and farmers throughout the Nation.

The Congress still must face the difficult challenge of drafting the 1985 farm bill and reexamining the appropriate role for the Federal Government in agriculture. We recognize that agriculture must share in the effort to reduce the Federal budget deficit, however we cannot begin to consider cuts in farm programs until we have solved the immediate farm credit crisis.

I encourage my colleagues to support this resolution.

Mr. BENTSEN. Mr. President, I am pleased that we have been able to work out this agreement with the administration to provide additional badly needed help to out Nation's farmers.

This is a victory for farmers all across the country who are wondering whether or not they will be able to get financing to plant their crops. It is not as much as many of us would have liked, but it is so much more than they could have expected to get from this administration even last week that it must be considered a victory.

This package will simply correct some of the faults with the farm credit package that the administration announced last fall. This package of farm credit relief was announced before the election with much fanfare, but when the details were released after the election it turned out to be blue smoke and mirrors. Almost no one could qualify for the help, and the time spent in processing and rejecting those applications is threatening regular Farmers Home Administration borrowers with the prospect of not getting their loans approved in time to plant.

This is, however, only a temporary measure. It deals with the symptoms, not with the problems. This package will help some farmers get a loan to put in a crop under today's farm economic conditions. If these low prices and huge surpluses continue, then those farmers will be in this same situation, or worse, next spring.

The real problem facing our farmers, our bankers, our small businesses in rural areas is price. The credit is there. The banks want to make those loans. But those loans cannot be repaid unless farmers can get a fair price for their product in the marketplace. That is the essence of the failure of this administration's farm policies.

We cannot borrow our way out of debt. Farmers do not want more debt—they want to get a price for their product that will allow them to pay off some of their debts.

Farmers do not want more rhetoric about free markets and trade talks and "export-oriented" farm policies. They want results.

I have sat down with the Japanese and talked about their trade barriers to U.S. beef, citrus, electronics, and a host of other products. They are the best negotiators in the world. They talk and talk and ship and ship—more cars, more television sets, more stereos.

I have sat down with the Europeans and talked about their export subsidies on wheat, sugar, dairy products, and a whole host of other products. They are destroying the world market, and this administration is telling our farmers to depend on that world market. It just won't work. Texas farmers cannot compete with the French Treasury.

Mr. President, this agreement is a positive step. But it is only a first small step. If we want our farmers to depend on a free market then we had darned sure better be sure we get them a free market before we dump them out there to sink or swim. Right now they will most assuredly sink.

Speaking for myself, I do not intend to allow this to happen, and I look forward to continuing to work closely with my colleagues who share this viewpoint in support of a realistic and effective farm policy that will get them a price for their product instead of making them try to borrow their way out of this mess.

Mr. FORD. Mr. President, through the last several days I have seen this distinguished body operate not only at its best but also at its worst. I applaud the responsible actions by those Members in the Senate which recognize there exists a crisis on the horizon in American agriculture.

Farmers throughout this Nation are making plans to continue their livelihood by making their spring plantings. Yet many are finding that because of the depressed markets that exist, many bankers are unable to give them the operating money necessary to continue in their lifelong vocation.

Only 2 percent of our population actively tend to farm production. Most Americans do not have the slightest idea about what it takes to be a farmer in today's environment. Most Americans would be shocked if they knew how much capital was required simply to operate an average farm today. Because of that lack of understanding, a crisis is being created in the farm sector, and until about a week ago it was a crisis without much public concern.

Thanks to the diligence of some Members of this body, it is slowly becoming clear to some. The machine that produces the most basic of this Nation's needs is in deep trouble.

Fifteen to twenty percent of our Nation's farmers are being told that they cannot be extended credit to operate for next year. In essence, Mr. President, they are being told that their lifelong vocation, their ambitions, were to be no more.

Mr. President, total farm debt stands at well over $215 billion. I have worked with my distinguished colleagues from the farm States to help find some relief for those 20 percent of our farmers who need some assistance. In addition, I have worked for the protection of that $215 billion debt, so a landslide is not started in this Nation—a landslide of falling land values caused by an unprecedented rash of bankruptcies and foreclosures. It is not a complex issue; it doesn't take much to figure that when 20 percent of your farmers do not get operating loans, the money necessary to work the soil, plant the seed, grow the crops, then the farmer has no chance.

The bottom line is if they are not allowed to operate, they cannot pay off their loans, service their debt; in essence they go out of business. If 20 percent of the farmers are forced off the farm, there will be so much land placed on the open market that land values all across this Nation will plummet.

To put it another way, Mr. President, I am here to help those 20 percent of the farmers who need operating loans, but I am also here to help those other 80 percent of the farmers whose precarious financial position will be ruined in the event land prices continue to fall.

I want it understood in no uncertain terms that the only reason I have participated in this important series of debates in the Senate is for the American farmer. This body has brought to the attention of the public the epidemic facing American agriculture today. For those who have listened, they would understand the problem we are attempting to address is not just for a small segment of society, but they would realize that when the entire agricultural foundation of this Nation is threatened, as it is today, so is the American public.

In my State of Kentucky, the Farmers Home Administration delinquency rate is the third lowest in the Nation, right around 9 percent. The national average hovers at an alarming rate of 30 percent, with Florida leading the way with a 54-percent delinquency rate. We have over 101,000 farms in the State of Kentucky. They manage to farm on a 147-acre tract of land, which is way below the national average of about 400 acres.

The reason for our low delinquency rate is quite honestly the diversity that our farmers have. But at the heart of that diversity is the crop of tobacco. The average farmer raises about three-fourths of an acre of tobacco, which provides the necessary cash-flow of better than $5,000 to keep that delinquency rate with the FHA so low. By having the stability from tobacco, Kentucky, with smaller farms and less tillable land than most Farm Belt States, manages to rank 12th nationally in the production of corn, 13th in soybeans, and 18th in sorghum. They rank 11th nationally in beef and milk cattle, 14th in hogs, and even 33d and 30th in sheep and poultry.

So you may wonder why I would be so concerned and spend so much time attempting to get this body to agree on some mechanism to help the farmers receive their operating loans. I will tell you why I am concerned. I can see the problems on the horizon. If we allow 20 percent of this Nation's farmers to go under, land values will become so depressed that farm loan portfolios and assets will be totally wiped out almost overnight. It is beyond my comprehension how we can turn our backs on the American farmer in his most desperate time of need.

We here in the Senate have a responsibility to this Nation's well-being to protect our farmers, because I'm telling you, when you lose a farmer, they are not replaceable. Farming is learned by hands-on experience and cultivated in the schools, not the other way around. Farmers are a natural resource that if we do not protect and preserve, we will be faced with a shortage of knowledgeable farmers for the future, and the stability of an abundant food supply at a reasonable price, will be jeopardized.

We as an American public, through the working of the Export-Import Bank, provided direct loans and loan guarantees of $588 million in 1982 to Argentina; we've given $132.8 million to Brazil just in the first quarter of this year alone, and over $53 million to Colombia this quarter as well.

The President, who says $650 million is enough for the U.S. farmer, wants the American public to make $12 billion in loan guarantees to foreign nations this year through the Export-Import Bank, but he won't give the American farmer anything more than $650 million in assistance.

It is disgraceful, and it is an insult. I ask this body, Who do you think is more deserving of assistance than the American farmer? I ask who do you think will work harder, who will do everything in their power to repay loans, than the American farmer? I can think of no more honest and diligent an individual than the farm producer of this Nation. I can assure you of that.

We as a nation have been spoiled with an abundant food supply that is the envy of the world. We spend less of our disposal income than anyone else on food. Yet, the individuals who tend the land and harvest the abundance have been taken for granted. The American public is more concerned with a convenient location of a supermarket than with the system that creates the food source.

Farmers are in desperate need of credit assistance; their futures are at stake. If we ignore the realities and severity of the situation and do nothing to help bridge that financial gap, we as a nation will suffer. A basic element of our society is threatened, and we must not turn our backs on them.

Mr. ZORINSKY. Mr. President, I yield back the remainder of my time.

Mr. ABDNOR. I yield back the remainder of the time on this side, Mr. President.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the resolution. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON I announce that the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 11 Leg.]

YEAS—91

Abdnor	Gorton	Mitchell
Andrews	Gramm	Moynihan
Armstrong	Grassley	Murkowski
Baucus	Harkin	Nickles
Bentsen	Hart	Nunn
Biden	Hatch	Packwood
Bingaman	Hatfield	Pressler
Boren	Hawkins	Proxmire
Boschwitz	Hecht	Pryor
Bumpers	Heflin	Quayle
Burdick	Heinz	Riegle
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Cochran	Inouye	Rudman
Cohen	Johnston	Sarbanes
Cranston	Kassebaum	Sasser
D'Amato	Kasten	Simon
Danforth	Kennedy	Simpson
DeConcini	Kerry	Specter
Denton	Laxalt	Stafford
Dixon	Leahy	Stennis
Dodd	Levin	Symms
Dole	Long	Thurmond
Domenici	Lugar	Trible
Durenberger	Mathias	Wallop
Eagleton	Matsunaga	Warner
Evans	Mattingly	Weicker
Exon	McClure	Wilson
Ford	McConnell	Zorinsky
Glenn	Melcher	
Gore	Metzenbaum	

NOT VOTING—9

Bradley	Garn	Lautenberg
Chiles	Goldwater	Pell
East	Humphrey	Stevens

So the resolution (S. Res. 79) was agreed to.

The preamble was agreed to.

The resolution (S. Res. 79), with its preamble, is as follows:

S. RES. 79

Whereas the Administration has assured Congress that adequate funding will be immediately available for eligible and qualified borrowers under the Farmers Home Administration insured farm operating loan program to meet operating credit demands for the 1985 crops;

Whereas the Administration has assured Congress that adequate guaranteed authority will be immediately available for eligible and qualified borrowers to implement the President's Debt Adjustment Program announced in September 1984 and revised in February 1985;

Whereas, to encourage and increase participation by commercial lending institutions while providing adequate assurance to farmers of sufficient operating funds, the Administration has agreed to reduce immediately the minimum positive cash-flow requirement under the guarantee portion of the President's Debt Adjustment Program from 110 percent to 100 percent;

Whereas, to encourage additional participation by commercial lenders and to main-

tain long term credit relationships between these lenders and their farm borrowers and to treat lenders equitably under both the interest concession option and the principal concession option, the Administration has assured Congress that, under the interest concession option in the President's Debt Adjustment Program, the percentage of the loan guarantee will be adjusted upward on a yearly basis during the term of the loan to a total maximum guaranteed amount of 90 percent;

Whereas many farmers who have Farmers Home Administration loans outstanding need a portion of the farm production proceeds pledged to secure payment of the their loans to pay family living expenses; and

Whereas the timely processing of applications for insured and guaranteed loans, for deferral of principal and interest payments, and for the restructuring of existing debt is vital to farmers seeking credit necessary for planting of the 1985 crops: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Administration promptly, fully, and in good faith execute and perform all actions necessary to fulfill the assurances given Congress as cited heretofore;

(2) all agricultural lending institutions have a fundamental obligation to extend to their farm borrowers the benefits of the debt restructuring initiatives already made available through executive action;

(3) agricultural lenders should aggressively utilize to the fullest extent possible the provisions of the President's Debt Adjustment Program to assist financially stressed farm borrowers to restructure all their existing agricultural indebtedness and to obtain operating loans for this crop year;

(4) the States share with those Federal agencies involved in agricultural lending and commercial lenders the responsibility for assisting, where practicable, in alleviating the present farm credit problems;

(5) the Secretary of Agriculture should ensure that Farmers Home Administration farm borrowers receive family living expenses as priority releases from farm production income;

(6) the Secretary of Agriculture should ensure that adequate personnel and other resources are made available in order to process Farmers Home Administration farm program loans and loan guarantees and approved lender designations, by processing applications from approved lenders within 15 days and processing all other fully completed applications within 60 days, to the greatest extent possible;

(7) Federal and State financial regulatory agencies should exercise caution, restraint, and forebearance in making adverse classifications with respect to agricultural loans and should treat all agricultural lenders equitably;

(8) the Secretary of Agriculture should immediately undertake a study of means to ease the distress of farmers and farm communities that are impacted by farm foreclosures; and

(9) the Secretary of Agriculture should monitor compliance with this resolution over the 90 day period following enactment of this resolution and provide weekly reports to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives on the implementation of the farm credit initiatives undertaken to help financially distressed farmers, including the number of loan applications which have been received and the disposition made of the applications.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. ABDNOR. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I thank my distinguished colleague, the Senator from South Dakota [Mr. ABDNOR] for his efforts in working out some of the problems related to the so-called farm credit crisis and for his willingness to manage the resolution before the Senate today. I also thank the distinguished Senator from Wisconsin [Mr. KASTEN] and others who were active in working on a bipartisan basis in this area, putting together the resolution, which I believe does clarify some of the areas that were in doubt, some areas that need clarification.

It contains the one change that is important so far as farm credit is concerned—the so-called cash-flow provision, changing it from 110 percent to 100 percent. That particular provision was suggested by my colleague from Kansas, Mrs. KASSEBAUM. Others were interested in that change, also.

I particularly want to thank the distinguished Senator from South Dakota for his leadership and his willingness to assume this responsibility.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask the distinguished minority leader if he has had an opportunity to review the Executive Calendar.

Mr. BYRD. Mr. President, if the distinguished Senator will yield, the following nominations have been cleared on this side of the aisle:

All nominations on page 1 of the Executive Calendar, the first nomination on page 2 under "National Foundation on the Arts and the Humanities."

Then, going to the Air Force, Calendar No. 31, and through the remainder of page 2, all of page 3, all of page 4, all of page 5, and all of page 6.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nominations on the Executive Calendar, including nominations placed on the Secretary's desk.

I indicate to my distinguished colleague that those are precisely the ones of which he has indicated approval.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Joseph Epstein, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Helen Frankenthaler, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Margaret Eleanor Hillis, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

M. Ray Kingston, of Utah, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Talbot Leland MacCarthy, of Missouri, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Carlos Moseley, of South Carolina, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Lloyd George Richards, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

James Nowell Wood, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert W. Bazley, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Andrew P. Chambers, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert C. Kingston, [redacted] U.S. Army.

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general

Brig. Gen. James A. Baber III, [redacted]

Brig. Gen. Bernard G. Ehrlich, [redacted]

Brig. Gen. Vernon E. James, [redacted]

To be brigadier general

Col. Glen D. Alexander, [redacted].

Col. Jay Brashear, [redacted].

Col. Robert E. Davis, Jr., xxx-xx-xxxx
Col. Frank M. Denton, xxx-xx-xxxx
Col. Robert L. Dezarn, xxx-xx-xxxx
Col. Chester E. Gorski, xxx-xx-xxxx
Col. Ralph E. Hickman, xxx-xx-xxxx
Col. Martin E. Lind, Jr., xxx-xx-xxxx
Col. David H. Lueck, xxx-xx-xxxx
Col. Pasquale J. Macrone, Jr., xxx-xx-xxxx
Col. Gerald R. Matteson, xxx-xx-xxxx
Col. Erneido A. Oliva, xxx-xx-xxxx
Col. Daniel J. Sullivan, xxx-xx-xxxx
Col. Oscar E. Trivits, xxx-xx-xxxx
Col. Normand A. Trudeau, xxx-xx-xxxx
Col. Aaron K. Warren, xxx-xx-xxxx

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Lee Baggett, Jr., xxx-xx-xxxx xxx-... U.S. Navy.

IN THE MARINE CORPS

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of lieutenant general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the last recess of the Senate:

To be lieutenant general

Lt. Gen. David M. Twomey, xxx-xx-xxxx U.S. Marine Corps.

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under provisions of title 10 United States Code, section 624:

William R. Etnyre	Norman H. Smith
Louis H. Buehl III	Ray M. Franklin
Charles H. Pitman	

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, under provisions of title 10, United States Code, section 624:

Michael P. Sullivan	Gail M. Reals
Jarvis D. Lynch, Jr.	Matthew P. Caulfield
John I. Hopkins	Henry C. Stackpole III
Ronald L. Beckwith	
Ross S. Plasterer	Frank J. Breth
Matthew T. Cooper	David M. Brahms.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, MARINE CORPS, NAVY

Air Force nominations beginning Byron A. Abbott, and ending Adrian A. Williamson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Norman J. Baumann, and ending Louis V. Pagliuca, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Lewis Aaronson, and ending Irwin Waxman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Major Ralph P. Anderson, and ending Maj. Ronald W. Weiand, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Marine Corps nominations beginning Racine L. Christensen, and ending Joseph W. West, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 31, 1985.

Navy nominations beginning Robert A. Hahn, and ending Don S. Zittrauer, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning Selim Boutros Abounader, and ending Timothy Edwin Zebell, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning John C. Abbott, and ending Michael J. Zoellick, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning Robert Allyn Cook, and ending Elmer Dowdy Hanners, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

THE NOMINATION OF CARLOS MOSELEY OF SPARTANBURG, SC, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS

Mr. THURMOND. Mr. President, it is a pleasure for me to rise and express my support for Carlos Moseley to be a member of the National Council on the Arts.

Mr. Moseley was born in Laurens, SC, and is now dividing his time between his home in Spartanburg, SC, and New York City, where he is chairman of the board of directors of the Philharmonic-Symphony Society of New York. In addition to serving as chairman, Mr. Moseley has served as managing director and president of the Philharmonic. During his 23 years with the Philharmonic, Mr. Moseley has led the orchestra through a period of unprecedented growth and is responsible for many of its innovative concert series.

The musical career of this distinguished South Carolinian is many faceted. He is a renowned pianist who has played with many major symphonies. In his career in music, Mr. Moseley has been an educator, administrator, emissary, and spokesman. His varied experiences will make him a valuable addition to the National Council on the Arts.

Among his many awards, Mr. Moseley has received the Mayor's Award of Honor in 1979 for outstanding service to the arts of New York City and the New York City Young Audience Award. He graduated magna cum laude from Duke University and went on to study music at the University of Michigan and the Philadelphia Conservatory of Music. He has also received honorary doctorates from Wofford and Converse Colleges in his native city of Spartanburg, SC.

During World War II, Mr. Moseley served this country as head of the Department of State Music Section and later in Germany, as music officer for Bavaria, in the Office of U.S. Military Government.

Mr. President, these are but a few of the noteworthy laurels on the impressive list of accomplishments of Carlos Moseley, an outstanding South Carolina son and fine American. I hope my Senate colleagues will offer their unanimous support for his appointment as a member of the National Council on the Arts.

● Mr. SIMON. Mr. President, I want to join my colleagues in the Senate in support of these distinguished nominees to the National Council on the Arts. I especially want to commend three of the nominees, who have been nominated by the President, who are from the State of Illinois.

Mr. Joseph Epstein, born in Chicago and residing now in Evanston, is an outstanding writer, editor, and humanitarian. Mr. Epstein has served as the editor of the American Scholar. He has formerly served as editor of Quadrangle-New York Times Books, associate editor of the New Leader Magazine and senior editor of the Encyclopedia Britannica.

Margaret Hillis, who now lives in Wilmette, IL, was born in Kokomo, IN. She is the sister of one of my former colleagues in the House, E.H. "Bud" Hillis. Margaret Hillis has enjoyed a distinguished career as a conductor and music director, and her outstanding talents have been recognized on numerous occasions. She is the recipient of five Grammy Awards. Most recently she was nominated for her work as conductor of the Chicago Symphony Chorus. She has served as conductor and music director of the Elgin Philharmonic Symphony. She is also the founder of the American Choral Foundation.

James Nowell Woods is the third celebrated Illinoisan to be nominated by President Reagan. Mr. Woods has served as director of the Art Institute of Chicago since 1980. He has also served as director of the St. Louis Art Museum (1975–80). Previously, he was curator of the Albright-Knox Art Gallery from 1970–75. He also served as assistant curator of the Department of Twentieth Century Art at New York City's Metropolitan Museum. He chaired the arts and artifacts indemnity panel in 1983 and 1984.

These outstanding Illinoisans will serve the Council, the country and the American people in the same superior fashion that they have served the people of Chicago and the State of Illinois.

I urge all my colleagues to support confirmation of the nomination of these outstanding Americans.●

Mr. DOLE. Mr. President, I move to reconsider the votes by which the nominations were confirmed en bloc.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President

be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY

ORDER FOR RECESS

Mr. DOLE. Mr. President, I have some unanimous-consent requests which have been cleared with the minority leader.

I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon on Monday, February 25, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND BOREN ON MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that on Monday, following the recognition of the two leaders under the standing order, the following Senators be recognized for not to exceed 15 minutes each, for special orders: Senator PROXMIRE and Senator BOREN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR MORNING BUSINESS ON MONDAY

Mr. DOLE. Mr. President, I ask unanimous consent that on Monday, following the special orders just identified, there be a period for the transaction of morning business, not to extend beyond 1:30 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, as indicated earlier, in accordance with the previous unanimous-consent agreement, we will proceed on Monday to the consideration of Calendar No. 8, S. 457, the African relief bill, under an agreement with respect to the number of amendments that can be offered, and limited to farm credit issues.

I announced earlier, and I announce again, that we do not anticipate rollcall votes prior to 4 p.m.

THANKS TO SENATOR BYRD

Mr. DOLE. Mr. President, I know of no further business to come before the Senate.

As we leave, I wish to thank my distinguished colleague, the distinguished minority leader, Senator BYRD, for his cooperation in working out what I think was a fair agreement for both sides. I am pleased that we were able to confirm the nomination of Mr. Meese and that we were able to pass the so-called highway bill and complete action on the sense-of-the-Senate resolution with reference to farm credit crisis.

Mr. BYRD. Mr. President, I thank my distinguished friend, the Senate majority leader.

RECESS UNTIL MONDAY, FEBRUARY 25, 1985

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 12 noon on Monday, February 25, 1985.

The motion was agreed to, and at 5:15 p.m. the Senate recessed until Monday, February 25, 1985, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 23, 1985:

DEPARTMENT OF JUSTICE

Edwin Meese III, of California, to be Attorney General.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Joseph Epstein, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Helen Frankenthaler, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Margaret Eleanor Hillis, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

M. Ray Kingston, of Utah, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Talbot Leland MacCarthy, of Missouri, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Carlos Moseley, of South Carolina, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

Lloyd George Richards, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

James Nowell Wood, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1990.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert W. Bazley, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Andrew P. Chambers, [redacted] U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert C. Kingston, [redacted] U.S. Army.

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general

Brig. Gen. James A. Baber III, [redacted]

Brig. Gen. Bernard G. Ehrlich, [redacted]

Brig. Gen. Vernon E. James, [redacted]

To be brigadier general

Col. Glen D. Alexander, [redacted]
Col. Jay Brashear, [redacted]
Col. Robert E. Davis, Jr., [redacted]
Col. Frank M. Denton, [redacted]
Col. Robert L. Dezarn, [redacted]
Col. Chester E. Gorski, [redacted]
Col. Ralph E. Hickman, [redacted]
Col. Martin E. Lind, Jr., [redacted]
Col. David H. Lueck, [redacted]
Col. Pasquale J. Macrone, Jr., [redacted]
Col. Gerald R. Matteson, [redacted]
Col. Erneido A. Oliva, [redacted]
Col. Daniel J. Sullivan, [redacted]
Col. Oscar E. Trivits, [redacted]
Col. Normand A. Trudeau, [redacted]
Col. Aaron K. Warren, [redacted]

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States code, section 601:

To be admiral

Vice Adm. Lee Baggett, Jr., [redacted] U.S. Navy.

IN THE MARINE CORPS

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of lieutenant general in a position of importance and responsibility designated by the President under title 10, United States code, section 601, to which grade he was appointed during the last recess of the Senate.

Lt. Gen. David M. Twomey, [redacted] U.S. Marine Corps.

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under provisions of title 10, United States Code, section 624:

William R. Etnyre	Norman H. Smith
Louis H. Buehl III	Ray M. Franklin
Charles H. Pitman	

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, under provi-

sions of title 10, United States code, section 624:

Michael P. Sullivan	Gail M. Reals
Jarvis D. Lynch, Jr.	Matthew P. Caulfield
John I. Hopkins	Henry C. Stackpole III
Roanld L. Beckwith	Frank J. Breth
Ross S. Plasterer	David M. Brahms
Matthew T. Cooper	

IN THE AIR FORCE

Air Force nominations beginning Byron A. Abbott, and ending Adrian A. Williamson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Norman J. Baumann, and ending Louis V. Pagliuca, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Lewis Aaronson, and ending Irwin Waxman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

Air Force nominations beginning Maj. Ralph P. Anderson, and ending Major Ronald W. Weiand, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

IN THE MARINE CORPS

Marine Corps nominations beginning Racine L. Christensen, and ending Joseph W. West, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 31, 1985.

IN THE NAVY

Navy nominations beginning Robert A. Hahn, and ending Don S. Zittrauer, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning Selim Boutros Abounader, and ending Timothy Edwin Zebell, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning John C. Abbott, and ending Michael J. Zoellick, which nominations were received by the Senate on January 23, 1985, and appeared in the CONGRESSIONAL RECORD of January 24, 1985.

Navy nominations beginning Robert Allyn Cook, and ending Elmer Dowdy Hanners, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 5, 1985.

HOUSE OF REPRESENTATIVES—*Monday, February 25, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David. Ford, D.D., offered the following prayer:

Help us, O God, to appreciate the gifts that You have given us and not to be envious of others or circumstances beyond our control. Allow us to celebrate this new day and week with lives of thanksgiving and deeds of service. Teach us to appreciate more fully those who work with us and may we be supportive of others as we seek to labor together in the common good. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. DELAY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DELAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 131, nays 86, not voting 215, as follows:

[Roll No. 12]

YEAS—131

Addabbo	Chappell	Glickman
Akaka	Clinger	Gonzalez
Alexander	Coleman (TX)	Gordon
Andrews	Cooper	Gradison
Anthony	Coyne	Gray (PA)
Barnard	Crockett	Hall (OH)
Bates	Darden	Hall, Sam
Bedell	Daschle	Hamilton
Bennett	Dingell	Hawkins
Berman	Duncan	Hayes
Bevill	Durbin	Hefner
Boland	Dwyer	Holt
Boner (TN)	Dyson	Horton
Bonior (MI)	Early	Howard
Bonker	Eckart (OH)	Huckaby
Borski	Edwards (CA)	Hughes
Breaux	English	Hutto
Brooks	Evans (IL)	Johnson
Brown (CA)	Fazio	Jones (TN)
Bruce	Flippo	Kastenmeier
Bryant	Florio	Kennelly
Burton (CA)	Foley	Kildee
Bustamante	Fuqua	Lehman (FL)
Byron	Gaydos	Lowry (WA)
Carr	Gibbons	Manton
Marlenee	Pickle	Synar
Martinez	Rahall	Thomas (CA)
Mazzoli	Reid	Thomas (GA)
McHugh	Richardson	Torres
Mica	Rowland (GA)	Udall
Miller (CA)	Rudd	Vento
Montgomery	Sabo	Visclosky
Moore	Sharp	Vucanovich
Murphy	Sisisky	Walgren
Murtha	Slattery	Watkins
Natcher	Smith (FL)	Waxman
Neal	Smith (IA)	Weaver
Nelson	Spratt	Wheat
Nichols	Stallings	Whitten
Oakar	Stark	Williams
Oberstar	Stenholm	Wirth
Obey	Stokes	Wyden
Pease	Stratton	Yates
Perkins	Swift	

NAYS—86

Badham	Ireland	Petri
Bartlett	Jacobs	Regula
Bateman	Lagomarsino	Ritter
Bereuter	Leach (IA)	Roberts
Bliley	Leath (TX)	Roemer
Broomfield	Lent	Saxton
Carney	Lewis (CA)	Schuette
Chappie	Lightfoot	Schulze
Cheney	Lott	Shaw
Coats	Lujan	Shumway
Coble	Lungren	Shuster
Combest	Mack	Sikorski
Coughlin	Martin (IL)	Skeen
Craig	McCollum	Slaughter
Daub	McDade	Smith (NE)
DeLay	McKernan	Smith, Robert
Dickinson	Meyers	Snowe
Edwards (OK)	Miller (OH)	Solomon
Evans (IA)	Miller (WA)	Strang
Fish	Molinari	Stump
Gallo	Monson	Sweeney
Gekas	Moorhead	Swindall
Gingrich	Morrison (WA)	Weber
Grotberg	Myers	Whitehurst
Gunderson	Nielson	Wolf
Hammerschmidt	O'Brien	Wortley
Hansen	Oxley	Young (AK)
Hunter	Packard	Zschau
Hyde	Penny	

NOT VOTING—215

Ackerman	Conte	Fowler
Anderson	Conyers	Frank
Annunzio	Courter	Franklin
Applegate	Crane	Frenzel
Archer	Daniel	Frost
Armey	Dannemeyer	Garcia
Aspin	Davis	Gejdenson
Atkins	de la Garza	Gephardt
AuCoin	Dellums	Gilman
Barnes	Derrick	Goodling
Barton (TX)	DeWine	Gray (IL)
Beilenson	Dicks	Green
Bentley	DioGuardi	Gregg
Biaggi	Dixon	Guarini
Bilirakis	Donnelly	Hall, Ralph
Boehlert	Dorgan (ND)	Hartnett
Boggs	Dornan (CA)	Hatcher
Bosco	Dowdy (MS)	Heftel (HI)
Boucher	Downey (NY)	Hendon
Boulter	Dreier (CA)	Henry
Boxer	Dymally	Hertel (MI)
Brown (CO)	Eckert (NY)	Hiler
Broyhill	Edgar	Hillis
Burton (IN)	Emerson	Hopkins
Callahan	Erdreich	Hoyer
Campbell	Fascell	Hubbard
Carper	Fawell	Jeffords
Chandler	Feighan	Jenkins
Clay	Fiedler	Jones (NC)
Cobey	Fields	Jones (OK)
Coelho	Foglietta	Kanjorski
Coleman (MO)	Ford (MI)	Kaptur
Collins	Ford (TN)	Kasich
Kemp	Moakley	Sensenbrenner
Kindness	Mollohan	Shelby
Kleczka	Moody	Siljander
Kolbe	Morrison (CT)	Skelton
Kolter	Mrazek	Smith (NH)
Kostmayer	Nowak	Smith (NJ)
Kramer	Olin	Smith, Denny
LaFalce	Ortiz	Snyder
Lantos	Owens	Solarz
Latta	Panetta	Spence
Lehman (CA)	Parris	St Germain
Leland	Pashayan	Staggers
Levin (MI)	Pepper	Stangeland
Levine (CA)	Porter	Studds
Lewis (FL)	Price	Sundquist
Lipinski	Pursell	Tallon
Livingston	Quillen	Tauke
Lloyd	Rangel	Tauzin
Loeffler	Ray	Taylor
Lowery (CA)	Ridge	Torricelli
Luken	Rinaldo	Towns
Lundine	Robinson	Traficant
MacKay	Rodino	Traxler
Madigan	Roe	Valentine
Markey	Rogers	Vander Jagt
Martin (NY)	Rose	Volkmer
Matsui	Rostenkowski	Walker
Mavroules	Roth	Weiss
McCain	Roukema	Whitley
McCandless	Rowland (CT)	Whittaker
McCurdy	Roybal	Wilson
McEwen	Russo	Wise
McGrath	Savage	Wolpe
McKinney	Schaefer	Wright
McMillan	Scheuer	Wylie
Michel	Schneider	Yatron
Mikulski	Schroeder	Young (FL)
Mineta	Schumer	Young (MO)
Mitchell	Seiberling	

□ 1250

Mr. McCOLLUM and Mr. SKEEN changed their votes from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 391. An act to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes; and

S.J. Res. 14. Joint resolution authorizing the President to advance Lt. Gen. Ira C. Eaker, USAF (retired) and Lt. Gen. James H. Doolittle, USAF (retired) to the grade of general on the retired list.

The message also announced that pursuant to the provisions of title 22 of the United States Code, the Vice

President appoints Mr. MATHIAS as chairman and Mr. BIDEN as vice chairman of the Senate delegation to the North Atlantic Assembly during the 99th Congress; Mr. GRAMM as chairman and Mr. DODD as vice chairman of the Senate delegation to the Mexico-United States Interparliamentary Group during the 99th Congress; and Mr. STEVENS as chairman and Mr. ZORINSKY as vice chairman of the Senate delegation to the Canada-United States Interparliamentary Group during the 99th Congress.

THE MX SHOWDOWN

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, in recent days, the major topic of conversation—as far as our Nation's defense posture is concerned—has been the strategic defense initiative, popularly known as the star wars proposal.

But the furor over star wars may have pushed into the background the fact that within the next week or 10 days, this Congress will face a very crucial vote over another item in our defense arsenal, the MX missile.

Unless the House and Senate vote favorably on four up-or-down votes on MX, our only hard-target missile will go down the drain in spite of the fact that the Soviet Union already has 800 MX-type missiles in its own missile stockpile.

Not only that, but if the U.S. Congress should reject the President's request and vote down any one of those votes, we can kiss goodbye to the most promising opportunity to achieve a verifiable and effective arms control agreement in the past 10 years, because the Soviets will realize that they don't even have to come to Geneva to negotiate, because the U.S. Congress itself will have discarded one of the most effective weapons in our own arsenal, without the Soviet having to spend a single ruble to bring that event about.

REPEAL VEHICLE LOGBOOK RULES

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, last month I warned of a tax revolt. Since that time, nearly a thousand Montanans—some of them justifiably hostile—have contacted me to protest the ridiculous recordkeeping regulations for cars and trucks.

As you know, I have introduced H.R. 750 to completely repeal the 1984 Deficit Reduction Act section establishing the vehicle "logbook" rules. Despite recent changes in these rules by the IRS, I will continue to push for repeal.

The changes just do not go far enough:

Employees will still be taxed for vehicles provided them by their employers as part of their wage/benefit package, and

A farmer maintaining an old pickup for farm use must keep either a personal-use log or assume an 80/20 ratio of business to personal use in order to deduct legitimate expenses.

Mr. Speaker, the IRS brought us down the road of taxpayer abuse a mile, then backtracked a few skimpy yards. That's not good enough. The simplest and fairest solution to this problem is to repeal that section of the law dealing with mileage logs. I invite my colleagues to join me as cosponsors to H.R. 750.

BORDER INSPECTIONS AND MISSING DEA OFFICIAL

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, relations between the United States and Mexico are at dangerous levels of tension. We are all outraged by the kidnaping of a U.S. Drug Enforcement Administration official in Guadalajara, Mexico. An all-out effort must be made to locate him and bring the abductors to justice.

But the administration's initial strategy of inspecting every vehicle has made a bad political and economic situation in our entire border region worse without advancing the investigation. It has hurt business, trade, and tourism on both sides of the border while increasing tensions between the United States and Mexico.

Why must we wait for a crisis to realize the need for more efficient high level communication and cooperation between our two countries? The time has come to establish a high level bilateral interagency commission, chaired by the Secretary of State, on immigration and the border to help resolve problems that have long plagued our two nations and that can react immediately without bureaucratic bungling and heightened tensions. Such a commission can help both countries effectively deal with drug enforcement issues, border disputes, and immigration. It makes more sense to sit down at a table and work out a strategy than to tie up traffic at the border. Drug interdiction and illegal immigration are not only domestic issues but foreign policy issues as well. It is time that both the United States and Mexico realize this.

I plan to include this proposal in a comprehensive immigration reform bill. The present crisis is winding down. Car-by-car searches will now be replaced by spot checks. But we can see the critical role such a bilateral commission would play in resolving mutual problems and facing any future crisis.

I urge the President and Secretary of State to give our deteriorating relations with Mexico their utmost attention.

NONCOOPERATION OF AUTHORITIES IN DRUG-PRODUCING NATIONS

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, I have been quite disturbed by the recent disappearance of a U.S. Drug Enforcement Administration agent in Guadalajara, Mexico, and the events surrounding the kidnaping. The agent was abducted in broad daylight just outside his office, and soon thereafter a Mexican pilot associated with the DEA was abducted under similar circumstances.

Although U.S. drug enforcement agents have intensified their search for suspects, there has not been a similar effort by Mexican authorities, which in fact, apparently allowed four suspects to escape.

This noncooperation by authorities in drug-producing nations is quite disturbing in light of the recent acts and threats of violence to U.S. drug enforcement personnel worldwide. Indeed, there have been recent reports that Colombian drug czars have offered rewards of up to $350,000 to anyone who will kidnap top DEA officials, including DEA Administrator Bud Mullen.

According to Deputy Administrator John C. Lawn, these threats are being taken seriously because consistent information has come from sources here in the United States. Indeed, security has been beefed up around the country at DEA offices and U.S. courthouses after DEA learned that a three-man hit squad, hired by Colombian drug fugitive Carlos Lehder, had been dispatched to kidnap, torture, and murder DEA agents.

I am extremely concerned with the arrogance that these drug traffickers have shown about what they can do to U.S. drug enforcement personnel. According to DEA spokesman Robert Feldkamp, drug traffickers in Colombia threatened in January to kill five Americans in Colombia for every Colombian extradited to the United States on drug charges. As of this time, four Colombians have been extradited. This is a threat which should indeed be taken seriously.

RYAN OSTERBLOM NEEDS A LIVER TRANSPLANT

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, I rise today in the House of Representatives to make an appeal to someone who may hear my voice or read my words on behalf of a 1-year-old constituent of mine, Ryan Osterblom, who needs a liver transplant.

Ryan is presently located in the University of Florida Medical Center, where he has been kept alive. He is No. 1 on the list of three major liver transplant hospitals in this country. His small size, only 16 pounds, his unusual blood type, B-positive, make it very difficult to find a donor who meets those specifications.

We have had press conferences, some of the networks have carried this message, but time is growing short, and I make this appeal across this land to a grieving parent who might have lost their child to consider donating the organs of that child so that other children may live.

□ 1300

A CONGRESSIONAL APPEAL—A PRIVILEGE DENIED INDIANA'S EIGHTH DISTRICT

(Mr. GINGRICH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, the appeal by the gentleman from Florida is very real and very human, and I can personally sympathize because just last week we had a little 5-year-old boy in my district who had a liver transplant and who was taken to Pittsburgh, which is one of the great centers for doing this. I hope that the gentleman from Florida will not mind my both reinforcing his appeal but also bringing to the attention of the House the fact that for a similar child in the Eighth District of Indiana there is no one here to speak for it.

The tragedy is that the kind of eloquent personal representation the gentleman from Florida just gave on a human, personal, compassionate issue is impossible if you are 1 of the 550,000 people in the Eighth District of Indiana right now, and that is why this morning's Wall Street Journal talked about the problems of not seating Mr. McIntyre. I will talk about that later today in a special order, but I wanted to say that I sympathize totally with the gentleman from Florida. We just had a similar case which so far, God willing, has been successful, and we are hoping for the best for this young 5-year-old boy who has had a transplant and is doing well.

Mr. Speaker, I can sympathize with his appeal, and I hope someone out there will hear him and respond, and my heart goes out to those in Indiana who no not have representation to make that kind of effective personal appeal.

A TRIBUTE TO RAY MADDEN

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, it is with a deep sense of privilege and history that I address this House today.

It is a special day for me and the people of Indiana's First Congressional District: Special for me because this is the first time in my life that I have addressed the U.S. House of Representatives; special for the first district because it is the 93d birthday of the Honorable Ray J. Madden, a gentleman who served the people of northwest Indiana longer than any other Representative in Indiana's history.

Others have spoken to this body about Chairman Madden's professional accomplishments; it is a list of accomplishments that spans six decades. I would prefer to speak about the other side of Ray Madden, the private side, which he lived as a gentleman.

We always want to talk about the great events of a public person's life. We should focus on the less public but no less important events of a great person's life. Events that show how a person lived, influenced other careers, changed lives and made the general society in which he lives more just.

I met the Honorable Ray J. Madden when I first traveled to the Federal City at the age of 13 with my father, John. Chairman Madden treated me with individual kindness on that trip. I was invited to my first committee hearing, I ate with the chairman and received the requisite Capital picture.

Our paths next crossed when I entered law practice with Adam Benjamin, Jr., in 1973. In 1976, Adam was elected to serve the people of the First District, but Ray Madden would harbor no ill will. When Adam passed from our midst, Chairman Madden showed extraordinary courtesy by returning to Indiana to pay respects to Mr. Benjamin, his family, and the people—always the people—Adam and Ray had publicly represented for so many years.

And many years before, when Adam was a young man just starting out, who nominated him to the U.S. Military Academy at West Point? Ray Madden. Always changing lives, always helping people.

Now, Chairman Madden continues to exercise influence over events in northwest Indiana. In August, and again in November, he counseled me regarding the Congress and those I am charged to represent. He continues to give advice that I actively seek and am grateful to receive.

This advice is epitomized in Chairman Madden's message to me in November. "Never forget labor," he told me. "Never forget those who work, who have families to raise."

Ray Madden spent his entire life, from age 8 when he first became interested in politics, until today, changing lives and always helping people.

The Honorable Ray J. Madden is a great person. Great for his public deeds; greater for his public kindness, and greatest because he is a gentleman.

Chairman Madden is 93 years old today. On behalf of the people he loves, I wish to congratulate him, wish him good health and a very, very happy life.

INTRODUCTION OF RESOLUTION TO DESIGNATE THE WEEK OF MAY 12-18, 1985, AS NATIONAL SENIOR CENTER WEEK

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, before we recessed for the Lincoln/Washington district work period, I introduced a resolution to designate the week of May 12, 1985 through May 18, 1985, as "Senior Center Week."

Since the month of May is traditionally designated as Older Americans Month, I feel it is fitting that we give special notice to senior centers by designating the second week in May as Senior Center Week.

Nationwide, over 8,000 senior centers and the 5 million older Americans who participate are a vital part of our towns and communities. These centers provide a wide range of services for older persons, from programs on nutrition and counseling to information on employment and community opportunities, not to mention social interaction which provides invaluable benefits to older citizens. Also, I want to add that we have 179 senior centers and nutrition sites in Georgia alone.

We know that the Nation's health care system is beginning to change and will probably be radically altered in the future. As the health care system is redefined with a greater emphasis on preventive measures, we should acknowledge that senior centers are a part of the long-term caring system for older persons through daily contact in our communities and also with the experience in dealing with the various stages of health. In promoting the well-being of older persons, the theme of the National Institute of Senior Centers for 1985 is "senior centers are wellness centers."

Under the Older Americans Act, Congress established a separate program to recognize the value and to develop multipurpose senior centers as a place where older Americans could receive health and legal services. Once again, we can join together in declaring Senior Center Week as part of the proclamation for Older Americans Month.

SOUTH AFRICA

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, the recent governmental actions in South Africa—18 persons killed in the black crossroads squatter camp outside of Capetown and the arrest on charges of treason of six leaders of the United Democratic Front, an alliance seeking nonviolent change—once again highlights South Africa's determination to maintain its repressive apartheid system at all costs.

They also serve notice to this Congress and the people of the United States that the Reagan administration's foreign policy on South Africa—that of constructive engagement—has made no significant inroads, has received no substantive concessions, has fostered no meaningful changes in that country's dedication to racism, and has, in fact, given both encouragement and strength to those forces opposing any type of peaceful reform.

It is time for this administration to make clear to South Africa that the United States can no longer be a silent partner to its practice of state supported terrorism, systematically visited upon its 22 million black South Africans. We can do this most effectively by indicating now that American dollars will no longer be available to a country that practices such inhumanity to man. In short, now's the time to halt any further American investments in South Africa; and now is the time to push for a timely withdrawal of all U.S. firms doing business there.

THE SO-CALLED AMERICAN MIRACLE

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, all of us in this House welcome economic growth and prosperity. However, Mr. Reagan's description of his policies as "An American Miracle" has to make even the most rock rib Republican, a little squeemish.

Let there be no misunderstanding—Mr. Reagan and his Republican friends are financing this so-called miracle by borrowing $200 billion a year. In 4 short years, Mr. Reagan and his Republican friends have managed to double the national debt. By 1988, they want to triple it. The only miraculous thing about this borrow-and-spend policy is that Mr. Reagan is still getting away with it.

Mr. Speaker, an editorial in today's Washington Post refers to these borrow-and-spend policies as "The Romantic School of Economic Thought." Mr. Reagan and his Republican friends would be well-advised to read this warning and be advised: That which is for us today an "Economic Miracle," bears for our children the seeds of an "Economic Nightmare."

THE "AMERICAN MIRACLE"

Americans' incomes and economic output rose strongly in 1984. The government's scorekeepers have just revised the GNP numbers upward once again, and President Reagan celebrated them in the preamble to his press conference Thursday evening. That will set off another round in the interesting debate over the reasons for this powerful and gratifying performance.

Mr. Reagan has no doubts. He attributes the "American miracle" to tax cuts, incentives and the unleashed spirit of free enterprise. Now the country is embarked, in his view, on the sustained growth that he promised four years ago.

That's the Romantic School of economic thought—optimistic, ebullient and attractive. But perhaps you ought to ask for a second opinion. There's another explanation that's a little less uplifting but tighter in its logic.

Federal budget deficits speed up economic growth, at least for a while. That's basic Keynesian economics. Governments discovered in the late 1930s that it works, and have been using it ever since—none more vigorously and unapologetically than Mr. Reagan's. He points out that the country's growth rate last year was the highest since 1951. Quite true. But for 2½ years the country has been running the largest federal deficts since 1946.

The curious thing about the Reagan administration's strategy is the fidelity with which it seems to be following the model of the 1960s, the Kennedy-Johnson years. It was a time not only of extraordinarily high economic growth, at least through 1966, but of unbroken growth. There was no recession from 1961 to 1969, by far the longest cycle of growth in the past generation. In Mr. Reagan's first term, he gave great emphasis to the 1964 tax cut as the precedent for his own cuts. But by 1966 the strongest influence on the economy, prolonging the expansion, was the military buildup for the Vietnam War. The present rise in defense spending may similarly extend Mr. Reagan's expansion.

Defense spending in the mid-1980s is not nearly as high, as either a share of the budget or of the country's total output, as it was in the late 1960s. The Reagan proposals would not raise it to that level even by the end of the decade.

But while President Reagan's defense spending is lower than President Johnson's was, his deficits are much bigger. This year's deficit, the administration says, will be 5.7 percent of GNP. Mr. Johnson's largest deficit was 3 percent of GNP, at the height of the war in 1968. That was the year, incidentally, when inflation got out of control, to the great cost of Mr. Johnson's successors.

Mr. Reagan claims to have put the American economy on an altogether new and higher track. But so far it appears to be following a familiar historical pattern.

ANNUAL REPORT OF THE TOURISM POLICY COUNCIL FOR 1984—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. SAM B. HALL, JR.) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Monday, February 25, 1985.)

□ 1310

THE DISPUTED ELECTION IN THE EIGHTH DISTRICT OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I am going to insert in the RECORD today and read into the RECORD several editorials, one from the Atlanta Journal and Constitution yesterday, Sunday, February 24, and one this morning from the Wall Street Journal, both of them talking about the tragic situation in which the Democratic leadership has blocked Mr. McIntyre of Indiana from being seated.

I also hope that the House notices and those Members who are not here today notice that there is a direct relationship between the vote which the gentleman from Texas [Mr. DELAY] asked for and the Journal and what is currently going on, and the fact that it took the House, I believe—could the Chair advise me how long it took the House to vote today?

The SPEAKER pro tempore (Mr. SAM B. HALL, JR.). Approximately 50 minutes.

Mr. GINGRICH. It took us 50 minutes to get a quorum today. I think that also means that there are approximately 216 Members who did not vote today and when those Members come back tomorrow and ask, "Why was there a vote on Monday, a pro forma day?" I hope the Chair will advise them that it is because on the Republican side of the aisle there is very grave concern about the fact that Mr. McIntyre, who has now won both an election and a recount has not yet been seated and the people of Indiana of the Eighth District, as I mentioned in my 1-minute speech earlier, are being denied the kind of personal rep-

resentation which is so necessary if the House in fact is to serve its purpose of representing the American people.

Let me first read the editorial involved in the Wall Street Journal, Monday, February 25, on page 28, entitled "Trashing Hoosier Voters."

TRASHING HOOSIER VOTERS

Democrats in the House have gone into the business of declaring federal election irrelevant. Early this month, all but five members of the Democrat majority voted to further delay the seating of Republican Richard McIntyre, winner by a narrow margin last November in the Eighth District of Indiana. The latest ballot set up a "task force" to look into the election, which was lost by one-term Democrat Frank McCloskey. The Democrats don't expect to finish their report until late April. That means that for four months, a half-million Americans will have no representation in the House of Representatives.

The bare facts of the dispute are that Mr. McIntyre was certified as the election's winner by 34 votes. Mr. McCloskey challenged that victory, and after a recount, Mr. McIntyre's lead increased to more than 400 votes. The House majority refuses to recognize the results. Mr. McIntyre has filed suit in federal court to be seated while the investigation proceeds.

The Democrats' decision to temporarily disenfranchise such a significant number of citizens is largely without precedent. It also has practical consequences. Indiana's Eighth District has many farmers, whose affairs are a central issue in Washington now. Whatever his or her politics, a member of Congress is their surrogate to public and private deliberations that may affect them directly. So what's the point?

Speaking from the high ground, the Democrats have said in a motion to have the McIntyre suit dismissed that they are merely acting in accordance with the constitutional provision that each house shall be the judge of its members' elections. Speaking from more familiar lower ground, the House Democrats say they've got problems with the varying counting standards used in the district's counties. It now appears that the House Democrats will send some staff aides out to show Indianians how to count votes. That ought to put the national Democratic Party in tight with the state's elected officials.

The constitutional provision cited by the Democrats sounds impressive, but the Supreme Court had a pass at this issue in 1969 and was not impressed. The House had tried to prevent the seating of the flamboyant and controversial Harlem Democrat Adam Clayton Powell Jr., who was perennially reelected by his constituents. The court said the House members had the right to kick Mr. Powell out of Congress, but until that formal action was taken they did not have the right to deny a seat to an elected representative. Mr. McIntryre concedes the House may work its will with his election, but he has his election certificate and he wants that seat right now.

There is a broader issue. House Republicans and Democrats also have conducted a bitter fight over committee assignments. The Republicans argued persuasively that the Democrats packed many standing committees with an unfairly large number of their own members. From all appearances, the Democrats fared so badly at the polls last fall that their House leadership is taking any advantage that rolls into this room. But refusing to seat an elected Republican or packing committees really looks like dog-in-the-manager behavior. On the Senate side, holding Ed Meese's confirmation hostage while demanding a larger farm bailout was another telling example of this instinct.

Congressional politics can be rough, but all the members know well enough when the game is being played outside the rules. The wheel could turn eventually, and it would only take a handful of Republicans to make sure that some future Democrats get badly trashed. It's possible, especially in the insular world of the capital, to dismiss all this as mere partisanship. But we wonder whether the electorate shares that view today. Voters do not take it kindly when their choices are ignored. They cast votes to have their public affairs conducted in a responsible manner. What they are now getting is an increasingly disabling pettiness on Capitol Hill.

This is the Wall Street Journal, probably the most widely read single newspaper in America, certainly the most widely distributed, a publication which in this case is simply saying, "Look, Rick McIntyre won. He won with 34 votes on election night. He won on 415 votes on the recount. He is clearly the winner. Indiana law is satisfied. The secretary of state of Indiana has certified that he won and he ought to be seated."

The Wall Street Journal made the point that has practical consequences as it refers to the Eighth District of Indiana farmers.

Let me point out to the Members of this House that if we do take up an emergency farm bill later on this week that the farmers of Indiana's Eighth District will have no voice and have no vote. If we are going to be truly compassionate and concerned, there is something wrong with the way we are going about this.

If the election task force, which itself is biased 2 to 1 in favor or the Democrats, but if the election task force wants to go ahead and finish its work and report back, if at a later date it decides that the election was not won by Mr. McIntyre, then he can be asked to step aside.

In a New Hampshire case in 1937-38, it took a year and a half to make that decision. One gentleman served during that period. When the House committee finally responded, he stepped aside and the other gentleman was seated; but to have no representation now as we end February, to have gone through all of January with no representative for the Eighth District of Indiana, to go through all of February with no representation for the Eighth District of Indiana is basically, fundamentally wrong.

□ 1320

And there is no constitutional case or precedent for doing it. The only case ever cited is a 1961 case which was rather peculiar in which both Members of Congress happened to have certificates.

In this case there is only one certificate, there is only one winner. The secretary of state in the State of Indiana has said who they thought won, and that person should be seated until proven otherwise.

Mr. Speaker, I have a second editorial written by Dick Williams in the Atlanta Journal-Constitution, the Sunday paper, which is the largest paper in my State and covers my district. He says some rather strong things that I may need to ask for the Chair's advice and the Parliamentarian's advice in one or two places in here, because there is some strong language. I am not totally certain it is appropriate, but I am not exactly certain how I should enter this material into the RECORD. So I may ask the Chair's advice.

Mr. Williams' column appeared in yesterday's Atlanta Journal-Constitution and was entitled "O'Neill and His Lemmings Steal From the People." It is datelined Washington. It reads:

There's a dirty little secret here that shouldn't stay so secret.

It's about the rape of an entire congressional district, the arrogance of power and the very theft of democracy. Congress is in session, March approaches and yet the people of the 8th Congressional District of Indiana have no representative. The clerk of the House presides over the congressional office.

What we have here is a clear case of right and wrong, with right being trampled on by House Speaker Tip O'Neill and his lemmings. In political terms, the Democrats saw a chance to steal a House seat, and so far, neither law, precedent nor the wishes of the people and officials of Indiana are being heard.

In brief, Republican Richard McIntyre defeated incumbent Frank McCloskey in November by 34 votes of some 228,000 cast. Three months later, a final recount showed McIntyre increasing his lead to 415 votes. What's important is that McIntyre came to Washington in January with the certificate of election from Indiana officials. That certification always outweighs other controversy in these kinds of cases.

Yet twice the House has voted to deny McIntyre the seat while it investigates. Lawsuits are flying, including the obvious one back home in Indiana that contends citizens are being denied representation.

The technicalities aside, the case is interesting for what it says about the Congress. The votes on the McIntyre matter went right along party lines. In the second vote only five Democrats dared abandon O'Neill and the leadership.

Georgia's Democrats went right along with the herd, in defiance of basic decency. When Georgia's more conservative Democrats are running for the Congress, they traditionally make noises about their independence from O'Neill and the radical/liberal wing of the party. A few Republicans near each election try to remind voters that the Democrats' first vote will be for O'Neill and that vote signals bondage. This year it meant the abandonment of fairness.

It didn't use to happen this way. The 1966 election in the Georgia 4th District saw Ben

Blackburn nip Rep. James A. Mackay by 360 votes. The Republican Blackburn was certified by state officials and sent to Washington.

There, a little-known congressman was chairing a little-known subcommittee. The congressman tried to deny Blackburn his seat, but was overruled harshly by the speaker of those days, Rep. John McCormick. Blackburn took office and withstood the challenges.

PARLIAMENTARY INQUIRIES

Ms. OAKAR. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentlewoman will state her parliamentary inquiry.

Ms. OAKAR. I want to know, Mr. Speaker——

Mr. GINGRICH. Mr. Speaker, the gentlewoman has not asked me to yield, and I was in fact making an inquiry myself to the Chair. I was asking the Chair to rule in this sort of setting if one is reporting to the House on the written opinion of a columnist in which the columnist has said very strong things, is it appropriate for the House to be informed of this and, if so, what is the correct procedure?

The SPEAKER pro tempore. The ruling of the Chair is that the gentleman should not read into the RECORD things which would clearly be outside the rules of this House.

Ms. OAKAR. Parliamentary inquiry, Mr. Speaker.

Mr. GINGRICH. Let me continue to ask the Chair, because I am a little confused, in other words, if a columnist writing in the largest newspaper in the State of Georgia says very strong things about his concern about the House's behavior, would the House in effect censor a report of that concern?

The SPEAKER pro tempore. No; the House does not censor any report of that kind. The gentleman does take the responsibility, however, for words uttered on the floor, and he is certainly capable of leaving out those items which he knows would be outside the rules of this House.

Mr. GINGRICH. Then let me continue, and then I will be glad to yield to the gentlewoman.

Ms. OAKAR. I am going to ask my own parliamentary inquiry.

Mr. GINGRICH. You can't. I have the floor and I have to yield.

The SPEAKER pro tempore. Will the gentleman yield to the gentlewoman for a parliamentary inquiry?

Mr. GINGRICH. Not at the present moment. If the gentlewoman wants me to yield, then I will be glad to, but I want to continue with this clarification. I would like to follow on.

Ms. OAKAR. Parliamentary inquiry.

Mr. GINGRICH. The gentlewoman does not have the floor. I have the floor and I am not yielding the floor at this time.

The SPEAKER pro tempore. Let the gentleman continue with his parliamentary inquiry.

Mr. GINGRICH. I might tell the gentlewoman that since this is a special order that she cannot get the floor unless I yield it to her.

The SPEAKER pro tempore. The Chair will make the rulings.

Ms. OAKAR. I am perfectly capable of asking the person in the Chair what the rules of the House are.

Mr. GINGRICH. The gentlewoman cannot get the floor to ask it.

If I may continue?

The SPEAKER pro tempore. The gentleman from Georgia [Mr. GINGRICH] is recognized.

Mr. GINGRICH. If I may continue a moment to ask the gentleman, if we are in a situation where in the view of some people, such as Mr. Williams of the Atlanta Journal-Constitution, very strong things are legitimately being said, and this is obviously his viewpoint, what is the appropriate manner in which to report his language to the House?

That is not me saying these things; he is saying these things.

The SPEAKER pro tempore. The gentleman knows the rules of the House, I am certain, and he can take out or delete any things that he knows would violate the rules of this House if spoken from the floor.

Mr. GINGRICH. Under the rules of the House, and it would be very helpful if the Chair could instruct us, if one were to only utter the words on the floor that were appropriate, but were to then insert the item in the RECORD, is the RECORD then edited by the House? That is, if it was put in as an extension of remarks or put in under general leave?

The SPEAKER pro tempore. As the gentleman knows, there are precedents where a question of privilege can be raised about certain things inserted in the RECORD, and those could be raised if the gentleman attempts to insert them into the RECORD, or not.

Mr. GINGRICH. In the case of those things which are obviously very strong and which in this case relates Mr. Blackburn's version of what he thought happened to him in 1966-67 when he was elected in a very narrow election, does it makes a difference, I am curious if the Chair could instruct, whether the Member that he is referring to is still in the Congress?

For example, Mr. Blackburn himself is no longer in the Congress.

The SPEAKER pro tempore. The gentleman will find that the rules will turn on whether someone who may have made the statement is currently in Congress or not. The rules turn upon whether the statements if actually uttered on the floor of the House reflect on sitting Members.

Mr. GINGRICH. Do they turn on whether the statement is actually uttered or uttered by a person currently serving as distinguished from somebody who used to serve?

The SPEAKER pro tempore. The Chair does not believe they do.

Mr. GINGRICH. Former members are protected by the same rules as current Members?

The SPEAKER pro tempore. The Chair would suggest that objections would probably come from those sitting Members who are being talked about here on the floor of the House.

Mr. GINGRICH. What I was asking——

The SPEAKER pro tempore. As the gentleman knows, words spoken on the floor of the House can be objected to.

Mr. GINGRICH. OK. Let me then continue.

Ms. OAKAR. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. Will the gentleman from Georgia [Mr. GINGRICH] yield to the gentlewoman from Ohio [Ms. OAKAR] for a parliamentary inquiry?

Mr. GINGRICH. Will the gentlewoman from Ohio like me to yield to her?

Ms. OAKAR. I would be delighted if you would.

Mr. GINGRICH. I will be delighted to yield.

Ms. OAKAR. My primary inquiry is this, Mr. Chairman, the gentleman from Georgia has already read into the House proceedings what I consider to be a possible violation of the rules of the House when he made reference to the Speaker of the House. I am wondering if the Chair will rule on that, whether or not that item violates the rules of the House.

The SPEAKER pro tempore. The Chair cannot rule on remarks that have already been made. They have already been made and they are now part of the RECORD. As the gentlewoman knows, she has to make those objections timely.

Mr. GINGRICH. If I may reclaim my time and also ask the Chair, also would the Chair uphold the same precedents on the unparliamentary remarks with respect to the President of the United States?

The SPEAKER pro tempore. If they violate the rules of the House the Chair would certainly do that. If the President is personally being abused on the floor of this House, the Chair would do so.

Mr. GINGRICH. In other words, a point of order can be made on those occasions where in the current cycle it might well be Democrats that get excited, as certainly a few years back it was Republicans who got excited about the President, and in a moment of partisan passion they might say things that were unusually strong?

The SPEAKER pro tempore. Anyone could raise a point of order concerning such language, and the Chair cannot now say how the Chair

would rule, whether the point would be sustained or not, but certainly anyone can make an objection.

□ 1330

Mr. GINGRICH. But it is the Chair's—I will yield in just a second—but it would be the Chair's understanding, or the Chair's inclination that the President has the same basic protection as a Member of the House in terms of his name?

The SPEAKER pro tempore. The gentleman would recognize that it is not quite the same standard, but nonetheless anyone, of course, is capable of making an objection.

In Canon's Procedure, as to the President, section 370, it says:

The principles of decorum and courtesy governing the relations of the two Houses should extend to the relations of the House with the President. In referring to the President a Member shall abstain from language personally offensive and shall eschew terms of approbrium. It is the duty of the House to protect the President from personal abuse or innuendo.

Mr. GINGRICH. So about a year ago when the very distinguished majority leader referred to him I think 16 times in 1 minute, using words like "untrue" and "lie"——

The SPEAKER pro tempore. First of all let the Chair say to the gentleman from Georgia that the Chair is not going to rule on something that happened before.

Mr. GINGRICH. No.

The SPEAKER pro tempore. The Chair heard no objection to that speech to which the gentleman is referring.

The gentleman from Georgia is recognized.

Mr. GINGRICH. Very good. I will be glad to yield to my distinguished colleague.

Mr. DORGAN of North Dakota. It is not my intention to interrupt your interest in the Indiana situation and your discussion of that, although I have some disagreement with things you might have said. I watch with some fascination at your special orders from time to time and did just earlier today, at your characterization of Democrats versus Republicans. And if we could move away from the Indiana situation just for a moment and focus on something you just described that happend over in the Senate, I would like to ask you a question about that.

You, in the process of describing all that is ill being laid at the footstep of the Democrats or the feet of the Democrats here in Congress and all that is good at the feet of the Republican Party, you were referring to the way those rascals over in the Senate, Democrats, you characterized them, over in the other body rather, the Democrats had dealt with the Ed Meese nomination with respect to the filibuster. And it occurred to me as I was listening to that that it was not just Democrats in the other body. I know some hoarse Republicans who spent most of the weekend talking on that filibuster.

I just have difficulty from time to time understanding why the gentleman from Georgia insists on painting with that broad brush all Democrats in this corner and all Republicans in that corner. Is that appropriate?

Mr. GINGRICH. I think that is a very fair question and I am glad the gentleman raised it because I think you must have missed the beginning of my special order when I said, and in fact was reading specifically from a Wall Street Journal editorial which begins "Democrats in the House * * *." And that reference was just frankly taken from directly out of the Wall Street Journal editorial in which they were making an argument about a style of politics that they think is developing in the House and in the Senate. But I would be glad to share with the gentleman the Wall Street Journal editorial. I think there are many cases, as you know, in which we work in a bipartisan manner. I just participated this morning in a military reform press conference that was a bipartisan effort, that included some very distinguished Democrates in both the other body and this body.

There are many ways in which your great party has been, frankly, more progressive and more enlightened than my party.

I would be glad to yield.

Mr. DORGAN of North Dakota. Is it not true that you might have mispoke when you suggested that in the other body it was the Democrats that were exclusively involved in the filibuster? Were not Republicans involved in the filibuster?

Mr. GINGRICH. I think the gentleman is exactly right. And you may wish, as I said I was quoting from a Wall Street Journal editorial and you may wish to write the Wall Street Journal and correct them, because I think they may be misinformed. It is precisely because I don't think inevitably the Democrats are bad people, but I am troubled and I am trying to raise for the attention of my good friends who are on the Democratic side what is a growing sense of concern in the Washington Post and in the New York Post and the Detroit News, and in the Atlanta Journal and in the Wall Street Journal, a growing sense of concern about the McIntyre case.

Ms. OAKAR. Will the gentleman yield?

Mr. GINGRICH. Just 1 second. I am just going to complete this point to the gentleman from North Dakota.

In fact, it is, if you look at the article in this morning's Wall Street Journal, it is the Wall Street Journal which is rather systematically, first of all, taking on the Democratic Party and then it is, second, the Wall Street Journal warning not that the Republicans are pure and saintly but that we may be setting a very dangerous precedent precisely because in future years you may have Republicans who would act in a similar manner. And I think they are focusing on the Democratic Party largely because it is the majority party and it was the Democratic votes which denied Mr. McIntyre a chance to be seated.

But I would be glad to yield one more time to the gentleman from the North Dakota.

Mr. DORGAN of North Dakota. I appreciate that.

Let me just say that this is a Member that voted against seating Mr. McIntyre and I have not voted to seat Mr. McCloskey. I happen to be one person in the House of Representatives who doesn't know who won that race in Indiana and when we find out who won that race I want that person to be seated.

It is a little distressing to me.

Mr. GINGRICH. Let me ask you a question. You have had an election and a recount and a certification from the Secretary of State which is more, frankly, than most of us have had. There is no major allegation that there is any other certificate and no one has suggested that there is any count up to this moment by which Mr. McCloskey wins.

The only count by which he ever showed up in the wire service was adding two precincts twice, and in that sense, under the precedent of the House, there is no precedent—the only precedent ever cited by your side was one case in 1961 where both Members had a certicate. So would it not in fact in terms of serving the farmers of Indiana, would they not be better off temporarily to have won? We know the two guys each got about 50 percent. So are they not better off to have either guy for a while on the floor than to have neither person on the floor?

I will be glad to yield further to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Let me just—you raise some good points, but let me ask you this: If the newspapers in Indiana editorialize in a way that suggests that the election certificate itself was issued in the manner that was not usual following the McClosky victory on election night and for some days prior to the recount of a couple of counties which produced the margain for Mr. McIntyre, if those newspapers in Indiana are raising those questions, does that not raise in your mind some questions about the entire procedure?

Now, as I understand it, in order for us to declare Mr. McIntyre the winner we have to decide that we are going to disenfranchise a lot of voters. Now, it might be in a uniform recount of all

the counties we either leave in or leave out a lot of the voters. I would like to count as many as is possible. But I am just saying this to you: If you are going to pull out editorials from the Wall Street Journal, we have some editorials we can give you from some newspapers right down there in Indiana.

I would like to see someone seated and I would like to see them seated quickly. But as one Member of Congress, don't think I am trying to steal an election by not voting for Mr. McIntyre to be seated. I am trying to find out who won so I can get that person on the floor to vote for Indiana and I do not think we know who won.

Mr. GINGRICH. First of all, I think the gentleman has raised a very legitimate point. I am very willing as a member of House Administration to see a House Administration task force recount that election and take a look at that election.

The point I am making, though, is that there is a presumption normally, there is a presumption that Mr. McIntyre deserves to sit until he is proven unworthy because he does have the Secretary of State's certificate—now, just one second—after the first vote, which I think was a much fairer vote.

I think the opening day of the session one had adequate grounds for confusion.

After the recount, under Indiana law, in which 11 of the 15 counties doing the recounting had a 2-to-1 majority Democrat, after that was over, the only point I would make here to the very distinguished gentleman is that at that point all presumption is in favor of McIntyre and you don't have to say he won the election. All you have to do is seat him conditionally. And in the 1937 case I cited, in fact, Mr. McIntyre, the gentleman who was finally unseated, served 1½ years and was then unseated.

And my last point, and I will yield again, is that we have introduced into the RECORD both the Indianapolis newspaper and the Evansville newspaper and a third newspaper they are trying to find the name of, all three of which recently have said in the last 10 days now that the recount is over, there is no legitimate grounds for not seating McIntyre provisionally.

That is all I ask, that he be seated provisionally, recognizing that 6 weeks or 2 months or 3 months from now that might fail.

I yield to the gentleman one more time.

Mr. DORGAN of North Dakota. The gentleman used the term "normal." Is it your understanding, as it is mine, that had normalcy prevailed that the election certificate would have been given to Mr. McCloskey in the normal course of time following election night?

That is my understanding of what normally would have occurred, in which case Mr. McCloskey would have had the election certificate and in my judgment we still would not have known who won that election.

I am saying I don't care whether it is a Republican or a Democrat who represents that district of Indiana here in this body; I want to see the winner seated at some point and I want to see it happen quickly. But I do not, as a Democrat, appreciate somebody suggesting that those who voted on the other side are trying to steal an election. That is simply not the case.

I did not come down here to debate this issue with you. I simply came to tell you that there are some hoarse Republicans over there on the other side of the Capitol who participated in filibuster against the Meese nomination because they do not like the administration's farm plan.

□ 1340

Mr. GINGRICH. Let me suggest to the gentleman, as I did a while ago, I think the gentleman probably should write——

The SPEAKER pro tempore (Mr. COLEMAN of Texas). The Chair would remind the Members that they are not to refer to proceedings in the other body.

Mr. DORGAN of North Dakota. We thank the Chair.

Mr. GINGRICH. We appreciate the Chair's introducing that point and it will be a little bit trickier now.

Let me suggest to the gentleman that there are those things he may wish to write the Wall Street Journal about which we will not discuss on the floor which I think would be useful for the gentleman to write because I think it is a valid point to express the sense that there are Republicans and Democrats both concerned about this administration's farm policy, both of which were willing to use opportunities that we will not mention in detail on behalf of the farmers of America.

Let me just say also and I know some of my colleagues may find this a little hard to believe, but I think the gentleman has chatted often enough over the years that he can appreciate this. Part of the reason I am trying to bring all of these things to the attention of the House is that it demeans all of us when it gets loose in the land as it is now in major newpaper after major newspaper. As I said the largest paper in my State, the Journal Constitution yesterday, the Wall Street Journal today, the Washington Post 2 weeks ago. There is a sense building that the provisional seating of McIntyre is the only fair step during the interim. As the distinguished gentleman from a farm State knows we may be faced with an emergency vote of considerable importance in the next few days and I know how his citizens back home in the Dakotas would feel if they did not have a voice during this crisis. Therefore, I think he can appreciate that.

Let me just cite—then I will yield to the distinguished gentlewoman from Ohio—the Evansville Press was cited the other day in an editorial entitled "Time To Take a Seat." The other one is the Indiana Star, which is not in the district, but is in Indianapolis and, let me see if I can find the third reference which was an Indiana newspaper, which also said that the time had come.

Mr. DORGAN of North Dakota. While the gentleman is looking would he yield to me.

Mr. GINGRICH. I would be delighted to yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman.

Again, just to complete the record let me point out that the former Republican Representative from that district, Mr. Deckard, was quoted in the paper as saying in his opinion the House did the right thing in seating neither candidate.

So, again, those who suggested there is some sort of a Democratic initiative here to deprive Indiana of something, I think need to understand even the former Republican Member of Congress from that district said the House did the right thing.

I would, with the gentleman's permission, like to have inserted into the RECORD on this special order the editorial from the Evansville Press that is titled, "A Fouled Recount," again to complete the RECORD, with the approval of the gentleman from Georgia.

Mr. GINGRICH. I think that would be very helpful.

I would simply like to make the comment. It would be useful if the gentleman would put in the date because I think the more recent Evansville Press article which I cited—there are two of them—one is an article by Dale McConnaughay in the Evansville Press and the other is an editorial in the Evansville Press. It was the editorial entitled "Time To Take a Seat" which I was citing the other day and which I think has followed since the earlier article.

Mr. DORGAN of North Dakota. In the Indianapolis News on February 11, 1985, there is an editorial entitled "Truth and Consequences," which follows pretty much in the same view which I think would complete the RECORD and would be a useful inclusion.

I would ask the gentleman from Georgia if he would allow that.

Mr. GINGRICH. I would be delighted to.

The articles referred to follow:

[From the Evansville (IN) Press]

A FOULED RECOUNT

The 8th District recount involves not just the sorry specter of disenfranchising hundreds of voters by throwing out their ballots because they were not initialed by poll workers, as if that were not bad enough. Even worse, the manner in which that recount is proceeding could very well negate the decision of all 232,000 voters who participated in the Nov. 6 contest.

There is every possibility that the U.S. House of Representatives alone will decide whether Republican Richard McIntyre or Democrat Frank McCloskey is seated to represent this district.

Of course, the Democratic-controlled House would probably like nothing more, especially since Republican McIntyre is the certified winner in a see-saw race too close to call under current disparate methods of recount.

The House will be handed this opportunity primarily because local officials blew it. The different recount rules employed from one county to the next and the delayed certification of a winner for reasons which seem suspiciously political beckon for a higher authority to make the call.

The House could reason that its judgment is no more arbitrary or unrepresentative than the method of retabulating votes in the 8th District.

This newspaper noted early in the recount process that both candidates and their respective political enthusiasts had an obligation to place statesmanship above raw ambition and legal maneuvering. That, we suggested, meant an orderly recount of all ballots under agreed upon uniform rules for proceeding.

"Woe be to that winner," we noted, if Congress is the ultimate arbiter of the contest.

In product liability, a consumer goes to court for damages when he is wronged. Our guess is that voters who have been wronged—all 232,000 of them—will not give up, but rather will demonstrate their displeasure in large and conclusive numbers when the next congressional race rolls around.

[From the Indianapolis News, Feb. 11, 1985]

TRUTH AND CONSEQUENCES

Will the real winner of Indiana's 8th Congressional District please stand up?

And, while he's at it, will he reveal how many votes he won by?

Despite vote counts and recounts, certifications and recertifications, Indiana is still without an 8th District congressman some three months after the voters have gone to the polls to choose between incumbent Democrat Francis McCloskey and his Republican challenger, Richard McIntyre.

Last week, Indiana Secretary of State Edwin Simcox, a Republican, submitted official recount figures to the U.S. House of Representatives indicating that McIntyre won the election by 418 votes—114,278 to 113,860.

Simcox said that Democrats have "already played the game by their rules" and lost. Thus, McIntyre should be seated.

The House Administration Committee controlled by Democrats, rejected Simcox's argument. Now the committee plans to look into the election and recount procedures. Ultimately the House may conduct its own recount.

On principle, Hoosiers should get indignant and say that the House is playing politics—which could prove to be the case—and that it should accept Indiana's Eighth District election figures and get about the business of seating the district's duly elected congressman.

But, sadly, the House has some justification for being skeptical of Indiana's ability to declare a winner in this close congressional race.

Initially, McCloskey was adjudged the winner by 72 votes on the basis of a vote canvass. Then, on the basis of a partial recount, Simcox declared McIntyre the winner by 34 votes. Now Simcox says McIntyre won by 418 votes. Which is it?

During the recount, thousands of ballots were tossed out on the basis of technicalities, even though neither side has charged that there was vote fraud. Furthermore, differing standards were used for determining which ballots to accept or reject throughout the district.

If Indiana wants to control the certification of its congressional representatives—as it should—the vote it certifies must be credible.

In the presence of an elastic vote count, and absent timely and uniform recount standards, it is understandable that the house wants to know what on earth is going on out in the Hoosier state before declaring anyone a winner.

Unfortunately, not much is happening in the Indiana General Assembly by way of election reform.

For the second time in eight days the Legislature recently rejected an effort by state Rep. Jerry Bales, R-Bloomington, to force a major rewrite of Indiana's election code before the 1986 elections.

Bales' proposal would have repealed the state election code effective July 1, 1986. It would have created a 12-member, bi-partisan legislative commission to rewrite the election laws and report to the General Assembly by Nov. 1.

"There's two people in the state of Indiana who know what's in the election code," Bales remarked. "And they can't fly in the same airplane. If they were killed, nobody would know what's going on in the state of Indiana."

His colleagues rejected the proposed amendment, 52-42.

And so, once again complaining about the evils of federal intervention, the state Legislature winks and hands another problem over to the federal government to deal with. And that is a tune, whether the lyrics are inadequate prison facilities or legislative gerrymandering, that is wearing a little thin these days.

Now 8th District voters can only hope—and it's a slim hope at best—that the U.S. House Representatives can put politics aside and conduct its investigation in a fair, impartial and timely manner.

[From the Indiana Daily Student, Bloomington, IN, Jan. 25, 1985]

DECKARD: SPECIAL ELECTION SHOULD END EIGHTH DISTRICT DRAW

(By Alan Chitlik)

A special election is the best solution to the disputed 8th Congressional District race, said Joel Deckard, the district's representative from 1978-82.

"Regardless of who is seated now as the 8th District representative, he will have a black cloud over his head," Deckard said Wednesday. "The losing side will say the winner was not correctly seated."

Neither candidate will have a clear mandate because of the closeness of the race, he said. "I wouldn't want to serve if I was either one of them because you have half the people in the district thinking you were unfairly seated," he said by phone from Evansville.

Unofficial re-count totals show Republican Rick McIntyre ahead of incumbent Frank McCloskey by 418 votes, 114,278 to 113,860.

McIntyre was certified as the 34-vote winner of the race by Indiana Secretary of State Ed Simcox, a Republican. But the Democratic-controlled U.S. House of Representatives voted not to seat either candidate, pending the outcome of an investigation by the House Administration Committee.

"The U.S. House did the correct thing in not seating either candidate," Deckard said. "It is obvious no one knows who the winner of this election was. No one can be satisfied that we know with any certainly who won this election."

The special election would be a quicker solution than the committees, he said. The election could be held almost immediately, he said, because both candidates already have enough name recognition and could forgo compaigning.

The re-count process has included the rejection of 5,472 ballots through the district because they did not comply with state laws requiring precinct numbers and clerk's initials. County re-count commissions used different standards to determine which votes to count.

The most votes dismissed were in Vanderburgh County, which is McCloskey's strongest county.

Deckard, 42, said he has been developing some building projects, lobbying and consulting since his 6,300-vote defeat in 1982 to McCloskey, who was then mayor of Bloomington. He said he had considered running in 1984 for the House seat but has no plans to do so in 1986.

McCloskey has an advantage from now on because the matter will be decided in the House, Deckard said. "I would prefer to be the Democrat since the Democrats are counting the votes."

Campaign aides for both sides said they thought the idea of a special election was too expensive. McCloskey said he thought the matter was properly being resolved by House procedures.

A special election only sounds like a good solution, but would actually require too much money and time, said Steve Nix, a McIntyre aide. A representative of the Indiana Secretary of State's office said the idea has no historical or statutory basis.

[From the Indianapolis Star, Jan. 4, 1985]

HOUSE PANEL VOTES TO SEAT TWO INCUMBENTS

(By Robert N. Bell)

A special committee of the Indiana House of Representatives voted unanimously Thursday to seat two incumbents, including one whose reelection Nov. 6 was reversed in a court-ordered recount.

The committee's findings will be submitted to the full House when it meets Monday.

The panel was appointed by House Speaker J. Roberts Dailey, R-Muncie, after vote totals were questioned.

The committee declared Rep. Janet Hibner, R-Richmond, the winner over Democrat Marcia Toschlog French in District 56 in Wayne County, and Rep. W. Laverne Tincher, D-Terre Haute, over James D.

Brighton, a Martinsville Republican, in District 46.

On Dec. 19, a Wayne County recount commission declared Ms. French a 20-vote winner over Rep. Hibner.

However, the House committee adopted guidelines which allowed it to count votes rejected by the commission.

The guidelines allowed only those votes that did not have a precinct clerk's signature or those that were mutilated to be disregarded.

The guidelines were adopted after Rep. Ray Richardson, R-Greenfield, another committee member, pointed out that state law requires a clerk's signature and precinct number on ballots.

However, he said, the law requires only those without the clerk's signature to be thrown out.

Use of the guidelines resulted in Rep. Hibner's receiving 90 votes not counted by the commission and Ms. French's getting 47 not counted by the Commission.

The House committee's final vote total in the district was 10,042 for Rep. Hibner and 10,021 for Ms. French, a 21-vote margin.

Rep. Robert F. Hellman, D-Terre Haute, a committee member, argued unsuccessfully that the recount commission's vote totals should be used by the committee on the grounds that attorneys for Rep. Hibner and Ms. French agreed on the ground rules laid out by the commission.

However, Rep. Jerome J. Reppa, R-Hammond, committee chairman, said the House committee had the constitutional obligation to determine which votes should be counted.

"No court, no body can tell us what the count should be. Our duty is to determine what ballots are to be counted and what ballots are not to be counted," Reppa said.

He pointed out that the Indiana Constitution gives to the legislature the job of deciding which members should be seated. "We are, in effect, the Supreme Court," he said.

The same guidelines used in the District 56 race also were applied in the District 46 race.

Tincher was certified the winner over Brighton in November by a vote of 10,915 to 10,813.

The House committee threw out 113 votes for Brighton and 41 in Owen County which were not initialed by the clerk.

The committee threw out 18 votes for Brighton and 11 for Tincher in Owen County because it could not be determined for whom the voters were voting.

Tincher also received two more votes in Morgan County and three more in Sullivan County.

The House committee's vote total for District 56 for 10,686 for Tincher and 10,682 for Brighton.

Rep. William L. Soards, R-Indianapolis, who presented the vote total recommendations to the committee, said an effort was made to follow voter intent as closely as possible in tabulating the results.

Ms. OAKAR. Would the gentleman yield?

Mr. GINGRICH. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Obviously the gentleman feels strongly about this and I do too. We are both on House Administration. I think the thing that I took issue with the gentleman on, among other things, is the fact that we are sending a few attorneys—Democratic implied attorneys. I chaired one of those task forces last year, as the gentleman knows. Based on the information given by the staff of House Administration recommended to my task force that the Republican Member continue to be seated. So I know the gentleman did not mean to cast any negative aspersions on the part of the staff of House Administration, but I thought that ought to be in the RECORD.

The other thing is I wanted to point out to the gentleman, knowing how strongly he feels about the issue, that on February 7, when Mr. FRENZEL brought up a resolution relative to this particular issue the gentleman was not here. The gentleman was one of the 30 Members who did not vote.

So if the gentleman felt so strongly about the fact that we were—or the notion—that we were so-called disenfranchising the people of Indiana, the gentleman ought to have thought enough about it to be here to vote. The gentleman was one of 30 Members not here out of 435. I think the American public ought to know that.

I thank the gentleman.

Mr. GINGRICH. I thank the gentlewoman for her two major points which I would like to comment on, if I might, and then I would be glad to yield back if she would like to respond.

On the second one, which I think is of much less import, once the Democratic Party whips had decided that in fact there would be a straight party vote it hardly mattered whether you had one more or one less Republican because we were not going to win that issue.

Ms. OAKAR. If the gentleman would yield, is the gentleman saying that his vote does not mean something to this Congress and the American people?

Mr. GINGRICH. I think that there are times in this building on procedural matters when clearly the gentlewoman's side has an absolute majority and imposes its will and certainly anyone who has studied this Congress knows.

But let me tell the gentlewoman a brief story about that.

Ms. OAKAR. But the gentleman is taking——

Mr. GINGRICH. Let me tell the gentlewoman a story and then I will be glad to yield to the gentlewoman on this point.

Several of our freshmen contacted the Washington Post and said they were hoping for an editorial. The Post reaction was that it was so obvious that McIntyre was going to be seated because the recount was over, he had won by 400 votes, that it was so clear that in any fair body he was going to be seated that there was no point in their editorializing what was self-evident.

It was only on the 11th of February after the Democrats in the House voted not to seat Mr. McIntyre that the Post ran an editorial. Now, I would not claim to be quite as willing to assume that the simple act of having won a recount would change things with the Democratic leadership. But I would say to the gentlewoman that there were many people who honestly believed going into that vote that day that the gentlewoman's side of the aisle would seat Mr. McIntyre because every precedent called for it. Because there was no serious question that under Indiana law, under an Indiana recount, under the Indiana secretary of state's certificate, Mr. McIntyre had won. Therefore he would be seated provisionally.

Let me go back to the gentlewoman's other point for just a second because we do serve on House Administration.

There is no question that at a personality level a chairwoman or chairman of a task force can rise above partisanship, that they can in fact do that which they think is appropriate at a level that has nothing to do with which party they belong to. But if you were to go to the average voter in America and say: 49 percent of the country voted Republican for Congress, 42 percent of the House seats are Republican and the Republicans have 33 percent of the task force recounting an election, one out of three, it is a little hard to make a structural argument that that is a fair task force.

Let me suggest to the gentlewoman that in fact in the Ethics Committee we very explicitly recognized the need for fairness, not because we think the current Ethics Committee chairman not honorable, or the last one or the next one, but because we decided that we would insure fairness by having the Ethics Committee have the same number of Republicans as Democrats.

Now I just find it fascinating and I can tell the gentlewoman, from our side of the aisle where we are the minority, that while I am certain the gentlewoman personally was fair, I am certain that the gentlewoman personally gave the right kind of instructions to her staff, the number of occasions in which I talked with Republican members of task forces who are outnumbered 2 to 1 on a partisan basis and they say to me that it is very, very difficult to get a fair hearing. It is very, very difficult to get a fair rule.

Ms. OAKAR. Will the gentleman yield to me?

Mr. GINGRICH. I am glad to yield.

Ms. OAKAR. Will the gentleman tell me one instance in the history of this Congress when the House Administration's Task Force on Elections was not fair. I chaired a task force and I do not think I was the exception. I think I was the rule in which we had two Democrats and one Republican. I recommended that the Republican

Member continue to be seated and had won that election.

In addition, every single member, Democrats and Republicans, on the House Administration Committee voted in favor of our task force recommendation.

For the gentleman to cast negative aspersions on the integrity of the House Administration Committee I think is blatantly unfair and I think the gentleman knows better. I say once again that if the gentleman felt so strongly about this issue the gentleman personally should have voted for it or against it on February 7. But the gentleman chose not to be here.

□ 1350

You chose not to vote. So, obviously, actions speak a little louder than your rhetoric. And I think it is important that the American people know you were not here to be present when the votes really counted.

Mr. GINGRICH. That is fine, but they did not count.

Ms. OAKAR. There were Democrats who did not vote in favor of the leadership recommendation, as you know.

I think it is important that the American people know this.

Mr. GINGRICH. If I may reclaim my time, let me first of all say to the gentlewoman that, in fact, on that date, we did not get to vote directly on seating McIntyre, that on that date your leadership, by a procedure, blocked a straight vote, just as on the first day of the session your leadership by a procedure moved us.

So it is a little bit much to be told, on the one hand, I should have been here to vote on a procedural vote that your leadership was going to preempt so your leadership——

Ms. OAKAR. If the gentleman will yield, would he like me to define to the American people what the resolution was? Now, you are not going to bluff this.

Mr. GINGRICH. I am not bluffing it.

Ms. OAKAR. Because the fact of it is there was a resolution on the floor that related specifically to this issue and you did not vote that day. That is the issue. And it negates all the arguments you are making about this issue. You know that there were thousands of votes that purportedly were not counted, and that is the issue, that there were people who were disenfranchised in the State of Indiana.

Mr. GINGRICH. If I may reclaim my time, if the gentlewoman will check the RECORD, she will discover that the vote was on a motion to refer, that your leadership deliberately intervened and blocked a straight vote on seating McIntyre, and it was a motion to defer. If you will check the rollcall——

Ms. OAKAR. If the gentleman will yield, the leadership cannot vote for you, NEWT. You vote for yourself.

Mr. GINGRICH. I am talking about your leadership.

Ms. OAKAR. You chose not to vote. The leadership does not vote for 435 Members.

Mr. GINGRICH. Your leadership maneuvered.

Ms. OAKAR. We all have an individual vote.

Mr. GINGRICH. Oh, that is not——

Ms. OAKAR. And I think the American people know that.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield to the gentleman from California.

Mr. LUNGREN. I am one person who was here to vote on both occasions. I was not given the opportunity to vote on the question of whether Mr. McIntyre ought to be seated because the Democratic leadership decided that they would use a parliamentary maneuver to disallow that. That happened on opening day, it happened on the day in question. There has not been a vote. Our leader, Mr. MICHEL, has tried on two occasions to bring it up for a vote. It has been sidetracked specifically. I mean the record is absolutely clear.

If the gentleman will continue to yield, I just might mention that those of us who practiced law before we came here would certainly be somewhat concerned if we were told that we could go to a jury, in which it was not evenly divided between two contending forces, if in fact they were going to be identified one way or the other.

They have nominations going through in the other body with respect to the chief law enforcement officer of the Nation. And what have we heard? We have heard that not only should you be fair and even-minded, but you should have every appearance of being fair and even-minded.

And when you go to a question of the Constitution as to whether one person ought to be seated or another, it seems to me we ought to take the extra step in this House to not only be fair, as we believe we are going to be, but to avoid every appearance of bias or unfairness.

And if someone can show me why allowing a committee in this House which deals with ethics requiring it to be evenly divided because it is not a partisan matter but on a question of whether we are going to seat one person or another we do not do the same thing, why we make that distinction, I think the American people would be very happy to learn about it.

But the fact of the matter is, the appearance of fairness is not there, unfortunately, because of the makeup of a particular task force, because of the makeup of the committee itself. That committee, I believe, is not one of the committees that shares the absolute ratio in the House to which we are supposed to be accorded.

Ms. OAKAR. Will the gentleman yield to me so that I can——

Mr. LUNGREN. If the gentleman will continue to yield to me——

Mr. GINGRICH. I yield to the gentleman from California.

Ms. OAKAR. Will the gentleman yield to me?

Mr. GINGRICH. Let me yield to the gentleman first.

Mr. LUNGREN. The gentlewoman has spoken for some time.

Ms. OAKAR. Fine.

Mr. LUNGREN. Let me just say this: I happen to be a member of the Judiciary Committee.

The SPEAKER pro tempore. The gentleman from Georgia has the floor.

Mr. GINGRICH. I yield to the gentleman from California.

Mr. LUNGREN. At this particular time we have not organized. Why? Because we have been denied appropriate representation on the subcommittees. One of the subcommittees involved is the Subcommittee on Civil and Constitutional Rights, the subcommittee that is supposed to be concerned with fairness, the subcommittee that is supposed to be concerned with constitutional rights, the subcommittee that is supposed to be concerned with constitutional amendments.

We have been denied our representation on that. Why? Presumably because one vote makes a difference. They are not allowing us to have a 3-to-2 ratio. Rather, we are given, or we are at least accorded the opportunity to have a 5-to-3 ratio. Why? Because one vote evidently means a great deal to the Democratic side when that is in contest.

Now, I do not understand the argument that one vote does not make a difference in respect to this particular contest. There has been a lot of discussion here about how rules were not followed. There is no allegation whatsoever that stands up with respect to the fact that the State of Indiana did not follow the laws at hand. The only time Mr. McCloskey supposedly was ahead was when there was a miscount, a miscount that was finally admitted, and the miscount was redone by the mandate of a judge who happens to be a Democrat.

And Mr. McCloskey has not been the winner under any standard. He has never been certified. And certification is the standard in this House. It always has been the standard in this House. If what we are going to do is to change certification now, we ought to acknowledge it, we ought to talk about the fact that we are going to change the concept of the sovereignty of the States to determine those matters and go to the House of Representatives.

Now, some people can sit there and smile about this because they think it

is not serious. But those of us who were involved in very close elections, we have four Members on our side of the aisle who were elected with smaller margins than the recount shows that Mr. McIntyre has been elected. Now, if you think it is a matter that the majority is just going to decide on a partisan basis every year, then what happens to representation in this House? What happens to my constituents if I happen to have a close vote, when they can come in here and have their vote taken away because we decide we are going to change every precedent that we have had in the House of Representatives since we have had these contests?

There is no assurity of any Member that he or she will be seated when elected by the people if in fact we continue with the way this House is operating at the present time. The standard in the House has been if there is a certification, that person is seated. If there is a contest—and I understand there are contests in two other cases—the person with the certification is seated.

I wish we would have heard all of the tremendous words of concern with respect to Mr. HENDON's case in the last election, not this one, the previous Congress, where the Federal court said there was evidence of fraud but that they would just have to wait until the next election took place. Mr. HENDON was the incumbent at that time, and he was not given the opportunity here. We would not have asked that he be seated rather than the other individual, but at least a contest should have seriously been considered.

The point of fact is, under the precedents of the House, Mr. McIntyre should have been seated. There is only one certification that has been given to Mr. McIntyre. There have been two official vote tallies. In both cases, Mr. McIntyre has been elected.

We can talk about all of the other things we want to talk about, but if what we are going to do is to come into this House and say, "Forget about those rules that have been established in another State, forget about the fact that those rules have been established for a purpose, that is, to get rid of fraud, to make sure that not only the intent is carried out but the intent is carried out in a fair fashion," then, frankly, all the laws of all the States with respect to how we are trying to get rid of fraud and abuse that has taken place in electoral contests around the country are just going to be out the window.

I thank the gentleman for yielding, because this is a serious matter; it ought to be discussed on the floor on a regular basis. In fact, without casting any aspersions on anybody who sits on the House Administration Committee or anybody on the task force, the question is the appearance, the appearance of fairness. We required that standard of our judges, we required that standard of the top law enforcement official of the country. That is what was being discussed in the other body recently. It is something that really goes to the essence of the justice system. And in this case, that is what we are really talking about. It ought not to have partisan overtones is the only point that I would like to make and repeat in this discussion.

I thank the gentleman from Georgia for yielding.

Ms. OAKAR. Will the gentleman yield?

Mr. GINGRICH. If I can just make a point for a moment, I will yield to the gentlewoman.

The point here is not the personal integrity of any individual Member. The point is the structural integrity. And for the life of me I cannot quite believe that the gentlewoman would mean to suggest that 2 to 1 strikes the average American as fair. I think the average American would automatically say to you that, on a matter that should be nonpartisan, it ought to be 2 to 2 or 3 to 3, but 2 to 1 is by definition stacked in one favor or another.

Now, let me also cite a Democratic Member of Congress who spoke on the 7th of February, who said:

> The only position I am taking here today is that we, in my opinion, do not have the right to refuse to seat Mr. McIntyre. He has been certified. He has been certified twice by the Secretary of State as the winner.

And let me read to the gentlewoman just a brief moment from Mr. FRENZEL, because it was Mr. FRENZEL's speech that really convinced me that this was a serious matter and that the integrity of the House and the integrity of the of the institution, not of any individual Member, was what was at stake. Mr. FRENZEL said:

> First, let us talk about the 5,000 invalidated votes that Republicans stole; 96 percent of the unvalidated votes in the recount were done by a recount commission appointed with 2 to 1 Democrats, by a Democrat judge—hardly a Republican shenanigan.
>
> With respect to the allegation . . . . that there are different rules, of course there are different rules. If the gentleman knew . . . . State law, he would know they have rules for paper ballots, punch cards, and machines. Six counties were on punch cards, six were on machines, and three on paper ballots. Of course they were different.
>
> With respect to the disenfranchisement of black voters, the judge, the Democrat judge, instructed the 2 to 1 recount commissioners on Indiana law and on the Supreme Court decisions which related to it.
>
> Punch cards, when they do not have anything on them other than a punch, in Indiana, have got to be thrown out. That law was followed scrupulously.
>
> Finally, let me say that all these items are smoke being blown over the problem by the McCloskey forces. McIntyre has no burden of proof; he won. McCloskey has the burden of proof; he lost the election. He lost in District Court, and he lost the recount. The only way McCloskey can win is if he confuses his cronies so that they violate the laws of the United States and the State of Indiana and vote him into the Congress.

□ 1400

Here is what he says that I think the gentlewoman should consider because the gentleman from Minnesota [Mr. FRENZEL] is not considered a bomb-thrower or a hothead; he is a very distinguished senior member of the Ways and Means Committee and the ranking Republican on House Administration, Mr. FRENZEL says:

> This is not a procedural vote; it is not a vote on the integrity of any committee. It is not the usual political squabble. It is not just Democrats picking on Republicans, so the suppressed minority will not get uppity. This is a blockbuster vote. This is murder. This is a rape of a system. The issue is the ultimate abuse of representative government.

Now, I think that if that gentleman honestly and deeply believes that, and he does, and I have talked to him since it, if in fact we, on our side, overwhelmingly believe that, then the question I would pose to the gentlewoman is: How can you seriously suggest that 2 to 1 is fair? Not that the chairwoman is necessarily personally unfair, but that the very structure is unfair. How can you suggest that this is a minor issue about which one should quit speaking simply because in one particular day, on a procedural vote, the side which honestly believes it represents the constitutionally correct thing happened to lose?

I yield to the gentlewoman.

Ms. OAKAR. I thank the gentleman for yielding.

I did ask the gentleman a question which he has not answered, and that is: I asked if you could name one time when the House Administration Committee, relative to its task force, has not been fair with respect to elections. The gentleman has not answered that.

Second, I want to point out to the gentleman something very interesting. Of course, this is the first time, I think, that anyone has questioned the veracity of that committee, and I think that is what it goes down to. If you look in the RECORD the day the gentleman was not able to be here, you will see that Mr. CLAY, who is on the task force, did not vote and decided to abstain on the basis of the fact that he was on the task force. The chairman of the Task Force on Elections happens to be Congressman PANETTA of California. He elected to vote "present," and the gentleman on the other side who is on the task force, on the other side of the aisle, chose to take a stand on the issue.

If you will permit, I just want to quote from the Indiana editorial. It says:

> The House has some jusification for being skeptical of Indiana's ability to declare a winner in this close congressional race.

During the recount, thousands of ballots were tossed out on the basis of technicalities. Furthermore, differing standards were used for determining which ballots to accept or reject throughout the district.

Now this was written February 11, 1985. All we are saying is the House Administration Committee has been able to transcend partisan politics. It has been eminently fair. Nobody questioned the ratio when I chaired a task force and ruled in favor of the Republicans. But now you are questioning before they have a chance to come to this body with its recommendation. You are questioning the makeup of that committee, and I, as a member, I was not here to speak on this topic, but just being a member of that committee, having had that responsibility, I really feel it is important that I defend the integrity of that committee.

It has never been unfair; you people know it. You serve on that committee, and I know you will make sure that it is fair.

Mr. GINGRICH. The gentlewoman is suggesting that the committee Wayne Hays used to chair, the committe which was at one time considered an extraordinarly powerful committee that was very deliberately used by its chairman—that that committee has never, you did not mean in the history of the Congress; you meant in the history of your personal experience?

I yield to the gentlewoman.

Ms. OAKAR. I meant in the history of ruling on elections. I was very specific about that. You can bring in any innuendo you want, but you people did not question my recommendation or the fact that the majority of Democrats on that committee, every single one of them down the line, accepted the recommendation of the Chair, which happened in that case to be myself, to rule as lately as last year, to rule on that subject.

To suggest to the American people that that committee is not fair——

Mr. GINGRICH. Mr. Speaker, I reclaim my time.

The SPEAKER pro tempore. The gentleman from Georgia declines to yield.

Mr. GINGRICH. I would like to say before I yield to the gentleman from California that last year we were not dealing with a Democratic Party which has refused to seat a Member of this Congress who won an election, won the recount, and had been certified. In the last year, we were in a very different situation than the current kind of blatant partisanship which is, I think, unprecedented.

I yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman.

You know, this House has faced these questions before. In following the Chambers versus Roush case, a statute was enacted which is to take care of things like this. That statute is the Federal Election Contest Act, which Mr. McCloskey had every right, if he felt that he should contest this, to apply under. He failed to do so. In many other court situations, that would be called a "failure to exhaust his remedies."

The remedies at hand are that, under that procedure the certified winner, the prima facia winner, would be seated and then a contest would ensue under the laws that have already been established. Now, the extraordinary thing here is there has been an avoidance of the very law that was set up to take care of this thing, presumably because under the laws that have been established in the past, one is to take one's seat first, and then the contest proceeds. Because there has been a distinction drawn in the statute between the prima facia winner and the final winner. Or a prima facia right to be seated and a final right to be seated.

Now the extraordinary thing is that we have a procedure, a legal procedure that was well thought out; that was enforced in law, and yet Mr. McCloskey, for whatever reason, decided not to avail himself of that. Because he did not avail himself of that, we have this situation now, and instead of resolving doubt in the way the statute suggests, instead of proceeding in the way we proceeded for 82 out of 83 contests in the history of this House, the only exception being in the case where there were 2 certified winners, we throw all that out and we begin anew, and the gentlewoman wonders why some have some questions about it.

No one is impugning any integrity here; the gentlewoman got up and suggested that one Member on her side of the aisle voted "present," one failed to vote, and a Member on our side of the aisle voted one way or the other. I do not know whether that is meant to impugn the Republican Members' position on this, but the lady brought up the question.

The whole point is whether in fact, when we have an extraordinary proceeding that goes outside the bounds of the Federal Election Contest Act, we ought not to then have an extraordinary scrupulousness with respect to fairness so that the appearances of fairness are there as well.

Now, I understand the gentlewoman, being a Member of the party of the majority may not have the sense of the concern the minority might have for having this go to a task force that is made up 2-to-1 of the majority party, and then go to a full committee that does not even represent the proper ratio of this House. Out of all the committees of the House, it is one of three, I believe, that does not have proper representation.

If the gentlewoman feels that somehow we are being overwrought with concern when we have to go to two forums in which the representation is not equal on a non-partisan question, or what should be a nonpartisan question, then perhaps I cannot help the gentlewoman with the problem. But in point of fact, that is a concern that we do have.

Mr. GINGRICH. I only have about 4 minutes; let me make two comments then I will yield briefly to the gentlewoman.

First of all, I used to teach courses in which we tried to examine the psychology of slavery. One of the problems you always had was that masters always thought slaves were happy and slaves always thought they were supposed to be quiet, and it always came as a great shock to the masters to discover that the slaves had not been all that happy.

Now you have two Republicans here saying to you that we think 2-to-1, two Democrats and one Republican, probably is not fair by the very structure of it. That is not to say that the chairwoman is unfair; it is not to say that there is any deliberate attempt to be biased or nasty; it is to say to you that by definition 2-to-1 cannot be even. Two-to-one cannot be fair by definition. Two-to-one automatically means that the two Democrats are automatically setting up the procedures, and the Republican is at best being pleasant and diplomatic and conciliatory in getting the best deal they can.

Now if the gentlewoman seriously believes that if everybody who is on the side of the one is reporting that being outnumbered 2-to-1 is not fair, that everybody who gets to be chairman and chairwoman thinks it is fair, if the gentlewoman cannot quite understand the direct parallel between slave-master psychology and that problem——

Mr. COLEMAN of Texas. Will the gentleman yield for just one quick question?

Mr. GINGRICH. Certainly.

Mr. COLEMAN of Texas. The gentleman seems to be extremely certain about numbers in his last statement, and you also are extremely certain that a Mr. McIntyre won the seat.

Mr. GINGRICH. I did not say that; I said it is very clear that Mr. McIntyre has been certified, and under Indiana law, won the vote and the recount and therefore, has the presumption of being seated while the task force has its hearings.

□ 1410

Mr. COLEMAN of Texas. But you do not know by how many votes. You do not know the number of votes by which he won, do you?

Mr. GINGRICH. I think, in fact, he won by 34 and 418.

Mr. COLEMAN of Texas. Which one is it, 34 or 418? Also, on the night of the election, McCloskey won by 72 votes.

Mr. GINGRICH. Wait a second.

Mr. COLEMAN of Texas. I keep questioning how it is that you all are so absolutely certain that that is the case.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. Mr. Speaker, may I reclaim my time?

The SPEAKER pro tempore. The gentleman from Georgia [Mr. GINGRICH] has the time.

Mr. GINGRICH. Mr. Speaker, let me say flatly that that is clearly incorrect, and anybody who looks at the case knows it is incorrect, because on election night two precincts were double-counted, and everybody knows that.

Mr. COLEMAN of Texas. Let me just ask the gentleman a question.

Mr. GINGRICH. No. Let me furthermore make the assertion, because I am about to run out of time and the gentleman may take his own time if he would like, but let me just make the assertion quite clearly that there are many districts and many races in American history that are very close in which one does not know precisely.

Mr. COLEMAN of Texas. So we recount them.

Mr. GINGRICH. But historically we recount them after seating the certified winner, and if the person who holds the certificate then loses, they step aside. In the most famous case in 1937, it took 18 months.

Mr. Speaker, in closing let me ask the gentlewoman this question:

I think, and I do not want to mention any names today, I think I can find some Republicans willing to assert formally on the floor of cases of unfairness in House Administration. If they do that, are you willing on the next vote to switch your vote and seat McIntyre?

Ms. OAKAR. I am not willing to switch my vote to seat McIntyre because I personally think——

Mr. GINGRICH. Then we have no real point in this dialog.

Ms. OAKAR. Let me finish. You asked me a question.

Mr. GINGRICH. I asked you and you answered my question, which is, you will not switch your vote. So in fact the evidence is——

Ms. OAKAR. I can guarantee one thing: I will be here to vote, unlike the gentleman from Georgia, who decided not to be here when there was a critical vote.

Mr. GINGRICH. I think, given the size of the majority you have——

Ms. OAKAR. But I do want to go back to——

Mr. GINGRICH. No. I reclaim my time, since I am about out. But I will be glad to come back tomorrow, if the gentlewoman would like, and share some time.

Mr. Speaker, let me just say in closing that it should be illustrative to Members of this House and the people who are watching that, in fact, those on the Republican side who are in the minority on these committees are saying very specifically that 2-to-1 is not fair, is not unbiased, is not impartial by the very nature of it, and we are saying specifically, and I put it in the RECORD today, the Atlanta Journal Constitution and the Wall Street Journal editorials that say McIntyre should be seated.

Every precedent calls for McIntyre to be seated, and there are 500,000 people in Indiana who today do not have a Representative.

THE FOUR CRUCIAL VOTES ON THE MX MISSILE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, the American people today are looking forward to the date of March 12 when the arms control negotiations are to be begun in the great city of Geneva. I think all of us are looking forward to that event with a great deal of optimism, and here in the House of Representatives and, I understand, also in the other body, the presiding officers have named a very large number of congressional observers.

The SPEAKER pro tempore. The gentleman should not refer to proceedings in the other body.

Mr. STRATTON. I apologize, Mr. Speaker.

There have been a large number of observers named in the Congress who will be in Geneva on the 12th of March with the enthusiasm that has been generated, and where events in recent days have seemed to indicate that these negotiations are going to be going ahead with more success than we have had in any certainly in the past 10 years.

I think all of us in this Chamber were very much impressed the other day when the Prime Minister of the United Kingdom lent her support to the strategic defense initiative, which certainly, from what the press has indicated, added to the support on our side of the ocean.

But there is one thing that I think a number of people perhaps are not aware of, and that is that there is one very serious political time bomb that could impair and very possibly even terminate the Geneva arms negotiations before they had ever begun, and that is the arrangement that was made in the military Defense Authorization Act of 1985 in which the money for the purchase of MX missiles in the amount of $2½ billion was fenced in by one of the most unusual and unique arrangements that I have ever seen in the 26 years that I have had the privilege of serving in this body.

That was an arrangement that indicated that no money could be provided for the MX unless and until early in the month of March there would be some four votes in the House and in the other body to unfence that particular money. This means that there would have to be one vote in the House to authorize the money; there would have to be another vote in the House to appropriate the money. Both of these would have to be affirmative votes, with a majority of "ayes."

There would have to be a vote in the Senate to authorize the money, and a second vote in the Senate, also successful, to appropriate the funds in the amount of $2½ billion.

This is a very unusual arrangement, because it means that if any one of those four votes is a negative vote, the MX missile will go down the drain and very likely with it will go the end of the negotiations that are designed to be opened in Geneva on the 14th of March.

Exactly when those votes are going to be taken will be up to the President, who must make the request, and then to the leadership in both this body and in the both body. My understanding is that the Speaker's intention is to get the vote very early in the month of March, which will of course mean before the end of this particular week.

I think there has been in the last several years a very substantial battle over the MX missile.

□ 1420

The House a couple of years ago voted by a slim margin to approve the MX missile, and then in 1984 we cast two votes, one which would have approved the missile by a single vote and another which deleted the missile by a single vote.

There have been a number of Members who have risen in this chamber and even in the Committee on Armed Services to excoriate the MX as a waste of money and pouring money down a rathole and who have felt that it was a waste of funds. But I would point out to those who have traditionally been opposed to the MX missile, as many of them have also been opposed to other aspects of our defense establishment, that the Soviet Union has in its own arsenal at this particular time 800 MX-type missiles. These are the hard-target missiles. These are the missiles that can destroy other missiles in their silos. And here in the United States, as we like to project a capability in terms of military achievements certainly at least as good as the Soviets', if not superior, we do not yet

have a single-hard-target missile in our entire inventory.

Judging from some of the votes that have been recorded over the last 2 years that I have referred to, I think it is fair to say that the Democratic Members of this body and the other body have been in the majority of those who were opposed to the MX missile. However, it would seem to me that those who take this as a party position are perhaps foregetting recent history, because the MX missile was not developed by the Reagan administration; the MX missile was developed by the Carter administration. It is clearly and obviously and specifically and historically a Democratic missile. In fact, the Armed Services Committee and the subcommittee that I had the honor of chairing produced a study that indicated that with the capabilities in terms of explosive power and accuracy that the Soviet Union had—and this was back in 1977—the Soviet Union had the capability of wiping out some 90 percent of the land-based missiles in our own arsenal, the Minuteman III. That was because the Minuteman III silos' hardness had no match with the Soviet Union's and also because of the improved accuracy and the greater explosive power of the Soviet missiles.

That study was submitted to the Secretary of Defense, Secretary Brown, in 1977, and Harold Brown pooh-poohed it for a while. Then after additional developments in the Soviet Union and after additional analyses of the material that was provided to our committee, the Secretary of Defense, Secretary Brown, acknowledged that there was in fact a capability on the part of the Soviet Union to be able to wipe out our main nuclear deterrent, the Minuteman III missile, and still leave the Soviets with the capability of a response, even were we to retaliate with our submarine-launched missiles.

So I think we need to realize that Mr. Carter recognized what was indeed a very serious difference between ourselves and the Soviet Union when it came to missile capabilities. In fact, the new President, who had indicated his own concern with respect to arms control, had sent his newly-named Secretary of State, Mr. Cyrus Vance, to the Soviet Union with his first proposal for some kind of agreement in connection with defense. What President Carter instructed Secretary Vance to do was to propose to the Soviet Union that they should give up the SS-18 and the SS-19, which are their most dangerous, most explosive, and most capable missiles, many of them far more explosive and far more accurate and with greater throw-weight than anything we had in our arsenal. Mr. Carter had Secretary Vance tell the Soviets that if they would eliminate the SS-18's and SS-19's or even cut them back, recognizing, as President Carter did, that it was these enormous, elephantine missiles that posed the greatest danger to us, we would not proceed with our effort to try to build a more serious and more effective missile than the one that we still have, the Minuteman III—and we even have some Minuteman II's that go back to the administration of President Kennedy.

And what did the Russians do? They laughed Secretary Vance out of Moscow. They said, "How do you expect us, with all of the efforts that we put into building these missiles to protect our turf, to then destroy them just because you say you are not going to go ahead with a similar missile?" And the Secretary of State came back from Moscow almost unnerved by that kind of treatment that was accorded to the senior member of the new Carter Cabinet.

So when this information was digested, the Secretary of Defense, Mr. Brown, decided that, yes, it was time to begin to find some kind of a weapon that will match the enormous weapons of the Soviet Union and that would provide a genuine measure of deterrence, not only in terms of their throw-weight but also in terms of their accuracy. And that was the MX missile.

So it would seem to me that the Members of this body would not want to be responsible for voting down this particular missile which was developed by the previous Democratic administration at a time when the Democratic Party would then be charged with having wrecked the negotiations in Geneva even before they got started. In fact, it seems to me that at this particular stage we ought to begin to recognize that if we are going to get any kind of agreement, any kind of agreement on arms control, between these two countries that will put an end to the so-called arms race, we ought not to have this be a partisan matter; it ought to be a bipartisan agreement.

□ 1430

We have also, I think, those who for one reason for another seem to enshrine the MX missile as one of the more dangerous pieces of artillery, that it is actually a part and parcel of another rather remarkable arms control arrangement and that is the agreement to build at the same time that we build the MX missile that we also build the so-called Midgetman missile, which would not have the 10 warheads that the MX has, but would have a single warhead, but it would be protected because of its ability to be mobile. As it is moved around, obviously from place to place, it would be much more difficult for any enemy to determine exactly where it is.

One other thing that I think we should recognize is that if anybody has been paying attention, we remember and recognize what it is that the Soviet Union respects is strength and wherever they see weakness, they give it no respect at all. We have seen this demonstrated in just recent months as the Soviet leadership walked out of the INF negotiations last year, not only the INF negotiations, but also the START negotiations and vowed they would not come back to those negotiations unless and until we had taken out the Pershings and the ground launched cruise missiles that we had put into place at the request of our European allies for their protection.

That was a posture that went on for a number of months and then when the strategic defense initiative, the so-called Star Wars proposal by the administration was unveiled, the Soviet Union finally recognized that in this particular field we were ahead of them and they wanted to make certain that they were not coming in as second best. They saw the strength of our position and just as Mrs. Thatcher indicated from this podium just the other day, it was not their beneficent attitude toward the United States that brought them back to the table, it was the buildup that had been represented by the development of not only the strategic defense initiative, but other increases that the Reagan administration has been making in terms of building up our strength in an effort to close the gap, the rather dangerous gap between ourselves and the Soviet Union as far as our own protection was concerned.

We are told that perhaps what we ought to do is exercise restraint, but that has never proved satisfactory. It was Mr. Brown himself, Secretary Brown, the Defense Secretary in the Carter administration, who propounded the very significant proof that when we build, the Soviet Union builds. When we do not build, the Soviet Union continues to build.

We saw back in the early days of the Carter administration that our restraint when we voluntarily at the request of the President gave up the B-1 bomber, we got from the Soviet Union absolutely nothing in return.

We also recognize in the Carter administration the enhanced radiation weapon, which has been dubbed the neutron bomb, was also given up. We declined to provide it to our allies where it would in fact be an extremely effective weapon to defend ourselves against a Soviet invasion of Western Europe. We got nothing in return for yielding that particular development.

So I think it is fairly obvious that we are not going to be in a position to exercise any further restraint, but clearly of a week before the negotiations open in Geneva, the negotiations that the Soviets have been forced to come

back to because of the military posture that we have been achieving in the last 4 or 5 years, the most tragic thing of all would be if the Congress of the United States by one vote in the House of Representatives, one negative vote in the Senate of the United States, we were to reject the MX missile, we would have brought to a screeching halt the most promising arms negotiation opportunities in a decade. I do not see how we can possibly do that, but I think it is important to remind our colleagues in this body and in the other body just what it is that is at stake. It is negotiating opportunities more than anything else because of the strength of this missile that would begin to match the one that they have in such extensive quantities.

For that reason I intend, with the help of my colleagues to utilize as much as possible between now and the first of March these opportunities in terms of special orders to present the facts with regard to this situation, which certainly nobody wants to bring about, but which could be brought about carelessly if one simply relied on the old prejudices of a year ago or two years ago that would lead to a negative vote, that we would regret for many, many decades into the future.

Mr. DANIEL. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to my distinguished colleague, the gentleman from Virginia.

Mr. DANIEL. Mr. Speaker, I thank my colleague for yielding, and want to express appreciation to the gentleman from New York who has brought this matter to the attention of the House and the Members. It is gratifying that he intends to talk further on this subject and to have others do likewise.

Let me underscore just one or two points that the gentleman made, if I may. First of all, he talked about the strength of the Soviet Union. The Soviet Union is not an economic power. It is not a political power, but it is an awesome military power and it represents military strength.

The reason, in the judgment of this Member, that the Soviets are at the bargaining table today, in addition to those things the gentleman mentioned, is that they read the polls, they read the vote last fall, and it is very encouraging to me that the new chairman of the Democratic Party in his maiden address following his election indicated that he did not wish for the Democratic Party to be considered as "soft on defense." In that context, it seems to me that if we permit this upcoming vote to fail, it might very well be assumed by the American people that those who vote that way are "soft on defense."

In the judgment of this Member, this is the best opportunity that we have ever had to get an agreement.

□ 1440

Everyone that I have talked with who has been actively involved in the preparations for these talks has said to me there is a difference this time. There is a difference this time. We believe that they really do want an agreement.

They are not going to be very anxious for that agreement if we commence now to unilaterally disarm. So I hope very much that the advice of the gentleman from New York [Mr. STRATTON] will be taken, that we will have an affirmative vote when the matter is brought before the House, that we will have an agreement in Geneva.

I believe that is the wish of the vast majority of the people not only of the United States but in the world.

I thank the gentleman for yielding and again for his willingness to devote his time and energies to get this message out to the American people and particularly to the Members of this congress.

Mr. STRATTON. I want to thank the gentleman from Virginia, certainly an outstanding Member of this body and a very effective and capable member of the House Armed Services Committee. I share his views certainly that this is the will not only of the American people but of peace loving peoples around the world that we conclude a satisfactory agreement that will hopefully bring an end to nuclear weapons.

But a single mistaken vote when this series of four comes along could wipe out, as the gentleman has already said, certainly our best opportunity in a long, long time.

I expect to try to get special orders for the remainder of the week, and a number of Members on both the Democratic side of the aisle and the Republican side of the aisle have expressed their desires to join in so that I think by March 1, and well before March 12 we will have a clear-cut indication that the American Congress, regardless of what it may have done in the last 2 years, recognizes that we must ensure the survival of the MX if we want to move on to even more effective arms agreements.

I yield back the balance of my time.

FARM CRISIS

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Minnesota [Mr. PENNY] is recognized for 60 minutes.

Mr. PENNY. Mr. Speaker, the farm crisis in rural America deepens. An estimated 240,000 family farmers are in financial distress. Unless steps are taken to bring interest rates down, improve our markets and bring commodity prices up, many of these farmers will fail.

We simply cannot allow that to happen.

According to Prof. Neal Harl of Iowa State University, the current Farm Credit Program offered by this administration will assist perhaps as many as 60,000 farm families, only 60,000, or one-quarter of the estimated 240,000 troubled farmers in America.

More must be done or we face a collapse of our rural economy.

Later this week the House will consider the Emergency Farm Credit Act. This credit measure would provide loan guarantees to banks in exchange for those banks reducing interest rates on farm loans by 3 to 4 percentage points. It would also allow advance CCC loans at about 9 percent interest on up to one-half of a farmer's expected crop in order to provide spring operating money to those farmers. These advance loans would be secured by the crop in the fall.

It is clear that this credit effort will go much farther than the administration's program in meeting the credit needs of America's farmers.

As a cosponsor of this measure I was heartened by the strong bipartisan support given this bill in the Agriculture Committee. Most farmers and most lenders agree that we need a credit program similar to the one embodied in the Emergency Farm Credit Act. Clearly most members of the Agriculture Committee are in strong support of this measure and I expect most Members of the House will vote for the bill later this week.

We now need the help of this administration and this President to put the credit program in place before it is too late for rural America.

I want to share today a number of letters from good, hard working farmers in Minnesota. If this administration and this President still have doubts that there is a real crisis in agriculture, I hope that they are listening because we need the help of this administration and this President if we are to offer an opportunity for these family farmers to stay on the land.

First, Mr. Speaker, I have a letter from a farmer in the Albert Lea area. It says:

> We in Southern Minnesota need some serious help in agriculture. The credit bill would give help to get the crops in the ground this year. We need the interest break along with keeping our balance reasonable at the local bank. I am a young farmer trying to stay in agriculture. We feel the farmers' problems were not all caused by farmers.

I have a letter from a farmer from Comfrey, MN:

> I am writing in regard to the farm economy. The high interest rates and low commodity prices are hurting many farmers. We need help in saving our family farms. If something is not done immediately many farmers will be sold out before spring plant-

ing. It isn't only farmers, but also small businesses who are in trouble. I ask for your help in solving this current farm crisis. Please do all you can at the Federal level to help us.

From the Saint Charles community I have a letter from someone who is on the chamber of commerce:

This self-employed individual urges you to do everything you can to help the deserving farmer in their plight for survival. America needs its farmers. Please do whatever you can to help them.

I have a letter from Sauk Centre, MN:

We are writing to you to express our concern about the problems the farmers in our area are facing. Low commodity prices, high borrowing costs, and high operating costs are all coming to force many good farmers into a situation of near failure. We can see a disastrous situation developing Statewide involving not only farmers but small businesses as well. The rural areas need help and soon to keep this situation from getting completely out of hand. We firmly believe this calls for immediate assistance from the Federal Government.

Mr. President, I hope you are listening.

I have a letter as well from Freeborn County. A farmer there writes:

I support the credit program. It provides for some immediate money to plant the 1985 crop. We need this to provide for the last 20 to 30 percent of our loan needs above the bank loans.

Again, this letter is in support of the bill that will be brought before the House later this week.

I have a letter here from Wilmont, MN. The letter reads:

Mr. Stockman tells us that it is the greed that has put farmers into this depression. I cannot understand how an expert economist cannot add two and two in order to figure out that the government deficit and other economic problems are based on the same problems that are putting the squeeze on the farms. Both government and farmers borrow money at ridiculous rates because our government doesn't have control of the money system. Both farmers and government are at the mercy of the government's poor trade policies. The resulting inflation of the dollar has increased the price of what we buy, but not the price of what we sell.

I have a letter from another Freeborn County farmer. It says:

I am in support of the bill that Representative Tom Daschle of South Dakota presented known as the Advance Production Loan Program.

Again, Mr. Speaker, that is the bill that will be brought before the floor on Wednesday of this week. This farmer goes on to write:

I believe the bill offers the most feasible plan to enable the farmer to get his crop planted. I am sure you are aware of the crisis that exists. Timely action is essential to minimize the far-reaching detrimental effects that could occur to not only the farmers but to all those who depend on agriculture. I believe this bill offers us this timely action. Thank you for your concern and your efforts.

I have a letter from Warren, MN, from a family farmer there.

We operate a family farm in the Red River Valley. Our situation is desperate. We need your help as soon as possible. We have been farming for 14 years. My wife and I are 38 years old and have four children, ages three and one-half to eleven years old.

Our problems are as follows: High interest rates, low commodity prices, huge operating expenses and machinery costs. Also weather has been taking a toll on our crops the past three years which we understand is uncontrollable. We need help with interest rates and commodity prices and also a long term, low interest loan for our huge debt. We need a 5 percent interest rate in order to be able to service the debt for producing our crops with the high cost we have and expenses we have in farming. We also need an improved farm program.

□ 1450

Now a letter from a Madison farmer:

I am going to be very honest with you in this letter by telling you how this farming situation is out here. It is really awful now. We have been farming for nearly 20 years now. We bought the family farm of 320 acres and we didn't pay the $800 or the $1,000 an acre for your farm like some of our neighbors did. We have three daughters, all teenagers now; one is college age. We have always had to manage very carefully to make ends meet. We keep the Minnesota Farm Account Book and belong to a farm management program. We farrow more and more hogs every year trying to bring in a little more income. But these days regardless of what we do there is no money to be made out here. We have always been able to meet our basic bills like electricity, telephone, insurance, grocery bills et cetera. Now I have cut way back on groceries and I find myself worried to write out the REA bill which has gone up steadily. Our January bill was $15 more than the same reading would have been in December. Even the school lunch which we have always paid without aid seems terribly high to pay because we just don't know where to turn when our checking account is overdrawn. We have our farm payment coming up now in March which we always paid with our soybean crop. But with the low prices it just isn't there. Our hog checks all go to PCA. With the high interest rates many times the whole check goes for interest, nothing paid on principal. Impossible to get ahead that way. We thought that maybe if we wrote to you and explained our situation you would try to use your influence in Washington to help us out here on the farm. We would appreciate any help you could be to us.

A farmer from Slayton writes:

We the people of rural America are suffering severe financial stress. We implore you to give us the help we so desperately need. Hardworking, honest people are losing their farms, homes and businesses through no fault of their own. It is time that the people who run the government open their eyes and see what is going on out here before it is too late.

We are counting on your help. Please don't let us down.

Mr. President, are you listening to rural America?

A letter here from Minnesota Lake:

The size of my farm is 160 acres, 60 acres of which is slough. Estimation of costs for this coming spring for the chemicals which I use will be approximately $6000. The cost of the seed corn will be approximately $1000.

I currently received $2.34 per bushel on my corn and $5.27 per bushel for the beans. However, several other costs take from any profit I may make. For example, the cost of storage and the cost of drying the corn when harvested. The cost of storage of the grain products at the local elevator is 5 cents a bushel, a total of $210. The cost of drying the corn was $600. The cost of operating the farm in the realm of gasoline, oil and so forth is outstanding. The cost of these things is approximately $2000 per year. The cost of electricity used to maintain the farm is $800. The repairs on my machinery is $5,100, $2000 of which is still outstanding due to the higher interest on the loan. Because prices are so low for the farm products I find it difficult to come up with the money to pay for these outstanding debts. I also raise ten head of beef cattle and approximately 150 hogs. The cost of concentrate is $2,916 per year depending on the number of hogs and the cost of concentrate. The cost of veterinary expenses is $3000 per year. Therefore you can see the importance of my letter. I as a small farmer need lower interest rates on my farm loans. The small farmer needs better prices for the goods which he sells. The present prices for the goods is not enough to pay for the outstanding debts, let alone pay for any living expense. Please take the time to check into this matter. Look closely at the cost of interest and the prices we received. Farmers used to be the bread basket of America. Are they any longer?

A farmer from the Delavan area writes:

Who is going to farm this land when young farmers are put off? Our town used to support three grocery stores. Now one small one is struggling to keep open. Some people go in their cars and go to larger towns and buy groceries. I do too but we also support our home store. Unless farmers get better prices for grain and livestock it will be more closings of businesses.

Now we have to go miles for parts for breakdowns in machinery and that costs the farmer extra money, too. And their interest rates are so far out of line it is ridiculous. No farmer or anyone else can pay them. These young farmers who are willing to work and do work hard should be given more time and a better chance.

A letter from Freeborn County:

I am writing you in regard to our farm crisis which I fear will envelope our entire economy if it is not checked. Although I am a County Farm Bureau president and agree with their basic philosophy and agree that possibly all farmers cannot be saved, the sad truth is there are very few poor farmers or managers out there anymore.

Mr. Block, Mr. Stockman, Mr. Reagan, are you listening, "the fact is there are very few poor farmers or managers out there anymore."

This writer goes on:

And this problem was not caused by farmers buying high priced land. Only a very small percentage of the land has changed hands and little of that has ever or will ever be paid for. Much of that has already gone back. Actually the greed of the vast number of people farming the farmers is a large part of the problem, be it fertilizer, seeds, chemicals, concentrate, machinery, repairs, interests, taxes, buildings, veterinary services, you name it and they are all to blame. About four years ago costs of production ex-

ceeded returns and there is your problem. A large percent of the economy in our country is tied to this expenditure. Five machinery dealers have already gone out in our area since January 1. Farm Bureau policy which is to cut the deficit thus forcing interest rates down plus more exports is great but by that time up to 50 percent of the farmers will be gone and it is hard to promote a poor quality, overpriced product which our exports have become.

Mr. President, this letter tells it all; there are few poor farmers or managers out there anymore. This problem was not caused by farmers simply buying high priced land.

For the last 4 years production costs have exceeded returns. Therein lies the problem.

Now we must get in place a farm program that makes sense for the short term or these farmers will not be there in the long term. This letter says it all.

Are you listening, Mr. President?

From Red Wing, the letter states:

Some farmers are in need of more credit in the short term. However, all farmers need is stable economy with the inflation rate, the tax rate and interest rates held in a state of equilibrium so all the various parts of the United States economy are being treated equally, namely wage earners, businesses and farm borrowers and people with savings. This should result in hard working prudent farm people being able to succeed.

A letter from Janesville:

In a couple of months it will be time to plant our fields. With the low prices for our crops we can't afford to buy seed, fuel for our tractors, pay our taxes and interest is too high. The United States has the cheapest food in the world. The government has helped the auto industry. We can't afford to buy one. The government has helped the auto industry, we can't afford to buy one. They helped New York City and now we need help.

When the farmer gets money for their crops they spend and the little town business is good. Implement dealers are selling machinery and they are all making a living. What are we going to do when our small towns go, when our schools go? We need a fair price and lower interest and lower taxes. The farmer will do his best but we need some help now and with help and with God's help we can make it through.

□ 1500

A family farmer from Madison asks this question:

What corporation or business could remain with a 34 percent increase in interest in just five years? My family farm in 1979 paid $19,000 interest compared to $29,000 in interest in 1984, keeping in mind no increase in income. In fact, a decrease of 8 percent in income from 1979 to 1984.

From St. James the letter writer says:

As a small business owner in St. James, Minnesota, we are feeling the severity of the farm crisis. I have been in business for 9 years. I thought 1983 was terrible, but 1984 was even worse. When a small business as mine shows a lose of $20,000 in one year, things are bad. Something has to be done and soon. The farmers in the surrounding areas support these local towns more than the town people do. So our business depends on farmers. When the farmers are making money we all benefit from it. The farmers have to have better prices for their products. There is not a farmer around that can write a cash flow for these lending institutions with these low prices and high interest rates.

A lawyer in St. James stated that one farm in every section in Watonwan County will go under this year. Many of these farms have been in the family for over 100 years.

These are not poor farmers, poor operators, Mr. President. Let me read that sentence again:

A lawyer in St. James Minnesota states that one farm in every section in Watonwan County will go under this year. Many of these farms have been in the family for over 100 years.

The people are asking for your help. The letter concludes:

The President says the economy is better than ever. Where is he looking? Maybe it is great if you are collecting interest. What about all the small businesses and farmers who have to pay that interest? Don't they count in this country? I talk to people across the country. They do not think it is so great. Who will feed the world when you no longer have the farmers.

That letter from St. James, MN, Mr. President.

Another from St. James:

We are a farming community and it breaks my heart to see my friends lose what they have worked so hard for because of high interest and low commodity prices.

And from Elgin, MN, Mr. President. The letter says:

I have heard about and read about Mr. Block's plan for making our farm products more competitive on the world markets. That is a very nice idea, but how can we sell our products at world market levels when we have to pay United States prices for our machinery, repairs, rent, land, and so forth?

Also other countries are very protective of their own agricultural markets. More than likely they will not allow our products in their countries, no matter what the price.

As you must know the farmers in this country are still in a depression. But this problem is not limited to farmers. Small rural communities are on the verge of economic collapse. If too many farmers go bankrupt, the farm credit system would likely fail due to the inability to collect the face value of these loans.

A farm journal economist said, "Perhaps 40 percent of all farmers would fail by 1988 and these hold over half the $190 billion in private farm debt."

We the farmers are subsidizing the American people with the low prices we receive and the low prices they pay for food. Compared to the rest of the world Americans by far pay the least amount of their income for food. We need help quickly. We need help on all levels to avoid total financial collapse. I read that with every 15 farmers that go out of business, one farm business closes its doors. Just think of the ramifications if only 30 percent of our nation's 1.2 million went broke.

Mr. President, Mr. Stockman, Mr. Block, think of the ramifications, think of the ramifications if we allow these family farmers to go under. It does not stop with the family farm. It is a snowball that rolls right on through our rural communities and into our larger towns and it will jeopardize 20 percent of the gross national product because that is the size of our economy that is based upon agriculture.

A letter from a New Ulm businessman:

I definitely agree with you that we need some form of set-aside acres in order to control production and, at the same time, we need conserving acres to preserve our soil for future generations. In order to do this the farmer needs some incentives which this Administration does not want to provide. I believe that these farm problems began about 10 years ago with the Russian wheat deal under the Nixon Administration. This fence line to fence line farming was the cause of the huge surplus and at the same time is destroying the fertility of our soil.

I hope that we can get back to a basic control and conservation program with some Federal Government incentives.

A Watonwan County business writes:

We represent—

And this is addressed to you, Mr. President—

Dear Mr. President, we represent over 1,000 farm families in southern Minnesota. We are the Board of Directors of a farm business in St. James. We respectfully plead that a sense of urgency be placed on the priorities necessary to lower interest rates dramatically, develop a monetary policy to reduce the value of our U.S. dollar against foreign currencies, and of course, reduction of the federal deficit.

However, the plight of midwest farm families is truly as serious today as in the Great Depression of the thirties. Our farm credit system is in deep trouble. Rural commercial banks are facing serious write downs of assets. Many main street businesses are closing down or filing for bankruptcy. Local farmers need help or many will not be able to get financing to plant the crop. We do not wish to cry wolf when none appears, but seriously, American agriculture and rural communities are not sharing in today's U.S. economic growth. We do not need to have high supports. We need to be allowed to compete in a world market.

Again, Mr. President, this letter was addressed to you and a copy sent to me. What they say needs to be heard.

In their last paragraph when they say ". . . American agriculture and rural communities are not sharing in today's U.S. economic growth," you need to be aware of that. I know in your campaign last fall you promised American farmers that you would not rest until they joined in America's economic recovery. American agriculture has not joined in that recovery and you must be responsive with credit programs in the short term and a better farm policy in the long term so farmers can enjoy that recovery. Listen to what these rural business people and these farmers are saying.

A farmer from the Ellendale area writes:

There are no easy solutions, but we the farmers and the rural communities know that the Congress and the Administration

have great powers and can do something to save the family farm and solve the problems agriculture is facing right now.

Please add my small voice to what I hope is an avalanche of communications to you and others in Washington calling for help now.

Another farmer from Ellendale.

President Reagan's plan for the new farm program would be disastrous for American farmers. His plan to cut price supports and set-aside programs would drive the already low commodity prices even lower.

This plan would probably help exports by having lower grain prices. Farmers are already losing money at current prices. So lower grain prices would force even more farmers out of business. Foreclosures would increase and rural America would slide further into depression. I admit that past government programs have not provided a long-term solution to the problem and have cost a lot of money. But I think President Reagan's plan is a step in the wrong direction.

He concludes by saying:

If we don't do something to help our farmers out of these troubled times, our country is in danger of falling into another depression. A strong America with strong agriculture is much better and in much better shape to help foreign countries than a weak America going through a depression. Why not give these countries some of our surplus grain instead of money. That way both farmers and foreign countries would benefit.

A letter from a Waseca farmer. The letter says:

I don't believe our President realizes how bad things are for the farmer. The interest is way too high and our personal property tax is too high. What we pay to the school district the farmers are keeping the schools going. I average about $19 per acre for our school here in Waseca.

If we had 30 percent acreage reduction and you could sell only 80 bushes per acre and a limit of 30,000 to 50,000 per farmer or else if the government wants cheap food they had better subsidize the farmer or the family farm is on its way out.

I know you are concerned, but if you let the farmer down, the whole economy suffers. Please help.

From a Worthington area farmer.

Times out here on the farm are getting tougher and tougher each year. The two main culprits are lower commodity prices for our crops and high interest costs. With the higher cost of our inputs such as fertilizer, chemicals, seed, fuel and so forth, we are forced to borrow more money each year. It is true that input costs have stabilized in recent months, but we have carried over larger debt loads each year increasing our need for more borrowed money.

□ 1510

This farmer writes:

I have in my possession the signatures of almost 300 small businessmen from the city of Worthington, of which 75 percent can feel the financial pinch we farmers are suffering simply because we don't have any money to spend in town.

Machinery dealers are probably the worst hit, with two of them going bankrupt and selling out, two others with severe financial difficulties, and the other two very uncertain as to what the future holds in store for them.

In the smaller communities of southwestern Minnesota, things are even worse. A large percentage of the farmers haven't got enough borrowing power left to put in a crop for 1985. If current economic conditions continue, 13,000 of Minnesota's 100,000 farmers will be forced out of business over the next two years.

One solution for the improvement of life in America, both rural and urban, is the elimination of the huge Federal deficit. This requires cutting down the wasteful, swollen military budget. A 10 percent shift of the military budget over to the agriculture budget by means of lower interest rates and increased support prices on farm commodities would help preserve the family farms.

The Reagan Administration's proposal to make huge budget cuts in farm programs while essentially protecting defense spending is not only a moral outrage but it raises the real question of whose America we are paying to defend.

You must let the President, fellow U.S. Senators and Representatives know that the slow, painful death of the family farm and of rural America must stop.

That is signed, "A Republican considering joining a different political party."

Mr. President, Mr. Stockman, Mr. Block, are you listening? Rural America needs your help.

A Fillmore County farm family writes:

We have been intending to write you for some time, letting you know our concern on some matters. As you have joined the agriculture emergency group, this might be a good time. There is going to have to be something dramatic done over the short term, either an interest rate buy-down, a moratorium, or a combination of these, plus any other reasonable form of debt relief that can be put together and put into the hands of the farmer very quickly.

If something is not done, there is going to be a magnitude of foreclosures and bankruptcies in the next 30 to 60 days.

You are familiar with our farming operation, as it runs into thousands of acres. For the 1985 crop year, over 50 percent of the land we have rented is owned by the lending institutions, either banks or insurance companies. These are farms they have acquired within the last year. Some banks have already put out feelers to the effect that we take over the farming of various farms they will assume title to on March 1, 1985. We all know this not the long-term solution to the agriculture problem. However, if some of these farmers do not get some quick short-term relief, they won't need any long-term relief because they won't be here.

Do you feel a letter to Mr. Boschwitz and Mr. Durenberger would do any good?

The letter should also be sent to the President, to Mr. Stockman, to Mr. Block. We hope it will do some good.

A farmer from the Waseca area writes:

Please do everything in your power to help us receive a fair price for our farm commodities.

A Mower County farmer writes:

I am writing this letter in regard to the present farm problem. It is a shame that everybody makes a profit in the food industry, including the Chicago Board of Trade, but the lowly farmer has to produce food at a loss.

I am asking you and your fellow Senators and Representatives to stop talking about problems and start doing something, to give us a fair profit instead of a loss. I also would like you to support a farm bill that would support the small farmers instead of Block and all of his big farmer friends.

From the Le Sueur area:

I am writing you to make sure you are aware of some of my feelings about the current farm problem. Yes, we do have problems out here in rural America. Not everyone is in trouble, but many are in very deep trouble. If some of these people in the most trouble don't get help soon, we Americans will have more problems than we have now. If enough farms are sold to enough large corporations, the idea of cheap food will be gone forever. Maybe this is what is going to be, but I sure hope not.

When you are working on some sort of plan of help, remember a few things. Every farm plan that helps the small farm helps the big guy 4 times as much. We didn't make him buy nearly 4 sections, so why should we be asked to help? The large farm does not put more kids in the school system or buy more goods in the local stores or help the small community any more than the small guy. Help save the small guy.

That is from a farmer in Le Sueur County.

From Jasper, MN, a farmer writes with this question?

How can you tell the press and your constituents to apply at a Farmers Home office for a loan when you know there is absolutely no help there?

This gets to the heart of the deficiency of the current farm credit program announced by the administration. They want to funnel that program through local Farmers Home offices, and those offices are so swamped already with their current workload they will not have time to handle it. And that is why Professor Harl, of Iowa State University, has indicated that no more than 50,000 to 60,000 of the 240,000 troubled farmers can get help under the administration program, because the Farmers Home office would have to handle it, and they have a logjam in that office that will make it impossible for them to handle an additional workload.

A bill we will be bringing to the floor later this week allows the approved lender program to get those credit assistance measures into the hands of the local bankers. It allows them to guarantee an exchange for an interest rate reduction for troubled farmers, and by getting the program into the hands of those lenders, we can make it work for a good share of those 240,000 farmers who are in trouble. That is why we need to pass the bill later this week.

Mr. President, Mr. Stockman, Mr. Block, are you listening?

From Dawson, MN, a dairy farmer writes:

A week ago we attended a ground-swell rally on the steps of the State Capitol. I am writing this letter to keep our voice and pleas before you. Solve the farm problem

and the rest will take care of itself. If the farmer would get a fair price for his product, the whole economy would come alive. The President's trickle-down policy doesn't work. Everyone knows that nourishment of a plant comes from the root. Agriculture is the root of our society. As agriculture goes, so goes the nation. Any businessman will tell you they make more money when the farmer gets a good price for his products. One business fails for each 10 average farms what is lost. Three jobs are lost for each farm liquidated. Many tax dollars are lost because farms are losing money and businesses are not profitable. Everyone would benefit from help given to the farm economy. Employment would increase. There would be increased tax revenue from everyone, and therefore taxes would not have to be increased because there would be a broader base. The jobs of 22 million people, one in every five jobs in the United States, depends upon agriculture.

Mr. Stockman, in particular, are you listening to those statistics? You are good at numbers. These numbers add up to an economic disaster in America that has not been experienced before, a disaster as severe, if not more severe, than the Great Depression. Are you listening to these statistics? It is not just a few family farmers. It is our rural communities, it is our entire national economy. These numbers ought to speak loud and clear.

Mr. Block, Mr. Stockman, Mr. Reagan, are you listening to those numbers?

A farmer from Lake Benton writes:

We are wondering if you have any ideas about what we should do. We have farmed for 39 years and at one time had all our debts paid. Now we are so far in debt to the PCA that we don't know where to turn.

Seven years ago we incorporated our farm to try to get our sons started in farming, as that is what they wanted to do when they graduated from high school and college. Four of them want to farm. One has since taken a job teaching vo-ag in a nearby high school. Three of our sons, my husband and myself work for the family corporation. The PCA will not lend us any more money so we don't have our 1984 debts paid, nor do we know how we can farm another year. We don't know what to do. We don't believe that we have overextended. We don't really know where the blame lies. We have tried to sell off 160 acres but no one is buying land, so what are we to do? My husband is not young any more. He is 65. And I am afraid the stress of all of this is slowly killing him. Who do we go to for help?

It does not seem right to tell these 3 boys to move to the cities and look for work. It seems there are a lot of people laid off with no work in the cities, too. We can't seem to find the answers.

Could the government lend the farmers some low-interest money for 3 or 4 years or until we can get over the hump? Then if we could get some decent prices for what we raise, we could get back on our feet and pay off our debts. We have always paid our debts, and we will again if we can get things back under control. We sold—or gave away—200 head of purebred Herefore cows last fall, but after all the sale expense was paid, we had nothing left. Something is terribly wrong, and we can't find any answers. Do you perhaps have some?

And last I want to share three letters. These come from individuals who represent three generations on the family farm in Lamberton, MN.

□ 1520

The first letter:

I am addressing you in concern over low commodity prices, the very high interest rates and the falling land prices in the Midwest. I am 68 years old and remember the Depression and its effects well. I own 480 acres in southwestern Minnesota. After my husband's death in 1977, my son and son-in-law have farmed my land. They both have severe cash flow problems as a result of the previously mentioned conditions. I, too, have to pay interest on debt on my land.

We need your help now for the survivial of farmers and businessmen. I believe the best way is lower interest rates, fair commodity prices, and Government guaranteed loans to farmers. Then we can continue to be the most efficient producers in the world.

From her son and her daughter-in-law:

We are writing in concern over the combination of recent circumstances: Low prices, high interest rates, and now the result is very high agricultural debt. I am 42 years old and my wife and three young sons proudly farm 1,100 acres in southwestern Minnesota. We raise corn, soybeans, cattle, and hogs. I was encouraged by the Federal Government, the State government, and by my lending institutions, all considered experts in their fields of lending professionals, to expand during the 1970's when inflation was running wild and my most productive working capabilities were in my favor.

During the past 10 years, farmers have acquired much net worth. During that period, we were content with a fair income. This past 2 years have been everything in reverse. We have seen falling land prices, falling machinery prices, and very high interest rates. Now we have very low commodity prices to make this a devastating situation.

We need help now to stay alive in farming.

From their children, three young boys, they write:

We are three young boys who are very concerned about the current farm situation. We like to help our parents and know they love us and we all love farming. We raise corn, soybeans, wheat, cattle and hogs on our farm in Southwestern Minnesota. Our dad is 42 years old and very energetic. He was encouraged in the 1970's to expand and his net worth increased and he was content with prices. Now we are in a very serious situation. We have high interest rates, low commodity prices, falling land prices, and cash flow problems. We are hoping for better farm conditions so that when we grow up and pursue further education, we have the option to come home to a family farm.

We are very proud of our dad and all he has accomplished, but all farmers need your help now to maintain a decent standard of living. We are very proud farmers but we need your help now to maintain a decent standard of living on the farm.

They conclude their letter by saying: "We want to keep our farm."

That is the message I want to conclude with today, Mr. Speaker. I want to call on the President one last time: Mr. President, rural America needs your leadership. Help these families keep their farms.

THE LAMENTABLE STATE OF AMERICA

The SPEAKER pro tempore (Mr. PENNY). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, the gentleman from Minnesota well knows our mutual concern, and when in his first term here was kind to comment on a special order that I had sustained in which was really a followup of about 18 years of speaking on the subject matter, and anticipated the lamentable and actually very much avoidable crisis affecting, at this point in very acute shape, the former. But actually, every other element.

It reminds me again of a reference I have made to an English poet, who, I think, at a time when England, in a comparable way, was suffering pretty much the same, except in a more elemental society, when he said:

Ill fares a land to hastening ills of prey, where wealth accumulates and men decay. Princes may flourish and may fade. A breath can make them as the breath has made, but a bold peasantry, their country's pride, when once destroyed can never be supplied.

I say it is lamentable because these are not acts of God, these disasters, they are man created, man caused. So today I rise in continuation of what, from the first year that I came to the Congress, in much more of a happy situation, even though at that time, those involved did not seem to be very happy, but compared to the problems that we have confronted, the major crises: Assassinations of Presidents; national leaders and all, which I have had the experience of living through, and in fact was present even at some of these horrible crimes. Therefore, it is particularly distressing and demoralizing to me to rise today to continue along the lines, that as I say and repeat, I started 22 years, the second year that I actually came to the Congress, and after my assignment to the Banking Committee, where today I am the ranking Member and chairman of the most numerous or the largest subcommittee in the whole Congress: The Subcommittee on Housing and Community Development.

The tragedy is that as no time in these 23½ years that I can recall has a supposed national leader, the President of the United States, directly or indirectly, intentionally or unintentionally, created such chasms, such depths of distinction between classes in our society. He has developed a hatred and dislike for the poor, implied that if they are poor, it is their own fault. For the homeless, when after we held hearings right here in

the Nation's Capital, and the first to speak on what, today, is a very distressing crisis, the President dismissed, 12 days after our hearings here, with the casual remark that anybody in America who was homeless was homeless because of his own fault.

With this kind of callous disregard for elemental consideration of those unfortunate strata at this point, that particular segment of our society has crept up from 25 percent to about 33 percent in just the last year and a half. That is, the poor, the homeless, the dispossessed.

The farm area at this time is in acute distress because of two fundamental causes. One which we discussed over the course of years. It is very simple because it is at the heart of the matter, and which my distinguished colleague who just spoke ahead of me [Mr. PENNY], referred to in the sad and distressing and pathetic letters he has read into the RECORD.

□ 1530

The American people, unlike what so many powerful politicians and men of power, money power, seem to think, are not dumb. They are way smarter than the average one of us collectively, and they know that at the heart of the matter what the cause and the root cause is. But with respect to the farmer specifically, I would like the record to show that since 1964 and 1965, I have been emphasizing, even though my district is 100 percent urban—of course, I am surrounded with rural, farm production and others types of rural activities.

But nevertheless, it was as far back as 1964 and 1965 that I was pointing out that the principal grain companies of our country are not American. They are foreign owned. That means that whatever it is our farmer produces, grain, whether it is corn or wheat or any other, is going to depend on the whims and the caprices and the vagaries and perhaps even ill will of some foreign interest that can be fickle as the price levels that he speculates in are.

The immediate cause is the fact that China, Communist China, has reneged on the deal that the President predicated his speech making last year to the farmers on. I think that when I see this President in action, I shudder because he reminds me of an old saying that the triumphs of a demagog are fleeting, but the ruins are eternal. When I compare this President and the aura surrounding him, and that even our media, supposedly charged with the sacred duty of informing a democratic electorate, that in order to act wisely, must be informed, must be knowledgeable, that I compare him to the Jonestown tragedy where how do you explain 800, 900 Americans in this God-forsaken area killing themselves on the direction of a leader by taking a potion that the leader said, "This is good for you."

I said this is the way we are in America, and I said this 4 years, I do not say it now, because it was obvious to me that any national leader, whether in the Presidency or in the Congress or anywhere else in a position of national leadership who would advocate demagogic schemes, and I define demogogic as the dictionary does, would be a false leader and ultimate a price paid for that false leadership.

We have seen it even in his prime area of responsibility as Commander in Chief, which the Constitution makes him, with the murder of 242 marines in Beirut because of the headstrong, obstinate, obduracy of the Commander in Chief ignoring the solid, unanimous advice of his expert military advisers, the Joint Chiefs of Staff. Who would believe that? Yet nobody holds him accountable. In fact, the electorate gave him a pretty overwhelming vote this last year.

But does election make you right? Does political success make you economically correct? Well, of course not. And this is what I wanted to discuss, because the farm distress is just one symptom that now has boiled to the top because of the immediate reneging of the Communist Chinese Government on its promised deal to purchase 6 million metric tons a year. Last year, they just said, "To the devil with you, America. Why should we be hooked to a deal we made with your President?"

Incidentally, and by way of explanation, the President entered into a yet hitherto undisclosed military deal as part and parcel of the grain deal. The President has created a war psychosis amongst us against Russia, but at least Russia, when it entered into the grain deals, kept its word, purchased the grain as it said it would. The Chinese did not even keep their word after the first year, and the President was able to ballyhoo the supposed prosperity out in the Farm Belt by knowing that it was wholly dependent on that deal. That is the immediate cause. The underlying cause is a little bit more complex. The underlying cause is a little bit more complex, and that, of course, also is an integral part of why we have the Rust Belt in Pittsburgh and in the great industrial production area of our country in which America had been the leader for so long that it was taken for granted. Today it is the Rust Belt.

We not only have been preempted with great, great suffering and unemployment. When I introduced in 1983, 2 years ago exactly this month, the Home Mortgage Emergency Assistance Act, nobody cared. Why? Because at that time those most visibly affected were really invisible nationally. Who cares about the 8 or 9 million unemployed right now? They are not too visible.

It is just like during the Vietnam war, which I recall vividly, as long as it was the poorest of the poor white or minority that was getting drafted? When I raised my voice, and I did so right on the floor of this House in the summer of 1965, and appealed to a friend of mine, the President of the United States, a neighbor back home 55 miles away from my hometown, by saying, "Mr. President, are you aware of the fact that over 45 percent of the men who are apt to be and have been in the area of action in Vietnam are draftees?" Who gave a hoot? Nobody. But when the casualties started coming in, the Generals had to ask for more fresh troops, and that ante was raised to over half a million, and some Reserve components had to be activated, and then some of the sons of the middle, affluent, and upper class started getting draft notices, then you began to see the visibility of the Vietnam war.

The same thing is happening today. Who cares about the 25, now 33 percent, yet invisible element in our society that is unemployed? That is the most devastating thing that can happen to any human being.

Yesterday in my hometown I went over to a line of about a 100 men, women, and for the first time, I saw little children 1, 2, 3 years old, waiting for shelter last night in my hometown. I spoke to each an every one of them. I talked to one very young, relatively young man, a fine looking young man, a fine looking American, but with that haunted look in that man's eyes of hurt, hurt pride, hurt self-esteem, because he came from Pueblo, CO.

□ 1540

Pueblo, CO, had been the main area that I based my Home Loan Mortgage Assistance Emergency Act on 2 years ago because at that time the rate of repossession of homes was going at a hundred a month. I thought it was wrong. I did not think it was right that we should remain in frozen indifference. And we had other pockets in Pennsylvania where the rust began to accumulate into the "Rust Belt," where it still is. We had an incremental repossession foreclosure rate on homes far surpassing in point of numbers the highest ratio in the Depression years, which I recall vividly. I am a Depression child.

But yesterday I cannot describe the feeling I had of helplessness when I talked to this young man. And why does he end up in San Antonio, TX? Because his city of Pueblo is fast becoming what? A ghost town. The great steel mill that everybody depended on is inert at this point, and out of 5,000 workers, 4,000 are out. Two years ago it was 3,000, and the home repossession and foreclosure rate, I repeat, was better than a hundred a month.

How long can a body that is supposedly the representative branch of this country wait? How long shall it take before it becomes aware and not wait until, a point by point, each segment of our society is picked off? Today it is the farmer.

But when some of us tried to bring to the attention of the rest of our colleagues the plight of the urban dweller, nobody cared. Why? Because they are still invisible, but they will not be for long because there are things now that make it obvious for anybody to see, and there is beginning to be a sense of disturbing sentiments because of what now is obvious but which some of us had been pointing to as coming events that cast their shadow before them.

To those of us who knew that we were awesomely, incredibly repeating the follies of post-World War I experiences it was very difficult to relate that to what was happening in our day and time in this last quarter or last half-quarter of the 20th century.

One of the letters my distinguished colleague read spoke about our high interest rates. This has been a subject matter of my discussion since 1962, which was the first year I came to the Congress. Who cared? Interest rates were 6 percent or less. Everybody told me, "Well, what are you so upset about? Why, interest rates would never go much over 6 percent."

Then came the credit crunch of 1966, and I tried in vain to point out that, just like we could not control our own destinies with respect to our chief export, which was agricultural goods, today—as of last year anyway—40 percent of these farmers' products depended on overseas export. That is 40 percent. That is gone.

Why? Because in the meanwhile the other countries have not done to their citizens what we have done to our citizens, for our leaders have sold the American people down the river into economic slavery. They have placed our laborers in competition with every single slave labor in the world—the coolie in China, the peon in the Latin American countries, and the equivalent of the old kulak in the Asian countries—unmercifully, uncaring, as long as their greedy sense of profiteering was satisfied.

We reached the point—and I tried to point this out years ago—that our principal banks were going to go heavily into those areas where the attraction was. Just like after World War I, with 30, 35 percent interest, the yield, the profit was blinding them with greed, because just like after World War I, when our erstwhile allies made their key decision—and that was that they would look after their own after the war was over—it was American credit that fueled the war and won it for our so-called allies, not only in World War I but in World War II.

But today, after 4 years of this administration, our country is a debtor nation for the first time since World War I or before. We are at the mercy of fickle foreign investors who have literally flooded our country.

At this point, Mr. Speaker, under my unanimous-consent request I would like to have the RECORD reflect a portion of an article from the current Foreign Affairs magazine, volume 63, No. 3, page 543. I am including just this one page, as follows:

GUNBOAT ECONOMICS

• • • and some estimates showed that 70 percent of total U.S. production of goods was exposed to international competition. Forty percent of American farmland was devoted to exports. One-sixth of all jobs in the manufacturing sector depended on sales abroad. Half of the after-tax profits of U.S. corporations came from overseas subsidiaries. The nine largest U.S. banks had foreign exposure in the Third World alone of close to 200 percent of their primary capital base.

By last June, borrowing by American companies in the Eurodollar market was running at a rate of $18 billion per year, 13 times the volume of just six years ago. Five years ago only eight percent of America's 1,600 largest pension funds invested in foreign securities, but by the end of 1984 some 28 percent were doing so. Funds from overseas financed 40 percent of our budget deficit. Canadian real estate firms like Olympia and York were reshaping the skylines of Manhattan, Minneapolis and Los Angeles. Nestlé S.A., a Swiss corporation, bought Carnation; Mitsubishi Bank acquired Bancal Tristate, a California bank with assets of $3.9 billion; five of Japan's biggest steelmakers spent over $500 million to buy into their American counterparts. France's Société Generale was financing the water system of Dayton, Ohio, and Japan's Sumitomo Bank was guaranteeing bonds for the University of Virginia.

Underlying the growing interdependence were massive capital movements across borders. The flow of money was now dwarfing the growth of world trade. In 1984, for example, world trade in goods and services was on the order of $2 trillion, while global capital transfers reached $20–$30 trillion. It was not just that global bank lending had grown, or that the international bond markets had more than $200 billion of outstanding issues; now an international stock market had emerged as well.

The internationalization of capital, combined with the diffusion of technology and advances in communications, made it easer for industry to expand globally. During the first Reagan Administration, companies spread their operations in new ways. Most visible was the automobile industry, where General Motors and Toyota formed a joint venture, while Honda, Nissan and Mazda were setting up shop on U.S. shores. In late 1984, Ford announced its "world truck," which would have a European-made cab and a North American-built chassis, be assembled in Brazil, and finally be imported into the United States.

Mr. Speaker, to repeat a portion of the article:

• • • some estimates showed that 70 percent of total U.S. production of goods was exposed to international competition. Forty percent of American farmland was devoted to exports. One-sixth of all jobs in the manufacturing sector depended on sales abroad. Half of the after-tax profits of U.S. corporations came from overseas subsidiaries. The nine largest U.S. banks had foreign exposure in the Third World alone of close to 200 percent of their primary capital base.

And these countries cannot pay back and will not be able to pay back. These are our nine principal banks. If this had happened in a small bank in my district, it would have already been declared bankrupt and in receivership. These are our nine largest banks—200 percent or better over their capitalization structure.

That same thing happened after World War I in the 1920's. It was the identical same thing. The only thing you had then was the German Government's bonds and you had the Japanese Imperial Government's bonds, on which our banks were sending their depositors' proceeds as fast as they could get them to the New York speculators. And of course it is interesting to note that the Japanese Imperial Government's bonds were 20-year bonds maturing in 1941. Of course, that is when we had Pearl Harbor.

I continue my reading of this article, from page 543:

By last June, borrowing by American companies in the Eurodollar market was running at a rate of $18 billion per year, 13 times the volume of just six years ago.

That is $18 billion they borrowed from their Eurodollar market just last year. That is these same banks that are overhung in the countries that are broke and that cannot pay back.

"Five years ago only 8 percent of America's 1,600 largest pension funds invested in foreign securities, but by the end of 1984"—that is just 2 months ago—"some 28 percent were doing so. Funds from overseas financed 40 percent of our budget deficit."

That means that this so-called delusion of Reagan prosperity is only so because it has been financed by foreign investors that can pull that money out tomorrow just as fast as they brought it in here to get the high interest yields. Our country has been flagellating our businessmen and our farmers and every American who needs to have a source of credit with these extortionate highway robbery interest rates.

Who cares? When some of us advocated specific remedies, when it could been done in time, in 1966, we were laughed at.

□ 1550

We were ridiculed. We were called phony baloney money men.

It is the same thing they had done to every man who ever stood up in this Congress in similar circumstances, in similar desperate conditions.

Canadian real estate firms like Olympia and York were reshaping the skylines of Manhattan, Minneapolis, and Los Angeles. Nestle S.A., a Swiss

corporation, bought Carnation; Mitsubishi Bank acquired BanCal Tristate, a California bank, with assets of $3.9 billion.

Yet when we had the Chairman of the Federal Reserve Bank, that is the one before this one, Mr. Arthur Burns, and this one as well when he took office, and I asked them to supply us the figures and the statistics about the foreign capital purchase into our banking system, they not only refused, they said they could not do it.

This is the entity that every American, in fact I would say the majority of my colleagues, think is a Federal agency, the Federal Reserve Board. Well, the only thing it has Federal is just that first word "Federal," but it is a private corporation. It is privately run and the way it has been operating for the last decade and a half, it has been completely controlled by the six largest banks in our country, in all their speculative fever, not unlike, in fact parallels, astoundingly disturbingly, as after World War I. Who cares about that?

"Five of Japan's biggest steelmakers spent over $500 million to buy into their American counterparts."

Does one think that the Japanese investor is going to invest in an American producer in order that the American producer can out-compete him? Of course not. The Japanese philosophy and psychology is, they are still at war, except it is economic.

It is the same thing in Europe. It is folly for us to overlook the history and the reality of today's world, which we insist on doing from President to congresssional leaders.

On the discussions on the budget for the military, every one of those discussions have been predicated on a world that might have existed as late as 1947, but no longer is viable; yet the American people will be taxed for $315 billion and over half of that will be for the so-called defense of a Europe that no longer exists.

There is a brandnew generation in Germany alone on the threshold of power that knows nothing about World War II. We may say our troops are there, 300,000 of them. The British have, oh, about 10,000. The French have a little less than that. But who was pointing out the nature of the partition of Germany? The war has not ended. As a matter of fact, I offer for the RECORD at this point an article appearing in the Christian Science Monitor. It is from Wednesday, February 20, 1985, in the International section on page 9 and it says, "Vogel and Kohl clip off political wings of West Germany party."

Part of that says that the West German legal position remains that final borders can be determined only by a peace treaty settling World War II, but Bonn would expect at a future time "freely legitimized" representative of the entire German people to recognize Polish needs.

In other words, there is strong sentiment resurrected in Germany, and by the way, I offer this article from the Christian Science Monitor as the second of the two exhibits, the first as I say and repeat was the Foreign Affairs article I read from.

[From the Christian Science Monitor, Feb. 20, 1985]

VOGEL AND KOHL CLIP OFF POLITICAL WINGS OF WEST GERMAN PARTIES

(By Elizabeth Pond)

BONN.—Consensus is coalescing once more in West German security and foreign policy.

Opposition parliamentary leader Hans-Jochen Vogel has just nudged his Social Democrats back toward the center with a speech in Brussels Feb. 18 dismissing the notion of neutrality for Germany. And Chancellor Helmut Kohl is moving to integrate hard-line postwar "expellees" from East Prussia into the Christian Democratic moderate mainstream.

Dr. Vogel's point is not new; the Social Democrats never have endorsed neutralism in the past quarter century, and their rejection of new NATO missile deployments in November 1983 was twinned with explicit reaffirmation of their commitment to NATO.

Nonetheless, Vogel's strong repudiation of a "special German road" to neutrality is taken as a rebuff to the few in his party who would attract leftist Green voters by endorsing German withdrawal from the NATO military alliance.

It is also taken as a rebuff to many grassroots activists who produced the party's overwhelming rejection of missile deployment in 1983. Vogel is not diverging from that position. But through his speech to NATO ambassadors he was also stressing to his followers that West Germany's security guarantee depends on the American nuclear umbrella and that this dependence must be appreciated rather than put at risk. Stability in Europe can only be maintained, he stated, when both German states remain firmly within their own alliances.

In reporting Vogel's speech, several conservative West German newspapers treated it as the strongest affirmation yet of Social Democratic adherence to the Atlantic alliance.

Social Democrats dispute this interpretation and say their adherence was never in question.

But Vogel's words do make it clearer, in the words of one moderate Social Democrat, that there should now be "no nonsense with simplistic anti-Americanism" in the party. In an effort to unite the wings of his party in the 1983 election at the peak of the anti-nuclear movement in West Germany, Vogel did encourage ambiguity in his own emphasis on "German interests" in discussing missile deployment.

Even as Vogel has been laboring to move his left wing back toward the center, so Chancellor Kohl has been laboring to shift his right wing back to the center.

After weeks of political circus in which the Silesian Germans laid implicit German claim to what is now western Poland, Kohl finally put an end to such speculation. The deputy majority leader in the Bundestag, Volker Ruhe, made a clear statement that West Germany seeks no revision of borders and views them as having a "binding political effect."

The West German legal position remains that final borders can be determined only by a peace treaty settling World War II, but Bonn would expect a future "freely legitimized" representative of the entire German people to recognize Polish needs in those former German territories that now belong to Poland. To the discomfiture of the older generation of post-World War II expellees from lands that are now Polish, Czech, or Soviet, Kohl personally endorsed Ruhe's statement.

The leaders of the older generation would like to leave the issue as ambiguous as possible in hope of winning future revision of borders—and the Soviet-bloc press has had a field day in citing expelless' statements to this effect as proof of dangerous German "revanchism."

Polls taken in recent weeks disclose that the vast majority of West Germans no longer share this hardline view, however. In an Emnid survey 76 percent thought Germans should accept the present Oder-Neisse line as the German-Polish border.

The pragmatic mainstream of Christian Democrats therefore hopes that the controversy of this past month has served to make it clear that old-fashioned hardline views toward the Slavs have no future here.

In this report of the entire German people to recognize Polish needs in those former German territories that now belong to Poland, but this is the heart of the matter, German reunification. Who speaks of that in our debates? What President has informed the American people that we must put on those spectacles and glasses to see the world as it is, not as we think it ought to be and that if we have had from the beginning the causes of so-called cold war confrontations, they stem from the inability to bring about an understanding after what we said was World War II. Everybody I talk to acts as if World War II was terminated. If it were, we would not have 300,000 of our troops in Germany alone. Obviously we have not obviously now and this is the first time I see any kind of news report that refers to the fact that they are expecting some time to have some kind of a peace treaty for World War II.

Do we not see that it is our children and our grandchildren and our great grandchildren, as I have said with respect to the countries closer to us and with whom we should be a lot more familiar, but we are not. We seem to be equally ignorant, whether it is middle Europe, south of the border, Southeast Asia or the Middle East. We go blithely and ignorantly into the most complex subjects.

But what is the motivating force? The motivating force is the fact that those really controlling the decision-making levels are these high powered entities. For we fight against principalities and great powers of corruption today. In the words of the poet Auden: What can one voice do to undo this folded lie?

Well, this is why we have the representative system in our country, be-

cause in this office we are charged under oath with trying to discharge and it is the only office that you cannot get here through appointment. You have to be elected by the people back home in that district and there is no other way to get here; but no nation, no matter how grandly it has inherited and has been the inheritor of great freedom, every generation has to fight the fight for freedom and liberty. Liberty and democracy is never won permanently. We have to work at it and the worst of slaves are corrupted free men. We have allowed ourselves to become corrupted and, therefore, we are in the process of selling our heritage for a mess of pottage.

Indeed, and in fact, we have, I repeat, been sold down the river by these vast interests whose only allegiance is to money making; the more the better, and never satiated and the history of the world is a clear indication that those voices no matter under what clime, in what country, are insatiable and heedless of the greatest interests of the greatest number.

□ 1600

At this point I include in the RECORD also two articles. The first one appeared in the business section last Thursday, February 21, of the New York Times, and is entitled "Easing by Fed Called at an End." The second one would be from the Washington Post, also Thursday, February 21, last week, and it is headed "Fed Stops Easing Monetary Policy."

The articles referred to follow:

EASING BY FED CALLED AT AN END

(By Robert D. Hershey, Jr.)

WASHINGTON, February 20.—Paul A. Volcker, chairman of the Federal Reserve Board, said today that the Fed had ended the progressively easier credit policy it adopted in the final months of last year, when the economy slowed sharply enough to raise fears of a recession.

Revival of the business expansion, which most Fed officials think will result in healthy "real" growth of 3½ to 4 percent this year, has now prompted the central bank to supply credit "a bit more cautiously," Mr. Volcker told the Senate Committee on Banking, Housing and Urban Affairs in his eagerly awaited semiannual report to Congress on the Fed's monetary policy objectives.

"I would not call that a tightening at this point—but a little more caution," he said.

INTEREST RATES CLIMB

Although Mr. Volcker was confirming what most market operations had suspected in recent weeks, his statement was said to have contributed to a sharp increase in interest rates in the money markets today as bond prices fell.

Prices moved down half a point early in the day as Mr. Volcker testified, then drifted gradually lower and declined sharply in late trading. The bellwether 11¼ percent Treasury bond due in 2015 was offered at 97⅝ late in the day, down 1⅜ points, to yield 11.53 percent.

Mr. Volcker, whose two-hour appearance attracted an overflow audience that was accommodated only by piping the proceedings into a second hearing room, also made these points in a wide-ranging discussion of economic conditions:

The United States is "living on borrowed money and time" because of its heavy reliance on foreign investors to finance its large budget deficits.

The Fed remains committed to fighting inflation, which, though greatly suppressed, is still running at about the 4 percent level that prompted the imposition of wage and price controls in the 1970's.

Government intervention in the currency markets, such as to reduce the international value of the dollar, must be used with great restraint and generally only to supplement market forces.

TARGETS DISCLOSED

And although two Senators pleaded with him today to remain in his post, Mr. Volcker avoided giving any clue about whether he would serve out his full term as chairman, which runs until mid-1987. As he has in the past, Mr. Volcker said he had not made "any commitments, one way or the other."

Mr. Volcker also disclosed that the Fed's 1985 target for the M-1 money supply—the narrowest measure but the one generally regarded as the most important—would be a range of 4 to 7 percent, the same as provisionally announced last July. The actual 1984 growth was 5.2 percent, when the target range was 4 to 8 percent.

However, the central bank, at its Federal Open Market Committee meeting last week, did decide to raise the ceiling of the broader M-2 and M-3 measures by half a point from the tentative July levels.

M-2 is now set to grow 6 to 9 percent, reflecting what Mr. Volcker called "a technical judgment" that is could expand more in line with income growth this year because of somewhat slower growth in velocity, a gauge of how intensely money is used. M-3, which exceeded its target last year, is to grow in a 6 to 9½ percent range in 1985.

BUDGET DEFICIT CUTS URGED

Mr. Volcker took today's appearance as yet another opportunity to press Congress to take action to cut the Federal budget deficit by a minimum of $50 billion in the upcoming fiscal year, preferably through curbs on spending but with tax increases if necessary.

"The Federal Reserve can theoretically run the modern equivalent of the printing press—we can create more money," Mr. Volcker asserted. "But more money is not the same as correcting the gross imbalance between our ability to generate real savings and the demands for those savings posed by housing, by investment and by the Federal deficit.

"To create money beyond that needed to sustain orderly growth would be to invite renewed inflation—damaging incentives to save in the process."

EFFECTS OF A STRONG DOLLAR

Foreign investors have recently been financing half the deficit, Mr. Volcker noted, but the strong dollar that has helped attract this money has the adverse consequence not only of building up debt that must someday be repaid but also of inflicting heavy damage on key sectors of the economy, such as manufacturing and agriculture.

"No doubt bad monetary policy could drive the dollar down—a monetary policy that aroused inflationary expectations, undermined confidence and drove away foreign capital," Mr. Volcker said. "But then, how would we finance our investment and our budget deficit?"

Mr. Volcker, questioned about the current farm credit situation, acknowledged its gravity but said he could envision no policy that could prevent many farmers or rural banks from failing.

FED STOPS EASING MONETARY POLICY

(By John M. Berry)

Federal Reserve Chairman Paul A. Volcker said yesterday that the central bank stopped easing its monetary policy last month, a step that means the five-month slide in short-term interest rates probably is over.

With both the money supply and the economy growing more rapidly than they were last fall, Volcker told the Senate Banking Committee that the easing of policy, which began last August and helped foster a 3-percentage point drop in some rates, was ended to prevent "overshoots" in money growth and possible inflation problems later.

But Volcker also stressed that the Fed has not begun to tighten policy and that it intends to supply enough money and credit in 1985 for the economy to grow at about a 3½ percent to 4 percent pace. That should be fast enough for the civilian unemployment rate—7.4 percent last month—to fall below 7 percent by the fourth quarter of this year, he said.

Nevertheless, some of the technical details in the Fed's semi-annual report to Congress on monetary policy indicated that it anticipates that short-term interest rates probably will rise later this year as the economic expansion continues, analysts said.

Financial market participants took a bearish reading of Volcker's remarks, and both short-term and long-term rates rose moderately during the day.

The Federal Reserve's policy making group, the Federal Open Market Committee, which met last week to review the economic outlook and set official targets for money supply growth for this year, expects the inflation rate also to be in the 3½ percent to 4 percent range, Volcker said. The Fed's inflation projection is slightly more optimistic than that of Reagan administration and the Congressional Budget Office.

The Fed's forecast of 3½ percent to 4 percent growth in the gross national product, adjusted for inflation, falls between the administration's 4 percent forecast and the CBO's 3.4 percent.

"Economic growth is expected to remain strong enough in 1985 to produce some further decline in unemployment, with little, if any, pickup in inflation," Volcker told the Banking Committee. "But we must not be beguiled by those tranquil forecasts into any false sense of comfort that all is well. If the enormous potential of the American economy for growth and stability—not just for 1985 but for the years beyond—is to become reality, we need a sense of urgency, not of relaxation."

The Fed chairman noted that inflation is still "in the neighborhood of 4 percent" and that some sectors of the economy, such as farming, are still in deep trouble. Meanwhile, the nations' trade deficit has risen, and only a large net inflow of foreign capital is keeping some interest rate-sensitive sectors from being "crowded out" of financial markets by borrowing to finance the federal budget deficit.

"Looking ahead," he declared, "the stability of our capital and money markets is now

dependent as never before on the willingness of foreigners to continue to place growing amounts of money in our markets. . . . But we are in a real sense living on borrowed money and time."

Volcker urged Congress to use that time to find ways to reduce prospective federal budget deficits, raising taxes to do so if enough spending cuts cannot be found.

In his report on monetary policy, Volcker said that the Federal Open Market Committee, or FOMC, reaffirmed the tentative target set last July for 1985 growth of the money measure M1 of 4 percent to 7 percent. The target ranges for growth of the broader money measures M2 and M3, both tentatively set at 6 percent to 9 percent, were expanded to 6 percent to 9½ percent, primarily for technical reasons, Volcker testified.

The policy group also decided that, given the recent slower pace of the economic expansion, it would be better to have money growth somewhat faster than that early this year and slower later in the year. In addition, the FOMC concluded that if the relationship between money growth and economic growth behaves as expected this year, it would be appropriate for M1 to remain above the midpoint of the 4 percent to 7 percent range for the entire year.

Some administration officials, such as William A. Niskanen Jr. of the Council of Economic Advisers, have been urging that the Fed adopt precisely that approach for 1985.

Furthermore, Volcker explicitly said that the sharp rise over the last three months in M1—which includes currency in circulation and checking deposits at financial institutions—and M2—a broader measure that also includes savings deposits, most money market mutual fund shares and other items—has not left them too high relative to the Fed's targets.

"As a matter of economics and policy, rather than graphics, the [FOMC] is not disturbed by the present level of M1 and M2 relative to its intentions for the year," he told the Banking Committee. "It contemplates that, as the year progresses, growth will slow consistent with the target ranges."

The "graphics" to which Volcker referred is the practice of both the Fed itself and many financial market analysts of depicting the target range for money growth month-by-month as a cone with its point placed at the money level for the fourth quarter of the previous year, the base from which the growth is calculated. Showing the range this way implies the Fed regards it as much narrower early in the year than later when the cone is much wider.

Volcker said that the Fed did not regard itself as constrained in the fashion implied by these graphics and that the target range could as well be illustrated by a set of parallel lines instead of a cone. His testimony included a chart showing both approaches, as was done at least once in similar testimony several years ago.

Some analysts have regarded the Fed as, in fact, feeling constrained to keep money growth within the implied narrow band early each year. Currently, some of these analysts have been arguing that with money growth above the upper limit of the target range, as depicted by the cone, the Fed would have to reduce the flow of reserves to financial institutions to slow down money growth. Any such action would be accompanied by rising interest rates.

What do those things mean? What does it mean?

Is not Mr. Volcker the Chairman that comes to us in the Banking Committee and says "We don't have any control. Rates of interest are acts of God. We can't control them. What you ought to do is just cut spending; that is the culprit, or the deficit."

But now the most monstrous deficit in the history of any country, and with nothing being done to insure we will not confront it every year for the next decade, does the chairman say there is a tie-in? No.

But what does he say? And the way I interpret what he told us is the same thing the former Chairman did in 1972, for political reasons. The way our policies work today, the way the American people have given up the greatest single power any people could have inherently, which Thomas Jefferson time after time was aroused to speak up, and even Alexander Hamilton, who today would be labeled conservative and all of that stuff, I detest because they are just as inaccurate as they can be. Even he and then Andrew Jackson, and then during the Civil War there at the end, the last week before he was killed, Abraham Lincoln had that primarily on his mind, and that was who was going to determine the great power of the allocation of credit resources in this great Nation? Is it going to be the banking element or is it going to be the people, through their Representatives in the Congress and in the White House, the Presidency and the Vice Presidency?

Those Presidents were very clear and clear down to Woodrow Wilson, who is the last one that inveighed against it. After that, the processes are such that today the way our system works was the way it used to work with the exchequer in England until they put a stop to it, because they could see that either the people control their destiny or the interests that never have changed since the time 7,000 years before Christ, in the Code of Hamurabi where they had to pass laws against usury, greed, unconscionably so.

Should anybody be surprised in America today really who stops to think about it that we should be afflicted with these maladies: businesses going under at parralel rates to the depression? But what businesses? Small businesses.

The great, great giants using the credit allocations of the banking systems for what? For nonproductive aggrandizement of more and more power and concentration to the point where there is only a handful of corporations in this country that control the entire destiny and economic well-being, the fiscal policies, the monetary policies of our country.

Who cares about that? Our President is carrying out his role as an actor. Unfortunately, he is an actor that has to have a script and it is the script writers that have worried me all along because the script writers are representative of those authorization forces that every society produces but which no democratic society can tolerate the mastership of those forces.

What it means is that Mr. Volcker has decided that the election is over with, the temporary easing of credit gave the President a good, fertile political ground to get reelected on. Arthur Burns, his predecessor, did it in 1972. They get very wrathful and say, "How dare you accuse us of having political motivations." But the facts are there and everybody knows it except, naturally, they cannot own up to it.

I also at this point would introduce into the RECORD the fourth exhibit which I took also from this magazine article, but it in turn took it from the U.S. Department of Commerce. It shows on a graph the current account balance, the merchandise trade balance, the net foreign balance, the net foreign investment.

[Chart referred to not reproduced in RECORD.]

I said last week and the week before last that the biggest single issue, fatal if not resolved, to our country is not so much the domestic deficit, which is serious, yes, but obviously this President feels he can temporize and live with it. But what he cannot and what no country can, in fact, is the international imbalance which as of December 31, 1984, had reached the monstrous size, never in the history of any country, of $133 billion.

Why is it disastrous? For every one of the $10 billion of the $133 billion, for every one of the $10 billion, you had half a million or close to it of American workers losing their jobs permanently, forever.

Who cares about that? None of the Presidential candidates even discussed it during the campaign. Why? I do not know. If it was not, the American people could not have been given a viable choice. They simply were not informed, I think.

Also in connection with this chart I offer another article appearing on Tuesday, February 19, 1985, on page 11 of the international section of the Christian Science Monitor. It is entitled "Thatcher Leaves Her Woes Behind; Arrives in U.S. for Discussions."

She came here and she spoke to a joint session of the Congress. The President and those surrounding him have had such remarkable ability for PR, for public relations, that the headlines the next day were "Maggie Thatcher Endorses Ronald Reagan's Star Wars."

Well, there was no such thing of the kind. All Mrs. Thatcher said was, "Look, Ronnie, if you are determined to go into this, we see no wrong in your trying to d—" what? Research.

"But, don't you dare produce unless you first get our consent."

And you have shown us that you have done what you said you would do last year when you announced this, that you would also make available—to whom—to the Russians—that the President says is an empire of evil and our enemy, and one with which inevitably we must war.

What Mrs. Thatcher really came for was just as unreported as what the state of the unions are noted for nowadays, as what they leave out rather than what they contain. And in this article from the Christian Science Monitor it says:

With the pound floundering at its historically lowest levels, Mrs. Thatcher will have a chance to voice her opinion that a high dollar and the huge U.S. budget deficit are largely the culprits.

Of what? Of their problems in Europe.

And then further down:

At their last meeting Reagan assured Thatcher that the strategic defense initiative [SDI], better known as "Star Wars," would not be deployed before the U.S. had conducted negotiations on SDI with the Soviets. The British have indicated that they approve of SDI research; testing is another matter.

On the fiscal side, Thatcher is expected to tred cautiously on the issue of the huge U.S. deficit * * *.

But some of her closest advisers have been less restrained. The Chairman of the Conservative Party, John Selwyn Gummer, whose views are close to Thatcher's, accused the U.S. last week of "importing the world's savings and exporting its inflations" through high interest rates.

He took issue with the notion that the United States would become stronger by making other countries weaker. Thatcher will put it more diplomatically.

□ 1610

The only place I saw that discussed at all was in this report in the Christian Science Monitor.

The fact is that we have reached a point where the United States, first, self-induced, then globally, a gigantic distortion in the international financial picture. It would never do anything about protecting its own citizens, such as the farmers. We are the only country that does not have a grain board, for instance.

It can have one, everybody else does. They control their grain. We are at the mercy of the principal grain companies that are headquartered in Brussels, Belgium, in Argentina or in London. I do not think we should expect them to have foremost the interests of the American farmers. They are in the speculative business; they are not in the business to look out for the interests of the greatest number in America. We are in effect hostages, worse than the diplomats in Iran. You know, that made the news. It looked horrible and it was horrible. But that was nothing. We are today hostage to the foreign, fickle, financial interests that have such powers that they can overnight create the failure of the Continental Trust Bank in Illinois.

So that for each and every one of these manifestations over the course of 20 years, I have advanced at different points specific, specific and anticipatory, anticipatory either resolution or specific bills so that when I have taken the floor it is not merely, as the President said last year, where he did not call himself a prophet of gloom or doom when he was saying earlier in the year that disaster was around the corner when his own Secretary of the Treasury was saying the same thing; but then the campaign got into high gear and anybody that said, "Hey, look, Mr President, the way you are heading, you are headed over that precipice," well, you were a prophet of gloom and doom.

I not only have spoken out at a time when these forces were not in place but anticipating them because I did not have to be a prophet, I did not have to be a particular expert. I sat, and for 10 years I was chairman of the Subcommittee on International Finance. I always make it a point to work hard at my assignments We had seen these things.

In 1970 right about the time that a fellow Texan was named Secretary of the Treasury, I saw what just $8 billion of quick, sudden flight of what they call hot money in Germany would bring, and shake the whole wave. You touch one end and the whole wave shakes. I raised questions which then were never answered which, as I have said in the RECORD before, all through my life, before I was in political endeavor and after, if a question is not answered I am not satisfied. Either I will not vote for the bill now or I continue, head on, until shown definitely that I am wrong. But if a question is not answered, I will not yield.

These questions have not only not been answered but they have not even been addressed. So we do not have to be experts. We knew just as surely as 2 plus 2 equals 4 that we were headed for the type of situation which today is quite uncontrollable. The President acts as if the United States can still unilaterally control its destiny. Forces of such magnitude, some of which we helped propel, impinge upon us externally to the point that no matter what we do domestically it can be undone overnight.

We have allowed ourselves to become, just like a Third World country, owned by absentee owners in our key endeavors whether it is finance in the banks, whether it is in oil production.

By the way, I heard earlier during the discussion on the special order on the so-called disarmament, reference to Russia as a country that did not mean much economically.

Well, let me say that Russia outproduces us in petroleum. As a matter of fact, when we talk about such things as the defense systems, and as I said over half of the $315 billion that we are going to tax the American people for so-called defense, is it defense or is it illusion when you predicate it on a world that isn't any longer so?

I think the best example should have been what happened about a year and a half ago when the President did not want our so-called Western European allies to build that pipeline, the gas pipeline from Russia, from over in Siberia, and they built it. But why did the President shut up? Because it was soon obvious that the financial interests behind that are really American. The company bringing in the gas is called Ruhr Gas, based in the Ruhr. But the principal owners are Mobil and Exxon, who in turn are principally owned by Chase Manhattan, the First City National Bank, Chemical Trust and a couple of the others.

This is how intertwined these things are. You cannot separate one segment of our society from the other. We are all in the same boat and we had better, we had better regain control of our destiny, our basic economic destiny.

Mr. Speaker, the article to which I refer is as follows:

[From the Christian Science Monitor, Feb. 19, 1985]

THATCHER LEAVES HER WOES BEHIND, ARRIVES IN U.S. FOR DISCUSSIONS

(By David Winder)

LONDON.—Margaret Thatcher's packed Washington trip, which begins today, could not have come at a more opportune time for her.

With the pound floundering at its historically lowest levels, Mrs. Thatcher will have a chance to voice her opinion that a high dollar and the huge United States budget deficit are largely the culprits.

But she will not, to quote one of her advisers, "come in with handbags flailing," since she has no intention of upsetting Congress, which she is to address in joint session Wednesday.

Nor, with the Geneva arms talks just around the corner, will she want to mar her close relationship with President Ronald Reagan.

Thatcher reflects the European component in East-West relations. Her grasp of the complexities of the arms talks has won Mr. Reagan's respect and given her defense views—particularly on the "star wars" program—a sympathetic hearing in Washington.

Thatcher will be accorded a special celebrity status during her visit this week. In addition to speaking to Congress, she plans to meet with the President and with many prominent representatives on the Hill. She will be inteviewed on all three major television networks. All of this should prove a welcome respite from the discontent she faces at home.

Thatcher's enthusiasm for international travel has been whetted by her domestic difficulties, says one Whitehall official. She has just had one of her toughest fights yet

in the House of Commons—over the government's handling of the Falklands war. Unemployment refuses to come down, while the pound finds it hard to go up.

But while her domestic standing has seldom been lower, her international flag, by a strange irony, is flying high.

Within the last year, she has done much to mend fences with her main European allies, France and West Germany, Anglo-US relations, despite differences over Grenada, are warm. Her government is credited with skillfully negotiating with China and Spain over the future of Hong Kong and the reopening of the Spanish-Gibraltar border.

During her talks with Reagan, Thatcher will probably focus on nuclear arms control. She has been promised a detailed account of the proposals the US will make at next month's Geneva talks.

At their last meeting, Reagan assured Thatcher that the Strategic Defense Initiative (SDI), better known as "star wars," would not be deployed before the US had conducted negotiations on SDI with the Soviets. The British have indicated that they approve of SDI research; testing is another matter.

On the fiscal side, Thatcher is expected to tread cautiously on the issue of the huge US deficit, which she says adversely affects the level of all currencies—not just the pound.

But some of her closest advisers have been less restrained. The chairman of the Conservative Party, John Selwyn Gumeer, whose views are close to Thatcher's, accused the U.S. last week of "importing the world's savings and exporting its inflations" through high interest rates. He took issue with the notion that the US could become stronger by making other countries weaker.

Thatcher will put it more diplomatically.

RULES OF THE COMMITTEE ON APPROPRIATIONS FOR THE 99TH CONGRESS

(Mr. WHITTEN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matters.)

● Mr. WHITTEN. Mr. Speaker, pursuant to and in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD a copy of the rules of the Committee on Appropriations for the 99th Congress as approved by the committee on February 6, 1985:

U.S. HOUSE OF REPRESENTATIVES, COMMITTEE ON APPROPRIATIONS COMMITTEE RULES

(Adopted for the 99th Congress on Feb. 6, 1985)

Resolved, That the rules and practices of the Committee on Appropriations, House of Representatives, in the Ninety-eighth Congress, except as otherwise provided hereinafter, shall be, and are hereby adopted as the rules and practices of the Committee on Appropriations in the Ninety-ninth Congress.

The foregoing resolution adopts the following rules:

SEC. 1: POWER TO SIT AND ACT

For the purpose of carrying out any of its functions and duties under Rules X and XI of the Rules of the House of Representatives, the Committee or any of its subcommittees is authorized:

(a) To sit and act at such times and places within the United States whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(b) To require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, reports, correspondence, memorandums, papers, and documents as it deems necessary. The Chairman, or any Member designated by the Chairman, may administer oaths to any witness.

(c) A subpoena may be authorized and issued by the Committee or its subcommittees under subsection 1(b) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members of the Committee voting, a majority being present. The power to authorize and issue subpoenas under subsection 1(b) may be delegated to the Chairman pursuant to such rules and under such limitations as the Committee may prescribe. Authorized subpoenas shall be signed by the Chairman or by any Member designated by the Committee.

(d) Compliance with any subpoena issued by the Committee or its subcommittees may be enforced only as authorized or directed by the House.

SEC. 2: SUBCOMMITTEES

(a) The Majority Caucus of the Committee shall establish the number of subcommittees and shall determine the jurisdiction of each subcommittee.

(b) Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the Committee all matters referred to it.

(c) All legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks unless, by majority vote of the Majority Members of the full Committee, consideration is to be by the full Committee.

(d) The Majority Caucus of the Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee. The Chairman is authorized to negotiate that ratio with the Minority. Provided, however, that party representation in each subcommittee, including ex-officio members, shall be no less favorable to the Majority than the ratio for the full Committee.

(e) The Chairman is authorized to sit as a member of any subcommittee and to participate in its work.

SEC. 3: COMMITTEE STAFF

(a) The Chairman is authorized to appoint the staff of the Committee, and make adjustments in the job titles and compensation thereof subject to the maximum rates and conditions established in Clause 6(c) of Rule XI of the Rules of the House of Representatives. In addition he is authorized, in his discretion, to arrange for their specialized training. The Chairman is also authorized to employ additional personnel as necessary.

(b) The chairman of each subcommittee may select and designate a staff member who shall serve at the pleasure of the subcommittee chairman. Such staff member shall be compensated at a rate not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(c) The ranking minority member of each subcommittee may select and designate a staff member who shall serve at the pleasure of the ranking minority member. Such staff member shall be compensated at a rate not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; Provided, That no Member shall appoint more than one person pursuant to these provisions.

(d) The Chairman, and the Ranking Minority Member with the approval of the Chairman, may each select and designate a staff member at an annual gross salary of not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives and may each select and designate one additional staff member.

(e) Each member not mentioned in subsections (a), (b) (c) or (d) of this section may select and designate a staff member who shall serve at the pleasure of that member. Such staff member shall be compensated at a rate, determined by the member, not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives: Provided, That no member shall appoint more than one person pursuant to subsections (a), (b), (c), (d), or (e); Provided further, That members designating a staff member under this subsection must specifically certify by letter to the Chairman that the employee is needed and will be utilized for Committee work.

(f) In addition to any staff members appointed pursuant to any other subsection of this section, each Member may select and designate one additional staff member who shall serve at the pleasure of that Member. Such staff member shall be compensated at a rate, determined by the Member, not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives; Provided, That no Member shall appoint more than one person pursuant to this subsection; Provided further, That Members designating an additional staff member under this subsection must specifically certify by letter to the Chairman that the employee is needed and will be utilized for Committee work.

SEC 4: COMMITTEE MEETINGS

(a) Regular Meeting Day—The regular meeting day of the Committee shall be the first Wednesday of each month while the House is in session, unless the Committee has met within the past 30 days or the Chairman considers a specific meeting unnecessary in the light of the requirements of the Committee business schedule.

(b) Additional and Special Meetings:

(1) The Chairman may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purpose pursuant to that call of the Chairman.

(2) If at least three Committee Members desire that a special meeting of the Committee be called by the Chairman, those Members may file in the Committee Offices a written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Upon the filing of the request, the Committee Clerk shall notify the Chairman.

(3) If within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within seven calendar days after the filing of the request, a majority of the Committee

Members may file in the Committee Offices their written notice that a special meeting will be held, specifying the date and hour of, and the measure or matter to be considered. The Committee shall meet on that date and hour.

(4) Immediately upon the filing of the notice, the Committee Clerk shall notify all Committee Members that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered. Only the measure or matter specified in that notice may be considered at the special meeting.

(c) Ranking Majority Member to Preside in the Absence of Chairman—If the Chairman is not present at any meeting of the Committee, the Ranking Majority Member on the Committee who is present shall preside.

(d) Business Meetings:

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee and its subcommittees shall be open to the public except when the Committee or its subcommittees, in open session and with a majority present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed.

(2) No person other than Committee Members and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed.

(3) The provisions of this subsection do not apply to open hearings of the Committee or its subcommittees which are provided for in Section 5(b)(1) of these Rules or to any meeting of the Committee relating solely to internal budget or personnel matters.

(e) Committee Records:

(1) The Committee shall keep a complete record of all Committee action including a record of the votes on any question on which a roll call is demanded. The result of each roll call vote shall be available for inspection by the public during regular business hours in the Committee Offices. The information made available for public inspection shall include a description of the amendment, motion, or other proposition and the name of each Member voting for and each Member voting against, and the names of those Members present but not voting.

(2) All hearings, records, data, charts, and files of the Committee shall be kept separate and distinct from the congressional office records of the Chairman of the Committee. Such records shall be the property of the House and all Members of the House shall have access thereto.

SEC. 5: COMMITTEE AND SUBCOMMITTEE HEARINGS

(a) Overall Budget Hearings—Overall budget hearings by the Committee, including the hearing required by Sec. 242(c) of the Legislative Reorganization Act of 1970 and Clause 4(a)(1) of Rule X of the Rules of the House of Representatives shall be conducted in open session except when the Committee in open session and with a majority present, determines by roll call vote that the testimony to be taken at that hearing on that day may be related to a matter of national security; except that the Committee may by the same procedure close one subsequent day of hearing. A transcript of all such hearings shall be printed and a copy furnished to each Member, Delegate and the Resident Commissioner from Puerto Rico.

(b) Other Hearings:

(1) All other hearings conducted by the Committee or its subcommittees shall be open to the public except when the Committee or subcommittee in open session and with a majority present determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present at a hearing conducted by the Committee or any of its subcommittees, there being in attendance the number required under Section 5(c) of these rules to be present for the purpose of taking testimony, (1) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Clause 2(k)(5) of Rule XI of the Rules of the House of Representatives or (2) may vote to close the hearing, as provided in Clause 2(k)(5) of such rule. No Member of the House of Representatives may be excluded from nonparticipatory attendance at any hearing of the Committee or its subcommittees unless the House of Representatives shall by majority vote authorize the Committee or any of its subcommittees, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subsection for closing hearings to the public; *Provided*, however, That the Committee or its subcommittees may by the same procedure vote to close five subsequent days of hearings.

(2) Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings.

(3) Each witness who is to appear before the Committee or any of its subcommittees as the case may be, insofar as is practicable, shall file in advance of such appearance a written statement of the proposed testimony and shall limit the oral presentation at such appearance to a brief summary, except that this provision shall not apply to any witness appearing before the Committee in the overall budget hearings.

(c) Quorum for Taking Testimony—The number of Members of the Committee which shall constitute a quorum for taking testimony and receiving evidence in any hearing of the Committee shall be two.

(d) Calling and Interrogation of Witnesses:

(1) The Minority Members of the Committee or its subcommittees shall be entitled, upon request to the Chairman or subcommittee chairman, by a majority of them before completion of any hearing, to call witnesses selected by the Minority to testify with respect to the matter under consideration during at least one day of hearings thereon.

(2) The Committee and its subcommittees shall observe the five-minute rule during the interrogation of witnesses until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question the witness.

(e) Broadcasting and Photographing of Committee Meetings and Hearings:

(1) The Chairman is authorized to determine the extent and nature of broadcasting and photographic coverage for the overall budget hearing and full Committee meetings and hearings, subject to the guidelines for such coverage set forth in Sec. 116(b) of the Legislative Reorganization Act of 1970 and Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(2) Unless approved by the Chairman and concurred in by a majority of the subcommittee, no subcommittee hearings or meetings shall be recorded by electronic device or broadcast by radio or television.

(3) Unless approved by the subcommittee chairman and concurred in by a majority of the subcommittee, no subcommittee hearing or meeting or subcommittee room shall be photographed.

(4) Broadcasting and photographic coverage of subcommittee hearings and meetings authorized under the provisions of (2) and (3) above shall be subject to the guidelines for such coverage set forth in Clause 3(f) of Rule XI of the Rules of the House of Representatives.

(f) Subcommittee Meetings—No subcommittee shall sit while the House is reading an appropriations measure for amendment under the five-minute rule or while the Committee is in session.

(g) Public Notice of Committee Hearings—The Chairman is authorized and directed to make public announcements of the date, place and subject matter of Committee and subcommittee hearings at least one week before the commencement of such hearings. If the Committee or any of its subcommittees as the case may be, determines that there is good cause to begin a hearing sooner, the Chairman is authorized and directed to make the announcement at the earliest possible date.

SEC. 6: PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a) Prompt Reporting Requirement:

(1) It shall be the duty of the Chairman, except as provided in subsection (3) herein, to report or cause to be reported promptly to the House any bill or resolution approved by the Committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, a report on a bill or resolution which the Committee has approved shall be filed within seven calendar days (exclusive of days in which the House is not in session) after the day on which there has been filed with the Committee Clerk a written request, signed by a majority of Committee Members, for the reporting of such bill or resolution. Upon the filing of any such request, the Committee Clerk shall notify the Chairman immediately of the filing of the request. This subsection does not apply to the reporting of a regular appropriation bill prior to compliance with subsection (3) herein or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(3) Before reporting the first regular appropriation bill for each fiscal year, the Committee shall, to the extent practicable and in accordance with Sec. 307 of the Congressional Budget Act of 1974, complete subcommittee markup and full Committee action on all regular appropriation bills for that year and submit to the House a report comparing the Committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to concurrent resolution on the budget for that year.

(b) Presence of Committee Majority—No measure or recommendation shall be report-

ed from the Committee unless a majority of the Committee was actually present.

(c) Roll Call Votes—With respect to each roll call vote on a motion to report any bill or resolution, the total number of votes cast for, and the total number of votes cast against, the reporting of such a bill or resolution shall be included in the Committee report.

(d) Compliance with Congressional Budget Act—A Committee report on a bill or resolution which has been approved by the Committee shall include the statement required by Sec. 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the bill or resolution provides new budget authority.

(e) Inflationary Impact Statement—Each Committee report on a bill or resolution reported by the Committee shall contain a detailed analytical statement as to whether the enactment of such bill or resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(f) Changes in Existing Law—Each Committee report on a general appropriation bill shall contain a concise statement describing fully the effect of any provision of the bill which directly or indirectly changes the application of existing law.

(g) Rescissions and Transfers—Each bill or resolution reported by the Committee shall include separate headings for rescissions and transfers of unexpended balances with all proposed rescissions and transfers listed therein. The report of the Committee accompanying such a bill or resolution shall include a separate section with respect to such rescissions or transfers.

(h) Supplemental or Minority Views:

(1) If, at the time the Committee approves any measure or matter, any Committee Member gives notice of intention to file supplemental, minority or additional views, the Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views in writing and signed by the Member, with the Clerk of the Committee. All such views so filed shall be included in and shall be a part of the report filed by the Committee with respect to that measure or matter.

(2) The Committee report on that measure or matter shall be printed in a single volume which—

(i) shall include all supplemental, minority or additional views which have been submitted by the time of the filing of the report, and

(ii) shall have on its cover a recital that any such supplemental, minority or additional views are included as part of the report.

(3) Subsection (h)(1) of this section, above, does not preclude—

(i) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority or additional views has been made as provided by such subsection; or

(ii) the filing by the Committee of a supplemental report on a measure or matter which may be required for correction of any technical error in a previous report made by the Committee on that measure or matter.

(4) If, at the time a subcommittee approves any measure or matter for recommendation to the full Committee, any Member of that subcommittee who gives notice of intention to offer supplemental, minority or additional views shall be entitled, insofar as is practicable and in accordance with the printing requirements as determined by the subcommittee, to include such views in the Committee Print with respect to that measure or matter.

(i) Availability or Reports—A copy of each bill, resolution or report shall be made available to each Member of the Committee at least 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in advance of the date on which the Committee is to consider each bill, resolution, or report: Provided, That this subsection may be waived by agreement between the Chairman and the Ranking Minority Member of the Full Committee.

SEC. 7: VOTING

(a) No vote by any Member of the Committee or any of its subcommittees with respect to any measure or matter may be cast by proxy.

(b) The vote on any question before the Committee shall be taken by the yeas and nays on the demand of one-fifth of the Members present.

SEC. 8: STUDIES AND EXAMINATIONS

The following procedure shall be applicable with respect to the conduct of studies and examinations of the organization and operation of Executive Agencies under authority contained in Sec. 202(b) of the Legislative Reorganization Act of 1946 and in Clause 2(b)(3) of Rule X, of the Rules of the House of Representatives.

(a) The Chairman is authorized to appoint such staff and, in his discretion, arrange for the procurement of temporary services of consultants, as from time to time may be required.

(b) Studies and examinations will be initiated upon the written request of a subcommittee which shall be reasonably specific and definite in character, and shall be initiated only be a majority vote of the subcommittee, with the chairman of the subcommittee and the ranking minority member thereof participating as part of such majority vote. When so initiated such request shall be filed with the Clerk of the Committee for submission to the Chairman and the Ranking Minority Member and their approval shall be required to make the same effective. Notwithstanding any action taken on such request by the chairman and ranking minority member of the subcommittee, a request may be approved by a majority of the Committee.

(c) Any request approved as provided under subsection (b) shall be immediately turned over to the staff appointed for action.

(d) Any information obtained by such staff shall be reported to the chairman of the subcommittee requesting such study and examination and to the Chairman and Ranking Minority Member, shall be made available to the members of the subcommittee concerned, and shall not be released for publication until the subcommittee so determines.

(e) Any hearings or investigations which may be desired, aside from the regular hearings on appropriation items, when approved by the Committee, shall be conducted by the subcommittee having jurisdiction over the matter.

SEC. 9: OFFICIAL TRAVEL

(a) The chairman of a subcommittee shall approve requests for travel by subcommittee members and staff for official business within the jurisdiction of that subcommittee. The ranking minority member of a subcommittee shall concur in such travel requests by minority members of that subcommittee and the Ranking Minority Member shall concur in such travel requests for Minority Members of the Committee. Requests in writing covering the purpose, itinerary, and dates of proposed travel shall be submitted for final approval to the Chairman. Specific approval shall be required for each and every trip.

(b) The Chairman is authorized during the recess of the Congress to approve travel authorizations for Committee Members and staff, including travel outside the United States.

(c) As soon as practicable the Chairman shall direct the head of each government agency concerned not to honor requests of subcommittees, individual Members, or staff for travel, the direct or indirect expenses of which are to be defrayed from an executive appropriation, except upon request from the Chairman.

(d) In accordance with Clause 2(n) of Rule XI of the Rules of the House of Representatives and section 502(b) of the Mutual Security Act of 1954, as amended, local currencies owned by the United States shall be available to Committee Members and staff engaged in carrying out their official duties outside the United States, its territories or possessions. No Committee Member or staff member shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

(e) Travel Reports:

(1) Members or staff shall make a report to the Chairman on their travel covering the purpose, results, itinerary, expenses, and other pertinent comments.

(2) With respect to travel outside the United States or its territories or possessions, the report shall include: (1) an itemized list showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished and any funds expended for any other official purpose; and (2) a summary in these categories of the total foreign currencies and/or appropriated funds expended. All such individual reports on foreign travel shall be filed no later than sixty days following completion of the travel with the Chairman for use in complying with reporting requirements in applicable Federal law and shall be open for public inspection.

(3) Each Member or employee performing such travel shall be solely responsible for supporting the amounts reported by the Member or employee.

(4) No report or statement as to any trip shall be publicized making any recommendations in behalf of the Committee without the authorization of a majority of the Committee.

(f) Members and staff of the Committee performing authorized travel on official business pertaining to the jurisdiction of the Committee shall be governed by applicable laws or regulations of the House and of the Committee on House Administration pertaining to such travel, as promulgated from time to time by the Chairman.

SEC. 10: ELIGIBILITY OF COMMITTEE MEMBER SERVING AS BUDGET COMMITTEE CHAIRMAN FOR APPROPRIATIONS SUBCOMMITTEE CHAIRMANSHIP

If the Chairman of the Budget Committee of the House of Representatives is chairman of a subcommittee on the Appropriations Committee when he becomes Budget Committee Chairman or would be eligible to become chairman of an Appropriations subcommittee under the rules of the Majority

Caucus of the House of Representatives during his tenure as Budget Committee Chairman, the Appropriations Committee may nominate such Member to serve as chairman of such subcommittee subject to the approval of the Majority Caucus. But if so elected and confirmed, the Member shall take a leave of absence while Chairman of the Budget Committee, and the responsibilities of the subcommittee chairmanship shall devolve onto a temporary chairman as determined by the Appropriations Committee and the Majority Caucus of the House.●

RULES OF THE COMMITTEE ON THE BUDGET FOR THE 99TH CONGRESS

(Mr. GRAY of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. GRAY of Pennsylvania. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the rules of the Committee on the Budget which were adopted by the committee in open session January 31, 1985:

RULES OF PROCEDURE OF THE COMMITTEE ON THE BUDGET

Adopted January 31, 1985, 99th Congress, 1st Session

MEETINGS

Rule 1—Regular meetings [1]

The regular meeting day of the Committee shall be the 2nd Wednesday of each month at 11:00 a.m., while the House is in session.

The Chairman is authorized to dispense with a regular meeting when he determines there is no business to be considered by the Committee, provided that he gives written notice to that effect to each member of the Committee as far in advance of the regular meeting day as the circumstances permit.

Regular meetings shall be cancelled when they conflict with meetings of either party's caucus or conference.

Rule 2—Additional and special meetings

The Chairman may call and convene additional meetings of the Committee as he considers necessary, or special meetings at the request of a majority of the members of the Committee in accordance with House Rule XI, clause 2(c).

In the absence of exceptional circumstances, the Chairman shall provide written or verbal notice of additional meetings to the office of each member at least 24 hours in advance whild Congress is in session, and at least 3 days in advance when Congress is not in session.

Rule 3—Open business meetings

Each meeting for the transaction of Committee business, including the markup of measures, shall be open to the public except when the Committee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public in accordance with House Rule XI, clause 2(g)(1). No person other than members of the Committee and such congressional staff and departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This rule shall not apply to any meeting that relates solely to matters concerning the internal administration of the Committee.

Rule 4—Quorums

A majority of the Committee shall constitute a quorum. No business shall be transacted and no measure or recommendation shall be reported unless a quorum is actually present.

Rule 5—Recognition

Any member, when recognized by the Chairman, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The time of such member shall be limited to 5 minutes until all members present have been afforded an opportunity to comment.

Rule 6—Consideration of business

Measures or matters may be placed before the Committee, for its consideration, by the Chairman or by a majority vote of the members of the Committee, a quorum being present.

Rule 7—Procedure for consideration of budget resolutions

In developing a concurrent resolution on the budget, the Committee shall first proceed, unless otherwise determined by the Committee, to consider budget aggregates, functional categories, and other appropriate matters on a tentative basis, with the document before the Committee open to amendment; subsequent amendments may be offered to aggregates, functional categories, or other appropriate matters which have already been amended in their entirety.

Following adoption of the aggregates, functional categories, and other matters, the text of a concurrent resolution on the budget incorporating such aggregates, functional categories, and other appropriate matters shall be considered for amendment and a final vote.

Rule 8—Rollcall votes

A rollcall of the members may be had upon the request of at least one-fifth of those present.

Rule 9—Proxies

Any member of the Committee may vote by special proxy if the proxy authorization is in writing, asserts that the member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the members assigning his or her vote and shall contain the date and time of the day that the proxy is signed. Proxies may not be counted for a quorum.

Rule 10—Parliamentarian's status report

In order to carry out its duty under section 311(a) and (b) of the Congressional Budget Act to advise the House of Representatives as to the current level of spending and revenues as compared to the levels set forth in the latest agreed upon concurrent resolution on the budget, the Committee shall periodically advise the Speaker as to its estimate of the current level of spending and revenue. Such estimates shall be prepared by the staff of the Committee, transmitted to the Speaker in the form of a Parliamentarian's Status Report, and printed in the Congressional Record.

The Committee authorizes the Chairman, in consultation with the ranking minority member, to transmit to the Speaker the Parliamentarian's Status Report described above.

HEARINGS

Rule 11—Announcement of hearings

The Chairman shall publicly announce the date, place, and subject matter of any Committee hearing at least one week before the commencement of that hearing, unless he determines there is good cause to begin such hearing at an earlier date, in which case public announcement shall be made at the earliest possible date.

Rule 12—Open hearings

Each hearing conducted by the Committee or any of its Task Forces shall be open to the public except when the Committee or Task Force, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. The Committee or Task Forces may by the same procedure vote to close one subsequent day of hearing.

For the purposes of House Rule XI, clause 2(g)(2) the Task Forces of the Committee are considered to be subcommittees.

*Rule 13—Quorums**

For the purpose of hearing testimony, not less than two members of the Committee shall constitute a quorum.

Rule 14—Time for questioning witnesses

Committee members shall have not to exceed 5 minutes to interrogate each witness until such time as each member who so desires had had an opportunity to interrogate such witness.

After all members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

In questioning witnesses under the 5-minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the Chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

Rule 15—Subpoenas and oaths

In accordance with House Rule XI, clause 2(m), subpoenas authorized by a majority of the Committee may be issued over the signature of the Chairman or of any member of the Committee designated by him, and may be served by any person designated by the Chairman or such member.

The Chairman, or any member of the Committee, may administer oaths to witnesses.

Rule 16—Witnesses' statements

So far as practicable, any prepared statement to be presented by a witness shall be submitted to the Committee at least 24 hours in advance of presentation, and shall

[1] Written rule required by House Rules.

be distributed to all members of the Committee in advance of delivery.

Rule 17—Committee prints

All Committee prints and other materials prepared for public distribution shall be approved by the Committee prior to any distribution, unless such print or other material shows clearly on its face that it has not been approved by the Committee.

BROADCASTING

Rule 18—Broadcasting of meetings and hearings

It shall be the policy of the Committee to give all news media access to open hearings of the Committee, subject to the requirements and limitations set forth in House Rule XI, clause 3. Whenever any Committee business meeting is open to the public, that meeting may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, in accordance with House Rule XI, clause 3. However, radio, television, and still camera equipment may be excluded from the Committee room by a majority vote of the Committee, a quorum being present.

STAFF

Rule 19—Committee staff

(a) Subject to approval by the Committee, and to the provisions of the following paragraphs, the professional and clerical staff of the Committee shall be appointed, and may be removed, by the Chairman.

Committee staff shall not be assigned any duties other than those pertaining to Committee business, and shall be selected without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions.

All Committee staff, shall be entitled to equitable treatment, including comparable salaries, facilities, access to official Committee records, leave, and hours of work.

(b) In addition to the staff provided in paragraph (a) each member of the Committee may select and designate an associate staff member who shall serve at the pleasure of that member. Such staff member shall be compensated at a rate, determined by the member, not to exceed 75 per centum of the maximum established in Clause 6(c) of Rule XI of the Rules of the House of Representatives, *provided,* That no member shall appoint more than one person pursuant to these provisions, *provided further,* that members designating a staff member under this subsection must certify by letter to the Chairman that the employee is needed and will be utilized for Committee work.

(c) In addition to the staff provided in the above paragraphs, the Chairman shall appoint no fewer than five staff, recommended by the minority members, who shall provide staff assistance to the minority members.

Rule 20—Staff supervision

Staff shall be under the general supervision and direction of the Chairman, who shall establish and assign their duties and responsibilities, delegate such authority as he deems appropriate, fix and adjust staff salaries (in accordance with House Rule XI, clause 6(c)) and job titles, and, in his discretion, arrange for their specialized training.

Staff assigned to the minority shall be under the general supervision and direction of the minority members of the Committee, who may delegate such authority as they deem appropriate.

COMMITTEE RECORDS

Rule 21—Preparation and maintenance of committee records

An accurate stenographic record shall be made of all hearings.

The proceedings of the Committee shall be recorded in a journal which shall, among other things, include a record of the votes on any question on which a record vote is demanded.

Members of the Committee shall correct and return transcripts of hearings as soon as practicable after receipt thereof.

Any witness may examine the transcript of his own testimony and make grammatical or technical changes that do not substantially alter the record of testimony.

The Chairman may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time for corrections, and that further delay would seriously impede the Committee's responsibility for meeting its deadlines under the Congressional Budget Act of 1974.

Transcripts of hearings and meetings may be printed if the Chairman decides it is appropriate, or if a majority of the members so request.

Rule 22—Access to committee records

The Chairman shall promulgate regulations to provide for public inspection of rollcall votes and to provide access by members to Committee records (in accordance with House Rule XI, clause 2(e)).

Access to classified testimony and information shall be limited to Members of Congress and to House Budget Committee staff and stenographic reporters who have appropriate security clearance.

Notice of the receipt of such information shall be sent to the Committee members. Such information shall be kept in the Committee safe, and shall be available to members in the Committee office.

APPLICABILITY OF HOUSE RULES

Rule 23—Applicability of House rules

Except as otherwise specified herein, the Rules of the House are the rules of the Committee so far as applicable, except that a motion to recess from day to day is a motion of high privilege.

CONFEREES

Rule 24—Appointment of conferees

Majority party members recommended to the Speaker as conferees shall be recommended by the Chairman subject to the approval of the majority party members of the Committee. The Chairman shall recommend such minority party members as conferees as shall be determined by the minority party, provided that the recommended party representation shall be in approximately the same proportion as that in the Committee.●

RULES OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES FOR THE 99TH CONGRESS

(Mr. JONES of North Carolina asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JONES of North Carolina. Mr. Speaker, pursuant to rule XI(2)(a) of the House of Representatives, I offer the rules of the Committee on Merchant Marine and Fisheries for the 99th Congress, which were adopted at the committee's organizational meeting February 7, 1985, and request that they be published, in toto, in the CONGRESSIONAL RECORD.

RULES OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, 99TH CONGRESS

RULE I. APPLICABILITY OF HOUSE RULES

The Rules of the House insofar as they are applicable shall be the Rules of the Committee and its Subcommittees.

RULE II. JURISDICTION

As established in Rule X of the House Rules, the jurisdiction of the Committee on Merchant Marine and Fisheries is:

(1) Merchant marine generally.

(2) Oceanography and Marine Affairs, including coastal zone management.

(3) Coast Guard, including lifesaving service, lighthouses, lightships, and ocean derelicts.

(4) Fisheries and wildlife, including research, restoration, refuges and conservation.

(5) Measures relating to the regulations of common carriers by water (except matters subject to the jurisdiction of the Interstate Commerce Commission) and to the inspection of merchant marine vessels, lights and signals, lifesaving equipment and fire protection on such vessels.

(6) Merchant marine officers and seamen.

(7) Navigation and the laws relating thereto, including pilotage.

(8) Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and interoceanic canals generally.

(9) Registering and licensing of vessels and small boats.

(10) Rules and international arrangements to prevent collisions at sea.

(11) United States Coast Guard and Merchant Marine Academies, and State Maritime Academies.

(12) International fishing agreements.

RULE III. FUNCTIONS

(A) General Oversight Responsibilities—

(1) The Committee shall review and study, on a continuing basis:

(a) the application, administration, execution, and effectiveness of those laws, or parts of laws, within its jurisdiction;

(b) the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution of these laws in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated; and

(c) any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within its jurisdiction (whether or not any bill or resolution has been introduced with respect thereto).

(2) The Committee shall undertake future research and forecasting on matters within its jurisdiction.

(3) The Committe shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction.

(B) Annual Appropriations—In its consideration of all public bills and joint resolutions, the Committee shall insure that appropriations for continuing programs and activities will be made annually to the maximum extent feasible and consistent with the nature, requirements and objectives of the programs and activities involved. The Committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(C) Views and Estimates—On or before March 15 of each year, the Committee shall submit to the Committee on the Budget:

(1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions; and

(2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

RULE IV. SUBCOMMITTEES

(A) Applicabliity of Committee Rules—Written Rules adopted by the Committee, not inconsistent with the Rules of the House, shall be binding on each of its Subcommittees. Each Subcommittee is a part of the Full Committee and subject to its authority, direction, and Rules.

(B) Standing Subcommittees—There shall be six standing Subcommittees—The Subcommittee on Merchant Marine; the Subcommittee on Fisheries and Wildlife Conservation and the Environment; the Subcommittee on Coast Guard and Navigation; the Subcommittee on Oceanography; the Subcommittee on Panama Canal/Outer Continental Shelf; and the Subcommittee on Oversight and Investigations.

(C) Other Subcommittees—The Chairman, or a majority of the Committee, may establish, as determined to be appropriate for the conduct of Committee business, other special, select, or ad hoc committees.

(D) Subcommittee Membership—

(1) The ratio of Majority Members to Minority Members on Subcommittees, including Ex Officio Members, shall be no less favorable to the Majority Party than the ratio of Membership on the Full Committee.

(2) A Committee Member may temporarily resign from his Subcommittee assignment to serve on another Subcommittee of the Committee in the event of a vacancy. Members returning to their Subcommittee assignment at the end of the temporary assignment shall return to their original assignment without prejudice to tenure or seniority.

(E) Ex Officio and Other Committee Members—

(1) The Chairman and the Ranking Minority Member of the Full Committee shall serve as Ex Officio Members of all Subcommittees of which they are not designated as Chairman or Ranking Minority Member. They shall have the right to participate fully, including the right to vote on all matters before the Subcommittees, but shall not be counted in establishing the requirements of, or in determining, a quorum.

(2) Any Member of the Committee may sit with any Subcommittee of which he or she is not a Member during its hearings or meetings (including closed meetings) and participate therein, but may not vote on any matter, or be counted present for the purpose of determining a quorum, or raise points of order, or, except as the Subcommittee Chairman may permit, participate in questioning under the five-minute rule.

(F) Subcommittee Meetings—

(1) Subcommittees may hold hearings, receive evidence, hear witnesses, and report to the Committee for final action, together with such recommendations as may be agreed upon by the Subcommittee, on such matters as the Chairman may refer to a Subcommittee.

(2) Dates for Subcommittee meetings shall be assigned as a result of consultation between the Chairman and Subcommittee Chairmen and as nearly as practicable in relation to, and in accordance with, workloads.

(3) Subcommittees shall not meet at the same time as the Full Committee without the express permission of the Chairman of the Committee.

(G) Joint Subcommittee Markup—When two or more Subcommittees meet jointly to take action on any measure or matter, each Member shall be entitled to one vote on each amendment, motion, order or proposition.

RULE V. MEETINGS

(A) Regular Meetings—The Committee shall meet at 10 a.m., on the first Wednesday of each month in the Committee Hearing Room, 1334 Longworth House Office Building, while Congress is in session. This meeting may be dispensed with at the discretion of the Chairman, in consultation with the Ranking Minority Member, if there is no business.

(B) Additional Meetings—The Chairman may call and convene additional meetings.

(C) Meeting Notices—

(1) The date, time, place, and subject matter of meetings shall be announced to all Members of the Committee and the public at least one week in advance. If the Chairman, in consultation with the Ranking Minority Member, determines this is not possible, a public announcement and oral and confirming written notice to Committee Members shall be made at the earliest possible date.

(2) All meeting notices shall be promptly published in the Daily Digest and promptly entered into the Committee scheduling service of the House Information Systems.

(3) All Committee Members shall have adequate notice prior to Committee or Subcommittee investigations or hearings at locations other than Washington, D.C.

(D) Special Meetings—

(1) Three or more Committee Members may file with the Committee Clerk, a signed, written request to the Chairman for a special meeting of the Committee, specifying the measure or matter to be considered.

(2) If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file with the Committee Clerk their signed, written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The Committee shall meet on that date and hour. Only the measure or matter specified in that notice may be considered at that special meeting. Immediately upon the filing of that notice, the Clerk of the Committee shall notify all Members of the Committee of the special meeting.

(3) The above procedures also apply to Subcommittees, except that the number of Subcommittee Members required to request a special Subcommittee meeting is two, and a majority of the Members of the Subcommittee must file their signed, written notice with the Subcommittee Clerk.

(E) Conflict with Party Caucus or Conference—When a Party Caucus or Conference of either Party directly conflicts with a scheduled Committee meeting, the meeting of the Committee shall be cancelled. The Clerk of the Committee shall give oral and confirming written notice to that effect to all Committee Members. The Chairman shall reschedule the meeting at the earliest practical time.

(F) Prohibition Against Meetings During Five-Minute Rule—The Committee may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

RULE VI. COMMITTEE PROCEDURE

(A) Applicability of House Procedure—The procedure in the Committee and its Subcommittees shall follow the procedure of the House.

(B) Referral of Legislation—

(1) All legislation and other matters referred to the Committee shall be referred by the Chairman to all Subcommittees of appropriate jurisdiction within two weeks, unless by majority vote of the Majority Party Members of the Full Committee or by agreement between or among the Chairman and all the Subcommittee Chairmen to whom the legislation or other matter would otherwise be referred, consideration is to be by the Full Committee.

(2) The Chairman may refer any measure or matter simultaneously to two or more Subcommittees for concurrent consideration, or for consideration in sequence (subject to appropriate time limitations in the case of any Subcommittee), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different Subcommittee.

(C) Power to Sit and Act and Subpoena Power—

(1) For the purpose of carrying out any of its functions and duties under Rules X and XI of the House of Representatives, the Committee, or any Subcommittee, is authorized:

(a) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned;

(b) to hold hearings; and

(c) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary.

(2) A subpoena may be authorized and issued by the Committee or a Subcommittee under subparagraph (1)(c) in the conduct of any investigation or activity or series of investigations or activities, when authorized by a majority of the Members voting, a majority being present.

(3) The power to authorize and issue subpoenas is also delegated to the Chairman of the Full Committee.

(4) Authorized subpoenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee.

(5) Compliance with any subpoena issued by a Committee or a Subcommittee may be enforced only as authorized or directed by the House.

(6) The Chairman of the Committee, or any Member designated by the Chairman, may administer oaths to any witness.

(D) Presiding Officer—The Chairman shall preside at meetings. If the Chairman is not present at any meeting of the Committee, the Ranking Majority Member present shall preside.

(E) Vice Chairman—The Ranking Majority Member shall be designated Vice Chairman.

(F) Quorums for Meetings, Markups, and Hearings—

(1) Except as provided below, one-third of the Members of the Committee shall constitute a quorum for the purpose of transacting Committee business.

(2) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(3) Testimony may be taken and evidence received in any meeting at which there are present not fewer than two Members of the Committee, one of whom should be, whenever possible, a Minority Member. Unless at least two Members are present, at least one of whom is a Majority Member, the meeting must be adjourned.

(4) Proxies may not be counted for a quorum.

(G) Open Meetings—Each business meeting, including the markup of legislation, of the Committee and its Subcommittees shall be open to the public, except as provided below.

(H) Closed Meetings—

(1) The Committee of Subcommittee, by a rollcall vote in open session and with a majority present, may determine that all or a part of the remainder of the business meeting, including the markup of legislation, on that day shall be closed to the public.

(2) If the meeting or markup is closed, no person other than Members of the Committee, and Congressional staff and departmental representatives as the Members may authorize, may be present.

(3) Any meeting that relates solely to internal budget or personnel matters may be closed by the Chairman after consultation with the Ranking Minority Member.

(I) Closed Hearings—

(1) Each hearing conducted by the Committee or a Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives.

(2) Notwithstanding paragraph (1), a majority of those present, if the number required for the purpose of taking testimony are present, may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or tend to defame, degrade or incriminate any person.

(3) The Committee or Subcommittee may by the same procedure, vote to close one subsequent day of hearing.

(4) No Member of the House may be excluded from nonparticipatory attendance at any hearing of the Committee or its Subcommittees, unless the House of Represenatives, by majority vote, authorizes the Committee or the Subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures for closing hearings to the public.

(J) Investigative Hearings—

(1) The Chairman shall announce in the opening statement the subject of the investigation.

(2) Except as provided by the rule for closing an investigative hearing, the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(3) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(4) At the discretion of the Committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(K) Closed Investigative Hearings—

(1) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person, such testimony or evidence shall be presented in executive session, if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person.

(2) The Committee shall proceed to receive such testimony in open session only if a majority of the Members of the Committee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

(3) In either case, the Committee shall afford such person an opportunity voluntarily to appear as a witness, and shall receive and dispose of requests from such person to subpoena additional witnesses.

(L) Questioning of Witnesses—

(1) Committee Members may question witnesses only when they have been recognized by the Chairman for that purpose. All questioning shall be pertinent to the subject matter of the hearing.

(2) After completing his questioning, the Chairman shall recognize the other Members beginning with the Ranking Minority Member and the Ranking Majority Member, and thereafter, alternating between Minority and Majority, taking into consideration the ratio of Majority to Minority representation on the Committee. Each Member may request up to five minutes in each round of questioning. Additional time may be extended at the discretion of the Chairman.

(M) Minority Witnesses—A amjority of the Minority Members shall be entitled, upon request to the Chairman before the completion of any hearing, to call witnesses with respect to that measure or matter during at least one day of hearing.

(N) Points of Order—No point of order shall lie with respect to any measure reported by the Committee on the ground that hearings on the measure were not conducted in accordance with the Rules governing open or closed hearings, public notice of hearings, or the requirements for advance filing and summarizing of statements by witnesses; except that a point of order on these grounds may be made by any Member of the Committee if, in the Committee, the point of order was timely made, and improperly overruled or not properly considered.

(O) Ordering of Rollcall Votes—A rollcall vote may be ordered by one-fifth of the Members present.

(P) Proxies—

(1) A Member may vote by proxy only on a specific measure or matter and any amendments or motions pertaining to it; except that a Member may authorize a proxy for all motions to recess, adjourn, or other procedural matters.

(2) In order to be considered a valid and duly executed proxy, the proxy authorization must: be in writing; assert that the Member is absent on official business, or is otherwise unable to be present at the meeting of the Committee; designate the person who is to execute the proxy authorization; and be signed by the Member assigning his or her vote, noting the date and time that the proxy was signed.

(3) For a proxy to be valid in sessions on succeeding days, it must be stipulated in the proxy, and if not stipulated, cannot be voted.

(4) All executed proxies shall be delivered to the Clerk and kept at the desk during the proceedings of the Committee for which they are given and shall be included in the official records of the meeting after they have been voted.

(5) Points of order as to the validity of proxies must be made at the time the proxies are voted.

(6) Proxies may not be counted for a quorum.

(Q) Limitation on Floor Action Under Suspension of the Rules—No bill which directly or indirectly authorizes the expenditure of over $1 million in federal funds shall be brought to the House Floor by the Committee under Suspension of the Rules if the text of the bill has been changed after it was reported by the Committee unless:

(1) the changes are purely technical and conforming; or

(2) all Members of the Committee have been provided a written copy of the changes at least twenty-four hours prior to the time the bill is considered in the House.

RULE VII. WITNESSES

(A) Advance Testimony Requirements—A witness shall not be permitted to testify or present evidence, nor will any statement or testimony be included in the Committee hearing record, unless seventy-five copies of the testimony have been delivered to the Clerk of the Committee at least twenty-four hours (excluding Saturdays, Sundays, and legal holidays) prior to the meeting. At least ten of these copies must be delivered at least forty-eight hours (excluding Saturdays, Sundays, and legal holidays) prior to the meeting. These requirements may be waived only by the Chairman.

(B) Written Summary—Each prepared statement of ten pages or more shall include a summary which may not exceed five pages in length.

(C) Federal and Administrative Witnesses—To the extent feasible, statements and testimony of witnesses from Federal and Administrative agencies shall be accompanied, if not previously received, by fifty copies of the Federal agency report requested by the Committee on the matters pending before it.

(D) Ten Minute Oral Testimony—Witnesses will be allowed no more than ten minutes to orally summarize their prepared statement. The full statement will be made a part of the record.

(E) Investigative Hearing Witnesses—

(1) A copy of the Committee rules shall be made available to each witness.

(2) Witnesses may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(3) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the Committee may cite the offender to the House for contempt.

(4) A witness may obtain a transcript copy of this testimony given at a public session or, if given at an executive session, when authorized by the Committee.

(F) Responses-Information for the Record—Responses to Members' or staff questions and other information offered for the record, shall be submitted, in triplicate, to the Committee Clerk within 45 days from the time of the request. One copy will be retained by the Clerk for printing and the remainder transmitted to the appropriate Majority and Minority Counsels.

RULE VIII. BROADCASTING OF COMMITTEE MEETINGS

The Chairman may permit any public hearing or meeting to be televised, broadcast by radio, photographed, or otherwise recorded, subject to the following requirements.

(1) At the request of any Committee Member present, a majority vote must be taken to permit the use of such equipment during the hearing or meeting.

(2) Radio and television tapes and television film of any coverage shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(3) The coverage of Committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of these Rules.

(4) If the television or radio coverage of the hearing or meeting is live, it shall be conducted and presented without commercial sponsorship.

(5) All persons providing coverage of the meeting shall be accredited to the appropriate Gallery.

(6) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all recorders or microphones used for coverage shall be turned off.

(7) The number of television cameras allowed in the hearing or meeting room is at the discretion of the Chairman. If necessary, the allocation among the television media of these positions shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(8) Members of the media and their equipment shall not obstruct in any way the space or visibility between any witness and any Member of the Committee nor obstruct unnecessarily coverage by the other media.

(9) No audio-visual equipment will be allowed on the dais without the express prior approval of the Chairman.

(10) Fixed audio-visual equipment shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(11) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(12) The number of still photographers allowed in the hearing or meeting room is at the discretion of the Chairman. If necessary, allocation among this media shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers. Preference shall be given to photographers from Associated Press Photos and United Press International Newspictures.

RULE IX. COMMITTEE RECORDS

(A) Votes—

(1) The Committee shall keep a complete record of all Committee action which shall include a record of the votes on any question on which a rollcall vote is demanded.

(2) The result of each rollcall vote—including a description of the issue, the name of each Member voting for and against, and whether by proxy or in person, and the names of those Members present but not voting—shall be available for inspection by the public at reasonable times in the offices of the Committee.

(B) Separate Files—All Committee hearings, records, data, charts, and files shall be kept separate and distinct from the Congressional office records of the Chairman. These records shall be the property of the House and all Members of the House shall have access.

(C) Permanent Records—The Clerk of the Committee shall, within three days after the final adjournment of a Congress, deliver to the Clerk of the House all bills, joint resolutions, petitons, and other papers referred to the Committee, together with all evidence taken by the Committee under the order of the House during that Congress and not reported to the House.

(D) Open Hearings—

(1) Records and transcripts of open hearings before the Committee shall not be available to the public for quotation of any Member until after that Member has had an opportunity to examine and approve them. No more than forty-five days after the conclusion of hearings, the transcript shall be closed and no further changes may be made.

(2) In no instance will the Committee staff distribute, or prepare for distribution, to persons, other than Members and witnesses for the purpose of correction, any open hearing transcript that has not yet been closed and transmitted to the General Printing Office for publication.

(E) Closed Meetings—Transcripts and records of closed meetings shall be available to Members of the House of Representatives and Merchant Marine and Fisheries Committee staff for inspection in the office of the Committee, but may not be released or divulged to any other person without the consent of the Chairman or a majority of the Committee. In no event shall executive session transcripts and records be taken from the Committee offices by anyone.

(F) Markup Transcripts—In no event shall markup transcripts and records be taken from the Committee offices by anyone.

RULE X. COMMITTEE REPORTS AND PUBLICATIONS

(A) Activities Report—The Committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on its activities under Rules X and XI of the House during the Congress ending at noon on January 3 of that year.

(B) Procedures for Reporting—

(1) The Chairman shall report or cause to be reported promptly to the House any measure approved by the Committee and shall take or cause to be taken necessary steps to bring the matter to a vote.

(2) The report of the Committee on an measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the Clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of this request, the Clerk of the Committee shall immediately notify the Chairman.

(C) Minority, Supplemental or Additional Views—

(1) Members of the Committee must give notice to the Committee Clerk of intention to file supplemental, minority or additional views within twenty-four hours after the time of approval of any measure or matter by the Committee (excluding Saturdays, Sundays and legal holidays).

(2) Members shall be entitled to not less than three calendar days (excluding Saturdays, Sundays and legal holidays) from the time of approval of any measure or matter, in which to file such views, in writing and signed by that Member, with the Clerk of the Committee.

(3) the provisions of subparagraphs (1) and (2) do not preclude—

(a) the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this paragraph, or

(b) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

(D) Committee Report Requirements—Committee Reports shall be printed in a single volume and include the following:

(1) with respect to each rollcall vote to report any bill or resolution, the total number of votes cast for and against, the name of each Member voting for and against, and whether by proxy or in person, and the names of those Members present but not voting;

(2) the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X of the House Rules, separately set out and clearly identified;

(3) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides net budget authority or new or increased tax expenditures;

(4) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974, separately set out and clearly identified, if timely submitted;

(5) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause

(4)(c)(2) of Rule X of the House Rules, separately set out and clearly identified, if it has been submitted to allow for the Committee's consideration during deliberations on the measure;

(6) on each bill or joint resolution of a public character, a detailed analytical statement as to whether its enactment into law may have an inflationary impact on prices and costs in the operation of the national economy;

(7) on a bill or a joint resolution repealing or amending any statute or part thereof, in the report or in an accompanying document—

(a) the test to be repealed; and

(b) a comparative print showing by stricken-through type and italic, parallel columns, or other appropriate typographical devices, the omissions and insertions proposed to the statute;

(8) all supplemental, minority or additional views filed by one or more Members of the Committee; and

(9) on its cover, a recital that any material submitted under subparagraphs (4), (5) and (8) above are included as part of the report.

(E) Approval by Chairman—All Committee or Subcommittee prints and other material prepared for public distribution shall be approved by the Chairman of the Full Committee prior to distribution.

RULE XI. USE OF COMMITTEE FUNDS FOR TRAVEL

(A) Authorization—All travel of Members and staff of the Committee or its Subcommittees, to hearings, meetings, conferences, investigations, foreign conferences and meetings, and all foreign travel, must be authorized by the Chairman prior to any public notice or the actual travel.

(B) Trip Report—A substantive report shall be filed with the Chairman within thirty days after any Committee trip or any trip related to matters of Committee jurisdiction which has been approved by the Chairman.

(C) Domestic Travel—Funds authorized for the Committee under Clause 5 of Rule XI of the House Rules are for expenses incurred in the Committee's activities within the United States.

(D) Foreign Travel—

(1) Local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States, its Territories or Possessions.

(2) No appropriated funds shall be expended for the purpose of defraying expenses of Members of the Committee or its employees in any country where local currencies are available for this purpose.

(3) The following conditions apply to travel outside the United States or its territories or possessions:

(a) No Member of employee of the Committee shall receive or expend local currencies for subsistence in any country for any day at a rate in excess of the maximum per diem rate set forth in applicable Federal law, or if the Member or employee is reimbursed for any expenses for such day, then the lesser of the per diem or the actual, unreimbursed expenses (other than for transportation) incurred by the Member or employee during that day.

(b) Each Member or employee of the Committee shall make to the Chairman of the Committee an itemized report showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, and any funds expended for any other official purpose and shall summarize in these categories the total foreign currencies and/or appropriated funds expended.

(c) All such individual reports shall be filed no later than sixty days following the completion of travel with the Chairman of the Committee for use in complying with the reporting requirements in applicable Federal law and shall be open for public inspection.

(3) In carrying out the Committee's activities outside of the United States in any country where local currencies are unavailable, a Member or employee of the Committee may not receive reimbursement for expenses (other than for transportation) in excess of the maximum per diem set forth in applicable Federal law, or if the Member or employee is reimbursed for any expenses for such day, then the lesser of the per diem or the actual unreimbursed expenses (other than for transportation) incurred, by the Member or employee during any day.

(4) A Member or employee of the Committee may not receive reimbursement for the cost of any transportation in connection with travel outside of the United States unless the Member or employee has actually paid for the transportation.

(E) Lame Duck Members—No local currencies owned by the United States and made available to the Committee, no primary expense resolution, and no additional expense resolution of the Committee may provide for the payment or reimbursement of expenses incurred by any Member of the Committee for travel after the general election in which the Member is not elected to the succeeding Congress, or in the case of a Member who is not a candidate, the earlier of the general election date or the adjournment sine die of the last regular session of the Congress.

RULE XII. COMMITTEE AND SUBCOMMITTEE STAFF

(A) Hiring Practices/Terms of Employment—The staff members of the Committee—

(1) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(2) shall not engaged in any work other than Committee business; and

(3) shall not be assigned any duties other than those pertaining to Committee business.

(B) Limitation on Appointing Government Personnel—The Committee shall not appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on House Administration.

(C) "Clause 5" Appointments—

(1) From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions—

(a) The Chairman of each standing Subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the Subcommittee Chairman.

(b) The Ranking Minority Member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the Subcommittee Ranking Minority Member.

(c) The staff members appointed pursuant to the provisions of (a) and (b) shall be compensated at a rate determined by the Subcommittee Chairman not to exceed: (1) 75 per centum of the maximum established in paragraph (c) of clause 6 of Rule XI of the House Rules, or (2) the rate paid the staff member appointed pursuant to subparagraph (a) of this paragraph.

(2) Subcommittee staff members appointed under paragraph (1) are subject to the supervision and control of, and shall be responsible to, the Subcommittee Chairman or Ranking Minority Member of the Subcommittee, as appropriate.

(D) "Clause 6" Appointments—

(1) The Committee shall appoint, by a majority vote, from a list submitted by the Chairman, appropriate professional and clerical staff personnel, in accordance with the provisions of clause 6 of Rule XI of the House Rules.

(2) Each employee on the permanent Committee staff is entitled to pay at a single per annum gross rate to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in Section 5316 of Title 5, United States Code, except that two professional staff members shall be entitled to pay at a single per annum gross rate to be fixed by the Chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level IV of the Executive Schedule in section 5315 of Title 5, United States Code.

(3) Subject to the provisions of paragraph (C)(2), each Committee staff member, other than a member appointed pursuant to the request of Minority Members, is assigned to the Chairman for the purposes of general supervision and control and shall perform such duties as the Chairman may assign.

(4) In the case of staff members appointed pursuant to the request of Minority Members, the Ranking Minority Member shall exercise general supervision and control, subject to the assignments designated by Minority Members in accordance with clause 6 of Rule XI of the House Rules.

(5) When any staff member is assigned directly to Subcommittee staff duties, the staff member shall remain under the general supervision and control of the Chairman of the Committee or Ranking Minority Member of the Committee as appropriate, but under the direct control of the Subcommittee Chairman or Subcommittee Ranking Minority Member, as appropriate, for duty assignment purposes.

(6) The Committee, by majority vote, may terminate the services of any staff member appointed by the Committee and may, from time to time, take appropriate action to fill any staff vacancies.

RULE XIII. COMMITTEE BUDGET

(A) Annual Budget—

(1) At the beginning of each session, after consultation with each Subcommittee Chairman, the Chairman shall propose and present to the Committee for its approval a budget of the estimated funds necessary for all anticipated activities and programs of the Committee and its Subcommittees, that will be requested under a primary expense resolution submitted in accordance with clause 5 of Rule XI of the House Rules.

(2) In presenting the budget, the Chairman shall ensure that it contains sufficient funds to enable the Committee and each Subcommittee to discharge its responsibilities for legislation and oversight.

(B) Additional Expense Resolutions—Authorization for the payment of additional or unforeseen Committee and Subcommittee expenses may be procured by one or more additional expense resolutions processed in the same manner as set out above.

(C) Monthly Accounting—

(1) Once monthly, the Chairman shall require the appropriate staff personnel to prepare a full and detailed accounting of all expenditures made during the period since the last accounting from the amount budgeted to the Full Committee.

(2) Each report shall show the amount and purpose of each expenditure and the budget to which the expenditure is attributed.

(3) Each report shall be available, upon request to the Committee Clerk, to any Member of the House of Representatives.

RULE XIV. CHANGES IN THE COMMITTEE RULES

The Rules of the Committee may be modified, amended, or repealed, by a majority vote of the Committee, provided that two legislative days written notice of the proposed change has been provided each Member of the Committee prior to the meeting date on which the changes are to be discussed and voted upon.

APPENDIX

House rule XI(2)(k)

Investigative Hearing Procedures

(k)(1) The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade or incriminate any person,

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of clause 2(g)(2) of this Rule, if by a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony, the committee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the committee shall proceed to receive such testimony in open session only if a majority of the members of the committee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. In either case the committee shall afford such person an opportunity voluntarily to appear as a witness, and receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. MARTIN of Illinois (at the request of Mr. MICHEL), for February 26 and 27, on account of illness in the family.

Mr. ACKERMAN (at the request of Mr. WRIGHT), for this week, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DELAY) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, February 26.

Mr. GINGRICH, for 60 minutes, February 27.

(The following Members (at the request of Mr. PENNY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STRATTON, for 60 minutes, today.

Mr. PENNY, for 60 minutes, today.

Mr. GONZALEZ, for 60 mintues, today.

Mr. MURTHA, for 5 minutes, February 26.

Mr. DICKS, for 5 minutes, February 26.

Mr. TRAXLER, 5 minutes, February 26.

Mr. LANTOS, for 30 minutes, February 26.

Mr. STRATTON, for 60 minutes, February 26.

Mr. GAYDOS, for 30 minutes, February 27.

Mr. MARTINEZ, for 60 minutes, February 27.

Mr. MARTINEZ, for 60 minutes, February 28.

Mr. SYNAR, for 60 minutes, February 28.

Mr. DE LA GARZA, for 60 minutes, May 7.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. FORD of Michigan, for 5 minutes, today.

Mr. MILLER of California, for 5 minutes, February 26.

Mr. MILLER of California, for 30 minutes, February 27.

Mr. WATKINS, for 5 minutes, February 27.

Mr. MCCURDY, for 60 minutes, February 27.

Mr. LANTOS, for 5 minutes, March 5.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PENNY) and to include extraneous matter:)

Mr. BONIOR of Michigan.

Mr. DYSON in 10 instances.

Mr. ANDERSON of California in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. RANGEL.

Mr. BARNES.

Mr. CROCKETT.

Mr. FAUNTROY.

Mr. MORRISON of Connecticut.

Mr. SKELTON in three instances.

Mr. FORD of Michigan in two instances.

Mr. EVANS of Illinois in two instances.

(The following Members (at the request of Mr. DELAY) and to include extraneous matter:)

Mr. CONTE in two instances.

Mr. BROOMFIELD in three instances.

Mr. GROTBERG.

Mr. MICHEL.

Mr. SHUMWAY.

Mrs. HOLT in two instances.

Mr. THOMAS of California.

Mr. PURSELL in two instances.

Mr. SMITH of New Jersey.

Mr. MURPHY.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 14. Joint resolution authorizing the President to advance Lt. Gen. Ira C. Eaker, USAF (retired) and Lt. Gen. James H. Doolittle, USAF (retired) to the grade of general on the retired list; to the Committee on Armed Services.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 26, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

595. A letter from the Assistant Secretary of the Army for Installation and Logistics, transmitting the decision to convert to contractor performance the personnel services function at Fort Still, OK, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

596. A letter from the Deputy Assistant Secretary of the Air Force for Logistics and Communications, transmitting the decision to convert to contractor performance the grounds maintenance function at Altus Air Force Base, OK, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

597. A letter from the Deputy Assistant Secretary of Air Force for Logistics and Communications, transmitting the decision to convert to contractor performance the base supply function at Sheppard Air Force Base, TX, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

598. A letter from the Deputy Assistant Secretary of Defense, transmitting the notification of the Navy's intention to exclude the clause concerning the examination of records by the Comptroller General in an agreement with France, pursuant to 10 U.S.C. 2313(c); to the Committee on Armed Services.

599. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

600. A letter from the Executive Secretary, National Security Council, transmitting the 1984 annual report on the activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

601. A letter from the Secretary, Commission on Fine Arts, transmitting an evaluation of compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

602. A letter from the Secretary to the Board, Railroad Retirement Agency, transmitting the 1984 annual report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

603. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on the alleged violations of a Klamath National Forest employee, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

604. A letter from the Secretary of Defense, transmitting waivers of minimum funding and staffing requirements for technology transfer from Federal laboratories, pursuant to Public Law 96-480, section 11(b); to the Committee on Science and Technology.

605. A letter from the Under Secretary of Labor, transmitting the annual report on the administration of title V (enforcement) of the Employee Retirement Income Security Act of 1974, pursuant to Public law 93-406, section 513(b); jointly, to the Committees on Education and Labor and Ways and Means.

606. A letter from the Secretary of Transportation, transmitting the annual report of the Pipeline Safety Act of 1979 for calendar year 1983, pursuant to 49 U.S.C. App. 1683(a); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

607. A letter from the Secretary of State, transmitting the Secretary's annual report to Congress on equal employment opportunity efforts, pursuant to Public Law 96-465, section 105(d); jointly, to the Committee on Foreign Affairs and Post Office and Civil Service.

608. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled: "Agricultural Adjustment Act of 1985;" jointly, to the Committees on Agriculture, Foreign Affairs, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. Supplemental report on H.R. 1239 (Rept. No. 99-2 Pt. II). Ordered to be printed.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 1096. A bill to authorize appropriations for famine relief and recovery in Africa (Rept. No. 99-3). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA. Committee on Agriculture. Report on allocation of budget totals for fiscal year 1985 (Rept. No. 99-4). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. Report of subdivision of budget totals for fiscal year 1985 (Rept. No. 99-5). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 1035. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers; with amendments (Rept. No. 99-6, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows.

By Mr. BENNETT:

H.R. 1240. A bill to direct the Secretary of Defense to conduct a study of the military medical system and make recommendations; to the Committee on Armed Services.

H.R. 1241. A bill to amend title 37, United States Code, to prevent military personnel from suffering a loss in the after-tax levels of military compensation due to changes in the application of Federal income tax laws to otherwise deductible housing expenses; to the Committee on Armed Services.

H.R. 1242. A bill entitled, the "Comprehensive Substance Abuse Education Act of 1985"; to the Committee on Education and Labor.

H.R. 1243. A bill to require the Director of the National Institute of Mental Health to develop, publish, and distribute information on suicide prevention; to the Committee on Energy and Commerce.

By Mr. BIAGGI:

H.R. 1244. A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers and firefighters; to the Committee on Ways and Means.

By Mrs. BYRON:

H.R. 1245. A bill entitled: "Senior Citizens Tax Improvement Act"; to the Committee on Ways and Means.

By Mr. CHENEY (for himself and Mr. MILLER of California):

H.R. 1246. A bill to establish a federally declared floodway for the Colorado River below Davis Dam; to the Committee on Interior and Insular Affairs.

By Mr. CHENEY (for himself, Mr. ARCHER, Mr. HYDE, Mrs. MEYERS of Kansas, Mr. GALLO, Mr. NIELSON of Utah, Mr. LIGHTFOOT, Mr. OXLEY, Mr. BLILEY, Mr. LOEFFLER, Mr. WALKER, Mr. DUNCAN, Mr. PORTER, Mr. GROTBERG, Mr. HENDON, Mr. HARTNETT, Mr. WHITEHURST, Mr. MOORE, Mr. STANGELAND, Mr. BEREUTER, Mr. WEBER, Mr. DAUB, Mr. HANSEN, Mr. BOULTER, Mr. MADIGAN, Mr. GINGRICH, Mr. SWINDALL, Mr. WILSON, Mr. DIOGUARDI, and Mr. MILLER of Washington):

H.R. 1247. A bill to provide that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President; to the Committee on Rules.

By Mr. DARDEN:

H.R. 1248. A bill to amend the Internal Revenue Code of 1954 with respect to the treatment of certain fringe benefits provided to parents of employees; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 1249. A bill relating to the tariff treatment of fresh and concentrated grapefruit juice; to the Committee on Ways and Means.

By Mrs. HOLT:

H.R. 1250. A bill entitled: "Income Eligibility for Assisted Housing Stabilization Act of 1985"; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HOWARD:

H.R. 1251. A bill to apportion one-half of the funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986 and substitute highway and transit projects for fiscal years 1984 and 1985; to the Committee on Public Works and Transportation.

By Mrs. KENNELLY:

H.R. 1252. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase the amount of death benefits payable to public safety officers; to the Committee on the Judiciary.

By Mr. LENT:

H.R. 1253. A bill to amend the Internal Revenue Code of 1954 to reduce the 5-percent threshold applicable to the deduction for medical expenses to 3 percent; to the Committee on Ways and Means.

By Mrs. MARTIN of Illinois:

H.R. 1254. A bill to amend the Social Security Act to permit widows and surviving divorced wives who remarry after age 50 to qualify for Medicare; to the Committee on Ways and Means.

By Mr. OBERSTAR:

H.R. 1255. A bill to amend the act establishing Voyageurs National Park, MN, to

allow certain State leaseholders of lands within the park to continue to lease such lands for up to 20 years; to the Committee on Interior and Insular Affairs.

By Mr. PEASE (for himself, Mr. OBEY, Mr. BONIOR of Michigan, and Mr. FLORIO):

H.R. 1256. A bill to prohibit the importation into the United States of benzidine, its salts, and benzidine-based products, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. ROBERT F. SMITH:

H.R. 1257. A bill to provide for the implementation of certain recommendations of the President's private sector survey on coast control with respect to the Department of Defense; to the Committee on Armed Services.

By Mr. THOMAS of California:

H.R. 1258. A bill to amend the Internal Revenue Code of 1954 to provide that the windfall profit tax shall not apply to an amount of crude oil equal to the amount of residual fuel oil used in enhanced recovery processes; to the Committee on Ways and Means.

By Mr. SPENCE (for himself, Mrs. HOLT, Mr. WOLF, Mr. PARRIS, Mr. MARTIN of New York, Mr. RODINO, Mr. TALLON, Mr. MONTGOMERY, Mr. NATCHER, Mr. LEATH of Texas, and Mr. SAM B. HALL, JR.):

H.J. Res. 167. Joint resolution to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, and the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, 16th Armored Division Associations and the Council of Armored Division Associations jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes; to the Committee on House Administration.

By Mr. BROOMFIELD (for himself and Mr. WORTLEY):

H. Res. 76. Resolution expressing the sense of the House of Representatives that the Soviet Union should allow Igor Ogurtsov to be released from internal exile and allowed to emigrate to the West without renouncing his views; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself and Mr. GILMAN):

H. Res. 77. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Narcotics Abuse and Control in the 1st session of the 99th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII.

16. The SPEAKER presented a memorial of the State Senate of Michigan, relative to taxes pertinent to homeowners; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNARD:

H.R. 1259. A bill for the relief of Machiko Ichihara; to the Committee on the Judiciary.

By Mr. DE LA GARZA:

H.R. 1260. A bill for the relief of Joe Herring; to the Committee on the Judiciary.

By Ms. SNOWE:

H.R. 1261. A bill for the relief of Richard W. Ireland; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. GEJDENSON, Mr. DE LUGO, Mr. KILDEE, Mr. COUGHLIN, and Mr. FORD of Tennessee.

H.R. 8: Mr. SCHUMER and Mr. BENNETT.

H.R. 43: Mr. MITCHELL, Mr. CLAY, Mr. LELAND, Mr. REID, and Mr. WEISS.

H.R. 47: Mr. GONZALEZ, Mr. JEFFORDS, Mr. ST GERMAIN, Mr. STARK, Mr. STRATTON, and Mr. VOLKMER.

H.R. 52: Mr. FAUNTROY, Mr. DARDEN, Mr. FUQUA, Mr. LEHMAN of Florida, Mr. WHITLEY, Mr. MCKERNAN, Mr. HATCHER, Mr. ROEMER, and Mr. PEPPER.

H.R. 119: Mrs. SCHNEIDER.

H.R. 125: Mr. CHAPPELL.

H.R. 156: Mr. RAHALL and Mr. GILMAN.

H.R. 326: Mr. CHAPPIE.

H.R. 333: Mr. RICHARDSON and Mr. GILMAN.

H.R. 338: Mr. CHAPPELL.

H.R. 473: Mr. LAGOMARSINO and Mr. WILSON.

H.R. 479: Mr. CRAIG, Mr. WOLPE, and Mr. WORTLEY.

H.R. 480: Mr. MCDADE.

H.R. 509: Mr. LUNDINE, Mr. DORGAN of North Dakota, Mr. REID, Mr. MARTINEZ, Mr. ECKART of Ohio, Mr. JONES of North Carolina. Mr. MATSUI, Mr. MITCHELL, Mr. WORTLEY, Mr. GOODLING, Mr. SHUMWAY, Mr. EDWARDS of Oklahoma, Mr. VENTO, and Mr. YOUNG of Florida.

H.R. 531: Mr. BOEHLERT, Mr. LUNDINE, Mr. STALLINGS, Mr. MCCANDLESS, Mr. BROOMFIELD, Mr. WISE, Mr. MITCHELL, Mr. GORDON, Mr. DORGAN of North Dakota, Mr. LEHMAN of California, Mr. LEWIS of California, Mr. TRAFICANT, and Mr. HEFNER.

H.R. 535: Mr. KOLBE.

H.R. 587: Mr. MATSUI and Mr. FORD of Tennessee.

H.R. 604: Mr. ENGLISH, Ms. MIKULSKI, Mr. MURPHY, Mr. BATEMAN, Mr. APPLEGATE, Mr. HORTON, Mr. LUNDINE, Mrs. LLOYD, Mr. FUSTER, Mr. BEDELL, Mr. LEVIN of Michigan, Mr. SCHAEFER, Mr. WOLF, Mr. DORNAN of California, Mr. KOLTER, Mr. FISH, Mr. WEAVER, Mr. OBERSTAR, Mr. MCGRATH, Mr. MARTINEZ, Mr. BRYANT, Mr. MICA, Mr. LAFALCE, Mr. BILIRAKIS, Mr. FUQUA, Mr. TRAFICANT, Mrs. BENTLEY, Mr. NIELSON of Utah, Mr. NEAL, Mr. WAXMAN, Mr. ATKINS, Mr. BROWN of California, Mr. FAZIO, Mr. REID, Mr. WYLIE, and Ms. OAKAR.

H.R. 708: Mr. MCCOLLUM, Mr. KOLBE, and Mr. STUMP.

H.R. 709: Mr. MCCOLLUM, and Mr. STUMP.

H.R. 747: Mrs. BURTON, of California, Mr. ACKERMAN, Mr. OWENS, Mr. HAYES, Mr. TRAXLER, Mr. FAUNTROY, Mr. FOWLER, Mr. DIXON, Mr. SOLARZ, Mr. STOKES, Mr. TOWNS, Mr. SWIFT, Mr. MATSUI, Mrs. SCHROEDER, Mr. BARNES, Mr. RODINO, Mr. LELAND, Mr. CONYERS, Mr. MURPHY, Mr. HOYER, Mr. TORRES, Mr. MITCHELL, Mr. BERMAN, Mr. MARKEY, Mr. LOWRY of Washington, Mr. DYMALLY, Mr. YOUNG of Missouri, Mr. EDWARDS of California, Mr. WHEAT, Mr. SMITH of Florida, Mr. CROCKETT, Mr. LEVINE of California, Mr. FORD of Tennessee, Mr. MARTINEZ, Mr. DELLUMS, Mr. WAXMAN, Mr. COELHO, Mr. CARR, Mr. FOGLIETTA, Mr. COYNE, Mr. SUNIA, Mr. STUDDS, Mr. SCHEUER, Mr. DOWDY of Mississippi, Mr. FRANK, Mr. CLAY, Mr. WEAVER, Mr. PEPPER, Mr. WILLIAMS, Mr. SEIBERLING, Mr. MINETA, Mr. ROYBAL, Mr. WEISS, Mr. RANGEL, Mrs. COLLINS, Mr. FAZIO, Mr. RICHARDSON, Mr. BIAGGI, Mrs. LLOYD, Mr. WIRTH, Mr. EDGAR, and Mr. NOWAK.

H.R. 749: Mr. EDGAR.

H.R. 773: Mr. BROWN of Colorado, Mr. WORTLEY, Mr. BRYANT, Mr. NEAL, Mr. HARTNETT, Mr. GORDON, Mr. MOLLOHAN, Mrs. HOLT, Mr. STRANG, Mr. ENGLISH, and Mrs. LLOYD.

H.R. 825: Mr. RODINO, Mr. DONNELLY, Mr. WORTLEY, Mr. THOMAS of California, Mr. SIKORSKI, Mr. GEKAS, Mr. CONTE, Mr. BEDELL, Mr. SEIBERLING, Mrs. BYRON, Mr. FRENZEL, Mr. MRAZEK, Mr. MARKEY, Mr. HUGHES, Mr. WISE, Mr. CRAIG, Mr. NOWAK, Mr. RITTER, and Mr. COATS.

H.R. 837: Mr. BLILEY and Mr. NIELSON of Utah.

H.R. 868: Mr. HOYER.

H.R. 976: Mr. RAHALL and Mr. SEIBERLING.

H.R. 980: Mr. PACKARD.

H.R. 984: Mr. NIELSON of Utah.

H.R. 1035: Mr. JONES of Tennessee, Mr. SHELBY, Mr. ROBINSON, Mr. DE LA GARZA, and Mr. SIKORSKI.

H. R. 1142: Mr. GINGRICH and Mr. DIOGUARDI.

H.R. 1171: Mr. TOWNS, Mr. DYMALLY, Mr. SMITH of Florida, Mr. DONNELLY, Mr. HERTEL of Michigan, Mr. EDWARDS of California, Mr. LELAND, Mr. FUSTER, Mr. LANTOS, Mr. DWYER of New Jersey, Mr. GREEN, Mrs. BOXER, Mr. SCHUMER, Mr. KILDEE, Mr. ATKINS, Mr. WAXMAN, Mr. BLAZ, Mr. MINETA, Mr. RANGEL, Mr. MOODY, Mr. BERMAN, Mr. VENTO, Mr. FAZIO, Mr. TORRICELLI, Ms. KAPTUR, Mr. SCHEUER, Mr. MARTINEZ, Mr. LEHMAN of Florida, Ms. MIKULSKI, Mr. MITCHELL, and Mr. FROST.

H.J. Res. 27: Mr. WILSON, Mr. BARTLETT, Mrs. LLOYD, Mr. MONTGOMERY, Mr. GINGRICH, Mr. YOUNG of Florida, Mr. BURTON of Indiana, Mr. HUNTER, Mr. LOWERY of California, and Mr. HUCKABY.

H.J. Res. 74: Mr. VOLKMER, Mr. ROE, Mr. TAUZIN, Mr. BROOKS, Mr. MCKERNAN, Mr. WEBER, Mr. LAFALCE, Mr. BONER of Tennessee, Mr. SUNDQUIST, Mr. MCEWEN, Mr. DYSON, Mr. ANTHONY, Mr. OWENS, Mr. MOORHEAD, Mr. BIAGGI, Mr. BREAUX, Mr. DYMALLY, Mr. APPLEGATE, Mr. DURBIN, Mr. BROWN of California, Mr. LEWIS of California, Mr. WOLPE, Mr. DUNCAN, Mr. HILLIS, Mr. STALLINGS, Mr. COELHO, Mr. CONYERS, Mrs. BOGGS, Mr. MANTON, Mr. KASTENMEIER, Mr. GINGRICH, Mr. VALENTINE, Mrs. LLOYD, Mr. GEKAS, Mrs. MEYERS of Kansas, Mr. BURTON of Indiana, Mr. FLORIO, Mr. LUNGREN, Mr. YOUNG of Missouri, and Mr. FISH.

H.J. Res. 108: Mr. HORTON, Mr. EVANS of Illinois, Mr. UDALL, Mr. TORRICELLI, Mr. BARNES, Mr. BONER of Tennessee, Mr. ROEMER, Mr. GALLO, Ms. KAPTUR, Mr. DEWINE, Mr. LANTOS, Mr. SPRATT, Mrs. COLLINS, Mr. EARLY, Mr. OWENS, Mr. DARDEN, Mr. DURBIN, Mr. BERMAN, Mr. HYDE, Mr. FUQUA, Mr. DWYER of New Jersey, Mr. MINETA, Mr. MARTINEZ, Mr. ROWLAND of Georgia, Mr. ROE, Mr. LAGOMARSINO, Mr. SMITH of Florida, Mr. HUGHES, Mrs. BOXER, Mr. MCGRATH, Mrs. ROUKEMA, Mr. RANGEL, Mr. HATCHER, Mr. CHAPPIE, and Mr. Howard.

H.J. Res. 136: Mr. BROOKS, Mrs. BURTON of California, Mr. WALGREN, Mr. FRANK, Mr.

WEAVER, Mr. BOEHLERT, Mr. BOUCHER, Mr. SCHEUER, Mr. SEIBERLING, Mrs. SCHROEDER, Mr. LUNDINE, Mr. BEDELL, Mr. GREEN, Mr. SABO, Mrs. BOXER, Mr. BUSTAMANTE, Mr. FEIGHAN, Mr. BROWN of California, Mr. FROST, Mr. NEAL, Mr. SIKORSKI, Mr. MINETA, Mr. LELAND, Mr. NOWAK, Mr. ROYBAL, Mr. DURBIN, Mr. MOAKLEY, Mr. FAUNTROY, Mr. BOLAND, Mr. SCHUMER, Mr. AUCOIN, Mr. VALENTINE, Mr. PENNY, Mr. HAYES, Mr. WISE, Mr. WYDEN, Mr. BARNARD, Mr. KASTENMEIER, Mr. DWYER of New Jersey, and Mr. EDWARDS of California.

H.J. Res. 137: Mr. DENNY SMITH, Ms. SNOWE, Mr. BONIOR of Michigan, Mr. BATEMAN, Mr. BEREUTER, Mr. BEVILL, Mr. BROWN of California, Mr. BONER of Tennessee, Mr. BARNES, Mr. BREAUX, Mr. DANIEL, Mr. AKAKA, Mr. CONYERS, Mr. EDGAR, Mr. FAZIO, Mr. CARR, Mr. LATTA, Mr. DERRICK, Mr. DEWINE, Mr. MCHUGH, Mr. MCDADE, Mr. GRAY of Illinois, Mr. SISISKY, Mr. LEACH of Iowa, Mr. HOYER, Mr. HAMMERSCHMIDT, Mr. O'BRIEN, Mrs. BOXER, Mr. DYMALLY, Mr. OBERSTAR, Mr. PASHAYAN, Mr. NICHOLS, Mr. PICKLE, Mr. THOMAS of Georgia, Mr. OLIN, Mr. RODINO, Mr. QUILLEN, Mr. MOORE, Mr. WYLIE, Mr. FLIPPO, Mr. MURTHA, Mr. SMITH of Florida, Mr. WHITTEN, Mr. GEKAS, Mr. WATKINS, Mr. VANDER JAGT, and Mr. BOSCO.

H.J. Res. 151: Mr. ROBERTS, Mr. ROEMER, Mr. BATEMAN, Mr. UDALL, Mr. ACKERMAN, Mr. FLORIO, Mr. RAHALL, Mr. SMITH of Florida, Mr. HENRY, Mr. CONTE, Mr. CLAY, Mr. YOUNG of Alaska, Mr. FUSTER, Mrs. COLLINS, Mr. WIRTH, Mr. VANDER JAGT, Mr. YOUNG of Missouri, Mr. BERMAN, Mr. MANTON, Mr. FROST, Mr. STALLINGS, Mr. BEVILL, Mr. HATCHER, Mr. DARDEN, Mr. SOLARZ, and Mrs. BURTON of California.

H. Con. Res. 15: Mrs. BURTON of California.

H. Con. Res. 32: Mr. KOLBE.

H. Con. Res. 34: Mr. FISH, Mr. HUBBARD, and Mr. SOLOMON.

PETITIONS, ETC.

Under clause 1 of rule XXII,

40. The SPEAKER presented a petition of the Wythe County Board of Supervisors, Wytheville, VA, relative to the Federal budget cuts on domestic spending; which was referred to the Committee on Government Operations.

SENATE—*Monday, February 25, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

The Lord loves righteousness and justice.—Psalm 33:5.

Father in Heaven, we commend to You the leadership of the Senate, Senators DOLE and BYRD, SIMPSON, and CRANSTON, all who chair committees, each Senator and staff members. As the avalanche of issues, agendas, and crises inundate, help them with their priorities and grant them wisdom in responding.

Brace all public leadership against cynicism and sick humor by those whose certainty is in inverse ratio to their understanding, whose activities demean and dishearten the people as well as those in public life. Grant us to see, dear Lord, that we are all in this together—vulnerable when divided, victorious when united. In the name of Him Who holds all things together by the power of His word. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SENATE SCHEDULE

Mr. DOLE. Mr. President, under the previous order and the standing order, both leaders will have 10 minutes. I will reserve the remainder of my time after this statement.

Following the leader time, the distinguished Senator from Wisconsin, Senator PROXMIRE, and the distinguished Senator from Oklahoma, Senator BOREN, will be recognized for special orders not to exceed 15 minutes each.

Following the special orders just identified, there will be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m. with statements limited therein to 5 minutes each.

It is my understanding that the distinguished chairman of the Foreign Relations Committee, Senator LUGAR, who is involved now in a hearing, probably wishes to commence action on the African Relief Act about 2 p.m. So we may stand in recess from 1 p.m. to 2 p.m., unless there is some objection to that from the distinguished minority leader.

So we hope to take up S. 457, the African relief bill, about 2 p.m. A total of two first-degree amendments on each side are in order, and two second-degree amendments if each side wants to offer them to their own first-degree amendments, are in order. They will be limited to the farm credit issue. So we are not talking about policy amendments such as increasing parity levels or target prices or loan levels or other policy areas. They will not be relevant or germane. It is my hope that we can dispose of this African Relief Act some time early this week and any other business that might come before the Senate.

Rollcall votes, if they occur today, will not occur until the hour of 4 p.m.

FARM CREDIT CAP

Mr. DOLE. Mr. President, I have tried to indicate in speeches yesterday, to the State of the American Farm Conference and the National Governors Association, that we now have a good farm credit program in place. It is easy to become partisan around this place, but I think we have clarified some of the areas because of bipartisan efforts.

It is also my understanding that the only real change was from the 110 percent cash flow requirement to 100 percent for commercial lenders.

But we did resolve the concerns of at least some Senators that there were limitations on the amount of loan guarantees for debt restructuring. There is no cap on that. There is also no cap on insured farm operating loans from Farmers Home.

So in my view we have been able to clarify areas that both Democrats and Republicans, or Democrats in some cases and Republicans in other cases, wanted to clarify. We have done that in the course of our meetings with the Secretary of Agriculture. We have also done it in a vote on the Senate floor on Saturday on Senate Resultion. 57, the farm credit resolution.

I know others would like to expand on the resolution to provide additional relief. There are literally hundreds of State legislators in town and there will be other farm representatives in town this week and in the following weeks.

But it would seem to me that we should give this program a chance to work. It is a good program. There is no cap. I think the media fails to understand the program. We have the same problem from time to time, but we do not write about it.

We put it in the CONGRESSIONAL RECORD, but not everyone reads the RECORD.

So I would just hope we have some time to focus on the program in place, because I believe it will satisfy the concerns of most farmers. We understand the independent bankers. They do not want to take any risk. They would let the Government take the risk. They would let the Government take over any soft loans the bank might have in its portfolio.

I for one do not believe that would be a good idea. I find in my State the Kansas bankers are not only enthusiastic, they are ready to go to work. They were satisfied with the 110 percent cash flow provision. They were happy with the 105 percent. They are very happy with the 100 percent.

So it would seem to me in the debate this week that we could really focus on what we already have in place. We have a good program, and it is one that has been worked on for some time.

There is one area that I think we should be very attentive to on a bipartisan basis, and that is to make certain the program is going to work—that those who have the responsibility on a State level or Federal level are carrying out the program. I think that is a matter of some concern to both sides of the aisle.

So, Mr. President, I believe we have moved in the right direction. I believe we can be of assistance to a great number of farmers. But when we start holding out hope to everyone, then I think we have really misled many farmers and farm families who are in deep distress.

There are just certain limits on what the Federal Government can do, particularly when we are faced with this massive deficit. I hope we can soon turn to the deficit as the No. 1 priority in the Senate this year.

I reserve the remainder of my time, if there is any remaining.

Mr. President, do I have any leader time remaining.

The PRESIDING OFFICER (Mr. GRAMM). The leader has 3 minutes and 20 seconds remaining.

Mr. DOLE. I yield that to the distinguished Senator from South Dakota.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

STUDENT FINANCIAL AID

Mr. PRESSLER. Mr. President, last fall I sent out a student financial aid questionnaire. I have recently completed my tabulations of this survey and the results are most interesting. Responses to the specific items on that questionnaire are as follows:

When asked to rate the Federal Student Grant Program, 7 percent of the respondents said it was too generous, 40 percent said not generous enough, and 53 percent said the program was about right.

The respondents listed in order of importance the types of student aid. Grants were listed as most important, followed by scholarships, work study programs, and low-interest loans.

Regarding the eligibility requirements for student grants, 33 percent said the requirements were too strict, 24 percent too complicated, 5 percent too lenient, and 38 percent said they were basically sound.

Fairness of the family financial statement [FFS] in determining eligibility programs were also surveyed. Fifty-three point eight percent said the FFS was fair, while 46.2 percent said it was unfair. Fifty-eight point nine percent said there was equal access of aid to rural and urban students, while 41.1 percent said the distribution was unfair.

Difficulty in repaying loans was another major concern, with 48.6 percent saying repayment of loans was difficult and 51.4 percent said students did not have a difficult time.

Sixty percent of those responding said we should spend more public funds on education, 34 percent said present levels of funding should be maintained, 5 percent suggested moderate cuts, and 1 percent wanted major cuts.

Scholarship programs received strong support, with 81 percent in favor of a scholarship program for students planning to become teachers in South Dakota.

Fifty-three point two percent said that policy decisions were not made with equal emphasis on rural and urban needs.

When asked what the Federal Government should do to improve education, 26 percent wanted increased funding, 22 percent wanted more information services, 42 percent wanted more emphasis on rural family needs, and only 10 percent supported a reduction of Federal regulations.

Twenty-two percent said that if more spending is needed, State governments should bear most of the burden. Thirteen percent said local school districts are financially responsible, 8 percent said the Federal Government should carry most of the cost, and 57 percent said all should bear an equal burden in funding education.

In regard to new technologies, 71.2 percent said that rural and small schools have benefited from new technologies in education.

Eighty-nine point seven percent said they would favor more partnerships between rural schools and private businesses to utilize new technologies, such as VCR's and computers.

When asked if the needs of special students were being met, 54.2 percent believed that the needs of handicapped and gifted students were being met in our rural or small city schools.

In rating the South Dakota educational system's performance, South Dakotans ranked their schools above the Nation's schools in quality of education. Thirty percent said South Dakota schools were good, 51 percent said they needed some improvement, and 18 percent rated them as needing major improvements. The respective ratings for U.S. schools in general were 11 percent, 57 percent, and 32 percent.

Seventeen percent claimed that parents were responsible for the state of education today, while 10 percent put the responsibility on the students, 9 percent on teachers, and 6 percent on the government. A majority of 58 percent said all were equally responsible.

I believe these results are proof that the financial aid system for postsecondary education students is working. This program is vital to the continuation of U.S. leadership in education.

Our country will remain competitive in education only if we continue to maintain strong individual, local, State and Federal support for those programs which have aided so many American students.

As a strong supporter of education funding, and having served on the House Elementary, Secondary and Vocational Education Subcommittee, I have always maintained that education programs are a wise investment for our Nation's future security and prosperity. I will continue to sponsor and support needed education funding.

There are many valuable education programs which are extremely important to South Dakota students. It would be wrong to cut education programs unfairly unless all other budget areas are called upon to make similar sacrifices.

Mr. DOLE. Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. I thank the Chair.

AFGHAN UPDATE

Mr. BYRD. Mr. President, on those occasions when reports of the fighting in Afghanistan appear in the Western press, they often note that two-thirds of the countryside is controlled by the guerrilla freedom fighters, while the Afghan Communists and their Soviet overlords retain control of the cities.

A report in the Washington Post of February 21 gives us reason to be cautious about how we characterize Soviet control of major towns. The article combines reports from two journalists who have recently returned from the cities of Kandahar and Herat. They point out that the Soviets and the Afghan puppet regime's army are virtual prisoners within their barracks in these towns.

But the report also reminds us of the need to assure adequate assistance for the Afghan resistance fighters. Food and clothing supplies have been disrupted by Soviet bombardment. My amendment of last June 19, 1984, called for all appropriate steps to assure that the Afghan people receive adequate food and medical assistance. That amendment was adopted by the Senate without a dissenting vote. I hope and trust that we are living up to our obligation in that regard, to assist those brave people in their struggle to regain control of their country.

I ask unanimous consent that the article from the Washington Post to which I have referred be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GUERRILLAS REPORTED IN FORCE IN TWO MAJOR AFGHAN CITIES

(By William Branigin)

BANGKOK.—Kandahar, the second largest city in Afghanistan, is largely in the hands of Moslem guerrillas, who have government posts on the defensive and frequently under siege, according to a free-lance photographer who spent most of last month in and around the city.

Soviet troops are rarely seen in the southern Afghan city, but stay outside it at the heavily guarded airport, said Terence White, 35, of New Zealand.

A similar situation prevailed in the third largest city, Herat, at least as recently as October, according to Dominique Vergos, a French photographer who emerged then from more than a year of traveling with the guerrillas in Afghanistan. Vergos said armed Afghan guerrillas known as mujaheddin were able to ride around openly in jeeps, and he estimated that they controlled about three-fourths of Herat, a city in western Afghanistan near the Iranian border that is rarely visited by westerners.

The accounts of White and Vergos during visits to Bangkok last week indicated that more than five years after the Soviets invaded Afghanistan, they face growing problems in trying to crush the Moslem guerrillas and build up the Moscow-installed government of Babrak Karmal.

The mujaheddin long have been reported to have effective control of the countryside, with the Soviet occupation troops—estimated to be 115,000—dominating the cities and major roads. But the descriptions by White and Vergos of such a tenuous grip on the two largest cities after the capital, Kabul,

point to potentially serious problems for the Soviets and their Afghan government proteges.

Afghan guerrilla leaders interviewed across the Pakistani border in Peshawar earlier this month said the fighting in Kandahar had been the fiercest of any winter since the Soviet invasion in 1979. Although the leaders said they were in control of most of Kandahar Province, the resistance forces have been hampered by several factors.

Gulbaddin Hekmatyar, who heads the fundamentalist Hizbi Islami group that has units fighting in Kandahar, said the Soviets are shifting their attacks from the central provinces to border provinces such as Kanhahar. Their air raids, he said, have been disrupting the flow of food, ammunition and—most important now—war clothing.

The photographers described extensive Soviet air operations, including almost daily strikes on Kandahar and surrounding villages by bombers and helicopters, as the Soviets appear to rely increasingly on their unmatched air power. Despite reports of an increasing flow of arms to the guerrillas from foreign donors, the guerrillas still lack sufficient antiaircraft weapons with which to resist the Soviet air strikes, the photographers said.

White said he left for Afghanistan from neighboring Pakistan with a convoy of eight jeeps in which the mujaheddin were carrying arms, ammunition and other supplies into the Kandahar area. He said that while they drove mostly at night through the desert, switching off headlights when approaching government posts, they occasionally—to his surprise—used main roads without incident.

In the countryside, armed mujaheddin even traveled freely on public buses carrying their Kalashnikov rifles, White said.

On entering Kandahar, White said, he found normal day-to-day activities in the city's bazaar area, with shops selling flat loaves of Afghan bread, meat, fruit, vegetables and other items, while armed guerrillas walked around casually.

Outside one tea shop, White said, an Afghan was cleaning a light machine gun. He said that when he asked the guerrillas what would happen if a partol of Soviet or Afghan soldiers came into the bazaar, the mujaheddin laughed at what they regarded as a naive question.

"They don't, because they would be captured or killed," he quoted Mullah Mohammed Zay, a local commander from the Jamiat-i-Islami guerrilla organization, as saying.

White said that on another occasion, a guerrilla commander pointed to a government post in the western part of Kandahar from about 100 yards away and told him, "Two meters on each side belongs to the post. The rest belongs to the mujaheddin."

White said he was told there are about 30 posts in the city manned by government troops and an Afghan Army garrison on the northwestern edge of the city, but that Soviet forces were concentrated at the airport, about seven miles southeast of Kandahar.

From there, he said, the Soviets mounted almost daily air strikes in and around the city, using jets and helicopter gunships.

"The day I went into the bazaar, two helicopter gunships were firing into the city," White said. He said mujaheddin also told him the Soviets often fired barrages from rocket launchers into Kandahar. During the air strikes, he said, the Afghan government posts fire flares into the air to mark their positions and avoid being hit.

"Every day I was in the city there was bombardment," White said.

White said he was told that the population of Kandahar, formerly about 150,000, was now down to 10,000 to 20,000, most of the inhabitants having fled to Pakistan as refugees. While life went on fairly normally in some areas, like the bazaar, he said, other neighborhoods of Kandahar were deserted and many shops in the city were closed.

The photographer said that whenever he asked guerrilla commanders about American aid, the usual reply was, "Where is it?" He said the mujaheddin repeatedly stressed that they had nothing effective with which to combat the Soviet air attacks.

White said the guerrillas can move fairly freely in the parts of the city he visited, adding that the Afghan troops are largely confined to their posts and must be resupplied by heavily armed convoys and sometimes by air. In the countryside around Kandahar, he said, the Soviets also must travel in big convoys and often cross open deserts to avoid mujaheddin ambushes on the main roads.

Although White's account of normal food sales in the Kandahar bazaar seems at odds with the description by rebels in Peshawar and Afghan exiles arriving in New Delhi, it is possible that food supplies are reaching the large cities but not the rural areas, according to western diplomats in Kabul.

Reports received from Kandahar's rural areas and passed on by the resistance in Peshawar say that the Soviet and Afghan Army's air attacks have seriously disrupted the economy in those areas.

They say armored units attack a village, shoot cattle, burn crops and foodstores and tear up terraced fields. Then, the exiles say, the Army plants explosive charges in the underground irrigation channels dug in the hillsides and leading to the fields, or bombs the surface irrigation ditches.

In Herat, according to French photographer Vergos, guerrillas led by Ismail Khan, a former Afghan Army officer, held similar sway, and government forces were bitterly divided between the rival communist Parcham and Khalq factions that make up the Babrak government in Kabul.

The Afghan Army continues to be riddled by defections, Vergos said. In one incident while he was in Herat, he said, an Afghan Army officer arranged with the mujaheddin to defect with a tank, and one day drove it out of his garrison and headed for a guerrilla zone. Government forces tried to recover the tank, but could not find it, Vergos said.

Mr. BYRD. Mr. President, I ask unanimous consent, for the time being, that I may be permitted to reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I reserve the balance of my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WHY THE CONGRESS SHOULD BITE THE BULLET AND CUT STAR WARS NOW

Mr. PROXMIRE. Mr. President, it now appears there is a strong likelihood that the Congress will go along with most if not all of the colossal increase in funding requested by the administration for so-called Star Wars research. The administration wants to increase the outlay for researching this antimissile defense from about $1½ billion this year to about $3½ billion next year. That would be an increase of more than 140 percent in a single year.

It would be a mammoth increase in spending in this single military category at the precise time when the Federal deficit has become so overpowering that the same administration that proposes this colossal increase in research on Star Wars also recommends cutting out all spending entirely for legal services, the Job Corps, the Work Incentive Program, the Small Business Administration, almost all publicly assisted housing, and a long list of other programs. The administration would slash welfare and drastically cut back assistance for farmers who are engaged in the fight of their lives to keep their farms.

This Senator intends to support most of the administration's recommended reductions. All of us recognize that the Federal deficits pose a serious threat to our country that could undermine this marvelous economy which is the bedrock basis not only of our country's economic prosperity but of our Nation's military strength. But now the cry seems to be we will not spend one penny for the production of Star Wars hardware and certainly not for its deployment. But we will go ahead with billions for research on the Star Wars system that we will never use. Did I say "never use"? I did, indeed.

Mr. President, think of how ridiculous this is. Obviously all the research in the world is useless if the research isn't put to work in production of the hardware which is the fruit of research. The production accomplishes nothing unless the hardware is then deployed. So here we are asked to give Star Wars by far the biggest increase in any billion dollar plus budget request, military or civilian—a mammoth 140-percent increase in a single year—for a weapon system which many Members of the Congress have resolutely resolved will never be put into use. And we are told that the total ante for Star Wars research—research alone—has just been raised from $25 to $30 billion over the next 6 years. How should the Congress determine whether to spring for all or any of the $3.7 billion request for 1986 or the $30 billion for the next 6 years?

The President's senior arms control adviser, Paul Nitze, has suggested how we should make that final decision 6 years or so from now. He has come up with two criteria for the production and deployment of the system. He has said that before the country goes beyond research to production and deployment we should first determine whether the system is vulnerable to the attack of an adversary. If it is vulnerable, if an adversary could destroy the deployed system, then we should not build it or deploy it. Second, Nitze has proposed that the Congress not proceed with Star Wars unless the cost will be less than the cost of an offensive system that could penetrate and defeat it.

So the Congress is asked to spend $3.7 billion this year and $30 billion over the next 6 years for research on a project that will never be produced or deployed unless it can meet these two standards. With any reflection, both standards seem almost impossible to apply. Could we construct a Star Wars defense that would be invulnerable to any attack designed to destroy it based on any technology we now know? Could the Star Wars hardware frustrate any nuclear warhead designed to blow it to smithereens? Could it defeat any decoys without suffering exhaustion? And if it could do this, could we reasonably expect that within a year or two or three an adversary could not design a laser device or some other new technology that would destroy it?

Many scientific experts contend the deployed system would be vulnerable, but how does Congress decide? Especially how do we decide the potency of a future technological threat to Star Wars?

The second criteria—whether Star Wars would be cheaper than the offensive system necessary to penetrate it—seems like a perfect 1 in 100 bet. Star Wars would seem to be a sure loser. The odds would seem to overwhelmingly favor the development of a system that would penetrate Star Wars at a far cheaper price than the half a trillion to a trillion dollars Star Wars would cost. After all the Defense Department is asking the Congress to spend only about $170 million in 1986 to do research on the advanced strategic missile system. That would be about one-twentieth of the sum requested for Star Wars. And what would the advanced strategic missile systems do? It would be designed to penetrate the Russian antimissile defense.

The New York Times has suggested that this 1 to 20 ratio is about the proportion that we might expect for the cost of an offense to overcome a Star Wars defense. Of course, the Times estimate is a facetious guess. But in view of the colossal initial cost estimate of Star Wars and the record of the Defense Department in grossly underestimating new weapons system especially in the earliest years of the technology, it seems likely that a 1 to 20 ratio between the cost of an offense that could penetrate a defensive system and the cost of the defensive system in the case of Star Wars would leave plenty of funding for a penetrating offense even with the 1 to 20 ratio. If the Nitze standard is applied, that Star Wars would not go beyond the research phase if it would not absolutely be cheaper on a dollar-for-dollar basis than the technology that would defeat it, then the prospect for Star Wars deployment would seem to be a very long shot, indeed.

So consider how ridiculous a position the Congress finds itself in. The congressional sentiment now may be to go along with research for Star Wars, a colossal 140-percent increase this year to $3.7 billion, and a commitment to proceed to $30 billion over the next 6 years for further research.

Mr. President, I have talked to a number of Senators about this, and I have been surprised at the number of Senators who say they oppose Star Wars, would never vote for its deployment, but say we should go ahead with the research.

Mrs. Margaret Thatcher, who has pretty much said the same thing, said she is for Star Wars research, wants to negotiate deployment, but all the conversations with the British leaders indicate that the British would almost certainly oppose any deployment.

This is a toughie for Congress. The Star Wars advocates put it to the Congress this way: "Just give us a chance. We aren't asking for a trillion dollars. All we want is $30 billion to explore this great idea. If it won't work we'll forget it." Now how about it? Mr. President, I predict Congress will provide that $30 billion research money. And I predict we will be so hooked on prospective contracts in our States and districts, the Congress will spend the half trillion or trillion for this modern version of the Great Wall of China.

Mr. President, on Sunday, February 24, the New York Times carried an editorial entitled: "It's Still Star Wars" that refutes each of the following contentions of the Star Wars backers convincingly:

First. It is the only moral defense in the nuclear age.

Second. It is only research for our grandchildren.

Third. It will soon be useful, indeed, indispensable, even if imperfect.

Fourth. It is a proven stimulus to arms control. As the Times contends, all four arguments fail. The editorial specifies why. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 24, 1985]

IT'S STILL STAR WARS

President Reagan has a wish about "Star Wars," the new missile defense system to which he gave his energetic blessing two years ago without any public debate whatsoever. "I wish whoever coined that phrase would take it back again because it gives a false impression of what it is we're talking about." And as William Safire reports in proposing a rename-it contest in today's Times Magazine, the Administration is obsessed with the search for a name that can make this radical weapons program palatable.

The problem with Star Wars, however, is not semantic. It's conceptual.

The President and his aides have been selling Star Wars on four different, incompatible grounds: (1) It is the only moral defense in the nuclear age. (2) It is only research for our grandchildren. (3) It will soon be useful, indeed indispensable, even if imperfect. (4) It is a proven stimulus to arms control.

All four arguments fail, even the moral one, because a Star Wars defense becomes moral only when it becomes practical. Yet merely pursuing it looks to be highly dangerous.

1. IT'S THE MORAL WAY TO PREVENT NUCLEAR WAR

Mr. Reagan offered one noble rationale when he sprang Star Wars in March 1983. He said he wanted to rise above the ugly reality of defending the United States by threatening the existence of all life on earth. He was therefore ordering the preparation of a foreseeable missile defense that would make the nation and its allies invulnerable, eventually rendering all nuclear weapons useless and dispensable.

The President recognized even then that any defense, if paired with an offense, would be highly provocative to the Soviet Union, leaving it alone in danger of devastation. But Americans are not aggressive, he said. Besides, once the defense is completed, in 20 or 30 years, America would probably offer it to the Russians if they agreed to scrap most nuclear weapons.

When the experts caught their breath, they proved even to the Pentagon's satisfaction that a leakproof, Berlin-to-Tokyo, all-cities defense is impossible. And even if it became possible one day, it would be so horrendously expensive that the Russians could easily damage, destroy or elude the defense at a fraction of the cost.

2. DON'T GET EXCITED, IT'S JUST RESEARCH

So the Reagan loyalists who found it impossible to support the vision of an all-cities defense retreated to a new line. They concede it's a pipe dream to think there will ever be a better defense for New York than the certain threat of destroying Moscow, and vice versa. And they're satisfied that this certainty will last into their grandchildren's lifetimes. But what's wrong, they ask, with a lively search for alternatives?

There is nothing wrong with modest research that can discourage the Russians from one day finding profit in renouncing the treaty against missile defense; indeed the treaty envisions such research. But no program proclaimed with trumpets from the Oval Office, described as vital and funded with an initial budget of $30 billion, will be "research" in Soviet eyes.

The mere pursuit of such vigorous planning and testing has to make the Kremlin fear a defense that might actually with-

stand a small attack. The pursuit of this research, in short, would provoke the Russians to pursue their own provocative defense and to rapidly expand their offense to guarantee penetration of any American shield.

3. WELL, NOT JUST RESEARCH; WE DO NEED IT NOW

Not just research is what another wing of the Administration argues. These officials don't doubt that deterrence works, either. In fact they say they need Star Wars to preserve deterrence.

What if the Russians keep building those big and accurate missiles, they ask, one day gaining the capacity to use only some of their missiles to knock out all our land missiles and command centers in a single attack?

We would still have all our missile submarines, but they're hard to communicate with, it is said. We'd have bombers and cruise missiles galore, but they're slow and most effective against cities. No Russian leader would be crazy enough actually to order such a surprise attack, these strategists concede. But a Soviet leader might threaten one, as a way of trying to exact impossible demands. And a wobbly future President might capitulate to the blackmail, believing that his only alternative was to attack Moscow—thus also dooming New York.

That is the far-fetched and unexamined theory that seems now to be really driving Star Wars. It is the old, discredited "window of vulnerability" argument, dressed up with drapes and valances. Star Wars at best is a scheme to defend land missiles, not people. It may also be an unacknowledged scheme to make America the one that can threaten a surprise attack and reap the benefits of "nuclear blackmail."

Well, what's wrong with that? One thing wrong is the calculation that the Russians could not keep up with America's defense technology. They surely would, at all costs, and would also build a sure-to-overwhelm offense. And that would drive us into an even more panicky weapons buildup.

Some defense can conceivably bolster deterrence, but only after offenses are shrunken and frozen. And that requires coordinating with the Russians at the outset, not after they start building their own Star Wars. Meanwhile, there are vastly cheaper and less provocative ways to allay anxiety about vulnerable land missiles. Their warheads could be dispersed among more launchers, and launchers could be made mobile, impossible to find.

4. OH, REALLY, IT'S JUST A BARGAINING CHIP AFTER ALL

When the practical arguments start sounding overwhelming, the entire Reagan team reunites on a fourth justification for Star Wars: arms control. Americans may be unimpressed but the Russians are mightily impressed. Why else did they come back to the bargaining table? Why else do they insist that Star Wars be included in the talks that resume next month?

If that is really a serious question, there is a deadly serious answer. The Russians are indeed alarmed at being forced into a ruinously expensive new arms competition that they know will leave neither side safer and probably make the world riskier than before. They are scared of Star Wars for the same reasons that Americans should be. And they must be desperate to learn whether it can still be stopped at a tolerable price.

Can it? The President says nope, Star Wars is not negotiable. He's committed, no matter what. But if it's not practical to defend cities, not necessary to defend missiles, too grandiose to be just research and not even a bargaining chip, what is it? Whatever the President may call it, it's still Star Wars, the most far-fetched yet least considered venture of the nuclear age.

POPIELUSZKO'S SACRIFICE

Mr. PROXMIRE. Mr. President, on another subject, according to the Washington Post on November 4 of last year, over a quarter of a million Poles attended a requiem mass for the Rev. Jerzy Popieluszko. Popieluszko has been an outspoken supporter of the Solidarity movement. Members of Poland's secret police killed him in order to ensure that his voice of dissent would be silenced. On the day of the requiem mass, Solidarity leader Lech Walesa proclaimed that the movement lives because Popieluszko had sacrificed himself for it.

We are fortunate to have had men such as Popieluszko—men who were not afraid to stand up for their fellowman in the face of opposition. Popieluszko did not hold back his statements despite the possibility that they might result in great personal harm or even death, as they eventually did.

Like Popieluszko, this Nation has made sacrifices in support of human rights. We have made proclamations to promote rights which have roused opposition. We have also been able to make statements in support of improved rights which have not, unlike Popieluszko's, confronted us with personal danger.

With all of our human rights efforts, there is one statement which we have not yet made. We have not yet made our proclamation of declaring genocide a crime, although the Genocide Convention, which does this, has been before us for many years.

By not ratifying the Genocide Convention, we have left an opening for those who wish to deceive others about our dedication and support for human rights while we have gained nothing.

The perceived dangers in the Genocide Convention have been explored by many and have been found nonexistent by every expert in the field. We have failed to make a statement which would bring us no harm while individuals such as Popieluszko have made the ultimate sacrifice.

Ratification of the Genocide Convention is an important step we can take to promote our ability to struggle for human rights. How can we continue to fear to take this step while others make the ultimate sacrifice? Let the Senate take the important step of ratification of the Genocide Convention.

S. 503—ACID DEPOSITION AND SULFUR LOADINGS ACT

Mr. PROXMIRE. Mr. President, briefly on another subject, I am pleased to introduce with Senator HUMPHREY the Acid Deposition and Sulfur Loadings Act.

This bill contains all of the principles in the 1984 National Governors Association policy position on acid rain and may be the long-awaited compromise which breaks the congressional deadlock which has stymied clean air bills for almost 5 years.

The bill would reduce yearly emissions of sulfur dioxide by 10 million tons over the next 13 years in a 31-State region east of the Mississippi River.

It is divided into two phases of 6 and 4 years respectively with a 3-year period in between for evaluation of the results of an accelerated acid rain research program conducted during phase I. Emissions reductions are allocated State by State according to the contribution each State makes to excess sulfur emissions.

The EPA Administrator must study the results of the research after phase I and decide whether to go ahead with phase II as planned or make adjustments including changes in the number of States and amount and kinds of pollutants regulated in the program.

By dividing the reductions into two phases, utilities and other large polluters can use cheaper controls such as coal washing and fuel switching during phase I while gearing up for more expensive control in phase II. This flexible, cost-effective approach is the heart of our bill.

Aside from the novel two-stage approach, the bill has several other unique features. For example, it is the first bill to deal effectively with control of nitrogen oxides. Recent studies in Germany, which has severe acid rain forest damage, indicate that nitrogen oxides may play a serious role in acid rain formation.

Therefore, acid rain bills without nitrogen oxide controls may waste billions of dollars without solving the problem.

My bill solves the nitrogen problem in two ways. First, it allows sources to substitute 2 pounds of nitrogen reductions for every 1 pound of sulfur emissions. In addition the Administrator must establish a nitrogen oxide reduction plan for phase II or report to Congress on why such a plan is not necessary.

The bill's timetable is long enough for introduction of new, cheaper coal burning technologies currently being demonstrated in Germany and Japan.

Polluters might not use these techniques such as fluidized bed coal combustion, catalytic emission reduction and limestone injection if they were

locked in by the shorter timetables contained in other acid rain bills.

Finally, the bill provides for a study commission to evaluate ways to minimize economic disruptions caused by the bill, give credit for past cleanup and establish a trust fund for financing emission reductions.

In short, while other acid rain bills encourage use of stack gas scrubbers which create significant amounts of solid waste, my bill stimulates development of new, less polluting, less energy intensive and more cost effective technologies.

I am sure the Senate Environment and Public Works Committee will give the bill the thorough hearing it deserves.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Acid Deposition and Sulfur Loadings Reduction Act".

ACID DEPOSITION AND SULFUR EMISSIONS REDUCTION

SEC. 2. Title I of the Clean Air Act is amended by adding at the end thereof the following new part:

"PART E—ACID DEPOSITION AND SULFUR EMISSIONS REDUCTION

"FINDINGS AND PURPOSES

"SEC. 180. (a) The Congress finds that—

"(1) the long-range transport of pollutants and their transformation products is an interestate and international problem;

"(2) current levels of emissions of air pollutants from existing sources as well as increased emissions from new and existing sources threaten public health and welfare and the environment in States and countries other than the States and countries from which the emissions are made;

"(3) phased and incremental reductions in total regional atmospheric loading of pollutions such as sulfur oxides and nitrogen oxides will enhance protection of public health and welfare and the environment;

"(4) more effective regulation of the interstate transport of air pollutants is needed in order to protect the health and welfare of the citizens of downwind States and the economic growth opportunities of downwind States;

"(5) a phased reduction strategy will provide additional time to demonstrate, on a commerical scale, innovative technologies such as limestone injection and fluidized bed combustion and other precombustion, combustion, and postcombustion technologies, which eventually will provide sources of air pollution with a wider choice of cost-effective alternatives to reduce the atmospheric loading of pollutants;

"(6) a two-phase pollution control program, with an intensive evaluation period of new research efforts prior to implementation of the second phase, will allow the second phase of the program to be revised as necessary to incorporate the results of the research and produce increased protection of sensitive areas and increased mitigation of environmental damage; and

"(7) in particular—

"(A) the deposition of acid compounds from the atmosphere is causing and contributing to widespread long-term ecosystem degradation including damage to aquatic and terrestrial resources;

"(B) the principal source of the acid compounds in the atmosphere, and their precursors, is the combustion of fossil fuels;

"(C) the problem of acid deposition is of national and international significance and cannot be addressed adequately without Federal intervention;

"(D) control strategies and technology for precursors to acid deposition exist now that are economically feasible; and

"(E) current and future generations of Americans will be more adversely affected by delayed action, so that efforts to remedy the problem should commence now.

"(b) The purposes of this part are to—

"(1) protect public health and welfare and the environment from any actual or potential adverse effect caused by ambient concentrations or deposition of air pollutants, including the products of atmospheric transformation of pollutants;

"(2) preserve the rights and responsibilities of States to protect the public health and welfare and the environment of their citizens from air pollution originating in other States;

"(3) provide for State flexibility in the design of a pollution control program in order to more effectively achieve maximum benefits and meet economic and environmental concerns, while still reducing total atmospheric loading of pollutants;

"(4) provide States with the option to use the most cost-effective techniques for reductions of total atmospheric loading of pollutants such as sulfur oxides and nitrogen oxides;

"(5) maintain the effectiveness of the pollution control program by requiring that all new conversions from oil and gas to coal for electric utility units meet an emission standard not in excess of 1.2 pounds of sulfur dioxide per million British thermal units; and

"(6) identify and protect areas which are sensitive to sulfate and nitrate deposition, including but not limited to aquatic and terrestrial resources and manmade structures.

"APPLICABILITY TO NEW SOURCES AND CONVERSIONS

"SEC. 181. (a) Nothing in this part shall be construed to limit emission from any electric utility unit or other source of sulfur dioxide, the construction or modification of which began after 1980.

"(b)(1) Except as provided in paragraph (2), nothing in this part shall be construed to limit emissions from any oil- or gas-fired electric utility unit or other oil- or gas-fired source which converts to the use of coal after 1980.

"(2) Any electric utility unit in the acid deposition impact region which converts from oil or gas to coal after 1980 must meet an emission standard not in excess of 1.2 pounds of sulfur dioxide per million British thermal units.

"ESTABLISHMENT OF REGION

"SEC. 182. There is established a long-range transport region (hereafter in this part referred to as the 'acid deposition impact region'), which shall consist of the States of Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin, and the District of Columbia.

"ACID PRECURSOR CONTROLS

"SEC. 183. (a). There shall be achieved a reduction in annual emissions of sulfur dioxide in the acid deposition impact region of 10,000,000 tons below the total actual annual level of such emissions in such region between January 1, 1980, and December 31, 1980. For purposes of measuring the amount of emissions in any State for purposes of this part, emissions of sulfur dioxide from any new source or new conversion (described in section 181) shall not be included. Such reduction shall be achieved pursuant to a two-phase reduction program and completed no later than January 1, 1998.

"(b)(1)(A) The first phase of the program established pursuant to subsection (a) shall achieve a reduction in annual emissions of sulfur dioxide in the acid deposition impact region of 5,000,000 tons below the total actual level of such emissions in such region between January 1, 1980, and December 31, 1980. The first phase of such program shall be completed no later than January 1, 1991.

"(B) During the first phase of such program, an accelerated research program to examine the pattern of effects of atmospheric loading of pollutants such as sulfur oxides and nitrogen oxides shall be implemented by the Acid Precipitation Task Force (established under section 703 of the Acid Precipitation Act of 1980), under the direction of the Administrator of the National Oceanic and Atmospheric Administration. Results of such research program shall be made freely available to the States. Such research program shall include but shall not be limited to—

"(i) high terrain modeling;

"(ii) research on the health effects resulting from emissions of sulfur dioxide and nitrogen oxides;

"(iii) regional tracer studies to identify source receptor relationships in the continential United States, Mexico, and Canada;

"(iv) research on the impacts of emissions of sulfur dioxide and nitrogen oxides and their transformation products on visibility and air quality related values in the continental United States;

"(v) the identification of sulfate and nitrate sensitive geographic areas in the continental United States;

"(vi) the identification of aquatic, terrestrial, and materials damage in the continental United States, including localized impacts on manmade structures;

"(vii) the identification of the causes of aquatic, terrestrial, and materials damage in the United States, including an examination of the relative role of emissions of sulfur dioxide, nitrogen oxides, hydrocarbons, and their transformation products, individually and in combination, and the role of natural stresss factors and other potential causes of such damages;

"(viii) research on the efforts of high temperature, humidity, and air stagnation on acid formation and deposition;

"(ix) research on measures to treat aquatic and terrestrial acidification; and

"(x) research, development, and demonstration of coal precombustion, combustion, and postcombustion technologies designed

to achieve reduced emissions of sulfur oxides and nitrogen oxides.

"(C) The accelerated research program required under subparagraph (B) shall expand on the research being conducted pursuant to sections 701 through 706, section 711, and section 712 of the Acid Precipitation Act of 1980 (Public Law 96-294). The authorization for appropriations for the accelerated research program under subparagraph (D) is intended to supplement and not replace funds authorized and appropriated pursuant to the Acid Precipitation Act of 1980 and subsequent legislation.

"(D) To implement the accelerated research program, there are authorized to be appropriated not in excess of $100,000,000 for each fiscal year beginning after September 30, 1985, and ending before October 1, 1991.

"(E) The accelerated research program required under subparagraph (B) shall be completed no later than January 1, 1991.

"(2)(A) An intensive evaluation of the results of the accelerated research program required under paragraph (1)(B), and to the extent practicable, an intensive evaluation of the effects of the reductions in emissions under the first phase of the program under paragraph (1)(A), shall be conducted by the Administrator of the Environmental Protection Agency during a period beginning no later than January 1, 1991, and ending no later than January 1, 1994.

"(B) To carry out the intensive evaluations required under subparagraph (A), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years beginning after September 30, 1990, and ending before October 1, 1993.

"(c)(1) Except as provided in paragraph (2), the second phase of the program established pursuant to subsection (a) shall achieve a further reduction in annual emissions of sulfur dioxide in the acid deposition impact region of 5,000,000 tons (in addition to the reduction of 5,000,000 tons required under the first phase of such program). The second phase of such program shall be completed no later than January 1, 1998.

"(2)(A) Notwithstanding paragraph (1), the Administrator may determine that changes should be made in the second phase of the program based on the intensive evaluations conducted pursuant to subsection (b)(2)(A). If the Administrator does not find that the second phase of the program should be changed, the second phase shall automatically be implemented. If the Administrator determines that any changes in the second phase of the program should be made, the Administrator shall implement such changes by rulemaking. The Administrator shall publish a notice describing proposed changes in the Federal Register no later than January 1, 1993. The Administrator shall consult with the Governors of the States affected by such changes prior to finally implementing such changes. Any person shall have the opportunity to comment on such proposed changes no later than June 1, 1993. The Administrator shall implement the final changes no later than January 1, 1994.

"(B) Pursuant to subparagraph (A), the Administrator is authorized to alter the second phase of the program in any of the following respects:

"(i) Including States in the second phase of the program which did not participate in the first phase of the program.

"(ii) Excluding States which participated in the first phase of the program from the second phase of the program.

"(iii) Increasing or decreasing individual State targets or the aggregate regional reduction target for the second phase of the program.

"(iv) Placing restrictions on the reallotment among agreeing States of the reductions required under section 184(a)(1).

"(v) Establishing individual State requirements for reduction of emissions of nitrogen oxides below the State's annual nitrogen oxides emission level. The Administrator shall select an appropriate base year against which to measure such reductions.

"(C) Prior to altering the second phase of the program pursuant to subparagraph (A), the Administrator shall report to Congress concerning such alterations, and must demonstrate through the rulemaking procedures that a change in the program will result in—

"(i) increased protection of sensitive areas, and

"(ii) increased mitigation of identified damage.

In making the demonstration required by this subparagraph, the Administrator shall consider the results of the research program required under subsection (b)(1)(B) and related research efforts.

"(D) If the Administrator determines pursuant to subparagraph (C) that individual State reduction requirements should not be established for nitrogen oxides pursuant to subparagraph (B)(v), the Administrator shall report to Congress no later than January 1, 1993, the reasons for such determination.

"(E) The Administrator shall not eliminate the aggregate 5,000,000 tons sulfur dioxide emission reduction requirement of the second phase of the program pursuant to subparagraph (A) unless the Administrator reports to Congress, and demonstrates through the rulemaking procedures by clear and convincing evidence that emissions of sulfur oxides or nitrogen oxides are not causing damage and are not reasonably anticipated to cause damage to areas sensitive to sulfate and nitrate deposition (including but not limited to aquatic and terrestrial resources and manmade structures) identified by the research program under subsection (b)(1)(B).

"STATE SULFUR DIOXIDE REDUCTION REQUIREMENTS

"SEC. 184. (a)(1) Each State shall be required to achieve within its borders two equal reductions in annual sulfur dioxide emissions equal to that fraction of 10,000,000 tons which is the ratio of all the actual utility emissions in 1980 in such State in excess of 1.2 pounds of sulfur dioxide per million British thermal units to the total in 1980 in all States in the region of all the actual utility emissions in excess of 1.2 pounds of sulfur dioxide per million British thermal units.

"(2) The Governors of any two or more States within the region may by agreement reallot among agreeing States the reductions required under paragraph (1) if the total reductions equal the total required under paragraph (1).

"(b)(1) Not later than two years after the date of the enactment of this part, each State shall adopt enforceable measures to achieve the first phase and second phase of the reductions in sulfur dioxide emissions required by subsection (a), including emission limitations and schedules for compliance for sources within such State and other means of emission reduction in accordance with section 186. The Governor of such State shall submit such measures to the Administrator for review in accordance with paragraph (4), and to the Governors of all other States in the acid deposition impact region for comment. The measures submitted for review under this subsection shall be sufficient to achieve the State's reduction requirement in each of the first and second phases of the program.

"(2) Revisions to measures to achieve the emission reductions required in the second phase of the program may be submitted to the Administrator by the Governor of each State not later than January 1, 1994.

"(3) If the Administrator proposes alterations to the second phase of the program, the Governor of each State shall submit revised measures to achieve emission reductions to the Administrator no later than January 1, 1994; except that, if the Administrator reduces a State's second phase reduction requirement, the Governor of that State may elect not to submit revisions to measures submitted previously pursuant to subsection (a).

"(4) The Administrator shall approve within six months measures submitted by the Governor of a State under paragraphs (1), (2), and (3) if, taking into consideration the comments of Governors of other States in such region, the Administrator finds that such measures—

"(A) contain enforceable requirements for continuous emission reduction,

"(B) contain requirements for monitoring by the source and enforcement agencies to assure that the emission limitations are being met, and

"(C) are adequate to achieve the reductions in sulfur dioxide emissions for such State required by this section within the time period specified by section 183.

"(c)(1)(A) Not later than eighteen months after the date of the enactment of this part, any major stationary source subject to an emission limitation established under subsection (b) or section 185 for the purpose of achieving first phase reduction requirements shall notify the Governor of the State in which it is located of its intended method of compliance. The Governor shall submit such notifications to the Administrator.

"(B) Any major stationary source which states that it will comply with an emission limitation established under subsection (b) or section 185 through the use of fuel substitution or coal cleaning, must be in compliance with such emission limitation by not later than three years after the date of the enactment of this part.

"(C) Any major stationary source which states that it will comply with an emission limitation established under subsection (b) or section 185 for the purpose of achieving first phase reduction requirements through the installation of a technological system of continuous emission reduction or the replacement of existing facilities with new facilities with substantially lower emissions, must enter into binding contractual commitments by not later than four years after the date of the enactment of this part to acquire, install, or construct such system or facilities.

"(D) Any major stationary source subject to an emission limitation established under subsection (b) or section 185 for the purpose of achieving first phase reduction requirements, must be in compliance with such emission limitation by not later than January 1, 1991.

"(2)(A) Any major stationary source subject to an emission limitation established pursuant to subsection (b) or section 185 for

the purpose of achieving second phase reduction requirements shall notify the Governor of the State in which it is located of its intended method of compliance by not later than January 1, 1995. The Governor shall submit such notifications to the Administrator.

"(B) Any major stationary source which states that it will comply with an emission limitation established under subsection (b) or section 185 for the purpose of achieving second phase reduction requirements through the installation of a technological system of continuous emission reduction or the replacement of existing facilities with new facilities with substantially lower emissions, must enter into binding contractual commitments by not later than January 1, 1996, to acquire, install, or construct such system or facilities.

"(C) Any major stationary source subject to an emission limitation established under subsection (b) or section 185 for the purpose of achieving second phase reduction requirements, must be in compliance with such emission limitation by not later than January 1, 1998.

"(d) Each emission limitation, schedule for compliance, or other measure adopted and approved under this part shall be deemed a requirement of the State implementation plan approved or promulgated for such State under section 110.

"MAJOR STATIONARY SOURCE SULFUR DIOXIDE REDUCTION REQUIREMENTS

"SEC. 185. (a) In any State in the acid deposition impact region which has not, in accordance with section 184(b)(1), adopted measures to achieve the reduction required by section 184(a) within two years after the date of enactment of this part, or which has not had such measures approved by the Administrator under section 184(b)(4) within thirty months after the date of enactment of this part, the owner or operator of each fossil-fuel-burning electric generating facility which—

"(1) is a major stationary source;

"(2) is not subject to section 111(a); and

"(3) emitted at an annual rate equal to or greater than 1.2 pounds of sulfur dioxide per million British thermal units during 1980,

shall comply with an emission limitation or limitations for all such facilities owned or operated by the same entity equivalent to an average among such facilities of 1.2 pounds of sulfur dioxide per million British thermal units on a thirty-day average.

"(b) The owner or operator of each such facility shall submit to the Administrator a plan and schedule of compliance for achieving such emission limitation or equivalent emission reduction in accordance with section 186 not later than three years after the date of enactment of this part. The Administrator shall approve such plan and schedule for compliance if such plan and schedule—

"(1) contain enforceable requirements for continuous emission reduction;

"(2) contain requirements for monitoring by the source and enforcement agencies to assure that the emission limitations are being met; and

"(3) will achieve the emission reduction required by this section at the earliest practicable date, but not later than the deadlines for each phase established under section 184.

"(c) Failure of such owner or operator to submit such approvable plan and schedule within three years after the date of the enactment of this part, failure to comply with the plan and schedule of compliance, and failure to achieve the emission reduction within the required time, shall be violations of emission limitations for the purpose of sections 113, 120, and 304.

"ENFORCEABLE EMISSION REDUCTION PROGRAMS

"SEC. 186. (a) For the purposes of maintaining the limitation on emissions required by section 183, 184, or 185, the following methods or programs for net emission reduction may be used, in addition to enforceable continuous emission reduction measures, by a State or the owner or operator of a source, if emission limitations under such methods or programs are enforceable by the Federal Government, States other than those in which the emissions occur, and citizens under section 304 of this Act:

"(1) Least emissions dispatch to meet electric generating demand at existing generating capacity.

"(2) Retirement of major stationary sources at an earlier date than provided in schedules on file with the Federal Energy Regulatory Commission, the Internal Revenue Service, or State utility regulatory agencies.

"(3) Investments in energy conservation where reductions in emissions can be identified with such investments.

"(4) Trading of emission reduction requirements and actual reductions on a State or regional basis, for which States and the Administrator are authorized to establish emission reduction banks or brokerage institutions to facilitate such trading.

"(5) Precombustion cleaning of fuels

"(b) A State or the owner or operator of a source required to achieve emission reductions under section 183, 184, or 185 may substitute reduction in emissions of oxides of nitrogen for required reductions in emissions of sulfur dioxide, at a rate of two units by weight of oxides of nitrogen for each unit of sulfur dioxide.

"CANADIAN REDUCTION PROGRAMS

"SEC. 187. (a) The Administrator, the Secretary of Energy, the Secretary of Commerce, and the Secretary of State shall take all measures, to the maximum extent practicable, to induce Canada to achieve percentage reductions in annual emissions of sulfur dioxide comparable to reductions established pursuant to section 183(a).

"(b) Nothing in this section shall be interpreted to modify the Administrator's responsibilities under section 115.

"(c) Prior to approval by the Department of Energy of agreements for the importation of electric energy from Canada under the Federal Power Act, the Administrator shall certify to the Secretary of Energy that progress is being made by Canada to achieve comparable percentage reductions in annual emissions of sulfur dioxide, as provided for in this section.

"STUDY COMMISSION

"SEC. 188. (a) A study commission, including State representatives designated by the National Governors' Association, shall be established by the Administrator in order to consider mechanisms to reduce the potential economic disruption that may be caused by implementation of this part, and to determine how to provide credit to individual States for past reductions in atmospheric loadings of sulfur oxides and nitrogen oxides. The study commission shall also examine mechanisms to assist in reducing the economic burden on selected States of the cost of the reduction program including an analysis of the potential for a fee-generated trust fund to be used to assist in financing the reductions in emissions required by this part.

"(b) The Administrator shall report to Congress by January 1, 1986, the results of the studies conducted by the study commission."

● Mr. HUMPHREY. Mr. President, for several years, many in this body, and millions across the Nation, have been frustrated by the continued inaction on the part of the Federal Government with regard to the problem of acid deposition. While real progress on this issue has been thwarted by legislative logjam, valuable resources have continued to be at risk. Acid deposition continues to damage lakes, rivers, and streams, and evidence is growing which indicates that acid rain is contributing to the decline of forests throughout the country. We simply cannot afford a prolonged period of inaction on acid rain controls. That is why I am pleased to be joining the distinguished Senator from Wisconsin [Mr. PROXMIRE] in the introduction of legislation that I believe has a potential to break this devastating acid rain logjam.

The Acid Deposition and Sulfur Loading Reduction Act of 1985 is based on the principles adopted by the National Governors' Association [NGA] in February 1984. That such a diverse body, representing the widest possible range of constituencies, was able to come to agreement on a plan for action, strongly suggests that this plan could become a basis for a consensus on this issue. In offering this plan to the Senate, I am seeking to spark discussion and debate among my colleagues so that we can enact a workable and meaningful acid rain reduction program this year.

The approach incorporated in this legislation is unique among plans which have been offered thus far. The plan calls for total emissions reductions of 10 million tons to be achieved in two phases over a period of 13 years. The two phases of reduction—of 5 million tons each—are separated by a 3-year period. During this period, the Administrator of the Environmental Protection Agency is to study the results of the first reduction phase, as well as findings from an expanded program of research that will be established, and determine if modifications should be made to the second phase. This flexibility is the heart of the plan, and it meets one of the most persistent challenges of environmental policy head on. A few years down the road we may very well discover that the scope of the problem is far different than we understand it to be now. With the experience of the initial implementation, as well as greater scientific and technological knowledge, this legislation suggests a means to make adjustments to the strategy while strictly adhering to our goal of effec-

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tive protection of the Nation's environment.

This legislation is also important in that it directly addresses the threats that we know are being posed by nitrogen oxides. A key provision allows States to substitute nitrogen oxides reductions for sulfur dioxide reductions on a 2 pounds NO_x for 1 pound SO_2 ration. We know that NO_x plays a significant role in acid deposition. This plan acknowledges that role and suggests that effective acid rain policy must incorporate NO_x reductions.

Mr. President, there is no Member of this body who has been more committed to achieving passage of effective acid rain control legislation than this Senator. Indeed, I have offered and actively fought for the strongest acid rain control measures which have been offered in this body. This commitment remains unchanged. Clearly, however, the protection of the environment is not advanced by perpetuating the logjam on this issue. Through the persistent efforts of the Governors of the States, including the distinguished Governor of New Hampshire—John Sununu—the NGA was able to come up with a plan. It is a new approach, it is innovative in important ways, and it is worthy of the consideration of every Member of this body. I urge such consideration. Far too much is at risk through further delay on acid rain. We cannot afford to go another year without breaking the devastating acid rain logjam.●

Mr. PROXMIRE. Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

Mr. PROXMIRE. Mr. President, I yield whatever time remains to the Senator from Nebraska.

Mr. EXON. Mr. President, I thank my good friend from Wisconsin. I also request of the minority leader some of the time that he has remaining on his order be delegated to me, if I can have the cooperation of the distinguished majority leader for some clarification of questions which I have.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. EXON. I am glad to yield.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Nine minutes and fifty-three seconds.

Mr. BYRD. I thank the Chair.

I yield as much of that time as the distinguished Senator from Nebraska would want.

Mr. EXON. I thank the minority leader.

Mr. BYRD. If he does not use it all, I would like to reserve the remainder.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

FARM CREDIT

Mr. EXON. Mr. President, I am very pleased that I have been yielded time by my colleague from Wisconsin, and my colleague from West Virginia.

I appreciate very much the fact that the majority leader has come back on the floor. I think it is rather important that maybe we straighten out some misconceptions that might be about as we begin to debate today on the African relief bill, and most of the debate I suspect will center on additional pieces of agricultural legislation that many of us feel is critically necessary to follow on top of the arrangements, negotiations, the consultations, and finally the agreements that were entered into last week in good faith by all.

I simply say that under the agreement each side has two first-degree amendments that can be offered to this bill. I do not know what is going to happen but I will predict that something of some additional benefit to the harshly depressed agriculture sector is going to be passed this week by the U.S. Senate. I am not particularly concerned about whose names are on the amendments or which side gets credit. The main thing is if we can get some credit, additional credit, during this short-term planting season crisis. I do not think it is particularly important as to which side gets the political credit.

I appreciate very much the distinguished majority leader coming back on the floor. I would like to pose a question or two to him if I might.

Mr. DOLE. Yes.

Mr. EXON. As we begin this debate, I think maybe it is best that we clear the air. There was some confusion I think from certain newspaper stories over the weekend that maybe the agreement that we entered into last week was not firm. I know—I am confident—that is not the case from the majority leader. He is a man of his word. But I think maybe since some clouds have been raised, it might be well to clarify this.

The basic premise of the newspaper stories that I read was that the President said last Thursday night at his news conference that he intended to offer no additional credit to farmers above and beyond the $650 million that had previously been advanced, and that amount has been pursued and has been offered by the administration for some time.

The story then went on to say that other negotiations had been carried out. At least some have gotten the impression that the $650 million cap on the guaranteed loan program—which basically is where the Farmers Home Administration can guarantee loans through commercial lending institutions—still exists as evidenced by the President's pronouncements as I understand it to that effect in his Thursday news conference of Thursday last.

I am sure that the majority leader will agree—and indeed it is the first part of item No. 1 under provisions of the sense-of-the-Senate resolution which I quote:

> 1. Adequate loan guarantees will be made available under the September Debt Adjustment Program to meet demand by lending institutions to refinance farmers this spring.

My question of the majority leader is, Is it not true that, pursuant to our agreement which the President has signed onto, that there is no $650 million cap on the program I have just outlined?

Mr. DOLE. The Senator is generally correct. I point out that last September a $650 million program was announced, but it was not a very effective program because you had to write down the principal rather than the interest. Only about $25 million was used. In negotiations which started several weeks ago—in fact, the Senator from Nebraska was present, along with the Senator from Kansas, Secretary Block, and David Stockman—I asked David Stockman, How much money are we talking about? $625 million will not be enough. He indicated then it would be adequate. I think we have been able to clarify it a little more in the past few days. So there is no cap, but this may have been the subject of some inaccurate accounts in the media. There has been a lot of confusion, but in point of fact, there is no cap.

I was quoted correctly in this morning's New York Times saying there is no cap. If $1 billion is needed, there will be $1 billion available. If $2 billion is needed, there will probably be $2 billion available.

I might add that the same is true for direct operating loans from Farmers Home. The question raised is whether there will be enough money.

Mr. EXON. That was my next question. In other words, there is no cap on either the direct loans of the Farmers Home Administration or the guaranteed loans of the Farmers Home Administration?

Mr. DOLE. That is correct. I do not want to start the debate now, but that is why I think we have a pretty good program in place. I do not know what else we could do that would be any more responsible. As I indicated earlier this morning, over the past few days, clarification has also been provided about how fast it takes to process the loans. It does not do any good to have the money if you cannot get the applications processed. We have tightened that up and flushed that out in the resolution.

So again, I would say to my distinguished colleague from Nebraska, and I do not believe I will be contradicted by anybody in the administration, that in both cases we are talking about adequate resources, and there is no cap.

Mr. EXON. I thank the majority leader. I would hope, then, that we

could also agree that since the meeting that the majority leader referred to that was held some time ago with Mr. Stockman, he and I and four Presidents of farm bureaus, as I remember, and other Senators, there was no cap at that time and, at least according to the Director of the Office of Management and Budget, and since during the deliberations last week, prior to the President's press conference of last Thursday, there had been agreements and understandings made, supposedly that the President was knowledgeable about, that there would not be a cap. I guess I can only say, therefore, that the President, if he indeed said he was not going to go above $650 million, he must have been in error at that time, if he said that.

Mr. DOLE. Right. I have not read a transcript of the press conference, and I did not see it. As the Senator from Nebraska knows, during the President's press conference, we were negotiating down the hall. I think we may have all missed the press conference. But the result of those negotiations was to reinforce what everyone felt was the view—that there is no cap. That was one of the good results, I think, from our discussions in the last 4 days.

Mr. EXON. I thank the majority leader. I agree I did not hear that portion of the President's statement, but he was quoted in the press as having said that. In fact, I think the quote was something to the effect that in his Saturday's press conference the President took an even more hard-line approach than he did Thursday night when he said that he would not go any over the $650 million cap on the loan program. If the President said that, then I would say that, putting it in the best possible light, it was a misstatement, because there is no cap.

Mr. DOLE. Right. I would even say that it might have resulted from a mistake in the media.

Mr. EXON. Is the majority leader suggesting that the media made a mistake in the figures?

Mr. DOLE. I don't know that is the case, but it is not unheard of for there to be a misquote in a newspaper, on radio, or television.

Mr. EXON. I thank the majority leader. I think we have cleared this up and that allows us to go into this debate with an understanding that there is total agreement on both sides of the aisle, with the administration, with the Secretary of Agriculture, with the Director of the Office of Management and Budget and, indeed, with the President himself on the issue we have just discussed.

Mr. DOLE. I thank my colleague from Nebraska, and I thank him for his positive input over the past few days.

Mr. EXON. I thank the majority leader.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma is recognized for not to exceed 15 minutes.

Mr. BOREN. I thank the Chair.

FARM CREDIT

Mr. BOREN. Mr. President, listening just a few moments ago, I was able to hear only part of the conversation between the distinguished Senator from Nebraska and the distinguished majority leader about the difference between, the apparent contradiction between the statements made in the President's radio address this weekend with regard to the cap of $650 million and pledges made by Secretary Block to this Senator and others as also embodied in the sense of the Senate resolution which was passed by the Senate last Saturday in terms of our agreement ending the filibuster on the Meese nomination.

Before hearing this conversation, about 45 minutes ago, I dispatched a member of my staff to hand-deliver to the President a letter, which I now want to read into the RECORD, on this subject.

The PRESIDENT,
The White House,
Washington DC.

MR. PRESIDENT: According to an article which appeared in yesterday's "Washington Post", you stated that you did not intend to provide more than $650 million for the FmHA Debt Adjustment Program, (DAP). It was my understanding that you had earlier in the week authorized Secretary Block to use as much money as necessary for this program, that, in essence, there would be no cap on the funding.

Secretary Block assured us that you supported the Senate Resolution clarifying that there would be no cap on this program.

—I might say as well on the direct loan program also.

His repeated assurances were one of the primary reasons I decided to end the filibuster against Mr. Meese's nomination.

I would appreciate an immediate clarification of your position on this matter as the Ethiopian Food Aid Bill is to come before the Senate this afternoon and your position may necessitate a modification of an amendment several farm state senators intend to propose.

Your prompt reply will be appreciated.

Sincerely,

DAVID L. BOREN,
U.S. Senator.

It could be, Mr. President—and I understand the majority leader has already spoken to this; I apologize that I had to start to the floor before hearing his full reply on the intercom system—that this may be simply a misunderstanding. I do think it is important that the White House clarify this matter as soon as possible.

Mr. DOLE. Maybe the Washington Post ought to clarify it.

Mr. BOREN. Mr. President, I would be happy to yield to the majority leader for any comment he might wish to make.

Mr. DOLE. I just say to the distinguished Senator that maybe the Washington Post or the President might clarify it. We are trying to find a copy of the radio address to see if any figure was used.

Mr. BOREN. I thank my colleague, and I think his point is well taken that maybe it was not an error of the White House as to what was said. I had not made a statement on it since I had dispatched my letter to the President some 45 minutes ago. As the distinguished majority leader knows, from my own experience in the past as Governor and his experience as majority leader, I try to make sure that a letter reaches the intended party before I make a statement on the floor or to the press. I assume the White House now has the letter, and I am sure the majority leader and others are checking the press report to determine its accuracy.

I hope the matter can be resolved as soon as possible. I am sure it will be. I note that we were all acting in good will and mutual trust last week. I have no reason to think otherwise. I am sure that what we have here is either a case of misinterpretation in a press report or an honest misunderstanding, one or the other, that will soon be cleared up.

THE AGRICULTURAL CRISIS

Mr. BOREN. Mr. President, I rise today to continue my daily vigil on the state of American agriculture. We are facing a crisis not only in economic terms, but also in terms of a complete restructuring of our culture. The trend over the past 50 years has resulted in fewer farmers and smaller rural communities. The benefits of the increased productivity of American agriculture have been many, but there have also been negative aspects which we must consider. Now, more than ever before, we need to think about what is happening in American agriculture and what this ultimately will mean to this country while we still have an opportunity to redirect the trend.

In 1977, Wendell Berry published a book entitled: "The Unsettling of America Culture and Agriculture." In one chapter of this book, he discusses his home county in Kentucky and the effects mechanization has had on it. I want to share with my colleagues some excerpts from this enlightening book:

In the decades since World War II the farms of Henry County have become increasingly mechanized. Though they are still comparatively diversified, they are less diversified than they used to be. The holdings are larger, the owners are fewer. The

land is falling more and more into the hands of speculators and professional people from the cities, who—in spite of all the scientific agricultural miracles—still have much more money than farmers. Because of big technology and big economics, there is more abandoned land in the county than ever before. Many of the better farms are visibly deteriorating, for want of manpower and time and money to maintain them properly. The number of part-time farmers and ex-farmers increases every year. Our harvests depend more and more on the labor of old people and young children. The farm people live less and less from their own produce, more and more from what they buy. The best of them are more worried about money and more overworked than ever before. Among the people as a whole, the focus of interest has largely shifted from the household to the automobile; the ideals of workmanship and thrift have been replaced by the goals of leisure, comfort, and entertainment. For Henry County plays its full part in what Maurice Telleen calls "the world's first broad-based hedonism." The young people expect to leave as soon as they finish high school, and so they are without permanent interest; they are generally not interested in anything that cannot be reached by automobile on a good road. Few of the farmers' children will be able to afford to stay on the farm—perhaps even fewer will wish to do so, for it will cost too much, require too much work and worry, and it is hardly a fashionable ambition.

And nowhere now is there a market for minor produce: a bucket of cream, a hen, a few dozen eggs. One cannot sell milk from a few cows anymore; the law-required equipment is too expensive. Those markets were done away with in the name of sanitation—but, of course, to the enrichment of the large producers. We have always had to have "a good reason" for doing away with small operators, and in modern times the good reason has often been sanitation, for which there is apparently no small or cheap technology. Future historians will no doubt remark upon the inevitable association, with us, between sanitation and filthy lucre. And it is one of the miracles of science and hygiene that the germs that used to be in our food have been replaced by poisons.

In all this, few people whose testimony would have mattered have seen the connection between the "modernization" of agricultural techniques and the disintegration of the culture and the communities of farming—and the consequent disintegration of the structures of urban life. What we have called agricultural progress has, in fact, involved the forcible displacement of millions of people.

I remember, during the fifties, the outrage with which our political leaders spoke of the forced removal of the populations of villages in communist countries. I also remember that at the same time, in Washington, the word on farming was "Get big or get out"—a policy which is still in effect and which has taken an enormous toll. The only difference is that of method: the force used by the communists was military; with us, it has been economic—a "free market" in which the freest were the richest. The attitudes are equally cruel, and I believe that the results will prove equally damaging, not just to the concerns and values of the human spirit, but to the practicalities of survival.

And so those who could not get big have got out—not just in my community, but in farm communities all over the country. But as a social or economic goal, bigness is totalitarian; it establishes an inevitable tendency toward the one that will be the biggest of all. Many who got big to stay in are now being driven out by those who got bigger. The aim of bigness implies not one aim that is not socially and culturally destructive.

And this community-killing agriculture, with its monomania of bigness, is not primarily the work of farmers, though it has burgeoned on their weaknesses. It is the work of the institutions of agriculture: the university experts, the bureaucrats, and the "agribusinessmen," who have promoted so-called efficiency at the expense of community (and of real efficiency), and quantity at the expense of quality.

In 1973, 1,000 Kentucky dairies went out of business. They were the victims of policies by which we imported dairy products to compete with our own and exported so much grain as to cause a drastic rise in the price of feed. And, typically, an agriculture expert at the University of Kentucky, Dr. John Nicolai, was optimistic about this failure of 1,000 dairymen, whose cause he is supposedly being paid—partly with their tax money—to serve. They were inefficient producers, he said, and they needed to be eliminated.

He did not say—indeed, there was no indication that he had ever considered—what might be the limits of his criterion or his logic. Did he propose to applaud this process year after year until "biggest" and "most efficient" become synonymous with "only"? Did these dairymen have any value not subsumed under the heading of "efficiency"? And who benefited by their failure? Assuming that the benefit reached beyond the more "efficient" (that is, the bigger) producers to lower the cost of milk to consumers, do we then have a formula by which to determine how many consumer dollars are equal to the livelihood of one dairyman? Or is any degree of "efficiency" worth any cost? I do not think that this expert knows the answers. I do not think that he is under any pressure—scholarly, professional, moral, or otherwise—to ask the questions. This sort of regardlessness is invariably justified by pointing to the enormous productivity of American agriculture. But any abundance, in any amount, is illusory if it does not safeguard its producers, and in American agriculture it is now virtually the accepted rule that abundance will destroy its producers.

And along with the rest of society, the established agriculture has shifted its emphasis, and its interest, from quality to quantity, having failed to see that in the long run the two ideas are inseparable. To pursue quantity alone is to destroy those disciplines in the producer that are the only assurance of quantity. What is the effect on quantity of persuading a producer to produce an inferior product? What, in other words, is the relation of pride or craftsmanship to abundance? That is another question the "agribusinessmen" and their academic collaborators do not ask. They do not ask it because they are afraid of the answer: The preserver of abundance is excellence.

My point is that food is a cultural product; it cannot be produced by technology alone. Those agriculturists who think of the problems of food production solely in terms of technological innovation are oversimplifying both the practicalities of production and the network of meanings and values necessary to define, nurture, and preserve the practical motivations. That the discipline of agriculture should have been so divorced from other disciplines has its immediate cause in the compartmental structure of the universities, in which complementary, mutually sustaining and enriching disciplines are divided, according to "professions," into fragmented, one-eyed specialties. It is suggested, both by the organization of the universities and by the kind of thinking they foster, that farming shall be the responsibility only of the college of agriculture, that law shall be in the sole charge of the professors of law, that morality shall be taken care of by the philosophy department, reading by the English department, and so on. The same, of course, is true of government, which has become another way of institutionalizing the same fragmentation.

However, if we conceive of a culture as one body, which it is, we see that all of its disciplines are everybody's business, and that the proper university product is therefore not the whittled-down, isolated mentality of expertise, but a mind competent in all its concerns. To such a mind it would be clear that there are agricultural disciplines that have nothing to do with crop production, just as there are agricultural obligations that belong to people who are not farmers.

A culture is not a collection of relics or ornaments, but a practical necessity, and its corruption invokes calamity. A healthy culture is a communal order of memory, insight, value, work, conviviality, reverence, aspiration. It reveals the human necessities and the human limits. It clarifies our inescapable bonds to the earth and to each other. It assures that the necessary restraints are observed, that the necessary work is done, and that it is done well. A healthy farm culture can be based only upon familiarity and can grow only among a people soundly established upon the land; it nourishes and safeguards a human intelligence of the earth that no amount of technology can satisfactorily replace. The growth of such a culture was once a strong possibility in the farm communities of this country. We now have only the sad remnants of those communities. If we allow another generation to pass without doing what is necessary to enhance and embolden the possibility now perishing with then, we will lose it altogether. And then we will not only invoke calamity—we will deserve it.

The concentration of the farmland into larger and larger holdings and fewer and fewer hands—with the consequent increase of overhead, debt and dependence on machines—is thus a matter of complex significance, and its agricultural significance cannot be disentangled from its cultural significance. It *forces* a profound revolution in the farmer's mind: once his investment in land and machines is large enough, he must forsake the values of husbandry and assume those of finance and technology. Thenceforth his thinking is not determined by agricultural responsiblity, but by financial accountability and the capacities of his machines. Where his money comes from becomes less important to him than where it is going. He is caught up in the drift of energy and interest away from the land. Production begins to override maintenance. The economy of money has infiltrated and subverted the economies of nature, energy, and the human spirit. The man himself has become a consumptive machine.

It remains only to say what has often been said before—that the best human cultures also have this unity. Their concerns

and enterprises are not fragmented, scattered out, at variance or in contention with one another. The people and their work and their country are members of each other and the culture. If a culture is to hope for any considerable longevity, then the relationships within it must, in recognition of their interdependence, be predominantly cooperative rather than competitive. A people cannot live long at each other's expense or at the expense of their cultural birthright—just as an agriculture cannot live long at the expense of its soil or its work force, and just as in a natural system the competitions among species must be limited if all are to survive.

In any of these systems, cultural or agricultural or natural, when a species or group exceeds the principle of usufruct (literally, the "use of the fruit"), it puts itself in danger. Then, to use an economic metaphor, it is living off the principal rather than the interest. It has broken out of the system of nurture and has become exploitive; it is destroying what gave it life and what it depends upon to live. In all of these systems a fundamental principle must be the protection of the source: the seed, the food species, the soil, the breeding stock, the old and the wise, the keepers of memories, the records.

And just as competition must be strictly curbed within these systems, it must be strictly curbed among them. An agriculture cannot survive long at the expense of the natural systems that support it and that provide it with models. A culture cannot survive long at the expense of either its agricultural or its natural sources. To live at the expense of the source of life is obviously suicidal. Though we have no choice but to live at the expense of other life, it is necessary to recognize the limits and dangers involved: past a certain point in a unified system, "other life" is our own.

In the same book, Wendell Berry also outlines very clearly Jefferson's ideas of agriculture. He states:

THE CONVICTION OF THOMAS JEFFERSON

In the mind of Thomas Jefferson, farming, education, and democratic liberty were indissolubly linked. The great conviction of his life, which he staked his life upon and celebrated in a final letter two weeks before his death, was "that the mass of mankind has not been born with saddles on their backs, nor a favored few booted and spurred, ready to ride them legitimately, by the grace of God." But if liberty was in that sense a right, it was nevertheless also a privilege to be earned, deserved, and strenuously kept; to keep themselves free, he thought, a people must be stable, economically independent, and virtuous. He believed—on the basis, it should be remembered, of extensive experience both in this country and abroad—that these qualities were most dependably found in the farming people: "Cultivators of the earth are the most valuable citizens. They are the most vigorous, the most independent, the most virtuous, and they are tied to their country, and wedded to its liberty and interests by the most lasting bonds." These bonds were not merely those of economics and property, but those, at once more feeling and more practical, that come from the investment in a place and a community of work, devotion, knowledge, memory, and association.

And all these statements must be read in the light of Jefferson's apprehension of the disarray of agriculture and of agricultural communities in his time: ". . . the long succession of years of stunted crops, of reduced prices, the general prostration of the farming business, under levies for the support of manufacturers, etc., with the calamitous fluctuations of value in our paper medium, have kept agriculture in a state of abject depression, which has peopled the Western States by silently breaking up those on the Atlantic . . ."

Mr. President, I share this with my colleagues so that each will gain a clearer understanding of the importance of agriculture to our country. We are not merely talking about economics—we are talking about the survivability of a workable democracy. We are talking about the preservation of the principles upon which this Nation is based. We are talking about the same question our Founding Fathers were concerned with when the federalist papers were written—is it possible for people to truly rule themselves in a stable regime.

In yesterday's Washington Post, James R. Dickenson wrote an excellent article about the way of life which American agriculture has represented since the beginning of our Nation. I ask unanimous consent that a copy of the article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it so ordered.

(See exhibit 1.)

Mr. BOREN. Mr. President, during the next few months, we shall be writing the new farm bill. It is my hope that as we work on this measure, we all bear in mind the importance of agriculture to our Nation's economy and to our Nation's basic structure.

EXHIBIT 1

[From the Washington Post, Feb. 24, 1985]

MY GRANDMOTHER, THE FARM WIFE

(James R. Dickenson)

For nearly 92 years, my maternal grandmother, who now rests under the Kansas prairie she loved so deeply, assumed that the sun and the rest of the universe revolved around western Kansas.

Oh, if you'd asked her this in so many words, she'd probably have laughingly denied it, but her First Principle was that bread is as basic as it gets and whose wheat farmers who produced it were truly doing God's work. She was by no means alone in this belief.

In the weeks after the attack on Pearl Harbor, incredible as this seems in hindsight, the tiny hamlets of western Kansas and eastern Colorado were blacked out at night. I can still remember Art Larson, who ran the lumber yard and was a block warden, tapping on our windows to tell us light was showing through. The rationale was simplicity itself—the only way the Axis could hope to win was to destroy our food supply.

There are still millions of Americans who share that feeling. Many of them have been or are going to be forced off the land and a cherished way of life in the nation's worst agriculture crisis since the 1930s. With some it's their own fault, but for many it's the historic fact that farmers have often been beset by forces over which they have no control.

One, of course, is a cruel and capricious Nature. Farmers also become pawns in politics, as during the Russian grain embargo. Now they are caught in a tangled web of federal government policies that helped raise interest rates, a strong dollar, worldwide recession and price supports that were supposed to help them but, paradoxically, are helping price them out of competition in the export markets that were a mainstay of their relative prosperity of the '70s. Many were prodded by bankers and government officials into the expansion that is their ruination now.

There is no reason we can't have a farm policy that can help preserve the family farm, which is still the mainstay of agriculture production. For starters, there is no reason to make federal price support payments to large producers, those whose sales are $500,000 or more annually.

And family farmers are worth saving. Most are not the greedy, reckless money grubbers that David Stockman seems to envision. It's not uncommon for a farmer capitalized at a million dollars to receive a 1 percent return on his investment. And if he wants to stay in business, we ought to help him. The farm culture has a value far beyond its impressive production figures and bottom-line considerations.

Grandmother had a true sense of the land. If you didn't own land, you had nothing, she believed, and she held on to the half-section—320 acres—that she and Grandpa owned until she died. When we sold it, my uncle, who had farmed it for her after Grandpa died, told me that she could have sold it at any time, put the proceeds in a 5¼ percent passbook savings account, and made more money.

My first reaction was shock. Was that why I'd spent all those blistering 12- and 14-hour summer days during my teens, eating enough topsoil, it seemed, to start a spread of my own?

But I knew he was right. Between 1945, when I first worked as a full-time harvest hand at age 13, and 1951 I worked every summer for my farmer uncles on both sides of my family. Each year a few more marginal farmers would have to sell out and take jobs in Denver as welders or auto parts salesmen or whatever.

Many had managed to scrape through the twin disasters of the Great Depression and the Dust Bowl with a half-section of land and an old Model D John Deere tractor that had only about five moving parts and burned kerosene. They prospered during the World War II years, when the rains came and prices were high

But what drought and depression couldn't do, the revolution in farm technology that exploded after the World War II did. Farms in the wheat country had to keep expanding to justify the purchase of the bigger and more efficient technology. The predictable result was an exodus of people.

It was nothing short of revolutionary. In the South, poor blacks were displaced by machinery and moved to the northern cities, with profound social consequences that we are struggling with still.

In the summer of 1945, the sidewalk on the main street of McDonald, Kan., was so jammed on Saturday night when the movies let out and the grocery stores were closing that impatient kids ran out onto the street to get down to the pool hall, which was packed. Now you could shoot a cannon down the main street any time after 6 on a Saturday night and not endanger a living soul. It's been that way for years.

That's one of the most troubling things about the crisis of the family farm. A way of life that is the only one many want, a culture that shaped the nation's history and values, is destroyed along with it.

It's a heartbreak business. If the Argentine wheat farmers, OPEC and world economic recession don't get you, the drought and hail and rust (fungus) will. The only time I ever saw my grandmother cry, outside of the funerals of loved ones, was the summer we got hailed out, 1948 or 1949 it was, I can't remember which.

You want to know despair? Despair is 45-bushel-to-the-acre wheat coming off a winter of good moisture and just ready for the combine when that lethal, monster cloud fills up the western sky, roiling and glinting an evil green and brushed with silver, which tells you that the moisture in it will put bumps on your head, dent your car, tear off your shingles and break your heart.

That one came in the night, a racket that made you forget forever any sleeping nightmares you may have had. The next morning, it was my sad duty to drive grandmother out to inspect the damage. The hail hadn't just shattered the kernels out of their hulls. It had pulverized the straw and beat it into the ground with such ferocity that it looked like it had been turned over with a moldboard plow. Grandmother wept—and the financial loss was the least of her regrets.

I thank the Chair.

I yield the floor.

ORDER FOR RECESS FROM 1 P.M. UNTIL 2:30 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that at 1 p.m. today the Senate stand in recess until 2:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1:30 p.m., with statements therein limited to 5 minutes each.

NGA POSITION ON THE FEDERAL BUDGET

Mr. DOMENICI. Mr. President, yesterday Majority Leader DOLE and I appeared before the National Governor's Association winter meeting being held this week here in Washington. I discussed with the Governor's Executive Committee the Federal deficit and the pressing need to make a significant reduction in our growing public debt.

I am pleased that the NGA Executive Committee has endorsed a plan that has a long-run goal of attaining a balanced Federal budget, with interim goals of reducing the projected Federal deficit to approximately 3 percent of GNP by 1988.

More importantly I congratulate the Executive Committee on its endorsement of a freeze on Federal spending for fiscal year 1986 that shares the burden of reduced spending between both defense and domestic spending programs.

I must note that after some debate, that the Executive Committee included in its freeze proposal, a 1-year freeze on cost-of-living adjustments including Social Security, while at the same time excluding low-income means-tested COLA's. I believe, this shows political courage on the part of the Executive Committee and I congratulate them for this.

All the Governors will vote tomorrow on their Executive Committee's proposal on the Federal budget. It is important that the Governors adopt this proposal. It is only approporiate that our States chief executives participate in this critical public policy issue. Together we all share in the responsibility to redress the large and growing Federal deficits, for together we will all share in a growing and stable national economy.

Mr. President, I ask unanimous consent that the NGA Executive Committee's position on the Federal budget appear in the RECORD at this point.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

EXECUTIVE COMMITTEE; NGA POSITION ON THE FEDERAL BUDGET

The nation's Governors are deeply concerned about the large federal deficits that are projected over the next five years. These deficits are projected to increase from $215 billion in fiscal year 1984 to $296 billion in 1990 if current policies are continued. We believe it is critical that a major federal deficit reduction program be enacted in 1985 while the economy continues to be strong. Failure to address the problem this year will require stronger measures in the future. Such measures may be extremely difficult to enact if the economy slows.

Our concerns focus on the following areas:

The economy—Deficits of the magnitude projected (5.3 percent of GNP by 1990) will significantly retard economic growth and productivity over the next decade. First, high interest rates will maintain an overvalued dollar which will continue to restrain United States exports snd stimulate imports, thereby reducing growth and contributing to the current international trade deficit of over $120 billion. Second, high interest rates will limit investment in plant and equipment, which will restrict productivity and America's ability to compete internationally over the long-run. Finally, both high interest rates and the high value of the dollar are causing distortions of national priorities and major disruptions in certain sectors of the economy, particularly agriculture and heavy industry. During the next decade, unemployment and other economic disruptions may take place if significant deficit reductions are not attained.

State fiscal condition—The fiscal condition of states in 1984 was somewhat improved over the very difficult 1982-1983 period, when 44 states raised taxes and 43 reduced spending to balance their budgets. Due to the budget reductions over this period, state spending in 1984 was still below the real level attained in 1981. The 1985 surplus projected for states is $5.3 billion, which represents only 2.9 percent of spending. The financial markets prefer a 5 percent margin to maintain the highest ratings for state bonds. In addition, 50 percent of the balance is expected to be in only five states, with most other states either reporting very small balances or projecting deficits. Furthermore, states that rely heavily on natural resource production or agriculture are witnessing substantial erosion of their tax revenues. Funds available to the states in future years must be used to meet pressing obligations deferred by states because of the recession—infrastructure, education, environmental protection, income security, prison overcrowding and other critical needs. If the federal deficit restrains economic growth, then state revenues will be reduced, and states must reduce services or raise taxes to compensate for lower revenues. States are not in a position to absorb significant new fiscal responsibilities from the federal government.

Accordingly, the Governors urge Congress and the Administration to initiate a four point plan to restore the fiscal position of the United States as follows:

1. Adopt a freeze on federal spending for fiscal year 1986 that shares the burden among national defense and domestic spending and that does not burden already hard pressed lower income Americans. Given that the federal budget problem is now approaching a crisis situation, a freeze on spending is required.

2. Reform major nonmeans tested entitlements and other mandatory spending programs to increase the long-run control of federal spending.

3. After the budget freeze and reforms have been enacted, it may be necessary to increase revenues to reduce the structural deficit.

4. Enact procedural reforms including a balanced budget constitutional amendment.

The combination of the budget freeze and program reforms and the potential revenue increase should be consistent with the long-run goal of attaining a balanced federal budget. Interim goals of reducing the projected deficit to approximately 3 percent of GNP by 1988 and 1 percent by 1990 should be adopted.

BUDGET FREEZE

1. *Non-defense discretionary spending:* Hold the 1986 appropriation level to the same level as in 1985. For the 1987-1990 period, this component should be increased at one-half the rate of inflation. This category includes programs administered through state and local governments, assistance to business and commerce, veterans programs, health care, environmental regulation, research and development, economic and military assistance to foreign governments, and most of the cost to operate the various branches of the federal government. Funding should be made available for the federal share of superfund, which should be reauthorized this year. Reductions in other programs in this category should be made to accommodate this funding.

2. *National defense:* Limit national defense appropriations in 1986 to the 1985 level plus inflation. For the 1986-1990 period national defense spending would be allowed to increase 1-3 percent in real terms. Defense spending has increased 100 percent between 1981 and 1985, and some slowing of this rate is appropriate to maintain cost-effectiveness in weapons systems and other procurement.

3. *Selected means-tested entitlement programs:* Provide full funding for the following programs: AFDC, Food Stamps, Title XX, Medicaid, SSI, child nutrition, and child welfare services. These programs have already been reduced substantially over the last four years and have already contributed their share of budget reductions.

4. *Other entitlement and mandatory spending programs:* Restrain the growth in these entitlement programs which are projected to increase 33 percent between 1985 and 1990. Included in this category are the medical insurance, Social Security, disability, farm price support and retirement programs funded by the federal government. A one-year freeze on all cost-of-living adjustments should also be enacted.

LONG-RUN REFORMS

After the budget freeze has been enacted, the Congress and the administration should turn their attention to reforms which will increase the cost-effectiveness of entitlement and other madatory spending programs. Over the long-run goal should be to increase the controls over the Federal budget. Reforms should include Medicare, Federal pensions and farm programs. A new commission should be convened to look at potential long-run reforms in social security. It is important that reforms in these programs protect low income beneficiaries.

REVENUE MEASURES

Even after the 1986 budget freeze and long-run reforms are enacted, it may be necessary to raise some additional revenues to attain the interim deficit targets. The revenue increase must be one that does not raise average or marginal tax rates, shares the burden fairly, and can be enacted quickly. State and local tax deductibility should not be singled out for reduction or elimination in any revenue increase.

Another important measure that the federal government could take to help reduce the deficit is to tighten enforcement of the federal tax code. Such action, which has recently been employed in many states with excellent results, would serve not only to ensure payment to the Treasury of needed revenues but would increase public confidence in the fairness of the federal system of taxation. The National Governors' Association urges that the Administration and Congress strengthen the Internal Revenue Service tax enforcement procedures—and increase resources, if necessary to pay for them—as integral to and in conjunction with efforts designed to eliminate the structural deficit.

PROCEDURAL REFORMS

Procedural changes which have worked in the vast majority of States must be made so that the administration and Congress can eliminate the deficit by the end of fiscal year 1990. A constitutional amendment requiring a balanced Federal budget and providing the President with line item veto authority are needed to insure Federal fiscal responsibility.

BUDGET TARGETS

In order to assure a commitment to deficit reductions, the Governors urge Congress and the Administration to agree on specific bipartisan deficit targets for each of the next five fiscal years. These deficit targets should represent a downward glide path from approximately 3 percent in 1988 to 1 percent of GNP by 1990. Congress and the President should work together to approve FY 1986 appropriations, tax and reconciliation legislation consistent with the established targets. The ultimate goal which the NGA recommends is the complete elimination of the deficit. Congress and the Administration should adopt a coherent long-term strategy that achieves this ultimate goal and meets the 1990 objective.

TIM RUSSERT—A MAN THIS GOOD IS HARD TO FIND

Mr. KENNEDY. Mr. President, all of us who knew and admired Tim Russert in his Moynihan and Cuomo incarnations will be delighted to read Richard Stengel's lengthy article about Tim and his transition to the private sector in the February 14 issue of Rolling Stone.

I once heard Tim Russert described as a 12 on a scale of 10. His genius for politics in the best and highest sense of the word was unbounded, and those of us who knew him often hoped he would run for office himself. In a sense, the Democratic Party's loss is NBC's gain; the network is extremely fortunate to have a new executive of Tim Russert's ability and commitment, and I am sure that for Tim, the best is yet to come.

Mr. President, I ask unanimous consent that the Rolling Stone article, "A Man This Good Is Hard to Find," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rolling Stone, Feb. 14, 1985]

A MAN THIS GOOD IS HARD TO FIND

(By Richard Stengel)

(He was Moynihan's number-one aide. Then he made Cuomo a household word. Now he's NBC News' youngest vice-president. Nobody, it seems, doesn't need Timothy Russert.)

The vanilla ice cream next to the poached pear had mostly melted when Tom Brokaw gently clinked his glass. Smiling, he rose, and the three tables of six in the intimate, darkly wallpapered dining room of the Brokaw's Park Avenue duplex turned to listen to the familiar voice. The dinner was in honor of Brokaw's friend and colleague, Timothy J. Russert, the newest and youngest vice-president of NBC News. At thirty-four Russert—who resembles the puckish, chubby altar boy that he in fact was—had spent the past two years as counselor to Governor Mario Cuomo of New York and several years before that as chief of staff for Senator Daniel Patrick Moynihan, all the while building a nearly legendary reputation as a street-smart, media-wise political operative. Apart from the guest of honor and his wife, Maureen Orth, who had recently signed as an NBC correspondent, the guests included NBC News president Lawrence Grossman; Al Hunt, the Washington bureau chief of The Wall Street Journal, and his wife, the television correspondent Judy Woodruff; Jim Hoge, the publisher of the Daily News; Ken Auletta, the New Yorker writer; and the sprightly Mrs. Daniel Patrick Moynihan, whose husband was due to arrive shortly.

The occasion was low-key and unpretentious, but that did not make it any less a ceremony, a kind of laying-on of hands. In a tone both jocular and welcoming, Brokaw said that they were gathered there to celebrate the removal of Tim Russert, a veteran of the Moynihan-Cuomo workfare program, from the public trough. All raised their wineglasses, except Russert, who did not, partly out of modesty, partly because he was drinking beer. The subsequent toasts also had a warmly chafing spirit, but the one that resonated the most in Russert's mind was Ken Auletta's. Auletta, who has written extensively about Governor Cuomo, said that for a public official there was a very fine line between protecting one's political interests and dealing fairly and openly with the media. No one, Auletta said, navigated that line more skillfully than Tim Russert.

But, now, Tim Russert had crossed that line. The hearty, canny, consummate insider from Buffalo who masterminded Moynihan's smashing reelection victory in 1982, the political Sancho Panza with the golden Rolodex who helped catapult Mario Cuomo from a local arena onto the national stage, had gone over to the other side. At NBC, the image maker so adept at manipulating the media from the outside would now be shaping it from the inside. These days, such a cross-over is not exactly heretical. The fraternity of political émigrés in televisionland is select, but growing. Bill Moyers worked for President Johnson; Pierre Salinger was press secretary for President Kennedy; Diane Sawyer was a flack for President Nixon; and the man who may well be Russert's prototype, ABC News vice-president David Burke, was the chief of staff for New York's Hugh Carey. The fine line between politics and the media is not so much a real boundary as a sleepy border station lacking guards to check anyone's papers or credentials.

Tim Russert has always been in the business of communication. His wife calls him an infomaniac. The son of a *Buffalo Evening News* truck driver, Russert is never without a bundle of newspapers under his arm. He lugs them on and off trains, taxis, buses. If he is flying from New York to Phoenix and the plane stops in Columbus, he will dash off to buy *The Columbus Dispatch.* He pores over local papers as a doctor takes a patient's pulse: to check the health of the body politic. He was, for both Moynihan and Cuomo, their principal press spokesman, the architect and custodian of their images. For dozens of reporters and columnists, he became an essential stop on the road to a story. Knowing Russert was a prerequisite for anyone in the know; if he had been any more plugged in, he would have been electrocuted. Inevitably described as shrewd, he was the opposite of slick. Among journalists and media people, there is a veritable Russert fan club, composed of members of every political stripe. Liberal columnist Mary McGrory: "He's the best I've ever seen." Conservative columnist George Will: "He is a superb professional, who understands the Democratic party beyond the Washington Beltway, where most of it—thank God for small favors—lives." Democratic political consultant David Garth: "He's the best guy at working the press I've ever encountered." Republican political consultant Roger Stone: "He's the best strategist in the Democratic party."

Russert was that anomalous thing in politics, the loyal aide who understood the know-how and the know-why, the behind-the-scenes fixer who could work the phones and tell a Madison Avenue sharpie how to craft a thirty-second spot. Part fan, part handholder, part psychologist, part lawyer, part legislator, part speech-writer, part lob-

byist, he simply made himself indispensable. And visible. Russert attached himself to bigger men, and then grew under their patronage. "I believe in people who believe in things," he says spiritedly. Not only was Russert instrumental in landing the keynote-speaker assignment at the Democratic convention for Cuomo, he also helped focus the governor's stirring speech. Cuomo is his own best phrasemaker, but Russert got Cuomo to emphasize that graphic image of the Two Cities. He made liberal good intentions marketable again. When Gary Hart cried, in the midst of the primaries, "Get me a Russert," he became a part of speech: russert (rus'ert) *n.* a skilled political operative adept at framing and communicating a politician's message while enhancing and expanding his reputation and popularity.

NBC can use a russert. If NBC News were a candidate, it would be the perennial also-ran, the tired campaigner the public has all but forgotten. As the news organization that seems to have a lock on third place in the ratings, the only network that is unable to come up with a successful magazine show, the one news organization that has not been "hot" any time during the past decade, NBC could do with some gussying up. For the past eight years, Russert has spent part of every day thinking how to make television work for him; now he will be working for it. In part, Russert has left his first love for money. At NBC, he is making about double the $75,000 he earned with Cuomo. Recently married, he teasingly affirms that he and Orth want "to enlarge the family of New York" (she is now pregnant). The switch, though, was serendipitous—when Larry Grossman offered him the job, it was a move he hadn't really contemplated. Afraid of becoming a political vagabond, Russert was also lured by television's uncanny power of molding the images and ideas that millions regard as reality. "I didn't understand television as well as I wanted. And I wanted to master it," he says with conviction. At NBC, Russert is now helping shape the images that shape the nation.

In Buffalo, says Russert, "you were born a democrat and baptized a Catholic." In that order. His apprenticeship in the rough-and-tumble world of ward politics began in 1960 when, at the age of ten, he lost a scuffle with the kid down the block who had ripped down the Kennedy sign from in front of the Russert residence. It was his first political lesson: stay out of a fight you can't win. Crafty Timmy then persuaded a paperboy chum to let him deliver part of the boys' Evening News route, and Russert slipped Kennedy brochures into the fold before flinging the paper onto neighborhood doorsteps.

In school, he was a little dynamo, and the nuns doted on him. He was a do-gooder who didn't really seem to be a goody-goody. From the first, he says, "I don't know what motivated me more, fear of failure or the need for success." Named, in 1968, the Outstanding Youth of the Year of the Diocese of Buffalo, he chose a small and undistinguished Jesuit school in Cleveland, John Carroll University. Not only did he become president of the student body, he was the campus impresario, booking and organizing rock concerts. "I learned an awful lot about dealing with temperamental talent and egos," he says with a laugh and a roll of the eye. "Politics is the same thing."

The college graduate went to work for the city comptroller of Buffalo, George D. O'Connell, and learned ward politics at the feet of Frank Szuniewicz Jr. ("Frankie Son-of-a-Bitch," he called himself), the leader of the fifteenth ward of Buffalo. Szuniewicz took him to the Roosevelt restaurant every day for lunch, where Russert wolfed down beef-on-kümmelweck sandwiches and the savory anecdotes of political old-timers. "Timmy learned street politics," remembers Szuniewicz, "which is just finding out what people think down the street, not what's written in the newspaper." Russert knew that he could make it in Buffalo, but that Buffalo would not make it for him. Law was the answer, and he enrolled at the Cleveland-Marshall College of Law, a middling law school back in Ohio. Law school did not give him a profession so much as a technique for problem solving.

After graduating, Russert was working in Buaffalo as the western regional representative for Senator Daniel Patrick Moynihan when the great blizzard of 1977 descended. As the snow fell, he rose to the occasion—organizing relief, then unwinding at what he describes as "the best parties in the history of the city." Three days later Moynihan arrived to tour the area. There he found Russert, in an oversize parka and Timberland boots, the young wizard of the blizzard. "You're coming back with me," Moynihan said, "And," recalls Russert, "I got on the plane, no suitcase, nothing."

Together they drafted a letter to President Carter asking for disaster aid. Once in Washington Moynihan urged him to stay. It didn't take much persuading. Moynihan had a crack staff—Ivy League degrees and a certain intellectual arrogance. Russert, the truck driver's son from the sticks, was a bit cowed. "I didn't recognize, for example, some of the referrences to Trotskyties and Mensheviks, or understand the nuances of the growth of liberslism in the CCNY cafeteria." But he soon realized that he did know a thing or two that they didn't know. "I understood what a Demorcatic senator from New York needed to stand for," says Russert. "And I enjoyed saying sometimes, 'That's an interesting idea, sir, but it won't play in Buffalo.'"

Moynihan, the child of Hell's Kitchen who had made it in the Establishment, saw in Russert a younger self. At twenty-nine, after two and a half years as a legislative assistant, the energetic and high-spirited lawyer who operated the telephone like an extra appendage became the youngest chief of staff in the U.S. Senate. He remained Moynihan's principal spokeman and a favorite of the press. He drank with journalists, gossiped with them, knew what they needed for a story and how to get it. When a reporter was desperate to reach a source, Russert would pluck the magic number from his spinning wheel of names. "Look, here it is." he would say. "If he asks you where you got it, say it was in the files. So put it in your files, take it out, and call him." The Jesuits would be proud.

With Moynihan facing a potentially difficult reelection fight in 1982, Russert took a leave of absence as chief of staff to become campaign manager. "If you were writing a military history," explains Moynihan, "Tim would be among those commanders who are brilliant at forcing their antagonists into untenable positions by exerting pressures that they don't entirely recognize at the time." Commander Russert's most memorable maneuver was the Caputo Gambit. Russert anticipated that Congressman Bruce Caputo would be Moynihan's strongest Republican challenger. He prepared for battle by reading every Caputo clip he could find, assiduously marking down each vote, fact and assertion on yellow legal pads. "Inconsistencies began to emerge," says Russert. What materialized was Caputo's contradictory claims about a military career. Russert mentioned this discrepancy to two journalists who were to have lunch with Caputo. The first thing out of Caputo's mouth after he opened his napkin was that he had served in Vietnam. The reporters checked it out. It was false. Caputo was kaput. Moynihan went on to win with the largest majority in a midterm election in the history of the Senate.

That same November a plucky lawyer from Queens named Mario Cuomo was elected governor of New York. With Moynihan's blessing, and Mrs. Moynihan's observation that "everybody has to grow up and leave home," Russert went to work for the new governor. He was drawn to him by the question that Cuomo himself seemed to personify: Can government be effective and efficient and still be progressive and compassionate? Officially, Russert was Counselor to the Governor, a title concocted by Cuomo that barely suggested the myriad ways that Russert served him. Russert participated in the formulation of policy and legislation, ran the press office and was Cuomo's principal spokesman. Russert was all things to Cuomo, but not to every reporter. Some local journalists, muttering that Russert only schmoozed with national types and TV reporters, grumbled that Russert was better at swapping stories than pushing papers.

In the jargon of television, Cuomo might be described as a "high concept" politician. Russert honed that concept. "Tim is excellent at synthesizing things and then articulating them," says Cuomo. That is precisely what he helped the governor do at the Democratic convention in San Francisco. "He was able to help me make my case in a way that I could not have done by myself," says Cuomo. Russert was credited with giving him so-called national exposure. Much of that consisted of orchestrating television coverage and organizing Meet Mario breakfasts for VIPs the governor might not have met otherwise. "Tim has great credibility," says Cuomo generously, "and I borrowed some of that credibility."

But NBC wanted to borrow it also. Not long after Larry Grossman was named NBC News president, his friend, the Washington lawyer and former Nixon White House counsel, Leonard Garment, suggested Grossman look up Russert. Give him a call, Garment told his chum, he's an Irish *mensch.* The rabbinical-looking Grossman and the boyish, bearish Irishman hit it off. "They have one big thing in common," says Garment, "they both have fun while succeeding." Grossman called Cuomo to make him an offer for his valued counselor. Cuomo, realizing he could not stand in the way of such an opportunity, reluctantly said okay.

The fifth-floor executive offices at NBC News are a study in muted power: beige carpeting, beige walls, beige desks, beige executives. Russert's expansive office is situated next to Grossman's—prime real estate in the geography of office politics. Grossman is the fifth president of NBC News in eleven years. The thoughtful, bearded savior of PBS, Grossman is an advertising man by profession. Like Russert, Grossman was never a newsman. But Grossman knows that television is not a vocation of long apprenticeships; a tyro like Russert can adapt quickly.

Even among NBC veterans, there were few raised eyebrows when a news neophyte

like Russert came aboard. The general view was that his lack of journalistic credentials was balanced by his experience in the political arena. No one seemed overly concerned about possible political bias. Grossman acknowledges that after hiring Russert the first question he was asked by the NBC board of directors was whether the new vice-president would be partisan, but he finds the whole issue tedious. "Look, we're all grown-ups here," Grossman says wearily. Russert's counterpart at ABC, David Burke, suggests there is a built-in safeguard against bias. "News people are the most cynical in the world," says Burke, "and they will double-think anyone's motives. Their very skepticism is one guarantee that people who have crossed the line will be held to a tough standard."

Crossing the line, though, may well be the wrong metaphor. Actually, the connection between politics and the media is incestuous, so intertwined that it is hard to separate one from the other. Such coziness seems to bother almost no one. And why should it? asks George Will. "What I think is supposed to be at jeopardy here," says Will, "is the moral purity of the media. But you have to believe in that first. I can believe many things—six impossible things before breakfast, Lewis Carroll wrote. That I can't believe."

Like more than two months after joining NBC, Russert is worried less about purity than about numbers. He is charged up by the fact that NBC News has been in second place, behind CBS, for three straight weeks. The network's new theme, NBC NEWS ON THE MOVE, is his anthem as well. Along with Grossman, he is determined to return NBC to the glory days of Huntley and Brinkley, when theirs was the news to watch.

Russert's commitment to that task begins before sunup.

6:30 a.m. His alarm goes off, and he groggily watches the tail end of NBC's early-morning news program, NBC News at Sunrise. Leaving his brownstone apartment on Manhattan's Upper West Side, he buys the three New York papers. During the twenty-minute cab ride to the Cardio-Fitness Center at Rockefeller Center, he reads as much as he can. A believer in recycling information, he asks the driver, "You want these papers?" The cabby looks at him as if he were trashing the backseat. Russert takes them.

8:30 a.m. The Cardio-Fitness Center: Clad in the required uniform—a pale-blue T-shirt and navy-blue shorts—Russert is doggedly pedaling an Air-Dyne stationary bicycle while watching Jane Pauley wind up the Today show on a television screen above him. After the workout, he walks across the street to NBC and stops by the Today set to chat with the show's producer, Steve Friedman. Friedman laughs when Russert tells him that the guys at Cardio-Fitness pedaled faster during the show's rock & roll segment on Little Richard.

9:15 a.m. Grapefruit juice, no coffee. He scans The Washington Post, The Wall Street Journal and USA Today. His office is orderly now, but by 5 p.m. it will resemble a battlefield strewn with crumpled newspapers, the casualties of the day's events. He stops by Grossman's office to discuss strategy for an upcoming affiliates' meeting.

9:45 a.m. The first meeting of the day in a day full of meetings. In the medium of television, meetings are the method. With styrofoam cups of coffee steaming before them, eight NBC News vice-presidents, the executive producers of Nightly News, Today and Sunrise, sit in Breuer chairs around a long, rectangular table in room 508. At the head sits Grossman, wearing what appears to be a varsity-letterman's sweater with the NBC insignia emblazoned on it, making him look like chief cheerleader. Joe Bartelme, the general manager for U.S. news, and Jerry Lamprecht, the general manager for foreign news, run down the day's stories. Grossman rubs his beard. "Anything else?" he asks. The meeting is brief, fifteen minutes, and terse. On the way back to their offices, Russert and Grossman discuss a correspondent who has been doing an impressive job. "He's a strong writer, very poetic, and an avuncular presence on the screen," Russert says. Grossman nods.

10:45 a.m. Russert meets with an advertising executive about promotional ads. He finds them self-serving and tells the fellow to have the copy rewritten. At the moment, Russert's principal chore is to be the point man in NBC's aggressive effort to integrate and promote the news organization. "The idea is that news should get a fair share of what in effect is internal promotion," says Russert, "with each individual show, Nightly News, Today, Sunrise, feeding the others." Russert evaluates every on-air promotion and is the prime mover in the NBC News on the Move campaign. One part of the plan calls for NBC entertainment stars, like the Great Communicator Bill Cosby, to tout NBC News in brief spots. "Isn't it just as important to see someone talking about NBC News as a ten-second promo for Punky Brewster?" says Russert. "It's just like politics. You institutionalize an image and people come to believe in it."

12 noon. The editorial board meeting. Clustered about a round table at the north end of Grossman's office are executive vice-president Tom Pettit, senior vice-president John Lane, Brokaw, John Chancellor, NBC's éminence grise, Grossman and Russert. Instituted by Grossman, the board is a kind of collective corporate conscience cum big-boy bull session. They examine the merits of current issues and stories and look ahead to future ones. Brokaw, anchorman of the Nightly News, values Russert's presence for a number of reasons. "I feel like he's someone I went to high school with," says Brokaw. "But, more than that, Tim is someone who can come in my office, look me in the eye and tell me something I may not want to hear."

3:30 p.m. The Nightly News scheduling meeting on the fifth floor. The news producers discuss that evening's lineup of stories. Russert attends this meeting in order to keep abreast of what's happening. He mostly listens, injecting the occasional wisecrack. "It's important for news executives to respect the integrity of the producers and their show," he says. "You just can't say, I think you should lead with such-and-such a segment. They would throw you out the door. As they should." Afterward Russert meets with a corporate honcho to discuss the contracts of various on-air talent and review some of NBC's efforts to stay out of the ratings cellar. "Ratings are what this business is all about—being there first," he says, clenching his fist. For Russert, the uncompetitive life is not worth living.

5:45 p.m. The vice-presidents gather once again. "We rehash the day, find out what's on people's minds and talk about upcoming stories," Russert says. When the meeting breaks up, Russert vainly attempts to answer a stack of messages. At 6:15 p.m., as he is on his way out the door, the phone rings. His secretary has gone, so he picks it up himself. "Mis-ter Chan-cel-lor," he says, spreading out the syllables in comradely salutation. He listens, shifting his weight from one foot to the other. "I agree. Let's talk after the show."

6:30 p.m. Russert, Lane and Pettit wander by Grossman's office to watch the first network feed. If they are dissatisfied with the show, it can be revised for the 7 p.m. broadcast. Several months ago, after the unexplained crash of an American plane in Central America, a report came over the wire that Barry Goldwater, the chairman of the Senate intelligence committee, was making an announcement at 6:30 p.m. The clarification would be too late for the first feed. "I knew that if the chairman was briefed," recalls Russert, "the vice-chairman was also briefed. The vice-chairman happened to be Daniel Patrick Moynihan." Russert rang Moynihan and garnered enough declassified details to enable NBC to lead with the story. After the show, Russert's evening may be devoted to a dinner party, or perhaps a different passion: movies. On a rainy Sunday, he might see three films. And, on the off chance that a rerun of Cool Hand Luke is on television, he will watch that, as he has already, eleven times before.

11:30. At home. Russert's nightly dilemma: What to watch? What to watch? Carson? Nightline? Or his beloved Honeymooners? Switching channels just wasn't the answer. Technology rescued him from his nightly existential quandary. Last December he had three television monitors installed in the living room. He ends the day as he begins it, bathed in the glowing light of a television screen.

Television news has replaced politics at the center of Russert's life and imagination. He already seems to regard his new field with the same veneration he had for his old one. Russert confutes the stereotype of the detached network executive insulated in the steel-and-glass cocoons of Sixth Avenue. He is a populist in the world's most popular medium. For him, popularity is not synonymous with inferiority: "The public is not beguiled." He mulls this over. When he concentrates, he leans forward in his chair, hunched over, legs spread, like a high-school coach diagraming a play in the dirt. "They know what they want, and what they want is usually right. I really believe, for example, that the better candidate wins." Russert is a democrat with a small d. Perhaps that is why he takes so much ribbing from his former boss about joining the glossy world of network television. According to Governor Cuomo, a stand-up comedian manqué whose deadpan delivery is flawless. "There are just two things Tim has to do: get his weight under control, and never, never, lacquer his nails."

He doesn't have the time or the inclination to anyway. Nor does he have the temperament to worry about those who may suspect him of having a hidden political agenda. Russert signed a standard, three-year NBC executive contract. It expires in October of 1987, just in time, suggest some old political hands, for Russert to hitch his star to the Cuomo for President bandwagon. "I've always lived with rumors and speculation," he says. "I made a conscious decision to leave politics for the media. I have embarked on a new career. The decision surprised a lot of people. To suggest that this is all part of some Machiavellian scheme is absurd."

Ah, but the question is, What would Metternich, not Machiavelli, say about it? Russert is fond of recounting an anecdote about

the cunning Austrian statesman. The story is instructive, "Metternich was woken up in the middle of the night," Russert says, with a hint of impish glee, "and told that the Russian ambassador had just dropped dead. Metterich rubbed his eyes and said, 'What could be his motive?' " Russert chuckles. If he has ulterior motives, he is keeping them to himself.

Right now, his allegiance is to NBC and the news. Russert considers his desertion: "In politics, you now what the press is going to ask, you know what they're going to pounce on and how they're going to take what you said and interpret it. Having anticipated that for eight years," he says with a knowing smile, "it's now pretty much the way I thought it was."

The one thing that he feared might happen, didn't. Russert dreaded post-politics decompression. "Politics is the kind of profession that you're making ten decisions per minute: yes, no, yes," he says. "Suddenly, people leave politics, and the phones don't ring." He has discovered that the metabolism rate is just as frenetic in television. "This is the closest thing there is to the day-in, day-out concern in politics about what's going on in the world," he avers, turning up the volume on the center monitor for a report by an NBC correspondent on Capitol Hill. "You don't have a week to think about it," he announces with enthusiasm. "You have to decide what things mean in a few minutes. It really is blood and guts." He grins. "It's wild."

LET'S TALK WITH CASTRO

Mr. PELL. Mr. President, "Let's Talk With Castro" is the title of an excellent and prescient Op-Ed piece written by Representative BILL ALEXANDER in a recent issue of the New York Times and also is a sentiment which I have expressed myself over the past years, especially since my trip to Cuba in 1974 with Senator Javits. As a result of two recent trips to Cuba, the last one in January when he and Representative JIM LEACH spent a total of over 38 hours with the Cuban President, Congressman ALEXANDER believes that the administration should respond positively to Cuba's conciliatory overtures to the United States.

My colleagues know that I have been a strong advocate of normalizing relations with Cuba, because I believe that could improve the prospects of reducing Cuba's intervention in the area. One immediate result of normalization would likely be the reduction in Cuba's spewing of harsh invective and hatred in the region against the United States. It is no wonder that Cuba feels so bitter toward the United States since this Nation has attempted to assassinate its leaders, has launched one large invasion of that nation and who knows how many minor ones, and has done its best to isolate Cuba from its neighbors in the Western Hemisphere.

The agreement on immigration, concluded in December and now being implemented, is a stark demonstration that the United States and Cuba can deal with each other on matters of mutual concern and interest. Let us build on the momentum begun by the agreement and see if Fidel Castro is serious about his expressed willingness to talk about other issues of mutual concern, which could hold out the prospect for a peace settlement in Central America and a reduction of tensions in southern Africa. This theme also is stressed in the Alexander article which I highly recommend to my colleagues. Mr. President, I ask unanimous consent that this excellent article by Representative BILL ALEXANDER from the February 14 edition of the New York Times be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LET'S TALK WITH CASTRO

(By William V. Alexander, Jr.)

WASHINGTON.—President Reagan would make a serious mistake if he rejected the conciliatory offer tendered this month by Fidel Castro.

The Cuban leader's message is clear: he wants to lessen tensions between Cuba and the United States. This, he hopes, will give Cuba access to United States markets and improve the prospect that entrepreneurs will take advantage of Cuba's new law permitting foreign investment. In exchange, President Castro seems willing to cooperate in bringing about a political solution to problems in Central America and Africa.

My recent trips to Cuba, in August and January, convince me that Mr. Castro means business. For all his Communist ideology, he is a shrewd observer of international economic trends and he looks with some envy on the developing relationship between the United States and the People's Republic of China.

Economically, things are not going well for Cuba. At present, the Soviet Union is subsidizing the Cuban economy at the rate of some $4 billion to $4.5 billion annually. Yet Moscow is apparently reluctant to increase its aid, and Mr. Castro fears that the help may eventually stop altogether. Even with that help, which need not be repaid, Cuba's foreign debt is said to range between $10 billion and $12 billion—more than its estimated gross national product.

President Castro's proposed solution is a 20 percent increase in exports to Western nations that pay in hard currency. Cuban leaders are also particularly interested in joint ventures that would yield manufactured products for export.

For 25 years, Fidel Castro has pushed the Cuban economy toward industralization, with limited success. Agricultural exports dominate, as they did before the revolution. Food and consumer goods are rationed. Low productivity remains a problem despite measures to encourage decentralized management.

The country's economic problems are also compounded by politics. The new generation—more than half the population—was born after Mr. Castro came to power and is particularly impatient for signs of economic progress. The new law allowing Cubans to own their own homes, and the appearance of supermarkets stocked with scarce consumer goods, were undoubtedly designed to satisfy this generation while spurring increased productivity among all workers. The resumption of economic relations with the United States would be the next logical step in this direction.

We might begin to move toward a thaw by opening talks on several immediate points of tension. In particular, Mr. Castro is willing to discuss aircraft hijacking, radio interference caused by overlapping broadcast frequencies, mutual assistance for distressed ships and disputes over common fishing grounds. The United States has an interest in making progress on all four issues, whether or not negotiations led to something bigger.

If, however, the talks did go well, we should be encouraged to take up Mr. Castro's offer to work together to find a peaceful resolution to tensions in Central America and Africa.

For openers, Mr. Castro says he would agree in advance to the concept of third party "verificaiton" of compliance with any Central American treaty negotiated by the Contadora Group—Colombia, Mexico, Panama and Venezuela. This would indeed be a significant step toward peace, for the absence of a verificaiton provision was the stated reason that the United States rejected the first Contadora treaty proposal.

Surely it is in the United States' interest to pursue this offer. Both Cuba and the Soviet Union consider that they have a major stake in the future of Central America and the rest of the Western Hemisphere. Until now, Washington has seen this as something necessary threatening. It need not be. Would it not after all be in our interest to lessen tensions with the only country in the hemisphere with a military facility at the disposal of the Soviet Union? What's more, if we can negotiate with the Russians, surely we can talk with the Cubans. What do we have to lose?

Lessening tensions between our two countries through cultural exchanges and, eventually, trade, could also strengthen the bonds created by our common cultural heritage. In the long run, such exchanges might even be an opportunity to export American political ideals to Cuba. Our nation has 200 years of experience in making the American Revolution work—and we should be willing to share the wisdom of this experience. Let us be big enough, as a nation, to invite Mr. Castro and the Cuban people to the conference table.

SENATOR QUAYLE'S CONTRIBUTION TO SENATE REFORM

Mr. DOLE. Mr. President, now that we have finally resolved the assignments to the so-called A committees of the Senate, I would like to take a moment to commend the junior Senator from Indiana, Senator QUAYLE, for his diligent efforts to bring about reform of the Senate committee system.

As chairman of the temporary Select Committee To Study the Senate Committee System, Senator QUAYLE faced a formidable task. Although most Senators perceived the need for reform to make the Senate more efficient, there was and continues to be strong resistance to many of the specific changes needed to bring about such reform. Despite this institutional inertia, Senator QUAYLE succeeded in fashioning a bold and challenging set of recommen-

dations that were reported out of his committee by a 12-to-0 vote. Putting together a set of reform recommendations that were unanimously supported by the diverse membership of his select committee is a notable accomplishment in itself.

Yet, Senator QUAYLE has not stopped there. Indeed, the A committee resolutions that we passed last week distinctly bear his stamp. Up until this point we have drifted into greater and greater expansion of the number of A committee slots. Rather than facing up to difficult assignment problems we have tended to merely expand the size of the A committees. If we would continue on this course, we probably would have increased the number of A committee slots from the 231 of the 98th Congress to about 245 slots.

As Senator QUAYLE correctly noted, this trend tends to further dilute most Senators' effectiveness as they are spread even more thinly. Senators find it increasingly more difficult to attend all of the committee meetings that are scheduled and as a result chairmen are frustrated by their inability to muster a quorum.

As a result of Senator QUAYLE's diligent leadership and with the help of Senator MATTINGLY, the chairman of the Committee on Committees, we reversed the trend and reduced the number of A committee slots from 231 to 214. Even though this final result was somewhat larger than the ideal set forth by the select committee proposal, this nevertheless represents an outstanding achievement by Senator QUAYLE.

RECESS UNTIL 2:30 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent the Senate now stand in recess until 2:30 p.m.

There being no objection, the Senate, at 12:54 p.m., recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MATTINGLY].

RECESS UNTIL 3 P.M.

Mr. LUGAR. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 3 p.m.

There being no objection, the Senate, at 2:30 p.m., recessed until 3 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. MCCONNELL].

BUDGET ACT WAIVER

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I move to call up Senate Resolution 73, the budget waiver to accompany S. 457.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 73) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 457.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 73) was agreed to as follows:

S. RES. 73

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 457, a bill to authorize appropriations to provide assistance for famine relief, rehabilitation, recovery, and refugee assistance in Africa. Such waiver is necessary to allow the authorization of an appropriation of $175,000,000 to meet the needs of those in Africa suffering from food supply problems due to drought and other calamities.

Compliance with section 402(a) of the Congressional Budget Act of 1974 was not possible by the May 15, 1984, deadline because the extent of the food supply emergency was not known at that time.

The effect of not considering this authorization would be to deny life sustaining and lifesaving supplies to large numbers of starving Africans.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

The PRESIDING OFFICER. The clerk will report S. 457.

The legislative clerk read as follows:

A bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "African Famine Relief and Recovery Act of 1985".

INTERNATIONAL DISASTER ASSISTANCE

SEC. 2. Chapter 9 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292-2292p) is amended by adding at the end thereof the following new section:

"SEC. 495K. AFRICAN FAMINE ASSISTANCE.—(a) The President is authorized to provide assistance for famine relief, rehabilitation, and recovery in Africa. Assistance under this section shall be provided for humanitarian purposes and shall be provided on a grant basis. Such assistance shall include—

"(1) relief, rehabilitation, and recovery projects to benefit the poorest people, which may include the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals and vaccine and veterinary services to protect livestock upon which people depend, blankets, clothing, and shelter, disease prevention and health care projects, water projects (including water purification and well-drilling), small-scale agricultural projects, and food protection and preservation projects; and

"(2) projects to meet emergency health needs, including vaccinations.

"(b)(1) To the maximum extent practicable, the funds appropriated pursuant to this section shall be used for grants to private and voluntary organizations and international organizations.

"(2) Up to 18 percent of the amount appropriated pursuant to this section may be used for emergency health projects pursuant to subsection (a)(2).

"(3) Of the amount appropriated pursuant to this section, up to $2,500,000 may be transferred to the 'Operating Expenses of the Agency for International Development' account and used for management support activities associated with the planning, monitoring, and supervision of emergency assistance provided under this section or under any other provision of law providing supplemental food aid to countries described in section 5 of the African Famine Relief and Recovery Act of 1985.

"(c) In addition to the amounts otherwise available for such purpose, there are authorized to be appropriated $137,500,000 for the fiscal year 1985 for use in providing assistance under this section.

"(d) Assistance under this section shall be furnished in accordance with the policies and general authorities contained in section 491.".

MIGRATION AND REFUGEE ASSISTANCE

SEC. 3. (a) In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the Department of State for "Migration and Refugee Assistance" for the fiscal year 1985, $37,500,000 for assisting refugees and displaced persons in Africa.

(b)(1) Up to 54 percent of the amount appropriated pursuant to this section may be made available to the United Nations Development Program Trust Fund for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II) to address the immediate needs created by refugees and displaced persons in Africa.

(2) Funds which are appropriated pursuant to this section and which are not made available under paragraph (1) shall be used by the Bureau for Refugee Programs of the Department of State for emergency relief and recovery efforts in Africa.

DEPARTMENT OF DEFENSE ASSISTANCE

SEC. 4. (a) The Secretary of Defense shall furnish such assistance for the United States relief effort made in connection with the African drought as may be requested by the Secretary of State or the Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961. Such assistance shall include sea and air transport for relief supplies, the furnishing of services of military personnel, particularly the furnishing of medical and health services, and the furnishing of military equipment and supplies that are appropriate for relief purposes.

(b) The Department of Defense shall be reimbursed for the costs incurred in carrying out the assistance described in subsec-

tion (a) out of applicable appropriations for the Department of State or applicable appropriations made pursuant to the Foreign Assistance Act of 1961, as the case may be, except that—

(1) only incremental costs may be recovered for sea or air transport of relief supplies; and

(2) the Department of Defense shall not be reimbursed for—

(A) the expenditure of funds appropriated before the date of enactment of this section for—

(i) the regular pay and allowances of military personnel involved in the relief effort; or

(ii) the costs of supplies and equipment furnished;

(B) depreciation or amortization of, or usage charges for, aircraft or vessels involved in the relief effort; or

(C) any equipment, material, or supplies furnished which were in the inventory of the Department of Defense before a request for assistance was made under subsection (a).

GENERAL PROVISIONS

SEC. 5. (a) Amounts appropriated pursuant to this Act shall be available only for assistance in those countries in Africa which have suffered during calendar years 1984 and 1985 from exceptional food supply problems due to drought and other calamities.

(b) Assistance may be provided with funds authorized to be appropriated by this act without regard to section 620(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(e)(1)).

(c) In addition to such reports that the President may submit to the Congress from time to time on the effectiveness of this Act, the President shall submit to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate a final report on this Act no later than September 30, 1985. Such final report shall include—

(1) a description of the uses to which funds provided under this Act are allocated by the Department of State and the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961;

(2) the identity of any private and voluntary organization or international organization receiving funds under this act, and the amount of funds received;

(3) the amount of any funds appropriated pursuant to this Act not obligated by the close of the fiscal year 1985;

(4) the amount of funds provided on a country-by-country basis;

(5) a list of projects supported under this Act which are not expected to be completed by January 1, 1986.

(6) an assessment of the need for additional assistance to meet the short-term emergency resulting from the food supply problem; and

(7) a description of the equipment, supplies, or other cargo transported, or other resources provided, pursuant to section 4.

Mr. LUGAR. Mr. President, I ask unanimous consent that Al Lehn, a member of Senator DOLE's staff, be permitted on the floor during consideration of S. 457, the African Famine Relief Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I bring before this body today S. 457, the African Famine Relief and Recovery Act of 1985, as amended by the Foreign Relations Committee.

In committee markup of this legislation, I offered an amendment in the nature of a substitute in my own behalf and in behalf of Senators SARBANES and BOSCHWITZ. Although present in that markup, Senator TRIBLE could not actively participate since new members had not yet been confirmed by the full Senate. Since he is now an official member of the committee, Senator TRIBLE would like to join us in cosponsoring the substitute amendment adopted by the committee, as would Senator PRESSLER.

This bill authorizes $175 million in supplemental fiscal year 1985 funding for nonfood assistance to the disaster stricken areas of Africa. Separate appropriations legislation which includes funding for both food and nonfood assistance has already been reported by the House Appropriations Committee and is likely to be enacted this week or next. Additional food assistance, however, does not require new authorization at this time, since there is already sufficient authorization in law.

S. 457, as amended, authorizes additional fiscal year 1985 funding of $137.5 million for African disaster assistance and $37.5 million for migration and refugee, assistance for a total emergency authorization of $175 million for this fiscal year. The bill creates new authority for relief, rehabilitation, and recovery efforts in Africa and directs to the maximum extent practicable such aid shall be provided through international and private and voluntary organizations. The bill also allows that a percentage of the additional migration and refugee assistance funding may be provided to the United Nations Development Program Trust Fund for projects recommended by the second International Conference on Assistance to Refugees in Africa. Such projects are designed to help host countries cope with ever-increasing numbers of refugees. The bill also requires that the President report to the Congress on the implementation of this act.

Mr. President, I commend my distinguished colleagues in this body for taking up this legislation at a time when many other pressing concerns require our urgent attention. It is my hope that we can address this matter expeditiously in order to initiate the emergency assistance so desperately needed in Africa and also to allow this body to turn its full attention to our own pressing domestic concerns.

Mr. President, anything I can say about the crisis in African has already been said by the poignant pictures we have all seen on the nightly television newscasts over the past few months. Members of this body have already visited personally the famine region and have shared with us their own firsthand perceptions.

In purely human terms, the famine and drought in Africa is possibly the most massive disaster which has faced our generation. The statistics are staggering and underline a worsening situation. Estimates are that as many as 150 million people in Africa are affected by the famine, with over 10 million people threatened by actual starvation. Nearly 4 million people are now refugees.

As difficult as it is to comprehend the dimensions of disaster on such an enormous scale, Mr. President, it is equally difficult to comprehend the enormous complexity facing the international community in trying to meet this disaster.

The worldwide humanitarian response to Africa has been enormous. I know that each of us would commend the citizens of this country for their generous assistance in responding to appeals from relief organizations.

The United States has, in fact, been a major catalyst in launching a massive worldwide relief effort, providing hundreds of thousands of tons of food and other emergency assistance.

On January 11 of this year President Reagan announced proposals to increase U.S. assistance to meet the growing crisis. The President pledged the United States to meet half of the food needs of the famine stricken countries as a challenge to mobilize additional response from the international community. To meet that need, the President has used his emergency authority to reprogram funds from other accounts. His authorities are limited by the availability of other funds. The bill before us, S. 457, will provide him with sufficient funds to meet the expanding crisis.

Mr. President, the public discussion of the famine in Africa has focused most of the attention on the need to get food to starving victims. Obviously, food is critical. But food alone is not enough. Famine victims must also have access to potable water, emergency medical supplies, blankets, clothing, and minimal shelter. Looking ahead to the hope of breaking the cycle of drought and famine, they also need some minimal emergency means of meeting the next planting season—seed, basic implements, fertilizers, pesticides, and even some farm animals.

Estimates of the need for such nonfood assistance have steadily increased as the crisis has worsened. Estimates of the cost of meeting these needs have varied enormously—mostly due to the worsening of the crisis.

In its request for emergency supplemental funding for Africa, the administration has proposed an additional $25 million for emergency disaster assistance and $25 million for the Emergency Refugee and Migration Assistance Fund.

In marking up S. 457—the administration proposal—the Foreign Relations Committee believed that, although administration estimates might have been valid at the time the supplemental request was put together, they have since been overtaken by rapidly worsening events. The higher funding levels proposed by the bill before the Senate represent our best judgment at this time as to the funding essential to provide the U.S. share of immediate nonfood needs in the famine area for the remainder of the fiscal year. I should also like to state that the House Foreign Affairs Committee, after considerable discussion, passed unanimously a bill containing the same authority.

S. 457 addresses only the current emergency.

As important as are today's emergency needs, however, we must also examine Africa's longer term problem. Billions of dollars of international assistance have been poured into Africa with little apparent effect. Unless the downward spiral of most of the continent's economies is broke, we face the prospect of increasing requests for emergency assistance in the coming years.

In bringing this authorization for supplemental humanitarian assistance to the floor, the committee also wants to state clearly its commitment to addressing the long-term development needs of Africa when we review and mark up the regular fiscal year 1986 authorization.

Mr. President, this completes my opening statement. I will now yield the floor to my colleague, Senator PELL.

Mr. PELL. I thank my colleague, the chairman of the committee.

Mr. President, I rise to join my colleague, the distinguished chairman of the Committee on Foreign Relations, Mr. LUGAR, in urging the Senate to approve S. 457, the African Famine Relief and Recovery Act of 1985. I wholeheartedly endorse this legislative effort and I congratulate its principle authors Senators LUGAR, SARBANES, and BOSCHWITZ. It represents a bipartisan compromise that received a 13-to-9 vote on the Committee on Foreign Relations at its markup on February 21. A similar bill was unanimously approved by the House Foreign Affairs Committee last week as well.

The human drama that we are witnessing in Africa today is unparalleled, at least in modern history. As many as 150 million Africans south of the Sahara desert face severe food shortages and upward of 14 million of those face actual starvation. No one knows for certain how many have perished, but some estimates run into the hundreds of thousands. Many observers believe that 300,000 have died in Ethiopia alone. It is a continental cataclysm born of environmental, demographics, economic, and climatic causes. In some places, because of bad weather, deforestation, overgrazing by livestock, and prolonged drought, the desert is said to be moving south by as much as 50 kilometers per year.

The legislation that is before the Senate would provide supplemental disaster assistance for the affected regions of sub-Sahara Africa which now include 26 countries. It does not provide for any additional food aid because that need is addressed in the supplemental appropriations bill that is winding its way through the House of Representatives this week. S. 457 provides a total of $175 million in additional assistance, $37.5 million of which is for refugee programs and relief efforts in Africa. The remaining $137.5 million is to provide relief and rehabilitation assistance in the form of transportation of commodities and foodstuffs, tents, blankets, agricultural tools and seeds, emergency medical supplies—especially vaccines—and the like. These are the items that are necessary to augment the food that is distributed to meet the emergency while also permitting the beginning of a recovery once the situation has stabilized.

This authorization is an increase above the amount requested by the President. This is so because no one, except for administration officials, believed the President's supplemental request of $25 million to be even remotely adequate to meet the need. Relief and rehabilitation projects already submitted to the Agency for International Development, by private voluntary organizations [PVO's], for example, exceed the total amount of assistance provided in this bill. Health programs to meet current needs by UNICEF and other distinguished international organizations exceed $20 million. Those are projects that could be implemented today if funding were made available. In most of the affected areas, despite some good rains in the southern part of the continent, the situation continues to worsen and the need to grow. We cannot afford to put on our green eyeshades while lives literally hang in the balance. We must move to provide adequate emergency and recovery assistance to meet the current, and anticipated needs of the famine victims.

Americans have always responded generously when others were in need. The U.S. Government made its first official foreign aid appropriation in 1812 to help provide $50,000 worth of flour and other supplies to earthquake victims in Venezuela. In the intervening 173 years we have provided aid and comfort to war victims in Cuba in 1899, volcano victims in Martinique in 1902, hunger victims in Soviet Russia in the 1920's, and millions of victims of floods, cyclones, tidal waves, crop failtures, earthquakes, and other natural and manmade disasters. It is our tradition. It reflects our values, our culture, our very identity as a people living in a society imbued with ethic: to help those in need, wherever and whoever they are.

Today we are asking the Senate to reaffirm that noble tradition and approve this authorization bill. We cannot say for certain that even this will be enough, but we can say that it will meet the current and projected need—and it might help stimulate others to act with equal generosity. To date, the Japanese are the most responsive, next to our own Government, providing $60 million in emergency nonfood aid. The American people have also given of themselves in this crisis providing PVO's an estimated $100 million in private contributions. Their concern for the need in Africa is also reflected in the legislation now before the Senate, as is their confidence in the PVO's which represent some of the best examples of people-to-people programming anywhere in the world. Their tireless efforts on behalf of the famine victims in Africa have earned them the respect and admiration of the entire international community.

Mr. President, in closing I would like to associate myself with the sentiments expressed by the distinguished chairman of the Committee on Foreign Relations. Beyond the need to respond to today's emergency, we must also anticipate Africa's future needs and prospects. Africa is a continent that has witnessed per capita food production declines in the past two decades. Its economic growth is also negative and is not likely to improve in this decade. In terms of health and life expectancy, it ranks lowest in the world, and in terms of infant mortality, illiteracy, and population growth rate it ranks the highest. After three decades of experience in African development, it is apparent that things have gone awry. Something is not working, and all of us have a stake in finding out why, and how to fix it. Without some long-range development strategy that can be effectively implemented, I fear, sadly, that we will be here many more times in the future asking our colleagues for further sums of emergency aid. If we are to avoid that scenario, then we had best commit ourselves to Africa's long-term needs. President Reagan made such a commitment, to his credit, when he announced his Africa Hunger Relief Initiative earlier this year. I, as one Senator, intend to help him follow up on his commitment at the earliest possible opportunity.

Mr. DOLE. Mr. President, I rise in support of S. 457, a bill providing $175 million in supplemental appropriations, $137.5 million for AID's Office of Foreign Disaster Assistance

[OFDA] and $37.5 million for refugee relief activities in Africa.

It is hardly necessary to review in detail the tragic situation caused by Africa's long drought. Twenty sub-Saharan countries have been severely affected. Millions of people are short of food, and thousands have already died of starvation or disease growing out of their malnutrition.

THE U.S. RESPONSE

The United States has responded generously to this tragedy. This year alone, we have already earmarked more than $425 million for African food and related assistance, over 60 percent of all the aid sent to Africa to combat this terrible tragedy.

In trying to cope with this unprecendented emergency, moreover, the administration has done a commendable job of using existing resources and authorities to supplement the regular fiscal year 1985 appropriations. It has reprogrammed large sums of money within AID's existing budget. As I urged last year, the administration has tapped the wheat security reserve and made use of other surplus agricultural commodities. And it has invoked section 403(b) of the Public Law 480 act of 1983, the so-called Kasten amendment, which permits AID to purchase CCC commodities at lower than market price.

NEED FOR SUPPLEMENTAL

We are nearing the point, though, where the lemon has been squeezed dry. If we are to continue to meet our responsibility to help the afflicted in Africa—and I am determined that we will—then we need supplemental appropriations.

A great part of the need, of course, is for food itself, and I hope that we will have before us next week a supplemental for the purchase and transport of food, after the Appropriations Committee has a chance to act.

There is an equally urgent need for nonfood emergency assistance—medicine, medical supplies, seed, and the like—and for funds to handle the thousands of refugees generated by the food crisis. It is those components of the whole package of needs with which we are dealing today.

We have important problems of our own here at home, not the least of which is the urgent need to keep down Federal spending and reduce our deficits. At the same time, we also have a responsibility to respond to those in need, especially when the need is as acute as it is in Africa. Lives are at stake. We have no choice but to do what we can to help.

THE NEED FOR QUICK ACTION

One of the greatest requirements now is to act quickly. People are dying in Africa. AID and the other involved U.S. agencies are running out of resources. We have to provide them the wherewithal to carry forward the programs they have already established, and we have to do so soon. We are talking about a great deal of money here, and perhaps we are erring on the high side. But one of the positive features of this bill is that it appropriates the same sum of money as was reported out of the House Appropriations Committee. It offers us the prospect of quick agreement with the House, so that a bill can be passed by the Congress and sent to the President in the shortest time possible.

As we all know, we have a unanimous-consent agreement that permits a limited number of amendments unrelated to our efforts to deal with the African famine situation. These amendments deserve our full attention.

At the same time, I hope that we can deal with them expeditiously and that they will not unduly delay or complicate passage of this important piece of legislation.

Mr. SARBANES. Mr. President, I rise in very strong support of S. 457, which has been reported to the floor of the Senate by the Committee on Foreign Relations.

I first wish to commend the chairman for the expeditious manner in which action was taken on this measure in the committee. It was marked up last week, which was actually the first working week after the recess. It could not have been done sooner, and I think that represents an understanding by the members of the committee—and I believe by the Members of this body—of the urgency of the situation we confront in Africa.

I also wish to underscore the fact that the approach to this legislation has been completely bipartisan. There is a clear recognition that this is an issue that transcends politics, that we are dealing here with one of those human crises which we confront on occasion in this body. I think that the desire to respond, and to respond in a constructive and affirmative way, is overwhelming on the part of Members of the Senate, as it is on the part of Members of the House.

The measure has been reported to the Senate by a vote of 13 to 0 in the committee. This legislation provides an authorization for additional disaster and refugee assistance. It is obviously designed to address one of the most pressing and human emergencies we have confronted in recent times.

It is estimated that 150 million people in sub-Sahara Africa, living in 24 separate countries, are facing extremely severe food shortages. I wish to underscore the number of countries involved. There has been a tendency in the public discussion of this hunger issue to think of it in terms of being in only one or a few countries. This, in fact, is a problem which afflicts a wide number of countries in sub-Sahara Africa—as indicated, some 24 countries, an estimated 150 million people with hundreds of thousands having already died. There is no completely accurate account of those impacted, but clearly it is a problem that has brought forth from all around the world a very strong response.

The drought and famine we see in Africa today come roughly a decade after the Sahel drought of 1972-74, which affected a more restricted number of countries, but with very serious consequences.

It is quite true, as has been pointed out by my colleagues, that we face a broader, long-term problem in Africa with respect to food production. It is the one continent in the world where there has been a decline in food production year-to-year over the last decade, at the same time that there has been a population increase. Of course, with food production going down and population going up, the trendlines foreshadow a severe problem.

But the underlying developmental problem, which needs to be addressed, which the President has spoken to and which the chairman and the ranking minority member of the committee have alluded to today, has been severely compounded by the immediate problem with respect to weather—the lack of rain—and the impact that has had.

The severity of this crisis, I think, is therefore without recent parallel, and I think it confronts us with a pressing moral responsibility.

I am indeed gratified by the response which has taken place not only on the part of the elected representatives of the American people but more importantly on the part of the American people themselves to this moral crisis. Americans have responded generously to the tragedy from their own resources, and private contributions are estimated to be about $100 million.

About 3 months ago Flora Lewis, writing in the New York Times about this situation, said:

> The first essential point for the U.S. and its friends is that starving people have to be fed when there is abundance elsewhere. That simple duty must override all considerations of blame for calamity, interest, or anticipated advantage.
>
> The reason lies in the purpose Western societies set for themselves, to make a decent life possible for anybody. Regardless of what other countries do or fail to do, it would betray the essence for what we consider Western civilization not to respond to such overwhelming need.

This authorizing legislation is an effort to respond to that overwhelming need. As has been indicated, it does not contain any authorization for the food itself, because that authorization is contained in standing authority for emergency food assistance. That can be found in Public Law 480, title II. It is a standing authorization for $1 bil-

lion, which can be drawn upon as circumstances require, but it will require an appropriation which the House of Representatives will soon be acting upon and which we understand from members of the Senate Appropriations Committee will receive their prompt and favorable consideration.

What this legislation does is provide a $137.5 million authorization for disaster assistance, which includes such items as emergency medical help—in other words, simple things like a vaccination program to prevent or control epidemics among people already severely weakened from the food shortage and, therefore, with lowered resistance to infection; tents, blankets, other basic shelter equipment; seeds, fertilizer, and insecticides for planting needs this year. Obviously one way to address the food problem is hopefully to improve the harvest. The weather has improved in some limited regions and the rains in these areas offer some modest hope with respect to the current year's planting cycles.

The legislation also includes emergency transportation requirements and water projects, to address the water needs both for farming and for health and sanitation purposes.

Further, there is a $37.5 million authorization for refugee assistance. Literally thousands and thousands of people have left their homes, seeking assistance. There is provision for emergency health projects in that regard. The nations of the world have joined together through the United Nations to fund projects which address the refugee problem.

There is, for example, a severe refugee problem in the Sudan which has been receiving literally thousands from neighboring countries—an estimated 400,000 to 600,000—and has accepted them, brought them in and provided camps, but clearly needs very significant assistance if it is to address the problem. The Sudan, which is confronting its own problems, now sees these seriously compounded by the influx of people from other countries and has to address that problem as well.

This legislation, while it does not earmark where the funds would go, does have a very strong commitment to the use of private voluntary organizations, the PVO's. We did not specifically earmark funds, recognizing the need for flexibility in order to address the current crisis. But there is language in the legislation directing that the PVO's should be used to the maximum extent practicable. The committee has indicated as much in its report and in fact administration witnesses have agreed. They, in effect, say the job could not be done without the PVO's, and the report has indicated that they should receive the bulk of the funds and commodities provided in this legislation.

The bill includes language focusing on utilization of the program list compiled by the Second International Conference on Assistance to Refugees in Africa. The UNDP, headed by our very able and distinguished former colleague in the Congress, Bradford Morse, has undertaken a major role in this effort and has already assembled a number of important projects to which other donor nations are being drawn in to participate.

One of the beneficial consequences of the strong American response by Congress, the President's strong statement at the beginning of this year, and the actions by AID and our administrators is to serve as a catalyst to draw to a solution of this problem other countries which are now coming forth with their own significant contributions.

Again I want to say that it is gratifying that the committee has moved as expeditiously as it has.

I had an opportunity during the recess period before the beginning of this Congress to visit Africa and to spend some time in Mozambique and Kenya, two of the countries affected by drastic food shortages which have not drawn as much attention as some of the others, but still face in some instances equally as pressing problems.

I have seen firsthand the human tragedy that this legislation is designed to deal with, and I cannot think of more urgent legislation.

In the course of considering this legislation, we will also be addressing amendments relating to the farm crisis in this country. It should be underscored that as we are considering assistance to be sent to starving people in another continent we are also considering amendments directed to the economic and financial health of the very producers who make it possible to send food assistance, namely the American farmer, the most productive farmers in the entire world. It is perhaps fitting that we are trying to address their problem at the same time that we are providing assistance abroad that is made possible by the very productivity and efficiency of the American farmer.

I do not think that the importance of this legislation can be overemphasized. It responds to a tragic situation and I think the response reflects the best humanitarian instincts of the American people.

Again, I agree with Flora Lewis' observations, in the quote I have just read as to the challenge we face. This legislation is an appropriate response to that challenge and I am gratified that we are indeed responding to this overwhelming need, recognizing that what is at stake here is the very purpose Western societies set for themselves to make a decent life possible for anyone.

Again, I thank the chairman of the committee and my colleague Senator BOSCHWITZ, with whom I join in proposing the substitute amendment, and the other members of the committee for the very prompt action in this matter. I think it reflects the best in this body and the best in the American people.

Mr. LUGAR. Mr. President, I ask unanimous consent that the distinguished ranking member of the Foreign Relations Committee, Senator PELL, be added as an original cosponsor of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I thank the distinguished ranking member, Senator PELL, and Senator SARBANES for their eloquent statements. They have certainly spoken the truth in pointing out that the committee moved rapidly and moved in a strong bipartisan manner, given the importance of this legislation.

As a transition to the debate which I know will follow, let me point out that the chairman of the committee was asked by the majority leader and the minority leader for cooperation in the agreement that was reached by Senators last Saturday; namely, to provide for two first-degree amendments, with regard to farm credit legislation, each of which can be amended once more.

Clearly, as Senator PELL, Senator SARBANES, and I have tried to point out, we are dealing with an emergency involving millions of people. I think this urgency is assumed by the Senate, and I would anticipate something approaching unanimous accord for the mission that we have undertaken with this legislation.

At the same time, this is a bill which is pertinent to food and agriculture. Another emergency is being considered. We recognize that. And in the spirit of comity, which was certainly present Saturday on the floor, we have at least acceded to the thought that consideration of this bill might also provide a forum for our own agriculture emergency. My own hope is that the consideration of the farm credit legislation will be expeditious, and I have every assurance on the part of all involved that it will be. My understanding is that the farm credit amendments will be managed by the distinguished chairman and distinguished ranking member of the Committee on Agriculture. Our Foreign Relations Committee participation will resume only when we see the farm credit amendments finished so that we can move to final passage and then resolve any differences in the legislation being considered by our House counterparts as rapidly as possible.

I would make one further comment which I think is important on this first piece of legislation to face this

new Congress. The members on both sides of the aisle in the House Foreign Affairs Committee have certainly acted in an expeditious manner. They have freely communicated the contents of their legislation and their reasoning to us. The excellent staff work done in a bipartisan fashion on our committee came from a spirit of comity shared also with our House colleagues. We all recognize the urgent need for movement of this legislation, both the authorization and appropriations bills, and all persons involved certainly have done their part.

Mr. President, I yield the floor.

Mr. PELL. Mr. President, under the arrangements that we have, I yield the management of this bill at this time to the Senator from Nebraska and the chairman of the committee and I will reemerge at the end of the discussion that will follow.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. ZORINSKY. I thank the Senator from Rhode Island, and I thank the Chair.

Mr. President, as was previously pointed out, I plan to offer an amendment that I believe will provide much needed assistance for many farmers who are fighting for their economic survival. My proposal is fiscally sound. We all have a common denominator in that we all eat food and we all use it for our sustenance and our continued survival. Certainly, it is one of this Nation's assets to be able to continue to produce food at an affordable price and feed the American people.

I would like to say at this opportunity that, in the 8 years I have served on the Agriculture Committee, we have had a strong bipartisan approach; in fact, at many times a nonpartisan approach. The need for food is, of course, a nonpartisan subject.

I do not think it makes any difference which party is in power in the White House or ensconced in a position of leadership or authority. I think we have an obligation—as elected Representatives—to do what we can to assure the production of food and fiber in this country.

Sometimes we get so bogged down in this Chamber, in committee hearings, and in committee meetings, and through conversation with the media, in trying to explain our respective positions that partisanship creeps into the final result. That is unfortunate. But that is democracy. That is the way we have done business for approximately 200 years in this country. It has worked thus far. It will, I hope, continue to work. But I do not think we have to self-destruct ourselves in an institution such as this to take credit for anything. I think right now the American people are willing to distribute blame rather than credit for anything that goes on in Congress.

So I think it is time that we unite. And for that reason, I have one of my good friends and colleagues on the other side of the aisle—I should not even be referring to the other side of the aisle because the last time I looked at his paycheck it was the same as mine. It was a green paycheck and it said "United States of America" on the top of his, as my paycheck said "United States of America" on mine.

Sometimes we act like we are representing different nations back here in this institution, and that is unfortunate. But I would hope that the effort would be considered as a nonpartisan venture.

I know that the cost of any amendment is going to raise questions from our good majority leader, who I respect and certainly support on many issues. And I know that, being a Senator from Kansas, in addition to being the majority leader of this institution, he has that obligation and responsibility to be concerned about the fiscal integrity of the budget.

I do not believe that my voting ratings will indicate that I am a big spender, although I have been known to pay for popcorn at a theater or movie show. I certainly want to restrict the spending of Congress as much as anyone else. I am a sponsor of the constitutional amendment to balance the budget. I am for giving the President of our country, regardless of which party he or she may be, the line-item veto authority.

In a spirit of cooperation, I am going to support the majority leader on a lot of votes, as I did on Saturday concerning our new Attorney General.

However, be that as it may, I plan to introduce a proposal that will cost the sum over a period of years of about $200 million. And I am not going to be able to play the shell game with that number. I am not going to be able to hide it. That is why I want to announce it at the outset.

But I see that the bill I will be amending is going to cost $175 million in a total authorization for the African food, of which $137.5 million is for disaster assistance for relief rehabilitation and recovery in Africa, and $37.5 million is for migration and refugee assistance for refugees and other displaced persons in the afflicted African countries.

I see our majority leader continue to ask the bottom line question: How much is it going to cost? Yesterday, I heard a message come through over the radio loud and clear that the majority leader made the comment "Legislators are coming here from the Farm Belt States. Please come with suggestions that do not cost money."

Certainly, I can sympathize with that attitude. We are currently spending money we do not have. When you do that in the private sector, something happens to you called going bankrupt or going broke. Certainly, the bank begins to tell you about checks that are bouncing if you owe more money than you have in the bank.

So from a business point of view, I support our majority leader. And I think he asks us excellent questions. When I first came back here 8 years ago, $250 million was a tremendous amount of money in my mind. I used to see that we would give $1 million away on a television show when I was younger of age. To me, that was a tremendous amount of money then. But having served in the Senate for 8 years, I find that $250 million sometimes has been added on—without a whisper—to a bill in this institution.

And, 5 years later you find out it did not save anybody, did not do anything, but it created a nice memorial for one of us or our colleagues somewhere in the country with which to be remembered, not by spending our own money, but by spending the taxpayers' money.

What my proposal will do is not save agriculture. It is not the Utopia for the preservation of the farmers of America as we know them today. It is another short-term tool with which to give needed help to some of our farmers.

This is not intended to prolong the day of the inevitable. This is intended to save those good business managers who through no fault of their own need a small amount of cash flow infusion into their business so they can afford to purchase some items for planting this season. As you know, farming is not like a manufacturing industry that you can open and close the door on any time you want. There is something about a Supreme Being having some input as to when seasons start, when things will grow, when commodities will grow, when they will not grow—as a matter of fact, even after they grow as to how much hail will come to destroy some of the commodities.

So certainly farming is a high-risk business. It is a business that has been handed down from generation to generation. Certainly, it is a very indefinite business with respect to being able to project profits in order to sell shares in a business or project future profits to attract investment in one's business.

So I come today to speak to you about offering an amendment costing $200 million. This is not an annual cost. This is a total of $200 million over a period of years. Part of this cost is the assumption that approximately 5 percent of the people which will have loans guaranteed under this amendment will not pay those loans back. And that would be a total loss to the Federal Government.

So including those losses, those historic losses, and up-front dollars, this proposal would cost the Federal Government about $200 million.

Again, I have seen items ordered frivolously that exceeded that amount of money. I have seen items in Central America costing far more than that on an annual basis. In fact, just last session of Congress we created a new bank for a lending window in the Caribbean when we already had two banks doing the same thing. Now we will have a third bank loaning out money for Caribbean nations and their needs for the manufacturing of items down there. I guess what I am saying is—Republican, Democrat, regardless who is in the White House—I think agriculture is worth this $200 million. We will be saying to farmers, "Now, look, this is not going to save all of you. This may save some of you. But at least we are willing to do for you what we are willing to do for Mexico, what we are willing to do for Argentina, what we did for the Continental Illinois Bank, and what we did for many other interest groups."

I think farmers are entitled to that much.

Mr. President, I understand that my colleague who is in the Chamber at the present time, and an original cosponsor of the amendment I plan to offer, will have a statement. He would like to make some comments at this time. I yield the floor to my distinguished colleague from North Dakota, Senator ANDREWS.

Mr. ANDREWS addressed the Chair.

The PRESIDING OFFICER [Mr. LUGAR]. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I would like to urge bipartisan support for the amendment that Senator ZORINSKY and I cosponsored. Let me discuss why I think it deserves bipartisan support. Actually, the reason why goes to the thrust of the amendment and what it actually does.

The first point, Mr. President, in this amendment is that it provides for additional personnel for the Farmers Home Administration for the processing of both direct and guaranteed farm loans.

It is obvious to all of us that given the time problem we have in agriculture where you have to draw down these loans prior to spring planting, if there is a long line up at the Farmers Home Administration Office and these loans cannot be processed on time, that particular farm family who cannot get that loan is indeed and in fact in grave difficulty.

Let me also point out, Mr. President, it is not in the best interest of good loan procedural practices to have these people who are doing the loan research, the loan disbursing, be so hurried that they cannot do a good job of processing that loan according to sensible financial practice.

The Secretary of Agriculture has indeed—and in fact—recognized that and has asked for additional people to be transferred from the ASCS county offices to the Farmers Home offices.

They have been guarding their kingdom, Mr. President, to the point where they do not let these people be transferred even though on March 1, which is 3 days hence, the signup for commodity programs will be over.

The need is obvious for people out there to process these loans. I would think that that provisions of the Zorinsky-Andrews amendment would be evident to everyone. It should command virtually unanimous support.

The next point I would like to address, Mr. President, is the one that my colleague from Nebraska mentioned earlier. That is the $100 million funding for the joint Federal-lender interest rate buydown on Farmers Home Administration guaranteed loans, whereby Federal interest payments would be available for such loans, whereby Federal interest payments would be available for such loans through commercial or cooperative lenders who offer to reduce the interest rate by an additional amount equal to the Federal interest payment.

From this side of the aisle, Mr. President, this is in the best context of what this administration has sought to do in the last 4 years, to provide a partnership, where the banks would say, "Fine, we are going to do this interest drawdown. Let us not do it strictly from a Federal move, where if the bank feels they should drawdown the interest rate to protect this farm family we are not going to just whistle to the Federal Government. We are going to absorb part of this ourselves."

Let me mention again why it is important to have this partnership. If you do not have the partnership and you have a small rural bank and it has 20 percent of these loans in jeopardy and is asked to draw down the interest on the 20 percent, where does it get the drawdown? It gets it from the other customers, neighboring farmers who are very close to the 20 percent who are now in the tough category; from the local implement dealer who has problems, too; from the local hardware store, who has problems.

If you have to increase the interest rate to those people in order to decrease it to the others, you have an impact, Mr. President, that I submit is not in the best interest of this country's need at this present time.

The next point, Mr. President, in what we are proposing is the increase in the funding authority for Farmers Home Administration guaranteed farm operating loans to at least $1.85 billion.

I might point out to my friends on the Republican side that this is exactly and precisely what the administration has agreed to do. The provision is now in force out in the field by the agreement between Secretary Block and the President, and we are grateful for that because it means that suddenly the well will not go dry. The whole concept of loan guarantee that was put together as a pilot program by this Congress, supported by virtually all of my colleagues on either side of the aisle at a $650 million level, will not be exhausted by the loan demand out in the field. But this, I think, is an accomplished fact because the administration has agreed to it and is indeed implementing it in the field.

The next point is to provide for a reduction from 110 to 100 percent in the minimum cash flow requirement on the Farmers Home Administration direct loan portion of the debt adjustment program announced by the President.

Mr. President, for years we have had 100 percent cash flow. It was just changed last fall. Should we say you have to have payback capability plus 10 percent? I am a farmer myself. I would love to be getting 10 percent profit on my gross income right now. Unfortunately, I am not able to do it.

This particular change in the rules was ill-founded last fall and it would be my hope, and the hope of others, that it can be amended. That is the reason we are including it in this blanket credit concept.

Another point, Mr. President, is to encourage Federal and State financial regulatory agencies to refrain from adversely classifying any farm loan which is restructured by a commercial or cooperative lender accompanied by a Farmers Home loan guarantee.

This simply speaks to the fact that given today's problem in agriculture, given the fact that farm machinery that those of us on the farm have has abruptly depreciated in value, far beyond any implement tables that the farm implement dealers were able to set or that our bankers were able to anticipate when they made out our financial statement, and given the fact of items over which farmers have no control, the land, itself, has depreciated in value in a way no one anticipated. If we trigger yet more farm families into a problem of financial insolvency we will trigger yet more depreciation in the value of this land.

Mr. President, what this part of the Zorinsky-Andrews concept does is merely say to the bank examiner who comes in, "Look, if this farm family is doing a good job of meeting interest payments, doing a good job of meeting principal payments, and the local banker is satisfied with the integrity, the ability, the hard working, the thrift and all of the rest of this farm family, then a bank examiner should not capriciously come in and say,

'Look, because of matters over which they have no control, their financial statement is not as good as it once was, therefore we must reclassify that loan.' "

If they do that, they tip the loan into the category that PCA has to service and there is frankly not enough time or money available at the PCA window nor is there enough time as I mentioned to handle that kind of a loan at the Farmers Home window.

This merely puts into effect a sensible ongoing provision that should be there.

Mr. President, the next point encourages the SBA expeditiously to consider establishing a debt setaside program for qualifying SBA farm loans, comparable to the direct loan portion of Farmers Home Administration debt adjustment announced by the President on September 18, 1984.

Might I point out in this phase, Mr. President, that for the last decade or more it has bothered me that one window of the Government lending agency, the Small Business Administration, can take a look at a flood disaster or whatever—let us say a flood disaster—and if there is on this rural highway a truck loaded with beer going down the road and it hits a soft spot and tips over and goes into the ditch destroying that beer, because it is a flood, a natural emergency, there is an SBA low-interest loan available to the beer wholesaler.

But if on that same road comes a farmer truck loaded with barley, the grain from which beer is made, and it goes into the ditch, Mr. President, there has not been this similar low-interest disaster loan for that farm truck, even though it met the same disaster on the same road because of the same weather emergency.

These are things that we would hope, Mr. President, could be corrected.

Another point is to provide that the regulations implementing the provisions of this amendment pertaining to Farmers Home shall be promulgated within 15 days of final enactment.

As I have said so many times during the last week of discussions around here, the Lord's calendar is the farmer's calendar. The farmer has to seed that crop when the soil is ready, when the temperatures are such that it will nurture that seed going into that top 2, 3 or 4 inches of soil. He cannot wait for the politician's calendar. If you delay the implementation of credit at seeding time, you, in effect, shoot the whole year's crop. That is why timeliness is extremely important in this amendment that we are talking about.

Mr. President, this package amendment is designed to provide what we feel is effective assistance on a timely basis to cope with the serious financing problem of farms. It is also prudent and cost-conscious from a Federal budget perspective.

We feel it merits support, support not just because it protects farm families, Mr. President, but support because it protects that underlying foundation of the entire Nation's economy, that foundation that rests with the farm economy.

One thing that we keep forgetting, Mr. President, when we talk about the farm problem is that we for some two or three decades have been addressing this as a farm problem. We really ought to talk about farm production as the American opportunity.

When you look at the 90 or 95 underdeveloped nations in this troubled world, they are not all that impressed that we can land a man on the Moon or that we can blow the world up 10 times over with our atomic weaponry. They are impressed by the fact that we can feed ourselves and have a good deal left over for other people who are not so fortunate. That is really the strength of America that has been overlooked by those of us who have been taking it for granted all these years. It could do us far more good in this competition for the support of other individuals now in a troubled world than any other plus that we have.

So, Mr. President, let us address the farm credit crisis in a sensible way. What my colleague from Nebraska and I have offered now is just that, a very sensible way to be responsible to an emergency credit crisis and to do it in a way that will meet the needs of farm families and, even more important, the needs of our economy with perhaps even an extra dividend; if we can keep farm families strong and our productivity on line it will eventually allow us even more to be the moral leaders of a troubled world.

I appreciate the work of my colleague, and I am proud to be associated with him, Mr. President. I yield back the floor.

Mr. ZORINSKY addressed the Chair.

The PRESIDING OFFICER [Mr. PRESSLER]. The Senator from Nebraska is recognized.

Mr. ZORINSKY. I thank my colleague from North Dakota [Mr. ANDREWS] for being an original cosponsor of the amendment and recognizing that no one needs to get their hopes up real high that this is any answer to all of the problems confronting agriculture. Quite obviously, in my own personal estimate, the answer in resolving the long-term problem in agriculture will be presented in the very near future in the Agriculture Committee, where it should be presented in the form of a new farm bill.

The administration has a proposal and I will have my own proposal. My proposal will involve mandatory production controls, subject to a producer referendum. We have had voluntary programs over a period of years which have not worked. I know there are going to be a lot of questions raised and a lot of concern expended. However, the bill I am developing will allow the marketplace to take over the process of pricing the commodities based on the factors of supply, demand, need, creativity, and all of those other forces that operate in the free marketplace and the domestic arena.

So from this point of view I would assume to some degree I am agreeing with the administration that the forces of the free market should take over that obligation and responsibility in agriculture.

Does that mean food will become unaffordable? Of course not, because most consumers in America do not realize that out of a dollar loaf of bread, only 3 pennies, for the wheat in that loaf of bread, go to the farmer. The rest of the costs obviously are incurred in the production of bread, baking bread, selling bread, packaging bread, advertising bread, delivering bread, and all those other costs incurred in getting the bread from the producer to the consumer.

So that would mean the horrible confrontation of having a dollar loaf of bread go to $1.03, if you doubled what a farmer receives for raising that bushel of wheat.

Now, the horrible thing that would happen in this country is that we would have to raise what we spend of our disposable income for food from 15 percent to maybe 15.5 percent or 16 percent while, if we could transplant the American consuming public into every other nation in this world that produces food, they would find it is not unusual at all to spend 60 to 80 percent of their disposable income for food.

So my farm bill proposal will still mean a tremendous bargain for consumers in this country. Beyond that, it will assure constant supplies at affordable prices for many, many years to come.

The down side is that in many instances a consumer is a taxpayer also, and as we break the farmers of this country, as they go out of business, they do not repay their loans to the banks. That means the banks many times go under. There have been six or eight banks within the last few months in the State of Nebraska alone that have gone under.

The FDIC, which is federally insured by guess whose money—the Federal taxpayers of the United States of America—has to come in and pay off the depositors of that bank because those banks are all federally insured up to $100,000. And that is a cost to the American taxpayer of many hundreds of millions more than spending $200 million to attempt to save some

of the farmers, so they can pay their bills so that the banks will not go under, so that the Federal taxpayer does not have to indemnify the FDIC, which in turn pays off the bank depositors when they see there is a padlock on the door of the bank. So there is an offset; for every action there is a reaction. For every piece of agricultural legislation we pass, there is an offsetting either positive or negative effect that takes place, unfortunately, whether we have thought of it or not. I have seen what I thought was a lot of good legislation but I found out afterward—having not thought it through enough or not having the experience to understand or realize or sometimes seeing it implemented 180 degrees opposite the intent of Congress—that in retrospect it was not good legislation. Nor did it benefit the people of this Nation.

My farm bill will preserve safety nets for the farmers and gradually create a free marketplace for our farmers' commodities in the world marketplace. I do not mean to precipitate any foreign relations problems with other nations, but I put them on warning now. I should also say, as a member of the Foreign Relations Committee, if my bill were to pass, the days of a free ride are over for all of our so-called friends. We need them as allies and we need them as friends, but currently we have given them the economic sword with which to stab our agricultural industry in the international marketplace. What I am talking about is the foreign export market for commodities produced in this country. Our own money and our own kindness are being used by our friends to reduce our share of the international marketplace.

There is no free market-oriented marketplace in the international world marketplace.

As a businessman for 28 years, I can say that if you could put your competitor out of business, that was great news for your account. You would make more money ultimately. As a businessman, I often met competition by selling cheaper or offering discounts. I guess in the international marketplace you call those subsidies—although I was at a recent meeting of the European Economic Community and nobody could even agree on the definition of the word "subsidy," let alone agree not to give subsidies. We are a long way from playing on a level playing field in the international marketplace.

I think it is in this Nation's interest to do what needs to be done to give us a fair share of the marketplace.

I am not talking about our domestic marketplace for internal consumption in this country. I am talking about the international marketplace. When that happens, I can tell you, as a businessman, that your competitor wakes one morning and thinks, "I wonder how long this is going to go on. Maybe the pockets of the United States are deeper than mine. Maybe I ought to quit, and it will benefit both our countries, and we will both save money, and not put our taxpayers' dollars in the agricultural subsidies."

When that happens, there is truly a free marketplace in which we can turn our farmers loose to recapture their rightful share of that market. Only when that does happen will we ever have an opportunity to reclaim our rightful portion of the agriculture world marketplace.

If it were not for the export of agriculture, this Nation would have a deficit of trade balance with the rest of the world far greater than the $123 billion it suffered last year.

We must keep in mind that every $1 billion we are short in our response of exports to imports in this country represents approximately 30,000 jobs. Jobs mean paychecks. Paychecks mean taxpayers, and the more taxpayers we have, the better opportunity we have to reduce the deficit of the budget in this country; and the greater we reduce the deficit of the budget in this country, the less our interest rates are going to be. The less our interest rates are going to be, the more opportunity a farmer has to show a profit.

So what I am saying is that it is time to break that chain, that cycle that has us arguing among ourselves as to what we are going to do for farmers.

I agree with the President to the extent that we have to return agriculture to a market-oriented industry. That is where it belongs. That is where it should be. But you cannot dump people out there after you once made promises to them and told them certain things would happen, and then change the rules of the ball game in the last quarter. That is why I plan to offer a farm credit proposal. It is fiscally sound. It does not create any new bureaucracies, and the responsibilities associated with making this assistance available would be shared with the lenders. The Federal Government, the farmers, and the lenders, all would share in this responsibility.

Furthermore, I have received letters that endorse the key proposals included in this amendment from the National Farmers Organization, the National Grange, and the Independent Bankers Association of America.

No one is going to get rich from this. Not all farmers are going to be saved by this. Nor should any bad business management be saved by an act of Congress. But I believe that if we can spend $175 million to send food to Ethiopia, what is the matter with spending $200 million to save some of those producers who are producing the food to send to Ethiopia.

The threat of foreclosure is the most serious and demoralizing aspect of the current depressed agricultural economy. Although some would say that the media has sensationalized the financial problems of the farmers, I believe there is an abundance of evidence proving that our family farm system of agriculture is threatened with extinction by the present credit crisis.

If anyone thinks I have spoken in a partisan manner, I apologize. A President of my party, not too long ago, declared an embargo against the Soviet Union, so that farmers who had been promised constant shipments throughout the world were denied their ability to market their commodities. What I say now is mild mannered compared to what I said to the President of my own party at that time.

I feel that this goes beyond partisanship. It goes beyond administrations. It goes to the very heart of survival of the American people.

As the Governor of my State said this morning at an informal hearing I held in the Agriculture Committee, "If I asked people in here"—and there were about about 300 people at the committee hearing—"to all raise their hands and tell me what kind of food they would like to have for lunch today, and give me 1 hour and the people to do it with, I could collect that assortment of food from our supermarkets and have it back in this room by lunchtime."

This is the only nation in which anybody could say anything like that and do it, because we have the capability, because of our farm production, because of the tremendous advancements in agriculture. We have such a host of manufactured food items that, no matter what your favorite is, you can find it on the shelf somewhere.

During the last 3 years, over 24,000 farmers, with Farmers Home Administration loans, have been forced to liquidate their operations due to financial reasons. Again, are we trying to save them all? No. You cannot save them all.

It should be noted that this unprecedented number of liquidations has occurred at a time when Federal courts greatly limited the number of foreclosure actions that the Farmers Home Administration could initiate. Farmers Home Administration borrowers are not the only farmers experiencing difficulty.

The Department of Agriculture estimates that about 18 percent, or 430,000 farmers, have debt-to-asset ratios that are dangerously high, in excess of 40 percent.

(Later, Mr. ZORINSKY continued with his remarks, as follows:)

Mr. ZORINSKY. Mr. President, in its 1985 agriculture and credit outlook report, the Farm Credit Administration states that Production Credit Association loan losses totaled about $500 million in the last 2 years. And

that amount exceeds the combined losses during all the other years in the 50-year history of PCA's.

The long-term solution to farm credit problems is stronger commodity prices and improved farm income. Those issues will be addressed, as I related to you before, in the 1985 farm bill. However, unless immediate action is to be taken to provide emergency credit relief, thousands of farmers will be forced out of business before the 1985 crop is even planted. And, of course, many farmers, with or without passage of this amendment, will not be around to participate in the next 4-year farm bill, the 1985 farm bill, regardless of any positive or negative aspects.

(Conclusion of later remarks.)

Mr. ZORINSKY. Mr. President, I ask unanimous consent that I may yield at this point to my colleague from Ohio, that his statement not be shown as an interruption of my statement, and that my statement by counted as only one speech today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I am very grateful to my colleague from Nebraska. I come to the floor almost feeling embarrassed about the fact that I wish to address myself not to the amendment but to the basic legislative proposal that is before us, and I am here because I think that the proposal that we have before us is very critically important legislation, and I wish to express my strong support for this bill to provide for emergency assistance to the African nations in which mankind's ancient enemies—drought, famine, disease and war—today threaten the lives of literally millions of human beings.

It is one thing for us to discuss many of the problems that we have in this country and throughout the world; it is another thing for us to be meeting here knowing that there are literally tens of thousands of people who are starving in Africa.

So I think it is important that we pass this legislation, and that is not to indicate in any way at all that I deprecate the efforts of my colleagues to zero in on the farm program and the problem and the plight of the American farmers, because although they are not starving, it is fair to point out that economic distress that they are suffering is indeed a major one in my State as well as the other 49 States of the Union.

But the basic bill is intended to do that which has to be done in the here and now, to feed starving people, to provide medical care for starving people, to provide assistance to starving people, or those who will soon be starving in order that they may cope with the problems that face them in the drought-stricken areas of the sub-Sahara in Africa.

So I come to offer my voice in support of the legislative proposal, but in doing so I want to put on the record my strong convictions that it does not go far enough.

I believe, Mr. President, that the drought-stricken countries of Africa need access to far more than our surplus food stocks, far more than that which is provided for in this bill, but certainly they need every possible effort on the part of this wealthy Nation in which we reside so that little children, aged people, and every other person in that part of Africa will be able to cope today as well as in the future with the challenges facing them.

These countries have a desperate need for assistance in developing the basic infrastructure that will, in the long run, permit them to feed their own people.

Think, for example, of a country like the Sudan.

The Sudan, Mr. President, has a large amount of undeveloped land that could become the basis of a prosperous farm economy.

I understand that in the past, Saudi Arabia and other oil-rich countries have given serious consideration to investing in Sudanese agriculture in hopes of making that country a breadbasket for the Middle East.

Unfortunately, Mr. President, the investments have not been made, by the Saudis and instead of a massive flow of petrodollars, the Sudan in recent years has experienced a flow of a different kind—a flow of starving, desperate refugees, something like 1,200,000 in number, from Ethiopia and Sudan's other neighbors.

To the great credit of President Numeiri and his government, this country—one of the poorest in the world—has become a place of refuge for upward of a million people, among them hundreds of thousands of non-Moslems.

President Numeiri, also to his great credit, has stated publicly that his government will not impede the migration of refugees who have the opportunity to resettle in Third World countries.

He is to be applauded for taking that position so that those refugees who can find another home to which they may go wherever that home may be will have the opportunity to do so, and President Numeiri has said that he would support that position.

But to say that the Sudan has shown great compassion by allowing the refugees to cross its borders is not to say that conditions for the refugees are good. Far from it.

Refugee camps in the Sudan and elsewhere often lack safe water supplies.

Shelter in the camps is rudimentary—at best.

Food, which must be transported over inadequate road systems, is often in desperately short supply.

The same is true of medicine.

And, it is very likely that even if the drought comes to an end, a great many refugees will never return to the places from which they came. A very poor country will, in the end, have acquired a very large new population, and without the resources to care for them.

For Sudan, Mr. President, and for the other suffering African countries, there is only one long-term answer to these devastating problems—and that is agricultural development.

In some cases, agricultural development means water—the ability to move water for irrigation and the knowledge of effective modern techniques of farming in arid regions.

Many African countries urgently need reforestation programs that can halt and eventually begin to roll back the inexorable expansion of the desert.

African countries need roads. They need medicine. They need basic educational materials.

But, Mr. President, there is another great power in the world—the Soviet Union, and the Soviet Union has a different approach to Africa.

The Soviets have not learned to feed their own people. But one thing they do know is how to manufacture weapons. And these, they provide to Africa in great quantities.

In this area, I do not believe that we should or ever will try to compete with the U.S.S.R.

We should, instead, invite them to join us in providing what Africa truly needs—food today and the means to produce food tomorrow.

I hope, Mr. President, that later in the session, we will have the opportunity to take up legislation that addresses long-term solutions to Africa's problems. And I hope that we—and Africans themselves—will have the wisdom to do what must be done in order to prevent any future recurrence of the human tragedy that is taking place today.

Mr. President, I wish to express publicly my gratitude and appreciation to the manager of the bill on the minority side, the distinguished ranking minority member of the Agriculture Committee, Senator ZORINSKY, who was good enough to yield the time in order that I might make this short address to my colleagues.

I thank the Senator from Nebraska very much.

Mr. ZORINSKY. I thank the Senator from Ohio.

Mr. President, I ask unanimous consent that I may yield the floor to Senator MELCHER for his statement and that the remainder of my statement be placed at the appropriate place in

the RECORD, that upon my retaining the floor, the remainder of my remarks not be counted as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana is recognized.

Mr. MELCHER. I thank my distinguished friend from Nebraska.

Mr. President, what we are embarking upon today is the course to bring into the terms of reality some of the farm debt that without changes would mean that the banks and the production credit associations would have to write off the borrower as a bad loan and refuse to grant further credit.

For the great number of farm borrowers that we are seeking to help, their debts are held by either banks or production credit associations. And those farmers with the classified loan, that is a loan that bank examiners cannot find will be repaid under the terms of the debt, must be deleted from the portfolio of the lending institutions and therefore set the stage for liquidation or foreclosure. That is a great number of farm borrowers in the existing situation today.

It has been described as those farm operators that have somewhere around 50 percent or more in debt-to-asset ratio. In those conditions of the debt are, first of all, the interest rate, with the notes that require the farmer to pay on the loan, and also the time of repayment. Almost all operating loans currently are held on a 1-year basis so that if the debt is rather large and the interest rate is rather high, which seems to run between 14 and 16 percent, the opportunity to or the chance to make good on that loan in 1 year through cash flow cannot be realistically met. It is that serious situation that causes us to want to provide the mechanism where perhaps 20 percent of the farm borrowers can be given conditions that will allow them an opportunity to make good on that debt.

Now, obviously, two things can be done immediately and that is what this amendment seeks to do. One, to provide the opportunity for lower interest rates. The amendment will permit the lender to mark down the interest up to 2 percent, reduce the interest obligation that much, and receive a matching amount of 2 percent that will be written down by the Federal Government. That cost is believed to be around $100 million, up to $100 million, for the obligation of the Federal Government. Now that is one part of it.

The other part is allowing a stretchout of time when the debt is due; whether that is 2 or 3 years, would be left up to the lending institution and the borrower.

Those are the two points of instant debt restructuring that can change a classified loan or, using a more easily understood term, perhaps change a bad loan to a good loan, where the cash flow will show, under ordinary circumstances, that the borrower, the farmer, that is, is likely to be able to pay off the debt.

But there is also another question—and this is extremely important. It is a question of the soundness of the bank itself or the lending institution itself. And so the loan guarantee will permit the lending institution to demonstrate that their capital structure is sufficient to carry these farmers in their loan portfolios.

So the real question, then, for the Congress to concern itself with is whether or not it is in the public interest to add a risk to the loan guarantee operation to the Federal obligation. Ordinarily, the Office of Management and Budget would say that loan guarantees might expose the Government to a little over 5 percent of the actual total of the guarantees; that is, 5 percent perhaps will not be recaptured when the loans are paid off and, therefore, the Government would be obliged to come up with that differential. We are advised that, since we are getting into some loans that are shaky to begin with, perhaps that figure should be recognized or deemed as high as 8 percent.

I believe it is in the public interest to take that risk because we are talking about a great number of farm borrowers. And in terms of advancing loan guarantees for a segment of our society in America, it is my conclusion—and I hope that conclusion of the Senate as well as the House and also the willingness of the White House—to say that, yes, indeed, it is in the public interest to safeguard this vast number of farm borrowers so they have the opportunity to make good on their obligations, giving them the opportunity for lower interest rates and a stretchout of the time when their debt must be paid off.

Now, it is not just 240,000 to perhaps 300,000 farm borrowers that will be helped by this means. It is also a vast number of millions of Americans who are living in rural America, which include those that are in business of supplies for farm and ranch operations; those that are in the retail businesses in the small rural communities of America; the soundness of their community itself, their schools, their churches, their hospitals; and the life of the community itself, whether it can survive.

Yes, I believe it is in the public interest to help this vast number of Americans stretched across our land. This is only one part of what we will attempt to do this week in helping the debt situation in rural America. But I believe it is a very significant part.

It is for that reason that I join with my distinguished friend from Nebraska and the distinguished Senator from North Dakota, Senator ANDREWS, in being a cosponsor of this amendment. I think it is highly in order. It is not quite too late. If we act expeditiously this week, I feel we will be in time to save the integrity of the farm operators that are caught in this bind. While perhaps not all of them can be saved, we are going to give the opportunity to the vast number of farmers who are facing the very serious credit crunch. And in so doing, we will give the opportunity for the communities, which they derive services from, in which their churches, their schools and hospitals are located, their civic organizations—the lifeblood of their communities.

So what we are doing is for rural America. Surely that is in the public interest and needs our full attention and full support.

I thank my friend for yielding to me.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that I be allowed to yield to the Senator from Alabama without losing my right to the floor and that when control of the floor is returned to me that my statement appear as a continuation of my first statement and that his statement be placed in the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. I want to thank the distinguished Senator from Nebraska who has worked so diligently on this farm credit crisis problem. As the ranking minority member of the Senate Committee on Agriculture, he has been in the forefront of this effort.

I think we all admit that we are in a farm credit crisis. In the past, legislation has been passed which would allow the President and the Secretary of Agriculture to make available certain programs, if they desire to do so. On October 19, 1984, during the campaign, a promise was made to the farmers that the credit crisis problem would be addressed and would be, in effect, basically solved.

Out of that announcement came basically two programs: One, a program by which commercial lenders like banks and cooperatives, such as the Production Credit Association, would be given an opportunity to have a Government guarantee of loans to farmers under certain conditions. Those conditions were: The lender had to reduce principal or interest by 10 percent to a farmer who could show a cash-flow of 110 percent. The Government would then guarantee up to 90 percent of the loan.

At the same time, there was a proposal for the Farmers Home direct loans. This proposal would allow a farmer, currently financed by the Farmers Home Administration, to set

aside 25 percent of the indebtedness of the principal for a period up to 5 years. It was basically a transfer from the front end of the loan to the rear end of the loan. On its face, it had great potential. This would mean that, for 5 years, the farmer might not pay any interest on 25 percent of the principal of the loan.

Since that time the Farmers Home Administration has sent out questionnaires, and has notified the farmers of the two proposals, the one pertaining to commercial lenders and cooperatives on a 10-percent writedown, and the other on direct loans. There are differences in sections of the country pertaining to farm credit. In most of the Midwest and the West, most of the credit is extended by commercial lender banks or by cooperatives like production credit associations. Probably no more than 10 to 15 percent are in direct loans from Farmers Home Administration. These figures are ball park figures, but I am told these figures are accurate. However, in the Southeast there has been a far greater participation in the Farmers Home Administration direct loans. In my State, I am told that 55 percent of the farmers who get credit are getting it from Farmers Home Administration. In Mississippi it is even larger; and in Georgia it is larger than that. Perhaps in those States as much as 65 percent of the farm loans are from direct loans from Farmers Home Administration.

Now, Mr. President, there are two types of farm credit problems that must be looked at. One is those who have commercial lenders, the banks and the cooperatives; the second being the direct loans from the Farmers Home Administration.

In my particular State, it is my understanding that as of this date, that FmHA has processed 794 requests for the set-aside. I would clarify that the set-aside is the 25-percent deferral of principal and no interest for 5 years. Thus far, only 73 out of this number has been accepted. The remaining, 721, have been rejected. Thus, it would indicate that less than 9 percent of those that have been processed to date have in effect been eligible to qualify under this set-aside program.

Something, therefore, is wrong with the conditions of eligibility or in the processing, or else this program was an unrealistic program when it was originated.

Now, in regards to those who have attempted to get loan guarantees. As of February 19, 1985, only 12 requests had been processed, with only one approval. We hear nationwide figures of over $650 million being available under this guarantee program and that to date only $43 million of loan guarantees have been made. Therefore, it indicates there is very poor participation and that these programs are not meeting the requirements necessary to give relief relative to the farm credit crisis that we are in now.

It appears to me that the filibuster last week did accomplish a lot for the farmer. Under the guarantee program, the requirement of 110 percent cash-flow was reduced to 100 percent. This is a condition of eligibility.

In cash-flow, what do we mean by cash-flow in order that it might be understood?

Cash-flow is a formula that the Farmers Home Administration has worked up which will allow a farmer to borrow money to produce his crop. It would allow him a reasonable living expense. It will allow him the ability to pay taxes in that cash-flow.

In other words, in order to be eligible, he must show that he has a 10-percent profit over and above his living expenses, his cost of production, his payment of his debt, and tax liability.

Well, a farmer who has 10-percent profit is not in a desperate financial condition as are many of the other farmers. The agreement achieved as a result of the filibuster to eliminate that additional 10-percent cash-flow and show that he can make his payments, that he can produce a crop, that he can pay his taxes and that he can live in the meantime, is a substantial advancement relative to a condition of eligibility. In my judgment, that will mean that more farmers will now be able to come under that program.

However, under that program pertaining to loan guarantees, we have the problem that arises as to whether or not the banks are willing to have a 10-percent writeoff of the principal. If the debt, we will say, is $100,000, will the bank say, "I am willing to forget about $10,000 of the principal if you will give me a guarantee."

Well, the guarantee, instead of really being a maximum of 90 percent, is really a maximum of 81 percent. Whereas there was a principal outstanding of $100,000, under this program, if the bank would be willing to forgive $10,000, he then gets a 90-percent guarantee of $90,000. This net guarantee equals 81 percent or $81,000.

Thus far, none of the banks are willing to do this.

I think some advantage has been gained because of the cash-flow requirements adjustments. Farmers will now be more eligible as a result of eliminating that 10-percent profit element. Nevertheless, there has to be more of an incentive than has been offered to get the banks involved. So we must consider some type of incentive that would be beneficial to the farmer and the banker to enhance participation.

Under the direct loan aspect program of the Farmer Home Administration, where they have agreed to set aside 25 percent of the principal for 5 years at no interest, that, in my judgment, is a good offer. But the problem is there are not enough farmers who are eligible. Again, that cash-flow of 110 percent is there. That profit of 10 percent is required. To a farmer who has already gone to Farmers Home Administration as the lender of last resort, a 10-percent profit is unrealistic to him.

It seems we must have a provision that allows the same thing that applies to the commercial lender and the cooperatives, that that profit element of 10 percent be eliminated and that the cash-flow of 110 percent be reduced to 100 percent in order to let them qualify for the set-aside program.

There have been arguments made that the annual payments will be higher under a direct loan at 100 percent than they would be under 110 percent.

That may be true. Therefore, it ought to be optional with the farmer as to whether he wants to go under a cash-flow of 100 or 110 percent. The problem is that the annual payments will be zero if you continue to stay at 110 percent-flow. Because they are not going to be eligible, they cannot take advantage of that set-aside program. It does not make any difference whether 100 or 110 percent of his payments on an annual basis are higher or not. If he is not eligible, he cannot qualify for the program.

I think these are matters that have to be considered. These matters are necessary to give relief to the farmer at this particular time.

There are those who feel like the advancement of the loan rate will give the farmers cash to reduce their payment for the next year or two. This will be an incentive. I think this proposal has some merit.

I am trying to outline some of the general principles that are involved in this overall program.

There is another overall problem. The lowering of interest rates on farm loans, whether they be under a commercial lender and cooperative guarantee program or whether under a direct loan from the Farmers Home Administration.

In most instances, the interest rate is causing the substantial problem to the farmer.

(Later Mr. HEFLIN continued with his remarks as follows:)

Mr. HEFLIN. Mr. President, in order to meet the farm crisis, it is necessary, in my judgment, that there be lower interest rates. To do this, there should be a cooperative interest buydown program included in the bill which would allow the Government and the lender to cooperate in the reduction of interest rates on these loans from commercial lenders.

It can be done without any real significant cost and in a manner which the lender would reduce the interest rates and the Government in effect would pick up half the tab. You have to have limits. You have to be reasonable. There would have to be a ceiling established as a maximum amount.

Mr. President, as we deal with the farm credit crisis, we must realize the planting season is not too far off. It takes time to process any loan application for guarantee by commercial lenders and cooperatives or other processing of the set-aside program. Therefore, it is essential that the Secretary of Agriculture make available to the Farmers Home Administration personnel in adequate numbers and allow them to work overtime, including weekends and nights, to process the loan applications where necessary to meet the schedule set by Congress or the Farmers Home Administration.

It may well be that the Secretary shall have to hire additional temporary personnel in addition to those that were authorized to be hired on February 19, 1985, to meet the processing schedules and to assign such temporary employees to the States. There are a number of States where there has been no extra personnel going in to help, but they have to move. In effect, we are looking at a planting season that varies as to each State and its geographic location. But generally, we look upon the planting season, with some exceptions, as starting around the 1st of April and ending around May 15. In order to process these loans, you have to look at the time between now and the 1st of April. Time is really short. So it is going to take substantial personnel working overtime in order to process the paperwork.

This also means that if legislation is passed, as I hope it will be, the Secretary of Agriculture will have to promulgate regulations within a timeframe, and this again is a matter where a short timeframe would have to be allowed to promulgate any necessary regulations under any proposed legislation.

Mr. President, I hope we can have a bill that in effect does not cost a great deal of money. The history on guarantees is that there have been defaults of only 5.5 percent. If you had $100,000 which might appear in a loan guarantee, your default rate really means $5,500. The 5.5 percent in the past has been particularly low, and I think it will be lower if we can allow the farmer an opportunity to come out of the farm crisis.

Now, there ought to be some type of requirement. We ought not give guarantees to everyone who comes down the road. There are procedures they will have to follow, and they have to have their ultimate repayment value. I think you are going to have to establish certain criteria, which would give a chance to the farmer who has a proven record of good management and who can produce a 100-percent cash-flow.

When you look at the overall situation of guarantees and the total sum considered, we must understand that this is not a cost to the Government in that amount, but only a very small percentage.

I have attempted to outline some principles.

Also, I think the regulatory agencies ought to exercise caution and restraint in making adverse classifications with respect to agricultural loans. The examiners ought to give due consideration not only to the current cash-flow of agricultural borrowers under financial stress but also factors such as loan collateral and ultimate repayment ability. This would apply to such regulatory agencies as the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve Board.

There are other matters that I will mention at a later time relative to principles that I think should be involved here. I yield back to the distinguished Senator from Nebraska.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that the Senator from New Mexico be allowed to present a statement for the record and when I do regain the right to the floor that it not be considered a second speech.

Mr. HEFLIN. And I would like to have the floor privilege returned to me.

Mr. ZORINSKY. Yes, Mr. President. That when Senator HEFLIN resumes his statement, it not be considered a second statement.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

(The remarks of Senator DOMENICI appear elsewhere in the RECORD.)

Mr. DIXON. Mr. President, if I could have the attention of my colleague, the distinguished senior Senator from South Dakota, earlier I had a conversation with him. I will be making remarks about the amendment I will be offering later in the day or early in the morning concerning the 50-percent advance and the $50,000 limit for farmers who in the fall would obtain their funds after harvest from the ASCS and the CCC fund.

I wanted to announce that my colleague from South Dakota is the principal cosponsor, along with my friend, the distinguished senior Senator from Iowa [Mr. GRASSLEY] and that he will be making remarks in due time. But I take it the Senator does not care to make remarks at this time.

Mr. ZORINSKY. Mr. President, I yield to the Senator from California [Mr. CRANSTON] to comment at this time.

I ask unanimous consent that his remarks appear in the proper place in the RECORD.

Mr. CRANSTON. Mr. President, I want to ask the Senator from Nebraska for a clarification of this amendment.

As the Senator is aware, the Bank of America has its own proposal to assist those farmers who can show an ability to survive in the long run if they are provided financial assistance to work through their current financial problems. The bank's proposal, like the Senator's amendment, is targeted to those farmers with potential positive cash-flow on current operations. Under the Bank of America proposal, commercial banks would provide 100 percent of the loan, fully collateralized by the farmer's assets and anticipated income. The banks would assume the risk for the first 80 percent of the loan. The Federal Government would guarantee the top 20 percent of the farmer's loan—with a maximum guarantee of $450,000. Under this proposal, many banks would be encouraged to make loans they otherwise would not make. And the Federal Government should have full opportunity to recover if there is a default, since the farmer would have 100 percent support for his loan. This approach has a distinct advantage, in that with this lower 20 percent guarantee, the Federal Government would be able to provide support for more than four times as many farmers as could be served by a 90-percent guarantee with the same amount of funds. It is my understanding that the administration has the authority to implement the Bank of America's proposal without further legislation. It is also my understanding that administrative implementation of this proposal is not precluded by the Zorinsky amendment.

I know that there are differences of opinion over whether or not this approach should be undertaken, and of course I would expect that it would not be undertaken until there was considerable agreement from those who would be affected that it should be undertaken. So I am not asking if this would be done at once. I do not expect that it would be. But I am asking this: Could it be if it were agreed upon as a wise course of action under pending laws and under the Zorinsky amendment? I would appreciate it if the Senator from Nebraska would confirm this for me.

Mr. ZORINSKY. The Senator from California is correct. The administration has the authority, and this authority is unchanged by the pending amendment.

Mr. CRANSTON. I appreciate that very much. That is most helpful.

Mr. ZORINSKY. I thank the Senator from California.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the text of the Bank of America temporary farm assistance proposal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TEMPORARY FARM ASSISTANCE PROGRAM PROPOSED BY BANK OF AMERICA

BACKGROUND

The United States agricultural industry is currently experiencing its worst financial recession in over fifty years. Background information on the causes and possible long-term solutions for this crisis are contained in Bank of America's presentation "An Overview of California Agriculture and Bank of America Recommended Policy Guidelines." As outlined in that presentation, market-oriented farm policies and aggressive export promotion will help improve the long-term viability of United States agriculture. However, in the short term, many farmers with efficient operations will not survive due primarily to heavy debt loads, depressed margins and declining asset values. Government can help in reducing the human cost of the agricultural recession by providing the time and support these farmers need to restructure their operations. We proposed the following Temporary Farm Assistance Program for this difficult period.

WHO WOULD BE ELIGIBLE?

This Temporary Farm Assistance Program will provide the time and support needed by farmers who demonstrate the ability to survive in the long run if they can be provided financial assistance to allow them to work through current severe financial problems. It applies only to those farmers with the potential for a positive cash flow on current operations and the resources to become competitive, cost-efficient producers. Farmers who cannot demonstrate a potential for survival will not be eligible; separate programs should be considered for those farmers. Further, the program will not be available to those farmers whose debt can be restructured without the benefit of the program.

HOW WOULD IT WORK?

A farmer and his lender would present to the Farmers Home Administration (FmHA) a proposal demonstrating that the farmer meets the eligibility requirements and that the lender is willing to provide crop and livestock financing to the farmer for 1985 under the terms of the program. The lender must be willing to defer to maturity the payment of at least two percentage points of the interest due from the borrower on each restructured loan over the period of the program. In addition, any interest above 15 percent would be deferred. On approval of the application, the FmHA would issue a guarantee for twenty percent of the debt owing from the farmer to the lender, including the 1985 crop financing.

PROGRAM SPECIFICS

Guarantee: FmHA would provide a 20 percent guarantee of the farmer's loans restructured including current year operating credit needs with a maximum guarantee of $450,000 for any one farmer. The guarantee would remain in effect until the restructured loans are fully recovered by the lender.

Interest Rate: The lender would agree to defer up to two percentage points of interest to the maturity of each restructured loan.

Interest Cap: The lender would agree to defer to maturity any interest in excess of 15 percent.

Program Oversight: FmHA would provide oversight of the restructured program. The overall program would be monitored by the administration's proposed "Farm Credit Coordinating Group."

Program Duration: The program would cover term loans restructured during the 1985 crop year with amortization schedules of up to twenty years and maturities of up to four years. The program would also cover crop and livestock production loans made for the 1985 production year and for subsequent years while the restructured term loans are outstanding. Loans would not be transferable.

Collateral: At the time of restructuring, loans would be fully secured by the farmer's land and other available assets. On liquidation, collateral would be applied to any non-guaranteed loans before any guaranteed loans.

Interest Reserve: An interest reserve may be established providing for payment of interest from loan proceeds if the farmer's cash flow is not adequate to cover interest expense.

Federal Crop Insurance: Participating farmers would be required to obtain crop insurance, if available, to protect against production risks.

Disclosure: Loans restructured under the program would be disclosed to regulatory agencies. However, restructured loans would not be considered as "Non Performing Loans" nor require special reserves.

Tax Impact: Tax codes would be amended to reduce capital gains tax burden to farmers who agree to an orderly liquidation of assets during this restructure program.

PROGRAM BENEFITS

With this lower 20 percent guarantee, the government can provide support to more than four times as many farmers as could be served by a 90 percent guarantee program with the same amount of guarantee funds appropriated. (Recommended government appropriation: (Three Billion Dollars.)

No cash outlays will be necessary at the time the guarantee is issued. The funds will be provided by the private sector. If the farmer defaults and the guarantee is called, FmHA may recover some or all of the amounts advanced from any excess value in the farmer's collateral after the debt is paid.

There is no bailout of farmers who cannot demonstrate an ability to survive. Participating farmers will remain ultimately liable for their obligations. They will have no unfair advantage over those farmers who are able to continue farming without the program.

The program would spread the ongoing risk of financing between the present private sector sources and the FmHA.

Orderly restructure will limit the disruption to related agribusiness support industries.

Providing these farmers the opportunity to survive assures our nation's continued independence in production of food and fiber.

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. GOLDWATER. Mr. President, although I cannot be present today when we vote on the farm amendments being offered, I wish to be recorded as being against them for one, rather simple reason. We worry ourselves to death about people starving in all parts of the world. We find ourselves in a constant quandry about unemployment around the world. We make speech after speech about the poor everywhere and yet, we say nothing and do nothing on behalf of the American Indian.

The American Indian is one of us; he lives within our boundaries. Our land was once his land so, why, I ask my colleagues, can't we spread some of this benevolence to the American Indian.●

● Mr. DANFORTH. Mr. President, I rise today in support of S. 457, a bill authorizing the President to furnish assistance to the drought-stricken countries of sub-Saharan Africa. We are all painfully aware of the enormity of the crisis facing Africa today. Twenty countries are afflicted by drought and famine. Millions of lives are at immediate risk.

So far the United States has responded more than generously to Africa's plight. Since the beginning of this fiscal year, our Government has made available more than $425 million in emergency food aid to the continent—the largest amount given for this purpose since the inception of our food aid program. Yet much more remains to be done if mass starvation is to be averted.

The bill before us today would authorize the appropriation of additional funds for disaster and refugee assistance. The replenishment of the disaster and refugee accounts is essential to the African relief effort. Food aid alone will not rescue Africans from starvation. Thousands of Africans already weakened by hunger will die unless they receive emergency medical supplies, shelter materials, and blankets. It is this sort of assistance that the disaster relief funds provide. The funds appropriated for disaster assistance will also help pay for the internal distribution of food relief, which is made prohibitively expensive by Africa's rough terrain, woefully inadequate infrastructure, and widespread civil strife.

The need for increased refugee assistance is equally critical. Even before the current crisis, Africa already played host to the world's largest refugee population. The onslaught of drought and famine has added hundreds of thousands of people to the numbers of the displaced. Sudan alone is now burdened with 750,000 Ethiopian refugees. By summer their number could increase by as much as 500,000. Sudan simply does not have the resources to cope with this flood of famine victims. We must do more to help them.

The third component of the bill is a provision aimed at facilitating the use of Defense Department personnel and equipment for humanitarian relief in Africa. This provision does not expand existing authority, rather it encourages the use of existing authority to expedite the delivery of relief supplies and services to countries in need.

Mr. President, there is an urgent need for the relief measures provided for in this bill. I, therefore, urge my colleagues to support the passage of this legislation.●

Mr. ZORINSKY. Mr. President, I have been assured by the majority leader that we can expect to vote on this amendment after tomorrow's caucus. With that assurance, I should like to call up my amendment.

Since I feel quite certain that I have not as yet convinced the majority leader as to the merits of my effort; I am anticipating a motion to table. I will make a brief comment about tabling motions.

Many of us who have experience with tabling motions in this Chamber are aware of the true function of a tabling motion. Unfortunately, most Americans might assume that a tabling motion means it is time for dinner or lunch or whatever, and of course would not be expected to be involved in matters of parliamentary procedure. So I will briefly repeat a caveat that I have heard from my good friend and respected colleague, the Senator from North Carolina [Mr. HELMS], who has admonished me and many other Senators concerning tabling motions.

I will preface my comments by saying these remarks are not meant to be partisan in nature. I have supported Senator HELMS on numerous occasions when tabling motions were made on my side. Both sides use this unique parliamentary procedure to move to table an amendment in order to afford the opportunity to vote for the tabling motion so that a Senator can go back home and say, "I did not vote against the amendment. I voted against the amendment being brought up to be voted on."

I think the amendment I am offering and maybe one or two others will be looked at as a true barometer and a true test of support for agriculture. Again, to quote my friend from North Carolina, whom I have supported on numerous amendments; regardless of whether I or somebody else supports a tabling motion, let the public look deeper.

A motion to table is really a neat and cute method of avoiding one's duty as a U.S. Senator. Instead it is an attempt by some to have it both ways. I want to point this out to my colleagues on both sides of the aisle.

Again, the history of this institution will indicate that a motion to table is a nonpartisan use of parliamentary procedure. But do not expect to vote to table this amendment so you can go back home and tell the public, "I did not vote against the amendment that attempted to save farmers who were entitled to stay in business. The vote never came up. It was tabled."

The public should note that those people who participate in tabling amendments quite obviously would not have voted for the amendment itself had it been brought up.

I want my colleagues to understand something about this amendment. As my good friend and respected colleague from North Carolina has said on numerous occasions, this will be a barometer and yardstick on your support for the farmers of America.

I can assure my colleagues that I have no pride of authorship in this amendment. I am not up for election next year. I think the time has come that we make this a nonpartisan issue and for once even if the vote is on a tabling motion, admit what side of an issue we are on.

AMENDMENT NO. 10

(Purpose: To provide emergency farm credit assistance to the Nation's farmers and ranchers)

Mr. ZORINSKY. With that, Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. ZORINSKY] for himself and Mr. ANDREWS, Mr. PRYOR, Mr. EXON, and Mr. FORD proposes an amendment numbered 10.

Mr. ZORINSKY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 8, after line 16, insert a new title as follows:

TITLE II—EMERGENCY FARM CREDIT ASSISTANCE

SHORT TITLE

SEC. 201. This title may be cited as the "Emergency Farm Credit Assistance Act of 1985".

FINDINGS AND DECLARATION OF POLICY

SEC. 202. (a) Congress finds that—

(1) agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than other single industry;

(2) United States agriculture is the world's most productive and the world's largest exporter;

(3) United States agricultural producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

(4) technological developments have greatly increased the capital requirements of agricultural production;

(5) agricultural-related debt has risen from approximately $50,000,000,000 in 1970 to approximately $215,000,000,000 in 1984;

(6) a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of many producers to obtain the credit needed to continue their operations;

(7) it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit making; and

(8) the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations.

(b) It is hereby declared to be the policy of Congress to take such steps as may be necessary to enable United States agricultural producers to obtain adequate credit at interest rates conducive to debt servicing and profit making so as to ensure the Nation of an adequate and dependable supply of food and fiber at reasonable prices.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 203. (a) Congress finds that—

(1) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created financial stress for many farmers;

(2) many financially-stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(3) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(b) The Secretary of Agriculture shall immediately take steps—using authorities of law provided by the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary shall hire additional temporary employees (in addition to those authorized to be hired on February 19, 1985) to meet processing schedules, and shall assign such temporary employees to States (other than those receiving temporary employees under the February 19, 1985, authorization) in proportion to the total number of unprocessed applications on the date of enactment of this title.

COOPERATIVE INTEREST BUY-DOWN PROGRAM

SEC. 204. Effective for the period beginning on the date of enactment of this act

and ending September 30, 1985, the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 350 as follows:

"COOPERATIVE INTEREST BUY-DOWN PROGRAM

"SEC. 350. (a) To assist farmers and ranchers whose debts are restructured by commercial or cooperative lenders, the Secretary shall establish a program to reduce, for one or more years, the commercial or cooperative interest rate that a borrower would otherwise be required to pay.

"(b) Lenders agreeing to reduce the interest rate they would otherwise charge borrowers would be eligible to receive interest reduction payments from the Secretary, subject to such terms and conditions as may be specified by the Secretary.

"(c) To receive interest reduction payments from the Secretary under this section, lenders must agree to reduce the borrower's interest rate by an amount that is equal to, and in addition to, such interest reduction payments.

"(d) Notwithstanding any other provision of this Act, the Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.

"(e) The total amount of funds used by the Secretary in making payments under this section shall not exceed $100,000,000.".

ADDITIONAL LOAN GUARANTEE AUTHORITY

SEC. 205. Section 346 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there shall be made available to be guaranteed under the Agricultural Credit Insurance Fund $1,850,000,000 for loans under the debt adjustment program for guaranteed operating loans established under section 339 of this title on October 19, 1984, as revised and including the changes set out in the Emergency Farm Credit Assistance Act of 1985, in 1985.".

FMHA DEBT ADJUSTMENT PROGRAM: SPECIAL SET-ASIDES OF FMHA INDEBTEDNESS

SEC. 206. The Consolidated Farm and rural Development Act is amended by adding at the end thereof, a new section 349 as follows:

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised, the Secretary—

"(1) shall provide that, for the purposes of the program, a cash flow for a borrower's operation that shows that anticipated cash inflows during a year are 100 per centum of the year's anticipated cash outflows will be considered a positive cash flow;

"(2) shall permit lenders to qualify for a loan guarantee under the program without requiring that lenders cancel any portion of the total principal or interest outstanding on the existing indebtedness owed by the borrower; and

"(3) shall make guarantees available for up to 90 per centum of the principal and interest indebtedness on each loan guaranteed under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash-flow projection. However, individual borrowers may elect to base their applications for assistance on a cash-flow projection of 110 percent."

CAUTION AND RESTRAINT IN ADVERSELY CLASSIFYING LOANS MADE TO FARMERS AND RANCHERS

SEC. 207. (a) Congress finds that—

(1) high agricultural production costs, low prices for some commodities, and declining farmland values have combined to greatly reduce the income of many agricultural producers and to subject these producers, through no fault of their own, to severe economic hardship and, in many cases, to temporarily impair the ability of such producers to meet loan repayment schedules in a timely fashion;

(2) a policy of adverse classification of agricultural loans—that is, designating such loans as problem loans—by Federal bank examiners under these circumstances could trigger a wave of farm foreclosures and similar actions that would depress land values and the value of agricultural facilities and equipment; and

(3) liquidations of agricultural assets on a broad scale would have a devastating effect on farmers and the banking industry, and on rural United States in general.

(b) Notwithstanding any other provision of law, to guard against improper and untimely liquidations of agricultural assets, the Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans. Examiners shall give due consideration not only to the current cash-flow of agricultural borrowers under financial stress, but also to factors such as loan collateral and ultimate repayment ability. Further, regulatory agencies shall continue this policy for so long as the condition of the agricultural economy and the effects of natural disasters temporarily impair the ability of agricultural borrowers to meet scheduled loan repayments.

(c) Not later than ninety days after the enactment of this title, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve Board shall report to Congress on the actions they have taken to implement this section.

(d) Federal and State financial regulatory agencies shall ensure that examiners, in carrying out their duties, refrain from making adverse classifications with respect to agricultural loans that are restructured under the debt adjustment program established on October 19, 1984, under section 339 of the Consolidated Farm and Rural Development Act, as revised, including the changes set out in this title.

PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

SEC. 208. (a) The Farm Credit Administration shall conduct a study regarding the need for establishment of a fund to be used to insure System institutions against losses on loans or for any other purpose that would assist in stabilizing the financial condition of the Farm Credit System and provide for the protection of borrower capital. In conducting the study, the Farm Credit Administration shall consider the advisability of using the revolving funds provided for in section 4.1 of the Farm Credit Act of 1971 to provide startup capital for any insurance fund and estimate the amount and level of future assessments for System institutions that would be necessary to ensure the long-term liquidity of such an insurance fund.

(b) The Farm Credit Administration shall submit a report containing the results of the study required by this section to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry not later than one hundred and eighty days after the enactment.

SMALL BUSINESS ADMINISTRATION DEBT ADJUSTMENT PROGRAM

SEC. 209. For the purpose of assisting financially-stressed farmers and ranchers, it is the sense of Congress that—to the maximum extent practicable and consistent with existing law—the Small Business Administration should establish a debt adjustment program comparable to the Farmers Home Administration's debt adjustment program established on October 19, 1984, under section 339 of the Consolidated Farm and Rural Development Act, as revised, including the changes set out in this title.

REGULATIONS

SEC. 210. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of sections 203, 204, and 206 of this title as soon as practicable, but not later than fifteen days after the date of enactment of this title.

Mr. ZORINSKY. Mr. President, the amendment will provide much needed assistance for many farmers who are fighting for their economic survival.

My proposal is fiscally sound. It does not create any new bureaucracies and the responsibilities associated with making this assistance available will be shared with lenders, the Federal Government, and farmers. Further, I have received letters that endorse the key proposals included in this amendment from the national farmers organization, the National Grange, and the Independent Bankers Association of America.

INDICATORS OF STRESS IN THE FARM ECONOMY

The threat of foreclosure is the most serious and demoralizing aspect of the current depressed agricultural economy. Although some would say that the media has sensationalized the financial problems of farmers, I believe there is an abundance of evidence proving that our family farm system of agriculture is threatened with extinction by the present credit crisis.

During the last 3 years, over 24,000 farmers with Farmers Home Administration loans have been forced to liquidate their operations due to financial reasons.

It should be noted that this unprecedented number of liquidations has occurred during a time when Federal courts greatly limited the number of foreclosure actions the Farmers Home Administration could initiate.

Farmers Home Administration borrowers are not the only farmers experiencing difficulty. The Department of Agriculture estimates that about 18 percent—or 430,000 farmers—have debt-to-asset ratios that are dangerously high, in excess of 40 percent.

In its 1985 agriculture and credit outlook report, the Farm Credit Administration states that production credit association loan losses totaled $500 million during the past 2 years. That amount exceeds the combined losses during all the other years in the 50-year history of PCA's.

The long-term solution to farm credit problems is stronger commodity prices and improved farm income. Those issues will be addressed in the 1985 farm bill. However, unless immediate action is taken to provide emergency credit relief, thousands of farmers will be forced out of business before the 1985 crop is even planted.

FAILURE TO TAKE ADMINISTRATIVE ACTION NECESSITATES LEGISLATION

During the past several weeks, I have urged the President and Secretary of Agriculture to use authorities under existing law to address farm credit problems. However, the Office of Management and Budget's response has been to resist most proposals other than to offer telephone hot lines and various action teams.

In recent days, after lengthy and complex negotiations, the administration finally agreed to some relatively minor adjustments in the Farmers Home Administration Loan Guarantee Program that will help a limited number of farmers through the critical weeks ahead. But, at best, that help applies only a band-aid to the problem.

I would remind my colleagues that, last fall—just before the election—the administration announced a Debt Adjustment Program designed to help farmers reeling from low prices, high interest rates, and record crop surpluses. Many from farm States hailed that plan as the answer to their prayers, but the facts indicate something else.

As of last Friday, Federal guarantees of farm loans nationwide under this program amounted to just 21. In addition, of the $650 million Congress provided for all farm loan guarantees last fall, only $44 million has been used.

Because appropriate administrative actions have not been taken, the proposal I have developed requires the administration to begin using certain administrative authorities.

Under this legislation, the Farmers Home Administration would be required to take immediate action to hire additional personnel on a temporary basis to process and service loans.

In addition, the amendment eliminates certain unnecessary administrative requirements that have discouraged participation in the Farmers Home Administration Debt Set-aside and Loan Guarantee Programs. Under the amendment, borrowers will be given the option of basing their applications for assistance on 100 percent or 110 percent of the cash flow needed to meet debt obligations.

Further, the Farmers Home Administration Loan Guarantee Program will be implemented as orginally intended by Congress. Lenders will no longer be required to write off principal or interest as a prerequisite to securing a loan guarantee. Of course, lenders may voluntarily adjust the terms of loans to enhance repayment ability.

In addition to requiring the administration to use the discretionary authorities I have outlined, the legislation I am offering will provide several new and expanded authorities. Those provisions would:

Provide $1.85 billion in additional loan guarantee authority for the Farmers Home Administration;

Authorize the Farmers Home Administration to provide $100 million to buy down the interest rate on farm loans when an amount equal to the Federal contribution is provided by the lender;

Require the Farm Credit Administration to study the feasibility of obtaining insurance to protect the financial integrity of farm system institutions and thereby protect farm credit system borrowers and investors;

Encourage Federal and State bank regulators to refrain from adversely classifying farm loans guaranteed by the Farmers Home Administration; and

Encourage the Small Business Administration to provide assistance to its existing farm borrowers that is comparable to the assistance being provided under the Farmers Home Administration Debt Adjustment Program.

Without the type of credit assistance I have outlined, thousands of farmers will be faced with financial ruin. Agricultural credit needs cannot be ignored any longer if we are to avoid irreversible injury to our Nation's family farm system of agriculture. Unless we act quickly to assist our Nation's farmers, what is now an agricultural credit crisis will quickly develop into an economic disaster for all of rural America.

I want to note that several of my colleagues have approached me with other farm credit related proposals that I was not able to make part of this amendment. Some of those proposals included interest deferrals for commercial banks, Small Business Administration loans, and allowing Farmers Home Administration borrowers faced with foreclosure to plant trees and use the revenue that will be generated in future years to repay debts and retain ownership of their farms.

Those and other proposals have merit and I believe they should be pursued. However, in developing this emergency assistance package, it was not possible to include every meritorious proposal and still present a workable plan capable of attracting broad support. Therefore, I will be working with several of my colleagues to address other credit related problems during this Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Independent Bankers Association of America to the Honorable ROBERT DOLE, Senate majority leader.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

INDEPENDENT BANKERS ASSOCIATION OF AMERICA,
Washington, DC, February 25, 1985.

Hon. ROBERT DOLE,
Senate Majority Leader, Hart Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: On behalf of the Independent Bankers Association of America, we urge bipartisan support for an amendment to be offered by Senator Zorinsky and Senator Andrews to the African relief measure pending before the Senate at this time.

We strongly support the amendment which includes the following provisions:

Provide for additional personnel for the Farmers Home Administration, for the processing of both direct and guaranteed farm loans;

Provide funding of $100 million for a joint Federal-lender interest rate buy down on FmHA guaranteed loans, whereby Federal interest payments would be made available for such loans through commercial or cooperative lenders who offer to reduce the interest rate by an additional amount equal to the Federal interest payment;

Increase the funding authority for FmHA guaranteed farm operating loans for the fiscal year ending September 30, 1985, by $1.85 billion;

For farm loans guaranteed by FmHA, provide that no principal write off or interest rate write down may be required as a prerequisite to securing a loan guarantee. Commercial or cooperative lenders could of course voluntarily reduce the terms on farms loans to enhance repayment ability;

Provide for a reduction from 110 to 100 percent in the minimum cash flow requirement under the FmHA direct loan portion of the Debt Adjustment Program announced by the President on September 18, 1984;

Encourage Federal and State financial regulatory agencies to refrain from adversely classifying any farm loan which is restructured by a commercial or cooperative lender accompanied by an FmHA loan guarantee;

Encourage the SBA expeditiously to consider establishing a debt set aside program for qualifying SBA farm loans, comparable to the direct loan portion of FmHA's Debt Adjustment Program announced by the President on September 18, 1984; and

Provide that the regulations implementing those provisions of this amendment pertaining to the FmHA shall be promulgated within 15 days of final enactment.

This package amendment is designed to provide some effective assistance on a

timely basis in coping with the very severe farm financing problem. It is designed to be workable for farmers and farm lenders. It is also prudent and cost-conscious from a Federal budget perspective. On that basis, we believe it merits broad bipartisan support, and we urge support for the amendment.

Sincerely,

THOMAS H. OLSON,
Chairman, Agricultural-Rural Cmt.

Mr. ZORINSKY. Again, Mr. President, I wish to thank my chief cosponsor, Senator MARK ANDREWS, the Senator from North Dakota. Once again, I want to note that I have received letters in support of the key proposals included in this amendment from farm groups such as the National Farmers Organization, the National Grange, as well as the Independent Bankers Association of America.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, let me indicate that we will be discussing the pending amendment tomorrow. It is my hope that we may be able to dispose of amendments tomorrow, but I will say to my colleagues on both sides of the aisle that I have problems with this particular amendment. I do not quarrel with the author of this amendment because we have had some good working relationships in the past, and will in the future. But I hope every Member of this body looks at the pending amendment. It is for the relief of banks. It is a bank bailout. I know some banks are in difficulty. But I think many of us feel that they have to accept some of the responsibility, too. I find the banks in my State—I am very proud of the banks in my State—are very satisfied with 110 percent, and with 100 percent. They are not asking for the Federal Government to move in and insure any loss they might have.

So I hope that we understand the interest buy-down constitutes a transfer payment to lending institutions. That is precisely what it is. There is no precedent for it. I think we ought to be a little careful of short-term solutions. We ought to concern ourselves with long-term economic recovery for American farmers. I hope that we take a hard look at any provision, whether it comes from this side or the Democratic side—if it costs additional money—to find out if it is designed for the farmer or if it is designed for some other group.

I know rural banks are having difficulty. That is why in a bipartisan spirit we reduced the 110 percent cash flow requirement to 100 percent, which primarily helps the banks. It does not do much for producers.

So I hope we will be able to discuss this more at length tomorrow. If we can dispose of the amendments, I am not certain how many will be on either side, but we may be able to conclude action on the bill tomorrow.

Mr. President, I would like to include in the RECORD following my statement concerning farm credit the text of the President's radio address at 12:06 p.m. eastern standard time, Saturday, February 23. There has been a lot of confusion about the $650 million figure, whether or not this is a cap, whether or not we are going to have adequate resources for farmers. I would just allude to that.

The President said, "Last September,"—last September—"we announced a $650 debt restructuring initiative."

That was last September. That is the only reference to $650 million. Somehow it has been construed that that is still the cap. I would hope that I made that clear in a colloquy with the distinguished Senator from Nebraska, Senator EXON. Many of us on both sides worked most of last week trying to make certain that that is the position. I wanted to make that record clear. I had indicated that to the distinguished Senator from Oklahoma, Senator BOREN.

Mr. President, I ask unanimous consent to include in the RECORD the full text of the President's radio address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RADIO ADDRESS BY THE PRESIDENT TO THE NATION, FEBRUARY 23, 1985

The PRESIDENT. My fellow Americans, I'd like to expand today on what I said in my Thursday night News Conference about our farmers' financial plight and what must be done to hasten the return of their prosperity.

It's important to note that about two-thirds of today's farmers have no debt problems, and only a minority of the remainder are in severe financial distress. Now, that's not to minimize one bit the difficulties all farmers face following the shocks of the 1970's, two grain embargoes, double-digit inflation and record interest rates at 21 percent.

As farmers' land values shot up, some borrowed large sums of money and, yes, sometimes exorbitant sums, based on that inflated land value. Then, as we brought inflation down—and believe me, we're determined to keep it down—those farmers have been left with declining land values to cover their loans, making them harder to repay.

These problems have been worsened by the inflexible farm programs under which we operate. Designed to help agriculture, they have increased dependency upon the federal government, weakening incentives for self-reliance.

For example, between 1973 and 1983, the federal government went from purchasing 1.9 percent to 12 percent of all dairy products. The equivalent of 17 billion pounds of butter, cheese and dried milk piled up in cold storage. The cost to taxpayers soared from $117 million to well over $2 billion.

Other programs leading to surpluses in corn and wheat depressed prices, sent false signals to the markets and drove more farmers toward bankruptcy.

The same government which played a part in this unhappy drama must not turn away from those who are the backbone of our nation, who gave America the highest standard of living in the world and who preserved the blessing of life for millions of the world's hungry.

Last September, we announced a $650 million debt restructuring initiative. Yesterday, Agriculture Secretary Block announced a modification of federal regulations so that banks will have an incentive to work out lower payments for farmers having trouble paying off their loans. We're providing loan guarantees for eligible farmers whose local banks fail and who can't find a new private lender without such a guarantee. Our program will ease further the farmers' requirement for participation in it, so more of them can take advantage of our credit offer. This administration is moving forward with its credit program because spring planting cannot wait.

Let me make one thing very plain: Yes, we are sympathetic. And we will extend support.

But American taxpayers must not be asked to bail out every farmer hopelessly in debt, some by hundreds of thousands of dollars, or be asked to bail out the banks who also bet on higher inflation. We have already extended a tremendous amount of assistance. It's time for others to pitch in and do more—from officials at the state level, to banks, private groups and individuals in our communities, all joining in partnership to help farmers.

Over the long haul, there's only one sure solution. We have the ability to change, the opportunity to act, and we're going to begin now working our way back to a free market economy. What farmers need and we're determined to provide is less dependence on politicians to supply their incomes and greater independence to supply their own incomes.

Yesterday, Secretary Block outlined our proposals when we sent the Agricultural Adjustment Act of 1985 to the Congress. The 1985 farm bill will create stability for the future through policies that permit U.S. agriculture to realize its full potential and be more competitive in world markets.

Our package will be market oriented, enabling farmers during a transition period to become more independent and make their own decisions in the marketplace again. Government will stop purchasing commodities, stop trying to manipulate supply and demand, refrain from quick fixes and extravagant new farm legislation and move aggressively to expand markets for American farm products.

The time is now for a fresh start for American agriculture. And if we combine passage of our farm legislation with spending restraints to reduce federal borrowing so interest rates can come down further and tax simplification to lower tax rates so we can reach greater growth, then farmers can finally reap a real prosperity every bit as bountiful as their own harvests.

Until next week, thanks for listening. And God bless you.

Mr. DOLE. Mr. President, it has come to my attention that last week the distinguished Senator from Iowa, Senator HARKIN, decided it would be appropriate to put the Senate in

recess, the effect of which would have been to reconvene the Senate on the following day at 12 noon. I rise to point out that the question of adjourning or recessing day to day and setting the time of reconvening is usually not the function of any other Sentor other than the majority leader. The Senate mores and the customs, of course, are complex and difficult to absorb in this body. And I am certain that he acted without malice in that regard.

The publication "Majority and Minority Leaders of the Senate" is a good source of information in this regard. On page 23 of that document is an explanation of the usual Senate courtesy regarding recessing the Senate.

I want to thank the Senate for its attention to this minor point of protocol and particularly thank the distinguished Senator from Colorado [Mr. ARMSTRONG], for acting to protect this leadership prerogative.

As I recall, this was a rather unusual occurrence. I do not fault the Senator from Iowa except to hope that he will bear in mind in the future that the decision to recess is the prerogative of the leadership.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. BYRD. Mr. President, the Senator from Iowa knows that. I have discussed it with him. The Senator is a new Senator, and had no knowledge of the Senate's customs. I would be the first to protect the majority leader as best I could in that situation because that is a motion that is customarily a prerogative of the majority leader. I have experienced the same thing during my time as majority leader when a Senator would seek to recess or adjourn the Senate.

So I hope the distinguished majority leader will not feel that that was done with any aforethought. Mr. HARKIN is new here. He does not realize what the customary practices are. I have since talked with Mr. HARKIN, and pointed out that this is a customary procedure and, of course, he will not be doing it again. I am sure of that.

Mr. DOLE. I thank the distinguished minority leader. I thought perhaps the Senator from Iowa intended to suggest the absence of a quorum. But reading the RECORD Senator HARKIN made his intention very clear. He said, "Mr. President, did I hear an objection?"

Mr. BYRD. He knew what he was doing, but he did not know that it is a customary practice here that only the leader does it.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 99-3

Mr. DOLE. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Tax Convention with Barbados (Treaty Document No. 99-3), transmitted to the Senate today by the President of the United States; and also ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the United States of America and Barbados for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income ("the Convention"), together with an exchange of notes, signed at Bridgetown on December 31, 1984. I also transmit the report of the Department of State on the Convention.

The Convention, in general, follows the pattern of other United States income tax treaties and the current draft United States Model Income Tax Convention, but deviates from the model in certain respects to reflect Barbados' status as a developing country.

Among the principal features of the Convention are provisions to prevent third-country residents from taking unwarranted advantage of the treaty. The Convention also establishes maximum rates of tax at source on payments of dividends, interest, and royalties.

The exchange of notes indicates the willingness of the United States Government to reopen discussions, should circumstances change, which would permit the inclusion of additional provisions to create incentives to promote the flow of United States investment to Barbados.

I recommend that the Senate give early and favorable consideration to this matter, and give advice and consent ratification of the Convention, together with the related exchange of notes.

RONALD REAGAN.

THE WHITE HOUSE, *February 25, 1985.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF TOURISM POLICY COUNCIL—MESSAGE FROM THE PRESIDENT—PM 23

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with section 302 of the International Travel Act of 1961, as amended (22 U.S.C. 2124a), I hereby transmit the third annual report of the Tourism Policy Council covering fiscal year 1984.

RONALD REAGAN.

THE WHITE HOUSE, *February 25, 1985.*

MEASURES REFERRED

The following bill, introduced on February 7, and ordered held at the desk by unanimous consent, was read the first and second times by unanimous consent, and referred as indicated:

S. 433. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make available to producers advance loans on the 1985 crop of certain commodities; to the Committee on Agriculture, Nutrition, and Forestry.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-446. A communication from the Governor of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Administration under the Government in the Sunshine Act for calendar year 1984; to the Committee on Governmental Affairs.

EC-447. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, notice of a new Privacy Act system

of records; to the Committee on Governmental Affairs.

EC-448. A communication from the Acting Assistant Secretary of the Interior (Indian Affairs), transmitting, pursuant to law, a proposed plan for the use and distribution of certain Indian judgment funds; to the Select Committee on Indian Affairs.

EC-449. A communication from the Deputy Assistant Secretary of the Interior (Indian Affairs) (Operations), transmitting, pursuant to law, a proposed plan for the use and distribution of certain Indian judgment funds; to the Select Committee on Indian Affairs.

EC-450. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the Refugee Resettlement Program for fiscal year 1984; to the Committee on the Judiciary.

EC-451. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the Agency's calendar year 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-452. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the Patent and Trademark Office in the Department of Commerce; to the Committee on the Judiciary.

EC-453. A communication from the Chairman of the Copyright Royalty Tribunal, transmitting, pursuant to law, the annual report of the Tribunal for fiscal year 1984; to the Committee on the Judiciary.

EC-454. A communication from a Member of the National Foundation on the Arts and Humanities, transmitting, pursuant to law, the ninth annual report on the Arts and Artifacts Indemnity Program for fiscal year 1984; to the Committee on Labor and Human Resources.

EC-455. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on budget rescissions and deferrals dated February 1, 1985; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-456. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development; space flight, control and data communications; construction of facilities; and research and program management; and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-457. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplement to Special Analysis D submitted in response to the Federal Capital Investment Program Information Act of 1984; to the Committee on Governmental Affairs.

EC-458. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-459. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Block Grants Brought Funding Changes and Adjustments To Program Priorities"; to the Committee on Governmental Affairs.

EC-460. A communication from the special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report on the Secretary's investigation of allegations of widespread travel fraud and violations of law and regulations in assigning pecuniary liability in the Corps of Engineers; to the Committee on Governmental Affairs.

EC-461. A communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report on the investigation into allegations of violations of law and regulations by certain officials of the Fire Department, Naval Submarine Base, Groton, CT; to the Committee on Governmental Affairs.

EC-462. A communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report on the investigation of allegations of a violation of law and regulation, waste of funds, an abuse of authority by an employee of the Animal and Plant Health Inspection Service, Department of Agriculture, Fort Worth, TX; to the Committee on Governmental Affairs.

EC-463. A communication from the Director of the National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for the National Science Foundation for fiscal years 1986 and 1987; to the Committee on Labor and Human Resources.

EC-464. A communication from the Administrator of Veterans' Affairs and the Secretary of Defense, transmitting jointly, pursuant to law, a report on the sharing of medical resources between the two agencies; to the Committee on Veterans' Affairs.

EC-465. A communication from the President of the United States, transmitting, pursuant to law, the fiscal year 1985 budget supplemental of the District of Columbia; to the Committee on Appropriations.

EC-466. A communication from the Executive Associate Director of the Office of Management and Budget (Budget and Legislation), Executive Office of the President, transmitting, pursuant to law, a report on an appropriation to the Veterans' Administration for fiscal year 1985 have been reapportioned on a basis that indicates a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

EC-467. A communication from the Executive Associate Director of the Office of Management and Budget (Budget and Legislation), Executive Office of the President, transmitting, pursuant to law, a report that an appropriation to the Department of Transportation for fiscal year 1985 has been reapportioned on a basis indicating a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

EC-468. A communication from the Acting Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a listing of supplemental contract award dates for the period March 15 to April 30, 1985; to the Committee on Armed Services.

EC-469. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the grounds maintenance function at Altus Air Force Base, OK, to performance by contractor; to the Committee on Armed Services.

EC-470. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice that the Department of the Navy intends to exercise certain provisions of law concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-471. A communication from the Deputy Assistant Secretary of Defense (Installations), transmitting, pursuant to law, the Base Structure Report for Fiscal Year 1986; to the Committee on Armed Services.

EC-472. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a proposed foreign military assistance sale to Saudi Arabia; to the Committee on Armed Services.

EC-473. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on a claim for damages to a vessel while in Canal waters; to the Committee on Armed Services.

EC-474. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on Defense Manpower Requirements for fiscal year 1986; to the Committee on Armed Services.

EC-475. A communication from the Treasurer of the United States transmitting, pursuant to law, the 1984 fourth quarter report on the Olympic Commemorative Coin Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-476. A communication from the Chairman of the Board of Governors of the Federal Reserve System transmitting, pursuant to law, its Monetary Policy Report to the Congress; to the Committee on Banking, Housing, and Urban Affairs.

EC-477. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report on the Commission's determination to extend the time for action on an appeal, Pozzolanic International v. Burlington Northern Railroad Co., et al.; to the Committee on Commerce, Science, and Transportation.

EC-478. A communication from the Secretary of Energy transmitting, pursuant to law, a report on the Electric and Hybrid Vehicles Program; to the Committee on Commerce, Science, and Transportation.

EC-479. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to authorize appropriations for activities under the Federal Fire Prevention and Control Act; to the Committee on Commerce, Science, and Transportation.

EC-480. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to authorize appropriations for the National Oceanic and Atmospheric Administration Marine Fisheries Program; to the Committee on Commerce, Science, and Transportation.

EC-481. A communication from the Vice President of Governmental Affairs, AMTRAK, transmitting, pursuant to law, AMTRAK's FY 1984 Annual Report; to the Committee on Commerce, Science, and Transportation.

EC-482. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, extending the time period for a final decision in the Dayton Power and Light Co. v. Louisville and Nashville Railroad Co. for an additional 90 days; to the Committee on Commerce, Science, and Transportation.

EC-483. A communication from the Secretary of Transportation transmitting, pursuant to law, the 1983 annual report on the administration of the Pipeline Safety Act; to the Committee on Commerce, Science, and Transportation.

EC-484. A communication from the General Counsel of the Department of Energy transmitting, pursuant to law, notice of a meeting related to the International Energy Program to be held February 26-27 in Rome, Italy; to the Committee on Energy and Natural Resources.

EC-485. A communication from the Chairman of the Advisory Council on Historic Preservation transmitting, pursuant to law, the Council's FY 1984 Annual Report; to the Committee on Energy and Natural Resources.

EC-486. A communication from the Chairman of the Advisory Council on Historic Preservation transmitting, pursuant to law, a report on the annual assessment of historic preservation in the U.S.; to the Committee on Energy and Natural Resources.

EC-487. A communication from the Acting Assistant Secretary of the Army transmitting a draft of proposed legislation to authorize various construction projects by the Corps of Engineers; to the Committee on Environment and Public Works.

EC-488. A communication from the Acting Assistant Secretary of the Army transmitting a draft of proposed legislation to authorize funding for improvement and operation of the Intracoastal Waterways; to the Committee on Environment and Public Works.

EC-489. A communication from the Acting Administrator of the General Services Administration transmitting, pursuant to law, the FY 1986 GSA Public Buildings Service Capital Improvement and Leasing Program; to the Committee on Environment and Public Works.

EC-490. A communication from the President of the Inter-American Foundation transmitting a draft of proposed legislation authorizing appropriations for the Foundation; to the Committee on Foreign Relations.

EC-491. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the U.S. in the 60 days previous to February 14, 1985; to the Committee on Foreign Relations.

EC-492. A communication from the Chairman of the Advisory Commission on Public Diplomacy transmitting, pursuant to law, the 1985 report on the U.S. Information Agency; to the Committee on Foreign Relations.

EC-493. A communication from the Secretary of State transmitting, pursuant to law, a report on the Department of State's activities related to recruitment and equal employment efforts in fy 1984; to the Committee on Foreign Relations.

EC-494. A communication from the Special Counsel, Merit Systems Protection Board transmitting, pursuant to law, a report on the Secretary of Agriculture's investigation into allegations of a violation of law and regulation, mismanagement, and a waste of funds by an employee of the Klamath National Forest, California; to the Committee on Governmental Affairs.

EC-495. A communication from the Secretary of the U.S. Railroad Retirement Board transmitting, pursuant to law, its 1984 Government in the Sunshine Report; to the Committee on Governmental Affairs.

EC-496. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Annual Report on Advisory Neighborhood Commissions"; to the Committee on Governmental Affairs.

EC-497. A communication from the Administrator of the Small Business Administration transmitting a draft of proposed legislation to abolish the Small Business Administration, and for other purposes; to the Committee on Governmental Affairs.

EC-498. A communication from the Program Manager for Employee Benefits, Department of the Army, transmitting, pursuant to law, the FY 1983 report on the Army Nonappropriated Fund Employee Retirement Plan; to the Committee on Governmental Affairs.

EC-499. A communication from the Executive Secretary of the National Security Council transmitting, pursuant to law, the Council's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-500. A communication from the Secretary of the Railroad Retirement Board transmitting, pursuant to law, the Board's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-501. A communication from the Chairman of the Occupational Safety and Health Review Commission transmitting, pursuant to law, the Commission's 1984 Freedom of Information Act report; to the Committee on the Judiciary.

EC-502. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, a copy of the Court's judgment order for the plaintiffs in Wichita Indian Tribe, et al. v. the U.S.; to the Committee on Appropriations.

EC-503. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, a report on an extension of time for acting upon an appeal, The Aluminum Association, Inc., et al. v. Alton & Southern Railway Co., et al.; to the Committee on Commerce, Science, and Transportation.

EC-504. A communication from the Chairman of the Nuclear Regulatory Commission transmitting a draft of proposed legislation entitled "Nuclear Power Plant Licensing and Standardization Act of 1985"; to the Committee on Environment and Public Works.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-25. Joint resolution adopted by the Legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

"ASSEMBLY JOINT RESOLUTION No 105

"Whereas, The Environmental Protection Agency (EPA) recently recommended tolerance levels and announced a phase out of ethylene dibromide which, in addition to its use as a soil fumigant, grain fumigant, and grain milling machinery fumigant has been used extensively as a fumigant to control the introduction of certain fruit flies in agricultural products shipped into this state from Texas and Florida; and

"Whereas, The EPA decision to phase out the use of ethylene dibromide has weakened California's effective pest quarantine program; and

"Whereas, There are no practical alternatives to the use of ethylene dibromide in the foreseeable future, thus causing this state to risk additional pest introductions; and

"Whereas, Currently, California is faced with at least eight pest infestations; and

"Whereas, Eradication efforts in terms of cost to the taxpayers are enormous so that the Mediterranean fruitfly outbreak in California a few years ago cost the taxpayers of this state over $100 million; and

"Whereas, With the increasing trend to eliminate the use of certain chemicals vital to agriculture, it is very important that biologically sound pest prevention programs be adopted by governmental and private agencies involved in agriculture; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Congress of the United States to provide sufficient funding for biologically sound pest prevention programs in order to ensure that the states do not suffer from outbreaks of agricultural pests caused by the decreasing number of available methods of pest control; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Speaker of the House of Representatives, to the President pro Tempore of the United States Senate, and to each Senator and Representative from California in the Congress of the United States."

POM-26. Joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

SENATE RESOLUTION No. 8

"Whereas, Public transportation is an integral part of the economic viability, of urban America and is critical to the economy and particularly critical to the economic growth and development with the metropolitan areas of the State of California; and

"Whereas, Municipalities in our state have made fiscal commitments in partnership with the state to the improvement of urban transportation through bus and rail programs which require and are eligible for matching federal financial support; and

"Whereas, The Director of the United States Office of Management and Budget has proposed to the President of the United States the elimination of the Urban Mass Transportation Administration (UMTA) and all operating subsidies to mass transit agencies and recently has attempted to prohibit the use of the penny gas tax mass transit trust fund revenues for the capital support of new start mass transit rail systems; and

"Whereas, The implementation of these proposals concerning urban mass transportation will result in higher transit fares, a drastic reduction in the level of transit service within the State of California, higher unemployment, restricted mobility of our citizens and restricted accessibility to the business and employment centers of our urban communities, lower revenues for major businesses and correspondingly reduced taxes to the state, and impairment of private and public development plans which would stifle the state's economic recovery plans for its urban areas; and

"Whereas, The President has the power to insure that these proposals to eliminate UMTA are not implemented or included in the next federal budget; and

"Whereas, The Congress of the United States has authorized and appropriated sums of money to support urban mass trans-

portation programs in the State of California and specifically through the Surface Transportation Assistance Act of 1982 (P.L. 97-424), as amended, has dedicated a part of the federal gasoline tax to be used specifically for these programs; Now, therefore, be it

"Resolved by the Senate of the State of California, That it respectfully memorializes the President and Congress of the United States to do all of the following:

"(1) Continue support for the planned mass transit rail projects within the State of California.

"(2) Continue to support the provision of operating subsidies for the eligible mass transportation agencies in the State of California.

"(3) Support the Congress of the United States and its appropriation of public funds for public mass transportation improvements in the State of California; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

POM-27. Joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION No. 36

"Whereas, The Pony Express Trail fast mail relay system constituted a crucial turning point for western expansion and development; and

"Whereas, The Pony Express Trail ran for a distance of 2,000 miles from Saint Joseph, Missouri, the western terminus of the railroads in 1860, to Sacramento, California; and

"Whereas, The Pony Express, operated by the freight and stageline firm of Russell, Majors & Waddel, provided an improved communications link between the widely separated eastern United States and the western frontier, enabling important correspondence to be delivered in 8 to 12 days; and

"Whereas, The fearless riders of the Pony Express carried mail along the route day and night, each man riding about 75 miles at full speed, stopping only to transfer to fresh ponies at manned relay stations at intervals of 10 to 15 miles; and

"Whereas, The Pony Express is a cultural record that embodies the finest American qualities of private enterprise, fortitude, courage, teamwork, and commitment to excellence; now, therefore, be it

"Resolved by the Senate, and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to enact legislation authorizing for study the Pony Express Trail as a national historic trail; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-28. Joint resolution adopted by the Legislature of the State of California; to the Committee on Environment and Public Works.

"SENATE RESOLUTION No. 45

"Whereas, In July of 1984 the Commission on California State Government Organization and Economy completed a major evaluation of California's program for cleaning up toxic dump sites; and

"Whereas, The commission found that after three years of attempting to clean up toxic dump sites the state had lost more ground than it had gained; and

"Whereas, The commission concluded that the federal Superfund program (the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 6901 et seq.) is severely underfunded and that there have been many procedural obstacles and delays in obtaining the federal funds needed to clean up hazardous waste sites in California; and

"Whereas, The $100 million Hazardous Substance Cleanup Bond Act of 1984, which will appear on the November ballot, will increase the resources available to match federal funds but will not be adequate to finance cleanup activities estimated to be between $820 million and $2.9 billion; and

"Whereas, The $1.6 billion Comprehensive Environmental Response, Compensation, and Liability Act of 1980 will expire in 1985; now, therefore, be it

"Resolved by the Senate of the State of California, That the State of California respectfully memorializes the President and the Congress of the United States to immediately enact legislation reauthorizing the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; and be it further

"Resolved, That in enacting this legislation, the President and the Congress are urged to do all of the following:

"(1) Extend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 for at least five years.

"(2) Increase the amount of the Superfund from $1.6 billion to at least $9 billion in order to provide adequate resources to clean up the nation's most dangerous hazardous substance release sites.

"(3) Authorize the Environmental Protection Agency to make annual block grants to individual states for cleanup activities at sites listed on the National Priority List.

"(4) Increase funds for states to identify and thoroughly evaluate sites which may be contaminated with hazardous substances; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-29. Resolution adopted by the Commission on the Aging relating to Iowans environmental and agricultural land resources; to the Committee on Environmental and Public Works.

POM-30. Joint resolution adopted by the Legislature of the State of California; to the Committee on Finance.

"SENATE JOINT RESOLUTION No. 43

"Whereas, An estimated 2.5 million Americans are currently afflicted with Alzheimer's disease, a chronic, progressive illness which eventually results in the complete mental and physical disability of the victims in its final stages; and

"Whereas, The incidence of Alzheimer's disease increases with age; and

"Whereas, The growing elderly population means that there is every reason to expect the numbers of Alzheimer's victims to increase; and

"Whereas, There is presently no prevention, no cure, and no treatment, and individuals ultimately require constant care; and

"Whereas, The psychological stress associated with providing prolonged custodial care, and the financial burden resulting from custodial care at home and in institutions can disable whole families, as well as the victims; and

"Whereas, Caregivers often prolong custodial care at home due to financial considerations and threaten their own emotional, physical and mental well being, as well as the safety of the victims; and

"Whereas, To the extent that caregivers suffer emotional, financial and physical impoverishment, public costs are increased when the result is two recipients of aid and services instead of only one; and

"Whereas, The costs of custodial care in California alone are estimated at $20,000 to $40,000 per year, per patient, and are not covered by private health insurance policies; and

"Whereas, The costs of custodial care are not reimbursed under Medicare; and

"Whereas, Medicaid coverage is only available when the family has been impoverished and meets strict eligibility requirements; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to support and enact legislation to amend Title XVIII of the Social Security Act, as amended, regarding health insurance for the aged and the disabled, to allow reimbursement under Medicare for care provided persons with chronic brain disorders; and be it further

"Resolved, That legislation be enacted to amend Title XVIII of the Social Security Act, as amended, to allow for reimbursement under Medicare for custodial care at home and in institutions for persons suffering from chronic brain disorders; and be it further

"Resolved, That legislation to amend Title XVI of the Social Security Act, as amended, Supplemental Security Income for the Aged, Blind and Disabled, be enacted to eliminate the requirement of a "spend down" of assets in order to be eligible for income maintenance programs such as SSI/SSP, when a spouse becomes permanently and severely brain damaged; and be it further

"Resolved, That legislation to commit federal funding and resources in the study of the causes, treatment and cure of chronic brain disorders, such as Alzheimer's disease be enacted; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-31. A resolution adopted by the Commission on the Aging urging Congress to remove the Social Security Trust Funds from the general fund to a special fund of its own; to the Committee on Finance.

POM-32. A petition from a Citizen of Concord, New Hampshire relating to Social Security and Medicare; to the Committee on Finance.

POM-33. A resolution adopted by the St. Petersburg Woman's Club relating to social

security versus illegal aliens; to the Committee on Finance.

POM-34. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance.

"ASSEMBLY JOINT RESOLUTION No. 101

"Whereas, The computer software and high technology industries constitute significant assets of the economy of the State of California, providing employment to hundreds of thousands of its citizens; and

"Whereas, These industries have previously flourished, in part, as the result of a sensible federal tax policy which has permitted them to deduct the costs of developing software in the same manner as research and experimental expenditures that fall within the purview of Section 174 of the Internal Revenue Code of 1954; and

"Whereas, This previous tax policy, as enunciated by the Internal Revenue Service in Revenue Procedure 69-21, will be reversed by the Internal Revenue Service's promulgation on January 21, 1983, of proposed amendments to Regulation 1.174-2, which would generally deny to computer software development costs the federal tax treatment accorded to research and development expenditures; and

"Whereas, Those proposed regulatory changes will have the direct effect of singling out the software and high technology industries for increased federal tax liability; and

"Whereas, Those proposed regulatory changes will have a significant deleterious impact upon those industries, which are already burdened by a heavy dependence on borrowed capital; and

"Whereas, Those requlatory changes will inevitably force those industries to reduce their research and development expenditures, expenditures which represent a significant factor in permitting them to effectively compete in an ever-changing world market; and

"Whereas, The reduction of those expenditures will most assuredly threaten or eliminate the present technological lead that those industries operating within the United States concurrently enjoy in the world market; and

"Whereas, The foregoing results would quite likely force the software and high technology industries to relocate their operations outside the United States, with the consequential loss of thousands of jobs of citizens of this state and nation; and

"Whereas, The provisions of Section 174 of the Internal Revenue Code of 1954 indicate a federal tax policy in favor of encouraging research and development activity by businesses generally, including the software and high technology industries; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the Internal Revenue Service to rescind its proposed amendments to Regulation 1.174-2 in favor of the adoption of regulations or guidelines which would permit the deduction of computer software development costs for federal income tax purposes in the same manner as permitted for other research and experimental expenditures; and be it further

"*Resolved,* That the Legislature of the State of California respectfully memoralizes the President and the Congress of the United States, in the event that the Internal Revenue Service does not rescind those proposed regulatory amendments, to immediately enact and implement tax legislation which would clearly enunciate that computer software development costs are to be treated as research and experimental expenditures for federal income tax purposes; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-35. Joint resolution adopted by the Legislature of the State of California; to the Committee on Finance.

"ASSEMBLY JOINT RESOLUTION No. 113

"Whereas, More than 4 million Californians are over the age of 60, and more than 2.5 million Californians are over the age of 65; and

"Whereas, More than 3.1 million Californians who are aged or disabled, or who are survivors or dependents of persons eligible for Social Security benefits, depend for their survival on the Social Security System; and

"Whereas, The National Commission on Social Security Reform will present a report and recommendations to the President and Congress on or before the end of this year; and

"Whereas, The solution to the problem of containing costs should not be future cuts in benefits provided by the Social Security System; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature respectfully memorializes the President and the leadership of the Congress of the United States to assure the senior citizens of this state and this country that no efforts will be made to enact major changes in the benefit or financing structure of the Social Security System in this session of Congress, and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-36. A resolution adopted by the Los Angeles County Board of Supervisors joining the President in observance of Peace through Strength Week; to the Committee on Foreign Relations.

POM-37. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION No. 58

"Whereas, Since 1948, approximately 89 nations have become parties to the Genocide Convention, including three of the permanent members of the United Nations Security Council (France, the United Kingdom, and the Soviet Union); and

"Whereas, The United States actively participated in drafting the terms of the convention and in securing its adoption by the United Nations General Assembly, and although the Genocide Convention was signed for the United States by President Truman on December 11, 1948, the convention has, nonetheless, never been ratified by the United States Congress; and

"Whereas, President Kennedy in 1963 and President Johnson in 1965 made statements in support of ratification; the late Chief Justice of the United States Supreme Court, Earl Warren, advocated ratification in 1968; President Nixon in 1970, joined by the Attorney General and Secretary of State, urged ratification; the Foreign Relations Committee reported the Genocide Convention to the Senate in 1970 with a recommendation that it be ratified subject to three understandings and a declaration, and this recommendation was repeated to the Senate in 1971, 1973, and 1976; the House of Delegates of the American Bar Association voted in 1976 to support the Genocide Convention; and in 1977 President Carter advised ratification; and

"Whereas, Provisions of United States law specifically support human rights, for example, subdivision (a) of Section 2151 of Title 22 of the United States Code which reads, in part, "The Congress declares that the individual liberties, economic prosperity and security of the people of the United States are best sustained and enhanced in a community of nations which respect individual civil and economic rights and freedoms . . ."; and

"Whereas, Federal courts have referred to the usage and practice of the United States in determining whether certain acts are in violation of international law and, for example, in the 1980 case of Filartiga v. Pena-Irala, a torture suit, the Second Circuit referred to a Department of State report which said "There now exists and international consensus that recognizes basic human rights and obligations owed by all governments to their citizens . . ."; and

"Whereas, In spite of all this, the United States has failed to fulfill the obligation owed to its own citizens by ratification of the Genocide Convention even though the various issues raised in Senate debate since 1949 have been adequately resolved or satisfactorily addressed, and it is now time for the United States to join with the world community in officially recognizing that genocide is a heinous proscription of universal human rights; now, therefore, be it

"*Resolved,by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to support and ratify the Genocide Convention; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-38. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION No. 54

"Whereas, The citizens of the State of California are concerned about the suppression of political and religious freedoms; and

"Whereas, These same citizens are committed to the preservation of diverse languages and cultures, in addition to our nation's primary language; and

"Whereas, In the Soviet Union the Hebrew language is the only language porhibited by that government; and

"Whereas, Dr. Yosef Begun, a Jew in the Soviet Union, was born, raised and educated in Moscow; and

"Whereas, In 1971, upon applying for emigration to the State of Isarel, Dr. Yosef Begun lost his job and was denied emigration on grounds of "regime considerations"; and

"Whereas, After numerous odd jobs, Dr. Yosef Begun began work as a private Hebrew teacher until he was arrested and exiled to Siberia in an attempt by authorities of the Soviet Union to rid him of his "parasitism"; and

"Whereas, In November 1982, Dr. Yosef Begun was again arrested and scheduled to await trial for the third time; and

"Whereas, Since 1971, Dr. Yosef Begun served five years in exile in Siberia, has been denied return to Moscow and has fought passionately for the right to teach Hebrew and preserve the valuable Jewish culture; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California hereby respectfully memorializes the President and Congress of the United States to take action to secure the release of Dr. Yosef Begun, and to persuade the government of the Soviet Union to permit Dr. Begun to emigrate to Israel; and be it further

"Resolved, That the Secretary of the Senate transmit suitably prepared copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-39. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION No. 38

"Whereas, The New River, which originates in Mexico and flows northward across the International Boundary into California's Imperial Valley, is the most contaminated stream in the United States relative to its flow, a gross public health hazard, and an aesthetically repulsive spectacle to over 40,000 United States residents of communities along the river's course, as well as to visitors from the nearby metropolitan centers; and

"Whereas, Contaminated waters of the New River discharge into the Salton Sea, a condition incompatible with the ecology and the varied public uses of that body of water in one of southern California's most important recreational areas; and

"Whereas, Contamination of the New River is caused by uncontrolled discharegs of raw and inadequately treated sewage, highly toxic industrial chemical wastes, solid wastes, geothermal wastes, leaching from a major garbage dump, slaughterhouse wastes, and other wastes discharged by the municipal government and industries within or near the City of Mexicali in Mexico; and

"Whereas, Contaminating discharges from the vicinity of Mexicali, Mexico, have continued for a recorded period of over 40 years, during which time the city's population has increased to approximately 750,000, while the area has developed into a major industrial center; and

"Whereas, Mexicali's sewer system, which covers only a portion of the city and which includes two pumping stations and treatment lagoons, has not been expanded and improved sufficiently to keep pace with the very rapid growth of Mexicali and its increasing industrial developments, and Mexican authorities have not adequately maintained the facilities so that there are frequent breakdowns; and

"Whereas, In order to elevate New River water quality to standards required for comparable streams in the United States, numerous problems must be addressed, and an explanation of the entire array of problems to be addressed can only be determined following studies by the Environmental Protection Agency in coordination with California state agencies and in cooperation with authorities of the United Mexican States; and

"Whereas, A preliminary indication of the problems to be addressed are as follows:

"(a) Elimination of all point-source discharges of raw sewage into the New River, particularly the eight major sources presently identified.

"(b) Relocation and sewering of unsewered residences situated along the banks of the New River and its tributaries.

"(c) Enforced prohibition against septic tank pumpers discharging their tank contents into the New River system.

"(d) Upgrading and effective operation of pumping plants No. 1 and No. 2 of Mexicali's sewer collection system, so that no raw sewage, under any circumstances, is bypassed into the New River system.

"(e) Replacement of deteriorating sewer pipelines along Mexicali's north and south collectors to eliminate breaks that result in raw sewage discharges into the New River system.

"(f) Upgrading of Mexicali's sewage treatment lagoons to provide a secondary level of treatment.

"(g) Segregation and separate treatment of domestic wastes from toxic industrial wastes presently being discharged to Mexicali's sewer system.

"(h) Prevention of all untreated or inadequately treated industrial wastes from spillage into the New River and its tributaries.

"(i) Prevention, by any means necessary, of the discharge of wastes from slaughterhouses, hog farms, and dairies into the New River and its tributaries.

"(j) Relocation of Mexicali's landfill garbage dump away from the New River and its tributaries.

"(k) Rerouting of geothermal wastewater away from the New River system; and

"Whereas, The quickest and least costly procedures to correct current pollution problems are source-controls within Mexicali, but history confirms that Mexico's federal, state, and municipal governments have been incapable of effectively imposing these controls; and

"Whereas, The President of the United States and the President of the United Mexican States signed an agreement on August 14, 1983, titled "Agreement Between the United States of America and the United Mexican States on Cooperation for the Protection and Improvement of the Environment in the Border Area," Article 8 of which designates the Environmental Protection Agency as the national coordinator for the United States; and

"Whereas, It is the obligation of the United States Government, on behalf of the residents of Imperial Valley, to obtain adequate correction of the gross pollution and contamination of the New River from discharges within the United Mexican States; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to appropriately recognize and declare that a clear and present threat to public health and safety exists in the Imperial Valley of California as a direct consequence of continuing toxic contamination and organic pollution of the New River, originating within Baja California, Mexico, requiring immediate and comprehensive mitigation through cooperative international initiatives; and be it further

"Resolved,

That the President is respectfully requested to immediately direct the Secretary of State and the Administrator of the Environmental Protection Agency, in cooperation with authorities of the State of California, the California Regional Water Quality Control Board (Colorado River Basin Region), and the County of Imperial, to expedite the development of alternative proposals and a recommended plan for halting the flow of contaminants and pollutants in the New River from both Baja California and California sources; and be it further

"Resolved,

That the Congress is respectfully requested to appropriate, and the President is respectfully urged to allocate and direct, sufficient federal funding, staffing, and technical resources for the implementation and completion of an effective water quality control system within the New River watershed, with the active cooperation of the government of the United Mexican States; and be it further

"Resolved,

That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-40. Joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION No. 32

"Whereas, Whales are an integral part of the world's natural heritage and play a vital role in maintaining the productivity of the marine ecosystem; and

"Whereas, Californians and their visitors continue to show their increasing interest in and awe of these amazing marine mammals by undertaking whale-watching trips, which have become an increasingly important part of California's coastal recreation and tourism industry; and

"Whereas, The populations of the great whales have been devastated systematically by commercial whaling, and limited time remains to protect these cetaceans; and

"Whereas, Millions of citizens of the United States and millions of citizens worldwide have demanded an end to the slaughter of whales by commercial whalers; and

"Whereas, The President and Congress of the United States have articulated the deep concern of the American people for the plight to these mammals since 1971 through the passage of protective legislation and by calling repeatedly for a worldwide moratorium on commercial whaling; and

"Whereas, The epochal decision of the International Whaling Commission in July 1982 to halt commercial whaling beginning in 1986 was threatened by the governments of Japan, Norway, Peru, and the Soviet Union, which filed objections to the decision during 1982; and

"Whereas, The Pelly amendment (1971) to the Fishermen's Protective Act of 1967 authorizes the government of the United States to embargo imports of fish products from nations certified by the Secretary of State or the Secretary of Commerce as having taken action that "diminished the effectiveness" of international fisheries con-

servation programs such as International Whaling Commission rulings; and

"Whereas, The Packwood-Magnuson amendment (1979) to the Magnuson Fisheries Conservation and Management Act of 1976 authorizes the government of the United States to cut fishing rights of nations certified by the Secretary of State or the Secretary of Commerce as violating international whaling agreements by 50 percent or more within the 200-nautical-mile Fisheries Conservation Zone of the United States; and

"Whereas, The Pelly and Packwood-Magnuson amendments cannot be implemented until 1986 when the government of the United States can certify that nations are whaling in violation of the International Whaling Commission action; and

"Whereas, Sixty-six United States Senators joined in a letter to the Secretary of Commerce in August 1982, calling for the use of the Pelly and Packwood-Magnuson amendments and "other means available to the United States" to obtain worldwide compliance with the International Whaling Commission decision, and Members of the United States House of Representatives have expressed a similar view; and

"Whereas, The government of Peru withdrew its objection to the commercial whaling moratorium at the July 1983 meeting of the International Whaling Commission, and this action was due, in part, to the intense concern expressed by citizens throughout the world; and

"Whereas, The United States Senate in July 1983 unanimously reaffirmed its commitment to the use of sanctions in order to ensure that the moratorium is implemented effectively; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California joins the United States Senate in respectfully memorializing the Secretary of State and the Secretary of Commerce to use appropriate diplomatic and legal means to achieve worldwide compliance with the International Whaling Commission moratorium decision; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-41. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"ASSEMBLY JOINT RESOLUTION No. 76

"Whereas, Nuclear war is the greatest threat facing humankind; and

"Whereas, Nuclear war would devastate and quite possibly end civilization as we know it; and

"Whereas, The increased growth of nuclear weaponry accelerates the possibility of nuclear holocaust; and

"Whereas, The United States of America and the Soviet Union now both possess sufficient nuclear weapons to destroy each other's country several times over; and

"Whereas, Both the United States of America and the Soviet Union each possess first strike nuclear weapons; and

"Whereas, There is an increasing possibility of accidental nuclear weapon launches; and

"Whereas, A freeze, reduction, and ultimate elimination of nuclear weaponry by all the countries of the world who possess them would vastly improve the possibility for conversion to a peacetime economy thereby creating jobs, rebuilding the United States of America, and shifting revenues into the domestic area; and

"Whereas, The people of the State of California approved a bilateral nuclear weapons freeze initiative in November of 1982; and

"Whereas, The United States House of Representatives demonstrated responsible judgment and acknowledged the will of the people in voting overwhelmingly in favor of a verifiable bilateral nuclear freeze known as HJR 13 on May, 4, 1983; and

"Whereas, A verifiable, bilateral nuclear weapon freeze followed by a verifiable reduction in the number of nuclear weapons held by the countries of the world would eliminate the threat of holocaust, because there is no such thing as limited nuclear war; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Senate of the United States to approve a Senate Joint Resolution which would bring about an arms control objective which would encompass:

"(1) Immediate bilateral cessation to the implementation and deployment of nuclear weapons.

"(2) Development by the United States and the Soviet Union of a plan which would verify a freeze of nuclear weaponry.

"(3) Special regard to weapons which could undermine the stability of a freeze of nuclear weaponry.

"(4) Implementation of a freeze of nuclear weapons, upon which the United States of America and the Soviet Union would work toward a reduction in all nuclear weapons including, but not limited to: missiles, warheads, and delivery systems; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States."

POM-42. Joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"ASSEMBLY JOINT RESOLUTION No. 74

"Whereas, Since 1945, the major objective of the United States National Security policy has been averting nuclear war; and

"Whereas, To achieve this end, the United States' policy has stressed deterrence with the threat and capability of massive nuclear retaliation; and

"Whereas, A broad spectrum of people, including some arms control experts, elected officials, religious leaders, physicians, teachers, and lawyers, among others, now question whether deterrence-based peace can be maintained; and

"Whereas, By the end of this decade, as many as 20 nations will possess the industrial and technical capability to produce nuclear weapons, thereby significantly increasing the probability that a nuclear crisis will occur, either by design or by accident; and

"Whereas, The possibility exists for a third party detonation of a nuclear weapon which could trigger an all-out nuclear war between the superpowers; and

"Whereas, With each new weapons system, there is less time to make decisions whether to deploy or abort such devices during a crisis situation; and

"Whereas, Currently the United States nuclear debate focuses on a bilateral freeze, arms reduction and weapons equality between the superpowers; and

"Whereas, The nuclear debate does not focus on potential causes or sources of nuclear war, tensions, global trouble spots, nuclear proliferation, or future terrorist activity; and

"Whereas, The SALT process has concentrated on limiting each country's weapons stockpile rather than on developing crisis stability; and

"Whereas, Controlling the use of these weapons in a crisis is far more critical than numbers, costs, or technological superiority; and

"Whereas, In June of 1982, President Reagan stated that the United States intends to make specific proposals to the Soviet Union for reducing "the risk of nuclear war arising from uncertainty and miscalculations"; and

"Whereas, There is now an emerging awareness that the greatest threat to peace lies not in the United States and Soviet Union military capabilities, but in their capability for crisis decisionmaking; and

"Whereas, The decreased possibility of launching nuclear weapons is generally supported by government leaders regardless of political party or ideology; and

"Whereas, No existing international framework or mechanism exists for rapidly and accurately determining the origin of a nuclear explosion or controlling the uncertainties in a world of multiple nuclear powers; and

"Whereas, In the event of an actual nuclear weapon crisis situation, an established forum for the United States and the Soviet Union to reduce risks and immediately begin negotiations will greatly secure the safety of the future of peoples of the world; and

"Whereas, United States Senators John Warner, Republican of Virginia; Sam Nunn, Democrat of Georgia; Ernest Hollings, Democrat of South Carolina; and the late Henry Jackson, Democrat of Washington, have introduced a Senate Resolution to establish Mutual Nuclear Risk Reduction Centers in Washington and Moscow; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the President and Congress are respectfully memorialized to propose establishment by the United States and Soviet governments of Mutual Nuclear Risk Reduction Centers to reduce the possibility of nuclar confrontation, whose functions would be as follows:

"(1) To discuss and outline the procedures to be followed in the event of possible incidents involving the use of nuclear weapons.

"(2) To maintain close contact during incidents precipitated by nuclear terrorists, thus facilitating cooperative actions to defuse the incident, and specifically, to avoid the danger that the explosion of a nuclear device by a terrorist group might lead to a nuclear confrontation between the great powers.

"(3) To exchange information on a voluntary basis concerning events that might lead to nuclear proliferation or to the acquisition of nuclear weapons, or the materials, and equipment necessary to build weapons, by subnational groups.

"(4) To exchange information about military activities which might be misunderstood by the other party during periods of mounting tensions.

"(5) To establish a dialogue about nuclear doctrines, forces, and activities; and be it further

"Resolved, That following a period of successful operation of these Mutual Nuclear Risk Reduction Centers, the President and Congress are further respectfully memorialized to either merge into, or establish additionally, a United States-Soviet Union Joint Crisis Management Center dedicated to increasing the decisionmaking ability of governments during a crisis in which nuclear war is threatened and as an ongoing organization which will research the potential causes of war, with the paticipation and cooperation of all nations possessing nuclear capabilities, and develop means of negotiation which both the United States and the Soviet Union can utilize when crises do arise, and whose activities will include:

"(1) Enhancement of crisis management which is the ability the United States, Soviet Union, and all other nations with nuclear capabilities possess to avoid or limit the potential use of nuclear weapons during a crisis.

"(2) Reduction of the risk of nuclear war due to miscalculation or uncertainty.

"(3) Training of leaders to apply conflict resolution techniques in crisis managment.

"(4) Development of a standard operating procedure, standard messages, and specific decisionmaking procedures to be used in a crisis situation.

"(5) Development of accurate detection devices for nuclear detonation anywhere in the world.

"(6) Employment of confidence-building measures between the United States, Soviet Union, and all other nations possessing nuclear capabilities to develop greater trust, including: (a) increasing the warning time in the event of a weapon launch; (b) reducing vulnerability of command, control, and communication ability; (c) upgrading the hotline communication system; and (d) sharing information on weapons that could be used by terrorists.

"(7) Staffing such a center with political and military experts from the United States and Soviet Union, as well as representatives of all other nations possessing nuclear capabilities.

"(8) Working to reduce the possibility of nuclear war and surprise attack through improvement of negotiation skills.

"(9) Better understanding of the reasons of war and the nature of crises; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-43. Joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

"ASSEMBLY JOINT RESOLUTION NO. 75

"Whereas, One of the most critical challenges facing the United States and the Soviet Union is the establishment of peaceful ties and the prevention of hostilities; and

"Whereas, Ties of culture and friendship between our two countries need to be expanded; and

"Whereas, The geat threat to peace between our two nations is the absence of close ties and mutual trust; and

"Whereas, Young people are a nation's greatest resource and its most treasured asset; and

"Whereas, The arms race between the Soviet Union and the United States is a wasteful and counterproductive process which may some day lead to global catastrophe; and

"Whereas, Creative strategies will be necessary if the spiraling production of weapons of war is to be brought under control; and

"Whereas, Congressman Morris Udall has introduced in the United States House of Representatives a resolution requesting the creation of a United States-Soviet Union student exchange for peace program; and

"Whereas, If there were 2,000 Americans in the Soviet Union and if there were 2,000 Soviets in the United States, a nuclear attack between the Soviet Union and the United States would be much less likely; and

"Whereas, If annual exchanges of 2,000 people from each country—part of a massive exchange program paid for by the various governments and private contributions—became an instrument of the foreign policies of the United States and the Soviet Union, a positive cultural force for peace would begin to grow among the participating countries; and

"Whereas, Participants in this program would include children of civic, political, cultural, and other government leaders—men and women representative of the many diverse ethnic, religious, and socioeconomic groups of the United States and the Soviet Union; and

"Whereas, Participants in the program could be housed with private families or in dormitories around the host country for one year, and this program would create an ever-expanding network of personal relationships helping to promote mutual understanding among citizens of the United States and the Soviet Union; and

"Whereas, As the years pass, and with the growth, in participating countries, of the numbers of people whose lives would have been touched by the program, barriers of distrust would break down, making a negotiated resolution of the arms race more feasible; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully urges the United States Senate and House of Representatives to support and approve legislation which would effectuate a student exchange program between the United States and the Soviet Union; and be it further

"Resolved, That the Legislature of the State of California respectfully memorializes the President of the United States to commence negotiations with the Soviet Union which would effectuate an agreement establishing an exchange program; and be it further

"Resolved, That the Legislature of the State of California respectfully memorializes the United States Senate to ratify a treaty with the Soviet Union which may be necessary to bring an exchange program into existence; and be it further

"Resolved, That the Legislature of the State of California respectfully memorializes the Congress of the United States to authorize expenditures necessary to administer such a program should an agreement be reached with the Soviet Union and given the consent of the Senate; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-44. Joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"ASSEMBLY JOINT RESOLUTION NO. 150

"Whereas, The business community in the state of California has long been affected by the way in which the United States Bureau of the Census collects and reports trade statistics. This method relies on the flow of goods through customs districts without regared to the point of origin of exports or the destination of imports, resulting in a highly distorted picture of actual trade patterns; and "Whereas, Exports are attributed to the customs district from which they leave the country. Since a great percentage of those products are sent overseas by air they are likely to leave from Los Angeles International Airport for Asia or from eastern international air terminals for Europe, for example. Goods sent overland to Canada are reported as exports at point along the border. Similarly, the San Diego customs district reports goods moving through the county to Mexico as if they were all San Diego products, and as if they accounted for 90 percent of the area's total export sales; and

"Whereas, The consequences of the persent methodology for cities like San Diego are significant. Government services to communities are often based on this statistical evidence of trade. Banking institutions and other business service organizations may rely on the data to determine their level of community presence. The United States government itself lacks an accurate description of America's trade relationships; and

"Whereas, Current reporting practice is based on the flow of goods through customs districts without regard for the origin of outgoing shipments or the destination of inbound goods; and

"Whereas, A stong possibility exists that the Bureau of the Census will conduct a pilot study to determine the feasibility of collecting and reporting trade data by three-digit zip codes. This would have the effect of more accurately detailing the origin of exports and the destination of imports. The results of a procedure based on three-digit zip codes would be greatly beneficial for the trade promotion efforts not only of the state of California but also of the nation. For the first time the United States would have accurate data on which to base the allocation of resources for trade assistance programs such as marketing, licensing, and export finance; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully urges the United States Bureau of the Census to conduct a pilot project to improve the reporting of United States trade statistics, using a three-digit zip code reporting system and using the appropriate cities in California as the subjects of this study; and be it further

"Resolved, That the United States Congress is respectfully urged to appropriate any necessary funds required by the Bureau of the Census to successfully complete this project; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the Director of the United States Bureau of the Census, to the President and Vice President of the United States, and to each Sena-

tor and Representative from California in the Congress of the United States."

POM-45. A resolution adopted by the General Assembly of the State of Maryland; to the Committee on Governmental Affairs.

"HOUSE OF DELEGATES BILL No. 1097

"CHAPTER NO. 668

(EXPLANATION: Capitals indicate matter added to existing law. Brackets indicate matter deleted from existing law. Italic indicates amendments to bill. Bold brackets indicates matter stricken from the bill by amendment or deleted from the law by amendment.)

"AN ACT concerning Susquehanna River Basin Commission—Revenue Bonds, for the purpose of amending the Susquehanna River Basin Compact to eliminate a 6 percent ceiling on the interest which may be charged on revenue bonds issued by the Susquehanna River Basin Commission; **[**authorizing the Commission to set an interest rate at the time of issuance of its bonds,**]** *allowing the Commission to determine the rate of interest of certain bonds; generally relating to the elimination of provisions of the Compact concerning a 6 percent ceiling on the interest of certain bonds;* and requiring certain actions prior to this Act taking effect.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That the Laws of Maryland read as follows:

ARTICLE—NATURAL RESOURCES

"Bonds shall bear interest at **[**a**]** SUCH rate [of not to exceed six percent per annum,] *AS THE COMMISSION DETERMINES* payable annually or semiannually **[**PER ANNUM TO BE DETERMINED BY THE COMMISSION AT THE TIME OF ISSUANCE OF ITS BONDS OR OTHER OBLIGATIONS.**]**

"The commission may fix terms and conditions for the sale or other disposition of any authorized issue of bonds[. The commission] AND may sell ITS BONDS at less than their par or face value[, but no issue of bonds may be sold at an aggregate price below the par or face value thereof if such sale would result in a net interest cost to the commission calculated upon the entire issue so sold of more than six percent per annum payable semiannually, according to standard tables of bond values]. All bonds issued and sold for cash pursuant to this compact shall be sold on sealed proposals to the highest bidder. Prior to such sale, the commission shall advertise for bids by publication of a notice of sale not less than ten days prior to the date of sale, at least once in a newspaper of general circulation printed and published in New York City carrying municipal bonds notices and devoted primarily to financial news. The commission may reject any and all bids submitted and may thereafter sell the bonds so advertised for sale at private sale to any financially responsible bidder under such terms and conditions as it deems most advantageous to the public interest, but the bonds shall not be sold at a net interest cost calculated upon the entire issue so advertised, greater than the lowest bid which was rejected. In the event the commission desires to issue its bonds in exchange for an existing facility or portion thereof, or in exchange for bonds secured by the revenues of an existing facility, it may exchange such bonds for the existing facility or portion thereof or for the bonds so secured, plus an additional amount of cash, without advertising such bonds for sale.

SECTION 2. *And be it further enacted,* That this Act may not take effect until after June 1, 1984 and until a similar Act is passed by the signatory parties to the Susquehanna River Basin Compact; that the federal government, the State of New York and the Commonwealth of Pennsylvania are requested to concur in this Act of the General Assembly of Maryland by the passage of a similar Act; and that upon that event the Governor of the State of Maryland shall issue a proclamation declaring this Act valid and effective."

POM-46. A resolution adopted by the Commission on the Aging urging Congress to support the formal adoption of the National Silver Haired Congress; to the Committee on the Judiciary.

POM-47. Joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary.

"ASSEMBLY JOINT RESOLUTION No. 117

"Whereas, During World War II, approximately 175,000 citizens of the Philippine Islands served with the armed forces of the United States with assurances of United States citizenship in return for this wartime service; and

"Whereas, Many of these Filipino veterans are unable to provide definitive proof of service in the United States armed forces and of their application for United States citizenship during the required application period due to the long lapse of time; and

"Whereas, As a result of this situation, over 1,600 of these Filipino veterans of the United States armed forces are now being threatened with deportation because of the unyielding pursuit of these cases by the United States Immigration and Naturalization Service on grounds of inadequate documentation and other technicalities; and

"Whereas, Most of these persons are now at retirement age or beyond, and the threat of deportation represents a great personal hardship; and

"Whereas, This pursuit of deportation proceedings against these veterans who served in the defense of this country amounts to a great injustice; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to direct that the actions of the United States Immigration and Naturalization Service against these Filipino veterans of the United States armed forces who served during World War II be discontinued forthwith and that appropriate action be taken to grant United States citizenship to these persons; and be it further

"Resolved, That copies of this resolution be transmitted to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the United States Immigration and Naturalization Service."

POM-48. Joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary.

"ASSEMBLY JOINT RESOLUTION No. 136

"Whereas, California has become the home for almost 50 percent of all refugees resettled in the United States, more refugees than at least the next eight most heavily impacted states combined; and

"Whereas, The human services programs of this state, its counties, and municipalities have been severely impacted as a result of this large concentration of refugees; and

"Whereas, The goal of economic self-sufficiency is not the total responsibility of state and local governments; and

"Whereas, Targeted assistance funds have been provided by Congress to alleviate the fiscal and social impact on state and local governments; and

"Whereas, House Resolution 3759 instructs the Office of Refugee Resettlement in the United States Department of Health and Human Services to allocate targeted assistance on the basis of a county's total refugee population, not just those refugees who have been in the United States for three years or less; and

"Whereas, The Office of Refugee Resettlement has ignored this directive and published an allocation formula for the 1984 fiscal year which utilizes targeted assistance moneys to supplement other refugee programs; and

"Whereas, The Office of Refugee Resettlement has proposed limiting the use of targeted assistance solely for the support of employment and employment-related services; and

"Whereas, There are other important services which strengthen the foundations of this population which have fiscal and social impacts on programs such as mental health, health care, criminal justice, and educational systems; now, therfore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature memorializes the President and Congress of the United States and the Secretary of the United States Department of Health and Human Services to take whatever action is necessary in order to withdraw the proposal to utilize targeted assistance funds for refugees in the 1984 fiscal year to supplement other refugee programs; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States and to the Secretary of the United States Department of Health and Human Services."

POM-49. Joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary.

"ASSEMBLY JOINT RESOLUTION No. 144

"Whereas, Raoul Wallenberg, who saved the lives of thousands of Hungarian Jews during the Holocaust, is unquestionably one of the great heroes in the history of the 20th century; and

"Whereas, Born in 1912, Raoul Wallenberg was a member of a wealthy and prominent Swedish family; in 1944, he volunteered to leave neutral Sweden to travel to Nazi-occupied Hungary as Secretary of the Swedish Legation with the rescue of the Jews there as his mission; and

"Whereas, For six months in Budapest, he issued Swedish passports, thus granting immunity to the Jews who possessed them, met with the local authorities in an effort to save as many lives as possible and to delay the course of the "Final Solution" in Hungary for as long as he could, provided housing for many of the people he rescued, and, in the final analysis, was able to save thousands of lives; and

"Whereas, The Soviet Union, in violation of his Swedish diplomatic immunity and of international law, seized him on January 17, 1945, with no explanation ever given for his detention and subsequent imprisonment; and

"Whereas, The fate of Raoul Wallenberg remains unclear, with some unconfirmed reports, as recent as 1980, of his being alive in Soviet prison camps and other recent research which indicates that he may have died in the mid-sixties, after approximately 20 years of imprisonment in the Soviet Union; and

"Whereas, On October 5, 1981, President Reagan signed into law a Joint Resolution proclaiming Raoul Wallenberg to be an honorary citizen of the United States; and

"Whereas, Sponsored in part by Representative Tom Lantos who was a young Hungarian Jew whose life was saved by Wallenberg's heroic efforts, the resolution represents only the second time the United States has granted honorary citizenship; the first was to Sir Winston Churchill; and

"Whereas, The resolution also requested the President to ascertain from the Soviet Union the whereabouts of Raoul Wallenberg and to secure his return to freedom; now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California joins with the United States government in honoring the memory of Raoul Wallenberg in California by naming October 5 of each year as "Raoul Wallenberg Day" and that the Legislature of the State of California respectfully memorializes the President and Vice President of the United States and the Secretary of State and Congress to take whatever actions are necessary to ascertain from the Soviet Union an accounting to the world of the fate of this great humanitarian; and, be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of State, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-50. Joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources.

"SENATE JOINT RESOLUTION No. 49

"Whereas, California has an estimated 300,000 refugees, approximately 40 percent of all refugees admitted into the United States since 1975; and

"Whereas, The refugees who come to the United States have unique needs, such as cultural orientation, an understanding of the Western work habit, and the need for English speaking ability that must be addressed before they can become competitive in the job market; and

"Whereas, The Legislature has both a humanitarian and fiscal interest in seeing refugees become economically self-sufficient as soon as possible; and

"Whereas, The traditional public assistance programs are not designed to take into account, or provide programs to meet, the unique needs of refugees; and

"Whereas, The United States House of Representatives in reauthorizing the Refugee Act of 1980 through the Refugee Assistance Extension Act of 1983 has recognized that alternate programs outside of the current welfare system must be developed to provide cash and medical assistance to needy refugees while their general orientation of America is accomplished; and

"Whereas, The Federal Office of Refugee Resettlement is exploring such program alternatives to be tested in some states and their reauthorization of the Refugee Act of 1980; now, therefore, be it

"Resolved, That the Legislature hereby memorializes the Senate and President of the United States to join with the House of Representatives in order to enact the Refugee Assistance Extension Act of 1983; and be it further

"Resolved, That the Legislature hereby memorializes the Congress and President of the United States to enact provisions allowing for a pilot program in which a state may participate for refugee resettlement of those refugees who would otherwise be eligible for the Aid to Families with Dependent Children program, as well as local general assistance programs. This program should include all of the following:

"(1) A requirement that refugees would obtain federally funded cash assistance and medical benefits from this program, rather than from the state's Aid to Families with Dependent Children program or from county general assistance programs, and that any refugee qualifying for this program would be eligible up to three years from the date of arrival in the United States.

"(2) A requirement that a participating state use the same needs test, sanctions, and appeal procedure for this program that it would use for its Aid to Families with Dependent Children program.

"(3) A requirement that refugees participating in this program shall receive training in English language skills and a familiarization in American life and the Western work habit, if an assessment of the refugee's employability deems these services necessary to make the refugee competitive in the job market.

"(4) A provision permitting the transfer of funds used by a state pursuant to Title IV (a) and Title XIX of the federal Social Security Act (42 U.S.C. Sec. 601 et seq., Sec. 1396 et seq.), in order to defray the costs of providing cash assistance and medical benefits to refugees otherwise eligible for the state's Aid to Families with Dependent Children or Medicaid programs.

"(5) A provision permitting expenditure of federal discretionary funds appropriated to the federal Office of Refugee Resettlement, if funds utilized pursuant to subdivision (4) are not sufficient to fund this demonstration project.

"(6) A requirement that periodic evaluations are conducted regarding the efficacy of the pilot project approach; and be it further

Resolved, That the Secretary of the Senate shall transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in the California delegation."

POM-51. Joint resolution adopted by the legislature of the State of California; to the Committee on Labor and Human Resources.

"SENATE JOINT RESOLUTION No. 40

"Whereas twenty states, including California, have adopted some form of state senior citizen legislative body; and

"Whereas older residents of California and other states have been afforded an opportunity to express their concerns and to promote appropriate interests; and

"Whereas State government lenders, including the California State Legislature, have found these special legislatures to be in the best interests of older and younger residents, alike; and

"Whereas the California State Legislature has found the California Senior Legislature to be an invaluable asset in identifying and meeting the needs of older adults; and

"Whereas State Senior Legislatures have dealt with primarily state-based concerns and have relied upon nationally oriented institutions to promote the national concerns of elders; and

"Whereas the genesis of a national silver-haired congress may provide an important, new dimension for the promotion of elder rights in a legislative mode; and

"Whereas the purposes of a national silver-haired congress would effectively parallel those purposes which are now promoted on an individual state level; and

"Whereas a national congress for older adult concerns would serve as a complement to many organizations now operating on behalf of older Americans; and

"Whereas a national silver-haired congress would serve as a grass roots, nonpartisan, national forum for all older adult concerns, without regard to race, creed, color, national origin or social status; and

"Whereas a national silver-haired congress would provide a nationally visible forum for responsible involvement by older adults in the legislative process resulting in a focal point for the concerns of older Americans; therefore, be it

"Resolved, by the Senate and Assembly of the State of California, jointly, That the Legislature respectfully memorializes the President and the Congress to support and enact legislation which would authorize a national silver-haired congress and offer the use of the national legislative chambers for their convention and deliberations, and be it further

"Resolved, That in the event a National Silver-Haired Congress is established, all efforts will be made to obtain funding from the private sector for support of the activities of that senior legislative body, and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-52. Resolution adopted by the Commission on the Aging urging Congress to amend the Older American Act to permit Area Agencies on Aging serving American Indian populations not receiving direct title VI grants to establish lower age participation guidelines for that population; to the Committee on Labor and Human Resources.

POM-53. Resolution adopted by the Commission on the Aging relating to "Swing Beds" and the Skilled Care Resolution; to the Committee on Labor and Human Resources.

POM-54. Joint resolution adopted by the Legislature of State of California; to the Committee on Labor and Human Resources.

"ASSEMBLY JOINT RESOLUTION No. 73

"Whereas our society today is challenged to recognize that war is obsolete and that we must learn to manage conflict without resorting to violence, because regardless of the origin of the conflict, we risk full-scale

nuclear war amongst the independent nations; and

"Whereas the federal government has four military academies and at least five war colleges whose curricula encompass formal preparations for war, but has not established a single parallel institution to promote peace through nonaggressive means; and

"Whereas we must learn more about the roots of conflict, the stages of development of conflict, and design specific types and innovative methods of intervention before we can effectively manage conflict to assure our survival; and

"Whereas we have an emerging field of knowledge of conflict management which can prevent a total disaster if responsibility for developing and teaching conflict management skills can be centralized, focused, and stimulated; and

"Whereas the Commission on Proposals for the National Academy of Peace and Conflict Resolution has recommended that the National Academy of Peace and Conflict Resolution be established to increase our nation's capability of responding to national and international conflicts and to protect and preserve the life of the citizens of this nation and the world; and

"Whereas, The United States Peace Academy would be a federally chartered nongovernmental interdisciplinary institution dedicated to researching and developing realistic plans towards alleviating global conflict; and

"Whereas the United States Peace Academy, introduced in the United States House of Representatives as H.R. 1249 and in the United States Senate as S. 564, is a bold and crucial step towards effective conflict resolution and ultimately a peaceful environment; and

"Whereas a United States Peace Academy would not weaken the country's defenses, but rather complement existing arms control negotiations and peacekeeping methods; and

"Whereas participation in the academy's programs will strengthen peace efforts at all levels of society, at both public and private institutions, including specialized schools of diplomacy and military training where traditional departmental alignments often impede cross-disciplinary peace education and innovative training in peacemaking skills; and

"Whereas the resolution of conflicts, whether personal, local, national, or international, can best be accomplished by the use of trained personnel, and the systematic use of these skilled peacemakers could save this nation and others countless billions of dollars and untold human suffering; and

"Whereas the Peace Academy's immediate impact would demonstrate that the world's most powerful nation does have a genuine interest in, and commitment to peace; and

"Whereas far beyond the immediate impact will be the long-range effect of the Peace Academy as it attracts students from diverse backgrounds, skills, sectors and nations, trains them in the the rapidly developing social science of conflict resolution, and sends them back to the growing worldwide pool of expert peacemakers, who can identify and alleviate potential explosion points before eruption; and

"Whereas in this way the closed circle of unresolved conflict which breeds more conflict, can be broken, and the spiral directed in a downward course reducing global tension; and

"Whereas one of the United States', as well as the world's, most important issues is the subject of peace; now, therefore, be it

Resolved, by the Assembly and Senate of the State of California, jointly, That the President and Congress are respectfully memorialized to support and implement a National Academy of Peace and Conflict Resolution dedicated to training persons in peaceful conflict resolution techniques; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representative from California in the Congress of the United States."

POM-55. Joint resolution adopted by the Legislature of the State of Maine; to the Committee on Rules and Administration.

"JOINT RESOLUTION ON THE INAUGURATION OF RONALD W. REAGAN AS PRESIDENT AND GEORGE H.W. BUSH AS VICE PRESIDENT OF THE UNITED STATES OF AMERICA

"Whereas, On January 21, 1985, a unique American tradition called Inauguration Day will occur; and

"Whereas following Ronald Wilson Reagan's historical landslide victory, the people of this Nation through a free and open election process have clearly placed their faith, trust and confidence in Ronald W. Reagan and George H.W. Bush; and

"Whereas all Americans sincerely pray that the next 4 years will be years filled with peace in the world and prosperity without inflation at home, and that the direction taken by this administration will continue to bring new hope and meaning for the people of this country; now, therefore, be it

"Resolved: That We, the Members of the 112th Legislature of the great and sovereign State of Maine, now assembled, extend our heartiest congratulations to President Reagan and Vice President Bush on the occasion of their inauguration; and be it further

"Resolved: That a duly authenticated copy of this Joint Resolution be immediately submitted by the Secretary of State to the Honorable Ronald W. Reagan, President of the United States, and Honorable George H.W. Bush, Vice President of the United States, and to each member of the Senate and House of Representatives in the Congress of the United States from this State."

POM-56. Joint resolution adopted by the Legislature of the State of California; to the Committee on Veterans Affairs.

"ASSEMBLY JOINT RESOLUTION NO. 137

"Whereas 44,000 California veterans and eligible dependents receive education and training under Veterans' Administration educational programs, which totalled more than $161,000,000 in monetary benefits in 1983; and

"Whereas the Veterans' Administration's current educational enrollment certification procedure required to be performed by California schools allows veteran students to be certified for complete school years; and

"Whereas this procedure has proven to be between 93 and 95 percent effective in preventing overpayments while providing consistent, timely payment of benefits; and

"Whereas the Veterans' Administration intends to alter this successful system in the fall of 1984 to require term-by-term recertification no sooner than the first day of each school semester, trimester, or quarter; and

"Whereas the two-, three-, or four-fold increase in workload, which, in disregard of the Paperwork Reduction Act of 1980, will create severe hardships for veterans attending college in California through backlogs and long delays in educational benefits payments which the majority of veteran students depend upon to pay for school fees and related expenses; and

"Whereas colleges and universities nationwide have protested to the Veterans' Administration that this new system will multiply their paperwork requirements; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and Congress of the United States are respectfully memorialized to direct the Veterans' Administration to reverse its announced policy of requiring term-by-term recertification of veteran students and to reinstitute its current education enrollment certification procedure by which eligible veteran students are certified for complete school years; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Veterans' Administration."

POM-57. Joint resolution adopted by the legislature of the State of California; to the Committee on Veterans Affairs.

"ASSEMBLY JOINT RESOLUTION NO. 100

"Whereas, the government of the United States, in the interest of international security, has deemed it necessary to place members of its armed forces in Lebanon and on the island of Grenada; and

"Whereas, the armed forces serving on these foreign shores have engaged in combat with hostile forces; and

"Whereas, these engagements have resulted in members of the armed forces being wounded or killed in action; and

"Whereas, the recently enacted Omnibus Tax Reform Act (P.L. 98-369) restricts the eligibility for state-administered veteran home loans such as the Veterans' Farm and Home Purchase Act of 1974, the 'Cal-Vet' program, to veterans with active service before January 1, 1977; and

"Whereas, it has been the policy of the United States government since 1944 to provide members of the armed forces who have served during times of armed conflict with special services and assistance; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and Congress is hereby respectfully memorialized to reinstate the Veterans' Readjustment Benefits Act of 1966, with cost-of-living adjustments, for veterans who have served in the Lebanon and Grenada theaters of operation on or after August 25, 1982, until hostilities cease and the United States armed forces are withdrawn; and be it further

"Resolved, That the Omnibus Tax Reform Act be amended to permit veterans who have been awarded the Lebanon Expeditionary Medal or the Grenada Expeditionary Medal to be eligible for veteran home loans such as provided under the Cal-Vet program; and be it further

"Resolved, That veteran outreach centers and other federally funded counseling services be made immediately available to veter-

ans who have served in the Lebanon or Grenada theaters of operation and to their families; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-58. A concurrent resolution adopted by the general assembly of the State of Iowa; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE CONCURRENT RESOLUTION NO. 4

"Whereas, the State of Iowa, one of the major agricultural states in the United States, is suffering from a financial crisis in agriculture that affects the entire economic health of this state, as well as the economic health of the midwestern and national economies; and

"Whereas, this financial crisis that affects agricultural producers has grown to include the business communities which together form the core of the midwestern economy; and

"Whereas, the factors which created this crisis are beyond the capacity of individuals to manage or control, including sustained high interest rates, declining land values which have eroded farm equity, commodity prices below the cost of production, and successive years of weather-related problems; and

"Whereas, if current economic conditions continue, over thirty-four thousand of Iowa's one hundred fifteen thousand farms current burdened with a debt-to-asset ratio of over forty percent face the likelihood of insolvency within the next two years; and

"Whereas, the value of Iowa's agricultural land plunged by eleven point three billion dollars during 1984, which represents a twenty percent drop in the value of agricultural land in twelve months, the largest single year decrease in price since the depression of the 1930's, and which caps a thirty-seven percent drop in agricultural land value since 1981; and

"Whereas, the value of assets lost in this financial crisis has already negatively affected the machinery market and has forced many farm implement dealers and related agricultural service businesses into bankruptcy; and that an Iowa State University study predicts that equity, net worth, and accumulated wealth of Iowa farms and rural businesses will continue to decline at the current rate of ten billion to twenty billion dollars per year, that the return on farm assets will be lower for 1985 than it was for 1982 and 1983 crops, and that twenty-five percent of Iowa's agriculture-related businesses could fail due to bad debts and high interest rates; and

"Whereas, due to this financial crisis, the Iowa civilian labor force has dropped by over one hundred thousand in population since the beginning of fiscal year 1982; and

"Whereas, the average Iowa farmer recorded a net income loss of one thousand eight hundred ninety-one dollars during 1983, and average United States net farm income dropped to six thousand seven hundred ninety-three dollars which represents an income three thousand four hundred seven dollars below the federal poverty level for a family of four; and

"Whereas, experts expect this crisis to broaden during the immediate weeks prior to the spring 1985 planting season, thus endangering the financial health of farmers, state and federally chartered lending institutions, rural small businesses, and agricultural manufacturers; now therefore,

"Be it resolved by the Senate, the House concurring, That the Seventy-first General Assembly of the State of Iowa declares Iowa to be in a state of economic emergency due to an agricultural depression; and

"Be it further resolved, That the Congress of the United States be requested to immediately hold local and statewide hearings involving the United States Department of Agriculture and federal credit officials to examine the current crisis and to determine the immediate actions necessary to alleviate this crisis, and Congress is further requested to use the 1985 federal farm bill to restructure the financial burden currently facing agricultural producers and businesses; and

"Be it further resolved, That the General Assembly of the State of Iowa calls upon the Governor of the State of Iowa to use the powers of the executive branch to address this state of economic emergency brought on by this agricultural depression, however, the passage of this resolution shall not trigger the provisions of section 654.15; and

"Be it further resolved, That the Secretary of State is directed to send copies of this resolution to the President of the United States, the Governor of the State of Iowa, the Speaker and Clerk of the United States House of Representatives, the President and Secretary of the United States Senate, the Chairperson of the Senate and House of Representatives Agriculture Committees, the Secretary of the United States Department of Agriculture, each member of the Iowa Congressional Delegation, and legislative leaders of states in the midwest."

POM-59. Joint resolution adopted by the legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE JOINT RESOLUTION NO. 51

"Whereas, the Mexican fruit fly is a voracious pest whose principal hosts are apples, apricots, avocados, grapefruit, nectarines, oranges, peaches, pears, and plums; and

"Whereas, a statewide infestation in these crops could annually cost as much as $87 million in crop losses and an additional $20 million in spray costs per year; and

"Whereas, an infestation of this pest would be detrimental to the state, causing in addition to serious commercial crop damage, the destruction of gardens and parks; and

"Whereas, the Mexican fruit fly is a constant threat to California having caused an infestation in 1954 which was eradicated in southern San Diego and Imperial Counties; and

"Whereas, an infestation of this fly has been found in Los Angeles County in 1983, which eradication costs are expected to be between $2 million to $3 million through the summer of 1984; and

"Whereas, if the Mexican fruit fly were established in California, an additional 2 million pounds of pesticides would be put into the environment annually to control it; and

"Whereas, the use of sterile fruit flies is a proven integrated pest management tool which can possibly eradicate small populations of Mexican fruit flies; and

"Whereas, sterile Mexican fruit flies were not available for the Los Angeles area infestation because insufficient rearing facilities exist; and

"Whereas, the United States Department of Agriculture's (U.S.D.A.) sterile Mexican fruit fly production center in Monterey, Mexico does not have the capacity to produce sufficient numbers of sterile flies for California's potential future needs; and

"Whereas, the U.S.D.A. is planning to construct a permanent sterile fly rearing facility by July, 1985, at its Mission, Texas site for the purposes of eradicating or suppressing a Mexican fruit fly infestation in the Rio Grande Valley or eventually creating a buffer zone across the Mexican border; and

"Whereas, since Americans are a highly mobile society and since the Mexican fruit fly heavily infests the northern portions of Mexico along our border, it is reasonable to assume that California will again experience Mexican fruit fly outbreaks; and

"Whereas, significant numbers of residents in densely populated areas have expressed concern about possible health effects associated with the aerial spraying of pesticides to eradicate the Mexican fruit fly; and

"Whereas, the California Department of Food and Agriculture is contracting with the United States Department of Agriculture to provide funding to maintain the interim Mexican fruit fly rearing facility, to investigate mass rearing techniques, and to provide sterile flies to California in case of another outbreak; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That California's contribution to this proposed joint federal and state sterile fly rearing center would be its share of the costs to maintain the facility with the understanding that California would receive top priority on sterile fly production during any eradication effort within California; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the United States Secretary of Agriculture and to each Senator and Representative from California in the Congress of the United States."

POM-60. Joint resolution adopted by the Legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

"ASSEMBLY JOINT RESOLUTION NO. 132

"Whereas, Agriculture is California's most important industry, with economic impact on the entire state; and

"Whereas, California is the nation's leading agricultural state producing more than 250 different food and fiber commodities; and

"Whereas, Many past federal farm programs have not been successful in meeting marketplace realities and in solving problems of surplus production; and

"Whereas, There is a need to fashion a federal farm bill that addresses regional needs and focuses on a strong comprehensive national agricultural policy that benefits both the consumer and the farmer; and

"Whereas, California's unique array of specialty crops presents this state with a different set of domestic and international problems than the rest of the nation; and

"Whereas, These factors result in California agriculture having specific problems and circumstances that should be adequately addressed in the federal farm bill; and

"Whereas, The Chairman of the Committee on Agriculture of the United States House of Representatives held a field hearing in California and received testimony from this state's residents on the unique problems facing California agriculture that

should be addressed in the 1985 federal farm bill; and

"Whereas, A new federal farm act will be drafted and adopted in 1985; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to recognize this state's needs in the 1985 federal farm bill; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the Chairman of the Committee on Agriculture of the United States House of Representatives and to each Senator and Representative from California in the Congress of the United States."

POM-61. Joint resolution adopted by the Legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

"SENATE JOINT RESOLUTION NO. 50

"Whereas, The United States Department of Agriculture has announced its intention to initiate a federal legislative proposal which would materially change the way certain timber-related revenues are distributed among counties of states containing federal forestlands; and

"Whereas, Under current law, when timber is harvested from federal land by private entities, the public revenues derived from that harvesting are allocated between the federal government and an individual state government on a 75-25 percentage basis, with the 25 percent state share being apportioned to the counties of the state containing federal forestlands; and

"Whereas, The Department of Agriculture's proposal would alter this existing system by permitting individual counties to assess and tax the federal government on its timber holdings as if it were a private sector entity, thereby causing some counties to realize increased revenues while at the same time causing other counties to suffer a significant reduction in revenues; and

"Whereas, This potential disparity in county revenue expectations would result from the fact that the proposed system would penalize those counties in which the federal forestland activities conducted are principally the harvesting of timber and would benefit those counties in which the activities conducted are principally those not associated with harvesting, such as recreational activities; and

"Whereas, Most of the counties of northern and central California contain substantial federal forestland acreage which is heavily harvested, thus presently producing a significant source of income for those counties; and

"Whereas, The enactment of legislation of the type proposed by the Department of Agriculture would have a disastrous effect upon that income, thereby creating a severe fiscal crisis for those affected California counties; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Secretary of the United States Department of Agriculture not to proceed with that legislation proposed by the department which would provide for the local taxation of federally-owned forestland; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Secretary of Agriculture, and to the Chief of the Forest Service."

POM-62. Joint resolution adopted by the Legislature of the State of California; to the Committee on Banking, Housing, and Urban Affairs.

"SENATE RESOLUTION NO. 8

"Whereas, Public transportation is an integral part of the economic viability of urban America and is critical to the economy and particularly critical to the economic growth and development within the metropolitan areas of the State of California; and

"Whereas, Municipalities in our our state have made fiscal commitments in partnership with the state to the improvement of urban transportation through bus and rail programs which require and are eligible for matching federal financial support; and

"Whereas, The Director of the United States Office of Management and Budget has proposed to the President of the United States the elimination of the Urban Mass Transportation Administration (UMTA) and all operating subsidies to mass transit agencies and recently has attempted to prohibit the use of the penny gas tax mass transit trust fund revenues for the capital support of new start mass transit rail systems; and

"Whereas, The implementation of these proposals concerning urban mass transportation will result in higher transit fares, a drastic reduction in the level of transit service within the State of California, higher unemployment, restricted mobility of our citizens and restricted accessibility to the business and employment centers of our urban communities, lower revenues for major businesses and correspondingly reduced taxes to the state, and impairment of private and public development plans which would stifle the state's economic recovery plans for its urban areas; and

"Whereas, The President has the power to insure that these proposals to eliminate UMTA are not implemented or included in the next federal budget; and

"Whereas, The Congress of the United States has authorized and appropriated sums of money to support urban mass transportation programs in the State of California and specifically through the Surface Transportation Assistance Act of 1982 (P.L. 97-424), as amended, has dedicated a part of the federal gasoline tax to be used specifically for these programs; now, therefore, be it

"Resolved by the Senate of the State of California, That it respectfully memorializes the President and Congress of the United States to do all the following:

"(1) Continue support for the planned mass transit rail projects within the State of California.

"(2) Continue to support the provisions of operating subsidies for the eligible mass transportation agencies in the State of California.

"(3) Support the Congress of the United States and its appropriation of public funds for public mass transportation improvements in the State of California; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

POM-63. Joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"SENATE JOINT RESOLUTION NO. 37

"Whereas, On June 23, 1894, the International Olympic Committee was established by Baron Pierre de Coubertin to encourage the organization and development of sport and international sports competition; and

"Whereas, The Olympic spirit has continued since then to promote and strengthen friendship among sportsmen and women of all nations; and

"Whereas, It remains the aim of the international Olympic community to ensure the regular celebration of the Games, and to make the Games ever more worthy of their proud history and high idcals; and

"Whereas, In these times of increased international tensions, we need, more than ever, the spirit of Olympic friendship and people-to-people diplomacy; and

"Whereas, The goals of the Olympic movement have been brilliantly realized by the Games of the XXIIIrd Olympiad; and

"Whereas, The people of California and the host city of Los Angeles have warmly welcomed Olympic teams from 140 nations; and

"Whereas, The Los Angeles Olympic Organizing Committee (LAOOC) has enjoyed the excellent leadership of its President, Peter V. Ueberroth; its Chairman, Paul Ziffren; and its Executive Vice-President, Harry L. Usher; and

"Whereas, The LAOOC has painstakingly administered a budget of $500 million, all of it derived from private sources, and has skillfully coordinated the activities of approximately 50,000 volunteers; and

"Whereas, The excellent performance of the 597-member U.S. Olympic Team has done much to rekindle American pride, and the spectacular staging of the games has done credit to the tradition of the Olympic Games as a celebration of sport and an effort to unite the youth of the world in peace; now, therefore, be it

"Resolved, by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California salutes the athletes of the Games of the XXIIIrd Olympiad, the Los Angeles Olympic Organizing Committee, the spectators who came from all parts of the globe, and the people of California for the parts all of them have played in making the 1984 Summer Olympic Games and outstanding success; and be it further

"Resolved, That the Legislature urges the President and Congress of the United States to reaffirm our nation's appreciation of the Games of the XXIIIrd Olympiad by appropriately recognizing the achievements of the United States Olympic Team and the Los Angeles Olympic Organizing Committee; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Los Angeles Olympic Organizing Committee."

POM-64. Joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION NO. 114

"Whereas, One of the most significant issues facing California air transportation in the coming decade will be the decay of the

state's public use airport system and the need to secure adequate, long-term funding to preserve and enhance the existing airport syatem; and

"Whereas, Thirty-eight percent of California's airports will reach or exceed their original design life within 10 years; and

"Whereas, This figure will increase to 80 percent in 15 years; and

"Whereas, Current state and federal airport aid programs may be able to maintain or rehabilitate only 20 percent of the affected air facilities; and

"Whereas, Without adequate funding, 170 California public use airports will deteriorate to unacceptable levels; and

"Whereas, Funding shortfalls for both air carrier and general aviation airports for the 1984-88 period are projected to be nearly $1.3 billion; and

"Whereas, California accounts for 18 percent of the nation's total air carrier passenger activity, generating in excess of $360,000,000 annually into the Federal Aviation Trust Fund; and

"Whereas, The return to California of federal airport trust funds averages approximately $40,000,000 per year; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President, the Congress, and the Secretary of Transportation to recognize the pending crisis facing California's air transportation system and to take all appropriate action to increase the amount of California aviation tax dollars returned to the state to assist in preserving and enhancing that system; and be it further.

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Transportation, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-65. Joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION No. 140

"Whereas, It has come to the attention of the Members of the Legislature of the State of California that the President and his administration are considering elimination or reduction of certain portions of the National Weather Service; and

"Whereas, Certain functions, such as national defense, law enforcement, protection of our borders, and weather analysis and forecasting are the responsibility of the federal government; and

"Whereas, Fire weather forecasting is as important to California as the hurricane and tornado watch is to the midwest and southern States; and

"Whereas, Fire agencies and agriculture in California and throughout the United States depend upon reliable weather information for public safety and commerce, which has resulted in a significant reduction in violent fire and weather deaths and in savings of an estimated $850 million per year in production costs for farmers and in fire suppression costs for fire control agencies; and

"Whereas, Agriculture is the number one industry in California in terms of cash value and productivity, representing 14 billion dollars in gross production; and

"Whereas, Weather monitoring, data analsis, and forecasting require a well coordinated organization and the facilities to support that organization; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to reconsider elimination or reduction in any part of the National Weather Service; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations, without amendment:

S. Res. 80. An original resolution authorizing expenditures by the Committee on Foreign Relations; referred to the Committee on Rules and Administration.

By Mr. DOMENICI, from the Committee on the Budget, without amendment and without recommendation:

S. Res. 73. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 457.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation:

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be lieutenant

Michael R. Johnson

To be lieutenant (junior grade)

John T. Lamkin

To be ensign

Michael S. Abbott	Alan K. Harker
Emily Beard	Jennifer A. Hill
Catherine J. Bradley	Michael K. Jeffers
Michael B. Brown	Scott R. Kuester
Jeffrey S. Cockburn	Kristie L. Miller
Carolyn S. Coho	Catherine A. Montgomery
David A. Cole	JoAnne A. Salerno
Elizabeth A. Crozer	Todd C. Sites
Glenn A. Gioseffi	
Tammi J. Halfast	

Subject to qualifications provided by law, the following officer for permanent appointment in the grade indicated in the National Oceanic and Atmospheric Administration:

To be rear admiral

Charles K. Townsend

(The above nominations were reported from the Committee on Commerce, Science, and Transportation) with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. DANFORTH. For the Committee on Commerce, Science, and Transportation, I also report favorably a list of National Oceanic and Atmospheric Administration nominations which appeared in full in the RECORD of January 21, 1985, and, to save the expense of reprinting them on the Executive Calendar, ask that they lie on the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE (for himself and Mr. HUMPHREY):

S. 503. A bill to amend the Clean Air Act to provide for reductions in acid deposition and sulfur emissions; to the Committee on Environment and Public Works.

By Mr. HATCH:

S. 504. A bill to amend the Civil Rights Act to protect the rights of the unborn; to the Committee on Governmental Affairs.

By Mr. DURENBERGER (for himself and Mr. BENTSEN):

S. 505. A bill entitled the "Maternal and Child Health Preventive Care Amendments of 1985"; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LUGAR, from the Committee on Foreign Relations:

S. Res. 80. An original resolution authorizing expenditures by the Committee on Foreign Relations; to the Committee on Rules and Administration.

By Mr. D'AMATO:

S. Con. Res. 19. A concurrent resolution expressing the sense of the Congress that March 17, 1985, be recognized and observed as "Irish Peace, Justice, Freedom and Unity Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself and Mr. HUMPHREY):

S. 503. A bill to amend the Clean Air Act to provide for reductions in acid deposition and sulphur emissions; to the Committee on Environment and Public Works.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. HATCH:

S. 504. A bill to amend the Civil Rights Act to protect the rights of the unborn; to the Committee on the Judiciary.

ABORTION FUNDING RESTRICTION ACT

Mr. HATCH. Mr. President, President Reagan has continually pricked the conscience of the Nation with regard to the tragedy of abortion. At the outset of his second term, he has

placed this crisis at the top of his agenda. In his Second Inaugural Address, the President observed that America is a compassionate nation "where the old and infirm are cared for, the young and, yes, the unborn, protected * * * ". The morning following his inauguration, the President addressed more than 70,000 citizens who braved some of the most frigid weather in Washington's history to protest the 12th anniversary of the dark day that the Supreme Court created a national right to abortion on demand. Not more than a few days later, President Reagan forcibly emphasized his support for abortion restrictions. In his State of the Union Address, he said:

> The question of abortion grips our nation. Abortion is either the taking of a human life, or it isn't. And if it is—and medical technology is increasingly showing that it is—it must be stopped. It is a terrible irony that, while some turn to abortion, so many others who cannot become parents cry out for children to adopt. We have room for these children; we can fill the cradles of those who want a child to love. And tonight, I ask you in Congress to move this year on legislation to protect the unborn.

In response to this timely plea, I am pleased today to introduce the Abortion Funding Restriction Act. This bill would add a new section 606 to the Civil Rights Act of 1964 to prohibit the use of Federal funds to perform abortions except where the life of the mother would be endangered if the fetus were carried to term. In other words, Mr. President, this bill would replace the annual time-consuming appropriations battles over the Hyde amendment with a permanent statute. As my colleagues are well aware, the Hyde amendment restricts the funding of abortions in the Health and Human Services appropriations bill. This is not a new proposal—indeed its language is virtually identical to the Hyde amendment first attached to the appropriations bill in 1976 and declared constitutional by the Supreme Court in the 1980 case of Harris versus McRae—but it would be significant for the Congress to permanently and unequivocally state that it will not finance a practice that the President notes may well be "the taking of a human life."

OPERATION OF THE ABORTION FUNDING RESTRICTION ACT

As I mentioned, this bill amends the Civil Rights Act of 1964 which prohibits racial discrimination in any State, local, or private program or activity receiving Federal financial assistance. Federal agencies enforce the prohibitions of the Civil Rights Act by conditioning Federal financial assistance on compliance with regulations implementing the ban on discrimination. Any State, local, or private agency which violates title VI forfeits Federal assistance. Thus, this Abortion Funding Restriction Act would bar the use of Federal funds for abortion within the reach of title VI of the Civil Rights Act. Federal agencies would add to their current regulations enforcing the Civil Rights Act appropriate restrictions on abortion funding except where necessary to preserve the life of the mother.

This bill would clearly apply abortion funding restrictions to Medicaid funding. Medicaid funding is clearly Federal financial assistance to the States. Thus, States would be required to attach abortion restrictions to any funds dispersed to hospitals or other medical facilities as payment for services rendered in compliance with the State medical insurance program.

This amendment to the Civil Rights Act has several important benefits: First, it is targeted to the types of funding currently covered by the Hyde amendment and does not represent a departure from current policies restricting funding of abortion; second, it incorporates the funding restriction into an existing and potent enforcement scheme making its implementation easy and effective; and third, it appropriately projects, within the bounds of Federal jurisdiction, the civil rights of the unborn.

I would like to clarify once again that this amendment will operate as the Hyde amendment has operated. It will not eliminate all forms of Federal funding to any hospital that performs an abortion. This is true for two reasons. In the first place, the State, not the hospital, is the entity receiving Federal financial assistance under the Medicaid Insurance Program. The funds received by the hospital or other medical provider are not Federal assistance to the hospital, but payments in compensation for services rendered. Accordingly, the State would be bound not to use any funds to pay for performance of an abortion except when necessary to preserve the mother's life. The hospital, however, would not be a recipient of Federal financial assistance subject to the requirements of title VI. In addition, the language of this bill clarifies that a hospital can still perform abortions that are not paid for with Federal dollars. The bill's language is specific: "No Federal financial assistance shall be used to perform abortions" except to save the mother's life.

CONSTITUTIONALITY

Mr. President, I would like to read the entire text of this bill:

> SEC. 606. No Federal financial assistance shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Now I would like to read the first amendment Congressman HENRY HYDE amended onto the 1977 Labor and Health, Education, and Welfare Departments' appropriation bill:

> None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Except for the slight difference in descriptive terms necessary to conform to the terminology of the Civil Rights Act of 1964, the language of these two measures is identical. This underscores my intent to codify permanently the Hyde amendment.

It is clearly within Congress' authority to enact such a funding restriction. A large and convincing number of court cases have demonstrated that there is no constitutional requirement for government, Federal, State, or local, to provide funding for abortions. I would like to discuss a few of these decisions which are unique in their consistency.

In 1977, the Court decided in the case of Beal versus Doe that there is no federally imposed mandate upon the States to provide funds for nontherapeutic abortions. The Court reasoned that nothing in the Social Security Act's title XIX suggests that participating States are required to fund every medical procedure that falls within the delineated categories of medical care. The Pennsylvania law which excluded unnecessary abortions from Medicaid compensation was upheld by the Court. The Justices also ruled that when Congress passed title XIX in 1965, nontherapeutic abortions were generally illegal in most States. Thus the Court stated that Congress could not have intended to require funding for what was then a generally illegal act. Finally, the Court held that the State has a valid and important interest in encouraging childbirth throughout a pregnancy.

The same year, the Court heard the case of Maher versus Roe. The Court ruled that the Constitution does not require the States to fund elective abortions. The Court let stand a Connecticut law which required women to obtain a certificate of medical necessity before they could receive funding for their abortions under Medicaid. The two indigent women who sued in the case were not part of a suspect class, the justices held, and thus the necessity rule did not discriminate against them.

The Court stated that:

> This case involves no discrimination against a suspect class. An indigent women desiring an abortion does not come within the limited category of disadvantaged classes so recognized by our cases.

Moreover, the law did not hinder the women's Roe abortion rights since they would be dependent, as before, on private abortion services. Nonetheless, the Court found that the Constitution imposes no obligation on the States to pay pregnancy-related medical expenses of indigent women. As it ruled in the Beal case, the Court said that the Connecticut law was related to the

State's purpose: Encouraging normal childbirth.

In the Poelker versus Doe case (1977), an indigent woman sued the mayor of St. Louis saying the city had violated her constitutional rights by refusing to finance her hospital costs for a nontherapeutic abortion. The Court decided that the Constitution does not require municipalities to provide public hospital services for elective abortions even if they provide those same services for normal childbirth. In the Court's words:

. . . we find no constitutional violation by the City of St. Louis in electing, as a policy choice, to provide publicly financed hospital services for childbirth without providing corresponding services for non-therapeutic abortions.

Citing Maher versus Roe, the Court stated that the Constitution does not prevent a city from expressing a preference for childbirth over abortion, pursuant to democratic processes.

Of all these cases, however, none states more clearly and convincingly the constitutionality of the Hyde amendment and therefore the bill we are examining today, than the case of Harris versus McRae. In 1976, Congress passed the Hyde amendment which significantly reduced the use of Federal funds to finance abortions under Medicaid. Several indigent women sued to challenge the amendment's constitutionality. The Court held that the Hyde amendment was indeed constitutional and was not in violation of the equal protection or liberty components of the fifth amendment's due process clause or the first amendment. In fact, the Court held that, "* * * the Hyde amendment violates no constitutionally protected substantive rights." Furthermore, the Court reasoned that the amendment does not obstruct access to abortions, but only encourages childbirth which is recognized as a valid public interest. Finally, the Court stated that the indigent women involved in the case had no right to financial means to avail themselves of the entire range of protected choices. As the Court observed:

* * * it simply does not follow that a woman's freedom of choice carries with it a constitutional entitlement to the financial resources to avail herself of the full range of protected choices.

It is clearly beyond question that the Hyde amendment and the bill which I am introducing today are constitutional. They both stand upon a long and consistent history of legal decisions which leave no doubt about their constitutional integrity. Passage of my bill will mandate what the Supreme Court has already deemed to be consistent with the supreme law of the land.

CONGRESSIONAL ECONOMY

The Abortion Funding Restriction Act also has the virtue of eliminating the necessity of prolonged debates and fractious filibusters which have accompanied adoption of the Hyde amendment year after year. Invariably the Hyde amendment has been among the last issues resolved each Congress as the Senate attempts to enact a continuing resolution and has consumed time which otherwise might have been used to resolve other vital issues. It seems senseless to spend the Senate's precious time debating and deciding an issue which has been debated and decided consistently year after year in the same manner. Such exercises in futility subject the Senate's honored and traditional procedures to criticism. Since passage of abortion funding restrictions in 1976, the Senate has voted on that same issue 65 times. The ultimate result has always been the same—abortion funding is restricted. I submit that we would be wise to make that decision one more time and put the issue to rest thereafter. This bill accomplishes that objective.

PROTECTING HUMAN LIFE

Without a doubt, the most important reason for supporting the measure I introduce today is to curb the monumental human tragedy which abortion in America has become. In 1973, the Supreme Court ruled in the Roe versus Wade case that women have a constitutionally protected right to abortion. That single decision has given the United States an abortion policy more permissive than every other Nation on the globe with the exception of Communist China which incidentally has done nothing to prevent the practice of female infanticide which has become endemic in that country. Since the Roe decision 15 million unborn babies have been killed as the result of abortion. This figure truly represents a straggering loss of human life. However, this figure seems even more significant when we consider that the 15 million casualties of abortion translates to 1.5 million per year, 4,000 lives lost each day, 170 dead per hour, and one abortion every 20 seconds. By the time I have concluded the remarks I am making now, between 30 and 40 potentially productive and humane American citizens will be denied the basic God-given gift of human life. Even the rate of homicide is lower in the United States where someone is murdered only once every 25 minutes. Today, more babies are lost to abortion than are allowed to live until birth in New York City and the Nation's Capital where we stand now. This frightening figure might apply to our entire Nation if America's permissive abortion policies continue. Indeed, nearly one in every three pregnancies in America is aborted, and the figure is rising.

According to Syska, Hilgens, and O'Hare's "New Perspectives on Human Abortions," chapter 13, abortions performed in the United States have gone from about 100,000 per annum in 1973 to 1.4 million today. These figures are based on information from the National Center for Disease Control. This shocking increase in the incidence of abortion can be attributed to the Roe versus Wade decision. This increase in elective abortions has amounted to more than ten times the total number of American lives lost in all of our wars combined.

This extremely high number of abortions might be justifiable if a large amount of them were performed in order to preserve the health of the mother. This is not the case, however, Dr. Irwin Cushner, who happens to be an advocate of abortion of demand, has stated that only 2 percent of the abortions performed in America are medically necessary. The other 98 percent can be attributed to the inconvenience of incurring a financial burden after the child is born, the bother of interrupting an education, the nuisance of appearing pregnant before one's friends, or the toil of having a baby of the sex which the parents do not prefer. One expert witness, who testified before the Constitution Subcommittee of which I am chairman, might differ with the fact that 2 percent of abortions are medically necessary. Based on his own experiences in administering an estimated 75,000 abortions during his lifetime, Dr. Bernard Nathanson could recall only one case in which the mother's life could reasonably be said to have been at stake.

Many women who choose to have abortions do so saying that the baby is unwanted. We must ask the question, unwanted by whom? Although the mothers of aborted babies obviously do not want them, there are thousands of young couples who, for whatever reason, wish to adopt babies rather than conceive and give birth to their own children. Many of these couples have had to wait years to adopt one child while at the same time millions of potential children they could have brought into their loving homes were destroyed. In my own State of Utah there are nine couples ready to act as parents for every child available for adoption. Why must these people with so much love to offer have to wait so long to give it to so few?

Abortions are not performed exclusively on babies who could not survive outside the womb. Over 15,000 abortions a year are performed after the mother's 20th week of pregnancy. From that point onward, a child could be delivered and might survive on his own. Abortions occur quite late in some pregnancies, through the seventh and eighth months in many cases. Abortions after this point are more accurately described as judicially legalized infanticide. As shocking as it might seem, the U.S. Centers for Disease Control estimate that more than

once every day an abortion leads to live birth. These babies might survive were it not for the use of saline solutions, prostoglandin, and other abortion techniques.

They Hyde amendment has had a significant effect in reducing the horror of abortion. According to figures released by the Department of Health, Education and Welfare, Medicaid financed abortions for the year 1976 amounted to between 250,000 to 300,000. After passage of the Hyde amendment, this number had fallen to 2,328 abortions from February 14, 1978, until the end of that year. The Hyde amendment has had a stunning impact on reducing the number of elective abortions in this country. This is certainly a compelling reason to put the amendment into law.

It is also important to note that abortion does not enjoy the wide public support its boosters claim it does. An ABC News Washington Post poll conducted in 1981 concluded that 66 percent of Americans would not advise abortion as an option for a 15-year-old daughter. Only 23 percent said they would advise abortion, while 11 percent were undecided. The same poll showed that 62 percent of independents thought abortion was morally wrong, as did 64 percent of Republicans and 68 percent of Democrats.

In short, abortion has gone from being a significant problem to a tragedy of national proportions over the last 10 years. I doubt the Supreme Court would have ruled as it did in the Roe case had it known what the human cost of its decision might be. Today we have an opportunity to address the emergency that is facing our Nation through abortion. By passing the Hyde amendment into law we can slow the rising death toll of American abortion victims.

In closing, I would like to urge my colleagues to act quickly to adopt this legislation. May I remind you of what I said a bit earlier. This bill is clearly constitutional. A long, clear, and consistent history of legal cases and decisions has demonstrated that neither the Federal nor State and local governments are obligated to provide funding for nontherapeutic abortions. This legislation undoubtedly falls within the guidelines established by those cases. In addition, Congress has set a precedent in favor of legislation such as what I am introducing today. By voting for the Hyde amendment each year it has been introduced, Congress has set itself on record as favoring restrictions on Federal funding of abortions. Thus, there is prior legislative support for language similar to that we are discussing today. Finally, by passing the Hyde amendment into law, we can at once codify the previous intent of the Congress and the Supreme Court while keeping this controversial issue from being discussed and reexamined ad infinitum every year. By passing this bill, we can settle the issue of public funding for abortion once and for all.

Above all else though, this bill would go far to limit the tragic and unnecessary damage which abortion has inflicted upon our country. Thousands of innocent, unborn babies would gain the greatest benefit possible as a result of this legislation: the chance to live.

By Mr. DURENBERGER (for himself and Mr. BENTSEN):

S. 505. A bill entitled the Maternal and Child Health Preventive Care Amendments of 1985; to the Committee on Finance.

MATERNAL AND CHILD HEALTH PREVENTIVE CARE AMENDMENTS OF 1985

● Mr. DURENBERGER. Mr. President, our health care system must be judged not only on its ability to cure our sickness, but also on its ability to keep us well. The emphasis on prevention—on wellness care—is one of the greatest challenges facing our health care system and the public and private payers of its services.

Those of us committed to maternal and child health know that this is an area where a strategy of prevention will pay off in both social and economic terms. Today, the Institute on Medicine released a study about the medical problems of infants born at 5½ pounds or less. The study, "Preventing Low Birthweight," contains some sobering findings.

First, between 1965 and 1980 we reduced the infant mortality rate in the United States by more than 50 percent. That's an impressive achievement, and the credit is largely attributed to the advances made in neonatal intensive care units.

But there's another side to the coin: Giving infants a fighting chance to be born healthy. Saving a new life before it becomes imperiled. And there, this Nation's record is not so impressive.

In 1981, 6.8 percent of all newborns in the United States were of low birthweight. These babies are nearly 40 times more likely to die during the first 4 weeks of life and five times more likely to die within their first year. They are also at high risk for problems like mental retardation, cerebal palsy, epilepsy, and learning disabilities.

But here's the problem. Between 1971 and 1981, we have reduced the number of low birthweight babies by less than 1 percent. Although we've done a great job of keeping the low birthweight babies alive, we haven't done much to assure that every baby has a chance of being born a healthy weight.

We know the type of woman who is more likely to have a low birthweight child. She is under 17 or over 34. She is likely to be poor, black, and single. She is uneducated, doesn't eat well, and has received little or no prenatal care.

The study points to the effectiveness of targeting comprehensive prenatal care to these high-risk mothers in reducing the incidence of low birthweight babies. Effective prenatal care includes everything from regular medical exams, to nutrition counseling, to education about pregnancy-risk factors like smoking and alcohol abuse.

But many of these poor women simply can't afford the care they need. And although a great many are Medicaid recipients, they cannot get the type of enriched prenatal care services that are most effective.

That's why today I join with my colleague, Senator BENTSEN, in introducing the Maternal and Child Health Preventive Care Amendments of 1985. To take advantage of the best incubator of all, the mother's womb.

These amendments give States the option to provide more comprehensive prenatal services to women on Medicaid. The amendments waive the comparability requirement under Medicaid to allow States to target specific preventive services to pregnant women. Under current law, any additional services provided to any one group must be provided to all Medicaid recipients.

For example, many State Medicaid programs now pay for physician visits but not for services of nurses, nurse practitioners, and similar health care providers. Those nonphysician services can fill many of the needs of pregnant women. My bill would allow States to provide coverage for these services without providing similar coverage to all Medicaid recipients.

States would be encouraged to fund combinations of activities shown to be effective in reducing low birthweight, such as health education, outreach services, nutrition counseling, and smoking cessation and stress alleviation clinics. But most importantly, States will be able to do risk assessments and better manage high-risk pregnancies.

My bill will also help mothers by allowing the States to provide them pregnancy-related services for up to 60 days after the birth of the child. This would include such services as health education and family planning.

Like other preventive measures, prenatal care saves lives. It is also a smarter investment of our health care dollars. And in the real world, filled with growing expenses and finite resources, smarter investment is the name of the game.

In short, we need to spend more money up front to reduce the need for high-cost care. Until we do, more and more children will be laid up in our neonatal intensive care beds. And although the care is excellent, it is also

extremely expensive. At the University of Minnesota the basic charge for neonatal intensive care is $1,250 per day. In 1983, the average cost of care for each admission in the Twin Cities was approximately $19,000.

Needless to say, the high cost care of these infants is part of the proliferation of costly technology that pushes up our health care bill year after year. A bill that is fast approaching 11 percent of our gross national product.

The search for cost-cutting tools has led to some fairly frightening talk. Many are talking about the need to ration health care services. In other words, to decide whose life we should prolong with our scarce dollars, and whose we shouldn't.

Rationing means making a decision about whether or not to keep a very low birthweight baby alive. It is the assessment of quality-of-life criteria for judging the right of certain handicapped newborns to life.

I feel strongly that the solution lies not in rationing but in rationalizing the spending of our health care dollars. That is, to spend each dollar more wisely so we don't have to ration.

This issue was brought before the public very effectively in a recent report by the Minnesota Coalition on Health Care Costs, headed by David Graven. That report pointed out the need to reassess our health care priorities, and to put more emphasis on prevention—including the area of prenatal care.

There is little question that this type of approach both improves maternal and child health, and saves a substantial amount of money. In one demonstration in California, pregnant mothers who received comprehensive prevention services had 50 percent fewer babies born with low birthweights than mothers who did not take part in the project. In addition, for every $1 spent on prenatal care, the State saved $2 Medicaid during the child's first year of life.

In the competitive health care marketplace of the Twin Cities, where over half of the non-Medicare population belongs to health maintenance organizations [HMO's], the incentives for prevention are strong and effective. Over the course of 4 years, the Minneapolis Childrens Medical Center has reduced its length of stay in their neonatal intensive care beds from 17.9 days to 11 days. And while admissions to the neonatal intensive care unit increased by 15 percent, babies born under 1,000 grams had decreased by 7 percent. In addition, through a risk management and prematurity prevention program, one community hospital reduced their NICU utilization by 50 percent at a savings of over $500,000.

We are talking about putting money up front in order to save in the future. And that brings up the one big barrier standing in the way of my bill and other measures of health care reform: the almighty deficit.

Next year the Federal deficit will be $215 billion. By 1990, almost $300 billion if we don't do something soon. Each plump, healthy baby enters the world with a personal debt approaching $10,000.

This kind of deficit cannot be solved by cut-and-paste budgeting. We are stuck in a budget process that doesn't know how to reform, only how to freeze, cut, or increase. There's no room for substantive change. No flexibility for investment in our future.

But every bit of meaningful reform we can achieve knocks another chip off that huge red barrier of a deficit looming ahead of us. With health care we have the knowledge and we have the means to make reform work.

No where is the adage better applied, "An ounce of prevention is worth a pound of cure," than in maternal and child health. We must begin to direct our resources to assure healthy pregnancies. Only then will we begin to bring down the number of low birthweight babies and further reduce our Nation's infant mortality rate. My bill in one small step in the this process. I hope it will launch an all-out effort by both public and private payers to provide coverage to assure the health of our Nation's newborns.●

● Mr. BENTSEN. Mr. President, I am pleased to join my distinguished colleague from Minnesota in introducing the Maternal and Child Health Preventive Care Amendments of 1985. The purpose of these amendments could not be more clear nor more compelling. If enacted, our bill will make it possible for States to expand the scope and duration of health care services to Medicaid eligible women who are pregnant, thereby reducing the risks and costs associated with lack of prenatal care.

Given the broad discretion already permitted States in designing their Medicaid programs, some may ask why a statutory change directed at this particular group is needed. The answer is that through a technicality, Federal Medicaid statutes require the same package of services be provided to categorically needy beneficiaries of all ages—permitting no distinction on behalf of special populations such as pregnant women. Because many States limit the number of physician and hospital visists, and do not make available preventive services such as nutritional counseling and vitamins, women with high-risk pregnancies are not always able to obtain the care they need when it would be most effective.

There is overwhelming evidence that early intervention and careful monitoring of high-risk pregnancies is cost effective. In 1980, a study conducted under the auspices of the Department of Health and Human Services concluded that total annual expenditures in the Nation for hospitalization of high-risk infants in their first year of life amounted to $2.6 billion. Approximately one-quarter of these costs are borne by the Medicaid program.

With comprehensive prenatal care, however, studies have shown that 26 percent of infant deaths among low-income mothers can be prevented, rates of prematurity can be reduced by more than 20 percent, and lifetime impairments such as mental retardation can be sharply curtailed. In a study released today by the National Academy of Sciences, the Institute of Medicine estimates that for every additional dollar spent on prenatal care for high-risk pregnant women, $3.38 would be saved in the first year alone of their babies' lives. Savings are achieved by reducing the percentage of infants born at low birthweight and in need of high-cost hospital care. Other studies report even more dramatic results, with ratios reaching as high as 1:12.

Mr. President, it is time we realigned the priorities of the Medicaid program to encourage more vigorous intervention to reduce the incidence of low birthweight—rather than continuing to focus an unnecessarily large part of our limited resources on high-cost intensive neonatal care. It is foolish and shortsighted to restrict the scope and duration of preventive services for prenatal and pediatric care only to spend millions of dollars for institutionalization that could have been avoided. And it is unspeakably cruel to deny even one infant the care that we know can prevent a lifelong handicapping condition.●

ADDITIONAL COSPONSORS

S. 171

At the request of Mr. QUAYLE, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 171, a bill to provide additional market credit options for developing nations with expanding economies and to expand markets for U.S. agricultural commodities abroad, and for other purposes.

S. 232

At the request of Mr. SYMMS, his name was added as a cosponsor of S. 232, a bill to amend the Internal Revenue Code of 1954 to add a new subsection dealing with exchanges and rentals of names from donor lists and membership lists.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of

the centennial of the Statue of Liberty.

S. 295

At the request of Mr. BOREN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 295, a bill to amend title 38, United States Code, to authorize a service pension of $150 per month for veterans of World War I and for certain surviving spouses of such veterans.

S. 339

At the request of Mr. LAUTENBERG, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 339, a bill to implement the Rule of the Shorter Term in the case of computer programs.

S. 370

At the request of Mr. MELCHER, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 370, a bill to make available supplemental assistance for famine relief and recovery in Africa.

S. 374

At the request of Mr. PRESSLER, the names of the Senator from Louisiana [Mr. LONG] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 374, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations, for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 434

At the request of Mr. D'AMATO, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 457

At the request of Mr. LUGAR, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 457, a bill to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes.

S. 473

At the request of Mr. NICKLES, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 473, a bill to amend the Clayton Act to temporarily prohibit hostile corporate takeovers of domestic petroleum corporations.

SENATE JOINT RESOLUTION 1

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Montana [Mr. BAUCUS], the Senator from New Mexico [Mr. BINGAMAN], the Senator from North Dakota [Mr. BURDICK], the Senator from California [Mr. CRANSTON], the Senator from Connecticut [Mr. DODD], the Senator from Missouri [Mr. EAGLETON], the Senator from Iowa [Mr. HARKIN], the Senator from Colorado [Mr. HART], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Montana [Mr. MELCHER], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maine [Mr. MITCHELL], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Arkansas [Mr. PRYOR], the Senator from Maryland [Mr. SARBANES], the Senator from Illinois [Mr. SIMON], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of Senate Joint Resolution 1, a joint resolution calling for a mutual and verifiable freeze and reduction in nuclear weapons.

SENATE JOINT RESOLUTION 4

At the request of Mr. HATCH, the names of the Senator from Utah [Mr. GARN], the Senator from Idaho [Mr. MCCLURE], the Senator from New York [Mr. MOYNIHAN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Missouri [Mr. DANFORTH], the Senator from Texas [Mr. GRAMM], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 4, a joint resolution to designate the week of March 24, 1985, through March 30, 1985, as "National Skin Cancer Prevention and Detection Week."

SENATE JOINT RESOLUTION 27

At the request of Mr. HATCH, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. EVANS], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 27, a joint resolution to designate the week containing March 8, 1985 as "Women's History Week."

SENATE JOINT RESOLUTION 30

At the request of Mr. BOREN, the name of the Senator from Louisiana [Mr. LONG] was added as a cosponsor of Senate Joint Resolution 30, a joint resolution proposing an amendment to the Constitution of the United States to establish a 10-year term of office for Federal judges.

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nevada [Mr. LAXALT], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. MOYNIHAN, the names of the Senator from California [Mr. CRANSTON], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Concurrent Resolution 4, a concurrent resolution calling on the President to appoint a special envoy for northern Ireland.

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the names of the Senator from Ilinois [Mr. SIMON], the Senator from Oklahoma [Mr. BOREN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. HATCH, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of Senate Concurrent Resolution 16, a concurrent resolution expressing the sense of the Congress that the Job Corps Program is effective and should not be eliminated.

SENATE RESOLUTION 65

At the request of Mr. BUMPERS, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Resolution 65, a resolution commending the Soil Conservation Service.

SENATE CONCURRENT RESOLUTION 19—IRISH PEACE, JUSTICE, FREEDOM, AND UNITY DAY

Mr. D'AMATO submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 19

Whereas the United States of America as a pluralist society is deeply conscious of the contributions made by various ethnic groups;

Whereas March 17 is the traditional observance of Saint Patrick's Day when the contributions of the more than forty million Irish Americans to our society are especially acknowledged and appreciated;

Whereas the continuing conflict, violence, injustice and deprivations of human and civil rights in the six counties of Northern Ireland cast a cloud over Saint Patrick's Day in 1985;

Whereas an end to all violence, civilian and official, must be pursued in order for there to be peace in Ireland; and

Whereas a united Ireland achieved through peaceful means should be supported by the United States as being in our best foreign policy interests: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that March 17, 1985, be recognized and observed as "Irish Peace, Justice, Freedom, and Unity Day."

● Mr. D'AMATO. Mr. President, Mrs. Thatcher's recent address to a joint session of Congress, in which she mentioned the problems of Northern Ireland, once again draws our attention to the conflict and violence which has devastated the six northern provinces of Ireland.

While violence has been sporadic since the division of Ireland in 1921, the brutality has reached unprecedented levels since the late 1960's. The streets of Belfast, Londonderry, and other communities in the region have been stained with the blood of thousands of Irish citizens. In fact, over 2,300 men, women, and children have been senselessly killed and another 20,000 have been seriously injured since 1969, the year that British Armed Forces were again stationed in Northern Ireland.

The seeds of hostility in Ulster are deeply rooted in the soil of discrimination. The Catholic minority in Northern Ireland continues to suffer the effects of discrimination in housing, employment, and political representation. This tension has spawned a variety of paramilitary organizations that have, in time, continued the cycle of violence which has included firebombings, vandalism, street clashes, and senseless killings.

These acts of violence have clearly frustrated attempts to resolve hostilities in Northern Ireland. Under these circumstances, little progress can be made toward a peaceful solution.

As a member of the Congressional Committee for Irish Affairs, I strongly encourage all parties to resolve their differences through peaceful means.

There is a unique bond between the United States and Ireland. The Irish have made significant contributions to the growth and development of our Nation. Today, there are more than 43 million Irish-Americans living in the United States. I am certain they share my utmost hope for a peaceful resolution to the problems of the beautiful nation of Ireland.●

SENATE RESOLUTION 80—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. LUGAR, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 80

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,732,275, of which amount not to exceed $18,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

AMENDMENTS SUBMITTED

AFRICAN EMERGENCY FAMINE AND DROUGHT RELIEF

ZORINSKY (AND OTHERS) AMENDMENT NO. 10

Mr. ZORINSKY (for himself, Mr. ANDREWS, Mr. PRYOR, Mr. EXON, and Mr. FORD) submitted an amendment intended to be proposed by them to the bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; as follows:

AMENDMENT NO. 10

On page 8, after line 16, insert a new title, as follows:

TITLE II—EMERGENCY FARM CREDIT ASSISTANCE

SHORT TITLE

SEC. 201. This title may be cited as the "Emergency Farm Credit Assistance Act of 1985".

FINDINGS AND DECLARATION OF POLICY

SEC. 202. (a) Congress finds that—

(1) agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than any other single industry;

(2) United States agriculture is the world's most productive and the world's largest exporter;

(3) United States agricultural producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

(4) technological developments have greatly increased the capital requirements of agricultural production;

(5) agricultural-related debt has risen from approximately $50,000,000,000 in 1970 to approximately $215,000,000,000 in 1984;

(6) a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of many producers to obtain the credit needed to continue their operations;

(7) it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit making; and

(8) the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations.

(b) It is hereby declared to be the policy of Congress to take such steps as may be necessary to enable United States agricultural producers to obtain adequate credit at interest rates conducive to debt servicing and profit making so as to ensure the Nation of an adequate and dependable supply of food and fiber at reasonable prices.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 203. (a) Congress finds that—

(1) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(2) many financially-stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(3) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(b) The Secretary of Agriculture shall immediately take steps—using authorities of law provided by the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary shall hire additional temporary employees (in addition to those authorized to be hired on February 19, 1985) to meet processing schedules, and shall assign such temporary employees to States (other than those receiving temporary employees under the February 19, 1985, authorization) in proportion to the total number of unprocessed applications on the date of enactment of this title.

COOPERATIVE INTEREST BUY-DOWN PROGRAM

SEC. 204. Effective for the period beginning on the date of enactment of this Act and ending September 30, 1985, the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 350 as follows:

"COOPERATIVE INTEREST BUY-DOWN PROGRAM

"SEC. 350. (a) To assist farmers and ranchers whose debts are restructured by commercial or cooperative lenders, the Secretary shall establish a program to reduce, for one or more years, the commercial or cooperative interest rate that a borrower would otherwise be required to pay.

"(b) Lenders agreeing to reduce the interest rate they would otherwise charge borrowers would be eligible to receive interest reduction payments from the Secretary, subject to such terms and conditions as may be specified by the Secretary.

"(c) To receive interest reduction payments from the Secretary under this section, lenders must agree to reduce the borrower's interest rate by an amount that is equal to, and in addition to, such interest reduction payments.

"(d) Notwithstanding any other provision of this Act, the Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.

"(e) The total amount of funds used by the Secretary in making payments under this section shall not exceed $100,000,000.".

ADDITIONAL LOAN GUARANTEE AUTHORITY

SEC. 205. Section 346 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there shall be made available to be guaranteed under the Agricultural Credit Insurance Fund $1,850,000,000 for loans under the debt adjustment program for guaranteed operating loans established under section 339 of this title on October 19, 1984, as revised and including the changes set out in the Emergency Farm Credit Assistance Act of 1985, in 1985.".

FMHA DEBT ADJUSTMENT PROGRAM: SPECIAL SET-ASIDES OF FMHA INDEBTEDNESS

SEC. 206. The Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 349 as follows:

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised, the Secretary—

"(1) shall provide that, for the purposes of the program, a cash flow for a borrower's operation that shows that anticipated cash inflows during a year are 100 per centum of the year's anticipated cash outflows will be considered a positive cash flow;

"(2) shall permit lenders to qualify for a loan guarantee under the program without requiring that lenders cancel any portion of the total principal or interest outstanding on the existing indebtedness owed by the borrower; and

"(3) shall make guarantees available for up to 90 per centum of the principal and interest indebtedness on each loan guaranteed under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash-flow projection. However, individual borrowers may elect to base their applications for assistance on a cash-flow projection of 110 percent."

CAUTION AND RESTRAINT IN ADVERSELY CLASSIFYING LOANS MADE TO FARMERS AND RANCHERS

SEC. 207. (a) Congress finds that—

(1) high agricultural production costs, low prices for some commodities, and declining farmland values have combined to greatly reduce the income of many agricultural producers and to subject these producers, through no fault of their own, to severe economic hardship and, in many cases, to temporarily impair the ability of such producers to meet loan repayment schedules in a timely fashion;

(2) a policy of adverse classification of agricultural loans—that is, designating such loans as problem loans—by Federal bank examiners under these circumstances could trigger a wave of farm foreclosures and similar actions that would depress land values and the value of agricultural facilities and equipment; and

(3) liquidations of agricultural assets on a broad scale would have a devastating effect on farmers and the banking industry, and on rural United States in general.

(b) Notwithstanding any other provision of law, to guard against improper and untimely liquidations of agricultural assets, the Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans. Examiners shall give due consideration not only to the current cash-flow of agricultural borrowers under financial stress, but also to factors such as loan collateral and ultimate repayment ability. Further, regulatory agencies shall continue this policy for so long as the condition of the agricultural economy and the effects of natural disasters temporarily impair the ability of agricultural borrowers to meet scheduled loan repayments.

(c) Not later than ninety days after the enactment of this title, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve Board shall report to Congress on the actions they have taken to implement this section.

(d) Federal and State financial regulatory agencies shall ensure that examiners, in carrying out their duties, refrain from making adverse classifications with respect to agricultural loans that are restructured under the debt adjustment program established on October 19, 1984, under section 339 of the Consolidated Farm and Rural Development Act, as revised, including the changes set out in this title.

PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

SEC. 208. (a) The Farm Credit Administration shall conduct a study regarding the need for establishment of a fund to be used to insure System institutions against losses on loans or for any other purpose that would assist in stabilizing the financial condition of the Farm Credit System and provide for the protection of borrower capital. In conducting the study, the Farm Credit Administration shall consider the advisability of using the revolving funds provided for in section 4.1 of the Farm Credit Act of 1971 to provide startup capital for any insurance fund and estimate the amount and level of future assessments for System institutions that would be necessary to ensure the long-term liquidity of such an insurance fund.

(b) The Farm Credit Administration shall submit a report containing the results of the study required by this section to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry not later than one hundred and eighty days after the enactment of this Act.

SMALL BUSINESS ADMINISTRATION DEBT ADJUSTMENT PROGRAM

SEC. 209. For the purpose of assisting financially stressed farmers and ranchers, it is the sense of Congress that—to the maximum extent practicable and consistent with existing law—the Small Business Administration should establish a debt adjustment program comparable to the Farmers Home Administration's debt adjustment program established on October 19, 1984, under section 339 of the Consolidated Farm and Rural Development Act, as revised, including the changes set out in this title.

REGULATIONS

SEC. 210. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of sections 203, 204, and 206 of this title as soon as practicable, but not later than fifteen days after the date of enactment of this title.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold an oversight hearing on the fiscal year 1985 budget request on Indian programs on February 27, 1985, commencing at 10 a.m., in room 538 of the Dirksen Senate Office Building. The committee will receive testimony from the Department of the Interior, the Department of Health and Human Services, the Department of Education, and the Department of Housing and Urban Development. Those wishing to testify should contact Peter Taylor, staff director, at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Monday, February 25, 1985, in closed session, to receive testimony on the strategic doctrine,

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DOLE Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, February 25, to hold a hearing on United States Soviet relations and arms control.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ANNIVERSARY OF ESTONIAN INDEPENDENCE

● Mr. DIXON. Mr. President, February 24 was the 67th anniversary of the proclamation of Estonian independence. It is an occasion for us to rededicate ourselves to the struggle for a truly free Estonia.

After the First World War, Estonians founded an independent state. They defended it valiantly when it was attacked in 1920 by the Soviet Union and again in the 1940's when it was invaded by foreign armies.

The ancient culture of Estonia flowered for a generation between the world wars. Self-government brought rapid economic development and a pluralism that embraced ethnic and religious diversity.

Since the end of the Second World War, Estonia has been incorporated into the Soviet Union by force. Its language and culture have been denigrated. Russian has become the official language there. Worst of all, the Soviets have tried to suppress the free exercise of religion by closing churches and imprisoning religious men and women.

Let us not forget the tens of thousands of Estonians who, fleeing Soviet domination, emigrated to the United States. They have contributed to our country in countless ways. Once again, in an atmosphere of freedom and toleration, their ancient culture flourishes and it enriches all Americans.

Today, I reaffirm my solidarity with Estonian Americans and with the embattled Estonians who are subject by force to the Soviet Government. I support the right of Estonia to autonomy and sovereignty and I urge this Nation to continue to withhold diplomatic recognition of the Soviet incorporation of Estonia.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annex referred to in one of the covering letters is available to Senators in the office of the Committee on Foreign Relations, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 15, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-02. This notification replaces Transmittal No. 83-23 and concerns the Department of the Air Force's proposed Letter of Offer to Saudi Arabia for defense articles and services estimated to cost $250 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Lieutenant General USAF, Director.

Attachments.

[Transmittal No. 85-02]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value: Major defense equipment [1] 0; other, $250 million; total, $250 million.

(iii) Description of Articles or Services Offered: Six hundred twenty-nine Mark 12, Mode 4 commercial equivalent "Identification Friend or Foe" systems with installation, spare parts for three years, support equipment, related logistics support, contractor maintenance, training, and a platform survey to determine system requirements.

(iv) Military Department: Air Force (DFB).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending March 31, 1983.

(viii) Date Report Delivered to Congress: February 15, 1985.

POLICY JUSTIFICATION

SAUDI ARABIA—MARK 12, MODE 4 "IDENTIFICATION FRIEND OR FOE" SYSTEM

The Government of Saudi Arabia has requested the purchase of 629 Mark 12, Mode 4 commercial equivalent "Identification Friend or Foe" (IFF) systems with installation, spare parts for three years, support equipment, related logistics support, contractor maintenance, training, and a platform survey to determine system requirements at an estimated cost of $250 million.

This sale will contribute significantly to U.S. foreign policy and national security objectives by helping to increase the security of a friendly country of vital interest to the United States. By enhancing Saudi Arabia's ability to discriminate between friendly and hostile aircraft, the sale also will reduce the possibility of an inadvertent major power confrontation in the region.

This sale will provide the Saudi Arabian military with an upgraded identification capability and improve the overall air defense system within the country. The IFF system will be integrated into air, sea, and ground defense systems to provide identification of friendly aircraft within the Saudi Arabian airspace. The purchase includes 372 systems for the Royal Saudi Air Force, 196 for the Saudi Arabian Air Defense Command, and 61 for the Royal Saudi Naval Forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Teledyne Corporation of Los Angeles, California.

Implementation of this sale may require the assignment of additional U.S. Government or contractor personnel to Saudi Arabia at the time of delivery and installation of the IFF system.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[1] As defined in Section 47(6) of the Arms Export Control Act.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 15, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-17 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter of Offer to the United Arab Emirates for defense articles and services estimated to cost $21 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

Attachments.

[Transmittal No. 85-17]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: United Arab Emirates.

(ii) Total Estimated Value: Major defense equipment,[1] $17 million; other, $4 million; total, $21 million.

(iii) Description of Articles or Services Offered: A quantity of 45 MIM-23B HAWK missiles with applicable publications.

(iv) Military Department: Army (UBR).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending June 30, 1981.

(viii) Date Report Delivered to Congress: February 15, 1985.

[1] As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

UNITED ARAB EMIRATES—HAWK MISSILES

The Government of the United Arabl Emirates (UAE) has requested the purchase of a quantity of 45 MIM-23B HAWK missiles with applicable publications at an estimated cost of $21 million.

This sale will contribute to the foreign policy and national security objectives of the United States by enhancing the ability of the UAE to provide for its own defense. A strong and independent UAE, that is able to defend itself, contributes to the stability of the Middle East. Enhancement of the UAE's defensive capabilities will be an important contribution to mutual interests in the region.

The sale of these HAWK missiles will enable the UAE to respond to hostile aircraft threats upon its sovereign territory with organic air defense forces. This need was validated in the Air Defense Requirements Survey of the UAE conducted by the U.S. Government in 1980. These missiles will replace previously procured missiles which will be expended in training exercises.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Raytheon Corporation of Andover, Massachusetts.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to the United Arabl Emirates.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

SOVIET HARASSMENT OF JEWISH ACTIVISTS AND DISSIDENTS

● Mr. SARBANES. Mr. President, recent months have seen a revived campaign by the Soviet Government to harass Jewish activists and dissidents. A new wave of arrests and persecution has accompanied the lowest level of Jewish emigration in 14 years—a total of only 896 persons in 1984. Two articles which appeared in the New York Times a short time ago comment very eloquently on this disturbing trend, and I ask that they be printed in the RECORD:

The articles follow:

[From the New York Times, Feb. 14, 1985]

CRIME AND PUNISHMENT—THE ORDEAL OF A QUIET SOVIET JEW

(By Anthony Lewis)

BOSTON—He is a computer programmer, 32 years old, described by a friend as "a quiet, contemplative, unobtrusive man." An unlikely person, one might think, to be treated as a threat to the state. But Aleksandr Kholmyansky is a Soviet Jew who cared about his Jewish heritage. His story is instructive.

He lived in Moscow. Last summer he took a trip to the Baltic, to the Soviet republic of Estonia.

On July 25 he was arrested and charged with stepping on flowers in a public park. He was tried and convicted of that offense and sentenced to 10 days in jail.

But he was not released after 10 days. He was held for investigation on the general charge of "hooliganism," including tampering with a mailbox.

In August, police searched the Moscow apartments of five friends of Mr. Kholmyansky's—all, like him, students of Hebrew. The police seized Hebrew books and teaching materials.

On Aug. 29, three officials and a number of policemen searched Mr. Kholmyansky's Moscow apartment, which he shared with his parents. His mother said in a letter that the officials "found" under a cupboard "some items that were not there before the search, including a revolver and bullets." As soon as they made their "discovery," they "stopped the search and left in a hurry."

On Feb. 1, in the Estonian town of Voru, Mr. Kholmyansky was convicted of illegally possessing ammunition and sentenced to 18 months in a labor camp. He was also fined 100 rubles for tampering with a mailbox.

That chronology would be funny if it were not so grim. The feeblest school of secret-police tactics should be able to come up with more convincing imitations of legality than planted guns and charges such as stepping on flowers.

But the real charge, the real point of the crude tactics used against Aleksandr Kholmyansky, is not in doubt. It is part of a new and frightening campaign to suppress Jewish consciousness and culture among the two million or more Soviet Jews.

Mr. Kholmyansky was one of a handful of young Jews who tried to keep alive the teaching of Hebrew. Like the others, he had applied for an exit visa to go to Israel—and since that application, in 1978, suffered much harassment. A visitor to Moscow who met him in 1982 summed up the case as follows:

"He is being made an example of because he had the curiosity to learn Hebrew, the courage to teach it and the audacity to request emigration to Israel."

Many other Hebrew teachers have been arrested in the last year. Yakov Levin of Odessa got three years for defaming the Soviet state. Yakov Mesh of Odessa was arrested for refusing to testify in the Levin trial, so severely beaten that he suffered liver damage, then released in ill health. Yosef Berenshtein of Kiev was sentenced to four years for resisting arrest and has lost an eye after a beating in prison.

Zakhar Zunshain of Riga was sentenced to three years for defaming the state, Aleksandr Cherniak of Kiev to four years for embezzlement, Mark Nepomniashchy to three years for defaming the state, Yuli Edelshtein to three years on a charge of possessing opium.

The indications are of a new turn in Soviet policy. In recent years the authorities have cut Jewish emigration to a trickle. Last year only 896 visas were given, down from a high of 51,000 in 1979. The plight of those who have applied and been turned down—the refuseniks who live in a limbo, without proper jobs, in danger of police oppression—has intensified.

The brutal campaign against Hebrew teachers have even more sinister overtones. It suggests that the authorities want to stifle all Jewish tradition. At the same time there has been a rise in anti-Semitic commentary, including a Tass article last month claiming that "Zionists" helped the Nazis come to power.

One last word on Aleksandr Kholmyansky: He reportedly began a hunger strike last Sept. 13. There is no word of his ending it; the authorities may be force-feeding him.

What can we in the West do about all this? Our power to influence the Soviet state toward humanity is limited, as we have sadly learned. But we can make clear that we know, that we care, that we will not forget.

Soviet officials must understand the price of such behavior. Whatever arrangements the Soviet administration or any U.S. government may try to make with the Soviet Union—arms control agreements, trade—depend in the end on support in Congress and among the American people. Persecution of the kind now going on is a sure way to destroy the possibility of that support.

[From the New York Times, Feb. 14, 1985]

THE PARASITE, BY A MODERN KAFKA

The bureaucratic double bind: it's a game rigged so that officials always win. Here is a classic instance, drawn not from history but from the Soviet Union today. It concerns an outstanding Soviet mathematician, Evgeni Lein.

Under Soviet law, everybody must work or face a prison sentence for "parasitism." But since the state controls employment, it has the power to turn any citizen into a "parasite," which is Mr. Lein's likely fate. He has been unable to obtain even a menial job before a 90-day deadline expires today.

Mr. Lein's real crime is sadly commonplace. In 1978 he applied for a visa to Israel, and on the same day was fired from his job as a senior researcher at Leningrad State University. Accused, implausibly, of assaulting a militiaman, he was sentenced to a labor camp in Siberia. He was released in 1982—into the terrible limbo where thousands of "refuseniks" are dumped.

The British historian Martin Gilbert, in his moving book, "The Jews of Hope," reports in detail on how the Soviet double bind can become a triple, even quadruple bind. When Mr. Lein was told no computer work was available, he asked for a simple job. The response: "No, you have too good an education." Nonetheless, he finally shamed the state into giving him work as an assistant stoker. The roaring boiler impaired his hearing and he was certified for a disability, yet denied a transfer to quieter work. So he quit, provoking a beating last November by four security policemen who wrenched his right hand to stop his writing protest letters.

There's still another twist. Even if there is no job in Leningrad, there is one in this country. Roosevelt College in Chicago has offered Mr. Lein a job teaching his specialty. He need not be a parasite.

The Helsinki Agreement, which the Soviet Union signed, says, "Everyone has a right to leave any country, including his own." And the Universal Declaration of Human Rights, also signed by Moscow, affirms the right of all "to leave any country, including his own and to return to his country." Yet for a Soviet citizen to invoke either pledge is to risk jail, ostracism, beatings and the stigma of being a "parasite." That is the universal bind for Jew and gentile alike in the Soviet Union.●

TRIBUTE TO RICHARD D. DeLAUER

● Mr. NUNN. Mr. President, I would like to pay special tribute today to a senior defense official who left Government at the end of last year to return to private life. From March 1981, to December 1984, Dr. Richard D. DeLauer served with special distinction as Under Secretary of Defense for Research and Engineering [USDRE].

During these years, Dick DeLauer established a reputation for credibility and candor that made him a trusted and valued leader in the formulation of sound, forward-looking defense policies.

As USDRE, Dr. DeLauer served as Secretary Weinberger's principal adviser on scientific and technical matters, basic and applied research, C3I, and atomic energy. In addition, he also served as the Defense Acquisition Executive [DEA], with responsibility for weapons development, testing, evaluation, and acquisition. The citation accompanying the Defense Distinguished Public Service Medal awarded him at his retirement notes, "Dr. DeLauer's tenure as the USDRE and DAE has been marked by significant streamlining of the acquisition process; coordination of the budget process with the weapons systems decision-making process; the strengthening of the U.S. industrial base; and the production of critical weapons systems." I ask that this citation be printed in full following my remarks.

In reviewing Dick DeLauer's many contributions to a strong national defense, I want to draw particular attention to his efforts on behalf of improved NATO defense cooperation. As a former top executive with TRW, Dr. DeLauer was able to apply his considerable "firsthand" management experience to establish innovative industry-to-industry arrangements for weapons coproduction programs. Dr. DeLauer also played a significant role in the formulation of the NATO emerging technologies initiative.

Mr. President, it is with a sense of genuine regret that I bid farewell to Dick DeLauer upon his departure from the Pentagon. As the Senate begins its deliberations on the fiscal year 1986 defense budget, his counsel will be greatly missed.

The citation follows:

CITATION TO ACCOMPANY THE AWARD OF THE DEFENSE DISTINGUISHED PUBLIC SERVICE MEDAL TO THE HONORABLE RICHARD D. DELAUER, UNDER SECRETARY OF DEFENSE FOR RESEARCH AND ENGINEERING

For exceptionally distinguished service and outstanding performance of duty as the Under Secretary of Defense for Research and Engineering, from March 1981 to December 1984. Dr. Richard D. DeLauer has been responsible for DOD scientific and technical matters, basic and applied research, environmental services, the development and acquisition of weapon systems, and those responsibilities assigned the Defense Acquisition Executive. Dr. DeLauer's tenure as the USDRE and DAE has been marked by significant streamlining of the acquisition process; coordination of the budget process with the weapon systems decision making process; the strengthening of the U.S. defense industrial base, and the production of critical weapons systems. His understanding of, and cooperation with, our Allies resulted in significant increases in the progress of co-production programs, and significantly assisted formulation of the Emerging Technologies initiative. Dr. DeLauer played a key role in formulation of President Reagan's five point Strategic Modernization Program announced in October 1981, and his oversight of the programs within this initiative has resulted in production of the B-1B Bomber, and Peacekeeper Missile, as well as the upgrading of our C3 capabilities. These accomplishments have significantly contributed to the progress which has been made in the improvement of our force structure. Dr. DeLauer's extensive management experience, scientific and technical knowledge, and common sense approach to issues has enabled him to lend significant support to Administration initiatives in the defense arena. Through his initiative, demonstrated superior performance and achievement, Dr. Richard D. DeLauer had reflected great credit upon himself and the Office of the Secretary of Defense.●

STAR WARS—THE LEAST CONSIDERED VENTURE OF THE NUCLEAR AGE

● Mr. KENNEDY. Mr. President, the New York Times yesterday published a thoughtful editorial analyzing the shifting rationale underlying the administration's Star Wars initiative, a proposal which the Times characterized as "the most farfetched yet least considered venture of the nuclear age." The editorial considers the four basic arguments made in support of star wars, and finds each wanting.

I want to call to my colleagues' attention to one particularly compelling observation in the editorial, in respose to the contention that star wars is harmless in its current form because it is "just research":

There is nothing wrong with modest research that can discourage the Russians from one day finding profit in renouncing the treaty against missile defense; indeed the treaty envisions such research. But no program proclaimed with trumpets from the Oval Office, described as vital and funded with an initial budget of $30 billion, will be "research" in Soviet eyes.

The mere pursuit of such vigorous planning and testing has to make the Kremlin fear a defense that might actually withstand a small attack. The pursuit of this research, in short, would provoke the Russians to pursue their own provocative defense and to rapidly expand their offense to guarantee penetration of any American shield.

Mr. President, I comment this important editorial to my colleagues and ask that it be printed in full in the RECORD.

The editorial follows:

[From the New York Times, Feb. 24, 1985]

IT'S STILL STAR WARS

President Reagan has a wish about "Star Wars," the new missile defense system to which he gave his energetic blessing two years ago without any public debate whatsoever. "I wish whoever coined that phrase would take it back again because it gives a false impression of what it is we're talking about." And so William Safire reports in proposing a rename-it contest in today's Times Magazine, the Administration is obessed with the research for a name that can make this radical weapons program palatable.

The problem with Star Wars, however, is not semantic. It's conceptual.

The President and his aides have been selling Star Wars on four different, incompatible grounds: (1) It is the only moral defense in the nuclear age. (2) It is only research for our grandchildren. (3) It will soon be useful, indeed indispensable, even if imperfect. (4) It is a proven stimulus to arms control.

All four arguments fail, even the moral one, because a Star Wars defense becomes moral only when it becomes practical. Yet merely pursuing it looks to be highly dangerous.

1. IT'S THE MORAL WAY TO PREVENT NUCLEAR WAR

Mr. Reagan offered one noble rationale when he sprang Star Wars in March 1983. He said he wanted to rise above the ugly reality of defending the United States by threatening the existence of all life on earth. He was therefore ordering the preparation of a foreseeable missile defense that would make the nation and its allies invulnerable, eventually rendering in nuclear weapons useless and dispensable.

The President recognized even then that any defense, it paired with an offense, would be highly provoactive to the Soviet Union, leaving it alone in danger of devastation. But Americans are not aggressive, he said. Besides, once the defense is completed in 20 or 30 years, America would probably offer it to the Russains if they agreed to scrap most nuclear weapons.

When the experts caught their breath, they proved even to the Pentagon's satisfaction that a leakproof, Berlin-to-Tokyo, all-cities defense is impossible. And even if it became possible one day, it would be so horrendously expensive that the Russians could easily damage, destroy or elude the defense at a fraction of the cost.

2. DON'T GET EXCITED, IT'S JUST RESEARCH

So the Reagan loyalists who found it impossible to support the vision of an all-cities defense retreated to a new line. They concede it's a pipe dream to think there will ever be a better defense for New York than the certain threat of destroying Moscow, and vice versa. And they're satisfied that this certainty will last into their grandchildren's lifetimes. But what's wrong, they ask, with a lively search for alternatives?

There is nothing wrong with modest research that can discourage the Russians from one day finding profit in renouncing the treaty against missile defense; indeed the treaty envisions such research. But no program proclaimed with trumpets from the Oval Office, described as vital and funded with an initial budget of $30 billion, will be "research" in Soviet eyes.

The mere pursuit of such vigorous planning and testing has to make the Kremlin fear a defense that might actually withstand a small attack. The pursuit of this research, in short, would provoke the Russians to pursue their own provocative defense and to rapidly expand their offense to guarantee penetration of any American shield.

3. WELL, NOT JUST RESEARCH; WE DO NEED IT NOW

Not just research is what another wing of the Administration argues. These officials don't doubt that deterrence works, either. In fact they say they need Star Wars to *preserve* deterrence.

What if the Russians keep building those big and accurate missiles, they ask, one day

gaining the capacity to use only some of their missiles to knock out all our land missiles and command centers in a single attack?

We would still have all our missile submarines, but they're hard to communicate with, it is said. We'd have bombers and cruise missiles galore, but they're slow and most effective against cities. No Russian leader would be crazy enough actually to order such a surprise attack, these strategists concede. But a Soviet leader might *threaten* one, as a way of trying to exact impossible demands. And a wobbly future President might capitulate to the blackmail, believing that his only alternative was to attack Moscow—thus also dooming New York.

That is the far-fetched and unexamined theory that seems now to be really driving Star Wars. It is the old, discredited "window-down of vulnerability" argument, dressed up with drapes and valances. Star Wars at best is a scheme to defend land missiles, not people. It may also be an unacknowledge scheme to make America the one that can threaten a surprise attack and reap the *benefits* of "nuclear blackmail."

Well, what's wrong with that? One thing wrong is the calculation that the Russians could not keep up with America's defense technology. They surely would, at all costs, and would also build a sure-to-overwhelm offense. And that would drive us into an even more panicky weapons buildup.

Some defense can conceivably bolster deterrence, but only after offenses are shrunken and frozen. And that requires coordinating with the Russians at the outset, not after they start building their own Star Wars. Meanwhile, there are vastly cheaper and less provocative ways to allay anxiety about vulnerable land missiles. Their warheads could be dispersed among more launchers, and launchers could be made mobile, impossible to find.

4. OH, REALLY, IT'S JUST A BARGAINING CHIP AFTER ALL

When the practical arguments start sounding overwhelming, the entire Reagan team reunites on a fourth justification for Star Wars: arms control. Americans may be unimpressed but the Russians are mightily impressed. Why else did they come back to the bargaining table? Why else do they insist that Star Wars be included in the talks that resume next month?

If that is really a serious question, there is a deadly serious answer. The Russians are indeed alarmed at being forced into a ruinously expensive new arms competition that they know will leave neither side safer and probably make the world riskier than before. They are scared of Star Wars for the same reasons that Americans should be. and they must be desperate to learn whether it can still be stopped at a tolerable price.

Can it? The President says nope, Star Wars is not negotiable. He's committed, no matter what. But if it's not practical to defend cities, not necessary to defend missiles, too grandiose to be just research and not even a bargaining chip, what is it? Whatever the President may call it, it's still Star Wars, the most far-fetched yet least considered venture of the nuclear age.●

SOVIET SALT VIOLATIONS

● Mr. SYMMS. Mr. President, I submit for the RECORD two press releases and letters signed by myself and two colleagues on Soviet SALT violations. I also submit another series of letters to be printed in the RECORD.

These materials relate to the important subject of Soviet SALT violations, and I want my distinguished colleague to have these materials available for reference and consideration.

The material follows:

SYMMS SAYS WHITE HOUSE TO REPORT 19 MORE SOVIET ARMS VIOLATIONS

WASHINGTON.—Senator Steve Symms said today that the National Security Council assured Congressional leaders at the White House on Friday that President Reagan will report on 19 more Soviet arms control treaty violations.

The Soviet violations will be in a Presidential Report to Congress, now promised for delivery on Feb. 1.

On Friday, Jan. 4, Symms was joined by Senators Jesse Helms and John East (R-NC) in writing a letter to the president requesting Secretary of State George Shultz to confront Soviet Foreign Minister Andrei Gromyko on Soviet arms control violations. Adding to his statement, Symms said today:

"I am very pleased that Secretary of State Shultz did raise the issue of Soviet violations. Ambassador Ed Rowny confirmed on national television last night that the violations were in fact discussed with the Soviets in Geneva as we requested in our last letter to the President. Former National Security Advisor Brent Scowcroft also concluded on national television that the Soviet violations have now indeed becomes a serious problem for the U.S.; and that the U.S. would have to study possible countermeasures in retaliation if the Soviet refused to end their violations."

The Symms, Helms and East letter to the President stated:

"We commend you for the two reports which you sent to the Senate last year detailing Soviet arms control treaty violations. The first of these was your report of Jan. 23, 1984; the second was the report of the Presidential General Advisory Commission (the so-called GAC Report) which you transmitted on Oct. 10, 1984. Between the two of these reports, you sent notice to Congress of 21 specific Soviet violations confirmed by the Administration.

"Important as these two reports were, we nevertheless believe that there are at least 43 further Soviet SALT violations widely reported in the press which have yet to be confirmed by the Administration.

"We urge you to include in your Feb. 1 report a complete analysis and conclusions with regard to each of the 43 specific and long-standing compliance issues. We feel that the omission of even one of these issues would not be in accord with the McClure-Helms-Symms Amendment, which passed the Senate unanimously on Sept. 22, 1983, on a roll call vote."

Senators Symms, Helms, and East added that a full Presidential report on Soviet arms control violations "would be in accord with the expressed desires of the American people. For many years, public opinion polls have shown that the overwhelming majority of our citizens are convinced already that the Soviets have been violating the arms control treaties."

The 19 violations that will appear in the Feb. 1 Presidential Report to Congress are slightly less than half of the 43 outstanding violations remaining to be reported. The 19 new violations to be reported by the President on Feb. 1 will probably include the following:

1. THE U.S. UNILATERAL DISARMAMENT UNDER SALT I

Soviet failure to deactivate more than 500 strategic nuclear delivery vehicles, in order to come down to the SALT II level of 2,250. The Carter Administration claimed this deactivation to be the *principal* U.S. military benefit from SALT II. This is the most obvious and the most militarily significant Soviet SALT II violation, yet it has never been reported to Congress in two successive Presidential violations reports. The Soviets are not adhering to or abiding by the SALT II Treaty, and they are showing no restraint. Hence they are undercutting it.

2. THE KENNEDY-KHRUSHCHEV VIOLATIONS

Soviet violations of the 1962 Kennedy-Khrushchev Agreement by deployment of offensive nuclear delivery capable weapons in Cuba with *twice* the capability of the missiles and bombers there in 1962. President Reagan himself publicly accused the Soviets of violating the Kennedy-Khrushchev Agreement *twice*, and he was backed up by the Undersecretary of Defense, the CIA Director, and Chairman of the Joint Chiefs of Staff. Even the State Department concedes that on several occasions, the Soviets have violated the "spirit" of the Kennedy-Khrushchev Agreement.

3. SOVIET TRANCENDENCE OF MX

Deployment of 14 warheads on each SS-18, when SALT II allows only 10. This has allowed the Soviets to add more than 2,200 warheads to their Intercontinental Ballistic Missile (ICBM) force during 1984 along, which is more than three times the number of warheads the MX will add to the U.S. ICBM force between 1987 and 1990—if MX is ever deployed. This has resulted in a Soviet ICBM force carrying more than 8,500 warheads, a 4-to-1 numerical advantage over the U.S., and a 6-to-1 superiority, considering Soviet accuracy and megatonnage advantages.

4. ICBM RAPID RELOAD AND REFIRE

Soviet development, testing and exercising the SS-18 ICBM rapid reload and refire capability, to include stockpiling extra missiles and ground support equipment near launch sites, in violation of SALT II's prohibition on ICBM rapid reload capability. Indeed, the Soviets have even given their hot-launched SS-11 and SS-19 ICBMs a refire capability, in addition to their cold-launched SS-17.

5. SOVIET ANTI-BALLISTIC MISSILE (ABM) RELOAD AND REFIRE

Soviet development, testing and deploying of an ABM rapid reload and refire capability, prohibited by the SALT I ABM Treaty.

6. NATIONWIDE ABM DEFENSE BREAKOUT

Soviet testing of Surface-to-Air-Missiles (SAMs) in a prohibited mode—SAM-5, SAM-10 and SAM-12. Former Defense Secretary Melvin Laird and Former Secretary of State Henry Kissinger have both charged this as a violation of the SALT I ABM Treaty. The Soviets are thus preparing for deployment of a nationwide ABM defense, involving ABM Battle Management Radars, plus ABM-mode mobile SAM interceptors and ABM-3 mobile radars, in violation of the SALT I ABM Treaty.

7. SOVIETS INCREASE THE RISK OF NUCLEAR WAR

Soviet violation of the 1971 Agreement to Prevent the Risk of Nuclear War, by jamming U.S. intelligence and early warning systems and failing to notify the U.S. of this

jamming. As the 1984 edition of *Soviet Military Power* states on Page 35: "The Soviets also have the technological capability to conduct electronic warfare against space systems."

"They are doing this," Symms said. "These are acts of electronic warfare in space, and at the very least, should inhibit progress in further arms-control negotiations until the jamming stops."

8. SOVIET BACKFIRE BOMBER EXCESS PRODUCTION

As Undersecretary of Defense Richard DeLauer has testified, production of 35 Backfire Bombers per year for several years, violates Brezhnev's SALT II commitment not to produce more than 30 per year. The late Soviet Premier Kosygin told U.S. Senators on Aug. 20, 1979, that this would be a violation, and that the U.S. could abrogate SALT II if the Soviets did this.

9. ARCTIC BASING OF THE BACKFIRE BOMBER

This basing violates an integral part of SALT II, in which the Soviets pledged that they would not give Backfire an intercontinental radius capability.

10. SOVIET HEAVY SLBMS

Testing and preparation to deploy the SS-NX-23, a heavy Submarine-Launched Ballistic Missile (SLBM) in violation of SALT II's prohibition on heavy SLBMs. Even the Joint Chiefs of Staff believe that this is a Soviet SALT II violation.

11. SOVIETS VIOLATE FIRST STRATEGIC AGREEMENT

Repeated Soviet violations of the 1963 Limited Test Ban Treaty since 1965, continuing through the present. The 1984 venting level was as high as the 1965 venting level.

12. SOVIET SUBMARINE VIOLATIONS

Constructing "Stretch Y-Class" submarines with illegal missile bay sections, which are even longer than the original ballistic missile bay sections; and which have illegal missile tubes penetrating the pressure hull for a prohibited type of long-range supersonic Submarine-Launched Cruise Missile (SLCM). This is a very dangerous Soviet violation of the SALT I Interim Agreement and the 1974 agreed SALT dismantling procedures: it greatly increases the surprise attack threat to U.S. bomber forces.

13. SOVIETS DEVELOP POWERFUL NEW WARHEADS

Additional and recent Soviet violations of the Threshold Test Ban Treaty (TTBT) yield limit of 150 kilotons, such as one on Oct. 27, 1984, and one on Dec. 16, 1984. Another Soviet underground test registering 7.2 on the Richter scale was reported in late December. While the Jan. 23, 1984, Presidential Report listed Soviet violations of TTBT as "likely," this more recent violations provide more evidence allowing a stronger judgment.

14. SOVIET STOCKPILED ICBMS

Maintaining several thousand Soviet stockpiled ICBMs, SLBMs, and SLCMs, and thus circumventing all SALT II ceilings. The Soviets have made preparations not only to rapidly reload ICBM silos, but also to rapidly reload SLBM and SLCM submarines after firing their missiles at sea.

15. SOVIET CAPABILITY FOR NUCLEAR WEAPONS IN SPACE

Keeping 18 SS-9 Fractional Orbital Bombardment (FOBs) ICBMs operational at a test range, in circumvention of the SALT I Interim Agreement constraint on ICBM launchers and prohibition of operational launchers at test ranges. Even the Carter Administration conceded this SALT I violation in its analysis of the SALT II Treaty. This deployment also circumvents the 1967 U.S.-Soviet Treaty banning the orbiting of nuclear weapons in outer space. Moreover, these 18 SS-9 FOBS violate the SALT II Treaty, because they were systems banned by SALT II, and the Soviets agreed to dismantle them.

16. COVERT SOFT LAUNCH ICBMS

Deploying old stockpiled SS-11 ICBMs at Medium Range Ballistic Missile (MRBM) and Intermediate Range Ballistic Missiles (IRBM) soft sites for covert soft launch, in circumvention of SALT I and SALT II ceilings. This was one of the GAC Report's "suspicious events," and it is an important Soviet violation.

17. SOVIET CAMOUFLAGE, CONCEALMENT AND DECEPTION

Increasing Soviet use of large-scale and deliberate strategic camouflage, concealment, and deception, including telemetry encryption and jamming of U.S. telemetry collection capabilities. The Soviet use of submarine berthing tunnels to hide their SLBM submarines is a violation of both SALT I and II impeding verification. Moreover, Soviet flight-testing of their SS-24, SS-25 at *night* with mobile launchers continuously concealed by camouflage violates the SALT II provision that the U.S. must be able to determine the relationship between a new missile and its launcher

18. SOVIET VIOLATION OF PRINCIPLES OF U.S.-SOVIET RELATIONS

Soviet achievement of "unilateral advantages" through their circumvention and violations of SALT I and II. These unilateral advantages violate the 1972 Agreement on Basic Principles of U.S.-Soviet Relations, which is mentioned in the Preamble to the SALT II Treaty as a fundamental element of SALT II.

19. SOVIET SS-20 VIOLATIONS

Soviet deployment of the SS-20, having ICBM-range capability, as a circumvention of both the SALT I and SALT II ceilings on ICBM launchers. In addition, the Soviets falsified their Data Exchange by not including all their SS-20s as ICBMs. Moreover, in early April, 1984, the Soviets launched several SS-20s on a trajectory aimed at the U.S. They failed to notify the U.S. of this launch, which is another violation of the 1971 agreement on the prevention of the risk of nuclear war.

U.S. SENATE,
Washington, DC, January 10, 1985.

THE PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am very pleased that on February 1, 1985, you will be reporting to Congress on 19 more Soviet arms control violations. Enclosed is my recent press release on this subject. I am still hoping, however, that you will be able to report on the full 43 outstandng violations on February 1, 1985, as is mandated by current public law.

With warmest personal regards,
Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

THE PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: In your press conference of January 9, 1985, you were asked whether the U.S. would continue to comply with the unratified SALT II Treaty. You answered:

Well, we have been holding to that and thought it would be helpful in now what we are planning, going forward with (i.e. new negotiations). We have been eliminating some of the older missiles and taking out of service some of the submarines. We will continue on that ground * * * So yes, we feel that we can live within it. Remember, the SALT II is nothing but a limitation on how fast you increase weapons, which is one of the reasons I was in support of a Senate * * * that refused to ratify it.

Mr. President, you have already certified to Congress that the Soviets are violating SALT II in four ways, and Soviet SALT II violations will probably be reported on February 1, 1985. You also stated in your press conference that the Soviets "have a past record of violating agreements." Moreover, the Soviets have added nearly 4,000 ICBM warheads to their forces since SALT II was signed in 1979, some of which violated SALT II limits, while the U.S. has deactivated over 500 warheads.

Mr. President, U.S. unilateral compliance with the unratified SALT II Treaty, in the face of Soviet violations and Breakout, is simply open appeasement. I am therefore compelled to inform you that unless this policy is changed, I will be unable to support MX. Moreover, since the U.S. has complied precisely with the unratified Treaty anyway since 1979, it is our Constitutional duty to seek an early ratification vote on the Treaty we oppose, if only to fulfill the Constitutional requirements. Perhaps it would be interesting to vote on SALT II in the context of Soviet violations and U.S. unilateral compliance and appeasement.

With warmest personal regard,
Sincerely,

STEVE SYMMS.

U.S. SENATE,
Washington, DC, January 10, 1985.

Senator ROBERT DOLE,
The Majority Leader, U.S. Senate, Washington, DC.

DEAR BOB: I am intensely interested in the arms control process, as you know. I noticed that the Senate has recently passed a resolution on arms control negotiations calling for Senate particpation in the process. The President has reportedly consented to allowing a group of Senators to act as advisors to the U.S. Delegation. Accordingly, I request that I be allowed to participate in the group of Senate advisors to the arms control talks.

I thank you for your consideration of my request and am hopeful of its favorable resolution.

With warm personal regards,
Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

Hon. PETE DOMENICI,
Chairman, Budget Committee, U.S. Senate, Washington, DC.

DEAR PETE: I hereby request that urgent hearings be scheduled during February in the Budget Committee on the subject of the

military and budgetary implications of the 21 Soviet violations of arms control treaties now confirmed by President Reagan.

I thank you in advance for your favorable response to this top priority problem.

With warm personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

Hon. RICHARD LUGAR,
Chairman, Foreign Relations Committee, U.S. Senate, Washington, DC.

DEAR DICK: I hereby request that urgent hearings be scheduled during February in the Foreign Relations Committee on the subject of the military and budgetary implications of the 21 Soviet violations of arms control treaties now confirmed by President Reagan.

I thank you in advance for your favorable response to this top priority problem.

With warm personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

Hon. BARRY GOLDWATER,
Chairman, Armed Services Committee, U.S. Senate, Washington, DC.

DEAR BARRY: I hereby request that urgent hearings be scheduled during February in the Armed Services Committee on the subject of the military and budgetary implications of the 21 Soviet violations of arms control treaties now confirmed by President Reagan.

I thank you in advance for your favorable response to this top priority problem.

With warm personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

Hon. TED STEVENS,
Chairman, Defense Appropriations Committee, U.S. Senate, Washington, DC.

DEAR TED: I hereby request that urgent hearings be scheduled during February in the Defense Appropriations Committee on the subject of the military and budgetary implications of the 21 Soviet violations of arms control treaties now confirmed by President Reagan.

I thank you in advance for your favorable response to this top priority problem.

With warm personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

Hon. CASPAR WEINBERGER,
Secretary, Department of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: We are eagerly awaiting publication of the fourth edition of Soviet Military Power in March 1985. We believe that it will be vitally important in our deliberations on the defense budget, and our ability to support your programs, especially the vital strategic modernization program.

Since April 1984, when the third edition of Soviet Military Power appeared, the President has issued a Second Presidential Report to Congress on Soviet arms control violations on October 10, 1984. The President has also stated twice in press conferences that there have been serious Soviet arms control violations. Hence, there has been a fundamental top level change in attitude on Soviet compliance behavior, and this should be reflected in the fourth edition of Soviet Military Power.

Two important examples should be pointed out. First, there are credible press reports that the Soviets now have 8,500 warheads on their ICBM force alone. They have achieved this total by deploying fourteen warheads on each SS-18 despite the fact that SALT II allows only ten. This total should be reflected in the new edition. Second, there are credible press reports that the Soviets are producing more than thirty Backfire bombers per year, in violation of SALT II. This too should be reflected in the new edition.

There are many other compliance related threat facts like these which should be honestly treated. We look forward to seeing the new edition of Soviet Military Power, which we hope to use to build support for your defense programs.

With warmest personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 10, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Thank you for asking the State Department to respond to my November 16, 1984 letter. I received a response from them on January 7, 1985, classified Secret.

I now have another unclassified question. American analyses of Soviet military doctrine (reported in open sources) indicate that the Soviets would be most likely to initiate nuclear war from a readiness exercise or from a crisis in which they increased readiness. Therefore, U.S. intelligence collections systems used to monitor Soviet strategic readiness and exercises, some of which might be considered National Technical Means of SALT verification, would also be used as early warning systems. Are the Soviets deliberately jamming or interfering with U.S. intelligence collection systems which are also used to monitor readiness and exercises, and are therefore early warning systems?

With warmest personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

CONSERVATIVES ASK PRESIDENT TO CONFRONT SOVIETS ON ARMS-CONTROL VIOLATIONS

WASHINGTON.—Senator Steve Symms today urged President Ronald Reagan to confront the Soviets in Geneva Monday with evidence of numerous arms-control treaty violations.

In a letter to the President, also signed by Senators John East and Jesse Helms, Symms said "we urge you to have Secretary of State George Shultz impress upon Soviet Foreign Minister Andrei Gromyko in Geneva the necessity of ending Soviet SALT violations as a precondition to serious negotiation." They added that such a diiplomatic confrontation would be in accord with the expressed desires of the American people, because "for many years, public opinion polls have shown that the overwhelming majority of our citizens are convinced already that the Soviets have been violating arms-control treaties."

The Senators believe that straightforward discussion of these matters with the Soviets (and an end to their violations) will be essential to secure the Senate's support for any new Geneva treaty and will strengthen the public's confidence in arms control.

To date, the President has informed Congress of 21 violations. In his letter to the President, Symms has added another 43 other signifcant violations. Symms is also asking for an unclassified analysis of the military implcations of each violation in the President's upcoming arms report to Congress, now scheduled for delivery on Feb. 1.

"The attitude that a cover-up (of Soviet violations) is necessary, as advocated by some professionals with vested interest in the arms-control community is totally wrong," Symms said.

Among the serious violations listed by Symms include the large-scale jamming of electronic telemetry (signals from Soviet missile testing), the construction of a battle-management Anti-Ballasitic Missile Radar, and the illegal deployment of new types of intercontinental Ballistic Missiles. "This translates into a 6-to-1 advantage, considering Soviet accuracy and megatonnage."

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, January 4, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As the new Congress convenes, we commend you for the two reports which you sent to the Senate last year detailing Soviet arms control treaty violations. The first of these, of course, was your report of January 23, 1984; the second was the report of the Presidential General Advisory Commission (the so-called GAC Report) which you transmitted on October 10, 1984. Between the two of these reports, you sent notice to Congress of 21 specific Soviet violations confirmed by the Administration.

Important as these two reports were, we nevertheless believe that there are at least 43 further Soviet SALT violations widely reported in the press which have yet to be confirmed by the Administration. These are detailed in an appendix to this letter. Since this would make a total of 64 Soviet violations, we believe that a review of all of the 43 violations ought to be included in your report to Congress which has been announced as forthcoming on February 1 if the meaning and spirit of current law is to be fulfilled.

Indeed, the necessity for a complete and authoritative review of all Soviet arms control violations was clearly underlined by the excellent letter of National Security Advisor Robert McFarlane to the Senate and House Armed Services Committees, dated November 30, 1984, on the status of further reporting on the Soviet SALT violations. It is gratifying that Mr. McFarlane quoted you as saying that we must take Soviet violations "very seriously" because they "call into question important security benefits from arms control and could create new security risks."

Although some have tried to minimize the importance of the GAC Report, Mr. McFarlane evidently does not. It is clear from his letter that the Administration considers both reports of equal authority. Indeed, Mr. McFarlane notes that both of these presidential reports "concluded that the Soviet

Union has, in fact, violated a number of important arms control commitments." In this, he echoes your own statement during your June 14, 1984 press conference that the GAC Report was "a report on out-right violations. . . . Yes, there have been those violations."

Of course, you yourself had commissioned the GAC Report on November 19, 1982. Moreover, the Report itself stated that "many of the compliance issues considered in the report have been reviewed by the U.S. Government." Indeed, the seven items in your January report are also mentioned in the GAC review. When the overlap in coverage of the two reports is taken into consideration, most analysts count at least 21 separate violations.

Mr. President, as you yourself have stated, "compliance with arms control agreements is fundamental to the arms control process." We therefore urge you to have Secretary of State George Shultz press upon Soviet Foreign Minister Andrei Gromyko in Geneva the absolute necessity of ending Soviet SALT violations as a precondition to serious negotiation.

Mr. President, such a course of action would be in accord with the expressed desires of the American people. For many years, public opinion polls have shown that the overwhelming majority of our citizens are convinced already that the Soviets have been violating the arms control treaties. (Copies of these polls are annexed to this letter.)

Moreover, such a course of action would be fully in accord with the promises of the Republican Party. The 1980 Republican Party Platform stated: "We pledge to end the Carter cover-up of Soviet violations of SALT I and II."

The 1984 Republican Party Platform stated: "Carter-Mondale efforts to cover-up Soviet violations of the 1972 Strategic Arms Limitations Agreement and Anti-Ballistic Missile Treaty emboldened the Soviets to strengthen their military posture. We condemn these violations. . . ."

Moreover, there is now important new evidence that this cover-up has interfered with the pursuit of fruitful and equal arms control negotiations. Former Secretary of State Henry Kissinger, the chief architect of detente and SALT in the 1970's, has recently written the following: "There is no doubt that the Soviets have often barely observed the letter of agreements; in some cases, they clearly seem to have violated them." (The Washington Post, December 16, 1984)

Previously, Dr. Kissinger had conceded that Soviet deployment of heavy SS-19 ICBMs to replace light SS-11s was "sharp practice" in SALT I, and that Soviet testing of surface-to-air missiles and radars in an ABM mode was an "actual violation" of the SALT I ABM Treaty. But now Dr. Kissinger has added a highly significant admission: "Successive administrations have been reluctant to make a formal charge of violation lest they undermine the domestic support for negotiation and because they did not know what to do about it."

But now, Mr. President, the cover-up is ending because of your forthright approach to the review of these violations. The attitude that a cover-up is necessary, as advocated by some professionals with vested interests in the arms control community, is totally wrong. On the contrary, we believe that straightforward discussion of these matters with the Soviets as part of the negotiating process will immeasurably strengthen the public's confidence in the arms control negotiations and is essential to securing public support and the Senate's support for any completed treaty.

That is why we urge you to include in your February 1 report a complete analysis and conclusions with regard to each of the 43 specific and long-standing compliance issues which we have annexed to this letter. We feel that the omission of even one of these issues would not be in accord with the McClure-Helms-Symms amendment which passed the Senate unanimously on September 22, 1983 on a 93-0 roll call vote. Moreover, Section 37 of the Arms Control and Disarmament Act (the Derwinski Amendment) requires reports not only on the detection and verification of violations, but also on the verifiability of U.S. and Soviet arms control proposals.

Mr. President, we believe that a forthright approach to Soviet SALT violations with Mr. Gromyko, and a full assessment of the additional 43 Soviet violations in your February 1 report to Congress will immeasurably strengthen U.S. national security and lead to confidence in real reductions of nuclear arms in the world.

Sincerely,

STEVE SYMMS,
JOHN P. EAST,
JESSE HELMS.

ANNEX: UNCLASSIFIED LIST OF 43 UNREPORTED AND UNCONFIRMED SOVIET ARMS CONTROL TREATY VIOLATIONS, IN ORDER OF MILITARY SIGNIFICANCE

THE U.S. UNILATERAL DISARMAMENT UNDER SALT II

1. Soviet failure to deactivate over 500 strategic nuclear delivery vehicles, in order to come down to the SALT II level of 2,250. The Carter Administration claimed this deactivation to be the principal U.S. military benefit from SALT II. This is the most obvious and the most militarily significant Soviet SALT II violation, yet it has never been reported to Congress in two successive Presidential violations reports. Even the London Economist has pointed this out as a clear-cut Soviet SALT II violation. The only way to explain this glaring omission is to postulate that your Administration has reached some secret agreement with the Soviets exempting them from this deactivation. If this is the case, the Senate should have been informed. Such an agreement would be contrary to the Constitution, Section 33 of the Arms Control Act, the Case Act, and the Jackson Amendment requirement for equal levels of forces. At the very least, this Soviet violation negates your Administration's "interim restraint" policy of "not undercutting" and in fact complying precisely with the unratified SALT II Treaty as long as the Soviets show "equal restraint." This Soviet failure to deactivate shows no restraint at all, because while the U.S. has unilaterally deactivated 292 strategic delivery vehicles, counted in SALT II, carrying over 500 warheads, the Soviets have in fact been adding Backfire and Bear H bombers with long range ALCM's, SS-16 mobile ICBM's, and now mobile SS-24 and SS-25 ICBM's, Typhoons, SS-N-18's, SS-N-23's, and even supersonic and other cruise missiles to their forces. Thus the U.S. is engaged in unilateral disarmament in the face of Soviet SALT II break-out.

George Will in The Washington Post of December 30, 1984 precisely described the State Department's appeasement of the Soviets while the U.S. unilaterally complies with SALT II. Will wrote:

Although the SALT II agreement, signed in 1979, will never be ratified, both sides have agreed not to 'undercut' it, including its provision limiting both sides to 2,250 long-range bombers and missiles. The Soviets have never adhered to that limit and in recent weeks have passed 2,500. But a U.S. official eager for continued U.S. unilateral compliance with SALT II, has come forth to say: 'We are not sure that the "no-undercut" provision (sic) is violated if the Soviets do not keep the 2,250 limit on missiles and bombers. It means not complying, but does it mean undercutting? The Soviet Union has a lot of people whose job is to violate agreements, and a lot of people whose job is to try to hide violations, and a third lot whose job is to try to explain away violations that are detected. Do we really need to employ, in the State Department, a lot of people to help with the rationalization by distinguishing the act of 'undercutting' agreements from the act of 'not complying with' agreements?

On June 24, 1982, a top State Department official was asked what the difference was between the Soviets abiding by SALT II or adhering to it. He answered: ". . . if one were to adhere to the treaty we would be requiring the Soviets to now have reduced and continuing to reduce, and we're not requiring that. So we're not requiring that they adhere to the treaty . . . They say they are not bound to it." The Soviets are not adhering to or abiding by SALT II, hence they are undercutting it.

THE KENNEDY-KHRUSHCHEV VIOLATIONS

2. Soviet violations of the 1962 Kennedy-Khrushchev Agreement by deployment of offensive nuclear delivery capable weapons in Cuba with twice the capability of the missiles and bombers there in 1962. This Soviet violation done in the early 1970s was partially reported in the GAC Report, but there is further evidence in the late 1970s and early 1980s. Moreover, this Soviet arms control violation is so important that it should be explicitly and fully treated. Finally, you yourself have publicly accused the Soviets of violating the Kennedy-Khrushchev Agreement twice, and you have been backed up by the Under Secretary of Defense, the CIA Director, and the Chairman of the Joint Chiefs of Staff. Even the State Department concedes that on several occasions, the Soviets have violated the "spirit" of the Kennedy-Khrushchev Agreement. If the Soviets are violating the agreement that ended the Cuban Missile Crisis in 1962, does this mean the U.S. is back into a nuclear crisis with the Soviets?

THE SOVIET VIOLATION OF ALL SALT II CEILINGS

3. Soviet announced intention to violate the 820, 1200, and 1320 SALT II ceilings on MIRVs and long-range ALCMs, and Soviet programmatic preparations to do so before SALT II expires at the end of 1985. These preparations include impending deployment of the MIRVed SS-24 and SS-25 ICBMs in both silo and mobile modes, continued production of Delta III and Typhoon submarines, and production of Backfire and TU-95 Bear H intercontinental bombers with long-range ALCMs. And all Bears should count in the 1320 ceilings, because they can carry the long-range AS-3 Kangaroo. Meanwhile, the U.S. plans to scrap 4 perfectly operational Poseidon submarines in order to comply unilaterally with the SALT II 1200 MIRV ceiling. Again, this is U.S. unilateral disarmament.

Thus the Soviets are violating all the MIRV/ALCM ceilings, in addition to violat-

ing the ceiling of 2,250 on total strategic nuclear delivery vehicles. The Soviets are also violating the Article IV SALT II constraint on developing no more than one new type ICBM, the key constraint of SALT II. In sum, the Soviets have succeeded in converting the SALT II Treaty into a hollow shell, with virtually no constraints on them, while the U.S. has committed itself to precise unilateral compliance with an unratified treaty. The Soviets have added over 200 intercontinental bombers and 200 ICBMs to their forces since 1979, when SALT II was signed, according to official Defense Department data.

SOVIET TRANSCENDENCE OF MX

4. Deploying 14 warheads on each SS-18, when SALT II allows only 10. This has allowed the Soviets to add over 2,200 warheads alone to their ICBM force during the year of 1984 alone, which is over 3 times the number of warheads the MX will add to the U.S. ICBM force between 1987 and 1990, if MX is ever deployed. This has resulted in a Soviet ICBM force carrying over 8,500 warheads, a 4 to 1 numerical advantage over the U.S., and a 6 to 1 advantage considering Soviet accuracy and megatonnage advantages. Meanwhile, the U.S. has reduced the MX payload from 14 warheads to 10, and has reduced MX throw-weight, in order to comply with SALT II. And the U.S. is gratuitously and unilaterally deactivating 54 Titan II ICBMs, one-third of our ICBM megatonnage. Morever, the MX program has been cut in half since the Carter Administration.

5. Soviet developing, testing, and exercising the SS-18 ICBM rapid reload and refire capability, to include stockpiling extra missiles and ground support equipment near launch sites, in violation of SALT II's prohibition on ICBM rapid reload capability. Indeed, the Soviets have even given their hot-launched SS-11 and SS-19 ICBMs a refire capability, in addition to their cold-launched SS-17.

SOVIET ABM BREAKOUT

6. Soviet developing, testing and deploying an ABM rapid reload and refire capability, prohibited by the SALT I ABM Treaty.

7. Soviet preparations for deployment of a nationwide ABM defense, involving ABM Battle Management Radars, plus ABM-mode mobile SAM interceptors and ABM-3 mobile radars, in violation of the SALT I ABM Treaty.

8. Soviet preparations for a second ABM complex defending ICBMs with SAM-5, SAM-10, and SAM-12 ABM interceptors, in the Krasnoyarsk region, in violation of the SALT I ABM Treaty. The Soviets are already circumventing the SALT I ABM Treaty by giving the modernized Moscow ABM system the capability to defend ICBMs.

9. Soviet testing of surface-to-air missiles in a prohibited ABM mode—SAM-5, SAM-10, and SAM-12. Former Defense Secretary Laird charges this is a violation of the SALT I ABM Treaty, and former Secretary of State Kissinger has also conceded that this was a "violation." This should be explicitly reported on, because it was regarded only as a "possible" violation in the GAC Report. But a Soviet defense expert has even admitted that the Soviets have tested SAMs in a prohibited ABM-mode.

SOVIETS INCREASE THE RISK OF NUCLEAR WAR

10. Soviet violation of the 1971 Agreement to Prevent the Risk of Nuclear War, by jamming U.S. early warning detection systems and failing to notify the U.S. of this jamming. As the 1984 edition of Soviet Military Power states on page 35: "The Soviets also have the technological capability to conduct electronic warfare against space systems." They are doing this. These are acts of electronic warfare in space, and at the very least should inhibit progress in further arms control negotiations until the jamming stops.

SOVIETS DEPLOY HEAVY SS-19 ICBM

11. Soviet circumvention of the object and purpose of the SALT I Interim Agreement by their deployment of their heavy SS-19 ICBM, to replace their light SS-11 ICBMs. This helped to give the Soviets a 6 to 1 counterforce first strike superiority. Although this violation was confirmed already in the GAC Report, it is of paramount military significance because it sextupled the warheads in the 360 converted single-warhead SS-11 silos. It therefore should be explicitly treated by the Administration. Former Defense Secretary Melvin Laird first charged Soviet SS-19 deployment as a SALT I violation in 1975. Henry Kissinger called it "sharp practice" in 1979.

12. Concealment of the existence and heavy throw-weight of the SS-19 heavy ICBM, during SALT I negotiations, and repeated denial of their intention to deploy such a missile to replace their light SS-11 ICBM. This is a related issue of Soviet negotiating deception on the most important issue of SALT I; heavy ICBM constraints. Again, Kissinger called the SS-19 deception "sharp practice."

SOVIET BACKFIRE BOMBER VIOLATIONS

13. As Under Secretary of Defense DeLauer has testified, production of 35 Backfire bombers per year for several years, in violation of Brezhnev's SALT II commitment not to produce more than 30 per year. The late Soviet Premier Kosygin on August 20, 1979, told U.S. Senators that this would be a violation, and that the U.S. could abrogate SALT II if the Soviets did this.

14. Arctic staging of the Backfire bomber, in violation of Brezhnev's pledge that as an integral part of SALT II, the Soviets would not give the Backfire an intercontinental radius capability.

15. Giving Backfire a refueling capability, in violation of Brezhnev's SALT II pledge not to give Backfire a refueling capability. All of these Backfire constraints were an integral part of SALT II, according to the Carter Administration.

16. Equipping Backfire with long-range ALCMs, causing it to count in the SALT II 1320 MIRV/ALCM ceiling and putting the USSR over this ceiling.

17. Deceiving the U.S. on the Backfire's inherent range of 8,900 to 11,000 kilometers, which is much more than the 8,000 kilometer range of the obsolete Bison bomber which did count in SALT II.

SOVIET HEAVY SLBM'S

18. Testing and preparation to deploy the SS-NX-23, a heavy SLMB, in violation of SALT II's prohibition on heavy SLBMs. Even the Joint Chiefs of Staff believe that this is a Soviet SALT II violation.

SOVIET STOCKPILED ICBM'S

19. Producing and deploying old stockpiled SS-11 ICBMs at MRBM and IRBM soft sites for covert soft launch, in circumvention of SALT I and SALT II ceilings. This was one of the GAC Report's "suspicious events," and it is an important Soviet violation.

20. Maintaining several thousand Soviet stockpiled ICBMs, SLBMs, and SLCMs, and thus circumventing all SALT II ceilings. The Soviets have made preparations not only to rapidly reload ICBM silos, but also to rapidly reload SLBM and SLCM submarines after firing their missiles at sea.

SOVIET SUBMARINE VIOLATIONS

21. Constructing "Stretch Y-Class" submarines with illegal missile bay sections, which are even longer than the original ballistic missile bay sections, and which have illegal missile tubes penetrating the pressure hull for a prohibited type of long-range supersonic SLCM launchers. This is a very dangerous Soviet violation of the SALT I Interim Agreement and the 1974 agreed SALT dismantling procedures, because it could greatly increase the surprise attack threat to U.S. bomber forces.

22. Construction of over 68 strategic submarines, when the SALT I Interim Agreement allowed only 62. Moreover, maintaining over 981 SLBMs, when SALT I allowed only 950.

SOVIET REUSE OF DEACTIVATED ICBM COMPLEXES

23. Bringing back ICBMs to deactivated ICBM complexes, such as the reported deployment of the mobile SS-25 ICBM at the Yurya complex where SS-20s are now also deployed.

SOVIETS HAVE 7 MX-EQUIVALENT ICBM'S

24. Soviet development of two more new type ICBMs, the SS-X-26, and SS-X-27, when only one new type ICBM is allowed by SALT II, and the Soviets are already deploying two other new type ICBMs, the SS-24 and SS-25.

SOVIETS DEVELOP POWERFUL NEW WARHEADS

25. Additional and recent Soviet violations of the Threshold Test Ban Treaty yield limit of 150 kilotons, such as one on October 27, 1984, and one on December 16, 1984. Another Soviet underground test registering 7.2 on the Richter scale was reported in late December. While the January 23, 1984 Presidential Report listed Soviet violations of the TTBT as "likely," these more recent violations provide more evidence allowing a stronger judgment.

SOVIETS RENEGE ON PLEDGE

26. Violating Brezhnev's SALT I pledge not to build mobile ICBMs, by building and deploying mobile SS-16 ICBMs during the time the SALT I Interim Agreement was in effect. Even President Carter conceded in 1977 that the Soviets had deployed mobile ICBMs.

SOVIETS HAVE CAPABILITY FOR NUCLEAR WEAPONS IN SPACE

27. Keeping 18 SS-9 Fractional Orbital Bombardment ICBMs operational at a test range, in circumvention of the SALT I Interim Agreement constraint on ICBM launchers and prohibition of operational launchers at test ranges. Even the Carter Administration conceded this SALT I violation in its analysis of the SALT II Treaty. This deployment also circumvents the 1967 U.S.-Soviet Treaty banning nuclear weapons in outer space.

SOVIETS ADMIT ONE VIOLATION

28. Failure to deactivate old ICBMs on time under the SALT I Interim Agreement, and the 1974 agreed SALT dismantling procedures, and continuous falsification of official deactivation reports. The Soviets actually admitted in March, 1976 that they had failed to deactivate the required number of ICBMs, and that therefore they were in violation. They remained in violation through 1982.

SOVIET SALT DECEPTIONS VIOLATE GOOD FAITH REQUIREMENT OF NEGOTIATIONS

29. Soviet withholding from their SALT II Data Exchange Reports of the fact that their AS-3 Air-to-Surface Missile deployable on over 100 Bear bombers has a range of 650 kilometers and therefore should be counted in the SALT II MIRV/ALCM ceiling. This violation was first revealed by the first edition of Soviet Military Power in 1981.

30. Soviet misrepresentation of Backfire range and refueling capabilities in SALT II negotiations. Even SALT-seller Strobe Talbott concedes this Soviet deception.

31. Soviet concealment of the full range of the SS-N-8 SLBM during SALT I negotiations.

32. Soviet falsification of their troop data in the Mutual Balanced Force Reductions negotiations.

33. Soviet withholding notification of their deployed SS-16 mobile ICBMs from their SALT II Data Exchange Reports.

34. Increasing Soviet use of large-scale and deliberate strategic camouflage, concealment, and deception, including telemetry encryption and jamming of U.S. telemetry collection capabilities. These activities violate both SALT I and SALT II, and have been increasing since SALT negotiations began in 1969. They are confirmed as deliberate by a Soviet military dictionary.

35. Creation of a new Soviet ABM test range in 1975 without the required prior notification, in violation of the ABM Treaty.

36. Soviet falsification of their deactivation of excess ABM test range launchers in 1974.

SOVIETS VIOLATE FIRST STRATEGIC ARMS AGREEMENT

37. Repeated Soviet violations of the 1963 Limited Test Ban Treaty since 1965, continuing through the present. The 1984 venting level was as high as the 1965 venting itself. This violation was partially reported in the GAC Report, but more evidence has since become available.

38. Soviet flight-testing of their SS-24 and SS-25 at night, with the mobile launchers continuously concealed by camouflage, thereby violating the SALT II provision that the U.S. must be able to determine the relationship between a new missile and its launcher.

39. Soviet deployment of the SS-20, having ICBM range capability, as a circumvention of both the SALT I and SALT II ceilings on ICBM launchers. In addition, the Soviets falsified their Data Exchange by not including all their SS-20s.

40. Soviet deployment of "IIIX silos" with a deceptive configuration similar to a missile launch silo, confusing the U.S. as to the number of Soviet ICBM silos between 1970 and 1973.

41. Soviet achievement of "unilateral advantages" through their circumvention and violations of SALT I and II. These unilateral advantages violate the 1972 Agreement on Basic Principles of U.S.-Soviet Relations, which is mentioned in the Preamble to the SALT II Treaty as a fundamental element of SALT II.

42. Soviet violation of the June 1973 Agreement on the Prevention of Nulcear War, through their actions in the October 1973 Middle East War.

43. Use of submarine berthing tunnels to hide Soviet SLBM submarines, in violation of the provisions of both SALT I and SALT II banning deliberate camouflage, concealment, and deception which impedes verification.

As the late Soviet leader, Nikita Khrushchev duplicitously prophesied, in regard to the first strategic arms limitation treaty, the 1963 Limited Test Ban Treaty: "If some side violates the assumed commitments, the initiators of this violation will cover themselves with shame, they will be branded by all the people of the world."

Mr. President, as you yourself stated so eloquently before the United Nations General Assembly on June 17, 1982: Simply collecting agreements will not bring peace. Agreements genuinely reinforce peace only when they are kept. Otherwise we are building a paper castle that will be blown away by the winds of war.

As former Arms Control Director Rostow testified to Congress in July, 1981: No arms control agreement can contribute to the goal of a peaceful world unless we have confidence that the Soviet Union is abiding by its terms.

In 1935, prior to World War II, Sir Winston Churchill challenged the British Government over whether or not Hitler's Nazi Germany was complying with the arms control provisions of the Versailles Treaty. In the House of Commons, Churchill emphasized that: "The worst crime is not to tell the truth to the public . . ."

[From the Waltham (MA) News-Tribune, July 27, 1984]

POLL: WOMEN ARE BIGGER COLD WAR HAWKS

WASHINGTON.—A nationwide poll commissioned by a conservative think tank shows that Americans largely have a tough view of the Soviet Union and women take a harder line than men on key security issues.

The poll, released today by The Heritage Foundation, shows that of those questioned, 97 percent believe the Soviets are violating arms control and other International agreements.

The survey also showed that 73 percent of the women questioned, compared to 46 percent of the men, said the main reason for the deterioration of superpower relations was Soviet hostility toward democracy and the Western world.

The Heritage Foundation, a conservative research institute in Washington, D.C., commissioned Sindlinger & Co. of Media, Pa., to conduct the study of 2,258 people nationally between June 26 and July 9.

The poll asked questions about U.S. security issues and superpower relations. While there is a "gender gap" on these issues, the Foundation said, "The nature of the gap contradicts conventional wisdom. Rather than being softer or more dovish than men, women seem tougher and take a harder line on key issues."

Among its findings: 95 percent of all those polled believe the United States should not sign any arms accord with the Soviets until the United States is certain it can monitor and verify compliance 85 percent favored Reagan's "Star Wars" space defense program.

[From the Dubuque (IA) Telegraph Herald, July 27, 1984]

A NATIONWIDE POLL

WASHINGTON.—A nationwide poll commissioned by a conservative think tank shows that Americans largely have a tough view of the Soviet Union, and women take a harder line than men on key security issues.

The poll, released today by The Heritage Foundation, shows that of those questioned, 97 percent believe the Soviets are violating arms control and other international agreements.

TRACKING THE POLICY PROCESS IN WASHINGTON

New Poll on National Security Issues: During the two week period from June 26 to July 9 the Sindlinger national polling organization conducted a nationwide poll commissioned by the Heritage Foundation of 2,258 persons on U.S.-Soviet relations and other security issues. The results show that the public believes by a huge margin that the Soviets cannot be trusted. Also, a significant majority support a policy of countering the Soviet threat, including deployment of the anti-ballistic missile defense known as "Star Wars."

The gist of some of the questions and the results:

Do you believe that the USSR is violating its arms control agreements?

Yes, 96.8%; no, 5.% don't know, 2.7%.

Should the U.S. enter into an arms control treaty with the USSR that does not absolutely assure that the U.S. can verify that the USSR is observing the treaty?

Yes, 4.8%; no, 95.0%; don't know .2%.

Should the U.S. offer concessions to lure the Soviets back to negotiations or remain firm and only offer concessions if Moscow does?

U.S. Should offer concessions, 35.1%; offer concessions only if the Soviets do, 62.8%; don't know, 2.1%

Would you favor developing a system which would protect much, if not all, of the population from nuclear destruction, by a ballistic missile defense?

Yes, 82.6%; no, 15.2%; don't know, 2.2%.

Should the U.S. encourage or support dissidents and ethnic minorities in Eastern Europe and the USSR with the objective of political liberalization in these countries?

Yes, 72.0%; no, 19.9%; don't know, 8.1%.

Would you say that the situation in Central America is a threat to the security of the U.S.?

Yes, 66.5%; no, 32.6%; don't know, .9%.

State Department Bonuses: A list of 85 recipients of executive bonuses for senior career foreign service officers has been released by the State Department. It includes five bonuses of $20,000 each, 39 at $10,000 and 26 at lesser amounts. The recipients are selected by boards of fellow foreign service officers, who may be friends or even subordinates of the candidates. In the rest of the government, decisions on executive bonuses are made by management, i.e., by the President's appointees. But the foreign service has agreed with its labor unions to preclude management from participating in the decision making process, to prevent the "politicization" of the foreign service. Some contend that the real effect is to prevent the Administration from exercising its management responsibility.

The 1984 awards include $20,000 for Charles Bray, who was President Carter's deputy director of the U.S. Information Agency for four years, and $10,000 each for Thomas Enders, relieved earlier this year as Assistant Secretary of State for Latin America, and Michael Armacost, recently named Under Secretary for Political Affairs over conservative objections. Most surprising was a $20,000 top bonus for Ronald Spiers, who as Under Secretary for Management is in overall charge of the bonus program. Pity the poor board members—it *is* tough to vote against a bonus for the boss.

U.S. SENATE,
Washington, DC, January 26, 1984.

Hon. RONALD REAGAN,
The President,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We greatly appreciate your excellent recent President's Report to Congress on Soviet Noncompliance with Arms Control Agreements. We believe that the report has serious implications for national security, and we intend to cooperate with you fully in dealing with the increased threat to United States national security which Soviet SALT violations represent.

Your report states that there is "an expanding pattern of Soviet violations or possible violations of arms control agreements." It also states that "additional issues of concern are under active study." State Department policy guidance for public diplomacy has stated that "The Soviets are violating or probably violating certain provisions of other major agreements. There have been additional Soviet activities over the past year which have added to our concern."

We strongly agree with you. The legislative history in the Senate of the amendment requesting your report on Soviet SALT violations specified that all Soviet violations of both the letter and the spirit of all arms control treaties to which the Soviet Union is party should be provided in an unclassified report. In particular, therefore, we request a futher public report on some serious new Soviet violations of the SALT II Treaty reported recently in the press:

Production of more than 30 Backfire bombers per year;

Arctic staging of Backfire bombers;

The Intercontinental range of 8,900 kilometers and refueling capability of the Backfire bomber;

Continued production of TU-95H Bear bombers to be equipped with long range cruise missiles;

Development of a new heavy Submarine-Launched Ballistic Missile, the SS-NX-23;

Early deployment of 100 S5-X-24 Inter-Continental Ballistic Missiles carrying Multiple-Independently-Targetable Re-entry vehicles, in single warhead SS-11 ICBM silos;

Soviet admission in November 1983 at the SALT Standing Consultative Commission of the fact that their forces exceed all three SALT II ceilings on MIRVs and bombers equipped with long range cruise missiles, 820, 1200, and 1320;

The Soviet refusal to dismantle over 250 strategic delivery vehicles by the end of 1981 in order to comply with the SALT II ceiling of 2250 strategic delivery vehicles; and continued expansion of their forces since 1981;

The seriously increased and widespread pattern of Soviet camouflage, concealment, and deception.

Several additional well known Soviet violations of SALT II need to be reported upon:

SS-18 rapid reload refire capability as a violation of the SALT II prohibition on rapid reload and refire capabilities;

Deployment of AS-3 Kangaroo Air to Surface missiles with range of "650 Kilometers" (see Soviet Military Power) on 100 TU-95 Bear bombers, in further violation of the SALT II Data Exchange and the 1320 ceiling;

Deployment of new long range air-launched cruise missiles on Bear and Backfire bombers, in further violation of the 1320 ceiling.

In addition, there have been some recent press reports of Soviet violations of the SALT I ABM Treaty which also need to be reported on:

Soviet testing of Surface-to-air missiles in a prohibited ABM mode, such as SAM-5s, SAM-10s, and SAM-12s;

Deployment of five other prohibited Battle-Management radars, in addition to the Abalakovo radar;

Development and mass production of a prohibited mobile, rapidly deployable ABM, the ABM-3 and its SH-04 and SH-08 interceptor missiles and mobile radars;

Testing of a prohibited ABM rapid reload and refire capability;

Deployment of a prohibited nation-wide ABM defense;

Deployment of more than 100 ABM launchers around Moscow.

Mr. President, we strongly support your efforts to preserve the integrity of the arms control process by challenging Soviet SALT violations. We all are trying to safeguard world peace.

As you yourself said at the United Nations General Assembly on June 17, 1982:

"Simply collecting agreements will not bring peace. Agreements genuinely reinforce peace only when they are kept. Otherwise we are building a paper castle that will be blown away by the winds of war."

And as former Reagan Administration Arms Control Director Eugene Rostow testified to Congress in July 1981: "No arms control agreement can contribute to the goal of a peaceful world unless we have confidence that the Soviet Union is abiding by its terms."

We thank you in advance for your prompt responsiveness to this request.

With warmest personal regards.

Sincerely,

Jesse Helms, Larry Pressler, Roger W. Jepsen, Steven Symms, James A. McClure, Jeremiah Denton, Orrin Hatch, Bob Kasten.

U.S. SENATE,
Washington, DC, January 27, 1984.

Hon. RONALD REAGAN,
The President,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We strongly congratulate you on your statesmanlike leadership in publishing The President's Report to the Congress on Soviet Noncompliance with Arms Control Agreements. This was an excellent report. We look forward to working with you to strengthen United States national security in the face of the Soviet SALT violations.

Yet we respectfully suggest there is more to be done. We need not remind you that the July 1980 Republican Party Platform explicitly states:

"The Republican Party *deplores* the attempts of the Carter Administration to cover-up Soviet non-compliance with arms control agreements . . . We *pledge* to end the Carter cover-up of Soviet violations of SALT I and II." (Emphasis added.)

It has been widely discussed in the intelligence community that there were over 32 outstanding cases of Soviet SALT and other arms control violations which occurred under the Carter-Mondale Administration prior to July 1980, and which were covered up or explained away by the Carter-Mondale Administration. Intelligence information on some of these SALT violations was actually suppressed by the Carter-Mondale Administration, which issued a White Paper in February 1978 giving the Soviets a clean bill of health on SALT I compliance. Many of the multiple Soviet SALT I violations have been confirmed by former Secretary of State Kissinger and former Defense Secretary Laird.

We have carefully studied the seven violations in your recent report. We believe that it is reasonable to conclude that all seven Soviet SALT and arms control treaty violations cited in your report were either detected after the July 1980 Platform Statement or became conclusive after that time.

Your report states that there is "an expanding pattern of Soviet violations or possible violations of arms control agreements." It also states that "Additional issues of concern are under active study." State Department policy guidance for public diplomacy has stated that "The Soviets are violating or probably violating certain provisions of other major agreements. There have been additional Soviet activities over the past year which have added to our concern."

We strongly agree. The legislative history in the Senate of the amendment requesting your report on Soviet SALT violations specified that all Soviet violations of both the letter and the spirit of all arms control treaties to which the Soviets are party should be provided.

Accordingly, we respectfully request an additional Presidential report on all Soviet SALT I and II and other arms control treaty violations which occurred prior to July 1980. Some of these pre-1980 SALT I violations, such as Soviet deployment of the SS-19 ICBM and Soviet construction of ABM Battle-Management radars and ABM mode SAM tests, appear to be even more conclusive and serious than the seven cases in your report. Moreover, many of them have been confirmed by Dr. Kissinger and Secretary Laird. We therefore request that you update the Carter-Mondale White Paper of 1978.

We also request that you send to us a copy of the report of your Arms Control General Advisory Committee analyzing seventeen Soviet arms control violations since 1958.

Attached is an unclassified partial list of these Soviet SALT and other arms control treaty violations which were covered-up by the Carter-Mondale Administration.

Mr. President, we strongly support efforts to preserve the integrity of the arms control process by challenging Soviet SALT violations. We all are trying to safeguard world peace.

As you yourself said at the United Nations General Assembly on June 17, 1982:

"Simply collecting agreements will not bring peace. Agreements genuinely reinforce peace only when they are kept. Otherwise we are building a paper castle that will be blown away by the winds of war."

And as former Reagan Administration Arms Control Director Eugene Rostow testified to Congress in July 1981: "No arms control agreement can contribute to the goal of a peaceful world unless we have confidence that the Soviet Union is abiding by its terms."

With warmest personal regards,

Sincerely,

Jesse Helms, Jeremiah Denton, James A. McClure, Larry Pressler, Orrin Hatch, Roger W. Jepsen, Bob Kasten, Steven Symms.

SOVIET SALT I AND II VIOLATIONS COVERED-UP BY CARTER-MONDALE ADMINISTRATION

A. SALT I Anti-Ballistic Missile Treaty:

1. Soviet SAM testing in an ABM mode. Former Secretary of State Henry Kissinger

has conceded this is a Soviet SALT "violation" on September 12, 1982.

2. Soviet deployment of ABM Battle Management Radars.

3. Soviet ABM camouflage.

4. Soviet falsification of ABM deactivation.

5. Soviet creation of a new ABM Test Range without the required prior notification.

6. Soviet deployment of a rapidly deployable, mobile ABM.

B. SALT I Interim Agreement on Offensive weapons:

1. Soviet deployment of the heavy SS-19 ICBM as the replacement for the light SS-11 ICBM, which is the most dangerous of all Soviet SALT violations. On August 12, 1979, Dr. Henry Kissinger conceded that this deployment constituted "sharp practice" by the Soviets. In 1974, former Defense Secretary Melvin Laird termed SS-19 deployment a clearcut "violation".

2. Soviet failure to deactivate old ICBMs on time, and falsification of official reports.

3. Bringing back ICBM equipment to a deactivated ICBM complex.

4. Keeping 18 SS-9 ICBMs illegally operational at a test range, which was conceded in the explanation of the SALT II Treaty.

5. Soviet deployment of "III X" silos with a configuration similar to a missile launch silo.

6. Soviet massive use of deliberate camouflage, concealment, and deception which actually increased after 1972, and which constituted deliberate interference with United States National Technical Means of verification: encryption of missile telemetry; camouflage of ICBM testing, production, deployment; concealment of SLBM submarine construction, berthing, construction of dummy submarines and their concealment, construction of berthing tunnels,

7. Constructing over 68 strategic submarines, when only 62 were allowed.

8. SS-20 mobile missile deployment, which should count as mobile ICBM deployment.

9. Violation of Brezhnev's pledge not to build mobile ICBMs.

10. Deploying SS-11 ICBMs at SS-4 MRBM sites, probably having a covert soft launch capability.

11. Keeping about 1,300 to several thousand old ICBMs stockpiled for both covert soft launch and rapid reload of silos for refire.

C. SALT II Treaty

1. Soviet encryption of telemetry on SS-NX-20 "Typhoon" SLBM.

2. Soviet encryption of telemetry on SS-18 Mod X ICBM.

3. Soviet encryption of telemetry on SS-NX-19 SLCM.

4. Soviet encryption of telemetry on SS-20 IRBM.

5. Soviet camouflage of new submarines.

6. Soviet SS-20 deployment.

7. Soviet continued stockpiling of SS-16 mobile ICBMs.

8. Soviet AS-3 Kangaroo Air-to-Surface missiles with range of 650 kilometers on the TU-95 Bear bomber.

9. Soviet AS-6 Air to Surface missile with range of 1,000 kilometers on Backfire bombers.

10. Reported Soviet rapid reload and refire exercises for the SS-18 cold-launched ICBM.

D. Other Arms Control Treaty Violations Covered-up by Carter Adminstration

1. Over 30 unambiguous Soviet ventings of radioactive debris from underground nuclear tests in violation of the 1963 Limited Test Ban Treaty. These ventings are all unequivocal, and resulted in the spread of radio-active debris outside of Soviet borders.

2. Over eight Soviet underground nuclear weapons tests probably over 150 kilotons, in violation of the 1974 Thresh-hold test Ban Treaty.

3. Over six Soviet violations of the Kennedy-Khrushchev Agreement of 1962.

(a) Soviet Combat Brigade in Cuba.

(b) Golf and Echo Class submarines at Cienfuegos.

(c) Cienfuegos strategic submarine base with nuclear warhead storage facility.

(d) Nuclear delivery capable aircraft. 40 MIG-23 or 27 Floggers. 12 TU-95 Bear bombers with operable bomb-bays.

(e) Use of Cuba as a revolutionary base.

(f) Probable Biological and Chemical Warfare Facilities.

U.S. SENATE,
Washington, DC, July 8, 1982.

Dr. EUGENE ROSTOW,
Director, U.S. Arms Control and Disarmament Agency, Washington, DC.

DEAR DR. ROSTOW: The issue of verifiability is at the heart of the arms control process. There is a widespread sentiment in Congress that no significant progress in arms control can be made unless the people of the United States are assured of the verifiability of any agreement, or proposed agreement.

We are therefore concerned that ACDA has not taken the initiative to assure Congress and the American people that it is addressing the issue of verifiability in a forthright manner. We note that ACDA was very slow in recreating the Verification Bureau, and that even now, a year after you took office, the Bureau has not been fully staffed. In addition, there are key issues on verifiability which, to our knowledge, ACDA has neither examined nor reported on to Congress despite the intense public interest in their resolution. These issues include:

The verifiability of the unratified but not withdrawn Threshold Test Ban Treaty;

The verifiability of the various nuclear weapons freeze proposals;

The verifiability of the President's START proposal;

The presence of any significant degradations in the capacity of the United States to verify:

(a) The SALT II Treaty
(b) The Threshold Test Ban Treaty
(c) The Limited Test Ban Treaty
(d) The SALT I Interim Agreement.

We note that Section 37 of the Arms Control and Disarmament Act, the "Derwinski Amendment," provides ACDA with the authority to initiate such reports to Congress. To date, ACDA has not taken this initiative. In addition, Section 37 also allows the Congress to request the Director of ACDA to make such reports.

Accordingly, we would ask that you report as soon as possible to the Senate Intelligence, Foreign Relations, and Armed Services Committees and to the full Congress on an unclassified basis about the verifiability of the above arms control treaties and proposals and also, on any degradation of U.S. verification capacity. In addition, we request that you assess the effects of Soviet concealment measures and altered practices upon the verifiability of the above treaties and proposals. We further request that these reports should be received by the Congress before any new arms control treaties or proposals are voted on.

As you know, serious charges have been leveled in the press concerning recent Soviet violations of several arms control treaties or agreements. Given the urgency of the forthcoming floor debate on SALT II and other arms control proposals, it is crucial that the validity of these charges be aired and brought to the attention of the American public. Specifically, we request that you answer the following questions.

(1) Has classified U.S. intelligence data ever been revealed to the Soviets during the SALT process? If so, can it be made public? Has the SALT process jeopardized any U.S. intelligence sources and methods?

(2) Has the U.S. ever provided the Soviets photography of deactivated U.S. ABM sites and deactivated U.S. ICBM sites? Have the Soviets ever reciprocated with photography of any of their own installations?

(3) Has the U.S. ever provided the Soviets with classified U.S. data on new U.S. Early Warning radars, such as "Pave Paws"? Have the Soviets ever provided the U.S. with similar data?

(4) Have the Soviets ever charged the United States with *deliberate concealment*, which in effect is a violation of SALT I and SALT II?

(5) Given the well-known fact that the Soviets have expanded their strategic concealment, camouflage, and deception activites since 1972, despite the SALT I and II bans on *deliberate concealment;* and given U.S. recognition that the well-known Soviet camouflage net at a missile test range is acknowledged to have constituted *deliberate* concealment, has the U.S. ever charged the Soviets with deliberate concealment? Is it possible that the Soviets have charged the U.S. with deliberate concealment, whicle the U.S. has not similarly charged the Soviets?

(6) Since SALT began in 1969, has intelligence data related to SALT ever been embargoed from and within the intelligence community, either temporarily or permanently? Has any such data also been withheld from Congress? Is there an Executive Order which provides that CIA shall receive all intelligence data collected within the U.S. government?

(7) If the U.S. tried to ban a missile the size of the Soviet SS-19 in 1972 under SALT I, in an attempt to limit Soviet counterforce capabilities, does the SS-19's deployment allowed under SALT I and II result in a reduction in U.S. national security? Does the Administration nevertheless believe that the Soviet SALT I compliance record does not reduce U.S. national security?

(8) Have the Soviets ever falsified a report of the number of ABM or ICBM launchers they have deactivated? Were all of those launchers required to be deactivated ever properly deactivated?

(9) Have the Soviets ever claimed that "trust" was involved in SALT compliance?

(10) What was the time span between first U.S. detection of each possible Soviet SALT violation, and its final resolution in the SCC? Did the U.S. ever acquiesce in the Soviet position?

(11) Is there any classified evidence of Soviet negotiating deception in SALT? Was a classified study on Soviet SALT deception ever withheld or suppressed within the Executive Branch, or withheld from Congress?

(12) If Defense Department and military posture statements have recognized that during the 1969-1979 SALT decade the strategic balance has shifted against the U.S. and in Soviet favor, how has this shift in the balance affected U.S. leverage in enforcing Soviet compliance with SALT I?

(13) Has there been any evidence in the *past year* suggesting Soviet violations of the SALT I ABM Treaty, the Threshold Test Ban Treaty, the Limited Test Ban Treaty, the SALT I Interim Agreement, the BW Convention, the SALT II Treaty, and the Kennedy-Khrushchev Agreement of 1962?

(14) Has there been any diplomatic challenge in the *past year* to Soviet violations of these agreements?

(15) Precisely how many Soviet SS-7 and SS-8 ICBMs were fully dismantled according to the SCC procedures *each month* between October 1975 and the present? How many SS-7 SS-8 ICBMs were required to be in fully deactivated status *each month* between October 1975 and the present? Were Soviet reports on their deactivation ever at variance with U.S. intelligence data? Was former Secretary of State Vance's public statement that the Soviets were in full compliance on deactivations in June 1976 correct?

(16) Were there any Soviet tests of surface to air missiles or radars in an ABM mode since 1975?

(17) Were any Soviet SAM missiles ever tested against Soviet tactical or strategic ballistic missiles?

(18) How many Soviet nuclear weapons tests since 1963 have vented either solid or gaseous debris? How many U.S. diplomatic complaints have been made? What was their result?

(19) List all Soviet nuclear weapons tests and their yields since March 1976 which had a central value over 150 kilotons. Explain how our yield calculation methodology has changed since 1974. Explain the confidence levels in central values well above 150 kilotons.

(20) Have the Soviets introduced ICBM equipment into a deactivated old ICBM complex, in possible violation of the SALT I Interim Agreement? Have the Soviets introduced ICBM equipment at a medium range ballistic missile complex, also in possible violation of the SALT I Interim Agreement? Have the Soviets introduced mobile ICBM equipment into a deactivated old ICBM complex?

(21) Are the reports of Soviet construction of large phased array battle management radars correct? Has this issue been raised with the Soviets?

We would appreciate receiving complete answers to these questions as soon as reasonably possible.

Sincerely yours,

JESSE HELMS,
ROGER W. JEPSEN.

U.S. SENATE,
Washington, DC, January 3, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As the new Congress convenes, I strongly commend you for your forthrightness last year in reporting twice to Congress and the American people on Soviet arms control treaty violations.

The Washington Post reported today that the U.S. will confront the Soviets with their treaty violations next Monday in Geneva. In particular the Post stated that Secretary of State Shultz would charge the Soviets with constructing a new large radar in violation of the SALT I Anti-Ballistic Missile Treaty, and encrypting the electronic telemetry from missile tests in violation of the SALT II Treaty. These are illustrative and conclusive cases from a list of 21 Presidentially confirmed violations.

I agree with your statement that "compliance with arms control agreements is fundamental to the arms control process."

I therefore hope that the reports are true, and that you will instruct Secretary Shultz to give the Soviet Foreign Minister a chance to demonstrate Soviet good faith by deeds—stopping at least these two conclusive violations. I believe that the Soviets should be given this opportunity to demonstrate their sincerity, good faith, and reciprocal interest in equitable arms control. I hope that they respond favorably.

I believe that frank and open discussion of these issues with the Soviets will immeasurably strengthen the public's confidence in the security benefits of arms control treaties by restoring full Soviet compliance.

With warmest personal regards,

Sincerely,

JAMES A. MCCLURE,
U.S. Senator.

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, January 4, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Your Presidential Report to Congress on Soviet SALT violations of October 10, 1984, stated: "The U.S. has never had a long-range, comprehensive strategy to *deter* and if necessary initiate measures to *offset* Soviet arms control noncompliance." We are urgently concerned that since your January 23 and October 10, 1984 Reports to Congress confirming 21 Soviet arms control treaty violations, *no action has been taken.*

In his famous 1961 *Foreign Affairs* article entitled "After Detection, What?", Dr. Fred Ikle stated that the U.S. reaction to detected and then verified Soviet arms control violations must be U.S. countervailing defense programs. Inevitably, these could require either increases in the defense budget, or alternatively, reprioritizing of allowed defense resources toward strategic programs. On October 20, 1980, former Defense Secretary Harold Brown stated: "To match the bigger Soviet force without SALT could cost us, over the next decade, an *additional* 30 to 100 billion dollars." Soviet SALT I and II break-out has brought on this situation. At the very least, further defense budget cuts must be prevented. As Defense Secretary Weinberger stated in a letter to us on April 5, 1984:

"The magnitude of the risks for the U.S., *the potential consequences of Soviet violations,* and the absolutely essential need to take actions that have a realistic chance of deterring future cheating compel me to take full account of Soviet actions, potential capabilities, and possible intentions in the development of defense requirements and *to urge full funding for the U.S. defense modernization program.*"

Assistant Defense Secretary Richard Perle testified to Congress on February 22, 1984: "We must, if we are not to face an expanding pattern of Soviet violations, see that such violations carry costs at least equal to the gains they derive from them." Defense Secretary Weinberger added on April 5, 1984: ". . . Since the Soviets have suffered practically *no penalty* for violating their current arms control commitments, they are unlikely to be deterred from more serious violations in the future." You yourself stated on January 16, 1984: "We must take the Soviet compliance record into account, both in the development of our defense program and in our approach to arms control." And as the 1984 Republican Party platform stated: "To deter Soviet violations of arms control agreements, the United States *must* . . . display a willingness to respond to Soviet violations which have military significance." Finally, the Scowcroft Commission on Strategic Forces stated that the essence of deterrence of nuclear war is U.S. political will. If the U.S. fails to have the political will to take action against Soviet SALT violations, deterrence will be gravely weakened.

On March 1, 1984, we wrote to Defense Secetary Weinberger asking for a detailed study of the military implications of the Soviet SALT violations. (letter enclosed) He answered on April 5, 1984 that "a study of the military implications of Soviet arms control violations is underway. . ." Almost a year has gone by since then, and we still have not seen the study. Accordingly, we respectfully *again* request as part of your FY1986 Budget Request that you provide a *detailed* analysis of the *military* and *budgetary* implications of *each* of the 21 Soviet arms control violations confirmed in your two 1984 Reports to Congress. In addition, we respectfully request that as soon as the analysis of the 43 violations which should be covered in your forthcoming February, 1985 report is completed, that you also immediately provide a detailed analysis of their military and budgetary implications. It would greatly assist our efforts in support of your defense programs if these reports were made available in both unclassified and classified forms.

We intend to request from the respective Chairmen a series of early hearings on the Military Implications of the Soviet SALT violations in the Senate Defense Appropriations Subcommittee, Armed Services Committee, foreign Relations Committee, and Budget Committee, and your reports will be the first order of business. We are hoping to be able to formulate and pass a Soviet SALT Violations Emergency Response Act which might at least earmark some contingency stand-by funds to deal with this serious problem.

We agree with your January, 1984 Presidential Report to Congress on Soviet SALT violations, which stated: "Soviet violations deprive us of the security benefits of arms control directly because of the military consequences of known violations, and indirectly by inducing suspicion about the existence of undetected violations that might have additional military consequences."

As Dr. Henry Kissinger warned Senators and Congressmen on June 15, 1972:

"The possibility always exists that the Soviets will treat the Moscow (1972 SALT I) Agreements as they have sometimes treated earlier ones, as just another tactical opportunity in the protracted conflict. If this happens, *the United States will have to respond* . . . If this agreement were being circumvented, obviously we would have to take *compensatory steps* in the strategic field."

During the decade since SALT I, the Soviets have circumvented and violated both SALT I and SALT II, as Henry Kissinger recently acknowledged, just as they violated all security treaties between 1917 and 1962. But the U.S. has yet to take compensatory countermeasures, as Dr. Kissinger foresaw would be necessary.

Dr. William Van Cleave testified to the Senate Defense Appropriations Subcommittee on March 28, 1984, that "Non-reaction to Soviet arms control violations will take on the character of appeasement. As Soviet

military power increases, so will the disincentives to challenge Soviet violations of international law. The Romans had a phrase for this: *Silent leges inter arms.* Or, the laws are silent in the presence of arms. They also had a phrase for those who followed the course of appeasement: *Vae victis;* or woe to the vanquished."

With warmest personal regards,

Sincerely,

STEVE SYMMS,
JESSE HELMS,
JOHN P. EAST.

Enclosure: Letter to Defense Secretary, March 1, 1984.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, March 1, 1984.

Hon. CASPAR WEINBERGER,
Secretary of Defense, Department of Defense, the Pentagon, Washington, DC.

DEAR CAP: We are concerned about the military implications of the Soviet SALT violations mentioned in the *President's Report to the Congress on Soviet Noncompliance with Arms Control Agreements.* Neither SALT I nor SALT II seem to be constraining the Soviet offensive and defensive threat. We seem to be witnessing apparent Soviet "break-out" from both the offensive and defensive constraints of SALT I and II. Since 1979, the Soviets have increased the number of nuclear warheads targeted on the United States by about 75 percent, according to Assistant Secretary of Defense Richard Perle.

As President Reagan stated in his speech of January 16, 1984: "We must take the Soviet compliance record into account, both in the development of our defense program and in our approach to arms control."

And as President Reagan stated in his Report to Congress on Soviet SALT violations: "Soviet violations of arms control agreements could create new security risks. Such violations deprive us of the security benefits of arms control directly because of the military consequences of known violations, and indirectly by inducing suspicion about the existence of undetected violations that might have additional military consequences."

We strongly agree with the President's statements. Accordingly, we urgently request that you prepared for us as soon as possible a precise study of the military implications of all nine of the Soviet SALT and other arms control violations in the President's report. We also urgently request a similar report on the military implications of all 40 of the old and the new Soviet SALT and other arms control violations not included in the President's report, including Soviet activities in Cuba violating the Kennedy-Khrushchev Agreement. These reports are a vital necessity for our deliberations on the FY 1985 Defense Authorization and Appropriations Bills.

The U.S. may need to consider accelerating the initial operational schedule for a space-based, layered Anti-Ballistic Missile Defense, and certain offensive "quick fix" options such as deployment of stockpiled Minuteman III ICBMs.

With warmest personal regards.

Sincerely,

Senators Jake Garn, Orrin Hatch, Robert Kasten, James A. McClure, Jesse Helms, Steve Symms.

U.S. SENATE,
Washington, DC, July 2, 1984.

The PRESIDENT,
The White House
Washington, DC.

DEAR MR. PRESIDENT: We remain adamantly opposed to the unratified SALT II Treaty. We agree with your statement in January 1980 that: "the Soviets only see weakness in a President (i.e. Carter) who clings to the unilateral observance of the fatally flawed SALT II Treaty."

As you know, the Bumpers-Leahy Amendment to the FY 1985 Defense Authorization Bill passed the Senate on June 19, 1984. Undoubtedly, there will be those who will seek to claim that the Bumpers-Leahy Amendment, should it eventually become law, would be further affirmative legislation authorizing U.S. compliance with the unratified SALT II Treaty. Both of us voted against the Bumpers-Leahy Amendment, because in the summer of 1982 we participated in hearings before the Judiciary Subcommittee on Separation of Powers demonstrating that a similar measure proposed then was unconstitutional. It attempted to circumvent the Treaty-making powers. A treaty can not be converted into an executive agreement by either the President or Congress. The Senate's debate on the Bumpers-Leahy Amendment was cursory, and did not even consider the 1982 hearing record. Moreover, the Senate was handicapped in the debate by having an incomplete understanding of the diplomatic, Constitutional, and legal status of the SALT II Treaty. The Senate needs more background in order to more knowledgeably debate SALT II.

More importantly, we remind you of the vote on June 20, 1984, in which the Senate affirmed 99 to 0 on a roll call vote that the U.S. had no obligation under international law to comply with any arms control agreement that the Soviets are violating. You yourself have already certified to Congress that the Soviets are violating SALT II in four ways. Accordingly, in light of your report on Soviet SALT violations and the 99 to 0 vote on the Symms amendment, we are writing to ask that you withdraw the SALT II Treaty from the Senate.

We do not understand why Secretary of State Shultz was authorized to state recently, in an unclassified cable to all American embassies abroad, that the United States will comply with SALT II through late 1985:

"Sea trials for the seventh Trident submarine are not scheduled to begin until *late 1985* . . . The issues this event raises regarding the SALT I and SALT II Agreements [sic] will be addressed at the appropriate time. . . . When the time comes for a decision, it will obviously be taken in the context of the international situation and U.S. national security requirements. Among other things, our assessment of the Soviet commitment to a corresponding policy will be relevant to our considerations." (Italic added.)

This statement means that the Executive Branch is planning to comply precisely with the expired SALT I Interim Agreement and with all of the provisions of the unratified SALT II Treaty until it also expires in late 1985, and the Secretary of State has taken that position despite your confirmation to Congress that the Soviet Union is clearly violating SALT II. In our judgement, the implications of an American policy of prolonged unilateral compliance with an unratified SALT II Treaty are serious.

Continuation of the position cabled by the Secretary of State could easily be interpreted as appeasement of the Soviet Union through open and official toleration of gross Soviet strategic superiority and violations. It is a position of pronounced weakness, it is not justified by circumstances, and it is dangerous to American security.

During the past several months, we have given careful study to your classified January 23, 1984 Report to Congress on Soviet Non-Compliance with Arms Control Agreements. Based on that material and other data made available to us, we have reluctantly concluded that the Department of State in late 1981 and early 1982 reached on behalf of the United States Government an unauthorized and undisclosed Executive Agreement with the Soviet Union pertaining to matters covered in the unratified SALT II Treaty.

Yet notwithstanding non-disclosure in the United States, Soviet Foreign Minister Gromyko commented in Bonn, Federal Republic of Germany, on January 19, 1983 about the secret Executive Agreement. Gromyko said:

"It should be borne in mind that the SALT II Treaty was not ratified by the United States of America. Consequently, the sides have no strict obligations to act in accordance with that treaty, though there was *an exchange of verbal statements* that the sides will abide in general by its provisions." (Emphasis added.)

This imprecise remark is the most authoritative public Soviet description of mutual obligations to comply with SALT II, and although omitting much, it does confirm the existence of the unauthorized secret Executive Agreement which is the principal subject of this letter.

The original terms of the Executive Agreement greatly alter the provisions and limits specified in the SALT II Treaty, and grant the Soviet Union significant strategic advantages in a mutual contract binding at international law, but contrary to the domestic law of the United States. The secret Executive Agreement allows the Soviets to declare obsolete their obligation to dismantle strategic nuclear forces to an equal level with the U.S., and in effect allows the Soviets instead to *increase* their forces. Fortunately, however, the secret Executive Agreement is voidable at international law because of Soviet breach, and voiding the Agreement is the action the United States must take to avoid putting American security at further risk.

As we presently understand the terms of the secret Executive Agreement (we are attaching a chronology and analysis), we believe that it formalizes United States acquiescence in a profound shift in the strategic balance in favor of the Soviet Union.

In that regard, Defense Secretary Weinberger's FY 1985 report to Congress confirms that the SALT II Treaty has been converted into an Executive Agreement, and further, that the agreement is disadvantageous to the U.S.

Secretary Weinberger stated: "The SALT II agreement would have codified that unilateral [Soviet] buildup and allowed additional growth in Soviet forces, thereby permitting even further deterioration of the military balance."

On May 26, 1982, Secretary Weinberger stated: ". . . SALT II would irreversibly seal the advantage the Soviets currently enjoy . . . and did not reduce arms or even limit their effectiveness."

But far worse than codifying the fatally flawed SALT II Treaty, the Executive Agreement also allows the Soviets to cancel the 2,250 ceiling of the SALT II Treaty on

total delivery vehicles and possibly also the 820, 1,200, and 1,320 ceilings on ICBM and SLBM Launchers with Multiple Independently-targetable Re-entry Vehicles and bombers with long range cruise missiles. Through these cancellations, the Soviet Union is already almost 1,000 strategic nuclear delivery vehicles and well over 1,000 warheads ahead of the U.S. Last year alone, the Soviets added 50 bombers to their forces, and they have added 3,850 warheads since 1979. These Soviet advantages ignore the effects of their SALT II violations. With these gross inequities, the existing agreement, besides putting our country at risk, also totally undermines any real prospects for mutual arms control and arms reductions.

On January 3, 1980, just after the brutal Soviet invasion of Afghanistan and the discovery of the Soviet Combat Brigade in Cuba, former President Carter wrote to Senator Robert Byrd asking that Senate consideration of the SALT II Treaty be delayed. President Carter stated that:

"The purpose of this request is not to withdraw the Treaty from consideration, but to defer the debate so that *the Congress and I as President can assess Soviet actions and intentions . . .*" (Italic added.)

Soviet actions since then have been to commit genocide in Afghanistan, foment revolution in Central America, and violate SALT and other arms control agreements, and their intentions to violate SALT can be traced all the way back to 1972. It is reasonable to conclude that your Presidential Report to Congress of January 23, 1984 on Soviet SALT Violations constitutes the required assessment of Soviet actions and intentions.

Finally, and as is more fully explained in the memorandum we are attaching, in our judgement the SALT II Executive Agreement may violate:

1. The Treaty-making provision of the Constitution;

2. Section 33 of the Arms Control and Disarmament Act, which specifies that no President can bind the United States to any arms control agreement except through the exercise of the Treaty-making power or pursuant to specific Congressional authorization by public law;

3. The Jackson Amendment to SALT I—Public Law 92-448, which specifies United States arms control objectives as not less than equality with the Soviet Union;

4. The Case Act, which requires the President to report promptly all Executive Agreements to Congress.

Accordingly, in presenting this letter to you, we respectfully ask why Congress, pursuant to the Case Act, was not advised by message of repeated actions converting and modifiying an unratified treaty into a wholly new secret Executive Agreement, which under United States law can not remain unreported to Congress nor, in the case of an arms control agreement, solely within the purview of the Executive Branch?

As you recall, Mr. President, on November 2, 1983, well over one third of those Senators present and voting—37 percent—rejected President Carter's unequal SALT II Treaty. That vote occurred before you confirmed the four Soviet SALT II violations, and also before we fully comprehended the terms of the undisclosed Agreement.

Mr. President, taking account of the proposal by Senators Bumpers and Leahy, we may at any time be obliged to take the initiative and seek another Senate vote, this time on the undisclosed Executive Agreement absolving the Soviet Union from compliance with the principal limits of SALT II. In short, the Executive Agreement your Administration has negotiated is far more disadvantageous to America than former President Carter's unequal SALT II Treaty. For that reason, we feel an obligation to the American people and to our States to address the issue.

We also feel a duty to ask you to end the delay in reporting to Congress, and for that matter to the citizens of the United States, on the other 40 or more Soviet SALT and other arms control violations. The law on that subject asked for a comprehensive public report but did not specify a deadline; however, its legislative history did specify that "all" Soviet arms control violations should be reported promptly in an unclassified message. That has not been done.

We respectfully suggest that the two volume, 275 page Arms Control General Advisory Committee report would be a good basis for this submission. But if some action is not taken soon, then Congress might reasonably conclude that there is need for further legislation with a specific reporting deadline, and even more specifically requiring a complete and unclassified report on Soviet arms control violations. Otherwise, our 1980 Republican Party campaign pledge to end the Carter-Mondale "cover-up" of Soviet violations of SALT I and II could go unfulfilled.

Mr. President, we have a series of recommendations which we respectfully offer:

First, we strongly urge that you declare the 1981-1982 secret SALT II Executive Agreement void, because of Soviet breach as already reported to Congress.

Second, we recommend that you ask the Senate to return the SALT II Treaty which you reportedly wanted done back in May, 1981. But even without a formal request, since the Soviet Union has been notified that the United States will not ratify the treaty, we urge your support for a Senate initiated resolution sending the treaty papers back to you.

Third, we recommend that you end the delay in the Department of Defense on reporting to Congress on the military implications of all 40 of the Soviet arms control violations.

Fourth, we recommend that you propose urgent strategic "quick fixes" in both the offensive and defensive areas, including the continued production and deployment of the ALCM-B, the Trident I, and the low-cost replacement of 100 Minuteman II with Minuteman III ICBMs, acceleration of the F-15 ASAT system, and a near-term, space based strategic defense against Soviet missiles.

Fifth, we recommend that you take decisive action to enforce the Monroe Doctrine in Central America and in Cuba, before the strategic balance becomes any more unfavorable and further constrains American action.

Sixth, in order to compensate for Soviet arms control violations, we recommend that you refuse any further cuts in the defense budget, which is already below what even former President Carter considered necessary and which without strong personal involvement by you will be even more drastically reduced.

Seventh, we recommend that you advise the Soviet Union that further progress in arms control negotiations is unlikely unless and until they undo their many violations of already existing arms control treaties.

Mr. President, we respecfully request also that you personally respond to this letter, our questions contained in the attached chronology and analysis, and our recommended actions as soon as possible within the next few weeks.

We assure you of our deep regard for your judgment. Our intentions in addressing this letter to you arises only out of our desire to insure that you are aware of these matters as we see them, to seek your advice and action, and finally to ensure that the lives and freedoms of the American people are being fully protected.

With warmest personal regards.

Sincerely,

STEVE SYMMS.
JOHN EAST.

ANNEX: CHRONOLOGY AND ANALYSIS

We are listing hereafter the relevant events pertaining to the SALT II Executive Agreement—as best at least we are able to determine them from the incomplete record available to us at present.

a. On June 18, 1979, former President Carter signed the proposed SALT II Treaty on behalf of the United States, and soon thereafter submitted the treaty papers to the Senate for advice and consent to ratification;

b. On January 3, 1980, former President Carter wrote to the Majority Leader Byrd, requesting that Senate consideration of the SALT II Treaty be indefinitely deferred, pending a joint Executive Branch—Congressional assessment of Soviet "actions and intentions" following their invasion of Afghanistan. Such an assessment was never made until your January 23, 1984 Presidential Report to Congress on Soviet SALT violations.

c. In March, 1980, President Carter ordered the Department of Defense to comply with the terms of the SALT II Treaty even though the treaty had neither been approved by two thirds of the Senate nor subsequently ratified by the President acting for the United States (and even though the Senate Committee on Armed Services found that the proposed treaty was "not in the national security interests of the United States");

d. In February, 1981, the Secretary of the Navy, The Honorable John Lehman, stated publicly that compliance by the United States with the unratified SALT II Treaty and the expired SALT I Interim Agreement was illegal and unconstitutional;

e. In May 1981, you are reported to have indicated in a National Security Council meeting that it was your desire that SALT II be withdrawn from further consideration in the Senate, that the treaty papers be returned to you by the Senate, and presumably that the illegal Carter directive to the Department of Defense be rescinded;

f. Sometime during 1981, the Department of State formally notified the Soviet Union that the United States would not ratify the SALT II Treaty—ratification being an executive action within the exclusive perogative of the President, subject to Senate advice and consent but not direction;

g. In June, 1981, you are reported to have reversed your underlying position and to have indicated to the National Security Council that perhaps the United States should comply with SALT II without ratification so long as the Soviet Union did likewise;

h. In September and October, 1981, Secretary of State Alexander Haig and Soviet Foreign Minister Andrei Gromyko appear to have engaged in a series of classified diplo-

matic exchanges in cable and other form which resulted in the secret Executive Agreement which is the subject of this letter (and there were further classified exchanges during Summer, 1982);

i. In late 1981 or 1982, during the negotiation of the Executive Agreement, the Soviet Union informed the United States that the Article XI provision of SALT II requiring the Soviets to dismantle strategic delivery vehicles in excess of 2,250 was "obsolete," and the U.S. acquiesced, thus allowing the Soviets an unlimited number of strategic nuclear delivery vehicles.

j. In late 1981 or early 1982, the Department of State declined a Soviet request that the parties define and enumerate precisely each provision of SALT II deemed "obsolete" in the Executive Agreement, but the Department did accept the general definition of that term as both stated and implied by the Soveit Union;

k. On May 30, 1982, you did not acknowledge the existence of the secret Executive SALT II Agreement, but did announce publicly, "As for existing strategic arms agreements, we will refrain from actions which undercut them so long as the Soviet Union shows equal restraint.";

l. On October 27, 1983, the Soviet Union advised the United States in the Standing Consultative Commission that it did not consider it necessary to observe the MIRV limits of Article V of SALT II, Presumably because under the terms of the Executive Agreement the Soviet Union also deemed those limits also to be obsolete.

m. In November, 1983, the Soviet Union clarified its statement of October 27, which the Soviet General Starodubov claimed the U.S. had "misunderstood." Starodubov asserted that the Soviet Union had no obligation to "dismantle" systems under Article XI of SALT II in order to meet the Article V limits on MIRVed launchers. This revised statement amounted in practice to the same position as that taken on October 27—a voiding of the three MIRV ceilings;

n. In November or December 1983, the U.S. acquiesced in the Soviet position on MIRVed launchers (as "clarified"), thus modifying by conduct the underlying Executive Agreement to permit the Soviet Union to deploy new MIRVed launchers—the SS-24, SS-25, and the TU-95H with long range cruise missiles—at aggregate levels in excess of the 820, 1200, and 1320 MIRVed launcher limits of article V SALT II;

o. On Januray 23, 1984, the Senate was indirectly informed by message for the first time that the Executive Branch had formally notified the Soviet Union in 1981 that the United States would not ratify SALT II;

p. On January 23, 1984, the Senate was formally notified by message that the Soviet Union is clearly violating two provisions of the unratified SALT II Treaty and is probably violating two other provisions of the unratified SALT II Treaty. Yet in the same report you stated that the U.S. would continue to comply with SALT II. You omitted the previously used qualification (derived from the executive Agreement) "as long as the Soviets show equal restraint," thereby seeming to have converted SALT II first into an Executive Agreement worse than the unratified treaty and next simply into an exercise in American unilateral disarmament and limitation in the face of unrestrained Soviet growth.

q. On March 14, 1984, a senior member of your Administration stated at a hearing before the Senate Committee on Armed Services that the violations you formally reported to Congress were "illustrative only," and he mentioned "20 to 25" other possible Soviet arms control treaty violations. He also stated that since the signing of SALT II in 1979, the number of Russian nuclear warheads aimed at the people of the United States had increased by "3,500" or by "almost 75 percent."

Mr. President, as we understand the terms of the 1981-1982 Executive Agreement, the Soviet Union is explicitly exempted from dismantling over 500 strategic intercontinental delivery vehicles, and is allowed under the agreement over 898 more strategic nuclear delivery vehicles and 1000 more warheads than permitted the United States. And these numbers on the Soviet side are allowed unlimited growth.

We also understand that in November or December, 1983, we acquiesced in, and thus accepted by conduct, a modification of the Executive Agreement which permits the Soviet Union to disregard Article XI of the Treaty with respect to Article V, thereby permitting the Soviet Union to proceed in the deployment of additional new MIRVed launchers such as the SS-24, SS-25, and TU-95H with long range cruise missiles in excess of the three launcher limits on MIRVed systems—820, 1200, and 1320. Under the Executive Agreement interpretation in which the United States acquiesced, these new deployments of MIRVed launchers can continue until the MIRVed launcher limits of SALT II are reached by exclusively new systems, without a current obligation to dismantle any launchers from any "old" systems like the SS-18.

Thus, not only was just the total aggregate ceiling lifted by the original Executive Agreement, but all four of the SALT II ceilings can now be exceeded by the Soviets with U.S. acquiescence. The Soviets have been excused from dismantling any old delivery vehicles in order to reduce their forces down to 2250, and instead can deploy effectively unlimited numbers of SS-24s, SS-25s, Backfire bombers, and TU-95 Hs, until the original aggregate ceiling of 2250 may be reached by exclusively new systems. And, as noted, the same freedom applies to Soviet compliance with the 3 MIRV ceilings: 820 ICBM MIRVed launchers, 1200 MIRVed launchers for ICBMS and SLBMs and 1320 MIRVed ICBM and SLBM launchers and intercontinental bombers equipped with long range cruise missiles. In addition, the Soviets are violating the new type ICBM provision, the prohibition on SS-16 deployment, the encryption prohibition, and the Re-entry Vehicle to Throw-Weight ratio provision.

In sum, SALT II has been converted from an unequal treaty already "not in the national security interests of the U.S." into a mere hollow shell for the Soviet Union and into a constraining straight jacket for the United States. We repeat, the Soviets are permitted to exceed all four of the ceilings of SALT II, with apparent U.S. acquiescense, and they are violating all of SALT II's other major provisions. But the U.S. is still unilaterally and strictly complying with SALT II in every aspect of all of its original provisions. Thus SALT II has become an exercise in U.S. unilateral arms control bordering in practical effect on unilateral disarmament.

In 1979, the original SALT II Treaty was, as noted, judged "not in the national security interests of the United States" by the Senate Armed Services Committee. And as the fiscal year 1985 Defense Posture Statement explains with unusual lucidity:

"the SALT II Agreement would have codified that unilateral [Soviet] buildup and allowed additional growth in Soviet forces, thereby permitting even further deterioration of the military balance."

The Defense Department has also testified recently that "this Soviet buildup of strategic nuclear forces shows no sign of slowing." Under Secretary of Defense De Lauer has testified recently that: "We see no let-up in the rate of deployment of Soviet [strategic] systems over the next ten years." Defense Secretary Weinberger stated on May 26, 1982 that SALT II "would irreversibly seal the advantage the Soviets currently enjoy." Secretary Weinberger is correct.

But if SALT II was already unequal in 1979, then how much worse off are we in a situation in which all the four ceilings are in practical effect removed for the Soviets, who are building up their nuclear forces with no end in sight and as fast as their economy and resources will permit?

In our judgement, both the original Executive Agreement and the agreement as apparently modified in 1982 and 1983 are militarily unacceptable, fundamentally dangerous to the American people, and contrary to law.

We also believe that the attempt to characterize the agreement as simply a "political commitment" is at best inaccurate, and at worst a subterfuge invented by the Department of State to circumvent the Constitution, the Jackson Amendment (Public Law 92-448), Section 33 of the Arms Control and Disarmament Act, and the Case Act, a law of the United States which requires the President to report promptly to Congress all Executive Agreements.

The following analysis is the basis for our belief that the Executive Agreement does not satisfy the requirements of the Constitution or Public Law.

In the fact sheet which was provided to Congress along with your Report on Soviet SALT violations, the status of SALT II was defined as follows:

"SALT II was signed in June, 1979. It has not been ratified. In 1981 the United States made clear its intention not to ratify the Treaty. Prior to 1981 both nations were obligated under international law not to take actions which would 'defeat the object and purpose' of the signed but unratified treaty; such Soviet actions before 1981 are violations of legal obligations. Since 1981 the U.S. has observed a political commitment to refrain from actions that undercut SALT II as long as the Soviet Union does likewise. The Soviets have told us that they would abide by these provisions also. Soviet actions contrary to SALT II after 1981 are therefore violations of their political commitment."

To our knowledge, this statement was the first time that the Senate had been informed that "in 1981 the United States made clear its intention not to ratify the Treaty." Even though it was clear to most political observers that the Senate would never give its consent to you or to any President to ratify the treaty, we were not aware that the Administration had notified the Soviet Union that the United States would not ratify the proposed treaty.

We do not understand why the Senate was not also notified contemporaneously of that action, because the notification given the Soviet Union clearly relieved the United States of any possible obligation under international law (as perceived by the State Department) to take no action to "defeat

the object and purposes" of the proposed treaty. Moreover, a logical and usual consequence of giving such notice to the other party would have been a concurrent request from the Executive Branch to the Senate asking for the return of the treaty papers to the President, the only proper procedural action when the President does not intend to ratify a treaty and has so notified the other signatory.

But the Senate was not advised of the notification to the Soviets. Thus, at the time in 1981 we were understandably puzzled by the announcement that the United States would refrain from actions that "undercut" SALT II as long as the Soviets did likewise. And in that regard, we are now not unmindful of the unseemliness of the Senate having before it during three full years, for advice and consent to ratification, a proposed treaty that the Executive Branch had specifically and secretly notified the other contracting state that the Executive Branch had no intention of ratifying. One of our requests in this letter, therefore, is that you inform us when and under what circumstances the United States made clear its intention in 1981 not to ratify the treaty.

The Fact Sheet previously mentioned also attempts to exploit in domestic law an important new concept in the understanding of arms control, namely, the distinction between a "legal" international obligation and a "political" international obligation. According to this distinction in your report, violations of the terms of SALT II which occurred previous to 1981 were violations of a "legally" binding obligation, while those which occurred after 1981 were violations of a "politically" binding obligation. Candidly, we do not accept this distinction, and we believe that it is simply a contrived (and transparent) effort by the Department to State to justify circumvention of the Congressional approval requirements in Section 33 of the Arms Control and Disarmament Act and the reporting requirements of the Case Act.

In any event, the secret diplomatic record, at least insofar as we have been apprised of it, and the public record, amply support our conclusion that in 1981 and 1982 a secret Executive Agreement binding in international law but contrary to the domestic statutory and constitutional law of the United States, was negotiated by the Department of State and the Soviet Union. Again, your recent report on Soviet SALT violations is strong evidence for that conclusion:

"Since 1981, the United States has observed a political commitment to refrain from actions that undercut SALT II *as long as the Soviet Union does likewise."* (Emphasis added.)

Putting aside the fact that you have reported to Congress the precise fact that the Soviet Union is not doing likewise, the foregoing statement is effectively an offer by the United States containing a conditional promise binding the conduct of the United States if accepted by the other contracting state, the Soviet Union. And apparently there was either conditional acceptance in 1981 and 1982 followed by a modification in 1983, or alternatively, simply a Soviet counter-offer in 1981 and 1982 which was eventually accepted by the United States and subsequently modified in 1983.

Here again, we know there was Soviet acceptance of our offer (or a Soviet counter-offer subsequently accepted by the United States), because we are advised by your report:

"the Soviets have told us they would abide by these *provisions* also." (Emphasis added.)

This statement brings us to the central point we are asserting, namely, the Soviet Union, in consideration of our conditional promise to abide by the provisions of SALT II, also promised to do likewise so long as the United States did the same, thus clearly creating a bilateral Executive Agreement between the two contracting states. And the Administration reached this Executive agreement with the Soviet Union by acquiesing in a higher level of strategic nuclear delivery vehicles and effectively an unrestrained rate of growth in total forces for the Soviet side under the agreement terms as finally accepted.

The Constitutional and statutory imperfections of the agreement are clear to us, and so are the national security implications. But as Senators, we need to weigh the precise effects of the agreement reached on future arms control negotiating prospects, as well as on the security of the United States.

We need to know, therefore, the full record of diplomatic exchange involved and the present form and status of the agreement, whether described euphemistically as mutually contingent "political commitments" or accurately, as an unreported bilateral Executive Agreement between contracting sovereign nations.

We need to know these details because the existence of significant alterations in a basic mutual commitment to observe the terms of SALT II has been implied in a series of press background briefings given by high Administration officials.

As early as May 23, 1982, former Secretary of State Haig stated on national television that the USSR continued to observe "some" of SALT II's constraints, and on June 24, 1982, another Department of State official stated: "We're not requiring that . . . the Soviets reduce their forces. . . ." The significance of that statement did not become clear until another such background briefing held this year, when a senior State Department official said that in June, 1982, the Soviet Union established that it had no obligation to dismantle:

"I might say that in one particular area, the Soviets made clear that they did not feel obliged to adhere to the SALT II Treaty, and that was on the obligation to *reduce down to 2250* strategic nuclear delivery vehicles which was meant to take place as we were observing the Protocol." (Emphasis added.)

The obligation not to exceed 2250 strategic delivery vehicles is a provision in the SALT II Treaty and is not linked to the Protocol. We find very puzzling, therefore, the fact that the United States would accept an apparent Soviet counter-offer containing a unilateral definition of a key—perhaps the Key—provision of the treaty as "obsolete." Yet on June 20, 1982, Soviet spokesman Zamiyatin suggested in Izvestia that there was a U.S.-Soviet agreement on complying with SALT II, and Zamiyatin was quoted in a similar statement in Time magazine about the same time. We therefore find it logical to assume that as early as September or October of 1981 (and later in the summer of 1982) the Soviet Union made clear that any agreement to observe the terms of SALT II was conditional on the United States observing those terms and on the United States accepting that Soviet Union would not observe certain terms it deemed obsolete among which was, incredibly, the central feature of the treaty—the overall aggregate limit on strategic delivery vehicles.

But, Mr. President, we do not have at this time the negotiating record of the Executive Agreement. Therefore, the status of the treaty, as well as the status of the agreement and underlying diplomatic interchange is crucial to understanding the signifance of the United States commitments under the agreement.

If we did indeed notify the Soviet Union in 1981 that we did not intend to ratify the treaty, then, under any interpretation of customary international law, all obligations on both sides, were finished and the treaty is irrelevant. But no notification was sent to the Senate at that time, and no request was sent forward for the Senate to return the treaty papers to the Executive Branch.

On the other hand, if we did not notify the Soviet Union of our intention not to ratify then, the Department of State, at least, continues in the belief that under customary international law, the parties are still bound not to undercut the treaty terms. Yet if we speak of a "political obligation" to respect the terms as long as the Soviets do likewise, that obligation is contractual and binding at international law since it depends on Soviet acceptance, both in the course of diplomatic interchange and in its conduct.

But the Soviet attitude towards obeying the provisions of SALT II is contradictory. Mr. President, you, yourself, pointed out in your report on Soviet arms control violations that the Soviet Union was guilty of violations of the unratified SALT II Treaty in at least four areas, namely, telemetry encryption, the rule on ICBM modernization, the prohibited "new type" SS-X-25, and clandestine deployment of the SS-16. But in addition to violation of terms which both sides have, it appears, mutually agreed to observe, there is the far more serious question of whether there is mutual agreement on the central term of SALT II, that is to say, whether there is any limit whatsoever on the number of Soviet strategic nuclear delivery vehicles and, after our conduct in the SCC during late 1983, on MIRVed launchers.

Against the background of fact, amusingly, there are repeated Soviet statements in diplomatic channels to the United States that the Soviet Union is strictly complying with the provisions of SALT II. For example, this curious dialogue:

"The Soviet Union has stated that if the U.S. observed the *provisions* of the unratified SALT II Treaty, the Soviet Union would abide by the *provisions.*" (Emphasis added.)

The Soviets then reportedly added:

The Soviet Union is not taking any actions that would run counter to the SALT accords that have been achieved."

Yet the Soviets have also stated in diplomatic channels that

"The sides have *no* strict obligation to act in accordance with the *provisions* of the SALT II Treaty, as would have been the case had it been ratified." (Emphasis added.)

Taken together, these statements suggest a Soviet posture indicating that they are complying in some fashion with SALT II in accordance with a mutually understood agreement, even though they have no strict treaty obligations to do so. Yet their indication that they are acting in accordance with a mutual agreement must be read in the light of their assertion that they consider "obsolete" the SALT II ceiling on strategic nuclear delivery vehicles and the MIRV ceilings.

The unratified SALT II Treaty specifies that neither side can have more than 2,250 strategic nuclear delivery vehicles. That

ceiling was the keystone, indeed, the foundation of the treaty. At the end of 1981, the Soviets had over 2,500 operational strategic delivery vehicles.

The Carter-Mondale Administration claimed that the Soviet obligation to dismantle at least 250 delivery vehicles was one of the principal U.S. benefits of the SALT II Treaty. Even so, the Senate refused to act on the treaty because, Mr. President, many agreed with you that it already greatly favored the Soviet Union and was "fatally flawed." The Senate Committee on Armed Services formally reported to the Senate that the treaty was not in the national security interest of the United States, because it was unequal and destabilizing. The Committee was right. You were right.

Yet under the unreported Executive Agreement concerning SALT II, the situation has grown far worse than we would have anticipated even if the Senate had consented to ratification and you had subsequently taken that unwise step. Under the Executive Agreement the Department of State has negotiated, at the present time the Soviets have reached well over 2,754 operational strategic nuclear delivery vehicles without counting several regiments of SS-16s and other systems which are almost certainly deployed.

Thus, just to meet the already unequal terms of SALT II, the Soviets would now have to dismantle over 500 strategic vehicles. Yet the question of meeting the 2,250 ceiling of SALT II is a central issue, not only in future arms control negotiations, but in whether, on military grounds alone, we can further risk American security by observing an agreement so clearly unequal, disadvantageous as well as unconstitutional and contrary to United States law.

And there can be no doubt that the military consequences of the secret Executive Agreement are enormously dangerous. While on our side of the agreement we have strictly adhered to the terms of SALT II as if it were a ratified treaty (and in fact have unilaterally dismantled strategic delivery vehicles well below the strict requirements of SALT II), the Soviet Union has increased the number of Soviet ICBM and SLBM nuclear warheads aimed at the people of the United States from about 6,000 to over 9,500.

As one senior member of your Administration, Richard Perle, has testified to the Senate, "Since SALT II was signed, the number of Soviet nuclear warheads aimed at the U.S. has increased by 75 percent." He later added that this number increased by 3,500 warheads, and that this did not even count Soviet refire missiles. Thus the Soviets now have over 898 more strategic delivery vehicles and over 1,000 more strategic warheads than the U.S., not even counting the advantages gained from their SALT II violations. The Soviets could have another 600 illegal strategic delivery vehicles carrying over 1,600 illegal warheads from their SALT II violations alone. And if all probable Soviet arms control violations are tabulated, the Soviets may have deployed over 4,000 more illegal delivery vehicles carrying over 10,000 more illegal warheads. Thus, including their advantages gained from SALT cheating, the Soviets have over an order of magnitude more forces than they are allowed by SALT II.

This continued increase is set against a background that is even more disturbing. During your Presidency the number of American operational strategic delivery vehicles has actually decreased from about 2,058 to about 1,814. In addition, the U.S. is planning to deactivate two Poseidon submarines carrying 32 SLBMs and 320 warheads, and 90 B-52D bombers carrying 1,080 ALCMs, all in order to continue complying with SALT II.

The Soviets have already seen the U.S. explicitly acquiesce in allowing them a still growing 2,754 to 2,250 superiority in permitted delivery vehicles under SALT II. They have also observed the gratuitous U.S. unilateral deactivation of 292 delivery vehicles carrying over 500 warheads. They are waiting for the U.S. to continue its plans to deactivate 32 Poseidon SLBMs carrying 320 warheads and 90 B-52D bombers carrying 1,080 ALCMs.

Thus, the Soviets have no incentives to agree to negotiated reductions at all, let alone to equal levels, when they already have a superiority acknowledged by the U.S. and can simply wait for the U.S. to continue its unilateral deactivations.

We, of course, recognize that when you took office the U.S aggregate number of strategic vehicles was already far lower than the comparable number in the Soviet Union. Indeed, the only way the Carter-Mondale Administration could preserve the illusion of U.S.-Soviet parity in SALT II was to count in the U.S. aggregate total 258 unflyable, moth-balled B-52 bombers abandoned and in storage. The Carter-Mondale Administration spent over $10 million trying to make our oldest, obsolete B-52 bombers appear operational to Soviet spy satellites, or perhaps to impede public discussions of their conditions. This program was called "Operation Crested Dove" and it lasted from 1977 to 1980. It was a serious impediment to rational public discussion of the SALT II Treaty.

Yet, bad as these conditions were, we believe they have grown unimaginably worse through a chain of events which has undermined the Constitution and public law. In March, 1980, President Carter issued a directive requiring the Defense Department to comply fully and precisely with all the provisions of the unratified SALT II treaty. This action constituted de facto Presidential ratification of the Treaty, without the advice and consent of the Senate. And bad led to worse because President Carter's unconstitutional action was the origin of the February 1981 statements concerning our obligation not to undercut the term of the treaty. And that action was in turn also the origin of the Executive Agreement based on a modified understanding of SALT II through which certain of its terms were deemed "obsolete".

President Carter's directive to the Defense Department to abide by the provisions of SALT II has never been rescinded. Under this order, the United States now has less than 1,900 operational strategic nuclear delivery vehicles compared to more than 2754 on the Soviet side. Moreover, the United States is in the process of unilaterally deactivating 292 strategic delivery vehicles; when this program of unilateral deactivation is completed, the United States will only have slightly above 1,800 operational strategic nuclear delivery vehicles. In addition, the United States is planning additional deactivation of 90 ALCM-equipped B-52 G bombers and 32 Poseidon MIRVed SLBMs in order to comply with the terms of SALT II which is apparently our part of the Executive Agreement.

The result of the Carter directives, your commitment not to undercut SALT II and the Executive Agreement accepting the Soviet determination of "obsolete" provisions in SALT II is that the United States is reducing strategic nuclear delivery vehicles to 1,800 out of a formely allowable 2,250 while the Soviets never reduced theirs at all and have, in fact, increased to 2,754 with every prospect of fielding even more systems either through violations of the Executive Agreement or in accordance with the apparent common understanding that insofar as concerns the Soviet Union there is no ceiling, even on MIRVed systems.

We believe that the proper response to the Soviet position effectively declaring the SALT II 2250 ceiling "obsolete" would have been to abandon publicly your 1981 commitment not to undercut SALT II and to rescind the 1980 Carter directive.

The SALT II Treaty itself was unequal and destabilizing; the Carter order to the Department of Defense was unwise and a usurpation of Senate power. The 1981 declarations were even worse since they bound us to obligations without the legal sanctions of treaty or of customary international law. But the 1981-1982 agreement was the worst of all since it constituted the acquiesence of the United States in a further degrading of the treaty's alleged benefits, without any quid pro quo return at all. Moreover, the Senate was not informed of this development, which would have cast the 1981 decision in an even worse light.

The Constitution requires that treaties be ratified by the President by and with the advice and consent of the Senate given by two-thirds of those present and voting. The SALT II treaty was sent to the Senate, but was not debated on the Senate floor since it was obvious even to the proponents that the necessary two-thirds support for a resolution of consent to ratification was not available. The decision of President Carter to require the Department of Defense to abide by the unratified treaty placed the Executive Branch in conflict with the requirements of the Constitution and under the domestic law of the United States was an illegal order—even though undoubtedly the lawyers at the Department of State would argue that such action was required by customary international law for a reasonable time during the pendency of the treaty.

If so, the Carter action placed international law above the Constitution.

But because the U.S. gave notification to the Soviet Union in 1981 (albeit in secret) that the United States did not intend to ratify the treaty, there was no longer any requirement even under certain interpretations of customary international law to abide by the Treaty restrictions. The eventual conclusion of the Executive Agreement, therefore, appears to be a further violation of the Constitution and, since the agreement has not been submitted to the Senate, is certainly contrary to statute. In addition, whatever appearance of propriety that certain interpretations of customary international law might have lent to the illegal Carter directive of March 1980, those already shaky underpinnings were removed by the 1981 notification to the Soviet Union that the Executive Branch did not intend to ratify the treaty.

In summary, the Executive Agreement appears to have embodied tacit acquiescence in the Soviet interpretation of SALT II eliminating one of the major purported achievements of the treaty. The effect of accepting that Soviet interpretation was to relieve the Soviet Union of the obligation of reducing its strategic nuclear delivery vehicles from 2,500 to 2,250 and to allow it to in-

crease the number further to over 2,754 without further apparent legal restraint until the original ceiling is reached by counting only new systems. The prudent reaction to this Soviet position, rather than accepting it as we did, would have been to reject the public commitments of 1981, which were unconstitutional anyway.

But we did not reject the 1981 commitments and we did accept the Soviet position; and we continued to respect SALT II and have continued to reduce our own strategic nuclear delivery vehicles to a planned level of about 1,800. Those actions aggravated the fundamental strategic inequality between the United States and the Soviet Union, giving the Soviet Union a superior level of operational intercontinental forces.

Yet, in 1972, the Jackson Amendment to SALT I mandated that:

"The Congress recognizes the principle of United States-Soviet Union *equality* reflected in the Anti-Ballistic Missile Treaty, and urges and requests the President to seek a future treaty that, *inter alia*, would not limit the United States to levels of intercontinental strategic forces *inferior* to the limits provided for the Soviet Union." (Public Law 92-448, Emphasis added.)

And even though the Executive Agreement was not in the form of a treaty, it has had the effect of a treaty, at least on the actions of the United States. Clearly, then, the Executive Agreement violates the intent of the Jackson Amendment.

Moreover, the Executive Agreement controls American strategic forces in over ten ways. Yet Section 33 of the Arms Control and Disarmament Act specifies that there are only two ways for the United States to become party to an arms control agreement: (1) through the treaty-making process of the Constitution, involving the advice and consent of the Senate; (2) or through further affirmative authorizing legislation, involving the agreement of both Houses of Congress.

The treaty-making power has been completely side-tracked, and there has been no authorizing or approving legislation from Congress or any request for approval as required by statute. Yet the Administration has achieved the practical results of a treaty de facto, by the Executive Agreement of 1981 and 1982, as apparently modified in 1983.

Although the 1981 public commitment was purportedly the result of a unilateral declaration on each side, the nature of the circumstances suggest that the declarations were mutual and mutually contingent (hence an agreement), as tacitly admitted by the 1984 Fact Sheet. We believe therefore the purported unilateral public declarations did not emerge spontaneously. We accordingly ask that you provide us with copies of any diplomatic correspondence, cables, memoranda of conversations, minutes of meetings, position papers, or talking points generated with regard to the 1981 mutual commitments described in the Fact Sheet as a "political agreement".

Similarly, it is clear from the available record that in 1981 or 1982 the United States accepted (either through acceptance of a counter offer or as a modification of an already existing agreement) the Soviet interpretation of SALT II eliminating the overall ceiling on the number of Soviet strategic nuclear delivery vehicles. That step was a major change, yet the United States has continued to maintain the policy of strict compliance with SALT II, and apparently because of prior agreements has not objected on the public record to the Soviet interpretation.

Also, apparently because of the Executive Agreement, clear Soviet violation of the aggregate ceiling in SALT II was not included in the 1984 report of Congress on arms control violations, we believe, precisely because it was, in fact, not a violation of the 1981-1982 accord. Therefore, we ask additionally cables, memoranda of conversations, minutes of meetings, position papers, or talking points generated with regard to the 1981 Soviet position on voiding the aggregate ceiling and on the 1983 Soviet position on avoiding MIRVed launcher limits.

We ask further that you specifically give your opinion as to whether the Executive Agreement has any force in international law, whether it is consonant with the Constitution and the intent of the Jackson Amendment, and whether it is in accord with Section 33 of the Arms Control and Disarmament Act. We also respectfully ask for an explanation of why it has not been reported under the Case Act.

We also ask you whether, in your opinion, we should continue to observe strictly the constraints of SALT II even through (a) it is our intention not to ratify the treaty, (b) the Soviet Union has succeeded in eliminating (with Department of State agreement) all of the ceilings of the treaty and violates many of the remaining provisions, including the most important remaining provisions, and (c) the result has been a rapidly increasing and dangerous inferiority in the U.S. position with regard to intercontinental strategic weapons. Specifically, we ask whether U.S. security is enhanced by a State Department policy which has beyond any reasonable doubt proven to be inherently destabilizing.

Mr. President, the future of arms control must be with massive reductions on both sides in an equal and effectively verified manner or with rapid deployment of high technology defensive systems. If arms reductions can not be achieved, then we must acknowledge that hard fact because our freedom is too precious to risk further in the slavish pursuit of goodwill and trustworthiness in an opponent who holds the United States in increasing contempt while remaining committed to the practice of deception and tyranny. The unwise Executive Agreement negotiated by the Department of State has undeniably resulted in a situation where the Russians feel free to increase their strategic nuclear delivery vehicles (including MIRVed systems) and to violate even the already unequal terms of the agreement at will, while we feel required to dismantle unilaterally and gratuitously our systems and to adhere precisely to all of the original provisions of the unratified treaty.

In short, we ask you, Mr. President, whether in truth any productive purpose is served by accepting these risks to national security and by continuing to speak of SALT II as an "agreement"—even as a "political agreement"—when there is absolutely no agreement with Russia whatsoever on fundamental disarmament?

Mr. President, we have just received authoritative testimony that twelve years ago in 1972, the Joint Chiefs of Staff and the U.S. Senate were not informed that the Soviet Union intended to violate the SALT I Treaty and Agreement even before they were signed. The Nixon Administration reportedly witheld this information from our military leaders and the Senate, and according to our reports actually lied to the Senate 1972. Thus it seems that the SALT I Treaty and Agreement were ratified under false pretenses. But a much worse situation has occurred with regard to the SALT II Treaty, which is an even greater affront to the Senate.

U.S. SENATE,
Washington, DC, July 25, 1984.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are your stalwart supporters and always will be. As you know, earlier this month, we reluctantly stated our view that the conduct of Administration officials had bound the United States at international law to an unauthorized Executive Agreement concerning the unapproved SALT II Treaty, and that the agreement was disadvantageous to the United States in that it permitted the Soviet Union to exceed ceilings specified in the SALT II Treaty which itself you had characterized as "fatally flawed." We still agree with your October 30, 1980 debate statement that "SALT II is illegal."

We now understand that the Administration asserts that there is no such Agreement involving SALT II, and although we believe there is a substantial basis for determining otherwise, we are gratified that the present position of the Administration is that no such agreement exists. Since our recent letter, various statements have appeared in the press from spokesmen for the Administration, denying that any Executive Agreement involving SALT II exists.

The statements from the spokesmen further confuse the difference between a "treaty" and an "Executive Agreement." For example, the New York Times of July 7, 1984, stated that "An Administration official said it was absurd to call the decision to comply with the Treaty an Executive Agreement with the Soviet Union." Further, Presidential spokesman Larry Speakes stated on July 11, 1984, that there was "no secret Executive Agreement . . . it did not exist."

It is ironic, however, that in denying the existence of a SALT II Executive Agreement, Larry Speakes went on to reaffirm the U.S. "interim restraint policy for existing strategic arms Agreement," including the SALT II Treaty. If there is no Existing Agreement, then how can we have a restraint policy based on Existing Agreements?

Unfortunately, the Bumpers-Leahy Amendment to the Defense Authorization Bill also refers repeatedly to the "SALT II Agreement" described in our letter. The Bumpers-Leahy Amendment would, therefore, if enacted into law, tend to give legislative authority for an Agreement which your Administration now insists was never made. Accordingly, we very respectfully urge you to take whatever steps may be appropriate to ensure that the Bumpers-Leahy Amendment is not enacted, since it would codify an international Agreement which under the analysis of your Administration was never consummated.

Even though, Mr. President, we still are of the firm belief that there is substantial evidence that there was a meeting of the minds between the Soviet Union and the U.S. concerning the applicability and non-applicability of the provisions of SALT II, we, of course, defer to your better knowledge of the surrounding circumstances of those discussions with the Soviet Union. We feel that in view of the present position of the Administration it is imperative that any legislation giving a contrary interpretation to

those events, such as the Bumpers-Leahy Amendment, be vetoed if necessary, to prevent an erroneous statement of fact in the laws of the United States.

Further, in our judgment, such action on your part would be particularly necessary to preserve the Constitutional doctrine of separation of powers. The Judiciary Subcommittee on Separation of Powers, when reviewing in 1982 a resolution similar in content to the Bumpers-Leahy Amendment, found that Congressional action affirming an Executive Agreement based on a pending treaty would be "an unconstitutional exercise in Congressional power." The 1982 resolution, S.J. 212, also referred to a "SALT II Agreement."

Moreover, we also urge that in clarifying the non-existence of any Executive Agreement involving the SALT II Treaty, you should direct Administration officials to cease referring to the proposed treaty in official communication as an "Agreement." We are enclosing as an example a copy of a cable sent by Secretary of State Shultz to all U.S. embassies worldwide in which such "agreement" is referenced as extant.

In sum, the original recommendation of the earlier letter concerning this matter still seems to us to be the best course of action to clarify fully the actual current status of the proposed SALT II Treaty. Since you have notified the Soviet Union that the Executive Branch will not ratify the Treaty, even if given consent to ratification by the Senate, the proper course now would be to request the return of the Treaty papers since continued consideration in the Senate is moot.

Moreover, we again renew our request for all aides memoire, memoranda of conversation, or other documents or records pertaining to commitments by the United States to abide by provisions of the unratified SALT II Treaty. We point out, in that connection, that these materials could be of far greater significance than they might appear, since they might reflect the incorporation by reference of complex terms and procedures embodied in SALT II even though the materials themselves may be brief and appear to lack formality.

Finally, we point out that the 1984 Democratic Party Platform states that: A Democratic President will pursue deep, stabilizing reductions in nuclear arsenals within the framework of SALT II, observing in the meantime the SALT II limits ourselves and insisting that the Soviets do likewise.

This provision is the same demagogic language that appears in the Bumpers-Leahy Amendment.

We hope that you will not support enacting as law the key Democratic Platform provision, which is based on wholly false premises. It is flawed in four respects:

(1) The Soviet Union refuses to reduce nuclear weapons and daily adds new nuclear forces;

(2) According to your spokesmen there is neither as SALT II Agreement, nor a Treaty intended for ratification, which in any event would be unequal and contrary to the national security interests of the United States;

(3) The United States has already scrapped 5 still serviceable missile submarines, deactivated 5 more, and even plans to scrap 2 perfectly operational Poseidon submarines in order to comply with the expired SALT I Interim Agreement and the nonexistent SALT II Treaty, while the Soviets have a still growing 50% strategic submarine superiority over the U.S. and are illegally converting some of their equivalent submarines into even more lethal missile carriers; and

(4) The Soviet Union is in blatant violation of the terms of every major arms control treaty, is not observing SALT II, and no amount of U.S. insistence will cause Russia to act otherwise.

After all, former President Carter portrayed the 1980 election as a national referendum on his SALT II Treaty, and he lost.

We consider this issue of such critically, both in a narrow political sense, and more importantly in terms of our viability as a free country in the future, that we urgently request a meeting with you as soon as possible to outline face to face why we believe these questions must be resolved without any further delay.

With very best personal regards,

We remain,

Very respectfully,

STEVE SYMMS,
U.S. Senator.
JOHN EAST,
U.S. Senator.

U.S. POLICY ON SALT INTERIM RESTRAINT

Interagency cleared guidance on U.S. Policy on SALT interim restraint follows. The Department released the first Q-and-A on March 29, the second on March 30.

TRIDENT AND SALT LIMITS

Question. When will continued trident submarine construction put the U.S. above the SALT II MIRV sub-ceiling of 1,208 launchers? When will the trident program cause us to exceed the SALT I interim agreement limits? What is the U.S. position on continuing to observe these limits? When would they have expired had SALT II been ratified?

Answer. U.S. policy on interim restraint was set by the President in 1982, when he stated that, "as for existing strategic arms agreements, we will refrain from actions which undercut them so long as the Soviet Union shows equal restraint."

The U.S. is continuing to carry out its obligations and commitments under relevant agreements, including our no undercut policy on existing arms control agreements. In keeping with this policy, compensating dismantlements for new trident I launchers the excess of SALT I interim agreement limits have been completed or are programmed using polaris and TITAN II strategic ballistic missile launchers that have been deactivated, and we have programmed sufficient money through the end of fiscal year 1985 for continued dismantlement of these launchers in accordance with SALT I procedures.

The SALT II treaty as written would have expired in December 1983, had it been ratified. It is the seventh trident that will bring into play the possible applicability of both SALT I and SALT II limits. Morever, sea trials for the seventh trident submarine are not scheduled to begin until late 1985, i.e., during FY 1986. Thus, no decision need be taken at this time regarding compensation for the seventh trident. The U.S. will carefully evaluate both the international situation and our own national security requirements in reaching such a decision.

Question. Is it true that the U.S. is considering revoking its "no undercut" policy for SALT II?

Answer. The President's policy on interim restraint has not changed. We are continuing to implement this policy with respect to the SALT interim agreement and the unratified SALT II agreement, and we are proceeding to implement the President's strategic modernization program.

As the President stated on January 23, "the United States is continuing to carry out its own obligations and commitments under relevant agreements."

Sea trials for the seventh Trident submarine are not scheduled to begin until late 1985, that is, in fiscal year 1986. The issues this event raises regarding the SALT I and SALT II agreements will be addressed at the appropriate time.

It would be misleading to infer that the absence of a decision before one is required implies anything about what course of action will eventually be taken.

When the time comes for a decision it will, obviously, be taken in the context of the international situation and U.S. national security requirements. Among other things, our assessment of the Soviet commitment to a corresponding policy will be relevant to our considerations. Shultz.

THE WHITE HOUSE,
Washington, August 6, 1984.

The HONORABLE JOHN P. EAST,
U.S. Senate,
Washington, DC.

DEAR JOHN: This is in reply to your letters to me of July 2, and July 25, expressing concern about this Administration's policy of not undercutting the provisions of SALT II.

It is incorrect to say, as your letter states, that this Administration has turned SALT II into a mutually binding secret executive agreement with the Soviet Union. We have neither negotiated nor signed a secret agreement. What we have done is to adopt a policy of refraining from actions which would undercut SALT II so long as the Soviet Union shows equal restraint.

I have stated on many occasions that SALT II did not provide a sound basis for arms control and that a new treaty was necessary. On May 31, 1982, I publicly enunciated our no-undercut policy at the same time that I announced the beginning of the START negotiations. The confidential diplomatic exchanges referred to in the annex to your letter have been carried out solely for the purpose of informing the leaders of the Soviet Union of our policy and seeking an understanding of their policy with regard to SALT II. Nothing has been said to the Soviet Union that goes beyond this policy.

Since the Administration made clear that it did not intend to seek ratification of the SALT II Treaty, there has remained no legal obligation on either party to refrain from acts which would defeat the object and purpose of the agreement. Thus our policy statement with respect to SALT II represents a political commitment rather than a legal obligation. As such, SALT II is not an executive agreement and carries no legal obligations.

The intent of our policy has been to promote an atmosphere of mutual restraint which is conducive to strategic nuclear arms negotiations while not jeopardizing U.S. national security. This policy is compatible both with our START objectives and our defense modernization program.

Your letter takes note of the significant concerns that have arisen in recent years about Soviet adherence to a comparable policy of restraint. I indicated in my January 23, 1984, report to the Congress that we have determined that the USSR has violated or probably violated several provisions of existing arms control accords—both those which are in force, and those to which the

Soviet Union claims to be adhering as a matter of policy (as you note in your letter, the Soviets do not claim to be reducing to the 2400/2250 SNDV limits in SALT II). Additional studies of Soviet compliance behavior are in progress. Concurrently, we are endeavoring through diplomatic channels to resolve with the Soviet Union our concerns about such behavior and are seeking explanations, clarifications, and corrective actions. We have stressed that if we are to retain confidence in the continuing utility of our arms control agreements, compliance must be rigorous.

We have made clear to the leaders of the Soviet Union our unequivocal preference for an environment characterized by mutual restraint pending the accomplishment of significant mutual and effectively verifiable reductions in destablizing nuclear systems. We believe this is in our national security interest as well as theirs.

While we strive to realize this goal, however, we are continuing our policy of pursuing needed strategic force modernization while preserving all necessary options to ensure flexibility in our defense programs. This includes the steps, to which you referred, related to the deployment in the fall of 1985 of the seventh Trident submarine. We believe that if we are to succeed in accomplishing these objectives, full funding by the Congress of our defense modernization program is essential.

I hope this explanation of our policy is helpful. As I noted in my report to the Congress last January, the Executive and Legislative branches of our government have long had a shared interest in the arms control process. Finding effective ways to ensure compliance is central to that process. Continued Congressional understanding and support for our approach to arms control is essential.

Sincerely,

RONALD REAGAN.●

SUPPORT FOR TAFT INSTITUTE

● Mr. SASSER. Mr. President, each year, the Taft Institute of Government seminars brings together politicans, educators, and government officials with students, teachers, and members of the community. The chief purpose is to discuss and promote an understanding of the two-party system of government in the United States.

Since 1966, 17 Taft Institute of Government Seminars have been held in my State of Tennessee. I participate in three of them—in 1973, 1974, and 1975—when I was State Democratic Party chairman.

Similar sessions have enriched the understanding and knowledge of more than 12,000 teachers in all 50 States. In just 1 year, 12,000 teachers can affect the lives of 2 million students.

The real guarding of our free system of government are our strong, competitive two parties. Each party tries to gain or maintain power by offering the best solution to the problems confronting the country. The checks and balances of our two-party system are to be valued.

The realities of this system just can't be captured in the textbook. This traditional training is complimented by the opportunity to meet with practical politicans—such as lawmakers from every level of government, lobbyists, the mayor, the local newspaper publisher, the Chairs of the two State parties, and community activists. The Taft Institute provides the setting for these meetings.

I am a cosponsor of S. 434, legislation to reauthorize the Robert A. Taft Institute for Two Party Government for the years 1986 through 1988. The Institute was founded in 1961 as a tribute to the late Senator Robert A. Taft. The effort was dedicated to the principle that each citizen should have the opportunity to contribute to government and politics.

The money provided is matched by money from private contributions. This funding has enriched the educational experience of thousands teachers who then have shared what they have learned with millions of students throughout the country.

I am pleased to state my support for this worthwhile program to improve education.●

BREZHNEV DOCTRINE VERSUS MONROE DOCTRINE

● Mr. SYMMS. Mr. President, I ask that the following two excellent documents published by the Junta Patriotica Cubana be printed in the RECORD. The first is by Dr. Claudio Benedi, a good friend of mine and the Washington representative of the Junta Patriotica Cubana. It is entitled "The Brezhnev Doctrine Versus the Monroe Doctrine." The second document is signed by Dr. Claudio Benedi and by Dr. Manuel A. de Varona, chairman of the Junta Patriotica Cubana. This document attacks Castro's violations of human rights in Communist Cuba.

Mr. President, both of these documents were presented to the General Assembly of the Organization of American States last fall at the meeting in Brazil of the OAS. I think these are excellent statements. I agree with them, and I praise Claudio Benedi and Manuel de Varona for their efforts against Castro's Communist Cuba.

The articles follow:

THE BREZHNEV DOCTRINE VERSUS THE MONROE DOCTRINE

The Brezhnev doctrine of limited sovereignty applied in the Americas constitutes a flagrant violation of the OAS Charter , the Rio Treaty, the Monroe Doctrine, the Tlatelolco Treaty on the proscription of nuclear arms in Latin America, the Symms amendment and the doctrine and memories of the liberator, Simon Bolivar, by the Soviet Union.

We have denounced before the General Assembly of the Organization of American States that, in violation of all the treaties, agreements, covenants and resolutions in force within the inter-American system, especially the Rio Treaty, the Charter of the Organization of American States, the Monroe Doctrine, the Symms amendment, the Tlatelolco Treaty, and the doctrine and thought of the liberator, Simon Bolivar, the Brezhnev doctrine of limited sovereignty is presently being applied in Cuba by an extracontinental power, albeit differently as in Czechoslovakia, Poland, and Afghanistan.

In these countries, the Soviet Union sent in its troops and tanks when their peoples declared their will for liberation against the Soviet totalitarian neo-colonialism.

But, in Cuba, the most sophisticated weaponry of the Soviet arsenal has been sent in to prevent an uprising and to maintain the Cuban people and the armed forces simultaneously submitted to the Soviet rule.

The Soviet Union has sent in its troops in a sufficient number to Cuba, disregarding its sovereignty and interfering in the internal affairs of an American state, which is supposedly protected by the treaties, agreements, covenants and resolutions in force within the inter-American system.

It is evident that there is a Soviet combat brigade in Cuba. Besides, we have been able to obtain information from inside Cuba, proving the fact that there are many thousands of Soviet military personnel, of the highest technical and professional ranks, experienced and trained, who, disguised as technicians, diplomats, businessmen, cultural agents, journalists and professors, are actually military personnel, amounting to 25,000.

These military have taken over the political and military direction, as well as the Cuban intelligence, espionage and counter-espionage apparatus.

The Soviet troops are equipped with the most modern and sophisticated weapons of the Soviet arsenal, conveniently located in strategic places. Neither Cuban military personnel, nor the members of the satellite government, are permitted to enter into the location where the most advanced weaponry is kept. Not even the own satellite, Castro, has access to any information concerning these weapons.

The Soviet troops in Cuba have prevented, in all these years, an uprise by the Cuban people against the communist and totalitarian tyranny. The attempts being made, have been suffocated from start, and in the case it would succeed, it would immediately be unmercifully drowned in blood, as was the case with the rebel guerrillas in the Escambray Hills. More than 8,000 Cuban patriots were sacrificed at that time, and 172,000 families in the area of Escambray, were massively displaced, having perpetrated genocide on them. Their houses and all of their belongings were destroyed, and the whole area became a desolated piece of land. The condemned from Condado, a small town near the Escambray, which served as place of tortures, martydom and suffering to the thousands of Cubans, young and old, men and women, children and ancients. Soviet technicians and Cuban myrmidons, went ahead with the orders coming from Moscow. And the Cuban holocaust was silenced. All this, is documented with irrefutable proofs, even by the people who took part in the perpetration and who later deserted; as well as by victims of the said tragedies, and by witnesses with authentic facts.

Any internal uprise of the Cuban people with the Soviet troops in territory of America (Cuba), would also end up drowned in blood.

The Cuban military, many of them tired of serving the Soviet neocolonialism, and hating Communism, cannot organize an uprise against the foreign domination, for several reasons:

(1) The Soviet troops dominate the Cuban stage and have better weapons and mobilization facilities.

(2) The Cuban troops are not granted the same weapons as the Soviets, and most of the time are disarmed or poorly equipped, to prevent an uprise.

(3) The Cuban troops are spread through the national territory, divided in cantons, sections and regions with no commuication among them, or coordinated command. They are all subjected to the Soviet central direction.

(4) The intelligence and espionage Soviet services inside the Cuban armed forces, direct all the troops, and they have all information regarding everybody's behavior, especially that of the officers.

(5) They are constantly indoctrinated about the Soviet superiority and the impossibility of an armed uprise.

Thus, neither the Cuban people, nor the armed forces have been able to carry out, up to the present time, an uprise against the Soviet neocolonialism which would lead to a certain degree of success.

Outside Cuba, the Cuban Exile has been handcuffed by the so-called Kennedy-Kruschev understanding, by which the United States committed themselves, together with the Latin American countries, to prevent the Cuban patriots from preparing a military attack on the Soviet bastion (a subversive military and terrorist base in America). This also explains why the Cuban patriots, in spite of having committed several sporadic heroic acts which have caused many casualties, have not been able to train the Cuban armed forces efficiently, in order to liberate their country.

This has never happened in America; it is an affront and an indignity which affects all the people in this Hemisphere, paralyzing and putting in crisis the Inter-Americans System and the Organization of American States Charter.

Not only Cuba is subdued and enslaved. All America is threatened and paralyzed.

The Soviet Union has introduced in Cuba, weapons with which all Latin America and the United States can be attacked successfully. There are proofs that the following Soviet weapons have been introduced in Cuba:

The Soviet Union uses Cuba and Nicaragua as subversive and terrorist bases against all the Americas which is a violation of the Treaty of Rio; the OAS Charter; the U.N. Charter and the treaties, convenes, agreements and resolutions which are in force in this Hemisphere. The Soviet Union has delivered to the Cuban Regime, 240 MIG Fighter planes (of the "Fishbed" and "Flogger" types), which are also bombers with a nuclear capability. It has taken to Cuba nuclear submarines (of the "Echo" and "Gulf"). We are informed that the Soviet Union keeps deployed in Cuba 6 medium-range SS-4 ballistic missiles, out of the 42 it had in Cuba during the so-called "Missile Crisis". It has kept in Cuba several TU-95 "Bear" anti-submarine bombers, as well as recognizing planes. It also maintains strategic-located installations to monitor communications inside the United States and between the U.S. and other Latin American nations.

It has been verified that the Soviet Union has shipped to Cuba an amount of 66,000 tons of military equipment during the last 3 years, over 4 times the amount in stock at the time of the "Missile Crisis". The Soviet Union has built in Cuba a base for nuclear submarines at Cienfuegos Base on the southern coast of Cuba. Nuclear submarines have already been repaired there and there are also wharfs for nuclear weapons and underground locations.

This is why we have told all people in America that, in compliance with all the values and principals of the Inter-American System and the Organization of American States, the Organization of American States Charter, the Rio Treaty, the Monroe Doctrine, the thought and doctrine of the Liberator Simon Bolivar, it is demanded, by the means considered pertinent:

(1) The departure of the Soviet Combat Brigade of the Territory of the America (Cuba).

(2) The departure of all the Soviet military personnel, disguised as diplomats, technicians, businessmen, journalists, cultural agents, etc.

(3) The dismantlement of the nuclear submarine base, established by the Soviets in Cienfuegos, Cuba, which has already been utilized in the repair of damaged Soviet submarines.

(4) That the Soviets will take out of the Territory of the America, all offensive weaponry introduced in Cuba.

(5) That the so-called Kennedy-Khruschev understanding be declared publicly ineffective.

Thus, the peace and security of America will be guaranteed and Cuban patriots will be able to fight, inside and outside of Cuba, in order to liberate their Country from the Soviet neocolonialism.

Information from trustworthy sources confirm that the Brezhnev doctrine, not only is being applied inside Cuba, but that very soon it is going to be applied in Nicaragua. The Russian troops in Cuba will be carried over there, and gather with the Soviet military, whom, also disguised as diplomats, technicians, businessmen, agricultural advisors, journalists, will be part of the armed forces that will fight the Nicaraguan patriots who struggle for their country's freedom in the fields and in the cities. The Russian Troops could eventually fight the American, as well as other Latin American forces, whom, according to the above mentioned treaties, will be forced to carry out a collective action in order to eliminate the Soviet Base from Nicaragua and expel the agents of the Soviet neocolonialism from this Hemisphere.

The memories of the illustrious men of America demand it.

The sovereignty of our peoples demand it.

The effectiveness of the Inter-American System demands it.

The Rio Treaty and the Symms Amendment demand it.

The Organization of American States Charter demands it.

The Tlatelolco Treaty on nuclear arms in Latin America demands it.

The honor and dignity of America demands it.

Either Cuba is saved or America is lost.

"PACTA SUNT SERVANDA"—"ONE AGREES FREELY, BUT IS BOUND BY THE AGREEMENT"

(P. Francisco de Vitoria)

CUBA IS ON A WAR PATH, BOTH IN AFRICA AND LATIN AMERICA

Honorable Chairman of the Fourteenth Regular Period of Sessions of the General Assembly, Organization of American States.

Honorable Ministers of Foreign Affairs.

Honorable Ambassadors & Representatives of the American States

DISTINGUISHED REPRESENTATIVES OF THE AMERICAS: It is a high honor for us and, at the same time, a historical obligation, to address you and, though your intercession the peoples and governments of the Americas, in order to reiterate to you, in our condition of participants of the Inter-American System, who have been born in Cuba, the position of the Cuban people and their rights in the conjunction of American nations.

The Cuban State, whence we derive, is a part of the Inter-American System and a member of the Organization of American States (OAS). What is excluded is the Marxist-Leninist government headed by CASTRO, because of its being incompatible with the Inter-American System.

The Cuban State has signed with the American States which you represent those treaties, covenants, agreements and resolutions in force in the Inter-American System, the oldest and most representative of regional systems existing in the world. "And we have obligated ourselves to the agreements."

If the Cuban State is a member of that organization, as it is written in its convenants and was reiterated by the Eighth Consulation Meeting of the Foreign Affairs Ministers, that State must have some form of representation. "We are the voice of those who have no voice . . ."

The Cuban State is one and indivisible, and its rights must be protected by the other States, members of the OAS, as it is stipulated in the treaties and covenants in force. Cuba is a part of the Americas and is united to their destiny.

The present totalitarian regime in Cuba is a true satellite which represents the Soviet neo-colonialism; it is not representative of the Cuban people, with which it is even more incompatible than with the Inter-American System, because it runs counter to the Cuban history, traditions, culture, morals and due to its own totalitarian and foreign structure. That regime is an instrument for intrusion by an extra-continental power (the Soviet Union) in the internal affairs of the Americas.

Human rights are universal values and intrinsic to the human being, indivisible in their existence, maintenance and defense, and there cannot be any discrimination in the denouncement of violations committed against them. Because of that, this General Assembly is competent to learn and denounce the violations against human rights in Cuba, both institutional violations and de facto violations.

The Inter-American Commission for Human Rights has stated that "the application of cruel, inhuman and degrading treatment against persons deprived of freedom must be radically suppressed." That statement is completely in force to day regarding Cuba, and thus it must be stated by this Honorable General Assembly.

During the Sixth Consultation Meeting of Foreign Affairs Ministers of the Americas, the Marxist-Leninist doctrine was declared incompatible with the Inter-American System, because of which the present government of Cuba was ipso facto separated from the Inter-American System.

The Seventh Consultation Meeting of Foreign Affairs Ministers of the Americas stated:

"1. The intervention or threat of intervention, including a conditioned one, by any extra-continental power, in the internal affairs of any American Republic is hereby condemned, and we underline that acceptation of the threat of intervention by an extra-continental power, on the part of any

American State, endangers the solidarity & security of the Americas, which obliges the Organization of American States to condemn and reject it also with an equal emphasis."

Nobody doubts that the Castro's totalitarian satellite government has "accepted the threat of intervention of an extra-continental power (the Soviet Union)" and that it has "endangered the solidarity and security of the Americas." Such "acceptance" and "threat", as well as the intervention of an extra-continental power, are now much greater than at the time the statement and condemnation were issued.

The Soviet Union uses Cuba and Nicaragua as subversive & terrorist bases against all of the Americas, which is a violation of the Treaty of Rio, the OAS Charter, the UN Charter and treaties, convenants, agreements and resolutions which are in force in this Hemisphere. The Soviet Union has delivered to the Cuban regime 240 MiG fighter planes (of the "Fishbed" and "Flogger" types), which are also bombers with a nuclear capability. It has taken to Cuba nuclear submarines (of the "Echo" and Golf types). We are informed that the Soviet Union keeps deployed in Cuba six medium-range, SS-4 type, ballistic missiles, out of the 42 it had in Cuba during the so-called "missile crisis." It has kept in Cuba several TU-95 "Bear" anti-submarine bombers, as well as recomnnaissance planes. It also maintains strategically-located installations to monitor communications between the United States and the other American nations.

It has been verified that the Soviet Union has shipped to Cuba an amount of 66,000 tons of military equipment during the last three years, over four times the amount in stock at the time of the "missile crisis."

The Soviet Union has built in Cuba a base for nuclear submarines, at Cienfuegos Bay, on the southern coast of Cuba. Nuclear submarines have already been repaired there, and there are also warehouses for nuclear weapons in underground locations.

The KGB (Soviet political secret police) has taken over the intelligence and espionage services in both Cuba and Nicaragua.

The Soviet Union has violated the Treaty of Tlatelolco, in its II Protocol, which it subscribed and ratified. In the meantime it has ordered its satellite government in Cuba not to subscribe nor ratify said treaty, in order to be able to introduce bombers, submarines and nuclear weapons in Cuba, thus endangering peace and security in the Americas.

We have also been informed that the Soviet Union has introduced in Cuba chemical and bacteriological weapons and materiel, in violation of the 1975 Treaty on Bacteriological & Chemical Weapons, and the Geneva, Convention on Chemical Weapons of 1925. All of this violates the Rio Treaty, the OAS Charter and the UN Charter, as well as other treaties and convenants in force in the Americas.

The economic and social development of the peoples of the Americas is threatened and disrupted by the terrorist and subversive activities performed by military, paramilitary and guerrilla groups sponsored by the Soviet Union, through forces trained and supported by Cuba, Nicaragua and the Soviet Bloc nations. While this situation of subversion will exist, the economic and social development much needed by our people becomes nullified or minimized.

The participation of the Cuban and Nicaraguan governments in the illegal drug traffic in this Hemisphere has been proven, in coordination with guerrilla groups that obtain weapons and financial resources through channels established by illegal drug traffickers.

The Soviet Union and Soviet Bloc nations have sent massive shipments of armaments to Nicaragua. Among these are one hundred T-54 & T-55 tanks, 20 light amphibious tanks, 120 anti-aircraft missiles and over 700 ground-to-air missiles.

Cuba and Nicaragua serve as bases for the use of offensive weapons by the Soviet Union, whose range cover all of the Caribbean, Central-America, Panama, Mexico and even the United States, posing a veritable threat to peace and security in all of this Hemisphere.

The Cuban regime has trained and armed guerrilla movement members from Colombia (M-19), Guatemala, El Salvador, Nicaraguan Marxist-Leninists and urban & rural guerrillas from other Latin-American countries. What is our response to this, which is a violation of treaties in force?

There are in Cuba 37 schools for guerrilla indoctrination and training, as well as terrorist training camps.

The "Brezhnev Doctrine" of Limited Sovereignty, that has already been applied in Czechoslovakia, Poland, Afghanistan and other communist-subjugated nations, is also intended for application in Cuba, albeit in a different variation. The Soviet Union has sent to Cuba the necessary troops to suffocate with blood any uprising, either from the Cuban people or from the communist armed forces, both tired of totalitarianism and the sacrifice of their brethren, who have been serving as shock troops for Soviet expansionism.

Both Cuba and Nicaragua have introduced in the Americas terrorist groups, from the Basque ETA and the PLO.

Internation communist brigades are already operating in several Latin-American countries, with a common strategy. In the face of that undeniable reality, the Inter-American System and the Organization of American States are obligated to adopt pertinent measures, that will have to be implemented sooner or later.

The OAS has created, and they are in force, adequate instruments for the defense of the Inter-American System and to confront the communist danger that is spreading throughout the Americas to implement Soviet neo-colonialism. Simon Bolivar, the Liberator, and the other eminent patriots from our American States eliminated, in the last century, European colonialism from this Hemisphere. What are we doing to prevent our nations to fall under that neo-colonialism, and to liberate those nations that have already fallen under it, such as Cuba and Nicaragua?

In the Ninth Consultation Meeting of Foreign Relations Ministers of the Americas, it was agreed: "1. That the present government of Cuba, since its installation in 1959, has developed, supported and conducted in various manners a policy of intervention in the American Continent, with methods, propaganda, supply of funds, training in sabotage and guerrilla operations, supply of weapons and assistance to the movements which tend to the subversion of national institutions through the use of force, in order to install communist regimes. . ."

"2. That support for subversion takes, generally, the form of a political aggression. . ."

"The Ninth Consultation Meeting thus resolves:

"A) To condemn the present government of Cuba as an aggressor and because of its intervention in the internal affairs of other states, violating their territories and sovereignties."

That judgement and condemnation against the present government of Cuba is in force yet, and since the Ninth Consulation Meeting to date, the government of Cuba has continued to implement the same policy of intervention and violation of sovereignties. The present government of Nicaragua has joined it, because all of that is part and parcel of the expansionist strategy of Soviet neo-colonialism into the Americas.

It is incumbent upon you to apply the treaties and covenants which are in force, in order to confront that subversive, terrorist & military aggression in our Hemisphere. The "policy of the ostrich", that is, sticking our heads into the sand and carrying on Munich-type negotiations of appeasement, have not rendered any positive results. If we continue to follow that suicidal attitude, the nations of the Americas shall fall, one by one, within the Soviet orbit. If we get together, the Americas will be saved; if we are separated, they will be lost. This was said, with a prophetic foresight, by the illustrious Cuban and American journalist and patriot, Guillermo Martinez Marquez: "Either Cuba is saved or the Americas are lost." Cancer must be eradicated down to its roots and sources. Now there is not only Cuba, but also Nicaragua, and the same will happen to other nations in the Americas, such as Surinam and Guyana, if we do not help them to liberate themselves, as the Caribbean nations and the United States helped to liberate Grenda.

The American nations liberated themselves from European colonialism, in the last century, through the helpd of some countries to others, Thus did Simon Bolivar in South-America. Thus was Mexico liberated with the assistance of the United States, and thus was the United States liberated, with assistance from Cubans, Spaniards, French, Venezuelans, etc. Now, more than ever, that same American patriotic behavior is needed. All for one and one for all. For that purpose, among others, the Inter-American System was established, as well as the OAS, the Rio Treaty, Condeca, the Eastern Caribbean Treaty (OECO), the Treaty of Tlatelolco and rest of the agreements and resolutions in force in the Americas. It is incumbent upon all of us to implement then, before it may be too late.

The goal of the Soviet Union, through its satellites in Cuba and Nicaragua, is to take over all of the American nations. And there cannot be any agreement or compromise regarding that goal. Because of their tactical convenience, they might agree on a "deceitful peace" in Central America, or Colombia, or Peru, or El Salvador, in the same manner that Hitler agreed at Munich; and imitators for Chamberlain will not be lacking in the Americas, ready to let themselves be deceived and to betray the destinies of their nations and the future of the Americas.

Jose Marti, the Apostle of Cuban Independence, said: "To witness a crime in silence is tantamount to commit a crime."

In this American struggle for its freedom and independence, and for the dignity of the American person, "not even the stars can be neutral."

We declare to this honorable general assembly and request from same:

1. That we are entitled to the right to have the voice of the CUBAN STATE heard, "the voice of those who have no voice."

2. That those treaties, covenants, agreements and resolutions in force within the Inter-American System and the OAS, must be enforced.

3. That all Cubans, those inside Cuba and one million Cubans who are in exile, are one and make up the democratic Cuban nation, where we have been born and that, together, based upon the experiences of the past, shall build our future with the present as our foundation, without looking back, but only forward.

4. That we reject any kind of coexistence or "détente", negotiation or agreement with the satellite Marxist-Leninist regime of Cuba, the armed instrument and subversive, terrorist and military base of Soviet neo-colonialism.

5. That, while we struggle for the independence and liberation of Cuba, we denounce before the Americas and the world the blatant violations of human rights in Cuba, the violations against the American Declaration of Human Rights and Duties and the Universal Declaration of Human Rights, as well as the "cruel, inhuman and degrading treatment that is being endured by Cuban political prisoners, male and female, especially the "plantados", who are kept in walled-up cells and the so-called "drawers", subjected to physical and psychological tortures.

6. That freedom is a natural and inalienable right of men and women of all nations, and there cannot be freedom in the Americas while there is no freedom in Cuba, Nicaragua, Suriname and Guyana, submitted to communist totalitarianism.

7. We demand cooperation from all of the American nations, to enforce the Joint Resolution accorded by the United States Congress, known as "Symms Amendment", approved in 1982 and ratified in 1984, which is based upon the Joint Resolutions of 1898 and especially that of 1962, in which the United States obliged itself to struggle jointly with freedom-loving Cubans and the OAS to attain self-determination for the Cuban people, which is equivalent to freedom and independence for the Cuban people.

8. The Inter-American System, the Organization of American States and each one of the nations and governments of the Americas, have the moral and legal obligation to help the Cuban & Nicaraguan peoples to liberate themselves from the Soviet neo-colonialism, maintained there by force and terror, through the Soviet Union's satellite regimes. We Cubans, as well as Nicaraguans, both inside and outside of our respective nations, are in the forefront of the fight, but as in the last century, we need the cooperation of our brother countries in the Americas.

9. That the Soviet Union has announced, upon celebrating the 67th anniversary of the so-called Bolshevik Revolution, that it has made an appeal to intervene in the internal affairs of the Americas, to "liberate" Grenada and consolidate the communist regimes in Nicaragua and Cuba.

10. That the so-called "Kennedy-Khrushchev Understanding" always ran counter to the Treaty of Rio, the OAS Charter and those covenants, treaties, agreements and resolutions that are in force in the Americas, and that it has been repeatedly violated by the Soviet Union itself and through the satellite Cuban regime, because of which it is null & void, as President Ronald W. Reagan, of the United States of America, has stated in response to questioning by Cuban journalist Tomas Regalado, Jr. recently, and several Senators have reiterated, such as Steve Symms, John McClure, Jesse Helms and other members of the U.S. Congress, and it has been proven by Cubans.

11. That the Treaty of Rio be enforced regarding the Marxist-Leninist satellite regime of Cuba.

12. That the Marxist-Leninist satellite regime of Nicaragua has mocked the OAS, which in 1979 passed a Resolution that brought about the Sandinistas' access to power, with the obligation to install a pluralistic government with all democratic organizations, to respect human rights and to hold free and democratic elections.

13. That recognition be given us as the representatives of the Cuban State, since the present Cuban regime is excluded from the Inter-American System and the OAS, due to its incompatibility with said system because of its Marxist-Leninist nature.

14. That condemnation be stated against the Institutional Violation of Human Rights in Cuba, in fact and through law, in the light of the American Declaration of Human Rights and Duties and the principles and values of our Judeo-Christian civilization.

15. That the OAS would designate from its midst a decolonization committee, to liberate Cuba and Nicaragua from Soviet neo-colonialism.

16. That Cuban political prisoners in American nations, who have been fighting for the liberation of Cuba, be released.

17. That the Soviet Union be forced to withdraw its occupation troops from the territory of an American State (Cuba) and to take away the armaments it has introduced in Cuba, Nicaragua, El Salvador & other American Nations, especially those weapons with a nuclear capability, in violation of the Treaty of Tlatelolco, whose Protocol II it has signed and ratified.

18. That this Fourteenth General Assembly would approve the establishment of a Commissioner for Political Refugees, which problem is already affecting millions of persons in the Americas.

19. That the Cuban and Nicaraguan satellite regimes be cited as participants and culprits in the illegal drug traffic in the Americas.

20. That this General Assembly cite the Cuban and Nicaraguan regimes as aligned and alienated to the Soviet Union.

21. That assistance be given to Cuban, Nicaraguan & Afghan Freedom Fighters, inside and outside of their respective nations.

22. That our belligerence as Freedom Fighters for the liberation of Cuba and Nicaragua be established and recognized, although we shall continue to fight with or without that recognition, as we have been doing thus far.

23. That assistance be given us to dismantle the military, subversive, terrorist, ideological and political bases installed by the Soviet Union in Cuba and Nicaragua, presently used to establish the Soviet neo-colonialism in this Hemisphere.

24. That Great Britain be forced to negotiate with the Republic of Argentina, and to recognize that the Malvinas are part of Argentina.

25. We salute and support the policies implemented by the President of the United States of America, Ronald W. Reagan, in this Hemisphere, stated in his historical speech on February 24, 1982, before the Organization of American States.

26. We support collective action, recognized and in force in the treaties and covenants of the Inter-American System and the OAS, to implement same against the Soviet Union's intervention through its satellites in Cuba, Nicaragua and any other country in the Americas.

27. We state that, had collective action been practiced in Cuba, as it was in the Dominican Republic and Grenada, there would be security, solidarity and peace in the Americas, which shall not exist until all of us, together, shall implement counter-intervention against Soviet Union intervention, an extra-continental interference against which the Liberator Simon Bolivar and the illustrious patriots of the Americas who preceded us, always fought.

28. That this document be circulated among member nations attending this Fourteenth General Assembly meeting of the OAS, since the Cuban state continues to be a member of the Inter-American System and the OAS.

Messrs. Ministers of Foreign Affairs, Ambassadors & Representatives of the American States: We are facing a peculiar historical process, in which none of us is allowed to delegate our responsibilities. History shall judge us all for which we do or fail to do in this fight for freedom and independence in the Americas, for the dignity of American men and women, and for our Judeo-Christian civilization.

Yours with our highest consideration and respect,

DR. MANUEL A. DE VARONA,
Chairman of the Cuban Patriotic Board, ex-Chairman of the Cuban Senate and ex-Prime Minister of Cuba.
DR. CLAUDIO F. BENEDI BERUFF,
Washington Area Representative, Cuban Patriotic Board.●

SUPERFUND EXPANSION AND IMPROVEMENT ACT OF 1985

● Mr. LAUTENBERG. Mr. President, on February 21, I introduced the Superfund Expansion and Improvement Act of 1985. I neglected at that time to request that the bill be printed as introduced in the CONGRESSIONAL RECORD. I insert at this time the bill in the RECORD.

The bill follows:

S. 493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Superfund Extension and Improvement Act of 1985".

TITLE I

INDIAN TRIBES

SEC. 101. (a) Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by striking "and" at the end of paragraph (31), striking the period at the end of paragraph (32) and adding a new paragraph as follows:

"(33) 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village but not including any Alaska Native regional or village corporation, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and";

(2) in paragraph (16) by striking "or" the last time it appears and by inserting before the semicolon at the end thereof the following: ", any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe;".

(b) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following: "In the case of remedial action to be taken on land or water held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe (if such land or water is subject to a trust restriction on alienation), or otherwise within the borders of an Indian reservation, the requirements of this paragraph for assurances regarding future maintenance and cost-sharing shall not apply and the President shall provide the assurance required by this paragraph regarding the availability of a hazardous waste disposal facility.".

(c) Section 104(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "or Indian tribe" after the phrase "political subdivision thereof" both times that phrase occurs, and by inserting "or Indian tribe" after the phrase "political subdivision" both times that phrase occurs.

(d) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (a) by inserting "or an Indian tribe" after "State";

(2) in subsection (f) by inserting after "State" the third time that word appears the following: "and to any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation:"; by inserting "or Indian tribe" after "State" the fourth time that word appears; by adding before the period at the end of the first sentence the following: ", so long as, in the case of damages to an Indian tribe occurring pursuant to a Federal permit or license, the issuance of that permit or license was not inconsistent with the fiduciary duty of the United States with respect to such Indian tribe"; and by inserting "or the Indian tribe" after "State government";

(3) in subsection (i) by inserting "or Indian tribe" after "State" the first time it appears; and

(4) in subsection (j) by inserting "or Indian tribe" after "State" the first time it appears.

(e) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in subsection (b) by inserting before the period at the end thereof the following: ", or by any Indian tribe or by the United States acting on behalf of any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation";

(2) in subsection (c)(2) by inserting "or Indian tribe" after "State";

(3) in subsection (f) by inserting "or Indian tribe" after "State"; and

(4) in subsection (i) by inserting after "State," the following: "and by the governing body of any Indian tribe having sustained damage to natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation,".

(f) Section 112(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as written by section 116 of this Act) is amended by adding before the period at the end of the proviso the following: ", nor against an Indian tribe until the United States, in its capacity as trustee for the tribe, gives written notice to the governing body of the tribe that it will not present a claim or commence an action on behalf of the tribe or fails to present a claim or commence an action within the time limitations specified in this subsection".

(g) Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new section:

"INDIAN TRIBES

"SEC. 116. The governing body of an Indian tribe shall be afforded substantially the same treatment as a State with respect to the provisions of section 103(a) (regarding notification of releases), section 104(c)(2) (regarding consultation on remedial actions), section 104(e) (regarding access to information), section 104(i) (regarding cooperation in establishing and maintaining national registries), and section 105 (regarding roles and responsibilities under the national contingency plan and submittal of priorities for remedial action, but not including the provision regarding the inclusion of at least one facility per State on the national priority list).".

ALTERNATIVE WATER SUPPLIES

SEC. 102. Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, is amended by striking the period at the end of paragraph (30) and inserting in lieu thereof a semicolon; and by adding after new paragraph (33) the following new paragraph:

"(34) 'alternative water supplies' includes, but is not limited to, drinking water and household water supplies.".

STATE CREDIT

SEC. 103. (a) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "The President shall grant the State a credit against the share" and all that follows down through the end of such section 104(c)(3) and inserting in lieu thereof the following: "In determining the portion of the costs referred to in this section which is required to be paid by a participating State, the President shall grant the State a credit for amounts expended or obligated by such State or by a political subdivision thereof after January 1, 1978, and before December 11, 1980, for any response action costs which are covered by section 111(a) (1) or (2) and which were incurred at a facility or release listed pursuant to section 105(8). Such credit shall have the effect of reducing the amount which the State would otherwise be required to pay in connection with assistance under this section.".

(b)(1) Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new sentence: "For the purposes of the last sentence of subsection (c)(3) of this section, the President may enter into a contract or cooperative agreement with a State under this paragraph under which such State will take response actions in connection with releases listed pursuant to section 105(8)(B), using non-Federal funds for such response actions, in advance of and without any obligation by the President of amounts from the Fund for such response actions.".

(2) Section 104(c)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is further amended by adding the following sentence: "The President shall grant the State a credit against the share of costs for which it is responsible under this paragraph for any reasonable, documented, direct out-of-pocket non-Federal funds expended or obligated by the State under a contract agreement under the last sentence of subsection (d)(1).".

SELECTION OF REMEDIAL ACTIONS

SEC. 104. Section 104(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(4)(A) The President shall select appropriate remedial actions determined to be necessary to carry out this section which, to the extent practicable, are in accordance with the national contingency plan and which provide for cost-effective response. In evaluating the cost-effectiveness of proposed alternative remedial actions, the President shall take into account the total short- and long-term costs of such actions, including the costs of operation and maintenance for the entire period during which such activities will be required.

"(B) Remedial actions in which treatment which significantly reduces the volume, toxicity or mobility of the hazardous substances is a principal element, are to be preferred over remedial actions not involving such treatment. The off-site transport and disposal of hazardous substances or contaminated materials without such treatment should be the least favored alternative remedial action, where practicable treatment technologies are available.

"(C) Remedial actions selected under this paragraph or otherwise required or agreed to by the President under this Act shall attain a degree of cleanup of hazardous substances, pollutants and contaminants from the environment and of control of further release at a minimum which assures protection of human health and the environment. To the extent practicable, such remedial actions shall completely remove released hazardous substances, pollutants and contaminants from the environment.

"(D) No permit shall be required under subtitle C of the Solid Waste Disposal Act for the portion of any removal or remedial action conducted pursuant to this Act entirely onsite: *Provided*, That any onsite treatment, storage, or disposal of hazardous substances, pollutants or contaminants shall comply with the requirements of subparagraph (C).

"(E) Subject to the requirements of this paragraph, the President shall select the appropriate remedial action which provides a balance between the need for protection of public health and welfare and the environment at the facility under consideration, and the availability of amounts from the Fund to respond to other sites which present or may present a threat to public health or welfare or the environment, taking into consideration the relative immediacy of such threats.".

STATE AND FEDERAL CONTRIBUTIONS TO OPERATION AND MAINTENANCE

SEC. 105. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraphs:

"(5) For the purposes of paragraph (3) of this subsection, in the case of ground or surface water contamination, completed remedial action includes the completion of treatment or other measures, whether taken onsite or offsite, necessary to restore ground and surface water quality to a level that assures protection of human health and the environment. With respect to such measures, the operation of such measures for a period up to five years after the construction or installation and commencement of operation shall be considered remedial action. Activities required to maintain the effectiveness of such measures following such period or the completion of remedial action, whichever is earlier, shall be considered operation or maintenance.

"(6) During any period after the availability of funds received by the Trust Fund under sections 4611 and 4661 of the Internal Revenue Code of 1954 or section 221(b)(2) of this Act, the Federal share of the payment of costs for operation and maintenance pursuant to paragraph (3)(C)(i) or paragraph (5) of this subsection shall be from funds received by the Trust Fund under section 221(b)(1)(B).".

SITING OF HAZARDOUS WASTE FACILITIES

SEC. 106. Section 104(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new paragraph:

"(7) Effective four years after the date of enactment of this paragraph, the President shall not provide any remedial actions pursuant to this section unless the State in which the release occurs first enters into a contract or cooperative agreement with the President providing assurances deemed adequate by the President that the State will assure the availability of hazardous waste treatment or disposal facilities acceptable to the President and in compliance with the requirements of subtitle C of the Solid Waste Disposal Act with adequate capacity for the destruction, treatment, or secure disposition of all hazardous wastes that are reasonably expected to be generated within the State during the twenty-year period following the date of such contract or cooperative agreement and to be disposed of, treated, or destroyed.".

COOPERATIVE AGREEMENTS

SEC. 107. Section 104(d)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking all of the existing paragraph (other than that added by section 103(b) of this Act) and substituting the following:

"(d)(1) Where the President determines that a State or political subdivision has the capability to carry out any or all of the actions authorized in this section, the President may, in his discretion, enter into a contract or cooperative agreement and combine any existing cooperative agreements with such State or political subdivision to take such actions in accordance with criteria and priorities established pursuant to Section 105(8) of this title and to be reimbursed from the Fund for the reasonable response costs and related activities associated with the overall implementation, coordination, enforcement, training, community relations, site inventory and assessment efforts, and administration of remedial activities authorized by this Act. Any contract made hereunder shall be subject to the cost-sharing provisions of subsection (c) of this section.".

HEALTH-RELATED AUTHORITIES

SEC. 108. (a) Section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(1)" after "(i)", by redesignating paragraphs (1), (2), (3), (4), and (5) as subparagraphs (A), (B), (C), (D), and (E), and by adding the following new paragraphs:

"(2) The Agency for Toxic Substances and Disease Registry shall provide consultations upon request on health issues relating to exposure to hazardous or toxic substances, on the basis of available information, to the Environmental Protection Agency, State officials, and local officials. Such consultations to individuals may be provided by States under cooperative agreements established under this Act.

"(3)(A) The Administrator shall perform a health assessment for each release, threatened release or facility on the National Priority List established under section 105. Such health assessment shall be completed not later than two years after the date of enactment of the Superfund Amendments of 1984 for each release, threatened release or facility proposed for inclusion on such list prior to such date of enactment or not later than one year after the date of proposal for inclusion on such list for each release, threatened release or facility proposed for inclusion on such list after such date of enactment. The Administrator shall also perform a health assessment for each facility for which one is required under section 3005(j) of the Solid Waste Disposal Act and, upon request of the Administrator of the Environmental Protection Agency or a State, for each facility subject to this Act or subtitle C of the Solid Waste Disposal Act, where there is sufficient data as to what hazardous substances are present in such facility.

"(B) The Administrator may perform health assessments for releases or facilities where individual persons or licensed physicians provide information that individuals have been exposed to a hazardous substance, for which the probable source of such exposure is a release. In addition to other methods (formal or informal) of providing such information, such individual persons or licensed physicians may submit a petition to the Administrator providing such information and requesting a health assessment. If such a petition is submitted and the Administrator does not initiate a health assessment, the Administrator shall provide a written explanation of why a health assessment is not appropriate.

"(C) In determining sites at which to conduct health assessments under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry shall give priority to those facilities or sites at which there is documented evidence of release of hazardous substances, at which the potential risk to human health appears highest, and for which in the judgment of the Administrator of such Agency existing health assessment data is inadequate to assess the potential risk to human health as provided in subparagraph (E).

"(D) Any State or political subdivision carrying out an assessment shall report the results of the assessment to the Administrator of such Agency, and shall include recommendations with respect to further activities which need to be carried out under this section. The Administrator of such Agency shall include the same recommendation in a report on the results of any assessment carried out directly by the Agency, and shall issue periodic reports which include the results of all the assessments carried out under this paragraph.

"(E) For the purposes of this subsection and section 111(c)(4), the term 'health assessments' shall include preliminary assessments of the potential risk to human health posed by individual sites and facilities, based on such factors as the nature and extent of contamination, the existence of potential for pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size and potential susceptibility of the community within the likely pathways of exposure, the comparison of expected human exposure levels to the short-term and long-term health effects associated with identified contaminants and any available recommended exposure or tolerance limits for such contaminants, and the comparison of existing morbidity and mortality data on diseases that may be associated with the observed levels of exposure. The assessment shall include an evaluation of the risks to the potentially affected population from all sources of such contaminants, including known point or nonpoint sources other than the site or facility in question. A purpose of such preliminary assessments shall be to help determine whether full-scale health or epidemiological studies and medical evaluations of exposed populations shall be undertaken.

"(F) At the completion of each health assessment the Administrator shall provide the Administrator of the Environmental Protection Agency and each affected State with the results of such assessment, together with any recommendations for further action under this subsection or otherwise under this Act.

"(G) In any case in which a health assessment performed under this paragraph (including one required by section 3005(j) of the Solid Waste Disposal Act) discloses the exposure of a population to the release of a hazardous substance, the costs of such health assessment may be recovered as a cost of response under section 107 of this Act from persons causing or contributing to such release of such hazardous substance or, in the case of multiple releases contributing to such exposure, to all such releases.

"(4) Whenever, in the judgment of the Administrator, it is appropriate on the basis of the results of a health assessment, the Administrator shall conduct a pilot study of health effects for selected groups of exposed individuals, in order to determine the desirability of conducting full scale epidemiological or other health studies of the entire exposed population. Whenever in the judgment of the Administrator it is appropriate on the basis of the results of such pilot study, the Administrator shall conduct such full scale epidemiological or other health studies as may be necessary to determine the health effects for the population exposed to hazardous substances in a release or suspected release.

"(5) In any case in which the results of a health assessment indicate a potential significant risk to human health, the Administrator shall consider whether the establishment of a registry of exposed persons would contribute to accomplishing the purposes of this subsection, taking into account circumstances bearing on the usefulness of such a registry, including the seriousness or unique character of identified diseases or the likeli-

hood of population migration from the affected area.

"(6) The Administrator shall conduct a study, and report to the Congress within two years after the date of enactment of the Superfund Amendments of 1984, on the usefulness, costs, and potential implications of medical surveillance programs as a part of the health studies authorized by this section. Such study shall include, at a minimum, programs which identify diseases for which an exposed population is at excess risk, provide periodic medical testing to screen for such diseases in subgroups of the exposed population at highest risk, and provide for a mechanism to refer for treatment individuals who are diagnosed as having such diseases.

"(7) If a health assessment or other study carried out under this subsection contains a finding that the exposure concerned presents a significant risk to human health, the President shall take such steps as may be necessary to reduce such exposure and eliminate or substantially mitigate the significant risk to human health. Such steps may include the use of any authority under this Act, including, but not limited to—

"(1) provision of alternative water supplies, and

"(2) permanent or temporary relocation of individuals.

"(8) In any case which is the subject of a petition, a health assessment or study, or a research program under this subsection, nothing in this subsection shall be construed to delay or otherwise affect or impair the authority of the President or the Administrator of the Environmental Protection Agency to exercise any authority vested in the President or such Administrator under any other provision of law (including but not limited to the imminent hazard authority of section 7003 of the Solid Waste Disposal Act) or the response and abatement authorities of this Act.

"(9)(A) The Administrator shall, within six months after the date of enactment of the Superfund Amendments of 1984, prepare a list of at least one hundred hazardous substances which the Administrator, in his sole discretion, determines are those posing the most significant potential threat to human health due to their common presence at the location of responses under section 104 or at facilities on the National Priority List or in releases to which a response under section 104 is under consideration. Within twenty-four months after enactment, the Administrator shall prepare a list of an additional one hundred or more such hazardous substances. The Administrator shall not less often than once every year thereafter add to such list other substances which are frequently so found or otherwise pose a potentially significant threat to human health by reason of their physical, chemical, or biological nature.

"(B) For each such hazardous substance listed pursuant to subparagraph (A), the Administrator shall assess whether adequate information on the health effects of such substance is available. For any such substance for which adequate information is not available (or under development), the Administrator shall assure the initiation of a program of research designed to determine the health effects (and techniques for development of methods to determine such health effects) of such substance. Where feasible, such program shall seek to develop methods to determine the health effects of such substance in combination with other substances with which it is commonly found. Such program shall include, but not be limited to—

"(i) laboratory and other studies to determine short, intermediate, and long-term health effects;

"(ii) laboratory and other studies to determine organ-specific, site-specific, and system-specific acute and chronic toxicity;

"(iii) laboratory and other studies to determine the manner in which such substances are metabolized or to otherwise develop an understanding of the biokinetics of such substances; and

"(iv) where there is a possibility of obtaining human data, the collection of such information.

"(C) In assessing the need to perform laboratory and other studies, as required by subparagraph (B), the Administrator shall consider—

"(i) the availability and quality of existing test data concerning the substance on the suspected health effect in question;

"(ii) the extent to which testing already in progress will, in a timely fashion, provide data that will be adequate to support the preparation of toxicological profiles as required by subparagraph (F) of this subsection; and

"(iii) such other scientific and technical factors as the Administrator may determine are necessary for the effective implementation of this subsection.

"(D) In the development and implementation of any research program under this paragraph, the Administrator of the Agency for Toxic Substances and Disease Registry and the Administrator of the Environmental Protection Agency shall coordinate such research program implemented under this paragraph with programs of toxicological testing established under the Toxic Substances Control Act and the Federal Insecticide, Fungicide and Rodenticide Act. The purpose of such coordination shall be to avoid duplication of effort and to assure that the hazardous substances listed pursuant to this subsection are tested thoroughly at the earliest practicable date. Where appropriate in the discretion of the Administrator and consistent with such purpose, a research program under this paragraph may be carried out using such programs of toxicological testing.

"(E) It is the sense of the Congress that the costs of research programs under this paragraph be borne by the manufacturers of the hazardous substance in question, as required in programs of toxicological testing under the Toxic Substances Control Act. Where this is not practical, the costs of such research programs should be borne by parties responsible for the release of the hazardous substance in question. To carry out such intention, the costs of conducting such a research program under this paragraph shall be deemed a cost of response for the purposes of recovery under section 107 of such costs from a party responsible for a release of such hazardous substance.

"(F) Based on all available information, including data developed and collected on the health effects of hazardous substances under this paragraph, the Administrator shall prepare toxicological profiles sufficient to establish the likely effect on human health of each of the substances listed pursuant to subparagraph (A). Such profiles shall be revised and republished as necessary, but no less often than once every five years. Such profiles shall be provided to the States and made available to other interested parties.

"(10) All studies and results of research conducted under this subsection (other than health assessments) shall be reported or adopted only after appropriate peer review. Such peer review shall be conducted by panels consisting of no less than three nor more than seven members, who shall be disinterested scientific experts selected for such purpose by the Administrator on the basis of their reputation for scientific objectivity and the lack of institutional ties with any person involved in the conduct of the study or research under review. Support services for such panels shall be provided by the Agency for Toxic Substances and Disease Registry.

"(11) In the implementation of this subsection and other health-related authorities of this Act, the Administrator is authorized to establish a program for the education of physicians and other health professionals on methods of diagnosis and treatment of injury or disease related to exposure to toxic substances, through such means as the Administrator deems appropriate. Not later than one year after the date of enactment of the Superfund Amendments of 1984, the Administrator shall report to the Congress on the implementation of this paragraph.

"(12) For the purpose of implementing this subsection and other health-related authorities of this Act, the President shall provide adequate personnel to the Agency for Toxic Substances and Disease Registry, which shall be no fewer than one hundred full time equivalent employees.

"(13) The activities described in this subsection and section 111(c)(4) shall be carried out by the Agency for Toxic Substances and Disease Registry established by paragraph (1), either directly, or through cooperative agreements with States (or political subdivisions thereof) in the case of States (or political subdivisions) which the Administrator of such Agency determines are capable of carrying out such activities. Such activities shall include the provision of consultations on health information, and the conduct of health assessments, including those required under section 3005(j) of the Solid Waste Disposal Act, health studies and registries.".

(b) Section 111(c)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by inserting "in accordance with subsection (n) of this section and section 104(i)," after "(4)"; and

(2) by striking "epidemiologic studies" and inserting in lieu thereof "epidemiologic and laboratory studies and health assessments".

(c) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(n)(1) For fiscal year 1985, not less than $18,000,000 and, for each fiscal year thereafter, not less than 5 per centum of all sums appropriated from the Trust Fund or $50,000,000, whichever is less, shall be directly available to the Agency for Toxic Substances and Diseases Registry and used for the purpose of carrying out activities described in subsection (c)(4) and section 104(i), including any such activities related to hazardous waste stored, treated, or disposed of at a facility having a permit under section 3005 of the Solid Waste Disposal Act. Any funds so made available which are not obligated by the beginning of the fourth quarter of the fiscal year in which made available shall be made available in the Trust Fund for other purposes.".

(d) Section 3005 of the Solid Waste Disposal Act is amended by adding the following new subsection:

"(j) EXPOSURE INFORMATION AND HEALTH ASSESSMENTS.—(1) Beginning on the date nine months after the enactment of the Solid Waste Disposal Act Amendments of 1984, each completed application for a permit under subsection (c) for a landfill or surface impoundment shall be accompanied by information reasonably ascertainable by the owner or operator on the potential for the public to be exposed to hazardous wastes or hazardous constituents through releases related to the unit. At a minimum, such information must address—

"(A) reasonably foreseeable potential releases from both normal operations and accidents at the unit, including releases associated with transportation to or from the unit;

"(B) the potential pathways of human exposure to hazardous wastes or constituents resulting from the releases described under subparagraph (A); and

"(C) the potential magnitude and nature of the human exposure resulting from such releases.

The owner or operator of a landfill or surface impoundment for which a completed application for a permit under subsection (c) has been submitted prior to such date shall submit the information required by this paragraph to the Administrator (or the State, in the case of a State with an authorized program) no later than the date nine months after such date of enactment.

"(2) The Administrator (or the State, in the case of a State with an authorized program) shall make the information required by paragraph (1), together with other relevant information, available to the Agency for Toxic Substances and Diseases Registry established by section 104(i) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Whenever in the judgment of the Administrator of such Agency, the Administrator, or the State (in the case of a State with an authorized program), a landfill or a surface impoundment poses a substantial potential risk to human health, due to the existence of releases of hazardous constituents, the magnitude of contamination with hazardous constituents which may be the result of a release, or the magnitude of the population exposed to such release or contamination, the Administrator of the Agency for Toxic Substances and Diseases Registry shall conduct a health assessment in connection with such facility in accordance with section 104(i)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 and take other appropriate action with respect to such risks as authorized by section 104 (b) and (i) of such Act.

"(3) Any member of the public may submit evidence of releases of or exposure to hazardous constituents from such a facility, or as to the risks or health effects associated with such releases or exposure, to the Administrator of the Agency for Toxic Substances and Diseases Registry, the Administrator, or the State (in the case of a State with an authorized program).".

(e) Section 104(i)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by—

(1) striking "the Surgeon General of the United States" and inserting in lieu thereof "the Secretary of Health and Human Services";

(2) inserting in the second sentence thereof after "of said Agency" the following: "(hereinafter in this subsection referred to as "the Administrator")";

(3) striking "chromosomal testing" in subparagraph (D) and inserting in lieu thereof "appropriate testing".

PUBLIC PARTICIPATION

SEC. 109. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new subsection:

"(j) Before selection of appropriate remedial action to be undertaken by the United States or a State or before entering into a covenant not to sue or to forebear from suit or otherwise settle or dispose of a claim arising under this Act, notice of such proposed action and an opportunity for a public meeting in the affected area, as well as a reasonable opportunity to comment, shall be afforded to the public prior to final adoption or entry. Notice shall be accompanied by a discussion and analysis sufficient to provide a reasonable explanation of the proposal and alternative proposals considered.".

LOVE CANAL PROPERTY ACQUISITION

SEC. 110. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(k) In determining priorities among releases and threatened releases under the National Contingency Plan and in carrying out remedial action under this section, the Administrator shall establish a high priority for the acquisition of all properties (including nonowner occupied residential, commercial, public, religious, and vacant properties) in the area in which, before May 22, 1980, the President determined an emergency to exist because of the release of hazardous substances and in which owner occupied residences have been acquired pursuant to such determination.".

NATIONAL CONTINGENCY PLAN—HAZARD RANKING SYSTEM

SEC. 111. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(a)" immediately following "105." and by adding the following at the end thereof:

"(b) Not later than twelve months after the date of enactment of the Superfund Amendments of 1984, the President shall revise the National Contingency Plan to reflect the requirements of such amendments. The portion of such Plan known as "the National Hazardous Substance Response Plan" shall be revised to provide procedures and standards for remedial actions undertaken pursuant to this Act which are consistent with amendments made by the Superfund Amendments of 1984 relating to the selection of remedial action.

"(c) Not later than twelve months after the date of enactment of the Superfund Amendments of 1984 and after publication of notice and opportunity for submission of comments in accordance with section 553 of title 5, United States Code, the President shall by rule promulgate amendments to the hazard ranking system in effect on September 1, 1984. Such amendments shall assure, to the maximum extent feasible, that the hazard ranking system accurately assesses the relative degree of risk to human health and the environment posed by sites and facilities subject to review. The President shall establish an effective date for the amended hazard ranking system which is not later than eighteen months after the date of enactment of the Superfund Amendments of 1984 and such amended hazard ranking system shall be applied to any site or facility to be newly listed on the National Priority List after the effective date established by the President. Until such effective date of the regulations, the hazard ranking system in effect on September 1, 1984, shall continue in full force and effect.".

STATE AND LOCAL GOVERNMENT LIABILITY

SEC. 112. Section 107(d) of the Comprehensive Environmental Response, Compensation, and Liability Act to 1980 is amended by inserting "(1) after "(d) and adding the following new language:

"(2) No State or local government shall be liable under this title for costs or damages as a result of nonnegligent actions taken in response to an emergency created by the release of a hazardous substance, pollutant, or contaminant generated by or from a facility owned by another person.".

CONTRACTOR INDEMNIFICATION

SEC. 113. Section 107(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after paragraph (1) the following new paragraph and redesignating the succeeding paragraph accordingly:

"(2) The Administrator may, in contracting or arranging for response action to be undertaken under this Act, agree to hold harmless and indemnify a contracting party against claims, including the expenses of litigation or settlement, by third persons for death, bodily injury or loss or damage to property arising out of performance of a cleanup agreement to the extent that such claim does not arise out of the negligence of the contracting party.".

VICTIM ASSISTANCE DEMONSTRATION PROGRAM

SEC. 114. (a) Section 111(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking "and" at the end of the paragraph (5); by striking the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and by adding the following new paragraph:

"(7) the costs of grants, to each of five States selected by the Administrator, not to exceed a total of $30,000,000 per year, to establish and operate a program of assistance to individuals suffering injury resulting from exposure to the release of hazardous substances, as authorized under subsection (m).".

(b) Section 111 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(m)(1) The Administrator shall, upon application pursuant to procedures established by the Administrator, select by no later than July 1, 1985, five States to each establish and operate for not less than a five-year period a program of assistance to individuals suffering injury resulting from exposure to hazardous substances. Each grant shall be in an amount of not less than $3,000,000 and not more than $18,000,000 for each of the fiscal years of 1986, 1987, 1988, 1989, and 1990. States shall be selected in the sole discretion of the Administrator on the basis of the following criteria:

"(A) the experience of State and local governments in administering programs which deal with the regulation of toxic chemicals;

"(B) the existence of and experience with a statutory scheme of response and liability of breadth similar to that of this Act; and

"(C) the representative nature of the hazardous substance releases and exposures in

terms of the identities and toxic characteristics of the substances found, the manner and degree of exposures, and the seriousness and duration of the diseases or illnesses caused.

"(2) Programs funded pursuant to this section shall, at a minimum, provide the following:

"(A) In the case of the population of any area or class of individuals in which a solvent responsible party who may be liable under section 107 is not paying compensation for claims or providing assistance, comparable to assistance under this subsection, or has not accepted liability for such claims or assistance, and where the State determines, based on available information (including that submitted by members of such population or class or developed under section 104(i)), that—

"(i) exposure to a hazardous substance in a release has caused injury, illness, or disease;

"(ii) the population or class has been exposed to a hazardous substance in a release and a peer-reviewed epidemiological or other health study demonstrates a positive correlation between such exposure and an adverse health effect in such population or class;

"(iii) the population or class has been exposed to a hazardous substance in a release and there is evidence that members of the population or class have adverse health effects that enter remission when exposure is temporarily eliminated; or

"(iv) members of the population or class have an injury, illness, or disease which is only associated with exposure to a particular hazardous substance (where such injury, illness, or disease cannot be attributed to exposure in the workplace),

such population, or class shall be eligible for the assistance provided in subparagraph (B).

"(B) Subject to subparagraph (C), the State shall provide each member of an eligible population or class under paragraph (1) with the following assistance:

"(i) a group insurance policy providing burial benefits, where death is reasonably related to injury, illness, or disease associated with exposure to a hazardous substance in a release;

"(ii) a group medical benefits insurance policy providing the reasonable costs of all medical and surgical treatment and hospitalization, excluding treatment of hospitalization solely arising from accidental injury, routine pregnancy, and well baby care, and subject to an annual deductible of $500, with no copayment requirement or annual or lifetime limitation on expenditures; and

"(iii) a group disability insurance policy, for those members of the population or class currently employed or with a history of employment.

"(C) Such policies provided under subparagraph (B) shall be secondary to, and provide for nonduplication of benefits with, any other policy in favor of such individual. The benefits of such other policy shall be those determined to be in force as of the date the State initiates proceedings toward a determination under subparagraph (A).

"(D) Assistance under this subsection shall be provided on the condition that the costs thereof in connection with any individual pursuing a claim against a potentially responsible party shall be repaid to the Fund out of the proceeds of any award or settlement of such claim.".

FUND USE OUTSIDE FEDERAL PROPERTY BOUNDARIES

SEC. 115. Section 111(e)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting before the period a colon and the following: *"Provided,* That money in the Fund shall be available for the provision of alternative water supplies (including the reimbursement of costs incurred by a municipality) in any case involving groundwater contamination outside the boundaries of a federally owned facility in which the federally owned facility is not the only potentially responsible party.".

STATUTE OF LIMITATIONS

SEC. 116. (a) Section 112(d) is amended to read as follows:

"(d)(1) Except as provided in paragraph (3), no claim may be presented, nor may an action be commenced for damages, as defined in section 101(6), under this Act, unless that claim is presented or action commenced within three years after the later of: (A) the date of the discovery of the loss, (B) the date on which regulations are promulgated under section 301(c), or (C) the date on which regulations are promulgated establishing procedures for the filing of such claims.

"(2) No claim may be presented nor may an action be commenced under this subsection for recovery of the costs referred to in section 107(a) after the date six years after the date of completion of the response action.

"(3) The time limitations contained herein shall not begin to run—

"(A) against a minor until the earlier of the date when he reaches eighteen years of age or the date on which a legal representative is duly appointed for him, or

"(B) against an incompetent person until the earlier of the date on which his incompetency ends or the date on which a legal representative is duly appointed for him.".

(b) Section 301(c)(1) is amended by striking out "two years after the enactment of this Act" and substituting "six months after the enactment of the Superfund Expansion and Protection Act of 1984".

JUDICIAL REVIEW

SEC. 117. Section 113(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"SEC. 113. (a)(1) Review of any regulation promulgated under this Act may be had upon application by any interested person in the Circuit Court of Appeals of the United States for the District of Columbia or in any United States Court of Appeals for a circuit in which the applicant resides or transacts business which is directly affected by such regulations. Any such application shall be made within one hundred and twenty days from the date of promulgation of such regulation, or after such date only if such application is based solely on grounds which arose after such one hundred and twentieth day. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

"(2)(A) If applications for review of the same agency action have been filed in two or more United States Courts of Appeals and the Administrator has received written notice of the filing of the first such application more than thirty days before receiving written notice of the filing of the second application, then the record shall be filed in that court in which the first application was filed. If applications for review of the same agency action have been filed in two or more United States Courts of Appeals and the Administrator has received written notice of the filing of one or more applications within thirty days or less after receiving written notice of the filing of the first application, then the Administrator shall promptly advise in writing the Administrative Office of the United States Courts that applications have been filed in two or more United States Courts of Appeals, and shall identify each court for which he has written notice that such applications have been filed within thirty days or less of receiving written notice of the filing of the first such application. Pursuant to a system of random selection devised for this purpose, and within three business days after receiving such notice from the Administrator, the Administrative Office thereupon shall select the court in which the record shall be filed from among those identified by the Administrator. Upon notification of such selection, the Administrator shall promptly file the record in such court. For the purpose of review of agency action which has previously been remanded to the Administrator, the record shall be filed in the United States Court of Appeals which remanded such action.

"(B) Where applications have been filed in two or more United States Courts of Appeals with respect to the same agency action and the record has been filed in one of such courts pursuant to subparagraph (A), the other courts in which such applications have been filed shall promptly transfer such applications to the United States Court of Appeals in which the record has been filed. Pending selection of a court pursuant to subparagraph (A), any court in which an application has been filed may postpone the effective date of the agency action until fifteen days after the Administrative Office has selected the court in which the record shall be filed.

"(C) Any court in which an application with respect to any agency action has been filed, including any court selected pursuant to subparagraph (A), may transfer such application to any other United States Court of Appeals for the convenience of the parties or otherwise in the interest of justice.".

CLARIFICATION OF PREEMPTION LANGUAGE

SEC. 118. Section 114(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after the first sentence thereof the following: "Nothing in this section shall preclude any State from requiring any person to contribute to a fund to pay (1) the costs of the non-Federal share or other State responsibilities under section 104(c)(3), or (2) the direct and indirect costs of response actions at facilities or locations where the President has not responded under this Act or in addition to response actions taken under this Act, or, (3) any other management, enforcement, or administration activities related to response actions or other cleanup of hazardous substances or hazardous wastes.".

PUBLICLY OWNED AND OPERATED FACILITIES

SEC. 119. (a) Section 104(c)(3)(C)(ii) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended to read as follows:

"(ii) 50 per centum (or such greater amount as the President may determine appropriate, taking into account the degree of

responsibility of the State or political subdivision for the release) of the capital, future operation, and future maintenance costs of the response action relating to a release at a facility, primarily used for treatment, storage, or disposal, that was owned and operated by the State or a political subdivision thereof at the time of any disposal of hazardous substances in such facility. For the purpose of subparagraph (c)(ii) of this paragraph, the term 'facility' does not include navigable waters or the beds underlying those waters.".

(b) Section 104(c)(3) of the Comprehensive Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following:

"In the case of any State which has paid, at any time after the date of the enactment of the Superfund Amendments of 1984, in excess of 10 per centum of the costs of remedial action at a facility owned but not operated by such State or by a political subdivision thereof, the President shall use money in the Fund to provide reimbursement to such State for the amount of such excess.".

SECTION 104 ORDER AUTHORITY

SEC. 120. Section 104 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(j)(1) Where the President determines that one or more responsible parties will properly carry out a response action under subsections (a) or (b) of this section, the President may enter into a consent order with such party or parties for that purpose.

"(2) Any person who violates or fails or refuses to comply with any order under this subsection may, in an action brought in the appropriate United States District Court to enforce such order, be fined not more than $5,000 for each day in which such violation occurs or such failure to comply continues.".

MANDATORY SCHEDULE

SEC. 121. Section 104 is amended by adding the following at the end thereof:

"(k)(1) The Administrator shall insure commencement of remedial investigations and feasibility studies for all facilities which are listed, as of the date of the enactment of this subsection, on the National Priorities List in accordance with the following schedule:

"(A) One-third of such facilities within eight months after such date of enactment.

"(B) Two-thirds of such facilities within 16 months after such date of enactment.

"(C) All of such facilities within 24 months after such date of enactment.

"(2) The Administrator shall list not fewer than 1,600 facilities on the National Priorities List by January 1, 1988. Beginning 24 months after the date of the enactment of the Superfund Extension and Improvement Act of 1985, the Administrator shall insure commencement of remedial investigations and feasibility studies for each facility which is added to the National Priorities List after the date of the enactment of such Act. Such remedial investigations and feasibility studies shall be commenced in accordance with a schedule which provides for such commencement at 175 facilities during the first 12 months after such 24-month period, at 225 facilities during the next 12 months, and at 275 facilities during the third 12 months.

"(3) The Administrator shall take such steps as may be necessary to ensure that substantial and continuous physical on-site remedial action commences at facilities on the National Priorities List at a rate of not fewer than 150 facilities per year beginning on October 1, 1986.

"(4) Not later than January 1, 1987, the Administrator shall complete preliminary assessments of all facilities which are listed, as of the date of the enactment of this subsection, on the ERRIS (Emergency and Remedial Response Information System) list.

"(5) The Administrator shall take such steps as may be necessary to ensure that remedial action is completed, to the maximum extent practicable, for all facilities listed, as of the date of enactment of this subsection, on the National Priorities List within 5 years after the date of the enactment of this subsection. If remedial action is not completed at such facilities within such 5-year period, the Administrator shall publish an explanation of why such remedial action could not be completed within such period.

"(6) In determining priorities among releases and threatened releases under the National Contingency Plan and in carrying out remedial action under this section, the Administrator shall establish a high priority for the acquisition of all properties (including nonowner occupied residential, commercial, public, religious, and vacant properties) in the area in which, before May 22, 1980, the President determined an emergency to exist because of the release of hazardous substances and in which owner occupied residences have been acquired pursuant to such determination.".

FEDERAL FACILITIES

SEC. 122. The following section is inserted immediately after section 115:

"FEDERAL FACILITIES

"Sec. 116. (a)(1) Not later than 6 months after the date of the enactment of this section, each department, agency, and instrumentality of the United States shall transmit to the Administrator a notice regarding each facility at which any hazardous substance has been treated, stored pending disposal, or disposed of and which, as of the date of the enactment of this section, is owned or operated by the department, agency, or instrumentality.

"(2) In each year after the date of the enactment of this section, each such department, agency, or instrumentality shall submit such a notice regarding each such facility which is owned or operated by the department, agency, or instrumentality at any time after the date of the enactment of this section and which was not the subject of a notice transmitted under paragraph (1).

"(b) The notice under subsection (a) shall contain the following information, to the extent available—

"(1) the location of each facility, and where any hazardous substance has been disposed of, a description of hydrogeology of the facility and the location of withdrawal wells and surface water within one mile of the facility;

"(2) such information relating to the amount, nature, and toxicity of the hazardous substance in each facility as may be necessary to determine the extent of any health hazard which may be associated with any facility;

"(3) information on the known nature and extent of environmental contamination at each facility, including a description of the monitoring data obtained;

"(4) a list of facilities at which any hazardous substance has been disposed of and environmental monitoring data has not been obtained, and the reasons for the lack of monitoring data at each facility;

"(5) a description of response actions undertaken or contemplated at contaminated facilities; and

"(6) an identification of the types of techniques of treatment or disposal which have been used at each facility.

"(c) The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket which shall contain each notice transmitted under subsection (a) regarding any facility and notice of each subsequent action taken under this Act with respect to the facility. Such docket shall be available for public inspection at reasonable times. Three months after establishment of the Docket and every three months thereafter, the Administrator shall publish in the Federal Register a list of the Federal facilities which have been included in the Docket during the immediately preceding three-month period and a list of each facility included in the Docket at which subsequent action has been taken under this Act during the immediately preceding three-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the Docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the Docket under this subsection.

"(d) Not later than one year after the date of the enactment of this subsection, the Administrator shall take steps to assure that a preliminary assessment is conducted for each facility for which a notice is required to be transmitted under subsection (a). Following such preliminary assessment, the Administrator shall where appropriate—

"(1) evaluate such facilities in accordance with the criteria established in accordance with section 105 under the National Contingency Plan for determining priorities among releases; and

"(2) include such facilities on the National Priorities List maintained under such Plan.

Such evaluation and listing shall be completed not later than fourteen months after the date of the enactment of this section.

"(e)(1) Within six months after the inclusion of any facility on the National Priorities List, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator, commence a remedial investigation and feasibility study for such facility.

"(2) Within ninety days after completion of each such remedial investigation and feasibility study, the Administrator shall review the results of such investigation and study and shall enter into an interagency agreement with the head of the department, agency, or instrumentality concerned for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action at such facility. All such interagency agreements shall comply with the requirements of section 104(j). Such agreement shall require that substantial continuous physical onsite remedial action is commenced at each facility which is the subject of such an agreement within six months after the agreement is entered into.

"(B) Each interagency agreement under this paragraph shall include, but shall not be limited to: (i) a review of alternative remedial actions and selection of construction design by the Administrator; (ii) a schedule for the completion of each such remedial

action; and (iii) arrangements for long-term operation and maintenance of the facility.

"(3) To the maximum extent practicable, remedial actions at facilities subject to interagency agreements under this section shall be completed within two years from the date the interagency agreement was entered into. If not completed within such period, the department, agency, or instrumentality shall transmit to the Administrator an explanation of why such action was not completed. Such explanations shall be included in the Federal Hazardous Facility Compliance Docket and in the annual report made by the department, agency, or instrumentality under paragraph (4) to the Congress.

"(4) Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to—

"(A) a report on the progress in reaching interagency agreements under this section;

"(B) the specific cost estimates and budgetary proposals involved in each interagency agreement;

"(C) a brief summary of the public comments regarding each proposed interagency agreement; and

"(D) a description of the instances in which no agreement was reached.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached.

"(f) Except as provided in section 111(e)(3), money in the Hazardous Substances Response Trust Fund shall not be available for actions implementing any interagency agreement under this section.

"(g) The Administrator (represented by the Attorney General as provided in section 107(g)) shall bring an action under section 106 against the head of any department, agency, or instrumentality which fails or refuses to comply with any requirement of this section.

"(h) Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by executive order of the President or otherwise, to any other officer or employee of the United States or to any other person.

"(i) All guidelines, rules, regulations, procedures, and criteria which are applicable to preliminary assessments carried out under this Act for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priorities List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned and operated by a department, agency, or instrumentality of the United States in the same manner and to the same extent as such guidelines, rules, regulations, and criteria are applicable to other facilities, except for any requirements relating to bonding, insurance, or financial responsibility. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, procedures, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this Act.

"(j) The facilities required to be listed on the National Priorities List under this section shall be in addition to the facilities required to be listed under section 111(k). The schedules and timetables provided under section 111(k) applicable to commencement of remedial investigations and feasibility studies, preliminary assessments, and remedial action shall not apply to facilities which are owned or operated by a department, agency, or instrumentality of the United States.".

SEC. 123. Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting "(a)" immediately following "105." and by adding the following at the end thereof:

"(b) Not later than twelve months after the date of enactment of the Superfund Amendments of 1984, the Administrator shall revise the National Contingency Plan to reflect the requirements of such amendments. The portion of such Plan known as "the National Hazardous Substance Response Plan" shall be revised to provide procedures and standards for remedial actions undertaken pursuant to this Act which are consistent with amendments made by the Superfund Amendments of 1984 relating to the selection of remedial action.

"(c) Not later than twelve months after the date of enactment of the Superfund amendments of 1984, the Administrator shall propose amendments to the hazard ranking system in effect on July 1, 1984. Such proposed amendments shall be published in the Federal Register and otherwise made available for public review and comment to the same manner and extent as regulations promulgated pursuant to the Administrative Procedures Act. Until the effective date of any proposed changes, the hazard ranking system in effect on July 1, 1984, shall continue in full force and effect.".

INJUNCTIVE RELIEF

SEC. 124. Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding a new subsection as follows:

"(d)(1) Except as provided herein a person may commence a civil action on his own behalf—

"(A) against any person, including the United States and any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution, and including any past or present generator, past or present transporter, or past or present owner or operator who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any hazardous substance which may present an imminent and substantial endangerment to health or the environment; or

"(B) against the Administrator of the EPA or the Administrator of the Agency for Toxic Substances and Disease Registry where there is alleged a failure to perform any act or duty under this Act which is not discretionary.

Any action under this subsection shall be brought in the district court for the district in which the alleged violation occurred or the alleged endangerment may occur, or in the District Court of the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to restrain any person who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any hazardous substance, to order such person to take such other action as may be necessary, or to order the Administrator to perform the act or duty, as the case may be, and to apply any appropriate civil penalties.

"(2) ACTIONS PROHIBITED.—No action may be commenced under paragraph (1) of this subsection—

"(A) prior to one hundred and twenty days after the plaintiff has given notice of the endangerment (i) to the Administrator; (ii) to the State in which the alleged endangerment may occur; and (iii) to any alleged violator or any person alleged to have contributed or to be contributing to the past or present handling, storage, treatment, transportation, or disposal of any hazardous substance referred to; or

"(B) with respect to an action under paragraph (1)(A) of this subsection, if the Administrator or a State has commenced and is diligently prosecuting a civil or criminal action in a court of the United States or a State to require compliance or has settled such action to restrain or abate acts or conditions which may have contributed or are contributing to the activities which may present the endangerment: *Provided, however,* That in any such action in a court of the United States, any person may intervene as a matter of right when the applicant claims an interest relating to the subject of the action and he is so situated that the disposition of the action may, as a practical matter, impair or impede his ability to protect that interest, unless the Administrator or the State shows that the applicant's interest is adequately represented by existing parties. No action may be commenced under subsection (1)(A) by any person (other than a State or local government) with respect to the siting of a hazardous waste treatment, storage, or a disposal facility, nor to restrain or enjoin the issuance of a permit for such facility".

"(3) COSTS.—The court in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any prevailing or substantially prevailing party, whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.".

ADMINISTRATIVE CONFERENCE RECOMMENDATIONS

SEC. 125. The Congress finds that Recommendation 84-4 of the Administrative Conference of the United States (Adopted June 29, 1984) is generally consistent with the goals and purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and that the Administrator should consider such Recommendation and implement it to the extent that the Administrator determines that such implementation will expedite the cleanup of hazardous substances which have been released into the environment.

ABATEMENT ACTIONS

SEC. 126. (a) Section 106(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following at the end thereof: "Within eighteen months after the date of enactment of the Superfund Amendments of 1984, the Administrator shall, after con-

sultation with the Attorney General, revise and republish the guidelines published under this subsection to effectuate the responsibilities and powers created by such Amendments.".

(b) Section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection at the end thereof:

"(d) Notwithstanding any other provision of law or rule of law, the Administrator shall establish such administrative procedures as the Administrator deems advisable regarding the opportunity for any person to object to an order issued under subsection (a).".

TRANSPORTATION INCIDENT RESPONSE

SEC. 127. Section 306 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding the following new subsection:

"(d) As expeditiously as practicable, the Secretary of Transportation shall develop and establish a centralized computer based system enabling law enforcement officers, fire and safety officers, and other appropriate officers of Federal, State, and local government access while in the field and through remote communications equipment to information regarding the identity and nature of the appropriate means of response, the type of threat posed and other suitable information regarding any shipment regulated by the Hazardous Materials Transportation Act.".

AUTHORIZATION OF APPROPRIATIONS; EXTENSION OF SUNSET PROVISION

SEC. 128. (a) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1990"; and

(2) by striking out "$1,380,000,000" and inserting in lieu thereof "$8,750,000,000".

(b) Section 221(b)(2) of such Act is amended by striking out subparagraphs (A) through (E) and inserting in lieu thereof the following:

"(A) 1981, $44,000,000,
"(B) 1982, $44,000,000,
"(C) 1983, $44,000,000,
"(D) 1984, $44,000,000,
"(E) 1985, $44,000,000,
"(F) 1986, $250,000,000,
"(G) 1987, $250,000,000,
"(H) 1988, $250,000,000,
"(I) 1989, $250,000,000, and
"(J) 1990, $250,000,000,

plus for each fiscal year an amount equal to so much of the aggregate amount authorized to be appropriated under subparagraphs (A) through (I) as has not been appropriated before the beginning of the fiscal year involved.".●

ESTONIAN INDEPENDENCE

● Mr. SIMON. Mr. President, I am pleased to ask to have included in the RECORD today the statement prepared by the Estonian American National Council on the occasion of the 67th anniversary of the proclamation of Estonian independence. The Republic of Estonia was forcibly incorporated into the Soviet Union in 1940 in direct violation of the accords outlined in the Atlantic Charter. The second provision of the charter, signed in 1941, calls for the "application of the principle of self-determination in all territorial changes." The Soviet Union continues to defy the treaty.

I join with all Estonian-Americans in commemoration of Estonian independence.

The statement follows:

STATEMENT BY THE ESTONIAN AMERICAN NATIONAL COUNCIL

"Never in the course of centuries have the Estonian people lost their ardent desire for independence. From generation to generation, Estonians have kept alive the . . . hope that in spite of enslavement and oppression by other nations, the time will come in Estonia . . . when Kalev will come home to bring his children happiness."

With such timeless conviction begins Estonia's Declaration of Independence, proclaiming Estonia a free democratic republic on February 24th, 1918. On that day, Kalevipoeg, the hero of the Estonian national epic, did come home to bring his people freedom and happiness. An unwavering desire for self-determination and freedom from foreign oppression gave the Estonian people the strength to fight for independence simultaneously against two invaders—Bolshevik Russia and the German Landeswehr. Estonian soldiers overcame these overwhelming obstacles and defeated both enemies.

During the brief period of political independence, Estonians enjoyed cultural progress, agricultural and economic development. In 1925 the young republic, appreciating the importance of ethnic identity, became the first country in the world to grant its minorities—Russians, Jews, Germans and Latvians—cultural autonomy through government subsidized ethnic schools, theaters and libraries.

World War II, however, brought alternate Soviet and Nazi invasions ending in the forcible incorporation of Estonia into the Soviet Union, an illegal takeover not recognized by the United States to this day. Brutal deportations took over one tenth of the population into Russian slave labor camps, while scores of others lost their lives fighting the enemy. In defiance of enormous obstables, tens of thousands managed to flee to freedom in the West in 1944. Now, scattered all over the world, Estonians derive knowledge and experience from the past; they are determined not to allow their heritage to fade away.

However, this month, the 67th anniversary of the Republic of Estonia's Declaration of Independence finds its people in the West and in Soviet-occupied Estonia gravely concerned about their future. In Estonia, a systematic Soviet policy of russification and national genocide is being carried on. The percentage of Estonians in the population is being reduced drastically by forced relocation of Estonians, colonization by Russians and other immigrants, and increases in troops stationed in Estonia. The Soviets are increasingly eliminating the Estonian language and ethnic traditions and establishing Russian as the official language in government employment, in place names, and in schools. Traditional mores and values are being eroded; many places of worship have been closed. Mart Niklus, Enn Tarto, Lagle Parek, many other Estonian dissidents and religious believers continue to be imprisoned for courageously bringing these violations of national and human rights to the attention of the West.

While participating actively in mainstream America, Estonians in the United States are, understandably, very much concerned about the national genocide taking place in Sovet-occupied Estonia. Thus, the apparent weakening, currently, of the United States' long-term and steadfast policy of non-recognition of the illegal incorporation of Estonia, Latvia, and Lithuania into the Soviet Union—through possible deportation of Baltic nationals to the Soviet Union—is a cause for great dismay. The Estonian American National Council asks you to reaffirm the long-standing United States' policy which supports the Baltic peoples' right to determine their own national destiny. Self-determination is the only hope for the very survival of these three countries, since they are most vulnerable to the Soviet goal of "social homogeneity".

We applaud all efforts by the United States to reinforce the distinctive national identities of Estonia and the other Baltic States. An important step in this direction was the recent transfer of the Baltic radio divisions from Radio Liberty to Radio Free Europe; increased funding for all the radios would make this move even more significant.

Finally, we ask you to give wide prominence to specific instances of human rights abuse in Estonia. Western support has incalculable inportance for the human rights movement there. The Congressional activities on behalf of Mart Niklus on his 50th birthday were of great significance. Other opportunities to help in the moral struggle for liberty against oppression are presented by upcoming CSCE meetings: the Human Rights Experts Meeting in Ottawa, the 10th anniversary of signing of the Helsinki Accords on August 1st, and the Cultural Forum in Budapest, Hungary.

As a nation dedicated to the principles of independence and the protection of human rights, the United States appropriately speaks out against the continued Soviet hegemony in the Baltic States. We hope that the United States will continue to hold high the beacon of freedom as inspiration for those whose struggle has not yet ended.●

AUTO QUOTAS

● Mr. CHAFEE. Mr. President, for 4 years now, American consumers have been paying a heavy "tax" on the cars they buy—in the form of premium prices caused by restrictions on Japanese auto imports. It is time to end those quotas and eliminate that "tax."

Anyone who has visited an auto showroom knows what has happened to prices, not only on foreign cars but on domestic cars as well, protected as they are from foreign competition. How many consumers on moderate incomes can afford the $13,000 average price of a General Motors car?

Meanwhile, the auto industry is piling up record profits of $10 to $11 billion in 1984, rebounding from a loss of $4.2 billion in 1980, and is looking to another banner year in 1985. This is not an industry that needs indefinite protection. If we do not get rid of the auto quotas now, while the economy is prospering and the auto industry booming, when will we?

Quotas could easily become permanent. This would be harmful not only for the hard-pressed consumer but for

the auto industry as well. As the sad state of our steel industry shows, an industry that enjoys protected markets too long will fail to take the measures needed to stay competitive.

We still hear the argument that quotas must be extended to allow U.S. automakers to become "competitive" with the Japanese. This is an old protectionist refrain refuted by the facts. History shows that trade protection removes the incentives for companies to make the difficult decisions needed to become cost competitive. It is doubtful, for example, that the recent wage settlements and executive bonuses at U.S. auto companies would have been quite as generous had the quotas not protected U.S. automakers from the Japanese.

Last year, the U.S. auto industry signed a labor agreement that will raise total wages and fringe benefits for the average auto worker to about $50,000 a year. This is for workers who are already earning 60 percent more than the average manufacturing worker in the United States. During the period of the import restraints, the average hourly wage of America auto workers increased by nearly 50 percent, rising to $15.33—excluding benefits—during the first 6 months of 1984. That wage was about two-thirds higher than the average for all manufacturing workers in 1984. Why should workers in my State of Rhode Island, who earn half the salary of auto workers in Detroit, pay $1,000 to $2,000 more for their cars because the competition is kept at bay?

The quotas have been especially hard on low-income people looking for economical smaller cars. The Japanese automakers, limited in the number of cars they could sell, naturally shifted exports to the larger, more expensive models. For Detroit, the reduced competition in the low-cost end of the market helped keep prices up.

The quotas were adopted "voluntarily" by the Japanese, under pressure from the United States, in the spring of 1981 when the U.S. industry was on its knees. Caught with large, fuel-guzzling cars when oil prices skyrocketed, the American auto producers said they needed "breathing space" to gear up for a new era in automobiles. Fair enough. But the quotas were intended to last only 3 years—the amount of time Detroit said it needed. They have lasted nearly 4, surely enough breathing space.

These quotas have not come cheap. Profits per vehicle are twice the level they were 10 years ago. Last year alone, it is estimated that Americans paid an extra $5 billion because of the import limits. The International Trade Commission, in a report released February 9 reviewing recent developments in the U.S. automobile industry, estimated that voluntary restraints cost American consumers $15.7 billion over the last 4 years. Despite these costs, auto industry employment was only 44,000 higher in 1984 than it would have been without the import restraints.

The good times are rolling again for Detroit. Last year, the U.S. auto industry had its best sales year since 1979—earning a record $10 billion profit. At the same time, the industry was able to pay its executives record bonuses—an average $30,000 for each of 5,807 executives at GM, for instance. And Chrysler recently announced plans to recall the last of its laid-off hourly workers and hire new workers as well.

Some will argue that now is not the time, when the U.S. trade deficit is soaring, to lift the quotas. In my view, we should look at causes, not symptoms. The Japanese share of the U.S. auto market has shrunk to 17.4 percent as American auto production expanded. The trade deficit during the same time has grown worse and worse less because of "cheap" imports than because a record-high dollar makes many American exports uncompetitive in world markets.

The answer to our trade deficit is not more protectionism. The answer is getting our incredible budget deficits under control, which would lower interest rates and bring the dollar down to realistic levels. At the same time, we must do all we can to accelerate the rate of economic growth in Europe and elsewhere. Protecting U.S. industries and closing our markets is hardly the way to encourage worldwide recovery. We should not be looking for scapegoats abroad; we should be looking to put our own house in order. The more our markets are "protected," the less we will have the incentive and the political will to do so.

We should not ask the Japanese to extend the quotas again. Nor should we allow them to make the offer. Implicit in such a dubious "favor" would surely be a mistaken understanding that the United States would not demand that Japan open its fastest-growing markets: telecommunications and other high-tech equipment, software, agricultural, and other products. That would be no "bargain."

Retaining auto quotas contributes to the dangerous overall trend towards trade protectionism. Equally dangerous is the "threat" of restricted access to our market if some opening of Japanese markets is not forthcoming. It is hardly a threat to certain Japanese automakers who have reaped great benefits from those voluntary quotas and who would surely be happy to see them continued.

If auto quotas are extended, they threaten to become permanent. They would become a permanent "tax" levied by automobile companies on the U.S. consumer. If the American auto industry is to be competitive, then competition must be allowed. Notes GM Chairman Roger B. Smith, in a recent Washington Post column: "The discipline of worldwide competition * * * speeds up the pace of technological innovation and industrial modernization, which means growth and more and better jobs." The case is clear. Auto quotas should go. Consumers deserve the protection that comes from free competition in the marketplace.

Three recent opinions, two in the Washington Post, another in the New York Times, address the argument admirably. I request that these articles, along with the executive summary of International Trade Commission Report, be printed at this point in the RECORD.

The material follows:

[From the Washington Post, Feb. 24, 1985]

GOOD RIDDANCE TO THE CAR QUOTAS

(By Hobart Rowen)

The so-called voluntary restraint agreements (VRA) on Japanese cars—which in reality represented a nonvoluntary deal worked out by Washington and Tokyo to protect the American industry—will end on March 31, after four years of milking consumers.

Good riddance! The "voluntary" quotas were a bad idea in the first place, justified by the Reagan administration back in 1981 as necessary to buy time for the industry and its workers to adjust to competition from Japan. This created an artificial scarcity of Japanese cars, fattened corporate profits here and in Japan, and touched off a bonanza for American dealers of Japanese cars.

The Reagan administration apparently has decided that enough is enough, despite howls from industry apologists such as Rep. John D. Dingell (D-Mich.), who begs for the quotas to be extended "until at least March 1987."

Although the Japanese yen depreciated by about 20 percent against the dollar from 1981 through 1984, the Japanese did not lower their sticker prices. As City University of New York professor Yoshi Tsurmi told a congressional committee last week, "The VRA has forced American consumers who earned $10 an hour to subsidize $30-an-hour auto workers and their expensive executives."

Tsurmi, an expert on U.S.-Japanese problems, was trained at Harvard and Keio universities. He concludes that, apart from the harm to consumers, the VRA is hurting the U.S. economy because it has retarded "the U.S. auto industry's ability and willingness to adapt itself to the ever-changing markets and technological environment at home and abroad."

Shielded from competition, the companies didn't use the time or the vast cash surpluses they built up to turn out better small cars. As Tsurmi points out, General Motors Corp.'s well-advertised Saturn project (a mere 200,000-car potential) will cost only $450 million, whereas GM spent five times that sum—$2.5 billion—to acquire Electronic Data Systems Corp., among other nonauto investments.

Detroit also was caught napping by the surge in demand last year for European-styled, sporty luxury cars, and the void is being filled by European and Japanese sellers. "The VRA has once again dulled Detroit's sense to stay alert to the changing

market and technological environment conditions in the U.S. and abroad," he says.

Various studies indicate that only 26,000 to 44,000 additional auto industry jobs can be attributed to the quotas. By dividing these job numbers into the increased costs for cars in this period, it can be demonstrated that each such "preserved job" had a price tag of between $150,000 and $300,000.

But even these figures must be put in perspective, as did the International Trade Commission in a report to Congress last week. The ITC pointed out that the quotas, by limiting the supply of dollars "entering the foreign exchange market [had] tended to strengthen the U.S. dollar." As a result, probably as many jobs were lost in exporting and import-competing industries as were gained in autos.

Yet, the American industry did almost nothing to make itself competitive with producers of small Japanese cars. The VRA never was linked to specific investment decisions or wage concessions. Now, if the major Japanese companies choose to do so, they probably could flood the United States with the small, cheap cars on which they made their reputation, and collar the entire U.S. small-car market: American companies have yet to turn out a compact that matches the dollar-for-dollar quality of the best Japanese models.

The Japanese are probably too clever to inundate the American market with inexpensive compacts. They are likely to show truly "voluntary" restraint, for the first time.

The Nakasone government is fully aware that, should the $35 billion trade surplus with the United States swell, it could bring fast and ugly retaliatory action. There is pressure on Capitol Hill for the Reagan administration to extract from Japan, in exchange for abandoning the VRA, some new Japanese commitment to increase imports of American high-tech and other equipment.

So the likelihood is that the Japanese authorities will put a ceiling on car exports, again squeezing the smaller companies such as Mitsubishi and Suzuki: A totally free and unrestrained market for cars isn't likely to return overnight.

Nonetheless, elimination of the VRA quotas is likely to result in some substantial increase in the number of Japanese cars imported here.

The ITC estimated that, without the VRA, an additional 1 million Japanese cars might have been sold here last year, jumping their share of the market from 18.4 to 28 percent. Meanwhile, Korean companies have begun successfully to introduce cheaper cars into the North American market, especially in Canada. And other exporters will try to get a piece of the action here.

As for Detroit, the first result of the new competition should be a reduction in those fat sticker prices—there's plenty of room for that. The average price of a new car sold in this country rose to $11,254 last year, a 48 percent increase from $7,591 in 1980. The profits for the American Big Three, as just reported for 1984, amounted to a cool $10 billion, topping the 1983 record of $6.2 billion.

Tsurmi calculates that, in 1984 alone, the VRA cost American buyers of new cars about $13 billion by boosting their average effective price by $1,500. The booty was split this way: $6 billion in windfall profits to GM, Ford Motor Co., Chrysler Corp. and American Motors Corp.; $3 billion in overtime to United Auto Workers union workers (although some of this could have been used to rehire laid-off workers at straight time); and $4 billion to Japanese auto makers and their U.S. dealers, some of whom ripped off their customers for over-sticker premiums of $1,000, $2,000 and more per car.

As Tsurmi points out, the VRA probably persuaded Toyota and Nissan to move up their starting dates for producing subcompacts here. The combined annual production of Toyota, Nissan and Honda in the United States eventually will reach 700,000 units a year, and Mazda will add 200,000 by the end of 1986.

But the U.S. Big Three have de-emphasized production of subcompacts, switching their concentration to larger cars. Instead of head-on competition with the Japanese, their small-car strategy has been to make deals to increase subcompact imports from Japanese affiliates and to put some money into "the Korean connection."

Add it all up, and the Reagan administration correctly concluded that, after four years of coddling, no case could be made that an industry with such dazzling profits should get a 1985 crutch—although Ford and Chrysler and the UAW did their very best to stick it to all of us once more. If U.S. firms want to hold their share of the market, they'll have to fight for it by returning to innovation, skill and their native genius.

[From the Washington Post, Feb. 21, 1985]

CAR QUOTAS ISSUE STICKY

(By Peter Behr)

That we live in a global economy is by now a truism, obvious to anyone who thinks about it for a moment—70 percent of all American-made products now face import competition.

The greater that global interdependence becomes, the more often presidents and Congress will have to choose between consumers on the one hand, and U.S. manufacturing companies and their employes on the other.

That is the choice that faces President Reagan. By March 31, Reagan will have to decide whether to continue the so-called "voluntary restraints" that are limiting Japanese auto imports to 1.96 million cars for the year ending in March (1.85 million is the official limit—the rest enter through various backdoor channels).

His chief advisers on the issue, the members of the Cabinet Council on Commerce and Trade, have concluded that the import restraints should not be extended after April 1.

That decision would almost certainly lead to a surge in Japanese imports, but not necessarily led by Japan's big three, Toyota, Honda and Nissan. It is the manufacturers of other Japanese models—Mazda, Subaru, Isuzu and Suzuki—that are likely to try the hardest to stake claims in the American market, since they are now restricted to minuscule shares under the voluntary agreement.

Lifting the agreement April 1 would give them a precious opportunity to establish a presence here in case the door begins to close again.

The way these lesser-known Japanese cars would compete is by cost, dropping the price of subcompact cars to a point the U.S. producers could not begin to match and make a profit.

The immediate break for consumers would be a larger supply of less expensive cars. They would come not only from Japan companies, but also from General Motors Corp., Ford Motor Co. and Chrysler Corp., which would step up their imports from Japan, Korea and Mexico to keep pace with the Japanese competitors.

Unquestionably, stepped-up imports would cut more deeply into the ranks of American autoworkers, although the magnitude of the job losses are hard to gauge. That spells more hardship for autoworkers, their families, and the plant towns where American cars are built.

It is a trend that General Motors, Ford and Chrysler—and the United Auto Workers' leadership—have already accepted, however reluctantly.

The relentless pressure from low-cost imported cars compels the American auto makers to automate wherever they can, reducing the costs of human labor as much as possible. GM hopes to build the small car of its future—the Saturn—with just 60 worker-hours per car, less than half the current 130 worker-hours required to build a car in Detroit.

There is no chance of arresting the decline in the ranks of U.S. autoworkers or in stopping the erosion of the U.S. companies' market share, just as there was no way that the older plants in the U.S. steel industry could withstand the onslaughts from foreign producers whose technology matched or exceeded the American steel-making techniques, and whose labor costs are one-quarter to one-tenth of U.S. levels.

The question is how fast and how far that erosion in the auto industry proceeds and whether it is worth it for the economy as a whole to reduce the damage by keeping out Japanese cars.

Stated that way, the arithmetic favors an end to restraints and an open door to lower cost imports.

What makes Reagan's decision so fearsome politically is a growing view that the U.S. side is not just losing a fair fight over costs and technology, but also is being victimized by the economic policies of this administration and Congress, and by unfair, predatory trade practices by its foreign rivals.

There is a deepening conviction among business leaders as well as union chiefs that the U.S. manufacturing losses are attributable in large part to foreign government subsidies that lower import costs and to unfair trade restrictions that keep competitive American products out of foreign markets. Trade barriers are keeping $10 billion in American products out of the Japanese market every year, the administration estimates.

More devastating than the trade restrictions are the effects of an overvalued dollar. According to U.S. Trade Representative William Brock, "The explosion in the price of the dollar has made life more difficult than all the trade barriers in all the countries of the world put together."

There is no relief in sight for the dollar. And that means that the only outlet for the anger and frustration of U.S. manufacturers and their employes is the issue of fair trade.

If Reagan does allow the auto import limits to end next month, he will somehow have to use that decision as leverage to persuade the world's other trading nations that they risk a destructive political backlash if they ignore the fairness issue.

[From the New York Times, Dec. 16, 1984]

THE ECONOMICS OF CAR QUOTAS: THEY'RE MERELY A SUBSIDY FOR DETROIT

(By Yoshi Tsurumi)

After its remarkable rebound, the American auto industry hailed Lee A. Iacocca of Chrysler as a national hero who had singlehandedly driven out the villainous Japanese auto invaders. Business and labor leaders from the machine-tool, electronics and steel industries were quick to jump on the Iacocca bandwagon to spread a dubious message: All the United States has to do to be a winner in international economic competition is restrict Japanese and other imports.

Despite his professed commitment to open trade, President Reagan in September imposed new import restrictions on iron and steel products to appease domestic steelmakers. In reality, decades of protectionism have sapped this industry of its strength—but Big Steel pressed hard for extended import barriers, citing its declining international competitiveness. This is the industry equivalent of the proverbial parent-killer who pleads for mercy because he is an orphan. A similar irony prevails in the quota agreement between the United States and Japan to limit Japanese auto exports here, the "voluntary export restraint," or V.E.R., adopted in 1981.

Under the voluntary restraints, Japan agreed to restrict sales of its cars in the United States to 1.68 million annually. The limit was raised to 1.85 million units this year, and the agreement extended through March 1985. If the Reagan Administration is serious about promoting free trade to give consumers a choice, and serious about helping Detroit shape up, it should not press for renewal but let the quota agreement expire next spring.

From the time the voluntary export restraints were put in place, American car buyers have been the losers. Discounts and rebate deals on American autos vanished. Since they could ship only limited numbers of cars, Japanese auto makers started to export high-markup luxury vehicles instead of the sturdy no-frills models that first appealed to American consumers. Dealers for both American and foreign cars began loading them with costly options.

In this sellers' market, American car makers also marked up their wares. Today, a customer must pay about $1,500 more for any new car due to price increases resulting from the export restraints. In 1984 alone, the additional costs of the V.E.R. to American consumers are conservatively estimated at around $13 billion was divided among three groups in proportion to their respective power in the marketplace: $6 billion went to General Motors, Ford, Chrysler and American Motors in the form of windfall profits; $3 billion went to the autoworkers in the form of overtime benefits—although the sum could have been used to rehire at least 35,000 of their permanently laid-off coworkers, and $4 billion went to American dealers in Japanese cars and Japanese automakers.

Unfortunately, the Government has yet to learn the elementary lesson of carefully linking any kind of aid to desired concessions from the aid recipient. The export agreement has produced $10 billion to $13 billion annually in hidden subsidies to the car industry, but the Administration demanded no price, wage or investment concessions in return from Big Auto.

The protected auto companies have not used their V.E.R. based profits to improve their productivity, but to reward themselves. In February, for example, General Motors' management helped itself to hefty special bonuses—reportedly $250 million worth. This amount would have been sufficient to build a new factory cabable of producing 200,000 compact cars a year and employing at least 3,000.

The recent wage settlements at General Motors and Ford were applauded as "historic and moderate." However, behind a smoke screen of creative cost accounting, auto workers have in fact bloated their total benefit packages by 7 percent to 8 percent for the first year of the contract alone, well above the productivity increases we can expect for the industry. Chrysler workers are now demanding that their wage contract be reopened lest they be left far behind. The familiar rising spiral of wage and production costs has returned to the American auto industry, again weakening its ability to compete internationally.

Moreover, in the shelter of Japan's export restraint agreement, American car manufacturers have grown complacent to the needs of their customers. In the early 1980's, many American consumers shifted their preference from subcompacts to sportier and more luxurious models. But Detroit was caught unawares by the change. Nissan and Toyota quickly jumped in to fill the void, followed closely by Volvo, BMW, Mercedes-Benz and Audi. Honda will field a new fleet of luxury models in 1985.

Meanwhile, Detroit is trying to convince customers of its increased commitment to quality. But this month, Chrysler was forced to recall its newly-designed 2,200 c.c. auto engines when they were found to be catching fire and exploding in operation. The Government has asked General Motors to recall 1.1 million X-cars because of brake defects, while Ford recalled 500,000 new cars to correct possible problems with rear-wheel alignment.

As American auto companies posted ever-increasing profits under the export restraint agreement, they scrambled to find a compelling argument for its continuation. Now they are promoting the import quota as a necessary measure to combat the imagined conspiracy of the fabled "Japan Inc." Their press releases suggest that the $1,400 production cost advantage of a Japanese subcompact over its American counterpart is due to export subsidies and an artificially undervalued yen.

In fact, Japan grants no export subsidies. And the Treasury Department completely exonerated Japan from charges of manipulating the yen downward after a 1983 investigation made at President Reagan's request. Rather, the celebrated $1,400 production cost advantage is deeply rooted in the flexible manufacturing systems that Japanese auto companies have refined for more than two decades. Japanese manufacturers need 30 labor hours to produce a subcompact while American makers require 60 labor hours.

The export restraints have dubious political and economic merits for the United States when they were instituted in 1981. Now they force car buyers to pay a fat tax to maintain high profits and wages in the auto industry. Detroit, is riding high and no longer needs the quotas that were intended to be a temporary crutch.

Today, the effect of the V.E.R. is to retard the American auto industry's ability and willingness to adapt itself to changing technological and market conditions. As steel and other industries exact similar concession-free protection, an unadaptive rigidity sets in. This industrial rigidity not only dooms the future international competitiveness of America but will precipitate a recurrence of the Reagan Depression of 1981-82.

(Yoshi Tsurumi is a professor of international business at Baruch College, City University of New York and the author of "Multinational Business.")

A REVIEW OF RECENT DEVELOPMENTS IN THE U.S. AUTOMOBILE INDUSTRY INCLUDING AN ASSESSMENT OF THE JAPANESE VOLUNTARY RESTRAINT AGREEMENTS

EXECUTIVE SUMMARY

During 1979-80, a significant shift occurred in the domestic and foreign shares of the U.S. auto market. Sales of domestic autos in the United States fell 21 percent from 8.0 million units in 1979 to 6.3 million units in 1980, beginning a four year downward trend. Employment followed, dropping from 929,000 workers in 1979, to 740,000 in 1980, or by 20.3 percent. Sales of autos imported from Japan, conversely, rose to 1.88 million units in 1980 from 1.75 million units in 1979. As a result of these developments, the U.S. auto industry began to implement a number of measures to improve U.S. sales and to recapture the market share lost to imports. These measures included retooling and redesigning existing production and assembly facilities, building new facilities, downsizing most autos (model lines), increasing productivity, cutting fixed and variable costs, using less expensive and lighter materials, and using computer-aided design and manufacturing techniques.

On April 1, 1981, the Japanese began voluntarily restraining exports of autos to the United States to provide the U.S. auto industry with a period of time to make the necessary adjustments to become more competitive with imports. The Japanese renewed their voluntary restraints in each subsequent year through 1984. The most recent agreement is scheduled to expire on March 31, 1985, and, at the time of the transmittal of this paper, no decision has been announced by the Japanese regarding voluntary export restraints of autos to the United States during April 1, 1985-March 31, 1986.

The major highlights of this paper are provided below:

1. Developments in the U.S. automobile industry, 1979-84

U.S. auto production dropped from 8.4 million units in 1979 to 5.1 million units in 1982 but then rebounded to 7.8 million units in 1984.

Subcompact car production remained relatively constant during 1979-81 at about 1.5 million units, before dropping to 920,000 units in 1982, and then increasing to about 1.2 million in 1984. Production of compact models declined from 2.5 million in 1979 to 1.8 million in 1983, and then rose to almost 2.3 million in 1984. Standard and luxury car production declined from 2.2 million in 1979 to a low of 1.0 million in 1982, and then increased to 1.9 million in 1984.

After the rapid increase in the price of gasoline during 1979-80, consumers changed their purchases of mostly large autos to that of smaller, more fuel-efficient models. As the price of gasoline leveled and the general economy improved in late 1982, many consumers switched from smaller domestic models (subcompact and compact) to larger models (intermediate, standard, and luxury).

U.S. industry's capacity to produce autos declined between 1979 and 1984.

Capacity for the U.S. production of autos decreased from 10.1 million units in 1979 to 8.6 million in 1983 before rising to 9.0 million in 1984. Capacity utilization in the United States, however, increased from 68 percent in 1981, the first year of the VRA, to almost 87 percent in 1984. The industry capacity declined, principally because of the permanent closings of many older, inefficient assembly plants, while other plants were temporarily shut down to facilitate retooling and renovation.

The U.S. auto industry employed 720,000 in 1984, down from 930,000 in 1979, but wage levels increased during the period.

Employment by the six domestic auto producers dropped each year during 1979 to 1982, from 930,000 to 623,000 employees, respectively. Employment rebounded by mid-1984 (according to the latest available data) by almost 100,000 employers; however, it is still almost 200,000 fewer employees from peak-year 1979 employment. Employment trends in the U.S. auto industry generally followed industry production trends, declining from 1979 to 1982, and then increasing in both 1983 and 1984. Average hourly wages increased from $10.52 in 1979 to $15.33 during January–June 1984, and gross earnings increased from $18.7 billion in 1979 to an estimated $22.6 billion in 1984.

The industry has dramatically reduced many of its fixed and variable costs since 1979, and in doing so has substantially reduced its breakeven level.

By cutting both the salaried and hourly work force, and at the same time increasing productivity, the auto industry has managed to substantially reduce labor costs. In addition to employee reductions, the industry has lowered inventory carrying costs, reorganized major divisions so that they are more efficient, closed many other plants, increased component outsourcing, and made significant gains in quality control.

Through major cost reductions, the 3 major U.S. automakers substantially lowered their breakeven points during 1979–84. General Motors' breakeven level, based on worldwide vehicle sales, has fallen from 8.4 million units in 1980 to about 5.6 million units in 1984; Ford's North American operations' breakeven point fell to 2.1 million units from 3.6 million units, and Chrysler's fell to 1.1 million units from 2.3 million units.

The Japanese enjoy an estimated $1,000 to $1,500 per auto cost advantage over U.S. producers.

There is a general consensus by auto analysts as to the existence of a production cost advantage in favor of Japanese producers; however, the estimates of the advantage range between $200 and $2,000 per unit. According to a comparison of the Ohio-built Honda and a similar Honda built in Japan, the actual cost advantage of Japanese production is probably between $1,000 to $1,500 per auto. Most analysts attribute the cost advantage to such factors as lower wages and higher productivity of Japanese workers, better management, and the imbalance in currency valuations of the dollar and the yen.

The four U.S.-based auto producers reported combined losses on U.S. operations of $4.7 billion in 1980, but it is estimated that they will post in excess of $10 billion in profits in 1984.

Profits of the U.S. auto industry on U.S. operations jumped to $5.3 billion in 1983 after losses of $400 million in 1979, $4.7 billion in 1980, $2.3 billion in 1981, and $553 million in 1982. It is estimated that profits in 1984 will exceed $10 billion. During the period of the VRA, the 4 domestic auto companies registered total net profits of almost $13.0 billion on their U.S. operations.

2. Changes in the U.S. market during the period of the VRA

U.S. consumption of autos dropped from 10.5 million units in 1979 to 7.6 million units in 1982 before rising to 10.7 million units in 1984

U.S. consumption of automobiles generally followed the trend of the U.S. economy during 1979–84. U.S. consumption declined from 10.5 million units in 1979 to a low of 7.6 million units in 1982. As the U.S. economy began recovering in late 1982, consumption of new autos also increased, rising to 8.6 million in 1983 and 10.7 million in 1984.

While U.S. production and exports followed the trends of the U.S. economy, imports remained relatively stable during 1979–83. This caused an increase in the import-to-consumption ratio from 27.6 percent in 1979 to a high of 38.5 percent in 1982 (when U.S. production and exports were at their lowest levels). The imports-to-consumption ratio then declined in each succeeding year, dropping to 36.6 percent in 1983 and 33.8 percent in 1984.

U.S. imports remained at about 3 million units during 1979–83, before rising to 3.6 million units in 1984.

U.S. imports fluctuated little during 1979–83 due in large part to the VRA, which held Japanese imports constant during the latter part of this period. However, in 1984, U.S. imports rose to 3.6 million units owing to increased demand for automobiles produced by U.S. subsidiaries in Canada and West German automobiles, and an increase in the level of the Japanese VRA from 1.68 million units to 1.85 million units.

The product mix of U.S.-built autos has changed because of a change in consumer demand resulting from the price of gasoline and other economic factors, but the change in the product mix of imports from Japan is a result principally of the VRA.

As the price (in constant dollars) of gasoline dropped and the U.S. economy improved in late 1982, demand for larger U.S.-produced autos increased, causing a drop in demand for smaller, more fuel-efficient models. The compact segment of the domestic market registered the greatest decrease, from 24 percent of the U.S.-built models in 1982 to 13.6 percent in 1983. The product mix of Japanese models also changed owing primarily to the VRA. Since the demand for Japanese models was greater than the constrained supply, Japanese importers were able to sell the more expensive models in place of the lower priced models.

U.S. retail prices of eight popular Japanese automobiles increased from 17 percent to 35 percent since April 1, 1981.

Smaller Japanese model prices increased by approximately 21 percent but prices of the more luxurious models increased by an average of 33 percent during the VRA period. Imports from Japan have moved upscale towards the more expensive models, and retail dealers frequently add on optional equipment and extra markups.

U.S. retail prices of domestic subcompacts increased from 5.7 percent to 8.5 percent during 1981–85, and those for domestic large models increased from 30.1 to 35 percent.

U.S. manufacturers' suggested retail prices of some popular U.S. subcompacts (Chevette, Escort, and Horizon) increased by an average of about 7.2 percent from April 1981 to January 1985, but retail prices of larger models increased during the same period by almost 33 percent. These price changes were due to the fact that the demand for small U.S.-produced autos has declined, principally because of declining gasoline prices and a general upturn in the U.S. economy after 1982. The increased demand for larger cars (primarily because of lower gasoline prices) has allowed the industry to increase retail prices of these models at a more rapid rate than for smaller cars.

3. Probable effects of the VRA

Elements of econometric modeling were used to develop a hypothetical picture of the U.S. auto industry and market during 1981–84 in the absence of the VRA. Review of the results indicates that the VRA has most likely affected both domestic and Japanese auto sales and prices in the U.S. market, U.S. employment levels, and U.S. consumer costs.

The VRA is estimated to have increased prices of Japanese autos in the United States.

Transaction prices of Japanese automobiles sold in the United States in 1984 are estimated to have averaged $1,300 more per auto as a result of the VRA than they would otherwise have been. The estimated VRA-induced price increase of Japanese autos in the United States rose from $185 per auto in 1981 (the first year of the voluntary quota) to $359 in 1982, and to $831 more per auto by 1983. By restricting the supply of imported autos while demand was growing, the VRA appears to have resulted in higher prices each year for U.S. consumers of Japanese cars. Part of this increase was because the Japanese began selling more expensive models during the VRA.

The VRA may have caused increases in prices of both new domestic and used domestic and foreign autos in the United States.

Transaction prices of domestically produced new autos may have increased by about $78 in 1981 and by almost $660 in 1984 owing to the VRA. It is also likely that the VRA caused an increase in used car prices of both domestic and Japanese models. Many buyers turned to the used car market because of reduced availability and higher prices of new Japanese autos.

The total estimated cost to the U.S. consumer as a result of the VRA during 1981–84 was $15.7 billion.

The VRA cost U.S. consumers an additional $835 million in 1981, $1.65 billion in 1982, $4.68 billion in 1983, and $8.52 billion in 1984, for a combined total of $15.7 billion during 1981–84, based on USITC staff estimates. The higher prices on Japanese autos alone increased consumer costs by about $3.3 billion in 1984 and the remainder of the increase was because of the price increases on domestic autos.

In the absence of the VRA it is estimated that an additional 1 million Japanese autos may have been sold in the United States in 1984.

Japan's share of the U.S. market would likely have been approximately 28 percent instead of the 18.4 percent actually recorded in 1984, had the VRA not been in effect. The Japanese were constrained to 1.68 million units during FY 1981–83, and 1.85 million during FY 1984, and it is estimated that consumers would have purchased as many as 1 million more Japanese autos in 1984 if they would have been available.

The VRA most likely resulted in an additional 44,000 U.S. jobs and additional sales of 618,000 domestically produced autos in 1984.

It is likely that the VRA added about 5,400 jobs to U.S. automobile industry employment in 1981, and by 1984, the VRA was responsible for a total of 44,000 additional jobs in the domestic industry. If the employment gains in the steel industry and in other supplier industries are added to these numbers, the gains in employment would be significantly higher. If the VRA has strengthened the U.S. dollar, it may have caused a loss of employment in exporting industries and in import-competing industries. This would tend to offset the job gains in the auto industry and its suppliers. The VRA also caused a gain in sales of domestically produced autos. It is believed that although the effect of the VRA was minimal in 1981 (an increase in sales of 75,000 domestic units), the estimated increase in retail sales of U.S. autos brought about by the VRA was approximately 620,000 units in 1984. This was an amount that was about 8 percent higher than the level which would have prevailed absent the Japanese export restraints.

Although the inventory and days' supply of U.S.-built autos fluctuated during 1981–84, inventory and days' supply of Japanese imports practically disappeared.

Inventories of domestic autos held by U.S. dealers during 1981–84 were at their lowest point in January 1983 (1.1 million units), but generally increased through January 1985 (1.4 million units). Days' supply of domestic models peaked in January 1982 and generally remained at about 50 to 60 day levels through 1984. Inventories and days' supply of Japanese imports, however, remained below 30 days' supply from July 1983 to January 1985 (averaging about 150,000 units). Because the domestic industry was better able to control its level of dealer inventory to meet market conditions, the domestic inventory and days' supply did not drop significantly. The Japanese inventories, however, declined to less than a 30 days' supply after July 1983 owing to the restraints, causing shortages of most models and resulting higher prices because demand exceeded supply. Auto dealers normally carry a 50 to 60 days' supply of autos in order to allow consumers a choice of auto models.

In the absence of the VRA, it is estimated that the U.S.-Japan trade deficit in autos would have been nearly $2 billion greater in 1983 and almost $4 billion higher in 1984.

The total U.S. merchandise trade deficit with Japan was $19.3 billion in 1983 and $33.9 billion in 1984. It appears that the total U.S. merchandise trade deficit with Japan might have been even greater if the auto restrictions had not been in effect. In the absence of the VRA, it is estimated that the deficit solely in auto trade would have been $2 billion greater in 1983 and almost $4 billion more in 1984.●

WORLD AGRICULTURAL TRADE

● Mr. BOSCHWITZ. Mr. President, recent discussions I have had about agricultural issues have made it apparent to me that many people are not fully aware of the tremendous difficulties farmers face in trying to export their commodities. The world market presents several challenges which make it harder than it was a few years ago for our farmers to compete with those in other countries.

The Soviet grain embargo shattered confidence in the reliability of the United States as a food supplier. The global recession crimped the purchases of many of our best customers. High interest rates hurt farmers directly by substantially increasing their debt servicing costs and also indirectly by compounding the economic difficulties of heavily leveraged Third World agricultural customers.

To cap it all off, the value of the dollar has risen some 30 to 40 percent against major world currencies. This has resulted in price increases (in local currency) to countries that buy from us even while our own farmers have been faced with generally declining prices. In some instance, U.S. price support levels have now become higher than prices in other countries.

Thus, U.S. grains often sit in Government controlled storage while other countries sell to export markets at prices lower than our exporters can offer. As a consequence, our current Government farm programs may be providing far more benefits to farmers in other exporting countries than the programs provide to farmers here in the United States.

To illustrate the problems our farmers face, I ask that an article from the Journal of Commerce of January 24, 1985, be printed in the RECORD.

The article follows:

[From the Journal of Commerce, Jan. 24, 1985]

U.S. LOSING SHARE OF ASIAN WHEAT MART

HONOLULU.—The U.S market share of wheat shipments to Asia has dropped nearly 15 percentage points to 50 percent since 1980, Robert Kohlmeyer of Cargill Inc. told members of the National Association of Wheat Growers.

That share could drop an additional 15 points by 1990 if current trends continue, Mr. Kohlmeyer said at the NAWG annual meeting.

He said the strong U.S. dollar not only had made it more expensive for foreign customers to buy U.S. grains and other products, it also had encouraged competitors, such as Canada, Australia, Argentina and the European Community, to boost production.

That new production is designed entirely for export, he said.

Domestic farm programs were originally conceived in expectation of ever-increasing world demand and continued high inflation, he said. "However, the rate of inflation has shrunk to a low level and the worldwide economic downtrend has caused demand to stagnate," he said.

U.S. agriculture has been left to face increased competition from abroad with a domestic farm policy that encourages high production while setting support prices at levels that prevent any clearing of surpluses, Mr. Kohlmeyer said.

In 1980 the United States accounted for 64 percent of wheat shipments to Asia. That market share has dropped to about 50 percent, Mr. Kohlmeyer said, with Asian countries recently buying wheat from the EC and Argentina.

Argentine wheat has even become a cheaper source of bread wheat for southern U.S. flour mills than U.S.-grown wheat, he said, referring to Cargill's recent purchase—then cancellation—of 25,000 metric tons of Argentine wheat for its Port Allen facility.

"At the time a shipment was arranged, Argentine wheat could be delivered to coastal milling locations at a cost that was 15 to 25 cents per bushel cheaper than U.S. wheat of comparable quality—even after paying the Argentine export tax of 18 percent and U.S. import duty of 21 cents per bushel," he said.

On the basis of today's values, the price spread is even wider in favor of Argentine wheat, he said.

Cargill's decision to stop the grain shipment does not alter the fact the foreign grains are becoming price competitive in U.S. markets, Mr. Kohlmeyer said. Southern Hemisphere corn, oilseeds and oilseed products could join Canadian wheat and foreign oats in entering U.S. markets in 1985, he said.

Mr. Kohlmeyer said Cargill's plan to import Argentine wheat was conceived as a straight commercial transaction to find the demand and the cheapest source of supply to meet the demand.

"But how can we compete for Asian markets when we risk losing part of our markets here at home?" he said.

To be competitive again, the United States must design farm programs that relate support levels to market prices and remove incentives to produce for the government loan or the farmer-owned reserve.

"If we are not willing to take those steps, we are saying to our foreign customers that we don't want their business," Mr. Kohlmeyer said.●

ORDERS FOR TUESDAY

ORDER FOR RECESS UNTIL 10 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. on Tuesday, February 26, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS BETWEEN 12 NOON AND 2 P.M. ON TUESDAY, FEBRUARY 26, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess between the hours of 12 noon and 2 p.m. tomorrow, February 26, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Further, I ask unanimous consent that after recognition of the two leaders under the standing order, there be a special order not to exceed 15 minutes for each of the following Senators: Senators PROXMIRE and BIDEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for routine morning business not to extend beyond the hour of 11 a.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Following morning business tomorrow, the Senate will automatically resume S. 457, the African relief bill, and pending is amendment No. 10 offered by the distinguished Senator from Nebraska, Senator ZORINSKY, dealing with emergency farm credit assistance. Rollcall votes can be expected during Tuesday's session on amendments, and possibly final passage of S. 457.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Mr. President, I have listened to the distinguished majority leader. May I say in response to his statement expressing the hope that action will be taken at a reasonably early hour and day that I think I am in the position to suggest that we might arrange for a vote on the amendment by Mr. ZORINSKY, et al., say, at 2 o'clock tomorrow afternoon?

Mr. DOLE. Let me say to the distinguished minority leader that that may be possible.

I need to check that with the chairman of the Agriculture Committee, Senator HELMS, and with the manager of the bill, the distinguished Senator from Indiana, Senator LUGAR. We are sort of aiming for that. I would not want to promise it. It would occur after our respective policy luncheons.

Mr. BYRD. Mr. President, I am receptive to trying to nail that down today if the majority leader is able to clear it before he goes out.

Mr. DOLE. I will have to check on that.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to and, at 6:01 p.m., the Senate recessed until tomorrow, Tuesday, February 26, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 25, 1985:

DEPARTMENT OF STATE

Max M. Kampelman, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the U.S. Office for Arms Reduction Negotiations in Geneva.

John Goodwin Tower, of Texas, for the rank of Ambassador during his tenure of service as U.S. Negotiator on Strategic Nuclear Arms.

Maynard W. Glitman, of Vermont, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during his tenure of service as U.S. Negotiator on Intermediate Range Nuclear Arms.

THE JUDICIARY

The following-named persons to the positions indicated:

Thomas J. Aquilino, Jr., of New York, to be a judge of the U.S. Court of International Trade, vice Frederick Landis, retired.

Frank H. Easterbrook, of Illinois, to be U.S. circuit judge for the seventh circuit, vice a new position created by Public Law 98-353, approved July 10, 1984.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois, vice a new position created by Public Law 98-353, approved July 10, 1984.

DEPARTMENT OF JUSTICE

James R. Laffoon, of California, to be U.S. Marshal for the southern district of California for the term of 4 years (reappointment).

EXTENSIONS OF REMARKS

POPULATION GROWTH AND U.S. SECURITY

HON. MICHAEL D. BARNES
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BARNES. Mr. Speaker, during the past few months, the news media has provided the American public with pictures and information on the tragic situation of regionwide famine in Africa. In a thoughtful piece in the Washington Post from Sunday, February 17, 1985, Hobart Rowen discussed this tragedy in the context of population growth. He discussed the linkages between unprecedented levels of population growth and land availability, food production, land erosion, and political instability. He agrees with the conclusion reached by many that uncontrolled population growth could also create security problems for the United States.

This article is particularly interesting in view of the administration's decision to stop funding the International Planned Parenthood Federation and to holdup this year's U.S. contribution to the U.N. Fund for Population Activities. The article follows:

[From the Washington Post, Feb. 17, 1985]

EXCESSIVE POPULATION GROWTH A SECURITY THREAT TO THE UNITED STATES

(By Hobart Rowen)

In the face of overwhelming evidence that there is no way of fighting poverty in the Third World without more extensive family planning, the Reagan administration is cutting back its support of the most tested and experienced organizations in this field, condemning wide areas of the globe to ever bigger, ever more hungry populations.

Knowledgeable congressmen such as Sam Gejdenson (D-Conn.) suggest that the administration's penny-pinching will have the counterproductive result of accelerating illegal abortions in the less developed countries—just what the White House presumably wants to avoid.

In a new book, "State of the World, 1985," Lester Brown and his Worldwatch Associates say the alternative to checking population by famine—the present case in Ethiopia—may be a one-child-per-family policy in 20 countries from Mexico to the Philippines if the birth control brakes aren't applied in other ways.

The ravages of famine aren't going to change until the affected countries are able to produce more of their own food. And even that can't happen until the United States joins in helping these countries to establish effective birth control programs.

Instead, the Reagan administration has cut off $17 million for the International Planned Parenthood Federation, because the IPPF allocates a dribble of funds—less than one-half percent of the money it gets from non-American sources—to clinics providing abortion services where they are legal in their own countries.

In addition, reacting to stories of infanticide and forced abortion in China published last month by The Washington Post, the administration has at least temporarily frozen $46 million for the United Nations Fund for Population Activities, even though none of this money was destined for China.

Agency for International Development Administrator M. Peter McPherson is being pressured by Sens. Jesse Helms (R-N.C.) and Gordon J. Humphrey (R-N.H.) to supply "detailed proof" that U.S. funds are not assisting Chinese population-control efforts, directly or indirectly.

Yet another blow to the financing of population control efforts came in the new budget for fiscal 1986, which cuts the AID's Family Assistance Planning funds to $250 million from $290 million in fiscal 1985.

If the Reagan administration can't be persuaded of the need for these funds on humanitarian grounds, or if it doesn't believe that excessive population growth sabotages economic development in the Third World, it at least should pay attention to the way in which the population explosion leads to political instability in the Third World, which, in turn, creates security problems for the United States.

According to sources at the Population Institute of Washington, a still-classified Central Intelligence Agency report lists many global flash points that could lead to wars in this century—wars that have their roots in the unrestrained growth of population.

For example, the CIA report, titled "Population, Resources & Politics in the Third World: The Long View," predicts that Mexican-U.S. relations may be the most complex problem that the United States faces at the turn of the century because of migrant traffic across the border, and water and pollution problems.

The CIA says that the population explosion also may have enough of an impact on Turkey to destablize NATO; lead Honduras and El Salvador into war; cause Vietnam to expand into underpopulated Laos and Kampuchia, perhaps bringing the Soviets and China to the brink of war; and create a variety of problems for Middle East allies of the United States, notably Israel and Egypt. (Egypt, Mexico, El Salvador and Vietnam are four countries listed as "outgrowing" their borders.)

Africa apart, this gives a sense of the range of potential security problems for the United States if world population soars from 5 billion now to 12 billion in the 21st century: Many experts wonder whether it will be possible to feed more than 8 billion.

Emergency aid to Ethiopia and other famine areas may alleviate human suffering temporarily (and assuage the guilt among those of us with full stomachs who sign the checks). But what escapes attention is that per capita food production in Africa has been declining by almost 1 percent a year since 1967.

When the TV networks caught up with the Ethiopian famine story toward the end of last year, the troubles were generally attributed to the drought. But as Brown observes, the drought was just the trigger—the most recent calamity of a long-term deterioration.

Thus, the real need in Africa is for something more basic than "relief" packages—especially control of the birth rate. Because this runs to an average of five children per family in some countries, the task ahead is grim.

In their book, Brown and his Worldwatch Institute staff read us the bottom line about Africa: The population explosion itself is changing the climate on that continent in a way that could lead to a crisis of historic proportions:

"The sheer number of people seeking to survive on arid, marginal land may be driving a self-reinforcing process of dessication—literally drying out the continent."

What makes all this especially tragic is that the Western World, which now fears that the situation in Africa may not be retrievable, had plenty of advance notice. Recently, the Population Institute obtained declassification of a 1974 National Security Council document that predicted the Ethiopian famine and warned of the critical need to do something quickly about population control.

This document (National Security Study Memorandum 200, Dec. 10, 1974) was prepared by National Security Adviser Brent Scowcroft for President Ford to summarize the implications of high population growth for American security and other interests abroad. According to Werner Fornos of the institute, it was reviewed and found current in 1976 by President Carter's national security adviser, Zbigniew Brzezinski.

"The most serious consequence [of rapid population growth] for the short and middle term is the possibility of massive famines in certain parts of the world, especially the poorest regions," the NSC report said.

"If future [population] numbers are to be kept within reasonable bounds, it is urgent that measures to reduce fertility be started and made effective in the 1970s and 1980s."

Although the report's recommendations for increasing American funding of population control efforts were adopted in a still-classified NSC policy memo dated Nov. 26, 1975, the follow-through has been weak: Despite the reality now of what was merely a projection 10 years ago, the United States has been niggardly in providing family-planning money.

The Scowcroft report said that, if we desire to see political stability in the Third World, it "will require that the president and the secretary of State treat the subject of population growth control as a matter of paramount importance." More than 10 years later, the advice, however sound, is being ignored.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

AN UNDERCOST, ON SCHEDULE MILITARY PROGRAM

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SKELTON. Mr. Speaker, each year in our review of the military budgets, we hear of high technology programs associated with billions of dollars, complex instrumentation, computerized to the umpteenth degree, with associated interface requirements, and a long R&D evolution. All of which makes Congress and DOD sensitive to cost overruns. However, this past year a military program reached fruition under cost, on schedule, and without fanfare. I believe this program could easily be described as the single greatest enhancement to combat readiness in recent years—the M16A2, combat rifle for our infantrymen.

The M16A2 program is a textbook success story from the standpoint of identifying the requirement and executing a program at minimal cost. In 1979 the Marine Corps saw the need to commence a program that would ultimately lead to the production of a new service rifle, replacing the aged M16A1. The significance of this program lies in the fact that the real users of the weapon executed the program. Although the program fell under the administrative parameters of the Joint Services Small Arms Program, the U.S. Marine Corps took the lead with support from Army personnel during the operational tests and evaluations. The close cooperation between the Marine Corps, Army, and Colt Industries allowed the military to design, test, make changes, and test again until the final product was approved for service use by both the Army and the Marine Corps.

The importance of this program lies in the fact that there is only one single weapon capable of seizing and holding key terrain and that is the soldier or marine armed with his rifle.

I would like to recognize with all our service men and women those key individuals of this highly important and successful program: Lt. Col. Charles Pyle, USMC; Lt. Col. David Lutz, USMC; Maj. Michael Smith, USMC; CWO Bruce Wincentsen, USMC; G. Sgt. Edwin Martin, USMC; S. Sgt. Philip Stover, USMC. Of course there were many other dedicated soldiers, marines, and loyal, hard working civilians at Colt Industries that made this program a success. These individuals demonstrated selfless devotion to a job that was paramount to safeguarding our Nation's defense by developing the finest combat rifle for our soldiers and marines.●

COMMEMORATING ESTONIAN INDEPENDENCE DAY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BROOMFIELD. Mr. Speaker, this month we celebrated the 67th Anniversary of the Declaration of Estonian Independence. It is vitally important that we pause and think about the significance of commemorating this day. The loss of any country to totalitarianism is a tragic experience and one which all free men should know and never forget. Only by remembering can we profit from the mistakes of the past and promise never to repeat them.

As all of you know, Estonia, Lithuania, and Latvia were once free and independent nations. In 1922, the United States recognized those republics and welcomed them into the international arena. The Baltic Republics were viable nations made up of industrious and independent farmers who cherished their freedom.

In 1940, the Soviet Army marched into the Baltic States, and effectively sealed those small nations off from the prying eyes of Western media. They immediately formed puppet regimes. The legislatures, completely dominated by members of the Communist Party, petitioned the Supreme Soviet of the U.S.S.R to incorporate each Baltic Republic into the Soviet Union.

As soon as the Soviet troops arrived, and the incorporation was declared, the troops began a systematic campaign of violence against the population of these nations. They needed to totally eliminate any opposition to the new order. Over 665,000 Estonians, Lithuanians, and Latvians were deported to Siberia. Thousands died in Soviet concentration camps. The Kremlin settled large numbers of people of Russian stock in Estonia and in other Baltic States to strengthen their control of the area. Widespread bloodshed ensued when the Baltic guerrillas took to the forest to establish a network of armed opposition to the illegal occupiers. More people were killed when the front changed and Nazi Germany invaded her old ally, the Soviet Union.

When the Soviets returned the second time in 1944, they were determined to stay and began a brutal plan of collectivizing the countryside. Farmers were forcibly evicted and deported. Thousands managed to flee to the West that year. More troops than ever were brought in to destroy the guerrilla movement. Even so, the partisans continued their struggle until the early 1950's when, islolated by numerous divisions, many in the resistance movement gave up their arms.

In spite of overwhelming oppression, the peoples of the Baltic States are still struggling to maintain their linguistic, ethnic, and religious identities. We cannot abandon these freedom-loving peoples. The Estonians, and other ethnic groups along the eastern coast of the Baltic Sea, have already demonstrated their determination for liberty and their willingness to do what is necessary to keep their national characters intact.

We must continue to remind the world that there once were free and independent Baltic States, and should work together to bring about an end to the illegal occupation of Estonia and other states in the region.

On this anniversary, I am certain that my colleagues in the Congress will join me in saying that those who forget history are doomed to repeat it.

MEMORANDUM

"Never in the course of centuries have the Estonian people lost their ardent desire for independence. From generation to generation, Estonians have kept alive the . . . hope that in spite of enslavement and oppression by other nations, the time will come in Estonia . . . when Kalev will come home to bring his children happiness."

With such timeless conviction begins Estonia's Declaration of Independence, proclaiming Estonia a free democratic republic on February 24, 1918. On that day, Kalevipoeg, the hero of the Estonian national epic, did come home to bring his people freedom and happiness. An unwavering desire for self-determination and freedom from foreign oppression gave the Estonian people the strength to fight for independence simultaneously against two invaders—Bolshevik Russia and the German Landeswehr. Estonian soldiers overcame these overwhelming obstacles and defeated both enemies.

During the brief period of political independence, Estonians enjoyed cultural progress, agricultural and economic development. In 1925 the young republic, appreciating the importance of ethnic identity, became the first country in the world to grant its minorities—Russians, Jews, Germans and Latvians—cultural autonomy through government subsidized ethnic schools, theaters and libraries.

World War II, however, brought alternate Soviet and Nazi invasions ending in the forcible incorporation of Estonia into the Soviet Union, an illegal takeover not recognized by the United States to this day. Brutal deportations took over one tenth of the population into Russian slave labor camps, while scores of others lost their lives fighting the enemy. In defiance of enormous obstacles, tens of thousands managed to flee to freedom in the West in 1944. Now scattered all over the world, Estonians derive knowledge of experience from the past: they are determined not to allow their heritage to fade away.

However, this month, the 67th anniversary of the Republic of Estonia's Declaration of Independence finds its people in the West and in Soviet-occupied Estonia gravely concerned about their future. In Estonia, a systematic Soviet policy of russification and national genocide is being carried out. The percentage of Estonians in the population is being reduced drastically by forced reloca-

tion of Estonians, colonization by Russian and other immigrants, and increases in troops stationed in Estonia. The Soviets are increasingly eliminating the Estonian language and ethnic traditions and establishing Russian as the official language in government employment, in place names, and in schools. Traditional mores and values are being eroded; many places of worship have been closed. Mart Niklus, Enn Tarto, Lagle Parek, many other Estonian dissidents and religious believers continue to be imprisoned for courageously bringing these violations of national and human rights to the attention of the West.

While participating actively in mainstream America, Estonians in the United States are, understandably, very much concerned about the national genocide taking place in Soviet-occupied Estonia. Thus, the apparent weakening, currently, of the United States' long-term and steadfast policy of non-recognition of the illegal incorporation of Estonia, Latvia, and Lithuania into the Soviet Union—through possible deportation of Baltic nationals to the Soviet Union—is a cause for great dismay. The Estonian American National Council asks you to reaffirm the long-standing United States' policy which supports the Baltic peoples' right to determine their own national destiny. Self-determination is the only hope for the very survival of these three countries, since they are most vulnerable to the Soviet goal of "social homogeneity."

We applaud all efforts by the United States to reinforce the distinctive national identities of Estonia and the other Baltic States. An important step in this direction was the recent transfer of the Baltic radio divisions from Radio Liberty to Radio Free Europe; increased funding for all the radios would make this move even more significant.

Finally, we ask you to give wide prominence to specific instances of human rights abuse in Estonia. Western support has incalculable importance for the human rights movement there. The Congressional activities on behalf of Mart Niklus on his 50th birthday were of great significance. Other opportunities to help in the moral struggle for liberty against oppression are presented by upcoming CSCE meetings: the Human Rights Experts Meeting in Ottawa, the 10th anniversary of signing of the Helsinki Accords on August 1st, and the Cultural Forum in Budapest, Hungary.

As a nation dedicated to the principles of independence and the protection of human rights, the United States appropriately speaks out against the continued Soviet hegemony in the Baltic States. We hope that the United States will continue to hold high the beacon of freedom as inspiration for those whose struggle has not yet ended.

Estonian American National Council.●

REAGAN ADMINISTRATION SEEKS TO SLAM SHUT THE DOOR OF EDUCATIONAL OPPORTUNITY IN HIGHER EDUCATION

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. FORD of Michigan. Mr. Speaker, the Reagan administration's budget for fiscal year 1986 proposes several arbitrary and callous restrictions in the student financial aid programs. These proposals include a family income cap of $25,000 for eligibility for all the student aid programs except guaranteed student loans and PLUS/ALAS loans, a family income cap of $32,500 for eligibility for the Guaranteed Student Loan Program and a limit of $4,000 on the total aid that any student can receive, not including the PLUS/ALAS loan program. If the President's proposal were to be enacted the result would be that more than 1 million students currently participating in the Pell grant and campus-based student aid programs would have their awards eliminated or significantly reduced. Another 304,000 students would have their State grants cut in half or eliminated and approximately 1 million students from middle-income families could no longer borrow under the Guaranteed Student Loan Program.

This past weekend two excellent articles appeared in the Washington Post commenting on these budget proposals for student aid. The Secretary of Education has been propagating the stereotype that students who receive Federal aid are idle, fun-loving, indolent youth in the words of Mr. Broder. These articles provide compelling evidence that this image is false and that these proposals will close the doors of educational opportunity for hard-working and needy students.

I commend them to the attention of my colleagues:

[From the Washington Post, Feb. 23, 1985]

WHEN STUDENTS GRADE BENNETT

(By Colman McCarthy)

They had taken a direct hit the day before. To find out how it felt, I asked the 90 college students in my course on peace studies at American University to write their reactions to the Reagan administration's proposals to reduce student aid.

William Bennett, the new secretary of education, had supported cutting off loans and grants for more than 1 million students. The limits would be $4,000 a student yearly and $32,500 family income. For the victims, Bennett socked them with sarcasm: It is time for "divestiture" of stereos, cars and beach vacations.

I have a diverse class—undergraduates from 18 to 22, a retired coal miner, a native Alaskan, a neighborhood mother, foreign students (Kuwait, India, Bahrain, Nepal), the president of the campus chapter of Young Americans for Freedom and a left-of-left 20-year-old woman who has twice been to Nicaragua on school breaks to serve the poor.

The diversity is refreshing to me, but the differences among the students constrict like bolts tightening into place when the subject is William Bennett's thinking. Except for five or six students who supported the secretary, everyone else found the Reagan administration's crabbed ideas about college students and their finances either grossly biased or absurdly unworkable.

The picture that emerges from these 90 papers counters the one offered by Bennett of many students—of private-school rich kids scamming the government for grants and loans. American University is private, but well over half the kids in my class—a representative group—are working. Many have two jobs. One student has three. A fair number work full-time, and then scratch around for night courses that fit into their degree program.

One senior told of the doubling of costs since her first semester in college. The rise is due to regular increases in tuition and the decreases in Social Security survivor benefits. She writes: "I am making it because I have worked part-time all through school and full-time in the summers [while] taking night classes. My family cannot afford to help me substantially since I also have a brother in college and a sister beginning next year. I have benefitted from university scholarships because of my grades but I still have to take out a guaranteed student loan from the bank and other loans from the government to cover tuition and expenses."

That student has loans out for more than $15,000. A classmate, in her late twenties, was once in a similar fix. She was forced to leave school to earn enough money to come back. Another student is working 30 hours a week, which is a rest from her summer schedule of 70 hours in "two jobs day and night to save for the next school year." She argues that under Bennett's plans "the poor and the rich will get an education and the middle class will get the shaft as usual. . . . How are parents supposed to squeeze their wallets any tighter when they have others in school, several loans out and barely making ends meet?"

This student has a three-year-old $100 stereo, no car and "can't afford a trip anywhere—even home to New York."

From the papers, I sensed that only about one in five students was at the university under ideal conditions: no financial aid, no jobs, and parents paying in full. Several students said they knew of campus leeches who didn't seem to need aid but wrangled some anyway. Another told of a friend who ran up debts but has found a dodge to avoid paying them.

These offenses against fairness came up in a number of papers, but they were few compared with what most others saw as the unfairness of the Reagan administration.

American education is in vibrant condition when a student can write, as one of mine did, that "Bennett's words come straight from his heart, which is hollow. How can you possibly want to cut student aid? That money goes to a good cause . . . There are many families that earn more than $32,500 that have many children close in age. They can't possibly afford to send, let's say, four kids at one time to school. It's also a cop-out saying the kids spend the aid on cars and stereos. It's just an excuse, and a lousy one at that."

In addition to these in-class essays, I asked the students to pick one word to describe their feelings about Bennett's thinking. The YAF president, a quick-witted and likable lad, said "justifiable." That was the minority view. These were typical of the majority: confused, irrational, horrifying, idiotic, spaced-out, addle-minded, unbeliveable, barbaric.

A peace-studies class is a fit scene for students to discuss the politics of tuition. Economic war has been declared on the 90 kids in my class, and millions more across the country. They are fighting back with sure-fire weapons: sound ideas and stories of per-

sonal sacrifice. It is hard to imagine that Congress will abandon the students.

[From the Washington Post, Feb. 24, 1985]

ANOTHER WATT?

(By David S. Broder)

As a graduate of Robert Maynard Hutchins' University of Chicago and as an adopted Virginian, there is much I find to admire in the words of William J. Bennett, the new secretary of education.

He has repeatedly argued that a liberal education in the humanities belongs at the center of any college curriculum. He has persistently quoted Jefferson's views on the indispensability of education to democratic citizenship.

On those questions—and on such lesser issues as the crucial role of the principal in establishing the character of a school—Bennett makes admirable sense. Nonetheless, he has to be the early nominee for the dubious award as the James Watt of the second Reagan Cabinet, the man who egregiously and almost joyously outrages the public by what he says.

Bennett has been in office only a few days, but his style is already clear. He takes a questionable policy, attempts to disguise its real purpose, and then demagogues or defames those who are affected by it. That is the essence of Wattism.

The policy in question is the Reagan administration's decision to reduce its projected budget deficit for next year by slightly over 1 percent by knocking more than 1 million students out of the college loan, grant and work-study programs.

In his first press conference, Bennett said he would "actively" support the proposed cuts before Congress, because he thought they were necessary in view of the overall budget situation. Had he stopped there, he might have been forgiven, but Bennett rushed on to argue that these cuts were substantively right and equitably balanced. They plainly are not.

The proposal to cap the eligible family income close to the median national income, regardless of how many children in the family are seeking college educations, violates common sense. Obviously, the squeeze on a $35,000 family with three college students (ineligible under the administration rule) is greater than the family of $25,000 with one student (eligible for everything).

Bennett was forced to concede that, "For those families which are doing everything they can to provide support for one child going to college, with perhaps two or three others [waiting], they're going to have to tighten the belt even further."

But Bennett rationalized that belt-tightening on grounds that limited funds ought to be preserved for the neediest families. Questioning the cost of education at private colleges, he said that forcing some students to leave those schools for less expensive public universities was justified because, above all, "this administration is saying that we want to provide opportunities for students to go to college who might not otherwise be able to go to college . . . at all."

That's a nice populist argument, but it happens to be malarkey. What the Reagan administration is proposing is to require an increased family contribution to the Pell Grant program—18 percent of the first $5,000 of discretionary income, instead of the current 11 percent.

Pell Grants are, to quote Bennett's own department, "principally designed to promote access to postsecondary education for low-income students." Under the Reagan proposal, those low-income families would be asked to come up with an extra $350 a year from their $5,000 "discretionary income" to send a child to school. Where are they to find the money? Bennett doesn't say. All he says is that "you cannot make cuts without making cuts."

No, I misspoke. That is not all he said. Like James Watt before him, Bennett could not resist expressing his contempt for those his department is supposed to be serving. The cuts "may require, for some students, divestiture of certain sorts—stereo divestiture, automobile divestiture, three weeks at the beach divestiture.", he said.

That statement caused outrage among the students at Oregon State University, when I was there last week. It was the old stereotype of the idle, fun-loving, indolent youth—and it aggravated the hell out of the student bellhop at the motel in Corvallis who was working his way through school with the help of one of those Pell Grants. And it came up constantly in conversations on campus.

That makes me think Bennett is another Jim Watt in a different sense; he is going to become a terrible political burden to the Republican Party, which is trying to make itself the party of middle-class Americans.

Nothing is more important to middle-class families than the opportunity for their kids to go to college, and nothing preoccupies most parents more than the worry about how they will finance those educations.

When Bennett takes his cheap shots at those students and tells their families to tighten their belts, he is taking dead aim at the American dream—and at Republicans' aspirations to speak for the new majority.

If Watt on the environment was bad news for the GOP, this guy has the earmarks of being a disaster. Bring back Terrel Bell—and quick.●

THE FARM CREDIT CRISIS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. EVANS of Illinois. Mr. Speaker, not since the depression has our Nation's agricultural sector experienced such troubled, and potentially devastating times.

Our farmers' credit problems are a hot topic of discussion these days, as evidenced by the movies from Hollywood, and the faces of distraught farmers gracing the covers of national magazines. However, we must not let this matter go the way of other formerly vogue topics. We are not talking about music celebrities, breakdancing, or new fashions—we are talking about an American institution and a way of life.

This problem is not new. Many of our Nation's farmers, particularly in the Midwestern Farm Belt, have been experiencing hard times and credit difficulties for the past several years. The boom times of the 1970's in terms of land, prices, and exports are long gone. They have been replaced by sinking land prices and equity, stagnant prices for products, and an export market which is showing signs of decay.

The pressures of the last few years have built to a point where a frightening percentage of our farmers are on the brink of bankruptcy. A recent survey issued by the Farm Journal states that 42 percent of farmers in the north-central region are headed toward insolvency and may not make it through the next 2 to 3 years. There is no telling how many may be gone by April if action is not taken soon.

Contrary to the belief of our current administration, the farmers who are facing extension are not all poor managers who do not belong in the business of farming. The crushing burden of high interest rates, poor prices, and a shrinking export market have brought even the best of farmers to their knees. This situation is a prime illustration of the fallacy of Reaganomics; it has left our farmers only a trickle of relief and hope.

As the Representative of the 17th District of Illinois, I am painfully aware of the close link that exists between our agricultural sector and our communities. Small businesses and large industries which depend on the purchasing power of our farmers have been devastated. Unable to sell their products to American farmers or compete with foreign manufacturers overseas, they have been forced to make difficult economic choices. These choices, layoffs, shutdowns, and in the case of my district—closings, leave thousands of citizens without work or means to care for their families.

As you know, the Reagan administration has recently issued additional farm credit initiatives to assist our troubled farmers. It is an improvement over the farm credit proposal offered by the administration last November. However, that is analogous to saying that death by natural causes is preferable to being struck by lightning. The additional initiatives only slightly improve the odds for those individuals who are in need of loan rescheduling, and are virtually worthless for those farmers who must have operating capital to get this year's crop in the field.

To add insult to injury, the administration budget for fiscal year 1986 includes a drastic cutback in funding for Farmers Home Administration [FmHA] operating loans, while stripping a number of other worthwhile farm programs. They have wiped their hands of this matter, in essence saying the hell with those farmers who can't take care of business—we won't miss them when they're gone.

Well, Mr. President, I want to tell you that these farmers will be sorely missed. And not just by their friends and neighbors, but by local industry, small businesses, rural banks—if their doors are still open—and inevitably

the consuming public. In addition, we open the doors for the increased control of our agricultural sector in the hands of an elite few. I do not believe that this is beneficial, either socially or economically. The individuals who operate our small and medium-sized farms are a vital part of the life and continued existence of American rural communities.

That is why I have joined with several of my colleagues in sponsoring legislation which would provide substantive relief to our hard-pressed farmers. This legislation would provide three things: For producers of 1985 crops, advance price support loans of up to 50 percent with interest at the normal CCC interest rate levels, additional funding for Federal guarantees of loans provided through the Farm Credit System and commercial banks, and instructions to the USDA to use all possible avenues and speed to implement this program.

I urge my colleagues to support this measure. Keep in mind that every day, 22 families in our Nation must give up their farm—not counting those farmers who obtain credit through commercial lenders. The choice is ours; I believe that we must act swiftly to preserve the livelihood of our Nation's farmers.●

IT'S WRONG TO KILL—NO EXCEPTIONS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SKELTON. Mr. Speaker, I would like to have an editorial for the Blue Springs Examiner reprinted in the CONGRESSIONAL RECORD. It makes the point that it is wrong to kill, whether one is having an abortion, or if one is fighting the pro-choice movement. It is a good editorial which I commend to my colleagues here in the House.

(By Kim Sexton)

I believe that a fetus is a developing human being, and that it is wrong to kill a human being at any stage of life.

I have to repeat God's command that I used in my death penalty column: "Thou shalt not kill."

The commandment, which is the most serious one as far as I am concerned, did not cite exceptions.

I can understand why some pregnant women would not want to deliver an unwanted child, especially in a case of incest or rape.

However, there are many couples who are unable to have children who would welcome the opportunity to adopt. Unwanted children should be offered for that purpose rather than sacrificed.

And, while I certainly detest the thought of tax-supported abortion and hate the sight of abortion clinics, I cannot condone violence against those who favor the practice. We have direction from higher authority on how we treat neighbors, too.

I believe tax money should be spent on education to prevent unwanted births. We should strengthen the battle against unwanted teenage pregnancy, incest and rape.

Finally, I do favor laws prohibiting abortion.

What is your opinion? Address them to me in care of The Examiner, P.O. Box 1057, Blue Springs, Mo. 64015.●

MARY GORDON, PREEMINENT PUBLIC SERVANT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. DOWNEY of New York. Mr. Speaker, today I am privileged to pay tribute to Miss Mary Gordon, who recently retired from a long and distinguished career serving the people of Suffolk County.

Miss Gordon began her 48-year career in the Huntington Town home relief office on November 1, 1936. On March 1, 1942, she transferred to the Suffolk Department of Social Services, which was then known as the department of public welfare. She rose through the ranks, becoming director of social services in 1967 and assistant commissioner in 1974.

Although Miss Gordon has officially retired from her post as assistant commissioner, it is no surprise to those who know her that she will continue to give freely of her time and energy to the variety of causes to which she has been so committed. As a member of the advisory council or board of directors of so many of the service organizations on which Long Islanders depend, including Catholic Charities, Salvation Army, Health Services at Home, Inc., St. Joseph's Academy, Retired Senior Volunteers Program, and the Huntington Town Red Cross, she will continue to offer her support, advice, enthusiasm, and time.

Through all these activities, as through her career, shines her exceptional knowledge, judgment, compassion, and professional performance, which has earned her the respect and admiration of her colleagues, not only in Suffolk County, but throughout New York State.

Miss Gordon has epitomized the ideal of public service and provided inspiration to others who have sought this service as a career. She has set a standard to which all Americans who enter public service should aspire.

It is with my utmost respect and gratitude that I herewith commemorate Miss Mary Gordon's distinguished career.●

U.S. POLICY IN CENTRAL AMERICA AND THE CARIBBEAN

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. CROCKETT. Mr. Speaker, I would like to bring to the attention of my colleagues a statement of concern which criticizes the U.S. policy in Central America and the Caribbean and which has been endorsed to date by 31 judges, law professors, and attorneys in the State of Michigan. These individuals have joined in the formation of a Lawyers Committee on U.S. Policy in Central America and the Caribbean to monitor American actions in the region.

I commend to my colleagues this important statement:

STATEMENT ON THE ILLEGALITY OF UNITED STATES POLICY IN CENTRAL AMERICA AND THE CARIBBEAN

The undersigned persons and organizations, being part of the legal community, and concerned with the lawlessness of the United States government's actions and intentions regarding Central America and the Caribbean in general, and Nicaragua in particular, subscribe to the following statement.

It has long been a stated principle of conduct of the United States and most of the nations of the world that relations between sovereign independent nations be governed by the precepts of international law. This includes honoring treaties and observing established customary practices. Since World War II, this body of law, through the initiative of the United States and its allies, has incorporated the principles of non-aggression between sovereign states, the inviolability of national boundaries, and the doctrine of nonintervention in the internal affairs of other nations. Documents which incorporate these principles to which the United States is signatory include, among others, the United Nations Charter, the Charter of the Organization of American States, and the Charter of the Nuremberg Tribunal.

Further, the United States, through its own legislation and Constitution, has limited the free hand of its various Administrations to engage in acts of war. These limitations include Article I, Sec. 8, Clause 11 (the War Powers Clause) of the Constitution, which prohibits the government from engaging in war without the assent of Congress; the Neutrality Act, 18 USC § 960, which prohibits the launching of armed expeditions against countries with which the United States is at peace; the Boland Amendment, which bars use of funds for covert activities designed to overthrow a foreign government; and Article VI, Sec. 2 of the Constitution, which gives treaties equal stature with domestic law.

The present Administration has taken actions and has threatened further actions in Central America, and especially with regard to Nicaragua, that are in disregard of the above international and internal legal norms.

As pertains to Nicaragua, these actions include, but are not limited to, the following (as reported in the New York Times and the Detroit Free Press):

Mining the harbors of Nicaragua.

Financing, training and directing 15,000 "contras" operating militarily against Nicaragua from bases in Honduras constructed by the United States.

Using CIA transport in attacks on Nicaraguan fuel depots.

Ordering overflights of United States spy planes and using sonic booms to terrorize the Nicaraguan population.

Training "contras" in methods of assassination of Nicaraguan civilian officials.

Threatening military action against Nicaragua or its trading partners if the United States suspects certain weapons are being imported or deployed by Nicaragua.

Threatening military action against Nicaragua if it would appear to be successful in any campaign against the "contras" on Nicaraguan soil.

Ordering incursions of the United States fleet into Nicaraguan territorial waters.

Staging maneuvers of the United States fleet off the coast of Nicaragua, and maneuvers of United States land forces in Honduras and the Caribbean, for the avowed purpose of intimidating Nicaragua and straining its resources.

All of the above actions and threats have taken place without prior Congressional approval against a nation, Nicaragua, with whom we are at peace, with whom we have full diplomatic relations, and who has in no way threatened any of our nationals, property, or territorial boundaries.

What is perhaps most disturbing to those of us in the legal community is the position of this Administration that the aforementioned national and international proscriptions do not apply in our relations with the countries of Latin America and the Caribbean. These nations are demeaningly portrayed as being in "our own backyard." This Administration frequently cites "The Monroe Doctrine" as if it were a legal justification of our position, whereas it is no more than a unilateral assertion of United States hegemony totally rejected by all other nations of the hemisphere.

The recent United States military success in Grenada and President Reagan's reelection have emboldened this Administration to adopt openly a policy of "might-makes-right" in Latin America and the Caribbean. We condemn this policy for the following reasons:

1. It is against United States and international law.

2. It causes great suffering among the peoples of Latin America and the Caribbean.

3. It threatens to embroil the United States and other countries in war.

4. It destabilizes the world legal order and threatens world peace.

5. It ultimately threatens the security of the United States.

As a nation, we have subscribed to the proposition that adherence to international law enhances both national and international security.

We call upon the United States Government to immediately cease all the aforementioned violations of national and international law; to announce its intentions to abide by the precepts of such laws in spirit and fact; to participate in the proceedings before the International Court of Justice (World Court) involving the Nicaragua question; and to abide by the May 1984 preliminary injunction issued by the World Court prohibiting United States support of Contra attacks and the mining of Nicaragua harbors.

Judges: Hon. George Crockett III, Detroit Recorder's Court; Hon. Daphne Means Curtis, 26th District Court, Hon. Rufus Griffin, 36th District Court, Hon. Clarice Jobes, 3rd Circuit Court, Hon. David Kerwin, Detroit Recorder's Court; Hon. James Montante, 3rd Circuit Court (Retired); Hon. Claudia House Morcom, Delegate Association of American Jurists; Hon. Justin Ravitz, Detroit Recorder's Court; Hon. Vesta Svenson, 36th District Court.

Law Professors: Prof. Alex Aleinikoff, University of Michigan; Prof. Robert Brown, University of Detroit; Prof. William Burnham, Wayne State University; Prof. Joseph Daoust, University of Detroit; Prof. William Downs, University of Detroit; Prof. Robert Glennon, Wayne State University; Prof. Gunther Handl, International Law, Wayne State University; Prof. Dorean Koenig, Cooley Law School; Prof. Edward Littlejohn, Wayne State University; Prof. Harold Norris, Detroit College of Law; Prof. John Reifenberg, International Law, Detroit College of Law; Prof. Robert Sedler, Wayne State University; Prof. Vincent A. Wellman, Wayne State University; Prof. Edward Wise, Wayne State University.

Officers of Legal Organizations: Anthony Adams, president, Detroit Chapter, National Conference of Black Lawyers; Maria Alfaro, chair, Latin American Activities Section of State Bar (ID only); Mary Ann Arsenault, chair, Lawyers Committee on Nuclear Policy; Leonard Esquina, president, Lansing Chapter, National Lawyers Guild; Dennis D. James, president, Detroit Chapter, National Lawyers Guild; Stuart Lev, spokesperson, steering committee, Ann Arbor Chapter, National Lawyers Guild; Joseph Lopez, chair-elect, Latin American Activities Section of State Bar (ID only); Miguel Ortiz, treasurer, Latin American Activities Section of State Bar (ID only); Ned Smokler, secretary, Latin American Activities Section of State Bar (ID only).●

THE 75TH ANNIVERSARY OF COOPERATIVE EDUCATION AT NORTHEASTERN UNIVERSITY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. FORD of Michigan. Mr. Speaker, this year marks the 75th anniversary of the Cooperative Education Program at Northeastern University in Boston, MA. This is an occasion worthy of special notice by Members of this House.

Northeastern University was founded in 1898 with the guiding principle that the opportunity to acquire quality higher education should be available to all who desire it. As an extension of this basic philosophy, the cooperative education program was formed in 1909. Since a significant portion of its student body was unable to devote their time to full-time study, the "earn while you learn" concept was developed in an effort to serve their special needs.

Over the years, Northeastern University has grown to become one of the leading institutions in the world offering cooperative education, each year placing approximately 9,500 students with over 2,700 employers. The tremendous success of the program has led to the expansion of cooperative education to include a number of graduate and professional curricula as well as programs in University College.

I am honored to have this opportunity to congratulate Northeastern University on the 75th anniversary of cooperative education, and do wish them continued success and good fortune in the provision of an exceptional educational experience to those who desire it in the years to come.●

THE PROBLEMS OF CYPRUS ARE STILL WITH US

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BROOMFIELD. Mr. Speaker, I am greatly troubled by the failure of the recent high level talks between the Turkish and Greek Cypriots on the question of Cyprus. It appears that there was confusion regarding the nature of the recent talks. This failure is a disappointment to all of us in the Congress who want to resolve the dilemma of Cyprus.

U.N. Secretary General Perez de Cuellar is deeply committed to resolving the long-festering problems on Cyprus and has devoted much time to this important issue. He is to be commended for his efforts. He is mandated by relevant Security Council resolution to pursue a special mission in search of a solution to the questions of Cyprus. The solution must be compatible with the principles and purposes of the U.N. charter and of specific resolutions on Cyprus.

These call for the respect of the independence, sovereignty and territorial integrity of that island. Mr. de Cuellar is also working for the removal of all foreign troops from that small island.

It is vital that progress be made in future negotiations. Much is at stake. The thousands of Turkish troops who now illegally occupy the island must be removed. Even the Turkish-Cypriots themselves want those forces to go home. In addition, a solution must be found to the question of what is to be done with the thousands of Turkish colonizers who have been brought from Turkey and settled in the properties of the Greek-Cypriots who were forced out by the invading Turkish forces in 1974.

Regarding the important issue of territory, something must be done about the unnecessarily large area now being administered by the Turkish-Cypriot community. A solution to this issue will help to accommodate the return of Greek-Cypriot refugees to their properties and also reflect

more fairly the respective size of the two Cypriot communities.

Although much progress was expected at the recent high-level talks, very little was actually accomplished. Although it is futile to try to point the finger at who was responsible for the impasse in the talks, the involved parties should be perfectly clear about the ground rules for future negotiations. What is important at this point is that both sides in the discussion recommit themselves to continuing the process of negotiating. Only by continuing their commitment to resolving the complex problem of Cyprus can ultimate success be gained. We all know that much remains to be done. The time for action is now.

I was gratified to learn that the Greek-Cypriot negotiators accepted Mr. de Cuellar's offer to meet again with the Turkish-Cypriot side.

With these thoughts in mind, I recommend the following insightful Christian Science Monitor article to my colleagues in the Congress.

[From the Christian Science Monitor, Jan. 24, 1985]

CYPRUS UNITY

It had already been a long, hard road for Cyprus as it sought to regain a measure of unity after the turbulence of the past 20 years. The breakdown of talks after last week's four-day meeting at the UN shows the road ahead remains similarly difficult, as Greek and Turkish Cypriots seek to put behind them ingrained suspicions of each other.

Specific steps do exist which should be taken to get the peace talks back on track. After a cooling-off period of a few weeks, UN Secretary-General Jávier Perez de Cuéllar should seek renewed talks, which ought to build on the progress patiently made over the past year. The United States and other NATO members should more strongly pressure both Greece and Turkey, the island's parent nations, to bring about a willingness to compromise.

In addition, both sides should begin the next round of talks with an expectation of discussing major unresolved issues: What nations or international body would guarantee an agreement, when and how Turkish troops would be withdrawn, and which parcels of land Turkish Cypriots would return to Greek Cypriots. There should be no expectation on either side of signing an agreement before such vital points are adjudicated.

In any future negotiations it is essential that both sides exhibit reasonableness, a commodity too often absent in last week's talks.

Although last week's Cyprus talks did collapse, there are some positive elements. The mere fact that they were held at all is a positive sign. Then, too, the Cyprus case shows that the UN, despite frequent criticism, can play a role in some instances of international dispute. For 21 years UN forces have been patrolling a 113-mile-long buffer zone that divides Greek Cypriots and Turkish Cypriots, in an effort to prevent fighting between the two.

This may be an era in which it is the UN Secretary-General, now Pérez de Cuéllar, rather than the General Assembly or the Security Council, that plays the key role in peace efforts. In some cases both sides in a dispute are willing now to permit the Secretary-General to try to obtain a settlement but are unwilling to allow the full UN to become involved.

In recent months Mr. Pérez de Cuéllar held several separate preliminary talks with Creek and Turkish Cypriot leaders, aimed at working out a peaceful settlement along the lines of a federated republic, with one federal government and two ethnic states. Most essential to the proposal was a trade-off of interests, with each side to make concessions to gain something it considered more important.

Under the plan, which still appears a sound framework for ultimate agreement, the Turkish Cypriots, the island's minority, would trade some of their land for security, in the form of participation in a new and federated government, and security guarantees from other nations.

In return, Greek Cypriots would cede some of the political control they are supposed to have in the island's government: The proposal calls for two separate states, Greek and Turkish, within the framework of an overall federal government, which would have a president and two houses of parliament.

The essentials of the plan are not new: During the Nixon presidency the United States proposed a similar plan for Cyprus, and the idea has been much discussed in the interim.

It is in the West's interests to see that a settlement is reached in the dispute, which has been going on since 1963 when Greek and Turkish Cypriots began fighting each other. The situation was exacerbated 11 years later, when Greek officers staged a coup and sought to unite the island with Greece; five days later, Turkey invaded and occupied nearly half the island.

Since that time relations between Greece and Turkey have been at a virtual sword's point, which is particiularly difficult inasmuch as they are supposed to form together the eastern bulwark of the North Atlantic Treaty Organization. Western diplomats have considered the Cyprus issue one of the world's long-running disputes, as feelings ran high on both sides and there appeared little evidence of flexibility.

But peacekeeping tries have been made anyway. We trust the events of recent months, coupled with those of the future, will prove the wisdom of continuing to make an effort.●

DON'T CUT FEDERAL WORKER PAY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. DYSON. Mr. Speaker, last month I read a letter to the editor of the Baltimore Sun regarding the administration's fiscal year 1986 budget proposal to reduce civil service compensation. The letter eloquently testifies to the irrationality of the administration's approach to the Government work force. It should, since it is written by an experienced program analyst with the Social Security Administration.

Time and again, during the last 4 years, the Congress has had to defend civil servants against unjustified reductions in health benefits, pay scales, pensions, and other forms of compensation. We have had to curb the Pentagon's headlong rush to "contract out" civil service jobs to private sector contractors. We have had to moderate the administration's usually wasteful and always brutal reduction-in-force campaign, by which the administration attempts to eliminate the work force required to carry out programs it has been unable to terminate.

Each of these threats to Federal workers has come to us wrapped in the rhetoric of "reforms" intended to save the taxpayer unnecessary expense. Everyone supports the notion of reform. I am sure you share my commitment to eliminating every dollar of waste and abuse from Government program expenses. I believe you and my colleagues agree with me that the American taxpayers can and should be getting more for their taxes. And I am confident that we in the Congress will welcome every proposal for increasing the efficiency of the executive branch.

But as Mr. Rosenberg's letter points out, the administration's proposals are not guided by a long-term view of increasing efficiency or eliminating waste. The proposals are simply naked attempts to cut the administration's deficits by cutting its labor costs. And since they would have the effect of discouraging career service and driving competent workers from the Federal work force, the proposals are "penny wise and pound foolish." If we had approved the administration's past requests, the American taxpayers would be getting less, not more, for their money.

I intend to continue my defense of the career civil service and my opposition to the administration's efforts to unilaterally cut compensation. I am pleased, therefore, to submit for the CONGRESSIONAL RECORD a copy of Mr. Rosenberg's letter, and hope that it will remind my colleagues that the dedication of our career civil servants is the best guarantee of efficient government that we can offer the American taxpayer:

[From the Baltimore Sun, Jan. 29, 1985]

DON'T CUT FEDERAL WORKER PAY

Editor: There they go again.

Like every other president who, when faced with a fiscal dilemma, looks at trimming salaries and benfits of civil servants as a quick fix solution, President Reagan is basing his deficit cutting on one of the few groups no one defends, federal employees.

I remember LBJ, Nixon, Ford and Carter treating us like whipping boys in a non-partisan fashion. So Mr. Reagan's proposals are no surprise. What is surprising is the scope of these proposals: a 5 percent pay cut and destruction of our retirement system. What is also surprising is the lack of outcry against these proposals in your editorial and opinion pages. Surely if you took the time

to examine the following facets of federal employment, you might have some probing questions to ask.

1. Since the late 1960s, there has been a Pay Comparability Act to adjust federal pay based on private industry wages, inflation, etc. Under this act, an agent of the president comes up with a figure that the president can modify. Congress can override a presidential proposal if it is contrary to his agent's recommendation. Almost every year the president has lowered the recommendation. I do not recall any congressional override. Thus, this Comparability Act designed to set fair wages for federal workers becomes a starting point for a president's budget-cutting efforts.

2. The federal retirement system allows federal employees to retire at 55 years, getting about 60 percent of your highest three years' salary. It costs the federal worker 7 percent of pay. It was not meant to be our version of Social Security benefits but a way to encourage career service and attract good workers. Sure, there have been abuses such as "double dipping," but these problems were eliminated under the last Social Security amendment. I'd like to see a comparison between the retirement check of a keypunch operator at Social Security and one who works for a large private corporation like IBM.

I wonder if Americans want qualified people to handle such things as Social Security claims, the care of veterans and the other myriad federal occupations.

3. Federal employees do not have the right to bargain collectively, like private industry or the Postal Service. They are not allowed to engage in political action by openly supporting candidates, debating issues, etc. They are emasculated by law into being second-class citizens.

Federal employees sign a pledge not to strike, thus giving away a fundamental industrial right as a condition of employment. In return, a new federal employee can expect not what was promised in the way of retirement benefits and fair wages, but an implicit threat that if the economy has a problem, the conditions of employment will be unilaterally changed.

Every year, Congress and the president do the appropriations waltz with funding of federal agencies. Each September and October, we hear announcements, we have money, we can work tomorrow, etc. Congress and the president use our budgets as dice in a crap shoot over social policy. Why can't Congress and the administration solve these issues before September 30, when the appropriation runs out?

Here at Social Security, we get the right check to the right person over 95 percent of the time. How many goofs, typos, etc. appear in print or on TV? How many recalls are there of cars, washing machines, etc.? We are not all a bunch of incompetent clowns if we have a 95 percent accuracy rate.

Isn't it time Americans and their elected representatives stop denigrating their employees and stop seeking ways to reduce paychecks and benefits? The services you save may be your own.

JOSEPH B. ROSENBERG.

Baltimore.●

ESTONIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. ANNUNZIO. Mr. Speaker, 67 years ago on February 24, 1918, the people of Estonia established an independent nation, free of the domination imposed on them for centuries by the Russians. Today, I am privileged to commemorate this 67th anniversary of Estonian Independence Day, and to focus attention on the heroism and courage of the Estonian people, who continue to struggle and to pray for the day when Estonia can once again join the community of free nations.

Shortly after the formation of a free Estonia, Estonians and their allies bravely defended their country from attacks by the Red Army, which, under Lenin, tried to force communism on the newly independent nation. On February 2, 1920, a peace treaty was signed between the new Republic of Estonia and the Soviet Union, and under it Russia "agreed to renounce voluntarily forever all rights over Estonian territory and people."

The Republic of Estonia grew and prospered for 22 years, but sadly in 1940, the Soviet Union again attacked and invaded this country, attempting to destroy the culture, religion, and heritage of the Estonian people. The United States has never recognized this brutal seizure by the Communists, and we, as Americans, must continue our strong protests of violations of human rights in Estonia at the hands of the Communists.

The Estonian American National Council has issued a statement concerning human and national rights in Russian-occupied Estonia, and that statement follows:

STATEMENT REGARDING CURRENT SITUATION IN ESTONIA BY THE ESTONIAN AMERICAN NATIONAL COUNCIL

"Never in the course of centuries have the Estonian people lost their ardent desire for independence. From generation to generation, Estonians have kept alive the . . . hope that in spite of enslavement and oppression by other nations, the time will come in Estonia . . . when Kalev will come home to bring his children happiness."

With such timeless conviction begins Estonia's Declaration of Independence, proclaiming Estonia a free democratic republic on February 24th, 1918. On that day, Kalevipoeg, the hero of the Estonian national epic, did come home to bring his people freedom and happiness. An unwavering desire for self-determination and freedom from foreign oppression gave the Estonian people the strength to fight for independence simultaneously against two invaders—Bolshevik Russia and the German Landeswehr. Estonian soldiers overcame these overwhelming obstacles and defeated both enemies.

During the brief period of political independence, Estonians enjoyed cultural progress, agricultural and economic development. In 1925 the young republic, appreciating the importance of ethnic identity, became the first country in the world to grant its minorities—Russians, Jews Germans and Latvians—cultural autonomy through government subsidized ethnic schools, theaters and libraries.

World War II, however, brought alternate Soviet and Nazi invasions ending in the forcible incorporation of Estonia into the Soviet Union, an illegal takeover not recognized by the United States to this day. Brutal deportations took over one tenth of the population into Russian slave labor camps, while scores of others lost their lives fighting the enemy. In defiance of enormous obstacles, tens of thousands managed to flee to freedom in the West in 1944. Now scattered all over the world, Estonians derive knowledge and experience from the past: they are determined not to allow their heritage to fade away.

However, this month, the 67th anniversary of the Republic of Estonia's Declaration of Independence finds its people in the West and in Soviet-occupied Estonia gravely concerned about their future. In Estonia, a systematic Soviet policy of russification and national genocide is being carried out. The percentage of Estonians in the population is being reduced drastically by forced relocation of Estonians, colonization by Russian and other immigrants, and increases in troops stationed in Estonia. The Soviets are increasingly eliminating the Estonian language and ethnic traditions and establishing Russian as the official language in government employment, in place names, and in school. Traditional mores and values are being eroded; many places of worship have been closed. Mark Niklus, Enn Tarto, Lagle Parek, many other Estonian dissidents and religious believers continue to be imprisoned for courageously bringing these violations of national and human rights to the attention of the West.

While participating actively in mainstream America, Estonians in the United States are, understandably, very much concerned about the national genocide taking place in Soviet-occupied Estonia. Thus, the apparent weakening, currently, of the United States' long-term and steadfast policy of non-recognition of the illegal incorporation of Estonia, Latvia, and Lithuania into the Soviet Union—through possible deportation of Baltic nationals to the Soviet Union—is a cause for great dismay. The Estonian American National Council asks you to reaffirm the long-standing United States' policy which supports the Baltic peoples' right to determine their own national destiny. Self-determination is the only hope for the very survival of these three countries, since they are most vulnerable to the Soviet goal of "social homogeneity".

We applaud all efforts by the United States to reinforce the distinctive national identities of Estonia and the other Baltic States. An important step in this direction was the recent transfer of the Baltic radio divisions from Radio Liberty to Radio Free Europe; increased funding for all the radios would make this move even more significant.

Finally, we ask you to give wide prominence to specific instances of human rights abuse in Estonia. Western support has incalculable importance for the human rights movement there. The Congressional activities on behalf of Mart Niklus on his 50th birthday were of great significance. Other opportunities to help in the moral struggle for liberty against oppression are presented

by upcoming CSCE meetings: the Human Rights Experts Meeting in Ottawa, the 10th anniversary of signing of the Helsinki Accords on August 1st, and the Cultural Forum in Budapest, Hungary.

As a nation dedicated to the principles of independence and the protection of human rights, the United States appropriately speaks out against the continued Soviet hegemony in the Baltic States. We hope that the United States will continue to hold high the beacon of freedom as inspiration for those whose struggle has not yet ended.

Mr. Speaker, the United States has benefited enormously from the courage and vitality of Estonian-Americans. They are a living reminder to the world of what an atmosphere of freedom can do for the spiritual, economic, and intellectual lifeblood of a nation. I am honored to join in the 67th anniversary commemoration of the Declaration of Independence of the Republic of Estonia, and I extend my warmest greetings to those Americans of Estonian descent in my own 11th Congressional District of Illinois which I am honored to represent, and Estonian Americans in Chicago, and all over this Nation, who are commemorating this occasion.●

TRIBUTE TO JOE FALCON, NATIONAL HIGH SCHOOL TRACK ALL-AMERICAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SKELTON. Mr. Speaker, it is with great pride that I bring to the attention of the House of Representatives the outstanding athletic achievements of Joseph P. Falcon, from Belton, MO. Joe is a student track competitor who recently received recognition by being named to the National High School Track All-America roster. Joining the team of all-Americans is not an easy task: Only 380 of more than 1 million high school track atheletes were selected to receive this honor.

In this day and age, we should be all the more proud of students who have the strength of character to avoid the many pitfalls now plaguing our Nation's youth; who strive instead to develop excellence in leadership, personal motivation, and teamwork—skills which are so important later in life.

I hope Joe Falcon's achievements in athletics will serve to inspire his fellow students to do their personal best in whatever endeavor they undertake. For it is my sincere belief that he represents the kind of high caliber youngster we can and should expect to become tomorrow's leader. If it is in Joe and other boys and girls like him that we entrust our Nation's future, I have no doubt that our country is in safe hands.●

A TRIBUTE TO DORI PYE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. LEVINE of California. Mr. Speaker, I rise today in honor of Dori Pye, a prominent leader in the west Los Angeles community whom I am proud to call my friend. As president of the Los Angeles West Chamber of Commerce, Dori acts as the political voice for close to 800 chamber members, including California business giants such as Occidental Petroleum, General Telephone, Bank of America, Tishman West Management Corp., Mann Theatres, and many more. Dori began her career as a Hollwood actress and today is considered to be one of the most influential leaders in the Los Angeles community. Dori's story is an interesting one and I would like to share it with my colleagues. A recent Los Angeles Times article captured an insightful look at her life and I request that it be reprinted in its entirety.

DORI PYE: HEAD OF LOS ANGELES WEST CHAMBER OF COMMERCE WHEELS AND DEALS IN POLITICS AND BUSINESS

(By David Ferrell)

She started out as a Hollywood starlet. She was a glittery blonde who kicked up her heels in stage shows and Hollywood supper clubs, and who played out a career in B movies, TV serials and floor-wax commericals.

Now, at 57, Dori Pye is at center stage in a far different role. As president of the Los Angeles West Chamber of Commerce, she has emerged as one of the most powerful non-elected figures in West Los Angeles—perhaps in all the city, according to some observers.

She acts as the political voice for about 800 chamber members, among them some of the giants of California commerce—Occidental Petroleum, General Telephone, Bank of America, Tishman West Management Corp., Mann Theatres, the Whittaker Corp., and more. She wields clout that has changed cities, her supporters say, and her connections reach all the way to Sacramento and Washington, D.C.

"I can get Mayor (Tom) Bradley," Pye will tell you. "I can call him on the phone, like I did . . . (recently) on a Thursday, when I said, 'I want to see you, I'll be down there about 10 o'clock, Mayor Bradley. . . .' And he didn't ask me what I wanted to see him about. . . . He didn't ask me—he just said, 'OK, if you want to see me, I'll see you.' "

Pye is regarded by some as a stunning success story—a charming and energetic promoter of community-improvement projects and Westside business interests.

Often, her reviews could pass for Variety ads:

"She is a dynamo. . . ."—Mayor Tom Bradley.

"She is a tremendously energetic, bright, engaging and effective person . . . unique . . . a breadth of vision that is broader than the usual narrow focus of most chambers. . . ."—Los Angeles Councilman Marvin Braude.

"Dori Pye stands out as a person of passion, commitment and class . . . she travels at 100 miles per hour from start to finish. . . ."—Steve Saltzman, president of the nonprofit Greater Los Angeles Energy Coalition, an agency of city and county government.

SOME CALL HER PUSHY

But among her detractors—many of whom declined to be named for fear of her political power—the criticims is often bitter. They say she can be pushy and ill-tempered, and many brand her a self-promoter.

"She's got an ego that won't quit—an exaggerated, inflated opinion of herself," one former associate said. "It's just her nature . . . to think you can't do anything better than Dori Pye; you can't do anything as good as Dori Pye—she's perfect."

One Westwood Village merchant said, "Nothing would bless the Westside more than if she went away."

Controversy still lingers over a $50,000 loan the chamber was forced to take two years ago, after moving to posh new offices on the 11th floor of a Wilshire Boulevard office tower. According to some critics, the new quarters have doubled the chamber's annual rent to more than $72,000, forcing the chamber into what one former member called "terrible, terrible" financial shape.

Pye's salary—which she placed between $70,000 and $90,000 a year—and her membership in the exclusive Westwood Regency Club, which often runs from $250 to $500 a month in membership fees and dining bills, have contributed to the difficulty, former members said.

But chamber board President Chuck Schneider said growth forced the chamber to acquire the new offices, and he attributed the loan to unexpected costs related to moving. Schneider said chamber leaders are optimistic over the addition of seven new members in January and the start of a membership drive Feb. 1.

Schneider called Pye a "top-notch chamber manager," and attributed the organization's growth to her "vital, dynamic personality. She knows every politician there is."

Pye took over the chamber 16 years ago, when it numbered fewer than 100 struggling merchants in Westwood Village, Starting with a "cobwebby" two-room office and no business experience, she has built an empire: an organization that stretches from "City Hall to the sea," its new motto boasts, with offices occupying nearly 5,000 square feet in a gleming Wilshire Boulevard tower.

She can be seen driving through town in her black Corvett—license plate: DORI P—or in her chamber-supplied Cadillac Eldorado, or found dining at the Regency Club, surrounded by big money and wood-paneled fireplaces; or mingling at campaign fundraisers, sipping wine and cocktails and chatting with powerful political leaders.

More than perhaps any other Westside executive, her chamber directors claim, she has the power to unite corporate leaders and government policy makers—over issues ranging from regional growth to international trade. She is credited with establishing height limits and cleanup programs in Westwood Village; for helping to ease traffic problems in Century City; and for launching the nation's largest sidewalk art show in Westwood.

She has also helped quash a proposed building moratorium in greater Westwood, and has worked independently of the chamber to support a variety of political campaigns—including one that, two years ago,

helped alter the balance of elected power in Santa Monica.

"You are talking to one of the most important chamber leaders in the country," Pye says boldly. "This chamber is one of the real success stories . . . in the country."

Unlike many other chamber leaders, who admit that they steer clear of partisan politics, Pye has based her success on close affiliation with elected government leaders. "No chamber leader in the country has the relationship with city government that I do," Pye claims. Bonny Black-Matheson, former director of the Century City Chamber of Commerce, admitted that that organization has lost members to Pye's, largely because of her political connections.

"We're not a mom-and pop chamber," said Western Bank President Bill Turner, who attributed the chamber's success to Pye's assertive leadership. "We're more a political organization."

Ray Remy, president of the Los Angeles Area Chamber of Commerce and a former deputy mayor of Los Angeles, called Pye a "very strong, active" Westside leader, but said it is difficult to know whether she is more politically involved then powerful chamber executives in San Francisco and San Diego. The 3,500-member Los Angeles chamber, which covers five countries in the basin, also has an extensive roster of large corporate members and political connections.

But comparing the organizations is diffult, Remy said. "I don't know the range of her contacts, " he said. "I do know that when I was with the city, we did look at Dori. . . as an important voice."

Pye said she expects to hold a fund-raising dinner this month or in March for Mayor Tom Bradley, whose April reelection bid is being challenged by City Councilman John Ferraro. The guests will number only 15 or 20, Pye said, but they will be influential businessmen who will pay $1,000 a plate to get in—and be glad for the chance.

"For these people, $1,000 is not too much to have a chance to sit down and talk with the mayor," Pye said. "That's one of the things I feel this chamber has been very successful at doing: enabling the membership who are interested in politics to talk to a congressman, or a senator, and be able to know them."

When a fund-raising dinner comes up, the chamber does not make direct financial contributions. "We wouldn't do that," Pye said. "But I'll go and call up members . . . maybe those who I know are Republican bent, and who want to support (Sen.) Pet Wilson (R-Calif.) or (Gov. George) Deukmejian; or those who are Democratic bent, and who want to support Mayor Bradley—or whoever it might be."

She will suggest that those businessmen buy a table, Pye said, to support the candidate of their choice. "it's not chamber-purchased, but our members did it," she said. As for the candidate—"*He* knows it's the chamber."

The evidence of her connections can be seen on the walls of the chamber offices, and in photographs lining the hallways of Pye's fashionable Brentwood condominium. In frame after frame, Dori Pye is there. Embracing Tom Bradley. Or smiling with Sen. Alan Cranston (D-Calif.), or with Assembly Speaker Willie Brown (D-San Francisco), or Los Angeles Councliman Zev Yaroslavsky, or Rep. Howard Berman (D-Sherman Oaks), or Rep. Mel Levine (D-Santa Monica), or . . . even President Reagan. ("I knew Ronnie when he was president of the Screen Actors Guild," she said.)

Pye's political leverage comes from a vast network of such relationships, carefully cultivated and maintained. Cranston, for example, contacted in Washington, D.C., said he consults with Pye on national business issues that may relate to the Westside. Pye is correct, Cranston said, when she says her yearly trips to the Capitol are met with more than a cursory handshake.

"I can go to Alan Cranston's office, always an hour-an-a-half meeting, closed door—'Don't bother me, don't disturb me, I'm talking to Dori,'" Pye said. "Mel Levine and Howard Berman . . . generally it's dinner—(at) the Rive Gauche. That's the kind of relationship we enjoy. It's very important."

Night had fallen along Westwood Boulevard. The neonstreaked darkness could be seen through the huge windows of Western Bank, where the chamber's annual December mixer was in full swing. The hors d'oeuvres—nearly $4,000 worth—had been ordered for a high-fashion crowd of 400 men in business suits and women in long dresses packed in among the small tables and casher's windows.

And almost all carrying impressions of Dori Pye.

"A tough lady . . . effeversent . . . doesn't let anybody stand in her way . . . a woman of power . . personable . . . gets things done. . . ."

Pye arrived late, accompanied by a camera-toting staff member, and moved quickly through the crowd, kissing chamber members, shaking hands, posing for pictures. Staying only long enough to watch a raffle drawing, she was then off to a less-publicized event a private cocktail reception for developers celebrating the defeat of a greater-Westwood building moratorium, a Yaroslavsky measure that would have halted three proposed office towers on Wilshire Boulevard. Pye, one of the first outspoken opponents of the plan, joined developers to lobby against the plan and shared credit for its defeat by the council in November.

AT EASE

To most observers, Pye seems equally at ease in the spotlight or behind the scenes. She is a frequent speaker at Los Angeles City Council and commission hearings, and twice has run for seats on the council—once against Yaroslavsky in 1975 and once against Councilman Marvin Braude in 1981.

In 1982, Pye acted as a campaign co-chairman for Democratic primary challenger Steve Saltzman in his bid to oust Assemblyman Tom Hayden (D-Santa Monica). She currently serves as an appointed member of the Los Angeles citizens advisory committee on housing, helping to shape policies affecting more than 27,000 units of low- and moderate-income housing.

But much of Pye's political influence is exerted backstage.

In 1980 and 1981, she took interest in a brewing political storm in Santa Monica, where a new rent-control law and tough new development standards had created what many considered an anti-business climate. Santa Monica's often-volatile council meetings began creating newspaper headlines—headlines that drew Pye's attention.

"I started keeping all these clippings on the City Council people—their profiles, who they were, what their philosophy was—and . . . I not incensed," Pye said. "I got incensed that any city so close to where I live could permit that kind of outrageous behavior." Pye talked with her board of directors, which wanted the chamber to stay out of the fray, and then decided to act "as a private citizen" to stop what she calls the potentially "cancerous spread" of anti-business attitudes.

Borrowing a corporate board room, Pye brought together Santa Monica businessmen and community leaders. Over wine, cheese and crackers, Pye laid out what it would take to defeat then-mayor Ruth Yannatta Goldway in the April, 1983, city elections.

"I told them, 'The problem with you is that you're all factioned,'" she said. "At the 11th hour before a campaign you put your money in and do things and nothing happens. It's like pouring your money down a rat hole."

The admonishment was heard by only 25 or 30 guests in that summer of 1982, but out of it grew the All-Santa Monica Coalition, which raised $250,000 and sponsored three candidates, former treasurer Tom Larmore remembers. The politically moderate coalition defeated Goldway in 1983 and in 1984 forged a 4-3 majority on the seven-member council—a swing that could still hold fundamental implications for Santa Monica's future.

Although changes in the political climate might have fueled the campaign anyway, Larmore said, Pye "got the first ball rolling."

Occasionally, Pye's heavy political involvements have exasperated some chamber members, who privately scoff at her attempt to separate her private life from her chamber position. "She is the chamber," one critic said.

Another charged that she ignored the problems of smaller chamber members when she lobbied against a Westwood Village building moratorium that was enacted in December.

"We need the moratorium," the chamber member said. "I don't know who authorized her to fight . . . the moratorium. She seems to lean more toward the heavy hitters than to the little guys."

But Pye ardently defends her activism. She represents all members of her chamber equally, she insisted, and all of her chamber business is supported by the policy-making board of directors. As a registered Democrat, she said, she gives her chamber access to the party of political power in the state Legislature—an avenue that is cut off from many Republican businessmen.

By being an active Democrat, she said, she was also able to win a recent appointment to the International Policy Commission of the U.S. Chamber of Commerce, enabling her to lobby congressional leaders in Washington, D.C.

"I can go back and they're talking apartheid, South Africa," she said. "They want sanctions, and I can call (someone) and have lunch and say, 'You're taking the wrong tack. You're not going to help the poor blacks by pulling all American business out. Other countries will follow, and there will be no jobs.'

"Those are the kinds of things you can do."

During the 1982 Democratic primary campaign, Pye personally raised between $85,000 and $100,000 to try to unseat Tom Hayden, according to Saltzman. Although Saltzman lost the party nomination, he credited Pye with going far beyond "normal human efforts" to run the campaign.

"She was there to introduce me at the kick-off breakfast, and she was there to console me at 3 in the morning after the election." Saltzman said. "She was a phenome-

nal fund-raiser. I can't imagine running without Dori."

When the campaign was over, Pye and Hayden met at the Regency Club to discuss the business interests of the Westside. Hayden press aide Stephen Rivers said the assemblyman was interested in meeting with Pye because of her political clout. "She can be an effective advocate or an effective opponent," Rivers said. "She's someone you'd rather work with than against."

By all accounts, Pye's character was largely shaped by her mother, a powerful influence in her life and her entertainment career. Her mother, Grayce Nowak, was a wealthy finishing-school product whose husband died a year after Dori was born.

Left with two children—a teen-ager and a 1-year-old—Nowak left Atlanta, Ga., and came west, settling in Hollywood. She lost her wealth in the 1929 stock market crash but found work in a department store. Her ambitions, Pye said, became centered on her youngest child.

"She wanted me to be the next Shirley Temple," Pye remembered. One of her first auditions at age 9, was for the David O. Selznick production of "The Adventures of Tom Sawyer."

"I was chosen to be Becky Thatcher, over 200 candidates," Pye said. But a last-minute replacement cost her the part "That was very heartbreaking."

Her first role came at 13, in a teen love story called "Adolescence." Then came a whirlwind variety of projects—dancing in Hollywood supper clubs, earning a journalism degree from Columbia University in New York, appearing on the covers of Ladies Home Journal and Redbook, performing dramatic theater in West Los Angeles, playing parts in TV serials.

There were two marriages, the second to a studio art director named Merrill Pye. She gave up work in soap and floor-wax commercials to concentrate on raising her two children, and she ran a yearly art show at St. Albans Episcopal Church in Westwood. By the time the second marriage dissolved, she had come to know many of the village merchants by selling ads for the show program, Pye said.

When the elderly chamber manager retired, Pye stepped in. Her first salary was $666 a month—she calls it "starvation wages"—and chamber members were struggling. Westwood Boulevard, which had once connected Wilshire to Sunset, had been cut off by UCLA, separating the village from many upscale shoppers in Brentwood and Bel-Air, Pye recalled. Regional growth had not yet brought new traffic into town.

"When I came to this chamber, in 1968, you could have shot Skee Ball in the village—there was no traffic, there were no bodies," Pye said. "It was pathetic. The stores were all dying."

Under Pye's new leadership, the chamber worked closely with the city, raising $50,000 for a planning study designed to preserve the village. The study led to a three-story height limit throughout the village, ending fears that small shops would give way to high-rise office buildings. It is widely considered a milestone in the village's growth.

"This . . . village is low-rise thanks to this chamber—you're looking at it," Pye said.

Although she had no management experience, Pye began forming strong opinions about what the chamber should be and how the village should grow.

"She set a lot of goals," remembers Elsie Parker, Pye's first secretary, now an aide to Los Angeles Councilman Howard Finn. "She picked the brains of other chamber managers. She went to a chamber management school, put on by the U.S. Chamber of Commerce . . . and she came back bursting with ideas and energy . . . what we could do to build up our chamber."

Pye streamlined the board of directors and aggressively sold new memberships. She moved the chamber to a nicer office, in a ground-floor suite on Wilshire Boulevard, and won accreditation from the U.S. Chamber of Commerce, a step toward attracting larger corporate members. To build her political contacts, she began introducing herself at City Hall and holding "brown-bag lunches" in the chamber board room, where elected officials were invited to speak.

She also cast a critical eye at Westwood Village and worked with merchants and the city to bring about other changes. She launched the Westwood Village sidewalk art show, which has become the largest in the nation, according to Pye, attracting more than 500 exhibitors twice a year. She arranged to have trash in the village picked up six nights a week and to have the sidewalks steam cleaned just as often. Merchants chip in to meet the costs.

"Yours truly drove down Wilshire Boulevard about six years ago, coming from my home in Brentwood, and I looked north into the village and I was shocked—I was aghast," Pye said, recalling another of her reforms. "I saw a huge billboard right in the center of a building, right in the center of the village."

At the time, there had been a gentlemen's agreement among the merchants not to erect billboards, Pye said. She promptly made it official, working with Yaroslavsky to establish a village sign-control ordinance. "A stiff one, a stiff one," she declared. "But it's a good one—the way it should be."

In contrast to the image that most political leaders see—stylish professional and elegant—Pye is often demanding and abrasive, according to former staff members who say few employees last more than a year working for Pye.

She routinely yells and threatens staff members with dismissal, former employees say, often over such concerns as membership sales and the appearance of the chamber offices.

"We'd run around with a sponge and cleanser cleaning spots on the wall," on former associate remembered. "I'd be chasing her around with a sponge and cleanser and we'd have work to do. She was just so hellbent on having the office look like it came out of Office Beautiful."

"I'm a demanding boss—I totally agree," Pye said, although she drew a line between yelling, which she considers rude, and raising her voice. Pye attributed the turnover to the fact that employees learn under her and move on to better paying jobs.

Sitting in the Regency Club, surrounded by candlelight and soft piano music, Pye said she knows that the critics talk. "They say, 'That Dori Pye, she's something else.'" Many wish she would go away.

But she is happy, Pye said. She has a challenge. She is where she wants to be.

Pye said she is looking toward the day when all the world will be her stage—when her chamber will work through the Pacific Rim Forum, an international study group based at the University of Hawaii, to promote trade between America and other Pacific-bordering nations, including China, Japan and the Philippines.

The group's vice chairman, Dr. Thomas Paine, was the former administrator of NASA—the man "who pushed the button for Neil Armstrong, Apollo 11, to reach the moon," Pye said.

"Dr. Thomas Paine is my consultant," she said. "This man is a genius. He's the one who's giving me the guidance. He's a strong fan of mine. We plan someday to get ourselves together, take a 747 jumbo jet, and take our key people over there to every chamber in that Pacific Rim Forum.

"It might take a year and a half, but we'll do it."

She sipped a glass of white wine. A Gainsborough painting hung on the wall behind her. Outside, far below the view windows, the lights of Westwood glittered on a windy night.

"I've always been the sort of person, you can't rein me in," Pye said. "I want to be the top dog. That's it. I've got to be the top."●

NEW YORK CITY AND THE GOETZ CASE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring before my colleagues an article I recently submitted to the Amsterdam News concerning the Bernhard Goetz case in New York. I hope that it will clarify many of the questions which have been raised in the last few weeks. I urge my colleagues to follow this and similar cases very closely because of the precedents which are likely to be established in the near future.

[From the New York Amsterdam News, Feb. 23, 1985]

THE GOETZ CASE: WHO ARE THE VICTIMS?

(By Charles B. Rangel)

The City and people of New York were recently brought into the national limelight with the Bernhard Goetz case. We found ourselves under a media microscope in which the shootings, the manhunt, the grand jury investigation, and the opinions of everyday New Yorkers were scrutinized daily. The Goetz drama garnered the attention of all Americans, and sparked animated debate in circles far from New York.

It is safe to say that most New Yorkers—and most city dweller—have some fear of being victimized by crime. None of us has much sympathy for those who take advantage of the elderly, who sell drugs to our children, who rob or rape common people, and who have no respect or compassion for their fellow citizens. These are individuals who would like to take over our parks, our streets, and our subways.

Emotional responses are inevitable, and when this happens the worst within us surfaces. Crime generates fear, and fear generates deep emotional feeling.

What concerns this writer is that a free society should operate under established rules of law. We must live according to legally sanctioned standards of conduct for the safety and welfare of all Americans. Individuals cannot be permitted to seek violent retribution outside of those standards. Once we deviate from trusting in our institutions and surrender to our biases, fears, and prejudices, the rule of law becomes meaningless and our freedom is placed in

jeopardy. If an exception is granted for a person to take the law into his or her hands, then others will seek to fit into that exception.

The facts and circumstances of the Goetz shootings as reported in the newspapers would lead one to the inevitable conclusion that Bernhard Goetz tried to kill four individuals who he suspected were about to rob him. This fact alone should have brought about an indictment. The issue of whether self-defense is applicable in this case is a question for a petite jury, not a grand jury, for the simple reason that this grand jury had no adequate grounds to arrive at a finding of self-defense.

The role of the district attorney is to bring before a grand jury the necessary facts which make up the elements of a crime. In this instance, the district attorney did not subpoena the assailants to testify before the grand jury on their intent in the mitigating element of self-defense would have been before the grand jury. As it is, self-defense was not clearly or competently addressed, and an indictment should have been handed down with proceedings continuing before a petite jury.

On the question of whether race is a factor in the overall Goetz episode, it is true that if a Black gentleman with no criminal record were to be assaulted by four Hells Angels types, some sentiment would be expressed on his behalf. However, the public outcry would never be what it has been in the Goetz case, regardless of whether the Black man feared for his life at the hands of these Hells Angels. Race was a factor in the sense that Goetz has been made into a folk hero.

Questions about the grand jury investigation and the prolific media attention have created the possibility that the civil rights of four young men may have been violated. This is not a popular opinion, and it does not ignore the need to swiftly indict the young men to determine whether or not they indeed were about to assault Bernhard Goetz. However, the rule of law must prevail, and no one should be permitted to attempt to kill four people without being brought before a jury in a court of law.

U.S. Attorney Rudolph Guiliani should accept jurisdiction to investigate possible civil rights violations in this case. This should be done impartially, immediately, and in good faith. Our city must wake up to the tragedy of this affair. We are all victims.●

RESOLUTION CONDEMNING THE IRANIAN GOVERNMENT

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, on November 13, 1984, the city of Wallingford, CT, in my Third Congressional District, unanimously adopted a resolution condemning the Iranian Government for its policy of degradation toward the Baha's community. I would like to commend the city of Wallingford for bringing this grave issue to the forefront, and for sending a signal to the Iranian Government that the world notices and condemns the government's systematic repression of the Baha'i community.

Historically, the Baha'i community in Iran has suffered relentless persecution and harrassment. Since the Islamic revolution in 1979, the Baha'i have been the target of some of the most barbaric acts of savagery that the world has ever known. The Iranian Government has stated that it does not recognize Baha'ism as a religion, but rather as a political organization. Using this as justification, the government has made it illegal for Baha'is to meet together or teach their religious beliefs, and has jailed, tortured and sentenced to death many of the Baha'i community. Thousands more have fled the country in fear of the Khomeini regime.

Current reports from Iran show that the pressure against the Baha'i has not ceased. In the past 6 months, 16 more Baha'is have been executed or have died in jails. Now more than 150 members of the Baha'i faith have been brutally executed by the Iranian authorities, many of the Baha's have "disappeared", and more than 700 others have been imprisoned and tortured.

Moreover, the Government recently announced that prisoners can be freed if they agree to sign the following pledge: "I, the undersigned will pledge not to undertake not to have in my possession any book * * * of this misguided, Zionist, espionage group of Baha'is. If any of the above-mentioned articles * * * is found on my person or in my home, this will be tantamount to my being of those 'who war against God.' * * *"

Finally, and most significantly, the Iranian Ambassador to the United Nations declared, last December, that his country would not hesitate to violate provisions of the Universal Declaration of Human Rights. Iran is the first nation ever to deny the validity of the Declaration on Human Rights since it was adopted 36 years ago.

Mr. Speaker, it is clear that the Iranian Government is trying to eradicate the Baha'i religion altogether by making it "legal" to arrest and execute many innocent people. I urge my colleagues to join the citizens of Wallingford, CT, in raising their voices against the abuses suffered by the Baha'is. We must not let the Iranian Government think that the world does not notice their serious violations of internationally-accepted standards of fundamental human rights.

The test of the town of Wallingford's resolution reads as follows:

Whereas more than 150 members of the Baha'i faith have been brutally executed by Iranian authorities since the Islamic revolution of 1979; and

Whereas many Baha'is in Iran have disappeared and others have been tortured, persecuted, and deprived of their fundamental rights to personal property and employment; and

Whereas an edict issued by Iran's Revolutionary Prosecutor General on August 29, 1983, has far-reaching implications that threaten the lives of 300,000 Baha'is residing in Iran and places the future practice of Baha'ism in jeopardy by dismantling the administrative structure of the Baha'i religion; and

Whereas these actions for the first time establish an expressed national policy which lays the foundation for executions, arrests, the confiscation of property, denial of jobs and pensions, expulsion of children from schools, and other pressures which may be brought to bear by Iranian authorities on the Baha'is in Iran; and

Whereas the Baha'is in Iran immediately responded to the edict of August 29, 1983 by unreserved acquiescence to the terms of that edict; and

Whereas, despite the efforts of the United States government, made by President Reagan and joint resolution of both Houses, and a unanimous resolution by the Senate of the State of Connecticut, the oppressive edict remains in effect and actions continue unabated in Iran; and

Whereas these actions violate all civilized concepts of human dignity and rights: Now, therefore, be it

Resolved that the Town of Wallingford, Connecticut, United States of America, through its Mayor and Town Council condemns the Iranian government and its authorities for their policy of degradation toward the Baha'is of Iran and implores them to reverse their policy.

Dated at Wallingford, this 13th day of November, 1984.

ROSEMARY RASCATI, *Town Clerk.*●

DEMOCRACY MARCHES ON IN LATIN AMERICA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BROOMFIELD. Mr. Speaker, let me take this opportunity to say that democracy is alive and well in this hemisphere. Evidence clearly supports the movement away from military governments to democratic civilian rule in the Caribbean, and in Latin America. The following article clearly documents this trend toward redemocratization in this hemisphere.

Since the Christian Science Monitor article was written, the Brazilian Electoral College elected a new President, Mr. Tancredo Neves. Elections were also recently held in Uruguay. Elections are also scheduled next month in Guatemala. Nine out of ten Latin Americans either enjoy, or will soon enjoy, representative government.

Unfortunately, Haiti, Chile, Paraguay, English-speaking Guyana and Dutch-speaking Suriname, have yet to move toward democratic rule.

In addition, there are no flames of democracy burning brightly in Cuba and in Nicaragua. In those two countries, Marxism-Leninism is being forced fed to the masses. In Nicaragua, the church is under attack along with

opposition parties. The press is censored and Soviets arms have made that country a major military force in the region. The rule of law is gone when so-called divine mobs taunt opponents of the Sandinistas and stone their homes. Recently, the Sandinistas broke into the Costa Rican Embassy in Managua and arrested a young Nicaraguan who had sought asylum there.

If it is true that dictatorship breeds dictatorship, and democracy breeds democracy, let us hope that the wave of free elections will soon sweep across these countries. The day of the dictator, on the left or on the right, is at its end.

I join my colleagues in hoping that our country's efforts, as well as the efforts of our allies in this hemisphere, succeed in bringing to Cuba and Nicaragua the rule of law, democracy and freedom. Communism has no place in this hemisphere. It goes against the traditions and the culture of the peoples of this region.

With these thoughts in mind, I recommend the following newspaper article about democracy in this hemisphere to my colleagues in the House.

The article follows:

[From the Christian Science Monitor, Dec. 26, 1984]

LATIN AMERICA TO GET ANOTHER DEMOCRACY

(By James Nelson Goodsel)

Amid the continuing conflagration in Central America and the turmoil surrounding Latin America's whopping foreign debt, it is easy to overlook another and perhaps more important hemisphere trend: the region's "re-democratization."

Although the re-democratization is not taking place everywhere nor is the movement uniform throughout Latin America, the region's two pace setters—Argentina and Brazil—are both committed albeit shakily in the case of Brazil, to the process.

Brazil's presidential elections Jan. 15 are expected to nudge Latin America's largest nation toward civilian rule, although the military is likely to play a minor but continuing role in government.

Argentina led the way in late 1983 as its military returned to the barracks after eight years in office following the election of Raúl Alfonsin as president

Uruguay was next as Julio Maris Sanguinetti edged past three rivals last month to become that nation's first civilian leader in a decade.

"This return to democracy probably will have more impact on Latin America than any other issue," commented Venezuelan President Jaime Lusinchi on a recent visit here. "It is one of the most exciting developments of our times."

The Brazilian election has been marred by skulduggery by the military's candidate in an effort to circumvent the apparent will of the majority of Brazilians, but the vote is likely to give the presidency to opposition candidate Tancredo Neves.

Of equal importance to this evident return to democracy has been a growing respect for human rights and basic freedoms such as freedom of the press throughout the region. Newspapers have fewer restraints on them and the censorship that remains is less onerous.

While the Reagan administration, obviously pleased with these developments, claims some credit for the democratic movement, many Latin Americans say that much of the credit should go to the earlier Carter administration for its strong human rights stand.

They do not deny the importance of the Reagan White House's strong proclamations in favor of democracy, but they suggest that the reasons for the re-democratization go back much further than the four years of Mr. Reagan's presidency.

Argentine President Alfonsin is one who speaks with fervor when talking of the impact of Mr. Carter's policy on the region.

He and other Latin Americans demonstrated their enthusiasm for Carter when the former President visited South America in November.

In addition, the military has been sharply discredited in a number of Latin American countries.

In Argentina the generals went down to defeat at the hands of the British in the South Atlantic war over the Falkland Islands. But the generals' defeat was as much political as it was military.

The human rights' abuses together with the dictatorship imposed on all facets of Argentine life, simply became too much for the Argentine people.

"They revolted at the ballot box," commented the mass circulation Clarin several months ago.

That could be said about a number of countries. It is obvious that democracy is much desired by the majority of Latin Americans.

At the moment, 15 countries in the region have civilian presidents or are about to elect them: Argentina, Bolivia, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Peru, Uruguay, and Venezuela.

Although these nations are at various stages of the re-democratization process, they do share something in common. All are democracies or clearly headed in the direction of a degree of civilian rule.

Only five of the regions' countries have yet to move toward that rule: Chile, Cuba, Haiti, Nicaragua, and Paraguay. Some would include English-speaking Guyana and Dutch-speaking Suriname in this list of dictatorships, although they are not in the same situation as the other dictatorships on the list.

Moreover, Nicaragua's recent election, marred by the lack of an effective opposition and the election of one of its former Sandinista guerrilla commanders, may be edging that country toward a limited democratization.

Finally, all the English-speaking, former British colonies of the Caribbean have civilian governments now that Grenada has elected Herbert Blaize as its prime minister.

Carrying on the tradition of British parliamentary rule, these countries have elected legislatures. They are Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Jamaica, St. Kitts-Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago.

Some hemisphere analysts caution against too much optimism about the current trend. They note that there is a cyclical tradition of democratic rule and dicatorial rule in Latin America.

In the 1950's, the majority of Latin American nations were dictatorships; by the 1970's, democracy took hold in most countries; and later in the 1970's, the trend turned back to dictatorships. Now, democracies are again the vogue.

Observers also say that only a few of the countries that are among the democracies today have established democratic traditions.

The list would include Colombia, Costa Rica, Mexico, and Venezuela.

For Latin American democrats, the challenge at this juncture is to build on the current democratic trend and to implant democracy's roots more firmly.●

LITHUANIAN INDEPENDENCE DAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. FORD of Michigan. Mr. Speaker, I am pleased to have this opportunity to join my distinguished colleagues in commemorating the 67th anniversary of Lithuanian Independence Day.

It was on February 18, 1918, that the Lithuanians emerged after more than a century of Russian domination, as a free and independent nation. In 1940, their independence and freedom came to an end when the Soviet Union invaded Lithuania. This outright attack of aggression was in direct violation of a peace treaty signed in 1920, which recognized the sovereignty of Lithuania.

For the last 43 years, the people of Lithuania have suffered under the domination of the Soviet Union. They have continued to struggle to regain their independence and freedom. As a free nation of the world, we must continue to seek an enforcement of the Helsinki Accords, and impress upon the Soviet Union our objection to the violation of human rights. The Lithuanians should be praised for their courage and commitment. Despite the Soviet Union's efforts to douse the flame of freedom in the hearts and minds of the Lithuanian people, they continue to struggle for their freedom and independence.

Mr. Speaker, I am very moved by the courage and commitment of these individuals. I am thankful for this opportunity to pay tribute to these people of Lithuania whose profound courage and overwhelming commitment to freedom and justice is an inspiration to us all.●

LITHUANIAN INDEPENDENCE DAY

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mrs. COLLINS. Mr. Speaker, I rise to commemorate the 67th anniversary of the rebirth of an independent Lithuania. On February 16, 1918, the Lithuanian people declared their full independence from over 100 years of Russian and German domination. For 22 years, they enjoyed free political institutions and cultural renaissance unparalleled in their history.

This brief period of sovereignty was to end abruptly with the invasion of the Soviet Army when Lithuania was declared a constituent republic of the U.S.S.R. on August 3, 1940. After a short period of occupation by the Nazis during World War II, the Soviet Union once again returned its occupying army to Lithuania and has remained to the present day.

I am proud that our Government recognized Lithuania's independence on July 27, 1922. In spite of all the tragic events in that country's troubled history since then, our Government has never withdrawn our recognition of Lithuanian sovereignty. We have never and will never recognize the Soviets' incorporation of Lithuania into their dominion.

Mr. Speaker, I salute the courageous Lithuanian people for their unwavering efforts to regain their freedom and self-determination from the Soviet occuptation authorities. In the face of Soviet oppression, tens of thousands of Lithuanians, including human rights activists and Catholic religious personalities, persevere bravely in their sacred struggle for the respect of their basic freedoms and rights. Their struggle truly inspires all freedom-loving people, particularly others struggling under Soviet domination.

From their proud heritage of heroism, and independence, the Lithuanian people have a solid foundation to struggle on and hope for the day when they can once again live their lives free of foreign domination and ideological oppression. On this occasion of the 67th anniversary of the independence of modern Lithuania, I would like to pledge my firm support for their continued efforts to preserve their national identity, enjoy their basic human rights and, ultimately, regain their much deserved freedom.●

THE NORDEN DAM-O'NEILL UNIT

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BONIOR of Michigan. Mr. Speaker, I am reintroducing today legislation to deauthorize the existing Norden Dam-O'Neill project. I am also writing Chairman GEORGE MILLER of the Subcommittee on Water and Power Resources asking that this deauthorization legislation be included in comprehensive upcoming hearings on the O'Neill unit.

Just a few weeks ago, a study of a compromise O'Neill project was released by the State of Nebraska. The proposed compromise appeared to meet the irrigation needs of the area while addressing both the environmental and budget problems that plagued the authorized Norden Dam project.

In response to an emerging consensus among Nebraska leaders behind the compromise proposal, I wrote Senator EXON on February 4 and agreed to withhold deauthorization efforts as long as the proposed compromise was moving forward. That compromise is now endangered by the opposition of entrenched bureaucrats at the Bureau of Reclamation.

In a startling development, the Bureau has finally recognized in footnote 12 of the project data sheet that it must seek new legislation to raise the existing Norden Dam's authorization level. Rather than come forward seeking authorization now, however, the Bureau appears prepared to spend up to its present ceiling—at least $324 million—completing just a part of the project, before seeking authorization to increase the ceiling.

Under the Bureau procedure, Congress will be left with half a dam—or less—and no choice but to spend more money, before a comprehensive assessment will be made.

Mr. Speaker, I call my colleagues' attention to the earlier letter to Senator EXON as well as today's letter to Chairman MILLER, both of which are attached. I have also attached a copy of the deauthorization legislation I am introducing today.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 25, 1985.

Hon. GEORGE MILLER,
Chairman, Subcommittee on Water and Power Resources, Committee on Interior and Insular Affairs, Washington, DC.

DEAR MR. CHAIRMAN: Today, I am introducing legislation to deauthorize the O'Neill Unit, Pick-Sloan Missouri Basin Project. I understand that you intend to hold hearings on this project in the near future and I am requesting that my bill be considered at that time.

In the last Congress, I introduced a similar bill, H.R. 2195, but did not ask for its consideration because of the initiative displayed by Senator Exon and the State of Nebraska in seeking an alternative to the authorized project.

In recent years, the authorized project has been soundly rejected by the House of Representatives. Since the vote in 1982 against the project, 245-144, it has not improved.

Consider the following:

When the House rejected the project, it cost $368 million. Today that cost has jumped to $407 million.

The environmental problems remain.

The cost reduction study by the Bureau of Reclamation was touted to save more than $50 million in June 1983 when it was announced. The result 18 months later is a reduction of only $28 million, less than the increase in project cost from FY '85 to FY '86 alone.

The cost reduction study clearly indicates that the Bureau has little interest in the state alternative, notwithstanding the state's conclusion and the Governor's endorsement.

The project continues to be plagued with cost overruns, and after years of exceeding its cost ceiling, the Bureau now tells Congress that new authority is required.

In 1981, the Bureau added $50.5 million to the project for dam design changes in addition to the adjustment for indexing and in 1985, it is adding $28 million for still additional design changes. It is obvious that concerns about dam safety are apparently valid.

It is not clear that the Bureau has authority to add $78 million for dam design changes.

On January 30, a study of a compromise project was released. While I am not fully convinced that the compromise addresses all of my concerns, it appears to serve a greater area at a lower cost without the environmental damage of the originally authorized Norden Dam proposal.

In response to an emerging consensus among Nebraska leaders behind the compromise, I wrote Senator Exon on February 4th and agreed to withhold deauthorization efforts as long as the proposed compromise was moving forward. A copy of that letter is attached.

Now, however, the Bureau cost cutting study has reiterated its support for the authorized Norden Dam proposal. At the same time, the Nebraska delegation remains indecisive and has not committed itself to the compromise project.

In addition, the Bureau has finally recognized in Footnote 12 of the Project Data Sheet that it must seek new legislation to raise the existing Norden Dam proposals authorization ceiling. Rather than come forward seeking authorization now, however, the Bureau appears prepared to spend up to its present ceiling (at least $324 million), completing a part of the project, before seeking authorization to increase the ceiling.

Under the Bureau procedure, Congress will be left with half a dam (or less), and no choice but to spend more money, before a comprehensive assessment will be made. I have sought to be cooperative, but I cannot let cooperation be used as an opportunity to push through the original Norden Dam project.

Therefore, my bill is being reintroduced today and I request an opportunity to appear before you to speak on its behalf. Either the cost must be substantially reduced and the environmental problems

eliminated, or the existing Norden Dam project should be scrapped altogether.

With personal respect,

Sincerely,

DAVID E. BONIOR,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 1985.

Senator J. JAMES EXON,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR EXON: As you know from our phone conversation of February 1st, I have examined the Nebraska State-led O'Neill Unit Alternatives Study prepared by the Nebraska Department of Water Resources. While I am not fully convinced that it addresses all of my concerns, the compromise appears to serve a greater area at a lower cost without the environment damage of the originally authorized project.

I found the arguments you made concerning the needs of Nebraska very persuasive and, as a result, I am prepared to give this compromise proposal the benefit of the doubt. As long as the Nebraska Congressional delegation, state officials and the Bureau of Reclamation are moving forward with this compromise, I will hold back my efforts to deauthorize the project. I cannot, however, allow my restraint to be used as an opportunity to push funding through for the originally authorized Norden Dam.

Sincerely,

DAVID E. BONIOR,
Member of Congress.

A bill to deauthorize the O'Neill Unit of the Missouri River Basin project in Nebraska, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Act of August 21, 1954 (Public Law 83-612; 68 Stat. 757), and section 401 of the Act of October 20, 1972 (Public Law 92-514; 86 Stat. 887), providing for authorization of the O'Neill Unit of the Pick-Sloan Missouri Basin Program is hereby deauthorized.

SEC. 2. Repayment contracts between the United States and the North Central Nebraska Reclamation District and the Niobrara Basin Irrigation District are hereby rescinded and shall be of no legal force and effect.●

ESTONIAN INDEPENDENCE DAY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. FORD of Michigan. Mr. Speaker, it is with great pride that I commemorate the 67th anniversary of Estonian Independence Day. The Estonian people in the Soviet Union have demonstrated great courage and strength as they attempt to regain their freedom as we in the free world know it.

On February 24, 1985, we marked the proclamation of independence for the Republic of Estonia. The Estonians enjoyed cultural progress, agricultural and economic development until 1940, when their freedom and independence came to an end as they were forcibly annexed by the Soviet Union. On a day-to-day basis the number of Estonians is being reduced drastically by forced relocation, colonization by Russian and other immigrants, and increases in troops stationed in Estonia. The Estonians continue to experience threats to their culture and language. The Soviet Union has tried to rid them of their strong sense of heritage by eliminating their language and ethnic traditions and establishing Russian as the official language in government employment and in schools. Such acts demonstrate the Soviet attempt to "Russianize" these people out of existence.

As a member of a free nation, we must continue to speak out against such aggression by the Soviet Union. We must continue to seek the enforcement of the Helsinki accords and impress upon the Soviet Union our objection to the denial of these individuals' basic human rights.

Mr. Speaker, I am very moved by the strength and conviction of these brave people. I am thankful for this opportunity to pay tribute to these courageous people of Estonia whose profound courage and overwhelming commitment to freedom and human rights is an inspiration to us all.●

USIA: TAKING THE INITIATIVE IN GLOBAL COMMUNICATIONS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. MICHEL. Mr. Speaker, Director Charles Z. Wick of the U.S. Information Agency has written a letter to Mr. Leonid M. Zamyatin, Chief, International Information Department, Central Committee, Communist Party of the Soviet Union, inviting Zamyatin and other Soviet officials to appear on the USIA-sponsored Worldnet Program, beamed by satellite in order to question top-level American officials around the world. At the same time, American journalists, under Director Wick's proposal, would question Soviet officials in a similiar manner.

At this point I insert in the RECORD the full text of that letter because in my view it is an example of what USIA can do—take the initiative in the field of global communications in order to bring about better understanding between nations.

The letter follows:

U.S. INFORMATION AGENCY,
Washington, DC, January 25, 1985.

Mr. LEONID M. ZAMYATIN,
Chief, International Information Department, Central Committee, Communist Party of the Soviet Union, Staraya Ploshchad' 4, Moscow, U.S.S.R.

DEAR MR. ZAMYATIN: In recent months Soviet media have levied a number of attacks on U.S. public diplomacy and the U.S. Information Agency, especially on the Voice of America and our new Worldnet satellite television service. Your article in Literaturnaya Gazeta ["Impasses of Confrontations and Horizons of Cooperation," November 28, 1984] summarizes most of the charges and typifies the underlying mindset. I am prompted to respond at this time to the continuing stream of attacks because in a period when our two governments are engaged in serious exploration of vital issues, such attacks are a disservice to more positive relations.

My hope is to generate a constructive dialogue. To initiate that dialogue I extend two concrete offers. First, I ask that you offer your good offices to facilitate using broadcast media to further mutual understanding. In this regard, I suggest that you arrange for Soviet television to carry an address by one of our top leaders which would be reciprocated on American television by one of your top leaders. There is a precedent for this: Mr. Brezhnev and Mr. Nixon made such speeches several years ago with considerable positive effect.

Second, I propose that we carry further the dialogue by having you and other Soviet officials and journalists take part in the Worldnet program of which you are so critical. Let us jointly plan a one- to two-hour satellite television dialogue on Worldnet in which Soviet journalists interview senior U.S. officials on issues of mutual concern. At the same time, you should plan with U.S. media a similar program in which American journalists freely and spontaneously question senior Soviet officials. Coming at this important time in our relations, such ventures could help make communication more reasoned and reciprocal.

Incidentally, I am not surprised by your unwarranted criticisms of Worldnet and of our Agency. I have come to expect it. However, you should understand that our country does not claim, as you do, that opposing ideas "subvert" our system. We recognize instead that diversity of public opinion is one of the great strengths of America. Thus, our society freely permits Soviet spokesmen to state their views on American television and in print. In this regard, I might note that Soviet journalists and Soviet officials are interviewed on American television literally dozens of times per year. Surely the time has come for greater equality of treatment.

If the United States can confidently tolerate opposing views without fears of "loosening" the system, why then should the Soviet government act so restrictively, even to the point of jamming our broadcasts in direct violation of several international agreements to which the USSR is a signatory? Why not allow greater independent public inquiry about your government's decisions and policies? Why should American officials, in turn, not be permitted to state their views on Soviet television and in the Soviet media? Our society has never walked away from a fair challenge, and we look forward to engaging in a peaceful contest of ideas with the USSR.

Your article is evidence of the need for this reasoned and open dialogue. Charges of "piracy of the air," "radio warfare," "subversive purpose," and "television propaganda aggression" only exacerbate the "impasses" and "confrontations" to which you allude and delay our search for "horizons of cooperation." Coming at this time, when the leaders of our two countries are seeking new means for considering meaningful arms reduction efforts and ways to stabilize relations, your attacks are most unfortunate. Surely, everyone concerned about U.S.-

Soviet relations has a right to expect greater restraint and accuracy.

Although I will not attempt in this letter to deal with the many errors and distortions in your article, I would like to clarify the role and purpose of the U.S. Information Agency, particularly the Voice of America and Worldnet.

USIA is not in the business of misrepresenting Soviet foreign policy, as you allege. Its primary purpose is to present America to the rest of the world and to explain U.S. foreign and domestic policies to people around the world. In so doing, we present the news, good and bad.

The Voice of America is a distinguished source of news and information about the United States—our policies, society, culture, and values. By U.S. law, VOA is required to present "accurate, objective, and comprehensive" information, to be truthful, and to be "seen as a consistently reliable and authoritative source of news." Over 100 million people throughout the world listen to VOA each week, all voluntarily, many of them at risk to their safety.

In modernizing and improving our communication facilities and seeking a wider audience, our purpose is to allow a greater proportion of the world's population to know what is going on in the world and be better able to reach independent judgments on these events.

Worldnet is a modern television system linking Washington via satellite with U.S. embassies, information centers, and a number of TV studios throughout the world. Worldnet is not forced on receiving nations. Journalists in the participating nations freely choose the programming that they wish to broadcast or write about or not use at all.

Worldnet enables foreign journalists to ask probing, unrehearsed questions instantaneously, via satellite, directly to high-level American officials. Your representatives from TASS, Pravda and other Soviet publications are welcome at official U.S. press conferences. They are welcome, too, as observers in our Worldnet studio.

Permitting a free flow of information is in the best interests of both our societies and a necessary response to the times. The irreversible revolution in communications, enabling prompt and comprehensive dissemination of news, will make it increasingly harder to limit peoples' access to information.

All nations should ultimately welcome this: misunderstanding and ignorance only serve to exacerbate tensions in the conduct of international relations. Our nations need to know more about each other; we Americans are firmly committed to providing the peoples of the Soviet Union—and the world community—with an accurate picture of the United States. Similarly, we hope to broaden our nation's understanding of the USSR.

I hope that you will enable Soviet journalists and television commentators to participate actively, and very soon, in Worldnet interviews of U.S. leaders to be broadcast in the USSR. In turn, American journalists should have an equal opportunity to interview your leaders for broadcast in the USA. This direct dialogue would broaden the "horizons of cooperation" that you did not discuss in your article, but that you, too, must want to see attained.

I look forward to your response to my offers that we exchange televised interviews by top U.S. and Soviet leaders and that Soviet journalists and officials participate in a Worldnet dialogue with senior U.S. officials on issues of mutual concern.

Sincerely,

CHARLES Z. WICK,
Director.●

IRS IMPOSES UNFAIR TAX BURDEN ON NEW YORK CITY PUBLIC SAFETY OFFICERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. BIAGGI. Mr. Speaker, today I am introducing a bill to provide much needed tax relief to thousands of New York City police officers and firefighters who have recently been informed by the Internal Revenue Service that they must pay back taxes on work-related sick pay they received up to 5 years ago. This bill is similar to a measure (H.R. 3239) I authored during the prior Congress, but it has been expanded to include New York City firefighters.

The problem my bill seeks to remedy stems from an IRS ruling issued in May 1983 (Revenue Ruling 83-77), which stated that work-related sick pay received by New York City police officers is taxable income. Although no formal ruling had ever been issued previously by IRS on this matter, work-related sick pay is generally regarded by IRS as a tax excludable item. New York City police officers saw no reason why they would be treated differently than other American workers, and they did not claim their work-related sick pay as part of their taxable income. Since IRS chose to make their ruling retroactive in effect, New York City police officers who received work-related sick pay as far back as May 1980 are being told they owe back taxes, plus interest.

The IRS, when issuing their ruling, pointed out that work-related sick pay under a workmen's compensation act is excluded from taxation. However, they explained that New York City police officers do not qualify for this exclusion because under a union agreement with the city of New York, there is no distinction made between work-related and non-work-related sick pay.

As it turns out, New York City police officers are not the only ones in this predicament. New York City firefighters face the same problem even though they were not mentioned in Revenue Ruling 83-77. That is why my legislation provides the same relief for both New York City police officers and firefighters.

It may very well be that the IRS followed the letter of the law when issuing Revenue Ruling 83-77, but that is a matter for the courts to decide. What seems obvious, though, is that the IRS ruling did not follow the spirit of the law and, thus, should not have been made retroactive in effect. Simply put, U.S. tax law clearly intends for work-related sick pay to be excluded from taxation. It appears that New York City's method of distributing work-related sick pay to their police officers and firefighters is inconsistent with IRS policy. Clearly, efforts should be made to eliminate those inconsistencies, and let me assure my colleagues that efforts are already underway in New York City to do just that. That will provide relief to future New York City police officers and firefighters who receive work-related sick pay. But what about those more than 4,000 New York City police officers and firefighters who received work-related sick between 1980 and 1983? They clearly followed the spirit of the law when they excluded that income from taxation, but they are now being told that technically they were wrong to do what they did.

Mr. Speaker, by imposing Revenue Ruling 83-77 in a retroactive manner, the IRS has placed a terrible and unjust financial burden on the shoulders of New York City's public safety officers. Administrative and judicial remedies have failed, which means that the legislative remedy I am offering today represents the only possible solution.

Mr. Speaker, I am totally confident that it is not the intent of this august body, or any other part of the Federal Government to unfairly penalize public safety officers who are injured while protecting the lives of others. As a 23-year New York City police veteran, I would suggest that the public safety community in the city of New York has sacrificed enough for the good of their fellow man. To ask them to pay taxes on their work-related sick pay is a gross injustice that must not be tolerated. Acting in that belief, I strongly urge that the legislation I am introducing today receive prompt and favorable consideration.

At this time, Mr. Speaker, I wish to insert the full text of this legislation:

H.R. 1244

A bill to permit the exclusion from gross income of certain work-related sick pay received by New York City police officers and firefighters

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SICK PAY FOR NEW YORK CITY POLICE AND FIREFIGHTERS FOR WORK-RELATED INJURIES EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Notwithstanding any regulation or ruling under section 104(a) of the Internal Revenue Code of 1954 to the contrary, any payments received during the 3-year period ending May 9, 1983—

(1) by a police officer employed by the city of New York, New York, under terms of a union contract between such city and the Patrolmen's Benevolent Association of the City of New York, Inc., or

(2) by a firefighter employed by such city under the terms of a union contract between such city and the Uniformed Fire Officers Association,

for work-related injuries shall not be included in the gross income of such police officer or firefighter.

(b) CERTIFICATION.—Subsection (a) shall apply to payments described in such subsection if such police officer or firefighter received a certification that such injury was work-related from his employer before May 9, 1983.

(c) STATUTE OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefore is filed on or before the close of such 1-year period.●

THE PLIGHT OF SOVIET JEWS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. EVANS of Illinois. Mr. Speaker, I want to first commend the gentleman from Maryland, Mr. HOYER, and my many colleagues for their participation in the recent special order on Soviet Jewry. In augmenting their efforts today, I wish to voice my support for their actions and to add my voice as one of those protesting the continued repression of Jews in the Soviet Union.

Mr. Speaker, there has been a significant increase in physical violence and brutality directed toward Jews in the Soviet Union over the past year. This repression, consisting of extended confinement in labor camps, severe beatings, religious intolerance and denials of exit visas, has been conducted solely because these individuals choose to practice their Jewish faith, and has been "justified" by irrelevant charges and accusations. In addition, Soviet authorities appear to have begun a systematic attack on Hebrew educators because of what they see as a threat from a new generation of activists bent on maintaining Jewish cultural and religious life in the Soviet Union.

I am particularly disturbed by the Soviet Government's stepped-up restrictions on emigration. Last year, only 896 Jews were allowed to leave the country, making 1984 the worst in terms of Jewish emigration levels since 1970. And these figures are no fluke. The 1984 total, which amounted to less than 2 percent of the 1979 peak year emigration figure of 51,320, suggests that the Soviets have now effectively closed the gates. In the meantime, hundreds of thousands of Soviet Jews remain stranded in a land they wish to leave.

With United States-Soviet arms reduction talks now scheduled for resumption, it is greatly disturbing to see this trend of government-inspired repression and condemnation continue. The Soviet Union's treatment of Anatoly Shcharansky, Evgeny Lein and hundreds of Jews like them is a constant reminder of the Soviet leaders' refusal to abide by the 1975 Helsinki accords. I therefore call on the Soviet Government to end its continued violations of these basic doctrines and to release the thousands of Jewish citizens who wish to emigrate to Israel and other countries. With the support of the American people and all those who cherish freedom and basic human rights, I remain hopeful that the Soviet leaders will someday hear the thousands of voices throughout the world who are protesting on behalf of Soviet Jewry, and act to fulfill their responsibilities as outlined in the Helsinki agreements.●

WE NEED THE V.R.A.

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. MURPHY. Mr. Speaker, on March 31, 1985, the Voluntary Restraint Agreement [VRA] on Japanese auto imports will expire. Last Tuesday, President Reagan's Cabinet Council on Commerce and Trade recommended that his administration adopt what appears to be a far too passive approach to this vital international trade issue.

Given the urgency of this matter, we must remember certain essential economic facts. Our trade deficit with Japan is now in excess of $37 billion. More than half of this amount is attributed to automobile imports. The most recent estimates available from the U.S. International Trade Commission reveal that in 1984, the Japanese sold almost 2 million passenger cars in the United States.

This dangerous situation not only jeopardizes the American automobile industry, but the ripple effects are experienced throughout the economic and social fabric of our Nation. When American cars aren't sold, American steel isn't produced, American coal isn't mined, and Americans don't work. In my native western Pennsylvania, my constituents continue to experience the devastating effects of the flood of Japanese imports on our local economy. The steel mills and the coal mines are producing far below capacity. Double digit unemployment persists; there is suffering and misery.

For these reasons, I have joined with my colleagues in the U.S. House of Representatives in the cosponsorship of House Concurrent Resolution 63. This bipartisan effort, introduced by the distinguished minority leader, Mr. MICHEL, seeks to keep the voluntary restraints in place until our trade situation with Japan improves. Accordingly, I have written to President Reagan urging him to implement the recommendation contained in the resolution.

We need to keep the Voluntary Restraint Agreement. The future of American jobs is far too important to leave up to the Japanese Ministry of International Trade and Industry. It is not foreign goodwill that will stop the flood of Japanese auto imports. That necessary action will only be achieved by a tough U.S. stance.●

THE ANIMOSITIES BETWEEN THE ARMENIANS AND THE TURKS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mrs. HOLT. Mr. Speaker, I am disturbed that some groups are determined to dredge up terrible historic events and use the Congress in ways that would have the effect of continuing ethnic animosities that should be allowed to cool with the passage of years.

In a resolution that has been introduced in this Congress, we are asked to commemorate the great tragedy inflicted on the Armenians by the dying Ottoman Empire 70 years ago.

History records an Armenian uprising against Ottoman rule during World War I, and the Ottoman state reacted with ferocity. There was great loss of life on both sides.

But now we are asked to commemorate a Turkish genocide against the Armenian minority of Ottoman Turkey, and I fail to see what purpose this would serve.

While we are at it, we could also pass a resolution recalling Oliver Cromwell's genocidal acts against the Irish. Or we could officially condemn the St. Bartholomew's Day massacre in France. Or we could dwell upon the record of our own Government's deeds against the native American Indians. We might even go way back and recall the barbaric deeds of the golden horde of Genghis Khan.

Mr. Speaker, history has many ugly chapters that are recorded for all to read. We do not hide or censor history, because both the horrors and the glories of the past are instructive to us. We can learn not to repeat the errors of the past and try to emulate the noble deeds of earlier generations.

But I see no reason why we should be called upon to officially commemorate a bloody episode in the history of

the animosity between Armenians and the Turks.

Modern Turkey is not Ottoman Turkey and cannot be held liable for events that occurred 70 years ago. Modern Turkey is a valued member of the NATO Alliance and is a vital ally on the southern flank of Europe.

An Armenian terrorist organization has been assassinating Turkish diplomats in various parts of the world for several years. Its avowed aim is to annex part of Turkey to the Armenian section of the Soviet Union. It is curious that I do not hear any cries for us to pass a resolution demanding that Armenia be freed from Soviet rule.

I am sure that Armenian Americans are as revolted by the terrorism as all of us are. I am confident they long for freedom for the land of their ancestors. I hope they would support a resolution condemning terrorist attacks on Turkish diplomats.

By passing a resolution recalling terrible events of 70 years ago, do we reinforce ancient ethnic animosity and perhaps lend some justification to the terrorist attacks against Turkish diplomats and other innocent victims? I must say this question concerns me gravely.

Should we pass a resolution that revives memories of a historic tragedy and damages our relations with a good and trusted ally? I believe it would be a serious mistake.

We should concentrate on healing ancient wounds instead of aggravating them.●

A TRIBUTE TO JEANNE CHICOINE LAMICA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. CONTE. Mr. Speaker, I rise today to share with my colleagues some of the accomplishments of one of my constituents. As always, it is a distinct pleasure to have an opportunity to honor an outstanding person from western Massachusetts.

Jeanne Chicoine Lamica of Florence, MA, is being honored by the National 4-H Center as the outstanding Massachusetts volunteer leader for recognition at the "4-H Salute to Excellence" program being held March 16-23, 1985, at the National 4-H Center.

One of fifty-two such leaders, representing each State of the Union, the District of Columbia, and Puerto Rico, Mrs. Lamica will be participating in a 7-day educational program designed to teach these individuals techniques to encourage voluntarism in their home States. It is hoped that the combination of a greater number of volunteers and funds from incentive grants will increase the range and amount of program 4-H is able to offer.

Mrs. Lamica has been honored because of her contributions and longstanding commitment to 4-H. She has been a 4-H volunteer for the past 14 years. Currently, she is the leader of the Hampshire Canter-Lopes and the Hampshire Crafty-Critters. The Canter-Lopes, an equestrian group, allows the young people of Hampshire County to further their interest in horses and at the same time assume the responsibility which accompanies such a pet. Each year at the Tri-County Fair, the Crafty Critters works are displayed, rewarding the creativity of these young people. At a time when we are concerned about the future of our Nation's youth, Mrs. Lamica makes a real contribution to the well-being of my district by encouraging youth to use their spare time in a productive and positive manner.

Besides her direct dealings with these two groups, Mrs. Lamica extends her volunteer work to administration. A member of the Hampshire County Extension Board of Trustees for the past 6 years, she is now serving as its chairman. She was instrumental in beginning the Hampshire County 4-H Foundation which raises money for 4-H. Mrs. Lamica continues her commitment to future equestrians by serving as chairman of the Hampshire County Horse Leaders Council.

The importance of volunteering can be forgotten in our hectic society. My district is lucky to have people like Mrs. Lamica who show their concern for young people by taking action to make life more interesting for preteen and teenaged youth. These are the people who make the First District of Massachusetts such a special place.

Mr. Speaker, it has been an honor to have this opportunity to tell Jeanne Lamica that the people of the First District of Massachusetts recognize and appreciate the work she has done on behalf of our local young people.●

WASHINGTON LOSES RESPECTED ARTIST

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. FAUNTROY. Mr. Speaker, I would like to pay my respects to Mr. John Cavanaugh, who was taken from us in the prime of life.

Mr. Cavanaugh was a towering figure among Washington's artists. Usually he was at his Swann Street studio, where he spent long days hammering and molding the lead sculptures which are so prominent throughout the DuPont Circle area. His works adorned buildings all over the District, many of which were renovated with his close friend and partner, Phil. Residents of Washington came to cherish his art.

John never stopped growing or experimenting. His work could range from a playful group of delicate figures to an enormous, brooding face set in brick. Impressionistic or realistic, he could be both fluid and precise, and still run the full range of human emotion. He won many awards but, most importantly, he won the respect of everybody who knew him.

Mr. Speaker, John Cavanaugh enriched our lives, and he made the world a far better place. He was a beloved and gentle man, and his presence is sorely missed. To his family I want to extend my deepest sympathy.●

PERSONAL EXPLANATION

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. GROTBERG. Mr. Speaker, on Thursday, February 21, I was not present and voting on rollcall No. 11, a motion that the House adjourn from Thursday to Monday. Had I been present, I would have voted nay on the motion to adjourn.●

RETIREMENT OF WAHNETA CORSE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SKELTON. Mr. Speaker, today, I wish to pay tribute to a distinguished public servant and dear friend, Wahneta Corse of Wellington, MO, who recently retired after 7½ years as the treasurer of Lafayette County in Missouri.

Mrs. Corse, a lifelong resident of Lafayette County, attended Central Missouri State University where she was a member of Sigma Sigma Sigma sorority. After spending most of her life in the banking business, most of which was with her husband, John Corse, she came to Washington and served on my congressional staff when I was first elected. Her tenure, however, was brief, as she soon returned to Missouri after being appointed by Missouri's Governor to fill an unexpired term as Lafayette County treasurer. Twice thereafter, she was reelected to that position. She retired at the end of last year after having served the people of Lafayette County with distinction.

Mrs. Corse has served her community of Wellington in many capacities over the years, having been active in the United Methodist Church and also serving as treasurer of the Wellington School Board. She has always been

willing to share her expertise freely with others.

Her retirement days will undoubtedly be busy ones, as she will continue her devotion to her community, her friends, and her family. She and her late husband were blessed with two daughters, eight grandchildren, and one recently arrived great grandchild.

I take this opportunity to offer my best wishes to Wahneta Corse for a pleasant and happy retirement. She is truly a wonderful lady.●

LEGISLATION ENCOURAGING USE OF RESIDUAL FUEL OIL FOR RECOVERY PURPOSES

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. THOMAS of California. Mr. Speaker, I am introducing legislation that will provide oil producers using enhanced recovery methods with greater flexibility in choosing the fuel they use to recover crude. It would encourage producers to substitute residual fuel oil for heavy crudes currently burned in thermal recovery processes as a result of the windfall profit tax. By encouraging producers to use residual fuel oil instead of crude to power their recovery equipment, the bill also encourages refiners to top additional heavy crude, making more gasoline and other economically attractive products available in the marketplace.

Heavy oil production uses an enhanced oil recovery process, usually steam injection. Prior to passage of the windfall profit tax, heavy oil producers burned residual fuel oil to create needed steam. This practice is no longer followed because removing crude from a producing property is a taxable event under the windfall profit tax. As a result, producers began burning crude produced at the steam generating site since such crude is not taxed. This is a wasteful practice because refined products once obtained by topping at refineries are sacrificed in order to cut producers' tax burden. In fact, 9 percent of California's daily oil production is currently wasted in this manner.

To encourage heavy oil producers to resume using residual fuel oil, the bill amends the Internal Revenue Code to offer producers an exemption from the windfall profit tax equal to the amount of tax on 1 barrel of crude for each barrel of residual fuel used in the enhanced recovery process. The bill places noteworthy limits on the exemption. First of all, it would apply only to domestic crude oil which the producer removes from his property, crude that would otherwise be taxable but for the fact that it has been exchanged for residual fuel oil used by the producer. An exchange in this context can be either a swap of crude for residual fuel oil or residual fuel oil purchased by the producer which is substituted for crude produced on the property. The exemption would be further limited in its application to benefit only the operating interest holder and not the holder of any royalty interest.

I urge my colleagues in the House to act swiftly to adopt this legislation. As was the case with similar bills I introduced during previous Congresses, this bill is designed to be revenue neutral and is recognized by the Treasury Department as such. In fact, during hearings held on the bill last fall, Treasury representatives and the Independent Petroleum Association of America testified in support of this legislation. While the bill will not affect Treasury revenues, it encourages producers to use our Nation's resources efficiently, a worthy objective.●

HOUSE JOINT RESOLUTION 136

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SIKORSKI. Mr. Speaker, I rise in support of House Joint Resolution 136, a joint resolution directing that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants. I do want my colleagues to know, however, that this situation also applies to the support of research grants funded by the Alcohol, Drug Abuse, and Mental Health Administration, where the OMB directive reduces from 583 to 500 the number of new grants ADAMHA will be permitted to award this fiscal year. House Joint Resolution 136 should set the record straight as far as congressional intent is concerned for both NIH and the ADAMHA. The ad hoc group for medical research funding, representing over 100 research-oriented organizations, and the American Psychiatric Association have long articulated the need for parity in the congressional support for biomedical and behavioral research under the auspices of the Public Health Service. We would be remiss if we did not continue down this responsible path which in 1985 resulted in Congress' evenhanded approach in appropriations increases for the NIH and ADAMHA research enterprises. Scores of public witnesses from the scientific community have argued to this effect in the Appropriations Committees' public witness hearings last spring largely because the quality of the two programs are equally impressive as evidenced by priority scores assigned to these grants and the fact that breakthroughs in one specific disease area are often the result of basic research support in an entirely different institute.●

ULA PENDLETON WINS NATIONAL AWARD FOR INDUSTRY COOPERATION

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. LEVINE of California. Mr. Speaker, I rise today in honor of Ula Pendleton, a social studies teacher in my district, who has been recognized for her outstanding contributions to the classroom by the National Association for Industry-Education Cooperation. Competing with teachers nationwide, Pendleton received the Utilization Award for a teacher who has made the most effective use of industry-sponsored resources for education.

Pendleton, a teacher in the Los Angeles Unified School District at Westchester High School, was nominated for the award by Sandra Burton, director of the California Energy Source Education Council. Burton observed Pendleton's class studying energy source curriculum sponsored by Atlantic Richfield, Southern California Gas Co., Bechtel, Flour and others. Pendleton used this program and other materials provided by Los Angeles Department of Water and Power, Southern California Edison, and Western Oil and Gas Association.

Says Pendleton:

> Energy is the heartbeat of every city. All cities are on life support systems. Without energy no water would come in or sewage go out. People are totally dependent on something they don't understand. They don't know where energy sources come from and use them without care.

Since 1972, Pendleton has introduced over 800 students in her U.S. Government and urban studies classes to energy education. She has taken the initiative to identify industry-sponsored and other community resources because there is always a need for materials beyond textbooks supplied by schools to enrich classroom activities.

Pendleton is a credit to her profession and I would like my colleagues to join me in congratulating her on this outstanding achievement.●

A TRIBUTE TO GWINNETT MITCHELL

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. SHUMWAY. Mr. Speaker, I would like to ask my colleagues to join

with me in paying tribute to the exceptional community spirit and outstanding accomplishments of Gwinnett Mitchell. She has just been honored by the Soroptimist International of Lodi, CA, as "Woman of the Year," an award which has been well earned.

Few women can claim a background as diverse as Gwinnett's. Wife and mother, teacher and musician, reporter and public relations expert, she has contributed to virtually every aspect of community living. She served in the Women's Army Corps from 1943 to 1946. She has organized libraries, advanced cultural pursuits, encouraged youngsters, and generally made herself invaluable to her community. It is certainly appropriate for her to be honored in turn with this highly regarded award.

In these days of increasing reliance upon volunteerism and "people helping people," Gwinnett Mitchell stands as an example to be admired and emulated. As people, we have no greater gift to give than our interest in and caring for our fellow citizens. Congratulations to Gwinnett Mitchell for an outstanding performance, as well as special thanks for all that she has done on behalf of her community. It is a privilege and a pleasure to represent her here in the House, and to share her record of excellence with my colleagues.●

THE 1984 BUSINESS PERSON OF THE YEAR AWARD

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. CONTE. Mr. Speaker, I would like to take this opportunity to extend my heartfelt congratulations to a good friend and community leader, Joseph T. Wright, the senior vice president of the Food Mart Division of Waldbaum, Inc., who was named the 1984 Business Person of the Year by the Greater Holyoke Chamber of Commerce in Holyoke, MA.

Joe Wright was selected to receive this award for his "energy, leadership, and devotion" in the corporate and civic communities. Knowing Joe for as many years as I have, I can attest to the fact that he possesses these qualities plus an endless list of fine attributes. His keen sense of organization and ability to coordinate activities down to the most minute detail are refined characteristics that Joe has sharpened and utilized to the advantage of hundreds of people.

Through his concern for others and his inherent feeling for the community, Joe Wright is a participant in a variety of organizations, working diligently, and rising to the top in practically every task he selflessly undertakes.

Over the last 20 years, Joe has been involved in the United Way of Holyoke, Granby, and South Hadley and is also a trustee of the Pioneer Valley United Way. He is presently the President of the Holyoke, Granby, South Hadley Chapter of the United Way and While spearheading the efforts of this organization, he also divides his energies into the Greater Holyoke Chamber of Commerce which bestowed its Distinguished Service Award to him last year and the Holyoke Community College where as a trustee he was given the school's Tradition and Excellence Award.

The youth of western Massachusetts have also benefited from the endless labors of Joe Wright. Not only is he the director of the Children's Museum at Holyoke, Inc., but he is also the past director of the western Massachusetts Girl Scout Council as well as the Pioneer Valley Council of Boy Scouts of America.

Joe Wright's community involvement in Holyoke, once known as the paper city of the World, is helping to make revitalization efforts become a reality. The city of Holyoke, a manufacturing center with a healthy diversified economy needs a person like Joe with a healthy diversified attitude who willingly surrenders his spare hours in order to assist in the renewal of Holyoke's industrial and commercial growth.

I cannot say enough about my friend, Joe. It is apparent that this wonderful family man and tireless worker, is truly an individual deserving of the 1984 Business Person of the Year Award.●

BALTIC REPUBLICS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mrs. HOLT. Mr. Speaker, the independence of the Baltic republics of Lithuania, Estonia, and Latvia is a memory, a memory that we must keep alive and a memory that the Soviet Union wants to bury.

The people of these lands deserve to be free and deserve the unflagging support of the free world for their right to national independence and the liberty which is the birthright of every individual.

The hope of freedom stays alive in the people of the Baltic States and in the people from those countries that have come to our great land to enjoy the blessings of freedom.

These countries have not even been allowed to retain the nominal national identity that prevails in Poland, Czechoslovakia, and other Eastern European countries in the Soviet grip. The Baltic States were incorporated into the Soviet Union. Many thousands of their citizens have been deported to other parts of the Soviet Empire, they have been colonized by other Soviet peoples, and their ethnic traditions are repressed.

Some timid souls would say that it damages the prospects for better relations with the Soviet Union if we keep raising this distasteful subject. I say that freedom is the main business of the United States in the world, and we betray our heritage if we ever fail to speak for freedom.

Mr. Speaker, empires do not last forever, and the freedom of the Baltic republics will be restored someday, with the help of God, who blesses our cause.●

CHIEF BULL RETIRING

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 25, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, on March 1, the Milford Police Department and the surrounding town of Milford, CT, in my congressional district, will be honoring William W. Bull. William Bull is retiring from his post as chief of Milford's Police Department, after 33 years of devoted service. It gives me great pleasure to share with my colleagues this man's distinguished record and to be able to participate in his tribute.

William Bull began his career in 1951 as a special officer to the Milford Police Department. It was here that he distinguished himself through his unfailing devotion to duty and service. In 1969, Chief Bull committed a true act of bravery when he risked his life to free a woman and fellow officer who were being held captive by an armed gunman. For this he became the only man on the Milford Police Force to be awarded the Medal of Honor for Bravery Above and Beyond the Call of Duty by the town of Milford.

Mr. Bull moved up through the ranks of the Milford Police Department to be appointed chief of police in December 1972. In his 17-year tenure as chief, he strove to create a modern, professional, and effective police force. He emphasized the importance of community safety and focused his efforts on crime prevention activities. He served as an active member of several organizations dedicated to the improvement of police protection: The International Association of Chiefs of Police; the Connecticut Association of Chiefs of Police; the South Central Chiefs Association; and the Municipal Police Training Commission.

William Bull's remarkable career and notable record of service to the community deserves recognition. His

tireless energy, genuine devotion, and unfailing enthusiasm for his job will be sorely missed. I am proud to be able to join with the Milford Police Department and the Milford community in paying tribute to him today.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, February 26, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Labor-Management Services Administration, Employment Standards Administration, and Bureau of Labor Statistics, all of the Department of Labor, and the Pension Benefit Guaranty Corporation.
SD-116

Armed Services
To hold hearings on the status of the unified commands.
SR-222

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Paralyzed Veterans of America, Blinded Veterans of America, Purple Heart, and Vietnam Veterans of America.
334 Cannon Building

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the proposed sale by the Department of Transportation of Conrail.
SR-253

Energy and Natural Resources
To hold oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of the Interior.
SD-366

Labor and Human Resources
To hold oversight hearings to review labor violence activities, focusing on alleged violence committed by unions against management.
SD-430

10:00 a.m.
Environment and Public Works
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Nuclear Regulatory Commission.
SD-406

Foreign Relations
To hold hearings to review U.S. policy in a global economy.
SD-419

Small Business
Small Business: Family Farm Subcommittee
To hold hearings to examine farm credit problems and their impact on agricultural banks and agribusinesses.
SR-428A

Select on Indian Affairs
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986.
SD-538

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
To resume hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

Armed Services
To continue hearings on the status of the unified commands.
SR-222

FEBRUARY 28

9:00 a.m.
Armed Services
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the Department of Defense, focusing on the binary chemical modernization program
SD-124

9:30 a.m.
Commerce, Science, and Transportation
To continue hearings on the proposed sale by the Department of Transportation of Conrail
SR-253

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on proposed legislation authorizing funds for the Immigration and Naturalization Service, and to review those programs administered by the INS.
SD-226

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1986 for certain intelligence programs.
S-407, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

Environment and Public Works
Business meeting, to resume markup of S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (Public Law 96-510).
SD-406

Foreign Relations
To continue hearings to review U.S. policy in a global economy.
SD-419

Joint Economic
To resume hearings in preparation of its forthcoming annual report.
2359 Rayburn Building

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Woodrow Wilson International Center for Scholars, and the National Gallery of Art.
SD-138

Armed Services
Manpower and Personnel Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the Department of Defense, focusing on manpower and personnel issues.
SR-232A

Armed Services
Sea Power and Force Projection Subcommittee
To hold open and closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the Department of Defense, focusing on the Navy's worldwide commitments and their implications for force structure, training, and readiness.
SR-222

MARCH 1

9:00 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, and Departmental Management, all of the Department of Labor, and the President's Committee on Employment of the Handicapped.
SD-116

Armed Services
To resume hearings on the status of the unified commands.
SR-222

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on the Pacific Salmon Treaty implementing legislation.
SD-562

Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's pro-

posed budget for fiscal year 1986, focusing on the Forest Service (Department of Agriculture), U.S. Synthetic Fuels Corporation, and the Federal Energy Regulatory Commission (Department of Energy).
SD-366

10:00 a.m.
Environment and Public Works
Business meeting, to continue markup of S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (P.L. 96-510).
SD-406

MARCH 4

10:00 a.m.
Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of Energy.
SD-366

MARCH 5

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Secretary of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Agriculture.
SD-124

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Army.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Highway Administration, Department of Transportation, and the Panama Canal Commission.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

Commerce, Science, and Transportation
To hold hearings on the nominations of Carol G. Dawson, of Virginia, to be a Commissioner of the Consumer Product Safety Commission, and Mary L. Azcuenaga, of the District of Columbia, to be a Federal Trade Commissioner.
SR-253

MARCH 6

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health.
SD-116

Veterans' Affairs
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the Veterans Administration.
SR-418

Office of Technology Assessment
To hold a general business meeting.
H-227, Capitol

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Commerce, Justice, State, the Judiciary and related agencies.
S-146, Capitol

*Foreign Relations
To resume hearings to review U.S. policy in a global economy.
SD-419

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Edward J. Philbin, of California, to be a Federal Maritime Commissioner.
SR-253

11:00 a.m.
Select on Indian Affairs
To hold hearings on S. 277, authorizing funds for fiscal year 1986 for Indian health care programs.
SD-106

MARCH 7

9:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on foreign assistance programs.
SD-138

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navy.
SD-628

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of Energy.
SD-192

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings to review a recent report on international narcotics.
SD-430

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Strategic Petroleum Reserve, and the Office of Emergency Preparedness.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Transportation Safety Board, and the St. Lawrence Seaway Development Corporation, Department of Transportation.
SD-192

MARCH 8

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Environment and Public Works
To resume hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Army Corps of Engineers.
SD-406

Judiciary
To hold hearings on proposed interstate compacts allowing for the regional disposal of low-level radioactive waste.
SD-226

MARCH 12

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Veterans of Foreign Wars.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agricultural Library, Department of Agriculture.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the United Nations, focusing on voluntary contributions to international organizations and programs.
SD-192

10:30 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on solar and renewables and energy research.
SD-192

MARCH 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Bureau of Standards.
SR-253

10:00 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 374 and S. 193, bills authorizing funds for the U.S. Travel and Tourism Administration, Department of Commerce.
SD-G50
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international security assistance programs.
S-126, Capitol

MARCH 14

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration, and to hold oversight hearings on the Department of Transportation's Office of Commercial Space Transportation.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the U.S. Trade Representative, Japan-U.S. Friendship Commission, Federal Trade Commission, and the Civil Rights Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Crop Insurance Corporation, and the Rural Electrification Administration, Department of Agriculture.
SD-124
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Aeronautics and Space Administration.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Smithsonian Institution.
SD-138
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on nuclear fission, commercial waste management, and uranium enrichment.
SD-192

MARCH 19

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on the aviation computer reservation system.
SR-253
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the Earthquake Hazard Reduction Act (P.L. 98-241).
SD-G50
Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on proposed asbestos claims facilities.
SD-430

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Peace Corps, the Inter-American Foundation, and the African Development Foundation.
S-126, Capitol
Appropriations
Interior and Related Agencies Sucbommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the land and water conservation fund.
SD-138
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission.
SD-192

MARCH 20

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
334 Cannon Building

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Commerce, and the International Trade Commission.
SD-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the American Battle Monuments Commission, Army cemeterial expenses, Office of Consumer Affairs (Department of Commerce), and the Consumer Information Center.
SD-124
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK)
SD-138
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on media efforts to deglamorize drug abuse.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Export-Import Bank of the United States.
S-126, Capitol

MARCH 21

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SR-428A

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 100, to provide for a uniform product liability law.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Neighborhood Reinvestment Corporation, National Credit Union Administration, Office of Revenue Sharing and the New York City loan program (Department of the Treasury), Federal Home Loan Bank Board, and the National Institute of Building Sciences.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Washington Metropolitan Area Transit Authority, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the maritime administration, and S. 102, authorizing funds for fiscal year 1986 for the maritime construction differential subsidy.
SD-628

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
SD-192

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy conservation programs.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.
SD-116

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Farmers Home Administration, Department of Agriculture, and the Farm Credit Administration.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

MARCH 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, and refugee programs.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Board for International Broadcasting, Arms Control and Disarmament Agency, and the Federal Communications Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for foreign assistance programs.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Selective Service System, Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

MARCH 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans' Administration, and the National Science Foundation.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 1

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office of Civil Rights, Office of Inspector General, National Institute of Education, and Bilingual Education, all of the Department of Education.
SD-116

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food for Peace Program (P.L. 480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including vocational and adult education, education for the handicapped, rehabilitation services and handicapped research, special institutions (including Howard University), and education statistics.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

10:30 a.m.
Commerce, Science, Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 16

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

APRIL 18

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

APRIL 24

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, educational research and training, and libraries.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

APRIL 25

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

MAY 1

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

HOUSE OF REPRESENTATIVES—*Tuesday, February 26, 1985*

The House met at 12 o'clock noon.

The Reverend Hendrik Laur, Gull Harbor Lutheran Church, Olympia, WA, offered the following prayer:

Eternal God, with trust in You, we look to the future. May that trust be not only a motto on our coins. May it be impressed on our hearts as we order the affairs of our beloved Nation.

We thank You for the freedom to thank You—or to refrain from thanksgiving, if so we choose. We pray for those who do not have that right. We think especially of the Estonian people, who celebrate a brief flowering of freedom so quickly quenched by foreign aggression. Grant that freedom be not the privilege of a few, but the right of all.

As now each in our own way, we ask for Your blessing, grant us to be a blessing for each other and for all our people. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. COMBEST. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COMBEST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 224, nays 162, answered "present" 2, not voting 44, as follows:

[Roll No. 13]

YEAS—224

Addabbo	Bedell	Boucher
Akaka	Beilenson	Boxer
Alexander	Bennett	Breaux
Anderson	Berman	Brooks
Andrews	Bevill	Brown (CA)
Anthony	Biaggi	Broyhill
Applegate	Boggs	Bruce
Aspin	Boland	Bryant
Atkins	Boner (TN)	Burton (CA)
AuCoin	Bonior (MI)	Bustamante
Barnard	Bonker	Byron
Barnes	Borski	Carper
Bates	Bosco	Carr
Chappell	Jenkins	Richardson
Coelho	Jones (NC)	Rodino
Coleman (MO)	Jones (OK)	Roe
Coleman (TX)	Jones (TN)	Rose
Collins	Kanjorski	Rostenkowski
Cooper	Kastenmeier	Rowland (GA)
Coyne	Kennelly	Roybal
Crockett	Kildee	Russo
Daniel	Kleczka	Sabo
Darden	Kolter	Savage
Daschle	LaFalce	Scheuer
de la Garza	Leath (TX)	Schneider
Dellums	Lehman (CA)	Schumer
Derrick	Lehman (FL)	Seiberling
Dicks	Leland	Sharp
Dixon	Levin (MI)	Shelby
Donnelly	Levine (CA)	Sisisky
Dorgan (ND)	Lipinski	Skelton
Dowdy	Lloyd	Slattery
Downey	Lundine	Smith (IA)
Durbin	MacKay	Snyder
Dwyer	Manton	Solarz
Dyson	Markey	Spratt
Early	Martinez	St Germain
Eckart (OH)	Matsui	Staggers
Edgar	Mazzoli	Stark
Edwards (CA)	McCurdy	Stenholm
English	McHugh	Stokes
Erdreich	Mica	Stratton
Evans (IL)	Mikulski	Studds
Fazio	Miller (CA)	Swift
Feighan	Mineta	Synar
Flippo	Mitchell	Tallon
Florio	Moakley	Tauzin
Foglietta	Mollohan	Taylor
Foley	Montgomery	Thomas (GA)
Ford (TN)	Moody	Torres
Fowler	Morrison (CT)	Torricelli
Frank	Mrazek	Traxler
Frost	Murphy	Udall
Fuqua	Murtha	Valentine
Gaydos	Natcher	Vento
Gejdenson	Neal	Visclosky
Gibbons	Nelson	Volkmer
Glickman	Nichols	Walgren
Gonzalez	Nowak	Watkins
Gordon	Oakar	Weiss
Gradison	Oberstar	Wheat
Hall (OH)	Obey	Whitley
Hall, Ralph	Olin	Whitten
Hall, Sam	Ortiz	Williams
Hamilton	Owens	Wilson
Hawkins	Panetta	Wirth
Hayes	Parris	Wise
Hefner	Pease	Wolpe
Hertel	Pepper	Wright
Horton	Perkins	Wyden
Howard	Pickle	Wylie
Hoyer	Price	Yates
Hubbard	Rahall	Yatron
Hughes	Rangel	Young (MO)
Hutto	Reid	

NAYS—162

Armey	Cobey	Fiedler
Badham	Coble	Fields
Bartlett	Combest	Fish
Barton	Conte	Franklin
Bateman	Coughlin	Gallo
Bentley	Craig	Gekas
Bereuter	Dannemeyer	Gilman
Billirakis	Daub	Goodling
Bliley	Davis	Green
Broomfield	DeLay	Gregg
Brown (CO)	DeWine	Grotberg
Burton (IN)	Dickinson	Gunderson
Callahan	DioGuardi	Hammerschmidt
Campbell	Dornan (CA)	Hansen
Carney	Dreier	Hendon
Chandler	Duncan	Henry
Chappie	Eckert (NY)	Hiler
Cheney	Edwards (OK)	Hopkins
Clay	Emerson	Huckaby
Clinger	Evans (IA)	Hunter
Coats	Fawell	Hyde
Ireland	Michel	Shaw
Jacobs	Miller (OH)	Shumway
Jeffords	Miller (WA)	Shuster
Kasich	Molinari	Sikorski
Kemp	Moore	Siljander
Kindness	Moorhead	Skeen
Kolbe	Morrison (WA)	Slaughter
Kramer	Myers	Smith (NE)
Lagomarsino	Nielson	Smith (NH)
Latta	O'Brien	Smith (NJ)
Leach (IA)	Oxley	Smith, Denny
Lent	Packard	Smith, Robert
Lewis (CA)	Pashayan	Snowe
Lewis (FL)	Penny	Solomon
Lightfoot	Petri	Spence
Livingston	Porter	Stangeland
Loeffler	Pursell	Strang
Lott	Quillen	Stump
Lowery (CA)	Regula	Sundquist
Lujan	Rinaldo	Sweeney
Luken	Ritter	Swindall
Lungren	Roberts	Tauke
Mack	Roemer	Thomas (CA)
Marlenee	Rogers	Vucanovich
Martin (NY)	Roukema	Walker
McCain	Rowland (CT)	Weber
McCandless	Rudd	Whitehurst
McCollum	Saxton	Whittaker
McDade	Schaefer	Wolf
McEwen	Schroeder	Wortley
McGrath	Schuette	Young (AK)
McKernan	Schulze	Young (FL)
McKinney	Sensenbrenner	Zschau

ANSWERED "PRESENT"—2

Conyers	Gingrich

NOT VOTING—44

Ackerman	Gray (PA)	McMillan
Annunzio	Guarini	Meyers
Archer	Hartnett	Monson
Boehlert	Hatcher	Ray
Boulter	Heftel	Ridge
Courter	Hillis	Robinson
Crane	Holt	Roth
Dingell	Johnson	Smith (FL)
Dymally	Kaptur	Stallings
Fascell	Kostmayer	Towns
Ford (MI)	Lantos	Traficant
Frenzel	Lowry (WA)	Vander Jagt
Garcia	Madigan	Waxman
Gephardt	Martin (IL)	Weaver
Gray (IL)	Mavroules	

□ 1220

Messrs. MOORE and ECKERT of New York changed their votes from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

REV. HENDRIK LAUR

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, I am substituting this morning for my good friend and colleague, the Honorable DON BONKER, Congressman from Washington's Third District.

It is my honor to introduce Rev. Hendrik Laur. Reverend Laur was born in Estonia in 1937 in the face of the Russian invasion. He and his mother fled to Germany in the fall of

1944. After the end of the war, they remained in DP camps until it was possible for them to come to the United States in May 1950, and they settled in Olympia, WA, at that time.

In 1968, Reverend Laur was asked by the Division for World Mission and Ecumenism of the Lutheran Church in America to serve in South America where there was a need for an Estonian-speaking pastor. He returned to the United States in 1973, and organized the Gull Harbor Lutheran Church as a new mission of the Pacific Northwest Synod of the Lutheran Church in America. He is currently serving as the pastor of that congregation.

I simply want to conclude by saying on behalf of my colleague, Congressman BONKER, it is a great pleasure to welcome Reverend Laur to the House Chamber today.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY ON TOMORROW

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to dispense with the business in order under the Calendar Wednesday rule on tomorrow, February 27, 1985.

The SPEAKER pro tempore (Mr. DORGAN of North Dakota). Is there objection to the request of the gentleman from Arkansas?

Mr. WALKER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST FOR CONSIDERATION OF RESOLUTION PROVIDING FOR TAKING OF OFFICIAL PICTURES OF THE HOUSE WHILE IN ACTUAL SESSION

Mr. ALEXANDER. Mr. Speaker, I send to the desk a resolution (H. Res. 78) and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 78

Resolved, That at a time designated by the Speaker, the United States Capitol Historical Society shall be permitted to take official pictures of the House while in actual session for inclusion in the new editions of "We the People" and "The Capitol". The pictures shall also be available for legitimate nonprofit news and educational purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas that the House consider the resolution? The Chair hears none.

Without objection, the resolution is agreed to.

Mr. WALKER. Mr. Speaker, reserving the right to object, with the noise in the Chamber I could not hear the character of the resolution. Could the Chair at least inform me what the resolution is about?

I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, the resolution is to authorize the taking of the annual picture.

Mr. WALKER. Mr. Speaker, further reserving the right to object, will Mr. McIntyre and Mr. McCloskey be included in that picture?

Mr. ALEXANDER. The picture is to include Members of Congress who are to be seated in the Chamber.

Mr. WALKER. Well, that does not answer my question. Would Mr. McIntyre be eligible for being included in the official picture?

Mr. ALEXANDER. Well, is Mr. McIntyre a Member of Congress?

Mr. WALKER. He was elected as a Member of Congress and has been certified as a Member of Congress. That is my question.

Mr. ALEXANDER. Mr. Speaker, the picture is to be taken of Members of Congress.

Mr. WALKER. Well, that still does not answer my question. Is Mr. McIntyre going to be included in that picture?

Mr. ALEXANDER. Mr. Speaker, I will write the gentleman a letter in great detail to explain it. Obviously, a simple explanation is insufficient.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. SOLOMON. Did I understand the gentleman to say that Mr. McIntyre would not be allowed to have his picture taken with the official picture of this House?

Mr. ALEXANDER. I will be pleased to respond further.

The SPEAKER pro tempore. Is the gentleman further reserving his right to object?

Mr. WALKER. Mr. Speaker, I further reserve the right to object. I yielded to the gentleman from New York, and I would say to the gentleman from New York that that is my understanding about what the gentleman from Arkansas is saying; he refuses to say so directly.

□ 1230

Mr. SOLOMON. Mr. Speaker, I have listened to this debate going on for days and days now. I can tell you here is one Republican who will refuse to come to the floor and have his picture taken unless Mr. McIntyre is here, and I would suggest that all Republicans stay off the floor and let us have it only one sided.

Mr. ALEXANDER. Mr. Speaker, that is the gentleman's right, to refuse to be in the picture, but it is not the right of any nonmember of Congress to be included in the picture.

Mr. WALKER. Mr. Speaker, further reserving the right to object, then I do assume that the gentleman is referring to Mr. McIntyre as a nonmember of Congress.

Mr. ALEXANDER. That is correct.

Mr. WALKER. That is correct. All right, I withdraw my reservation of objection.

Mr. Speaker, further reserving the right to object for just a moment, we are simply at this point talking about the reading. We have not at this point talked about consideration, have we?

The SPEAKER pro tempore. Is there objection to consideration of the resolution?

There was no objection.

The SPEAKER pro tempore. Is there objection to the resolution?

Mr. WALKER. Mr. Speaker, reserving the right to object, I would want the Chair to put the question on the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that the resolution be withdrawn and the matter be considered at a later time.

Mr. WALKER. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman has the right to withdraw the resolution at this stage of the proceedings.

Mr. ALEXANDER. Mr. Speaker, I withdraw the resolution.

The SPEAKER pro tempore. The resolution is withdrawn.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1035, FARM EMERGENCY CREDIT ACT OF 1935

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 99-7) on the resolution (H. Res. 79) providing for consideration of the bill (H.R. 1035) to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, which was referred to the House Calendar and ordered to be printed.

KEITH FREDRICK MAINLAND

(Mr. WHITTEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITTEN. Mr. Speaker, it is with regret that I call to the attention of the House the retirement of one of our finest public servants, Keith Mainland, as chief of staff of our Committee on Appropriations. We are proud of our committee staff. It is profes-

sional and objective in its work. It is thorough and does the impossible in bringing together the financial figures on all the Government, on short notice, frequently working all night to get the job done.

Keith Mainland in his years of service has truly represented the best of a fine staff.

As a man, and as a friend, I have truly enjoyed my association with Keith in the years he has been with the Committee on Appropriations.

As much as we regret his retirement, we must agree that he has earned it.

We wish for Keith and his fine family the best of everything in the years ahead.

I would like to read to the membership the resolution which was unanimously adopted by the Committee on Appropriations.

COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES—RESOLUTIONS IN TRIBUTE TO KEITH FREDRICK MAINLAND

Whereas, Keith Fredrick Mainland, after twenty-eight years of service to the Government and people of the United States, is retiring as the eighth Clerk and Staff Director of the Committee on Appropriations, and

Whereas, the service of Mr. Mainland to the Committee on Appropriations has been distinguished by unsurpassed loyalty, integrity, and capability, and

Whereas, the unflagging courtesy, devotion to duty, and dedication to the national interest demonstrated by Mr. Mainland have set a new standard difficult to emulate, and

Whereas, the sound judgment and wise counsel of Mr. Mainland is universally respected and will be greatly missed; therefore, be it now

Resolved, That the Committee on Appropriations expresses its utmost gratitude for his contributions, its sincere regret at his departure, and the best wishes of the Members to Keith Fredrick Mainland for a long and happy retirement, and be it now further

Resolved, That the Committee direct the Chairman to convey to Mr. Mainland the expression of good will and heartfelt gratitude of the Members and communicate to him a copy of these resolutions.

Adopted by the Committee on Appropriations, House of Representatives.

JAMIE L. WHITTEN, *Chairman.*

FEBRUARY 21, 1985.

TRIBUTE TO KEITH MAINLAND

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I am pleased and honored to join my chairman and other members of the committee in a tribute to Keith Mainland, the eighth clerk of the Committee on Appropriations, who will retire at the end of this month after 28 years of distinguished service to his country.

Keith began that service as an enlisted man in the Marine Corps in 1951. He was commissioned in 1953, and served in Korea. Keith was a budget analyst at GSA from 1958 to 1962, and was detailed to the Committee on Appropriations in 1962, when he was appointed to the staff of the Independent Offices Subcommittee, chaired by Albert Thomas of Texas. He was appointed the clerk of the committee by George Mahon in October of 1972.

Keith is the eighth clerk to serve the members of this committee in the 120 years since the committee was established in 1865.

Throughout those years this committee has had—and has today—the most competent staff in the legislative branch.

With the support of George Mahon and Jamie Whitten, Keith has maintained the high standards that we have come to take for granted.

Keith and the staff have kept faith with the members of the committee, and the Members of the House, and that faith can be reduced to three words: professionalism, integrity, competence.

The most fitting tribute to Keith as a person is the words that Paul wrote to Timothy: "I have fought a good fight, I have finished my course, I have kept the faith."

I have treasured Keith's friendship, as well as his counsel, and I speak from my heart when I wish Keith and his family happiness and prosperity in the years ahead.

KEITH MAINLAND

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOLAND. Mr. Speaker, I join with other members of the Committee on Appropriations in this tribute to Keith Mainland. Keith Mainland, the chief clerk and staff director of the House Committee on Appropriations, is retiring after 23 years of service.

I suspect that there is virtually no Member of this body who doesn't know Keith. We often hear the expression that no one is indispensable and I expect that is also true of Keith. But in all my years of service here I can't think of any staff member who has contributed more to making this institution work.

Each year Members take the floor to complain about the passage of massive continuing resolutions. But without the enactment of those resolutions, the Government would come to a grinding halt. And without Keith Mainland's gentle but steady leadership of the staff of the Appropriations Committee, those massive pieces of legislation could never have been enacted.

During consideration of the continuing resolution, no matter if Keith had been here for 3 days without sleep—he was never too busy to talk to any member about any subject or any problem. It's true—no one is indispensable—but we will all miss Keith's capabilities and his sense of excellence. And in my mind, this institution is a lesser place with his departure.

I first met Keith when he showed up for work in the Independent Agencies Subcommittee 23 years ago. He trained for 4 years under the strong leadership of Albert Thomas of Texas, one of the giants of this body, a giant in intellect and a giant in physical stature. From there he went on to serve 6 years with Chairman Mahon until he was appointed clerk and staff director in October 1972. During all those years he was first, last, and always a true professional—and he never waivered in his loyalty to this House.

Keith will now have a chance to spend a little more time with his wife, Sandy, and his son, Kirk—and maybe do some fishing, and get out and watch his daughter, Marlene, play basketball for Georgia Tech. Let me assure you—he has earned it.

And so, Mr. Speaker, I want to wish Keith and Sandy and their family many years of happiness and good health.

Best of luck to him.

□ 1240

IN HONOR OF THE RETIREMENT OF KEITH MAINLAND

(Mr. McDADE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDADE. Mr. Speaker, I am very privileged today to spend a few moments in joining in tribute to our good friend and clerk of the Appropriations Committee, Keith Mainland. After his long and distinguished career of providing service to the committee, Keith is getting his well-deserved chance to enjoy the beautiful Virginia countryside and to do battle with that illusive bass. We wish him well in this endeavor.

Keith is more than just a staff member who is retiring after good and faithful service to the Congress. Since the Appropriations Committee was established in 1865, only eight men have served as its chief clerk.

Keith came to Congress in 1962 when Clarence Cannon appointed him to the Deficiency Subcommittee on the Appropriations staff. That subcommittee, now known as the HUD and Independent Agencies Subcommittee, was the launching point for his term of service in Congress. In October of 1972, our good friend and former colleague, Chairman George Mahon, appointed Keith as clerk of the full Appropriations Committee.

Throughout his public service, Keith has served in an exemplary and distinguished manner. I join all of the members of the Appropriations Committee

in wishing Keith, his wife Sandy, his son Kirk, and his daughter Marlene, the very best as he takes this opportunity to carry on with his new ventures. He will be missed.

TRIBUTE TO KEITH MAINLAND ON HIS RETIREMENT

(Mr. NATCHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NATCHER. Mr. Speaker, in describing an outstanding staff member, you would use such words as loyal, dedicated, qualified and able, and this description would certainly describe our friend, Keith Mainland.

Keith Mainland's service as chief clerk of the Appropriations Committee in the House of Representatives will be one of the bright spots in the history of our committee. Under Keith Mainland's supervision, the entire staff of the Appropriations Committee functioned as it should and made this one of the best committees in the House of Representatives.

His concept of public trust has been without parallel and never has he hesitated to speak out against any proposal which he felt was not sound and in the best interests of the Appropriations Committee. Words are inadequate to fully apprise his tremendous capacity for loyalty and love of the Appropriations Committee.

I have served, Mr. Speaker, as a member of the Committee on Appropriations for 30 years and during this period of time, we have had a number of chief clerks. None were better qualified and none acquired more success with the other staff members than Keith Mainland.

We will miss him, Mr. Speaker. I want to wish for my friend, Keith Mainland, and the members of his family the best of everything in the future.

A TRIBUTE TO KEITH MAINLAND

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, Voltaire said: "In general, the art of government consists in taking as much money as possible from one class of citizens to give to the other." The committee which does the "giving" is the Appropriations Committee. It has done its job so well in large part due to the assistance of Keith Mainland. I want to join with my colleagues here today in saluting Keith on his retirement as clerk and staff director.

Born in Illinois in 1932, Keith received his bachelor of science degree from Northwestern University and served in the Marine Corps in Korea.

Unlike some staff members who are impressed with what they think is their own importance, Keith has kept a low profile and an unassuming attitude. The fact that he has not sought the limelight is the key to his great effectiveness. Keith has extensive experience with the Federal budget and superb knowledge of parliamentary procedure.

All of us appreciate the wisdom of his counsel and his coolness under fire, especially during the marathon continuing resolution sessions at the end of the fiscal year. However, the work of appropriations goes on year round—hearings, supplementals, regular bills, oversite. Keith is constantly called on to assist Congress in fulfilling its constitionally mandated duty of spending the taxpayers' money. He does a splended job.

While the members of the staff of the Appropriations Committee will miss Keith very much, we wish him the best in the future.

A TRIBUTE TO KEITH MAINLAND ON HIS RETIREMENT

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Iowa. Mr. Speaker, really almost nothing can be added to what has already been said, but I especially want to endorse every word in the resolution read by the chairman of our committee, the gentleman from Mississippi [Mr. WHITTEN].

Keith Mainland has been an excellent staff director, as good a staff director as any committee ever had. He has been a model for integrity, professionalism, and competence, and his contributions to the legislative accomplishments have been great.

Although we understand his desire to retire, we are sorry to see him leave. I wish him well and, Mr. Speaker, I add my accolades to those that have already been given.

A TRIBUTE TO KEITH MAINLAND—NATIONAL ASTHMA AND ALLERGY AWARENESS WEEK

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, very briefly, I would like to add my words of praise to those that have been said about Keith Mainland, a highly intelligent, scholarly, and hard-working staff director and a man blessed with a great sense of fairness. He typifies what may be one of the great assets of this House, a top quality director of a top quality staff.

I wish him well, and, like others, I will truly miss his considerate and invaluable help.

Mr. Speaker, on an unrelated matter, today I have introduced a joint resolution designating the week beginning May 5, 1985, as "National Asthma and Allergy Awareness Week."

Asthma and allergic diseases result in physical, emotional, and economic burdens for more than 35 million American children and adults and their families. Thousands of Americans, many of them young, die each year from asthma despite the fact that knowledge and resources exist to prevent many of these deaths.

We know that allergic diseases, including most of the asthma experienced by youth and some forms of the adult asthma, are disorders of the immune system. Science has made remarkable gains in helping American health care providers improve diagnoses and treatment of asthma and allergic disease through increased knowledge in the field of immunology. Medications developed in recent years enable many asthmatic and allergic Americans to lead more normal lives with fewer disturbing side effects. The growth in understanding the human immune system results from the work of the National Institute of Allergy and Infectious Diseases, private sources, and volunteer health agencies such as the American Academy of Allergy and Immunology and the Asthma and Allergy Foundation of America.

We commend these dedicated volunteer groups and scientists that devote their efforts to conquering asthma and allergic diseases. We also admire the resourcefulness of patients and their families in overcoming these disorders and helping others in dealing with the effects of these widespread afflictions.

The speed of new scientific knowledge about asthma and allergic disorders often surpasses its understanding and application by many health care providers and patients. Unfortunately, there are still misconceptions concerning asthma and allergic disorders which create continued and undue hardships for millions of Americans.

To emphasize the importance of public education and awareness and to encourage the continued public and private support of research into these disorders, I urge my colleagues to join in supporting the resolution.

A TRIBUTE TO KEITH MAINLAND

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, I join my colleagues in Congress and, more specifically, on the Appropriations Committee in today saluting Keith Mainland for his loyal, diligent service to the Appropriations Commit-

tee for all the years that I have served there.

Members of Congress in most cases are no better than the staffs that they associate with. In every instance Keith Mainland has served the Appropriations Committee, on every occasion, with competence, with diligence, with integrity, and with a sense of duty that is to be emulated by other staff assistants throughout the Congress of the United States.

Mr. Speaker, I wish him well. I am sorry he is leaving, but I applaud his departure with the fond memories of our association over the last number of years.

A TRIBUTE TO KEITH MAINLAND ON HIS RETIREMENT

(Mr. REGULA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REGULA. Mr. Speaker, let me add my "amen" to all of the accolades that have been stated here during this period of recognition for the yeoman service of Keith Mainland.

I would just make one further point, and that is this: That Keith Mainland provided counsel with intellectual integrity free from idelogy as he served all members of the Approriations Committee.

A TRIBUTE TO KEITH MAINLAND ON HIS RETIREMENT

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, I, too, would like to pay my tribute to Keith Mainland upon his retirement.

I have known Keith for 15 years, and in the over 15 years I have served on the committee, it has had only two chief clerks. Under his tenure the Appropriations Committee has produced approximately 200 major appropriation bills.

I think during that time Keith has seen many changes. Some he has liked and some he has disliked, but in all of it he has remained loyal, he has remained a fierce defender of this institution, and he is one of the reasons this institution works.

I think in many ways Keith reflects the nature of the Appropriations Committee and its process. There are many committees in this institution that are more glamorous and are more in the public eye, but in the end of the Appropriations Committee usually, after all of the politics is done, has to deal with the practicalities that are presented us at the time, and that is Keith's style. He has throughout his career continually tried to do what must be done in order to keep the Government functioning.

Mr. Speaker, I wish him well in his retirement.

A TRIBUTE TO KEITH MAINLAND UPON HIS RETIREMENT

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, I join in the comments that have been made about Keith Mainland. One of the things that I have observed in the 9 years that I have been a Member of Congress is that none of us who are elected can do the job by ourselves. We need the help of very talented, competent professional staff assistants that we can depend upon.

Since I have been a member of the Appropriations Committee, I have found that that committee's staff under Mr. Mainland's direction has established a very high standard, not only for competence and professionalism but for bipartisanship. During the time I have been on the committee I have been very impressed by the fact that the staff under Mr. Mainland's direction has worked very well to serve Members of both parties in trying to do their work on that committee.

Mr. Speaker, I will miss him, as I am sure other members of the committee will.

□ 1250

A TRIBUTE TO KEITH MAINLAND

(Mr. STOKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STOKES. Mr. Speaker, I join with the chairman and my colleagues on the Appropriations Committee in commemorating the retirement of Keith Mainland. All of us who serve on this committee will certainly miss the service which he rendered to this great committee and to each of us for so many years.

Keith Mainland is one of those highly competent and professional staff directors who made a significant impact and imprint upon the work of this congressional committee and the Congress. Keith's knowledge of the appropriations process and the rules and regulations applicable to the process, along with the individual attention and cooperation he gave each Member, was a keystone of his success. His efficiency will be long remembered by all of us.

As one who benefited from this loyal and dedicated public servant, I want to wish him all success in his retirement and the pursuit of any new endeavors which he may undertake.

A TRIBUTE TO KEITH MAINLAND

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, I want to join my colleagues on the Appropriations Committee in saluting Keith Mainland, chief of staff of our committee, on his retirement.

Longevity is a quality highly valued in congressional staff, but it is one that, because of the nature of our work, is rarely seen. Keith has served the committee since March 1962, and has served the committee excellently. All too often we overlook the many sacrifices that our staff members make and take for granted their contribution to making this body work. Keith, by any standard, has been an exemplary employee. He has expended every effort to assure the smooth working of the Appropriations Committee, and the reputation that the committee staff has for professionalism is testament to his leadership as staff director.

Mr. Speaker, as others have mentioned, the Appropriations Committee, since its inception in 1865, has had only eight chief clerks. This is a fine record that has given our committee great stability, an important asset to any committee in Congress. I know all Members join me in wishing Keith and his family the best of luck in the future. He will certainly be missed, but his contributions to the Appropriations Committee and the House will certainly endure.

A TRIBUTE TO KEITH MAINLAND

(Mr. EARLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EARLY. Mr. Speaker, I want to join my Committee on Appropriation colleagues in this well deserved tribute to Keith Mainland, chief administrator of the appropriations staff, on his retirement.

Mr. Speaker, everyone is replaceable, just some are more difficult to replace. I think Keith Mainland will be one of the most difficult to replace. He is truly an outstanding, dedicated, and consistent man.

In my 10 years on this committee, Keith Mainland has been the only chief of staff I have known. I consider it an honor and a pleasure that I have had the opportunity to work with Keith Mainland and to know him as a friend.

KEITH MAINLAND

(Mr. LEHMAN of Florida asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN OF Florida. Mr. Speaker, in the history of the Committee on Appropriations, there have been only a few clerks—Keith Mainland, who is retiring at the end of this month, is the eighth.

Many other members, some of whom have served far longer on the committee than I have, have spoken of Keith's loyalty to the committee and the Congress, his integrity, and his competence in serving the Members, our staffs, the House, and the people.

What I will always remember about Keith's tenure is that however tense, controversial, or fatiguing our situation was, Keith never lost his cool, his perspective, or that twinkle in his eye. He made my job, and, I suspect, the jobs of all my committee colleagues, easier and a lot more enjoyable.

While Keith may not miss those late-night continuing resolution conferences, we will miss Keith.

I wish Keith Mainland all the best in his new endeavors, and hope we will continue to see him often.

KEITH MAINLAND

(Mr. TRAXLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, like my colleagues before me, I take this occasion to salute Keith Mainland, the clerk of the Appropriations Committee. I have served on that committee for some 10 years. It has been my pleasure to have worked very closely with Mr. Mainland. I wish to assure the Members of this body that he has led a very highly professional staff that has always acted in a bipartisan manner to develop appropriation bills that are in the best interest of this Congress and of the Nation.

He will be retiring at the end of this month, and his departure will be sorely missed by many of us who admire him not only for his professionalism but as an individual. I have been very pleased and proud over the last 10 years to call Keith a friend and to know him not only professionally but personally. He is an outstanding individual whose presence will be sorely missed. I wish him well in his future endeavors.

A TRIBUTE TO KEITH MAINLAND

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, I want to thank the members of the House Appropriations Committee for taking this time to honor our able staff director, Keith Mainland. I rise today and join with my colleagues to praise and commend Keith, who will be retiring at the end of this month after 22 years of dedicated and professional service to our committee.

In my 4 years with the Appropriations Committee, I quickly learned how important our staff is to the work of our committee. Without question, being a member of the Appropriations Committee is one of the toughest assignments in Congress. The same is true for our staff. I never fail to be impressed with the knowledge, experience and dedication of our committee staff. Keith Mainland represents the best our staff has to offer. All the members of our committee know and appreciate the long hours of hard work, often into the early hours of the morning, as members and staff labored to report out our bills and complete action on continuing resolutions. He has served with distinction throughout these difficult budget years.

While we will all miss Keith's valuable service to the committee, we know from the praise he has received today that he is retiring secure in the knowledge that when the challenges came, he met them in the highest tradition of professionalism.

Keith, I wish you a fond aloha and mahalo for everything you have done for our committee, and for me as a member of the Appropriations Committee. Thanks for a job well done.

KEITH MAINLAND

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, it is with a great deal of regret that we witness the retirement of Keith Mainland, who has served on the staff of the Appropriations Committee since 1962, and as its clerk since 1972—only the eighth clerk that committee has had since it was established in 1865.

As a new member of the Appropriations Committee, I was very grateful for all of Keith's assistance, which was particularly invaluable to me in terms of learning the initial ropes of the committee and its procedures. In addition, as a freshman Member of Congress, Keith helped me learn the congressional budget and appropriations process, for which I am extremely grateful. I only wish that I could have received his counsel for the duration of my first term on this committee.

Mr. Speaker, this committee will surely miss Keith Mainland, who has set an example for all of us in dedication, professionalism, and service to this institution. I would only wish him and his family well and the best of success in his future endeavors, and the sincere congratulations for a job extremely well done.

A TRIBUTE TO KEITH MAINLAND

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, it is a pleasure to add my comments in honoring the recently retired clerk of the House Committee on Appropriations, Keith Mainland.

Keith has always embodied the best traits of the best committee staff in the House, the Appropriations staff. In fact, he has served as an example to the many staff who have worked with the committee.

Keith set standards for hard work, dedication to his job, and his colleagues, and cooperation with the several dozen members of the committee that many others would find hard to meet. If his patience ran short, as I am sure it often did, he never revealed it publicly. Similarly, he maintained his sense of professionalism in less trying situations.

In my 4 years on the Appropriations Committee, I have enjoyed and appreciated Keith's top-notch work as clerk and staff director. I wish him the best of luck in future endeavors, and wish his successor, Fred Mohrman, similar good fortune in his new position.

SENSE-OF-CONGRESS RESOLUTION TO CONTINUE FEDERAL ASSISTANCE TO AMTRAK

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, today I am introducing a sense-of-the-Congress resolution that strongly urges we continue Federal assistance to Amtrak.

Rail service provides a vital link for travel and industry in Montana and other rural States across the Nation. One of my constituents said it best by describing Amtrak as a vital "lifeline" for Montana.

Ridership has steadily increased while Amtrak's dependence on Federal assistance has decreased. We must consider that 47 percent of ridership are families with incomes under $20,000. We must consider that 36 percent are people 55 and older and 21 percent are 65 or older. Of the 500 cities and towns which Amtrak services, 161 have no air service and 52 have no bus service. Can we conceivably cut off the only form of public transportation available to the citizens whose tax dollars are supporting Amtrak?

I will not argue the need to reduce the deficit—it continues to be one of my highest priorities. But, I cannot justify elimination of our rail service. Let us keep in mind that the Federal

Government's contribution to Amtrak last year was the lowest it has been since 1977. If every Government agency or program were at its 1977 level, we would not have a deficit.

I urge my colleagues to support this resolution.

WASTEFUL SELECT COMMITTEE FUNDING

(Mr. COBLE asked and was given permission to address the House for 1 minute.)

Mr. COBLE. Mr. Speaker, Members of this body have been called upon to approve millions of dollars to extend three select committees—Aging, Children and Youth, and Narcotics.

These committees are long on good intentions but are short on legislative authority. Their efforts duplicate those of the regular, standing committees which do have legislative authority.

We should not fund committees that are not producing results. We should not fund committees that detract resources and divert effort away from the committees with the actual authority to examine these problems in the regular course of legislative business.

The wasteful nature of the select committee funding was brought home to me last week when the Select Committee on Narcotics sent Members a leather, gold embossed notebook—complete with the Member's name stamped in gold. The material contained in the notebook could have easily been assembled with a stapler. These expensive notebooks symbolize the wasteful attitude of these committees and clearly demonstrate that these committees are not fulfilling the lofty goals claimed by their proponents.

There is nothing easier than spending other people's money. It is easy to vote to spend nearly $3 million when advocates tell us it will help children, older Americans, and help fight against drugs. But when we see tangible evidence that our money is being misspent, and when we realize that no legislative purpose is being served, we should exercise restraint. As we approach the difficult budget process, there is no better place to begin than right here with our own House committees.

AIDING THE CONTRA IS WRONG

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, I rise today to oppose aid to the Nicaraguan Contras.

Prime Minister Margaret Thatcher, in her recent address to this Congress, compared the European Alliance to the Soviet Union. She said, "Of course we are ready to fight the battle of ideas with the vigour at our command. But we do not try to impose our system on others. We do not believe that force should be the final arbiter in human affairs."

Seeking to overthrow the Government of Nicaragua undermines this noble vision.

Can an administration which refuses to wholeheartedly support the Contradora process, honestly describe itself as a warrior in the battle of ideas?

When the President admits publicly that he seeks to oust the Nicaraguan Government, can we really claim to believe that force is not the final arbiter in human affairs?

When the President says publicly that he would ease the pressure on the Sandinistas if only they would say uncle, can we really describe ourselves as a nation that does not impose our system on others? I think not.

This House, which has voted four times in 2 years to halt this aid, understands why aiding the Contras is wrong. It violates both our international treaty obligations and our domestic laws. And it is counterproductive, pushing Nicaragua closer to the Soviet Union and farther from democracy.

There is a more compelling reason: Attempting to overthrow a sovereign government with whom we are not at war violates our sense of ourselves as an honorable Nation which can win the battle of ideas because it is right, not just because it is strong. We must not allow ourselves to be so dishonored. We must call a halt to aiding the Contras.

BALANCED BUDGET AMENDMENT

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBEY. Mr. Speaker, April may be a crucial month for supporters of a constitutional amendment to require the Federal Government to live within its income.

To date, 32 States have passed legislation mandating a constitutional convention. Passage of the resolution in two more States will force Congress to act.

Three States—Michigan, Connecticut, and Montana are expected to take action on the convention call within the next 60 days. Backers in the States express confidence the measure will pass.

Mr. Speaker, I would like to see this Congress act in a responsible manner and enact legislation that would require the Federal Government to have a balanced budget.

It is a reasonable request. Let's make the right decision now before we are pushed into a corner and are forced to act.

□ 1300

TRIBUTE TO THE HONORABLE BOYD TACKETT

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAMMERSCHMIDT. Mr. Speaker, I was deeply saddened to learn of the passing last Saturday of Boyd Anderson Tackett, Sr., of Nashville, AR, who was a Member of the House of Representatives from 1949 to 1953.

Although he served only 4 years in Congress, Boyd had a long and distinguished career in public service. He was a member of the Arkansas State Legislature from 1937 to 1941, when he was elected prosecuting attorney of the Ninth Judicial Circuit of Arkansas. His law career was interrupted in 1943 by World War II, in which Boyd served in the Army Signal Corps.

Upon returning from military service, Boyd became State police commissioner from 1945 to 1948, and was then elected to the 81st and 82d Congresses. He did not seek reelection to Congress in 1952, but instead chose to run for Governor. It was the defeat in his illustrious career.

After the gubernatorial race, Boyd resumed his law practice in Texarkana, and became a noted defense attorney. He was also active in the Methodist Church and was a Mason.

Boyd's funeral was held Monday in Texarkana. I know that I join a number of Members of the House in extending our deepest sympathies to his widow, Norma; his son, Boyd Tackett, Jr., of Little Rock; his daughters, Terry Harrelson of Texarkana, and Becky Steel of Nashville, and his brother and sister in Nashville.

WHO'S RIGHT: THE ICC OR MRS. DOLE?

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN Mr. Speaker, in the near future, congressional committees will turn their attention to two important issues: A review of the Staggers Rail Act and the proposed sale of Conrail to the Norfolk Southern Railroad.

To address these issues adequately, however, we have to resolve a basic conflict. The question is whether or not the Norfolk Southern is revenue adequate.

Last December 17, the Interstate Commerce Commission, as part of its Staggers Act oversight responsibilities, determined that the Norfolk Southern—along with every other class I

railroad in the country—was still not revenue adequate.

On February 10—less than 2 months later—Transportation Secretary Elizabeth Dole formally recommended that the Norfolk Southern be allowed to purchase the Conrail system from the Federal Government because, in her view, the Norfolk Southern was a highly profitable railroad and would have no trouble covering the $1.2 billion purchase price for Conrail.

Mr. Speaker, somebody is wrong here. Either the Norfolk Southern is "revenue inadequate" or it is "highly profitable."

Who's right—the ICC or Mrs. Dole? The Congress needs to know—and needs to know quickly.

WE CAN NO LONGER AFFORD THE SBA

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, in typical knee-jerk fashion, Washington has reacted angrily to the administration's proposal to dismantle a "sacred cow," the Small Business Administration. But what does Main Street America think?

According to a recent survey by the 500,000 member National Federation of Independent Business, 80 percent of the respondents stated that the SBA had a neutral or negative effect on their business. The SBA is overpriced and underused. It only makes sense that it should be dismantled, and its noncredit programs be transferred to the Department of Commerce.

Mr. Speaker, my colleagues on both the House and Senate Small Business Committees have acknowledged that substantial cuts need to be made in SBA lending programs. But that is not enough. The administration's proposal takes a sensible approach, and will make Federal small business programs work for those they are meant to serve.

We can no longer afford the SBA. It's time we take a good hard look at Federal small business programs and arranged them in a way that will best serve the needs of small businesses. Eliminating the failed SBA loan program will save $3.5 billion in fiscal 1986. At the same time, retaining the SBA's noncredit programs in the Commerce Department will give the small business community a greater voice in the Federal Government. This more efficient and streamlined program can succeed. More important, it can succeed outside the framework of the SBA.

FAMILY FARMS ARE ESSENTIAL TO FUTURE OF AGRICULTURAL INDUSTRY

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, yesterday, I had the opportunity to meet with several farmers in West Virginia. This was one of several agriculture meetings held across the State with West Virginia Agriculture Commissioner Gus R. Douglas.

The thrust of our meetings with farmers is to learn their concerns and needs as the House works on the 1985 farm bill. The meetings held so far clearly demonstrate the hardships confronting family farms not only in West Virginia, but across the Nation.

During our meetings, I have been impressed with the dedication of West Virginia farmers to preserving a way of life. They represent the strength of our Nation's agriculture industry. They are not the inefficient, poor business managers that we often hear blamed for the failures of Federal farm policy. Instead, they represent the muscle of a farm economy that will feed America and the world.

The majority of farmers in my district are young men and women, many of them with college educations. They are not lacking knowledge or desire rather they are confronted by high interest rates that drives up their cost of doing business. They are penalized by an overvalued dollar that prices their products out of the international market and they must compete with foreign farmers who receive enormous subsidies from their governments. This is unfair.

These young men and women began farming when land values were inflated. Now they watch as the value of their land rapidly declines. In addition to these factors, they must contend with bad weather and other natural elements. Less than a year ago, they were plagued with the worst drought in 50 years.

Mr. Speaker, as we consider the direction of Federal farm policy we must recognize that our small farms—our family farms—are essential to the future of our agriculture industry. Incorporating their needs and concerns in the 1985 farm bill will demonstrate our support for this vital part of our communities. Moreover, it is in the best interest of the American people.

Thank you.

A HEALTHY LIFE FOR AFRICAN CHILDREN

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, today in the Member's dining room they are serving high-lysine cornbread. The high-lysine corn meal was provided compliments of Dr. Cory SerVaas of Indianapolis, president of the Benjamin Franklin Literary & Medical Society.

Kwashiorkor, a protein deficiency common in African children causes malnutrition and can be prevented by a diet of high-lysine corn. If we sent high-lysine corn to the famine victims instead of the regular corn we now send, we would be doing a greater service to the children.

This afternoon Dr. Cory SerVaas will be presenting "the Indiana plan" to the full Foreign Affairs Committee. You are all welcome to attend this hearing to hear her idea for substituting high-lysine corn for the regular corn we are now sending the African famine victims.

I urge each of you to have a piece of cornbread today and decide—should we be providing the African children just with life or with a healthy life.

THE FARM CRISIS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, there are about 300 to 400 legislators from the Midwest in Washington, DC, talking about agriculture. We met with many of them this morning. They have been trying to get a meeting with President Reagan and I guess they are too busy down there at the White House to see these legislators.

The other day, I asked the Congressional Research Service to give me an example of the President's schedule so I could analyze how busy he really is down there. I notice that while he does not have time to see these 300 State legislators to talk about the crisis in agriculture which is more severe than any time between now and the last Great Depression, he has had time to visit with the Strawberry Festival Queen and Miss America and the Turkey Federation Directors and so on.

Now, I am not opposed to any of those groups. I think they are all fine. I do think, however, that the President needs to pay some serious attention to several hundred legislators who came to town to describe one of the most severe problems agriculture has faced in several decades.

I would urge the White House folks to rethink and reconsider, and ask those legislators to come down. Let us have them visit with this President. Let us have the President describe to them why he wants to abandon farm price supports and let's have the President listen to them about why his plan would be a disaster for the Farm Belt.

MR. McINTYRE SHOULD BE SEATED

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, it is sad to report that after 54 days the citizens of Indiana's Eighth Congressional District still have no Representative seated in this body. It is a fact, Mr. Speaker, that this exercise of raw power has disenfranchised some half million American citizens.

The rectification of this congressional apartheid lies within the abilities of this body. Let us seat the only certified Representative from Indiana's Eighth District, Mr. McIntyre, pending the deliberations of the House Administration Committee.

Justice and fairness demand nothing less.

ADMINISTRATION HAS FUNDAMENTAL MISUNDERSTANDING OF "NATIONAL SECURITY"

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, all of us by now are aware that the national deficit must be reduced substantially. The administration contends that any cutbacks in defense spending would imperil our national security, and that the budget for fiscal year 1986 must, therefore, make great sacrifices in domestic spending.

I submit, Mr. Speaker, that the administration has a fundamental misunderstanding of what "national security" actually means.

The people in my Detroit district do not believe that our national security is linked solely to our ability to deter military attack. For most Americans, national security means more than just providing "for the common defense"; it includes the other Constitution-ordained objectives of our Union: to "establish Justice, insure domestic tranquility * * * promote the general welfare * * * and secure the Blessings of Liberty * * *."

Mr. Reagan's budget stands to make us a weaker people with its proposals to terminate employment assistance and student loans; to drastically decrease farm subsidies; to eliminate sorely needed urban community developments; and to cut back on nutrition, housing and health care programs.

Mr. Speaker, these needed social programs undergird our free society and allow us to avoid the most serious threats to our national security—the twin evils of ignorance and want; both of which Mr. Reagan's budget would promote. Let us confront the world not with a greater nuclear destructive possibility, but with healthy bodies and better educated minds; our national security demands it.

□ 1310

A MAJOR PROBLEM WITH NOT SEATING RICK McINTYRE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I just want to take the well for a moment to say that it seemed to surprise some on the Democratic side that on the matter of taking a picture of the entire House there was a lack of comity on the side of the Republicans.

We keep trying to communicate again and again that in fact we on the Republican side think there is a major problem with not seating Rick McIntyre, that he has a certificate, he has won both the election and the recount, and I suspect that comity requires a two-way street, that so long as the Democratic leadership is unwilling to seat the winner who has certificated testimony from the secretary of state, it will become more and more difficult to sustain a sense of comity only on the part of those who are being mugged. There are some feelings that the muggers need to desist if in fact comity is to exist in this particular neighborhood called the House of Representatives.

LEGISLATION TO BE INTRODUCED ON CHILD SNATCHING, ABDUCTION AND ATTEMPTED KIDNAPING

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, many of us have experienced in our own districts a rising number of kidnaping or child snatching or abduction incidents. Although in looking over the Federal laws I find them to be adequate for the crime of kidnaping, I am concerned that perhaps some loopholes might exist with the kind of attempted kidnaping that does not wind up with an actual kidnaping but does scare a family to bits and also makes police officers who are investigating these particular incidents feel handcuffed in proceeding any further.

I would ask the Members of the House if they have any horror stories or any kind of incidents in their own districts concerning child snatching or abduction or attempted kidnaping or any of those serious kinds of crimes or attempted crimes to let me know, because I intend to introduce legislation to plug the loopholes that may exist on this serious crime.

THE ISSUE OF SEATING MR. McINTYRE

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, for several weeks now we have been dealing with this issue of the seating of Mr. McIntyre. This morning we dealt with it again. And as I left the House Chamber earlier I heard somebody make reference to the fact that the freshman class continues to hammer away on this "rather frivolous" incident.

Mr. Speaker, I would like to make the point that this is not frivolous. Where I come from in Texas there are a great many people who love the Constitution of this great land, and they see this and I see this as a constitutional issue of great importance, an issue of the legitimate jurisdiction of the House and the responsibility of the House.

There are people who believe in taxation only with representation. And there are 500,000 people in Indiana who are not getting their representation because of what is viewed as the irresponsible action of this House.

Mr. Speaker, I ask the Members of this House to come forward and to cast a responsible vote to seat this Member who is duly elected and duly certified. This is necessary not only for Mr. McIntyre——

MR. REAGAN ELECTED TO BE PRESIDENT, NOT EMPEROR

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, of all the very many reasons to be distressed at Ronald Reagan's conduct of his office, the belligerence which he has hurled at the Government of Nicaragua must be near the top of the list. Not content with the illegal covert war he has waged against a nation with whom we have full diplomatic relations, he now threatens more direct military action to overthrow their Government unless the Nicaraguans cry "Uncle."

Is this the way that American democracy is to distinguish itself from the Soviet Union and its conduct in Afghanistan?

This is to remind the President that when he swore, barely a month ago, to preserve, protect and defend the Constitution of the United States, he swore to abide by the constitutional provision that gives Congress the sole power to declare war. Even if Mr. Reagan has forgotten, the American people remember quite clearly that they elected him in November to be President, not emperor of the United States.

TAXATION WITHOUT REPRESENTATION

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, the gentleman from Texas [Mr. ARMEY] raises a very, very good point on the floor this morning. The question is taxation without representation.

When this country was founded, it was founded on the idea that we should not have taxation without appropriate representation. One has to wonder if the people of Indiana would now be justified in withdrawing their taxes for that period of time that they have not been represented appropriately in the Congress. That one district has people who are being taxed daily for the operations of the Federal Government, a Federal Government in which they have no direct say at the present time. And one has to wonder whether or not it would not be an appropriate response on their behalf to suggest that without representation that they are thereby not entitled to have to pay taxes. I think one of the things we need to look at is whether or not that may be a problem for us in the future, one that would probably have to be resolved in the courts.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUSTAMANTE). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on both motions to suspend the rules.

□ 1320

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

Mr. WOLPE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1096) to authorize appropriations for famine relief and recovery in Africa.

The Clerk read as follows:

H.R. 1096

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "African Famine Relief and Recovery Act of 1985".

SEC. 2. INTERNATIONAL DISASTER ASSISTANCE.

Chapter 9 of Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292-2292p) is amended by adding at the end thereof the following new section:

"SEC. 495K. AFRICAN FAMINE ASSISTANCE.

"(a) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide assistance for famine relief, rehabilitation, and recovery in Africa. Assistance under this section shall be provided for humanitarian purposes and shall be provided on a grant basis. Such assistance shall include—

"(1) relief, rehabilitation, and recovery projects to benefit the poorest people, including the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals and vaccine and veterinary services to protect livestock upon which people depend, blankets, clothing, and shelter, disease prevention and health care projects, water projects (including water purification and well-drilling), small-scale agricutlural projects, and food protection and preservation projects; and

"(2) projects to meet emergency health needs, including vaccinations.

"(b) USE OF FUNDS.—

"(1) USE OF PVO'S FOR REHABILITATION AND RECOVERY PROJECTS.—Not less than 80 percent of the amount appropriated pursuant to this section which is used for rehabilitation and recovery projects pursuant to subsection (a)(1) shall be used for grants to private and voluntary organizations and international organizations.

"(2) EMERGENCY HEALTH PROJECTS.—Not less than 18 percent of the amount appropriated purusant to this section shall be used for emergency health projects pursuant to subsection (a)(2).

"(3) MANAGEMENT SUPPORT ACTIVITIES.—Of the amount appropriated pursuant to this section, $2,500,000 shall be transferred to the 'Operating Expenses of the Agency for International Development' account and used for management support activities associated with the planning, monitoring, and supervision of emergency food assistance for Africa.

"(c) Authorization of Appropriations.—In addition to the amounts otherwise available for such purpose, there are authorized to be appropriated $137,500,000 for the fiscal year 1985 for use in providing assistance under this section.

"(d) POLICIES AND AUTHORITIES TO BE APPLIED.—Assistance under this section shall be furnished in accordance with the policies and general authorities contained in section 491.".

SEC. 3. MIGRATION AND REFUGEE ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise available for such purpose, there are authorized to be appropriated to the Department of State for "Migration and Refugee Assistance" for the fiscal year 1985, $37,500,000 for assisting refugees and displaced persons in Africa.

(b) USE OF FUNDS.—

(1) PROJECTS FOR IMMEDIATE DEVELOPMENT NEEDS.—Not less than 54 percent of the amount appropriated pursuant to this section shall be made available to the United Nations Development Program Trust Fund for ICARA II for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II) to address the immediate development needs created by refugees and displaced persons in Africa.

(2) EMERGENCY RELIEF AND RECOVERY EFFORTS.—The remaining amount appropriated pursuant to this section shall be used by the Bureau for Refugee Programs of the Department of State for emergency relief and recovery efforts in Africa.

SEC. 4. GENERAL PROVISIONS.

(a) COUNTRIES TO BE ASSISTED.—Amounts appropriated pursuant to this Act shall be available only for assistance in those countries in Africa which have suffered during calendar years 1984 and 1985 from exceptional food supply problems due to drought and other calamities.

(b) NONAPPLICABILITY OF PROVISION.—Assistance may be provided with funds authorized to be appropriated by this Act without regard to section 620(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(e)(1).

(c) ENSURING THAT ASSISTANCE REACHES INTENDED RECIPIENTS.—The President shall ensure that adequate procedures have been established so that assistance pursuant to this Act is provided to the famine victims for whom it is intended.

(d) UNITED STATES CONTRIBUTION TO MEET EMERGENCY NEEDS.—

(1) REPORT TO THE CONGRESS.—Not later than June 30, 1985, the President shall report to the Congress—

(A) the emergency needs, including food needs, for African famine assistance that are identified by the President's Interagency Task Force on the African Food Emergency, private voluntary and organizations active in famine relief, the United Nations Office for Emergency Operations in Africa, the United Nations Food and Agriculture Organization, the World Food Program, and such other organizations as the President considers appropriate; and

(B) the projected fiscal year 1985 contribution by the United States Government to meet an appropriate share of those needs referred to in subparagraph (A).

(2) REQUEST FOR SUPPLEMENTAL FUNDING.—It is the sense of the Congress that the President should submit a request for supplemental funding for emergency African famine assistance if available funding is insufficient to meet the projected contribution determined under paragraph (1)(B).

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. WOLPE] will be recognized for 20 mintues and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are now all aware that there is a tremendous crisis facing the African Continent. It is a crisis of famine, of starvation, of severe malnutrition of thousands of refugees fleeing drought and other calamities, and a crisis of widespread diseases compounded by an absence of sufficient medicines and health services.

This is not just an African crisis, it is a human crisis encompassing us all. We cannot and will not sit by and watch millions of our fellow human beings die from starvation and thousands more suffer from the general devastation brought on by this massive calamity.

More than 7 million people in Africa are threatened with imminent starvation. Another 30 million are severely malnourished and are immediately at risk. A total of 150 million people in over 20 African countries are facing grave famine conditions. This drought

is threatening the widest area in Africa in recent history. In the two countries of Ethiopia and Mozambique alone, more than 400,000 people have died over the past 2 years. Hundreds continue to die daily throughout the drought-affected countries.

This crisis involves much more than a shortage of food. Diseases are spreading; malnutrition among children and nursing mothers is incredibly high. Livestock herds, upon which large communities depend for their very survival, are being decimated. Water levels for irrigation and human consumption have either dropped or dried up altogether. There are no seeds to plant for the next harvest. Basic medicines are simply not available in many countries. Basic hand farm implements are in short supply threatening prospects for the next crop even if the rains do come.

It needs to be emphasized that effective assistance in this crisis will require much more than just the shipments of food if the people in these countries are to survive, and then to begin the immediate process of recovery and rehabilitation.

The African Famine Relief and Recovery Act of 1985, which is now before this body, represents a critically needed effort to begin addressing these serious nonfood needs. H.R. 1096 would authorize $175 million in fiscal 1985 including $137.5 million for relief, rehabilitation, and recovery purposes, and $37.5 million for assistance to refugees and displaced persons in Africa.

The bill would require that of the $137.5 million authorized for rehabilitation and recovery projects at least 80 percent be used for grants to private and voluntary organizations and international organizations; at least 18 percent be used for emergency health projects; and $2.5 million be used for operating expenses monitoring the distribution of emergency food aid.

The bill would require that of the $37.5 million authorized for refugee assistance, at least 54 percent would be for the United Nations Development Program Trust Fund [UNDP] for the second International Conference on Assistance to Refugees in Africa [ICARA II] for projects such as those proposed at that conference to meet immediate development needs, and the remaining amount would be used by the Department of State's Bureau for Refugee Programs for emergency relief and recovery efforts.

General provisions of the bill include a limitation of assistance to those countries which have suffered from exceptional food supply problems in 1984 and 1985 due to drought and other calamities; a waiver of the so-called Hickenlooper amendment prohibiting aid to countries which have expropriated U.S. property without adequate compensation; a provision for assurance that aid is reaching the famine victims for whom it is intended; and a reporting requirement under which the President is requested to ask Congress for further supplemental disaster assistance funding for fiscal 1985 if needed to meet an appropriate U.S. share of the aid required for African famine relief.

This bill will authorize only nonfood aid to the disaster-struck countries of Africa. Appropriations for food aid under Public Law 480 are contained in H.R. 1239, to be considered on the House floor on Thursday. The supplemental food aid funding for fiscal 1985 will not require an additional separate authorization because one already exists under Public Law 480 law.

Mr. Speaker, as Americans, we should be proud of our national reaction to this human catastrophe unfolding in Africa. We should also be proud of the administration's commendable efforts since October of last year to increase the American response to these drastic needs in Africa. We must continue to provide this level of assistance.

Finally, we should note with satisfaction the extremely swift manner in which the House of Representatives has acted on this urgent legislation. The expeditious treatment of this bill would not have been possible without the tremendous bipartisan cooperation in developing and moving through the responsible committees this important and reasoned approach to the African famine.

This legislation enjoys total bipartisan support and sponsorship. I want to pay particular tribute to Congresswoman ROUKEMA, the ranking Republican member on the Select Committee on Hunger; Congressman CONTE, the ranking Republican on the Appropriations Committee; Congressman LELAND, the chairman of the Select Committee on Hunger; and Congressman TED WEISS of New York, the initiator of this bipartisan effort, for the collective leadership they have provided to move this critical legislation so quickly to the House floor, we are all in their debt.

I would also like to make specific acknowledgement of the key contributions made during this process by Congressmen FASCELL and BROOMFIELD of the Foreign Affairs Committee, and by Congressman WHITTEN, Congressman OBEY, Congresswoman SMITH and Congressman KEMP on the Appropriations Committee.

There are so many other Members who also deserve recognition for their critical work on this issue, and I apologize for not mentioning them here as time does not permit a complete listing, but their contributions have not gone unnoticed.

Mr. Speaker, I reserve the balance of my time.

● Mr. FASCELL. Mr. Speaker, I strongly support H.R. 1096, the Africa Famine Relief and Recovery Act of 1985, and urge its prompt passage by the House so that we can get the bill enacted into law as soon as possible.

H.R. 1096 is a disaster assistance measure addressing one of the great tragedies of our time: the starvation which today faces millions of men, women, and children in sub-Saharan Africa.

The United States and other donors have acted generously so far in this catastrophe, but much remains to be done. We must keep the pipeline of emergency humanitarian aid open, or else people will die who could have been saved. The Agency for International Development is just about out of funds for the relief effort. That is why it is essential to send legislation to the President for signature quickly.

The bill authorizes $175 million in nonfood aid which is necessary for disaster assistance along with the food aid which will be funded in separate legislation. A total of $37.5 million in the bill is authorized for refugees and displaced persons who have been forced by calamity to flee their homes.

As the report on this bill correctly notes, food aid is essential but that alone is not enough. The nonfood disaster assistance authorized under this legislation is needed for a wide range of urgent relief for the famine sufferers, including transportation to bring in the relief supplies; provision of health care, medicines and vaccines; blankets, clothing and tents; food protection; seeds for the next harvest; and other assistance needed to prevent death and support rehabilitation and recovery. A variety of such items, such as seeds, health care, food protection, and many other items, are also eligible for rehabilitation and recovery efforts authorized under this bill. Citations are included in the section 495K(a)(1) of the bill.

A separate appropriations measure providing for supplemental Public Law 480 food aid and for disaster assistance authorized by H.R. 1096 is scheduled to come before the House later this week. I intend to support that measure also.

Additionally, Mr. Speaker, we will be needing to focus also on the longer term needs for development of these impoverished African countries so that the danger of famines will decrease in the future. The Foreign Affairs Committee is reviewing Africa's longer term needs. We will be presenting to the House in our fiscal year 1986–87 foreign assistance legislation further provisions for Africa which I hope will enlist your support.

In conclusion, I want to thank the distinguished sponsors of different emergency Africa relief measures for making this bill possible. I particularly wish to commend Mr. WEISS, who introduced H.R. 1096; Mr. WOLPE, who

has so ably managed the bill; Mr. BROOMFIELD, the ranking minority member of the Foreign Affairs Committee; Mr. CONTE, the ranking minority member of the Appropriations Committee; Mr. LELAND, the chairman of the Select Committee on Hunger; and Mrs. ROUKEMA, the ranking minority member of the select committee. It was their dedication and hard work, in a bipartisan spirit of cooperation, which produced the measure before us today. I urge its immediate passage.●

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. BROOMFIELD. Mr. Speaker, although I am a cosponsor of this compromise legislation, I have serious reservations about the levels of assistance it authorizes.

The amount of aid authorized in this bill for assistance to Africa far exceeds the authorization levels requested by the administration. While Congress is facing the complex problem of reducing our deficit, we must be careful about authorizing increases that exceed the President's budget.

While emergency food aid is needed for Africa in 1985, this is not the long-term solution to the food problems on that continent. We must help them help themselves.

Unfortunately, the Ethiopian Government has collectivized agriculture according to the Soviet model, and produced the same dismal result. Colonel Mengistu ignored early warnings for 2 years that his farm policy could contribute to famine. Yet, his regime now plans to extend collectivization so that, by 1990, more than half of its people will work on collectivized farms. Our country will then be asked to give more help.

We must also call upon our allies around the world to do more in this area. While America has been blessed with wealth and abundance, other countries must also share the burden of assisting the struggling countries of Africa. Although the Soviet Union volunteered to assist in the distribution of food in Ethiopia, one of its closest allies in Africa, it was the United States that provided the greatest amount of food and financial assistance for famine relief. While the Soviets have given Ethiopia millions of dollars in arms, they have done little to relieve the famine in that country.

While I will not oppose this legislation, I call upon my colleagues to reexamine future authorizations of this nature. Let us not go overboard. Let us also work with the governments in Africa to use the private sector to help them promote long-term solutions to their food crisis.

I call upon my colleagues to join me in this effort.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, I appreciate the gentleman's statement on the problems in Ethiopia, There was an article or, I should say, an editorial in the Wall Street Journal recently that goes into that in some depth, and I would ask unanimous consent that that editorial be included in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

DEATH IN ASOSA

The story behind the Ethiopian famine is beginning to reach the West, as in the report nearby from the Economist's Wayne Svoboda. But the regime is creating a lesser known second horror in the resettlement program it claims as a solution. Another "final solution" is more likely.

Ethiopia has tried to disguise this crime, duping some foreign visitors (including, from all indications, the famed Mother Teresa of Calcutta), but detailed reports reaching this page suggest that the situation is appalling. One source is Gayle Smith, an American free-lance journalist, who has interviewed, in their own language, refugees escaping to the Sudan from the Asosa resettlement camp in southwestern Wollega province.

At Asosa, say the refugees, 4,000 sick people died from late November to late December alone. At first they were allowed to bury the bodies, but then they were made to pile them outside the camps. One refugee reported seeing a heap of 168 dead bodies in mid-December.

Conditions were so bad, with little food, no medicine and makeshift shelter, that the camp dwellers constantly tried to escape and make their way to the border more than 60 miles away, even though government soldiers have killed hundreds of escapees and warned that relatives left behind would be executed.

The refugees are all from the northern Ethiopian province of Tigre, which is in open revolt against the Russian-backed military/communist central government. A number of sources state that the government has been forcibly seizing Tigreans, even from other regions, for its "resettlement program." The International Committee of the Red Cross reported two weeks ago that 200 victims had been taken at gunpoint from one of its feeding centers in Mekelle, the government-held capital of Tigre. As a result, the ICRC suspended its Mekelle feeding program.

Western diplomats have long been skeptical of the resettlement that the Ethiopian regime hopes to extend to 1.5 million Tigreans. Addis Ababa claims that it has to transfer people from eroded northern deserts to still fertile highlands. Yet farms in the drought region have been made productive in demonstrations by the Relief Society of Tigre, the efficient aid group for the rebel province, at one-third the cost of one family's "resettlement."

Even if the regime were sincere about its true aims, it completely lacks the resources to create a new agricultural province in the south. The Tigreans themselves fear the worst. They think Haile Mariam Megistu wants to wipe them out, and indeed it would not be the first time genocide has been disguised as resettlement. The West has never believed accounts of holocaust until well after the fact, but we've seen enough of Mr. Mengistu and his Soviet advisers to suspect something truly ghastly.

The regime has deliberately denied food to the rebel areas, even though Tigreans and Eritreans have called repeatedly for a food truce to allow in unarmed relief convoys. United Nations official Kurt Jansson tried to broach the idea in a recent meeting with the Ethiopians but Mr. Mengistu cut him short, saying in effect that aid would go only where his army could take it. Now the Addis Ababa regime has threatened to bomb the backdoor relief reaching rebel areas from the Sudan. Is it likely Mr. Mengistu cares how many die in Asosa?

The possibility of an Ethiopian holocaust can't be denied. Worse, it will be furthered if the West persists in fooling itself about the real nature of the Mengistu famine.

Mr. WOLPE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WEISS], the initiator of this legislation.

Mr. WEISS. Mr. Speaker, those of us who serve on the Africa Subcommittee of the Foreign Affairs Committee, and numerous other Members of this body who have occasion in the course of the past year and a half to visit the African Continent and to witness in person the suffering and the dying that is destroying hundreds of thousands, perhaps millions of human beings, know that the effort that we are undertaking today is well-warranted and absolutely essential in order to prevent the loss of additional lives.

In January of this year, we had occasion, with the Subcommittee on Africa, to visit Mozambique. We witnessed the consequences of the famine; we saw that people were walking around in barely sufficient clothing, many of them in rags and many nude. There were absolutely no medical supplies left in that country, and there were no consumer goods of any kind.

What the legislation that is before us tries to do for African countries affected by the famine is to provide assistance beyond the food itself in the form of medicine, blankets, seeds and other necessary items so that there can be preparation for the next harvest. This includes minimal shelter, storage, well drilling facilities, and similar relief and refugee help. It is clear that the American people have led the way in this effort. Their outpouring of support after they witnessed on their television screens at home what is happening in Africa, has been nothing short of magnificent.

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The various relief agencies estimate that during the last 3 months of 1984 and January 1985, some $60 million had been contributed by individual Americans, and that by April in excess of $100 million will have been contributed. That is an unparalleled achieve-

ment. So what we are doing in the Congress and in this House now is following the lead that has been set by the American people.

The distinguished chairman of the Subcommittee on Africa, the gentleman from Michigan [Mr. WOLPE], deserves a tremendous amount of credit for his leadership role over the years, in trying to get both congressional and administration attention focused on this problem. I will not repeat the names of all those to whom he has given credit for achieving the early consideration and adoption of this legislation on a bipartisan basis. Suffice it to say that this effort is also moving forward in the other body with a spirit of bipartisan cooperation, and it bodes well for the early enactment of this legislation.

Before closing, I want to give credit also to those Democratic and Republican staff who worked together so effectively behind the scenes for the achievement of this legislation.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. WEISS] has expired.

Mr. WOLPE. Mr. Speaker, I yield 30 additional seconds to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I would like to mention specifically the staff of the Subcommittee on Africa, Dr. Ann Holloway, Steve Weissman, and Salih Booker; the staff of the Select Committee on Hunger, Mary Ruth Herbers and Doug Coots; the staff person of the gentleman from Massachusetts [Mr. CONTE], Robert Goudie; the staff of the Foreign Affairs Committee, Lew Gulick and Steve Nelson; and my own staff person, Patricia Fleming. Their work over these past couple of months has been absolutely indispensable to the legislation having reached this stage, and I want to express my appreciation to them as well as to the members mentioned by Chairman WOLPE.

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GILMAN], who has been working on this subject for more than 3 years, even before it became fashionable.

Mr. GILMAN. Mr. Speaker, I want to commend the gentleman from New York [Mr. WEISS] for his leadership on this measure, and I commend also our distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], and the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD] for bringing this measure to the floor in such an expeditious manner.

Mr. Speaker, I rise to add my support to this important piece of legislation before this House today. H.R. 1096, the African Famine Relief and Recovery Act of 1985, represents a bipartisan compromise crafted over the course of these past months, which will result in alleviating some of the terrible suffering taking place in over 20 African countries that are experiencing food shortages resulting from 3 years of drought.

There is widespread death from starvation in Ethiopia, Sudan, Chad, Mali, and Mozambique. Severe hunger has also been reported in Niger, Kenya, and Mauritania. The total food deficit of the 20 drought-affected African countries for the 1984-85 crop year is estimated by the United Nations at 6.8 million metric tons of cereal grain.

Mr. Speaker, the precise number of people in Africa suffering from drought is not known, but estimates from international relief agencies, private voluntary agencies and U.S. Government sources indicate that as many as 150 million people are now affected.

In Ethiopia alone 2.5 million people are in life-threatening situations. The outlook for food supplies in Africa has deteriorated further following a poor 1984 harvest in a number of countries in southern and eastern Africa and with most of the Sahelian countries just completing the harvesting of seriously drought-reduced crops.

H.R. 1096 is urgently needed, as experts predict that the worst may be yet to come. The drought is spreading, not only in Ethiopia but 24 African countries in all are now confronting that circle of hell known as famine.

Ethiopia, the first to succumb on a massive scale, has been reduced to a wasteland. In early December it was estimated that at least 1.2 million tons of food will be needed to stave off a virtual annihilation of that nation between now and the next possible harvest, in December 1985.

As Ethiopia cries out in agony, the shadow of death from hunger falls across Africa:

In Mozambique, it is estimated that at least 100,000 people died in 1983 from hunger-related causes. The Government has a minimal stock of 1,300 tons of grain when the need is estimated at 3,450.

In Burkina Faso (formerly Upper Volta), which has the highest reported infant mortality rate in the world, the northern provinces have been the hardest hit. In Dori, crop losses are expected to exceed 95 percent for the second straight year.

In Cameroon, severe water shortages are plaguing both human beings and livestock. Refugees from Chad, pouring over the border in search of food, are futher stretching resources.

In Somalia, a country of only 4 million people, three-quarters of a million refugees are totally dependent on assistance for all basic needs. And they continue to cross the Ethiopian border, attempting to escape the desperate conditions of that country.

Traditional appeals to alleviate hunger have emphasized the long-recognized moral and humanitarian responsibility that our Nation has to the hungry and impoverished.

However, less attention has been focused on the fact that in an increasingly interdependent world, our national security and the security of the international community are linked directly to a resolution of the world hunger problem.

The deprivation experienced by the world's poor and hungry and those among them who can harness the anger and indignation borne of being without the means to purchase or produce enough food, points to an explosive instability which many fear will intensify during the coming decades.

Through the press and the media we are constantly bombarded with the facts of death—in wrecks, in riots, in robberies, in natural disaster—and while we flinch and groan at the daily spectacle of carnage and suffering, we simply cannot comprehend what it means when we are told that this year 15 million children in our world will die of malnutrition and related diseases.

If we were told that someone had invented a nuclear weapon that selectively slaughtered only children under the age of 5, and that one such Hiroshima-size weapon would be detonated somewhere in the world every 3 days, every week, every year, year after year—and that's what would be required to reach that annual total of 15 million—I think it's fair to say that the people of our Nation, and every nation on Earth, would be aroused to demand that something be done to stop the slaughter.

We must not continue to be blind to the fact that when more than 42,000 children under the age of 5 die each day from hunger and malnutrition, approximately 100,000 children go blind each year because of vitamin A deficiencies and in some poorer countries, as many as 40 percent of the children die each year before the age of 5 mostly from nutrition related causes, it does not happen in a vacuum.

The African Famine Relief and Recovery Act of 1985 is a step in the right direction. But let's not forget how these problems are tied to other crisis our Nation is facing and the importance of accepting and understanding the independent relationship the United States has with the devastation facing many lesser developed countries.

Accordingly, I urge my colleagues to support H.R. 1096.

Mr. WOLPE. Mr. Speaker, I want to say that I wish to express my personal appreciation to the gentleman from New York who has just spoken and who has been one of the most consistently effective advocates on behalf of the cause of world hunger for many, many years. As the gentleman from

Michigan [Mr. BROOMFIELD] noted earlier, his contributions should in fact be recognized by this body.

Mr. Speaker, I now yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, it is wonderful that we are able to come together today and continue the U.S. commitment to helping the drought-stricken countries of Africa. It is a tribute to this Congress that we have made this a priority early in the session.

I hope we can continue to make Africa a priority because no matter how much food aid we send today, without a commitment to long-term strategies, Africans will still be starving next year. Without seed and well-drilling equipment, there will be no grain and vegetables next year. During the budget process, I urge each of you to remember that seeds and tools sent today mean fewer bags of grain that we"ll need to send next year.

In July, the U.N. Decade for Women World Conference will take place in Nairobi, Kenya. Its outcome may be the key to any long-term solution to drought and famine. It will provide a forum for women in developing nations to tell us what we can do to help them solve their own problems. They don't want or need us to do it for them, but they do know that we can offer valuable assistance and tools if we will only hear what they need. Women perform nearly two-thirds of the world's work hours. Let's listen to them as we consider the long-term strategies we must consider to continue the commitment we are showing here today.

By listening to women in developing countries, we will be tapping new resources in Africa, resources that will enrich it.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], a member of the Committee on Foreign Affairs.

Mr. SOLOMON. Mr. Speaker, at this point in the debate, I would like to take a moment to put things into their proper perspective.

The ongoing commitment by our Government, and by our people as well, to helping Africa in its need for food and agricultural stability is truly remarkable and is a vivid reminder of America's role as the preeminent champion of peace in the world.

I get more than a little upset when I hear suggestions made in some of our debates around here that the United States is the arms merchant of the world and that, somehow, the interest and desire for peace that has motivated our country's foreign policies over the years is open to question.

It is sometimes said that the United States pays insufficient attention to Africa and the problems there. But let us look at the record. In fiscal year 1983, we provided about 750,000 metric tons of food to sub-Saharan Africa through emergency humanitarian donations and our regular food assistance programs under Public Law 480. In fiscal year 1984, we provided about 1.1 million metric tons of food to sub-Saharan Africa. And now, in fiscal 1985, the projections point to a total American contribution of 2.5 million metrc tons of food toward meeting sub-Saharan Africa's needs.

Now let's contrast our record with that of the Soviet Union. Over the last 2 years, the Soviet bloc has provided less than 20,000 metric tons of food to all of sub-Saharan Africa. Moreover, the Soviet bloc has entered into a series of treaty arrangements with certain African countries that have had the net result of allowing the Soviets to plunder African fishing waters.

Mr. Speaker, I submit for printing in the RECORD an article that appeared in the February 7, 1985, edition of Newsday, which reports the astonishing fact that in 1983 alone the Soviet bloc caught nearly 1 million metric tons of fish in waters off the west coast of Africa. Entitled "Soviets Take Food Off Africa's Table," the article goes on to describe the efforts our Government is making in helping African countries regain control over their own fisheries. The text of the article is as follows:

SOVIETS TAKE FOOD OFF AFRICA'S TABLE

(By Daniel S. Mariaschin)

The waters off West Africa contain some of the world's richest fishing grounds: Ample harvests of sardines, herring, hake, squid and shrimp are recorded annually. On a continent that is ravaged by periodic famine, fish is a vital food source. In the West African region, consumption of fish provides upwards of 50 percent of daily protein requirements.

There are a few indigenous fishing fleets in the area, notably those from Morocco, the Ivory Coast and Senegal, but most West African fishing is artisanal—done by individual fishermen utilizing small launches or canoes relatively close to shore. The major catches are going to foreign fleets, with their sophisticated trawlers and research vessels able to find the stocks and capable in many instances of processing the fish on board. Since most countries now claim exclusive rights to waters as far as 200 miles from shore, foreign nations have concluded fishing agreements with host countries who invariably receive little in return for the rights to their valuable resource.

The USSR and the eastern bloc nations have been among the principal abusers of fishing privileges. According to recently published statistics, the foreign catch off West Africa has amounted to nearly 60 percent of the total harvest. The acknowledged catch of the Soviets and their client states for 1983 (the unreported figures are believed by western fisheries experts to be much higher) amounted to nearly one million metric tons. A number of other foreign fleets, the largest of which are from Japan, Spain and South Korea, also engage in fishing off West Africa.

In exchange for the right to fish these waters, the Soviets have entered into a number of bilateral agreements over the past decade with a group of West African countries including Angola, Guinea, Guinea-Bissau, Gambia, Mauritania and Sierra Leone. On the surface of the agreement, which vary somewhat from country to country, look like a good deal for the host nations: the sharing of stock assessments and other data, the establishment of fisheries management and maritime training schools as well as a portion of the catch, sometimes amounting to 10 percent to 12 percent of the total.

A closer look reveals these fisheries pacts are decidedly in the USSR's favor. Moscow has not developed an interest in the West African coastal region only for its value as a food source. It has been able to obtain port and anchorage rights, supply arrangements, the right to fly in fresh crews and the permanent stationing of "fishing ministry representatives" in host ports. Along with the well-known intelligence gathering activities of the Russian trawlers, each of these benefits gives the USSR a potential military advantage in the strategic central-eastern Atlantic region. Though the basic purpose of the Soviet fleet is to fish, that would not preclude its taking on additional assignments, including the testing of currents and gathering data for Russian submarines plying the Atlantic.

U.S. experts in marine fisheries and African affairs believe some West African governments are beginning to realize their arrangements with Moscow are a one-way affair. In some cases, promises to construct processing and research facilities have not been kept. In Mauritania, the research facility was built but part of it is off limits to all but Soviet personnel.

A fuller appreciation of the fisheries' value has led some West African officials to look more closely at foreign fleets, particularly the USSR's with its factory ships. There is serious concern that overfishing will lead to an irreversible alteration of the biological balance in West African waters. Even artisanal fishermen are beginning to voice complaints about the Soviet and eastern bloc catch, which has begun to have an impact on local economies.

In response to growing dissatisfaction with the USSR and what is seen as its increasing exploitation of one of West Africa's few abundant natural resources, several federal department and agencies including the Pentagon, Department of State, the Agency for International Development, the National Marine Fisheries Service, and the Coast Guard, are proposing two programs to assist host countries in managing and protecting their maritime fisheries.

The Pentagon's West African Coastal Surveillance Initiative would provide U.S. Coast Guard training to West African navies and coastal patrols. The objective is to improve their capability to monitor the fishing activities of foreign fleets in their economic zones.

While rights to on-board inspection and surveillance are claimed by all West African countries, in practice this activity is spotty and ineffective. Coast Guard training in surveillance methods and in halting violations can help re-establish an equilibrium in host nation-foreign fleet relations.

A companion initiative, to improve West African fisheries management and development, will be undertaken by AID. A program of high-level seminars and training sessions in such areas as data collection, stock assessments and monitoring, and the establishment of effective policies and regu-

lations would contribute to a professionalization of host nation fisheries. Advice on increasing the local harvest, how to limit spoilage in the artisanal market, assessing changes in the biological balance and trade and marketing ought enable the West Africans to better control and benefit from their own fish stocks.

Noel C. Koch, principal deputy assistant secretary of defense for international security affairs, is very optimistic about the potential of the proposals: "We're not feeding people, we're teaching people how to feed themselves. This is a capacity-building effort." He said that "if we can get the fish inland, we can begin to attack the nutrition problem."

The initial investment for the two initiatives is in the bare-bones category—about $4.5 million for the first year. Individuals involved in the program are confident that this modest start can begin a process of winning back friends in a region where the USSR has made important inroads—but has also engaged in bullying—in recent years. The proposals don't involve massive industrial projects or weapons deals, but do speak directly to the questions of economic independence and a bolstering of national pride, much needed commodities in the developing world.

The Pentagon has requested $2 million for the surveillance project, but the AID management initiative, which originally was to receive $2.5 million has been pared back to $1 million. Any further cutbacks would render that project ineffective.

For the West Africans, tightening fisheries management and surveillance should over the long term increase exports and foreign exchange, add to local employment, contribute significantly to local food supplies, improve nutrition and correct the biological imbalances that result from overfishing by foreign fleets. In turn, this ought to promote internal political stability which serves not only West Africa, but western interest as well.

Here at home, we take fish for granted. In West Africa, fisheries are literally an economic lifeline on which people's survival depends. Policymakers in Washington have proposed two plans that make eminent strategic and humanitarian sense. They deserve the support of the Congress and of those who feel that West Africa's food supply should not depend on the good graces of foreign, particularly eastern bloc, fishing fleets.

Mr. Speaker, Africa's problem has become the world's problem. The sad fact is that the present food crisis is not going to be solved anytime soon. And I want to take this opportunity to again declare my support for a meeting of donor countries to develop a coordinated and concerted strategy for dealing with this problem.

And, in conclusion, I also renew my call for our Government to place the crisis in Ethiopia on the agenda of United States-Soviet discussions. If the Soviet Union is as truly interested in peace as their propaganda so loudly proclaims, they can demonstrate that interest by bringing peace to one of the very countries in their own empire: By offering humanitarian aid, instead of foisting billions of dollars worth of arms on a bankrupt country; by offering trucks and planes to speed food to people in need, instead of using such equipment to forcibly uproot people and move them around the country; and, finally, to offer a hand of respect and friendship to those suffering people of Ethiopia, instead of subjugating them under the heel of a tyrant like Colonel Mengistu.

□ 1340

Mr. WOLPE. Mr. Speaker, I want to say before introducing the next speaker that the gentleman from New York [Mr. SOLOMON] has served this past term as the ranking minority member of the Subcommittee on Africa and I just want to express publicly my appreciation for his assistance in moving a number of bipartisan initiatives through our committee, both in the last term and more immediately as we are dealing with this legislation.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. LELAND], the chairman of the Select Committee on Hunger, which has played an absolutely critical role in moving this legislation.

Mr. LELAND. Mr. Speaker, I thank the gentleman and I would like to thank the chairman of the Subcommittee on Africa of the Foreign Affairs Committee for his great leadership. It was he who invited me to Ethiopia in 1983 where he led a delegation to one of the most critical situations I have ever seen in my lifetime. When we returned, we tried, through his leadership, to get more funds for emergency aid. Some supported us, Mr. Speaker, but few really listened. We in Congress were not willing to act until television brought into our living rooms and dens the horror of starvation in Ethiopia. Now we are trying to rectify our slowness in responding. We are finally reacting to the cry of the people in Africa, but it is still not enough.

I think this bill represents the kind of compromise needed to provide the kind of support needed not only in Ethiopia, but in other parts of Africa. Over 150 million people are at risk of starvation today in Africa. They need our help. This legislation will not solve all the problems, but goes a long way to ameliorate the short-term problem of famine.

We hope to come back to this House and ask the Congress to do more for those suffering so badly on the continent of Africa.

Again, I am very pleased at the leadership provided by my good friend, the gentleman from Michigan [Mr. WOLPE]; also the gentleman from New York [Mr. WEISS]. I would like to thank also the gentleman from Massachusetts [Mr. CONTE] and the gentlewoman from New Jersey [Mrs. ROUKEMA], who serves as the ranking minority member of the Select Committee on Hunger.

As chairman of the Select Committee on Hunger, I headed a delegation, sponsored by the Speaker of the House, to Ethiopia. We saw incredible human misery, people literally dying before our eyes. With the help of Congress we have been able to assist in saving some of those lives, and now we can do more.

Mr. Speaker, I hope we will have no problem in passing this compromise measure. I know that the Members of this body support our continued involvement in alleviating hunger and suffering in Africa.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON], a member of the Foreign Affairs Committee.

Mr. BURTON of Indiana. Mr. Speaker, recently, Congressman SCHEUER and I were in Rome and had an opportunity to talk to the World Food Program people. They brought out some startling facts. I am sure the gentleman from New York [Mr. SCHEUER] will talk to us about those in a few minutes; but one of the things that startled me was that the population of the sub-Sahara is growing at a rate of about 3 percent a year, while their food production is growing at about 1 percent a year, which means that the problems they face today are astronomical, but the ones they are going to face in the future are even more horrible.

There has to be a direct correlation between food production and population growth in that continent. If not, the starvation that we see today will be nothing compared to what we are going to see in the future.

It is very important that education along with this food be sent to Africa to make sure those people know how important it is that their food production be increased, as well as their population controlled, because the United States of America and the free world cannot continue to feed these people throughout the rest of this century and the next century. Our resources are limited. We want to help all that we can, but with that population growth, it will be impossible unless they get that under control.

One other thing that bothers me, Mr. Speaker, is that Ethiopia receives approximately half the food aid that has been going to Africa and that country has not been doing with that food what they should. They have been diverting their food resources, the ones that we have been giving to them, away from lands that they do not control to lands that they do control, so in effect, the United States of America has been in part responsible for subsidizing and supporting a Communist dictatorship over there. We cannot do much about that, but we should be putting pressure on them to spend these resources in the way that we want them to be spent, to give food to all the starving people of Ethiopia

and not just in the areas that they control.

I would like to point out a few things they have been spending their money on in Ethiopia, instead of feeding the starving people in their land. They spent $22½ million to host the Organization of African Unity in June 1983.

They spent $2½ million for Mercedes Benz cars and $2½ million to build a villa for Mu'ammar Qadhafi. The money should not be spent for that. It should be spent for the people that they pretend to protect.

Mr. WOLPE. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I want to congratulate the gentleman from Indiana, Mr. DAN BURTON, for his outstandingly fine remarks. He really hit the nail on the head. If we cannot do more than give constant, repetitive, predictable emergency programs and emergency food aid to the Africans, we are going to be calling upon American taxpayers to do this until the memory of man runneth not.

Would it not be kinder to all taxpayers and infinitely kinder to the starving people of Africa if we put together a comprehensive development program that would help them increase the production of food and perhaps decrease the production of new human mouths to feed? That is their problem. As Congressman BURTON indicated, they have over a 3-percent population growth, about a 1-percent increase in food production, so they have a 2-percent decrease per capita in the availability of food. That is a pitiful, tragic fact of life, that we have to help them find some fundamental cures for.

Mr. Speaker, I rise in support of the humanitarian bill before us today which would provide badly needed famine relief to an estimated 20 million Africans who face starvation and death.

Going beyond this emergency, Mr. Speaker, we, in Congress, have a responsibility to look beyond the short-term, quick-fix approach to this continuing and tragic scenario. We must develop a long-range plan that attacks the cause of the illness, rather than just treat the symptoms. We must help the nations of sub-Saharan Africa achieve the food self-sufficiency that is within their grasp—if only they will it, and if only we stay the course with the other donor countries.

Although it is easy to attribute the current crisis in Africa to the region's lack of rain over the last 3 years and the ensuing drought and reduced food production, the fact of the matter is that food production in sub-Saharan Africa has declined on a per capita basis by 20 percent in the last 15 years. Even though food production is going up gradually, population in the region has grown by a stunning 45 percent over this period. That's the highest population growth rate in the world, over 3 percent per annum for the Africa south of the Sahara.

Unless we take steps to provide the African farmers with appropriate technology and training which will help them increase food production, and unless we help these nations get their explosive rates of population increase under some kind of rational control, I fear we will never see the day when Africa will be able to feed itself. We will sentence millions of sub-Saharan Africans to the constant specter of starvation and death.

A long-term program to solve Africa's food production problems would be a far more intelligent use of American taxpayers' dollars, and a far more caring and compassionate approach to the human misery and suffering that is now endemic to the region.

Without a major effort to promote a balanced program of development aimed at generally improving the status of women in Africa, estimates show that the population of sub-Saharan Africa, currently at 434 million, will virtually double in about two decades.

Such an effort to provide women with equal access to the world of education, work, and credit is already happening at a rapid pace in Latin America and Asia, but has yet to begin in Africa. When faced with opportunities and challenges, women quickly change their goals concerning family size.

Most African farmers manage small subsistence farms. Unless an effort is made to provide these farmers with low-resource technology that they can apply effectively to raising food, we cannot expect to see the increase in food production needed to help the region attain food self-sufficiency.

It will be difficult to develop an appropriate program to provide African farmers with the necessary tools and expertise to increase food production. What has worked in the past in India and other parts of Asia has produced disappointing results in the very parts of Africa that are faced with famine today.

The "Green Revolution," which dramatically raised food production in other developing regions, has to date bypassed sub-Saharan Africa. Because of the region's political instability, the almost total absence of government infrastructure, its low and erratic rainfall, its short growing seasons, its continuing soil degradation and deforestation due to human activities, and too few skilled people, experience shows that increasing agricultural productivity is more difficult in sub-Saharan Africa than in most developing regions.

For these reasons and others much of our Nation's capital and energy-intensive "high tech" agricultural technology, involving complex and expensive machinery and great inputs of irrigation and fertilizer, is just not applicable in rural Africa for the low-resource, small-scale farmers who account for the vast preponderance of agricultural production.

In terms of reducing population growth, long-held traditions must be refashioned. African women must be educated and shown that appropriate technology can take the place of additional children in handling the farming chores. At the same time, they must be taught that improved health care and nutrition will reduce the infant mortality rate and assure that their children will survive to maturity so that they can care for them in their old age.

I recently led a delegation, which included Mr. ROE of New Jersey, Mr. LUJAN of New Mexico, and Mr. BURTON of Indiana, to Israel to assess Israeli agricultural technology aimed at developing arid lands. We also traveled to Rome and met with officials of the U.N. Food and Agricultural Organization to discuss the most effective methods to end the constant, repetitive waves of famine which have swept over sub-Saharan Africa over past decades.

The Israelis have made great strides in developing agricultural techniques for desert farming. Our delegation believes many of those techniques could be adapted to the needs of small African farms—technologies that would be consistent with traditional African agricultural methods, reflect local conditions, be affordable, utilizing locally produced and repairable equipment and machinery, and involving low risks and minimal capital.

As the Congress looks to long-term solutions to the African agricultural problems, we would be wise to consider joining United States-Israeli research and development programs to study advances in Israeli technology as it pertains to agriculture in arid zones with an eye toward adapting it to Africa's unique environment.

During our meetings with U.N. officials, including FAO Director General Edauard Saouma and our splendid Ambassador to FAO, our former distinguished colleague from New Jersey, Millicent Fenwick, we were encouraged to learn that the FAO recognizes the direct link between exploding rates of population growth and the severe food shortages in Africa. FAO officials also realize that the introduction of appropriate agricultural technology can be used as a natural starting point to convince African women that such farming aids can be adequate substitutes for additional children.

The FAO will play an important role in integrating population growth reduction programs with increased availability of appropriate agricultural technology on the African Continent,

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thanks to its ability to coordinate its programs with other pertinent agencies such as the UNFPA and the WHO. In addition, FAO is expected to issue in the near future a position paper which will detail its prospective plans for dealing with population growth in Africa.

Mr. Speaker, I commend my colleagues for their work on the African famine relief bill and I hope the House will see fit to pass this important piece of legislation.

But we cannot stop there.

We must strive to consider the comprehensive, long-term measures I have outlined here today as a means of permanently ending the long suffering and misery that is plaguing the people of sub-Saharan Africa.

Mr. BROOMFIELD. Mr. Speaker, I yield 2½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I want to thank my colleagues who have worked so hard and diligently to put together a very effective and worthwhile bipartisan package, and I think we will get strong support from this House.

Mr. Speaker, I rise today as an original cosponsor of H.R. 1096, the "Africa Relief and Recovery Act of 1985." Africa's compelling need and America's deep humanitarian tradition cried out for this bill and it was born in the true spirit of bipartisanship.

I would like to commend the other main architects of this legislation for their efforts in building this compromise. Without the leadership of Mr. CONTE, Mr. WEISS, Mr. WOLPE, Mr. LELAND, Mr. BROOMFIELD, and Mr. FASCELL this bill certainly would not be in position for final floor vote today. This is crucial. Relief officials on the ground in Africa, grappling with the worst famine of this century, warn of serious disruptions in the delivery of life-saving emergency food aid if new resources are not available in the next weeks.

Today, I ask this House to approve H.R. 1096, providing authorization to spend $175 million for nonfood assistance in 18 African nations. Of this total, $137.5 million is earmarked for disaster assistance to provide seeds, farm implements, emergency health care, and so forth. The balance of $37.5 million will be used for refugee assistance on the continent of Africa where drought and famine have turned millions of residents into unwilling economic nomads.

This nonfood aid will assist in medium-term recovery efforts, linking emergency needs with agriculture development, in order to help avoid conditions which could lead to future famines.

It is absolutely imperative that we strive to maintain the link between emergency food aid and development assistance. We must take care to foster an atmosphere in which the recipient nation can begin to provide for its own basic needs. Continued dependency on such short-term relief promotes a degradation of a nation's economic and agricultural ability to sustain itself, creating a nation that, in the long-term, cannot survive without such hand-to-mouth emergency food aid.

This bill complements legislation that is now being considered by the Committee on Rules to provide over $480 million in food aid to the affected nations. Let there be no doubt. These two bills are all that stands between the people of sub-Saharan Africa and a human catastrophe of epic proportions.

As we prepare to vote on these two measures, allow me to address myself of those in the House who, like me, are naturally very cautious about supporting this or other supplemental appropriations requests. Given this Nation's budget situation, your caution is well advised. However, in the case of this bill, there simply is no choice. The fate of an entire generation hangs in the balance.

As ranking Republican of the House Select Committee on Hunger, I had the unparalleled opportunity to visit Ethiopia late last year. Despite intensive personal preparation for the trip, I found myself unready for the experience. The sounds, the smells, and sights of the mass starvation, deprivation and disease I encountered in the Korem and Makelle refugee camps jolted my sensibilities. I stood helpless in the face of the pleadings of the famished and the emaciated.

It was a soul-searing experience which, for me, gave new meaning to the 17th century words of John Donne "no man is an island * * * any man's death diminishes me because I am involved in mankind; and therefore never send to know for whom the bell tolls, it tolls for thee."

America's deep humanitarian tradition seems to spring from Donne's words. Accordingly, at the President's personal insistence, the U.S. contribution to the African food relief effort has been second to none. However, as we continue to supply at least 50 percent of all humanitarian aid to Africa, significant policy concerns are emerging.

Disturbing reports of food aid diversion continue to reach us. In the specific case of Ethiopia, a long-running secessionist civil war is hampering relief efforts in the areas hardest hit drought and famine; the Provinces of Eritrea and Tigray in the north. In addition to reports of government attacks on food convoys and refugees, we are especially concerned about the recent Ethiopian Government seizure of food shipments bound for contested areas.

We do not seek to intervene in the domestic affairs of a sovereign nation, but we must ensure that our food aid is not used as a political weapon. This legislation contains $2.5 million to provide additional U.S. Government monitoring of food and nonfood assistance distribution.

Further, we must again call on the Government of Ethiopia and opposition groups to ensure safe passage of food aid delivery vehicles and personel. To this end, all the necessary avenues have not been explored to bring pressure upon the various parties to ensure safe passage. Clearly, the Soviet Union is in the best position to exert influence over the Ethiopian Government to accept this humanitarian proposal. Thus far, the Soviet have been completely recalcitrant and have refused to discuss this important issue with us. I intend to continue working toward this goal with the Department of State and AID. However, these continuing problems with Ethiopians should in no way diminish our humanitarian efforts and moral leadership. This African catastrophe is testing our moral fiber. I am proud that we are not turning our backs, nor are we slow in responding. Consideration of this bill today indicates a clear understanding and sensitivity to the need for immediate action.

I urge my colleagues to join with me and bipartisan sponsors of this bill in strong support of it. Survival of a generation of Africans is within our reach.

□ 1350

Mr. WOLPE. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Speaker, I seldom support foreign aid. I am very much against a lot of the military foreign aid. But this is the kind of foreign aid bill that we should have. This is the thing that goes to the heart of the benevolence of the American people toward people everywhere.

Mr. Speaker, I sincerely hope it will work out where we do not waste money and that this is properly monitored and does go to help to relieve the actual anguish and relieve the starving people throughout the world.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. Mr. Speaker, considering H.R. 1096, I am reminded of one of our distinguished former Members of Congress, Davy Crockett, who, one day in the spring of 1830, when the House hastily took up a proposal to appropriate Federal funds for the widow of a distinguished naval officer, after hearing several eloquent speeches urging support of the proposal, at a point when an overwhelming vote in favor appeared imminent, made the following remarks which are equally germane to our debate today.

I quote:

Mr. Speaker, I have as much respect for the memory of the deceased naval officer as any man in this House of Representatives. But we must not permit our respect for the dead or our sympathy for a part of the living to lead us into an act of injustice to the balance of the living.

I will not—

Davy Crockett continued—

go into an argument to prove that Congress has no power to appropriate this money as an act of charity. Every Member of this body knows that we do not. We have the right, as individuals, to give away as much of our own money as we please to charity, but as Members of Congress we have no right to appropriate even one dollar of the public money for such a purpose. Some eloquent and beautiful appeals have been made to us on the ground that this is a debt due the deceased.

Mr. Speaker I have said we have the right to give as much of our own money as we please. I am the poorest man on this floor. I cannot vote for this bill but I will give one week's pay to the object, and if every Member of the Congress will do the same, it will amount to more money than this bill.

Mr. Speaker, I suggest that the same argument is equally appropriate here today.

There are over 25 charitable organizations making direct appeals to the American people, and I for one have made my contribution.

Mr. Speaker, I suggest that if each Member of this House, rather than spending money which we clearly do not have, which we would clearly have to go and borrow, which would clearly cost us more in terms of adding to the deficit, would simply do the same and urge their various constituents concerned about this issue to do the same, that would be the appropriate measure.

I thank the Speaker.

Mr. WOLPE. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. I thank the Chair and I thank the gentleman from Michigan.

Mr. Speaker, under the leadership of my wife, we chartered a stretched DC-8 provided by funds donated by the people of Florida. We filled it with 40 tons of food and medicine and we flew it to Ethiopia in early January.

Now, out of that experience it has changed my life. When my wife held a starving child, along with five other congressional wives last summer, in the northwest of Africa, it changed her life.

So I stand here to support this legislation.

I tell you, it is very interesting that out of the $175 million, $110 million is reserved for the grants to the private voluntary organizations. I know that those PVO's all are getting that food into those feeding centers; it is getting to the people that it is intended for.

Mr. BROOMFIELD. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I commend my House colleagues on the quick and effective action this body is taking to provide relief to drug stricken Africa. Unfortunately, my endorsement has its reservations.

The administration has stated that it will provide one-half of the world's total aid to Africa and to do so we do not need to spend the full amount authorized in this bill. I find it objectionable that in this time of fiscal restraint we have no opportunity to discuss and set the appropriate dollar amount for this relief effort.

I do understand that this bill is a result of the efforts of the committee and the authors of earlier legislation, and I commend them all for their compassionate attention to this need. However, in this era, the House as a whole must reserve the right to debate and establish and to understand the expenditure levels of all of our worthy endeavors.

While recognizing the service provided by the suspension procedures, I do hope for some bipartisan method of handling the truly noncontroversial measures and those narrow issues of controversy in an otherwise acceptable bill.

But, I do, as a Representative of the half a million people, wish to be able to express their concerns and mine for all the needy, including the homeless and hungry outside our very doors, our very own doors.

I also wish to express the concern for future Americans who, because of the deficit, will have to pay for the actions we now take.

I thank the Speaker.

Mr. WOLPE. Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman.

Mr. Speaker, I want to congratulate my Michigan colleagues for being the floor managers on this outstanding piece of legislation.

I have been to Africa as well as many of my colleagues. Mr. Speaker, I suggest we ought to be taking a more long-term solution to this problem. I understand the crisis is immediate, but I would like to suggest that some of us who would be working on a remote sensing, high tech proposal to look at the water tables and water contamination there and look at the problem solving in light of what the Congressman from New York [Mr. SCHEUER] outlined, that is, a really self-sustaining program which is important and good public policy for this Nation to be looking at the ultimate solution to this problem rather than looking at appropriations in which we have a major national deficit.

So I would suggest that those of us who are working on the Appropriations Committee will be presenting testimony to the Appropriations Subcommittee and the authorization committee in respect to some high tech projects that will look at the long-term solution for Africa and other nations in the underdeveloped world.

Mr. WOLPE. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, I do want to commend all of those who have made this legislation possible, bringing it to the floor.

Mr. WEISS, who was in the room, Mr. WOLPE, who is here, and I was with them and Congressman LELAND when we went up to the feeding station north of Gandar in Ethiopia, a large plain where we saw children starving and older Africans almost resigning themselves to their fate of death. Those starving people did not recognize any ideology, they only recognized the fact that death was facing them because of the lack of food.

I want to make one point with reference to the response of the American people: It has been magnificent, but I say a government has just as much a responsibility as does its people to meet a need and to speak to a need and to try to ameliorate human suffering.

This is one of the reasons why I am totally in support of this bill.

□ 1400

I fully concur that we are facing a long-term problem and we need a long-term solution and that long-term solution obviously is in the development of an infrastructure in those countries facing starvation.

Mr. Speaker, today I rise in support of H.R. 1096, the African Famine Relief and Recovery Act of 1985, because I firmly believe in the relief, rehabilitation, and recovery projects that are provided in this bill.

The world is again witnessing massive hunger and even starvation in Africa—a mere decade after it saw similar human tragedy in Ethiopia, Mali, and other parts of the Sahel. Again people are responding with compassion to the victims of starvation in food aid, but in order to facilitate the recovery process, a fundamental method to support the distribution of food and medical supplies, and to assist the thousands of displaced refugees must be established.

H.R. 1096 would require that of the $137.5 million authorized for rehabilitation and recovery projects, at least 80 percent be used for grants to private and voluntary organizations and international organizations; at least 18 percent be used for emergency health projects; and $2.5 million be used for operating expenses monitoring the distribution of emergency food.

Quick action from outside relief is needed in situations of severe famine. However, such aid must be provided wisely. The U.S. Government is playing a leading role in response to famine in Africa today, as it has in other parts of the world at other times. Such governmental response at increased levels is essential and in the best tradition of American humanitarianism, for the needs are beyond the capacities of local governments and voluntary relief agencies. Yet many components of the U.S. Government's response to Africa are designed primarily to meet the actual food need and support services usually go unnoticed. Aid should be given, when possible, in ways which strengthen peoples capacities to be self-sufficient.

For the above stated reasons is why I firmly believe in this bill and I urge my colleagues to demonstrate their commitment to addressing this issue forthrightly and cast an affirmative vote for H.R. 1096.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I rise in support of this bill. I had the opportunity to visit Ethiopia and spend several nights in the refugee camps. I agree with what the gentleman from Florida had to say.

I want to ask the gentleman from Michigan [Mr. WOLPE], if I may, just a question. I am very concerned though that in tne northern provinces of Eritrea and Tigre that food is not getting in and wanted to know what is the committee prepared to do about that. Second, if the chairman has contacted the Secretary General of the United Nations to put pressure so that the Secretary General acts. And what can this Congress do to make sure that the Ethiopian Government does not freeze out the people in the northern provinces from getting the food.

Mr. WOLPE. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentlemen for yielding.

I thank the gentleman for raising that critical question. I and members of my subcommittee have shared fully in the frustrations expressed by a number of Members with the response of the Ethiopian Government to the question of delivery of food into those northern provinces.

The SPEAKER pro tempore. The time of the gentleman from Virginia [Mr. WOLF] has expired.

Mr. WOLPE. Mr. Speaker, I yield myself 1 minute.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. WOLPE] is recognized for 1 minute.

Mr. WOLPE. In response to the gentleman, in fact there is actually right now some food transiting through the northern provinces through the backdoor essentially, via the Sudan. Our Government is working with the international agencies and with other governments of this world to try to see to it that the Ethiopian Government will grant safe passage to international vehicles so that they can safely transit through that war zone.

I think it also needs to be noted, if I might respond further to the gentleman, that Ethiopia is only 1 of over 20 nations that are experiencing famine and are in urgent need of assistance that this legislation attempts to address.

Finally, even with respect to Ethiopia nearly all of the assistance that is being directed to that country is flowing through the private voluntary agencies, American private voluntary agencies, most notably the Catholic Relief Services.

I share the concern the gentleman has raised. I and my colleagues have been in conversation with Ethiopian Government officials doing everything we can to encourage safe passage and to try to see to it that the northern territories receive the food allocations that are so desperately required.

Mr. WOLF. Has the gentleman thought of contacting the Secretary General of the United Nations about this matter?

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. WOLPE] has expired.

Mr. BROOMFIELD. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts [Mr. CONTE], who has been a real advocate of this legislation.

Mr. CONTE. Mr. Speaker, I want to thank the chairman, Mr. FASCELL, and the ranking minority member, Mr. BROOMFIELD, for their swift attention to this critical issue, and for the truly bipartisan authorization that has been reported from the Foreign Affairs Committee under their leadership. Deciding on an appropriate level of nonfood aid as a component of an African relief bill was a difficult task, and not one without controversy. But through their leadership in committee, the package that comes before us today is a responsible bill that meets the African nonfood need, and I am happy to lend my support to passage of H.R. 1096.

The dimensions of the African tragedy boggle the mind—18 countries in sub-Sharan Africa in desperate need of food, 150 million people touched in some way by the drought, and some 10 million people in direct danger of starvation. The U.S. response to this crisis—both in government aid and private contributions—has been a high compliment to the capacity for "man's humanity to man." But it is clear that more aid is required. In fashioning a relief package, the primary focus must be the provision of adequate amounts of food aid, but an appropriate measure of disaster and refugee assistance is also critically needed. In addition, beyond the particulars of any bill, Congress must act swiftly if the emergency aid we decide to provide is to be effective. Mr. Peter McPherson, Director of AID, has advised that he needs a supplemental by March 1 if there is not to be a disruption in African assistance.

Recognizing the need for fast-track consideration of an African relief bill, Congresswoman ROUKEMA, and Congressmen WEISS, WOLPE, and LELAND, and I—the five principal sponsors of the Africa supplementals before the House—met over the February recess in an effort to reach agreement amongst ourselves on this pressing issue. Those discussions included the chairman, Mr. FASCELL, and the ranking member, Mr. BROOMFIELD, of the Foreign Affairs Committee, and H.R. 1096 represents the product of those efforts with respect to nonfood aid. It is a responsible package that is sensitive to the deficit pressures we face here at home, but recognizes that an African relief bill must also provide an appropriate measure of nonfood aid if lives are to be saved—and new lives started.

H.R. 1096 contains two major components. First, it provides $137.5 million in disaster assistance that is broken down into three categories. Of the total, $110 million is made available for relief, rehabilitation, and recovery projects such as providing seeds, farm implements, blankets clothing, water projects, and other emergency-related disaster projects. Approximately $25 million is earmarked for emergency health care projects, in recognition of the fact that famine and disease are partners in any drought. In addition, in response to recent reports that the Ethiopian Government has sought to block shipments of food to rebel-controlled regions of that country, $2.5 million is allocated to increase AID monitoring to help ensure that U.S. aid goes to those starving people, regardless of political affiliation. Our aid is not for governments, but for starving people who often have little or no influence on the political realities that now threaten to consume them.

Second, H.R. 1096 contains $37.5 million in refugee assistance. Many African countries are doing what they can in providing assistance to the ever-growing refugee population. Yet, one need only consider the crisis situation in the Sudan to appreciate the tremendous burden being assumed by host countries in responding to the massive migration taking place on the African Continent. Of the $37.5 million total, $20 million is made available for ICARA II projects and $17.5 million is authorized for the State De-

partment's Bureau of Refugee Programs.

Finally, H.R. 1096 recognizes that determining an appropriate amount of relief is a numbers game, and the numbers are constantly changing. Therefore, the bill directs the President to submit to the Congress a mid-year needs assessment not later than June 30. This report would assess the projected African food and nonfood needs for the remainder of the fiscal year, together with a projection of the total funding required to provide an appropriate U.S. contribution toward meeting those needs. If current funding levels are insufficient to meet the desired U.S. commitment, the President is urged to request additional supplemental funding sufficient to meet that purpose.

H.R. 1096 meets the emergency, nonfood needs of Africa, and is a critical component of the overall relief package that this House will be considering this week. I urge my colleagues to approve its passage.

Mr. Speaker, I might say for those who are worried that this is on a suspension, on Thursday, my committee, Appropriations Committee, will bring out a bill which is almost 99 percent of this bill which will be in the appropriation bill. That was the part of the thing that we hammered out with the gentleman from New York [Mr. WEISS] and the gentleman from Michigan [Mr. WOLPE] and others.

I am going up to the Rules Committee in a few minutes. We will ask for an open rule and if Members want to offer amendments at that time, they can offer all the amendments they would like to the appropriations bill.

Mr. WOLPE. Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield the remaining time to the gentleman from Michigan [Mr. SILJANDER], the new ranking member on the Subcommittee on Africa.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. SILJANDER] is recognized for 30 seconds.

Mr. SILJANDER. Mr. Speaker, I think it is very important that all of us as we deliberate this very timely issue realize with a heart of compassion and a vision for long-term needs for Africa that while this bill may not be perfect in all of our eyes and there may be some philosophical flaws in many points of view, this is in all political reference a good positive compromise.

So I would urge the Members to support this bill as it has come from the right to the left to something around in the center to address the needs of those in desperate situations on the African Continent.

Mr. WOLPE. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, I want to simply state once again to my colleagues how much I appreciate the extraordinary bipartisan effort.

Let me express my appreciation to my distinguished colleague from Michigan and now the ranking member of the full committee and to my other distinguished colleague from Michigan, who is now the ranking member of the Subcommittee on Africa for their assistance in this effort and also to the gentleman from Massachusetts [Mr. CONTE] who has played an absolutely key role in the appropriations process.

Two points have really been made in the course of this debate that really bear repeating. There is a short-term crisis and there is a long-term problem to be solved. In the short-term, literally hundreds upon hundreds of thousands of lives—the estimates actually range in the millions—are at risk if there is not an immediate infusion of food and nonfood assistance from not only the United States, but from the international community as well.

It needs to be emphasized, the United States cannot do it alone. We must call upon the rest of the world to respond and it is the generosity of this response contained in this legislation and the generosity that has been manifest in the response of the American people individually and to the private voluntary agencies that has set an absolutely extraordinary standard and it is my hope will really inspire similar levels of contribution assistance from the rest of the world.

We then must tackle the second problem which is that of developing a long-term development effort. This is much more difficult. It does not have always the crisis appeal. And my fear, very frankly, is, what will happen when the cameras are turned off.

I think that maybe the dimensions of the crisis that is now facing the continent has helped all of us within the United States and hopefully within other industrial nations to understand the importance of working with African governments and societies to turn around the agricultural situation within that continent.

In India some years ago the same kind of crisis was being experienced. But in cooperation with international communities India today has become much more self-sufficient in food production. We can be just as successful working with the African governments in order to see that that continent likewise experiences greater self-sufficiency in food production. That will be the continuing challenge facing this body and facing our own governmental response.

Mr. PENNY. Mr. Speaker, I rise in support of H.R. 1096 which provides disaster assistance to those suffering from famine in Africa. The committees involved in this legislation are to be commended for their prompt response to a continuing crisis situation.

We are all aware of the problem. We have all been moved by television pictures of those in Africa who are on the brink of starvation. The stories of suffering and death in Africa brought on by drought and inadequate policy measures have continued almost daily. The African tragedy has produced staggering statistics that, while giving some idea of the scope of the problem, fail to communicate the individual pain of losing a loved one, the break-up of families, the arrested mental development of children who survive the crisis. Indeed it is the children who are most affected by the food shortage—children who will form the next generation of Africans and represent some semblance of hope in a bleak situation.

There are a number of good reasons to suppport this measure and an increased appropriation of Public Law 480 food assistance. Chief among them is the moral responsibility we have as Americans to offer assistance.

The famine in Africa tests us as individuals and a nation. How we respond speaks volumes about the kind of people we are and about our principles as a nation. We have the resources to respond. This legislation indicates our will to respond. The generosity and caring of the American people have been apparent in an outpouring of contributions to private organizations and support for previous legislation to address this problem. The crisis continues in Africa. It asks of us, on the basis of our respective religious convictions and our decency as fellow human beings, to respond as a nation as well.

Concern for fellow human beings in need is a sufficient justification for this measure, but there are reasons beyond humanitarian appeals as well. We stand ready to alleviate the poverty and inequality that provide fertile ground for those promoting communism. It is also in our interest to promote and support viable economies around the world that can serve as valuable trading partners and provide markets for our goods.

The legislation we are considering continues a tradition of generous response to crisis on the part of the United States. The food assistance levels to be appropriated as a supplement to present Public Law 480 assistance should provide approximately half of the food requirements for Africa this year. Private contributions and the actions of other donor countries will help to meet the overall needs of the continent but the U.S. role is crucial. We hold, in our hands, resources which give us the opportunity to give life or withhold it. Recent estimates indicate that as many as 150 million people, a number that represents more than half the population of the United States, may be in danger of starvation in Africa. In a very real sense, we are responsible for those

lives for we hold the means to provide life—this legislation gives us an opportunity to vote prolife in an international context.

Moreover, this legislation goes beyond mere food assistance to alleviate a short-term crisis. Disaster assistance funds can be used to purchase seeds, agricultural implements, and fertilizer which are crucial, not only to alleviation of present shortages, but to long-term development progress in Africa. Funds for resettlement of refugees fleeing famine are also important for moving Africa from dependency on this kind of aid to self-sufficiency in food production. Our overriding goal is to prevent future crisis of this nature.

This disaster assistance will be funneled, in large part, through private voluntary organizations and international institutions. These organizations have a proven track record of effective action in meeting the needs of the world's hungry and poor. They represent the most effective channels for the kind of response we as Americans hope to make.

In urging support for these measures, I refer again to our responsibility—as a nation and as representatives charged with the formation of foreign policy—to show concern for those in need. As the respected former Senator from my home State of Minnesota, Hubert H. Humphrey, stated in support of the Food-for-Peace Program he was so instrumental in passing some 20 years ago:

> We urgently need to design and launch a broad-gauged and affirmative foreign policy on the natural strengths of our nation—yes, to harness to the plow of foreign policy our tremendous industrial capacity, our abundant capital, our technical knowledge, our agricultural abundance, our wealth of trained educators, agriculturalists, administrators, doctors, and students.
>
> I believe one of the most powerful weapons for peace is our food power. . . In the long run, our food power—far more than military power—can be the critical factor in the achievement both of democratic institutions and of safety in the world. Food power is our secret weapon. Food is life. Food is strength. Food is hope and compassion. Food is the giver of health and vigor to children. Food is the vital ingredient of social stability and peaceful change. Let us use that power wisely and well.

Mr. Speaker, I second the sentiments of Hubert Humphrey for they are applicable in the present context. I urge prompt passage of this legislation and the supplemental appropriations to Public Law 480 for African famine relief.

● Mr. MONSON. Mr. Speaker, as Members of this great body, we face many difficult decisions during the coming months. We have the prospect of ever increasing Government deficits if we do not change the way we make decisions on how we spend the taxpayers' money. We must begin to consider the efficiency of the programs we authorize. In almost every Government agency we can find waste and in many programs we find that they have been overfunded at the start and expenditures have risen to meet those funds rather than having funding to meet the real needs of the program. In most cases these are good and necessary programs which simply are not managed economically.

The African famine relief bill is just such a program. The Reagan administration has detailed a plan to provide $1 billion in food and other aid to Africa. These funds will come from a combination of funds already appropriated for food aid, redirected funds, and from $25 million in supplemental appropriations. Instead of providing these funds the President has requested, H.R. 1096 provides a great deal more than is necessary. The administration believes that this additional amount cannot be effectively administered and is therefore not prudent. The President's plan will be more effective at dealing with the crisis in Africa without spending excessive amounts of money which will do little if anything to help the people of Ethiopia. For this reason I oppose the passage of H.R. 1096.●

● Mr. ADDABBO. Mr. Speaker, when disaster strikes any nation in the world, a measure of our stature as world citizens is reflected in our response to help those in need. The continuing situation in Africa demands that we take additional action now. Two dozen African countries are suffering from the consequences of a decade-long drought which has left their countries devastated, and their people starving. We have provided some assistance in the past, but this is clearly not enough. We are embarked now upon a course which will provide additional food and medical assistance that is critical to those struggling to stay alive in their own countries and to those who have been forced to flee their country of origin. Time is of essence and we must lose not a moment more.

Today we have before us the first of these measures. Hopefully, by the end of the week the next stage of our relief effort will be complete. The bill we are considering now will authorize $175 million for medical supplies, clothing, shelter, and related disaster assistance for African countries to help them take care of their own and for refugees. These moneys will be funneled to those countries which have been particularly hard hit during 1984 and 1985. With passage we will also ensure that the aid will reach those for whom it was intended, and that we will receive a full reporting from the President by June 30 of this year concerning what must still be done in fiscal year 1985.

I strongly urge my colleagues toward swift passage of H.R. 1096.●

● Mr. ACKERMAN. Mr. Speaker, I rise in strong support of H.R. 1096, the African Famine Relief and Recovery Act of 1985. As an original cosponsor of this legislation, and as a Member of Congress who has had the opportunity to view the horror in Ethiopia on two occasions, I cannot express in strong enough terms the imperative for expediting passage of both the authorization measure before us today, and the appropriation bill that we will consider on Thursday.

The tragedy in Africa has spurred an overwhelming and uniquely American response from our Government, and from the citizens of this country. Sadly, it will take a sustained effort over several years to provide a subsistence level of food for many of the starving people on the African Continent. One of the most disturbing facts that we should not overlook, however, is that, despite the outpouring of efforts by the donor countries and private voluntary agencies, this year will still find a dramatic shortage of food supplies in many African countries. Millions of people will remain unfed and will perish, despite the best efforts of the relief workers, who seek to alleviate the suffering in Africa.

Mr. Speaker, I would like to take just 1 minute to express my thoughts on some of the specific provisions of this bill. Today, the Congress is taking an important step toward securing a comprehensive legislative response to the crisis. In addition to providing food and transportation—which do not require additional authorization at this time—the House is acting in a number of other areas that must be addressed if the relief efforts are to be effective. Of particular importance are funds for rehabilitation and recovery. This money will go toward furnishing such items as seeds for planting, fertilizer, pesticides, farm animals, blankets, clothing, shelter, disease-prevention efforts, health care, water and small-scale agriculture projects, and food-protection and preservation programs.

In addition, the bill provides funds for refugee assistance. The problem of displaced persons has intensified in recent weeks, as thousands of Africans have fled their homes and crossed international boundaries in search of food. It is imperative that the relief organizations have funds for both immediate relief and short-term development assistance projects, to increase the chances that those seeking refuge from this devastating famine will survive. Finally, the legislation provides a waiver of the Hickenlooper amendment, in the case of funds that might be restricted by an overly narrow interpretation of this law, where outstanding claims against American property have interfered with the pursuit of certain relief efforts. This will

help ensure both the expedited delivery of food, and the drilling of wells that will provide a source of fresh water at feeding centers in Ethiopia.

Mr. Speaker, the African Famine Relief and Recovery Act is a clear statement of the humanitarian nature of the American people. It is a gesture of our desire to assist those who cannot help themselves now. After my two recent trips of the famine-stricken African Continent, one particular aspect of this tragedy remains firmly in mind. It is the children, both those on the verge of death, and those who remained bouyant and determined to preserve life, who must motivate all of us in this House to pass the legislation before us today.

The human toll of this disaster cannot be fully described here, but we must stop to contemplate the ramifications of this famine: Families destroyed; children left brain-damaged; the anguish of a slow, tortuous death for thousands of innocent men, women, and children. Mr. Speaker, the adoption of this legislation will be a significant step in saving precious lives, but even with the most dedicated relief effort humanly possible, lives will be lost. That sobering thought should motivate speedy adoption of these supplemental efforts.●

● Ms. OAKAR. Mr. Speaker, I rise in support of the emergency famine relief and recovery in Africa bill. Today, some 14 to 20 million people in 20 African countries face a desperate situation. A combination of events, including drought and misguided political policies, have created a situation where entire populations are threatened with death from starvation. This crisis has been building for years, but as nearly every American knows by now, it must be addressed now. Every day that we wait, countless individuals face death or permanent physical and mental disability due to malnutrition.

This bill will facilitate the distribution of emergency food assistance to the famine victims. It will get food to people who need it. The bill will also provide seeds for planting, fertilizer, pesticides, farm equipment, livestock and other necessary items to help restore food production in famine afflicted areas.

Those famine victims who suffer from associated health problems will be helped by this legislation, as well. Emergency health projects will provide vaccinations and other treatment. Disease prevention programs will also be implemented.

Most of the assistance provided by this bill will be used for grants to private and voluntary organizations that have already demonstrated their ability to provide aid to the victims. In all, $137.5 million will be provided. Additional legislation providing $1 billion in emergency food assistance will be considered later this week.

The United States should not be expected to permanently provide for the food needs of Africa. This is something the African people can do for themselves. International relief and development agencies, along with our own Agency for International Development and private voluntary organizations are working with African governments to enhance farming techniques and food distribution to eventually eliminate food shortages and famine. In a number of cases, more effective and reasonable government policies are necessary, as well. And, of course, the rains have to return. In parts of southern Africa currently gripped by famine, that has already happened.

Recent history records other cases where concerted efforts led to self-sufficiency for countries that once experienced chronic hunger, even starvation. I am confident that the African countries that are now wracked by famine will be able to provide for all the food needs of their people. Until favorable circumstances are established, however, we have an obligation to help. This legislation is a serious response to a serious problem. Immediate aid must be provided and I urge my colleagues to join me in voting for emergency African relief.●

● Ms. SNOWE. Mr. Speaker, I want to express my appreciation that this measure is being brought up today in such a timely manner. As we are well aware, scores of individuals are perishing in Africa while awaiting food and other assistance; I am pleased that we have given H.R. 1096 the priority that such legislation deserves.

As an original cosponsor of H.R. 1096, the compromise African famine relief bill developed by members of the Foreign Affairs Committee and the select committee on Hunger, I would like to direct special recognition to Congresswoman ROUKEMA, ranking Republican member of the select committee, and her staff for their efforts on this relief package.

I would like to commend and acknowledge as well the diligent and fine work of Congessmen WEISS, WOLPE, LELAND, and CONTE. Their interest and efforts have assured that an effective, compassionate bill is before us today, one which reflects their desire to work for the common good.

The legislation before us, and its companion bill in the Senate, provides not only much-needed food for starving people, but also includes funds for recovery and rehabilitation of parched agricultural lands. Such assistance is as important as the emergency aid if we are to respond to the long-term problem of many African countries. Unless we make extra efforts now to assist drought-stricken farmers in such undertakings as the rehabilitation of water and sanitation facilities and the resumption of agricultural production, the crisis will not abate.

Our aid program must be two-tracked: Feed today's hungry, while at the same time assist in various agricultural and technical programs that will enable these people to feed themselves in the months and years ahead.

Recent reports from private voluntary agencies in Africa, as well as from the United Nations, indicate that the food crisis appears to be worsening daily in a number of African countries. Twenty-nine nations have been seriously affected by the drought. As a result, hundreds of thousands of Africans from many nations have starved to death, and millions more are in imminent danger of a similar fate.

At the same time, our Nation faces serious problems, from the ballooning budget deficit to the crisis on our farms. These problems deserve, and will receive, our persistent attention and hardest labors. I do not believe, however, that this effort will be undertaken to the exclusion of assisting those who, by simple virtue of their birthplace, will die from a lack of food. America's commitment to those in need is ingrained in our national character; we honor that character to an even greater degree by responding to others despite our own difficulties.

Mr. Speaker, I urge my colleagues to support the emergency funding measure before us today so that the aid relief can be dispatched quickly to those looking to us for help.●

● Mr. GEJDENSON. Mr. Speaker, today I join with my colleagues in support of a desperately needed supplemental authorization bill for the people of Africa. I congratulate the authors of this legislation for preparing an aid package that not only authorizes emergency food but complements this assistance with needed long-term, disaster and refugee problems.

As my colleagues know, the situation in 28 nations on the African Continent is dismal. One hundred fifty million peoples' lives are at stake from the effects of a 3 year drought that shows no signs of subsiding. It is imperative that we act now in a bipartisan manner to provide these nations with essential and lifesaving humanitarian aid.

We have all seen the horrifying pictures of small children dying from starvation. Some of my colleagues have traveled to Africa to see firsthand the tragic effect of this famine. As one of the world's wealthiest nations, we have a responsibility to come to the aid of these people in the face of this crisis. Traditionally, America has provided 50 percent of needed emergency relief. The bill that we have before us today maintains this tradition.

Mr. Speaker both the Foreign Affairs Committee and the Appropriations Committee have acted expeditiously to move this legislation to the House floor. The American people have demonstrated their support for continued and adequate aid to Africa through their generous donations to private organizations. This total has already reached an estimated $60 million. I urge my colleagues to follow both the lead of these two committees and that of the American people and vote unanimously for this supplemental authorization bill.●

● Mr. MORRISON of Washington. Mr. Speaker, I rise in support of H.R. 1096, the African Disaster Assistance Act as overwhelmingly passed by this body today.

American farmers have the know-how and skill to feed the world. That's no secret. America's also got the most generous folks in the world, living within her borders. Just look at the outpouring of food, money and other help given freely by churches, schools, other groups and individuals themselves, in response to the famine in Africa. What America doesn't have is a money tree—our farmers perform miracles but growing this variety of green stuff isn't one of them.

Those of us gathered here today are no different, no less generous than our fellow Americans, and of course we want to give more than we rightly can. But we know about the deficit and, what's more, we're expected to do something about it. For this reason, I support H.R. 1096, the African Famine Relief and Recovery Act of 1985.

This bill was created in an atmosphere of compromise which is only attained after everybody presents their first and best idea. The package we have before us today is the result of this fine-tuning process, and now it's time to move on and support this worthwhile measure. To spend more time verbally jousting would be to waste time, and perhaps waste innocent lives.

Sometimes, no matter how hard you work on what you believe is a worthy and important project, you don't feel much satisfaction, only fatigue. We've all been there, I'm sure. But, you know, being a member of the Select Committee on Hunger has added a new dimension to my job here, and a new perspective to my life, and how I view the world around me. It has made me grateful for all that those aspects of my life that I took for granted. More importantly, though, it forces you to become an optimist, for you truly realize that for some folks, things can only get better. And with the passage of the African Famine Relief and Recovery Act of 1985, they will.

Thank you, Mr. Speaker.●

● Mr. HYDE. Mr. Speaker, as a cosponsor of H.R. 1096, the authorization for additional appropriations for African famine relief, I take a few moments of my colleagues to discuss some aspects of this tragic situation that deserve our careful consideration.

Africa, once a net exporter of food, has suffered progressive deterioration in agricultural capacity in the postcolonial period. There are multiple causes for this situation. The Congress cannot afford to overlook all of them, while providing generous assistance to those at risk.

Clearly, as one publication has stated—

(t)he food crisis in Africa is the worst since the early 1970's when about a quarter of a million people starved to death * * * Even mammoth amounts of aid would afford Africa only a brief respite. The reason for this is that when favorable climatic conditions return African food output will not be able to keep pace with demand, but, in fact, will decline if recent trends continue.

We will hear much during this debate, and that on the subsequent appropriations bill, about the pressing need for food. How "need" is defined and measured has been one of the reasons why this legislation has been so long delayed since the Congress convened on January 3. I appreciate the complexity of this question, and its importance, and would suggest to my colleagues that there are those in Congress who see almost a bottomless vortex of food need for Africa. The United States and other Western humanitarian donors, governmental and private, simply lack the capacity to feed all the needy people in Africa, no matter how one defined "need." Our policy goal must be to move with dispatch and singleness of purpose toward major policy changes that will assist Africans to feed themselves. We can only do this if we begin by adding an extremely effective policy component to our emergency food programs for that continent.

Like most Members of this House, Mr. Chairman, I wish we could solve the food shortages and end the starvation throughout Africa. But this will never be accomplished so long as local government agricultural marketing and planting policies repress the production. I note with great interest that a number of African leaders who have, at least in the past, favored Marxist rhetoric, are now showing more support for nationalism. Faced with the potential starvation of their people, they are taking the hard steps to radically reform food-production and marketing policies. One of these leaders is Didier Ratsiraka, President of Madagascar. In his country, an island the size of Texas, the staple food is rice. Since the end of French colonial rule, Madagascar has experimented with Marxist economics and has discovered, as is universally the case, that this model fails miserably.

President Ratsiraka could have chosen the ideological route of Colonel Mengistu in Ethiopia, but his concern for the prosperity of his own people impelled him to decontrol the price to rice farmers and to allow the price of commercial rice to float with the market. In this, the United States, through its Ambassador, Robert B. Keating, and Deputy Chief of Mission, David Rawson, had a positive influence in providing examples of how the free market could produce more food.

I might add, Mr. Speaker, that these dramatic policy shifts which were undertaken in 1984, were done in the light of devastation by two cyclones to the island's agriculture. Progress can continue there, now extending to the spice trade, the country's major source of foreign exchange, with this continued enlightened leadership. I might add, that the Government of Madagascar is not my ideal for Africa. But the United States and other Western donors have done more by showing a nationalistic leader examples of the possibility of an improved life for his people than by merely supplying emergency food shipments into a situation which continues to decline.

It would be most useful to overlay the food-short countries of Africa with a map of the ideological leanings of their regimes. When Cuban occupation armies are not present, Mr. Speaker, I would suspect that drought might only be a precipitant to disaster—the major cause being the policies of the regime. Adoption of Marxist-Leninist economic models is, of course, the choice of the particular African regime under question. But for these same governments to expect Western donors to bail them out absent policy shifts doesn't make much sense.

I know these changes are hard. Some Western food donors believe that a centralized economic system is ideal. Some Western private groups believe that the form of economic organization is unrelated to the need of the people to be fed. In suggesting linkage, I in no way suggest we use a litmus test on countries. Merely, we as Americans should do all in our power to assure that internal economic policies assist rather than hamper food production.

Some governments deny access to food as a routine matter to those seeking to unseat the regime; nonmembers of the armed forces; and people who do not live in cities. Some of these same regimes forcibly move their people, increasing the chances of starvation, or actually sell donated Western food on the international market. There is no worse African situation than Ethiopia in this regard.

Should the United States deny food assistance? Of course not, Mr. Speaker. Should the United States collaborate with the Cuban army of occupa-

tion which props up the regime? Also, the answer is of course not.

Over the long term however, there does come a point when U.S. policy ought to look to the legitimacy of a government before allowing it to process U.S. assistance. In Angola, for example, the Dos Santos regime in Luanda is probably supported by far fewer Angolans than the UNITA resistance movement under Jonas Savimbi. If we are to provide humanitarian assistance to Dos Santos and his Cuban backers, we ought to at least do the same to the followers of Savimbi. To do otherwise would be to allow an illegitimate regime to choose whom to benefit. There's a lesson in this for the people in Tigray and Eritrea.

Ultimately, Mr. Speaker, the food shortage In Africa can only be overcome by Africans themselves. Even with the encroachment of the Sahara on the Sahelian countries, even with occasional droughts or storms, the key must be to assist in construction of regional arrangements. One excellent example exists between various nations of southern Africa. Since the signing of the important Nkomati accords in 1984, and followup agreements with other countries of the region, cooperation for development has occurred between the Republic of South Africa and her neighbors.

How can the United States encourage this approach? Certainly, the provision of Public Law 480 as appropriate to all countries of a region is important. agricultural development projects aimed at export trade rather than self-sufficiency and based on the comparative advantage of countries are essential. Mozambique cannot hope to increase her seafood exports unless overfishing by Soviet-bloc ships ceases. Landlocked Botswana and Zimbabwe need port access. Opportunities exist for cooperation and cooperative engagement should be pursued in regional development wherever possible.

Mr. Speaker, Americans are and continue to be motivated by a generosity characteristic of the West. Our hearts and hands go out to the starving in Africa, even if their right to eat has been reduced by agricultural policies of their own governments or even if they are victims of selective starvation from the same source.

We must underpin our efforts as embodied in H.R. 1096 with a clear program to move toward the institution of market forces in African agriculture, encourage regional cooperation, and provide assistance on an absolutely nonpolitical basis.●

● Mr. LEVINE of California. Mr. Speaker, I rise to join my colleagues in strong support of H.R. 1096, the African disaster assistance bill.

Mr. Speaker, there is a tragedy unfolding on the continent of Africa. Due to a number of factors, including a combination of a drop in food productivity and rapidly rising population, and adverse political factors, Africa is now in the grips of a famine of astounding proportions. We have all seen the photographs of the sick, malnourished, and starving African men, women, and children. We have all seen the photographs of the mothers holding their babies, helplessly watching them die for lack of food. We have all seen photographs of the swollen bellies and vacant faces of our fellow human beings too weak even to eat. We have all seen the suffering so great that one cannot help but be profoundly moved.

The unrelenting famine on the continent of Africa has seriously affected 29 nations and over 20 million people. Its scope is difficult to fathom. The United States has mounted an unprecedented campaign to provide assistance to Africa in its hour of great need. We are the largest donor to the emergency there, and H.R. 1096 is our latest effort.

The bill before us, which I am pleased to coauthor and which was reported unanimously by the Committee on Foreign Affairs, on which I sit, authorizes $175 million for medical supplies, clothing, shelter, and related disaster assistance for people in Africa suffering from severe drought conditions. Although these funds are intended for nonfood items, there is no prohibition in the bill on using the funds for food aid. Of the $175 million, $137.5 million is for disaster assistance, including relief, rehabilitation, and recovery projects. $37.5 million is for refugee assistance programs. In addition, the bill requires the President to ensure that the food aid reaches those for whom it is intended, and requires the President to report to Congress not later than June 30, 1985 on what African food and disaster assistance needs will be for the remainder of fiscal 1986.

H.R. 1096 is part of a larger, bipartisan compromise that includes a second bill, H.R. 1239, appropriating additional funds in fiscal year 1985 for acquisition and shipment of 1.1 million metric tons of food through the Food for Peace title II program to be voted on in this body on Thursday.

I will vote for H.R. 1096, the African disaster assistance bill today, and for H.R. 1239, the supplemental appropriations for Africa relief, on Thursday and I urge my colleagues to do so as well.

The direct response of the American people and the private sector to the suffering in Africa has been impressive and has resulted in the saving of many lives and the easing of suffering. As representatives of the American people, let us join them in their desire to help those in need. We are so very fortunate to live in this land of bounty and freedom. We have a moral responsibility to help those less fortunate. It is true that this is a time of budgetary constraint, but we must be generous when we can ease the suffering and save the lives of those in such great need.

I want to commend my colleagues on both the Committee on Foreign Affairs and the Committee on Appropriations for acting quickly to bring these bills to the floor. I urge my colleagues to join me in supporting these measures to help the suffering in Africa.

Thank you.●

● Mr. CONYERS. Mr. Speaker, I rise in support of H.R. 1096, the African Famine Relief and Recovery Act of 1985. Sub-Saharan Africa is suffering from the most severe, chronic hunger problem in the world today. For the 150 to 200 million people in this region, severe food shortage has become a fact of life. Nearly 20 million people are at risk today of outright starvation. Hundreds of thousands have already died. The response of the American public to this problem has been great, but thus far the response of our Government has not. Unless the Congress acts now to provide adequate food and disaster relief assistance to the 30 countries in Africa that are affected, this already tragic situation will only grow worse.

I recently traveled to Africa with my distinguished colleague from Michigan, and chairman of the Subcommittee on Africa, HOWARD WOLPE. We visited some of the areas in Mozambique where people have been among those most affected by the drought. What we saw and learned left no doubt that the level of need is great. The measure before us takes a step in the direction of reducing the famine, but by no stretch of the imagination will this be adequate given the magnitude of the problem. Because of America's wealth and agricultural productivity, we can respond to this crisis by providing 50 percent of the total estimated food requirements that must be supplied by the donor countries. But food alone is only a short-term, stopgap answer to the problem.

For the past two decades, per capita agricultural production in Africa has been declining. This has in part been the result of a lack of rain over the past 3 years. However, other factors such as rapid population growth, poor farming techniques, and soil degradation have played a role in the development of this crisis. Long term community focused agricultural assistance is essential if sub-Saharan Africa is to overcome the effects of this disaster. We can contribute the agricultural research and education necessary to expand food production, but we must be careful to provide this aid in a manner which fosters self-sufficiency and not dependency.

I realize that Africa cannot be restored to health in a single congressional term. It will take several years to accomplish that. What is necessary now, however, is to commit ourselves to the task of helping Africans stabilize their food supplies so that refugees can return to their villages, and farmers return to the task of growing food. We have got a big job to do in a short period of time and I am certain that the rest of the nations of the world are determined to do their share in this humanitarian campaign to end hunger. Failure condemns millions to a horrible death. That is a price too costly for anyone to pay.●

● Mrs. COLLINS. Mr. Speaker, I rise to join my colleagues in support of legislation to provide desperately needed emergency relief funds. As death, starvation and severe malnutrition continue to plague African countries, it is incumbent upon nations like the United States to act swiftly and generously to overcome these famine conditions.

The measure before us is certainly a viable attempt on the part of our country to respond both effectively and efficiently to this crisis. According to Government reports, up to 20 million people in Africa face possible disability and death over the next year if food is not provided. And unless we show compassion and vote for H.R. 1096 millions of people will die as a result of hunger.

Mr. Speaker, the starving, dying faces of millions of Africans continue to receive front page coverage in newspapers, magazines and are the topic of much debate on television. My heart pours out to the mothers of dying children, the homeless refugees and the proud but suffering people of Ethiopia, Sudan, Mozambique, Tanzania, and other nations in Africa. The United States must continue its commitment to provide relief, save lives, and avert mass starvation.

I hope my colleagues will join me in answering the calls for assistance. We cannot sit by in comfort while devastation and drought conditions aggravate famine conditions and condemn millions to death. Vote for the passage of H.R. 1096.●

Mr. WOLPE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. WOLPE] that the House suspend the rules and pass the bill, H.R. 1096.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. WOLPE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COST SAVINGS DISCLOSURE AWARDS EXTENSION

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 607) to provide for a continuation of the authority to pay cash awards to Federal employees for certain cost savings disclosures, and to clarify the authority to provide cash awards to members of the Armed Forces for such disclosures.

□ 1410

The Clerk read as follows:

H.R. 607

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) Section 4514 of title 5, United States Code, is amended to read as follows:

"§ 4514. Expiration of authority; reporting requirement

"(a) No award may be made under this subchapter after September 30, 1988.

"(b)(1) The Comptroller General shall submit to each House of Congress, before March 16, 1988, a report on the effectiveness of the awards program under this subchapter.

"(2) The report shall include the views of the Comptroller General as to whether the authority to make awards under this subchapter should be continued after September 30, 1988, and, if so, whether any modification in such authority would be appropriate.".

(2) The table of sections for chapter 45 of title 5, United States Code, is amended by striking out the item relating to section 4514 and inserting in lieu thereof the following:

"4514. Expiration of authority; reporting requirement.".

(b) Section 4512 of title 5, United States Code, is amended by striking out subsection (c) thereof.

SEC. 2. (a) Section 1124 of title 10, United States Code, is amended by inserting "disclosure," in subsections (a), (b), (c), and (f) before "suggestion".

(b)(1) The heading of such section is amended to read as follows:

"§ 1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements".

(2) The item relating to such section in the table of sections at the beginning of chapter 57 of such title is amended to read as follows:

"1124. Cash awards for disclosures, suggestions, inventions, or scientific achievements.".

(c) The amendment made by subsection (a) applies only with respect to disclosures made after September 30, 1984.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentleman from California [Mr. PASHAYAN] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mr. Speaker, on January 22, 1985, I introduced H.R. 607, a bill to revitalize and extend the authority for agency inspectors general and the President to pay cash awards to employees whose disclosures for fraud, waste, or mismanagement result in cost savings to the Government. H.R. 607 contains a simple extention of the authority of agency inspectors general and the President to make cash awards to Federal employees who disclose waste.

Specifically, this measure amends section 4514 of title 5, United States Code, to extend until September 30, 1988, the authority of agency inspectors general—or other officials designated to exercise the authority where the agency has no inspector general—and the President to grant awards for cost-savings disclosures. This awards authority was established in the Omnibus Budget Reconciliation Act of 1981 to encourage and reward Federal employees for pursuing improvements in Government.

H.R. 607 is similar to H.R. 5646, a bill reported by the Committee on Post Office and Civil Service on September 24, 1984, passed by the House on September 24, 1984, and passed by the Senate, as amended, on October 11, 1984. Objection was heard in the House to considering the House bill with Senate amendments on October 11, 1984. The objection was prompted by an amendment added by the Senate which was vigorously opposed by the administration. That controversial amendment is not contained in H.R. 607.

H.R. 607 also does not contain any dependent care provisions, any postal provisions, or any dual compensation provisions. All were added onto H.R. 5646 last year in the dying days of the session. The report to accompany H.R. 5646 (H. Rept. 98-1053) should be considered as the legislative history for H.R. 607 insofar as the language in H.R. 607 is the same as the language in H.R. 5646.

Since very few awards were given by agency inspectors general and none by the President during the 3 years of the program, it was felt by the committee and the agencies that the program could not be fully evaluated. For that reason, the committee decided to authorize it for an additional test period so as to provide needed time to more fully assess its value and effectiveness. The bill requires the General Account-

ing Office [GAO] to issue a report prior to March 16, 1988, containing recommendations on whether the awards program should be made permanent.

The 1981 act required the GAO to examine each and every award given and determine whether the cost-savings were verified. GAO feels that the case-by-case review requirement is duplicative since agency inspectors general are already doing the same thing. H.R. 607 relieves GAO of this burden. Still, we expect that GAO will review and report on the numbers and amounts of awards given, the amounts and types of cost savings, as well as the effectiveness of the program.

In addition, the bill responds to a request of the Department of Defense that the inspector general of DOD be permitted the authority to grant cash awards to members of the military services who make cost-savings disclosures. H.R. 607 includes language recommended by the Committee on Armed Services to amend section 1124 of title 10, United States Code, to allow the DOD IG such authority. On February 19, 1985, Chairman ASPIN of the Committee on Armed Services wrote Chairman FORD of the Committee on Post Office and Civil Service to state that he had no objection to taking H.R. 607 to the House floor under suspension of the rules. I will include a copy of Chairman ASPIN's letter in the RECORD at the end of my statement.

Although the awards program did, in fact, expire on September 30, 1984, it is the committee's intention that any cost-savings disclosure made after this time should still be eligible for consideration of award.

The administration has said that it supports a 3-year extension of the cost-savings awards program. I, therefore, urge adoption of this legislation.

COMMITTEE ON ARMED SERVICES,
Washington, DC, February 19, 1985.

Hon. WILLIAM D. FORD,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, DC.

DEAR BILL: Your committee has before it H.R. 607, a bill to extend the authority to pay cash awards to Federal employees who make cost-saving disclosures. Because the bill would also amplify the authority to pay cash awards to members of the armed forces who make such disclosures, it was jointly referred to the Committee on Armed Services.

I am told that you intend to move the bill under suspension of the rules. I would have no objection to your doing so. Of course, I note the jurisdiction of the Committee on Armed Services over legislation affecting the authority to pay awards to members of the armed forces.

The provision of H.R. 607 that falls within the jurisdiction of the Committee on Armed Services would clarify section 1124 of title 10, United States Code. That section provides for awards of as much as $25,000 to members of the armed forces for suggestions, inventions, or scientific achievements that contribute to efficiency, economy, or other improvements in the operation of the armed forces. H.R. 607 would amend section 1124 to clarify that a "disclosure" by a member of the armed forces could confer eligibility for an award just as a "suggestion, invention, or scientific achievement" could. I would expect the Secretary of Defense to regulate the award for disclosure in conformity with its Federal civilian counterpart.

I would appreciate your using this letter to help explain and record the jurisdictional circumstances involved in your moving this bill. I look forward to our working together on other matters that affect our respective jurisdictions.

Sincerely,

LES ASPIN,
Chairman.

Mrs. SCHROEDER. Mr. Speaker, I reserve the balance of my time.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 607, a bill that would extend the Inspector General Awards Programs for disclosure by Federal employees of fraud, waste, and mismanagement, among other purposes. A similar bill, H.R. 5646, was considered by the House during the 98th Congress. H.R. 607 continues the authority of the inspectors general to make cash awards for disclosures of fraud, waste, and mismanagement until fiscal year 1989. The administration supports this 3-year extension. The Comptroller General of the General Accounting Office is required to report to Congress 6 months before the program expires, on the effectiveness of the awards program and whether it should be continued. GAO is relieved of the responsibility to verify the cost savings at their request. In the past, GAO has found the agencies' documentation of the savings has been accurate. The bill also will allow the Secretary of Defense to make similar awards to military employees for cost-savings disclosures.

Before this program expired last fall, Federal agencies were just beginning to carry out their Inspector General Awards Programs. Thus far, four agencies have made eight awards which have saved over $1 million. Not a bad start, but I look forward to the inspectors general expanding their programs and giving as many awards as are documentable in the next 3 years. Including military and naval employees of the Department of Defense into the IG program is an equitable solution to a problem unique to the DOD: two employees working side by side, one civilian and one military or naval, seeing the same waste, but only one person eligible to receive a cash award. The Committee on Armed Services concurs with us that this change is necessary. The people in the Federal work force are in the best position to discover fraud, abuse, waste, and mismanagement. Congress and every administration must encourage its employees to operate as efficiently and economically as possible. This program is an excellant way to do this.

Mr. Speaker, I urge my colleagues to support H.R. 607 because it contributes to the efficiency of the Federal Government, rewards employees for saving taxpayers' money, and will help us keep the Federal budget under control.

Mr. Speaker, I reserve the balance of my time.

● Mr. WORTLEY. Mr. Speaker, I rise in enthusiastic support of H.R. 607, the Cash Savings Disclosure Awards Act.

Some of my colleagues might think it a bit odd that I speak in favor of reauthorizing the cash awards program for whistleblowers. After midnight in the final hours of the 98th Congress, I objected to an amended version of similar legislation.

Our brothers and sisters in the other body had taken a good bill, one that continued the awards program begun in 1981, and added an amendment that would have resulted in an expensive and chaotic mess if it had survived.

For those of you who might not remember, and for those who were not yet here, I will explain what happened.

The House bill was amended by adding language under the guise of protecting whistleblowers whose cases were turned down by the special counsel. Although laudable in intent, the proposed solution was a nightmare. The 1984 amendments would have given the whistleblower, who had been turned down by the special counsel, the right to appeal in a Federal district court.

What's wrong with that?

By itself, nothing. Except the would-be whistleblower would be represented by a Government attorney. At this stage, the Justice Department would have to represent the person against whom the allegations were made, the Merit System Protection Board would have to be there to defend the original decision, and a special counsel would have to be used to defend the employee.

Any way you look at it, that's three Federal entities at odds with each other, each purporting to represent the United States in a Federal district court.

I am delighted, Mr. Speaker, that the House Post Office and Civil Service Committee has chosen to extend the cash awards program for the brave men and women who have called attention to dubious practices throughout the Federal bureaucracy.

There is no way we could adequately compensate them for their willingness to go out on a limb, in some instances, to make their findings public. However, cash awards show that their deeds

have not gone unrecognized save for a few paragraphs in a news story.

I urge all my colleagues to support this bill.●

● Mr. FEIGHAN. Mr. Speaker, I rise in support of H.R. 607, the Cost Savings Disclosure Awards Extension Act. This important measure would continue the policy of rewarding Government employees who expose fraud and waste. These whistleblowers, sometimes harassed by their superiors because of their often embarrassing disclosures, deserve our full support. They are the often unsung heros in the war for greater Government efficiency.

First instituted in 1979, the policy of providing small monetary incentives to encourage cost-saving disclosures lapsed at the end of 1984. But it has already proven its worth. The inspectors general of the Veterans' Administration, the Interior Department, and the Labor Department have provided $6,100 in awards to employees whose disclosures have saved the Government—and thus the taxpayer—nearly $1 million.

The inspectors general of these agencies, as well as that of the Defense Department, have responded favorably to this policy and have supported its extension as a valuable cost-saving tool.

A great deal of rhetoric is heard in this Chamber and across the country about cutting the fat out of the Federal bureaucracy. Here is one piece of legislation that can give some concrete meaning to that tough talk. I, for one, wholeheartedly support it.●

● Mr. ACKERMAN. Mr. Speaker, I rise in strong support of H.R. 607, the Cost-Savings Disclosure Awards Extension Act. This important measure would once again grant authority to agencies to present awards to Federal employees who disclose waste, fraud, or mismanagement in the Government. Since this power expired in September of last year, the Government has been unable to give cash bonuses to those diligent Federal workers whose sharp eyes have helped reduce the national deficit.

I commend Representative SCHROEDER for reintroducing this bill. The Cost-Savings Disclosure Program, by all accounts, is a cost-effective Federal initiative. According to the House Post Office and Civil Service Subcommittee on Civil Service, through October 1984, seven Federal employees had received awards totaling $6,100 for disclosures that have saved over $960,000. That's a rate of return of which we can all be proud.

This legislation should be quickly passed by the Congress, and signed into law. All Federal agencies should strive to make greater use of the program. But it is important to note that the bill before us today extends the disclosure awards to members of our armed services—an extremely timely move, given the concern we all have for extracting greater efficiency from our defense spending.

Mr. Speaker, in this time of soaring Federal deficits, it is essential that we get maximum value for every dollar we spend. This legislation will help us achieve that critical goal. I strongly urge my colleagues to support this vital measure.●

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

Mr. PASHAYAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. TRAFICANT). The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 607.

The question was taken.

Mr. WALKER. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on both motions to suspend the rules.

Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 1096, by the yeas and nays, and H.R. 607, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second electronic vote.

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1096.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. WOLPE] that the House suspend the rules and pass the bill, H.R. 1096, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 25, not voting 16, as follows:

[Roll No. 14]

YEAS—391

Addabbo	Annunzio	AuCoin
Akaka	Anthony	Barnard
Alexander	Applegate	Barnes
Anderson	Aspin	Bartlett
Andrews	Atkins	Bateman
Bates	Ford (MI)	MacKay
Bedell	Ford (TN)	Manton
Beilenson	Fowler	Markey
Bennett	Frank	Marlenee
Bentley	Franklin	Martin (NY)
Bereuter	Frost	Martinez
Berman	Fuqua	Matsui
Bevill	Gallo	Mavroules
Biaggi	Garcia	Mazzoli
Bilirakis	Gaydos	McCain
Bliley	Gejdenson	McCandless
Boggs	Gekas	McCollum
Boland	Gephardt	McCurdy
Boner (TN)	Gibbons	McDade
Bonior (MI)	Gilman	McEwen
Bonker	Gingrich	McGrath
Borski	Glickman	McHugh
Bosco	Gonzalez	McKernan
Boucher	Goodling	McKinney
Boxer	Gordon	McMillan
Breaux	Gradison	Meyers
Broomfield	Gray (PA)	Mica
Brown (CA)	Green	Michel
Broyhill	Gregg	Mikulski
Bruce	Grotberg	Miller (CA)
Bryant	Guarini	Miller (OH)
Burton (CA)	Gunderson	Miller (WA)
Burton (IN)	Hall (OH)	Mineta
Bustamante	Hall, Sam	Mitchell
Byron	Hamilton	Moakley
Callahan	Hammerschmidt	Molinari
Campbell	Hartnett	Mollohan
Carney	Hawkins	Montgomery
Carper	Hayes	Moody
Carr	Hefner	Moore
Chandler	Heftel	Moorhead
Chappell	Hendon	Morrison (CT)
Chappie	Henry	Morrison (WA)
Clay	Hertel	Mrazek
Clinger	Hiler	Murphy
Coats	Hillis	Murtha
Coelho	Hopkins	Myers
Coleman (MO)	Horton	Natcher
Coleman (TX)	Howard	Neal
Collins	Hoyer	Nelson
Conte	Hubbard	Nichols
Conyers	Huckaby	Nowak
Cooper	Hughes	O'Brien
Coughlin	Hunter	Oakar
Courter	Hutto	Oberstar
Coyne	Hyde	Obey
Crockett	Ireland	Olin
Daniel	Jacobs	Ortiz
Darden	Jeffords	Owens
Daschle	Jenkins	Oxley
Daub	Johnson	Packard
Davis	Jones (NC)	Panetta
de la Garza	Jones (OK)	Parris
Dellums	Jones (TN)	Pashayan
Derrick	Kanjorski	Pease
DeWine	Kaptur	Penny
Dickinson	Kasich	Pepper
Dicks	Kastenmeier	Perkins
Dingell	Kemp	Petri
DioGuardi	Kennelly	Pickle
Dixon	Kildee	Porter
Donnelly	Kleczka	Price
Dorgan (ND)	Kolbe	Pursell
Dornan (CA)	Kostmayer	Quillen
Dowdy	Kramer	Rahall
Downey	LaFalce	Rangel
Dreier	Lagomarsino	Ray
Duncan	Latta	Regula
Durbin	Leach (IA)	Reid
Dwyer	Leath (TX)	Richardson
Dymally	Lehman (CA)	Ridge
Dyson	Lehman (FL)	Rinaldo
Early	Leland	Ritter
Eckert (NY)	Lent	Roberts
Edgar	Levin (MI)	Robinson
Edwards (CA)	Levine (CA)	Rodino
Edwards (OK)	Lewis (CA)	Roe
Emerson	Lewis (FL)	Roemer
English	Lightfoot	Rogers
Erdreich	Lipinski	Rose
Evans (IA)	Livingston	Rostenkowski
Evans (IL)	Lloyd	Roth
Fawell	Loeffler	Roukema
Fazio	Lott	Rowland (CT)
Feighan	Lowery (CA)	Rowland (GA)
Fiedler	Lowry (WA)	Roybal
Fish	Lujan	Russo
Flippo	Luken	Sabo
Florio	Lundine	Savage
Foglietta	Lungren	Saxton
Foley	Mack	Schaefer

Scheuer	Spratt	Vucanovich
Schneider	St Germain	Walgren
Schroeder	Staggers	Walker
Schuette	Stallings	Watkins
Schulze	Stangeland	Waxman
Schumer	Stenholm	Weaver
Seiberling	Stokes	Weiss
Sensenbrenner	Strang	Wheat
Sharp	Stratton	Whitehurst
Shaw	Studds	Whitley
Shelby	Sundquist	Whittaker
Shumway	Swift	Whitten
Shuster	Synar	Williams
Sikorski	Tallon	Wilson
Siljander	Tauke	Wirth
Sisisky	Tauzin	Wise
Skeen	Taylor	Wolf
Skelton	Thomas (CA)	Wolpe
Slattery	Thomas (GA)	Wortley
Slaughter	Torres	Wright
Smith (FL)	Torricelli	Wyden
Smith (IA)	Towns	Wylie
Smith (NE)	Traficant	Yates
Smith (NJ)	Traxler	Yatron
Smith, Robert	Udall	Young (AK)
Snowe	Valentine	Young (FL)
Snyder	Vander Jagt	Young (MO)
Solarz	Vento	Zschau
Solomon	Visclosky	
Spence	Volkmer	

NAYS—25

Archer	Craig	Rudd
Armey	Dannemeyer	Smith (NH)
Badham	DeLay	Smith, Denny
Barton	Fields	Stump
Brown (CO)	Hall, Ralph	Sweeney
Cheney	Hansen	Swindall
Cobey	Kindness	Weber
Coble	Monson	
Combest	Nielson	

NOT VOTING—16

Ackerman	Fascell	Lantos
Boehlert	Frenzel	Madigan
Boulter	Gray (IL)	Martin (IL)
Brooks	Hatcher	Stark
Crane	Holt	
Eckart (OH)	Kolter	

□ 1430

The Clerk announced the following pair:

On this vote:

Mr. ECKART of Ohio and Mr. LANTOS for, with Mr. Crane against.

Mr. WEBER and Mr. RALPH M. HALL changed their votes from "yea" to "nay."

Mr. HEFNER and Mr. HEFTEL of Hawaii changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

COST SAVINGS DISCLOSURE AWARDS EXTENSION

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 607.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 607, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 413, nays 1, not voting 18, as follows:

[Roll No. 15]

YEAS—413

Addabbo	Cooper	Gonzalez
Akaka	Coughlin	Goodling
Alexander	Courter	Gordon
Anderson	Coyne	Gradison
Andrews	Craig	Gray (PA)
Annunzio	Crockett	Green
Anthony	Daniel	Gregg
Applegate	Dannemeyer	Grotberg
Archer	Darden	Guarini
Aspin	Daschle	Gunderson
Atkins	Daub	Hall (OH)
AuCoin	Davis	Hall, Ralph
Badham	de la Garza	Hall, Sam
Barnard	DeLay	Hamilton
Barnes	Dellums	Hammerschmidt
Bartlett	Derrick	Hansen
Barton	DeWine	Hartnett
Bateman	Dickinson	Hayes
Bates	Dicks	Hefner
Bedell	Dingell	Heftel
Beilenson	DioGuardi	Hendon
Bennett	Dixon	Henry
Bentley	Donnelly	Hertel
Bereuter	Dorgan (ND)	Hiler
Berman	Dornan (CA)	Hillis
Bevill	Dowdy	Hopkins
Biaggi	Downey	Horton
Bilirakis	Dreier	Howard
Billey	Duncan	Hoyer
Boggs	Durbin	Hubbard
Boland	Dwyer	Huckaby
Boner (TN)	Dymally	Hughes
Bonior (MI)	Dyson	Hunter
Bonker	Early	Hutto
Borski	Eckart (OH)	Hyde
Boucher	Eckert (NY)	Ireland
Boxer	Edgar	Jacobs
Breaux	Edwards (CA)	Jeffords
Brooks	Edwards (OK)	Jenkins
Broomfield	Emerson	Johnson
Brown (CA)	English	Jones (NC)
Brown (CO)	Erdreich	Jones (OK)
Broyhill	Evans (IA)	Jones (TN)
Bruce	Evans (IL)	Kanjorski
Bryant	Fawell	Kaptur
Burton (CA)	Fazio	Kasich
Burton (IN)	Feighan	Kastenmeier
Bustamante	Fiedler	Kemp
Byron	Fields	Kennelly
Callahan	Fish	Kildee
Campbell	Flippo	Kindness
Carney	Florio	Kleczka
Carper	Foglietta	Kolbe
Carr	Foley	Kolter
Chandler	Ford (TN)	Kostmayer
Chappell	Fowler	Kramer
Chappie	Frank	LaFalce
Cheney	Franklin	Lagomarsino
Clay	Frost	Latta
Clinger	Fuqua	Leach (IA)
Coats	Gallo	Leath (TX)
Cobey	Garcia	Lehman (CA)
Coble	Gaydos	Lehman (FL)
Coelho	Gejdenson	Lent
Coleman (MO)	Gekas	Levin (MI)
Coleman (TX)	Gephardt	Levine (CA)
Collins	Gibbons	Lewis (CA)
Combest	Gilman	Lewis (FL)
Conte	Gingrich	Lightfoot
Conyers	Glickman	Lipinski
Livingston	Packard	Snyder
Lloyd	Panetta	Solarz
Loeffler	Parris	Solomon
Lott	Pashayan	Spence
Lowery (CA)	Pease	Spratt
Lowry (WA)	Penny	St Germain
Lujan	Pepper	Staggers
Luken	Perkins	Stallings
Lundine	Petri	Stangeland
Lungren	Pickle	Stark
Mack	Porter	Stenholm
MacKay	Price	Stokes
Manton	Pursell	Strang
Markey	Quillen	Stratton
Marlenee	Rahall	Studds
Martin (NY)	Ray	Stump
Martinez	Regula	Sundquist
Matsui	Reid	Sweeney
Mavroules	Richardson	Swift
Mazzoli	Ridge	Swindall
McCain	Rinaldo	Synar
McCandless	Ritter	Tallon
McCollum	Roberts	Tauke
McCurdy	Robinson	Tauzin
McDade	Rodino	Taylor
McEwen	Roe	Thomas (CA)
McGrath	Roemer	Thomas (GA)
McHugh	Rogers	Torres
McKernan	Rose	Torricelli
McKinney	Rostenkowski	Towns
McMillan	Roth	Traficant
Meyers	Roukema	Traxler
Mica	Rowland (CT)	Udall
Michel	Rowland (GA)	Valentine
Mikulski	Roybal	Vander Jagt
Miller (CA)	Rudd	Vento
Miller (OH)	Russo	Visclosky
Miller (WA)	Sabo	Volkmer
Mineta	Savage	Vucanovich
Mitchell	Saxton	Walgren
Moakley	Schaefer	Walker
Molinari	Schneider	Watkins
Mollohan	Schroeder	Waxman
Monson	Schuette	Weaver
Montgomery	Schulze	Weber
Moody	Schumer	Weiss
Moore	Seiberling	Wheat
Moorhead	Sensenbrenner	Whitehurst
Morrison (CT)	Sharp	Whitley
Morrison (WA)	Shaw	Whittaker
Mrazek	Shelby	Whitten
Murphy	Shumway	Williams
Murtha	Shuster	Wilson
Myers	Sikorski	Wirth
Natcher	Siljander	Wise
Neal	Sisisky	Wolf
Nelson	Skeen	Wolpe
Nichols	Skelton	Wortley
Nielson	Slattery	Wright
Nowak	Slaughter	Wyden
O'Brien	Smith (FL)	Wylie
Oakar	Smith (IA)	Yates
Oberstar	Smith (NE)	Yatron
Obey	Smith (NH)	Young (AK)
Olin	Smith (NJ)	Young (FL)
Ortiz	Smith, Denny	Young (MO)
Owens	Smith, Robert	Zschau
Oxley	Snowe	

NAYS—1

Armey

NOT VOTING—18

Ackerman	Ford (MI)	Lantos
Boehlert	Frenzel	Leland
Bosco	Gray (IL)	Madigan
Boulter	Hatcher	Martin (IL)
Crane	Hawkins	Rangel
Fascell	Holt	Scheuer

□ 1440

Mr. COBEY changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. STARK. Mr. Speaker, I was unavoidably detained on the way to the floor and was here too late to be recorded on the bill, H.R. 1096.

I wish to have the RECORD show that had I been present, I would have voted aye on H.R. 1096.

□ 1450

WREATH-LAYING CEREMONY AT THE WASHINGTON MONUMENT ON FRIDAY, FEBRUARY 22, 1985

Mr. PENNY. Mr. Speaker, I ask unanimous consent that the program of the wreath-laying ceremony at the Washington Monument on Friday, February 22, the birthday of George Washington, and the remarks of the two Members representing the House of Representatives, the gentleman from Virginia [Mr. SLAUGHTER], and the gentleman from Arkansas [Mr. ROBINSON], be inserted in today's CONGRESSIONAL RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

WREATH-LAYING CEREMONY: FEBRUARY 22, 1985

PRESIDENT GEORGE WASHINGTON 253RD BIRTHDAY ANNIVERSARY AND WASHINGTON MONUMENT 100TH ANNIVERSARY OF DEDICATION, WASHINGTON MONUMENT, WASHINGTON, D.C.

10:30 a.m.—Participants and Members of the Washington National Monument Society assemble in Monument waiting room.

11:00 a.m.—Presentation of Colors: Joint Armed Services Color Guard.

Welcome: Master of Ceremonies—Mr. Lowell V. Sturgill, Assistant Secretary, Washington National Monument Society.

Remarks: Mr. Russell E. Train, First Vice President, Washington National Monument Society.

Remarks: Mr. Manus J. Fish, Regional Director, National Capital Region, National Park Service, U.S. Department of the Interior.

Remarks: The Honorable D. French Slaughter, Jr., U.S. House of Representatives, Seventh District, Virginia.

Remarks: The Honorable Tommy Robinson, U.S. House of Representatives, Second District, Arkansas.

The wreath of the U.S. House of Representatives: Hon. D. French Slaughter, Jr., and Hon. Tommy Robinson.

The wreath of the Washington National Monument Society: Mr. Russell E. Train.

The wreath of the National Park Service: Mr. Manus J. Fish.

11:30 a.m.—Taps and retiring of colors.

TRIBUTE TO GEORGE WASHINGTON

Mr. SLAUGHTER. Mr. Speaker, I was honored to be among participants at ceremonies at the Washington Monument on February 22d, to pay tribute to the 253rd birthday of our country's first President, George Washington, as well as to mark the 100th anniversary of the Monument's dedication.

As I pointed out in informal remarks on that occasion, Washington's greatness made a great deal of difference to the future of our young country. It's hard to visualize what would have happened without his strength, wisdom, experience and good judgment.

George Washington had numerous ties to Virginia's Seventh Congressional District that I am privileged to represent in the Congress. Part of his childhood was spent on a farm near Fredericksburg in Stafford County. He served as the first County Surveyor for Culpeper County. In a military capacity before and during the French and Indian War, he served western Virginia in the Shenandoah Valley around Winchester, and in western Pennsylvania. He served in the colonial legislature of Virginia, representing Frederick County.

His broad travel and his knowledge of the people in all sections of the Colonies provided him with more varied experience than virtually any other citizen of his time. No one knew the people of the Colonies so well as Washington did, and that knowledge, allied with his experence and his good judgment, helped to preserve our young country through a time when its independence was precarious.

In all of his great services to our country, Washington, to note his own words in other circumstances, raised a standard to which the "wise and honest can repair."

REMARKS BY CONGRESSMAN TOMMY F. ROBINSON AT GEORGE WASHINGTON'S WREATH-LAYING CEREMONY, FEBRUARY 22, 1985

It is with great pleasure that I join my distinguished colleague, Mr. Slaughter, and our distinguished guests to pay tribute and show again our respect for the man and the monument whose birthday and anniversary we celebrate today.

This monument whose 100th anniversary we acknowledge today, soars above the skyline of our nation's capital, drawing the eye of visitor and native alike, to focus our attention on George Washington. This nation has never been short on greatness. Whether we consider the contributions of those immigrants who brought their courage and strength to this land or we look to the accomplishments of our own native sons we find standing tall among the giants of our country's history—George Washington. As gentleman farmer, businessman, soldier and President, George Washington sought to serve an emerging nation. His high standards are the yardstick by which we measure public service and his deep love of country strikes a responsive cord within each American.

I understand that when the idea of a monument to George Washington was first proposed, the plans and drawings that were submitted for review ranged from the simple tribute we see today to opulent structures replete with columns and curlicues. Those intricate, overdone edifices were rejected for the clean, lean lines that serve as this city's focal point. I find this obelisk—whose color changes as the Maryland marble from which it is constructed plays with and reflects the day's light—a fitting monument for a man of simple, enduring ideals.

I am privileged to stand at the base of the monument to a great man which serves as both a physical landmark for this city and a spiritual landmark for this nation.

TRIBUTE TO KEITH F. MAINLAND

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. MURTHA] is recognized for 5 minutes.

Mr. MURTHA. Mr. Speaker, Members of Congress, it is indeed an extreme pleasure to take time to honor one of the finest persons I have met in my lifetime, and a man whose record of public service is in the highest tradition of American patriotism.

I am referring to Keith Mainland, who serving in his role as the eighth clerk of the House Appropriations Committee, made the job of the members of the committee much easier to accomplish and less tedious.

There was never a time that Keith was not available to answer any and all questions for all members of this committee covering issues from agriculture to defense and with a very high degree of professionalism.

As you may know, Keith served as a first lieutenant in the USMC on active duty from September 1953 to July 1955, and I am proud to say as a colonel in the USMCR, he is a person with whom I would have been proud to serve.

Keith came to the Committee from the GSA, and learned much from a person who was a giant both physically and mentally, the Honorable Al Thomas of Texas.

Besides being a tremendous help to all of the members of the Committee, Keith is also a devoted husband to his wife, Sandra, and devoted father to his two children, Kirk, who attends George Mason University, and Marlene, his daughter, who is attending Georgia Tech on a basketball scholarship.

Keith will always be missed for his cheerful disposition, intelligence, and assistance. His devotion to the members of the Appropriations Committee, to the House of Representatives, and to our Nation, will be treasured and remembered always.

Members of Congress, I am proud to call as my friend, a great American and an individual I am proud to join in honoring, Keith Mainland.

Mr. Speaker, at this point I yield to the gentleman from Michigan.

Mr. CARR. I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the gentleman for taking this special order on behalf of Keith Mainland, the retiring chief clerk of the House Committee on Appropriations.

Keith is one of the unsung heroes of Government service. His efforts on behalf of the committee and hence the taxpayers of this country have saved billions of dollars, have contributed to the betterment of our country, and we all wish him well in his retirement.

Mr. MURTHA. I thank the gentleman from Michigan.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. BROOKS. I thank the gentleman for yielding and commend him for having this special order in order

to recognize one of the outstanding leaders of this Congress who has been chief counsel for the Appropriations Committee for lo these many years.

Mr. Speaker, Keith has done an outstanding job, is a perceptive and intelligent man. He deserves the highest accolades of this body, that of the Appropriations Committee and that of the people of this country for his dedication, hard work honesty, and decency.

Mr. Speaker, I commend Keith and wish him a happy, happy another 50 years.

Mr. MURTHA. Mr. Speaker, I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, I thank the gentleman for yielding to me and for taking this time in order to give us an opportunity to pay tribute to the outstanding work of Keith F. Mainland.

Mr. Speaker, I take this opportunity to join with my colleagues in paying a well-deserved tribute to Mr. Keith F. Mainland on his departure as the chief clerk and staff director of the House Committee on Appropriations. Mr. Mainland served proudly in the U.S. Marine Corps for 2 years on active duty and first entered civilian Government service in 1959. He was first appointed to the Appropriations Committee staff on March 1, 1962, and served on the committee staff in various positions until being selected to take the position of chief clerk and staff director in 1972. His retirement marks the conclusion of 28 years of honorable Government service with 23 of those years being served as a distinguished member of the staff of the Committee on Appropriations.

Keith is only the eighth person to serve as chief clerk of the Committee on Appropriations during its 120-year history.

Mr. Speaker, Keith has served the U.S. Government and the American people with distinction and is well deserving of the praise he is receiving here today. One of Keith's outstanding qualities is the capacity for just plain hard work. Keith has spent many long days, nights, and weekends at the Capitol under high pressure situations to complete the important budget work of the Congress. He has always displayed a high degree of professionalism under conditions that were frequently hectic.

He has exercised sound judgment in all situations and he exemplifies the ideal of a professional staff member, serving Members of both political parties with complete impartiality.

As a member of the Committee on Appropriations and chairman of the Defense Appropriations Subcommittee, I want to thank Keith for his invaluable service to the Congress and to the United States and I wish him every happiness in the coming years.

Mr. MURTHA. Mr. Speaker, I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. I thank the gentleman for yielding and thank him for taking this special order.

Mr. Speaker, I would like to join with my colleagues in paying tribute to Keith Mainland for his long and loyal service to the Appropriations Committee, to this House, and to the people of the United States. I have two special observations about the quality of his service.

First, the Committee on Appropriations has the finest staff in either body. I can say this without fear of contradiction or qualification. This fine support staff is due to Keith and several others on the committee who have, over the years, made a concerted and conscientious effort to recruit capable and highly motivated individuals to work for the committee and to ensure that they were trained to meet its needs. The public does not see the dedicated work of these individuals but the product of their efforts is the effective management of Federal programs with cost savings to the American taxpayer.

Second, Keith has been a cooperative and caring individual with whom to work for Members and our personal staff members. He is always attentive to our needs and eager to work with us to resolve our concerns.

Keith will be missed, but he deserves the thanks and appreciation of this House and his fellow countrymen for making the institutions of American democracy work to serve the people.

I wish Keith and his wife, Sandy, much happiness for many years to come and many pleasant and relaxing times fishing at their lakehouse.

Mr. MURTHA. I thank the gentlewoman from Louisiana.

Mr. Speaker, I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Speaker, I rise to join this special order in honor of our friend, Keith Mainland. Keith has been chief clerk and staff director of the Committee on Appropriations since 1972, and is now retiring from Government service.

Keith has served his country well—first as a marine, who spent many months in the field in Korea, and then many years in civilian service to the Government at the General Services Administration and, for the last 23 years, with the committee.

Here is a man who exemplifies the best notion of what we call "public servant." He has been a tireless performer, and one who has been looked up to and respected by the professional staffs all over the Hill.

The members of the committee, the leadership, and many others throughout the House and Senate regularly consulted with Keith for his advice and his perspective on appropriations matters.

His advice was always sincerely given—his perspective sound and objective. His leadership of an outstanding staff of peers is well known and highly praised.

Keith has always shown pride in his service to the House of Representatives—and he has somehow been able to balance that service with his love and concern for his lovely family: his wife, Sandy; and his two children, Kirk and Marlene.

We shall miss Keith. But we wish him much continued luck, success, and good health. And a nice, big bass every now and then.

□ 1500

KEITH F. MAINLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, I learned early on in my career as a legislator that a good staffer could be worth his weight in gold. And Keith Mainland, the recently retired clerk of the Committee on Appropriations, represented a good 170 punds of pure gold.

I feel somewhat sorry for myself, Mr. Speaker, in that I am losing, in one sense, Keith's good counsel. When I joined the Appropriations Committee I spent a good bit of time with Keith. It was Keith and his staff as much as any Member of Congress who taught me the traditions, the rules, the nuances, and process of the Appropriations committee. I hope that Keith enjoyed educating me as much as I enjoyed learning. He has an incredible love for and appreciation of the appropriations process. He has a grasp of the history of the committee that is rivaled by only the chairman and some of the committee's senior members. He tolerated political posturing because he had to but he drove his staff and, in fact, influenced the members to regard the budgeting process as an extremely serious effort requiring hard work, close examination, healthy skepticism, and timely action.

Mr. Speaker, I don't think that Keith Mainland completely left the Marine Corps in 1955 because he certainly brought a lot of it with him into the Appropriations Committee. While the Appropriations Committee markups are not exactly armed conflicts, Keith's Korean conflict experience had prepared him well for the rhetorical enemy, the jurisdictional disputes, and the jealous generals. It had also prepared him well to deal with green scouts such as myself.

First Lieutenant Mainland gave good counsel from the appropriations war room off the House floor. Keith worked at a large conference table in

the room which, at times, resembles the chapter room of a college fraternity. And if the Appropriations Committee has some fraternal and sororal aspects to it, then Keith was the staff equivalent of the fraternity president.

Keith, like a good marine, had little tolerance for those who did not attend to their duty. Consequently, he was constantly urging all of us to focus on the overall picture and I tough on the committee's associate staff whose concerns were sometimes not the more parochial. He once explained to one of my associate staffers that the associate staff was solely responsible for the Nation's deficit. While that comment can be written off as tounge-in-cheek exaggeration, it tells a lot about a man who dedicated his public life to his country—first to defend it, and later to help manage it in a fiscally responsible fashion. Keith Mainland is tough, he is a professional, he is fair, and hs is everything that any chairman on this Hill would want in a staff director.

Keith also has an excellent capacity for putting things into perspective. While he was clearly one of the most powerful staffers on the Hill, few would even recognize him walking down the street. Despite his importance as a staffer, Keith handled himself with humility, respect, and a high degree of professionalism. I only had 3 years to benefit from Keith Mainland's good counsel. I envy those who have known him longer and regret that many of my colleagues did not get to know him. Most of all, I thank him for his unselfish and dedicated service to this country and the American people.

Mr. Speaker, at this time I yield to the gentleman from California [Mr. DIXON].

Mr. DIXON. I thank the gentleman for yielding.

Mr. Speaker, I am happy to join my colleagues to express my sincere thanks to Keith Mainland on his retirement. Keith has served the Committee on Appropriations for 22 years and has been the clerk and staff director since October 1972.

During my first term as a Member of Congress, I had the good fortune of being elected to the Committee on Appropriations, and I found Keith to be very helpful. He knows the rules and parliamentary procedures of the House probably better than any other staff person on the Hill, and he was always available to offer counsel and advice. There is no question that during his tenure with the committee he has demonstrated his valuable reservoir of competence and experience. I'm sure that many of his finest qualities were learned during his service with the Marine Corps where he was a first lieutenant at the time of his discharge.

If there are two words to describe Keith, they are "service" and "loyalty." This truly applies to Keith who is known for his unquestioned loyalty to the chairman and the committee.

Keith, I want to wish you happiness, success and good health in your retirement. You can be proud of your career with the committee, and we share that pride with you.

BIOGRAPHY OF KEITH F. MAINLAND

Eighth Clerk of the Committee since its establishment in 1865.

Born Elgin, Illinois, January 14, 1932.

Part-time work for A&P from July 1948 to August 1949.

Graduated from Washington-Lee High School in Arlington, VA—1949.

Graduated from Northwestern University with BA in Business Administration—June 1953.

Marine Corps—enlisted in reserves in March 1951.

Commissioned 2nd Lieutenant in July 1953—discharged as 1st Lieutenant in July 1955.

Sales representative for Proctor and Gamble, Jan. 1956-1958.

GSA budget analyst Oct. 1958 to 1962 when he was detailed to Committee on January 22, 1962.

Appointed to Committee staff March 1, 1962 by Chairman Clarence Cannon of Missouri, and served with what is now the HUD-Independent Agencies Subcommittee under Chairman Al Thomas of Texas.

Appointed Clerk of the Committee by Chairman George Mahon of Texas in October 1972.

Married to the former Sandra (Sandy) Wadlow; has two children: Kirk, who attends George Mason University; Marlene, who attends Georgia Tech on a basketball scholarship.

Has maintained a vacation home on Lake Louisa in Central Virginia, where he may be expected to be found with increasing regularity fishing and enjoying life.

Mr. HOYER. I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentleman from Texas [Mr. LOEFFLER].

Mr. LOEFFLER. I thank the gentleman for yielding.

Mr. Speaker, it is with great honor—and some regret—that I rise today to pay tribute to Keith Mainland, chief clerk of the House Committee on Appropriations, on the occasion of his retirement.

Keith is truly one of our own—and one of the finest public servants in the history of the House Appropriations Committee and of this body. He was appointed to the committee staff in 1962 by Chairman Cannon and elevated to the position of chief clerk by my Texas colleague, George Mahon, in October 1972. We are sorry to see Keith retire, but take some comfort that his position is being filled by Fred Mohrman, a veteran of the Appropriations Committee and a man cut from the Mainland cloth.

I have known and worked with Keith Mainland since 1972 in a slightly different context than most of the other members of the Appropriations Committee—first as a member of a legislative team in the other body, as Deputy for Congressional Affairs at the Federal Energy Administration and as Special Assistant for Legislative Affairs under President Gerald Ford. While Keith and I did not always see eye to eye on the issues, I can personally attest to the fact that he is a top-notch professional, an honorable man, and a noble adversary.

Keith will sorely be missed by the members of the Appropriations Committee and by the Members of the House. We wish him well as he retires to his home and family in rural Virginia. He is a man who has served this House well and a man who I am proud to call colleague and friend.

Mr. HOYER. Mr. Speaker, at this time I yield to the gentleman from Arizona [Mr. RUDD].

Mr. RUDD. I thank the gentleman for yielding.

Mr. Speaker, I would like to join the gentleman in accolades for Keith Mainland as he retires from the Congress. He has done a great job across-the-board, across partisan lines in serving the committee, serving this Congress. His wisdom has been appreciated by all who have been connected with the committee or with him. I personally appreciate his willingness to respond to requests on an even-handed scale and weight.

I wish him every good fortune in his future.

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. Mr. Speaker, I want to say I did not have the opportunity to know Keith Mainland for too many years since I was able to serve on the Appropriations Committee for the last 4. But I have always been impressed with his untiring effort to do a job for the committee.

I think my friend from Maryland stated it correctly. Many of us cannot do the job here without adequate and very qualified professional staff. Keith Mainland is a true example of being a professional. He has dedicated his life basically trying to be of service here in the Congress. On many occasions, on late hours, all night long, Keith Mainland and members of his staff were working trying to meet deadlines, trying to meet the concerns and the needs of Members of the Congress in order to try to provide what most of us felt like were the demands and concerns of our constituents across America.

This is truly a day that we can salute and pay tribute to Keith Mainland for his outstanding contribution not only to this Congress, but to the citizens across the United States.

● Mr. ROGERS. Mr. Speaker, I rise today to join with my colleagues in congratulating Mr. Keith Mainland on his retirement, and in lamenting the loss of the outstanding staff director of the Appropriations Committee.

I have known Mr. Mainland for just 2 years. But this has been more than enough time to see firsthand his dedication, his profound depth of knowledge, and his astute good sense—all of which have made him invaluable to the committee over the years.

Mr. Mainland has represented the finest qualities in a staff member, lending his rare expertise and dedication to the service of his country.

I congratulate him on his retirement and would like to join with my colleagues in thanking him for his years of invaluable service.●

● Mr. MILLER of Ohio. Mr. Speaker, I join my colleagues on the Appropriations Committee in honoring Keith Mainland on the occasion of his retirement as clerk of our committee.

There is no doubt that Keith will be sorely missed by all of us on both sides of the aisle. He was always fair, courteous, and helpful. He never sought the limelight, but worked diligently behind the scenes to facilitate the work of our committee. In times of pressure and stress, in late-night sessions and weekend conferences, throughout the turmoil, Keith remained calm, collected, competent, friendly, and reliable.

Keith first joined the Appropriations Committee staff in March 1962, and served for approximately 10½ years on the HUD-Independent Agencies Subcommittee before being appointed clerk of the committee by Chairman George Mahon in October 1972. Therefore his total service on our committee totals 23 years.

It is perhaps understandable that, after this period of time, Keith is now interested in moving on to something else. But this does not alter the fact that we regret his departure. Keith has been a true public servant in the highest sense of that term. Representative government simply cannot work without the dedicated services of staffers like Keith Mainland. We thank him for his contribution to our committee, to the House of Representatives as a whole, and to the Nation. We wish him well for the future.●

● Mr. BEVILL. Mr. Speaker, it is my privilege to join with my colleagues in the House to honor our good friend, Keith Mainland, upon his retirement from a most successful career of government service.

As clerk of the Appropriations Committee since 1972, Keith has managed this committee during its most difficult times. Yet, through his insight into the budget process, his skill at management, and his many significant contributions to the institution of the House of Representatives, Keith has provided most able leadership to this important committee.

Keith has earned the respect of the Members and staff of the entire House. His reputation for excellence and his dedication to our Nation place him at the forefront of those who serve the citizens of America.

I personally want to thank Keith Mainland for his untiring and unfailing assistance. As a subcommittee chairman, I have often called on Keith and he has been a continual source of sage advice and counsel. I shall always be grateful to him.

I wish Keith happiness and good health in his well deserved retirement.●

● Mr. YATES. Mr. Speaker, Keith Mainland has one of the most difficult and demanding jobs in this city. He is about to retire and I am delighted that we are taking a moment today to honor him.

Keith has many, many friends from both parties on both sides of the Capitol Building and I am proud to say that I am one of them. I remember Keith Mainland from his earliest days when he joined the Appropriations Committee as a staff member of the Housing Subcommittee. In all those years he had been the very personification of professionalism and excellence. As a clerk of the full committee for the past 12 years, Keith has handled the complexities and enormous responsibilities that the job involves with a grace and efficiency that are nothing less than remarkable. His contributions to the legislative process are as solid and genuine as anything can be and I can tell you that every Member of this House is in his debt.

I will miss him, the committee will miss him, and the Congress will miss him, and I want him to know that I wish him a happy, successful, and productive retirement.●

● Mr. MYERS. Mr. Speaker, I am pleased to join my colleagues in saluting Keith Mainland as he retires as the eighth clerk of the Committee on Appropriations. As a member of that committee, I have known Keith and worked with him for his entire tenure as clerk and it has been a very special honor and privilege to be associated with him.

Keith was a student of and a product of this institution. He knows and loves the Hill. Its people. More than most. Sure, he knew the Speaker, the minority leader, the leaders of both parties. But, he also knew the elevator operators and the officers on duty in the wee hours of the morning. Somehow, for example, Keith knew that a certain Rayburn Building policemen would appreciate reading an obscure book, written in Italian, which I had received as a gift.

Although Keith had more seniority on Capitol Hill than most of us, he always rose out of respect when any Member of Congress entered his office and he always referred to Members as "Mr." or "Mrs." and this was not an affectation. It was the result of many years of training and belief in the old school ways.

Although the power brokers in our Nation's Capital frequently sought his advice, Keith was even more flattered when his fishing buddies would ask for directions to the best fishing hole in Lake Louisa.

Keith, once and always a marine, worked behind the lines. He was always uncomfortable to find himself quoted or his name in print. Keith never had his own agenda. He only wanted to ensure that Members' decisions were implemented as quickly and as effectively as possible.

Keith wanted the trains to run on time. But, he also wanted them to arrive with the cargo intact. At the same time, he thrived on what the rest of us might call chaos and made sense of it.

Aufwiedersehen, Keith. Thanks to you—our trains are still on track.●

● Mrs. SMITH of Nebraska. Mr. Speaker, it is with regret that I and my colleagues say farewell to the public service of Keith Mainland, who is retiring from his position as the eighth clerk of the House Committee on Appropriations.

Keith was always on call from both sides of the aisle. He never seemed to be quite finished with committee business. He was never too busy to listen and respond to every request—trivial or substantive.

I remember well in the last few years when the budget process was under such siege working with Keith Mainland, gaunt and red-eyed with fatigue. He could always hear us over the hubbub of full committee. He always had time to guide me and my staff through the thickets of the appropriations legislative process. He never failed to appropriately communicate my wishes and concerns, faithfully, swiftly, and accurately, to the chairman and to my colleagues. In fact, he often anticipated my requests and addressed them adequately and with consideration, always, for the feelings of others.

On Capitol Hill, it is often said that congressional staff should not even be seen—let alone heard. Keith Mainland was capable of almost total invisibility. The important thing was that he made himself known through his service to the committee, the committee, and the committee—regardless of rank or seniority of individual members who sought his advice and guidance.

Mr. Speaker, I find it astonishing that Keith Mainland survived in his demanding position as clerk for more than 12 years, rising to that rank after 11 previous years on the committee staff.

I suspect that, with the pace in Congress accelerating, his worthy, astute, and knowledgeable successor, Frederick G. Mohrman, will be under increasing burn-out pressure. I note, however, that Mr. Mohrman has been on the

committee staff for more than 10 years already, and so perhaps he too has learned to cope with the personalities and foibles of the committee's able and distinguished members.

So to Fred Mohrman, I also extend my best wishes as he embarks upon his new responsibilities—or perhaps, it should be condolences as he faces the inevitable firestorms of controversies certain to sweep our committee.

Keith Mainland met such turmoil with patience, imperturbable calm, competence, conscientiousness, meticulousness, and good humor. His was an example of giant proportions, testimony to the fact that excellence is attainable under even often the most difficult circumstances.

Keith Mainland, a native of Illinois, reportedly will be found with increasingly regularity at his home on Lake Louisa in central Virginia. I sincerely hope that with his long, long, often irregular hours, his family will realize how much his committee will miss him as he takes up this opportunity for fuller participation as a more private person. Truly, Illinois' loss was the committee's gain—until now.

I extend all best wishes to Keith, to his wife, Sandra, and their two college-student offspring, Kirk and Marlene.●

● Mr. BONER. Mr. Speaker, I am pleased to join my colleagues on the House Appropriations Committee in commemorating the retirement of Keith Mainland, our committee clerk.

Though I have been a member of the committee for only a brief time, I have come to appreciate the fine work that Keith performed for the committee. His guidance, as well as patience, helped me become familiar with the committee's procedures and the budget's intricacies.

Keith's counsel and expertise will be missed by the committee. Based on my own observations, as well as the stories I have heard from other members of the committee, it is clear that Keith demonstrated the dedication and professionalism that was characteristic of the clerks who preceded him. Keith filled the large shoes left by his predecessors. He leaves even larger shoes behind for all those who succeed him.

Mr. Speaker, I join my colleagues on the House Appropriations Committee in bidding Keith farewell. I join them in wishing Keith and his family the very best upon his retirement from the committee.●

● Mr. LIVINGSTON. Mr. Speaker, Keith Mainland, only the eighth clerk of the House Appropriations Committee since it was established in 1865, is retiring and moving on to a new career.

As a minority member of the committee, I can say with all sincerity Keith dealt with minority members fairly, and he responded to our concerns and needs on every occasion. An historically bipartisan committee, the House Appropriations Committee over the years has always had a thoroughly professional staff that serves both the majority and minority in excellent fashion. Since joining the committee in 1980, it has been a pleasure for me to work with good people like Keith and the staff people on the various subcommittees. Keith and his colleagues have always made my work here in Congress much easier, and they have been an integral part in helping me fulfill my duties to the citizens of the First Congressional District and the entire State of Louisiana.

Keith, thank you. We will miss you, but we know that you have left us in good hands. Good luck.●

● Mr. DWYER of New Jersey. Mr. Speaker, I would like to join with my colleagues on the House Appropriations Committee in saluting the committee's retiring clerk and staff director, Keith Mainland. Keith is retiring after serving the committee—and this Congress—for 23 years.

Those of us who have had an opportunity to work with Keith have come to value his experience and judgment. As the committee's eighth clerk since its establishment in 1865, Keith has labored over details and technicalities that few others understand. During the 5 years that I have been privileged to serve on the Committee on Appropriations I have come to respect Keith's mastery of the rules of the House and his loyalty to the committee.

Keith has been clerk since 1972, during a watershed period of the committee's history. As the Members are aware, the Budget Impoundment and Control Act of 1974 altered the committee's responsibilities and the entire appropriations process. Keith has provided leadership in defining the committee's new responsibilities and fulfilling the mandate of the 1974 act.

It should also be noted that the committee is unique among others in this House because the staff functions as a professional staff—in a bipartisan manner. As clerk, Keith has maintained this enviable tradition.

Mr. Speaker, it is my understanding that Keith intends to spend his newfound time with his family at their home on Lake Louisa in Virginia. I want to thank Keith for his service to the committee, and to wish him every happiness in retirement.●

● Mr. CHAPPELL. Mr. Speaker, I join my colleagues of the House Appropriations Committee in paying special tribute to Keith Mainland, who is retiring after many years of dedicated service as chief clerk and staff director of the Appropriations Committee. I extend my personal appreciation to Keith for his kind assistance to me, and to congratulate him for his outstanding contributions to the work of the committee. We shall miss him and his wealth of knowledge and expertise.

Prior to his career with the committee, the 1953 Northwestern University graduate served as a 1st lieutenant with the Marines, worked in private industry and for the General Services Administration. Keith came to this committee in 1962, working for the late Albert Thomas of the HUD Subcommittee. He then worked 6 years for Chairman George Mahon, and in 1972 was appointed to his present position. Wherever he goes, Keith exhibits a special talent for organization and excellence—always striving to achieve these goals before moving to his next challenge.

While those of us who have had the privilege and pleasure of knowing Keith and working with him for the past several years regret his leaving, nevertheless, we extend to him and his wife Sandra best wishes for all future endeavors. We hope they will have many years of excellent health, great happiness, and good fortune, combined with a full measure of leisure-time activities.●

GENERAL LEAVE

Mr. HOYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

DEBATE SHOULD BE LIMITED TO ISSUES ONLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, I noticed something rather interesting in the last several days here in the House of Representatives. It appears as though when Members of the minority side attempt to raise issues from time to time that they are then immediately subjected to personal attack of some sort with regard to the issues that they raise.

It happened the other day when I raised the issue of whether or not we were going to count calendar days or legislative days with regard to the 45-day limit on Mr. McIntyre that the House Administrative Committee is supposed to have.

At that point the issue was turned by the majority leader to the issue of whether or not the minority attempting to schedule additional legislative days whether or not that would not cost the taxpayers additional money.

Therefore, it then became an issue of whether or not by raising this question whether or not I was not trying to cost the taxpayers money.

I think the American people need to know the facts, which of course I did not have the facts and figures before me.

The fact is that the minority has yet to schedule a pro forma session in this session of Congress. I have figured that the majority, particularly the majority leader, has thus far scheduled 11 pro forma sessions in this session of Congress.

Now, therefore, if it is correct that those are costing the taxpayers large amounts of money, it is the majority that is at this point costing the taxpayers thousands upon thousands of dollars with these pro forma sessions.

I also was interested to try to find out exactly where they came up with the figures that the majority leader was talking about on the floor. Much to my dismay after I requested those figures I still have not received them. That was last week. It has almost been 1 week. They had a piece of paper out on the floor that he was referring to on the figures, and yet, the Clerk of the House cannot supply those figures to this gentleman.

My suggestion is that those may be partisanly derived figures rather than real figures that were being used.

Nevertheless, it is an interesting technique that raise an issue and be subjected to personal attack.

Then, yesterday, I must admit I was not here yesterday. I missed the Journal vote. It was a definite difference in my career not to be here for a Journal vote, but I was at home and I watched the proceeding on C-Span and I found another very interesting personal attack launched on my colleague from Georgia [Mr. GINGRICH]. At that point he was told that if you do not vote on an issue at some point you therefore have no business speaking on that issue.

Well, I find that a very interesting standard that we are going to exact. I went and I got a printout of the Member who made that accusation of how many votes that particular Member missed in the last session of Congress. This is a printout of all of those votes missed in the last session of Congress.

I would suggest that if that Member is going to hold that standard that there were an awful lot of issues that that Member was not able to speak on in the last session of Congress.

So, I would think that perhaps that is a personal attack we would want to be a little careful about in the future.

Mr. Speaker, I hope that we will get around this idea when issues are raised launching personal attacks on Members on Congress. It might be better to just discuss the issues.

□ 1510

THE PROBLEMS WITH IMPORT SURCHARGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 5 minutes.

● Mr. FRENZEL. Mr. Speaker, there has been some interest in the private sector, and here in the Congress, in a temporary import surcharge to help bring our trade deficit down. Supposedly, this would eliminate some of the advantages imports are receiving in the U.S. market caused by the strength of the U.S. dollar.

An import surcharge sounds tempting—an easy way to solve the trade deficit. However, easy solutions are not always good solutions. While an import surcharge may have a short-term effect on the trade deficit, all evidence indicates that there would be more harm to U.S. exports than assistance.

While an import surcharge may not be GATT illegal, it is true that most countries have been reluctant to impose them due to possible adverse GATT implications.

Many economists believe that the dollar will simply readjust itself upward thus leaving the surcharge meaningless. In addition, we face similar retaliation surcharges imposed by our trading partners. Then EC has already indicated that it is ready to impose a surcharge equal to ours.

As Trade Ambassador Bill Brock said recently in an interview, "The problem with surcharge is that it doesn't deal with the underlying causes of our difficulties * * *. It may alleviate the pain, but it doesn't eliminate the illness * * * the fact is that a surcharge * * * would do great harm to our exports."

The import surcharge imposed by President Nixon in 1971 lasted about 3 months. There is no evidence that this one would be more successful. Let's follow the advice of the experts and look for more positive ways to reduce the trade deficit.●

TAXING VETERANS' DISABILITY COMPENSATION WOULD BE UNJUST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

● Mr. MONTGOMERY. Mr. Speaker, today I am introducing a House concurrent resolution to express the sense of the Congress that Veterans' Administration service-connected disability compensation payments should remain exempt from Federal income taxation.

I am greatly concerned, as are all veterans, about a proposal now being seriously considered by the administration which would require veterans who receive compensation for service-connected injuries to pay Federal income tax on those benefits.

This proposal is part of the tax simplification plan submitted to the President by former Treasury Secretary Donald Regan. The taxing of compensation benefits has nothing to do with tax simplification.

Mr. Speaker, I want to voice my opposition to such a proposal, and I know I speak for many of my collegues when I do so.

These disabled veterans earned their benefits by serving honorably in our military and by suffering wounds and injuries during that service. It would be unjust to ask our veterans with service-connected disabilities to give up any portion of their current benefits. During a joint hearing before the House and Senate Committees on Veterans' Affairs this morning this issue was thoroughly discussed and it is obvious to me the taxing of compensation is absolutely unacceptable and the President had might as well forget it.

There follows a copy of my letter to the President regarding this matter and a copy of the letter Mr. HAMMERSCHMIDT and I recently sent to the Secretary of the Treasury, Mr. James Baker:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, January 9, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I have read with great interest and considerable misgivings Secretary Regan's proposal to tax service-connected veterans' compensation. These benefits have from their inception been exempted from taxation, and I cannot imagine any justification that would warrant a departure from this long-standing policy.

Veterans compensation is designed to replace lost earning capacity attributable to disability. Since the benefit has traditionally been tax exempt, the rates reflect this status. For example, the rate for a single veteran who is totally disabled is only $15,540 per year. The difference between this rate and the average earnings of wage earners today reflects the tax exempt status of compensation benefits. To use the language of Treasury policy analysts, the present rates are calculated on a "net replace" basis. If the benefit were to be taxed, we in the Congress would have to raise the rates to their average earning loss equivalent. This action would probably more than offset the increased taxes to be realized.

Consider also that in addition to a proposed tax on the benefit, it has been proposed to deny a COLA in FY 1986. Taken together, the effect of these two policies is a double penalty imposed on some of our most deserving citizens, those who suffered grievous loss in the service of our country. It is indeed ironic that some of our most deserving citizens should have to bear an unjustly heavy tax burden.

The Congress has long recognized that changes in the structure of the labor market also change the effects that various

disability levels have on earning capacity. We have adjusted to this by making the compensation rates incremental rather than straight line. For example, the rate for a 10% disability ($66 per month) is only 5% of the rate for total disability and the rate for 90% ($779 per month) is only 60% of the total rate. The proposed tax credit of 15% on up to $6,000 of compensation for an individual is much more beneficial to the less disabled veteran than to those with more profound disability. Not only is this grossly unfair, but it also flies in the face of what we have been trying to do with the rate structure.

Armed services retirees who also have service-connected disabilities are precluded by law from drawing retirement and compensation concurrently. Instead, they must waive so much of their retirement pay as equals compensation. They do this only because compensation is not taxable and retirement based on length of service is. These retirees have continued to pressure this Committee for costly legislation that removes the prohibition against dual payments. With your proposal vitiating the benefit they receive by waiving retirement pay to receive compensation, the pressure on this Committee to permit receipt of both compensation and retired pay would be greatly increased.

I have tentatively scheduled a full Committtee hearing on February 20, 1985 to hear from the Administrator of Veterans' Affairs on the VA budget. In view of the adverse impact the taxing of compensation would have on service-connected disabled veterans, we must hear Secretary Regan's justification for his recommendation to you, and I will insist that he or his spokesman appear before the Committee on that date to present the Administration's views and to answer questions relating to the proposal.

In order to prepare for that hearing, please have Secretary Regan provide answers to the following questions:

1. Would all Federal payments based on disability be taxed; e.g. disability benefits from social security, military retirement, Federal employees compensation, damage awards that are paid as compensation for civilian injury or death, etc.? If there are any exclusions, what is the rationale for the exclusion?

2. What is the estimated revenue to be realized from taxing compensation?

3. Please provide me with examples of how Secretary Regan's proposal and his tax credit would apply to veterans receiving each of the rates for the disabilities specified in title 38, U.S.C. 314 (a) through (s)?

4. VA compensation is based on "average impairments of earning capacity resulting from such injuries in civil occupations" so there is no penalty for overcoming the handicap of a disability. Thus, many totally disabled veterans have overcome their handicaps, returned to productive employment and pay taxes on their earnings. Have any efforts been made to calculate the tax loss attributable to the disincentive effect of your proposal on such veterans?

5. In addition to the basic percentage of disability rates, the law also provides special rates for veterans with special needs. For example, title 38, U.S.C. 314 (l) and (r) pay special rates based on disabilities so profound they require the aid and attendance of another person. Does Secretary Regan's proposal contemplate a deduction for the amounts actually expended for this purpose?

Mr. President, I trust you will not favorably consider this recommendation when you submit your budget to the Congress early next month.

Sincerely,

G.V. (SONNY) MONTGOMERY,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, February 7, 1985.

Hon. JAMES A. BAKER III,
Secretary of the Treasury,
Washington, DC.

DEAR MR. SECRETARY: Enclosed are copies of letters recently sent to the President expressing our views on a provision of the tax reform measure proposed by former Secretary Regan concerning taxation of compensation paid to service-connected veterans. Following your confirmation by the Senate, we were informed by your staff that you would be reviewing the tax reform proposal. It has been suggested that pending such review and your recommendations to the President, it would be premature to hear from the Treasury Department during our hearings on February 20 and 21. We agree.

We understand your desire to review in detail the tax reform package submitted by the former Secretary and, in that regard, will not insist that Treasury officials testify at our hearings; however, all of our members are anxious to know your views in reference to whether the compensation received by service-connected disabled veterans should be subject to Federal taxation. You can appreciate the many calls being received by members of both the House and Senate on this issue since it has been highly publicized by all the national veterans service organizations.

It would be most helpful to those of us who serve on the Veterans' Affairs Committee to know your views on this aspect of the tax reform package. During his State of the Union address Wednesday evening, the President said: "One thing that tax reform will not be is a tax increase in disguise. We will not jeopardize the mortgage-interest deduction that families need." Mr. Secretary, the taxing of compensation is a tax increase for the most deserving of our citizens and surely you and the President would not want to jeopardize the income provided them for their loss of earning capacity due to disabilities incurred in military service.

We are advised by the Ways and Means Committee that the Chairman has scheduled a hearing on February 27 to hear from you in reference to tax reform. We would like to have your views on the veterans tax issue by such date.

Sincerely,

G.V. (SONNY) MONTGOMERY,
Chairman.

JOHN PAUL HAMMERSCHMIDT,
Ranking Minority Member.●

REAGAN BUDGET PROPOSAL FOR EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, I rise to join with my colleagues in discussing the impact of the Reagan administration's budget proposals and policies on the American commitment to education.

Mr. Speaker, it is indeed unfortunate that we must take time today to counterattacks on one of America's most prized commitments—its commitment to education. Two hundred years ago our Nation established the principle that a basic education for every person is both a public good and an individual right. Since that time, the Federal role in education has been significant and successful in meeting the needs of our young people, particularly the disadvantaged.

Now, in 1985, the Reagan administration is out to change that success and commitment. The President's recommended budget cuts in the various elementary and secondary programs, as well as the higher education programs, not only show a lack of vision and foresight, they also show a callous disregard for the dreams and aspirations of millions of poor and disadvantaged children and young adults.

For example, between fiscal year 1980 and fiscal year 1984, the elementary and secondary education budget suffered an after-inflation cut of 22 percent. Now that those elementary and secondary programs have been gutted, the administration proposes to freeze them at current levels which is in fact, another reduction when inflation is added in. Postsecondary education is under a similar attack. Current administration budget proposals, if they were to be accepted, would result in 1 million fewer students receiving Federal financial aid.

I find it very ironic that the administration, on the one hand, can speak so highly of the benefits of a good education, and on the other hand, make every attempt to deny that benefit to those who need it most—the poor and disadvantaged.

There is no denying that the direction of Government policy is also an important determinant of who gains and who loses in our society. The Reagan agenda on this point is quite clear to many Members of this body—it should be a clear message to the American public as well—if you are economically sound, don't worry—if you are poor or just making ends meet, forget a quality education. It's an agenda that clearly benefits the rich, while penalizing the less fortunate.

Mr. Speaker, I urge my colleagues to reject this misguided thinking. More than 35 million people in this country live in poverty. They lack sufficient income and resources to provide adequate food, shelter, and health care for themselves and their families. Without a concerted effort to oppose the disproportionate Reagan budget reductions in education, those Americans who have fallen through the so-called safety net into the depths of poverty, will not even have a chance to climb back into the mainstream of society.

THE RADIATION RESEARCH REORGANIZATION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. WIRTH] is recognized for 5 minutes.

Mr. WIRTH. Mr. Speaker, since the beginning of this century, government has recognized that one of its most important functions is ensuring the safety of our Nation's workers. Substantial progress has been made since the days of Upton Sinclair's "The Jungle" in providing a safer and healthier work environment. No longer are manufacturing plants dens of torture. No longer do we turn our backs on the black lung and brown lung plight facing our miners. Our Nation can be proud of the progress that has been made in providing a healthy work environment, although further efforts are necessary in many industries.

The nuclear industry faces a different situation. There are approximately 80,000 men and women employed in nuclear facilities across the country. Since the early tests of nuclear weapons, there has been disagreement and controversy over the health hazards posed by heavy radiation exposure. Because of this uncertainty, efforts have been made to ensure the safety of workers through regulation and safety precautions. At the same time, research has been encouraged to determine the magnitude of the health hazards facing workers. It is imperative that this research be done in the most objective and unbiased manner possible. Yet, the Federal agency performing the bulk of this research is the same agency which has responsibility for operating and promoting nuclear weapons facilities: the Department of Energy. This is akin to allowing the plant manager in the meatpacking plant in "The Jungle" to determine what is safest for the plant's workers.

The Department of Energy is currently responsible for approximately 60 percent of the Federal research into the health effects of radiation. At the same time, this agency operates and maintains our nuclear production facilities. This conflict of interest casts doubt upon the objectivity of the Department's research and on its interest in worker safety and health.

Research into the health effects of radiation must be continued. We must not relent in the search for answers. However, it is critical that this research be conducted objectively, in a manner in which workers and the public can place the highest confidence. Some in the scientific community have questioned the conclusions of DOE's research; others have supported them. This legislation does not pass judgment on the validity of the Department's work. Instead, the issue is whether the workers and the industry can have confidence in this research. No Federal agency which manages the facilities it studies can meet this concern.

For this reason, I am introducing legislation to transfer the authority for these studies from the Department of Energy to the Department of Health and Human Services [HHS]. There are several reasons why HHS makes a better choice. It makes more sense to have health research conducted by an agency responsible for health issues, not one responsible for operating energy and defense programs. Moreover, HHS and several agencies within the Department have already been involved in research into the health effects of radiation. These include the National Cancer Institute, the Center for Devices and Radiological Health in the Food and Drug Administration, the National Institute for Occupational Safety and Health, the National Institute for Environmental Health Sciences, and the Centers for Disease Control. The Secretary of HHS, under this legislation, would consult with the heads of all of these agencies in conducting this research. Finally, an advisory panel would be established to provide advice and assistance in conducting this research.

Mr. Speaker, this legislation is long overdue. There have been numerous attempts in recent years to shift research responsibility from DOE to public health agencies, but we always seem to end up where we started, with DOE performing most of the work and public health agencies performing very little. Task forces and advisory panels have been created, but they are short lived. Congress must enact legislation specifically mandating the transfer of this function. It is my hope that it will not take a disaster like one which occurred at the Sunshine Silver mine before this action is taken. Prior to that tragedy, responsibility for miners' safety and health lay with the Department of the Interior, the same agency responsible for promoting coal production. Only after more than 90 people were killed did Congress realize that you can't have both worker safety and production under the same leadership and transferred mine safety and health out of the Department of the Interior. Let us act now before a similar disaster occurs in the nuclear weapons industry.

TULSA, OK: STILL NO. 1

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, I rise briefly to clear up for my colleagues a false report about my home city which, unfortunately, received national attention. Due to a keypunch error, as well as possible factual mistakes in compiling air quality statistics, a Cleveland State University study on the livability of American cities ranked Tulsa last in two categories: Economic welfare of minorities and quality of community life.

The study could not have been farther from the truth, in those areas or any others. In fact, according to a study by the Joint Economic Committee, Tulsa is the most financially sound city in the Nation. That study, entitled "Urban America 1984: A Report Card," measures the economic opportunity of Americans living in cities over 250,000. It concludes that all Tulsans, including minorities, live in the best economic atmosphere in America.

The Joint Economic Committee findings come as no surprise. In August 1979, the Futurist magazine rated Tulsa as the city where urban distress is the lowest in the United States. Harper's magazine's survey of livability ranked Tulsa second in the United States, and a subsequent update by the University of Nebraska showed Tulsa to be America's most livable city.

I ask my colleagues how America's most livable city could be the worst for minorities or those people looking for high quality community life. The answer is, of course, that Tulsa is not the worst. While Cleveland State University has acknowledged its mistake, indignant Tulsans from the business and political communities have joined together as plaintiffs in a lawsuit to recover damages from the university and the study's author. At a time when we were pursuing every possible economic development angle to continue the economic diversification of Tulsa, a front-page story in the daily paper USA Today had a very negative impact on those efforts. That story, of course, reprinted the inaccuracies of the study, and was distributed throughout the country.

What I have found, Mr. Speaker, is that these studies do have a profound impact on the outside perception of a city. We Tulsans are most fortunate that other studies, from unimpeachable sources, have showed Tulsa to be the No. 1 American city, and America's most livable city, and that we have business and political leaders in our city who will defend its good name against false studies such as that by Cleveland State University.

EDUCATION IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana [Mr. WILLIAMS] is recognized for 60 minutes.

Mr. WILLIAMS. Mr. Speaker, my colleagues and I have asked for this special order because we wish to dis-

cuss for an hour this afternoon the importance of education in America and the effect of the President's proposed budget on our American system of education and on our children and adults who are so reliant upon excellence in the schools.

Two thousand years ago, Aristotle said the neglect of education ruins the constitution of the nation.

Twenty centuries later, Thomas Jefferson, writing to a friend, wrote this:

> To believe that a people can be both ignorant and free is to expect what never was or never will be.

And in writing to another friend on a different day, he said, in discussing important legislation to come before the National Legislature:

> I know of no bill more important than that for the diffusion of knowledge among our people.

And so it was that the importance of education was present at the birth of democracy and present again 2,000 years later at the birth of our democratic Republic.

The budget process affects education, and because it affects education, particularly that portion of the budget that is used to properly fund our schools and to properly level the playing fields, as it were, so that all Americans have access on an equal basis to those schools, the importance of the budget to that process is vital, and it is vital, in my opinion, for this reason: If this experiment of ours in this Nation is to work, that is, if we are to rule ourselves and do it better than any king or any prince that ever ruled, then we must be the best educated people not of this time but of all time.

The American people have had a visceral understanding for more than 200 years now of the importance of that, and so it is that we wish to discuss some, among ourselves and with you, about how the President's budget would affect education in this country.

To put it in proper perspective, let me refer to the chart that is here to my right. The top green spot is a replication, of sorts, of a dollar, and it is broken down into various expenditures of that Federal dollar for the year 1980. The bottom is a replica of a dollar, broken into the way the President would have us spend money under this year's proposed budget, that is, for the coming fiscal year.

Let me quickly go through how a dollar is divided. What do we do with your tax dollars; how do we divide them? Well, we spend 29 cents of each dollar for defense; 15 cents of each dollar is spent just to pay the interest on the money that we borrow, 28 cents of each dollar is spent for Social Security, including Medicare; 1 cent of each dollar is spent for our farmers—1 cent. You have heard a lot about it in the news. It is 1 cent out of each dollar. One cent is spent for community development programs; 2 cents out of each dollar is spent for foreign aid; 4 cents out of each dollar for health, that is, each dollar spent by the Federal Government, 5 cents for retirement and disability, and, my friends, for education the Federal Government out of each dollar spends 2 cents—2 cents—2 cents not to lift the quality of education in America, for your National Legislature has always left, with very few exceptions, the lifting of the quality of our schools to the State and local governments. This Congress, both House and Senate, and each President has only been involved in education to the extent that we provide equity and access to the Nation's schools. The Federal Government does not spend this 2 cents out of each dollar to lift the quality of the teaching of our people, only to assure that those people, be they handicapped or not, be they rich or poor, be they black or brown or red or yellow or white, all have an equal opportunity, young and old, to share in this great system of education.

□ 1520

Now, in my judgment, and the judgment of many of my colleagues, the President's budget moves toward shattering, moves toward disassembling this long tradition of partnership between the State governments, the local governments, the local school board and the Federal Government.

Let me deal quickly with just three of them. Sometimes we do not think of child abuse as a matter of education, but it is. An abused child does not do very well in the classrooms, as we all know. We consider it education spending. The President recommends a cut in funding for the efforts to stop abuse of children by $4 million for this coming year. Yet, we all know that child abuse is on the increase, and if the abuse is not contained, the cost to our society will soar throughout the coming decades.

Domestic violence is a matter of education because a child from a home in which there is a great deal of domestic violence has great difficulty; the Federal Government has seen that; the Federal Government has been asked to enter into that area, and we have, and we have shown success. Yet, the President would have us eliminate very single dollar of Federal spending in an effort to try and do what we can as Federal legislators in a Federal Government to slow down, if not help prevent, some day, domestic violence.

Education for the Handicapped Act. The President would freeze, at the current levels, the two major formula grant programs; State grants and preschool incentive grants. He would reduce by 20 percent the support for deaf and blind centers. He would reduce by almost 15 percent the grants for special education personnel development. That is the personnel that helps to teach our handicapped youngsters; they need special training. The President would cut the money for their training, their assistance, by 15 percent.

I have many colleagues here today with me who wish to also enter their statements in the record. Before I call on the first one, however, I want to note that Mr. NELSON and Mr. FAZIO have a vital interest, in proper funding of education, but are not able to be here with us today.

First, let me call on my good colleague on the House Education Committee, the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I want to thank the gentleman from Montana [Mr. WILLIAMS] for yielding to me.

Mr. Speaker, I rise today as he has and some of my other colleagues, to focus attention on the President's budget proposal for education this year. We are here today to let the American people know the truth about the education budget. We are here to disavow, as we have over the past 4 years the administration's attempt to dismantle our Federal education priorities which have historically worked to assure equal educational opportunity for all Americans, regardless of race, creed, handicap, or national origin. I want to commend our colleagues, BILL ALEXANDER and PAT WILLIAMS, for spearheading this important opportunity to bring our case before the American people.

We once again see our priorities terribly distorted. we see an unabashed effort to trade educational opportunities for an expansion of an already bloated defense budget. We do not quarrel with defense; clearly the defense posture of this Nation should be maintained in strong fashion.

We are looking at a budget that proposes a 12-percent hike in spending for defense, and at the same time emasculating many of the programs that have proven to be so successful over the years. We are looking at a budget that will OK $600 for toilet seats and spend only 60 cents for a child's lunch. We are looking at a budget that talks in terms of military readiness; at the same time, we are essentially declaring war on the very system that assures civilian readiness.

In my 15 years in Congress and in my capacity as a member of the Education and Labor Committee, I am proud of what our committee has stood for. I am proud of the programs that we have put into place. I am especially proud of the educational opportunity that we have afforded millions of Americans who otherwise would have been left outside the mainstream of society.

Yes, it was not too long ago that we put into place the final tile in the mosaic that assures every aspiring stu-

dent in our Nation the opportunity to go on to college and postgraduate schools through the guaranteed student loan. It was not too long ago we developed the Pell grant, which is so essential to those poor and disadvantaged to go on to school. So critical for the educational institutions of our Nation to be maintained and to elevate the whole quality of education. These two fundamental programs are the heartbeat of the educational system.

Yet, we are looking at a proposal that, if enacted, would decimate these programs. It would require schools to close; it would turn away from the educational process hundreds of thousands of individuals. It would see us regress to the point of a time when I recall only the well-to-do or the very exceptional students could go on to college. In the city of New York, there was only the city university; all the others had to forgo their college education. We thought we left those days with the progress and the legislation that we put forward. Now, if we enact the President's proposal in his budget, we will see ourselves regress to that point when we could look with shame upon the lack of opportunity this country provided.

Happily, there was an enlightened attitude; the people of the Nation understood that our national resource was the mind of the young man and the young woman who so desperately wanted to be educated; who desperately wanted to go on into the institutions as an opportunity to escape from the poverty, to escape from the ignorance. That was their legacy in those days. No longer does that exist; now there is opportunity for all. That is the way it should be.

However, in the past, the Congress, in its wisdom, rejected efforts to dismantle or dispose of many of the programs that were put forward. It has been said about this program that it was "DOA" or "dead on arrival." Hopefully, that is true. It has been properly said that the "President proposes and the Congress disposes." We have been able to deal with that in the past.

If we are to be successful on this occasion, it is important that we have the student population that are currently attending the educational institutions of our country as well as those prospective students and their parents and the educational community throughout the Nation to once again rise in unity and reject these proposals.

The consequence of them would be so devastating it would take decades to rehabilitate a facility, a process, a mechanism that we have put together, proudly put together. It was not too long ago that under Chairman HAWKINS we had hearings in the Education and Labor Committee in New York talking about the budget. The impact on New York would be fierce. The impact on the Nation would be just as bad.

□ 1530

To my colleague, the gentleman from Montana [Mr. WILLIAMS], I can only say that what we are doing here today should be the opening gun of a nationwide campaign. To those who are critically involved, those who are deeply interested, let me urge that they take heart because there is the possibility of preserving these programs. We have done it before, and we can do it again, but only if we talk in terms of a unified effort.

And to my colleagues in the House, let me suggest that they ponder deeply and long over any prospective action they take or may take with relation to cutting any of these programs. We know we put them in place, we know they have survived the test of time, we know they work, and we know what impact these programs have on our Nation. To do other than preserve them and enhance them would be performing a disservice.

I am confident, I say to my colleague, the gentleman from Montana [Mr. WILLIAMS], and others that we can prevail. We can prevail. I am certain we must. In the good name of this Nation and its attention to education, the nature of which is admired by nations and peoples throughout the world, if this Congress does nothing else in this session in the enactment of the budget, it should preserve the educational programs that we have so proudly put together over the years.

In paying my respect to those who have been leaders in that regard, let me say that I served my 14 years on this Education and Labor Committee under the chairmanship of the late Carl Perkins, and I recall him fighting so well and so long and so hard, overcoming seemingly insurmountable odds, revealing new initiatives. At first it sounded like heresy, but upon study there was acceptance, and upon acceptance there was a very substantial product.

Mr. Speaker, I am proud of those years. I am proud that I served under that illustrious chairman. I would be terribly saddened to have to participate in a session that would see the dismantling of the gem and jewel of our Nation's effort, the educational system.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from New York [Mr. BIAGGI] for his good words and, of course, for his work to improve and enhance America's education excellence through the years.

I now yield, Mr. Speaker, to the gentleman from Pennsylvania [Mr. MURPHY], the chairman of the Subcommittee on Labor Standards under the full Committee on Education and Labor.

Mr. MURPHY. Mr. Speaker, I thank the gentleman from Montana for yielding.

Mr. Speaker, let me say to my colleagues that we are all very mindful of the economic policies of the President and his administration, supported by a majority of the Members of this Congress, that have produced the tremendous national debt that we face today. It forces us to reestablish our national priorities to prevent this debt from rising any further.

The President has suggested that the education of young Americans is not one of these priorities. The proposals put forth by the administration in the education budget amount to a monumental step backward in the progress of our Nation.

It long ago became a national objective to provide basic education for all of our young people and to enable those who wished to further their education to have the opportunity to do so. These policies have worked. They have not only allowed the children from all economic and income levels to attend our colleges and schools of higher education, but they have truly created America's superiority and strength in the world of nations.

If the administration's proposals are put into effect, the Federal Government will be relegating many young Americans to a second-class status in our Nation's higher education system. But worse than that, the restrictions on aid and the requirements for increased student contributions will preclude many young people from attending any school beyond high school. These are individuals whose contributions to society will be far less than what they are capable of.

As we strive to become the world's leader in new technologies, we are told not to provide educational opportunity to millions of young Americans. How can we hope to compete with a dozen other nations—China, the Soviet Union, Korea, Taiwan, Germany, Japan, and many more—who will be preparing their young people and their young leaders in math, the sciences, the military, languages, diplomacy, and advanced technologies while we step backwards?

In the same message, the President tells us we must increase our military forces, our missiles, sophisticated planes, sophisticated engines, ships, weapons, and space weaponry.

Mr. President, we ask you here in Congress, who will operate these instruments successfully? Will only the few who can pay their own way be enough to do the job?

The Greek philosopher Thucydides said:

> A nation that draws too broad a difference between its scholars and its warriors will have its thinking being done by cowards and its fighting by fools.

The task of bringing the budget into balance, we know, will be a long one. We must make many decisions, but we must not lose sight of the future needs of this country. The future lies in the young, those who are learning to use their abilities.

Mr. Speaker, this Nation needs the full contributions of all of its citizens in order to meet the challenges that we will face. To deny access to higher education to anyone in our society threatens our very ability to overcome those challenges. As we advise our colleagues on the Budget Committee, let us remind them that an enlightened and intelligent youth will be our country's real and lasting strength.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. MURPHY] for that fine statement.

There are those—and, tragically, in my opinion, the President is among them—who say that American education has declined significantly in the past 20 years while Federal funds for education have increased significantly in the past 20 years, and, therefore, the increase in Federal involvement must be responsible for the decline in educational achievement. I do not know that the two are connected at all, but I do know that the American people are justly proud that they have literally wrought an educational miracle in this country in the past quarter of a century, indeed in the past 100 years.

In 1870, 2 percent of America's people graduated from high school; today, 80 percent graduate from high school. In 1960, when Jack Kennedy took the oath of office, only 40 percent of black youngsters would graduate from high school; today, more than 80 percent are high school graduates. When Harry Truman was President, only 55 percent of the American people were literate; today, 98 percent of the American people are literate.

Are we doing as well as the other industrialized nations of the world? Far better. Generally our high school graduates and college graduates have higher achievement test scores than the graduates of any other nation. A higher percentage of American youngsters graduate from high school than any other nation. More Americans receive a college degree than do the citizens of any other nation.

Those who believe that the Federal Government has a role to play like to believe that the legislation which has passed this Congress is at least in part responsible for the education miracle which the American people have wrought, particularly during this past quarter of a century.

Mr. Speaker, I now yield to the gentleman from California [Mr. MARTINEZ], who is chairman of the Subcommittee on Employment Opportunities of the Committee on Education and Labor.

Mr. MARTINEZ. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as we head into a time of budget debate, rise to address what seems to be a perennial debate between those who favor an ever increasing military budget and those who believe that much of this money could be better spent if it were redirected toward education of the people of this Nation. I am reminded of the occasion in the 98th Congress when the honorable chairman of the Education and Labor Committee spoke out, quite eloquently, on the floor of this Chamber, in support of the Defense Education Act. During his presentation he mentioned one of our California colleagues who sits on the other side of the aisle. The honorable chairman made the point that, while it is the conservatives who espouse the virtues of furgality and the need for a balanced budget, in actuality they are the Members who continue to vote for the big military buildup items.

He did that by referring to the total dollars of the appropriations that were voted on by that Member that were primarily military items, and then comparing that to the appropriations voted on by one of the big spenders on our side of the aisle who is another colleague from California. The difference was dramatic. The disproportionate dollars for the military versus the dollars spent for social programs.

My Republican colleagues responded in his defense by stating, and I quote, "When you read the Constitution, you find the principal responsibility of the Federal Government is to provide for the common defense." He rationalizes his support for runaway defense spending by voting against responsible and thrifty education assistance legislation, which costs a miniscule amount in comparison to what is spent on the escalation of several of the individual military programs, not to mention the military budget in its entirety.

I believe that the gentleman is referring to the Preamble of the Constitution, and for the moment, I would like to equate this passage to the report language that we use to clearly spell out the intent of the legislation we enact. Just to be clear as to what is stated therein allow me to read these familiar and revered lines. "We the people of the United States of America, in order to form a more perfect Union," and I want to stress, "a more perfect Union, establish justice," now listen carefully, "establish justice, insure domestic tranquility," I repeat, "insure domestic tranquility," oh yes, and by the way, "provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our prosperity, do ordain and establish this Constitution for the United States of America." Now I want to repeat again the last part, the most relevant and culminating passage: "Secure the blessings of liberty to ourselves and our prosperity."

I would submit that we not so narrowly define "common defense" to mean a military buildup against foreign intrusion, but that our "common defense" also means providing for security of our families and properties in the establishment of a law enforcement and justice system.

Now how do we do that? By just providing for the common defense as interpreted by my colleague from the other side of the aisle? Now, in my opinion, my colleague has misinterpreted the substance of what I have just read. Nowhere in that statement of intent are we provided with a sequential listing of priorities for legislative action. The establishment of justice, the promotion of the general welfare and so forth, are all meant to be equally considered in our efforts to provide effective government based on democratic and pluralistic goals.

Here is the major stumbling block between the administration and its supporters and those legislators, both Democrat and Republican who believe in a balanced approach to government. The authors of the Constitution, in their wisdom, declared that the purposes of Federal Government are manifold. They knew the worth of an educated citizenry and the value in providing a sense of security to its seniors and disadvantaged. I would recommend to all my colleagues they not forget this important fact. While my colleagues who support this incredible military buildup may take a shortsighted view of this Nation's common defense, voting only for repeated increases in the mammouth military budget, and initiating exorbitant military systems that only escalate the deadly race for military superiority, providing a false sense of security to the people of this Nation, they must never forget, and I am here to remind them, that it is our people that are the greatest deterrant to war. Our people, educated and active, provide the most effective and responsible guarantee of peace and strenght.

□ 1540

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from California.

I yield to the chief deputy whip of the House, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding and I applaud the initiative and leadership of the gentleman from Montana in taking this time today to address this national concern. I applaud the gentleman for displaying the kind of leadership over the years that has prevented

a disaster from occurring in the field of education in the United States.

Few people in our Nation have the patience for the detail that is presented in a budget document submitted by the President to the Congress. However, if the President had had his way over the last 4 years, the amounts of funds available to educate the youth of America would have been drastically reduced in such a way that States like Arkansas, poor States that depend upon Federal programs for the education of our children, would have been severely damaged by those proposals. It is the diligence of strong and courageous Members of Congress that have prevented that from happening.

While America today appears to be consumed with what many people consider the preeminent issue to be reducing Federal spending, we can do our part in reducing waste, fraud, and duplicitous actions of the Federal Government without taking the lifeblood of Federal education programs away from the youth of America.

Mr. Speaker, the most precious resource of any nation is the youth of that nation. It has been said that the greatest investment one can make is in young people, because it is they who are the future.

The Federal Government has made such an investment through support for education. We reap the benefits of that Government investment every time we get into our automobile, and not onto our horse. We reap those benefits when we adjust our thermostat, instead of going outside to chop wood.

Educating our people has made America the world's leader in inventiveness. We helped spur the industrial revolution but that was nothing compared to the technological and computer revolution which we started. New advances in medicine have made us healthier and able to live longer lives. Advances in learning how to use land more effectively has made it possible for us to feed more people than we were able to ever before.

Education has brought the world closer to home by teaching us to understand the languages and customs of peoples about whom we once knew nothing. Consequently, education has broadened our horizons as Americans, and strengthened America as a world leader.

I attended a one-room schoolhouse in Carson Lake, AR, when I was a young man. While a single light bulb illuminated the room, the education I received illuminated my mind. But my attendance at Carson Lake was possible only because of Government investment in education. Without Government support, the doors of that little schoolhouse may never have opened; a mind possibly closed forever to the wonders of life. I learned what a progressive, compassionate government could do to educate its people and lead them to discover for themselves a new and better life.

Mr. Speaker, we are now being presented with a budget from the President which would reduce the Federal commitment for education. Instead of an evenhanded budget policy, Mr. Reagan proposes to increase defense spending by more than 12 percent while cutting investments to education by 4 percent. Mr. Reagan does not realize that the United States hasn't maintained its military superiority over the Soviets by outspending them, but by outsmarting them.

A 4-percent decrease in educational investment doesn't sound too bad on the surface. But a study by the Congressional Research Service shows that Federal funds to 21 educational programs has decreased an average of 21.23 percent in real terms between the year 1980 and fiscal year 1985. If an average of 10 percent of Federal investment in each of these 21 programs is withdrawn, it is estimated that more than 3 million students would be affected.

That same study reports that when Federal funding for education has been reduced in the past, jurisdictions faced with these cuts have—

First, served fewer students and maintained the same services per student;

Second, served the same number of students but provided fewer services; or

Third, eliminated certain programs altogether.

But the most striking aspect of this study is that most jurisdictions generally reduced the number of students served in roughly the same proportion that Federal funds were reduced. It was also reported that few funding reductions were replaced with State and local funds.

This administration takes an aloof position when it comes to commenting on the proposed cuts in the education budget to higher education. Secretary of Education, William Bennett, commenting on the proposed cuts at a February 11 press conference, said:

> It may require of some students divestiture of certain sorts—stereo, automobile, three weeks at the beach divestiture. I do not mean to suggest that this will be the case in all circumstances; but it will, like the rain, fall on the just and the unjust alike.

For some reason Mr. Bennett assumes students take the Government aid granted to them and spend it wildly. Mr. Bennett seems to be unaware of the procedures involved in dispensing money to the students. All tuition, fees and other charges for attending schools of higher education are first deducted from Federal aid. If there is anything left over the students may have enough to buy their books. I think it is absurd for Mr. Bennett to insinuate that most students are buying vacations, cars, and stereos with their financial aid. I have had too many college interns working in my office to know that this is not the case.

Mr. Speaker, it is the dream of all parents in America that their children be successful and have a better life than they had. Education is the road to success in our modern age. If this administration doesn't want to improve that road, the least we could ask for is that it not be made worse.

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman from Arkansas for those kind words.

I yield to a new and valued colleague, the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Speaker, I thank the gentleman from Montana for yielding.

Mr. Speaker, not 2 years have elapsed since the National Commission on Excellence in Education issued its report: "A Nation at Risk." The report was the object of much fanfare by President Reagan as a demonstration of his commitment to improving America's classrooms and student performance. Former Secretary of Education Bell made public appearances, heralding the President's dedication to academic excellence. The report spawned much-needed reforms in educational standards. The President rightfully brought this important issue to public awareness; but, the administration's pomp and circumstance over education has become noticeably muffled. The report now collects dust on a shelf; its contents forgotten by the individual who commissioned it.

Since publication of "A Nation at Risk," our country's educational systems have been working more closely than ever to improve academic standards. Implementation of these reforms will be a futile gesture if the Congress approves the budget cuts for education proposed by President Reagan.

If we cut back Government's role in assisting students to afford the costs of higher learning—if we reduce program funding for language—minority students—if we shrink State grants for migrant education—do we not impede America's ability to meet our leadership challenges? We have sacrificed enough by freezing most programs for elementary, secondary, and vocational education. To carry forward the administration's proposals will reverse the progress of education and subsequently the progress of this Nation.

Government's role in education has been: First, to maintain excellence in scholastic standards; and second, to educate all who desire an education and are able to pursue it. Proposed administration cuts renege on our responsibilities in meeting these objectives. Costs of higher education continue to escalate. They require finan-

cial sacrifices on the part of students and the families, middle class, and poor alike. America's interest in encouraging students to continue with higher scholastic achievement cannot be means tested. America's needs for talented under- and post-graduates cannot be limited to those with family incomes under 130 percent of the median. America's requirements for a trainable, skilled labor force in this complex society cannot be subdivided along working class lines.

Isn't it ironic? An administration that creates corporate tax expenditures for an expanded economy reduces its investment in the human capital that will manage it.

Isn't it ironic? An administration that instigated reforms for educational excellence now restricts accessibility to higher leaning.

It is beyond irony, Mr. Speaker. It is contradictory.

The comfortable technological superiority America once enjoyed is becoming vulnerable. Other industrial countries, friends as well as foes, are on the dawn of achieving technological parity with us. To approve proposed cuts is tantamount to abrogating our global leadership position.

All of us understand the critical need to hold down Government spending. Our educational institutions and students should not be exempt from sharing in the sacrifice we all must make to reduce the deficit.

Yet, in moving toward the goal of lower budget deficits, the sacrifices must be spread evenly, shared equally by all.

I, therefore, urge my colleagues to resist the administration's proposed reductions and give careful consideration and support to a freeze in spending for education. A freeze would, no doubt, decelerate the momentum in educating our human resources; but it would not retard the progress of that undertaking. Either we freeze the hands on the clock of educational advancement; or we rip years off the calendar of progress.

The choice is ours to make.

□ 1550

Mr. WILLIAMS. I thank the gentleman from Texas and appreciate his remarks.

I now yield time to our valued colleague from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentleman from Montana for his initiative in taking out this special order. It is something for which we owe him a great debt of gratitude.

The administration's budget is such a multiple assault on education that it is hard to know where to begin. We ought to be very clear that the dispute that many of us have with the President, and those who support him in this body, is not over the level of Federal spending. I do not think the President has sent us a budget which has an inappropriately high level of spending.

What the President has sent us is a budget which has the level of spending very much out of whack as to where it goes. The increase in the military, the increases in the other parts of the budget highlights the attacks that are being made on education.

I want to talk a little bit about money. One of the favorite metaphors that gets used in political debates is that you cannot solve a problem by throwing money at it. Let us concede one thing. Given the problems that we deal with in Government, you cannot solve problems. We are not in the problem solving business. The Federal budget is not Rubik's cube. What we do is to alleviate problems and we make improvements. We try and provide some incremental advance.

Money is a very important part, although only a part of that. You almost never hear people denegrating the importance of money for a program they care about.

When is the last time Ronald Reagan or Caspar Weinberger, or John Lehman, or any of the others told you that you cannot provide a strong defense by throwing money at it. When have we been told that you cannot solve the problem of social injustice in Central America by throwing money at the Central America military?

These are the people who were the original money throwers when it is for something that they think is valuable. So the pretense that there are really ways to deal with these things without money, only people who have more than enough money think that money is not important.

There are obviously other factors that have to come into play. There are questions of proper discipline. There are questions of proper incentives.

But you cannot simultaneously cut back on the resources society provides for education and improve education.

Yes, you can do some things that will make other things better, and there ought to be a coordinated program. But it will not work when you are shrinking the resources, and for a couple of reasons.

One thing that is very ironic is we have an administration and a group of supporters who are very much impressed with the importance of incentives, and they tell us that the economy runs on incentives. And if you want more of something, you have to weigh more, you have to reward people. Apparently they believe we have discovered a race of people who are prepared to educate our children who are immune from this incentive business. Somehow they have found somewhere people for whom financial incentives do not apply.

Now there are some incentives. They tell us, therefore, give 1 out of every 20 teachers a couple of bucks in some kind of a master teacher program. That is nice if you happen to be the 1 in the 20 of those teachers, and I happen to think that some kind of an incentive for superior teachers is a good idea. But if you are going to continue to underpay everybody else as we have, then you will have the situation where the American people who have children in the public schools will be asked to entrust their children for most of their children's waking hours, for most of the year, to people that we pay so little that they would not even entrust their cars to them, or their rugs, or their houses. but they will give them their kids all day because somehow money does not count for them.

That is nonsense. Money is becoming of more importance for two reasons.

First of all, we are making some progress in this society, fortunately in discrimination, and there is a diminishing of sex discrimination. A young woman graduating from college today—things are not perfect for her, there is still discriminatory aspects—but I am glad that we were recently reminded of how serious a problem sex discrimination now is even in this administration by the noted feminist Jeanne Kirkpatrick, and I admire her for disagreeing with those in the administration who would poo-poo the notion that there is still sex discrimination, and she made the point that it is still there. But it is less.

Thirty years ago a bright young woman who was graduating from college was overwhelmingly being pushed into teaching. The law schools would not allow her in, to their shame. Now we have more opportunities for young women, not as many as we should have, but more.

We had for many years a kind of unearned increment of teachers because of sex discrimination. The supply of teachers was artificially inflated by the fact that a young woman did not have the options that she would have elsewhere. That has been diminishing and that supply is going down some. And if we do not compensate economically we will have problems.

In other words, we are no longer going to have first-rate teachers solely because some young woman could not go elsewhere. There are still going to be people who want to teach and there still will be people who will have that sense of vocation. But it will not be as many as it was in the sense that some people were involuntarily put into teaching.

I talked recently with a woman who is a very good chemistry teacher in the State of Massachusetts. She is a very good high school chemistry teacher

and she is in her fifties, and she is there because she was not allowed when she graduated from college 35 years ago to be a research chemist. Now, fortunately, young women can be a research chemists.

Second, we have a problem with high tech. It is becoming very, very difficult to get people with technical skills to be able to compete with the kinds of job offers elsewhere. So there are restructurings that are important.

But to pretend that you need a lot of money for Central America if you care about it, and a lot of money for the Pentagon, and a lot of money for space, and money for water projects, money for the Japan-United States Friendship Commission and Mr. Wick and his friends so that they can fly all over and write impressive speeches, but that you do not need money for people to be adequately paid who have children's lives under their control, then do not be surprised when the education system continues to falter and does not produce what it should.

I thank the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman from Massachusetts for his remarks and it was a good point that he brings up about priorities when he talks about defense spending versus spending for education.

It is instructive to me that the President's proposal seeks to draw 2,800,000 college-bound students, the vast majority of the middle-income students, more than 90 percent of them. He proposes to drop them from assistance so that they can find their way into college. All of these savings that will be gathered from cutting those 2,800,000 students out of college assistance will be spent by the Pentagon in 23 hours, because the Pentagon, under the President's budget, spends at the rate of $786,000 a minute. And we have to ask ourselves if that is a correct priority.

Mr. RUSSO. Will the gentleman yield?

Mr. WILLIAMS. I now yield to our distinguished colleague from Illinois [Mr. Russo] such time he may consume.

□ 1600

Mr. RUSSO. Mr. Speaker, President Reagan's fiscal year 1986 budget proposal reflects his belief that a strong defense system is needed for our national security. I agree with the President, but we part ways on what makes up a "strong defense." It's not just MX missiles and stealth bombers—our strongest asset which will ensure our continued dominance into the future is an educated citizenry. What use are sophisticated weapons systems if we lack the qualified personnel to operate and direct them? When we are dealing with technology which can literally destroy the world, wouldn't you feel more secure knowing that our military force had the educational background necessary to operate these systems safely and effectively? This is a defense we know will work.

President Reagan does not agree with this. Although he claims that the fiscal year 1986 budget proposal is a "freeze" on social programs, this is just another attempt to mislead the American public. Would a "freeze" force 800,000 students out of the Pell Grant Program? Would a freeze reduce bilingual education by 17 percent? Would a freeze mean that 8,000 to 10,000 schools would have to leave the school lunch program? This list can go on and on.

What this reveals is an attitude of neglect, and in fact of indifference, to what is the cornerstone of a strong democracy—an informed and educated citizenry. Somehow this administration seems to feel that people are out there free-loading, that the educational assistance is unnecessary. Former Acting Secretary of Education, Gary Jones, when asked where a student would turn for aid said, "They've always had the money at home. Their parents have chosen to buy a car or make some other kind of investment." He added, "to presume that students can't go to college because of these budget proposals is a little bit presumptuous."

I think this would come as a surprise to parents and working teenagers facing thousands and thousands of dollars in costs to get an education. Are we to believe that it is not the role of the Federal Government to invest in what ultimately is to its own best advantage? Isn't it interesting that President Reagan himself said 3 short years ago, "as a nation, we are dedicated to excellence in education. It makes a better life for our children as individuals and it further secures the liberty which we cherish." Apparently his support for this concept extends only to words, to rhetoric, not to the bare bones structuring of a decent education for our young people.

And my concern is for the younger children also. What are we saying about our future when we remove as a national priority our support for education and for the health and welfare of children? President John Kennedy said it well when he commented, "When the youngest child alive today has grown to the cares of manhood, our position in the world will be determined first of all by what provisions we make today—for his education, his health and his opportunities for a good home and a good job and a good life." What does President Reagan's budget call for in this area? We are, for example, asked to drastically reduce the child care food program. Can a savings of $50 million nationwide truly justify the potential demise of a system which provides meals for 76,700 family day care homes feeding 272,000 children?

What it comes down to is that this administration does not have its priorities straight. Since 1981, there has been a 21-percent reduction in education funding while there has been a 77-percent increase in defense. If we reduced our B-1 bomber force by one-half, we could pay for our entire Federal budget for education. Which will be more productive? Which will lead to a more healthy and strong society? I can't see any benefit which would result from the B-1 bomber that can compare to an educated populace.

Must we keep pouring money into defense systems that don't work. Shouldn't we invest in our youth's intelligence, ingenuity and drive. These assets aren't developed by defense dollars but by a strong educational system. I agree with Edmund Burke who said "that it is on the sound education of the people that the security and destiny of every nation chiefly rest."

I thank my colleague.

Mr. WILLIAMS of Montana. Mr. Speaker, at this time I yield to our honorable colleague, the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. I thank the gentleman very much for this opportunity.

Mr. Speaker, certainly as we look at our Constitution we realize that education is not one of the things given specifically to the Federal Government in that Constitution, but through the years it has been tremendously important that the Federal Government has done things in this field.

When the State of Florida became a State in 1821, at the first meeting of their State legislature they asked for assistance from the Federal Government to establish a university.

It took them until the Morrill Act came in and in the late 1800's we had a land grant college bill, for this action to be accomplished. Certainly it was very important to the State of Florida, and there have been other places where we have had a marriage of the military, you might say, because the military had a lot to do with the land grant colleges. They required military training.

Mr. Speaker, as our Armed Forces become more and more dependent on advanced technology, we will need even greater numbers of personnel to fill many technical positions. As it stands now, this is a problem, for there is shortage of trained technicians, the very people we need to work with the technology.

The answer lies in the American education system. Senator THURMOND and I therefore, introduced the Skilled Enlisted Reserve Training Act in this past Congress. The House bill is H.R.

40. This act would provide technical training to high school graduates who, in return for Government provided financial assistance, would agree to serve in the military at a pay scale commensurate with their training.

As the sophistication of modern weaponry increases, so does the need for individuals with specialized technical training. How critical is this need? The Navy has reported that it has been able to fill only 53 percent of its needs for entry-level engineers. The Army reports that in Army Reserve units alone 250,000 technically skilled personnel are needed. The Marines report that pilots fly only half their scheduled training flights simply because the corps does not have enough skilled technicians. We cannot afford to continue our present policies.

The Skilled Enlisted Reserve Training Act requires the Defense Department to establish an alternate program to recruit and provide technical training to high school graduates in return for a commitment for future active or selective reserve duty. The Defense Department would pay for up to 2 years of full-time schooling. And upon completion of training, the enrollee could be promoted to a military pay grade between E-3 and E-8. The advantages of such a program are numerous.

By allowing participants to choose how they will meet their military commitment, the program would attract more personnel into the services. And individuals would be allowed to pursue their training in their home community, thus enabling the enrollee to serve our country without leaving home for more than basic training and the annual 2-week Reserve duty.

Further, this legislation would dramatically reduce costs. It would not require the creation of any additional Government schools but would make effective use of proven, high quality training system: the Nation's community, technical and junior colleges. By shifting the technician training from Defense Department schools to local schools, a large number of DOD instructors would be able to return back to areas where they are critically needed. A defense consultant has stated that this act would save a minimum of $12 billion over 5 years.

Further, this program would give the military a much better return on its investment. In many skill categories in the services, training alone takes up more than half of the initial 4-year enlistment. Under this legislation, investment in an E-5 level technical specialist would be paid back within 20 weeks of entry into the service instead of the 50 weeks it takes under the current system.

In addition, these trained individuals will eventually become available to the private sector and will greatly increase our Nation's base of skilled technicians—this will benefit our economy as our Nation seeks to further improve its international competitiveness.

In closing, let me say this: it is clear we are facing an acute shortage of military technicians and the present system is incapable of addressing the problem.

With a recovering economy, the present problems will only be made worse. The continuation of our strong defense posture is dependent upon the development of a highly trained technical force through the American education system. Our national security has rested upon our technical superiority and we can no longer afford to ignore this growing problem. I believe that the Skilled Enlisted Reserve Training Act represents a positive step in alleviating a potential Achilles heel in our national defense.

Mr. WILLIAMS. I thank the gentleman from Florida for his many years of commitment to assure excellence in American education, and I thank him for his patience in waiting for time.

Mr. Speaker, I now yield to the gentleman from Kentucky who shares with his father a great name in education in this House, the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, I thank the distinguished gentleman from Montana for allowing me to take this time today to address an issue that is very dear to my heart, as it has been very dear to that of my family for a number of years.

Indeed, I am talking about the matter of education.

You know, education is something by which we are allowed to tailor our thought processes for the future. Our children, our grandchildren are allowed in their own manner through the medium of education to have an idea how they are going to deal with generalized processes, in the way they are going to run their lives and how they are going to deal with the specific problems of their encounters as they go through life.

In the past 4 years we have seen an increase in the Federal deficit from $900 billion to $1.8 trillion today.

What we have done in effect is to borrow financial capital from our country's future and transfer that capital to today.

What we have done is take that capital in an attempt to solve today's problems with the future's resources.

What we are also doing at the same time with the President's budget proposal, coupled with that deficit that we are running and the capital that we are borrowing from the future, is an attempt to limit the intellectual capital that we have in our country today.

Mr. Speaker, distinguished colleagues, what we are talking about is, in effect, to try to limit the number of people who have an opportunity to solve tomorrow's problems. I ask you is that not something like taking a double-barreled shotgun, like we have back in Kentucky, pointing it at the future and blasting holes in it, on the one hand where we are borrowing money from the future, and, on the other hand, we are restricting our Nation's access and ability for the children of tomorrow, the leaders of tomorrow, to have the intellectual capital to deal with those problems?

I submit to you that what we have been given as a Congress and what this budget proposal is, is that very exact thing; we are doing something about the future, and what we are doing is not paying attention to it. We are being nearsighted, we are not looking at the importance of education, we are not looking at the importance that the deficit is having upon us today for the future.

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I would submit my distinguished colleagues that what has got to be done is we cannot limit the access to people who want to go to college. If you wanted to go where I went to school today and you have two students who go to that school, if you are going to be living at home you would be having to survive on less than $12,000 a year. That, I submit to my colleagues, is not good public policy. That, I submit to my colleagues, is in fact an aberration in thinking. That, in fact, is doing something about our Nation's future that we cannot afford today.

I urge this session of Congress to take strong action not merely to hold the line on these advances in education because we have seen real cuts there, but to deal with the problems of the future, to deal with the things that are important to this country long term we must have aid for education in the United States today. We must move toward education in the United States today. No backward steps. We must advance. We must go on.

I thank the gentleman from Montana.

Mr. WILLIAMS. I thank the gentleman from Kentucky.

Mr. Speaker, I yield to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Speaker, President Reagan has recently submitted his budget to Congress. Consistent with previous years he significantly increases funds for military expenditures, and again reduces funds for education. In particular, higher education has been selected to bear the brunt of his proposed cuts in this area.

I am well aware of the size of the budget deficit and urge the President to work with Congress to close the gap between outlays and revenues as quickly as possible—Preferably with an across-the-board spending freeze.

However, I feel we can live within budget constraints and still maintain a commitment to programs that are vital to many American families, particularly those wanting a better life for their children through a college education.

Let me share the effects of the administrations proposed student financial aid cut on the First District in Minnesota which I represent:

First, 3,000 students who qualified for aid this year, will be excluded from receiving any grants, work study funds or direct student loans, because family income exceeds $25,000. The administration makes no allowance for family size, or the number of children currently attending college.

Second, an additional 3,000 southeastern Minnesota students will not qualify for guaranteed student loans, because family income exceeds $32,500. Again no allowance is made for family size or the number currently attending college.

Third, rates for those who still qualify for guaranteed student loans would be the Treasury bill rate plus 3 percent. Currently, this would result in an interest rate of about 11 percent contrasted with the current GSL rate of 8 percent. This increase in interest will cause financial hardship for many recipients. Further, as interest rates rise, the interest cost to students would be overwhelming, and would place students at great financial risk.

Fourth, the $4,000 cap for total Federal aid is of concern to both private and public colleges and universities. Private colleges are concerned that without higher funding levels, many students will be foreclosed from attending the institution. Minnesota State universities are concerned that the cap would limit educational opportunities for married students and single parents.

Fifth, the definition of independent student status is too narrow. I would urge my colleagues to carefully consider exceptions such as students who are orphans, married, or single parents.

The effect of the Reagan budget on education is far-reaching. It affects hundreds of thousands of students and their families, restricting, for many, the possibility of a college education. I urge my colleagues to join me in reordering our budget priorities so that necessary aid for college students remains available to those who need it.

Mr. WILLIAMS. I thank the gentleman.

I understand that our time has expired. I say to the two or three gentlemen who are waiting that additional time will be yielded for their statements in just a few minutes.

I thank my colleagues.

Mr. OWENS. Mr. Speaker, several Members have already spoken about education. I do not want to be repetitious, but I think it is important to realize that the dialog that we had today is a part of an ongoing dialog. The full Education and Labor Committee commenced today a series of hearings on the education budget. Last week the Committee on Elementary Secondary Education had a series of hearings throughout the country.

It is important that all Americans understand the importance of this dialog on education. We do not realize that whereas in other areas such as defense the complexities of today's world readily recognize the necessity for increased cost, but our educational apparatus has been allowed to deteriorate to the point where it is a Neanderthal apparatus.

We are not spending nearly enough money for education, and yet we are proposing cuts. We are also proposing cuts for programs that are as basic as the school lunch programs. The school lunch programs get poor youngsters off to a good start on the school day. This dialog involving every aspect of education must go on, the American people must be awakened to the point of understanding that their leaders are taking a Neanderthal approach to education when we need to join the 20th century and have the kind of educational apparatus that can compete in today's world.

The Soviet Union is graduating far more graduates than we are, and yet we are proposing to cut back on the aid for college students. We are locked in a battle which might be compared to the battle between ancient Sparta and ancient Athens. We, of course, could be compared to Athens. We have freedom, we have the opportunity for people to grow, we have the opportunity for free discourse and dialog, and we want to defend that way of life. But unless we buckle down and spend the kind of money necessary to train the kind of gladiators, intellectual and scientific gladiators, that can maintain our own in that world, we are going to find the security of this Nation is jeopardized.

Education is vital to our national security, and our leaders must be made to recognize this.

I thank the gentleman for yielding.

● Mr. LEVINE of California. Mr. Speaker, I appreciate the opportunity to participate in today's special order concerning the Federal Government's commitment to education. Regrettably, as far as this administration is concerned, the Government's commitment to improving equal and affordable educational opportunity continues to wane with each passing year.

President Reagan has once again proposed drastic reductions in student aid programs which will significantly limit the higher education options for many of our children. While the President has called for a freeze on overall Federal spending, he has proposed a 27 percent reduction in student aid programs. This disproportionate reduction will reduce the number of student aid awards by 1.75 million and reduce the number of students receiving Federal assistance by 1 million.

In analyzing the President's budget recommendations, one finds that the President has targeted his cuts selectively. The budget calls for limiting grants and direct loans to students whose family income is more than $25,000, restricting all students to $4,000 in annual loans and grants, and limiting guaranteed student loans to students whose family income is $32,500 or less. As the average cost of attending a private college is more than $9,000 a year, these unfair and unrealistic proposals will discourage many lower and middle income students from appyling to and attending the school of their choice.

Just as I am opposed to the President's higher education budget recommendation, I will not support the President's proposed requirement that students earn a high school diploma before qualifying for financial assistance. Not only is this administration intent upon limiting the education options of all but the affluent, but it also refuses to acknowledge the legitimacy of alternative education avenues pursued by millions of committed student. While current law permits non-high-school graduates to receive Federal financial assistance to attend community colleges and trade schools, this administration does not recognize the utility of such training and such support. To those whose educational opportunities and choices are few, the administration would limit those options even further.

One could best summarize the administration's commitment to education as promoting a doctrine of survival of the financially fit. In spite of all the proposed budget cuts which will prevent students from attending the college and university of their choice, the administration has once again proposed a tuition tax credit measure which provides families with tax incentives to send their children to private elementary and secondary schools. I support every family's right to send a child to private school, but not at the expense of our Federal Government's commitment to public education.

Just as the Federal Government has spent years promoting equal access for all citizens to public and private institutions, it should continue to do so in educational institutions by ensuring their affordability. Rather than solely concern itself with the cost of Federal education programs, the administration would do well to consider their value. Unfortunately, this year's budget request does not reflect such thoughtful consideration.●

● Mr. SKELTON. Mr. Speaker, in the fall of 1982, I asked the Congressional Research Service to investigate and report on the status of science and engineering education in the United States and the effect predicted deficiencies could have on the Armed Forces and the Department of Defense. The report raised a serious problem in that we were facing a technology gap between the United States and other countries. A gap which could effect our technological edge for both our economic security and national defense. In fact this gap could be much more serious than the Sputnik gap of the 1950's.

This year, CRS updated the status of science and engineering education and, despite the fact that there has been a small increase in the number of degrees awarded, we continue to lag behind Japan and the Soviet Union due to the fact that there is a faculty shortage in these areas. With results in education such as this, it is difficult to imagine why this administration is continuing to put education on the chopping block.●

● Mr. FORD of Michigan. Mr. Speaker, the President's budget proposes a 33 percent or $2.51 billion reduction in programs for higher education. All of this reduction, except for $100 million, is centered on the programs of student financial assistance.

Included in the President's budget is a proposal to eliminate from eligibility for all Federal grants, loans, and work opportunities, except for the guaranteed student loan and the PLUS/ALAS loan programs, all students from families with an income above $25,000. This limit would apply regardless of the number of children in the family, the number of children in the family attending higher education, heavy medical expenses, or any other mitigating circumstance.

All students, including poor and minority youth, who have an unemployment rate near 50 percent, would be required to put up an ante of $800 of their own money before they could qualify for other Federal aid.

No one under the age of 22 could be an independent student unless they were an orphan or a ward of the court. The assumption being made is that everyone under age 22 has a family who can and will help support them in college. We all know that this rosy and idyllic view of happy families all made up of Dad, Mom, Dick, Jane, and Spot is far from the reality of American society today. In fact, only 11 percent of American families are made up of two parents, two children, and the father as the sole breadwinner. The Secretary of Education and the Director of OMB have obviously never met any of the large and increasing number of women under age 22 with children and no spouse.

The impact of this combination of proposals would be to eliminate over 625,000 students from eligibility for student financial aid.

A $4,000 cap would be imposed on the total aid any student could receive from all Federal programs. Estimates are that this would reduce awards an average of $1,200 for some 430,000 undergraduates, half of whose family incomes are below $12,000; 60 percent of those affected would be needy students attending private colleges; their average loss would approach $1,400. An estimated 200,000 graduate students would be affected by the cap—about one-third of all federally aided graduate students and two-thirds of those attending private universities.

The budget proposes to eliminate from eligibility from the Guaranteed Student Loan Program all students from families with incomes above $32,500. This would result in removing about one-third of those currently eligible, nearly 1 million students.

The administration further suggests the elimination of the State Student Incentive Grant [SSIG] Program and any new Federal capital contribution for the National Direct Student Loan [NDSL] Program. As a result, 448,000 fewer awards will be available.

Finally, there is the proposal to eliminate the Supplemental Educational Opportunity Grant [SEOG] Program which has an appropriation for fiscal year 1985 of $413 million. The College Work Study Program would be increased by $257 million and up to 50 percent of the funds could be used for grants. Thus, there would be a net decrease of $156 million for the combined grant/work student program and 378,000 fewer awards would be available for students.

In commenting on the administration's budget proposals for student aid, the new Secretary of Education remarked that some families "are going to have to tighten the belt even further to send their children to college." Under the administration's proposals, students' bellybuttons will be meeting their backbones when they get done tightening their belts as much as the Secretary of Education advocates.

The Secretary of Education believes that students can adjust to these cuts but that "it may require of some students divestiture of certain sorts—stereo divestiture, automobile divestiture, 3-weeks-at-the-beach divestiture." The Secretary's quip is a classic example of knocking down a strawman. Some student financial aid recipients may have an old stereo and beat up car to commute to school and to work, but they are not driving sports cars, listening to music on the latest component systems, and living a life of luxury. The Secretary's characterization of student financial aid recipients as indolent youth is not only untrue, but it also seeks to divert attention from the pain that will be inflicted on students and their families if this budget were adopted. He is trying to draw a happy face over the dashed dreams and the frustrated aspirations of a generation of students.

Another area of the administration's budget for higher education deserving comment is some of the so-called reforms of the Guaranteed Student Loan Program. It is proposed to raise the interest rate to students from the current fixed rate of 8 percent to the rate of 3-month Treasury bills. This will have the effect of greatly increasing the burden of debt on students who borrow under the Guaranteed Student Loan Program. We have already seen a dramatic shift from grants to loans in student financial aid as a result of the policies of this administration for the last 4 years. In 1975–1976, grants made up 80 percent of Federal aid provided to students and loans made up 17 percent. Last year, grants and loans were each providing about 48 percent of the aid available to students, and the imbalance will increase this year. Since 1975–76, the actual buying power of grants has decreased by over 50 percent leading to a 123-percent increase in the average amount of loan aid received by students since that time. The administration's proposed increase in the GSL interest rate will continue us on the misguided road of creating a new debtor class in America; our former students.

In the GSL Program the administration also proposes to dramatically decrease the special allowance paid to lenders. The special allowance is currently fixed at 3.5 percent above the rate for 3-month Treasury bills. This means that a lender is guaranteed a total yield on guaranteed student loans of the Treasury bill rate plus 3.5 percent. The administration would reduce the special allowance component of the lender's return from 3.5 percent to 1.5 percent while a student is in school and to 3 percent while a student is in repayment on the loan. There was, of course, no consultation with the private lenders who make most of the guaranteed student loans to determine if they will continue to participate in the program at this reduced rate of return. The GSL Program is providing about $7 billion to students this year to help them pay for their education. The administration is putting at risk this entire $7 billion amount by reducing the return to lenders without any idea of the impact of doing so.

When you look behind the administration's budget for higher education and ask yourself what are they really trying to tell the American people, it is apparent that there are three messages in this budget. First, the admin-

istration is abandoning middle-income Americans. The $25,000 family income cap for eligibility for all student aid programs other than GSL and PLUS/ALAS loans and the $32,500 family income cap for eligibility for the Guaranteed Student Loan Program effectively exclude students from middle-income families from the programs.

Second, the administration is retreating from the goal of providing choice to students in selecting postsecondary educational opportunities. The Federal policy for the last two and a half decades has been not only to enable students to have access to an education beyond high school but to have the choice of the education best suited to each student's interests and talents. This is a goal that we have only imperfectly achieved. But we clearly have been attempting to move in the direction of providing increasing measures of choice to low-income students since the inception of these programs.

The Secretary of Education recently said: "I have some problems with that as an axiom—that is, the notion that the Federal Government has a responsibility to assure that every student can go to the school of his or her choice." The $4,000 cap on aid that any student may receive effectively denies to low-income students, eligible for the largest amounts of aid, the choice of many public institutions and particularly of most private colleges and universities. The Secretary seems to be advocating a return to the economic segregation of American higher education—when the poor could only go to low-cost public institutions and the affluent could attend the higher priced and frequently more prestigious private institutions. I find it particularly ironic that an administration that advocates tuition tax credits and educational vouchers to increase the choices available to families in sending their children to elementary and secondary school would turn around and explicitly reject the goal of choice for students and families at the postsecondary level.

Third, the administration is seeking to exclude the most disadvantaged students from educational opportunities despite their rhetoric about helping the truly needy. This aspect of the administration's budget may be less apparent than the previous two. But when you exclude from student aid all independent students under the age of 22, when you exclude all students without a high school diploma or a GED even if they have the ability to benefit from a postsecondary educational program, when you require all students to ante up $800 out of pocket before being eligible for Federal aid, and when you seek to shift students increasingly toward larger loans with higher interest rates you are hitting hardest the most disadvantaged in our society. Each of these changes would disproportionately exclude low-income and disadvantaged students from the Federal student aid programs.

The administration's budget proposal for higher education is arbitrary, callous, and stupid. I trust that the Congress will resoundingly reject it.●

● Mr. MATSUI. Mr. Speaker, I am grateful to my colleague, PAT WILLIAMS, for this opportunity to address the important matter of our national commitment to education. Recent statements and actions by the administration have raised some doubt as to the importance the administration attaches to education.

Most troubling is the way in which the administration budget proposals seek to affect our elementary and secondary public school students.

In my State of California alone, the administration seeks to cut $56.4 million in child nutrition programs. That is approximately a 14-percent reduction in the total program.

California, which shoulders the burden of assimilating between 30 and 40 percent of all the Nation's immigrants and refugees, would have the Emergency Immigrant Education Assistance Program reduced by $13 million and the Transition Program for Refugee Children entirely eliminated.

Under proposed changes in migrant education eligibility requirements California would lose $10.9 million—15 percent of current funding—for migrant education.

Impact aid, which compensates a school district for losses in local property tax revenue due to the existence of a Federal military installation, would be terminated. The loss to California would be $9 million.

The Federal Government cannot shirk itself from its role in the education of our citizens. If we are going to continue to meet the challenge of maintaining excellence in our schools we cannot permit the administration to make such draconian cuts in public education.

I am also deeply concerned about proposed cuts in programs that affect our citizens who seek to attend an institution of higher education. Measures in effect at this time have weeded out much of the problems encountered in the management of the Student Loan Program. Administration proposals that would require students to front the first $800 of college expenses or to pay for their loans while they are attending class would deprive the poorer among us from receiving the education they need to lift themselves out of the cycle of poverty.

I believe that education is a high national priority. It is our first line of defense against the forces of ignorance and failure. We must all share in the burdens caused by our huge Federal budget deficit, but we cannot ask our children to pay for their share before they reach the age of majority.●

● Mr. GOODLING. Mr. Speaker, last June I came before this body to make a plea for a bipartisan approach in dealing with the critical education problems facing our Nation. During recent hearings held by the Education and Labor Committee in various regions of the Nation I was distressed to find that more people are willing to make partisan attacks against the President of the United States than they are to offer creative suggestions on how the Congress can "get about the business" of improving the Federal Government's efforts in education.

Mr. Speaker, while many members on the Republican side of the aisle do not support every initiative of the Reagan administration in the field of education, it is clear that the other side of the aisle is unwilling to admit that largely as a result of President Reagan's decision to use the Presidency as a bully pulpit, education reform is underway at the grass roots level at an unprecedented pace. Not since President Johnson's attempts to address educational deficiencies through Federal involvement has our Nation placed education at the top of its agenda.

The critical difference is that the Reagan emphasis has been on grassroots reform. Whether we consider the adoption of local bond issues for education or the significant increase in State reform and funding of education, it is clear that the President has stimulated State and local activity where the major responsibility for education rests. Throughout the Nation we have witnessed new initiatives for excellence in teaching and learning, new teacher salary schedules and career ladder programs, new standards, and increases in parental involvement—just to give a few examples.

It does no good for Republicans and Democrats to hurl accusations at one another. Rather we have a responsibility to make a critical assessment of where and how the Federal Government can have the greatest impact in improving the process of education in this country. We must remember that access and excellence are not mutually exclusive and that spending money is not necessarily the panacea for educational reform. The President is to be given credit for focusing the Nation's attention on education. While I do not agree with every one of his proposals, it is the Congress of the United States that will ultimately decide how much Federal money will be spent and how it will be utilized.

We must make sure that local and State educators are free to do the kinds of things that they have been trained to do, including providing educational leadership. While we must

keep our eye focused on the issue of access for those who are traditionally underserved, we must recognize that we do not have the expertise to provide the educational leadership for this Nation solely from the Congress of the United States.

I would like to remind my colleagues that the roots of the current concern over education in our Nation goes back many years. I think that it is important that we understand that this issue is not one that has come about in the recent months or years. We should also remember that the problems we face are complex. There have been economic, demographic, social, and political developments that have contributed directly and indirectly to our current situation. Partisan wrangling and name-calling will only add to the confusion.●

● Mr. GAYDOS. Mr. Speaker, for the past few years, we have been hearing a constant refrain from this administration about the importance of maintaining and improving our national economic picture as the way to beat back the immense Federal deficit with which we are being burdened.

As most of us are aware, one of the key elements is the expansion of existing growth industries and the development of new ones. Quite frankly, this will require a pool, nationwide, of young, qualified, college-trained professionals.

Therefore, it is alarming to me that, given this Nation's need for these trained persons—and this administration's insistence on them, we find this administration overturning the cart by suggesting such deep cuts in college aid programs.

Let's face it, shortchanging our young people's education, as this administration seeks to do, will shortchange both their lives as well as the administration's announced aim.

Our industrial base is changing. All of us recognize that. The major industries on which this country depended 20 years ago—steel, railroads, automobiles—are being replaced today with high-tech industries in computers, electronics, and so on. And those new industries need a new kind of work force.

In my own congressional district, I am working with several responsible organizations to rebuild our area, attract new industries, create new jobs. But to attract those new businesses, we need a pool of highly trained people—men and women who have been through our higher education system and who can adapt those learned skills for the jobs of the future.

This administration's proposed cuts in higher education, particularly, will defeat that effort. Almost 1 million current borrowers would be removed from the Guaranteed Student Loan Program by applying the proposed eligibility cap of $32,500 for adjusted gross family income.

Some 800,000 middle-income students would be dropped from the Pell Grant Program. And seven other aid programs, which provide for another 2 million undergraduate and graduate students, would be abolished.

It has been suggested by some in this administration that many of the students receiving Guaranteed Student Loans or Pell Grants or other forms of higher education assistance are not really in need.

My experience with any program is that there are some who are undeserving, but that those numbers are small. It seems to me that we have here a classic case of throwing out the baby with the bath water in an attempt to eliminate a small number of problems.

Just this Saturday, Colman McCarthy, writing in the Washington Post, told of the responses he received from 90 students at American University when they were asked to comment on the student aid cut proposals. Because of its importance to all of us, I am including this article among my remarks.

[From the Washington Post, Feb. 23, 1985]

WHEN STUDENTS GRADE BENNETT

(By Colman McCarthy)

They had taken a direct hit the day before. To find out how it felt, I asked the 90 college students in my course on peace studies at American University to write their reactions to the Reagan administration's proposals to reduce student aid.

William Bennett, the new secretary of education, had supported cutting off loans and grants for more than 1 million students. The limit would be $4,000 a student yearly and $32,500 family income. For the victims, Bennett socked them with sarcasm: It is time for "divestiture" of stereos, cars and beach vacations.

I have a diverse class—undergraduates from 18 to 22, a retired coal miner, a native Alaskan, a neighborhood mother, foreign students (Kuwait, India, Bahrain, Nepal), the president of the campus chapter of Young Americans for Freedom and a left-of-left 20-year-old woman who has twice been to Nicaragua on school breaks to serve the poor.

The diversity is refreshing to me, but the differences among the students constrict like bolts tightening into place when the subject is William Bennett's thinking. Except for five or six students who supported the secretary, everyone else found the Reagan administration's crabbed ideas about college students and their finances either grossly biased or absurdly unworkable.

The picture that emerges from these 90 papers counters the one offered by Bennett of many students—of private-school rich kids scamming the government for grants and loans. American University is private, but well over half of the kids in my class—a representative group—are working. Many have two jobs. One student has three. A fair number work full-time, and then scratch around for night courses that fit into their degree program.

One senior told of the doubling of costs since her first semester in college. The rise is due to regular increases in tuition and the decreases in Social Security survivor benefits. She writes: "I am making it because I have worked part-time all through school and full-time in the summers [while] taking night classes. My family cannot afford to help me substantially since I also have a brother in college and a sister beginning next year. I have benefitted from university scholarships because of my grades but I still have to take out a guaranteed student loan from the bank and other loans from the government to cover tuition and expenses."

The student has loans out for more than $15,000. A classmate, in her late twenties, was once in a similar fix. She was forced to leave school to earn enough money to come back. Another student is working 30 hours a week, which is a rest from her summer schedule of 70 hours in "two jobs day and night to save for the next school year." She argues that under Bennett's place "the poor and the rich will get an education and the middle class will get the shaft as usual. . . . How are parents supposed to squeeze their wallets any tighter when they have others in school, several loans out and barely making ends meet?"

This student has a three-year-old $100 stereo, no car and "can't afford a trip anywhere—even home to New York."

From the papers, I sensed that only about one in five students was at the university under ideal conditions: no financial aid, no jobs, and parents paying in full. Several students said they knew of campus leeches who didn't seen to need aid but wrangled some anyway. Another told of a friend who ran up debts but has found a dodge to avoid paying them.

These offenses against fairness came up in a number of papers, but they were few compared with what most others saw as the unfairness of the Reagan administration.

American education is in vibrant condition when a student can write, as one of mine did, that "Bennett's words came straight from his heart, which is hollow. How can you possibly want to cut student aid? That money goes to a good cause . . . There are many families that earn more than $32,500 that have many children close in age. They can't possibly afford to send, let's say four kids at one time to school. It's also a cop-out saying the kids spend the aid on cars and stereos. It's just an excuse, and a lousy one at that."

In addition to these in-class essays, I asked the students to pick one word to describe their feelings about Bennett's thinking. The YAF president, a quick-witted and likable lad, said "justifiable." That was the minority view. These were typical of the majority: confused, irrational, horrifying, idiotic, spaced-out, addle-minded, unbelievable, barbaric.

A peace-studies class is a fit scene for students to discuss the politics of tuition. Economic war has been declared on the 90 kids in my class, and millions more across the country. They are fighting back with sure-fire weapons: sound ideas and stories of personal sacrifice. It is hard to imagine that Congress will abandon the students.

I would suggest all of us read this piece because it bears out the points we are making: that our students need this aid and that it is in the best interest of this country to provide this kind of assistance.

Depriving our young people of a college education deprives them of the opportunity to seek jobs in our new in-

dustries and deprives us all of the chance for a better life. Education seems expensive, but there are few things more expensive in today's world than the lack of one. Besides, the investment we make in our youth today will be repaid severalfold in the years after they complete their education.●

● Mr. FAZIO. Mr. Speaker, it is a privilege to rise today to express my support for the Vocation Education Act and to urge the full funding of programs that operate under this act.

These programs pay for themselves over and over again. They take untrained workers and give them highly competitive skills. They take low wage earners who have trouble holding down a job, and turn them into more highly paid workers with highly competitive and sought after skills. They take low and sporadic taxpayers and turn them into individuals who over time contribute far more to the Treasury than they ever receive from the Federal Government under these programs.

Despite the value of vocational education, Mr. Speaker, the President has once again submitted a budget request that is far below that which is needed. The President has ignored the intent of the Congress in passing the Carl Perkins Vocational Education Act. He has submitted a request that is more than $200 million short of what the Perkins Act authorized and a budget that fails to fund several key programs, including the high-tech partnerships program.

Mr. Speaker, it is time that we fully fund vocational education. It is time that we recognize the advantages of a more skilled work force and reap the benefits of a program that will strengthen the economy and lead to a healthier Nation.●

● Mr. BROWN of California. Mr. Speaker, fulfillment of the American dream has traditionally been based on upward mobility through education. Even the first colonists, facing enormous challenges, made the establishment of a local school a high priority. Until now, each generation has surpassed its parents' education in terms of breadth, depth, and quality. Today's education system faces crises at two levels: in the quality of education and in the changing role and expectations of education in an increasingly technological society.

The means to address both these problems are at our disposal. Through working together, we can set goals for our schools, support the work of schools and educators, and determine what role education will play in a changing world. Advanced technology will continue making vast changes in the marketplace, leisure activities, and the home. The achievements of the last fifty years in medicine, space science, and electronics will pale in comparison to the next century's quantum leaps in these and other fields. Education will provide the springboard and the bridge to these developments.

The Federal Government plays an important role in supporting education. But Federal funding is limited: Contrary to popular belief, the Federal Government is the smallest funder of education. The Federal Government's funding for education is only about 10 percent of about $230 billion which is spent on education in each school year. Of the rest of this funding, about 39 percent comes from the State, about 24 percent from local governments, and about 28 percent from other sources, including tuition, endowments, and private gifts and grants.

I believe the Federal Government should maintain its relatively small but vital role in supporting education. I believe that the Department of Education can be a guiding influence in this effort. The Department can fund research into improved teaching methods, can support programs of high Federal priority—like supporting civil rights—and can help fund programs for special groups of students—like the handicapped and the disadvantaged.

There is an old Chinese proverb which should characterize our approach to education. It says:

If you are planning for a year, sow rice;
if you are planning for a decade, plant a tree;
if you are planning for a lifetime, educate a person.

Mr. Speaker, this is sound philosophy we should all live by.●

● Mrs. BURTON of California. Mr. Speaker, I would like to applaud my colleague PAT WILLIAMS from Montana for arranging this special order although I am greatly distressed by the events that have induced it. Mr. Speaker, the administration's proposed budget for education will hurt the American people. I am amazed by the cynical precepts it is based on. In the last few years, this administration hailed efforts to reform education in America and indeed claimed credit for that reformation. This year's rejoinder seems to be: "Do as I say, not as I do." This is a cruel game the administration is playing and the stakes they are betting are the youth of this nation.

For the sixth consecutive budget from this administration, the President's proposals would accelerate the decline of Federal expenditures on education. We have heard time and time again that the ultimate responsibility for education funding lies with the States, not the Federal Government. We all know what the President's budget message is for the States: "You're on your own." Under this budget proposal the States will be hard pressed to find alternative funding sources for crucial services such as police, fire and mass transit. The unalterable fact is that the States will not be able to make up for shortfalls in education funding.

It is obvious to me that this administration is relinquishing its responsibility for education in America. We have heard the cavalier comments made by David Stockman and William Bennett, the new Secretary of Education: If students sell their cars and stereos and skip vacations they will be able to afford a college education.

These proposals will deny 1 million young people that dream. We owe it to the students and parents throughout this Nation to oppose these shortsighted and cynical proposals. I thank the gentleman for his time.●

● Mr. BOUCHER. Mr. Speaker, when I talk with young people throughout my southwest Virginia district, I am impressed not only by their depth and breadth of knowledge, but also by their recognition of the need to expand their educational horizons to meet the challenges of the 21st century. They are eager to develop the insights and skills they will need to compete successfully in the emerging high-technology workplace and to contribute to the wealth of knowledge that will guide our Nation's journey beyond the year 2000.

The administration's fiscal year 1986 budget proposal responds to this yearning for knowledge and excellence, by slashing postsecondary education programs 36 percent. In my view, the administration's proposal is shortsighted, achieving short-term budget savings by robbing many of our young people of the opportunity to contribute to our future and by weakening our college and university system.

In the past, this Nation has responded to the challenges of the international arena with a call to arms to our young people and to our educators. In the post-World War II and post-Sputnik eras, when we were confronted with a revolution in technology, the response to our call to arms was unparalleled. Our response to that challenge enabled us to reclaim our international leadership and stature.

Today the international arena in no less threatening. We face new international competition in the areas of trade, technology and the ideas that guide the evolution of new governments and nations. Yet the administration has chosen to respond to these challenges by significantly reducing assistance to young people who aspire to a higher education and to colleges and universities that are the breeding grounds of the minds and ideas that will chart our Nation's future.

In Virginia alone, 26 percent of the students now receiving guaranteed loans may become ineligible for that aid under the administration's proposal to eliminate from the guaranteed loan program students whose family

annual income exceeds $32,500. Others will be affected by the $4,000 per year cap that the administration hopes to place on total college student aid including guaranteed student loans, Pell grants, and work study grants.

At Virginia Tech 2,900 students will be affected by the administration's proposal. The university will lose at least $2.6 million in assistance. At Radford University, 40 percent of those now receiving guaranteed student loans will be ineligible under the administration's plan, and hundreds more will see their total aid package reduced. Community college administrators project that the cuts proposed by the administration will substantially alter their institutions' educational mission.

Those students most effected by the cuts will not be the sons and daughters of the very rich who can afford the costs of a college education. Those who will be hurt are the sons and daughters of low and middle income families. The administration's proposal will dash the educational dreams of many students who depend on the Pell grant, guaranteed student loan, supplemental opportunity grant and work-study programs. These programs are not unqualified give-aways. They are programs designed to provide means-tested assistance to families who cannot fully absorb the financial shock of today's higher education costs.

Mr. Speaker, many of those dropped from the student aid rolls will be forced to leave school, and the increased competition for both students and charitable aid will debase the value of a college education and erode the quality of our Nation's institutions of higher learning. We will lose the immeasureable value and contributions of probing minds, and we will be less prepared to meet both the current challenges and future demands of an increasingly competitive international environment.

If today's students, colleges and universities lose, we all lose. We will lose our hope for a future of educational and institutional excellence, a future that once lost can not be quickly or cheaply regained.●

● Mr. MORRISON of Connecticut. Mr. Speaker, the future of this Nation is dependent on the investment it is willing to make in its youth. For many years the Federal Government has taken steps to ensure that all students receive the educational services they need, and that promising students, no matter what their background, are afforded the opportunity to pursue their educational goals. The President's recent education proposals would put an end to this trend and reverse our Nation's commitment to fully educate our children.

The President proposes to attack education at every level. Among other things, funding for Head Start would be frozen, as would the Education for the Disadvantaged Program; two programs aimed at improving educational opportunities, the Magnet School Program and Women's Educational Equity Program, would be totally eliminated. Financial aid for college students would be seriously curtailed by allowing aid only to students whose family income is below $32,500 and capping the total financial aid package any student can receive at $4,000.

If enacted, the President's proposal would severely impact my home State of Connecticut. Remedial instruction would be cut to about 650 students in the State. Of the 20 school districts that receive impact aid because of the presence of a Federal facility in the district, 19 would become ineligible. Three hundred severely economically and educationally disadvantaged youth, 1,100 adults with training and retraining needs, and 900 students who would be trained in high technology skills, would lose vocational training opportunities.

Even more severe is the impact of the President's proposals on students currently enrolled in the State's institutions of higher education. About 24,000 students would become ineligible for student loans; 3,500 would lose Pell grants; 1,200 would lose State student incentive grants; and 1,200 would lose work-study grants.

While clearly the Congress must consider alternatives to the way education is currently financed in this country, it must be done in the context of rationalizing and restructuring our approach. It should not be done in the arbitrary way proposed by the President, which will make education unattainable for some and even more inadequate than it currently is to meet the needs of others.●

● Mr. NELSON of Florida. Mr. Speaker, I join my colleagues today to express my concern about the President's cuts in our Nation's higher education budget.

America's educational system is surely among the finest in the world and one of its strengths is in its access by students of all economic ranges. This opportunity for a college-level education is the direct result of Federal loans and grants to those who would otherwise not be able to meet the rising costs of a higher education. In my home State of Florida, it is estimated that over 47 percent of students enrolled in higher education institutions—universities, colleges, and community colleges—received some form of financial assistance.

In next year's budget, President Reagan has proposed a restructuring of student aid programs. Financial assistance to students would decrease by 23 percent in fiscal year 1986—from approximately $4.6 billion last year to $3.5 billion.

Two programs, the supplemental education opportunity grant [SEOG] and the State student incentive grant [SSIG] would be eliminated altogether. In Florida, over 64 institutions participated in the SEOG Program. Eighty-one institutions participated in the SSIG Program last year—benefiting over 14,000 recipients.

Under the President's proposal, guaranteed student loans would be limited. In Florida, the average loan amount per calendar year was approximately $2,500 to over 88,000 students—students who otherwise may not have been able to pursue an education after high school. Based on those figures, almost 10,500 students in Florida would be excluded from the GSL Program should President Reagan's income cap be imposed.

Recent news accounts have described renewed collection efforts for defaulted student loans. I encourage the Department of Education to equitably and efficiently collect loans debts from students who have abused the aid system. But the fact remains, we should not take away the means for a higher education for future students—who may responsibly repay their debts—because of mistakes of former borrowers.

Education is no exception to the rising cost of living. The cost of a college education today is over $6,000 per year. At a public institution, this figure is nearly $5,000 and for a private institution, close to $9,500. I emphasize that although these amounts represent tuition, board and other expenses, this accounts for only 9 months of a calendar year, not the total living expenses of a college student. The tremendous financial impact of higher educational expenses on a middle-income family with a child in college is obvious.

America's educational opportunities should be available to all. We need to insure that educational freedom of choice continues to exist for all students regardless of financial status, desiring a higher education. By reducing the Federal guarantees and grants to lower and middle income families, we restrict the opportunity for higher education to many deserving and ambitious students.

The future of our country depends on the quality of the individuals in our society. Undisputedly, higher education is an important factor in the progress of national economic and social well-being.

Therefore, the question is not whether we can afford to continue funding student aid programs, but whether we can afford not to.●

● Mr. FEIGHAN. Mr. Speaker, the administration's proposed cuts in student financial assistance amount to a devastating attack on middle-class families. Unable to justify these cuts directly,

our new Secretary of Education has stooped to creating caricatures of stereo-laden students marrily ripping the Government off through these programs. Like most stereotypes, this one proves to be accurate in a few instances, but maliciously misleading in the vast majority of cases. Secretary Bennett's caustic remarks reveal not only a hostility to the traditional role of the Federal Government in assuring equal educational opportunity, but also an imprudent willingness to denigrate those who would defend that role.

Widespread access to quality education is essential to the well-being of our democratic society. Without an educated citizenry, the political freedoms of our democracy would become hollow. Without an educated citizenry, our commerce and military strength would soon stagnate. Without an educated citizenry, our cultural and spiritual vitality as a nation would be greatly diminished.

In our society free of hereditary distinctions, where merit provides the only rank, education has always served, at least in principle, as the great equalizer, the principal channel of social mobility. Universal access to education has long figured prominently in the canon of our democratic values. Since the Second World War, the Federal Government, supported by an overwhelming public consensus, has moved to make that value a reality. Through a variety of loan and grant programs, the Federal Government has largely succeeded in making good on its commitment to assure equal access to higher education. In an era when the value of higher education is ever increasing, the Federal Government would be unwise to retreat from that commitment.

The President's budget proposal, supported so vociferously be Secretary Bennett, would, simply put, make it impossible for many middle- and low-income families to send their children to college, let alone to the college of their choice. The budget would slash student financial aid for higher education by 25 percent, from the fiscal 1985 budget authority level of $8.6 billion to $6.3 billion. Secretary Bennett justifies this $2.3 billion cut as a means of better targeting aid to poorer families. But the specifics of the budget proposal amply refute that claim.

Secretary Bennett would do away with supplemental educational opportunity grants [SEOG], awards based solely on need. More than 700,000 young people most deserving of support would lose grants if this program were eliminated. Under the administration's proposals, Federal matching funds for State student incentive grants [SSIG], would be terminated, depriving another 300,000 students of aid. Secretary Bennett would also stop Federal capital contributions to the National Direct Student Loan [NDSL] Program, thereby reducing the number of students able to benefit from the program by more than 150,000.

The administration's budget proposal combines these outright eliminations with a number of new eligibility requirements on all forms of aid. A cap of $4,000 per year would be placed on total Federal aid per student, and all students receiving aid would be required to contribute at least $800 per year to their education. The administration would impose its most drastic restrictions on the two largest programs of Federal aid—Pell grants and guaranteed student loans [GSL]. The budget proposes absolute limits on allowable family income of $25,000 for Pell grants and of $32,500 for GSL's. These income limits would allow no distinctions based on family size or on the number of children in college. Clearly then, their intent is not to target aid to those most in need, but simply to provide arbitrary means of reducing overall funding. Families with more than one child in college would be the most hard hit. All together, these tighter eligibility requirements would deprive more than 800,000 students of Pell grants and more than 325,000 students of GSL's.

As a result of the proposed cuts, more than 1 million students would, by the administration's own figures, lose support for their higher education. The American Council on Education estimates that the figure might well approach 2 million. From figures provided by the administration and the American Council on Education, I have compiled a summary of the consequences of the administration's proposals:

NATIONWIDE EFFECTS, BY PROGRAM

Program	Funding (millions)			Student awards (thousands)		
	Fiscal year 1985	Fiscal year 1986	Change	Fiscal year 1985	Fiscal year 1986	Change
Pell grants	$3,371	$2,880	−$491	2,827	2,019	−808
SEOG	414	0	−414	720	0	−720
Work/study	959	850	+255	788	1,130	+342
NDSL	192	0	−192	956	812	−144
SSIG	76	0	−76	304	0	−304
GSL	3,744	2,715	−1,029	3,226	2,900	−326
Total				8,821	6,861	−1,960
Unduplicated				5,280	4,252	−1,027

The effects of the administration's proposals on my home State of Ohio would be devastating. Pell grant funding would be cut by more than $28 million. Ohio students would lose another $18 million in SEOG and SSIG funds. Direct student loans would be slashed by $7.4 million. And most important of all, GSL's would be reduced by $76 million, a cut of nearly 30 percent. Approximately 28,000 students would lose their loans.

All together, the administration's cuts would cost Ohio students more than $130 million in aid. From figures provided by the American Council on Education, the Department of Education, the Education Commission of the States and the Ohio State Student Loan Commission, I have compiled the following summary of the effects of the administration's proposed cuts on Ohio families:

EFFECTS ON OHIO, BY PROGRAM

Program	Funding (millions)			Student awards (thousands)		
	Fiscal year 1985	Fiscal year 1986	Change	Fiscal year 1985	Fiscal year 1986	Change
Pell grants	$148.9	$120.6	−$28.3			
SEOG	15.6	0	−15.6			
Work/study	22.3	31.8	+9.5			
NDSL	7.4	0	−7.4			
SSIG	3.0	0	−3.0			
GSL	266.9	(190.5)	(−76.4)	108.2	(80.0)	(−28.2)
Total			−130.7			

The administration's proposed cuts in financial aid for students would force our Nation to take a giant step back toward the days when only the rich could afford to send their children to college. A number of the best private universities in the country have already announced that financial pressures have forced them to abandon longstanding policies of disregarding financial well-being in making admissions decisions. We must work to reverse this trend and to assure that equal educational opportunity is not compromised. If there are abuses, let us have genuine reforms. But let us not use these as excuses for the wholesale gutting of programs that serve millions of deserving students.●

● Mr. ROYBAL. Mr. Speaker, I would like to express my deep concerns about the President's proposed budget regarding education. I believe the Federal Government's commitment to ensuring access to quality education for all out Nation's youngsters must be maintained and strengthened. Yet, many of the educational proposals in the fiscal year 1986 budget do not reflect such a commitment.

Similarly, the Federal role in vocational education is critical. The Perkins Act passed in the last Congress authorizes a strengthening of that Federal role. For the benefit of the Members of the House, I would like to submit for the RECORD an analysis by the American Vocational Association of the adverse impacts the proposed budget would have on vocational education in America. Let us not allow the intent of the Perkins Act to be ignored for the sake of temporary reductions in the Federal budget.

Following is the American Vocational Association analysis:

VOCATIONAL EDUCATION

The Congress reauthorized the vocational education act in October of 1984 and set in

place a new initiative to sharpen the federal role for vocational education. Under the new law, federal funds will be utilized to assist the states to provide vocational education programs and services for those traditionally underserved individuals and groups, to assist the state and local education agencies to modernize the programs of vocational education, and upgrade existing programs which address the labor market problems facing the communities.

The new law recognizes that vocational education is a unique component of the American education system, that it bridges schools and the work place, and provides alternative learning for thousands of youths, who without such an option, would become dropouts from school and society. In addition, the law provides a new focus on training and retraining adults and emphasizes the need to increase vocational education for homemakers and single parents along with other targeted groups. The record shows that federal involvement in vocational education has caused these programs to expand. Federal policy has set the direction for vocational education changes and improvements and provided the catalytic action required to keep it in tune with work force needs for more than a half century.

Funding history

Fiscal year:	*Millions*
1980	$779.2
1981	681.6
1982	655.8
1983	728.7
1984	738.5
1985	742.1

NOTE.—Presidents proposed budget fiscal year 1986, 742.1 (including Smith Hughes).

IMPACT

The administration's budget for FY 86 would freeze the overall authorization for vocational education programs at appropriated fiscal year 1985 levels. However, the administration is proposing to eliminate the line item authorization for consumer and homemaking education based upon the assumption that this is not a federal priority. This action, if agreed to by Congress, would severely damage the state and local programs of consumer and homemaking education and send a signal to the states that these programs should be phased out. In addition, the administration's budget ignores provisions of the new vocational education act and the intent of Congress through the budgetary process.

Specifically, the President's budget ignores:

1. The mandated set-aside for national programs: The Perkins Act stipulated that 2 percent of the basic state grant will go towards national programs. If the basic state grant is $716 million, then the funding for national programs should be $14.32 million, not the $8 million requested by the administration.

2. Several critical authorizations under the Perkins Act: The budget does not provide funding for community based organizations, high-tech partnerships, adult training and retraining, guidance and counseling, and bilingual education. Those line item authorizations were mandated to meet a pressing need in vocational education—those needs still exist and will be difficult, if not impossible, to meet under the new budget.

3. The unique and necessary Federal role in supporting Consumer and Homemaker Education: The Administration states, "Consumer and Homemaker Education is not a Federal priority, it can be funded under the Basic Grant program...[giving] state officials greater flexibility to target funds on the areas of greatest need." This is inaccurate.

4. Funding needs of vocational education: New federal initiatives contained in the Perkins Act will not be adequately funded by the administration proposal. The new law assumes new initiatives, new direction and in fact using set-asides, mandates new programs. It was crafted upon the assumption of funding levels of $950 million. A funding level of $741 million violates the intent of Congress. The new law will not adequately serve the needs if only $741 million is appropriated.●

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

□ 1620

THE ANZUS TREATY ALLIANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MOLINARI] is recognized for 60 minutes.

Mr. MOLINARI. Mr. Speaker and my colleagues, I have requested this special order today to underscore a matter of deep importance, the breach of the spirit of the ANZUS Treaty alliance by New Zealand through their denial of port access to U.S. ships that are nuclear powered or armed and the worldwide implication that this incident may have on our country's efforts to provide an umbrella of protection for our allies.

Indeed, should this ban be a denial which others follow, we will not be able to fulfill our worldwide commitments. We cannot have our other allies around the world following the same practice of expecting our protection while at the same time not fulfilling their own obligations so that we can provide that very protection.

This is why New Zealand's actions are so disturbing and so very serious and why we must respond clearly and effectively.

When the ANZUS Treaty was signed by Australia, New Zealand and the United States in 1951, it was agreed that an attack on any one of the three parties in the Pacific area would be considered a common danger to all. Our ability to carry out our own obligations depends critically on port access. Port access is particularly consistent with article 2 of the treaty, which mandates continuous effective self-help and mutual aid to maintain and develop our individual and collective capacity to resist armed attack.

How can ANZUS continue to play an effective role in the region if one partner denies port access to another partner? The importance of port access has been reaffirmed repeatedly by ANZUS councils and most recently in July of 1984. The Labour government of Prime Minister Lange rejected this when they announced on February 4 that New Zealand would not accept a visit by the U.S.S. *Buchanan* during an ANZUS sea exercise.

To understand the seriousness of this situation, consider the ripple effect that this decision could have for our country around the world. if New Zealand, the first nation in the world to enforce such a ban on nuclear powered or armed ships could take such a position without a strong reaction on our part, it could reasonable be expected that other nations might follow suit. After all, New Zealand is not the only nation that has political and other groups that are advocates of nuclear free zones.

Fortunately, other allies have been able to recognize the importance of cooperation and have withstood various political pressures in this regard.

For example, our European allies face strong opposition over the deployment of nuclear missiles, Pershing missiles. This was not just a visit by a ship which might have nuclear weapons on board but rather it was the actual placement of nuclear missiles on their own soil.

Yet realizing the strategic importance of these missiles, European leaders were willing to take on their responsibility and go forward with the deployment. Other nations, such as Japan, which is understandably sensitive over the nuclear issue, and Scandinavian nations, which seek to maintain their neutral status, have never denied access to any U.S. ship.

To a certain extent, the political pressure in New Zealand is similar to what is now occurring in New York City. Last year the Navy announced that Staten Island, part of my congressional district, was selected as the preferred site for the Northeast Surface Action Group. Some local political leaders, citizens groups and, yes, even Members of Congress, have demanded to know whether or not the seven vessels involved will be carrying nuclear missiles.

Following their policy, the Navy refuses to confirm or deny the presence of nuclear weapons. Some members of the New York City Council have even introduced a resolution to declare New York City a nuclear free harbor.

Unlike New Zealand, however, the people involved represent a very small percentage of the population, and the vast majority of my constituents—and I say better than 95 percent of them—are anxiously awaiting and will welcome the arrival of the Navy to our shores.

Now, our surface action group is just one of many which are located in ports around these United States. Our

citizens have shown that they are willing to be responsible and do their part in the defense of their Nation. We have not asked New Zealand to bear any risk that we ourselves do not bear in order to enjoy the protection of U.S. forces.

It should be noted that the third partner of the ANZUS Treaty, Australia, has remained strong in support of the alliance, despite political pressures, and has not taken a position similar to that of New Zealand.

It should also be noted that Prime Minister Margaret Thatcher, during her visit last week to this country, was severely critical of the actions of the New Zealand Government.

New Zealand's defense policy for the past 30 years has been built upon the ANZUS alliance, a mutual security treaty. The very nature of such a treaty demands shared risks and responsibilities. However, New Zealand seems to want all the benefits of the alliance without sharing in any of the risks. This is an irresponsible position and disregards the principle of mutual responsibility of allied nations.

The United States carries a tremendous burden protecting freedom around the world, and we certainly do not need those who ask for such protection banning U.S. ships from their ports.

In response to the ban, the United States has canceled a number of military exercises and meetings. Perhaps we as Members of Congress would want to take further action, including the possibility of economic measures, in order to send a clear signal to our allies around the world as to how seriously we view the actions of New Zealand.

Prime Minister Lange has said that if we impose such sanctions we will find New Zealand to be less cooperative militarily.

It is hard for me to envision how New Zealand could be any less cooperative militarily than it is now.

The implications of their action can be so farreaching that we must take a firm position. Perhaps an end to preferential treatment for New Zealand in the export of wool, meat, and dairy products would send a message to New Zealand and our other allies just how serious we view this action. The stakes are too great and we must let the world know that this body will not stand idly by when a treaty nation disregards its mutual responsibilities of alliance and greatly hampers our ability to be the protector of freedom around the world.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from California [Mr. HUNTER].

□ 1630

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman for making this very important statement about the necessity of the Western democracies hanging together, hanging tough like we did during the Euromissile crises, as result of which was we finally did bring the Russians back to the table at Geneva, not because we were divided and weak, but because we were united and strong.

I think that Prime Minister Thatcher was greatly distrubed by the fracturing of this solidarity, and I think she expressed it very clearly to us. I can recall, and I think the gentleman was here at the same time when she addressed a joint session of Congress, when she mentioned that with our strategic programs under America's nuclear umbrella, we have maintained for the free world peace for 40 years. She went on to quote Winston Churchill when he addressed a joint session of Congress. He said to America bascially this: He said, "Don't give up your strategic weapons until you are very, very sure that you can live without them." Basically, Churchill acknowledged that it was under this strategic umbrella that democracies in fact were seeing a long period of peace that had not existed in the early part of this century.

I applaud the gentleman for his straightforward statement and I hope that New Zealand will come back to the fold of solidarity and hang tough with the rest of the West and will get off this high horse and I hope that no sanctions will be necessary.

I thank the gentleman.

Mr. MOLINARI. I thank the gentleman for his contribution; I agree with his remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding and for bringing this issue to the floor.

Mr. Speaker, I commend my colleague, the gentleman from New York [Mr. MOLINARI], for arranging this special order to focus our attention on New Zealand's breach of trust in its friendship with the United States as an ANZUS ally.

New Zealand's decision to ban U.S. ships which might be carrying nuclear weapons seriously undermines our Nation's ability to fulfill its obligations to the ANZUS Mutual Defense Treaty of 1951.

The United States has a firm policy of not confirming or denying the presence of nuclear weapons on any ship. This is done to insure adequate security. There can be no exceptions to this policy without seriously endangering our forces. Therefore, New Zealand's action extends to all U.S. ships.

New Zealand's policy, although not a violation of the 1951 treaty, does constitute a break in the spirit of the alliance. As partners in the arrangement, we are obligated to maintain and develop our individual and collective capacity to resist armed attack. However, our Nation cannot do this if our Nation's ships are not permitted access to New Zealand ports and waterways.

We have, unfortunately, been forced to cancel six defense training exercises since New Zealand's policy was first enforced in early February of this year.

In the absence of such peaceful naval cooperation between our two countries, it is difficult to perceive how the ANZUS Treaty could be depended upon to deter invasion of the Pacific area by a potential aggressor.

The irresponsible policy being implemented by New Zealand thus poses a major question to the future of ANZUS, because the need for deterrence is the central thrust of the agreement.

I strongly agree with President Reagan's remarks stating that "We deeply regret the decision by the New Zealand Government to deny port access to our ships. We consider New Zealand a friend. It is our deepest hope that New Zealand will restore the traditional cooperation that has existed between our two countries. Allies must work together as partners to meet their shared responsibilities."

Other countries, including some of our NATO allies, have also expressed their disapproval of New Zealand's decision. The Prime Minister of Great Britain, Margaret Thatcher, recently expressed her disapproval, by joining our country in its policy of not identifying whether or not ships are carrying nuclear weapons.

The Speaker, I submit that New Zealand is not fulfilling its obligation as an alliance partner. A good partner should continually demonstrate a readiness to cooperate. New Zealand apparently, is not willing to do this.

Due to this breach of partnership and trust, the future of the ANZUS alliance is now in question. I support my colleague, the distinguished chairman of the Foreign Affairs Subcommittee on Asian Affairs, Mr. SOLARZ, in calling for hearings this month to review ANZUS.

I do not feel the United States should tolerate this sort of treatment from a nation which we have regareded as a friend and ally. As a nation, we can continue to consider New Zealand as a friend. However, it is dangerous to allow such behavior from our allies.

If the United States tolerates irresponsible actions such as this from one ally, other important nations might be encouraged to follow suit. Other countries might view this as an opportunity to adopt a policy of selectively fulfilling their treaty obligations and to assert more forcefully their positions on nonalignment of nuclear weapons.

Such policy can only serve to weaken the security of their nation and ours.

Accordingly I urge my colleagues to support our call for a thorough review of New Zealand's action and the implications it has for future relations between that nation and the United States.

Mr. MOLINARI. I thank the gentleman for his very fine contribution.

Mr. Speaker, at this time I yield to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. I thank the gentleman from New York for yielding, and I just want to rise for a very brief moment to commend the gentleman for taking this special order to discuss this very important issue, and especially to commend the gentleman because, as he pointed out, he comes from an area of the country where there has been some political support for the concept of a nuclear-free zone. I know what that is like; my State of Minnesota is another such area of the country where we have political movements that are always generating opposition to our strategic policies where the concept of a nuclear-free zone has gained some currency. I doubly commend the gentleman because I know it is a position that is difficult to defend in his region of the country as it is in mine.

The only point I would add to that is that I really think the important point the gentleman made, the most important point, and the point that I hope is understood in New Zealand is that we are fully justified, and in my judgment, obliged, to make some kind of a strong reaction in this country. The argument that we should soft-peddle this issue for fear of offending the New Zealanders in my judgment is basically false. The people in New Zealand need to understand why.

The reason is fundamental and elemental. That is because ultimately the strength of the defense of the free world is far more dependent on our ability to hold the alliance together than it is on anything that goes on in the Eastern bloc. We have managed to respond fairly successfully to the threat from the Eastern bloc ever since the end of World War II. We have shown our capacity to defend freedom against the Soviet bloc. What we are unaware of and unsure of is how we would fare if the unraveling process began that the gentleman from New York referred to. That is why it is important for the people of New Zealand to understand that although we respect their integrity and their sovereignty and their national pride, this is a threat to the entire defense of the Western World and a very strong reaction from our country is not only justified but obliged in my judgment.

Mr. MOLINARI. I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from American Samoa [Mr. SUNIA].

Mr. SUNIA. I thank the gentleman for yielding to me and I commend the gentleman for this special order so that we might address this very important subject.

Mr. Speaker, in my mind, New Zealand has behaved very badly. There is no question but that it has failed to live up to its commitments for the joint defense of the area. To set conditions for receiving into its port our naval vessels is most irresponsible. The spirit of ANZUS was to jointly share the burdens of common defense.

Should not New Zealanders be glad that the taxpayers of this country are paying for their defense? While they spend their tax dollars perfecting a cradle-to-grave welfare society, we in the United States are having to give up a lot of living essentials so that we can pay for defense—ours as well as New Zealand's.

Our State Department is quite correct in its attitude. We are not interfering with New Zealand's internal politics. Our concern is its policies toward its friends and allies.

For American Samoa, our lone territory in the middle of the South Pacific, closer to New Zealand than to the United States, the New Zealand refusal is of real concern. Of course, our own Pago Pago Harbor is opened to our own ships at any and all times, and Prime Minister Tofilau Eti Alesana of Western Samoa has kindly offered the facilities of Apia Harbor to our U.S. Navy. We appreciate all that, but it does not solve the problem.

The problem now is that there now exists a question: Is New Zealand truly and honestly serious about defense? Do the antinuclear and pacifist groups in New Zealand seriously believe that the Soviets will leave them out of an all-out nuclear conflict in honor of their antinuclear beliefs? Is New Zealand, reputed to be more British than the Britishers, and more educated than most Pacific residents, really that far away from the rest of the world that realities have escaped them?

In a real conflict, can one count on defense partners like New Zealand? That to me is now the real question.

I am aware also of the concern at the State Department about the effect of this New Zealand rejection on our other allies with whom we also have defense arrangements. Supposing our friends in Europe pick up from the New Zealanders, we will really have a mounmental problem.

And I do not put too much credit on Prime Minister Lange's preferences of continued friendship and cooperation. He cannot come to us with clean hands and blame certain factors in his country. We have our own antinuclear groups. They too are vocal and powerful. But that is all internal. We do not go around the world complaining about them and blaming them for dictating policies. Mr. Lange is the Prime Minister and the show is entirely his.

Should we retaliate? I think not. We regret the actions of our friends, but lets not be retaliatory. It will serve no useful purpose. I am aware of how easy it is to get up on this floor and sermonize about merits of patience and tolerance. Out there in the real world, the forces at work may only respect responses that are packed with force and thinly veiled threats of economic disasters.

But I still believe there is time to work on our friends. We dare not allow them to dictate to us, but we should not be without the patience of the older and bigger partner.

Then there is also the rest of the area to consider. The New Zealand problem may not be the lone problem for Uncle Sam in the area. I suspect others will begin to surface in the near future. The blame belongs to us. Like a yard you neglect, you soon find all kinds of bad weeds growing with abandon. The Soviets now roam the south seas at will and make the small Pacific island nations all kinds of offers. The Cubans are in Vanuaatu, and the French problem in New Caledonia may broaden into a messy one for the area—and there could be a spill over into other parts of the Pacific.

My point is, Mr. Speaker, I believe the time has come for us to seriously review our Pacific situation. In our concerns for the peoples of Southeast Asia, our trade with the Orient, and the oil routes into the Pacific, we may be overlooking little troubles brewing in our own backyard.

We share the Pacific Ocean with New Zealand. We also share the Pacific with all the newly created island nations. But we are still the big brother. Again, Mr. Speaker, I do not believe retaliation alone is the proper form of response. I believe we should work a little harder on our difficult friend. After all we are working very hard with our adversaries.

□ 1640

Mr. MOLINARI. Mr. Speaker, I thank the gentleman for a very profound statement. I think he highlighted the very serious problem that exists in that section of the world.

Mr. Speaker, at this time I yield to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Speaker, I want to thank the gentleman from New York [Mr. MOLINARI] for taking this special order on a very important subject, which applies not only to our Nation's foreign policy, but also applies, as he well knows, directly in the State of New York.

The fact is that I spent a little more than a year in the course of serving in the MacArthur command in Australia. I never visited New Zealand, but I know that the spirit of the Australian soldiers and the spirit of the New Zealand troops was outstanding. Certainly in the early days of World War II New Zealand opened its arms to the marines who had borne the brunt of the first assaults in the Solomon Islands and Australia also opened its arms to the American forces who mobilized in Australia and then gradually moved through New Guinea and the Philippines and finally settled the end of World War II in Tokyo Bay.

I think one of the interesting things is that this particular syndrome which has been enshrined by the new Prime Minister of New Zealand and by some of our colleagues in New York originally was born through the three so-called nuclear principles set up by the Japanese. The Japanese, of course, having been the only country to feel the effects of the atomic bomb were certainly determined not to bear any of those attacks in the future. They set up three nuclear principles.

The first was that there would be no atomic bombs produced, no nuclear weapons produced in Japan.

The second was that no nuclear weapons should be stored on Japanese soil.

The third principle was that no nuclear weapons should be carried anywhere near the shores of Japan; but these nuclear principles, while you can recognize their application and you can recognize where they came from out of Japanese history, it turned out that Japan in the United States-Japanese security treaty recognized that they were protected by the nuclear umbrella of the United States. They had seen that the Soviet Union had developed nuclear weapons and that other countries were trying to achieve nuclear weapons, so the Japanese, although they did not want any nuclear weapons stored in their own territory or even to build them, they recognized the need of a nuclear umbrella and that nuclear umbrella was provided by the United States-Japanese security treaty, but in recent years the more knowledgeable and progressive members of the Japanese Diet recognized that the third nuclear principle; namely, that there should not be any ships coming within the shores of Japan carrying nuclear weapons was hardly in keeping with the idea of having an American nuclear umbrella. If you are going to have an umbrella, you obviously have got to carry the umbrella around when you need it.

The only place where American nuclear weapons were available in the Pacific was on naval ships. In fact, that third principle, although it has never been officially repudiated by the Japanese, was certainly worked over and roughed up considerably a few years ago when Admiral Laroche, the head of the so-called Center for Defense Information—I think more often it is the Center for Defense Misinformation—announced to the Japanese on his own responsibility that actually all of the ships, virtually all the Navy ships that went through the waters of the Pacific and came within the area of Japan were carrying nuclear weapons.

□ 1650

This was subsequently backed up by Ambassador Reischauer who said yes, we have had nuclear weapons carried aboard some of the ships that came into Japan. They never actually tied up with them, but they had gone along the shorelines. And finally the Japanese realized that it did not make sense for them to benefit by the nuclear protection of the United States and at the same time prevent us from bringing the nuclear umbrella that they were counting on into areas where it would be able to provide that particular protection.

This is something that the New Zealanders I think have picked up now because antinuclear sentiments, antinuclear pacifism has become rather trendy and apparently the Socialist government that has been installed in New Zealand thinks that this is going to win it a good deal of congratulatory messages from other parts of the world.

Actually, the ANZUS treaty is certainly not any one of the major treaties on which we rely. We were closely allied with the Australians not only in World War II but also in the Vietnam war, and they have done an outstanding job. But if the New Zealanders do not feel they want to be participants in this kind of a treaty or this kind of an alliance I do not think it is going to upset things too much.

Although as the distinguished delegate from Samoa pointed out a moment ago, the Soviet Union is looking around for possible areas where they can pick up friends or scare people to join their undertaking.

We certainly need to continue to operate our ships in these waters and I think as the gentleman from New York has already indicated, if somebody wants to break up that kind of a treaty I think we have to make it clear that there is a price for doing that.

If they do not want the nuclear umbrella, OK.

But one of the things that the gentleman has referred to has to do with economic measures. I got a telephone call this morning from a farm group in upstate New York concerned about the fact that casein, which is imported from New Zealand in very substantial numbers, is undermining the dairy industry in upstate New York, and there is a bill that has been introduced in the House that would designate casein, which is now designated as a chemical product, redesignate it as a dairy product and then it would not come in. And I think if the Prime Minister of New Zealand who, as I understand it, is in the country at the present time, I think he might be interested in that particular movement that is going on.

Mr. MOLINARI. If I could interrupt the gentleman a moment, I am running short of time and have three other speakers.

Mr. STRATTON. Let me just say one other thing, and that is that those who have been opposing the ships of the surface action group in New York State are upset that nuclear weapons might have an accident in the gentleman's congressional district.

Actually, we have had no accidents of that kind, and in fact if we were really concerned about accidents we ought to ban propane from New York Harbor and from New York City streets rather than insist that no nuclear weapons should come in.

I think the gentleman is correct and I would like to just close with one comment: You may remember a few years ago, in the 1960's, there used to be a bumper sign that said, "Support Your Local Police." And then underneath it said, "If not, when you get into trouble, call on a hippie."

Mr. MOLINARI. I thank the gentleman for his very kind and supportive remarks.

I now yield to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. I thank the gentleman from New York [Mr. MOLINARI] for taking this time. I also want to commend the gentleman from New York [Mr. STRATTON] for his statement, and want to point out to them that, SAM, we have not only hurt our casein industry in America, we have essentially destroyed it because of New Zealand imports. And you better believe that there is an economic tie to this military arrangement that we have with the ANZUS treaty.

In fact, TOBY ROTH has a bill in the Congress, a resolution in the Congress right now that calls for a limit of 50 percent of the imports that we have had over the past 3 years, because in 1980 a report indicates that America spent about $300 million buying surplus, nonfat dry milk from American farmers that could be used in many instances to produce the products that casein is being used to produce, which we are importing from New Zealand.

And, by the way, we import over 50 percent of all of the casein that is produced from New Zealand that comes into the United States, and we all know about the problems that we are having in agriculture today with surpluses, and at the same time, because of this defense arrangement. And

thus, because of the economic ties that we have, we ran in 1980 a $300 million bill in order to help our friends in New Zealand.

Now I am going to get to what I think the point is, and I have talked to some of my constituents about this issue. People say, and I know that the chairman, the Speaker up here right now, comes from an area in Youngstown, OH, where people say "Why should we have foreign aid? Why should we go out there and help other countries?"

I view foreign aid as really not just a help to them but also a help to America. It is a mutual relationship that is supposedly beneficial to both sides, that we enter into agreements and treaties and alliances because it is in those countries' best interests, and it is in America's best interests. And by working together we all gain something. And we hope in the long run that it is the most successful arrangement that we can have to promote stability and peace in various regions.

I will tell my constituents that yes, it is important to have allies and alliances. But you know, what gets frustrating is when you have to go home and you tell your constituents that we have entered into an agreement, an arrangement, an alliance, but it just seems as though it is a one-way street.

We are doing all of the giving and they are doing all of the taking. And that is exactly the situation we have with New Zealand right now.

We enter into a treaty. They are supposed to live up to their side of the treaty; we are supposed to live up to our side of the treaty. They decide for one reason or another, and perhaps in what could be considered a momentary political consideration that one particular part of that treaty is not acceptable to them. And so then the Prime Minister gets nervous and scared and responds to people out of what is I think clearly political considerations and tells the United States, "Your ships cannot come in." And then a couple of days later on the front page of the Washington Post it says to the United States, "You better not take any trade concessions away from us; you better live up to your end of the bargain, even though we do not want to live up to our end of the bargain. You had better not have any second thoughts about living up to your end."

Then I cannot go home and tell my constituents that we are going to be in agreement and that it is supposed to be a two-way street, and New Zealand has decided to change the street sign, and instead of it being a two-way street it is now a one-way street. We give everything up and they take everything.

I do not think we can continue to conduct foreign policy that way. That is why my constituents and people all over this country applauded the actions by Jeane Kirkpatrick, because she stood up and she said we are not going to take it anymore, that our relationships and our alliances ought to be two-way streets.

America ought not to be walked on, we ought not be slapped in the face, and we ought not to continue to give, give, give.

I am glad that this administration is finally starting to say, or this administration is saying now we are going to do some things. We are going to respond because we cannot let you get away with this. You get away with this, and then we are going to have other countries in the world that are going to try to take advantage of their relationship with the United States.

□ 1700

And that does not work to anybody's best interests because the people of this country are going to get frustrated with this. They are tired of one-way streets. I am going to tell you, yesterday in the Wall Street Journal there is a quote here which I will read:

TASKING TASS

New Zealand's Prime Minister David Lange initially was quite confident that New Zealand's ban on U.S. nuclear warships would have no effect on his country's strategic position—but now he seems not so sure. The Soviet news agency was having so much fun chortling about the decision that Mr. Lange finally called in the Soviet ambassador, Vladimir Bykov, and complained. "New Zealand is not to be used as some sort of ammunition in an anti-Reagan administration campaign," fumed Mr. Lange to the emissary of the big nuclear power. Mr. Bykov responded that he would pass along that warning to Moscow.

Now even the Prime Minister of New Zealand is recognizing that there are greater implications than bowing to political pressure as it relates to this country and what has been, I think, up to this point a very good treaty, a very good alliance and a two-way street.

Americans are tired of one-way streets with our allies; I am tired of it; my constituents are and, boy, I will tell you I think we have got to do something now to send some clear signals and messages to the world that we are not going to be patsies anymore.

Mr. MOLINARI. Mr. Speaker, I yield to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. I thank the gentleman for yielding.

Mr. Speaker, I will be very brief. I associate myself with the remarks of everyone of the speakers on this subject. The gentleman from Guam was especially trenchant; the gentleman from New York as usual hit the nail on the head. Mr. MOLINARI, I commend you for helping us to focus on a rather important issue. I am not angry at New Zealand. I am more saddened than anything else because I was brought up in the era of World War II. I fought in that war. I was over in New Guinea, I have been in New Zealand a couple of times. It is a beautiful country, they are beautiful people, but I believe in collective security. I believe that if the free world will stay together, will band together, and will share the burdens and the challenges of preserving the peace, we can indeed preserve the peace.

It is not just for us, it is for them, for all freedom-loving people everywhere.

We should be expanding the number of people who are within the circle of freedom, not narrowing it.

When a country that has so long been a beneficiary of collective security, when a country that—when Japan was the aggressor in that part of the world—was happy to share the burdens and challenges of defending the Pacific, suddenly because nuclear weapons have been made into a fearsome subject due to the successful propaganda efforts both in our country and worldwide, they want to opt out of the burdens and challenges of preserving the peace.

I hope it is a temporary aberration. I do not know that we need to retaliate and further drive wedges between ourselves and the people of New Zealand, but I would appeal to their common sense. Surely if war breaks out between the Soviet Union or other nuclear powers, and there are others besides the Soviet Union who have nuclear weapons, they want somebody somewhere on their side with a nuclear deterrence that is credible. Would it not be lovely if we could opt out like they have just done, say that we are tired of modernizing our intercontinental ballistic missiles and building Trident submarines? It costs us a lot of money that we could spend in other more productive ways.

So, you want to opt out? We will opt out. What contribution would that make to freedom, to the peace? It would be a terrible setback.

So is it fair, is it honorable for the United States to carry the burden of the cost and the manpower and the stigma of a nuclear superpower and to have, one by one, those people who will benefit from this strength that we have, this peace through strength, to step back from us and to opt out? That is really not, I hesitate to use the word, but it really is not honorable. We should share these things and we Americans share the responsibility, the economic burden of having those weapons.

God knows we wish we did not have to have these weapons but they are a fact. The Soviet Union has massive nuclear weaponry. What shall we have to counterpoise that? What would deter an aggressive revolutionary system

that has all of these weapons from looking around the world to see where it can expand? The United States and its nuclear arsenal.

We need gratitude and support of those countries who wish to be protected by that arsenal.

So I appeal to the good common sense of the people of New Zealand. I would like to have a debate over there on this issue as to whether they want to be a full partner in the burden as well as the benefits of collective security and if they do, put it on a referendum and let us not have a few activists who have a Xerox machine and maybe access to a few editorial writers, dominate the foreign policy of an important country that has always been a part of the defense of the Pacific and the free world.

So I hope they will think long and hard about it. You cannot have peace on the cheap. Everybody has to share the burdens.

It is little enough to let a ship dock at your port, a ship that you would be sending out the SOS's for if the rockets were ever launched against your country.

I thank you for giving us all a chance to think about this and hope that the people of New Zealand will regain their perspective and welcome our ships. We are allies. We hope that they will welcome our ships to dock at their great country and their great ports.

I thank the gentleman.

Mr. MOLINARI. I thank the gentleman for his usually fine statement. There are so many important points that he illustrated to us.

Mr. Speaker, I yield to the gentleman from New York [Mr. CARNEY].

Mr. CARNEY. Mr. Speaker, allow me to express my deep disappointment and concern over the recent decision of the Government of New Zealand to deny access to U.S. Navy ships because they may be nuclear powered or carrying nuclear weapons. This is a shortsighted decision and one that could have long-term repercussions that weaken the foundations of Western security.

Signals and perceptions are strong forces in international affairs and New Zealand's current policy may be received in the Soviet Union as an indication that Western public opinion can be manipulated successfully enough to force some governments to hedge on their commitments to mutual defense agreements. Prime Minister Lange of New Zealand has maintained that his Government's policy of seeking a nuclear-free zone does not indicate a weakening of New Zealand's commitment to the ANZUS Alliance, nor is it anti-American. However, no matter what verbal reassurances the Prime Minister is now providing, his actions speak louder than his words.

New Zealand's decision is a disturbing example of a growing tendency in the Western democracies to take for granted the existence of American-led defense alliances. They assume they will always be protected without taking the responsibility to contribute to the common defense. The Washington Post editorial of February 1, correctly labeled New Zealand's action as "freeloading." It flouts the political and moral requirements of alliance. The American people cannot be expected to bear the entire burden for the protection of the free world. All democratic nations must stand together or they face the prospect of falling alone.

I support the administration's reponse to New Zealand's decision. In addition, I would hope that the State Department will continue to engage in discussions with New Zealand on these issues.

Our friends "down under" must accept the fact that their security does not come for free, nor does it come from a part-time effort based on their convenience.

They must also recognize history, too, that for the past 40 years we have lived in a peaceful world, we have not had any major war. Yet during that past 40 years the United States and the U.S. Navy has maintained a policy of not exposing whether their ships do or do not carry nuclear weapons—those same ships that for the past 40 years have been going into the Pacific, patrolling the Pacific, going into ports, including the Ports of New Zealand. The policy is a proven policy, one that has protected and preserved the freedom of the world and I think we have to look to history to recognize that.

They must also recognize the increased threat that the Soviet Union now has in the Pacific. They now have quite a naval force located at Camranh Bay. They have quite a large aviation capacity also now located in Vietnam.

□ 1710

The threat is there. The threat is real and if we are to counter that threat, we must do it with the proper material and without disclosing the various strengths of our vessels in the Pacific Fleet.

I would like to compliment my colleague, the gentleman from New York [Mr. MOLINARI], from the Empire State, for taking time today to bring this to our attention.

Mr. MOLINARI'S congressional district is one that hopefully soon will be the home port for a surface action battle group let by the USS *Iowa* and Mr. MOLINARI is faced with the problem similar to this and he, I think, has shown the type of leadership necessary in this Congress to ensure that our Navy is received well in its ports and that our Navy can carry out its tasks to meet the mission that it is designed to do.

I again commend the gentleman for his leadership in this issue.

Mr. MOLINARI. I thank the gentleman from New York.

Mr. Speaker, at this point I yield to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. I thank the gentleman.

Mr. Speaker, let me say first of all representing a district that has the largest body of water which is Deep Creek Lake in western Maryland I am not a player in the scenario of a basing mode for our naval fleet.

At the same time, as a member of the Armed Services Committee, I am very much aware of the global nature of our naval forces and the importance of that global nature.

It has disturbed me greatly looking at the alliance that we have had between Australia and New Zealand and our country over many years. Nothing has changed. We still have ships that are necessary to make port calls in New Zealand. Nothing has changed there.

One of the scenarios that I think no one has brought out in this entire dialog and it is one that concerns me very greatly and that is the enormous amount of dollars that are spent in New Zealand by the American Government. Because, as my colleagues well know, it is the jumping off place for the tremendous amount of work that we have at the South Pole. The facilities that we have at Christ Church are vital to our research and development programs that go on in Antarctica. That is a program that comes under science and tech, but it is a program that is completely necessitated and funded and tied to our naval involvement there, because without the naval involvement we would not be able to have the logistical support that is necessary for those scientific research projects that are going on at the South Pole. This is an involvement within our Government, the New Zealand Government, one that has worked for such a long period of time.

What concerns me now is having the new doctrine of the Government of New Zealand on the basing and the port calls by our naval ships, are we then going to have to go one step farther and have a problem with our aircraft flying in and out of that Government? I think it is something that we should all be very much concerned about and very concerned about the long term because our expenditure at the South Pole and in Antartica is a very large one, a very necessary one and one from which we are going to gain a tremendous amount of research and development information.

So, I think this has been just the tip of the iceberg, so to speak, and some-

thing that we should all be extremely concerned about with the New Zealand Government.

I want to once again compliment the gentleman from New York and I appreciate the opportunity to join with him on this issue that I think is extremely important.

Mr. MOLINARI. I thank the gentlewoman for her contribution. I think the gentlewoman raised some very good points.

In the remaining time, Mr. Speaker, let me just say that today Prime Minister Lange was in this country. As a matter of fact, he was on "NBC Today" this morning. His position, as he articulated, was very inflexible on the issue.

We have been friends of the people of New Zealand for a good many years. I hope that we can get back to that type of friendship and the spirit of cooperation that has existed for so very long.

He did say one thing today that bothered me, however. He said, in reference to New Zealand, "We have paid our dues. We have fought with the U.S. in four major wars."

Well, we certainly appreciate that support. But I think this country has paid its dues, too, and we do not look at the past as saying, "That's enough. We are not going to make any further contributions to the free nations of the world."

I hope, Mr. Speaker, as Mr. Lange spends his last few hours in this country that he receives this message from Congress, that he understands that we are concerned, that he understands also that we want to resume our true friendship. We want them back as allies as they have been since the ANZUS Treaty started in 1951.

● Mr. SOLOMON. Mr. Speaker, I want to first of all commend my good friend from New York for his initiative in calling this special order today about a subject that is of great concern to us all. For whenever an alliance of free countries is threatened, the interests of free people throughout the world are likewise imperiled.

And that is the issue before us: The continuity and solidarity of the ANZUS alliance is jeopardized by the unilateral and ill-advised actions taken by the Government of New Zealand. Those actions are particularly distressing because of the long and friendly relations between our two countries, a relationship that began in the 1790's when New Zealand was one of the first Pacific Ocean countries with which the newly-independent United States began trading.

Ironically, given the present problem, it was the Prime Minister of New Zealand in 1942 who initiated the idea of a "Pacific Pact" that would serve to bring the United States into a closer relationship with our friends and allies in the South Pacific. That pact became a reality in 1951 when representatives of the United States, Australia, and New Zealand signed the ANZUS Security Treaty in San Francisco.

The treaty binds its three signatories to consult together "whenever in the opinion of any of them the territorial integrity, political independence, or security of any of the parties is threatened in the Pacific." Since 1951, the United States, Australia, and New Zealand have conducted combined military exercises, shared intelligence data, and developed other political and military exchanges.

Until the recent statements and actions by Prime Minister Lange in New Zealand, the United States had every reason to believe that the ANZUS alliance was satisfactory to all concerned. Indeed, only last June, Assistant Secretary of State Paul Wolfowitz restated the long-established policy of the United States that "Australians and New Zealanders should rest assured that if an emergency confronts them, the American system is capable of decisive action—and willing to render it."

But such is the internal factionalism of the Labour Party in New Zealand that its leader, David Lange, felt obliged to cast his lot with the antinuclear zealots. Not placated by success in the national elections last July and seemingly oblivious to the larger imperatives placed upon the party by the responsibilities of governing, the Labour Party Conference passed a resolution in September calling for the outright withdrawal of New Zealand from ANZUS. A further raft of resolutions called for the virtual dismantling of New Zealand's strategic relationships with Singapore, the Philippines, and Indonesia.

These resolutions do not bind the party to any one course of action or policy, but they do offer significant indications of where the governing party in New Zealand is heading—a direction that prompted one opposition leader to question whether the Labour government was actually in favor of turning New Zealand into a Third World country.

And now we come to the decision enforced this month: a denial of port access to the U.S.S. *Buchanan*, a conventionally powered U.S. destroyer. In response, the United States has canceled several joint military exercises planned with New Zealand.

Let there be no mistake: New Zealand is our friend. And our Government rejects any punitive sanctions or other such pressures as a retaliation for New Zealand's decisions. But let us also be clear: a friend and ally, such as New Zealand, cannot continue to abuse its relationship with us and not expect a natural course of events to issue in serious and perhaps lasting damage to the political and economic links that bind our two countries together.

I hope that the Government of New Zealand will reconsider the ill-conceived and shortsighted policy toward the United States and the ANZUS alliance that has thus far been implemented. I can summarize my concerns this way:

First, a denial of port access stikes at the heart of ANZUS. The South Pacific is a maritime region. Free passage on the high seas is the lifeblood of all the countries there. A disruption of the normal relationship that New Zealand has heretofore enjoyed with the United States can only result in an adverse effect on the long-range interests of New Zealand itself. No matter how politicians may like to posture in front of domestic constituencies, the fact cannot be changed that New Zealand is free because America keeps the sealanes open. And for New Zealand to close its ports to those very ships that are guaranteeing its own security is as shortsighted as it is stupid. And it is an action wholely unkeeping with the behavior that is expected of allies.

Second, unilateral actions, no matter how well-intentioned, are never the answer. Every one of us can sympathize with the concerns that New Zealanders have about nuclear weapons—and, with or without ANZUS, we devote a far greater proportion of our resources to defense than does New Zealand.

But, let's get the thing straight: Collective security arrangements, of which ANZUS is one, have kept the peace for nearly 40 years. No country can opt out of such a responsibility without ultimately paying the price. Unilateralism is tempting—but ultimately self-defeating. We share New Zealand's concern about nuclear weapons—and that is exactly why President Reagan is trying to negotiate arms control agreements that will actually reduce the number of such weapons in the world. For too long, we have had arms control agreements that did nothing more than have the effect of intensifying and expanding the arms race. We cannot go that way any longer—and nobody understands that better than Ronald Reagan.

So this is the time for all of us allies, as free men and women, to be standing together. We must reject the quick-fixes that are the false promise of unilateralism.

Mr. Speaker, I trust that our concerns, the expressions being voiced in this special order today, will not fall on deaf ears. We value and respect New Zealand as a friend and ally. We want nothing more than to continue the fruitful relationship that both sides have enjoyed for nearly 200 years. And so I am confident that our voices today will help serve to restore the good relations between our two

countries and will help to uphold the ANZUS alliance and all that it represents.●

● Mrs. HOLT. Mr. Speaker, Prime Minister Lange of New Zealand recently swung a wrecking ball at the ANZUS alliance by refusing to allow American warships to use New Zealand ports.

Specifically, he will not allow American Navy vessels carrying nuclear weapons to visit New Zealand ports, and he insists on knowing which ships carry such arms so he can apply the ban. Since we do not announce what weapons are carried on our ships, the ban applies to all of our warships.

The right honorable gentleman says he still wants to be part of the ANZUS alliance. On the record of his recent deeds, that is hard to believe.

I would remind Mr. Lange that the free nations of the world remain free because of association with the United States in defensive alliances that deter aggression. Does Mr. Lange want security for New Zealand in the ANZUS alliance? If he bars our Navy ships from visiting his ports, then the question arises as to why our Navy should be committed to the defense of his island nation.

If his actions are those of an ally, then there must be some new and unprecedented confusion about the definition of the term "ally." I wonder why he doesn't declare New Zealand to be neutral in the struggle between freedom and totalitarianism.

If he no longer considers New Zealand to be part of the regional defense alliance and the defensive structure of the free world, then he should say so directly, because that is the effect of what he is doing.

It is fatuous for him to say he wants to be part of the alliance while he refuses to allow U.S. Navy ships to use his ports.●

GENERAL LEAVE

Mr. MOLINARI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

A POLITICAL TIME BOMB COULD THREATEN THE ARMS TALKS IN GENEVA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, I do not intend to take the full 60 minutes and I am sure that both the staff and any colleagues in the Chamber will breathe a sigh of relief.

But what I would like to talk on for a few minutes again this evening, as I did on yesterday, is what I would refer to as a political time bomb that could threaten the arms limitation talks that are scheduled for Geneva on March 12.

This time bomb is one that I do not believe many people are aware of, but when the Congress concluded its action on the Defense authorization bill and the Defense appropriation bill for fiscal year 1985, they devised a rather unusual procedure with respect to the MX missile which has seen a somewhat checkered history being supported on several votes one year and being knocked down by one or two votes on subsequent years.

That decision was that $1.5 billion would be allocated for the production of 21 MX missiles in fiscal year 1985 provided that that money was fenced in unable to be used until early in March. There were taken in the House and in the Senate some four affirmative votes in connection with the MX. Two votes in the House, first of all, to authorize this money. And, second, to appropriate the money. Two votes in the Senate to authorize the money and to appropriate the money. Only if those four votes all came out in favor of the MX would the money then be unfenced and the production of that missile could proceed.

What this means, of course, with the rather checkered history of MX support in this body and in the other body that a single negative vote in either this House or the other body could wipe out the MX missile and leave us without any comparable missile in our inventory.

The Soviet Union with its SS-18 and its SS-19 has, as President Reagan has already pointed out, some 800 MX-type of missiles which are available and which are extremely accurate and which have, in fact, far more explosive power than anything that we have in our arsenal today.

The date for these votes is expected to come probably in the middle of next week because this is not only the schedule that has been outlined in this rather complicated arrangement legislatively approved last year, but the votes will be also occurring just on the eve of what has appeared to be the most encouraging opportunity that we have had for a meaningful and effective and verifiable arms negotiations.

□ 1720

So if the MX missile were to be defeated either in the House or in the Senate, we might as well call off the negotiations in Geneva, because what we will be doing, in the event that Congress has rejected the MX missile in spite of the appeal of the President of the United States that we would be giving away a major part of an American defense capability without the Soviet Union having to make any single concession at all, and clearly if they recognize that even before the American delegates have sat down around the table in Geneva to negotiate that we have given up one of the strongest cards in our playing hand, there is no real need to worry about negotiations because the Americans apparently do not really want to enter into serious negotiations or hard negotiations, they are willing to give up even without a fight.

I want to yield to my distinguished colleague, the gentlewoman from Maryland, who is the chairman of the panel in the Armed Services Procurement Subcommittee on Arms Negotiations, and she has, in fact, been not only a strong supporter of arms negotiations but has also recognized the importance of these positive votes on the MX in connection with what would hopefully emerge from Geneva.

Mrs. BYRON. I thank the gentleman for yielding.

Mr. Speaker, let me say that I join with my colleague in concern about where we are going right now with the critical vote that is going to be coming up next month, and I think to look at that vote we have to look back in history a little bit, and we do not have to go very far back in history, but we must go back and look at the strength of our NATO allies. We must go back and look at the decision that was made just 7 short years ago when we had a commitment to deploy the GLCM and the Pershing missiles which were American weapon systems, but both of those are deployed on our NATO allies. And at the same time we are looking to a modernization of our own missile systems, as we have done with the development, as we have gone through the development of the MX.

We have had some shaky times in that development stage, but we also are now at the brink, and I have to say that I was not a great proponent of the MX just 3 or 4 short years ago, when I had a great deal of personal trouble with the fact that we had no basing mode. We now have come up with a basing mode.

There are questions about the hardening aspect of the silos, but I think, having looked at all of the other options, this is the only option that we currently have. And going a little bit farther than that, how can we ask our NATO allies to deploy our new weapons systems on their land when we are not willing on our own time to modernize our weapons systems. I think this plays very strongly into the scenario.

Looking once again to those individuals who have had the responsibility over the last several years in Geneva to debate and to negotiate with the Russians, just a year ago in October, when negotiations broke off with the

initial deployment of the GLCM's and the Pershings, we thought that it would be the end of negotiations. As it turned out, the Russians did not leave the negotiating table until December. Those negotiations were supposed to almost wind down in December, but it was within a 2-week timeframe when the Russians, so to speak, walked out.

We have had a tremendous breakthrough back in this January when a new team being led by the Secretary of State went to Geneva to open up some new brand of negotiations. Once again we are getting back to the table.

I have felt you cannot resolve problems unless you speak to one another, and unless we speak to one another we cannot begin to resolve these serious problems that we are undertaking. And for us now, when we are just getting back to the bargaining table, when we are just getting back to a dialog, to once again eliminate or fence off or cut out a program on which we have had several of our initial test shots and they have all been absolutely superior shots, they have all done exactly as they were designed to do, we have moved forward in that factor, so I think now is not the time to eliminate a program on which we have spend a great deal of time in the development stage.

I want to commend my colleague for taking this special order to begin to address the issue that is one on which this body is going to have only 10 hours of debate, an up or down vote on a program that has been fenced since last fall.

Mr. STRATTON. Is it not the case that earlier, a year or so ago, we emphasized that a vote for the MX missile would represent a further type of arms limitation agreement because of our decision that once the MX missile was in production we would also approach a new venture, which was called the Midgetman missile, a single warhead rather than a 10-warhead missile, which would be mobile and therefore have a much larger factor of invulnerability? And if we approve the MX, the Midgetman program will then be continued, will it not?

Mrs. BYRON. It is my understanding that that is the case. I question the individuals who are trying to eliminate the MX program per se but said that they were solidly in favor of Midgetman. And what concerns me is if we eliminate MX and we move forward with Midgetman, where are those same colleagues of ours going to be when we start looking at the dollar cost and the personnel cost of a Midgetman program? And I think that that is a factor that we have to take into consideration, and we have to get some kind of an understanding out of those people who are trying to eliminate a system for another system. Are they going to be there when it comes time for that other system? I think we are now on the brink of a development stage where it has moved ahead, where the MX has continued in its development phase. We have had a request for 21 missiles in last year's authorization. I think the time has come that we are going to have to make the hard decision whether we are really committed to negotiations or whether we are not.

Mr. STRATTON. In fact, if I recall, it was the new chairman of our committee, the Armed Services Committee, the distinguished gentleman from Wisconsin [Mr. ASPIN], who had pointed out and had taken the intiative in adding this arms control aspect to the MX, with the assistance of the Midgetman, that this would really be a step forward toward arms limitation, could conceivably even be something that we would encourage the Soviet Union to emulate rather than continuing to have large numbers of warheads in one missile, perhaps the Soviets might follow our lead and also have one-warhead missile rather than 10-warhead missiles.

Mrs. BYRON. When you look at the leaps and bounds that the Soviets have gone with their modernization programs, in the same timeframe when we have not modernized, I think there is no question that we must move ahead to some type.

Hopefully, we will not have to deploy, hopefully we will not have to move forward in that, because we will be able to come up with some type of an arms control agreement, but until that arms control agreement is within reach and within a reality, I see no other alternative except to move ahead with the commitment that we have made.

□ 1730

Mr. STRATTON. Well, I want to thank my colleague from Maryland for joining in this debate, and we have a few days ahead of us, and I hope that we will be able to convince our colleagues that this is the proper way to go, to support the MX missile.

Mr. Speaker, I yield back the balance of my time.

THE INTERSTATE BANKING ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 30 minutes.

● Mr. LAFALCE. Mr. Speaker, today I am introducing the Interstate Banking Act of 1985, a bill to phase in interstate banking, protect against excess concentration in the banking industry, and mandate that banks moving into new communities improve the service available to local banking customers. I am sponsoring the bill in the belief that Congress must modernize our banking laws, and in the conviction that it is now possible to develop a consensus about how the Congress should handle the transition to full interstate banking.

MARKETPLACE EVOLUTION

Since the Congress last addressed the broad question of interstate banking in 1956, we have seen high and volatile interest rates, consumers' growing awareness and sensitivity to financial market products, and dramatic developments in technology that have contributed to the awareness by bankers that laws limiting bank movements across State lines are no longer workable.

Because the financial services industry has become increasingly fragmented, with a host of new providers, banks face competition in every business line. A consumer who wants a high rate of return on savings can choose between a bank, a retailer like Sears or J.C. Penney, or a brokerage firm like Merrill-Lynch. The larger corporate customer no longer goes automatically to the bank for funds. Many go directly to the capital markets, utilizing the service of investment bankers, or use banks abroad, or deal with large finance companies or insurers. In the trust business, banks face competition from insurers and money managers. In the mortgage business, banks, thrifts, financial conglomerates and mortgage banking firms struggle over the same market.

The most astonishing thing about this intense competition is that it has developed virtually overnight. When I came to the Congress 10 years ago, interest rates were regulated. Bank lines of business were quietly protected. And, most consumers never thought of banking further away than their own neighborhood. Nationally, credit card systems were in their childhood or early adolescence.

Over the last decade we in Congress have had to respond to dramatic changes in the financial services industry. We enacted major legislation in 1978, in 1980, and again in 1982, each time in an effort to equalize competition within the banking industry and between banks and their competitors. Yet, competitive inequities still remain.

Every bank competitor can follow customers across State lines, building branches and offering a variety of products beyond the basic savings and transaction services. In fact, I once was told that everyone in the continental U.S. lived within 75 miles of a Merrill-Lynch office. Certainly that is now true of Sears or Prudential.

Bankers, recognizing this problem of access, have done their best to avoid interstate restrictions. State and Federal legislators have responded to such movements by gradually stretching the borders drawn by the 1933 McFadden Act and the 1956 Douglas Amend-

ment to the Bank Holding Company Act. Erosion of interstate barriers mean that banks now cross State borders to offer particular kinds of services or to rescue failing institutions.

Permit me to show how such movement is legally permissible. First, States are authorized to allow banks to move across State lines. Many are doing so. Second, the Garn-St Germain Act of 1982 allows interstate acquisitions of failing institutions. Third, the Bank Holding Company Act allows banks to own nonbank subsidiaries in other States. Fourth, certain bank functions can be carried out through specialized loan production and Edge Act offices. And fifth, nearbanks, such as savings and loans and mutual savings banks are not statutorily prohibited from moving. In fact, a New Jersey savings and loan has recently applied to the Federal Home Loan Bank Board to establish a nationwide branch network.

Moreover, in recent years, a new avoidance technique—the nonbank-bank loophole—has been untouched by the Congress. The result of inaction on that issue is that banks (and their nonbank owners) will be allowed to set up a physical presence to do banking businesses that increasingly do not need a physical presence to undertake. Think of credit cards, CD's sold interstate, savings accounts and money funds that are advertised and accepted interstate.

INTERSTATE BANKING THROUGH REGIONAL AGREEMENTS

Mr. Speaker, I should elaborate for a moment on how our nationwide banking system is developing, and why I think it is so important for Congress to assume an oversight role in the process.

There are two essential issues to be addressed when we consider moving to full interstate banking. First, what should we do to ensure the continuing stability of the banking system? And second, accepting that the structure of the system is a matter of important public interest, how do we protect the consumer and maintain the economic benefits of a competitive banking structure?

On the issue of a stable banking structure, it is no longer news that banks are failing at a greater rate than anytime since the depression. We had 79 commerical bank failures in 1984; the FDIC expects 100 in 1985. there are currently 800 banks on the regulators' problem list; that number could rise to over 1,000 this year.

Such weakness in the banking industry has taken place because of a variety of factors. Interest rate volatility and heated marketplace competition have made banking a tougher business than it used to be, and some institutions have failed from simple bad management. Some have invested too heavily in businesses like energy or real estate and have floundered as inflation-driven values tumbled. Others, over-invested in low-return, long-term assets, haven't been able to maintain earnings as the price of funds has gone up. There are also more generic reasons—reasons related to our current legal structure.

The fact is that many banks are going though costly and inefficient gymnastics to keep and acquire new customers. In effect, they are practicing loophole manipulation rather than sound business planning. Because their market share has decreased in the face of intense competition, banks are leveraging their capital at greater rates, stretching themselves to create a better earnings profile. And, in States like Illinois, where even in-state branching has been restricted, bankers are depending on high-cost, highly volatile purchased funds, rather than developing a more stable extended deposit base.

The banking system in the United States, tied as it is to outdated structural arrangements and buffeted by the vagaries of a mercurial market, is certainly more fragile than at any time since the depression. In fact, our system is now less stable than any in the industrialized world.

One way to strengthen the system is to adapt our legal framework to today's marketplace. Banks urgently need the opportunity to diversify and move into new market areas and services. It simply does not make sense for a community bank in Washington, DC to be precluded from competing in the suburban markets of Maryland and Virginia. And it is not acceptable that a New York money-center bank can open offices in Zurich, London, and Hong Kong, but not in Newark or Princeton.

Mr. Speaker, the advent of electronic funds transfer and the creativity of the legal profession ensure that aggressively managed institutions will broaden their markets. Many institutions will fail; some quite dramatically. But some will succeed—some are succeeding—to move interstate at great profit. Thus, the question we must now ask is this: What do these individual successes mean for the economy and for the public?

Many people in the banking industry and many policymakers have figured out that lowering interstate barriers can be good for local banks and local markets. Those people are determined to promote interstate banking, but let's look at how they're doing it.

Utilizing the concept of regional compacts, the States are acting in concert to carve up America. If the compacts are allowed to develop freely, it is expected that within a few years, most States will belong to regional groupings that allow bank movement only across select State lines.

The problems with such arrangements are numerous. First, of course, the groupings may be found to be unconstitutional. Second, these compacts can create a process of selective enrichment. In New England, for example, bank stock rose in 1982 at a rate seven times the national increase, simply because it appeared that a regional compact would be authorized. Third, the regions being created are artificially determined, and have little relation to natural market areas. In the Northeast, for example, New York would be excluded from compacts in such a way that a New Jersey or Connecticut commuter would be unable to fully utilize its bank's services several miles from home, while a resident of Maine could travel hundreds of miles to Connecticut and find a branch of his hometown bank. In the West, Utah residents could find their bank in Alaska, but not in California, because California would be excluded from the regional arrangement. Imagine such limitations on other products—automobiles from Michigan being prohibited in Florida, or wheat from Iowa limited to consumer use in 11 Western States. Preposterous!

Fourth, and most importantly, regional compacts will ultimately endanger our national market system and hurt the consumer. Thus, the potential benefit of interstate banking would become a liability in a system of regional compacts. Instead of a vibrant, responsive national banking system we could end-up with fiefdoms, where single regional institutions are protected from competition. In some States excluded from compacts—those black holes in the national map of colorful regional groupings—retail customers and borrowers could face a dangerous weakening of local institutions because those banks were excluded from opportunities to expand and diversify.

Regional compacts, in my view, will undermine the ability of the national economy to grow efficiently and will limit consumer choices. Federal Reserve Chairman Paul Volcker, who fears the Balkanization of banking through the compact movement, has suggested that any authorization for such agreements should be for a strictly limited period, and viewed as a transition toward interstate banking. My proposal, the Interstate Banking Act of 1985, takes that approach.

CONGRESSIONAL RESPONSIBILITY

Congress now has a window of opportunity to shape the Nation's banking system for the coming generation. The opening is a narrow one, because in very quick order marketplace activity will have determined the shape of the system for many years to come. The structure of the banking system is an issue of national interest, and it is

an issue we need to take up immediately.

Chairman Volcker has said that the questions of regional compacts and interstate banking should be decided by Congress—not, he points out, "by regulators or courts attempting to read the legislature's intent into old laws originally intended to deal with different problems."

Congress last considered the question of interstate banking in 1956—almost 30 years ago. That year, the Douglas Amendment to the Bank Holding Company Act was approved. Before that, in 1927 and 1933, Congress took action that had the result, although not the intent, of establishing state boundaries as the outside limits for branching commercial banks. No legislation, however, has ever statutorily limited the branching power of thrift institutions, or distinguished from commercial banks.

Passage of the 1927 McFadden Act and its 1933 amendment established the principle that banks chartered under either State or Federal authority would be treated equally with regard to branching within the States, and the States would have the power to regulate the movement of banks within their borders. In 1956, after bankers developed the holding company form of organization to escape branching restrictions by establishing or purchasing new banks rather than opening branches, Congress approved the Douglas amendment. That amendment prohibits companies from acquiring banks in another State unless the State authorizes the acquisition.

There are two reasons that I point to the history of interstate banking restrictions. The first is to demonstrate the Congress has reserved for itself a role in shaping the Nation's banking structure. Second, Congress has usually acted to verify marketplace developments. McFadden, for example, broadened the branching authority of national banks to match that of banks in States that allowed intracity branching. The 1933 amendment recognized and countenanced branching throughout States, and in 1956 the Congress legitimized and regulated the practice of banks establishing subsidiary businesses in other states.

Mr. Speaker, marketplace developments since 1956 require that Congress again assume the responsibility of arbitrating and overseeing the movement of banks across State lines.

In fact, it is a responsibility we should have assumed earlier.

Several years ago, I introduced a package of bills offering a variety of proposals for managing the transition to interstate banking. At the time I referred to a 1981 report by the Carter administration entitled "Geographical Restrictions on Commercial Banking in the United States." The report has called existing geographical restrictions anachronistic, and had argued that interstate barriers discriminate against consumers, and deprive the public of the benefits of increased competition, impede the efficient allocation of resources, retard the development and applications of new technologies, and restrict the ability of bank management to compete with other nonbank financial institutions playing under a different set of rules.

I agreed with the findings of the report, and suggested several options for Congress to take beginning steps toward full interstate banking. Several of those step I suggested have since been taken, including interstate development of ATM's and authorization for depository institutions to acquire failing banks and thrifts across State lines. I should mention that because Congress never acted explicitly to countenance interstate ATM networks, a recent court case has questioned their continuance.

Though I hoped for a comprehensive review of interstate issues, I noted that "the tendency of government is to wait for a crisis before addressing a problem." Well, Mr. Speaker, that crisis is here. We face increasing fragility in the banking structure and the possible economic Balkanization of America.

It is now critical for the Congress to act on this issue.

THE INTERSTATE BANKING ACT

Mr. Speaker, in proposing the Interstate Banking Act of 1985, I am advocating the position that allowing depository institutions to compete nationwide will contribute to the stability of the banking system and improve service to the consumer.

I recognize, however, that there are legitimate concerns about dramatic change in our national banking system. Some argue that eliminating interstate restrictions will result in a monopolistic banking system, with several large institutions controlling a majority of depository institution assets. I don't think that will happen. Nevertheless I am proposing enactment of certain safeguards to ensure that financial concentration will not occur.

First, my bill would allow interstate branching as well as regulate cross-border mergers and acquisitions. In terms of public policy, I believe it is better to encourage internal growth by allowing branching than by encouraging growth through mergers and acquisitions. A recent Federal Reserve study has shown that the most merger-active States have been those with the most restrictive branching laws. In other words, when the branching option is unavailable, geographic expansion will occur more often in a manner that increases financial concentration.

When institutions do agree to mergers and purchases, my bill limits the prospects for financial concentration in two ways. First, in order to strengthen the regulators' ability to preserve the competitiveness of local banking markets, my bill directs the overseeing regulator to prohibit a merger or acquisition which will result in an undue concentration of resources. Further, no merger or acquisition can be approved if the acquiring institution has more than $10 billion in domestic deposits and the institution to be purchased has more than $2 billion in domestic deposits. The net effect of these numbers is that the 20 largest institutions will not be able to combine with any of the 50 largest.

Another concern expressed by opponents of interstate banking is that as banks begin to move into new communities they will strip the community of its resources or reduce the level of services as a cost-savings measure. My bill will make a determination of consumer benefit an integral part of the merger approval process. It will ensure, therefore, that combinations of institutions not only make sense from a business perspective, but also offer identifiable benefits to the consumers and communities affected.

Under the Interstate Banking Act, overseeing regulators must examine the record of the acquiring institution and its subsidiaries in meeting the needs of the communities it already serves, and then determine that the new community will benefit from (a) reduced rates and fees for existing services, (b) new or improved service in the community, (c) increased operating efficiency, or (d) greater convenience. Only after such a finding can a merger or acquisition be approved.

With regard to the actual phase-in of interstate banking, my bill covers both commercial banking and thrift institutions, and allows a temporary period in which regional compacts could exist. For a period of 3 years after the date of enactment, States could regulate entry according to regional geography, reciprocal treatment by other States, or by any other similar conditions. During the period States may, of course, authorize entry without restriction.

If a State determines to regulate entry according to regional geography, it will be required to accept banks from any State which is (a) contiguous and (b) offers reciprocal treatment of banks and thrifts from the acting State. This rule applies both to interstate branching and expansion by acquisition, and it is included to ensure that any region created under the act is designed according to some geographic logic. Bank and thrift customers would be much better served by a system which recognizes that State borders are political barriers which are crossed at will and regularly, by people living near them.

After the original 3-year period, States which have opened their borders to banks and thrifts from other States will be required to allow entry by institutions from States which have a law providing for reciprocal treatment of the acting State's banks and thrifts. In this second phase of the move to interstate banking, I expect regional arrangements to be gradually replaced by more open systems which reflect the existence of a national marketplace for financial services.

At the fifth anniversary of the enactment of the Interstate Banking Act of 1985 we would move to full interstate banking, and even those States which had not taken action to manage the transition would be required to open their borders.

Mr. Speaker, activity at the State level and recent announcements by major banking trade associations—the Association of Bank Holding Companies and the American Bankers Association—that they are ready to support a move to full interstate banking, indicate that the time is ripe for Congress to address this long-overlooked issue. I believe my proposal offers a logical system for managing the transition to a more open, competitive, and stable banking environment.

In sum, Mr. Speaker, the Interstate Banking Act of 1985 proposes a solution to the interstate banking question which recognizes recent changes in the banking industry. It allows local input regarding the transition to a national marketplace, establishes parity between banks and thrifts regarding their interstate movement, prevents financial concentration, and ensures that banking consumers benefit from interstate movement. After almost 30 years of inaction, it is now time for Congress to address these crucial issues.

The text of the Interstate Banking Act of 1985 follows:

H.R. 1276

SHORT TITLE

SECTION 1. This Act may be cited as the "Interstate Banking Act of 1985".

INTERSTATE BRANCHING BY NATIONAL BANKS

SEC. 2. (a) The first sentence of section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)) is amended—

(1) by striking out "and" before "(2)"; and

(2) by inserting before the period at the end thereof the following: "; and (3) within any other State if under the statute laws of the State in which the association is seeking to establish such branch, State banks located in the State in which the association is located are expressly authorized to establish such branches. In determining whether or to what extent to permit the establishment or operation of a branch by a bank the principal place of business of which is in another State, a State may allow such branching (A) without restriction, or (B) on the basis of (i) the location of the States involved, (ii) laws providing for reciprocal treatment of banks located in its State, or (iii) other similar conditions or restrictions. In any case in which a State has in effect, on any date during the first three years after the date of the enactment of this sentence, a statute law which permits the establishment of branches by banks located in the same region in which such State is located, such State shall (A) after the effective date of such State statute law, permit the establishment of branches by out-of-State banks located in any State which (i) is contiguous to such State, and (ii) has statute laws providing for reciprocal treatment of banks located in such State, and (B) beginning three years after the date of the enactment of this sentence, permit the establishment of branches by banks located in any State which has a statute law providing for reciprocal treatment of banks located in such State.".

(b)(1) Section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)) is amended by striking out "(3) within any other" and all that follows through "banks located in such State." and inserting in lieu thereof the following: "(3) at any point within any State in which said association is not situated, if such establishment and operation are at the time authorized to State banks of such State by the statute law of such State in question by language specifically granting such authority affirmatively and not merely by implication or recognition, and subject to the restrictions as to location imposed by the law of such State on its State banks.".

(2) The amendment made by paragraph (1) shall take effect 5 years after the date of the enactment of this Act.

INTERSTATE ACQUISITIONS

SEC. 3. (a) Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended—

(1) by redesignating the first sentence as paragraph (1);

(2) by redesignating the second sentence as paragraph (4); and

(3) by inserting after paragraph (1) the following new paragraphs:

"(2)(A) For purposes of this section, a State may authorize a bank holding company, the banking operations of which are principally conducted in another State, to acquire, directly or indirectly, voting shares of, interest in, or all or substantially all of the assets of a bank located in such State.

"(B) In determining whether and to what extent to permit such an acquisition by such a bank holding company, a State may, by law, allow such an acquisition—

"(1) without restriction; or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for the reciprocal treatment of bank holding companies located in its State; or

"(III) other similar conditions or restrictions. "(C) In any case in which a State has in effect, on any date during the first three years after the date of the enactment of this subparagraph, a law which permits an acquisition described in subparagraph (A) by a bank holding company located in the same region in which such State is located, such State shall—

"(i) after the effective date of such State law, permit such an acquisition by any out-of-State bank holding company located in any State which—

"(I) is contiguous to such State; and

"(II) has a law providing for reciprocal treatment of bank holding companies located in such State; and

"(ii) beginning three years after the date of the enactment of this subparagraph, permit such an acquisition by any out-of-State bank holding company located in any State which has a law providing for the reciprocal treatment of bank holding companies located in such State.

"(3) No application may be approved under this section unless—

(A) on the day on which such application is submitted to the Board, the subsidiaries of the bank holding company involved have less than $10,000,000,000 of domestic deposits and the bank which is to be acquired has less than $2,000,000,000 in domestic deposits;

"(B) the acquisition will not result in an undue concentration of resources; and

"(C) after examining the proposed acquisition and the record of the acquiring bank holding company and its subsidiaries in meeting the needs of the communities which it serves, the Board determines that there is a reasonable likelihood that approval of the application will result in—

"(I) reduced rates and fees for existing services;

"(II) new or improved services in the community;

"(III) increased operating efficiency; or

"(IV) greater convenience.".

(b)(1) Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended—

(A) by striking out paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) The amendments made by paragraph (1) shall take effect 5 years after the date of the enactment of this Act.

MERGERS BY INSURED BANKS

SEC. 4. (a) Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by redesignating paragraphs (6) through (12) as paragraphs (7) through (13), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6)(A) The responsible agency shall not approve any proposed merger transaction which would result in an insured bank operating branches in more than one State unless such transaction is authorized by the laws of the States in which the branches will be operated.

"(B) In determining whether and to what extent to permit such a merger, a State may, by law, allow such a transaction—

"(i) without restriction, or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for the reciprocal treatment of banks located in its State; or

"(III) other similar conditions or restrictions.

"(C) In any case in which a State has in effect on any date during the first three years after the date of the enactment of this subparagraph, a law which permits a merger described in subparagraph (A) but limits such mergers to States located in the same region in which such State is located, such State shall—

"(i) after the effective date of such State law, permit such a merger by any out-of-State bank located in any State which—

"(I) is contiguous to such State; and

"(II) has a law providing for reciprocal treatment of banks located in such State; and

"(ii) beginning three years after the date of the enactment of this subparagraph, permit such a merger by any out-of-State bank located in any State which has a law providing for reciprocal treatment of banks located in such State.

"(D) The responsible agency shall not approve—

"(i) any proposed merger transaction under subparagraph (A) if—

"(I) on the date on which the approval of the responsible agency is requested, such acquiring bank has more than $10,000,000,000 of domestic deposits and the bank which is to be acquired has more than $2,000,000,000 of domestic deposits; or

"(II) the merger will result in an undue concentration of resources; or

"(ii) any proposed merger transaction under subparagraph (C) unless the responsible agency determines, after examining the proposed merger transaction and the record of the acquiring bank in meeting the needs of the communities which it serves, that there is a reasonable likelihood that approval of the proposed merger transaction would result in—

"(I) reduced rates and fees for existing services;

"(II) new or improved services in the community;

"(III) increased operating efficiency; or

"(IV) greater convenience.".

(b)(1) Section 18(c)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is amended—

(A) in subparagraph (D)(i), by striking out "under subparagraph (A)";

(B) in subparagraph (D)(ii), by striking out "under subparagraph (C)"; and

(C) by striking out subparagraphs (A), (B), and (C) and redesignating subparagraph (D) as subparagraph (A).

(2) The amendments made by paragraph (1) shall take effect 5 years after the date of the enactment of this Act.

INTERSTATE BRANCHING BY THRIFTS

SEC. 5. (a) Section 5(r) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(r)) is amended—

(1) in paragraph (2)—

(A) by inserting "or" at the end of subparagraph (B);

(B) by striking out subparagraph (C); and

(C) by redesignating subparagraph (D) as subparagraph (C);

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) The limitations of paragraph (1) shall not apply if the law of the State in which the branch is to be located would permit establishment of the branch were the association an institution of the savings and loan or savings bank type chartered by the State in which its home office is located.

"(B) In determining whether or to what extent to permit the establishment or operation of a branch by a savings and loan association or savings bank the principal place of business of which is in another State, a State may allow such branching—

"(i) without restriction; or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for reciprocal treatment of savings and loan associations and savings banks located in its States; or

"(III) other similar conditions or restrictions.

"(C) In any case in which a State has in effect, on any date during the first three years after the date of the enactment of this subparagraph, a law which permits the establishment of branches by savings and loan associations and savings banks located in the same region in which such State is located, such State shall—

"(i) after the effective date of such State law, permit the establishment of branches by out-of-State savings and loan associations and savings banks located in any State which—

"(I) is contiguous to such State; and

"(II) has a law providing for reciprocal treatment of savings and loan associations and savings banks located in such State; and

"(ii) beginning three years after the date of the enactment of this subparagraph, permit the establishment of branches by savings and loan associations and savings banks located in any State which has a law providing for reciprocal treatment of savings and loan associations and savings banks located in such State.".

(b)(1) Section 5(r) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(r)) is hereby repealed.

(2) The amendment made by paragraph (1) shall take effect 5 years after the date of the enactment of this Act.

INTERSTATE ACQUISITIONS BY THRIFTS

SEC. 6. Section 407 of the National Housing Act (12 U.S.C. 1730) is amended by adding at the end thereof the following new subsection:

"(s)(1)(A) MERGERS INVOLVING MORE THAN ONE STATE.—In considering a reorganization or merger involving an insured institution the principal places of business of which are located in different States, the Corporation shall permit any such reorganization or merger if the laws of the States in which such insured institutions are principally located expressly permit such a reorganization or merger involving insured institutions located in the States involved or permit the establishment or operation of branch offices in the State involved.

"(B) In determining whether or to what extent to permit such a merger or reorganization or establishment or operation of a branch office by an insured institution the principal location of which is in another State, a State may permit such merger or reorganization or establishment of a branch office—

"(i) without restriction; or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for reciprocal treatment of savings and loan associations located in its State; or

"(III) other similar conditions or restrictions.

"(C) In any case in which a State has in effect, on any date during the first three years after the date of the enactment of this subparagraph, a law which permits a merger described in subparagraph (A) but limits such mergers to States located in the same region in which such State is located, such State shall—

"(i) after the effective date of such State law, permit such a merger by out-of-State savings and loan associations located in any State which—

"(I) is contiguous to such State; and

"(II) has a law providing for reciprocal treatment of savings and loan associations located in such State; and

"(ii) beginning three years after the date of the enactment of this subparagraph, permit such a merger by out-of-State savings and loan associations located in any State which has a law providing for reciprocal treatment of savings and loan associations located in such State.

"(2)(A) The Corporation shall not approve any merger under this subsection unless—

"(i) on the date on which the approval of the Corporation is requested, the acquiring savings and loan association has less than $10,000,000,000 of domestic deposits and the savings and loan association which is to be acquired has less than $2,000,000,000 of domestic deposits;

"(ii) the merger will not result in an undue concentration of resources; and

"(iii) after examining the proposed merger and the record of the acquiring savings and loan association in meeting the needs of the communities which it serves, the Corporation determines that there is a reasonable likelihood that approval of the proposed merger would result in—

"(i) reduced rates and fees for existing services;

"(ii) new or improved services in the community;

"(iii) increased operating efficiency; or

"(iv) greater convenience.".

INTERSTATE ACQUISITIONS BY SAVINGS AND LOAN HOLDING COMPANIES

SEC. 7. (a) Section 408(e)(3) of the National Housing Act (12 U.S.C. 1730a(e)(3)) is amended to read as follows:

"(3)(A) Not later than 60 days after registering under this section, each savings and loan holding company shall submit a written notice to the corporation designating the State in which the principal savings and loan business of such savings and loan holding company is located.

"(B) The Corporation may allow a savings and loan holding company whose operations are principally conducted in a State to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any association located in another State, if the laws of such State expressly permit such acquisition.

"(C) In determining whether and to what extent to permit such an acquisition by such a savings and loan holding company, a State may, by law, allow such an acquisition—

"(i) Without restriction; or

"(ii) on the basis of—

"(I) the location of the States involved;

"(II) laws providing for the reciprocal treatment of savings and loan holding companies located in its State; or

"(III) other similar conditions or restrictions.

"(D) The Corporation shall not approve any application under this subsection unless—

"(i) on the day on which such application is submitted to the Corporation, the subsidiaries of the savings and loan holding company involved have less than $10,000,000,000 of domestic deposits and the savings and loan association which is to be acquired has less than $2,000,000,000 of domestic deposits;

"(ii) the merger will not result in an undue concentration of resources; and

"(iii) after examining the proposed acquisition and the record of the acquiring savings and loan holding company and its subsidiaries in meeting the needs of the communities which it serves, the Corporation determines that there is a reasonable likelihood that approval of the application would result in—

"(I) reduced rates and fees for existing services;

"(II) new or improved services in the community;

"(III) increased operating efficiency; or

"(IV) greater convenience.".

(b)(1) Section 408(e)(3) of the National Housing Act (12 U.S.C. 1730a(e)(3)) is amended by striking out subparagraphs (B) and (C) and redesignating subparagraph (D) as subparagraph (B).

(2) The amendments made by paragraph (1) shall take effect 5 years after the date of the enactment of this Act.●

RULES OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT FOR THE 99TH CONGRESS

(Mr. DIXON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DIXON. Mr. Speaker, pursuant to the requirement of clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith the rules of the Committee on Standards of Official Conduct for the 99th Congress in the RECORD at this point. These rules were adopted by the committee in open session on February 6, 1985.

PART I—SCOPE AND AUTHORITY

Scope and Authority

Rule 1. (a) These rules govern the procedures to be followed by the Committee on Standards of Official Conduct (hereafter referred to as the "Committee"). So far as applicable, these rules and the Rules of the House of Representatives shall be the rules of each subcommittee of the Committee, but each subcommittee may prescribe additional rules not inconsistent therewith.

(b) These rules are adopted under the authority of clause 2(a) of Rule XI of the Rules of the House of Representatives, 96th Congress.

PART II—GENERAL COMMITTEE RULES

Subcommittees

Rule 2. (a) The Chairman may establish subcommittees and may assign to them such functions as he may deem advisable. The membership of each subcommittee shall provide equal representation for the majority and minority parties. The Chairman may refer any bill, resolution, investigation, or other matter before the Committee to an appropriate subcommittee for consideration and may recall any such bill, resolution, investigation, or other matter from the subcommittee to which it was referred.

(b) Any member of the Committee may sit with any subcommittee, but only regular members of the subcommittee may vote on any matter before the subcommittee.

Meetings

Rule 3. (a) The regular meeting day of the Committee shall be the second Wednesday of each month, except when the House is not meeting on that day. When the Chairman determines that there is sufficient reason, he may call a meeting on additional days. A regularly scheduled meeting need not be held when the Chairman determines there is no business to be considered.

(b) Insofar as practicable, notice will be provided seven days in advance of meetings. However, the Chairman may, in his discretion, waive such time period for good cause.

Members Required for Quorums and Committee Action

Rule 4. (a)(1) A quorum of the Committee consists of a majority of the members of the Committee.

(2) A quorum of a subcommittee consists of a majority of the members of the subcommittee.

(b) Except as provided in clause 4(e)(2)(A) of Rule X of the Rules of the House of Representatives and rules 5, 8, 12, 16, and 17 of the Committee rules, action may be taken by the Committee by a simple majority, a quorum being present.

Broadcasts of Committee Proceedings

Rule 5. (a) Whenever any hearing or meeting by the Committee is open to the public, the Committee may permit, except as provided in clause (b) of this rule, by a vote of a majority of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness shall be required against his or her will to be photographed or to otherwise have a graphic reproduction of his or her image made at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness who does not wish to be subjected to radio coverage at a hearing, all microphones shall be turned off, at the request of any witness who does not wish to be subjected to television or still photography coverage at a hearing, all lenses shall be covered, and at the request of a witness who does not wish to have a graphic reproduction of his or her image made at a hearing, the making of such a reproduction at the hearing shall not be permitted. This paragraph is supplementary to clause 2(k)(5) of Rule XI of the Rules of the House of Representatives relating to the protection of the rights of witnesses.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(b) Coverage by radio, television, still cameras, or electronic recording device of any disciplinary hearing held under subpart B of part III of the Committee rules is prohibited.

Committee Records

Rule 6. (a) The Chairman of the Committee shall, with the approval of the Committee, establish such procedures as in the Chairman's judgment may be necessary to prevent the unauthorized disclosure of any testimony or other information received by the Committee or its staff.

(b) Unless otherwise authorized by the Committee, no information received by the Committee respecting any alleged violation by a Member, officer, or employee of the House of Representatives of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities shall be disclosed to the public before the transmittal under rule 11 of the Committee rules of such Member, officer, or employee of a Statement of Alleged Violation in connection with such violation. After the service of such a Statement on the Member, officer, or employee—

(1) the Statement and any other paper filed pursuant to rule 12 of the Committee rules respecting such violation shall be made available for public inspection at reasonable hours, and

(2) any other paper filed with the Committee respecting such violation shall be made available as authorized by the Committee, except that no paper shall be made available if its disclosure would violate any Executive Order or any Federal law or regulation.

Special Procedures

Rule 7. The Committee may adopt by resolution any special procedures deemed necessary to a particular matter before the Committee. Copies of such special procedures shall be furnished to all parties and witnesses in the matter.

Changes in Committee Rules

Rule 8. The rules of the Committee may be modified, amended, or repealed by a vote of a majority of the Committee if before such vote written notice of the proposed modification, amendment, or repeal was provided each member of the Committee.

PART III—COMMITTEE INVESTIGATIVE AUTHORITY

Subpart A—Complaints and committee inquiries

Complaints

Rule 9. (a) A complaint submitted to the Committee under clause 4(e)(2)(B) of Rule X of the Rules of the House of Representatives shall be in writing and under oath, setting forth in simple, concise, and direct statements—

(1) the name and legal address of the party filing the complaint (hereafter referred to as the "complaint");

(2) the name and position or title of the Member, officer, or employee of the House of Representatives alleged to be in violation of the Code of Official Conduct or a law, rule, regulation, or other standard of conduct;

(3) the nature of the alleged violation, including, if possible, the specific section of the Code of Official Conduct or law, rule, regulation, or other standard of conduct alleged to have been violated; and

(4) the facts alleged to give rise to the violation. When facts are alleged upon the information and belief of the complainant, the complaint shall so state and set forth the basis for such information and belief.

(b) All documents in the possession of the complainant that are relevant to and in support of the allegations shall be appended to the complaint.

(c) A complaint by a Member of the House of Representatives may be transmitted directly to the Committee. A complaint by an individual not a Member of the House may be transmitted through a Member who agrees, in writing, to accept it for that purpose. If a complaint by an individual not a Member of the House is submitted to three Members of the House who refuse, in writing, to transmit the complaint to the Committee, the complainant may transmit the complaint directly to the Committee, provided an affidavit is attached stating, under

oath, the names of the Members to whom the complaint was submitted and by whom it was rejected in writing.

Processing of Complaints

Rule 10. (a)(1) The staff of the Committee shall examine each complaint submitted to the Committee for compliance with clause 4 (e)(2)(B) of Rule X of the Rules of the House of Representatives and rule 9 of the Committee rules.

(2) If the staff determines that a complaint does not comply with such House and Committee rules, the complaint shall be returned to the complainant with a general statement that the complaint is not in compliance with such rules and a copy of such rules. A complainant may resubmit a complaint.

(3) If the staff determines that a complaint is in compliance with such House and Committee rules, the complaint shall be filed with the Committee. Within five days of the filing of a complaint (A) a copy of the complaint, showing the date of its filing, shall be transmitted to the Chairman and ranking minority member of the Committee, and (B) every other member of the Committee shall be notified of the filing of the complaint and of its availability for inspection by the member in the Committee offices. Upon the request of any member of the Committee, the staff of the Committee shall inform the member of the complaints which have been filed with the Committee and which are pending before the Committee.

(4) If within thirty days of the date of the filing of a complaint the Chairman and ranking minority member of the Committee jointly—

(A) decide to place the complaint on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee, it shall be so placed on such agenda, or

(B) determine that the complaint be dismissed because it fails to allege facts which constitute a violation of the Code of Official Conduct or applicable law, rule, regulation, or other standard of conduct, the complaint together with the determination that it should be dismissed shall be placed on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee.

Unless the Committee determines under clause (b) that the complaint merits further inquiry, the complaint shall be dismissed and the complainant shall be notified of the dismissal. If upon the expiration of such thirty days, the Chairman and ranking minority member have not taken any joint action respecting the complaint, it shall be placed on the Committee agenda for consideration at the next regularly scheduled meeting of the Committee.

(b) At the meeting at which the Committee is to consider a complaint filed with the Committee, the Committee shall determine whether the violation alleged in the complaint is within the jurisdiction of the Committee and, if so, whether the allegations in the complaint merit further inquiry. The complainant and respondent shall be notifed, in writing, of action taken by the Committee respecting the complaint.

Preliminary Inquiry and Statement of Alleged Violation

Rule 11. (a)(1) If the Committee determines under rule 10(b) that the allegations of a violation in a complaint filed with the Committee merit further inquiry, the Committee shall conduct a preliminary inquiry to determine whether such violation occurred.

(2) In the preliminary inquiry—

(A) the Committee shall provide the respondent an opportunity to present to the Committee, orally or in writing, a statement respecting the allegations with respect to which the inquiry is being held,

(B) the staff may interview witnesses and examine documents and other evidentiary matter,

(C) the Committee may order the testimony of witnesses to be taken under oath, in which event the oath may be administered by a member of the Committee or by any person authorized by law to administer oaths,

(D) the Committee may require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other things as it deems necessary to the conduct of the inquiry, and

(E) any probative evidence may be used.

Upon the completion of the preliminary inquiry, the staff of the Committee shall prepare and transmit to the Committee a report containing a comprehensive summary of the information received in the inquiry and may include in the report a recommendation for action by the Committee respecting the alleged violation which was the subject of the inquiry.

(b) If the Committee determines on the basis of the report of the Committee staff on the preliminary inquiry respecting an alleged violation that there is reason to believe that the violation occurred, the Committee may direct the staff to transmit to the respondent a Statement of Alleged Violation. A Statement shall be divided into counts and each count shall relate to a separate violation and shall contain a plain and concise statement of the alleged facts of such violation and include a reference to the provision of the Code of Official Conduct or law, rule, regulation, or other standard of conduct alleged to have been violated.

Answers and Motions and Committee Action

Rule 12. (a) If a Statement of Alleged Violation is transmitted under rule 11(b) of the Committee rules, the respondent receiving the Statement shall have not less than 21 days in which to respond to it. The response shall be by way of answer or motion, shall be in writing and signed by the respondent or his counsel, and shall be limited to the following:

(1) An admission to or denial of, under oath, each count set forth in the Statement. A denial may include (A) negative and affirmative defenses to the allegations in a count, and (B) any supportive evidence and any other relevant information which the respondent may desire to submit.

(2) An objection to any count in the Statement on the grounds that it fails to state facts which constitute a violation of the Code of Official Conduct or any other applicable law, rule, regulation, or other standard of conduct.

(3) An objection to the jurisdiction of the Committee to consider the allegations contained in the Statement.

(4) A motion for a bill of particulars.

(5) An objection to the participation of any member of the Committee in the consideration of the allegations contained in the Statement on the grounds that the member cannot render an impartial and unbiased decision. The Committee member against whom the objection is made shall be the sole judge of his qualifications. A motion under this paragraph is not in lieu of an answer.

Any motion submitted pursuant to this clause shall be accompanied by a memorandum of points and authorities. Except for good cause shown, no pleading or motion not described in paragraphs (1) through (5) will be considered by the Committee and the Committee will not consider any answer or motion described in such paragraphs which is submitted under this clause after the expiration of such 21 days.

(b) Within 30 days after the receipt of any motion under clause (a) respecting a Statement, the Committee shall consider such motion. Notice of the decision of the Committee respecting the motion shall be furnished the respondent who submitted it. When the Committee has acted on all motions submitted under paragraphs (2), (3), and (4) of clause (a), the respondent shall, in accordance with paragraph (1) of such clause, submit, within 14 days of the date of the last Committee action, an answer to each count in the Statement not dismissed by the Committee.

(c) Failure to submit, within the applicable time period, an answer to a count of a Statement which has not been dismissed by the Committee shall constitute an admission to the violation alleged in the count.

(d) The Chairman, in his discretion, may extend any time limitation imposed by clause (a) or (b) if he determines that the extension would facilitate a fair and complete inquiry and may shorten any such time limitation if he determines that there are special circumstances which require the shortening of such time limitation.

(e)(1) As soon as practicable after the expiration of all applicable time limitations for action under clauses (a) and (b) respecting a Statement of Alleged Violation, the Committee shall act, by the vote of a majority of the members of the Committee, to—

(A) hold a disciplinary hearing on the violation charged in the Statement, or

(B) defer action on the Statement but only if there is a judicial proceeding pending.

Failure to achieve a vote of the majority of the members of the Committee on a motion to take any action described in subparagraph (A) or (B) shall constitute dismissal of the Statement.

(2) The respondent to a Statement of Alleged Violation shall be notified in writing of action taken under paragraph (1) by the Committee respecting the Statement.

Inquiries on the Committee's Initiative

Rule 13. Notwithstanding the absence of a complaint filed with the Committee under rule 10 of the Committee rules, the staff of the Committee shall present to it any evidence available to the staff reasonably indicating that any Member, officer, or employee may have committed a violation of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct applicable to his conduct in the performance of his duties or in the discharge of his responsibilities. If the Committee determines that the evidence presented by the staff or an alleged violation merits further inquiry, the Committee shall, in accordance with rule 11(a) of the Committee rules, conduct a preliminary inquiry to determine whether such violation occurred. Rules 11 and 12 of the Committee rules shall apply to further proceedings respecting such alleged violation.

Committee Action After Criminal Convictions

Rule 14. If a Member, officer, or employee of the House is convicted in a Federal, State or local court of a criminal offense for which a sentence of a term of imprisonment of at least one year may be imposed, the Committee shall conduct, in accordance with rule 11(a) of the Committee rules, a preliminary inquiry to review the evidence of such offense and to determine whether it constitutes a violation over which the Committee is given jurisdiction under clause 4(e) of Rule X of the Rules of the House of Representatives. If on the basis of the report of the Committee staff on the preliminary inquiry the Committee determines that an offense was committed over which the Committe has jurisdiction under such clause, the Committee shall notify the Member, officer, or employee of its determination and shall hold a disciplinary hearing for the sole purpose of determining what action to recommend to the House respecting such offense. Such hearing shall be held in accordance with the requirements of rule 16 of the Committee rules applicable to the second phase of a disciplinary hearing and any recommendation made by the Committee shall be made in accordance with rule 17 of the Committee rules.

Definition

Rule 15. For purposes of this subpart and subpart B, the term "respondent" means a Member, officer, or employee of the House who is charged in a complaint filed with the Committee under rule 10 of the Committee rules or who is charged in a Statement of Alleged Violation transmitted under rule 12 of the Committee rules.

Subpart B—Disciplinary hearings

Disciplinary Hearings

Rule 16. (a) A disciplinary hearing respecting a violation charged in a Statement of Alleged Violation shall be held to receive evidence upon which to base findings of fact and recommendations, if any, to the House respecting such violation. A disciplinary hearing shall consist of two phases. The first phase shall be for the purposes of determining whether or not the counts in the Statement have been provided. The second phase shall be for the purpose of determining what action to recommend to the House with respect to any count found to have been proved.

(b) At a disciplinary hearing the Committee may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, documents, and other things as it deems necessary. Depositions, interrogatories, and sworn statements taken under Committee direction may be accepted into the Committee record. The procedures set forth in clause 2(k) of Rule XI of the Rules of the House of Representatives shall apply to disciplinary hearings.

(c) Prior to setting a date for a disciplinary hearing and issuing subpoenas for witnesses, the Committee shall resolve the scope and purpose of the hearing. A copy of this statement of scope and purpose shall be furnished to all witnesses. During the course of the hearing the Committee may expend or contract the scope in light of evidence received.

(d)(1) The order of phase one of a disciplinary hearing shall be as follows:

(A) The Chairman shall open the hearing by stating the Committee's authority to conduct the hearing, the purpose of the hearing, and it scope.

(B) Testimony from witnesses and other evidence pertinent to the subject of the hearing shall be received in the following order whenever possible: (i) witnesses and other evidence offered by the Committee staff, (ii) witnesses and other evidence offered by the respondent, and (iii) rebuttal witnesses.

(C) Witnesses at a hearing shall be examined first by the Committee counsel or authorized staff member. The Committee members may then question the witnesses under the five-minute rule. The respondent or his counsel may then cross-examine the witnesses. Redirect and recross may be permitted in the Chairman's discretion. With respect to witnesses offered by the respondent, a witness shall be examined first by the respondent or his counsel, and then may be cross-examined by Committee counsel or authorized staff member. Committee members may then question the witness under the five-minute rule. Redirect and recross may be permitted in the Chairman's discretion.

(2) Testimony of all witnesses shall be taken under oath. The form of the oath shall be: "Do you solemnly swear (or affirm) that the testimony you will give before this Committee in the matter now under consideration will be the truth, the whole truth, and nothing but the truth, so help you God?" The oath shall be administered by the Chairman or Committee member designated by him to administer oaths.

(e) At a disciplinary hearing the burden of proof rests on the staff with respect to each count to establish the facts alleged therein clearly and convincingly by the evidence that it introduces.

(f) Phase two of a disciplinary hearing shall consist of oral and/or written submission by counsel for the Committee and counsel for the respondent as to the sanction the Committee should recommend to the House of Representatives with respect to any count of the Statement of Alleged Violation which has been proved. Testimony by witnesses will not be heard at phase two except by a vote of a majority of the Committee.

Recommendations

Rule 17. (a)(1)(A) As soon as practicable after the completion of the first phase of a disciplinary hearing respecting a Statement of Alleged Violation, the Committee shall consider each count contained in the Statement and with respect to each count as originally drawn or as amended shall vote on a motion that the count has been proved. A count shall not be proved unless at least a majority of the Committee vote for a motion that the count has been proved. A count which is not proved shall be considered as dismissed by the Committee.

(B) If the Committee votes that a count has been proved, the Committee may upon completion of the second phase of the disciplinary hearing, by a majority vote of the Committee, consider and vote on a motion that a recommendation be made to the House for appropriate action respecting the violation charged in such count.

(2) If in a vote taken under paragraph (1)(A) respecting a count a majority of the Committee does not vote that the count has been proved, a motion to reconsider that vote may only be made by a Member who voted that the count was not proved. If in a vote taken under paragraph (1)(B) to adopt a recommendation to the House respecting a violation charged in a count a majority of the Committee does not vote in favor of the recommendation, a motion to reconsider that vote may only be made by a Member who voted against the recommendation.

(b)(1) With respect to any violation with which a Member of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(A) Expulsion from the House.

(B) Censure.

(C) Reprimand.

(D) Fine.

(E) Denial or limitation of any right, power, privilege, or immunity of the Member if under the Constitution the House may impose such denial or limitation.

(F) Any other sanction determined by the Committee to be appropriate.

(2) With respect to any violation with which an officer or employee of the House was charged in a count which the Committee has voted as proved, the Committee may include in its recommendation to the House one or more of the following sanctions:

(A) Dismissal from employment.

(B) Fine.

(C) Any other sanction determined by the Committee to be appropriate.

(c)(1) The purpose of this clause is to inform the Members of the House of Representatives as to the general guidelines the Committee considers appropriate for determining which, if any, sanctions to recommend to the House respecting violations proved in a disciplinary hearing. This clause does not limit the authority of the Committee to make or not to make recommendations for such sanctions.

(2) For technical violations, the Committee may direct that the violation be reported to the House without a recommendation for a sanction.

(3) With respect to the sanctions which the Committee may determine to include in a recommendation to the House respecting a violation, reprimand is appropriate for serious violations, censure is appropriate for more serious violations, and expulsion of a Member or dismissal of an officer or employee is appropriate for the most serious violations. A recommendation of a fine is appropriate in a case in which it is likely that the violation was committed to secure a financial benefit; and a recommendation of a denial or limitation of a right, power, privilege, or immunity of a Member is appropriate when the violation bears upon the exercise or holding of such right, power, privilege, or immunity.

(d) The Committee report accompanying a recommendation to the House adopted by the Committee under clause (a)(1)(B) respecting a violation charged in a count shall contain a brief but complete statement of the evidence which supported the finding as to that count and a brief statement of the Committee's reasons for the recommendation.

Disclosure of Evidence

Rule 18. Upon the request of a respondent, the Committee may permit the respondent to inspect, copy, or photograph books, papers, documents, photographs, or other tangible objects which the Committee intends to use as evidence against the respondent in a disciplinary hearing and which are material to the preparation of the defense of the respondent.

Subpart C—Evidence and witnesses

Exculpatory Information

Rule 19. If the Committee at any time receives any exculpatory information respecting a Statement of Alleged Violation against a Member, officer, or employee of the House of the Code of Official Conduct or any law, rule, regulation, or other standard of conduct, it shall make such information available to such Member, officer, or employee.

Admissibility of Evidence

Rule 20. (a) Any evidence that is relevant and probative shall be admissible in any hearing of the Committee, unless the evidence is privileged or unless the Constitution otherwise requires its exclusion. Objections going only to the weight that should be given to evidence will not justify its exclusion.

(b) The Chairman or other Member presiding at a hearing shall rule upon any question of admissibility at the hearing of testimony or evidence presented to the Committee. The Chairman or other Member presiding may limit the presentation of repetitious evidence. Rulings shall be final unless reversed or modified by a majority vote of the Committee members present.

Witnesses

Rule 21. (a) A subpoena to a witness to appear at a hearing shall be served sufficiently in advance of his scheduled appearance to allow him a reasonable period of time, as determined by the Committee, to prepare for the hearing and to employ counsel should he so desire.

(b) Except as otherwise specifically authorized by the Chairman, no member of the Committee or staff shall make public the name of any witness subpoenaed by the Committee before the date of his scheduled appearance.

(c) Witnesses at hearings may be accompanied by their counsel for the purpose of advising them concerning their constitutional rights and to raise objections to procedures or to the admissibility of testimony and evidence. Counsel for a witness other than the respondent shall not be permitted to engage in oral argument with the committee. After a witness has testified, his counsel may submit to the Committee, in writing, any questions he wishes propounded to his client and any request for additional witnesses or other evidence. Such request may be granted at the Committee's discretion.

(d) The respondent may apply to the Committee for the issuance of subpoenas for the appearance of witnesses or the production of documents on his behalf. The application shall be granted upon a concise showing by the respondent that the proposed testimony or evidence is relevant and not otherwise available. The application shall be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative.

(e) Each witness subpoenaed by the Committee may sign appropriate vouchers for travel allowances and attendance fees, which may be obtained from the Committee staff.

(f) Each witness appearing before the Committee shall be furnished a printed copy of the rules of the Committee and the pertinent provisions of the Rules of the House of Representatives applicable to the rights of witnesses.●

EULOGY ON ABRAHAM LINCOLN

(Mr. PRICE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PRICE. Mr. Speaker, February is the month of Abraham Lincoln's birth, and, before the month slips away, I would like to submit for the RECORD a eulogy to President Lincoln that was delivered on the House floor on February 12, 1916, by the Honorable William August Rodenberg of Illinois.

Our former colleague from New York, the Honorable Sterling Cole, had memorized parts of this eulogy for practicing public speaking when he was in high school and recently found the text as originally published. Mr. Cole suggested that the eulogy be reprinted for those who may not have seen it. It is as eloquent an oration as the House has heard, and I commend it to my colleagues for study:

Mr. RODENBERG. Mr. Speaker, fivescore and seven years ago to-day the star of destiny shone resplendent over the cradle of an infant boy who, in the years to follow, was to be acclaimed by history as one of America's greatest contributions to the world's heritage of great and noble men. On that day, in a cabin home, amid the hills of Kentucky, Abraham Lincoln was born, and on this anniversary of his birth the memory of that great and Godlike life thrills the soul of every American, giving him an inspiration of true nobility. [Applause.]

Abraham Lincoln! What a flood of mighty memories is awakened by that name. What a glorious panorama of patriotic achievement it presents to view. How it seems to fathom the very depths of duty and devotion, the innermost springs of sympathy and of sorrow. As we pronounce it reverently today the trials and tragedies and triumphs of the Nation's supremest struggle pass again in review before us and, rising above the stress and strife of conflict, grand and majestic, like some tall cliff "that midway leaves the storm," we behold the one great central figure of that epoch of heroism, the one never-failing beacon light of national patriotism—our Lincoln—the world's Lincoln. [Applause.]

As I attempt to-day to pay tribute to a personality so great, a character so grand, so complex, and yet so simple, I am overwhelmed with a sense of my inability to do even partial justice to his name and fame. I shall content myself, therefore, with a brief reference to a few of his great traits of character which I believe have left a profound and lasting impression upon the American mind.

Why is it that no other name in the long roll of distinguished American statesmen stirs the heart of the Nation so deeply as that of Abraham Lincoln? Orators never weary of singing his praise, and hearers never tire of listening. Books on Lincoln multiply each year, and interest in them never flags. Every trivial relic of his homely life, every scrap of his writing, every prophetic saying, every jest, every anecdote, is treasured to-day by the people and bequeathed by them "as a rich legacy unto their issue."

It is not enough to say that Lincoln was a wise and patriotic President who died a martyr to a great cause. We have had other wise and devoted Presidents, and he is not the only martyr, but there is only one Lincoln. Washington we reverence, Jackson we admire, Lincoln we love. His memory is enshrined more deeply in the heart of the Nation than that of any other man, and there is none so close as he to the source of tears and of emotion.

This can not be explained by the fact that Lincoln rose by manly effort from the humblest ranks of backwoods life to the highest position in the gift of any people. It can not be accounted for by the fact that he was a noble embodiment of that splendid spirit of self-reliance that is bred of generations of lonely struggle under the shadow of the forest primeval. It is not even because he signed the great proclamation of emancipation.

These things are a part of the reason for the esteem in which we hold Lincoln, and so are his inexhaustible humor, his intense earnestness, his tireless industry, his honesty and fairness, his courage, and his steadfastness of purpose. His homely and unaffected words and ways had something to do with his popularity, and so had his sturdy common sense. But not all of these sterling traits could make a Lincoln without something additional; nor is the secret revealed by naming what is usually regarded as the crowning trait of his magnificent character—the fact that he always sought the right as God gave him to see the right; and that he devoted his life to a steadfast pursuance of it when once he was convinced he had found it. This will explain much, but it will never explain the flood of tender emotion that wells up from American hearts at mention of his incomparable name.

Mr. Speaker, I believe that the true secret of our love for Lincoln was his own love for his fellow man. [Applause.] In his ungainly, giant form there was a heart of infinite human sympathy, and this it was that illumined all his other traits of greatness and has made the imperishable halo that lingers around his head. [Applause.] Without these he might have achieved greatness, might have become President, might have freed the slaves as a political necessity, might even have brought the war to a successful close, and have fallen a victim to an assassin's bullet, and yet we should not to-day be speaking of him as we do. It is this one supreme trait of human sympathy that carries his name out of the realm of intellect into that of emotion. [Applause.]

It was this same deep human sympathy that caused Lincoln to hate slavery and to throw all of the power of his logic and eloquence against it. It was this, too, that enabled him to hold that marvelous balance of judgment which could put the Union above all else and could hold back emancipation until the right time. He could put himself in the place of the citizen of the border States and feel that any radical move would imperil the cause of freedom itself. This note of human sympathy sounded forth in his first inaugural; it ran throughout his relations with the soldiers during the great war, and animated his last acts as it had his first. The soldiers fighting on the field and dying in the hospital thought of him, and they said to each other: "He cares! He makes us fight, but he cares"; and they fought on as they never would have fought without that warmth of feeling for the head of the Nation.

Looking at the matter from any aspect and at any period of Lincoln's life, the prime cause of his greatness and of our present reverence for him is the fact that he

was human in the best and truest sense of that fine word, and this is reason enough why the Nation loves the name of Abraham Lincoln. [Applause.]

Mr. Speaker, the fast-falling shadows of the past leave few names of men not enshrouded by their gloom. Many of the heroes of to-day will be lost to sight in the dimness of the approaching twilight. To-morrow's sun will lighten up new shrines surrounded by tireless hosts of hero worshipers. As we look toward the past, earth's greatest heroes seem in strangest company—Christ and the condemned men, the missionary and the cannibal, Lincoln and the despised black man—there they stand together in the crowd, on Calvary, surrounded by jeering multitudes; but to-day they are together among the immortals. [Applause.] These saviors of the race will never be forgotten. Lincoln's heart solved more problems than his brain. His very gentleness made him the great emancipator, reconciler, the composite character of the American people. Hope which is the prophet in every heart, was king and priest besides in his. It ruled his life and consecrated his deeds. Other men turned their backs in despair on the Republic's future; he, through densest darkness, saw with prescient light and gaze the glory of the coming dawn. [Applause.]

In the city of Springfield, in beautiful Oak Ridge Cemetery, he sleeps the sleep of eternity. Many are the times that I have stood with bowed head beside that sacred tomb and thought of the great soul that once inhabited the tenement of clay now moldering into the dust from whence it came. And standing there in the presence of the mighty dead, my faith in humanity has been strengthened and my confidence in the perpetuity of the Republic and its glorious destiny has been made secure. [Applause.]

History tells us that when Robert Bruce, King of Scotland, was dying he asked that his heart be removed from his body and borne by knightly hands to the sacred sepulcher of the Savior. Upon his death the Earl of Douglas, his trusted friend and companion, removed the heart from the body, placed it in a beautiful golden casket, and, surrounding himself with a number of brave young Scotch warriors, they set out on their holy mission. On the way they were attacked by a large body of Moors, who almost overcame them by force of superior numbers. When defeat seemed almost certain, Douglas took in his hand the sacred casket and hurled it far out into the midst of the enemy, shouting:

Lead on, heart of Bruce,
We follow thee!

And the knights of Scotland, never having been defeated when following the leadership of Bruce, took new courage. They rushed upon the enemy with the fury of the whirlwind and gained the day. [Applause.]

To-day when those who, unmindful of the spirit that animated the founders of this Republic, would fan the flames of racial fury and kindle into life the dying embers of bigotry and intolerance; when those who, for base and ignoble purposes of self-exploitation, would place the brand of treason upon the brows of men whose loyalty and devotion in the darkest days of the Nation's life were never questioned—to-day, when the enemies of that broader and better fraternalism, which lies at the very foundation of national peace and national unity, are advancing upon us, the true and loyal citizens of this Republic, of whatever creed or ancestry, catching the inspiration that breathes upon them from the glorious memories of the past, with true American patriotism will take in their hand the great heart of Abraham Lincoln, incase it in their love, and hurl it far out into the midst of the enemy, shouting:

Lead on, heart of Lincoln,
We follow thee;
We follow thee!

[Prolonged applause.]●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOYER, for 5 minutes, today, immediately following the remarks of Mr. MURTHA.

(The following Members (at the request of Mr. COMBEST) to revise and extend their remarks and include extraneous material:)

Mr. ECKERT of New York, for 60 minutes, April 17.

Mr. ARMEY, for 60 minutes, March 6.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. SCHUETTE, for 5 minutes, April 27.

Mr. WALKER, for 5 minutes, today.

Mr. FRENZEL, for 5 minutes, today.

(The following Members (at the request of Mr. PENNY) to revise and extend their remarks and include extraneous material:)

Mr. ADDABBO, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. HAYES, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, today.

Mr. JACOBS, for 60 minutes, today.

Mr. LAFALCE, for 30 minutes, today.

Mr. FAZIO, for 5 minutes, today.

Mr. GAYDOS, for 30 minutes, February 27.

Mr. JACOBS, for 60 minutes, February 27.

Mr. STOKES, for 60 minutes, February 28.

Mr. MCCURDY, for 60 minutes, February 28.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. OWENS, on the special order of Mr. WILLIAMS of Montana, today.

Mr. PENNY, just prior to the vote on H.R. 1096, today.

(The following Members (at the request of Mr. COMBEST) and to include extraneous matter:)

Mr. COURTER in two instances.

Mr. DREIER of California.

Mr. SMITH of New Jersey.

Mr. MOORHEAD in two instances.

Mr. ROTH.

Mr. MONSON.

Mr. IRELAND.

Mr. MORRISON of Washington.

Mr. MCCANDLESS.

Mr. GREEN.

Mr. LIVINGSTON.

(The following Members (at the request of Mr. PENNY) and to include extraneous matter:)

Mr. WISE.

Mr. APPLEGATE.

Mr. WEISS.

Mr. TOWNS.

Mr. FROST in two instances.

Mr. SOLARZ in two instances.

Mr. YATRON in two instances.

Mr. DERRICK.

Mr. HEFTEL of Hawaii.

Mr. MINETA.

Mr. STOKES.

Mr. BURTON of California.

Mr. BERMAN.

Mrs. COLLINS.

Mr. KLECZKA.

Mr. ROE.

Mr. CONYERS.

Mr. RODINO.

ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until Wednesday, February 27, 1985, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows.

609. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting a request for supplemental appropriation for the Department of Transportation, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

610. A letter from the Chairman, Securities and Exchange Commission, transmitting a report of the activities of the Commission, pursuant to the act of June 6, 1934, chapter 404, section 23(b) (89 Stat. 155); to the Committee on Energy and Commerce.

611. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the President's determination that it is important to U.S. security interests to use FAA funds under the special authority of section 614 of the act, pursuant to 22 U.S.C. 2364(a)(1); to the Committee on Foreign Affairs.

612. A letter from the Administrator, Agency for International Development, transmitting a report on U.S. strategy to protect and conserve biological diversity in developing countries, pursuant to FAA, section 119(d) (97 Stat. 1045); to the Committee on Foreign Affairs.

613. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent to offer to sell certain defense articles and services to Japan, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

614. A letter from the Chairman, Occupational Safety and Health Review Commission, transmitting the evaluation of compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

615. A letter from the Deputy to the Chairman, Federal Deposit Insurance Corporation, transmitting a report on its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

616. A letter from the Director, ACTION, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

617. A letter from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting a report on activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

618. A letter from the Deputy Assistant Secretary for Indian Affairs, Department of the Interior, transmitting a report on the use and distribution of funds of the Shoshone-Bannock Tribes of Fort Hall Reservation in Docket 326-C-2 before the U.S. Claims Court, pursuant to Public Law 93-134, sections 2(a) and 4; to the Committee on Interior and Insular Affairs.

619. A letter from the Director, Accounting and Financial Management Division, General Accounting Office, transmitting the certification of the Defense Department's estimate of revenue to be deposited in the Panama Canal Commission fund, pursuant to 22 U.S.C. 3712(c)(2); to the Committee on Merchant Marine and Fisheries.

620. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notification that there were no professional and scientific positions established under 5 U.S.C. 3104 and 5 U.S.C. 5371 during calendar year 1984, pursuant to 5 U.S.C. 3104(b); to the Committee on Post Office and Civil Service.

621. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title 15 of the United States Code to provide mandatory reporting authority for the collection of data on the apparel industry; to the Committee on Post Office and Civil Service.

622. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting the results of investigations of allegations of possible fraud, gross waste of funds, and mismanagement in the administration of a Department of the Air Force contract, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

623. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a waiver of minimum funding and staffing requirements for technology transfer from Federal laboratories, pursuant to Public Law 96-480, section 11(b); to the Committee on Science and Technology.

624. A letter from the Director, Office of Legislative and Public Affairs, National Science Foundation, transmitting a report on four new advanced scientific computing centers; to the Committee on Science and Technology.

625. A letter from the Under Secretary of Labor, transmitting the quarterly report on funds expended for trade adjustment assistance training, pursuant to Public Law 93-618, section 236(a)(2) (95 Stat. 885); to the Committee on Ways and Means.

626. A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to assure adequate funding for the cleanup of abandoned hazardous waste sites, and for other purposes, (H. Doc. No. 99-32); jointly, to the Committees on Energy and Commerce, Public Works and Transportation, Merchant Marine and Fisheries, the Judiciary and Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA: Committee on Agriculture. Supplemental report on H.R. 1035 (Rept. No. 99-6, Pt. II). Ordered to be printed.

Mr. MOAKLEY: Committee on Rules. House Resolution 79. Resolution providing for the consideration of H.R. 1035, a bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers (Rept. No. 99-7). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of February 25, 1985]

Mr. DE LA GARZA: Committee on Agriculture. H.R. 1035. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, with amendments; referred to the Committee on Appropriations for a period not to exceed 15 legislative days with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. No. 99-6, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ANDERSON:

H.R. 1262. A bill to equalize the duties on imported tuna, whether or not packed in oil; to the Committee on Ways and Means.

By Mr. ARMEY:

H.R. 1263. A bill to amend the Internal Revenue Code of 1954 to increase to $4,000 the maximum deduction for contributions to retirement savings and to allow the deduction for such savings to be computed for married individuals on the basis of their combined compensation; to the Committee on Ways and Means.

By Mr. BONIOR of Michigan:

H.R. 1264. A bill to deauthorize the O'Neill Unit of the Missouri River basin project in Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CAMPBELL:

H.R. 1265. A bill to suspend temporarily the duty on dicyclohexylbenzothiazolesulfenamide; to the Committee on Ways and Means.

By Mr. COURTER:

H.R. 1266. A bill expressing the sense of the Congress with respect to certain actions which should be taken in anticipation of the centennial anniversary of the Statue of Liberty National Monument, and directing the Secretary of the Interior to retain the American Museum of Immigration at the base of the Statue of Liberty National Monument; to the Committee on Interior and Insular Affairs.

By Mr. DERRICK (for himself, Mr. FLIPPO, Mr. SHELBY, Mr. HUTTO, Mr. FUQUA, Mr. BENNETT, Mr. CHAPPELL, Mr. MACKAY, Mr. GIBBONS, Mr. BILIRAKIS, Mr. IRELAND, Mr. MACK, Mr. MICA, Mr. LEHMAN of Florida, Mr. PEPPER, Mr. FASCELL, Mr. GINGRICH, Mr. BARNARD, Mr. JONES of North Carolina Mr. VALENTINE, Mr. WHITLEY, Mr. NEAL, Mr. HENDON, Mr. HARTNETT, Mr. SPENCE, Mr. CAMPBELL, Mr. SPRATT, Mr. TALLON, Mr. QUILLEN, Mrs. LLOYD, Mr. BONER of Tennessee, Mr. GORDON, Mr. BATEMAN, Mr. SISISKY, and Mr. BOUCHER):

H.R. 1267. A bill to grant the consent of the Congress to the Southeast Interstate Low-Level Radioactive Waste Management Compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. DREIER of California:

H.R. 1268. A bill to amend the Internal Revenue Code of 1954 to allow individuals a credit against income tax for the purchase and installation of locks and other security devices on residences; to the Committee on Ways and Means.

H.R. 1269. A bill to repeal certain recently enacted substantiation and compliance provisions of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. FAUNTROY:

H.R. 1270. A bill to authorize the Secretary of the Interior to establish a monument in Washington, to honor Martin Luther King, Jr.; to the Committee on House Administration.

By Mr. FISH (for himself, Mr. GILMAN, Mr. DE LA GARZA, Mr. DWYER of New Jersey, Mr. HEFNER, Mr. HOWARD, Mr. NELSON of Florida, Mr. ORTIZ, Mr. SISISKY, and Mr. VANDER JAGT):

H.R. 1271. A bill to amend the Housing and Community Development Act of 1974 to provide for the continued classification of certain cities as metropolitan cities for purposes of assistance under the community development block grant program; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FOWLER (for himself, Mr. GIBBONS, Mr. PICKLE, Mr. VANDER JAGT, Mr. CAMPBELL, Mr. JACOBS, Mr. HEFTEL of Hawaii, Mr. MATSUI, Mr. DELLUMS, Mr. MARTINEZ, Mr. WIRTH, Mr. GARCIA, and Mr. LUJAN):

H.R. 1272. A bill to amend the Internal Revenue Code of 1954 to extend the residential energy credit with respect to solar renewable energy source expenditures, with declining percentages of credit, through 1990, and for other purposes; to the Committee on Ways and Means.

By Mr. GARCIA (for himself, Mr. FUSTER, Mr. LELAND, Mr. STOKES, Mr. MITCHELL, Mr. OWENS, Mr. WEISS, Mr. RICHARDSON, Mr. MORRISON of Connecticut, Mr. BIAGGI, Mr. FAZIO, Mr. MARTINEZ, Mr. DELLUMS, Mr.

HOWARD, Mr. BERMAN, Mr. DE LUGO, Mr. VENTO, and Mr. MATSUI):

H.R. 1273. A bill to amend the Internal Revenue Code of 1954 to impose a tax on the failure by a charitable organization to use certain funds to provide legal services to the poor; to the Committee on Ways and Means.

By Mr. GRAY of Illinois:

H.R. 1274. A bill to apportion certain funds for construction of the National System of Interstate and Defense Highways and for construction of substitute highway and transit projects, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. KINDNESS:

H.R. 1275. A bill to direct the Secretary of the Army to construct a flood control project for the Miami River at Fairfield, OH; to the Committee on Public Works and Transportation.

By Mr. LAFALCE:

H.R. 1276. A bill to provide for an orderly transition to interstate banking; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LEATH of Texas:

H.R. 1277. A bill to amend title 10, United States Code, to equalize procedures among the Armed Forces for the appointment of warrant officers; to the Committee on Armed Services.

By Mr. LEVIN of Michigan:

H.R. 1278. A bill to extend the Federal Supplemental Compensation Act of 1985 and to improve the method for determining the number of weeks for which Federal supplemental compensation is payable; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. RANGEL, Mr. STARK, Mr. JACOBS, Mr. DOWNEY of New York, Mr. GUARINI, Mrs. KENNELLY, Mr. HAYES, Mr. BENNETT, Mr. SMITH of Florida, Mr. SLATTERY, Mr. MOODY, Mrs. JOHNSON, Mr. FRANK, Mr. FAZIO, Mr. DIXON, Mr. STUDDS, Mr. MOAKLEY, Mr. EDWARDS of California, Mr. KILDEE, Mr. LEVIN of Michigan, Mr. FORD of Michigan, Mr. HAWKINS, Mr. VENTO, Mr. SCHUMER, Mr. GEJDENSON, Mr. OWENS, Mr. ROSE, Mr. ACKERMAN, Mr. TORRES, Mr. SEIBERLING, Mr. OBERSTAR, Mr. WILLIAMS, Mr. CROCKETT, Mr. CONYERS, Mr. TRAXLER, Mr. HUTTO, Mr. BERMAN, Ms. KAPTUR, and Mr. SIKORSKI):

H.R. 1279. A bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the AFDC program, and to provide for studies to assist in the further improvement of such standards and procedures; to the Committee on Ways and Means.

By Mr. MITCHELL:

H.R. 1280. A bill to require the Secretary of the Treasury to develop a program to expand the use of underutilized banks by Federal agencies; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1281. A bill to authorize the appropriation of funds to the Small Business Administration, and for other purposes; to the Committee on Small Business.

By Mr. NATCHER:

H.R. 1282. A bill to extend veterans benefits to persons serving in the Armed Forces between November 12, 1918, and July 2, 1921; to the Committee on Veterans' Affairs.

By Mr. ROWLAND of Georgia (for himself, Mr. HATCHER, Mr. THOMAS of Georgia, Mr. RAY, Mr. DARDEN, Mr. YOUNG of Florida, and Mr. TAUKE):

H.R. 1283. A bill to amend the Highway Improvement Act of 1982 to provide additional funds for the completion of certain priority primary projects; to the Committee on Public Works and Transportation.

By Mr. UDALL (for himself and Mr. FRENZEL):

H.R. 1284. A bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which congressional campaigns are financed; to the Committee on House Administration.

By Mr. VALENTINE:

H.R. 1285. A bill to amend the Internal Revenue Code of 1954 to treat certain uses of public law enforcement and other vehicles as nontaxable fringe benefits; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 1286. A bill to increase to $500,000 the maximum annual receipts certain agricultural businesses may have and still be treated as small businesses for certain purposes; to the Committee on Small Business.

By Mr. WIRTH (for himself, Mr. BRYANT, Mr. LELAND, Mrs. COLLINS, Mr. MINETA, Mr. FLORIO, Mr. WALGREN, Mr. WAXMAN, Mrs. LLOYD, Mr. STOKES, Mr. SYNAR, Mr. KILDEE, Mr. EDWARDS of California, Mr. ECKART of Ohio, and Mr. WEAVER):

H.R. 1287. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GRAY of Illinois:

H.J. Res. 168. Joint resolution designating May 5, 1985, as "Armed Forces Chaplains' Day"; to the Committee on Post Office and Civil Service.

By Mr. GUARINI (for himself and Mr. BONIOR of Michigan):

H.J. Res. 169. Joint resolution designating the month of May 1985 as "Better Hearing and Speech Month"; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN:

H.J. Res. 170. Joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI:

H. Con. Res. 67. Concurrent resolution expressing the sense of the Congress that a uniform State act should be developed and adopted which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents, and for other purposes; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. MARLENEE:

H. Con. Res. 68. Concurrent resolution expressing the sense of the Congress that Amtrak service is essential to U.S. transportation and should continue to receive Federal assistance; to the Committee on Energy and Commerce.

By Mr. MONTGOMERY (for himself, Mr. HAMMERSCHMIDT, Mr. EDWARDS of California, Mr. WYLIE, Mr. EDGAR, Mr. HILLIS, Mr. SAM B. HALL, JR., Mr. SOLOMON, Mr. APPLEGATE, Mr. MCEWEN, Mr. SHELBY, Mr. SMITH of New Jersey, Mr. MICA, Mr. BURTON of Indiana, Mr. DASCHLE, Mr. SUNDQUIST, Mr. DOWDY of Mississippi, Mr. BILIRAKIS, Mr. EVANS of Illinois, Mrs. JOHNSON, Ms. KAPTUR, Mr. MOLINARI, Mr. MOLLOHAN, Mr. RIDGE, Mr. PENNY, Mr. HENDON, Mr. STAGGERS, Mr. ROWLAND of Connecticut, Mr. ROWLAND of Georgia, Mr. BRYANT, Mr. FLORIO, Mr. GRAY of Illinois, Mr. KANJORSKI, Mr. ROBINSON, Mr. LEATH of Texas, Mrs. SCHROEDER, Mr. STRATTON, Mr. HEFNER, Mr. MACKAY, Mr. RICHARDSON, and Mr. BONER of Tennessee):

H. Con. Res. 69. Concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation; to the Committee on Ways and Means.

By Mr. ROTH:

H. Con. Res. 70. Concurrent resolution calling for international agreement on tariff and tax preferences to encourage exports by small businesses; to the Committee on Ways and Means.

By Mr. ALEXANDER:

H. Res. 78. Resolution concerning permission to take official pictures of the House; to the Committee on Rules.

By Mr. DINGELL:

H. Res. 80. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Energy and Commerce in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. FORD of Michigan:

H. Res. 81. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Post Office and Civil Service in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. MRAZEK (for himself, Mrs. BURTON of California, Mr. LANTOS, Mr. GREEN, and Mr. PURSELL):

H. Res. 82. Resolution expressing the sense of the House of Representatives with respect to ratification of the Convention on the Prevention and Punishment of the Crime of Genocide; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

17. The SPEAKER presented a memorial of the Legislature of the State of South Carolina, relative to the Southeast Interstate Low-level Radioactive Waste Management Compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CALLAHAN:
H.R. 1288. A bill for the relief of Bassam S. Belmany; to the Committee on the Judiciary.

By Mr. FAZIO:
H.R. 1289. A bill for the relief of Divinia Manatad and Jeuerita Manatad; to the Committee on the Judiciary.

By Mr. NATCHER:
H.R. 1290. A bill for the relief of Elvis J. Stahr, Jr.; to the Committee on the Judiciary.

By Mr. PRICE:
H.R. 1291. A bill for the relief of Ray A. Bonney; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 37: Mr. BROWN of California, Mr. DELLUMS, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. LEVIN of Michigan, Mr. MAZZOLI, Mr. SPRATT, Mr. STUDDS, Mr. WAXMAN, and Mr. WOLPE.

H.R. 47: Mr. CHAPPELL, Mr. DORNAN of California, and Mr. LEHMAN of California.

H.R. 56: Mr. VANDER JAGT, Mr. SCHULZE, Mr. FOWLER, Mr. NELSON of Florida, Mr. SHUSTER, Mr. QUILLEN, Mr. HEFNER, Mr. FLIPPO, Mr. HARTNETT, and Mr. CAMPBELL.

H.R. 85: Mr. GREGG.

H.R. 100: Mr. MCCURDY, Ms. OAKAR, Mr. BORSKI, Mr. MCEWEN, and Mrs. LLOYD.

H.R. 156: Mr. MOAKLEY, Mr. WALGREN, Mr. OBERSTAR, Mr. UDALL, Mr. EDWARDS of California, Mr. APPLEGATE, Mr. LUNDINE, Mr. DELLUMS, Mr. TOWNS, and Mr. MRAZEK.

H.R. 229: Mr. VENTO, Mr. MITCHELL, Mr. ST GERMAIN, Mr. MATSUI, Mr. BEILENSON, Mr. BATES, and Mr. NOWAK.

H.R. 250: Mr. SISISKY, Mr. EMERSON, Mr. SEIBERLING, and Mr. GRAY of Illinois.

H.R. 290: Mr. STOKES, Mr. MITCHELL, Mr. HAWKINS, Mr. HAYES, Mr. WALGREN, Mr. OWENS, Mr. WEISS, Mr. WAXMAN, Mr. DELLUMS, Mr. ACKERMAN, Mr. DURBIN, and Mr. WISE.

H.R. 436: Mr. HARTNETT and Mr. CHAPPIE.

H.R. 445: Mr. BEDELL, Mr. DOWNEY of New York, Mr. FORD of Tennessee, Mr. BROWN of California, and Mr. STUDDS.

H.R. 509: Mr. ROBINSON and Mr. DURBIN.

H.R. 528: Mr. RODINO, Mr. BROOKS, Mr. SHUMWAY, Mr. COOPER, Mr. ADDABBO, Mr. FISH, Mr. MATSUI, Mr. FLIPPO, Mr. LOWERY of California, Mr. KRAMER, and Mr. DERRICK.

H.R. 555: Mr. FIELDS, Mr. SWINDALL, Mr. HYDE, Mr. HOPKINS, Mr. SMITH of New Jersey, Mr. BLAZ, Mr. MAZZOLI, Mr. NIELSON of Utah, Mr. MOORHEAD, Mr. TAUZIN, Mr. ARMEY, Mr. YOUNG of Missouri, and Mr. BLILEY.

H.R. 642: Mr. HAWKINS, Mr. OWENS, and Mr. MITCHELL.

H.R. 693: Mr. CHAPPIE and Mr. GLICKMAN.

H.R. 700: Mr. BLAZ, Mr. BOEHLERT, Mr. BRYANT, Mr. DASCHLE, Mr. DAVIS, Mr. EARLY, Mr. ECKART of Ohio, Mr. EVANS of Iowa, Mr. FAZIO, Mr. FROST, Mr. FORD of Michigan, Mr. FOGLIETTA, Mr. HAMILTON, Mr. HEFTEL of Hawaii, Mr. KLECZKA, Mr. LEVINE of California, Mr. LUNDINE, Mr. MATSUI, Mr. MILLER of Washington, Mr. OBERSTAR, Mr. RANGEL, Mr. REGULA, Mr. SOLARZ, Mr. WHITEHURST, Mr. WIRTH, Mr. WISE, Mr. WORTLEY, Mr. WYLIE, Mr. YATES, Mr. ATKINS, Mr. ZSCHAU, Mr. BONER of Tennessee, and Mr. ANDERSON.

H.R. 704: Mr. WORTLEY.

H.R. 709: Mr. SHELBY.

H.R. 748: Mr. SCHULZE, Mr. GROTBERG, Mr. HYDE, Mr. APPLEGATE, Mr. MILLER of Washington, Mr. HARTNETT, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. WISE, Mr. STRANG, Mr. DIOGUARDI, Mr. SPRATT, Mr. MONTGOMERY, Mr. KOLBE, Mr. HOPKINS, and Mr. FAZIO.

H.R. 880: Mrs. SCHROEDER, Mr. WEBER, Mr. CONTE, Mr. HYDE, Mr. WORTLEY, and Mr. MITCHELL.

H.R. 890: Mr. ADDABBO, Ms. OAKAR, Mr. GAYDOS, Mr. WEAVER, Mr. BOEHLERT, Mrs. BOXER, Mr. FRANK, Mr. SEIBERLING, Mr. TOWNS, Mr. RANGEL, Mr. VENTO, Mr. RIDGE, Mr. BONIOR of Michigan, Mr. MURPHY, Mr. WILSON, Mr. MINETA, Mr. MITCHELL, Mr. WALGREN, Mr. KILDEE, Mr. MCDADE, and Mr. NOWAK.

H.R. 925: Mr. ACKERMAN, Mr. BONIOR of Michigan, Mr. CLAY, Mrs. COLLINS, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. FAUNTROY, Mr. FAZIO, Mr. FRANK, Mr. HAYES, Ms. KAPTUR, Mr. MARTINEZ, Mr. MATSUI, Mr. MINETA, Mr. MITCHELL, Mr. OBERSTAR, Mr. PEASE, Mr. RANGEL, Mr. SAVAGE, Mr. SEIBERLING, Mr. TORRES, Mr. TOWNS, Mr. WIRTH, Mr. WISE, and Mr. CROCKETT.

H.R. 926: Mr. ACKERMAN, Mr. BONIOR of Michigan, Mr. CLAY, Mrs. COLLINS, Mr. CROCKETT, Mr. COYNE, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. FAUNTROY, Mr. FRANK, Mr. FORD of Michigan, Mr. HAYES, Ms. KAPTUR, Mr. LELAND, Mr. LEVINE of California, Mr. MARTINEZ, Mr. MINETA, Mr. MITCHELL, Mr. OBERSTAR, Mr. OWENS, Mr. PEASE, Mr. RANGEL, Mr. SAVAGE, Mr. TORRES, Mr. TOWNS, Mr. WILLIAMS, Mr. WIRTH, and Mr. WISE.

H.R. 945: Mr. MOORE, Mr. WATKINS, Mr. THOMAS of California, Mr. TALLON, Mr. ROGERS, Mr. PARRIS, Mr. DREIER of California, Mr. IRELAND, Mr. SHELBY, Mr. MCEWEN, Mr. BADHAM, Mr. KASICH, Mr. MONTGOMERY, Mr. DAVIS, Mr. COATS, Mr. PASHAYAN, Mr. WALKER, Mr. CHENEY, Mr. HUNTER, and Mr. BEVILL.

H.R. 968: Mr. BERMAN, Mr. MANTON, Mr. HAYES, Mr. STARK, Mr. MITCHELL, Mr. VENTO, and Mr. SOLARZ.

H.R. 1072: Mr. SEIBERLING, Mr. MINETA, Mr. WALGREN, Mr. HUGHES, Mr. EDWARDS of California, Mr. VENTO, and Mr. WEAVER.

H.R. 1082: Mr. IRELAND.

H.R. 1089: Mr. LELAND, Mr. ROE, Mrs. COLLINS, Mr. TRAXLER, Mr. MITCHELL, Mr. OWENS, and Mr. DELLUMS.

H.R. 1090: Mr. HAYES, Mr. STUDDS, Mr. FRANK, Mr. WEAVER, Mr. ROSE, Mr. ATKINS, Mr. MOODY, Mr. VENTO, Mr. HOYER, Mr. MATSUI, Mr. FAZIO, Mr. SABO, Mr. BARNES, Mr. MITCHELL, Mr. WISE, Mr. GARCIA, Mr. RANGEL, Mr. KILDEE, Mr. RAHALL, and Mr. NEAL.

H.R. 1097: Mr. LEVINE of California, Mr. SCHUMER, and Mr. LEVIN of Michigan.

H.R. 1132: Mr. WISE.

H.R. 1142: Mr. LIPINSKI.

H.R. 1161: Mr. ACKERMAN, Mr. BARNARD, Mr. BATES, Mr. COELHO, Mr. EDWARDS of California, Mr. GARCIA, Mr. HYDE, Mr. MARTINEZ, Mr. MATSUI, Mr. MRAZEK, Mr. SMITH of Florida, Mrs. SCHNEIDER, Mr. STOKES, Mr. VENTO, Mr. FAUNTROY, and Mrs. BOXER.

H.R. 1207: Mr. RINALDO, Mr. MACKAY, Mrs. COLLINS, Mr. FRANK, Mr. OWENS, Mr. BARNES, Mr. HOWARD, Mrs. MARTIN of Illinois, Mr. AUCOIN, Mr. GILMAN, Mr. LELAND, and Mr. FAUNTROY.

H.J. Res. 25: Mr. ADDABBO, Mr. BARNES, Mr. BERMAN, Mr. BIAGGI, Mr. BONER of Tennessee, Mr. BORSKI, Mrs. BOXER, Mr. CHANDLER, Mrs. COLLINS, Mr. CONYERS, Mr. COOPER, Mr. COYNE, Mr. CROCKETT, Mr. DANIEL, Mr. DARDEN, Mr. DAUB, Mr. DIXON, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. FEIGHAN, Mr. FOLEY, Mr. HUGHES, Mr. IRELAND, Mr. KASICH, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. MANTON, Mr. MARTINEZ, Mr. MOAKLEY, Mr. MOODY, Ms. OAKAR, Mr. OWENS, Mr. REGULA, Mr. ROE, Mr. SAVAGE, Mr. SMITH of Florida, Mr. SOLARZ, Mr. WEISS, Mr. WILSON, Mr. WOLPE, and Mr. YOUNG of Alaska.

H.J. Res. 41: Mr. JACOBS, Mr. WORTLEY, Mr. LUNDINE, Mr. WAXMAN, Mr. MINETA, Mr. HEFTEL of Hawaii, Mr. MACK, Ms. KAPTUR, Mr. HUTTO, Mr. DEWINE, and Mr. HOWARD.

H.J. Res. 50: Mr. FUQUA, Mr. ROWLAND of Georgia, Mr. SHUMWAY, Mr. MCCOLLUM, Mr. KOLBE, Mr. ECKERT of New York, Mr. SIKORSKI, and Mr. GARCIA.

H.J. Res. 91: Mr. FIELDS, Mr. NIELSON of Utah, Mr. MOORHEAD, Mr. TAUZIN, Mr. ARMEY, and Mr. YOUNG of Missouri.

H.J. Res. 126: Mr. LEWIS of Florida.

H.J. Res. 142: Mr. BROOKS, Mr. TALLON, Mrs. BOXER, Mr. WHEAT, Mrs. KENNELLY, Mr. THOMAS of Georgia, Mr. LANTOS, Mr. FRENZEL, Mr. ENGLISH, Mr. WEAVER, Mrs. LLOYD, Mr. MRAZEK, Mr. HOYER, Mr. WIRTH, Mr. STOKES, Mr. FAZIO, Mr. LEHMAN of Florida, Mr. SCHEUER, Mr. LEVIN of Michigan, Mr. BONIOR of Michigan, Mr. MINETA, Mr. SPRATT, Mr. SABO, Mr. MITCHELL, Mr. REID, Mr. WILSON, Mr. EVANS of Illinois, Mr. KILDEE, and Mr. NEAL.

H. Con. Res. 7: Mr. LEVINE of California, Mr. RINALDO, and Mr. BRYANT.

H. Con. Res. 32: Mr. CHANDLER.

H. Con. Res. 34: Mr. ADDABBO, Mr. ALEXANDER, Mr. ASPIN, Mr. BIAGGI, Mr. BREAUX, Mr. COELHO, Mr. HAMMERSCHMIDT, Mr. KEMP, Mr. LENT, Mrs. LLOYD, Mr. MCHUGH, Mr. MACK, Mr. MACKAY, Mr. NOWAK, Mr. OWENS, Mr. RANGEL, Mr. ROE, Mr. ROGERS, Mrs. ROUKEMA, Mr. SAXTON, Mr. SCHEUER, Mr. SHAW, Mr. SMITH of Iowa, Mr. STRATTON, Mr. TAUKE, Mr. THOMAS of Georgia, and Mr. TOWNS.

H. Con. Res. 45: Mr. TOWNS, Mr. CARNEY, Mr. RANGEL, Mr. WALGREN, Mr. MANTON, Mr. BRYANT, Mr. MRAZEK, Mr. NOWAK, Mr. FAUNTROY, Mr. FISH, Mr. RAHALL, Mr. GALLO, Mr. LENT, and Mr. TRAFICANT.

H. Con. Res. 48: Mrs. LLOYD, Mr. MARTIN of New York, Mr. GILMAN, Mr. SKELTON, Mr. HENRY, Mr. HUTTO, Mr. DE LUGO, Mr. JONES of North Carolina, Mr. NIELSON of Utah, Mr. TALLON, Mr. ROE, Mr. GUARINI, Mr. FRANK, Mr. STUDDS, Mr. BEDELL, Mr. VENTO, Mr. BOEHLERT, Mr. FISH, Mr. BILIRAKIS, Mr. LEVINE of California, Mr. FUQUA, Mr. DASCHLE, Mr. RICHARDSON, Mrs. BOXER, and Mr. KILDEE.

H. Con. Res. 60: Mrs. BOXER, Mr. FEIGHAN, Mr. FORD of Michigan, Mr. FRANK, Mr. KILDEE, Mr. MITCHELL, Mr. NOWAK, Mr. PEASE, Mr. SEIBERLING, Mr. STOKES, and Mr. WEAVER.

H. Res. 20: Mr. DUNCAN, Mr. CHAPPIE, Mr. TAUZIN, Mr. COLEMAN of Texas, Mr. SHELBY, Mr. WILSON, Mr. SILJANDER, Mr. SIKORSKI, Mr. HUNTER, Mr. SISISKY, Mr. STALLINGS, Mr. ANDERSON, Mr. UDALL, Mr. NOWAK, and Mr. GEPHARDT.

H. Res. 22: Mr. MITCHELL, Ms. MIKULSKI, Mr. MRAZEK, Mrs. LLOYD, and Mr. WILSON.

H. Res. 25: Mr. STALLINGS.

PETITIONS, ETC.

Under clause 1 of rule XXII.

41. The SPEAKER presented a petition of the city of Fairview Park, OH, relative to honoring Cui Zyixi (Charlie Two Shoes) with resident alien status; which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1035

By Mr. BEREUTER:

—(1) Amend section 349(a)(5) as found in section 2 of H.R. 1035 by:

(1) deleting the phrase "establishing the" and replacing it with the phrase "making a loan available to an existing borrower of the lender or a borrower from a failed, closed or liquidated financial institution at an";

(2) delete the phrase "for the loan at a level . . .";

(3) delete the phrase ". . . that will ensure that" and replacing it with the phrase "if: (a)"; and

(4) after the last word in subsection (5) insert the following: "(b) if the lenders agree to enter into agreements with borrowers to provide sufficient credit under this program for 5 years to borrowers who continue to operate farms and ranches.".

—(2) Amend section 349 as found in section 2 of H.R. 1035 by the following additional paragraphs:

"(7) shall review all loans guaranteed under this program on an annual basis;

"(8) may discontinue a loan guarantee with respect to any borrower who, the Secretary finds after consultation with the appropriate lender, would qualify for credit without such loan guarantee;

"(9) shall on a priority basis—

"(a) provide direct loans to borrowers (i) who meet the positive cash-flow requirements of this program, (ii) who are unable to obtain operating loans from approved lenders, and (iii) who had operating loans with lenders who have failed, closed, or been liquidated; or

"(b) guarantee loans to be obtained by such borrowers from sources of capital provided by States, political subdivisions thereof, or other persons for the purpose of assisting borrowers of failed, closed, or liquidated lenders.".

—(3) Amend section 4(a)(2) by deleting the phrase "a new paragraph (2)" and replacing it with the phrase "new paragraphs (2) and (3)" and inserting the following new paragraph and renumbering the existing subparagraph (2) as subparagraph (3):

"(2) In implementing the approved lender program established under section 339 of this Act on May 4, 1984, the Secretary shall ensure that each request of a lending institution for designation as an approved lender under the program be reviewed, and a decision made on the application, within fifteen days after the lending institution has submitted a completed application to the Farmers Home Administration. Any such request of a lending institution that maintains loan portfolios of which not less than 25 percent of all outstanding loans are agricultural loans or loans to agriculturally-related businesses shall be automatically approved.".

SENATE—*Tuesday, February 26, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable ALFONSE M. D'AMATO, a Senator from the State of New York.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of creation, Who spoke the world into existence, we thank You for the American farmer who, more than any other, is faithful to Your mandate: "Be fruitful and multiply and fill the earth and subdue it * * *." (Genesis 1:28). We thank You for his essential role in the economy of God; as the Bible declares, "* * * no plant of the field was yet in the earth and no herb of the field had yet sprung up * * * for there was no man to till the ground * * *." (Genesis 2:5). We thank You, Lord, for faithful tillers of the soil who are dedicated to the fundamental necessity of food production, often at great sacrifice.

We thank You for the farmer's dependence upon and submission to nature, their love of the soil, their hard work which is never finished, and their very special earthly wisdom. We are mindful that the American farmer creates 28 million jobs, is responsible for one-fifth of all personal spending, and produces 20 percent of all exports, without which our balance of trade deficits would suffer greatly.

We thank You, Father, for the amazing growth of their output per hour through the years—more than six times that of nonfarmer businesses—and for the amazing fact that 1 farmer produces food for 78 people.

We pray Your very special blessing upon the American farmers, and all who work with them. In the name of the Lord of Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 26, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ALFONSE M. D'AMATO, a Senator from the State of New York, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. D'AMATO thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

Mr. RUDMAN. I thank the Chair.

SCHEDULE

Mr. RUDMAN. Mr. President, both the majority and assistant majority leaders are attending important meetings this morning. I am pleased to help them by being privileged to open the Senate this morning. Let me state the agenda, which is generally known, for the day.

After the two leaders have their 10 minutes under the current standing order, there are special orders not to exceed 15 minutes each in favor of the Senator from Wisconsin [Mr. PROXMIRE] and the Senator from Delaware [Mr. BIDEN].

There will be routine morning business not to extend beyond 11 a.m. with statements limited to 5 minutes each.

Following morning business, the Senate will automatically resume consideration of S. 457, the sub-Saharan African relief bill, and pending is an amendment No. 10 offered by Senator ZORINSKY dealing with emergency farm credit assistance.

Then by unanimous consent the Senate will stand in recess, as is usual on Tuesdays, from 12 noon until 2 p.m. Rollcall votes can be expected during today's session on amendments and possible final passage of S. 457.

I will now reserve the remainder of the leader's time. I am pleased to yield to my friend, the distinguished Democratic leader.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. Proxmire] is recognized.

SHOULD THE UNITED STATES SEEK AN END TO THE NUCLEAR ARMS RACE OR TRY TO WIN IT?

Mr. PROXMIRE. Mr. President, in a nuclear arms race with the Soviet Union, the United States should win easily. After all, what does it take to win a nuclear arms race? First, it demands the scientific personnel who have the skill and knowledge to accomplish the necessary highly complex and exacting research. If we compare Nobel Prize winners, or the record of breakthroughs in the past in nuclear physics or in nuclear weapons, American scientists are way ahead. In fact, most of the Soviets' ability to compete at all has come from their ability to buy, borrow, or steal nuclear weapons discoveries that come from the United States or its NATO allies. In the technology—past, present, and future potential—this country is far out in front.

But technology is not everything. Nuclear weapons in superpower numbers and kill capacity require an economy that can annually afford the tens of billions of dollars required to provide thousands of scientists with the latest scientific equipment and elaborate research facilities. It also calls for far bigger and more expensive production capability. Massive nuclear weapons production takes costly material. It requires highly skilled production personnel. And then it demands billions more to construct the underground missile silos, the submarines, and the bombers. All of this is why there are only two nuclear superpowers. Oh, sure, a few other economically strong nations could theoretically afford to compete but the economic burden would be colossal. The size of the economy is as crucial in its way as the genius of the scientific establishment of the nation and in the sheer size of the economy. Again, the United States has a decisive advantage. Latest figures indicate that the Soviet economy is only about 55 percent of the size of the American economy. The total economic production of the NATO countries is more than three times the size of the Warsaw Pact nations.

In spite of these clearcut advantages for the United States, most experts generally believe that the two nuclear superpowers are now in rough balance. To be sure, Defense contractors and U.S. military leaders who thirst for an additional buildup complain that the Soviet Union is ahead. The Soviet Union does have more megatonnage, more missiles with greater accuracy. Does this not give the Soviet Union a nuclear weapons lead? No! No! Most of the Soviet Union's nuclear weapons are highly vulnerable. More than 70 percent of the Soviet arsenal is in stationary, land-based mode. That Soviet land-based nuclear arsenal is less reliable than the U.S. deterrent because the Soviet missiles are still liquid propelled.

On the other hand, the United States, with more nuclear warheads than the Soviet Union, has only 25 percent of its missiles land-based. About 50 percent are in relatively invulnerable submarines and another 25 percent in relatively invulnerable bombers. Those submarines and bombers are at sea and in the air at least three times as much as the Soviet Union's much smaller mobile deterrent. If there is a current advantage in nuclear capability, that advantage lies with the United States.

Why not press the advantage? Why not use our superior scientific and economic power to win the nuclear arms race clearly and decisively? Why rely on arms control agreements the Russians may violate? Is not one way the Russians could win the nuclear arms race by stopping American arms progress with a comprehensive arms control treaty, while the Soviets race ahead behind their Iron Curtain?

The answer to all this is that no one—no one—can win a nuclear arms race. Either superpower could double, triple, or quadruple its nuclear arms advantage, and it would still suffer total obliteration in a superpower nuclear war. Second, as the nuclear arms race crashes ahead, the arsenals on both sides become more and more lethal and powerful. As time passes, the prospect increases for a nuclear war triggered by an error such as a computer mistake, a false warning, or even a low-level conspiracy. Meanwhile, both countries will be pouring increasing scientific and economic resources into a sterile contest that has no purpose. If a victory simply means a bigger buildup of lethal nuclear power than the other side can muster, what good is it? Such a victory cannot bring greater assurance of peace.

Again and again, our country has been reminded by other nations which now lack nuclear arms that if the superpowers continue their intense research for continuously more lethal nuclear weapons and their production and deployment, they too will develop their own nuclear arsenal. The superpower arms race provides the research necessary to improve nuclear weapons so they can be cheaper and more available to scores of countries.

Both the United States and the Soviet Union have everything to gain from an agreement to stop the nuclear arms race.

We will live in a safer world. We will save billions in military spending. We can and should insist on the most stringent kind of verification of any such agreement. Since such verification would greatly serve the interests of both the United States and the Soviet Union, we should make its achievement our No. 1 national priority.

THE CHRONICLE OF THE LODZ GHETTO, 1941-44

Mr. PROXMIRE. Mr. President, Lucjan Dobroszycki edited a fascinating book called the "Chronicle of the Lodz Ghetto, 1941-44," which was recently published. It describes in great detail the day-to-day misery which passed for life in the Lodz Ghetto, in Poland.

The Lodz Ghetto was established in 1940 by the German occupiers of Poland in order to concentrate the population of Jews. By May 1940 there were 163,000 Jews imprisoned in this ghetto. A ghetto bureacracy was formed by the German occupiers and it contained departments for housing, social services, and taxation, just to name a few. There was even a department of archives where about a dozen people wrote the day-to-day history of the Lodz Ghetto. This document was known as the Chronicle. A copy of the document was eventually recovered by a prestigious historian, Lucjan Dobroszycki, who was also a survivor of the ghetto.

The Lodz Ghetto is described as hell upon Earth. The Chronicle describes the long-awaited arrival of food shipments to the half-starved people. Jews are crowded together into one room "apartments." The filth and discomfort are enormous in these "apartments" and conditions are worse in the summer when vermin feed on the packed sleepers. Some residents of the ghetto are murdered by sentries because they have wandered too close to the gates. Others commit suicide or attempt to but only succeed in mangling themselves.

The residents of the ghetto are systematically emptied into the "work camps" as part of Hitler's "final solution." The occupants of the ghetto are unsure of their fates. Suspicion lingers throughout the ghetto regarding the true identity of these "work camps." The remaining residents can only mourn, work, try not to think of the future, and attempt to hope. The Chronicle ends with the entry of July 30, 1944. By the end of the war, the once crowded ghetto is reduced to a mere 1,000 Jews who are found hiding in the empty buildings.

"The Lodz Ghetto Chronicle" is a valuable historical document, but it is also a chilling reminder of the atrocities of the Holocaust. It provides us with a fresh image of a horror many of us would like to forget. We cannot forget the suffering and tragic loss of 6 million innocent Jews in Europe because of Hitler's genocide. We, as a nation, must renew our commitment to their memory by making sure a tragedy like this is never repeated. The Senate must ratify the Genocide Convention and declare to the world, once and for all, that the United States will not permit a pernicious crime-like genocide to be committed. I urge the Senate to do so this session.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11 a.m. with statements therein limited to 5 minutes each.

SUPPORT FOR ZORINSKY AMENDMENT NO. 10

Mr. BAUCUS. Mr. President, I rise in support of the Zorinsky amendment to S. 457 of which I am an original cosponsor.

Most Americans take the miracle of American agriculture for granted. They assume it will exist regardless of weather, or of economic policy; that farmers will grow crops and food will be on shelves.

But today, the minor lacerations in the farm economy have become compound fractures. The reason: Continued high interest rates and low farm prices.

At a time when farmers and ranchers should be busy planning their farm operations for the year, unfortunately large numbers of them are scrambling to find credit to finance this year's crops.

Many farmers and ranchers are facing severe credit problems. Why? Because they do not have adequate income to make the payments on their existing debt.

Many of those who have spoken out about the severe problems in rural

America have labeled the financial condition of our farmers a farm credit crisis.

That is an understatement. With $216 billion of total debt, U.S. farmers are spending from 20 to 30 percent of their production costs on servicing their existing debt.

The agricultural assistance package that we must act on this week is the means to survival for a large percentage of our family farms.

In Montana, the Montana Department of Agriculture recently completed a survey of agricultural finance that existed on Montana farms in the fall of 1984.

This survey found that 18 percent of Montana farmers are delinquent on their real estate loan payments and an additional 31 percent are delinquent on their farm operating loans. This survey also found that only about 55 percent of the existing farmers and ranchers felt that they would be able to stay in business for another 5 years given their present level of indebtedness and their prospects—dim prospects—for improvement in farm income.

Since that survey was completed, the farm credit situation in Montana has taken a turn for the worse. Last December, nearly 1,300 Production Credit Association borrowers in three separate PCA's in Montana were presented with the sudden announcement of a liquidation.

These PCA borrowers are being forced to look to banks and the Farmers Home Administration to find funding to run their operation this year. The most optimistic estimates are that 30 percent of these PCA borrowers will not be able to obtain this needed financing.

Nearly 400 borrowers will be forced to turn to the Farmers Home Administration or will not be able to find funding quickly enough to continue farming.

Many of these farmers would be able to continue operating if their assets were not tied up in the liquidating PCA.

Let me describe the pressure that the closure of these three PCA's has on the financial markets within Montana. The Glendive PCA which covers seven counties—six in Montana and part of one in North Dakota—has $22.8 million of loans outstanding to 294 members.

The Western Montana PCA covers 11 counties and has $39 million of loans outstanding to 524 members, and the Milk River PCA which covers 4 counties has 27 million dollars' worth of loans outstanding to 340 members.

All of these PCA's have gone under, liquidated.

Now, granted, the State of Montana does not have as many people as the State of California and the State of New York.

But in a State that is as sparsely populated as Montana, I can tell you that these are very staggering numbers.

It is not difficult to see the enormous strain these losses place on financial markets with this number of borrowers, and this volume of loans looking for alternative financing.

To make matters worse, in Montana we had 32 counties that experienced natural disasters last year. Farmers and ranchers experienced losses and damages from grasshopper infestations, forest and range fires, flooding, hail and the most serious of all—drought.

In eastern Montana, last year's drought was the third, and in some cases the fourth, straight year of drought conditions that have plagued farmers.

Because of the large number of farmers and ranchers affected—severely affected—by these natural disasters, the Farmers Home Administration and the Small Business Administration have been backlogged on processing disaster loan applications.

I have been told by the Farmers Home Administration that the applications for drought assistance will probably not be completed until April or May of this year. Keep in mind that this disaster assistance is for losses sustained last summer, last year, on top of the debt financing problems our farmers and ranchers face.

While Montana farmers and ranchers have experienced bad news at every turn, the prospects across the country in other communities are no better. In fact, in many cases they are worse.

Nationwide, farm bankruptcies have increased 200 percent in the last 5 years. In the last 10 years, 1 to 2 percent of U.S. farmers have gone out of business every year.

But this year, if you think that was bad, the estimates are that as many as 10 to 15 percent of farmers will be forced to leave the farm and leave the land that they and their families have lived on and cared for for three and four, and maybe even five, generations.

But the economic crisis in rural America is not only affecting farmers and ranchers. Small businesses of every sort are also experiencing financial stress.

The severity of the problem becomes clearer when you consider the number of bank failures and the growing strain on agricultural banks across the country.

There are over 4,100 U.S. banks which have at least 25 percent of their total loan portfolio committed to farm and ranch loans. About 3,800 of these agricultural banks—92 percent—are located in 17 States.

In Montana, we have 75 agricultural banks. Nearly 1,700 of these agricultural banks make over 50 percent of their loans to farmers and ranchers.

I am told that hundreds of banks heavily committed to agriculture in the Farm Belt have very little remaining capacity to absorb losses from bad farm loans without impairing their minimum capital requirements.

The escalating rate of farm bank failures during the last 6 months bears out that fact. There were 79 bank failures in 1984, 40 of which occurred since June 15, 1984; 4 of the 39 which failed prior to June 15 were agricultural banks; 22 of the 40 since June 15 were agricultural banks.

So the credit problems that we are all talking about today are threatening the very fabric of rural America.

No one in rural America will be spared the effects of massive farm failures, bank failures, and business closures in rural America.

So the need for action is evident. We must act immediately to assure the survival of large numbers of our farmers and ranchers and rural businesses.

This amendment that we bring to the Senate floor today is not a panacea; it will not solve all the problems facing our farmers.

But the amendment does provide timely assistance through a workable program—a program workable for both farm lenders and farmers and for people in most parts of the country. It is supported by the Independent Bankers Association.

Mr. President, last week, we focused national attention on the plight of those who produce the modern food miracle in the United States.

Last week, people asked why we should help the U.S. farmer. Today, fewer people ask that question. They know.

This Congress has in the past provided relief for all kinds of organizations and associations—for example, the Chrysler Corp.—and has seen that relief bear fruit.

It has provided assistance to New York City—and has seen that city take its place as a self-sufficient municipality again.

It has provided assistance to Continental Illinois—and protected the Nation from the damage its failure would have caused.

This week, we in Congress must say we recognize the importance of our food supply. We believe an investment in our farmers is an investment in the future.

Mr. President, I am also a strong supporter of the underlying bill. We in the richest Nation in the world have an obligation to help mitigate the tragedy of the famine in Africa. I am pleased to see us take part in that action.

Mr. President, I strongly urge all of us to think deeply and act upon our convictions, do what we know we

should do—provide necessary relief for rural America, because at no time since the thirties has that part of our country been in such tough shape as it is today.

Mr. PRYOR. Mr. President, would the distinguished Senator from Montana yield for a question?

Mr. BAUCUS. I would be delighted to yield to the distinguished Senator from Arkansas.

Mr. PRYOR. Mr. President, I would like to ask the distinguished Senator from Montana—who, I think, has eloquently addressed the real issues we're facing in regard to agricultural credit—if, on Saturday morning, he happened to be in the Senate Chamber at the time the very distinguished Senator from Maryland [Mr. SARBANES] spoke on the issues involved in the African relief legislation. Did the Senator from Montana hear Senator SARBANES' address?

Mr. BAUCUS. Mr. President, in response, to the distinguished Senator from Arkansas, I say with deep regret that I was not on the floor. I would be happy if the Senator from Arkansas would tell me a little about what the Senator from Maryland had to say.

Mr. PRYOR. The Senator from Maryland [Mr. SARBANES] made a very succinct point. His point was that a very large portion of the African relief bill is for food, for grain, to feed the hungry and the starving in Africa. Senator SARBANES indicated during his address to the Senate the irony that exists as we consider this measure. The irony is that in all likelihood there would be no African relief bill were it not for the farmers of this country who have produced, grown, and harvested the grain that we are now getting ready to make available to thousands and thousands of starving Africans. I thought the point of the Senator from Maryland was well-taken, and clearly enunciated, pointing out the irony that we are facing at this moment in the Senate.

I am sorry that the Senator from Montana did not hear that eloquent message by the Senator from Maryland [Mr. SARBANES], but the Senator from Montana has also pointed out something this morning that I think is equally disturbing about this process that we have gone through last week and what we are about to do this week.

This credit initiative will not be a success unless farmers have the 100-percent support of the Farmers Home Administration in processing the thousands and thousands of loans that are backlogged all across the country. If this is not done, then all we are doing, to a large extent, is for naught. Just recently, the administration, on February 19, announced 822 additional temporary employees to go out into the country and help process these loans. That is commendable. However, this Senator would like to state that the State of Arkansas, which has the fourth or fifth largest caseload and backlog of loans, received not one additional employee for the next 4 months to help in the processing of this huge backlog.

I do not want to start a war between the States, Mr. President, by listing which States received some of the 822 extra help slots and which States did not. But, I do feel it is incumbent upon us to address the question of those States who received no temporary employees to help process these loans. We must then correct the problem so that loans and loan guarantees that are pending will be acted upon.

I thought the Senator from Montana was very wise in pointing out the necessity of the Farmers Home Administration and the lending institutions in the land helping solve those credit problems. I think, frankly, that they should be working overtime, including weekends, if necessary. I believe that they are ready, willing, and able to do so if they get the orders from on high. Part of the crisis, Mr. President, is that we cannot even process existing applications. I am just so hopeful that we will see a more positive attitude from the U.S. Department of Agriculture and the Farmers Home Administration on the Washington level to move very fast and very efficiently to solve this problem.

(Mr. DENTON assumed the chair.)

Mr. BAUCUS. Mr. President, I commend the Senator from Arkansas for the points he is making. First, a very relevant point is also a very poignant point—namely, here we are considering legislation this week that provides food assistance to Africa, to relieve the famine that exists in Africa. The very food that is going to provide that relief is produced in America.

More important, Mr. President, if we do not provide relief to American farmers today, American food production is going to decline. Not only will the life of rural America decline; not only will banks go bankrupt, not only will farmers go bankrupt in rural America, not only will small businesses suffer from the strain, but food production in America will decline. I cannot say how much it will be, but it will certainly be a significant decline. As a consequence, Mr. President, we may not quite have the volume of food that we otherwise might have to provide the necessary assistance to Ethiopia and to other countries that very dramatically need our food assistance.

I do not for the life of me, Mr. President, understand why the administration does not either recognize that point or act on it and realize that to continue to provide humanitarian relief to parts of the world we have to at least maintain the level of production that we have enjoyed for so many years in the United States of America.

I might also add that is is our export sales, not the gifts of food to some countries but export sales to other countries, which help in some way to reduce the growing trade deficit our country is experiencing. Our trade deficit right now is about $130 billion with our trading partners. That is, we import about $130 billion more worth of goods than we export.

Mr. President, I can tell you very clearly that if we did not have agriculture production in America as high as it is, we would have a trade deficit in excess of $130 billion; it would be much higher. Agricultural exports have fallen below the near $45 billion we exported a few years ago—but I can tell you that they are very, very significant. In fact, it is the only sector of our economy which is very significantly in a surplus condition, That is, we export much, much more in foodstuffs than we import.

We should be proud of that. We should encourage that. I can tell you, Mr. President, that that is not true with a lot of industrialized countries. The country of Japan, for example, imports 50 percent of the food it consumes. It seems to me that the least we can do is build upon our strengths, and one of our strengths is agriculture production. We should not weaken it. We should not pull the rug out from under farmers and ranchers in our country.

Granted, the legislation we are discussing today is short term; it is not long term. And granted, we need a long-term solution. We have to more precisely ask ourselves and our country what is the longer term solution to the agriculture problem in America? How do we minimize the ups and downs, the peaks and valleys?

Mr. PRYOR. I say to the distinguished Senator from Montana, I think that is the issue with which we are grappling.

Mr. President, I have a final thought. I think we take our producers for granted in this country to the extent that very seldom, very seldom, do we stop and think that the farmer has been a prisoner, for the last 30 years, of a cheap food policy. The policy has essentially been that the farmer produce cheap food. That is why I call the farmer a prisoner within our economic system.

Mr. President, the Senator from Montana has the floor and I yield back to him.

Mr. BAUCUS. Mr. President, I yield the floor.

Mr. LEVIN addressed the Chair.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan sought recognition first.

Mr. LEVIN. Mr. President, Senator PRYOR and I have been working on a

couple of amendments relative to the Farmers Home Administration [FmHA]. I believe he was just speaking on the floor. I did not have a chance to hear his remarks, but I believe he may have at least described some of the language which we have incorporated into the pending amendment relative to the FmHA. This language is very straightforward. It directs the Farmers Home Administration to assign personnel to work nights and weekends to process loan applications where necessary to meet the deadlines set by Congress and the FmHA.

Mr. President, listen to some of this data. These figures are startling, and they describe the kind of emergency we have in agriculture. According to the latest data that I was able to obtain from the Farmers Home Administration, there are approximately 145,000 loan applications in the United States which need further action. Now, that is the information as of January 31—145,000 pending loan applications. This compares to a backlog of 117,000, just a few months ago, on November 30, 1984. So the backlog has been growing by leaps and bounds. There is an emergency going on, and we are going to have to take swift action on these pending loans in order to get the money out to farmers now.

According to an informal survey which we just took of Farmers Home county offices in 12 county offices in Michigan and one county in each of 18 other States, only a third of the offices said they planned to work overtime to process their backlogs this week, and only 12 offices had people working this past Saturday processing loans. And in many of these offices that worked—and again, only one-third of them were working last weekend—indeed, most of them only had one or two employees working, although their work force was larger than that processing loans.

Mr. President, let me give you some specific examples. In Nebraska, the county office we called has a big backlog of 59 pending applications. Nobody was working last Saturday. They are not planning on working to process loans this week in the evening or the weekend. In Oklahoma, the county office that we called, there is a backlog of 21. Nobody was working last Saturday and they are not planning on working any evenings this week. In South Dakota, the county office that we called, 27 is their backlog. Nobody was working last Saturday and they are not planning on working anybody overtime this week either, and so on. As a matter of fact, in the 18 county offices in States outside of Michigan that we called, only two of the 18 are planning on working people overtime this week to process loans.

Now, you do not respond to the kind of emergency that we have when you are not working people overtime and on weekends, and that is why, along with Senator PRYOR, I have offered language, which is now incorporated into the Zorinsky and Andrews amendment, which requires the FmHA—and I am now going to read this language—

To assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration.

Senator PRYOR's language also makes sure that additional part-time people who may be hired to process the backlogs are fairly distributed among the States which have them.

I commend Senator PRYOR and thank him for his tremendous efforts relative to this bill and this language in particular. Mr. President, I hope we adopt the Zorinsky amendment. It is important in and of itself. We have to get credit out to the farmers in an urgent way. We also have to make sure that the FmHA understands there is an emergency. We want FmHA personnel processing these loans, working evenings, and we want them working weekends.

It is that simple. The emergency is that grave, and this language, which is part of the Zornisky amendment, will accomplish that goal.

Mr. President, I yield the floor.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator may proceed.

THE FARM CRISIS

Mr. GRASSLEY. Mr. President, even though I have been much involved in the farm credit crisis situation and the farm situation a great deal the last month or so, I have not occupied much time in this Chamber in regard to that issue, and I wish to speak on this issue now in morning business because what I have to say generally goes beyond the parameters of debate that would be held on the Zorinsky amendment and the Exon amendment, of which I happen to be a cosponsor.

I wish to express my philosophy and some positions that have been guiding me and will continue to guide me throughout not only the discussion of the farm credit crisis and our legislative response to it, but also our response outside of the legislative Chambers through trying to jawbone the USDA and the President into making some administrative changes, and also throughout the 1985 farm bill and our Budget Committee and Chamber consideration of the fiscal year 1986 budget resolution.

Let me say, parenthetically, that probably a great deal of the 1985 farm bill at least from the standpoint of the amount of money that will be spent will be decided in the next month or two by the Budget Committee and by the Senate as we put a lid on the amount of money in the agricultural account.

I hope that that amount is at least the fiscal year 1985 spending limit.

We all know that the President is proposing that that figure be reduced for 1986 by $6 billion or $7 billion, which is going to yank the rug right out from under agriculture, and is going to eliminate the safety net for farmers.

One of the general principles that should guide us is this principle of the safety net. I think it is unfair for us to consider eliminating the safety net in agriculture when at the same time we are going to preserve, and we ought to preserve, the safety net for the unemployed, the ill-housed, and the undernourished.

If there is any segment of the economy that is subject to the acts of nature it is agriculture, and we should be prepared to be fully supportive of those unexpected contingencies that come through nature.

Safety nets must be maintained. This Congress will maintain them, I am sure. We will reject the administration's efforts to reduce target prices, and I hope when we meet in the Budget Committee next week for markup one of those basic decisions we make is we will not agree with the administration to take from the farms and give to arms; in other words, we will not reduce the subsidy for agriculture while increasing the subsidy for the defense industry.

That brings me to my second point, that of being unfair and inequitable. We talk about reducing farm programs, we talk about free enterprise and free market decisions within agriculture, and most Republicans and Democrats would believe this would be the ideal we should be seeking. We have had a free market agriculture at times and hopefully we are going to have it again. But we are not going to have it at a period of time in our history when agriculture is in the greatest crisis it has been in since the 1930's.

It is a principle of whether or not we should foist upon agriculture this concept of free enterprise by the same administration spokesmen who are not willing to apply that same principle of free enterprise to the highly subsidized defense industry.

Mr. President, all you have to do is look at production within defense industry corporations. Some of them have private sector as well as just defense industry production. You see greater feather-bedding on the defense side of that production, you see greater scrap and waste, you see their own standard hour measurements not

being met, you see an enormous percentage allotted to overhead, and you find higher labor costs in the defense industry than you do in comparable production in the private sector. As long as we continue to maintain that subsidy we are never going to force the same efficiencies within the defense industry that private sector industry has been forced to seek and hopefully has successfully accomplished because of competition.

Take, for instance, farm equipment manufacturing. The McDonnell Douglases, the Lockheeds, and the General Dynamics, I will bet, have not been forced to undergo the same efficiencies that John Deere has, sending their engineers throughout the plants to save a penny here or a penny there. The source of agriculture income has dried up: Production at John Deere is 40 percent what it was in 1980. Their employment was 66,000 in the Midwest and today it is just a little over 30,000. That is directly related to the depression we have in agriculture.

But when John Deere comes back they will be much more efficient as a result of the efficiencies that they have been forced to undergo because of the economy. Meanwhile, the subsidy of the defense industry through the budgets of 1981, 1982, 1983, and 1984 has not forced the same efficiencies, and so we have this high rate of waste of labor and material, and a higher allocation to overhead that is unjustified. We have a budget that is going to take from agriculture and a lot of other domestic accounts and continue an overwhelming subsidy to the defense industry to a point where, in fact, our defense is weakening as a result.

We are spending more now on defense than ever before, and we are getting less for it. You have seen the same charts I have seen whenever the Secretary of Defense comes before the various committees and says, "We need much more money because we have fewer quantities of airplanes or tanks compared to what the U.S.S.R. has." I think we have to be concerned about those things, but we are going backwards. You put beside those failing quantities a chart of how much we have increased appropriations for defense and you see that we are not getting what we are paying for. We have to make some basic changes.

I am not saying if we spend less in defense we are going to get more for our money. I am saying unless we make some basic changes in the way the defense industry does business, and the way our Department of Defense negotiates contracts with the defense industry, we are not going to bring about these changes. And this budget that takes $6 billion or $7 billion out of agriculture and puts it over here in defense is detracting from what should be a united effort here in this body and in Washington generally to make some basic changes.

So I say to David Stockman or anyone else within this administrative branch of Government who says we should reduce agriculture appropriations, that yes we should have greater free enterprise within agriculture, I am willing to listen to those points. I am willing to give them serious thought. But if at the same time we are not willing to apply those same principles to the most massive consumer of tax dollars, the Department of Defense, what have we accomplished through our basic ideological faith in the free-enterprise system?

Those principles should be applied across the board. If they were applied across the board, including defense, as they want to apply them to agriculture, we would be getting more for our money, we would be subsidizing the defense industry less, we would be saving the taxpayers' dollars, we would be getting the budget deficit down, and we would not be unfair to agriculture and we would not be unfair to many other domestic programs as well.

I think we have to approach this agricultural issue as we are doing now in the debate that took place yesterday and will take place today, trying to solve some of these short-term problems in farm credit, trying to save as many farmers as we can. Each day I think we save a few more. I do not know whether we are going to save enough, compared to those going out of business every day. But whatever we save, we are giving one more family an opportunity that they would not have otherwise.

The next battleground has to deal with this overall budget—whether or not we are going to make significant changes in our overall level of expenditure, whether or not we are going to do that in a fair and equitable manner that treats all aspects of the budget the same, without any adherence to the principle of sacred cows.

We know that the President has had his sacred cow of defense expenditures. We know that the Speaker of the House of Representatives has had his sacred cow of entitlements. Add those two massive parts of the Federal budget together, and you basically have, and have had for the last 3 years, 65 percent or 70 percent of the budget that has been off bounds for basic reform. What has been saved to date has been saved out of the 15 percent to 20 percent of the budget that has been nonentitlement, non-defense appropriated accounts; and that is where the President is going back to save another $50 billion because he wants to increase defense appropriations by 10 percent. We simply cannot go back there any more unless we are going to eliminate a lot of programs, which is what the President suggests.

I think that if we do not adhere any more to the principle of the sacred cow, we will be able to go to defense, we will be able to go to entitlements, and we will be able to make significant changes, and we will be able to accomplish something. But if the President, or even some of our legislative leadership, who propose that we reduce the overall level of expenditures by $40 billion or $50 billion, call for a reprioritizing of the entire budget, we will never get anything done before the usual time, which is September and October. And that will not be soon enough to make the dramatic impact required of these massive Federal deficits.

A fiscal conservative like me ought to applaud all these efforts of people who want to do more than a basic freeze to save another $10 billion or $12 billion. But if we go out and try to save another $10 billion or $12 billion right now, when we are trying to make a major change in the direction of our usual budget and appropriation pattern, we will not do anything soon enough to accomplish any good.

I should like people who think we should go for that extra $10 billion to look at what that is going to do to the farm program; to look at what it is going to do by tearing this legislative body apart, when we should look for the programs that will bring us together in a bipartisan fashion, so that we do something dramatic, do something unexpected. We need to send a dramatic signal throughout this country that it is no longer business as usual here in Washington. We need this so that interest rates will come down, and so the value of the dollar will come down and help our entire economy in one fell swoop.

We ought to be going, then, for an across-the-board freeze that would basically reaffirm decisions that were made just 4 months ago—we are now 4 months into this fiscal year. I think whether those decisions were right or not, they are budget policy decisions that were made, and we are locked into them for 12 months. Surely, early on, we could make a decision that we are going to reaffirm them now; we could say, in effect: "Those decisions that were made in September, maybe they are not what we all agreed to, but they were made. Surely, if they are good for this 12 months, they should be good for another 12 months, effective through December 30, 1986." We should do this instead of fighting for more and doing it too late, or not even accomplishing it, and not doing the dramatic good that would result with an across-the-board freeze that will reduce the current services budget by about $40 billion.

I believe that budget battle is going to start next week. Senator DOMENICI has said that the hearings are all done

and that we are going to start marking up next week. If we do, it is at that point that a lot of decisions on agriculture are going to be made, before we even get into the 1985 farm bill. I hope those decisions are a rejection of the philosophy from the White House that we should take over the farms and buy more arms, particularly when we are giving an unjustified subsidy to a very inefficient defense industry. An industry which in itself, is a cause of weakness in our overall defense capabilities.

If, in fact, our industrial infrastructure is not as strong as it should be, if we do not have the ability to change from domestic production to defense production quickly, as we had to do in World War II, then we are weak on our defense.

I think we tend too often to measure our defense capabilities by the number of tanks, planes, and ships we have, and maybe even by what the NATO forces and the Eastern bloc nations have. If that is a measure of our defense capability, and the only one, then we are a very weak nation.

A Presidential commission, just 2 weeks ago, issued a report of how weak and uncompetitive we are compared to other economies around the world.

So, as a basic premise, with respect to a strong national defense, we have to establish as a priority principle the efficient building up of our industrial infrastructure. That can only come about as we get this budget deficit under control, as we get interest rates down, as we get people back to work who are unemployed, and as we get the value of the dollar down so that we can export more, not only for the benefit of agriculture but for the benefit of our industrial segment as well.

Next week, we will be into some of those very basic decisions, the 22 of us on the Budget Committee—not only whether or not there is going to be help for our farmers and hope for our farmers, but also whether or not we are going to have a strong national defense, whether or not we are going to be consistent, fair, and equitable in our allocations of resources through the Federal budget, whether or not we are going to take away from the most efficient industry in this country, agriculture, and give to the most inefficient segment of our industrial side, the defense industry.

Finally, what we do in the 1985 farm bill will determine for the longest term, maybe even longer than the budget decisions this year, how much profitability there will be in future agriculture.

But as we debate—last week and this week—on the farm credit crisis, we do not want people who do not come from agriculture States to think we are just concerned about agriculture and keeping a few more farmers farming, as basic as that is. There are a lot of other things that are tied very closely to this issue of allocation of resources; whether or not we are going to maintain safety nets; whether or not we are going to be fair and equitable as we approach the various aspects of the budget; and whether or not we are going to throw out the window the principle that has prevented us from achieving massive reform of our deficits, that principle of maintaining sacred cows. Those of us from agriculture States and who advocate freezing the budget, do not come to you trying to speak out of both sides of our mouth. I know if we freeze the budget in 1986 at the 1985 level some of this stuff related to agriculture programs is unpredictable.

But it is my estimate, based upon the reports that we have to put together for the budget, that there will be adequate resources in the agriculture budget to accomplish these things that ought to be accomplished. Agriculture is not coming in here asking for more so that others should get less. We are coming in here and just saying we ought to be treated fairly and equitably. We believe the allocation of agricultural resources in the budget should not be transferred to the Defense Department, and that in seeking a free market principle in agriculture, we should also seek those same free market principles in the defense industry, and then we will have ample money to spend in agriculture.

Those are the issues that face this body in many different ways. And they are going to be fought not only on the floor of the Senate in the case of this farm credit situation. They are going to be fought in the Budget Committee. They are going to be fought in the Agriculture Committee. And most important, they are going to be fought in the very private negotiations that go on between our leadership and the leadership downtown, and between the leadership of the Senate and the Speaker of the other body. I hope this body will realize that those of us who have been calling for a budget freeze for the last 3 years will be fair and equitable when it comes to certain aspects of the budget. Our activity should be looked upon as protective. You might look upon what I am saying today as only protecting agriculture.

Three years ago a budget freeze was not a well respected idea because it was thought to be far out. Now everyone is talking about a freeze. But if the freeze advocates had been listened to for the last 3 years, we would not be in this deep hole we are in, this bottomless pit that we call a budget deficit.

All that we are saying this budgetary year, this budget season, is totally consistent with what we said for the last several years—freeze the budget.

I yield the floor, Mr. President.

FREEZE FEDERAL SPENDING WITHOUT DELAY

Mr. BIDEN. Mr. President, the most popular budget word this year is "Freeze."

As one of the original four cosponsors of the original budget freeze last year, I should be pleased about that. But everyone means something different, and most of the proposals are not really freezes at all.

Last year four Senators, Senators KASSEBAUM, GRASSLEY, BAUCUS, and I offered what has since become known as the KGB freeze. As we offered it then—and as we offer it again this year—the KGB freeze really freezes every Federal program. Budget authority for national defense would be the same in fiscal year 1986 as its was in fiscal year 1985. Domestic discretionary programs would be similarly frozen. For 1 year, there would be no cost-of-living increases from any Federal spending programs. Physician and hospital fees would be frozen during fiscal year 1986.

It is clear today, as it was last year, that this is the most fair, most even-handed approach to reducing deficits that Congress could adopt. It could also be adopted with relative speed since most of this year's other proposals start off from the KGB freeze as a base. And it could freeze deficits for long enough to permit us to put in place further efforts to reduce deficits.

I am particularly concerned, Mr. President, that as various individuals and groups seek to reinvent the wheel—that is to develop their own version of a freeze—we are losing previous time and we are increasng contention and discord.

Of all the alternative freezes, the President's freeze plus is probably the best known. But his freeze calls for real growth in defense of nearly 6 percent while at the same time freezing or cutting many crucial programs such as education, child nutrition, health, and environment. His so-called freeze has done much to increase the level of contention and disagreement over how to deal with this year's deficits.

Most recently, the executive committee of the National Governors' Conference has proposed what it terms a budget freeze. But this program would adjust defense spending for inflation but would not do so for other discretionary spending programs. And it would take away an inflation adjustment for Social Security recipients and others while allowing an inflation adjustment for defense spending. While I admire the Governors for coming up with a deficit reduction program, I cannot support one which deals so unevenly with Federal activities.

Mr. President, it is critical that we get on with the business of deficit reduction. Last year's highly touted

downpayment on deficit reduction has not even succeeded in stopping the rapid upward climb in the deficit numbers. The Congressional Budget Office has reestimated the current year's deficit, including off budget, from $183 billion last August to $214 billion now. Until and unless we take further action, the CBO predicts budget deficits at $215 billion in fiscal year 1986 climbing dramatically to $296 billion in fiscal year 1990. There seems to be no real possibility of stopping this upward surge unless we adopt a real budget freeze like the KGB freeze.

This country is presently enjoying a period of almost unprecedented economic growth. Last year the gross national product grew at a rate of 6.9 percent—the highest growth rate since 1951. Inflation is low, running at only about 4 percent. Our goal must be to continue this economic growth through the remainder of the decade, creating millions more jobs and improving our foreign trade performance.

To assure continued economic growth, we must begin now to reduce deficits and the drain that they place on our economy. Interest rates are by no means low in relation to a 4-percent inflation rate. We must be concerned that deficits may begin to push them even higher, cutting off business activity. And high interest rates also threaten to continue the strong dollar, with trade deficits in excess of $100 billion and declining U.S. exports.

Despite our strong economic growth, it is now clear from CBO's deficit projections—and for that matter those of the Office of Management and Budget also—that economic growth is not, by itself, going to eliminate the deficit problem. We do not have deficits because economic growth is low. We have them because the Federal Government is spending more than it is taking in. That is the problem that has to be dealt with. That is what is pushing Federal interest payments over $200 billion by the end of the decade. That is what will send the national debt to $3.5 trillion in that same time period.

Mr. President, I think we can all regret now that Congress did not adopt the KGB freeze last year when Senator KASSEBAUM, GRASSLEY, BAUCUS, and I offered it in May. Had it done so, Congress could now be devoting its time to the next stages of a deficit reduction package.

Then you will remember, Mr. President, the Senate did adopt a proposal in September that would have required a vote on the KGB freeze in 1985. Unfortunately the House did not accept this proposal.

But we must not make this mistake again. We must not continue to postpone positive action on deficits in the hope that we may yet find some simple and painless method of reducing deficits. There is no such thing, Mr. President, although I believe our freeze comes as close as anything can.

The budget freeze that I propose is clear, simple, and easily understood. It treats all groups alike. Equally important, it is, I believe generally accepted by most beneficiaries of Federal programs as being fair. It will stop the growth of deficits. And perhaps most important, it is probably the most that can be achieved this year in terms of spending reductions. The longer we seek to refine it, to add to it or subtract from it, the less likely it is that we can achieve any meaningful deficit reduction this year.

Congress is late in dealing with deficits. It is late in acting on a freeze. The task was easier last year and the deficit reduction would have been greater. But we are where we are, and the KGB freeze is still the best hope for a strong economic future. It is imperative that the Senate take action soon.

THE ADMINISTRATION'S PROPOSED SUGAR PROGRAM

Mr. INOUYE. Mr. President, in the midst of our debate last week on how best to address the farm debt crisis, I was shocked and dismayed on Friday to read the administration's formal proposal for the 1985 farm bill.

Of particular concern to me and the State of Hawaii is title IX of S. 501, the Agricultural Adjustment Act of 1985. This title proposes an overnight reduction in commodity loans for sugar from 18 cents a pound in crop year 1985 to 12 cents in 1986. Combined with a direct payment program that declines to 12 cents a pound in 1990, the $200,000 cap on nonrecourse loans to producers and the $20,000 cap on direct payments to individual growers in 1986, the administration's proposed sugar program would spell the demise of Hawaii's sugar industry. Based on conversations with my colleagues from other sugar-producing States, it would mean the end of sugar production in 15 other States, as well as bringing to an end an industry that has served the national interest for over 200 years. We can only guess at the cost of the ensuing social and economic dislocation, but States like Hawaii would feel the impact immediately as 26,000 people would lose their jobs, unemployment would double to 12 percent, 300,000 acres of land would fall idle, and the State would lose 10 percent of its general fund revenues.

Mr. President, I for one find unacceptable the administration's notion that we should sacrifice American farmers on the altar of free trade when other countries provide massive support and export subsidies to their own producers. There are many good reasons for saving the domestic sugar industry, and one is elaborated in an Ampersand article by Mr. Gregg Perry, to wit, the sugar program operates at no cost to the U.S. Treasury. At a time when some Government programs are greatly increasing the deficit, the sugar program is not diverting a single penny from the revenues generated by the American taxpayer.

Mr. President, I will be speaking further on the need to preserve a viable sugar industry both here on the Senate floor and in committee. Today, however, I ask unanimous consent that the article by Mr. Perry be printed in the RECORD following the conclusion of my remarks. I look forward to discussing this issue and the other commodity programs with my colleagues in order to ensure that Congress has the chance to work its will on the question of what the future holds for American farmers.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ANOTHER CRITICAL SEASON FOR SUGAR

(By Gregg Perry)

On December 16, 1981, the U.S. House of Representatives voted by the cliff-hanger margin of 205 to 203 to include sugar with other commodities in protective legislation known as the Agriculture and Food Act of 1981—more commonly called the Farm Act.

For Hawaii's sugar leaders, this action contained some good news and some bad news. The good news was that after a chaotic hiatus of seven years, sugar again was part of a multi-year federal support program. The bad news was that the support level provided was several cents a pound less than hoped for, and in fact, below the industry's average cost of production.

Furthermore, there remained the possibility that the act might be vetoed by President Reagan, who then as now had little enthusiasm for farm support programs. But on December 22, the President signed the bill into law, and a new epoch in the turbulent history of the domestic sugar industry began.

The Agriculture and Food Act of 1981 will expire officially in 1985, although its sugar support provisions are to continue through the crop year ending September 30, 1986. A new Farm Act is scheduled to be enacted in 1985.

For Hawaii, where the sugar industry provides 10 percent of general fund tax revenues, created (directly and indirectly) 26,000 jobs, and where there are not viable alternative crops for most of the 185,000 acres in sugarcane, the pressing questions are: Will sugar be included in the new act? And if so, at what level?

The answers to these questions presumably will emerge from the democratic process later in 1985. As the year begins, forces on both sides of the issue are assessing their positions, preparing their arguments, in short, girding for the fray. Whatever the outcome in Washington this year, it will affect people throughout the state of Hawaii for years to come.

For centuries sugar has been the most politicized of commodities, primarily because it was and is a highly prized food not readily available in all major population areas. National governments accordingly have intervened to assure supplies by fostering domes-

tic production and making import agreements with producing nations.

This heavy government involvement makes "sugar prices . . . among the most unstable in international trade," according to a recent publication of the U.S. Department of Agriculture,[1] which continues, "much of the price instability results from the fact that a relatively small share of the world sugar production is freely traded in international markets. More than 70 percent of world production is consumed in the producing countries, usually at government-set prices. If bilateral long-term agreements and the U.S. import quota are taken into account, only 10 percent is available to be traded in the world 'free' market."

HISTORY OF REGULATIONS

In such a world it is not surprising that American governments have actively regulated the sugar trade since colonial times. In the early decades of the republic, sugar legislation involved imposing tariffs on imported sugar to raise funds for the operation of the federal government. As the nation expanded westward in the 19th century, and new cane and beet lands were placed in cultivation, the nature of the government's intervention changed from raising revenues to protecting the domestic industry. From the landmark McKinley Bill of 1890 until today, this has been the thrust of federal sugar legislation.

For the 40 years between 1934 and 1974, a series of laws known as the Sugar Act provided the necessary protection while assuring adequate supplies for a nation that produced only about half the sugar it consumed during that period (and today produces about two-thirds of its needs). The Sugar Act kept market prices in a target range by adjusting import quotas to correspond with market demand. It did not use subsidies from the treasury but relied on users of sugar to pay a price that would enable domestic producers to cover their costs and earn a modest profit on their investments. Many observers consider the various renewals of the Sugar Act to be the most equitable and efficient agricultural legislative program in U.S. history.

The death of the Sugar Act in 1974 was a severe blow to the domestic sugar industry and of course to Hawaii. It ushered in a period of doubt and instability that lasted until the Farm Act of 1981 became fully effective midway through 1982.

While not as generous or consistent as the Sugar Act, the sugar provisions of the Farm Act of 1981 have provided similar stability for the industry. In the period between the end of the Sugar Act in 1974 and the implementation of the Farm Act in 1982, world and domestic sugar prices hit record highs in two years (1974 and 1980) but were well below real production costs of any producing region in most of the other years. It was a feast or famine period for U.S. producers that many believe would have been smoothed out considerably both for consumers and producers had the Sugar Act continued, or had sugar been included in the Farm Act.

But as the USDA summed it up,[2] "the focus and outcome of sugar policy debates began to change in the mid-1970s. Consumers and Congress began to question whether the sugar program was serving their interests." This change, among other questions, underlay the defeat of the Sugar Act in 1974 and will continue as the Farm Act of 1985 is debated.

FARM ACT RESULTS

As the arguments begin, it is reasonable to ask how the interested parties have fared under the sugar program embodied in the Farm Act of 1981. The test of any such program is: Did it provide adequate supplies for consumers at fair prices? Supplies have not been a problem in the 1981–85 period—for the most part a period of world surplus and declining U.S. consumption of sugar. So what about price? To begin with, prices were relatively stable both at the producer (raw sugar) level and at the consumer (refined sugar) market. As Table I shows, domestic raw sugar prices, the level of most concern to Hawaiian producers, increased from 19.73 cents a pound in 1981, the year before the Act took effect, to an estimated 21.75 cents in 1984, a gain of about 10 percent over three years. Consumer list prices fell 9 percent over the same three years.

TABLE I.—VARIOUS SUGAR PRICES

[Cents per pound]

	1980	1981	U.S. Farm Act		
			1982	1983	1984
U.S. (raw) average	30.11	19.73	19.92	22.05	21.75
World (raw) average	29.01	16.89	8.39	8.52	[1] 5.41
U.S. retail (refined) average list	42.74	40.00	34.28	36.17	36.40

[1] Estimate.

Domestic producers have not done well at these price levels. Since 1980, five U.S. sugar processors have gone out of business. Few reported adequate levels of profitability. In Hawaii, one plantation went out of business (Puna Sugar Company in 1984) and the record of profitability improved from the disastrous level of 1981 when every plantation in the state lost money. In 1982, three of the 14 plantations moved back into the black. In 1983, six of 14 were profitable. While the final results for 1984 are not yet in, it appears there will be little change from 1983. Most of the improvement in profitability of Hawaiian plantations has come from cost-reduction efforts and productivity gains rather than from price improvement. As Table II shows, average production costs of the Hawaiian industry fell from $391 a ton in 1981 to $378 in 1983. The 1984 total is not yet available but is assumed to be modestly higher than in 1983. Hawaiian plantations set all-time productivity records of 11.25 tons sugar per acre in 1983 and an estimated 11.87 in 1984. No other area of the world can match this level of productivity.

TABLE II.—HAWAIIAN SUGAR

Production costs/productivity/returns

	1980	1981	1982	1983	1984
Cost of production (per ton of raw sugar)	$379	$391	$377	$378	([1])
Revenues to plantations [2] (per ton of raw sugar)	$617	$321	$375	$406	([1])
Tons of sugar per acre	10.51	10.74	11.01	11.25	[3] 11.87

[1] Not applicable.
[2] Includes sugar, molasses and electricity.
[3] Estimate.

"TOURNIQUET" FOR HAWAII

So for the Hawaiian producers, the Farm Act has not been a panacea—more like a tourniquet. It prevented a potentially disastrous price collapse. It has enabled a few plantations to achieve modest levels of profitability and restricted the size of losses at others. It could not prevent the demise of Puna Sugar.

"Limited as it has been, the Farm Act is our best bet for the future," says Robert H. Hughes, president of the Hawaiian Sugar Planters' Association. "Our plantations need the stability of a long-term federal program provides. We hope sugar will again be included in the Farm Act and are lobbying as aggressively as we can to that end. But we also hope that a more realistic support level can be established in the 1985 act. Sugar had the lowest support level of any commodity in the 1981 act—initially 70.87 percent of parity compared with an average of 92.04 percent of parity for wheat, corn, cotton, rice and soybeans. That is a major difference."

From the standpoint of the consumer, U.S. retail sugar prices actually declined between 1981 and 1984. But the anti-sugar industry partisans who opposed sugar supports in 1974 and 1981 will take a different view of price fairness. They will point to the fact that the average "world" price for raw sugar in 1984 was 5.41 cents a pound, compared with the domestic price of 21.75 cents. That seems to be a shocking difference and leads the uninformed to ask why U.S. consumers shouldn't be allowed to buy their sugar from this low-cost world market instead of our expensive domestic producers. This simplistic argument overlooks the fact that the "world" price is the residual price at which sugar uncommitted to the nation of origin or by bilateral agreement is sold. As pointed out earlier, it represents only about 10 percent of the sugar sold in the world. The "world" price in 1984 also is well below the real production cost of any producer in the world and thus represents the dumping of excess sugar by subsidized producers.

Suppose the U.S. did discontinue supporting domestic sugar prices and allowed foreign sugar to be imported without any restrictions such as tariffs, duties or quotas; what might be the result?

"In all likelihood, such a course would destroy most of the domestic sugar producers within a few years," says HSPA's Hughes. "No U.S. producer can compete for long with subsidized foreign sugar sold at recent price levels. But, if most of the sugar produced in the Unite States suddenly disappeared, there would no longer be a major world surplus, and the residual 'world' price undoubtedly would rise as it did in 1974 and 1980. The American consumer would soon be stuck with much higher prices and for the first time in history would be totally dependent on foreign imports. Meanwhile the cane sugar producing areas of the U.S. would suffer serious economic damage and rising unemployment. The beet areas also would be hurt, but since beet farmers can move rapidly to other crops, the damage would be less than in the cane areas.

"The gap between the 'world' price and the domestic price is a mythical bogeyman trotted out by the refiners of foreign cane to attract consumer groups and sugar users to vote against support for the domestic industry. It is the producers' task to dispell this myth and explain the long-term value

[1] USDA Agriculture Information Bulletin Number 478.
[2] Ibid

of preserving a stable and efficient domestic sugar industry."

FEDERAL DEFICIT

In 1985, the federal deficit will be a major element in any legislation involving expenditures of public money. The Reagan administration has already let it be known that it hopes to reduce soaring outlays for farm subsidies. The Wall Street Journal recently reported that federal farm subsidies rose from $2.7 billion in fiscal 1980 to $19 billion in 1983, or more like $29 billion if you include the nearly $10 billion price of the 1983 payment-in-kind (PIK) program.

In this environment, the modest sugar support program of the Farm Act would seem to have an advantage. It involves no subsidies—no payments of taxpayers money to sugar growers. Thus it adds nothing to the deficit. In fact, it even contributes modestly to the U.S. Treasury through the duties and fees collected on imported sugar.

Yet any heavy attack on government supports for agriculture might well rub off on sugar, already low man on the agricultural totem pole, even though supporting sugar costs the treasury nothing. Such a distinction, fundamental and important as it is, can easily be lost in the rough and tumble of the legislative process.

So, as 1985 unfolds, Hawaii's sugar industry, spearheaded by the HSPA and it newly elected chairman J.W.A. "Doc" Buyers of C. Brewer and Company, Limited, together with other U.S. sweetener producers, will press its case for a continuation of sugar supports beyond 1986. Meanwhile, in Hawaii, the plantations will continue their crucial efforts to reduce production costs and prove that they can survive under such a program.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The assistant majority leader.

SCHEDULE

Mr. SIMPSON. Mr. President, let me review that we do have a recess period coming up at noon until 2 p.m. It is the leadership's intent that we would recess a little prior to that in order to assure that we deal with these issues this afternoon. I inquire of the other side of the aisle as to if you wish to continue to discuss any of your procedural aspects, that is perfectly appropriate. I would prefer that you not be presenting to the desk any amendment or amendment to amendments and that will be done then after 2 o'clock. Is that understood?

Mr. MELCHER. If the assistant majority leader will yield to me, as long as we are still in morning business and we will recess at 12, that is exactly what we would like to do; that is, discuss the amendment that will be offered after we go back into session and we are on the bill.

Mr. SIMPSON. I yield under those circumstances. And that agreement is perfectly appropriate, Senator MELCHER.

Mr. MELCHER. I thank my friend.

(By unanimous consent the colloquy which occurred at this point is printed later in the RECORD when the Senate proceeds to consider S. 457.)

RECESS UNTIL 2 P.M.

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 2 p.m.

The motion was agreed to and, at 12:03 p.m., the Senate recessed until 2 p.m., whereupon, the Senate reconvened when called to order by the Presiding Officer [Mrs. KASSEBAUM].

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

The PRESIDING OFFICER. The clerk will read the pending business.

The assistant legislative clerk read as follows:

A bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes.

The Senate resumed consideration of the bill.

Mr. SIMPSON. Madam President, I ask unanimous consent that the Senate remain in recess until 2:30 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Madam President, reserving the right to object, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. MELCHER. I inquire whether the unanimous consent entered into for calling up this bill to be subject to amendment for farm credit allows the offering of a second-degree amendment to the Zorinsky-Andrews amendment.

Mr. SIMPSON. Madam President, I request that this inquiry might be renewed at the beginning of the 2:30 hour.

The PRESIDING OFFICER. Is there an objection to the request for a recess? Was the Senator objecting to the recess?

Mr. MELCHER. Reserving the right to object, Madam President, is it proper for me to make this parliamentary inquiry at this time before we recess?

The PRESIDING OFFICER. The Parliamentarian has informed me that it is not in order to raise the objection at this time unless it is an objection to recessing.

Mr. MELCHER. Further reserving the right to object, may I ask of the distinguished assistant majority leader, does he have an objection to my asking this parliamentary question at this point?

Mr. SIMPSON. Madam President, I have no problem with the inquiry. I am just requesting that—I believe both parties may still be involved in their caucus. At least, the majority party is. I earnestly request the courtesy to recess until 2:30 p.m. so we may resolve our business, and then proceed, at which time, he may proceed with whatever he wishes at that time.

Madam President, if there is some feeling that the Senator is being foreclosed in some way, that cannot be. We have a unanimous-consent agreement that there, indeed, shall be two amendments in order in the second degree to be offered by the minority leader or his designee.

Those things remain in place.

I can assure the Senator that there is nothing "cooking." It is a request because we are involved in a very serious discussion and asking for an additional one-half hour to try to conclude that discussion.

Mr. MELCHER. I thank the assistant majority leader. With that assurance, I have no problem at all.

Mr. BYRD. Madam President, reserving the right to object, I hope we will not object. The majority could move to do what it wishes to do by unanimous consent. A motion would not be available. May I say the majority has been very, very agreeable to some of the requests on the part of the Democrats to let recesses extend for a little while longer while we were in caucus. I hope we will not object.

I yield the floor.

The PRESIDING OFFICER. Without objection, the Senate will now stand in recess until 2:30 p.m.

There being no objection, the Senate, at 2:04 p.m., recessed until 2:30 p.m.; whereupon, the Senate reconvened when called to order by the Presiding Officer [Mrs. KASSEBAUM].

Mr. HELMS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 10

The PRESIDING OFFICER. The question is on agreeing to amendment No. 10.

The Senate resumed consideration of the amendment.

Mr. DOLE. Madam President, it is my understanding that there will be a second degree amendment. We have no objection to some discussion of the second degree amendment, but we are not prepared to vote on the amendment at this time.

Mr. MELCHER. Madam President, we have already discussed the amendment that I am going to offer.

Madam President, I ask unanimous consent that the discussion that we had on the amendment in morning

business be printed in the RECORD as if discussed at this particular time.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The colloquy, which occurred earlier, and ordered to be printed at this point in the RECORD, follows.)

(Mr. DENTON was presiding.)

PROPOSED AMENDMENT CONCERNING RESTRUCTURED FARM LOAN GUARANTEES

Mr. MELCHER. Mr. President, I would like to discuss while we are in morning business an amendment in the second degree that will be offered by myself and Senator ANDREWS shortly after the recess period is over.

It is an amendment in the nature of a substitute to the pending amendment. It is almost identical to the pending amendment, the Zorinsky-Andrews amendment.

There will be one change. That change will be a deletion of one portion of the pending amendment. It is a deletion that makes the existing provisions of the regulations of the Farmers Home Administration in guaranteeing a restructured farm loan that requires that a lender must write off principal or interest as a prerequisite to secure a Farmers Home Administration loan guarantee. The Department of Agriculture and the administration have insisted on participation by lenders in reducing interest on principal as a condition for a loan guarantee.

That is the only change that will be made in the substitute going to that sort of a situation, and that exact situation.

What we have done in the Zorinsky-Andrews amendment that is now pending at the desk is we have provided $100 million in funds to assist and to permit the Department of Agriculture through the Farmers Home Administration to buy down a portion of the interest on restructured loans. We do not want to do it on the back interest of the loan. We want them to do it on the restructured loan and from that moment forward, provided that the lender matches the same amount of interest buy-down.

One of the problems we have, of course, is that farm debt is huge and the interest rates are too high. And one of the means of accomplishing a restructured loan so that there can be successful repayment by the borrower is to reduce the interest rates on that restructured loan.

As the Zorinsky-Andrews amendment is now drafted, there would be no requirement at all by the lender in getting a loan guarantee on restructured loans. There would be no requirement that either the principal or the interest rate be reduced.

Most of us think, I believe, that it is much more practical to require the lender to reduce the interest rate on the restructured loan than to reduce the principal. We think that is more practical to say, "Do not charge as high a rate of interest on the restructured loan as you are now charging and we will match from the Federal Government the exact amount up to 2 percent that you are willing to reduce that interest rate."

We think that makes the farmer's loan much more viable, much more workable, and places a degree of responsibility both upon the lender and the Government to make sure that it works.

Mr. BOREN. Will the Senator yield?

Mr. MELCHER. I am delighted to yield.

Mr. BOREN. I thank the Senator from Montana. I heard his explanation of the second-degree amendment which he plans to offer along with the Senator from North Dakota, Senator ANDREWS, after we come back into session this afternoon. From what I understand about it, I enthusiastically support the concept. I would like to ask a question, to make sure I understand.

Under the second-degree amendment which will be offered by the Senator from Montana and the Senator from North Dakota, it is my understanding that we are simply giving the administration an additional tool with which to work, an insurance policy or a safety net, to speak, to make sure that the program that the administration has already announced would work.

It may well work without it, but it is an additional tool that would assure that it would work.

Let me see if I understand this correctly.

Under the administration's plan, the bank, in order to qualify, either must write down 10 percent of principal or 10 percent of the interest due under the restructured loan, after it is restructured. The administration has indicated that they think most banks will be able to do that. However, let us suppose that we have analyzed that incorrectly and that some of the banks are in such desperate shape, in some of the very small agricultural communities, that they might not even be able to write off the 10 percent interest.

Then as I understand it under the proposal of the Senator from Montana and the Senator from North Dakota, the administration at its own discretion in writing the regulations would be empowered to use a matching interest buydown to help achieve that first 10 percent up to two points on the Government side and two points on the banker's side. So that is an additional flexible tool given to the administration and they would have the authority to write that regulation that way if they so desire.

Mr. MELCHER. The Senator is correct.

Mr. BOREN. On the other hand, as I understand it, let us suppose that the administration's assumptions are right and that they find that the vast majority of the banks are able to write down this 10 percent on their own and we have a farmer we are trying to help. The bank writes down 10 percent of the interest due on the restructured. Let us say that drops the interest rate from 15 percent to 12 percent, to use an example, under that loan. Then they find that the farmer still cannot show cash flow of 10 percent. So the bank can come back and say, "We can get that farmer's cash flow and help the farmer but we have to drop the interest rate to 8 percent."

The bank has already given up the cost of 15 to 12 and now under this proposal if the administration chose to write the regulations in this manner, they can say dropping it further from 12 to 8 the Government will pick up 2 points of that and the bank will pick up 2 points.

In my example you would have dropped it all the way from 15 down to 8, 5 points of which the bank would have absorbed and only 2 points of which the Government would absorb.

You could have the program work in three possible ways. It could work exactly if the bank so took the option as the administration's original proposal as we now have in the regulations, simply writing down 10 percent of the interest due, get the 90 percent guarantee, and that is it.

If the bank was unable to afford that, the administration could, in its discretion, without a mandate, come in and pick up half of that cost, say, to write down that 10 percent, or it could be, again at the discretion of the administration, that they could, after the bank took the full 10 percent, the bank absorb that full cost, provide an additional maximum number of 4-point buydown. Is that correct?

Mr. MELCHER. The Senator is correct. This is an opportunity and indeed an encouragement for the Department of Agriculture to use a broad range of flexibility that the Senator has described.

Mr. BOREN. Am I also correct in assuming that under any of these options, the bank itself would certainly have to absorb either all or a part of the interest buydown? There is no way under this proposal as the Senator is proposing to modify it that the bank could get that guarantee without the bank itself doing some of the sacrificing. Is that correct?

Mr. MELCHER. The Senator is absolutely correct. The bank or the PCA has to be a part of the sacrifice in order to help the restructuring of the debt.

Mr. BOREN. I thank the Senator. In our negotiations last week I think we made some very significant headway, working together in a bipartisan way, to improve the guarantee program. I

do believe, and I do agree with the administration, that the banks have to do some of the sacrificing. It should not all be on the Government side. I do believe the Senator has come up with a very excellent proposal. It gives discretionary authority to the administration. It adds another two or three arrows to their quiver, so to speak, that they can use at their discretion in dealing with this problem. That would appear to me to either help the bank get the first 10 percent taken care of or, if the administration decided to apply it, to get further interest reduction beyond that 10 percent. Either way that is bound to be good news for the farmer. It is bound to allow more farmers to be helped. I think it is very consistent with and a supplement to the program that was approved last week.

I congratulate the Senator from Montana and I congratulate the Senator from North Dakota for making this proposal.

Mr. MELCHER. I thank my friend from Oklahoma.

Mr. President, I want to point out the Department of Agriculture previously used this kind of an authority for an interest buydown. In reviewing the Farmers Home Administration's various types of contracts, contracts of guarantee, we find that FmHA 44-7, dated May 25, 1983, has a parallel type of loan guarantee with an interest buydown as we propose in this modified amendment or this amendment in the nature of a substitute.

Mr. HARKIN. Will the Senator yield for a question?

Mr. MELCHER. I am delighted to yield.

Mr. HARKIN. I thank the Senator for yielding. I was listening to the explanation of the proposed amendment. I do have some concern in this area.

To preface my question so that the Senator knows what I want to ask, it is built around this idea that the proposed amendment, as I understand it, would do away with that section of the Zorinsky amendment that would say that the lenders do not have to write down 10 percent of the principal or the equivalent in interest in order to qualify for the 90 percent guarantee; that the proposed amendment that the Senator from Montana is proposing would take that section out. Is that right?

Mr. MELCHER. The Senator is correct. By taking that out, it would leave in place the regulations. It would not nullify the regulations that are now in effect that say the lender would have to write off part of the interest as much as 10 percent. However, I do want to point out that what is different is that the $100 million for matching the interest rate buydown as provided in this package is provided in the pending amendment. It would still be provided in the substitute amendment. It gives a great deal of flexibility.

Really, it is a different situation which the administration would be in when they drew up their regulations. I would suggest that it would be wise for the Department of Agriculture to modify their regulations to make clear how they are going to use the $100 million. My suggestion is that they use it in interest buydown on a 1-percent matching basis up to a cap of 2 percent of participation by the Federal Government. In other words, the lender could go down as much as he wanted to in reducing the interest rate, but the Government would participate up to 2 percent in the buydown of the interest rate, to match up to 2 percent of what the lender buys down or reduces the rate of interest.

Mr. HARKIN. If my colleague would yield further for another question——

Mr. MELCHER. Yes, I do indeed.

Mr. HARKIN. Then, in other words, under existing law and regulations, with the provision that is already in the Zorinsky amendment as offered that provides for a cooperative sharing between the Government and the lenders to buydown some of the interest—and I guess it is on a 50-50 basis——

Mr. MELCHER. That is correct.

Mr. HARKIN. As long as that section is left in the Zorinsky amendment, the department could, if it wanted to, take the $100 million that we have authorized, apply that to an interest buydown right at the top so as to cover the 10-percent writedown. In other words, could a lender come in and say, "OK, we have to have the equivalent of a 10 percent writedown in the principal. In order to do that, we would propose that we buydown the first 2 percent and then the Government would join us in buying down another 2 percent and that the Government could also contribute one-half of the remainder of the 10 percent writedown?" Could the department do that under the provision that would remain in the Zorinsky bill?

Mr. MELCHER. The department can absolutely do that. I would encourage the department to redraft their regulations to do that immediately subject to approval—remember this: they still have the obligation of approving the restructured debt we will pay out before they make the loan guarantee.

Mr. HARKIN. So the answer to my question is that, yes, the department can write the regulations so as to have the Government come in and help the lender write down the first portion of that 10 percent requirement under current regulations. They could do that. Is that correct?

Mr. MELCHER. Absolutely correct. I would suggest that the way the Senator phrased it in the first question was absolutely right on target, in my judgment, because he mentioned interest rates, which I think is the most practical way to apply this buydown.

Mr. HARKIN. I thank my colleague for yielding.

(Conclusion of earlier remarks. The proceedings continued, as follows, with Mrs. KASSEBAUM with the chair:)

AMENDMENT NO. 11

Mr. MELCHER. Madam President, I send to the desk the amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] for himself and Mr. ANDREWS and Mr. EXON proposes an amendment numbered 11.

Mr. MELCHER. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

TITLE II—EMERGENCY FARM CREDIT ASSISTANCE

SHORT TITLE

SEC. 201. This title may be cited as the "Emergency Farm Credit Assistance Act of 1985".

FINDINGS AND DECLARATION OF POLICY

SEC. 202. (a) Congress finds that—

(1) agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than any other single industry;

(2) United States agriculture is the world's most productive and the world's largest exporter;

(3) United States agricultural producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

(4) technological developments have greatly increased the capital requirements of agricultural production;

(5) agricultural-related debt has risen from approximately $50,000,000,000 in 1970 to approximately $215,000,000,000 in 1984;

(6) a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of many producers to obtain the credit needed to continue their operations;

(7) it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit making; and

(8) the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations.

(b) It is hereby declared to be the policy of Congress to assist United States agricultural producers in obtaining adequate credit at interest rates conducive to debt servicing and profit making so as to ensure the Nation of an adequate and dependable supply of food and fiber at reasonable prices.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 203. (a) Congress finds that—

(1) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(2) many financially-stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(3) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(b) The Secretary of Agriculture shall immediately take steps—using authorities of law provided to the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary shall hire additional temporary employees (in addition to those authorized to be hired on February 19, 1985) to meet processing schedules, and shall assign such temporary employees to States (other than those receiving temporary employees under the February 19, 1985, authorization) in proportion to the total number of unprocessed applications on the date of enactment of this title.

COOPERATIVE INTEREST BUY-DOWN PROGRAM

SEC. 204. Effective for the period beginning on the date of enactment of this Act and ending September 30, 1986, the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 350 as follows:

"COOPERATIVE INTEREST BUY-DOWN PROGRAM

"SEC. 350. (a) To assist farmers and ranchers whose debts are restructured by commercial or cooperative lenders, the Secretary shall establish a program to reduce, for one or more years, the commercial or cooperative interest rate that a borrower would otherwise be required to pay.

"(b) Lenders agreeing to reduce the interest rate they would otherwise charge borrowers would be eligible to receive interest reduction payments from the Secretary, subject to such terms and conditions as may be specified by the Secretary.

"(c) To receive interest reduction payments from the Secretary under this section, lenders must agree to reduce the borrower's interest rate by an amount that is equal to, and in addition to, such interest reduction payments.

"(d) The Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.

"(e) The total amount of funds used by the Secretary in making payments under this section shall not exceed $100,000,000.".

ADDITIONAL LOAN GUARANTEE AUTHORITY

SEC. 205. Section 346 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there shall be made available to be guaranteed under the Agricultural Credit Insurance Fund $1,850,000,000 for loans under the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised and including the changes set out in the Emergency Farm Credit Assistance Act of 1985, in 1985.".

FMHA DEBT ADJUSTMENT PROGRAM: SPECIAL SET-ASIDES OF FMHA INDEBTEDNESS

SEC. 206. The Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 349 as follows:

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised, the Secretary—

"(1) shall provide that, for the purposes of the program, a cash flow for a borrower's operation that shows that anticipated cash inflows during a year are 100 per centum of the year's anticipated cash outflows will be considered a positive cash flow; and

"(2) shall make guarantees available for up to 90 per centum of the principal and interest indebtedness on each loan guaranteed under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash-flow projection. However, individual borrowers may elect to base their applications for assistance on a cash-flow projection of 110 percent."

CAUTION AND RESTRAINT IN ADVERSELY CLASSIFYING LOANS MADE TO FARMERS AND RANCHERS

SEC. 207. (a) Congress finds that—

(1) high agricultural production costs, low prices for some commodities, and declining farmland values have combined to greatly reduce the income of many agricultural producers and to subject these producers, through no fault of their own, to severe economic hardship and, in many cases, to temporarily impair the ability of such producers to meet loan repayment schedules in a timely fashion;

(2) a policy of adverse classification of agricultural loans—that is, designating such loans as problem loans—by Federal bank examiners under these circumstances could trigger a wave of a wave of farm foreclosures and similar actions that would depress land values and the value of agricultural facilities and equipment; and

(3) liquidations of agricultural assets on a broad scale would have a devastating effect on farmers and the banking industry, and on rural United States in general.

(b) Notwithstanding any other provision of law, to guard against improper and untimely liquidations of agricultural assets, the Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans. Examiners shall give due consideration not only to the current cash-flow of agricultural borrowers under financial stress, but also to factors such as loan collateral and ultimate repayment ability. Further, regulatory agencies shall continue this policy for so long as the condition of the agricultural economy and the effects of natural disasters temporarily impair the ability of agricultural borrowers to meet scheduled loans repayments.

(c) Not later than ninety days after the enactment of this title, the Chairman of the Board of Directors for the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve Board shall report to Congress on the actions they have taken to implement this section.

(d) Federal and State financial regulatory agencies shall ensure that examiners, in carrying out their duties, refrain from making adverse classifications with respect to agricultural loans that are restructured under the debt adjustment program established under section 339 of the Consolidated Farm and Rural Development Act on October 19, 1984, as revised and including the changes set out in this title.

PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

SEC. 203 (a) The Farm Credit Administration shall conduct a study regarding the need for establishment of a fund to be used to insure System institutions against losses on loans or for any other purpose that would assist in stabilizing the financial condition of the Farm Credit System provide for the protection of borrower capital. In conducting the study, the Farm Credit Administration shall consider the advisability of using the revolving funds provided for in section 4.1 of the Farm Credit Act of 1971 to provide startup capital for any insurance fund and estimate the amount and level of future assessments for System institutions that would be necessary to ensure the long-term liquidity of such an insurance fund.

(b) The Farm Credit Administration shall submit a report containing the results of the study required by this section to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry not later than one hundred and eighty days after the enactment of this title.

SMALL BUSINESS ADMINISTRATION DEBT ADJUSTMENT PROGRAM

SEC. 209. For the purpose of assisting financially-stressed farmers and ranchers, it is the sense of Congress that—to the maximum extent practicable and consistent with existing law—the Small Business Administration should establish a debt adjustment program comparable to the Farmers Home Administration's debt adjustment program established under section 339 of the Consolidated Farm and Rural Development Act on October 19, 1984, as revised and including the changes set out in this title.

REGULATIONS

SEC. 210. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of sections 203, 204, and 206 of this title as soon as practicable, but not later than fifteen days after the date of enactment of this title.

Mr. MELCHER. Madam President, this amendment is absolutely identical to the Zorinsky-Andrews amendment, and I now offer the amendment on behalf of myself, Senator ANDREWS, and Senator EXON.

The exception to the pending amendment is that it does not include a provision eliminating the administrative requirement that a lender must write off principal or interest as a prerequisite to securing the Farmers Home Administration loan guarantee.

The Department of Agriculture and the administration have insisted on participation by lenders in reducing either interest or principal as a condition for a loan guarantee.

Under this amendment, the Farmers Home Administration will retain the discretionary authority to require lenders to write off principal or interest on loans that are guaranteed under the debt adjustment program. However, I am concerned that for some lenders, the current administrative requirements make the program unattractive.

Therefore, I and others will continue our efforts to persuade the administration to make adjustments that will make the program workable for as many qualified agricultural lenders and farmers as possible.

I offer this amendment in the spirit of compromise with the objective of making the credit assistance provided in this proposal available as quickly as possible.

I believe this amendment will make the entire package more acceptable to the administration and as a result I hope the administration will move expeditiously to implement its provisions.

It must be pointed out that in the underlying amendment as well as in the substitute the $100 million for the use of the Department of Agriculture from funds available to the Department will be used for what would probably be the most easily and attractive provision for both lenders and borrowers, the buydown of interest.

The buydown can be triggered by the lender agreeing to, say, 2-percent writeoff or buydown in the interest rate to be matched by the 2 percent from the Federal Government.

One of the keys to providing a workable program for farm borrowers is to reduce the interest rate on the restructured loan.

If the lender as a condition of the guarantee says that they will reduce the interest rate either 1 or 1.5 percent, or 2 percent, then available from the Department of Agriculture will be a matching amount of either 1, 1.5 or 2 percent. That is a real break for the farmer whose loan is in distress because the interest rate will be reduced. That, together with the stretchout, and the restructured loan of the time for final repayment will make a lot of loans that are now subject to classification or are already classified more workable, and the cash-flow will show that the borrower will likely be able to pay off the loan. In that case, the only exposure then on behalf of the United States Treasury is the amount of the interest buydown provided by the Department of Agriculture to the Farmers Home Administration.

In no case can that total amount exceed $100 million. That is, the collective amount of buydowns for the individual borrowers of all of the lending institutions.

The administration has said in the past several days that no worthy farm borrower will be left in the lurch. What we are doing here is moving to make sure that does occur. The administration further stated that, as to the amounts of the loan guarantee, they will request more funds for the guarantee program if it becomes necessary. We are giving them that assurance. The long and the short of it is here is a program that can meet the test of both the case of the distressed farm borrower and making the terms more palatable, more workable, and, secondly, introducing a requirement of responsibility by the lenders themselves; that is, to trigger the buydown in interest rates—the assistance and buydown in interest rates from the Department of Agriculture from the funds available to it—the lender must make the agreement for the buydown in the interest to trigger that participation by the Government.

I think it is eminently fair, it is eminently workable, and it is definitely an improvement over where we stand today at this point in time in meeting the most urgent needs of those farm borrowers. I hope that the amendment can be agreed to.

Mr. HARKIN. Will my distinguished colleague yield?

Mr. MELCHER. Yes. I would be glad to yield.

Mr. HARKIN. I have one question that I want to ask. Again, in regard to the last comment that, in fact with the Zorinsky amendment as amended by the gentleman from Montana, in effect, if the administration desires, they could write the regulations such that the lender could come in and on that first 10 percent written down in the interest rate—if there were such a case that, let us say a borrower, a farmer was in such a situation that he required that 10 percent writedown in order for him to cash-flow, for the bank to consider extending further credit to him, and getting him in the Debt Adjustment Program—the administration could write the rules so that really the bank would then only have to contribute one-half. The Government could come in for the other half to get to that first required reduction. In other words, I am saying would it be possible then for the administration to do something like that, thus giving the bank more of an incentive to enter into the Debt Adjustment Program with that borrower?

Mr. MELCHER. The Department of Agriculture could agree to that and could so modify their regulations in order to be in that position.

Mr. HARKIN. I thank my colleague.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Thank you, Madam President.

I rise in support of the Zorinsky amendment and also the amendment offered by my colleague from Montana. I must say that at first I had some misgivings about the amendment offered by my colleague from Montana. However, I understand the reasons for that amendment. And I understand the necessity of passing this bill today and hopefully getting action on it in the other body so that we can get it down to the President as soon as possible.

My misgivings at first in the amendment offered by my colleague from Montana was that I know that since last September when the program was first announced the administration has used almost every tactic in the book to try to keep the program from operating efficiently and from getting this money out to the farmers. First of all, we had the requirement that the lenders write down 10 percent of the principal. Well, it became very obvious in a short period of time that the banks could not do that because by writing down 10 percent of the principal they eroded the capital stock of their bank, and the FDIC bank examiners would look with great disfavor upon that. So they were unable to do that.

So out of the $650 million the administration came up with last fall in the guaranteed portion of the program, only $2.9 million nationwide has been committed to this; only 21 total loans for $2.9 million nationwide have been guaranteed to date. When you have $650 million out there and you have only used $2.9 million, you can see that it has not worked very well.

In the last couple of weeks, the administration announced a further refinement of that program, and said that the banks could now choose whether to write off 10 percent of the principal, or its equivalent in interest so that it would be the equivalent of writing off 10 percent of the principal. Again, that was a step in the right direction. But, again, I think that a lot

of banks are going to look at that and say that if they have to adjust so as to write off an equivalent of 10 percent of the principal, they are also going to be reluctant to enter into this.

There are provisions, however, of the Zorinsky amendment that will induce them to do that, even with the provision of the amendment offered by my colleague from Montana; that is, that under the Zorinsky amendment the lenders are assured of a 90-percent guarantee on those loans. currently, the loan guarantee, while it is stated as 90 percent, does not work out to that. It really worked out to be a guarantee of somewhere between 50 and 75 percent. So with that reduced guarantee, the banks were reluctant to write down the equivalent of 10 percent of the principal.

With the provision in the Zorinsky bill that assures them of a 90-percent guarantee, I think they will look more favorably upon that.

The other provision, and the one that I engaged in the question-and-answer period with my colleague from Montana about, I think really is the heart of the matter.

I would have preferred that we would have had an up front buydown of maybe matching 2 percent from the lender and 2 percent from the Government to reduce the immediate interest rates to the farmer by at least 4 percent. However, with the Zorinsky amendment as it now stands and with the Melcher amendment, the Department can in fact do that. That is why I am supporting this. If the Department really wants this to work, all they have to do is go to the lenders and say that on the first 10 percent that they are requiring them to write down, the Farmers Home Administration can come in and match with the lender a certain amount of that. It could be 1 percent, it could be 2 percent, or more. In so doing, I think it will get the lenders to be more encouraged to come into this program.

So while we do not specify legislatively, I believe the intent—and I can stand corrected if anyone disagrees—of the drafters of this amendment was to encourage the Department to utilize its regulations and its regulatory power to permit the banks to engage with the Farmers Home Administration in an initial writedown cooperatively between the Government and the private lenders.

Mr. MELCHER. Will my colleague yield without losing his right to the floor?

Mr. HARKIN. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Madam President, I ask unanimous consent that Senator GRASSLEY and Senator PRESSLER be added as cosponsors to my amendment (No. 11).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. I thank my friend for yielding.

Mr. HARKIN. For the program to work, we have to have both the commercial lender and the farmer as willing participants. We also have to have one other, the Government, as a willing participant. Under the current program as it has been administered, we have seen that one essential element, the Government, has really not been a willing partner in trying to work out this debt adjustment program.

With this legislation, and the reason it is so necessary to pass it, we not only mandate the 90-percent guarantee, but we provide for a cooperative agreement between the lenders and the Government to buy down the interest that the banker is charging the farmer. In that regard, this legislation can go a long way.

It is unfortunate that we have come to this position because the administration basically could do these things without legislation being passed by the Congress. However, it looks like it is going to be necessary for us to take this action in a bipartisan manner. I am glad to see so many Members, again in a bipartisan spirit, endorsing this legislation, speaking on behalf of it and supporting it because that is really what it takes.

As I said the other day when the agricultural bloc was first started in the Senate in 1921, it was done on a bipartisan basis, to help address the problems that were then faced by our rural communities and farmers. That is really the only way that we are going to succeed in helping to prevent the wholesale bankruptcy of our farming community, to do it in a bipartisan manner.

I am encouraged by this legislation. I hope it will pass, and I hope it will pass overwhelmingly. I am constrained to say, however, that even if this legislation passes and it indeed does get to the President—of course, we have another hurdle, whether or not he will sign it or veto it, and I have had no indication one way or another on that—if the President does sign it will the administration act in good faith to carry out the provisions of this legislation? Again, I hope so. But if the past is in any way prologue, it does not look that way. I am hopeful that with the strong expression of this body and the other body of the Congress, that the administration will not only accept this legislation and sign it into law, but then will do the most important thing of all. That is, to administer it in good faith. That really is the final hurdle.

It is now the 11th hour of the farm lending season. Many farmers will be going into the fields very shortly. They need to know whether or not they can get the necessary money that is going to help them get a crop in this season. The provisions of the Zorinsky amendment that mandate the Farmers Home Administration to hire not only additional personnel but, in fact, that these personnel shall work overtime and that the Secretary shall hire additional temporary employees to make sure that we get through the next few weeks as expeditiously as possible, is good language because it mandates that the Secretary do these things. Again, while he has to do them, it still is up to the Department to write the regulations on how they are going to implement it.

This Senator has seen over the years that when I was in the other body, time and time again we had it frustrated by a ruling of a department and doing it in a way that really frustrated the intent of those of us who were charged with the responsibility of passing legislation.

So we are in the 11th hour. The Farmers Home Administration is overwhelmed with work, and their current staff could not possibly process every pending application by planting time because of this situation. That is why it is so necessary to pass this, to get the additional personnel out there, to provide for this 90-percent guarantee so that banks can begin putting farmers in the debt adjustment program and thus relieve them of this terrible burden that they have right now of the high interest cost, which is also preventing them from getting the necessary money they need to get the crop in this year.

The problem will continue to worsen unless we pass this legislation and unless the administration, as I said, administers it in good faith.

So I rise in strong support of the Zorinsky amendment. I think those on both sides of the aisle who worked long and hard over the weekend and the last few days to fashion this legislation should be highly complimented because they really, truly fashioned a bipartisan piece of legislation that can be supported by both sides, and a piece of legislation again, which, if administered in good faith by the administration, can indeed get our farmers through the next few weeks of peril that confronts them.

It is not a long-term answer to the farm problem and no one should construe it that way. It is only an attempt to answer that short-term problem that confronts us between now and the time when the farmer must get the crops in the field. But with that attitude, again I am hopeful that the legislation passes overwhelmingly, and I am greatly encouraged by the bipartisan support it has received.

Mr. ZORINSKY. Mr. President, I support the amendment offered by my friend and colleague from Montana.

The amendment is very similar to my original proposal, except that it does not include a provision eliminating the administrative requirement that a lender must write off principal or interest as a prerequisite to securing a Farmers Home Administration loan guarantee.

Under the amendment, the Farmers Home Administration will retain the discretionary authority to require lenders to write off principal or interest on loans that are guaranteed under the Debt Adjustment Program.

However, I am concerned that for some lenders the current administrative requirements make the program unattractive. Therefore, I will continue my efforts to pursuade the Administration to make adjustments that will make the program workable for as many qualified agricultural lenders and farmers as possible.

I support the Melcher substitute in the spirit of compromise with the objective of making the credit assistance provided in my original proposal available as quickly as possible. I believe this amendment will make the entire package more acceptable to the Administration and as a result, it is my hope the Administration will move expeditiously to implement its provisions.

My proposal as amended by the Melcher substitute is fiscally sound. It does not create any new bureaucracies and the responsibilities associated with making this assistance available will be shared with lenders, the Federal Government, and farmers. Further, I have received letters that endorse the key proposals included in this amendment from the National Farmers Organization, the National Grange, and the Independent Bankers Association of America.

Under the legislation, the Farmers Home Administration would be required to take immediate action to hire additional personnel on a temporary basis to process and service loans.

In addition, the amendment will give Farmers Home Administration borrowers the option of basing their applications for assistance on 100 or 110 percent of the cash-flow needed to meet debt obligations.

Further, the legislation before us will provide several new and expanded authorities. Those provisions would:

Provide $1.85 billion in additional loan guarantee authority for the Farmers Home Administration;

Authorize the Farmers Home Administration to provide $100 million to buy down the interest rate on farm loans when an amount equal to—and in addition to—the Federal contribution is provided by the lender;

Require the Farm Credit Administration to study the feasibility of obtaining insurance to protect the financial integrity of farm credit system institutions and thereby protect farm credit system borrowers and investors;

Encourage Federal and State bank regulators to refrain from adversely classifying farm loans guaranteed by the Farmers Home Administration; and

Encourage the Small Business Administration to provide assistance to its existing farm borrowers that is comparable to the assistance being provided under the Farmers Home Administration Debt Adjustment Program.

I want to make the record clear with regard to charges that have been made about my amendment. I have heard it said that the interest buydown provision of this amendment is unprecedented and that the amendment is a bailout for banks. That is not the case.

This legislation is designed to help farmers and, as anyone who represents a rural area knows, when you help farmers you help all of rural America—including bankers.

The interest buydown program is not unprecedented. The Farmers Home Administration managed a similar program during the 1970's. I have before me a copy of a two-page contract under which the Farmers Home Administration—and I quote—"agrees to make semiannual interest subsidy payments," end of quote.

As I stated my amendment is fiscally responsible. Based on a preliminary estimate from the Congressional Budget Office, the total cost of the amendment will be about $175 million. That estimate is based on a cost of $100 million for the interest buydown provision and anticipated net losses of $75 million on loans guaranteed by the Government.

It should be noted that the provisions of this amendment will be implemented using the resources of the agricultural credit insurance fund. For that reason, no additional congressional action is needed to fund the authorities provided under this amendment.

This legislation will give the administration the tools needed to assist thousands of farmers faced with financial ruin. Agricultural credit needs cannot be ignored any longer if we are to avoid irreversible injury to our Nation's family farm system of agriculture. Unless we act quickly to assist our Nation's farmers, what is now an agricultural credit crisis will quickly develop into an economic disaster for all of rural America.

I want to note that several of my colleagues have approached me with other farm credit related proposals that I was not able to make part of this amendment. Some of those proposals included interest deferrals for commercial banks, Small Business Administration loans, and allowing Farmers Home Administration borrowers faced with foreclosure to plant trees and use the revenue that will be generated in future years to repay debts and retain ownership of their farms.

Those and other proposals have merit and I believe they should be pursued. However, in developing this emergency assistance package, it was not possible to include every meritorious proposal. Therefore, I will be working with several of my colleagues to address other credit related problems during this Congress.

I ask unanimous consent that the text of 7 CFR 1980.110 (1979) relative to the Interest Subsidy Program administered by the Farmers Home Administration in the 1970's be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

§ 1980.110 Loan subsidy rates, claims and payments.

Loan subsidies are payments made by FmHA to lenders to induce them to make, service, and collect guaranteed Farmer Program loans.

(a) *Subsidy rates.* FmHA will establish subsidy rates periodically. Thus the subsidy rate for the same type loan may vary from time to time. However, the subsidy rate set forth in the Loan Note Guarantee will remain constant during the life of the loan guaranteed. The subsidy rate for each type of loan will be a rate equal to the difference, if any, between the interest rate charged to the borrower and any higher per annum rate prevailing in the private market for similar loans as determined by the Secretary of Agriculture. The lender may contact the local County Supervisor servicing his area to obtain the current subsidy rate.

(b) *Subsidy payments.* Loan subsidy payments will be calculated by FmHA using a 360 or 365 day year method on a declining balance. The lender will indicate on FmHA Form 449-19, "Guarantee Fee Report," the method he prefers which once established, cannot be changed.

(c) *Annual subsidy claims any payments.* The initial subsidy claim will be prepared by the lender using Form FmHA 449-24, "Loan Subsidy Claim," on or about a date 12 months from the date of the note and the original mailed by the lender to the Finance Office with a copy to the appropriate County Supervisor. The subsequent subsidy claims will be filed by the lender on or about a date 12 months thereafter but no later than the anniversary date of the filing of the initial subsidy claim. The Finance Office will mail the loan subsidy payment to the lender within 10 days after receipt of the claim. Upon full payment of a note the lender will immediate prepare Form FmHA 449-24 and mail a copy to the County Supervisor and the original to the Finance Office.

(d) *When subsidy payments cease.* When the FmHA purchases a guaranteed portion of a loan, subsidy payments on that portion will cease. Loan subsidy payments will also cease when the Loan Note Guarantee terminates.

Mr. ANDREWS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Madam President, I appreciate the sentiments which have

just been expressed. Let me point out, because some people may not be aware of it, we are all concerned about cost. This point has been made before. The Congressional Budget Office has estimated that there is a $173 million cost in this Zorinsky-Andrews amendment. Yet it is attached to a bill, Madam President, that calls for $175 million worth of aid to the hungry in Africa. I think it is patently obvious that that food aid is not going to be there for the people in Africa a decade hence if we do not take care of the problems with farm families right now. So, as far as being a bargain, as far as being cost-effective, I submit, Madam President, that we ought to look at those figures.

I also think we ought to take a look at the fact that this amendment provides farmers with the opportunity to weather some of the problems they are currently facing by reducing the interest rate farmers are required to pay. The administration, as my colleague has just pointed out, has assured Congress that funding will be made available for planting this year. The administration says that, but it gives us their pledge when it says they are ordering the people out in the field to put these funds into action. I believe that administration. I believe they are going to do the best they possibly can. But how much can they do with limited staffing out in the field?

The reports we are getting back are that there simply are not enough people to process the loans out in the field.

That is why this needs additional people called for in the Farmers Home offices.

That is why we need the additional dollars in loan guarantees, to take care of lending through the private banking sector.

Merely providing funds is also not enough. Many farmers need reduced interest rates so their loans will meet that criterion of cash-flow, so he can get out from under the tremendous debt burden he is now facing. On average, interest costs now amount to some 20 percent of the farmer's expenditures. In a business where the return on equity is at such a low level to begin with—1.5 to 3 percent return on equity—and these are Government figures, Madam President. There are not something that people in agricultural areas have drummed up. The Department of Commerce estimates that it is less than 2 percent. I think that shows why we have a problem here today—high interest costs the likes of what we have seen in the past few years have made it impossible for farming to be a profitable expenditure. The Government has done that through its deficits.

The provision of this amendment that I would like to address specifically now, Madam President, provides that the Farmers Home Administration shall use the resources of the agricultural credit insurance funds to provide $100 million with which to buy down the interest rate for 1 or more years, on Farmers Home Administration guaranteed farm loans made by commercial or cooperative lenders.

Last evening, there was a cry that this is a bank bailout, Madam President. We have in this modified substitute taken out the language that could possibly have been construed as a bank bailout. There is no more bank bailout. This interest subsidy goes to the farmer and has to be matched dollar for dollar with the local lending institution.

The Federal share of the interest payment will be provided to lenders that reduce the borrrower's share of the interest rate by an additional amount equal to the interest payment provided by the Farmers Home Administration. For example, if a commercial or cooperative lender offers to reduce the interest rate on a specific loan to a farmer by 2 percentage points, the Federal share would also be 2 percentage points, so the total buydown of 4 percentage points would be provided to farm borrower.

The subsidy, Madam President, thus flows to the farmer, not to the banker. This approach will enable the Federal funds to be leveraged to cover a substantial volume of loans to financially pressed farmers. The $100 million of Federal funds would enable, then, $5 billion worth of farm financing to be included in a 4-percent buydown, for instance, assuming that the loans are for 1-year maturity, as crop production loans usually are. This could assist substantially in the financing for 1985 production.

Let me also point out I think this is critical for people to understand, Mr. President, that this approach is not new or novel. The Farmers Home Administration already has the authority to reduce interest rates for guaranteed loans, and it is doing it in some cases. The fact that it cannot be done through the private sector puts even more of a load on those people at the Farmers Home window and creates the backlog of loan applications we are hearing about out in the field.

There is precedent also for such an amendment. This very authority, Madam President, was used in 1973 to lower interest rates to guaranteed borrowers to reduce the level of those loans to the level in place under the direct loans. If my colleagues will remember, the interest rates charged for direct Farmers Home loans at that time was 5 percent. In order to encourage banks to participate in a guaranteed system, the Federal Government had to provide a mechanism to equal the rates charged under the insured and guaranteed programs. Our amendment, then, merely attempts to provide a reasonable chance for some farmers to work out from under the economic mess they are currently in.

I am not trying to provide a bailout for farmers who have recklessly plunged into speculative land ventures, but merely to aid farmers who are not able to cope with the environment the Federal Government has created for them over the last few years—through embargoes, policies which have increased expenditures, high interest rates, the deficits which we have not been able to address for lo these many years. I believe this amendment will operate to encourage commercial bank participation in the President's farm credit initiative, which was announced last September. As we all know, participation to date has been almost nil. Only $42 million of the $650 million authorized under the President's current initiative has been used.

I am particularly interested in that because I cosponsored with Senator HUDDLESTON at that time the $650 million as a pilot program. The way it was put out into the field, because it was not used in the way we meant to use it in 1973, meant it was not used at all, and the loan continued to be heavy and burdensome at the Farmers Home loan windows.

Congress has the opportunity to make the farm credit initiative work. All it takes is a little modification, one that the banking community can live with.

Finally, let me point out for those who are still wondering about this that they ought to read part C of section 350 of our substitute. It points out that to receive interest reduction payments from the Secretary under this section, lenders must agree to reduce the borrower's interest rate by an amount that is equal to and in addition to such interest reduction payments.

(Mr. CHAFEE assumed the chair.)

Mr. ANDREWS. Mr. President, that clearly states that what we have is a cash-flow program designed for the benefit of the farmers, not the benefit of the bankers, but recognizing that bank credit windows out there in the field must be kept open if we are to serve agriculture when they are up against the deadline of crop planting time.

I believe that we have a sensible modification that will address the needs of agriculture in the form of this amendment and I certainly urge my colleagues to join me in support of this amendment.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

FARM CREDIT CRISIS

Mr. JOHNSTON. Mr. President, the current condition of the farm econo-

my, as it relates to both the farmers and the rural community banks financing the farmers, is critical. On Friday, February 1, 1985, the Reagan administration and congressional leaders announced that they had pieced together an aid package that includes $650 million in farm loan guarantees. But even Senate Majority Leader ROBERT DOLE, of Kansas, who was a central figure in working out the compromise plan, said it was "a Band-Aid, it's not a solution." As the Reagan administration's farm strategy for the future emerges, a chorus of criticism is developing against some of the bareboned views of budget director David A. Stockman, a hearty advocate of market-oriented commodity programs and fewer Government subsidies.

In the January 24, 1985, issue of the Wall Street Journal, the cover story points out that the relentless slump in the farm economy is threatening to plow under scores of the Nation's 4,300 farm banks, so-called because at least 25 percent of their loans are out to farmers. As of June 30, 1984, more than 60 farm banks had more problem loans than capital—a leading indicator of bank failures—and that doesn't reflect other problem loans that banks don't have to disclose. The Federal Deposit Insurance Corporation's June 30, 1984, problem-bank list included 231 farm banks, more than double the year-earlier total. Since then, more than half of the bank failures have involved farm banks. The article quotes Keefe, Bruyettee & Woods, a New York bank-securities firm who indicates that they see as much as $12 billion of farm-loan writeoffs by banks alone, far above the record $8.4 billion of loan losses for the entire banking system in 1983. The FDIC has a $17 billion insurance fund which could probably absorb the several hundred small farm-bank failures. The article points out that the main problem is deflation, which is ravaging farmland values and therefore farm-bank loan portfolios. During the inflationary 1970's, land values had increased spectacularly on the strengths of a robust farm economy: burgeoning exports, rising crop prices and generous Federal subsidies. But in the 1980's, farmland prices have skidded at least 25 percent in most regions and as much as 75 percent in others as exports and commodity prices have slumped. Not even huge Government outlays have been able to forestall the erosion of farmers' income—and their ability to repay debt. In the State of Nebraska, for instance, farmland values fell as much as 7 to 8 percent in the third quarter of 1984 alone. Medium-sized farmers are farm banks' most troubled customers. They have neither the off-farm income of small part-time operators nor the efficiencies of large-scale corporate farms.

The shakiest of these mid-size farmers owes nearly a third of the farm debt, or about $73 billion, an amount that dwarfs the troubled Latin American debt held by the Nation's biggest banks, but not by all of them in the aggregate. If banks forgave enough debt to make troubled mid-sized farmers viable again, according to a recent Federal study, the capital of all 4,300 farm-banks would, on an aggregate basis, be wiped out.

In the January 24, 1985, issue of USA Today the cover story deals with the problems facing agriculture today. The article points out that the Nation's breadbasket is facing more farm protest and turmoil than at any time during the 1930's—and a prairie fire has spread to rural Main Street. New grassroots activists—not only farmers but also small-town business people, ministers, and homemakers—are packing State legislatures, protesting on the Chicago Board of Trade, and rallying rural America. The cause: saving a lifestyle threatened by farmers' economic woes. The article also points out that what protesting farmers want are higher prices for their commodities, moratoriums on foreclosures, and the ability to refinance their debts longer and at lower interest rates. Farmers are trying to borrow money for 1985's crops, and debate already rages over a new 4-year Federal farm bill. Farm bankruptcies, low prices, high interest rates and proposals to slash farm supports dominate Farm Belt headlines. The article accurately points out that in the small rural communities, if the farmers are not doing well, then the local economy is not doing well. In other words, the local merchants can't sell. They cannot sell cars and they cannot sell shoes. It should also be pointed out here that in many small rural communities, there are only one or two banks serving the community. If there is only one bank and it is forced to close, then the community is left without any source of credit. The closing of a bank in these communities could literally wipe out a town. Even in those communities where there are two or more banks, it should be pointed out that in the event one of the banks is closed, the FDIC becomes only a liquidator of the loans of the failed bank and it will not extend loans or grant any new loans. The FDIC only assumes the reponsibility of collecting the loans. The other banks in the community would be reluctant to extend credit to any of the customers of the failed bank because of a fear of having those loans classified at their bank.

At a recent field hearing of the Senate Budget Committee staged during the month of January at the Milan, TN, Experiment Station, Jack W. Robison, vice president of the Commodities Division of First Tennessee Bank, was one of the featured speakers and he pointed out that the American farmer and the Nation's banking industry are caught in the middle of a $215 billion farm-debt crisis, and that unless programs are implemented very quickly to restore the farmer's cash-flow, both industries may have even more trouble in store for them. He pointed out that this relief will be needed even before a new farm bill can go into effect in 1986. He said that the farmers' plight has taken its inevitable toll on the private banking industry.

In response to a question Mr. Robison termed very critical the banking industry's position as a result of the farm debt that has doubled in the last 5 years. Robison also noted that farmers are experiencing the most financial stress since the Great Depression despite the deepest-ever acreage cut and the largest-ever outpouring of money by the PIK Program. He noted that the 1983 farm-program outlays of $21.7 billion exceed the $16 billion net income that year from all agricultural production. He said that borrowers and lenders alike must face the reality that debt must be serviced from income, not from assets or land depreciation. Keeping farmers in business until real income—and therefore improved cash-flow—is realized should be top-drawer business for the current session of Congress, he said. He pointed out the immediate debt assistance to the farmers should get priority attention on the legislative agenda of 1985. He indicated the Government and agricultural leaders have to effect some ingenuity to work out this dilemma and that there must be mutual concessions from everyone involved. He stated that the Government is going to have to evolve a procedure to help the cash-flow rather than the equity side.

The farmer must be given time and those who have expertise must be given time, to make money. He said that in searching for a cure for the farmer, Congress must not be too hesitant to help the people who are hanging on by their toenails and fingernails today. Congress can worry about exports—as they should; that's one of the answers—but precaution needs to be taken not to overemphasize the complete curing process while farmers are going out of business. He said that the banking community is not holding out for solutions that are lucrative to the banking industry and that the lending industry must sooner or later share a part of any costs of the solution. He pointed out that the banking community helped contribute to the farmers' dilemma—with large loans when land prices were appreciating. But it is important to remember, that at the time the loans were made, they were perfectly sound loans. Bankers had no more knowledge of what was going to happen, with escalating farm

costs and leveling-off land values, than the farmer did.

At a meeting in Washington on January 7, 1985, there was a farm-debt roundtable conference sponsored by the Agricultural Banking Institute, a fledgling association of agricultural banks formed last year. The institute in a press release said roundtable participants agree that there is a genuine crisis facing agricultural lenders. More than half of the 40 banks that failed during the second half of 1984 were primarily agricultural lenders, or those with more than 25 percent of their loan portfolios made up of agricultural loans. More than 1,700 banks in the United States had 50 percent or more of their loan portfolios in agricultural loans. There was speculation that 200,000 to 300,000 farmers will go out of business this year without Government intervention. The institute pointed out that the most practical ingredient, time, doesn't cost much. Farmers and banks need time to overcome the stress and strain of the farmers' long-term debts. The rural banks hold only a relatively small portion of the farmers' long-term debt but that debt is becoming critical.

According to the Comptroller of the Currency figures, banks hold about $9 billion of the $112 billion long-term, or real estate, debt. But they hold about $39 billion of the $103 billion operating, or short-term, debt. The institute pointed out that during 1984 approximately one-third of the farmers lost money, another one-third broke even, and another one-third—those with low debt loads and who are better managers—did well.

The Arkansas banking commissioner, Marlin Jackson, who attended the farm debt roundtable conference, pointed out that the problems of the one-third of the farmers who are losing money could spread to the one-third who are just breaking even, and that could have a devastating effect on agricultural banks. He feels that a failure of the initial one-third of the farmers would have a domino effect on the remaining two-thirds. As highly leverage farmers fail, their real estate goes on the market, bringing down farm real estate prices. That, in turn, lowers the value of farmland used for collateral by other farmers who are just breaking even. The continuation of that string of events would lead to a crisis for those farmers in the break-even category who no longer have collateral value in real estate to use as collateral for credit. He points out that the crisis is already beginning to be felt in the banking community. According to the FDIC, 231 or 34.4 percent out of 671 banks on its problem list as of June 1984, were agricultural banks.

For the previous June, 22 percent of the problem banks were primarily agricultural lenders. The Arkansas banking commissioner said that the number of banks on the problem bank list is now more than 800. One of the speakers at the conference noted that the reduced export demand, increased interest rates, and higher operating costs contributed to agricultural problems, and there is no prospect for a heavy export demand or drops in interest rates or operating expenses to resolve the problems that created the farm-debt crisis. The only solution is Government intervention and it is needed immediately.

Recognizing the critical situation facing our farmers and the rural community banks that finance them, it is in my judgment imperative that both Houses of Congress set aside their respective agendas and place on a fast-track legislation providing immediate and meaningful relief to our agricultural banking industry and the vast community it serves.

The purpose of my statement today is to set into motion on a conceptual basis, as I have not placed it into legislative language, some of the ideas I will outline below that if enacted would bring order to chaos now being experienced in my State of Louisiana and in practically every farming hamlet in the United States.

A bill that may be known as the so-called Farm Credit Relief Act of 1985 should address these areas of concern, and they are as follows:

Eligibility. To qualify for relief as an agricultural bank the assets of the bank could not exceed some dollar limit. Rural banks need immediate relief, and we are not talking about international banking or large money-center institutions.

Administration of the act. The authority to determine qualification for relief would rest with State Banking Commissioners or the Comptroller of the Currency depending upon whether a State chartered or national bank is involved.

Accounting procedures. Qualified banks would be allowed to use methods of accounting currently available to the Thrift Industry known as Regulatory Accounting Practices [RAP].

Asset reappraisal. A qualified bank would be allowed to reappraise its buildings, fixed assets and equipment to fair market value and book any increase between the current book value and the fair market value into the capital accounts of the bank.

Problem loans. In the case of a qualified bank, where a regulatory authority determines that a farm or farm credit related loan is a problem loan, classified loan, two options should be available:

First, provide for a writeoff of the loan over a given period—perhaps 30 years—instead of the requirement under existing law that the full debt be written off against current income or loan loss reserve. This proposal must be made retroactive to farming, 1980. By allowing the banks to recover loans previously charged off, the capital of the banks would be significantly increased.

Second, provide for a sale of the farm and or farm-related loans—deemed uncollectable—at fair market value of the underlying collateral without recourse to the FDIC or other third party purchaser, and any loss to the written off over a given period rather than currently. Any money derived from the sale of the loans must be used for agriculturally related loans.

Extended powers for qualifying banks. Qualified banks should be allowed to concede debt and own, operate, or lease farm real estate, equipment, or other similar collateral. The farmer—owner of the collateral—should be permitted to leaseback property at a fair rental with a right of first refusal to purchase the property from the bank within a given period of years.

Other real estate expenses. Qualified banks should be granted authority to write off over a period of years—perhaps 20 years—other real estate related expenses—i.e. taxes on land, insurance, payments to prior lienholders, and similarly related expenses.

Below market rate financing. Qualified banks should be allowed to sell and finance the real estate or chattels taken back in exchange for cancellation of the debt at below market rates without the FDIC or Office of Comptroller of the Currency requiring the bank to charge off the difference between the market rate and the below market rate.

Sale of investment portfolio. Qualified banks should be allowed to mark all of the securities in their investments portfolio to market and sell the securities at fair market value and write off any loss over a given period—perhaps 20 years.

Capital contributions. Qualified banks should be allowed to accept a contribution of real estate as capital for the bank.

There is ample historical authority to support the enactment of legislation providing for the measures I have set forth in this statement. In 1982, Congress passed the Garn-St Germain Depository Institutions Act which created significant new powers for thrift institutions. The savings and loan industry now has the ability to reappraise its fixed assets and to increase its capital by the difference of the depreciated book value and the fair market value of the fixed assets. It also has the ability under RAP accounting to sell loans in which it has a loss and write off the loss over the average life of the loans sold. The savings and loan industry is also allowed to employ purchase method account-

ing or push-down accounting which is not available to banks. Under this method of accounting, basically the price paid for the common stock is available as capital for the institution.

Any losses in the loan portfolio or security portfolio can be written off over varying terms ranging up to 40 years. Real estate as opposed to cash may be contributed as capital to a savings and loan association. Of course, the savings and loan industry has liberal branching provisions so that it is not limited to lending in any particular trade area and it also has the ability to create and operate service corporations which can acquire and develop real estate. It has the ability to take back other real estate serving as security for loans and book the real estate as an investment at fair market value. It is not required to write off any portion of the other real estate so long as it can continue to show that the fair market value is not less than the value of the real estate carried on its books.

The relief given to the thrift industry was needed and well founded. The agricultural section is equally important to the country and the proposals outlined in this statement could provide the necessary relief. Unless some help is immediately given to the farmers and the rural banks financing them as many as 200,000 to 300,000 farmers will go out of business this year. Government intervention is inevitable and is needed immediately. These proposals provide a market-oriented solution to the problem facing agriculture today.

Mr. President, I am going to support both of these amendments—the Zorinsky amendment and also the Dixon amendment—because I believe they will give us the ability to get that crop in the ground this year whereas otherwise, they would not be able to do that. But, Mr. President, at this point, I wish to turn the attention of my colleagues on the floor to a related question that involves agriculture very directly. That is the question of the survival of the agricultural banks.

I think my colleagues are fully aware of the plight of agricultural banks. There are 4,300 banks, I understand, that have 25 percent or more agricultural loans; 1,700 of these banks have 50 percent or more of agricultural loans. Of the Nation's 1,441 farm banks, they account for only 29 percent of all banks. Yet in the fourth quarter of 1984, they accounted for 61 percent of all bank failures.

Not only did they account for 61 percent of all bank failures, but that percentage is escalating rapidly. It was 13 percent for all of 1983; 19 percent for the first half of 1984; 35 percent in the fourth quarter; and 61 percent of all bank failures in the fourth quarter of 1984. There seems to be an escalation upward rather than the reverse, Mr. President.

I do not believe that rural America or agricultural America can survive as it is without the survival of the small banks.

I do not happen to be a member of the Banking Committee and I can set forth the problems better than I can set forth the solutions, but, Mr. President, it seems to me that under the present state of affairs what we are going to have is a cascade of bank bankruptcies. When that happens, many communities are going to be deprived altogether of access to a financial institution. Others are going to be deprived of adequate access to credit, to other means of doing banking, and the farmers themselves will not be able to carry on their agricultural business.

In other words, stated differently, it is very much in the national interest to allow these agricultural banks to survive if at all possible. If they go under, then the FDIC, as I understand it, must buy their loan portfolios at par, at their stated price; that is, the price at which they had loaned the money plan interest. Then the FDIC will liquidate that by putting all of these farm properties up for sheriff's auction and totally liquidate them without attempting to carry on the business of agriculture or without attempting to keep the particular county in business.

On the other hand, if the bank is allowed to survive, the bank is able to take in that collateral which will be undoubtedly the farm acreage and the farm machinery, and then the actual practice is to lease it back out to the farmer at a reduced amount so the farmer can continue in business.

Now, to be sure, it is not an ideal situation for the farmer because his debt is not formally liquidated, but as a practical matter when the bank stays in business it will not put the farmer on the sheriff's auction block but, rather, will take back the security and lease it back to the farmer so that he may stay in business.

Now, Mr. President, it is up to us ultimately—and I do not mean as part of this bill, but in the next couple months—to try to find some way not to bail out the banks but, rather, a way to keep those banks in business, to keep them operating because when they stay in operation then the farmers and the rural communities with them also stay in operation. To the extent that you shut the doors of these financial institutions, then you close the door on the ability of that farmer to put his crop in the ground, you close the door on the ability of the local merchants to get the credit they need to stay in business and, in effect, you padlock wholesale counties throughout America.

Now, Mr. President, I am advised that when the thrift institutions, the savings-and-loan institutions, got into deep trouble in the last couple of years and months, the device the Federal Government used to keep them in business was to have the FSLIC write down those loan portfolios to their actual value. We know what the problems with S&L's was. In the old days they would make 30-year loans at 6-percent interest and they woke up in the days of very high interest, particularly in the early 1980's, and found that that 30-year mortgage at 6 percent was not worth its stated value of $20,000 but it might be worth only $10,000, not because of the lack of creditworthiness of the mortgagor but because the interest rate had come down.

So, as I understand it, what they were allowed to do was to write those mortgages down to their actual value and to write off the loss over a period of 40 years. What that practically did is, first of all, it did not cost the Treasury one thin dime, but it allowed these savings and loans and thrift institutions to stay in the business to keep making loans or to be an attractive merger partner because of their ability to keep making loans, and they were able to do that because on the books of the savings and loan they were allowed to write off the loss more slowly, that is to say, to keep that asset on their books longer.

Now, the question I would like to pose to the distinguished Senator from Nebraska [Mr. EXON], who I know is familiar with the problems of these rural banks, is that it has been proposed to me by many people in the agricultural area that what agricultural banks ought to be allowed to do is to write their loans down to their actual value. What is the actual value of a nonperforming agricultural loan? Well, it is the value of the land and the machinery which secure the loan. You might have to write that loan down by 40 percent with the balance, as I say, representing the actual market value of the collateral.

Now, with the balance, that part which you would write off—let us say it is 40 percent—it has been suggested to me that these banks ought to be able to do the same thing the thrift institutions were able to do except instead of writing them off over a 40-year period, write them off over a 20-year period. Now, what does this mean? It means, first of all, they will pay taxes during the interim because, rather than realize a big tax loss in the one year where they could take it all out of the Treasury, they would only write off one-twentieth of the debt so they would continue to pay taxes but, more importantly, for the purpose of making further loans in those agricultural communities their capital ratios would be such that they would still have the ability to make ag-

ricultural loans in that area rather than shut the doors of the bank.

I want to ask my friend, the Senator from Nebraska and the Senator from Montana, if that kind of proposal seems to make sense. I ask the question as one not on the Banking Committee or the Agricultural Committee, but does that kind of proposal for rural American banks seem sensible and should we look into that?

Mr. EXON. Mr. President, I will be happy to respond. I think it is a very timely question. I say to my friend from Louisiana, from what I picked up from his concerns, they are entirely justified. There are a great number of relatively small institutions, small banks, if you will, in rural communities that have been especially hard hit with the downturn in the agricultural economy, highlighted at least in Nebraska by, in a number of cases, a reduction of 50 percent or more in the value of land that was used as collateral from the borrowers which obviously means a significant drop in the financial statement of the farmer or the rancher who is borrowing the money.

Those rural banks are in a particularly difficult situation because, unlike their sister banks in the cities, who have diversification where they have their portfolio in agriculture, part of it in business, and part of it in industry, all or most of the portfolios involve agriculture loans, so they proportionately have a higher number of these agricultural loans than the more diversified city banks.

I think the suggestion the Senator from Louisiana makes is a good one. I offered an amendment last year in the Senate. I offered that amendment and immediately we ran into difficulty from the Banking Committee that this was a banking amendment and it had not gone through the committee, and so forth and so on. I explained that all I was doing with the amendment was to simply do the same thing for the small banks as we did for the savings and loan associations when they got into trouble.

If the Senator will recall, I believe the way that worked was that when a savings and loan was in trouble—again, it was the FSLIC; in the case of the bank, it would be the FDIC—the bank would give a certificate to the FDIC, and the FDIC would give a note back to the bank to solidify the bank's position to keep them solvent. That is one approach that could be taken. That bill passed the Senate, with my amendment, and it died in the House of Representatives.

During the negotiations last week, during the filibuster, I had that amendment prepared and wanted it offered as a part of the overall arrangement that we finally made, which ended the filibuster. I finally decided to give up on it at this time, but I am holding it in reserve, possibly for something that might come along next week which would be a vehicle on which to put it once again.

I say to the Senator from Louisiana that I held back there at the specific request of the majority leader, because the majority leader said to me, "I'm having enough difficulty with the committees I'm presently dealing with, trying to work out a compromise, without something being brought in from the Banking Committee, especially when the chairman of the Banking Committee is not even going to be here." He is on a mission. So I thought we had enough difficulties in trying to work out the problems without entering a banking bill into the negotiations.

However, I will be glad to work on it with my friend from Louisiana. I believe he has brought up a significant matter. It would not be germane, under the agreement we made, which allows us to bring up Ag credit on the floor today. I think it would not be germane. Nevertheless, I think it is critically important that, as we move forward to bring some degree of stability to rural America, which is suffering now, we must remember that those small banks are critical to the very economic fabric of rural America. I believe we have to do more to help them at this time, when they are struggling and when they are swimming and when they need a lifeline or two from the Federal Government.

Mr. JOHNSTON. Mr. President, I thank the distinguished Senator from Nebraska. He has been a great leader in this area of the small rural banks.

My intent is not to bail out small banks from bad management but, rather, to allow for the survival of this whole class of banks which are absolutely essential, it seems to me, to the very fabric of the economy of rural America. If they all go under, the country is not well served, because the FDIC has to pick up the tab for the whole loss, and with it all the banks go down the drain, with a lot of local merchants as well.

Mr. President, I intend to work with the distinguished Senator from Nebraska and the distinguished Senator from Montana to try to solve this problem, to allow for the survival of the local bank. Whether it is through certificates by the FDIC or whether it is a writeoff of the loss over a period of 20 years, they are efforts to get at the same problem of the capital/reserve ratio, which is the key to the survival. One of those approaches to allow for that capital/reserve ratio is essential to the survival of the small banks.

Mrs. KASSEBAUM addressed the Chair.

Mr. JOHNSTON. Mr. President, I promised the Senator from Montana that I would yield to him for a question or a statement.

The PRESIDING OFFICER. The Senator cannot yield for a statement. He may yield for the question.

Mr. MELCHER. For a question.

I thank my friend for yielding.

First let me say that what the Senator from Louisiana is describing in the distressed rural banks can be brought into focus by looking at the last bank in Iowa that went under. It was at Inwood, IA, just a few days ago. As an Iowa native, even I had a little problem figuring out where Inwood is. It is within a few miles of the place of my birth, Sioux City, IA. that small bank went under, in a determination of the bank to provide adequate credit to its farm borrowers. Inwood is a very small community. When these banks fold, a lot of the community is immediately dead.

The amendment we have before us, offered by Senator ZORINSKY, removes the barbed-wire entanglements that make it difficult for banks to participate in the loan guarantees. The provision I am adding, along with Senator ANDREWS, Senator EXON, Senator PRESSLER, and Senator GRASSLEY puts into focus the buying in of the responsibility of the lender to participate in part of the interest buy-down.

The obvious merits of these combined amendments are to do exactly as the Senator recommends. It is the only type of path we can follow under the constraints that are before us now—that is, being germane to the farm credit situation.

I ask the Senator from Louisiana if, in his view, one of the next steps we must take is to attach a broader range amendment or provision in law, such as he has described for the savings and loan institutions, such as have been described by the Senator from Nebraska, in the certification of the Federal Deposit Insurance Corporation—if, in his view, it is something that must be attained very rapidly, following our action now on this particular bill?

Mr. JOHNSTON. Mr. President, I think the Senator is decidedly correct. It was not right for putting on this bill because of the problems of germaneness and because it must be studied, I think, in the Banking Committee.

As I understand it—again, I confess that I am not an expert on banking—this would cost the Treasury no money at all. It would not be a bailout to those banks but, rather, one method that I suggested; the other is the method suggested by the distinguished Senator from Nebraska. It would allow the banks to stay in business through an adjustment of the capital equity/reserve ratios. Once they shut their doors, they pull down with them the whole agricultural community, from the farmer to the local merchant to the whole town, which depend not only on the source of

credit but also the very existence of the financial institution.

So I will work with my friends to confect some kind of solution to that problem of the small financial institution.

Mr. MELCHER. I thank my distinguished colleague.

Mrs. KASSEBAUM. Mr. President, will the Senator from Louisiana yield for a question?

Mr. JOHNSTON. I yield.

Mrs. KASSEBAUM. Mr. President, I am curious. I certainly share many of the concerns that have been voiced, but I have been troubled about this approach, and I ask this question: Does the 2-percent write-down that would be guaranteed, which would be paid by the Government, as well as the bank's participation, exist for every loan? What is the determination?

Mr. JOHNSTON. Mr. President, my question really did not have to do with the pending amendment. As I stated, I support the pending amendment.

But I was really dealing with the question that will come up at some time in the next few weeks, and that is how this is the first step to help save the agricultural bank but, as I understand it, it deals only with the immediate problems and does not solve the whole problem.

Mrs. KASSEBAUM. Mr. President, I wonder if the Senator will mind if someone else answers that question at this point? Will that interfere?

Mr. JOHNSTON. No.

Mrs. KASSEBAUM. Mr. President, could the Senator from Montana perhaps address that question?

Mr. MELCHER. Yes. I will be delighted to address the quesiton of the distinguished Senator from Kansas.

The regulations of the Department of Agriculture require that there be a 10-percent reduction either in interest or principal by the lending institution prior to the time that the loan guarantee is agreed to. In other words, the Department of Agriculture will make that determination prior to granting the guaranteed loan.

We are suggesting that the easiest way to do that will be by a buydown of the interest rate and use the dual buydown by the lending institution, the bank, or the PCA, to be matched by an equal amount by the U.S. Government.

Mrs. KASSEBAUM. Mr. President, I wish to ask the Senator from Montana. We are talking only about those loans, then, that will be restructured under the current guidelines, is that correct, of 100 percent cash-flow, or are we talking about those loans that have already been designated as restructured loans. Is that correct?

Mr. MELCHER. We are talking about the loans that are restructured for 100 percent cash-flow as agreed to by the Department of Agriculture and prior to the time the loan guarantee is provided to the lender.

Mrs. KASSEBAUM. So this would mean that no one else, only those who are eligible for the restructured loans could participate.

Mr. MELCHER. That is absolutely correct. The eligibility remains in effect as determined by the Department of Agriculture on the basis of 100 percent cash-flow and the loan must have been restructured.

Mrs. KASSEBAUM. And the bank would be reimbursed for 2 percent of the writedown and the other 2 percent that they would assume they can write off over a period of time, is that correct?

Mr. EXON. Mr. President, does the Senator from Kansas have the floor?

Mrs. KASSEBAUM. I believe I do.

The PRESIDING OFFICER [Mr. DURENBERGER]. The Senator from Kansas is recognized.

Mr. EXON. My question is, Who has the floor? Does the Senator from Montana have the floor?

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. EXON. Mr. President, will the Senator from Kansas yield?

Mrs. KASSEBAUM. I would be happy to have the Senator from Nebraska comment on this.

Mr. EXON. I say if the Senator from Kansas has the floor, if she will yield, I will try to answer her question. I think I know what she is getting at.

Sometimes it gets a little complicated. I hope we all understand it before we vote on it.

The PRESIDING OFFICER. Is the Senator from Kansas willing to yield?

Mrs. KASSEBAUM. I yield.

Mr. EXON. Mr. President, I listened earlier to her first question and then I was interrupted. I believe the thrust of her question was what farmers can take advantage of the buydown on the interest rate. Was that not her first question?

Mrs. KASSEBAUM. I wondered if this would be available on all loans or what loans this would apply to, yes.

Mr. EXON. The answer to that question would be it would depend on the rules and regs put out by the Department, as the Senator from Montana has said. I think the restraining factor there is that it would not be available until the loan had been restructured, as the Senator from Kansas alluded to. In other words, until the loan had been restructured, by that I mean the lending institution agreeing to write down 10 percent of the principal and we keep talking about that and they are not going to do that so really what we are talking about they are writing down the equivalent of 10 percent of the interest. After and only after they have done that, we assume that the rules and regs would be promulgated by the Department. Then and only then would they be able to continue on with it on a one-for-one basis. If they felt that the loan needed additional cash-flow, then they can write off 1 percent of the interest that the bank would put up and 1 percent of the interest that the Federal Government would put up out of the $100 million in the bill, or they could go up to 2 percent writeoff of the interest, additional writeoff of the interest and recompensated by the Government for up to 2 but not more than 2.

So, I think the restraining factor here is that obviously the lending institution is not going to want to go out and offer this to all of their customers because if they did they would be writing off the equivalent of 10 percent of all the loans on their books which I am sure they will not want to do.

Mrs. KASSEBAUM. Mr. President, if I could pursue this a bit further, though, is not one of the problems we have right now that many loans that could be performing loans through the stricter interpretation of the regulators that has occurred over the past year would be classified as nonperforming so there are others that have not been but are certainly right on the verge? And it would seem to me if I had a loan that still was classified as a performing loan but in many ways was still very much in jeopardy I would feel really very disappointed that my neighbor was able to participate in this where I was not. I think the additional assistance that we got last week, which I strongly supported on the 100-percent cash-flow projection, helped in availability to that access but if we carry it much further are we not placing some real choices out there that are going to be very difficult, except for the bankers, who it seems to me we have helped and assisted, but is it really helping the farmers that much more?

Mr. MELCHER. Let me answer.

Mrs. KASSEBAUM. I will be happy to have anyone answer the question.

Mr. MELCHER. Mr. President, will the Senator yield?

Mrs. KASSEBAUM. I yield.

Mr. MELCHER. First let me state that in order to get a loan guarantee the requirements of the Farmers Home Administration must be met. That is not the most attractive situation to be in for a borrower. It is probably the only way to save that particular loan.

The question of whether or not a borrower in the same bank with a loan that is not classified as imminently in problem status at this moment and whether or not they could get an interest buy-down would be left up to the discretion of the Secretary of Agriculture. I know the limitations that this also imposes on the Secretary of Agriculture and, therefore, the Farmers Home Administration.

So, it is not going to solve every problem. It is our hope by providing an avenue for an interest buy-down that a lending institution itself will have a stronger portfolio and be in a better condition to continue the drop in interest rates that are deserving of all the rest of the farm borrowers whose loans are not classified.

That is about as far as I believe we can go and as far as the Department of Agriculture can go at this particular time.

Mr. ZORINSKY. Mr. President, I would be able to answer.

Mr. President, will the Senator yield to me for a moment?

Mrs. KASSEBAUM. I yield.

Mr. ZORINSKY. Mr. President, I wish to point out that from the outset this is not the Promised Land or the Utopia for solving the problems confronting many farmers.

As the majority leader pointed out yesterday, we have to keep in mind the constraints on the budget. That is why the minimal amount of $100 million for the interest buy-down provision is less than the cost of the bill I intend to amend—the northern African aid bill, which will cost $175 million. And, of course, that bill will not help all the people in northern Africa that need help.

Mrs. KASSEBAUM. Mr. President, I certainly share the point of view of the Senator from Nebraska about the importance of the farm bill. We have the chairman of the Agriculture Committee right here. I think it is very important because those of us who come from States that are in trouble right now know that the only real solution of course is a better price in the marketplace, and if we can work through the farm bill legislation—I hope in a very expeditious manner—I think that will give us some insight into where we are going. But it is troubling for those of us who want to do what we can to help to really try to answer this question.

I wonder if anybody who is supporting this has computed any figures on exactly how far this $100 million is going to go.

Mr. ZORINSKY. We are told by the bankers that the $100 million interest buy-down would allow them to reduce the interest rate by 4 percent on 5 billion dollars' worth of loans. So I think it would have a significant impact. Of course, this will not save all farmers but if we save some farmers, that is better than saving no farmers. I am talking about assisting the farmers that are in a marginal, financial position but are good managers. Certainly, I am not advocating the saving of all farms. Not all businesses can be saved nor do they deserve to be saved.

Mrs. KASSEBAUM. Really, it is not so much the saving of the farmer at this point as the banker, and not that that is something that should not be of concern, but I think in this particular instance it really is a greater help to the banker than the farmer.

Mr. ZORINSKY. When Secretary of Agriculture Jack Block presented his thoughts on this issue to me, I asked him: "Have you calculated the budget effect and adverse economic reaction that would be caused by banks closing and going out of business?" As the Senator from Kansas knows, the FDIC insures each depositor of a bank up to $100,000. We have had several bank closings in Nebraska and have experienced the FDIC coming in, padlocking the bank, and paying off the depositors.

This is a cost, not a savings. Quite obviously, banks are going to continue to close if the economy continues to worsen in the agricultural area. So the Secretary of Agriculture's answer was "No, we have not computed or even estimated any offset as to what the FDIC would have to pay depositors if banks continue to close." So just because we do not want to save banks, at least we should try to keep their doors open so that the cost to the FDIC which also uses taxpayers' dollars, would be minimized.

Mrs. KASSEBAUM. Mr. President, I thank the Senator from Nebraska [Mr. ZORINSKY] for that response.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The majority leader.

SCHEDULE

Mr. DOLE. Mr. President, I have had a number of inquiries on when we may vote. I must say that because of about a dozen other things I have not been able to spend much time on this issue today. At 4 o'clock there is a White House meeting with members on both sides of the Armed Services Committee. I think I am correct. That will probably continue until the hour of 5 o'clock which means our Members would not be available until 5:30. It just happens one of those rare occasions where the majority leader has agreed to go to Peoria this evening. So I am prepared to suggest there will not be any votes today, if that is satisfactory with everyone.

I yield to the minority leader.

Mr. BYRD. Will the distinguished majority leader yield? I am happy to say to the distinguished majority leader, as I said last evening, that we are ready to vote today on the pending amendment. Or, alternatively, we would be happy to agree today to a vote at a specific hour tomorrow if the majority leader would like to do that.

Mr. DOLE. Let me indicate that we may be prepared to do that. I want to make certain we understand what we are voting on. I guess the second-degree amendment has been offered. Perhaps the distinguished chairman of the Agriculture Committee has had a chance to review it. The Senator from Kansas has not. These are important amendments and we need to make certain what is in or out of the amendment and what was in and now out. I understand the first-degree amendment has been modified to take out the big bank bailout but there are still little bank bailouts as well of $100 million. So I want to review that before I agree on a time. I am quite certain we are going to vote tomorrow.

Mr. BYRD. I thank the distinguished leader.

Mr. President, does the majority leader yield the floor?

In any event, I want to read something into the RECORD.

Mr. DOLE. I will say to the minority leader—because I have been asked by the distinguished assistant leader on the Democratic side if I could advise the Senate—that I am now advising everyone that there will be no votes today.

Mr. BYRD. I thank the distinguished majority leader.

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

THE FARM CRISIS

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The minority leader has the floor.

Mr. BYRD. Will the distinguished Senator from Nebraska forgo just for a couple of minutes?

Mr. EXON. Yes; I yield the floor. I am sorry.

Mr. BYRD. I thank my friend.

Mr. President, I have received the following letter from the Secretary of Agriculture, which I would like to read into the RECORD. The letter reads as follows, dated February 26, 1985:

DEAR MR. MINORITY LEADER: Currently pending before the Congress are bills which purport to deal with the short term farm credit problem. It is my firm belief that the responsible use of existing authorities and the commitment of adequate resources is the soundest and surest means of insuring that the nation's farmers receive timely operating credit for the coming crop year. Further, under the provisions of the Administration's debt adjustment program, substantial care is taken to insure that individual farmers restructured debt provides them with adequate income to cover reasonable operating expenses and a margin for unexpected costs. We believe that these provisions are vital to protect the future of individual producers facing financial stress.

In reviewing the various legislative proposals before the Congress, it is clear that these important safeguards for farmers have largely been eliminated. Clearly, I believe that we need to determine whether our primary goal is to provide sound assistance to farmers who are good managers and with proper assistance can be helped or if the goal is to insulate lending institutions from risk or incentive to continue to serve the agricultural community in their area.

Further, the proposed legislation turns an important tool for orderly marketing for farmers (CCC loans) which has been in effect for 52 years, into a multi-billion dollar production finance bank. Such action is not in the best interest of farmers and will create new problems for producers at harvest.

In my agreement with the Senate on behalf of the President, the Administration has already taken major, immediate, and productive steps to insure that farmers are able to obtain timely operating credit from private and government lenders. It is my belief that it is time to set aside partisan political posturing and work together to support the effective use of the credit programs which are in place and working. It is by this action that we can best serve the short term needs and interests of the American farmers. It is because of my concern that the proposed legislation is not timely nor in the best interests of farmers that I want to advise you that should these measures pass the Congress that I will strongly recommend that the President not sign them.

Sincerely,

JOHN R. BLOCK,
Secretary.

Mr. BYRD. Mr. President, I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Have the yeas and nays been requested on either the Zorinsky or Melcher amendments?

The PRESIDING OFFICER. They have not been.

Mr. EXON. I ask for the yeas and nays on both amendments.

The PRESIDING OFFICER. It would take unanimous consent.

Mr. BYRD. Will the Senator ask unanimous consent that he may do that, and that it may be done with one show of seconds?

Mr. EXON. Mr. President, I ask unanimous consent that I may ask for the yeas and nays on both amendments and that I may do this with one seconding.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Before the Chair rules, I shall raise my hand to provide the sufficient second, but the Senator does understand that he cuts off the possibility of a modification except by unanimous consent when the yeas and nays are obtained.

Mr. EXON. I believe that has been addressed by the previous agreement, Mr. President. Am I correct?

The PRESIDING OFFICER. The Senator from Nebraska is correct.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there objection to the request? If not, without objection it is so ordered.

Is there a sufficient second? There is a sufficient second. The yeas and nays were ordered.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, we have spent a great deal of time discussing the farm credit crisis on the floor for the past week or so, thus I will not belabor the issues involved much further.

I do want to indicate at this time that I will be lending my support to the Zorinsky amendment and the Melcher amendment thereto, as well as to the amendment offered by my colleague from Illinois, Senator DIXON. I applaud these amendments as significant first steps toward rectifying this Nation's farm credit crisis.

These amendments are necessary, as has been pointed out, because the administration's much-heralded farm credit initiatives are not working. These programs have had literally no impact. Nationwide, through the 21st of this month, only $44 million of the $650 million authorized under emergency credit assistance had been used. In my home State of Tennessee, we had some 3,192 farmers apply for credit assistance under the initiatives the administration announced last fall. Through the 25th of January, we had zero loan guarantees made in Tennessee under this program, not a single one. Moreover, we only had 15 deferrals granted during this time period. This is a dismal track record and underscores the overriding importance of the type of amendments we are considering today.

Recognizing the shortcomings of the administration's credit initiatives, I worked with my good friend and farm credit expert, Congressman ED JONES from west Tennessee on pulling together a series of credit proposals we believe would help put many farmers on the road to economic well-being.

Many of the elements of our proposal are contained in the various amendments coming up today. I am heartened that those of us concerned about the plight of the Nation's farmers have been able to formulate policies which we can agree on as doing some substantive good for our economically pressed farmers.

While we all recognize that farmers cannot borrow their way out of debt and that farm programs designed to put profitability back into farming are the real answer to the credit crisis, we must act now on these short-term measures to ensure that we have farmers left in business who can make use of the long-term farm programs. The amendments on the floor today are a good starting point in this process and I urge my colleagues to support our efforts.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. SASSER. I yield.

Mr. PRYOR. Mr. President, I am pleased to support the pending amendment and I am proud to be a cosponsor of the amendment offered by the distinguished Senator from Montana, and also a cosponsor of the amendment offered by the Senator from Nebraska, Senator ZORINSKY.

I commend the efforts of the Senator from Nebraska [Mr. ZORINSKY] and the Senator from North Dakota [Mr. ANDREWS] for their leadership in this effort.

Mr. President, there are a couple of things about the pending amendment that are excellent, and I would like to point them out before the Senate acts on this amendment.

First, and very importantly, Mr. President, the amendment contains funding for a $100 million interest buy-down to be conducted jointly between the Federal Government and private lenders. Borrowers from commercial banks and entities of the Farm Credit System, like the PCA's and the Federal land banks, would be able to benefit from this program, and it would be very helpful in providing some below-market money for these very efficient producers to put their crops in the ground. Under the program set up in this amendment, if a private lender, either a commercial bank or cooperative lender, agreed to reduce the interest rate, the Federal Government would match that buy-down. This is a concept I have been interested in for quite some time, and I think it holds a great deal of promise for many of these borrowers. These men and women, and their families, are very efficient producers, and they are being hammered through high interest rates, a strong dollar and export subsidies of other countries that have damaged our ability to export, and declining land values. Further, they have weathered several very difficult years of low commodity prices. In the next farm bill, Mr. President, we must deal with the critical problems facing our producers, and develop a comprehensive farm policy that will help them compete effectively in world markets. We all know that the real solution to the problems we are facing is to increase the income to our producers. In that regard, the upcoming debate must focus on ways to regain our markets that we have lost through unfairly subsidized competition. We all know that our producers are efficient, but we cannot continue to allow them to have to compete directly against foreign governments. Those matters must be corrected later on in this year, Mr. President, but the pending amendment will provide them with an opportunity to have access to reasonable financing for this year's crop.

The second point I would like to make about the pending amendment is

that it would discourage Federal regulatory agencies from adversely classifying loans by a bank or cooperative lender. This will be helpful in many parts of the country where Federal regulatory agencies, like the FDIC, are creating several problems due to loan reclassification.

Finally, there are changes in the amendment dealing with overtime work by FmHA employees, and allocating any additional temporary employees to States with the largest backlog. These are important steps the administration could take, but in the absence of any initiative in this regard, I believe it should be spelled out in the statute.

For all of these reasons, Mr. President, I support the pending amendment, and hope it is approved by the Senate. There are features of it that will help borrowers who get their money through private sources, and this is an extremely important and critical issue that we must deal with in an effective manner. We must help all producers in planting and harvesting this year's crops, and this amendment will help toward that end.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, the Democratic leader just read into the RECORD the letter dated February 26 from Secretary Block. While the letter is quite general in its terms on what it is discussing, it is obvious that the Secretary has dug in his heels and is not being conducive to the reasoning that we are following in our rather bipartisan discussions on the amendments which are pending.

I should separate out two of these paragraphs. One of them is the following:

> In reviewing the various legislative proposals before the Congress, it is clear that these important safeguards for farmers have largely been eliminated.

Let me respond to that particular sentence. One of the things that the Department of Agriculture has been advocating, and Secretary Block personally has been explaining to Members of the Senate, and I assume to the House also, is that he wanted in the provisions that opportunity by the Department of Agriculture through their regulations to require some sacrifice by the lending institution prior to a loan guarantee being applied to the distressed farm loan.

That is what we are attempting to accomplish in the very amendment I have offered today, that participation by the banks or PAC's before the loan guarantee is agreed to.

By participation, I mean a requirement of the current regulations of the department requiring a 10-percent adjustment in either the principal or interest.

To be clear on that, let me say that the option of that lies in the hands of the Secretary. Obviously, the most easy way to apply that would be a markdown in the interest rates that will be charged against the loan.

We do carry with this amendment the underlying Zorinsky amendment, the authorization for $100 million to be used by the Department of Agriculture in that interest buydown. That, together with the requirement that the lending institution itself participate by a like amount, clearly meets one of the previous objections of the Secretary of Agriculture.

So I would hope that the Secretary takes note of that in his thinking and judgment in the coming days.

To go on with the particular paragraph I was reading from:

> Clearly, I believe that we need to determine whether our primary goal is to provide sound assistance to farmers who are good managers and with proper assistance can be helped or if the goal is to insulate lending institutions from risk or incentive to continue to serve the agricultural community in their area.

Mr. President, I believe that clearly we have met that particular goal in the combination of amendments now pending.

The next paragraph of the Secretary's letter is as follows:

> Further, the proposed legislation turns an important tool for orderly marketing for farmers' CCC loans which has been in effect for 52 years into a multibillion dollar production finance bank. Such action is not in the best interest of farmers and will create new problems for producers at harvest.

That paragraph, Mr. President, refers to another proposal not contained in the underlying Zorinsky-Andrews amendment, nor contained in the amendment that I offered as a principal sponsor to the Zorinsky proposal.

What he is getting at there is another proposition which will be later offered by Senator DIXON of Illinois after these two amendments are disposed of.

The last line of the Secretary's letter throws down the gauntlet. That last sentence says:

> It is because of my concern that the proposed legislation is not timely nor in the best interests of farmers that I want to advise you that should these measures pass the Congress that I will strongly recommend that the President not sign them.

Mr. President, that is rather bald, rather vociferous on the part of the Secretary of Agriculture. He is suggesting that the President might veto any farm credit crisis legislation that we pass. I hope that the President does not adhere to that type of advice.

First, what we are doing is absolutely timely. If we do not do it now, time runs out on American agriculture; time runs out on many parts of rural America. It is for that reason that we are busily engaged in the Senate, and the House will do likewise, I understand, tomorrow or the next day, trying to provide, in a timely manner, something that is in the best interest of farmers.

The Secretary of Agriculture may have a differing view from the rest of us on these matters; he obviously does. But there are times when, in the course of the legislative action by Congress, we must respond to the stern warnings of imminent danger to a segment of our society. We have had those stern warnings. We have had plenty of signs of disaster in rural America.

I only ask the Secretary of Agriculture to answer these questions: How many more farm and ranch families must be dislodged from their operaton, must be taken off the land, thrown into liquidation, in order to convince the Secretary that justice demands that we take responsible action to provide them the opportunity to stay in place, to work out of a bad debt situation to continue the farm operation or the ranching operation so they can contribute to the economy of their communities, their States, and the Nation?

How many more rural communities, might I ask the Secretary of Agriculture, must be placed in jeopardy for their very continuation as a community—their schools, their hospitals, their service organizations, the very fabric of society in their communities?

Might I finally ask of the Secretary of Agriculture, when Rome was burning, when Rome was being destroyed, what purpose was Nero's purported violin-playing serving? I do not think this Secretary of Agriculture deserves to be cast in the mold of Nero's purported actions of ignoring the problems of Rome. I do not believe that this Secretary of Agriculture would be wise to recommend a veto of legislation designed to give some hope, another chance, another last opportunity for hundreds of thousands of farm and ranch operators.

Surely the President, if such is the case and the Secretary does advise him finally to veto it, surely the President will have more compassion, more understanding, and more common sense than to turn his back and the back of the administration on the most significant and tragic occurrence in rural America in this decade—not just this decade, but this last half of this century.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me speak very briefly, and I believe there are others who may want to discuss this and we shall discuss it in more detail tomorrow. Let me commend all Senators for their interest in address-

ing what is a very serious problem in rural America. Then let me indicate that I believe we have come a long way. In fact, the need for farm credit assistance was first addressed last August.

On September 18, the President announced the $650 million principal buydown program. It did not work because the banks did not want to participate in the principal writedown.

In January, this Senator and my colleague met with the distinguished Governor of Iowa. We met with Federal bank regulators and we called for a Presidential task force to study the problems in the farm economy and agricultural credit markets.

On January 22, 12 farm State Republican Senators wrote White House Chief of Staff Donald Regan requesting farm credit actions. These included allowing banks to write down interest rates as well as principal on farm loans under the September debt restructuring initiative; assuring that adequate loan guarantees would be provided if required above the $650 million earmarked in September; and, approving the request for additional personnel and equipment to reduce the Farmers Home Administration loan application backlog.

On January 31, a meeting was called by the distinguished chairman of the Agriculture Committee (Mr. HELMS). A number of us met with Secretary Block and Mr. Stockman and we talked about the long-range farm program and the short-term credit problem.

Then, on February 1, another meeting was held, again chaired by the chairman of the Agriculture Committee. Secretary Block was there, Mr. Stockman was there. We had a bipartisan group of Senators. We met with four State Farm Bureau presidents—the Farm Bureau president from my State and from Nebraska, Iowa, and Minnesota. Again, we talked about what we could do to make the program not only more acceptable, but one that would be used by the farmer. That discussion, I thought, was very helpful. I think Senator EXON was there, I think the distinguished junior Senator from Iowa was there, as was the distinguished senior Senator from Iowa and the distinguished junior Senator from Minnesota, in other words, a bipartisan meeting.

Then, on February 6, Secretary Block announced the farm credit relief package, including the interest writedown provision. It was made clear at that meeting that the $650 million was not a cap on the loan guarantee program, although there are still some people trying to tell us it is a cap. It is not a cap. And that was further clarified by Senate Resolution 57, the so-called Abdnor resolution we passed on Saturday after discussions all last week with Democrat and Republican Senators.

Then on February 11 Senator BOSCHWITZ of Minnesota and this Senator met with Federal bank regulators—the FDIC, the Federal Reserve System, the Comptroller of the Currency, USDA, and the Treasury Department—to discuss the administration-revised plans and how they affected bank forbearance policies.

We were trying to define what it means when you owe the bank money and we ask the banks to practice forbearance. What does that mean? I am not certain we learned what it meant at that meeting, but at least we raised the issue, that the banks are supposed to be a little more generous, a little more lenient. They are prepared to do that in my State and other States if they do not have the Federal regulators saying, "You have to do this, you have to do that, you have to foreclose, you have to tighten up, or you have to reclassify some of your loan portfolio."

On February 19, the distinguished Senator from Oklahoma [Mr. BOREN] and the distinguished Senator from Nebraska [Mr. EXON] started to discuss the farm credit issue on the floor of the Senate. Some would call it a filibuster. I think it was an extended debate. We also started negotiations with a number of Senators on both sides; 10, 15, 20 Senators. Then on February 22, we hammered out a bipartisan compromise which we put into a resolution. We again said that there is no cap on debt restructuring loan guarantees, that there is no cap on operating loans from the Farmers Home Administration. We provided for a 14-day turnaround from the time an approved lender makes a decision. We included a number of other things in the so-called Abdnor resolution, which then passed the Senate by a vote of 92 to 0. It would have been 100 to 0, but some Senators were necessarily absent.

I want to include this chronology in the RECORD because I was asked by one of my colleagues on the floor Saturday, "Why haven't we done something? Why wasn't this recognized weeks or months ago?"

The answer is that it was. It was not discovered last week. It was discovered by the media last week. But we have known there was a problem for months. It seems that the media—which tries to always report the facts—suddenly saw the issue as, "We are the bad guys and they are the good guys. We want to do less and they want to do more." I do not think that is the intent of anyone. And now we are finding we want to do more for the bankers. I thought we were here to do something for the producers, the farmers.

I have a letter I am going to put in the RECORD at this point from the Kansas Bankers Association endorsed by 17 members of the KBA's agriculture committee—bankers from small towns for the most part. If people know Kansas, they know Concordia is not quite as large as other towns in Kansas, but it is a nice community. Atwood, Garden City, Burlingame, Dodge City, Liberal, Woodbine, Eureka—they are all small rural towns. The bankers in each one of those communities are saying, "We are ready to go to work. We like the change. We like the fact that you have changed that cash flow provision," which I might indicate was originally suggested by my colleague from Kansas [Mrs. KASSEBAUM], and by a number of other Members on both sides. "We kind of like that." And here is what the letter says:

> We support the Kansas Bankers Association's steps to assist in the education and implementation of the loan guarantee program. It is essential that our agriculture borrowers receive some lending assurance as soon as possible, so adequate planning can occur on the part of both the lender and the borrower.

So they are going to conduct seminars in my State on March 5, 6, and 7 to explain the program.

I have to believe a lot of the frustration of the well-intentioned State legislators who have come to this town is because they did not fully understand this program. I do not know anybody who maintains we do not have a good program in place. Once we got around the cap question on debt restructuring and on operating loans and on servicing those applications, then I believe we addressed the principal problem.

Let me repeat what we accomplished in the Abdnor resolution. Remember, the vote was 92 to 0.

First, we provide that adequate loan guarantees will be made available under the September Debt Adjustment Program to meet demand by lending institutions to refinance farmers this spring. The cash-flow requirement for farmers to be eligible for commercial loan restructuring under the Debt Adjustment Program is reduced from 110 percent to 100 percent.

That does not help the producer; it helps the banker. But bankers have to participate, so we went along with it. They will take a little more from the producer, but again there was a lot of support for that.

Adequate credit will be made available under the Farmers Home Administration Insured Direct Operating Loan Program to meet demand in 1985. The percentage of loan guarantees under the interest concession option will be increased yearly to a maximum of 90 percent of principal. Applications for Farmers Home loans and loan guarantees will be expedited. Farmers Home has announced that 1,000 additional loan officers are being reassigned to work on the current case backlog.

Next, action on loan application decisions by approved lenders will be required within 15 days. That was a big sticking point, because in the past the lender would approve a loan and then somebody else in Farmers Home would have to review it, which took another 2 weeks or a month. Now it is down to 15 days.

Action on Farmers Home loan guarantee requests will be processed within 60 days to the fullest extent possible. And again, as I said, because of a lot of meetings we have had with Federal and State regulatory agencies, they are encouraged to exercise restraint and forbearance in making adverse classifications with respect to agricultural loans.

Mr. President, I ask unanimous consent that the letter from the Kansas Bankers Association and the provisions of the Abdnor resolution on farm credit be made a part of the RECORD, along with the farm credit chronology.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

THE KANSAS BANKERS ASSOCIATION,
February 25, 1985.

Hon. BOB DOLE,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: It is our understanding that the Credit Restructuring Plan being supported by you and agreed to by the Reagan Administration will include the following:

1. Cash flow requirements for qualified farm borrowers will be reduced to 100 percent rather than 110 percent.

2. A pool of funds will be made available for loans guarantees sufficient to satisfy agricultural demand.

3. Steps will be taken quickly to insure the plan's workability, and all approvals needed will be expedited.

We support the Kansas Bankers Association's steps to assist in the education and implementation of this loan guarantee program. It is essential that our agricultural borrowers receive some lending assurance as soon as possible, so adequate planning can occur on the part of both lender and borrower. The Kansas Bankers Association and Farmers Home Administration will jointly conduct six seminars to be held on March 5, 6, and 7 to assist the Kansas bankers in implementing the program.

Let us get on with it.

Sincerely,

Dru Richard, First Bank & Trust, Concordia; Earl McVicker, Central State, Hutchinson; Ray Purdy, Garden National, Garden City; Barney Horton, Farmers Bank & Trust, Atwood; Clyde Burnside, American State Bank, Great Bend; Bob Kustersteffen, State Exchange, Yates Center; Victor Olson, First State Bank, Burlingame; John Harding, First National, Dodge City; Larry Heyka, First National, Dodge City; Deryl Schuster, First National Liberal; Don Steffes, McPherson Bank & Trust; John Price, Merchants National, Topeka; Paul Richmond, Commercial National, Kansas City; Fred Dunmire, Commercial National, Kansas City; Kenneth Stout, Citizens State Bank, Woodbine; Ralph Jenson, Peoples State Bank, Sharon Springs; R.D. Rucker, Home Bank & Trust, Eureka.

FARM CREDIT CHRONOLOGY

1984

September 18.—President Reagan announces debt restructuring initiative, including:

FmHA debt set-aside of up to 25 percent (maximum of $200,000), with no accrual of interest for 5 years, for producers who can demonstrate a positive (110 percent) cash flow.

Commercial debt restructuring program under which lenders receive 90 percent FmHA guarantee in exchange for writing down loan principal by enough to provide borrowers a positive (110 percent) cashflow. Initial appropriation of $650 million in loan guarantees earmarked for the program.

Implementation of an approved lender program to expedite handling of loan and loan guarantee applications.

1985

January 11.—Senators Dole and Kassebaum and Iowa Governor Branstad meet with Federal bank regulators and call for Presidential task force to study problems in the farm economy and agricultural credit markets.

January 22.—12 farm state Republican Senators write White House Chief of Staff Regan requesting farm credit actions, including:

Allow banks to write down interest rates as well as principal on farm loans under the September debt restructuring initiative;

Assure that adequate loan guarantees will be provided (if required, above the $650 million earmarked in September);

Approve USDA request for additional personnel and equipment to reduce FmHA's loan application backlog.

January 31.—Meeting between Republican Senators and Administration officials (Block, Stockman) at which "tradeoff" between farm credit improvements and farm bill concessions is discussed and rejected.

February 1.—Meeting between four State Farm Bureau Presidents (Kansas, Nebraska, Iowa, Minnesota), Administration officials (Block, Stockman) and bipartisan group of Senators, at which the Administration commits to implementing a farm credit package.

Senators Boren and Exon notify the Majority Leader of their intention to hold up any Senate action after February recess until action on farm credit.

February 6.—Secretary Block announces farm credit relief package, including interest write down provision.

February 11.—Senators Dole and Boschwitz meet with Federal bank regulators (FDIC, Federal Reserve System, Comptroller of the Currency, USDA, and Treasury Department) to discuss Administration revised plans and bank forebearance actions.

February 19.—Senators Boren and Exon begin filibuster on farm credit. Negotiations open with the Majority Leader and other Republicans.

February 22.—Bipartisan compromise reached with Administration, including:

Adequate loan guarantees to be made available to meet commercial bank demand under September initiative;

Adequate FmHA direct operating loans to be made available to meet demand in 1985;

Producer cash flow requirement under commercial write-down part of September initiative reduced from 110 percent to 100 percent.

Bipartisan compromise rejected by Democratic caucus.

February 23.—Letter of transmittal from Secretary Block revised. S. Res. 57 passes Senate 92 to 0 following unanimous consent agreement on farm credit amendments.

PROVISIONS OF SENSE OF SENATE RESOLUTION ON FARM CREDIT

1. Adequate loan guarantees will be made available under the September Debt Adjustment Program to meet demand by lending institutions to refinance farmers this spring.

2. The cash-flow requirement for farmers to be eligible for commercial loan restructuring under the Debt Adjustment Program is reduced from 110 percent to 100 percent.

3. Adequate credit will be made available under the Farmers Home Administration Insured (Direct) Operating Loan Program to meet demand in 1985.

4. The percentage of loan guaranteed under the interest concession option will be increased yearly to a maximum of 90 percent of principal.

5. Applications for FmHA loans and loan guarantees will be expedited (FmHA has announced that 1,000 additional loan officers are being reassigned to work on the current case backlog).

6. Action on loan application decisions by approved lenders will be required within 15 days; action on FmHA loan and loan guarantee requests will be processed within 60 days, to the fullest extent possible.

7. Federal and State regulatory agencies are encouraged to exercise restraint and forebearance in making adverse classifications with respect to agricultural loans.

Mr. DOLE. Mr. President, I believe that once it is understood we have a good package in place, we will not need anything else. The longer we talk about it, the longer we debate on the floor, the more somebody out there is going to be confused. They start thinking, "Maybe we are going to get a little better deal," or "Maybe we are not going to get a little better deal."

It is my view we have a good deal. If it is not a good deal, then we ought to change it. I have not heard anybody condemn it. I have heard people who do not understand it. I have heard it misrepresented by some. I have heard a lot of talk about a cap by some. I would say, very candidly, that part of that may be in response to whoever puts together the radio speech at the White House, who put in $650 million, but it did not say it was a cap. That was the program last September, which is a fact. That is not the program in February 1985.

I know my colleagues are well-intentioned. I have been on the Agriculture Committees as long as I have been in the Congress, 8 years in the House and 17 years in the Senate. I believe my record will reflect responsiveness to American agriculture, and I believe we have been responsive now. When we complete debate on this, I hope we can dispose of these amendments and move on to something else. The long-range farm program is what we ought to be addressing: How do we get a price for the American farmer? The

farmer may have to have credit, but he is never going to be any better off if he does not get a price. We are not going to get a price until we reduce the Federal deficit, until we moderate the strength of the dollar, which I think in turn will happen if we reduce the deficit; it will bring down interest rates. It will make people on the farm a lot happier.

Let me conclude, Mr. President, and then I will be happy to yield the floor.

If we pass all of the amendments that are going to be proposed—I guess they total two or three—we are going to see a lot of delay. I do not say it is going to be intended delay. It is just going to take some time for everything to go through conference. I am prepared to say the President would not sign a bill with this amendment on it.

I cannot make that flat statement. I should have said "I am prepared to guess" instead of "prepared to say."

Regulations and instructions to local offices would have to be issued to implement the new program and therefore would not realistically be operational until April, too late for many farmers.

All it does is confuse what we have in place. It seems we are always trying to change the programs all the time.

Mr. DIXON. Mr. President, will the majority leader yield?

Mr. DOLE. I would like to complete my train of thought.

Lending institutions, not the farmers, would be the major beneficiaries of this amendment. The $100 million we are talking about in this amendment is new Federal spending, and we do not have any money. We have a $1.8 trillion debt, and the interest on that this year is $143 billion.

So we are talking about starting the year that way, after making speeches all last year about reducing the deficit. We are proposing to pass a new $100 million spending program. If that starts this year, it will never end. It will be one of those temporary programs that is so good and so attractive it keeps going up.

The $100 million of new Federal spending for interest buydown is unwarranted, given that we already have a pretty good program.

The provisions permitting a lender to write off principal or interest works to the lender's advantage as well as to the producer's. The Government would be forced to underwrite losses, with little or no change of repayment.

So I suggest that we already have a good program in place. Has the distinguished Senator from Illinois offered his amendment yet?

Mr. DIXON. No. I was going to discuss that when the majority leader yielded.

Mr. DOLE. I have said about all I wanted say. I have to go to Peoria a little later. I will say "Hello" to everybody for you.

Mr. DIXON. I say to the majority leader, first, that I understand that we cannot vote tonight because the distinguished majority leader is going to Peoria, in my State. He is well thought of in my State, and we are delighted and honored that he would visit us tonight, in one of the great cities in Illinois, where many people respect the contributions he has made, particularly in the Agriculture Committee, to which he referred a moment ago.

I just wanted to carry on a dialog with the majority leader. I appreciate everything he has said about what has been done. All of us who are involved in the discussions, entirely or partially, are truly appreciative of what the majority leader has done.

I think I have been very open about my position from the first moment we were together, the first day, in my discussions with the majority leader; my warm friend the chairman of the Agriculture Committee, who is on the floor; and my dear friend the Secretary of Agriculture who is from Illinois, not far by automobile from Peoria.

I have said to John Gordley, who I think the majority leader knows has been very close to my former legislative assistant, Scott Shearer—in fact, they car-pooled for some time—but I have the amendment here, which I have shown to Republican colleagues—the Senator from Iowa [Mr. GRASSLEY], the Senator from South Dakota [Mr. PRESSLER], and the Senator from North Dakota [Mr. ANDREWS]—who indicate their support for it. I will make it available to John Gordley in a moment.

It is the advance in the spring against what you would get in the fall, with a number of protective devices in the amendment. I say to the majority leader that I am prepared to discuss this amendment today.

Frankly, I do not want to offer the amendment, because there might be a little change or two that might attract some passerby in the Senate who is a little on the fence right now. This side is ready to vote. We appreciate that we have taken up considerable of the majority leader's time. I am delighted that he is going to Peoria tonight. I wish I could be there with him, because I know he will be a great success.

Mr. DOLE. I could check. There may be a seat open.

Mr. DIXON. We all appreciate the majority leader's concerns about having his folks here, but what would be the matter with voting on this sometime tomorrow, after we have all our discussion today? I know that the majority leader is not for this, but the majority leader must understand that on this side we are, and we want to have our opportunity for a vote. That was part of all the discussions.

The majority leader was very honorable in all our discussions, and our final understanding was with respect to the Zorinsky-Melcher amendment, and now we have the Dixon amendment, as it is commonly known.

Unless the Senator has some responsive amendments on his side, that is the end of the ball game. If you win, fine; and if we have the votes, OK. Then it is a question of whether it will pass the House of Representatives and whether the President will heed the request of my warm friend, the Secretary of Agriculture, whose letter I have seen in which he hopes the President will veto it.

That is the way in the Goverment functions. If the President wants to veto it, he will in time do so.

I do not see where we are gaining anything any more. There is no new light to be shed on this issue. My amendment is clearly understood by everybody on both sides, so far as I know. It has been thorougly discussed in the Democratic conferences, to the point where I have made experts on agricultural questions of several industrial urban State Senators.

So I wonder whether the majority leader is not tiring of it, too, and whether we might get this over sometime tomorrow. I have no particular time in mind. I do not want to hurry the majority leader back from Peoria, where he will find wonderful people, and I could recommend a nice place for breakfast, where the pork sausage is fresh every morning.

Mr. DOLE. I will be back tonight.

Mr. DIXON. What does the majority leader say?

Mr. DOLE. It is not just that I am going to Peoria. I do not want the world to stop because I am going to Peoria. But also have the entire Armed Services Committee meeting with the President now. That meeting will not conclude until after 5 o'clock. Then, I understand, there are some on both sides of the aisle who have to depart. Everyone is coming back tomorrow.

Obviously, we do not want to delay a vote, but it would be helpful if we knew precisely what the Senator from Illinois will propose. We already know what the Senator from Montana and the Senator from Nebraska propose.

Mr. DIXON. I say to the majority leader that my amendment does several things. It advances in the spring 50 percent of the basic crops you could obtain from CCC by going to the ASCS after the harvest in the fall. It covers wheat—is the majority leader listening?—corn, other feed grains, upland cotton—is the distinguished chairman of the Agriculture Committee listening?—tobacco, rice, peanuts, sugarcane, and sugar beets, and beans.

It provides that no farmer can obtain more than $50,000, or half, whichever is smaller.

It provides that the Secretary of Agriculture will issue the rules and regulations inside of 15 days, and it gives the farmer 30 days from enactment of the amendment or the bill itself, which would be the overriding bill, the Ethiopian relief bill, 30 days to sign up.

That is all it does, and there is nothing complicated about it. As the majority leader knows, it is an advance in the spring. There is nothing fancy or complicated about it, and everybody understands it.

I say, in all candor, that there will be differences of opinion, but that is true in this place or any other place we go.

I am the first to respect the leader's position, having been one myself at one time, in the State legislature. I understand his need to have his people here. Is there some time tommorrow, when all the Senators are here, that we can get it over with?

Mr. DOLE. That sounds much like a speech I made last week.

Mr. DIXON. That is where I got it. In fact I read it and just changed the name. [Laughter.]

Mr. DOLE. I thought it had a nice ring to it. [Laughter.]

In any event, let me assure the Senator from Illinois that we will try to dispose of—that means defeat—[laughter]—the Senator's amendment at the earliest possible time. If we cannot dispose of it, we will probably talk at length—but not because we have any quarrel with the Senator from Illinois.

Mr. DIXON. I understand.

Mr. DOLE. If we start talking about real numbers, USDA is going to be making a $2 billion advance in deficiency payments, including $1.7 billion for feed grains, which can be paid in April 1985; $700 million for cotton; and, $300 million for rice. Wheat producers received $1 billion in 1984 deficiency payments in December 1984.

In addition, considering the potential loan repayments in fiscal year 1986, it could raise CCC outlays. As I understand it, you can be a multimillionaire farmer and still get an advance. Is that correct?

Mr. DIXON. You can get an advance but not more than, I say to the majority leader, half of what you get at the harvest time or $50,000, whichever is smaller.

May I say to the majority leader what I say to the Secretary of Agriculture. It will cost you the same in the fall unless you are trying to get rid of some of these poor farmers in the spring so they cannot put in a crop.

Mr. DOLE. Well, it is pretty hard to say to the American farmer who is out there hanging by his fingernails that someone who has no problem at all should be able to borrow or get up to $50,000 at a low interest rate and just reinvest the money and make money.

So I think there are a number of things about this amendment we want to discuss. Hopefully we can do it tomorrow.

I know there are members of the Banking Committee here who would like to discuss the pending amendment. We have discovered what the Banking Committee has known right along. I think they wonder why all this talk about banking changes is going on among Agriculture Committee members and others when the Banking Committee has jurisdiction. And the Senator from Illinois is a member of that committee.

So I would ask my friend if he is willing to circulate his amendment——

Mr. DIXON. I have given it to John, standing right behind the majority leader.

Mr. DOLE. I will take it with me this evening, read it carefully, and I will be here late this evening.

Mr. DIXON. May I say to the majority leader I appreciate what he has said. I do not know there is any area of insuring that could be arrived at between the two sides on this. But may I say that I hope this Senator has achieved a reputation over a lifetime in public service which spans my entire adulthood of being a reasonable man who likes to enter into an accommodation if one is possible. So if there is an area of understanding between our side and his side, I would certainly want to take that to my friends on this side.

Otherwise, I would again say to the majority leader and again appreciating his circumstances, why do we not just vote at noon tomorrow on these two amendments? They are there; they are clear. Everyone has seen them. And you know it seems to me that no useful purpose is served beyond that unless the majority leader wants to candidly say "Look, we have a body missing," in which case the majority leader has the power to hold off until he is ready anyway.

I am talking quite openly and saying if the majority leader has all the bodies here, why do we not get it over with?

Mr. DOLE. There are a few bodies coming in this direction. One body is going up in space. We might get a live pair for that one.

I appreciate what the Senator is saying.

Mr. MELCHER. Mr. President, will the majority leader yield momentarily before he departs the Chamber?

Mr. DOLE. I am happy to yield momentarily, but I do need to catch an airplane.

Mr. MELCHER. I know the majority leader would not leave anyone in doubt on this point. But I hope I heard incorrectly.

The majority leader seemed to be saying that under the conditions set out by the Zorinsky amendment, modified by the amendment I offered, the Department of Agriculture would be forced into participating on loans that are not creditworthy; in other words, the discretion of the Department of Agriculture to determine whether or not the cash flow and the terms of the loan made the restructured loan a creditworthy vehicle. That discretion, I think, the majority leader understands, remains with the Secretary of Agriculture.

Mr. DOLE. As I understand the amendment, it does require the Secretary to use up to $100 million in fiscal year 1985 to offset one-half of any reduction in interest rates by commercial lenders. Is that correct? I cannot see the discretion in that.

Mr. MELCHER. It authorizes the Secretary of Agriculture that those loans that are restructured to the satisfaction of the Secretary, that amount of interest buydown or principal buydown is available.

Mr. DOLE. Why do we have to have a buydown? What good does it do the producer?

Mr. MELCHER. The lower interest rates, I might respond, is what is attractive to the producer. The sacrifice, I might respond, is on the part of the lender for half of any potential buydown.

Mr. DOLE. Right. Again, we are going into this debt restructuring. We are taking the loan as it is. We are going to restructure that loan and the Government is going to guarantee 90 percent of it. It seems to me that is going to be of tremendous benefit, and it is not going to be capped at $650 million. That is going to be a big shot in the arm all across the area where we are having difficulty, as the Senator knows.

Mr. MELCHER. I might respond that without the interest reduction there is not a whole lot of goodies as far as the farmer is concerned. If he is paying 15 percent, he wants to see that interest rate reduced. This requires, before the Secretary of Agriculture will enter into the matching of that buydown of interest, the bank or the PCA must advance a like amount, and that is, I think, a very pertinent point that cannot be lost in our debate here nor by some stretch of the imagination because of a debate on reading the record that the Secretary of Agriculture does not anticipate that and borrowers do not know about it.

I know the majority leader would not want to create that impression.

Mr. DOLE. Whatever impression I created, I want to leave one: I think it is a bad amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Mr. President, I thank you very much.

I wish to return this discussion and the debate to the amendment which is

before us, the amendment introduced by the distinguished Senator from Nebraska. I associate myself with most or all of the comments of the distinguished majority leader with respect to the general lack of desirability of that amendment.

I wish, however, at this point to focus my comments on one specific subsection of the so-called Zorinsky amendment because it has wide implications for the future of bank supervision and examination.

Section 207(b) of the amendment reads, in part, as follows:

Notwithstanding any other provision of law . . . Federal bank regulatory agencies shall ensure that examiners in carrying out their duties exercise caution and restraint in making adverse classifications with respect to agricultural loans.

This amendment goes to the heart of the bank examination process which has permitted both the prosperous operation of banks and the public confidence in our banking institutions which is necessary to their survival. So in a discussion of what amounts to a profound change at least in this limited field, we must start our inquiry with a determination of the purpose of bank examinations.

In that respect, I should like to quote from the Federal Deposit Insurance Corporation's Manual of Examination Policies, and I do so:

Although many answers to this question [i.e., the question of the purpose of bank examination] could be given, several fundamental reasons can be identified. The first relates to the maintenance of public confidence in the integrity of the banking system and in individual banks. Such confidence is clearly essential because the system's customers serve as the source of funding, without which banks would be unable to meet their most fundamental objective of providing financial services. The existence of unhealthy or deteriorating conditions, which may threaten this integrity, should be disclosed through the examiner's evaluation of the bank's capital adequacy, asset quality, management, liquidity position, and earnings capacity. Second, the periodic on-premise examination provides the best means of determining the bank's adherence to laws and regulations. Compliance with statutory and regulatory requirements has traditionally been given high priority by bank supervisors, and this posture has frequently been reaffirmed by Congress. A third response to the question concerns the role examinations play in protecting the financial integrity of the deposit insurance fund. That is, the examination process can help prevent problem situations from remaining uncorrected and deteriorating to the point where costly financial assistance by the Corporation, or even a payoff of depositors, becomes unavoidable. Finally, the examination supplies the supervisor with an understanding of the nature, relative seriousness and ultimate cause of a bank's problems, and thus provides a factual foundation to soundly base corrective measures, recommendations and instructions. The examination thus plays a very key role in the supervisory process itself.

For the purpose of discussing this amendment, of course, it is the first of those answers, those fundamental reasons, which is particularly vital: confidence in the integrity of the banking system and in individual banks. The proposal contained in the Zorinsky amendment is simply inconsistent with that fundamental purpose of bank examination.

The amendment is inconsistent with those purposes and would prevent regulatory agencies wisely designed to preserve confidence in banking and the security of the banking system from properly carrying out their tasks for at least the following reasons: These regulatory agencies are charged with preserving the safety and soundness of the financial system. That responsibility requires that they accurately report the condition of all financial institutions and the loans in those financial institutions which have a distinct possibility of not being repaid in full; in effect, the regulatory agencies are essentially the messenger and reporter of actual conditions within the financial services industry. And this amendment attacks the reporter instead of the source or the cause of the distress.

The proposition is as ancient as recorded history, that we often kill the messenger bringing bad tidings rather than to deal with the substance of those bad tidings itself. This is a case in which we must deal with substance and not disguise or hide the message.

Finally, of course, thousands of highly professional examining staff members would view any such legislation as a political directive that they should not do their job.

Next, Mr. President, in addition to being a violation of the principles of bank examination, principles designed to secure our financial services business, this proposal is in the long-run and probably in the short-run as well of real benefit neither to banks nor to farmers. Certainly, it has nothing to do with the problems of agriculture itself. If regulatory agencies do not adversely classify a loan, that failure to act does not change the loan's inherent strengths or weaknesses, and does nothing to aid the borrower. Lenders, not these regulatory agenices, make the credit decision, decisions as to who receives the loan, what its amount will be, how long the borrower has to repay, what collateral will be required and the like.

Regulatory agencies do not tell bankers how to handle a particular credit once it is classified. They do not tell the bank to foreclose. These are decisions which bank management makes. To emphasize, once again the failure to classify a questionable loan as a questionable loan does not remove the question. It does not strengthen either the borrower or the lending bank.

Parenthetically, Mr. President, even apart from these points, this legislation would have all kinds of practical difficulties in ensuring any kind of consistency in application, even with respect to agricultural loans; in determining compliance, both with the requirements of the amendment itself and with the more general statutes relating to bank examinations; and of course, in evaluating the results of any such change in policy or of the performance of the banks in question.

Mr. President, it is vitally important that we maintain the integrity of the examination and supervision policies which stand at the heart of our bank regulation system. Tampering with the process is unwise at any time, but is particularly so when we do in fact face a situation in which there are questions about the status and security of a regrettable number of our financial institutions.

It is at exactly times such as this that it is most important that we have objective bank regulation standards and objective examinations. The last thing in the world this Congress should wish to do now is to send a signal to private markets that we are going to weaken the bank examinations or bank supervision. It will be of aid and assistance to no one whatsoever. This proposal should be rejected along, I suspect, with the entire amendment to which it is attached.

Mr. President, I speak on this narrow ground on behalf of myself, and the distinguished chairman of the Senate Committee on Banking, Housing, and Urban Affairs. While this is a relatively minor part of the Zorinsky amendment, at least in length, it is illustrative of the very, very difficult problems that we can cause by an approach to a complicated problem which does not consider all its possible implications in advance.

If there are to be any changes in the standards of bank examinations, those changes should be only made after long and careful consideration both by the Banking Committee itself an on this floor, and not as an incidental add-on to an instantaneous reaction to a problem which is probably not helped by the entire amendment, but which is certainly hurt by this portion of it.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I respectfully appreciate the comments just made by the Senator from Washington. I have a great deal of admiration for his expertise in the field, and I know that he gives his reasoning with restraint and comity.

It is apparent that there is a credit crisis involved without the loan guarantees and their availability to banks in the manner that they could use them.

We are advised conservatively that some 1,300 banks have a real problem. I do not anticipate that no action would mean that number of banks by any stretch of the imagination would fail. But certainly a portion of those more than a thousand banks that have a portfolio with sufficient agricultural loans in jeopardy demand that Congress respond and respond quickly. The package that we have before us is the one, after careful consideration over the past several months in review of the availability of loan guarantees, that the Independent Bankers Association has recommended. We go one step contrary to their recommendation. Their druthers are that we would not require the matching of the interest or principal debt reduction. We do, however, do that because we believe there should be some sacrifice by the lending institutions, and with the exception of that which is indeed a sacrifice on their part, their participation assures when they do participate in the loan guarantee that they do make a sacrifice. Aside from that, all the rest of the features of the amendments before us are those strongly adhered to, and recommended by the American Independent Bankers Association.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, it is my hope that we can begin to close the debate on the pending amendments and bring these matters to a vote.

As I indicate on yesterday to the distinguished majority leader, and as I indicated again today, we on this side of the aisle are ready to vote.

The farmers need to know now whether they will get the kind of help they need to see them through spring planting. Without that planting, they may as well close up shop.

We heard yesterday that the Zorinsky amendment was a "big bank bailout." A short time ago we heard that the Melcher amendment was still a bailout for the little banks. We are not talking about bailing out banks. We are talking about saving the rural economy—farmers, bankers, small business, and the thousands of jobs that are at stake.

The survival of the farmer is intertwined with that of the banks and the rural economy in general. The Melcher amendment is a responsible attempt to meet the crisis in the farm economy and I would hope that we could vote on that amendment and the underlying Zorinsky amendment soon.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to exceed the hour of 5:30, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

NEW ZEALAND-UNITED STATES RELATIONS

Mr. COHEN. Mr. President, 2 weeks ago I introduced a Senate resolution concerning the state and future of relations between the United States and New Zealand.

Since that time, my colleagues from both sides of the aisle have shown strong support for this resolution and the message it expresses. Today I am adding to the growing list of cosponsors the names of Senators BIDEN, NUNN, GLENN, EVANS, TRIBLE, CHILES, ZORINSKY, DIXON, JOHNSTON, DENTON, HECHT, HELMS, KASTEN, MCCLURE, DOMENICI, ROTH, EAST, and NICKLES.

This brings to 46 the number of cosponsors of this resolution, and I anticipate that additional cosponsors will join in the coming days.

Because the resolution has attracted such strong bipartisan support and is likely to be acted upon by the administration, I believe that it is important that the people of both the United States and New Zealand understand exactly what the resolution says—and what it does not say. I wish to take this opportunity to dispel several incorrect nations concerning this issue and this resolution which unfortunately have arisen.

Some have said that the cosponsors of this resolution are attempting to interfere with the democratic processes of New Zealand. This is not the case. We respect the right of the duly elected government of New Zealand to make sovereign decision on matters such as these.

Decisions, however, have consequences. In this case, those consequences affect the United States. It is certainly the right—and in fact the duty—of Members of the U.S. Senate to express themselves on the implications of New Zealand's decision to alter its relationship with the United States.

If New Zealand chooses to grossly impair the functioning of the ANZUS alliance, then it must recognize the strains its actions place on United States-New Zealand relations and on the viability of the alliance. If New Zealand chooses to violate its obligations under the GATT subsidies code, then it is choosing to forego the benefits provided by the code. We do not attempt to interfere with New Zealand's making its own decisions, but we should not participate in the illusion that those decisions are inconsequential.

This resolution simply calls on the President to recognize the practical realities of the new situation created by the New Zealand Government.

It is argued by some that the New Zealand Government's actions need not alter United States-New Zealand relations if we would only denuclearize ANZUS into a conventional alliance. This seems to be an attempt to avoid facing the diffcult ramifications of a difficult decision.

ANZUS is an alliance among three nations—not between Australia, New Zealand, and some small portion of the U.S. Navy, as the New Zealand Government would seem to portray it. This argument is even less tenuous since New Zealand's policy effectively bars visits by all U.S. Navy ships. An alliance of seafaring nations which bars free naval cooperation rings rather hollow.

Since the viability of ANZUS, our only alliance in the South Pacific is in doubt, I believe it is only prudent to explore with Australia the possible need for expanding our bilateral security cooperation. The resolution calls on the President to explore the desirability and feasibility of a bilateral security treaty. It may be the case that the appropriate level of bilateral security cooperation can be established without a formal bilateral treaty. But we will not determine this without discussions with Australia, which is what the resolution calls for.

The provisions of this resolution have unfortunately been mischaracterized as sanctions or an attempt to punish New Zealand. Let me repeat, this resolution simply calls on the President to recognize some of the practical and predictable implications of New Zealand's decision to alter the relationship between our two nations.

In the past, New Zealand has enjoyed special consideration from the United States in matters of trade. This special consideration has been justified as appropriate given our close, cooperative alliance relationship. By calling into question that relationship—as New Zealand has—the basis of this special consideration is necessarily called into question as well.

Recently, New Zealand has asked the United States to grant it a favor on a particular trade matter, which I shall explain shortly. Under the previous relationship between our countries, this might have raised few questions. In view of New Zealand's recent actions, however, the appropriateness of extending to that nation preferential treatment is certainly doubtful; in

my judgment. I shall repeat the specifics of this particular trade matter in the hope that this will dissipate the incorrect notion that it constitutes some sort of sanction.

When New Zealand became a signatory of the GATT subsidies code in 1981, it agreed to completely phase out its export subsidies by March 31, 1985, the end of next month. As a signatory of the code, the United States agreed to require a showing of injury by domestic petitioners during any countervailing duty investigation on these subsidized New Zealand exports. Under the injury test requirement, domestic petitioners must show not only that New Zealand is subsidizing these exports, but also that these subsidies have resulted in injury to domestic producers.

Let me tell you, Mr. President, as a practical matter, trying to establish a causal connection between a subsidy and ultimate injury is extremely difficult under our trade laws.

It is my understanding that New Zealand has decided to not phase out its subsidies by the March 31 deadline and thus will be in noncompliance with the code after that date. I also understand that New Zealand has requested that the United States retain the injury-test requirement for subsidized New Zealand exports. We, of course, are under no obligation to continue extending to New Zealand the benefit of the injury test after that nation violates the subsidies code.

As I have noted, in the past, we did not treat trade matters with New Zealand simply as trade matters. Rather, we gave that nation special consideration because of our close, cooperative alliance relationship. Under those circumstances, we might have granted this request, in keeping with this special consideration. The New Zealand Government, however, has chosen to call into question the cooperative alliance relationship which was the basis for that special consideration. If we are to respect the New Zealand Government's decision, we cannot pretend that this is not the case.

My contacts with the administration lead me to believe that were we to approach this matter solely from a trade perspective, we probably would not grant this New Zealand request.

This resolution simply calls on the President, under the present circumstances, to not grant this request. Far from being a sanction, this recommended step recognizes the right of the New Zealand Government to determine what form its relations with the United States will take. Those who insist on mischaracterizing this as a sanction apparently believe that New Zealand does not have the right or ability to make decisions with awareness and acceptance of the ramifications of those decisions.

In my view, it would be in the best interests of the ANZUS nations to return to the situation of a few months ago, when the ANZUS alliance and United States-New Zealand relations were in good health. It is my sincere hope that the present impasse can be resolved in a manner acceptable to both Governments. Indeed, the first recommendation of the resolution is that the President continue discussions with the New Zealand Government to achieve this. Such an outcome would not only serve the interests of our two nations and Australia, but also, though strengthening the democratic alliance, contribute to efforts for genuine and durable arms reduction accords.

I believe that this resolution, which was offered in this spirit, can contribute toward achieving this objective which I believe is shared by both nations.

In closing, Mr. President, let me repeat that if, in fact, New Zealand gains the benefit of our protection through the support of the American taxpayer and if, in fact, New Zealand shares in the benefit of having access to free and open seas, thereby prospering as a free and open society, it cannot take action which undermines the ability to help deter conflict, to help protect those sealanes, and to help protect the benefits of a free and prosperous economy and expect the United States to simply turn and look the other way.

I simply call to the attention of my colleagues that when nations such as New Zealand undertake to act in a neutral manner, they should not expect preferential treatment at the hands of either the administration or the U.S. Congress.

I thank the Chair.

Mr. SIMPSON. Mr. President, I thank the Senator from Maine. I have joined him as a cosponsor on that measure, and I appreciate the attention he has given to it. It is very helpful, indeed.

TRIBUTE TO KEITH MAINLAND

Mr. HATFIELD. Mr. President, I rise today to pay tribute to the clerk and staff director of the House Appropriations Committee, Keith F. Mainland, who will be retiring soon from Government service.

The position of clerk of the House Committee on Appropriations is something of an institution. The title itself dates from the earliest days of staff presence in Congress, when "clerks" were hired to keep minutes of committee meetings. And it is worth noting that Mr. Mainland is only the eighth clerk of the House Appropriations Committee in its 120-year history.

Keith first came to Congress to serve on the House Appropriations Committee in 1962, and after 4 years on the Independent Agencies Subcommittee, served for 6 years on the staff of Representative George Mahon of Texas. Since 1972, he has been the clerk and staff director of the committee.

Mr. President I have had the pleasure of serving as chairman of this body's Appropriations Committee since 1981. One of the great rewards of that experience has been the working relationship I have enjoyed with Representative JAMIE WHITTEN, chairman of House Appropriations, Representative SILVIO CONTE, the ranking minority member, and their staff. The professional staff of the House Appropriations Committee is a very able group of men and women with whom I have been proud to work, and no one better exemplifies the professionalism and capability of that staff than Keith Mainland. True to his "semper fi" tradition as a U.S. marine, he has always been faithful to his chairman, his committee, the House, and the appropriations process. He has always been honest, forthright, and nonpartisan in a way that we all appreciate but all too rarely experience.

I am sure all the members and staff of the Senate Appropriations Committee join me in heartily thanking Keith Mainland for his contribution to the work of the Congress, and wishing him success in future endeavors and good luck in his fishing.

ESTONIAN INDEPENDENCE DAY

Mr. THURMOND. Mr. President, I am pleased once again to participate in the Senate's commemoration of Estonian Independence Day.

This month marks the 67th anniversary of the establishment of the Republic of Estonia. The country's unlawful incorporation by force into the U.S.S.R. in 1940 has never been, nor should it ever be, recognized by the United States. We uphold the right of Estonians, like all peoples of the world, to determine their own national destiny.

Despite almost 45 years of Soviet subjugation, the courageous Estonian people continue to display an indomitable spirit which, I am confident, will one day set them free. Today, we rise to pay tribute to Estonia and remind its people that the United States has not forgotten, nor will it ignore, the political injustice, religious persecution, economic exploitation, and cultural deprivation they continue to suffer at the hands of an oppressive Soviet Government and military.

Mr. President, I sincerely pray that one day soon the people of Estonia will regain their independence and begin anew to enjoy the freedom they so rightfully deserve.

JAPANESE TRADE

Mr. BAUCUS. Mr. President, I rise to applaud Commerce Secretary Baldrige's decision not to send Under Secretary Olmer to Japan until the Japanese are willing to get down to serious negotiations.

Yesterday I met informally with Secretary Baldrige. He told me of his dismay when Japan's Vice Minister of Posts and Telegraphs told him they wished to discuss again the basic theory and framework instead of specific issues—in direct contradiction of the original schedule.

Secretary Baldrige is a straight-shooting and dedicated public servant; he is not constrained by rigid ideology. But he is also frustrated—frustrated by the lack of straight talk by his Japanese counterparts.

Mr. President, I have visited Japan three times. I have met with their businessmen and their farmers. I have met and talked with Government officials.

In my State of Montana, we care a great deal about the United States-Japanese relationship; Mike Mansfield provides a special emotional tie for us. I have a great deal of respect for the Japanese. And I have come to believe that their respect for us depends on our willingness to be tough, on our willingness to see past polite words to actions. It is only when the Japanese negotiators see we are prepared to insist on results that talks will bear fruit.

And so I commend Secretary Baldrige's decision. He correctly sensed that the Japanese Vice Minister's attempt to delay the substantive talks was the beginning of an old ploy: Prevent any serious concessions by discussing the framework while time passes and the deadline approaches. The Secretary wisely decided to stop this game before it could begin.

Mr. President, we in Montana have a special interest in the forest products negotiations currently proceeding in Tokyo. I am glad they are going forward, but I note they have run up against the Japanese insistence on protection.

It would, however, be a mistake for anyone to think that I or my constituents care only about forest products. I—and others in this body—are watching for progress in all areas under discussion.

The Japanese cannot have it both ways. They cannot expect the United States to permit Japanese companies to certify their products as meeting our standards while Japan does not permit U.S. companies to certify their products meet Japanese standards.

When AT&T broke up, Japanese telecommunications exports to the United States jumped from $600 million to $2 billion. We expect the right to compete in their market as well, yet they use licensing and other nontariff barriers to keep our sales at $300 million.

Mr. President, I'm sure my colleagues join me in supporting Secretary Baldrige's decision. He is walking a fine line: Making it clear we hope to resume real talks, but refusing to engage in phony ones.

Although this approach heightens trade tensions, it seems to be the only approach that will result in significantly increased sales for U.S. exporters.

THE INTERNATIONAL NARCOTICS CONTROL STRATEGY REPORT

Mrs. HAWKINS. Mr. President, on February 14, 1985, the State Department released a document which addresses a very important aspect of our Nation's continued efforts to stamp out illegal narcotics. The "International Narcotics Control Strategy Report" is, in effect, a "report card" of illicit drug eradication efforts worldwide.

The report is a major component of the diplomacy against drugs amendment, which would cut off U.S. aid to foreign nations that do not take steps to eliminate their illicit drug crops.

In this report, detailed information is provided on the drug-production of every major nation where drugs are grown. The disturbing news that the marijuana, coca, and opium poppy crops were larger in 1984 than in the year before is also revealed in this document.

The United States currently has diplomatic relations with 10 of the 13 major drug producing nations, and in seven of those countries, drug crops increased in the last year. All seven of these nations receive U.S. aid.

That is why I introduced and gained enactment of the diplomacy-against-drugs amendment. I realized we were wasting a potentially important weapon in the war against drugs. The diplomatic leverage supplied by calling for a cut off of foreign to any nation refusing to take steps to cut its illegal narcotic production is a necessary legal tool.

This is illustrated in the example of Colombia. The report delineates that efforts made by this brave nation, formerly the primary producer of both marijuana and coca, to eradicate its drug crops. As a result of Colombia's self-declared "War Without Quarter," their marijuana crop has been reduced by one-third. Colombia continues to make inroads in reducing its narcotics production, accompained by the sustained aid and support of the U.S. Government.

An unfortunate fallout of the crackdown of the Colombian Government on drug production is the flight of drug traffickers to other South and Central American nations. As revealed in this report, for example, Ecuador was discovered to have become a major coca producing nation. This is a great surprise, since in the last State Department report of this kind Ecuador was seen as having no "significant coca or cannabis cultivation." The new report indicates that Ecuadorean drug-enforcement officials have discovered in the past year 2,500 to 7,500 acres of coca bushes, making this nation the world's third largest producer. Peru and Brazil are reported as having also increased their coca and marijuana production, and Bolivia is condemned in the State Department report for not having eradicated a "single coca plant." Despite large-scale assistance from the United States, the report describes Bolivia as a major disappointment. Jamaica was also singled out in this document as a nation not making sufficient eradication efforts; and Belize was newly classified as one of the world's largest marijuana producers.

In Asia, promises made to the United States by officials of the Thai Government have begun to pay off, and the same situation is true for Pakistan. Though modest reductions were, in fact, seen in both countries, determination has been displayed by Government authorities of both countries to achieve substantial results in eradication efforts.

Mr. President, as we continue in our efforts to achieve the eradication of drug abuse in our Nation, we can see that the diplomacy against drug amendment is something that could break the vicious cycle of foreign drug production, and domestic drug consumption. The example of Bolivia can attest to the logic of this. Between 1981 and 1983, Bolivia received $105.4 million in foreign aid from the United States. During that same time, this nation inundated America with between 80 to 100 metric tons of cocaine. This situation, unfortunately, has not significantly changed. The results of this report should be viewed by Bolivia as a warning: Cut off your drug production, or the United States will cut off its aid. It is as simple as that, Mr. President, and continued such implementation of the diplomacy against drugs amendment will guarantee its success. Mr. President, I ask unanimous consent that the attached article from the New York Times, entitled, "Drug Crops Are Up In Export Nations," dated February 14, 1985, be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 15, 1985]

DRUG CROPS ARE UP IN EXPORT NATIONS, STATE DEPARTMENT SAYS

(By Joel Brinkley)

WASHINGTON.—The State Department's annual report on worldwide narcotics production shows that in most of the major

drug-producing countries, marijuana, coca and opium-poppy crops were larger in 1984 than the year before.

The report, issued today, takes on added significance this year because of a new law that says President Reagan must cut off foreign aid to countries that in his view have not made adequate progress in reducing such crops.

The United States has diplomatic relations with 10 of the 13 known major drug-producing countries, and in seven of those countries narcotic crops increased in the last year. All seven receive United States aid.

COCA OUTPUT UP A THIRD

The production of coca, used to make cocaine, grew by more than one-third over all in the three traditional coca-growing countries: Bolivia, Peru and Colombia. In addition, the State Department said it had discovered a fourth major coca-producing country, Ecuador.

At the same time, worldwide production of opium, used to make heroin, and marijuana declined slightly, even though most of the countries producing those drugs had crops as large or larger than in 1983.

GOALS SET FOR 6 COUNTRIES

The world's opium crop dropped by about 11 percent because of poor weather in Afghanistan, which severely reduced the harvest. The marijuana crop also fell by about 11 percent as a result of what the Government called the most significant achievement in drug enforcement last year, Colombia's war on drug trafficking.

Colombia, the world's largest producer of marijuana for export to the United States, eradicated as much as one-third of its marijuana crop last year. At the same time, its coca crop increased slightly.

In last year's report, the first under the new law, the State Department set reduction goals for six countries, as the law requires. Four countries failed to meet their goals while a fifth, Colombia, met the target for one crop but not for the other. The new report sets goals for all the countries.

Senator Paula Hawkins, the Florida Republican who was the principal sponsor of the new law, said today, "I am going to put a hold on the aid to all the countries that have not made progress."

Representative Charles B. Rangel, the New York Democrat who sponsored the bill in the House, called the report "blatantly honest" and called on President Reagan "to take a leadership position" on the foreign aid question.

BOLIVIA IS CONDEMNED

A senior White House official said it was unlikely that the Administration would propose eliminating aid. But he also said, "If after careful consideration it was considered advisable for a given country, you would have support for it here."

The Government's praise for Colombia in the new report was in marked contrast to the descriptions of the year's drug-enforcement efforts in most of the other major drug-producing nations, where the appraisals ranged from neutral to cold condemnation.

Bolivia, the second-largest producer of coca leaf, came in for the harshest criticism. That country's failure to eradicate a single coca plant, despite large-scale assistance from the United States, was "a major disappointment," the report said.

In Jamaica, the third largest known marijuana producer, the crop remained stable and the Jamaican Government failed to offer any assurance that it would be reduced in the year ahead. The report said Jamaica "must soon undertake a more vigorous campaign."

Mrs. Hawkins said Bolivia and Jamaica topped her list of countries where she will urge that aid be reduced or eliminated if significant progress is not made before the new foreign aid legislation is approved, later this year.

Representative Dante B. Fascell, the Florida Democrat who is chairman of the Foreign Affairs Committee, which has jurisdiction over foreign aid legislation, said after reviewing the report today: "The trend is clearly up on cocaine and at best we are holding our own on marijuana. The bottom line is that, despite some encouraging developments, particularly in Colombia, the war is being lost."

He did not offer an opinion on how foreign aid requests would fare in his committee.

The report does not offer any recommendations on the aid question either, but it does provide this general assessment of the worth of foreign aid as a bargaining agent: "Economic and other non-narcotic assistance does affect positively each recipient's disposition to cooperate with the United States in achieving significant progress in illicit drug control."

To Mrs. Hawkins, the biggest surprise in the report was Ecuador. Last year's report said, "There is no evidence of significant coca or cannabis cultivation within the country." But in the last year, the new report said, Ecuadorean officials have found 2,500 to 7,500 acres of coca bushes.

OUTPUT HARD TO MEASURE

Some of the bushes are 12 feet tall, three times as tall as the average coca bush in other countries. Although the estimations are "extremely tentative," the report said, Ecuador could be producing as much as 15,000 tons of coca leaf. That would make it the world's third largest producer. A more thorough assessment is expected soon, a State Department official said.

The discovery in Ecuador underscores a problem with this report and others: Since drug production is an illegal, clandestine enterprise, it is exceedingly difficult to measure its extent. The new report, like the earlier one, says "much of the production data in this report should be considered preliminary, some even speculative," especially the estimates of coca production.

In Peru, for example, even though the State Department settled on a figure, the report acknowledges that estimates of acres under coca cultivation range from 125,000 to 450,000.

Numerous other countries not dealt with in detail in the report are believed to be major drug producers. Most of them have never been surveyed, and it is not known how much of their crops is exported to the United States.

In Brazil, for example, "marijuana cultivation is relatively widespread" and coca has become "a new cash crop," the report said.

The Venezuelan National Guard recently found and destroyed more than 7,500 acres of marijuana, the report added, and significant marijuana cultivation has also been found in Costa Rica, Panama, Indonesia, Laos, the Philippines, India, Morocco, Lebanon and Nigeria.

"Worldwide illicit production of illicit opium, coca leaf and cannabis is many times the amount currently consumed" by the world's drug users, the report said.

The supply "is so great, and trafficking channels to the United States so diverse," it concluded, "that interdiction and eradication, when achieved in only one or two producing areas," will at best cause a temporary setback for the world's drug traffickers.

BELIZE

So much marijuana was being grown in Belize last year, and so little of it was eradicated, that the State Department now includes the tiny Central American country among the major marijuana producers.

In 1983, Belize produced about 700 tons of marijuana but the government eradicated almost all of it, leaving only about 35 tons for export, the report said.

But in 1984 "marijuana became increasingly generalized throughout the country," the report said, and "growers have become increasingly sophisticated." They are now irrigating and fertilizing their marijuana crops, and acreage planted in marijuana doubled last year.

The report put annual production at just over 1,000 tons. About 85 percent of that is believed to be exported to the United States, making Belize the fourth largest supplier of marijuana to this country. Last year it was not even ranked.

The State Department, in consultation with the Belizean Government, set an ambitious target last year. The strategy report said "the Belizeans have already proven that, with assistance, up to 95 percent of its cultivation can be destroyed," adding that "the Belizeans are expected to take similar action" in 1984. Belize did not meet its target.

United States aid to Belize is not high in comparison with other countries in the region. But with only about 150,000 residents, Belize receives more American aid per capita than almost any other country.

BOLIVIA

Bolivia is the only nation that has lost United States aid largely because of its failure to fight drug trafficking. The aid was cut off in 1980, during the Carter Administration, but was resumed in 1983 after a change in government in La Paz.

But Bolivia has failed to make even the smallest dent in coca production, drug enforcement officials say. And if any nation is in jeopardy of losing American aid, the officials say, Bolivia is it.

In August 1983 Boliva signed agreements with the United States to begin eradicating the coca bushes that flourish in several jungle regions. Coca has been grown in Boliva for centuries; Bolivian Indians chew it. But in the last few years, as cocaine abuse in the United States has multiplied, the coca cultivation has doubled and redoubled and doubled again.

Last August, the Bolivian Government sent the army into the Chaparé region, where up to one-third of the world's coca leaf grows. The army was to restore order so coca eradication could begin. But to date, the State Department said, the Bolivians have not pulled up a single plant.

Bolivia's Government and economy are in turmoil and Bolivian officials say the drug enforcement program is partly to blame. Coca, they say, has become Bolivia's most important foreign exchange commodity.

Just after the army marched into the Chaparé region, the value of the Bolivian peso fell from 2,000 to the dollar to 5,000 in one day. Since then, inflation has worsened. Last week the Bolivian Government announced that the peso's exchange rate was now 50,000 to the dollar.

The State Department's 1984 report set Bolivia's eradication target at 5,000 to

10,000 acres last year, a goal the Bolivians did not meet.

BURMA

United States officials are accustomed to saying they have nothing good to report from Burma, the world's largest producer of opium poppies. But the new report says, "Very significant developments occurred in 1984."

The size of the opium-poppy crop continued to increase, by about 5 percent last year. But for the first time the Government said it would begin testing equipment for aerial spraying of opium plants with herbicides.

Senior Burmese Government officials came to the United States to discuss drug enforcement last year and the report said the visit was "very successful." The visit was unusual; Burma does not often seek outside advice.

"While precise timetables for progressive elimination of opium production in Burma are not projected," the report said, the United States is optimistic, for the first time.

Burma's problem is that most of the opium-growing regions are controlled by rebel armies. These armies once had political objectives but are now believed to be dedicated for the most part to drug trafficking, State Department officials said.

The Burmese Government has not been able to seize control of much of the rebel territory, but officials there are hoping they can begin spraying some of the farms from the air.

Last year's report said no opium-poppy reductions could be expected. This year the State Department, in consultation with the Burmese, has set as a target a 20 percent reduction in opium production.

COLOMBIA

Colombia was the single most significant success story in worldwide drug enforcement last year. Still, the assessment is far from uniformly positive.

Despite increasing violence, including assassinations, the Colombian Government began eradicating its huge marijuana crop, reducing it by one-third, according to estimates by the United States and Colombia.

The reduction was large enough that the State Department's estimate of marijuana production among countries that export to the United States dropped for the first time in years.

Colombia also extradited four drug traffickers to the United States last month, an action applauded by American officials.

Colombia still remains the largest marijuana producer, supplying more than half the imported marijuana consumed in the United States. It is also the third largest coca producer among those surveyed and it is the largest manufacturer of refined cocaine.

In addition, the Government found several experimental opium poppy farms last year, and the State Department said opium poppy cultivation was expected to continue, though not on a large scale.

The Government also seized 500,000 dosage units of methaqualone, used to make Quaaludes. Colombia had been the world's largest producer of illicit methaqualone, but production had declined significantly since 1982. The State Department called the latest raid an anomaly.

Coca production increased marginally last year, but the Government said it would begin large-scale coca eradication this year.

Last year's target for coca reduction was about 600 metric tons. The Colombians exceeded that, eradicating 1,920 tons, the State Department said. Still, because of new plantings, overall coca production increased.

The Colombians exceeded their marijuana target, too. The goal was 1874 metric tons, and 10,000 were eradicated, resulting in the overall decline in marijuana production.

JAMAICA

Jamaica, the third-largest marijuana producer, made no promises to reduce its marijuana crop last year and almost none was eradicated, the State Department reported. Production remained stable.

Again this year, the report said, "the Jamaican Government has not set any targets or timetables with regard to cannabis eradication."

Jamaica remains one of the few major drug-producing nations that has no drug-eradication agreement with the United States. As a result, the United States offers little drug-enforcement aid.

For Reagan Administration officials, Jamaica presents a quandary. The nation is a cornerstone of the Reagan Administration's Caribbean Basin Initiative, designed to foster democracy and economic growth among the poor nations of the region. Under that initiative, the island receives large-scale American aid.

The report said, "Jamaica must soon undertake a more vigorous campaign to eradicate narcotic crops." But if Jamaica does not, it is unclear what the United States might do.

Under the Government of Prime Minister Michael N. Manley, Jamaica became increasingly friendly with Cuba. But that association ended in 1980 with the election of Prime Minister Edward P.G. Seaga.

Jamaica is now a close American ally, and United States officials are afraid that harsh sanctions over the marijuana problem might drive Jamaica back toward Cuba.

A senior Administrator official said: "What can we do with Jamaica? I don't know."

Mexico "continues to maintain its dual position as a major supplier of heroin to the United States and a significant producer of marijuana," the report said. The size of the opium and marijuana crops continued to increase last year despite large seizures of both crops.

As in previous years, Government corruption was a major problem, drug enforcement officials said. The report also said drug production and distribution "is facilitated by Mexican Mafia-type organizations" that work with "corresponding groups in the principal U.S. cities."

In addition, the report said that the traffickers had developed "institutions that wield economic as well as political power," adding that "drug traffickers have attained at least the potential to become a potent political entity in Mexican affairs."

Mexican authorities conducted the largest drug raid in history last fall when they raided several plantations and seized 10,000 tons of marijuana plants. That was eight times more marijuana than American officials had believed was produced in all of Mexico in a year.

Since the raid, American officials have scaled down their estimate of how much saleable marijuana was seized, saying the 10,000 tons of plants may have produced only 2,400 tons of marijuana. But Mexican Government estimates are higher.

Regardless, the United States Drug Enforcement Administration says up to 2,000 tons of marijuana from those plantations had already been smuggled into the United States when the farms were raided. Last year's estimate of total marijuana production for Mexico had been 1,300 tons.

Mexican authorities now say they have no idea how much marijuana is being grown.

No eradication targets were set for Mexico last year. The Mexican Government said it would destroy any marijuana or opium it found, and it repeated that promise this year.

PAKISTAN

Opium production declined slightly in Pakistan last year and the crop, at about 45 metric tons, is small in comparison with those of Pakistan's neighbors, Afghanistan and Iran.

Still, the report said, "despite declining opium production, Pakistan remains very much a factor in the production of heroin exported to the United States."

Its northern neighbor, Afghanistan, produced 140 to 180 tons of opium last year—a significant drop due largely to poor weather—and Iran produced about 500 tons, the same as last year.

Although its own crop is small, Pakistan is used for refining much of the other countries' opium to make heroin and it is also a major trafficking center. Half the heroin consumed in the United States is believed to come from that region, known as the Golden Crescent.

Although Pakistan plans to eradicate large quantities of poppies next year, if rains come, the report said, the total opium crop could increase. "This would be especially true if prices were to rise significantly," the report said.

Last year's report said Pakistan could be expected to eradicate 1,250 acres of opium, but the new report said only 175 acres were eradicated. This year's report sets as a target a 10 percent reduction in the opium crop.

PERU

Peru is the world's largest grower of coca leaf and the Government agreed to eradicate almost 10,000 acres last year. The target was not met, but American officials still praise Peru for trying.

Nearly 7,500 acres of coca plants were eradicated in an American-financed program "despite continued violence," the report said. In November, 19 coca-eradication workers were slain. The killers were presumed to have been hired by drug traffickers, and after the slayings the eradication program was suspended.

The Government announced this month that the program would be resumed. As a result, the State Department expects Peru to eradicate just over 3,000 metric tons of coca leaf this year. Still, the obstacles are large.

"Coca is a very important cash crop in Peru," the report said. Much of it "is now being grown on marginal land for which there is no suitable substitute crop."

In addition, the Peruvian Government has been preoccupied with fighting the Shining Path guerrillas, a brutal terrorist group operating in rural areas.

"Army efforts to stamp out the terrorism were not accompanied by narcotics enforcement," the report said. At year end, it added, peace had been established in the largest coca growing region "at the price of allowing narcotics traffic to flourish again."

The reports said "the United States is looking to Peru for a renewed commitment to crop control" this year.

THAILAND

The best news from Thailand for drug-enforcement officials in the last year was the Thai Government's promise that it would begin eradicating significant quantities of opium poppies in the months ahead.

Poppy cultivation grew by 20 percent last year and without eradication, or poor weather, the State Department said, the crop is likely to be even larger next year.

The report said the Thai Government had developed plans "that could increase eradication to as much as" 1,500 to 2,000 acres next year. Opium poppies now grow on about 20,000 acres, the report said. To date, it added, "the amount of opium produced has been largely functions of price and weather."

Thailand has a large marijuana problem, too. According to the report, marijuana has become "an increasingly important cash crop, with greatly amounts of it moving into the export market."

The Thais are concerned about opium production, but marijuana has not "received the attention placed on opium cultivation," the report said. The Thais have never surveyed the marijuana crop, believed to be large, and so "it is not possible to estimate the amount that can be reduced in a given year."

Last year's report gave a modest opium-reduction goal for Thailand—one-half ton of opium in one area. Eradication for the year totaled nine-tenths of a ton, the new report said.

HUNGER IN AMERICA

Mr. KENNEDY. Mr. President, over the past 2 years there have been many national and State-level studies on hunger in the United States. These studies have been conducted by such diverse entities as Federal agencies, national church groups, universities, and policy organizations. The most striking feature of these studies is that they all reach the same conclusion: hunger in our Nation is widespread.

The Physicians Task Force on Hunger in America has just completed its investigation of the extent of hunger in our country and has released a report today which documents their findings.

This study finds that hunger in America is a public health epidemic. This independent body made up of prominent physicians estimates that at least 20 million U.S. citizens suffer from hunger and that hunger continues to grow rather than decline despite improvements in the economy. "Hunger in America: The Growing Epidemic" provides solid documentation and compelling clinical evidence that Americans, particularly our most vulnerable citizens, women and children, are experiencing serious health problems due to hunger.

In 1983 I conducted a series of hearings across the country on the problem of hunger and witnessed firsthand the suffering of our citizens because they did not have enough to eat. I heard testimony from medical professionals and individuals working in soup kitchens and food pantries who told me that Americans are enduring severe hardship and experiencing critical health problems as a result of the cutbacks in Federal food programs. I spoke with mothers who denied themselves food so that their children could eat that day, and with senior citizens who only ate one meal a day.

Hunger as a national problem has returned. It did not return overnight but has been growing and spreading over the past 4 years. The policies and cutbacks imposed by President Reagan on Federal food programs have taken away vital help for our people in need. Along with this help, Mr. Reagan has taken away our citizens' dignity and plummeted thousands and thousands of Americans into poverty.

The solutions to this critical national problem are not new. The Federal programs which once virtually eliminated hunger have been severely weakened. The Physician Task Force, after 10 months of investigation across the country, has concluded that the epidemic of hunger can be eradicated by strengthening these existing Federal programs.

Our Nation has the ability and the resources to solve this national problem. Our responsibility to this large and rapidly growing number of Americans is clear. Food stamps, school meals, WIC, and elderly feeding programs have worked in the past and they can work again.

We cannot continue to ignore this epidemic. We cannot continue to allow the churches and private organizations providing emergency food services to shoulder the responsibilities of the Federal Government. The thousands of soup kitchens and food pantries across the country are already overburdened and unable to serve all those who come to their doors.

I call on my distinguished colleagues in the Senate to read this study carefully and to keep in mind the devastating evidence of hunger in our country during the upcoming debates on the Federal budget.

We cannot allow this administration to realize its hope of further cutting Federal food programs. We must fight hard to maintain what we now have for these programs. And, we must fight even harder to restore what has been lost over the past 4 years so that our babies, our children, mothers and fathers across the country will be afforded the basic human right of having enough to eat in this land of plenty.

Mr. President, at this time I would like to place the executive summary of the report "Hunger in America: The Growing Epidemic" into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HUNGER IN AMERICA: THE GROWING EPIDEMIC

CREATION AND PURPOSE OF THE TASK FORCE

The Physician Task Force on Hunger in America is an independent fact-finding body of twenty-two persons, primarily physicians, established to assess the extent of hunger and malnutrition in the nation, to anlayze why hunger is a problem, and to make recommendations to end it. The Task Force is funded entirely by grants from private foundations, including the Field Foundation and the New World Foundation.

The Physician Task Force grew out of the work of the Citizens' Commission on Hunger in New England which in February, 1984, released a study entitled "American Hunger Crisis: Poverty and Health in New England." That study, which documented the scope of hunger and malnutrition in one region of the nation, troubled members of the medical profession and the foundation world. If the problem was so extensive in one region, many asked, what must it be like in other regions of the nation. Dr. J. Larry Brown, of the Harvard School of Public Health, was asked to convene a panel of prominent physicians from around the country to determine the seriousness of hunger and malnutrition in other regions of the country.

The Physician Task Force used a field investigation model much like that employed by earlier panels of doctors sent by the Field Foundation to investigate hunger in 1968, and again in 1977. The Task Force carried out its work over a ten-month period, going into four regions of the United States to gather and analyze a rich mixture of statistical and descriptive data. The doctors reviewed health data on population groups, analyzed emergency food program records, monitored federal nutrition programs, and went into hundreds of homes in each of the regions to talk to families, take dietary recalls, and look into pantries and refrigerators.

SYNOPSIS

Hunger in America is a public health epidemic. The fact that hunger is spreading so rapidly and afflicts so many citizens may well make it the most serious epidemic presently facing this nation.

According to the Physician Task Force on Hunger in America, at least 20,000,000 U.S. citizens suffer from hunger. (See Appendix A). Moreover, all evidence suggests that hunger continues to grow as a problem rather than decline, despite economic improvements enjoyed by some segments of the nation's population.

Hunger has returned to America as the result of federal policies, some of relatively long duration and others adopted within this decade. Private sector initiatives and voluntary emergency food programs have not been adequate to curb the growth of hunger in the nation, or to prevent malnutrition and other forms of ill-health associated with hunger.

Hunger can be eliminated as a serious problem in America within six months. The federal programs which once virtually ended hunger (food stamps, school meals, WIC and elderly feeding) still exist; they have simply been weakened. By strengthening proven programs, the nation's political leaders can eradicate the epidemic of hunger which afflicts such a large proportion of the population of the United States.

MAJOR FINDINGS AND CONCLUSIONS

Based on its research and field investigations, the Harvard-based inquiry has made these findings:

(1) *Hunger is a problem of epidemic proportions across America.*—Hunger in the nation is so widespread and serious that it has been documented by fifteen national studies during the past two years, and an even greater number of state-level studies (listing, Chapter 2). The most striking feature of these studies is that they all reach the same conclusion, even though they were conducted by entities as diverse as agencies of the federal government, national church groups, universities and policy organizations.

In the 1960s, before the expansion of federal food programs, hunger was a constant problem for millions of citizens. Today many people who are hungry suffer from several days to a week or two each month, due to inadequacies which have developed in these once-successful programs.

While no one knows the precise number of hungry Americans, available evidence indicates that at least 20,000,000 people suffer from hunger. Moreover, while the face of hunger has regional variation, the dimensions of the problem seem to hold quite steady from region to region of the country.

(2) *Hunger in America is getting worse.*—In 1983, Second Harvest, the national organization for some seventy food banks across the nation, received and distributed 45,800,000 pounds of food. By the end of 1984, that number had grown to 70,000,000 pounds, an increase of more than 700% in less than five years. This rapid and continuing increase reflects a growing demand for food assistance by hungry Americans in every region of the country, a fact borne out by data from state to state (Chapters 2, 3).

In Mississippi, for example, the food bank in Jackson saw a 900% increase in pounds of food distributed in 1984 alone. In Alabama, as another example, the Birmingham Community Kitchens saw a nearly 200% increase in meals provided from 1982 to 1984. In Nashville, Tennessee, the increase in emergency meals provided for the same period (1982-1984) was more than 300%, a pattern reflected in other programs across the state. The food bank in Fayetteville, North Carolina distributed 206,000 pounds of food in 1983, and 592,000 pounds in 1984, while the Winston-Salem food bank increased from .335 million to 1.057 million in the same two-year period.

Half the emergency food programs in Albuquerque, New Mexico started within the past two years in response to increasing hunger. In Houston, Texas, the local food bank distributed 3.7 million pounds of food in 1984, up 600% over the previous two years. A Chicago Food Pantry survey shows a 300% increase in the number of people served from 1981 to 1984; and in Peoria and other areas served by the Central Illinois Food Bank, food distribution is up over 300% from 1983 to 1984. The Central Missouri Food Bank has experienced an almost 400% increase in the last two years, and emergency food programs in St. Louis show a similar pattern. (See Chapter 3).

Governors, mayors, and emergency food providers all report that the number of hungry citizens in their cities and states is increasing at an alarming rate.

(3) *Malnutrition and ill-health are associated with hunger.*—Compelling clinical and epidemiological evidence indicates that members of vulnerable population groups, particularly children and the elderly, are at increased risk of adverse health outcomes due to hunger.

Surveys conducted in several states have found unexpectedly high levels of growth retardation among poor children. They are also at sharply increased risk of low birthweight, anemia, and other nutrition-related problems. Rsearch indicates that poor nutrition among poor children is associated with behavioral and cognitive impairment, and is associated with some chronic diseases in the elderly.

Of further concern, the U.S. infant mortality rate, after a period of steady decline, leveled off during the first half of 1984, with the U.S. already behind other industrialized nations on this critical index. Whether or not the plateau continues, infant mortality among some high-risk populations is increasing, going up in eleven states in 1982, and several cities in 1983.

Clinical reports from a number of states show serious nutrition-related disease. Most striking, several doctors have reported cases of marasmus, the condition of severe protein calorie malnutrition associated with Third World hunger (see Chapter 4).

(4) *Hunger is the result of federal government policies.*—Hunger is the product of a series of governmental policies enacted during the past decade or so, policies which have had their most dramatic impact in the past several years.

America may be unique among industrialized nations in the manner in which it cares for vulnerable citizens. Its safety net is weak and incomplete; protection for its jobless is minimal. During the first half of 1984, less than 36% were covered by unemployment compensation. In half the states a family cannot qualify for AFDC if the father remains in the home, no matter how destitute they are. Furthermore, poverty in the nation is at its highest level in twenty years (35,000,000 citizens, 1983).

Government policies have weakened the safety net at the time it is needed most. Purchasing power for AFDC families, nationally, declined 33% from 1970 to 1984. The purchasing power of food stamp households is down 18.3% since 1975. And at the time that these problems were having their greatest impact, the government enacted the most far-reaching cuts in nutrition programs in our history.

Compounding the negative impact of policy changes and program cuts is the manner in which the federal bureaucracy has been employed to keep many needy and eligible people from qualifying for assistance programs. Many of the same mechanisms used to terminate thousands of recipients from the Social Security Disability Insurance program (SSDI) (a practice finally halted by the Congress in 1984), are still employed in the food stamp, AFDC and other programs.

These administrative practices, along with the cutbacks, came at the time in which the general vulnerability of Americans was at a decade-long peak. The props were knocked from under many families who reappeared in the soup kitchens of the nation. (See Chapters 5,6).

(5) *Present dangers are not eliminating hunger.*—The fact that hunger is worsening indicates that present policies are not sufficient to respond to the present crisis.

Poverty increased from 34.4 million citizens in 1982 to 35.3 million in 1983. Purchasing power declined for the poorest 40% of the population from 1980 to 1984, (with only the two wealthiest quintiles experiencing significant gains). And some 473,000 more citizens are unemployed today than in 1980 (See Chapter 5).

That policies which supposedly were to help the poor have not done so is depicted most vividly in soup kitchens and food pantries serving the hungry of the nation.

RECOMMENDATIONS

America has both the resources and experience to end hunger.

During the 1960s, the nation effectively ended hunger by the creation and utilization of programs which still exist today, but have been weakened. By strengthening these programs again, we can eliminate hunger in America within six months. (See Chapter 7).

Hunger is an epidemic which causes serious health problems, even death. But it cannot be solved solely by the medical community or by religious and charitable organizations. Hunger is a political problem, and we believe that our government leaders must end their laissez-faire attitude, and take the steps necessary to end hunger and the suffering which attends it.

NATIONAL SCIENCE FOUNDATION

Mr. BRADLEY. Mr. President, if we are to maintain an international leadership position in science and technology, we must build a strong research base. I am pleased that the State of New Jersey will be taking a leadership role in that effort. The National Science Foundation and the New Jersey based Consortium for Scientific Computing, are launching a major project to expand our lead in the rapidly evolving field of advanced super computing.

The National Science Foundation has taken a major step to ensure that scientists and engineers throughout the country have the supercomputing capacity they need to improve our research efforts in this crucial technology. This has been accomplished by selecting four National Advanced Scientific Computing Centers. One of these, the John Von Neumann Center, named in honor of the pioneer of modern computing, is to be established by the Consortium for Scientific Computing in the central New Jersey area. The Consortium is a collection of 12 leading national research universities from Princeton to Colorado. In addition, to giving our scientists and engineers advanced research capability, the new center will train graduate students in the use of new, fast, and powerful computing tools.

The facility is an excellent example of what can be accomplished through cooperative efforts by the Federal Government, private industry, universities, and States, such as New Jersey. I applaud the efforts of Mr. Erich Bloch, NSF director and Dr. Steven A. Orszag, the project director for the Von Neumann Center. I look forward to the impact this effort will have on our international competitiveness and on improving the quality of life for all Americans.

THE "LIBERATION" MONUMENT

Mr. BRADLEY. Mr. President, the Liberty Park Monument Committee of Livingston, NJ, has dedicated its efforts to the establishment of a monument on the point of Liberty State Park in Jersey City, NJ, only 1,000 yards from the Statue of Liberty and Ellis Island.

The monument, named the "Liberation," was created by the acclaimed artist, Nathan Rapoport, and features a 15-foot bronze statue depicting an American War II soldier carrying a concentration camp survivor to freedom. This monument is a fitting example of the compassion of the American soldier and epitomizes the spirit of freedom and liberty that runs through America.

This statue will serve to remind citizens of the sacrifices made by our veterans who served in World War II, especially those who were subjected to the horrors of the Nazi-controlled concentration camps. This monument is a lasting tribute to the American soldier who has made freedom become a reality to millions of people.

The "Liberation" will send a message to all who see it, that the strength of America is through its people and their willingness to care for their fellowman. I commend the Liberty Park Monument Committee for their efforts to establish a permanent monument to the American soldier. The committee will hold an exhibit from February 28 through March 7 in the Russell Rotunda, featuring a replica of the statue and a photo montage. I encourage my colleagues to visit this exhibit during the week to show their support for the American soldier.

URGENT ACTION ON S. 457

Mr. SIMPSON. Mr. President, let me say that I, too, join the minority leader in hoping that we can proceed with this issue. Indeed, there is a sense of urgency, and yet it must be fully assessed. It is the fond hope of this particular Senator that we meet the needs of American farmers but that those who are the recipients of our largesse and our funding are those who truly need it.

That is one of the problems with some legislation. If we get to a means test, perhaps we can reach that. I hope so. But this Government is taking on some extraordinary financial burden. It is in essence taking on loans that are substandard and classified. That is what we are doing with loan guarantees. It may be perhaps referred to as a bankers' bill. Maybe we should not drop that, but when we see what is occurring, we want to be refreshing ourselves that these are classified loans; that we are dealing with the 15 percent of the American farm economy that is on the ropes and may well be on the ropes regardless of what we do.

I think it is critical that we keep that in mind. I will say more in debate rather than transgress upon the time that would be reserved.

BIRTHDAY OF WILLIAM F. (BUFFALO BILL) CODY

Mr. SIMPSON. Mr. President, let me make one final remark that has to do with a totally provincial and yet national commentary that upon this very day, February 26, it is the birth date of William F. (Buffalo Bill) Cody. Many in this Chamber and out there in the land will remember his impact on this country.

I was raised in the town which is his namesake: Cody, WY. I am not one who places into the RECORD cranberry recipes, mind you, or old saws, and pieces of eight from "back home." I have a letter that goes out to my constituents to that effect. Here I am not, however, violating that. But I would remind you, Mr. President, that this is the birthday of that grand and remarkable gentleman who died in Denver, CO, in 1917, and was later interred in Colorado, much to the anguish of the citizens of Wyoming.

I see the Senator from Colorado rambling through the Chamber. He knows what happened—that Buffalo Bill Cody died in Denver and his sister sold his body to the city of Denver; that he was then interred high in the peaks outside of Denver and on top of the grave are railroad ties and concrete, the purpose being to prevent the people of Cody, WY, from ever going there and removing their finest citizen. A tough chapter for the "Great Scout." All that is forgiven and largely forgotten. But the memory of the man lives on and will for centuries more. He was a very real and unique part of Americana. We cherish his memory. America salutes his life of adventure and spirit.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that he had approved and signed the following joint resolutions:

On January 9, 1985:

S.J. Res. 6. Joint Resolution extending the time within which the President may transmit the Economic Report to the Congress and extending the time within which the Joint Economic Committee shall file its reports.

On February 11, 1985:

S.J. Res. 36. Joint Resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED

*1. Lt. Gen. Bernard T. Mittemeyer, U.S. Army, (age 54) to be placed on the retired list. (Ref. No. 41)

*2. Maj. Gen. Quinn H. Becker, U.S. Army, to be The Surgeon General. (Ref. No. 42)

*3. Colonel John F. McMerty, Air National Guard, to be brigadier general. (Ref. No. 89)

**4. In the Air Force and Marine Corps there are 4 promotions to the grade of colonel and below (list begins with Loren J. Shriver). (Ref. No. 90)

**5. In the Marine Corps there are 135 promotions to the grade of captain and below (list begins with Terrance C. Brady). (Ref. No. 91)

**6. In the Navy there are 376 promotions to the permanent grade of captain (list begins with Hugh Reeves Adair). (Ref. No. 92)

*7. In the Army there are 2 appointments to the grade of permanent brigadier general (list begins with Frederick W. Bussey). (Ref. No. 98)

Total, 520.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of January 21, February 19, and February 20, 1985, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. NUNN (for himself and Mr. MATTINGLY):

S. 506. A bill for the relief of Dr. Henry H. Wall; to the Committee on the Judiciary.

By Mr. NUNN:

S. 507. A bill to amend the Highway Improvement Act of 1982 to provide additional funds for the completion of certain priority primary projects; to the Committee on Environment and Public Works.

By Mr. BRADLEY (for himself, Mr. DODD and Mr. SARBANES):

S. 508. A bill to provide a program of planning grants, demonstration grants, and formula grants to assist local educational agencies to improve the basic skills of economically disadvantaged secondary school students, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LEVIN (for himself, Mr. SPECTER, Mr. DIXON, Mr. HEINZ, Mr. MOYNIHAN, Mr. RIEGLE, Mr. METZENBAUM, and Mr. SIMON):

S. 509. A bill to extend the Federal Supplemental Compensation Act of 1982; to the Committee on Finance.

By Mr. MATTINGLY:

S. 510. A bill to provide for reciprocal interstate acquisitions of certain depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHILES:

S. 511. A bill to change the name of the Loxahatchee National Wildlife Refuge, Florida, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge; to the Committee on Environment and Public Works.

By Mr. BAUCUS:

S. 512. A bill for the relief of Yuk Chuen Leung; to the Committee on the Judiciary.

By Mr. NICKLES:

S. 513. A bill for the relief of Winfried Heinrich Willi Grasing and Leona Ellen Grasing, husband and wife, and their children Holger Michael Winfried Grasing and Sandra Grasing; to the Committee on the Judiciary.

By Mr. D'AMATO:

S. 514. A bill to amend the Internal Revenue Code of 1954 to permit a charity to own stock in an S corporation.

By Mr. D'AMATO (for himself, Mr. BOSCHWITZ, Mr. HELMS, Mr. EAST, and Mr. ABDNOR):

S. 515. A bill directing the President to conduct a comprehensive review of United States policy toward Bulgaria; to the Committee on Foreign Relations.

By Mr. RIEGLE:

S.J. Res. 64. Joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. MITCHELL, Mr. STAFFORD, Mr. SPECTER, and Mr. SASSER):

S. Con. Res. 20. Concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation; to the Committee on Finance.

By Mr. D'AMATO (for himself, Mr. BOSCHWITZ, Mr. HELMS, Mr. EAST, and Mr. ABDNOR):

S. Con. Res. 21. Concurrent resolution concerning Bulgaria's abuses of the Customs Convention of the International Transport of Goods under Cover of TIR Carnets in facilitating the transportation of illicit narcotics, smuggled arms, and terrorists; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NUNN:

S. 507. A bill to amend the Highway Improvement Act of 1982 to provide additional funds for the completion of certain priority primary projects; to the Committee on Environment and Public Works.

FUNDS FOR COMPLETION OF CERTAIN PRIORITY HIGHWAY PROJECTS

● Mr. NUNN. Mr. President, today I am introducing legislation which is of tremendous significance to the economic development of my State of Georgia, as well as 22 other States in the Nation. This measure will provide special additional funding for the completion of a vital highway project in Georgia, the so-called Corridor Z Route. Specifically, it will earmark 5 percent of Federal primary highway funds over the next 3 fiscal years to be applied to design and construction currently in progress on priority projects in many States, including those routes composing the proposed Kansas City, MO, to Brunswick, GA, multimodal corridor. This legislation does not provide for the establishment of any new projects, but will permit those previously authorized and designated as priority primary projects by Congress to proceed.

The Corridor Z Priority Primary Route from Columbus to Brunswick, GA, is an important segment of the proposed multimodal transportation corridor from Kansas City to Brunswick. The economic potential of the region is significant but development in this area is now stymied by poor land transportation. The possibility of the Corridor Z Route opening up the Nation's agricultural heartland to international trade through southeastern seaports certainly enhances the economic significance of this project. In the area encompassing the six States of Alabama, Arkansas, Mississippi, Missouri, Tennessee, and Georgia, the provision of a major transportation corridor would encourage industrial growth and stimulate the region's economy.

Corridor Z in Georgia was approved as part of the Priority Primary System through Federal legislation enacted in 1979. This legislation set aside $125 million for each of the fiscal years 1979–82 from the Federal Primary Program. These sums were made available for obligation at the Transportation Secretary's discretion for large projects which require long periods of time for their construction.

Georgia took advantage of these discretionary funds and embarked on an ambitious course to expand and improve a highway route to fulfill the need for an East-West connector between the southwest portion of our State and the Atlantic coast. This project enjoyed—and still enjoys—the widespread and enthusiastic support of not only the Georgia congressional delegation, but also local officials, business leaders and residents in the areas which the highway would serve. In particular, I would like to thank Tom Moreland, Georgia Commissioner of Transportation and his fine staff; State Senator Ed Perry, who represents the Seventh District of Georgia; J.W. Feighner, mayor of Columbus; and Ed Bodenhammer, executive director of the Southeast Georgia Area Planning and Development Commission who have expressed their strong support for this project and have assisted in developing this legislation.

Unfortunately, the 1982 Surface Transportation Assistance Act ended special funding for the Priority Primary Program. The elimination of this funding category disappointed the hopes of those who believed that a fulfillment of the economic potential of south Georgia was within reach. South Georgians understandably feel that, since the STAA of 1982 increased the highway fuel tax by a nickel per gallon for all users of the system, they are entitled to the same quality transportation facilities as those residing in other sectors of the Nation.

Under current law, any future funds for Corridor Z must come from Georgia's apportionment of Federal-aid primary funds which are available for primary work throughout the entire State. With the critically urgent need for repair and improvement of Georgia's primary road system, it will be simply impossible for the State department of transportation to redirect primary funds in a manner which would provide for the timely completion of Corridor Z.

Mr. President, approximately one-half of this project has been completed. The measure I introduce today will make it possible for this vital highway project to reach completion. It will reinvigorate the local economies of many small towns and cities across the State of Georgia which are underserved, and will also establish a safe, efficient, and sophisticated highway network which will promote interstate commerce and respond to the transportation needs of the citizens of several States. I believe that the economic, social, and political changes that

will result from the continuation of this multimodal corridor linking Kansas City to Brunswick and the growth that it will bring to the whole Southeast makes this transportation corridor essential as one of the Nation's major transportation goals for the future.

It is my hope that, in the weeks ahead, other Members of Congress representing the States involved in this ambitious endeavor will join me in cosponsoring this legislation and working toward its enactment.

Mr. President, I ask unanimous consent that a complete list of the States involved, and the highway projects in those States be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESIGNATED PRIORITY PRIMARY ROUTES

State, and Route:

New Jersey—Route 55 from Port Elizabeth to the interchange of Route 42 and the New Jersey Turnpike.

California—Long Beach Freeway between I-405 and Ocean Boulevard in Los Angeles County. S.R. 101 from the intersection of I-280 in San Francisco to the Oregon border. Manteca Bypass. S.R. 20 Bypass. Highway 86 between I-8 and I-10. State Route 99/70 from I-5 to the split of Routes 99 & 70. State Route 101 from Monterrey Street in Gilroy, California, to Russell Road in Salinas, California.

Pennsylvania—Route 220 from the Tyrone Bypass in Blair County to I-76 in Bedford County. Route 30 in Bedford County from Everett to the intersection of Route 220. Southern Expressway in Allegheny County. Route 219.

Alabama—Highway 72 from Huntsville East and North to the Tennessee State Line.

Minnesota—Highway 60 from St. James in Watonwan County to Worthington in Nobles County. Highway 15 from New Ulm in Brown County to Winthrop in Sibley County.

Michigan—U.S. 131 in Mecosta County. U.S. 131 in Osceola County.

Missouri—South Midtown Roadway (U.S. Highway 71) 10.2 miles road running from Interstate 70 east of downtown Kansas City, Missouri, to Bannister Road to join U.S. Highway 71.

Arizona—Kolb-Valencia Road, Tucson.

Arkansas—U.S. 71, I-40 to Missouri.

Florida—U.S. 19. S.R. 9A. Venice Connector. Overseas Highway.

Georgia—Route Z.

Illinois—U.S. 51, Rockford to Decatur. I-180 to Quincy.

Iowa—Route 61.

Louisiana—Alexandria to Monroe.

New Hampshire—Route 101.

New Mexico—U.S. 70 Amarillo to Las Cruces.

New York—Elm-Oak Arterial U.S. 219.

N. Carolina—Benson to Wilmington.

S. Carolina—U.S. 276, I-85 to Mauldin.

Texas—Lubbock to I-10. Amarillo to Las Cruces. U.S. 69. Ninth Avenue in Port Arthur.

Wisconsin—Stadium Freeway.

Tennessee—The State of Franklin Road in the vicinity of Johnson City. Foothills Parkway.

Kentucky—Route 841 (Jefferson Freeway).●

51-059 O—86——24 (Pt. 3)

By Mr. BRADLEY (for himself, Mr. DODD, and Mr. SARBANES):

S. 508. A bill to provide a program of planning grants, demonstration grants, and formula grants to assist local educational agencies to improve the basic skills of economically disadvantaged secondary school students, and for other purposes; to the Committee on Labor and Human Resources.

SECONDARY SCHOOL BASIC SKILLS ACT

Mr. BRADLEY. Mr. President, last January, I was pleased to be part of the Children's Caucus Forum on the causes and consequences of dropping out of school. This forum was held because we know that dropping out of high school is a serious problem, both with respect to the increasing numbers of students dropping out and the long-term social and economic consequences of these decisions. In my home State of New Jersey, 16,600 youths dropped out of school last year. During that same year, only 90,000 young people graduated from our public schools. In some urban schools in this country, the dropout rate is greater than 50 percent, and that does not count the many students who are officially enrolled in school but attend irregularly.

The consequences of dropping out for the individual student, and the costs to this Nation, are well known. Nearly 4 out of every 10 16- to 24-year-olds in this country who have dropped out of school are unemployed. A recent study completed by the Educational Testing Service found that students completing high school scored substantially higher on a series of tests measuring abilities linked to good job performance than did those dropping out after junior high or early in high school.

We could force young people to stay in school. But this is clearly not an adequate solution. First, it's only likely to increase truancy. Second, unwilling students do not learn, and they often disrupt the learning of others. We obviously need to go further, examine the causes, and then to formulate public policy that goes to the source of the problem.

Mr. President, I am convinced that one of the reasons students drop out of high school is that they lack basic skills. They are—to use the current jargon—"functionally illiterate" and they can't even get to first base with the high school academic curriculum. Considering the frustration, discouragement, and humiliation that many of these students must experience, it's not surprising that leaving school seems like an appealing alternative. The problem of functional illiteracy is widespread. It is estimated that 23 million American adults and about 13 percent of all 17-year-olds have inadequate reading, writing, and comprehension skills for everyday functioning. Functional illiteracy among minority youth may run as high as 40 percent. An estimated 800,000 New Jersey residents have been described as functionally illiterate. Thus, a fair proportion of our youth have trouble reading a newspaper, a recipe, instructions on a package of prepared food, or filling out a job application. Many lack the computational skills needed to balance a checkbook. Imagine how intimidating a tax form must be.

Results from the congressionally mandated National Assessment of Education Progress reinforce this rather bleak picture: Between 1970 and 1980, the educational achievement of 17-year-old students declined in every basic skills area. The situation is particularly dismal for low-achieving secondary school students. While 9- and 13-year-old low-achieving students have shown substantial gains in reading and mathematics, 17-year-old low-achievers showed a decline in reading ability and a negligible increase in mathematics. Similarly, while younger students in disadvantaged urban schools showed gains in reading scores between 1971 and 1980, 17-year-olds in these schools showed a loss, and lagged well behind students in advantaged urban schools.

Even among students who go on to college, there are many who have not fully mastered basic skills. In New Jersey last year, of over 50,000 entering freshmen who took the New Jersey College Basic Skills Test, less than a third were proficient in verbal skills and basic math, and only 12 percent were proficient in elementary algebra.

So far, most of the important educational reforms that are being implemented across the country have not addressed directly the problems of the high school student who has not mastered basic skills. Many States, including my own State of New Jersey, have increased academic course requirements for graduation. At last count, 39 States have developed minimum competency tests for purposes of remediation or promotion, and in 19 States, passage of a test is a requirement for graduation. New Jersey is developing a more rigorous higher level basic skills test which will replace their minimum competency examination next year.

I strongly support setting high standards for our students. Excellence in education cannot be compromised. But I am also concerned that without sufficient support, the higher standards will discourage the educational involvement of some students, rather than inspire their greater effort. We could see an even greater rise in the number of students who drop out of schools, because they consider their prospects for meeting the standard too remote to keep trying. Indeed, evi-

dence exists which suggest that this is occurring.

Throughout the country, considerable efforts are being made to provide remedial instruction to high school students who are achieving at a low level. In New Jersey, for example, a group of teachers in Middlesex County developed a comprehensive basic skills program designed to help teachers manage classrooms, evaluate students' skill levels, and plan education programs to meet individual students' needs. Repeated evaluations of this program—Project Climb—show that it is successfully raising students' basic skill levels. The program is currently being disseminated to high schools in other States. But such efforts to develop and disseminate basic skills training are grossly underfunded at the secondary level. Less than 5 percent of Federal compensatory education funds are currently spent at the high school level.

The hard work has to be done in the schools themselves. But I believe that the Federal Government can and should support local efforts by making sure that schools have access to information about approaches that work, and by providing funds to enable schools to effectively implement these approaches.

Mr. President, our experience with chapter 1 has shown us that considerable achievement gains are made by disadvantaged children at the elementary school level when Federal funding is provided to assist schools in meeting these students' special needs. I am convinced that the same gains would result from an equivalent commitment to our Nation's high school students. I propose that we make that commitment.

My bill would provide funds to develop approaches to teaching basic skills at the high school level, and then to disseminate those techniques to all schools. In the first phase, for each of the next 2 years, $100 million would be made available on a competitive basis to secondary schools with large concentrations of low-income students to help them find the most effective means of teaching basic skills to high school students who haven't mastered them. These programs would be carefully evaluated.

The techniques used in the most successful programs would be widely disseminated in the second phase. During the second phase, $800 million would be made available to State departments of education to distribute to schools with disadvantaged populations on a formula basis. This is approximately the amount of money that is needed to bring high schools up to the same level of Federal funding for basic skills that is currently provided in chapter 1 for elementary and junior high schools.

But I don't plan to provide the funds without some strings. Schools will be required to demonstrate that they are making progress. Thus, continued funding after the first 2 years would for a time be contingent upon an increase in the number of students passing a State-approved minimum competency test or a decrease in their dropout rate. After an initial period, continued funding would be contingent upon maintenance of earlier gains.

Some schools are doing a great job in making sure that all students master basic skills. They deserve our praise. Some schools have been less successful. They need to have access to the expertise others have developed, and they need financial support to implement programmatic changes that will result in improved academic skills. I believe that this legislation will help meet these needs.

Mr. President, I ask unanimous consent that a summary of the bill and the bill itself be printed in the RECORD at the close of my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Secondary School Basic Skills Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to furnish financial assistance to local educational agencies having especially high concentrations of children from low income families to enable such agencies to provide more effective instruction in basic skills for economically disadvantaged secondary school students.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "basic skills" includes reading, writing, mathematics computational proficiency as well as comprehension and reasoning;

(2) the term "economically disadvantaged secondary school students" means students, aged 14 to 17, inclusive, who are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981;

(3) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(4) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(5) the term "panel" means the national secondary school basic skills panel of the National Institute of Education of the Department of Education established under section 12;

(6) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(7) the term "Secretary" means the Secretary of Education;

(8) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands; and

(9) the term "State educational agency" has the same meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There are authorized to be appropriated to carry out the provisions of this Act—

(1) $100,000,000 for the fiscal year 1986 of which—

(A) $100,000 shall be available for the activities of the panel under section 12;

(B) $2,000,000 shall be available for planning grants described in section 7;

(C) $1,000,000 shall be available for the national assessment under section 13(a); and

(D) $96,000,000 shall be available for demonstration grants under section 8;

(2) $100,000,000 for the fiscal year 1987 of which—

(A) $1,000,000 shall be available for activities of the panel under section 12;

(B) $1,000,000 shall be available for the national assessment under section 13(a); and

(C) $98,000,000 shall be available for demonstration grants under section 8;

(3) $800,000,000 for the fiscal year 1988 of which—

(A) $1,000,000 shall be available for the national assessment under section 13(a);

(B) $10,000,000 shall be available for the dissemination activities described in section 13(b); and

(C) $789,000,000 shall be available for formula grants pursuant to section 9; and

(4) $800,000,000 for each of the fiscal years 1989, 1990, 1991, and 1992 of which—

(A) $10,000,000 shall be available for dissemination activities described in section 13(b); and

(B) $790,000,000 shall be available for formula grants under section 9.

ELIGIBILITY

SEC. 5. A secondary school is eligible to receive assistance under this Act for planning grants, for demonstration grants and for formula grants only if at least 10 children aged 14 to 17, inclusive, are enrolled in such school and are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981.

USES OF FUNDS

SEC. 6. Funds made available under this Act for planning grants, demonstration grants, and formula grants, shall be used for the planning for, the development of new approaches to, and for carrying out educational services and activities designed specifically to raise the basic skills of low achieving economically disadvantaged secondary school students.

PLANNING GRANTS

SEC. 7. (a)(1) From funds appropriated pursuant to section 4(1)(B) for fiscal year 1986 the Secretary is authorized, in accordance with the provisions of this section to make grants—

(A) to local educational agencies on behalf of eligible secondary schools, and

(B) to institutions of higher education and other public agencies and nonprofit private organizations on behalf of eligible secondary schools,

for the purpose of assisting eligible secondary schools to prepare proposals for demonstration grants.

(2) The Secretary shall carry out the functions of this section through the National Institute of Education.

(b) No planning grant may be made under this section unless—

(1) an application is submitted at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary; and

(2) each local educational agency, institution of higher education, public agency, or nonprofit private organization submits a separate application for each eligible secondary school.

(c) No grant made under this section may exceed $2,000.

(d) Any local educational agency, institution of higher education, public agency, or private nonprofit organization which receives a planning grant under this section and does not submit a demonstration proposal in accordance with section 8 shall within 60 days after the end of the fiscal year 1986 refund the amount received under this section to the Secretary.

DEMONSTRATION GRANTS

SEC. 8. (a)(1) From the amounts appropriated pursuant to section 4(1)(D) for fiscal year 1986, and section 4(2)(C) for fiscal year 1987, the Secretary is authorized, in accordance with the provisions of this section, to make demonstration grants to enable eligible secondary schools to develop new approaches to achieving improved basic skills instruction of low-achieving economically disadvantaged secondary school students.

(2) The Secretary shall carry out the functions of this section through the National Institute of Education.

(b) No grant may be made under this section unless—

(1) an application is submitted at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary;

(2) the application is made—

(A) by the local educational agency on behalf of an eligible secondary school, or

(B) by an institution of higher education, a public agency, or a private nonprofit organization on behalf of an eligible secondary school if the institution, agency, or organization will provide educational services or will conduct educational activities for educationally disadvantaged students subject to the proposal for which the assistance is sought;

(3) the application contains assurances that the applicant will participate in the national assessment required by section 13(a);

(4) the proposal described in the application was prepared with the paticipation of administrators and teachers in the eligible secondary school; and

(5) the application was submitted to the appropriate State educational agency for review and comment prior to submittal to the Secretary under this subsection.

(c) In approving applications under this section the Secretary shall assure that—

(1) at lest one demonstration grant is made in each State in each fiscal year; and

(2) no demonstration grant made under this section exceeds $500,000 in any fiscal year.

FORMULA GRANTS; ALLOTMENTS

SEC. 9. (a) From amounts appropriated pursuant to sections 4(3)(C) and 4(4)(B), the Secretary shall, in accordance with the provisions of this Act, make formula grants to States to enable local educational agencies within the State to carry out educational programs and activities to improve the basic skills of low-achieving economically disadvantaged secondary school students in eligible secondary schools.

(b)(1) From the sums available for formula grants under this Act for each fiscal year, the Secretary shall reserve—

(A) not to exceed 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, and

(B) 0.5 percent for payments for children enrolled in Indian schools,

to be allotted in accordance with their respective needs.

(2) The remainder of the amount available under this Act for formula grants for each fiscal year, the Secretary shall allot to each State an amout which bears the same ratio to such percent as the number of the children aged 14 to 17, inclusive, who are counted for the purpose of section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981, for the fiscal year preceding the fiscal year for which the determination is made in the State bears to the number of such children in all States.

(3) For the purpose of this subsection, the term "States" includes the fifty States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) Each State educational agency shall allocate from the State allotment to local educational agencies and to institutions of higher education, public agencies, and private nonprofit organizations within the State having applications approved under section 11 on behalf of eligible secondary schools based upon the relative number of the children aged 14 to 17, inclusive, in such schools who were counted for the purpose of section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981.

STATE ASSURANCES

SEC. 10. Each State which desires to receive formula grants under this Act shall file with the Secretary an application containing assurances that—

(1) the State educational agency will be designated as the State agency responsible for the administration and supervision of programs assisted under this Act;

(2) the State will use formula grants made under this Act—

(A) so as to supplement the level of funds that would, in the absence of such grants, be made available from non-Federal sources for the purposes of the program for which assistance is sought; and

(B) in no case to supplant such funds from non-Federal sources; and

(3) the State educational agency will furnish technical assistance necessary to local education agencies, institutions of higher education, public agencies, and private nonprofit organizations applying on behalf of eligible secondary schools within the State to carry out their responsibilities under this Act;

(4) that the State will expend not more than 1 percent of the State's allotment for the purpose of administration, technical assistance, coordination, and planning;

(5) the State shall, subject to clause (6), distribute its allotment under section 9(b) of this Act to local educational agencies, institutions of higher education, public agencies, and private nonprofit organizations applying on behalf of eligible secondary schools within the State in accordance with the provisions of section 9(c);

(6) the State will not expend more than 10 percent of the allotment of the State to make payments to institutions of higher education, public agencies, and private nonprofit organizations submitting applications on behalf of eligible secondary schools; and

(7) the application of each local educational agency, institution of higher education, public agency, and private nonprofit organization applying on behalf of eligible secondary schools for funds under this Act will not be denied without notice and opportunity for a hearing before the State educational agency.

(b) The Secretary shall not disapprove the application filed by the State educational agency without affording notice and opportunity for a hearing.

LOCAL APPLICATIONS

SEC. 11. (a) Each local educational agency and each institution of higher education, public agency, and private nonprofit organization applying on behalf of an eligible secondary school may receive payments for any fiscal year in which it files with the State educational agency an application. Each such application shall—

(1) describe the eligible secondary schools and the programs to be conducted at the eligible secondary schools for carrying out the purposes of section 6;

(2) provide assurances that the program for which assistance is sought is of sufficient size, scope, and quality as to give reasonable promise of substantial progress toward improving the basic skills of low-achieving economically disadvantaged secondary school students;

(3) provide assurances that the program for which assistance is sought was designed and will be implemented in consultation with parents and teachers of the low-achieving economically disadvantaged secondary school students;

(4) describe, in the case of a local educational agency, the procedures which the local educational agency will follow with respect to subcontracting to any private nonprofit organization, any program or activity to be conducted in an eligible secondary school for low-achieving economically disadvantaged secondary school students if the agency determines that the alternative education program to be offered by such organization will best serve the interests of such students;

(5) provide assurances that the agency will cooperate with State efforts to evaluate the effectiveness of the programs assisted under this Act; and

(6) provide such other assurances as the State educational agency may require.

(b) An application filed under subsection (a) of this section may be amended annually as may be necessary to reflect changes without filing a new application.

NATIONAL SECONDARY SCHOOL BASIC SKILLS PANEL

SEC. 12. (a) There is established in the National Institute of Education of the Department of Education a national secondary school basic skills panel of 12 members appointed by the Secretary. The panel shall be composed of—

(1) a secondary school teacher,

(2) two individuals who serve as principals, guidance counselors, and similar personnel in secondary schools,

(3) one individual representative of the National Diffusion Network, and

(4) the remaining members shall be representative of educational researchers who have established reputations in the area of

basic skills education of the secondary school level.

(b) The panel shall meet as soon as practicable after the appointment by the Secretary.

(c) Each State panel shall—

(1) identify specific models throughout the United States which show promise of being effective in teaching basic skills to low-achieving economically disadvantaged secondary school students and identify the individuals associated with the successful models identified under this clause;

(2) furnish requests for proposals directly to local educational agencies in which there is at least one eligible secondary school;

(3) review and advise the Secretary with respect to planning grants under section 7; and

(4) review proposals for demonstration grants under section 8 and advise the Secretary with respect to—

(A) the feasibility of the proposal;

(B) the promise for effectiveness in raising achievement levels of students lacking basic skills;

(C) the level of concentration of economically disadvantaged secondary school students;

(D) support from teachers and parents; and

(E) the cost effectiveness of the proposal.

(d) The provisions of part D of the General Education Provisions Act, relating to secretarial advisory councils, shall apply to the panel authorized by this section.

ADMINISTRATION

SEC. 13. (a) The Secretary shall, through the National Institute of Education, conduct a national assessment of the effectiveness and the implementation of the demonstration grants made under section 8.

(b) The Secretary shall disseminate to local educational agencies having eligible secondary schools the results of the assessment made under subsection (a) of this section.

(c) The Secretary, through the National Institute of Education, shall monitor grants made under this Act and shall carry out procedures for the coordination of activities assisted under this Act with other research activities conducted by the National Institute of Education and through the Office of Educational Research and Improvement in the Department.

PAYMENTS; RESTRICTIONS

SEC. 14. (a) The Secretary shall make payments under planning grants and distribution grants as expeditiously as possible after the approval of applications under section 7 and section 8.

(b)(1)(A) No formula grant may be made to any local educational agency or to any institution of higher education, public agency, or private nonprofit organization with respect to any eligible secondary school for the third or fourth fiscal year in which the school is, but for this subparagraph, eligible to receive such a grant unless there is an improved performance of the economically disadvantaged secondary school students at such school on a State approved basic skills test or there is a decrease in the dropout rate at such school.

(B) No formula grant may be made to any local educational agency or to any institution of higher education, public agency, or private nonprofit organization with respect to any eligible secondary school for the fifth such fiscal year unless the performance of economically disadvantaged school students at such school is maintained at the highest level of performance achieved during the period of the first three fiscal years in which a formula grant was made with respect to that school or the lowest dropout rate during such period.

(2) The Secretary shall prescribe regulations to carry out the provisions of paragraph (1) of this subsection.

SECONDARY SCHOOL BASIC SKILLS ACT

SUMMARY

Purpose

To provide additional assistance to local secondary education agencies with especially high concentrations of children from low-income families so that they may provide more effective instruction in basic skills. (Basic skills includes reading, writing, and computational proficiency, as well as comprehension and reasoning.)

Use of funds

Funds would be used for efforts directed specifically at raising the basic skills of low-achieving students. Schools would identify specific changes or additions in the educational program brought about by these funds. Any use of the funds must be for the benefit of low-achieving, disadvantaged students. However, funding does not need to be targeted exclusively at specifically identified students. (Thus, for example, funding could be used to develop an in-service training program for all low-achieving students, or to supplement teachers' salaries for providing after school or evening instruction to students in need of basic skills.)

PHASE 1: DEMONSTRATION GRANTS (YEAR 1 AND 2; $100 MILLION EACH YEAR)

Proposal planning grants

Planning grants will be made available only during the first year of funding to assist schools in preparing demonstration grant proposals.

Planning grants, not to exceed $2,000, will be given to the first 1,000 eligible schools or other agencies or organizations requesting such grants.

Demonstration grants

School districts will submit a separate grant application on behalf of each eligible school within that district desiring to apply for a demonstration grant. Administrators and teachers in the school must participate in the preparation of the proposal.

Public agencies and private organizations are eligible to apply for demonstration grants if they provide educational services to a disadvantaged adolescent population.

PHASE 2: FORMULA GRANTS (YEARS 3-7; $800 MILLION ANNUALLY)

Funding mechanism

Funding will be channelled to local schools through State Departments of Education. State Departments of Education can receive no more than 1% of the state allocation for purposes of administration, technical assistance, coordination and planning.

Up to 10% of the state's allocation can be used to support public agencies and nonprofit organizations providing basic skills training to disadvantaged adolescents.

Funding distribution

Funding will be distributed according to the same formula used by Chapter 1 (although limited to secondary schools and youth aged fourteen to seventeen, inclusive).

Requirement for continued funding

After the first two years of funding, continued funding will be contingent upon the school's improvement in the pass rate of a state-approved basic skills test, or a decrease in the school's drop-out rate. The Secretary of Education shall determine an appropriate level of improvement. Following the fourth year of funding, continued funding will be contingent upon maintenance of gains made during the first three years of formula funding.

Subcontracting

Schools may subcontract with non-profit organizations to provide educational programs for those students who are believed to be best served by an alternative education program.

National assessment

NIE will conduct a national assessment of the implementation and effectiveness of the demonstration programs.

By Mr. LEVIN (for himself, Mr. SPECTER, Mr. DIXON, Mr. HEINZ, Mr. MOYNIHAN, Mr. RIEGLE, Mr. METZENBAUM, and Mr. SIMON):

S. 509. A bill to extend the Federal Supplemental Compensation Act of 1982; to the Committee on Finance.

FEDERAL SUPPLEMENTAL COMPENSATION AMENDMENTS

● Mr. LEVIN. Mr. President, unless we act soon for hundreds of thousands of unemployed individuals this coming April Fools' Day will be all too real. On March 31, they may be receiving Federal supplemental compensation [FSC] unemployment benefits, or they may be about to exhaust the 26 weeks of benefits available under their State unemployment insurance system, which precedes their eligibility for FSC. But in either case, they will be unemployed and looking for work. On April 1, the FSC Program will go out of existence. Will this mean there is no longer a need for the FSC Program? Will this mean they are no longer out of work? Will this mean that for them things got better, literally overnight? The termination of the FSC Program would imply that all of this is true. April fool.

In my home State of Michigan, 11 percent of the work force is still unemployed. This is higher than was the nationwide rate during the depths of the recession when the FSC Program was established. Each week about 2,000 individuals in Michigan exhaust their 26 weeks of State unemployment benefits. Nationwide, the figure is 35,000.

During previous periods of high unemployment, these individuals could have turned to the Extended Benefits Unemployment Program, which would have provided them with 13 weeks of benefits on top of the 26 weeks of State unemployment benefits. However, due to changes in that program which were proposed by the Reagan administration in 1981, the Extended Benefits Program has developed into a virtually meaningless shell. As of now, 48 of the 50 States do not qualify for extended benefits, including States

with very high unemployment rates such as those in Michigan and Illinois.

Currently, most individuals exhausting their 26 weeks of State unemployment benefits can only look to the FSC program for up to an additional 12 weeks of benefits in Michigan and from 8 to 14 weeks in other States. As of now, more than 16,000 individuals in Michigan and 320,000 individuals nationwide are receiving FSC benefits. But starting April 1, even the FSC program will cease to exist. Unless—unless, the Congress enacts legislation such as the bill I am introducing today along with Senators SPECTER, DIXON, HEINZ, MOYNIHAN, RIEGLE, METZENBAUM, and SIMON. This legislation builds upon the basic features of the current law, at the same time that it updates and improves certain aspects of it.

As with the current FSC program, the range of weekly benefits would be 8 to 14 weeks. It only makes sense that if a State has a very serious unemployment problem, then it should be eligible for 14 additional weeks of benefits, even if the unemployment rate on a nationwide basis has declined. The legislation I am introducing today modifies the measure by which to determine the number of weeks of a State's eligibility in order to reflect more accurately, where possible, that State's current unemployment picture. For those States for which the statistical sample is large enough to compile the total unemployment rate [TUR] on a seasonally adjusted month-by-month basis, this legislation would allow that total unemployment rate to be used to determine the number of weeks of eligibility. The TUR represents the percentage of the work force that is unemployed and actively looking for work. As such, it is the measure which most accurately reflects the unemployment picture in a State at any one moment, and it is the figure which is most commonly thought of as "the unemployment rate." The States for which the TUR is based on a large enough sample to be used to determine the number of weeks of eligibility are: California, Florida, Illinois, Massachusetts, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, and Texas. In this regard, I would also like to thank Senators MOYNIHAN, BYRD, HEINZ, DIXON, RIEGLE, and SPECTER among others for their work in past years to have the TUR included as a measure for determining a State's eligibility for unemployment benefits.

Under this legislation, these States could also look to the long-term insured unemployment rate [LIUR] as an alternative measure to determine the number of weeks of eligibility. The LIUR was developed by the Finance Committee at the time that the FSC program was reauthorized in late 1983. It was designed by the committee to reflect the unemployment pictures in States suffering high unemployment over a period of time. In particular, it is a useful measure of the unemployment situation in those States where individuals, faced with a continuingly dismal employment picture, have become "discouraged workers." These workers were once actively looking for work, and, therefore, would probably be included in the LIUR data, which has a job search component. However, since they no longer see a reasonable prospect of employment, and, therefore, have stopped looking for employment, they are excluded from the TUR.

This legislation would determine the number of weeks of eligilibity by looking to the higher of the LIUR or the monthly seasonally adjusted TUR. As such, it recognizes that neither of these measures is perfect.

This legislation does make one modification to the LIUR from current law. As originally enacted in 1983, the LIUR was determined by looking to a State's cumulative insured unemployment rate starting with January 1982. The insured unemployment rate—IUR—represents the percentage of indiviudals receiving State unemployment benefits as compared with the number of individuals covered by a State's unemployment insurance system. This bill updates the LIUR so that its cumulative measure starts on January 1983.

For the remaining States, there are also two alternatives for determining the number of weeks of eligibility for FSC. As with the States mentioned above, the LIUR would be one method for determining eligibility. In addition, as with current law, these States could qualify for a specific number of weeks based on their IUR. The IUR, since it is a 13-week rolling average, would afford some measure of the immediate unemployment situation. In this way, it would approximate the goal of using the TUR for States with larger populations of providing a snapshot of a State's unemployment picture. Admittedly, where sufficient data is available for it to be reliable, the TUR is the preferred measure. However, until the time when the TUR is reliable on a seasonally adjusted monthly basis for States other than the largest States, the IUR is the best measure available to them for this snapshot view. As with the larger States, the higher of the two measures—in this case, the IUR and LIUR--will determine the number of weeks of eligibility for the remaining 39 States.

This reauthorization would be for 18 months. As such, it would balance the need for some stability in the system, with the recognition that conditions 2 years hence may require further modification.

Finally, we all recognize the need for substantial deficit reduction. This is not the beginning of a new program but rather the continuation of an existing program. In that sense, it is consistent with the concept of a spending freeze. I have asked the Congressional Budget Office for a cost estimate, which should be available shortly. If the budget numbers indicate that a more modest program is called for in order to meet the overall budgetary objective, then modifications can be made in a subsequent proposal. What is clear at this point is that the need for action is still real. I hope that this legislation will start the process in the Senate which will lead to the reauthorization of the FSC program so that this need can be met.

Mr. President, I ask unanimous consent that the text of this legislation appear in full following my remarks. I also ask unanimous consent that a table detailing the number of weeks each State would be eligible for, based on current data be printed following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 509

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Supplemental Compensation Amendments of 1985".

EXTENSION OF PROGRAM

SEC. 2. (a) Section 602(f)(2) of the Federal Supplemental Compensation Act of 1982 is amended by striking out "March 31, 1985" and inserting in lieu thereof "September 30, 1986".

(b) Section 605(2) of such Act is amended by striking out "April 1, 1985" and inserting in lieu thereof "October 1, 1986".

NUMBER OF WEEKS FOR WHICH COMPENSATION IS PAYABLE

SEC. 3. (a) Section 602(e) of the Federal Supplemental Compensation Act of 1982 is amended—

(1) by striking out paragraphs (2), (3), and (4);

(2) by redesignating paragraph (5) as paragraph (7); and

(3) by inserting after paragraph (1) the following new paragraphs:

"(2)(A) In the case of an account from which Federal supplemental compensation is first payable for a week beginning after March 31, 1985, the amount established in such account shall be equal to the lesser of—

"(i) 55 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which such individual most recently received regular compensation, or

"(ii) such individual's average weekly benefit amount (determined in the same manner as it is determined for purposes of section 202(b)(1)(C) of the Federal State Extended Unemployment Compensation Act of 1970) for such benefit year, multiplied by the number of weeks in such indi-

vidual's benefit period as determined under subparagraph (B).

"(B) An individual's benefit period shall be the benefit period in effect in the State, as determined under paragraph (3), for the first week for which Federal supplemental compensation is payable from such individual's account.

"(C) In the case of an account from which Federal supplemental compensation is first payable for a week beginning prior to April 1, 1985, and from which such compensation would have been payable for any week beginning after March 31, 1985, under the provisions of this title as in effect prior to the amendment made by the Federal Supplemental Compensation Amendments of 1985, disregarding subsection (f)(2) and the April 1, 1985 date in section 605(2) as then in effect, the amount established in such account shall be redetermined in accordance with subparagraph (A). If such redetermination results in a reduction in the amount of compensation payable to such individual to an amount less than the amount which had already been paid to such individual for weeks beginning prior to April 1, 1985, no repayment shall be required of amounts already paid.

"(3)(A) For purposes of this subsection, but subject to paragraph (6), a benefit period is, with respect to any State, the period which—

"(i) begins with the third week after the first week for which the applicable trigger is on, and

"(ii) ends with the second week after the first week for which the applicable trigger is off.

"(B) In the case of any benefit period, the applicable trigger is on for any week if—

"(i) the triggering long-term rate of insured unemployment for such State (determined in accordance with paragraph (5)(A)) falls within the applicable range determined under paragraph (4)(A), or

"(ii) in the case of a State for which the Bureau of Labor Statistics compiles data on a month-to-month basis with respect to the seasonally adjusted total civilian rate of unemployment, the triggering seasonally adjusted total civilian rate of unemployment for such State (determined in accordance with paragraph (5)(B)) falls within the applicable range determined under paragraph (4)(B), or

"(iii) in the case of a State not described in clause (ii), the triggering rate of insured unemployment for such State (determined in accordance with paragraph (5)(C)) falls within the applicable range determined under paragraph (4)(C).

"(C) In the case of any such benefit period, an applicable trigger is off for any week if—

"(i) no applicable trigger is on for such week, or

"(ii) an applicable trigger is on for such week for a benefit period having a greater number of weeks.

"(4)(A) For purposes of paragraph (3)(B)(i), the applicable range is as follows:

"In the case of a:	The applicable range is a long-term rate of insured unemployment:
14-week benefit period	Equal to or exceeding 5.5 percent.
12-week benefit period	Equal to or exceeding 4.5 percent, but less than 5.5 percent.
10-week benefit period	Equal to or exceeding 3.5 percent, but less than 4.5 percent.
8-week benefit period	Less than 3.5 percent.

"(B) For purposes of paragraph (3)(B)(ii), the applicable range is as follows:

"In the case of a:	The applicable range is a seasonally adjusted total civilian rate of unemployment:
14-week benefit period	Equal to or exceeding 10 percent.
12-week benefit period	Equal to or exceeding 9 percent, but less than 10 percent.
10-week benefit period	Equal to or exceeding 8 percent, but less than 9 percent.
8-week benefit period	Less than 8 percent.

"(C) For purposes of paragraph (3)(B)(iii), the applicable range is as follows:

"In the case of a:	The applicable range is a rate of insured unemployment:
14-week benefit period	Equal to or exceeding 6 percent.
12-week benefit period	Equal to or exceeding 5 percent, but less than 6 percent.
10-week benefit period	Equal to or exceeding 4 percent. but less than 5 percent.
8-week benefit period	Less than 4 percent.

"(5)(A) The triggering rate of long-term insured unemployment for a week shall be the rate of insured unemployment in the State for the period consisting of the last week beginning in the second calendar quarter ending before the week for which the trigger determination is being made and all weeks preceding such last week which began on or after January 1, 1983, For purposes of this subparagraph, the rate of insured unemployment shall be determined in the same manner as it is determined for purposes of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970; except that such rate shall be determined by reference to the average monthly covered employment under the State law for so much of the period described in the preceding sentence as does not fall in the last six months thereof.

"(B) The triggering seasonally adjusted total civilian rates of unemployment for a week shall be such rate for the State for the month immediately preceding the month in which such week begins.

"(C) The triggering rate of insured unemployment for a week shall be such rate for the State for the period consisting of such week and the immediately preceding 12 weeks. For purposes of this subparagraph, the rate of insured unemployment shall be determined in the same manner as it is determined for purposes of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970.

"(6)(A) No benefit period which is in effect for any week beginning after March 31, 1985, shall last for a period of less than 13 weeks beginning after such date.

"(B) The number of weeks in the benefit period of a State shall not be reduced or increased by more than two during any 13-week period beginning with the week for which such a reduction or increase would otherwise take effect. The preceding sentence shall not apply to any increase or decrease which takes effect for the first week beginning after March 31, 1985.".

(b) Section 602(d)(3)(B) of such Act is amended by striking out "the applicable limit under subparagraph (A)(ii) of subsection (e)(2)" and inserting in lieu thereof "the benefit period determined under subsection (e)(3)".

EFFECTIVE DATE

SEC. 4. (a) The amendments made by this Act shall apply to weeks beginning after March 31, 1985.

(b) The Secretary of Labor shall, at the earliest practicable date after the date of the enactment of this Act, propose to each State with which the Secretary has in effect an agreement under section 602 of the Federal Supplemental Compensation Act of 1982 a modification of such agreement designed to provide for the payment of Federal supplemental compensation under such Act in accordance with the amendments made by this Act. Notwithstanding any other provision of law, if any State fails or refuses within the three-week period beginning on the date the Secretary proposes such modification to such State, to enter into such modification of such agreement, the Secretary shall terminate such agreement effective with the end of the last week which ends on or before the close of such three-week period.

(c) For purposes of determining whether any benefit period is in effect during weeks beginning after March 31, 1985, the amendments made by this Act shall be treated as in effect during all periods before the first week beginning after March 31, 1985.

COMPARISON OF THE LEVIN-SPECTER PROPOSAL WITH CURRENT LAW AND WITH THE ADMINISTRATION'S BUDGET

[Data current as of Feb. 1, 1985]

State	Current law	Administration's budget	Levin-Specter proposal
Alabama	12	0	10
Alaska	14	0	14
Arizona	8	0	8
Arkansas	12	0	10
California	10	0	10
Colorado	8	0	8
Connecticut	8	0	8
Delaware	8	0	8
Florida	8	0	8
Georgia	8	0	8
Hawaii	8	0	8
Idaho	14	0	12
Illinois	12	0	12
Indiana	8	0	8
Iowa	8	0	8
Kansas	8	0	8
Kentucky	12	0	10
Louisiana	12	0	12
Maine	8	0	10
Maryland	8	0	8
Massachusetts	8	0	8
Michigan	12	0	14
Minnesota	8	0	8
Mississippi	12	0	12
Missouri	8	0	8
Montana	12	0	12
Nebraska	8	0	8
Nevada	8	0	10
New Hampshire	8	0	8
New Jersey	8	0	10
New Mexico	8	0	10
New York	8	0	8
North Carolina	8	0	8
North Dakota	8	0	10
Ohio	12	0	10
Oklahoma	8	0	8
Oregon	14	0	12
Pennsylvania	14	0	14
Rhode Island	12	0	10
South Carolina	8	0	8
South Dakota	8	0	8
Tennessee	8	0	8
Texas	8	0	8
Utah	8	0	10
Vermont	10	0	10
Virginia	8	0	8
Washington	14	0	12
West Virginia	14	0	14
Wisconsin	12	0	10
Wyoming	8	0	10

● Mr. DIXON. Mr. President, it has been a long time since we have had to

discuss the issue of unemployment compensation in this place, 16 months to be exact. In that time, no remedial legislation has been passed to address the system's structural inadequacies. The Senate passed the 18-month Federal Supplemental Compensation Program on October 21, 1983. Since that time, for some States, the unemployment problem has improved. For my State, it has not improved noticeably. The total unemployment rate for Illinois in October 1983 was 9.7 percent—534,000 people out of work and counted. In January 1985, Illinois' total unemployment rate was 9.1 percent—516,000 people out of work and counted.

Now, according to these figures, which do not reflect a true measure of suffering since they do not take into account the thousands of discouraged workers and those whose benefits have been exhausted, 18,000 people have found work since October 1983. But a half a million still have not, or have lost their jobs due to circumstances which are still present, regardless of a recovery which has benefited some.

After March 31, these people will be entitled to only 26 weeks of unemployment benefits, through the State system. Because of changes that took place in reconciliation in 1981, the extended benefits tier is, for all practical purposes, nonexistent. Only two States currently qualify for that 13 weeks of Federal-State funded coverage. So, we have 48 States that have people out there looking for work, and in some cases, being retrained for jobs, who will only be able to count on 26 weeks of unemployment compensation. That is deplorable. We cannot stand by and allow the minimal amount of additional assistance, through the Federal Supplemental Compensation Program, to expire.

In 1971, under President Richard Nixon, there were 52 weeks of benefits available when the national unemployment rate was only 6 percent.

In 1974, under President Ford, there was a 26-week Federal Supplemental Compensation Program, again making 52 weeks of coverage available, at a time when the national unemployment rate was 7.1 percent.

In 1975, the number of weeks was increased to 65 when the unemployment rate rose to 8.8 percent.

The Senate has rejected many attempts to address the system in a more organized, logical fashion. I have personally cosponsored several attempts to change the triggers for extended benefits; to change the way States qualify for programs from the insured unemployment rate to the total unemployment rate; to abolish the whole current system and start from scratch with a recession-sensitive program that takes into account the financing mix between the State and Federal Government, and the number of weeks available.

All of those attempts by several Members of this body have failed. What we have left is a Federal supplemental compensation system which attempts to provide immediate help to people. This system is about to expire, and we haven't done one thing in 16 months to address the system itself. Without some changes, 26 weeks will be all that is left to most unemployment compensation recipients.

This is a modest proposal, Mr. President. It doesn't even address those who have exhausted benefits. It is only for the current recipients of regular benefits.

When the FSC Program was passed in October 1983, I said that I found it a little perplexing that we couldn't apply common sense to this program. We are reasonable men and women, representing the people of our States. We should not be using the needy as a political football. At that time there was a vehicle which made sense, which had bipartisan support and a great deal of merit. The bill was S. 1784, introduced by the distinguished Democratic leader, and Senator Heinz. A hearing was held on the bill, and that was as far as it went. No other proposals were forthcoming.

I ended my remarks in October 1983 by saying that I hoped this would not be the last word on the subject until March 1985. There remain critical issues which must be considered, problems which must be solved, and people who must be served. I see no reason to change my statement in that regard. The same is still true today.●

● Mr. HEINZ. Mr. President, I am pleased to join my distinguished colleague, the Senator from Michigan, and other colleagues in introducing legislation to extend Federal supplemental unemployment for 18 additional months. While some claim that 1984 was a banner year for the economy, hundreds of thousands of our neighbors know only the continuing agony of long-term unemployment. According to the Department of Labor, 325,000 people, who lost their jobs through no fault of their own, receive supplemental unemployment compensation as their main source of income. They will lose all unemployment benefits when that program, which has kept their hopes alive, automatically expires on March 31.

Mr. President, this legislation addresses urgent needs throughout our Nation. Many unemployed persons receive benefits for only a short time before finding another job, but many live in regions where there has been no recovery. Long-term unemployment has been on the rise, up from 1,266,000 persons out of work 6 months or longer in January, 1981, to 1,402,000 in December 1984. During that same period, the average length of unemployment nationwide rose by more than 20 percent.

The ripple effects of unemployment on our National, State, and local economies are tremendous. Local business is particularly hard hit, as unemployed persons become unable to purchase even the most basic commodities. The assistance these benefits have provided are of critical importance. I urge my colleagues to join me in cosponsoring this urgently needed measure.●

● Mr. RIEGLE. Mr. President, I rise to cosponsor the legislation offered today by my colleague from Michigan. This bill extends the Federal Supplemental Compensation [FSC] Program which provides supplemental benefits to long-term unemployed individuals. Since the present program is scheduled to expire on March 31, this bill requires our immediate attention.

A critical need for the FSC Program continues to exist. While economic recovery from depression-like conditions has brought a heartening drop in the official unemployment rate, unemployment remains a serious problem in our country today. Nearly 8½ million people remain unable to find a job despite their search. Although Michigan's economy has improved markedly under the leadership of Governor Blanchard, the State's seasonally adjusted unemployment rate of 11 percent remains unacceptably high. To suggest that the need for a FSC Program no longer exists is simply wrong. I find it appalling that the administration seeks to cut off funding for this program.

Many misperceptions about Federal unemployment programs abound. One I sometimes hear is that unemployment claimants are freeloaders waiting at home for a handout. I reject that notion. That belief reflects an ignorance of the unemployment insurance system. It is an insurance system because it provides insurance for economic survival between periods of employment. These unemployed Americans receiving benefits are people who have toiled to provide products and services for their fellow citizens. In order to be eligible for the benefits, they have had to work a requisite number of weeks during their most recent employment and must continue to seek employment actively.

Some argue that providing benefits to these individuals will not help them in the long run. Unfortunately, it is true that some of these long-term unemployed individuals may never return to jobs for which they were trained. Training programs that teach new skills are consequently very important for many of them. Thus, I cannot understand why the budget submitted by the President makes severe cuts in title III of the Job Training and Partnership Act, the pro-

gram that provides employment and training assistance for dislocated workers. Indeed, the Northeast-Midwest Institute has noted that this budget reduces funds for major employment and training programs by 21 percent.

Drastically reducing the record budget deficits is a necessary and immediate objective. However, to attempt to balance the budget on the backs of these individuals who have endured weeks of fruitless job searches, while permitting defense costs to escalate unrelentingly, is not an acceptable solution fiscally or morally. By slashing funds for training and eliminating funds for FSC, the Reagan administration has turned its back on the long-term unemployed.

I believe that the Congress must not adopt this attitude. Senator LEVIN's bill will aid the long-term unemployed in a responsible manner. As unemployment is not expected to decline markedly in the next couple of years, the bill extends the FSC Program through March 31, 1987. Moreover, different tiers of benefits are provided to States to reflect the unemployment problem in each State. Alternatives to the insured unemployment rate [IUR] are included because, as the Senate Finance Committee recognized when it reported out the FSC extension in 1983:

> When a State experiences a prolonged period of extremely high unemployment, the validity of the current insured unemployment rate as an indicator of its relative unemployment situation compared with other States is weakened. . . .

Representing a State that has just suffered through its 61st consecutive month of double digit unemployment, but which has a rather low IUR, I readily concur with that conclusion.

Mr. President, less than 40 percent of the officially unemployed people in our Nation receive unemployment benefits today. That figure is drastically lower than that found in many comparable industrialized nations today. If we fail to extend the FSC Program, that percentage will drop even further. These benefits are critical to the thousands of unemployed workers in my State, and the hundreds of thousands across the country, who are unable to find a job despite the economic recovery. Senator LEVIN's bill addresses their plight in a responsible fashion. I urge my colleagues to support this bill and to act before the March 31 expiration date.●

By Mr. MATTINGLY:

S. 510. A bill to provide for reciprocal interstate acquisitions of certain depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

INTERSTATE BANKING ACT

Mr. MATTINGLY. Mr. President, during the first session of the 98th Congress, on November 17, 1983, I introduced S. 2113, a measure designed to congressionally sanction regionally reciprocal banking statutes. Since that time, the pace of change in the banking industry has accelerated, particularly with regard to the geographic expansion of banking organizations. And it is the States who have taken their rightful role in directing this expansion.

Section 3(d) of the Bank Holding Company Act of 1956—the Douglas amendment—continued the Federal policy of delegating to the States the right to determine the nature and extent of bank expansion within and across each State's borders. In consonance with this policy, nine States (Massachusetts, Rhode Island, Connecticut, Georgia, Florida, North Carolina, South Carolina, Kentucky, and Utah) have enacted regionally reciprocal banking statutes. Simply put, these laws permit bank expansion across State borders by specifically allowing reciprocal expansion within a geographically defined region, as is permitted—and was intended—under the Douglas amendment.

The regional banking movement has gained tremendous support in the past year. In addition to those 9 States which have already enacted regional banking laws, at least 20 others are likely to consider similar measures in 1985. Present State laws and anticipated future State action includes:

BREAKDOWN OF BANKING LAWS AND POTENTIAL LEGISLATION IN THE 50 STATES AND DC

1. States With Regional Banking Statutes: (9 States)

Connecticut: New England regional reciprocity.
Florida: Southeast regional reciprocity.
Georgia: Southeast regional reciprocity.
Kentucky: Contiguous-state reciprocity.
Massachusetts: New England reciprocity.
North Carolina: Southeast regional reciprocity.
Rhode Island: New England reciprocity with trigger.
South Carolina: Southeast regional reciprocity.
Utah: Western regional reciprocity.

2. States With Nationwide Interstate Banking Statutes: (3 States)

Alaska: Nationwide non-reciprocal.
Maine: Nationwide non-reciprocal.
New York: Nationwide reciprocal.

3. (A) States Where Regional Banking Legislation is Most Likely in 1985: (20 States)

Alabama: Regional reciprocal in Southeast.
Arkansas: Regional reciprocal or contiguous state reciprocal.
District of Columbia: Regionally reciprocal in Southeast.
Idaho: Contiguous-state reciprocity.
Illinois: Contiguous-state reciprocity.
Indiana: Contiguous-state reciprocity.
Maryland: Regionally reciprocal in Southeast.
Michigan: Contiguous-state reciprocity with 2-year trigger.
Minnesota: Contiguous-state reciprocity.
Missouri: Regionally reciprocal.
New Jersey: Regionally reciprocal with trigger.
New Mexico: Contiguous-state with trigger.
Ohio: Contiguous-state with trigger.
Oregon: Regional (possibly non-reciprocal).
Pennsylvania: Regionally reciprocal with trigger.
Tennessee: Regionally reciprocal.
Texas: Regionally reciprocal.
Virginia: Regionally reciprocal in Southeast.
West Virginia: Contiguous-state reciprocity.
Wisconsin: Contiguous-state reciprocity.

3(B). States Where Reciprocal Banking Legislation is Possible in 1985: (9 States)

California: Regionally reciprocal with a trigger.
Colorado: Contiguous-state reciprocal.
Delaware: Regionally reciprocal.
Iowa: Regionally reciprocal.
Nebraska: Regionally reciprocal.
Nevada: Regionally reciprocal.
New Hampshire: Nationwide reciprocal.
Vermont: Nationwide reciprocity.
Washington: Nationwide reciprocity.

4. States Where Nationwide Interstate Banking is Likely in 1985: (1 State)

Arizona: Nationwide non-reciprocal.

5. States Where Action Is Unlikely in 1985: (9 States)

Hawaii, Kansas, Louisiana, Mississippi, Montana, North Dakota, Oklahoma, South Dakota, and Wyoming.

Mr. President, the Federal Reserve Board approved seven regional banking transactions in New England during 1984, and in early January of this year approved a Georgia/Florida merger. The propriety and constitutionality of regional banking laws were upheld by the Federal Reserve Board and the Court of Appeals for the Second Circuit, whose logic was supported by the Justice Department. And the Senate passed a regional banking sanction as title IX of S. 2851, Senator GARN's banking bill which was overwhelmingly passed by this body at the close of the 98th Congress.

On January 7, 1985, the Supreme Court announced that it would hear the case of Northeast Bancorp et al. versus The Board of Governors of the Federal Reserve. I draw no inference that this in any way suggests that Northeast and Citicorp (another party to the case) have the Supreme Court's support on this issue. The case is merely one of first impression for the Court. I am firmly convinced that the Justices will agree that these laws are constitutional and beneficial to the States, and the Court will uphold the right of each State to decide questions of banking geography.

Yet ultimately it is the Congress that should take the leadership in this issue, as it did nearly 30 years ago with passage of the Douglas amendment. My bill is intended to clarify the intent of the Douglas amendment and thereby end any question as to the propriety of regional banking laws. Without the legislation I am introducing, even if the Supreme Court decided in favor of the States in this particular instance, I am convinced that

the New York money center giants would continue to litigate any and every other aspect of regional banking laws. In this fashion, they hope to break the will of the States to assert their traditional banking rights.

My bill provides that the States, particularly those with the least capital and the greatest desire for regionally funded economic development and growth, will not be intimidated in this fashion. It continues the Federal policy of leaving the decision on geographic bank expansion to the States. Enactment of this bill will alleviate much of the uncertainty facing those banks hoping to expand among those States that permit regionally reciprocal banking.

The bill imposes no Federal timetable for nationwide interstate banking. Some States have included or will include a trigger for nationwide interstate banking in their reciprocal banking laws. This is their decision and should be respected.

My bill does not impose a nationwide interstate banking trigger. Rather, this measure recognizes that it is the individual States, rather than the Federal Government, which are uniquely able to determine the optimal approach to bank expansion within each State.

This bill will benefit consumers since growing banks which are sensitive to unique local conditions can provide new and better services, and it will benefit businesses as expanding banks with a particular expertise attempt to better serve important industries elsewhere in the region. Competition will be enhanced, while concentration of bank resources will not be significantly affected. The bill assures the evolutionary, rather than revolutionary, geographic expansion of banks.

The regional banking concept has been supported by the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation, the Conference of State Bank Supervisors, the National and Southern Governors Associations, the Coalition for Regional Banking and Economic Development and by the decisions of the Federal Reserve Board. It has been upheld in the courts thus far. It has overcome two Senate filibusters and been overwhelmingly approved by the Senate during the last Congress.

I am hoping that both the Senate and the House of Representatives will act quickly to enact this measure into law and I look forward to the continued leadership of Chairman GARN on this most important matter.

By Mr. CHILES:

S. 511. A bill to change the name of the Loxahatchee National Wildlife Refuge, FL, to the Arthur R. Marshall Loxahatchee National Wildlife Refuge; to the Committee on Environment and Public Works.

ARTHUR R. MARSHALL LOXAHATCHEE NATIONAL WILDLIFE REFUGE

● Mr. CHILES. Mr. President, today, I am introducing legislation to honor an individual who has contributed greatly to the enhancement and protection of my State's natural resources. This bill renames the Loxahatchee National Wildlife Refuge in south Florida after Arthur R. Marshall. Art's academic work and personal efforts in the field of environmental protection have had tremendous impact on south Florida's ecosystem, particularly the Everglades. It is fitting that the Loxahatchee National Wildlife Refuge bear the name of Arthur Marshall in that this area is, in fact, a small portion of the Florida Everglades and is one of the largest freshwater marshes on the North American Continent.

The Loxahatchee National Wildlife Refuge was established in 1951 for the purpose of managing and protecting a portion of the Florida Everglades and its native species of wildlife. It is an area where one will find shallow water flats interspersed with dense strands of sawgrass encompassing 220 square miles in Palm Beach County. The primary objective of the wildlife refuge is to maintain the habitat for a full spectrum of wildlife native to the Florida Everglades so that they might be preserved for the enjoyment of future generations.

Art Marshall is highly regarded as an early champion of theories regarding the impact of growth on south Florida's natural system, particularly the Everglades. He designed and advocated policies aimed at restoring the Everglades system to permit the sheet flow of water across them as once had occurred naturally. He supported acquiring the lands now known as the Big Cypress National Preserve, an area purchased by the Federal Government in order to ensure protected sheet flow of water necessary for the survival and livelihood of Everglades National Park.

Art Marshall was a pioneer in environmental conservation and has justly earned the respect and recognition of major environmental organizations in the State of Florida. He has received countless awards and commendations from organizations including the Florida Wildlife Federation, the Florida Audubon Society, Izaak Walton League and the Sierra Club. He served as adviser to three Florida Governors and worked for 15 years for the U.S. Fish and Wildlife Service in south Florida.

Art felt the protection of our south Florida ecosystem was worth fighting for. He waged one conservation battle after another and was fortunate to see many of his ideas and initiatives put into constructive action. Art died on February 18. His death will be a loss to the fighters of conservation battles yet to be waged, and it is highly appropriate that an example of the habitat and natural systems he worked so diligently to preserve bear his name. For this reason, I am pleased to offer this legislation to rename the Loxahatchee National Wildlife Refuge in honor of the contributions of Arthur R. Marshall. I hope the Senate will move quickly on this bill as a tribute to an individual who has contributed so much to his State and his country.●

By Mr. D'AMATO:

S. 514. A bill to amend the Internal Revenue Code of 1954 to permit a charity to own stock in an S corporation; to the Committee on Finance.

LEGISLATION TO ALLOW A CHARITY TO OWN STOCK IN AN S CORPORATION

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation that would amend section 1361(b) of the Internal Revenue Code to permit a charitable organization to own stock in an S corporation.

Under present law, charity may own stock in a regular corporation and a charity may own an interest in a partnership. An S corporation, however, is not permitted to have a charity as a shareholder. Thus, if a potential donor happens to own stock in an S corporation, he is precluded from making a charitable contribution of the stock—and the charity is deprived of the contribution—merely because of the form of the business organization in which the donor has an interest.

This different treatment for S corporation stock is particularly unsound because the income of an S corporation is taxed directly to its shareholders in essentially the same manner as the income of a partnership is taxed directly to its partners. Accordingly, notwithstanding the virtually identical tax status of partnerships and S corporations, charities are being deprived of the opportunity to share in the income of S corporations.

There is no significant reason to continue the existing difference in treatment among partnerships and regular corporations, on the one hand, and S corporations on the other. As a matter of tax policy, a charity should not be deprived of the opportunity to be the beneficiary of an income producing business interest merely because the form of the business organization is an S corporation.

The Economic Recovery Tax Act of 1981 revised many of the provisions of the Internal Revenue Code relating to subchapter S corporations so as to eliminate many of the differences between partnerships and S corporations. My bill will merely eliminate an oversight in the reform of S corporation law by allowing charities to own similar interests in both partnerships and S corporations.

The bill also contains a technical conforming amendment in order to

maintain symmetry between partnerships and S corporations. Present law provides that if a trade or business regularly carried on by a partnership in which a charitable organization is a partner is an unrelated trade or business with respect to the charity, in computing its unrelated taxable income the charity must include its share—whether or not distributed—of the gross income of the partnership from the unrelated trade or business and its share of partnership deductions directly connected with the gross income. The same rule should apply to charities that own stock in S corporations. Thus, in the case of ownership of stock of an S corporation engaged in an active business unrelated to the purpose of the charity, the charity would be subject to the unrelated business income tax in the same manner as charities that own interests in business partnerships.

Inasmuch as a charity's share of the income of an S corporation would generally be subject to the unrelated business income tax, there should be no significant revenue loss to the Government associated with this legislation. In some cases there would be a revenue gain because the Government would collect the unrelated business income tax on income which otherwise would have been deducted from the income of a donor.

Mr. President, I ask unanimous consent that my bill be reprinted in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Section 1361(b)(1)(B) of the Internal Revenue Code of 1954 (relating to permitted shareholders of a small business corporation) is amended to read as follows:

"(B) have as a shareholder a person (other than an estate, a trust described in subsection (C)(2), or an organization described in section 501(c)(3)) who is not an individual,".

(b) Section 512(c) of the Internal Revenue Code of 1954 (relating to the tax on unrelated income of charities) is amended to read as follows:

"(C) SPECIAL RULES APPLICABLE TO PARTNERSHIPS AND S CORPORATIONS.—If a trade or business regularly carried on by a partnership or an S corporation of which an organization is a member or a shareholder is an unrelated trade or business with respect to such organization, such organization in computing its unrelated business taxable income shall, subject to the exceptions, additions, and limitations contained in subsection (b), include its share (whether or not distributed) of the gross income of the partnership or S corporation from such unrelated trade or business and its share of the partnership or S corporation deductions directly connected with such gross income. If the taxable year of the organization is different from that of the partnership or S corporation, the amounts to be so included or deducted in computing the unrelated business taxable income shall be based upon the income and deductions of the partnership or S corporation for any taxable year of the partnership or S corporation ending within or with the taxable year of the organization."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to taxable years of S corporations beginning after the date of enactment.●

By Mr. D'AMATO (for himself, Mr. BOSCHWITZ, Mr. HELMS, Mr. EAST, and Mr. ABDNOR):

S. 515. A bill directing the President to conduct a comprehensive review of United States policy toward Bulgaria; to the Committee on Foreign Relations.

BULGARIAN INTERRELATION REVIEW ACT

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to turn the spotlight of world and national opinion on the international drug trafficking, gun-running, and terrorism practiced by the Eastern-bloc, Soviet-dominated nation of Bulgaria. Through its front corporation, KINTEX, Bulgaria has immersed itself deeply in the operation of an international network, which even attempted the assassination of Pope John Paul II.

On May 13, 1981, Mehmet Ali Agca, acting at the behest of the Bulgarian secret service, shot, and nearly killed, Pope John Paul II. Italian State Prosecutor Antonio Albano's report, filed on May 8, 1984, states that the Bulgarian secret service recruited Agca to assassinate the Pope; this was supposed to destroy the Solidarity Union movement in Poland, and to crush any hope of freedom's emergence there. This report also documents the active involvement of the Bulgarian Embassy in Italy.

In October 1981 I visited Italy and met with high-level Vatican officials who told me of their conclusions that there had been a plot to assassinate Pope John Paul II and that Mehmet Ali Agca had not acted alone. Upon my return, I reported these facts to the Central Intelligence Agency. In September 1982 I spoke before the Helsinki Commission on Bulgarian and Soviet Complicity in the Plot to Murder the Pope. In February 1983 I returned to Italy to look into the U.S. role in the investigation of the papal assassination plot. To all of those who then accused me of seeing a Communist conspiracy where none existed, I can now say that recent discoveries have proved me correct.

There is no doubt in my mind that the Soviet Union was the moving force behind the attempted assassination of the Pope. It is naive to believe that a plot of this magnitude could be carried out by a Soviet satellite nation without the full knowledge and support of the Kremlin. No Warsaw Pact nation is more closely allied to the Soviets than Bulgaria. The management of the Bulgarian agency that moved Agca through Europe, KINTEX, is top-heavy with officers of the Bulgarian secret police, which answers directly to, and takes orders from, the Soviet KGB.

The same underground network operated at KINTEX to move Agca through Europe is also a front for Bulgaria's illicit narcotics and weapons trafficking. The Drug Enforcement Administration has testified that 25 percent of all heroin reaching the United States comes through Bulgaria at some point in its travels. The DEA also states that KINTEX continues to engage in international narcotics and weapons trafficking. Bulgaria certainly does not engage in these endeavors without the direction and approval of its Soviet masters.

The Drug Enforcement Administration cites four motives for Bulgarian support of international drug trafficking:

First, to use drugs as a weapon to destabilize Western societies. Unfortunately, they are achieving this goal today. Sixty percent of the violent crime that plagues our communities is caused by drug abuse. Drug abuse is spreading throughout Western Europe. It handicaps our military readiness and imposes enormous costs on our economy, damaging our national health and productivity;

Second, to obtain hard Western currencies, always in short supply in Communist bloc nations;

Third, to support and supply Middle Eastern revolutionary and terrorist groups, who pay for their arms with drugs; and

Fourth, to gather intelligence via a network of agents and drug smugglers operating under the cover of an official export-import agency.

On June 28, 1984, the Senate overwhelmingly approved an amendment to the Commerce, Justice, State and Judiciary Appropriations bill to prohibit the use of State and Commerce Department funds to promote trade with Bulgaria. This amendment also expressed the sense of the Congress that Bulgaria should be declared to be engaged in state-sponsored terrorism.

The legislation I introduced today—one bill and one concurrent resolution—Senate Concurrent Resolution 21 follows directly from this action by the Senate. My bill directs the President to conduct a comprehensive review of U.S. policies with respect to the Government of Bulgaria in light of that government's participation in, and support for, international narcotics trafficking, arms smuggling, and terrorism, including its role in the attempted assassination of Pope John Paul II. Among the options to be considered are:

Suspending diplomatic relations with the Government of Bulgaria;

Terminating bilateral agreements with the Government of Bulgaria;

Imposing stricter controls on exports to Bulgaria;

Encouraging other countries to review their policies regarding Bulgaria;

Requesting the United Nations Security Council to review Bulgaria's involvement in arms trafficking, drug smuggling, and terrorism; and

Requesting the Secretary General of the United Nations to convene a review conference, in accordance with international conventions, to pressure Bulgaria to end its abuses of international transportation agreements.

The companion concurrent resolution covers this sixth point in hopes that it can be passed immediately, in order to bring the issue of Bulgarian state terrorism before the world community at the earliest possible time. Through KINTEX, Bulgaria has exploited the TIR International Customs Convention, which allows sealed vehicles to cross borders without Customs inspection. Under cover of this international agreement, Bulgaria has smuggled heroin, arms, and terrorists throughout Europe using sealed trucks carrying TIR certification.

We cannot condone Bulgaria's violation of the TIR Convention, or allow it to continue its criminal practices. This resolution calls upon the Secretary General of the United Nations to convene a review conference to study and, if necessary, to end Bulgaria's abuse of the TIR Convention. The Customs Service strongly supports this concurrent resolution which is the first step in mobilizing the international community of nations against Bulgaria.

I urge the Senate Committee on Foreign Relations to give the legislation I am introducing today a high priority. I urge my colleagues to give this legislation their full support. The time to speak the truth about Bulgarian criminality is now.

It is time to demand a thorough examination of Bulgaria and the threat this captive nation poses to world peace. It is time for us to tell our cautious bureaucrats in the executive branch that this issue is alive and that it will have to be faced. Let us pass the legislation I have introduced today and send a clear message to Bulgaria and its masters in Moscow: We will not forget the papal assassination attempt, or any of the other criminal activities which Bulgaria prides itself in practicing, and we will see to the end of these activities, if it takes our last ounce of effort to do so.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Bulgarian Interrelation Review Act."

SEC. 2(a). The Congress finds that—

(1) United States Government officials have testified before Congress that the Government of Bulgaria has established a policy of encouraging and facilitating trafficking in illicit narcotics through its official import-agency, KINTEX;

(2) Those officials also testified that KINTEX has assisted the illicit flow of arms and ammunition to insurgent groups; and

(3) an Italian Government state prosecutor has concluded that the Government of Bulgaria was involved in the attempted assassination of Pope John Paul II.

(b) Therefore, the President shall conduct a comprehensive review of United States policies with respect to the Government of Bulgaria in light of that Government's participation in and support for narcotics trafficking, arms smuggling, and terrorism, including its role in the attempted assassination of Pope John Paul II. This review, to be conducted utilizing the staff of the National Security Council, shall include, but not be limited to, an assessment of the feasibility and advisability of the following options:

(1) Suspending United States diplomatic relations with the Government of Bulgaria.

(2) Terminating United States bilateral agreements with the Government of Bulgaria, including the maritime transport agreement.

(3) Imposing stricter controls on United States exports to Bulgaria.

(4) Encouraging other countries to review their policies with respect to Bulgaria in light of the Bulgarian Government's involvement in narcotics trafficking, arms smuggling, and terrorism.

(5) Requesting that the United Nations Security Council place on its agenda the question of Bulgaria's involvement in arms trafficking, drug smuggling, and terrorist acts.

(6) Submitting a request to the Secretary General of the United Nations that a review conference be convened, in accordance with the 1975 Customs Convention on the International Transport of Goods under Cover of TIR Carnets, in order to determine what steps should be taken to end Bulgaria's abuses of that convention in facilitating the transportation of illicit narcotics, arms, and terrorists.

(c) Not later than three months after the enactment of this Act, the President shall report to the Congress on the results of the review conducted pursuant to this Act. Such report shall discuss the options that were considered, the reasons why each option was approved or disapproved, and the actions the United States Government is going to take as a result of the review.●

By Mr. RIEGLE:

S.J. Res. 64. Joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week;" to the Committee on the Judiciary.

NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. RIEGLE. Mr. President, today I am introducing a joint resolution to designate the week beginning May 5, 1985 as "National Correctional Officers Week." My colleague, Mr. TRAXLER has introduced identical legislation in the House of Representatives.

Similar legislation was introduced in 1983, received 33 cosponsors, and was enacted by the Congress. A commemorative week was held in August of that year, and it was of great value to correctional officers around the country.

Our Nation's correctional officers work under highly stressful conditions, where exposure to risky or dangerous situations is a daily part of their jobs. Presently, these officers are responsible for the safety and welfare of over 600,000 inmates in the country, and are also integral to the protection of surrounding communities. I feel strongly that National Correctional Officers Week can enhance the image of correctional officers and urge all of my colleagues to join me in this legislation which shows our support and appreciation for these dedicated men and women.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. HEINZ, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 71

At the request of Mr. DOLE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 71, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules.

S. 140

At the request of Mrs. HAWKINS, the names of the Senator from Utah [Mr. HATCH], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 209

At the request of Mr. D'AMATO, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 209, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal

years 1986, 1987, and 1988, and for other purposes.

S. 425

At the request of Mr. GOLDWATER, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 426

At the request of Mr. WALLOP, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 467

At the request of Mr. ROTH, the names of the Senator from South Dakota [Mr. PRESSLER], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 467, a bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases.

S. 479

At the request of Mr. DENTON, the name of Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 479, a bill to prohibit any act of violence or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor.

S. 490

At the request of Mr. PRYOR, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 490, a bill to limit the employment by government contractors of certain former government personnel.

SENATE JOINT RESOLUTION 17

At the request of Mr. D'AMATO, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 17, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 24

At the request of Mr. BRADLEY, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 24, a joint resolution to designate the month of October 1985 as "National Make-A-Wish Month."

SENATE JOINT RESOLUTION 28

At the request of Mr. HOLLINGS, the names of the Senator from North Dakota [Mr. ANDREWS], the Senator from Kentucky [Mr. FORD], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8–14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 31

At the request of Mr. BURDICK, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. WILSON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from New Mexico [Mr. DOMENICI], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. HATCH], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 31, a joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week."

SENATE JOINT RESOLUTION 33

At the request of Mr. MATTINGLY, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of Senate Joint Resolution 33, a joint resolution to authorize and request the President to designate May 12, 1985, to June 16, 1985, as "Family Reunion Month."

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Illinois [Mr. SIMON], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 50

At the request of Mr. RIEGLE, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Joint Resolution 50, a joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the names of the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Vermont [Mr. STAFFORD] were added as cosponsors of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the names of the Senator from South Dakota [Mr. ABDNOR], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Florida [Mrs. HAWKINS], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Louisiana [Mr. LONG] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 58

At the request of Mr. CHILES, the names of the Senator from Utah [Mr. HATCH], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. METZENBAUM], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 58, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week."

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the names of the Senator from Texas [Mr. BENTSEN], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Illinois [Mr. DIXON], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Joint Resolution 60, a bill to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE JOINT RESOLUTION 63

At the request of Mr. RIEGLE, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Joint Resolution 63, a joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week."

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the name of the Senator from Georgia [Mr. MATTINGLY] was added as a cosponsor of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE RESOLUTION 34

At the request of Mr. D'AMATO, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Resolution 34, a resolution condemning the government of the Union of Soviet Socialist Republics for 5 years of forced and oppressive military occupation of Afghanistan in the face of popular resistance to Soviet imperialism.

SENATE RESOLUTION 62

At the request of Mr. BRADLEY, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Resolution 62, a resolution to oppose cuts in education programs.

AMENDMENT NO. 10

At the request of Mr. LEVIN, his name was added as a cosponsor of Amendment No. 10 proposed to S. 457, a bill to authorize the President to furnish assistance to alleviate the human

suffering in sub-Saharan Africa, and for other purposes.

SENATE CONCURRENT RESOLUTION 20—RELATING TO THE TAX EXEMPT STATUS OF VETERANS DISABILITY PAYMENTS

Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. MITCHELL, Mr. STAFFORD, Mr. SPECTER, and Mr. SASSER) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 20

Whereas the Department of the Treasury, as part of its tax reform initiative, has proposed to tax Veterans' Administration compensation paid to veterans who suffer from service-connected disabilities;

Whereas this benefit is the means through which a grateful Nation seeks to recognize and repay the sacrifices made and hardships incurred by those who have suffered disabilities in the line of duty;

Whereas compensation benefit levels have been provided on a tax-exempt, wage-replacement scale, based on the average earning impairment caused by the disability, and disruption of this relationship by taxing these benefits would inevitably lead to consideration of the need for raising the payment levels, which could consume any revenues raised by taxing the benefit; and

Whereas the Treasury Department's proposal to tax compensation would place a higher tax burden on more severely disabled veterans and would violate the policy of compensating veterans with greater degrees of disability at sufficiently higher rates to reflect those veterans' disproportionately greater needs: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (1) it is the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation, and (2) the President is urged to reject any proposal to tax such payments in connection with any tax reform legislation that the President submits to the Congress.

Mr. CRANSTON. Mr. President, this morning the House and Senate Veterans' Affairs Committees held a joint hearing to receive the legislative recommendations of the Disabled American Veterans. As ranking Democratic member of the Senate committee, I had the privilege of participating in this hearing and of learning of the goals of this fine organization as they were so eloquently and effectively presented by its National Commander, Chad Colley.

At this time, Mr. President, I wanted to bring to my collegues' attention, the portion of Commander Colley's remarks that relate to a proposal about which I am deeply concerned—the Department of the Treasury's proposal to tax compensation paid to service-connected disabled veterans. In this connection, Commander Colley stated:

[M]y final comments will focus upon a proposal not contained in the VA budget itself. It is not yet even before the Congress * * * and we most definitely hope to keep it that way.

The Treasury Department's Tax Simplification Plan is officially titled, "Tax Reform For Fairness, Simplicity and Economic Growth."

I haven't reviewed the entire Plan and I'm no tax expert so I'll concede that, in the broadest sense of the term, it may represent reform of the Tax Code. Also, it very well may stimulate economic growth. And it may be that IRS can argue that it is simple—I'll leave that to the experts.

But, Messrs. Chairmen, I am a disabled veteran, wounded in the military service of my country . . . and on behalf of all such veterans I can tell you emphatically that the taxation of VA disability compensation benefits is certainly not fair!

It is nothing more than a "back door" approach to a "means test" for the program * * * one that—paradoxically—would reduce benefits in direct proportion to the severity of disability. The greater the disability, the greater the tax liability.

Mr. President, I totally agree with Commander Colley.

Thus, as I announced this morning at that hearing and stated in a floor statement last Friday—CONGRESSIONAL RECORD, February 22, daily edition, S1786—I am submitting today a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation and urging the President to reject any proposal to tax such payments in connection with any tax reform legislation that the President submits to the Congress. Joining with me as cosponsors is the distinguished chairman of the Veterans' Affairs Committee [Mr. MURKOWSKI], as well as my fellow committee members from Maine [Mr. MITCHELL], Vermont [Mr. STAFFORD], and Pennsylvania [Mr. SPECTER], and the distinguished Senator from Tennessee [Mr. SASSER]. A companion resolution is being introduced today by the very distinguished chairman of the House Veterans' Affairs Committee [Mr. MONGOMERY].

Mr. President, the Department of the Treasury's proposal to tax veterans' service-connected disability benefits is, as I stated this morning, a ridiculous one. It is truly an idea whose time has not come and one which would produce an inequitable, unjust, and totally unacceptable result.

As I noted in my statement last Friday, I have communicated my concerns about and opposition to this proposal to the President and to the new Secretary of the Treasury, James A. Baker.

But I also believe, as do those who are joining me in this effort today, that it is time to put the entire Congress on the record on this issue and to make clear to the President that this is not an acceptable proposal—and that, if it is presented to us as part of a tax reform package, it will be soundly and flatly rejected.

Mr. President, I will not reiterate the reasons why this proposal is not acceptable. The text of the resolution sets forth those reasons quite clearly. I urge my colleagues in the Senate to study and consider it carefully and to join with me and our colleagues in the Senate and the other body who are already cosponsoring this measure. We must make most emphatically clear that this proposal is one whose time will never come.

Mr. President, I ask unanimous consent that the text of my opening statement at today's hearing be printed in the RECORD at this point following the text of the resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR ALAN CRANSTON, RANKING MINORITY MEMBER, COMMITTEE ON VETERANS' AFFAIRS—LEGISLATIVE RECOMMENDATIONS OF THE DISABLED AMERICAN VETERANS

I am delighted to join with the new Chairman of the Senate Committee, Senator Murkowski, the Chairman and Ranking Minority Member of the House Committee, and my other very good friends and colleagues on the two committees, in welcoming the Disabled American Veterans' National Commander, Chad Colley. We look forward to your testimony setting forth this great organization's goals for 1985.

It is also a pleasure to welcome the distinguished Californians who are here this morning: First Junior Vice-Commander Ken Musselmann, Department Commander Paul Seneshen, Department Senior Vice-Commander Glen Halsey, Department Junior Vice-Commander Don Pouliot, Department Adjutant Stu Cody, and National Service Officers Bob Jordan, O.J. Brooks, and Johnny Burns, as well as Darrell Camp and Dick Cosgriff.

At the outset, I congratulate Immediate Past Commander Dennis Joyner on his outstanding work last year as the top spokesman for those who have served the Nation so well and at such great personal sacrifice. I enjoyed very much working closely with the DAV under Dennis' fine leadership during the past year on a wide variety of issues of mutual concern. I also want to take special note of the excellent work done by the staff of your national office, which is of great help to those of us working in this field: Dale Adams, Butch Joekel, Ron Drach, Art Wilson, Jesse Brown, Rick Heilman, Steve Edmiston, and Dave Gorman. I'm also delighted that Oliver Meadows is with us this morning. He is a particularly good friend of mine and a valued advisor.

Commander Colley, I congratulate you on your election as National Commander and your decision to move to Washington during your tenure as National Commander in order to devote yourself fully to the service of disabled veterans.

One of the first tasks for our Committees each year is to evaluate the Administration's proposed budget for the VA for the coming fiscal year and make our recommendations to our respective Budget Committees. This year, that task, which is always important, has taken on even greater significance. Decisions made in the context of this year's budget will likely determine the way in which the VA meets the needs of veterans for years to come.

My primary areas of concern about the VA's fiscal year 1986 budget are as follows:

First, it appears clear to me that the proposal to consolidate the Department of Veterans' Benefits Regional Offices by transferring most functions out of the existing 58 offices into 3 large centers is, at best, a half-baked concept. It could effectively deprive of basic due process many veterans seeking compensation, pension, GI Bill, vocational rehabilitation, loan guaranty, or other benefits administered by DVB. Also, as I stated in a February 8 letter to the administrator, I do not believe that, under section 210(b)(2) of title 38, the VA can lawfully take any action to implement this reorganization during fiscal year 1985 or fiscal year 1986. This is because the VA has not yet provided the "detailed plan and justification" for it that the law requires be submitted by the time the President submits the budget for the fiscal year in which the reorganization is to be initiated.

Second, OMB has used several arbitrary devices to mask some very significant reductions in health-care personnel positions and funding for them. These devices included not using in the current fiscal year all of the FTEE provided by the Congress; the forced, arbitrary reduction in the numbers of GS-11 to GS-15 slots; and the one-percent so-called "productivity" increase. At the heart of these actions is OMB's air to impose arbitrary reductions in the numbers of VA health-care staff providing direct health-care services to veteran-patients.

Particularly offensive is the sharp reduction being proposed in the number of staff positions for medical programs in fiscal year 1985 and fiscal year 1986. Congress appropriated funds for 193,941 FTEE under the VA's medical care account for fiscal year 1985. Under the Administration's budget, the VA now proposes to use 2,092 less than were provided for. This ostensibly voluntary DM&S plan to use less staff than has been provided is a first in my experience. I am firmly convinced that it is a plan that has been secretly imposed by OMB, which is required by law to authorize the VA to hire all the staff for which Congress appropriated funding.

For fiscal year 1986, after deducting the staff positions for new activations, the VA's request is for only 189,980. That's a drop of 4,000 from what Congress had provided for essentially the same VA health-care program level in fiscal year 1985. Such personnel reductions threaten to bleed the overall system to the point where its capacity to provide quality health care for eligible veterans is substantially reduced.

I also strongly oppose the proposed, across-the-board 5-percent reduction in federal employees' pay. That reduction is not warranted and I don't believe Congress will inflict it. Thus, in my opinion, the reductions in various VA accounts attributable to the proposed pay cut should be restored.

Third, from what I have seen of the proposal for a means test to restrict eligibility for certain nonservice-connected disabled veterans—combined with the proposal to eliminate VA health-care eligibility based on being over age 65—the type of spend-down means test being proposed could result in the VA turning away many sick veterans who are actually unable to afford the care they need and who would today be cared for. In addition, this means test could become a bureaucratic nightmare that would ensnarl sick and disabled veterans in an overly complicated procedure superimposed on the admissions process. It also threatens to consume massive amounts of VA personnel time that would be far better spent in providing care. I'm mystified that an administration that says its goal is to cut federal paperwork is here proposing to spin a web of red-tape around thousands of sick veterans.

Finally, the proposal to increase from one to five percent the VA loan guaranty user fee appears to have the potential for negating the value of the loan guaranty program for vast numbers of veterans and making it impossible for them to acquire homes. Among veterans of wartime service, the burden of the higher fee would fall disproportionately heavily on Vietnam-era veterans who are likely to be in the market for their first homes and be most in need of the assistance that the guaranty provides.

Although I will help pursue reasonable measures to shore up the loan guaranty revolving fund, I cannot support the fee-increase proposed by the Administration.

These and numerous other aspects of the administration's budget must be a major cause for concern—especially in terms of the implications beyond fiscal 1986.

As I look to the future, I find that the various elements of the annual pull-and-tug of the budget process on the VA health-care system is becoming unduly disruptive and antithetical to any attempt to develop and implement sound health-care strategies for the future. The current budget proposal for DM&S is just the latest manifestation of this incapacity to look beyond the current fiscal year and to plan for the future. We need to try to find a better way to do the job. The time is now ripe for a consensus among all the major parties that would lead to stability and a far more effective use of available resources for the VA health-care system.

In that regard, Commander Colley, I want to congratulate you on your very thoughtful prepared testimony this morning. You have concentrated on the big picture very effectively, very realistically, and very helpfully. I agree with your thesis and your focus.

One final point about an issue not included in the budget but which has been much talked about in recent weeks—the Treasury Department's ridiculous proposal, in its tax reform package, to tax VA compensation payments. This is truly an idea whose time has not come—and will not ever come if I have anything to say about it. Like Sonny Montgomery and others, I have already written the President and I've also written to new Treasury Secretary Baker, setting forth my strong opposition to this proposal.

Also, I want to announce that this afternoon I will be introducing a concurrent resolution to express the sense of the Congress that the tax exemption for compensation should not be altered. At this time, I'd like to invite all of my colleagues on the Senate Committee to join with me in introducing this resolution, a copy of which is attached to my prepared opening statement.

I am delighted that Sonny Montgomery will be introducing a companion resolution this afternoon.

I hope that both Houses will quickly adopt this resoluton and thus make clear to the President that it would be futile to include a tax on disability compensation in any tax reform proposal he submits to the Congress.

In closing, I again welcome you and look forward to working with you to protect and improve the benefits and services our Nation has provided to those who have given so much.

Mr. MURKOWSKI. Mr. President, I rise in strong support of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

This resolution has come about in response to a possible Treasury Department proposal, which has been discussed that would place a higher tax burden on severely disabled veterans by providing that this longstanding exemption be deleted as part of a tax simplification proposal.

Yesterday, I wrote Treasury Secretary James Baker to share with him my deep concern regarding this issue. In my letter to him, I stated that although I am strongly dedicated to working with the administration to reduce the Federal deficit, I question the wisdom of this idea for several reasons. First, compensation benefits have always been paid to service-connected disabled veterans, without regard to income level, to replace average lost earning capacity caused by disability. Second, the disability compensation rates are based on the tax exempt status of this benefit. Thus, taxation of compensation benefits would reduce the net compensation benefits veterans receive and would require a revision of the entire compensation rate structure to offset the tax effect. This may ultimately cost the Veterans' Administration much more in the long run than any revenue increment received by the Treasury in tax receipts. I question whether taxing compensation benefits would achieve tax simplification. Third, it is important to explore carefully and thoroughly whether this proposal would reduce the Federal deficit, and if so, would the economic benefit derived from this sweeping policy change be sufficient to justify the impact this proposal would have upon the lives of our Nation's service-connected disabled veterans.

This so-called proposal has not been endorsed by either the President or his new Secretary of the Treasury, Jim Baker. In my view, it is an extremely poor idea and I believe that the President would agree with my position. The surge of emotion which has arisen in opposition to the mere idea of such a proposal warrants the introduction of this resolution to indicate strongly to our Nation's service-connected disabled veterans that the Congress is not in favor of such an idea—if it ever were to be proposed.

I believe the concern about such a proposal arose in response to some ideas which were circulated within the Treasury Department for possible inclusion in an administration so-called tax simplification plan.

I do want to reemphasize that no formal proposal to change the tax plan is forthcoming. I believe that when it does come, it will not include a change in the current exemption from Federal income taxation for those veterans who receive disability compensation. That is how it should be.

Mr. President, I salute Senator CRANSTON for his introduction of this resolution at this time, and I am honored to cosponsor along with a number of colleagues on the Senate Veterans' Affairs Committee as we join together to underscore our support for benefits to those veterans whose sacrifices in the line of duty are beyond all others.

SENATE CONCURRENT RESOLUTION 21—RELATING TO BULGARIA'S INVOLVEMENT IN THE TRANSPORTATION OF ILLEGAL GOODS

Mr. D'AMATO (for himself, Mr. BOSCHWITZ, Mr. HELMS, Mr. EAST, and Mr. ABDNOR) submitted the following concurrent resolution; which was referred to the Committee on Finance.

S. CON. RES. 21

Whereas the 1975 Customs Convention on the International Transport of Goods under Cover of TIR Carnets is designed to facilitate the international transport of goods by exempting sealed vehicles from customs inspections;

Whereas United States Government officials have testified before Congress that the Government of Bulgaria has established a policy of encouraging and facilitating trafficking in illicit narcotics through its official import-export agency, KINTEX, and the Government of Bulgaria has used the TIR Convention in carrying out this policy;

Whereas those officials also testified that KINTEX has assisted the illicit flow of arms and ammunition to insurgent groups;

Whereas it is clear that the Government of Bulgaria has repeatedly abused the TIR Convention in order to facilitate the transportation of illicit narcotics, arms, and terrorists;

Whereas the TIR Convention provides that any contracting party may, by notification to the Secretary General of the United Nations, request that a conference be convened for the purpose of reviewing the Convention, and further provides that a review conference shall be convened by the Secretary General if not less than one-fourth of the contracting parties notify him of their concurrence with the request;

Whereas the TIR Convention also allows countries to take certain steps in order to prevent abuses, including examination of vehicles by customs officials when irregularity is suspected and in other exceptional cases; and

Whereas the United States, and other contracting parties to the TIR Convention, should not allow the Convention to be used to facilitate the transportation of illicit narcotics, arms, and terrorists: Now, therefore, be it

Resolved by the Senate of the United States (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United States should request, in accordance with the Customs Convention on the International Transport of Goods under Cover of TIR Carnets, that the Secretary General of the United Nations convene a review conference to determine what steps should be taken to end Bulgaria's abuses of that Convention in facilitating the transportation of illicit narcotics, arms, and terrorists; and

(2) the President should encourage other contracting parties to the TIR Convention to concur in this request and to otherwise use the procedures provided in the Convention to end Bulgaria's abuses of the Convention.

AMENDMENTS SUBMITTED

AFRICAN EMERGENCY FAMINE AND DROUGHT RELIEF

MELCHER (AND OTHERS) AMENDMENT NO. 11

Mr. MELCHER (for himself, Mr. ANDREWS, Mr. EXON, Mr. GRASSLEY, and Mr. PRESSLER) proposed an amendment to amendment No. 10 proposed by Mr. ZORINSKY (and others) to the bill (S. 457) to authorize the President to furnish assistance to alleviate human suffering in sub-Saharan Africa, and for other purposes; as follows:

TITLE II—EMERGENCY FARM CREDIT ASSISTANCE

SHORT TITLE

SEC. 201. This title may be cited as the "Emergency Farm Credit Assistance Act of 1985".

FINDINGS AND DECLARATION OF POLICY

SEC. 202. (a) Congress finds that—

(1) agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than any other single industry;

(2) United States agriculture is the world's most productive and the world's largest exporter;

(3) United States agricultural producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

(4) technological developments have greatly increased the capital requirements of agricultural production;

(5) agricultural-related debt has risen from approximately $50,000,000,000 in 1970 to approximately $215,000,000,000 in 1984;

(6) a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of many producers to obtain the credit needed to continue their operations;

(7) it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit making; and

(8) the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations.

(b) It is hereby declared to be the policy of Congress to assist United States agricultural producers in obtaining adequate credit at interest rates conducive to debt servicing and profit making so as to ensure the Nation of an adequate and dependable supply of food and fiber at reasonable prices.

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 203. (a) Congress finds that—

(1) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers.

(2) many financially-stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(3) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(b) The Secretary of Agriculture shall immediately take steps—using authorities of law provided to the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops. In this connection, the Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration. The Secretary shall hire additional temporary employees (in addition to those authorized to be hired on February 19, 1985) to meet processing schedules, and shall assign such temporary employees to States (other than those receiving temporary employees under the February 19, 1985, authorization) in proportion to the total number of unprocessed applications on the date of enactment of this title.

COOPERATIVE INTEREST BUY-DOWN PROGRAM

SEC. 204. Effective for the period beginning on the date of enactment of this Act and ending September 30, 1986, the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 350 as follows:

"COOPERATIVE INTEREST BUY-DOWN PROGRAM

"SEC. 350. (a) To assist farmers and ranchers whose debts are restructured by commercial or cooperative lenders, the Secretary shall establish a program to reduce, for one or more years, the commercial or cooperative interest rate that a borrower would otherwise be required to pay.

"(b) Lenders agreeing to reduce the interest rate they would otherwise charge borrowers would be eligible to receive interest reduction payments from the Secretary, subject to such terms and conditions as may be specified by the Secretary.

"(c) To receive interest reduction payments from the Secretary under this section, lenders must agree to reduce the bor-

rower's interest rate by an amount that is equal to, and in addition to, such interest reduction payments.

"(d) The Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.

"(e) The total amount of funds used by the Secretary in making payments under this section shall not exceed $100,000,000.".

ADDITIONAL LOAN GUARANTEE AUTHORITY

SEC. 205. Section 346 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there shall be made available to be guaranteed under the Agricultural Credit Insurance Fund $1,850,000,000 for loans under the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised and including the changes set out in the Emergency Farm Credit Assistance Act of 1985, in 1985.".

FMHA DEBT ADJUSTMENT PROGRAM: SPECIAL SET-ASIDES OF FMHA INDEBTEDNESS

SEC. 206. The Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 349 as follows:

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised, the Secretary—

"(1) shall provide that, for the purposes of the program, a cash flow for a borrower's operation that shows that anticipated cash inflows for a borrower's operation that shows that anticipated cash inflows during a year are 100 per centum of the year's anticipated cash outflows will be considered a positive cash flow; and

"(2) shall make guarantees available for up to 90 per centum of the principal and interest indebtedness on each loan guaranteed under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash-flow projection. However, individual borrowers may elect to base their applications for assistance on a cash-flow protection of 110 percent."

LOANS MADE TO FARMERS AND RANCHERS

SEC. 207. (a) Congress finds that—

(1) high agricultural production costs, low prices for some commodities, and declining farmland values have combined to greatly reduce the income of many agricultural producers and to subject these producers, through no fault of their own, to severe economic hardship and, in may cases, to temporarily impair the ability of such producers to meet loan repayment schedules in a timely fashion;

(2) a policy of adverse classification of agricultural loans—that is, designating such loans as problem loans—by Federal bank examiners under these circumstances could trigger a wave of farm foreclosures and similar actions that would depress land values and the value of agricultural facilities and equipment; and

(3) liquidations of agricultural assets on a broad scale would have a devastating effect on farmers and the banking industry, and on rural United States in general.

(b) Notwithstanding any other provision of law, to guard against improper and untimely liquidations of agricultural assets, the Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans. Examiners shall give due consideration not only to the current cash-flow of agricultural borrowers under financial stress, but also to factors such as loan collateral and ultimate repayment ability. Further, regulatory agencies shall continue this policy for so long as the condition of the agricultural economy and the effects of natural disasters temporarily impair the ability of agricultral borrowers to meet scheduled loan repayments.

(c) Not later than ninety days after the enactment of this title, the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairman of the Board of Governors of the Federal Reserve Board shall report to Congress on the actions they have taken to implement this section.

(d) Federal and State financial regulatory agencies shall ensure that examiners, in carrying out their duties, refrain from making adverse classifications with respect to agricultural loans that are restructured under the debt adjustment program established under section 339 of the Consolidated Farm and Rural Development Act on October 19, 1984, as revised and including the changes set out in this title.

PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

SEC. 203. (a) The Farm Credit Administration shall conduct a study regarding the need for establishment of a fund to be used to insure System institutions against losses on loans or for any other purpose that would assist in stabilizing the financial condition of the Farm Credit System and provide for the protection of borrower capital. In conducting the study, the Farm Credit Administration shall consider the advisability of using the revolving funds provided for in section 4.1 of the Farm Credit Act of 1971 to provide startup capital for any insurance fund and estimate the amount and level of future assessments for System institutions that would be necessary to ensure the long-term liquidity of such an insurance fund.

(b) The Farm Credit Administration shall submit a report containing the results of the study required by this section to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry not later than one hundred and eighty days after the enactment of this title.

SMALL BUSINESS ADMINISTRATION DEBT ADJUSTMENT PROGRAM

SEC. 209. For the purpose of assisting financially-stressed farmers and ranchers, it is the sense of Congress that—to the maximum extent practicable and consistent with existing law—the Small Business Administration should establish a debt adjustment program comparable to the Farmers Home Administration's debt adjustment program established under section 339 of the Consolidated Farm and Rural Development Act on October 19, 1984, as revised and including the changes set out in this title.

REGULATIONS

SEC. 210. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of sections 203, 204, and 206 of this title as soon as practicable, but not later than fifteen days after the date of enactment of this title.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee will hold 2 additional days of hearings on S. 408, a bill to authorize funding for the Small Business Administration for fiscal years 1986 through 1988. The hearings will be held on February 28, 1985 and March 7, 1985, beginning at 9:30 a.m., in room 428A of the Russell Senate Office Building. For further information, please contact Mike Haynes, chief counsel of the committee, at 224-8487.

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. QUAYLE. Mr. President, the Subcommittee on Employment and Productivity will hold a hearing on graduate medical education on Monday, March 25, 1985, at 9:30 a.m. in room 430 of the Dirksen Senate Office Building. The purpose of the hearing will be to discuss my proposal to reform the current system of graduate medical education which was published in the January 31, 1985, CONGRESSIONAL RECORD on page 1592.

It is my intention to develop this proposal into specific legislation based on the testimony received at the hearing. Individuals and organizations wishing to testify should submit a written request to Senator DAN QUAYLE, chairman, Subcommittee on Employment and Productivity, room 428 Dirksen Senate Office Building, Washington, DC 20510 to the attention of Mary McGrane.

For further information about the hearing, please contact Mary McGrane at 202-224-6306.

ADDITIONAL STATEMENTS

DEVELOPING CHARACTER: TRANSMITTING PRINCIPLES

THE WAY THE AMERICAN SCHOOL SYSTEM CAN FOSTER MORAL AND ETHICAL CHARACTER IN OUR STUDENTS

● Mr. MOYNIHAN. Mr. President, on last Thanksgiving Day, 27 eminent educators, social scientists, public officials, and psychologists issued a report on the state of American education entitled, "Developing Character: Transmitting Principles." This Thanksgiv-

ing Day statement addressed a very important matter, indeed; the way the American school system can foster moral and ethical character in our students.

In its introduction, the Thanksgiving statement declares, "What children become is largely the result of what adults expect—and the examples they set." The Thanksgiving statement asks why those expectations are not greater, or such examples clearer, and offers several proposals to correct a deteriorating situation in our Nation's classrooms described by the signatories.

Dr. Edward A. Wynne, professor of education at the University of Illinois at Chicago, edited the report, which includes among its signatories James Q. Wilson and Nathan Glazer of Harvard University. The conclusions and recommendations are of interest to all who are concerned about education and American youth. I commend the Thanksgiving statement to my colleagues' attention, and I ask unanimous consent that the statement be printed in the RECORD.

DEVELOPING CHARACTER: TRANSMITTING KNOWLEDGE

SUSTAINING THE MOMENTUM FOR REFORM IN AMERICAN EDUCATION

We, the authors of this Thanksgiving Day Statement, are an ad hoc group of twenty-seven scholars, educators, and policymakers. We assembled on our own initiative and developed this Statement because we fear our education system is not properly insuring the continuity of our country. We chose this occasion for our Statement because there is an important connection between the historic values of our country and what our schools are doing—or failing to do.

Readers are familiar with numerous reports and statements which itemize the deficiencies of our education institutions and recommend corrective measures. We generally sympathize with the themes of these reports. We especially laud the warning of the National Commission on Excellence in Education that we are threatened by a "rising tide of mediocrity." But, despite their diverse recommendations, the reports have bypassed the critical issue of youth character. When the issue has been addressed, the reports have failed to offer concrete, practical measures, applicable at all educational levels, to deal with the problems we identify.

AN EXECUTIVE SUMMARY: WHY IS THIS STATEMENT UNIQUE?

The general silence, or timidity, about the topic of youth character is especially incongruous at this time. Our national rates of youth death by suicide and homicide and levels of adolescent out-of-wedlock births, are at, or near, the highest points in American history—since 1607. (When we call such statistics "rates," we mean they allow for changes in population size, or the comparative proportions of youths and adults.) Other data about youth disorder are equally distressing.

Our Statement analyzes the critical challenge implicit in such statistics. The analysis recommends specific steps which can be taken to deal with the existing deficiencies in our schools' character policies. Many schools are now using some of the measures we recommend, but the measures have not become a matter of popular concern. Our proposal bypasses a number of controversial and problematic topics such as values education, sex education, and the proposed constitutional amendment facilitating school prayer. We believe other constructive steps can be taken which are more effective and less divisive.

In addition to its concern with youth character our Statement is directed toward a number of other important education topics and offers significant, often original, proposals for improvement. In the area of academic standards we urge that schools intensify their efforts to move pupils toward higher levels of learning. We make recommendations about promotion policies, revisions in pupil grading policies, the role of education research in curriculum decisions, and the essential part parents should—and must—play in assisting pupils' progress. We emphasize that the major cause for the notorious reading score decline has been the notable slackening in performance by presumably more able pupils. We propose that minimum competency tests not be used to excuse these pupils from learning demands, and we suggest the prudent application of pupil grouping by ability to assist better-targeted instruction. The development of differentiated high school degrees—such as the New York State Regents exam—is urged as another means of alleviating this vexing problem.

Our presentation on the state of teaching contains many trenchant and comprehensive recommendations. We call for a general increase in rigor in the curriculum and the adoption (or maintenance) of a core curriculum for all students. We recognize that there are inevitable differences in student interests and ability, especially at the high school level and that divergent academic programs are needed to allow for the expression of human difference. Our remarks include some critical observations about the textbooks provided to students and suggest steps for improvement. The matter of parent (and pupil) choice among schools—and the value of such choice as a means of monitoring school performance—is also a focus of our attention. That discussion concludes with a variety of suggestions for making parent choice more productive, and we give recommendations for various voucher and tax subsidy plans.

We level the serious charge of "inbreeding" against our current education administrators and researchers. The word is not synonymous with incompetence, but it does indicate a serious defect. And we offer solutions for that problem. The discussion about inbreeding also includes remarks about the present state of education research and how it may be improved.

Our educational concerns do not stop with high school. There are many serious deficiencies afflicting undergraduate schools. The defects relate to both academic and character priorities. As one corrective, we call for the creation of a Presidentially appointed Commission on Undergraduate Education. It is noteworthy that a comparatively "academic" group such as ours utters a plea of this nature.

Finally, the apparently esoteric topic of schools publicly distributing accurate information about their performance is, to us, a matter of importance. Too often, our schools, school districts, and states supply the public and media with inadequate, misleading, or inaccurate information—or no information at all. Our discussions on school information provide a number of simple, clear criteria—which can be applied by parents and policymakers—for evaluating such information. In conclusion, the discussion suggests policy changes which can increase the flow and quality of this information.

The Statement's concluding remarks are accompanied by a simple chart, which identifies the institutions and groups responsible for carrying out the numerous improvements we propose.

OUR ASSUMPTIONS

Our Thanksgiving Statement is addressed to all Americans. Its emphasis is national—but not primarily federal. We are issuing it during that brief period of introspection, imagination, rethinking, and analysis that characteristically follows a presidential election. It is aimed to affect the opinions of citizens and the policies of public and private institutions.

Another incentive for the Statement should be directly remarked: after long years of decline, it seems our schools are showing some signs of improvement. The annual reports of pupil SAT scores have shown two years of modest increase, after seventeen years of decline. We are pleased at such progress. But we also fear the public—at the behest of some educators—may declare "the war is over and won, and we can all go home!" But it took long years to get into our current distressing situation—in both the areas of academic standards and pupil character. Adequate correction of this serious decline will take an equally significant amount of time and great persistence. Reform is still a tender plant which requires deliberate nurture.

Our final assumptions are as follows: what children become is largely the result of what adults expect—and the examples they set. A proper education transmits not only cognitive skills and knowledge but also sound character and values. National leadership can be a constructive force in educational reform, but it must address many more issues than those associated with the limited role of the federal government. A decentralized education system looks messy and confusing. However, it is well suited to the needs and traditions of the United States. Decentralization is particularly appropriate at this time of ferment. Its flexibility enables us to try new approaches to the solution of widespread and persistent problems. The demographic statistics show that Americans will have diminishing proportions of young people, as compared with our older population. And more of these youngsters will come from disadvantaged families, which require greater education support. Under these circumstances, it is vital for our social continuity that we improve the quality of our education systems.

We understand that educational institutions (like others) cannot function satisfactorily without money. Still, we insist that significant improvements are often feasible without additional spending. Furthermore, we do not believe that miserliness in tax payers is the principal cause of any school underfunding which may exist. Rather we believe the cause to be the relatively low credibility which education has acquired in the recent past. Our diagnosis leads to a simple prescription: the acceptance of proposals for reform and correction will establish a climate for increased funding. If the public is convinced that schools have shaken off their distressing lethargy, money will flow if needed.

Our Thanksgiving Holiday commemorates the courage and determination of America's earliest European settlers. Through the passage of time, it has evolved into a national occasion for all of us to recognize our unique benefits and to celebrate the toils and triumphs of our diverse ancestors, whose sacrifices led us to our present comparative security. But the holiday can also be an occasion for us to reflect on the profound debts we owe our predecessors. The spirit of that reflection is suggested by the words of the Athenian statesman Pericles, in his Funeral Oration in the fifth century B.C. The oration was delivered in the shadow of glorious buildings and statuary surrounding the Athenian public square. He said, "Feed your eyes on Athens from day-to-day, till love of her fills your hearts; and then, when all her greatness shall break upon you, you must reflect that it was by courage, sense of duty, and a keen feeling of honor that our forebears were enabled to win all this. . . ."

Similarly, we Americans, on this occasion of feasting and relaxation, dare not forget our obligations to our own ancestors—and how they can be repaid. We must form future generations who will display similar character and dedication. Our schools can—and must—continue to play a vital role in this process.

DEVELOPING GOOD CHARACTER IN THE YOUNG

[Chart not reproducible for the RECORD.]

THE ISSUE

There has been a long-term rise in many serious forms of youth disorder. In particular, young people today are more likely to commit suicide, or kill one another, and males are more likely to make unmarried females pregnant. Drug and alcohol use remains at disturbingly high levels. Of course, in our large country, there are many wholesome and competent young people and many well run schools. Nonetheless, schools in general are not doing enough to counter the symptoms of serious decline in youth character.

DISCUSSION

The formation of youth character has always been essentially a family responsibility. But in all societies using formal education, schools have also been assigned an important role in this process. This is especially true with regard to American public schools. Unfortunately, many signs reveal that our youth character formation policies have been increasingly ineffective.

Simple statistics put the matter into perspective. Since 1940, the rates of out-of-wedlock births to white females between the ages of 15-19 have increased 800%. The rate of death by homicide for white males, ages 15-24, have increased 315% from 1955 to 1981. The rate of death by suicide for white males, age 15-24, increased 238% from 1955 to 1981. These measures of youth disorder have increased far more quickly than the similar adult measures. The equivalent data about young blacks are also very distressing. However, they are not exactly comparable because of the different circumstances surrounding typical black and white youths.

The forms of disorder reported suggest sharp increases in other, not so easily measured symptoms of alienation: assault, severe depression, attempted suicide, inschool thievery, poor pupil discipline. None of this means all of our young people are alienated. But it is persuasive evidence that things are much worse than they were twenty or thirty years ago.

The final evidence of these patterns in the public's consistent rating—in annual Gallup polls—of pupil discipline as our top educational problem. That rating is congruent with the statistics just recited. We interpret the word "discipline"as not solely focussing on prohibition and obedience—though such matters are important. Most Americans hope our schools have a broader spectrum of concerns about pupil character. Public dissatisfaction with pupil discipline is only a way of expressing frustration with the whole situation.

The statistics are especially striking because the period from 1955 to the present has been marked with a number of apparent improvements in our youth environments: rising expenditures for public education; improved pupil/teacher ratios; more psychological services for students; increased rates of high school graduation and college attendance; general rises in real personal and family income; and greater court and institutional sympathy for what are called "adolescent rights." It would be simplistic to flatly label these "improvements" as the causes for the disorder; but it would be even more simplistic to disregard the possibility of any causual relationship.

One cause for the high level of youth disorders is the unsound policy of many schools to ignore character development and the formation of cooperative attitudes and skills in pupils. In contrast, it is widely recognized that skills and traits such as persistence, cooperation, and moral integrity are central to individual personal development and vocational success, and to the well-being of the commonwealth.

It is often proposed that schools can develop good character in their students if they stress academic learning and discipline. But this is not so. As researchers have observed, pupils attend schools for about 15,000 hours of their lives. It is their most important away-from-home experience during childhood and adolescence. The social interactions that occur during such a prolonged exposure inevitably affect student character. And good character is not generated solely by more homework, rigorous traditional grading, and better pupil discipline. Furthermore, we see no inconsistency between well-planned activities designed to stimulate good character and cooperation, and equally well-planned academic programs. A number of researchers and educators have designed, evaluated, and successfully carried out such activities. Character development and efficient cooperation are as much areas of excellence as academic learning.

Many foreign school systems, which stress academic rigor, also attend to pupil character development. Teachers are expected to act as wholesome role models and display conspicuous commitment and dedication; the curriculum is designed to foster respect for national traditions; and pupils are required to dress in a way that displays the seriousness of purpose associated with adult work. In all Japanese public schools, notwithstanding their academic emphasis, each day begins with a character-oriented address by the principal, and pupils are expected to help keep their school clean and in repair, and to display good manners to adults and other pupils.

The development of character in students has been weakened by the stress schools give to grouping and regrouping pupils for different subject classes through each school day. This process is called "departmentalization." It can be contrasted with the one-teacher-to-one-class for the whole day typical in most elementary schools. However, in many American schools, departmentalization is spreading to the sixth grade and lower. Such practices cannot be condemned out of hand. However, excessive grouping and regrouping, and superficial exposure to many teachers, means students have few or no significant contacts with consistent groups of peers or with particular teachers. Without continuity of relationships and knowledgeable adult direction, it is hard for pupils to test and develop good character traits. The problem of discontinuous relationships is aggravated by the comparatively large enrollment in many American secondary and elementary schools; our individual schools are usually larger than typical schools in most of the industrial world. Such size permits certain efficiencies. At the same time, in many ways, it also handicaps the evolution of pupil/teacher intimacy.

We also must recognize the relationship between good character and the development of each pupil's collective identity. Character is often revealed in the concern and affection we display toward other members of our group or country. These traits are fostered through the learning of what Sidney Hook called "the history of our free society, its martyrology, and its national traditions." Such learning encourages students to be patriotic; to be loyal to our society, and to care about the welfare of their fellow Americans. Anthropologists have emphasized that, in all cultures, wholesome collective identities are developed through participation in ceremonies designed by responsible adults. But in-school ceremonial life (e.g., assemblies, class opening ceremonies) has declined in quantity and quality. It is understandable why such a decline might be accompanied by an erosion of school spirit and a rise in pupil anti-social conduct.

Careful discussion of youth character must recognize that innumerable forces beyond schools help shape our young people. Families, media, neighborhoods, churches all play important roles—for both good and bad. In addition, researchers and scholars have paid insufficient attention to the topic of character as a matter of education policy. Thus, the research and analytic base for some potentially constructive practices is not as great as might exist for other education questions. But the topic of character in schools must be given greater priority. There are many specific measures to improve student character which we all feel would be beneficial, though we differ on the appropriate priorities to be assigned to each. And we applaud the fact that many schools already practice some of these activities.

Unfortunately, too many non-educators and educators alike do not appreciate the importance of these successful examples.

RECOMMENDATIONS

1. Students, at all grade levels, should more frequently be assigned group responsibilities for academic and school-related activities. The assignments should stress both individual and group excellence and be evaluated through grades and other forms of recognition. The activities should emphasize the theme of service to others. They might include students working with their own classmates; with students in other classes and with or for community members. Typical activities could be: student-to-student tutoring; "team" academic projects; students being assigned defined authority over other students (e.g., hall guard, class monitor);

many forms of extra-curricular activities; and school-to-school, class-to-class, or row-to-row academic competitions.

2. School and community service projects appropriately monitored by adults can be conducted by pupils at all grade levels. In the longer-run, such projects may moderate some tax-supported education costs. We do not envisage current service employees being terminated but gradually phased out through turn-over and retirement. States and districts might make such service a requirement for high school graduation.

3. Schools should maintain a relatively high continuity of relationships among pupils and among pupils and teachers. It is true that increasing discontinuity is appropriate as pupils mature. However, it is desirable, through high school, that each pupil be able to identify a supportive base group, that is frequently engaged with the same responsible adult. This adult should ideally act as a teacher for this group, leading them in significant intellectual and/or cooperative activities. Some schools now maintain homerooms, which, if properly managed, can help attain this end. But subschools, discrete programs in schools, and various extra-curricular activities can also be appropriate tools.

4. The subject matter taught should insure that students acquire the basic facts of American history: dates and sequences of important events, major figures and controversies, and the common experiences and diverse contributions of our ancestors, older contemporaries, and ethnic groups. Students, as they mature, will be expected to analyze and evaluate such information. But it is first essential that they learn a core of information.

5. Schools should maintain frequent and high quality ceremonial activities. These activities should stress the importance of group cooperation and individual effort. They should also focus on the theme of "contribution": the contributions which students have received from past and present Americans, and which students are making and will be making to our society and the human race. The occasions should be managed with taste and imagination, just like any semi-aesthetic activity. The adults involved should participate with enthusiasm and sincerity—basic requirements for good role-modeling.

6. The management of many recommended activities will usually be handled at the classroom, local school, and district level. But many "external" forces maintain policies which constrain such activities. Some court decisions, for instance, restrict public schools from considering pupil character as a criterion for graduation. Tenure laws and union contracts make it harder to require teachers to display strong commitment. State regulations may inhibit necessary flexibility in managing extra-curricular activities. Public opinion sometimes confuses effective extra-curricular programs with frills (though the distinction is occasionally tricky). To improve the situation, a combination of local initiative and external facilitation is necessary. Schools must strive to act to improve pupil character. Where there are external constraints, educators must solicit the agencies involved to reconsider their policies.

7. The federal government and other agencies should provide broader publicity about general youth conduct trends, especially the long-range trends in youth suicide, homicides and out-of-wedlock births. These data, in particular, have been too long buried in obscure statistical reports. Education researchers and policymakers should give greater attention to the topic of character development and the long-term rise in youth disorder. It is urgent for us to increase our understanding of this remarkable and distressing phenomenon.

IMPROVING ACADEMIC PERFORMANCE BY RAISING ACADEMIC EXPECTATIONS FOR ALL STUDENTS

[Chart not reproducible for the Record.]

THE ISSUE

Our students are learning far less than they should. Compared to students in other countries, American students have done poorly on recent tests on math and science; and, over the past twenty years, test scores of students have generally declined. It is urgent that these deficiencies be corrected.

DISCUSSION

Many nations do not share America's commitment to universal secondary education. As a result, cross-national comparisons are sometimes "unfair"—levels of pupil learning in American schools are compared to results from much more selective systems. However, Japan is as dedicated as the United States to universal high school education. Thus, cross-national comparisons between the educational systems of Japan and America are relatively justified. Such comparisons reveal that by fifth grade the mathematics test scores of the pupils in the worst Japanese classes exceed those of the best American classes; by high school, 98 percent of Japanese students excel the average American student. Furthermore, some international tests are administered to nine and thirteen year old pupils—and such tests cover almost the total youth populations of these ages. We compare poorly with many other nations in our results on these universal tests.

Comparisons of recent and former levels of American student learning also raise serious questions. For many years, a variety of standardized tests have been regularly administered to students in schools throughout America. The statistics from these tests reveal that pupil learning had been generally increasing until about 1965. Then the increase stopped and a steady, incremental decline began. The decline especially affected students at upper grades. In the past several years, the pattern has fortunately begun to be reversed. However, we have a long way to go to re-attain 1965 levels.

Insufficient resources for education fail to explain the relatively poor performance for American pupils since the 1960's. Expenditures have risen sharply in this period of time. Inflation-adjusted expenditures per pupil increased by almost five per cent per year between 1965 and 1978, twice the rate of growth of real per capita GNP, and faster than real expenditures per pupil from 1950 to 1965. As a result of this increase in funding, between 1960 and 1978, the number of students per teacher in American schools dropped from 29 to 21.

As the National Commission on Excellence in Education noted, educators have eased their expectations and lowered their standards. In the United States, minor subjects and "soft" electives have proliferated and displaced topics of enduring academic significance. There has been a decline in academic work. Such work is generated by: assigning pupils significant amounts of homework, which is collected and evaluated; administering frequent tests and quizzes to students; keeping parents well-informed about pupil performance; using grading systems which identify a variety of levels of pupil performance (e.g., letter grades with plus and minus differentiations, or two-digit numerical grades); and requiring students to attain predetermined levels of performance before promotion or graduation.

These contentions about decline are supported by recent national surveys of American high school graduates, which show they believe that they were not assigned sufficient homework. Data also disclose that American school grading has become inflated; pupils are earning much higher grades for work that is not notably superior. In 1969, the ratio of "A" to "C" students in high schools was 12 to 32; by 1984, with test scores generally declining, the ratio shifted to 21 to 20.

If we have the will, we have the knowledge to increase school learning. Hundreds of research studies show that increasing the amount of time for instruction during the regular school day and demanding purposeful educational activities during that time can bring large increases in achievement and maintain student interest in learning.

We also have other proven techniques, some of which have been aided by federal funds. Computer-assisted instruction, for example, is accumulating an excellent record of results. The post-Sputnik science and mathematics reform efforts in the 1960s proved highly effective in modernizing textbooks, laboratory materials, and teaching techniques. Only recently have investigators assembled the many evaluations that show high achievement in those schools that employed the modernized curricula.

In economically depressed areas, school-sponsored programs that assist parents to stimulate their children's academic development and to supplement classroom efforts have boosted achievement and motivation. Some carefully managed pre-school programs have also achieved lasting increases in pupil learning; such successes should be expanded.

Other effective techniques include new and old methods; student-team learning; student/teacher learning contracts; and programs that adapt lessons and activities to individual needs. Some older techniques that should never have been abandoned are also demonstrably effective; drill-and-practice; teacher lectures which promote active student participation and which are supplemented by quizzes and by higher-order, thought-provoking oral questions to students; and substantial homework (appropriately leveled and based on the academic needs of the students) which many educators, parents, and students neglect, and which is doubly effective if it is evaluated and returned to students. Leisure-time reading also enlarges knowledge and the capacity to think independently.

Most of the recommended activities require school plus parent commitment: working at school/home communications; setting time aside for homework; encouraging leisure reading; families eating and talking together; controlling television; and establishing at-home rewards and sanctions to spur children's school performance.

There are those who believe that the setting of standards in education is inherently elitist. They contend that the push for excellence in the nation's schools undermines their commitment to equality, and said that because of the differences among children, the very notion of rigorous standards is illusory. It does no good to dismiss these views

summarily, for such concerns are heartfelt. Still, their logic is flawed:

Children should be expected—and encouraged, provoked, and pressed—to learn as much as they are capable of, which is usually more than they realize.

Children can meet standards of knowledge and skills sufficient to become satisfied and effective members of American society (though some will take longer than others, some will need extra resources and attention, and those whose families do not actively cooperate in this effort will find it very difficult indeed).

Pupils who achieve minimum standards have usually not attained personal excellence, though how far a student goes depends on ability, motivation, and his life circumstances, as well as his schooling.

The beneficial effects on minority students of raising standards is beautifully illustrated by recent developments in Florida. The state determined to require high school graduates to pass a minimum competency test. Certain persons and groups objected, saying such tests would discriminate against minority students. After extensive litigation, the court ruled that the administration of such a test was a legitimate means for the state to determine whether the schools had properly covered the materials in a prescribed curriculum. On the first test, more than 80% of the about-to-graduate blacks failed. This indicated the existing instructional system was not responsive to needs of its total student population. The students who failed were provided with remedial instruction, and they retook the test a second or more times. Eventually, less than 10% of the black pupils involved failed to pass. If the state had not fought and won, tens of thousands of students would have received diplomas—but would have been unable to pass a relatively simple cognitive test. Would they have been advantaged by being freed from such a requirement?

RECOMMENDATIONS

1. Schools and agencies setting school policy should increase academic standards: in-school time should be directed toward purposeful, demanding, adult-monitored activities that advance learning; pupils should be regularly and frequently assigned homework that is collected, graded, and returned. Promotion and graduation standards should be clearly articulated and enforced. Grading systems that indicate numerous distinctions in attainment should be developed and applied (especially in higher grades); and excellence, or "A" work, should be regarded as an unusual accomplishment. Families should support school steps in these directions and carry out necessary and appropriate changes in their own lifestyles.

2. Neither the "newness" nor "oldness" of any educational technique should be a significant determinant in assessing its merits. All successful methods require effort and commitment from both staff and pupils during and after school hours.

3. Schools and agencies setting school policy should consider their current instructional techniques, and they should assess their effectiveness in the light of the available research.

4. More advanced pupils can be expected to assist other pupils (and teachers) via tutoring and other relevant activities. Such helping can foster both academic and character development goals.

MAINTAINING DEMANDS ON THE ACADEMICALLY TALENTED

THE ISSUE

Fifteen years ago, pupil tests scores stopped rising and suffered an apparent decline. Much of this well publicized shift is due to a dramatic fall-off in learning by the more able students. This decrease must be reversed.

DISCUSSION

Higher achieving pupils are not performing as well as their predecessors five to fifteen years ago. The decline at the top explains much of the stabilization or decline in "average" performance. Thus, between 1972 and 1982 the number of test-takers scoring above 650 (a relatively high score) in the verbal portion of SAT declined from 53,794 to 29,236—a 45% drop. The number of pupils taking the test only declined 3%. Over the same years, the proportion above 750 on the verbal test declined 47%. The equivalent declines on the math portion of the test were 23% and 16%. These rates of decline were far more severe than those for the lower-achieving takers. They suggest that average pupils have not slipped much. Good pupils—or those who should be good—have been performing poorly.

Our well-intentioned concern about the academic performance of poor and average pupils is an important cause of the decline. When classes and programs are structured so teachers' demands are aimed at below-average pupils, there is a danger that the above-average pupils will be subjected to fewer demands to excel.

The alternative of grouping pupils by ability or achievement level is a traditional and still widely applied educational policy. In some instances, its wisdom is self-evident: one cannot teach algebra to students who do not know arithmetic. In other, defining the appropriate pupil group is more difficult. However, if the abilities of a class in any subject are too varied, it is difficult to challenge an atypical student appropriately. Ask any teacher.

The decline at the top has also been aggravated by the misapplication of minimum competency testing. In general, such testing is desirable. But not when the tests are treated as minimum and maximum competency tests. This is a serious error. It is wise to identify a learning "floor" and use tests to check on individual attainment of that floor. But there is no reason for the floor to become the ceiling.

Some would improve the academic performance of potentially able pupils by funding special programs for the "gifted and talended." We have no hostility toward such programs. However, the general academic expectations held for able students are far more significant than specially funded programs. Twenty years ago, able pupils were performing better than they are now—usually without the support of special programs.

RECOMMENDATIONS

1. Schools should spur talented pupils to achievement by maintaining high expectations, by using instructional support aimed at the divergent academic needs of students, and through awarding appropriate recognition. (Indeed, average students can also benefit from such policies.)

2. Schools must take steps to heighten the academic demands on all pupils. Sometimes this will require the adoption or refinement of well-monitored pupil grouping policies. It is occasionally argued that ability grouping policies aggravate invidious distinctions among pupils. But there are other means, beyond unrealistic grouping, of dealing with this challenge. The discussion about cooperation and ceremony in the presentation on student character development suggests ways of fostering schoolwide cohesion while simultaneously recognizing academic distinctions.

3. Published test score tabulations—by states, localities, and private institutions—should do more than present average, or normal, patterns. The data should show changes (either up or down) in score results among the top scoring five or ten percent of pupils.

4. States and school districts should develop multiple forms of diplomas and competency measures to provide recognition for students of divergent abilities. Such arrangements would be equivalent to the New York State Regents, the planned California Golden State Examination, or the International Baccalaureate. In particular, serious exams for alternative diplomas should be administered at the end of the last year of high school to encourage students to continue studying and learning through that year. Court decisions should support systems of alternative degrees, and all students should be subject to continuous learning demands.

5. Districts should recognize that qualified teachers are sometimes reluctant to handle classes with talented students because of the unique challenge involved. If this problem arises, special incentives may be appropriate.

STRENGTHENING TEACHERS AND THE TEACHING PROFESSION

THE ISSUE

The heart of a sound educational system is the quality of its teachers. Good teaching comes from bringing able people into the profession and having them work in well-run schools. Today, as numerous research studies show, we are not attracting enough able college graduates into teaching. Furthermore, too many schools do not encourage or support good teaching. The central challenge is to establish professional standards for teaching as an ocupation, for the teacher role, and for instruction, and to create conditions in schools that allow these standard to be put into widespread practice.

DISCUSSION

All of the recent reports on education have emphasized the importance of good teachers and good teaching. The problems in achieving this goal are by now familiar: the occupation cannot attract enough able recruits to meet the coming demand; turnover in teaching is high, with the brightest tending to leave soonest; teaching's rewards and incentives fail to offset the discouragements of low prestige, low salary, lack of career advancement, and demoralizing working conditions.

Too often, teachers face disrespectful and unmotivated students, and they cannot secure parental or administrative support for their efforts. Too often, court and legislative efforts to increase the "rights" of individual students have left teachers and schools unable to maintain disciplinary or academic standards. Too often, tenure laws, union contract provisions, and limited advancement prospects make it difficult for schools to maintain realistic rewards and sanctions for teachers. Too often, teachers labor in isolation with no opportunities during the workday for collegial exchange on professional matters. And too often, administrators fail to acknowledge the central-

ity of teaching to the mission of the school: teachers must cope with constant interruptions (such as too-frequent use of public address systems) and a school climate that is not conducive to learning.

The education of teachers also begs for need of major reform, and with it, the relationship between universities and the schools. In most universities that conduct teacher training, the liberal arts and professional teacher training vie with one another, such that both are short-changed. Few teacher training programs skillfully blend a strong grounding in the liberal arts with a professional curriculum drawing on the best available research and with carefully guided practical experiences in the schools. The liberal arts are divorced from professional training, the university from the school, and scholarship from practice. It is also problematic whether it is wise to restrict formal entry into the teaching field to persons taking a prescribed curriculum. Even if that curriculum were ideally designed, there should be some room for compromise and the admission of able, energetic adults who would be excessively burdened by such requirements.

Setting standards for teaching constitutes a major problem as well. Contemporary efforts to regulate the profession rely on licensing and certification measures, college program accreditation, monitoring of program graduates via tests, and evaluation within schools for purposes of tenure, promotion, and dismissal. However, many of the present efforts focus on minimums. These floors then become the sole standard. We tend to confuse standardization with minimum standard-setting. Underlying these policy problems lies the historical domination of standards by fluctuations in the teacher job market: efforts to raise standards at any point dissolve in the face of teacher shortages and the costs of attracting better people or improving teacher education. Any serious effort to raise standards in teaching must begin with the education of the public on these problems and will require political will to carry through.

RECOMMENDATIONS

1. States, localities, and schools should experiment with comprehensive career ladder arrangements for teachers. Such ladders should expand professional responsibilities for master teachers, introduce variety and new responsibilities into teaching work, and provide substantial salary increases in the later stages of the teaching career. Master teachers should be largely selected on the basis of their on-the-job performance, be subjected to a regular evaluation, and not receive permanent tenure in their jobs. They should be involved in teacher training and evaluation, staff development, and curriculum development. New relationships with universities, better access to technical resources, and changes in the policies of professional associations will be necessary to support the new positions.

2. States and localities must establish school conditions that permit effective teaching. These include the provision of adequate learning materials, firm but fair discipline codes for students, appropriate criteria for selecting and monitoring principals, and a school-wide dedication to teaching and learning as the top priority. Tenure laws, union contracts, and court decisions should be modified to remove unrealistic barriers to discharging or warning uncommitted teachers who undermine their colleagues to fail to display evident dedication.

3. School management must emphasize norms favoring greater intellectual engagement with educational policy and practice at the school and classroom level. Time should be available during each teacher's workday for collaborative efforts, work on special projects, and regular observation and reaction to colleagues' teaching.

4. Recruitment into teaching must become a state and local priority. It is evident that the most urgent shortages are in the areas of science and math. This recruitment must include formal mechanisms such as scholarship and loan forgiveness programs where needed, but also informal influence (aimed at heightening the prestige of teaching) through the media and among business, political, and educational leaders. Simultaneously, school districts must scrutinize their teacher application procedures to ensure that the most promising applicants are chosen.

5. States should transform formal teacher education into a graduate level professional program featuring solid course work in education, psychology, clinical experience, and a paid part-time internship in the schools prior to the first year of teaching. Students enrolling in such programs should possess university degrees in standard academic majors. Coincident with this reform must be attention to accreditation standards, so teacher formal education occurs only in professional schools with proven capacity to blend research with teacher education and to forge enduring links with the schools.

6. States should establish an alternative career route into teaching, to parallel the formal academic process. This route should give appropriate weight to academic credentials, previous work experience, and general competency. It could be developed as a serious option for mature adults exploring a second career, teachers aides with long and noteworthy in-class experience, or select B.A. graduates. Master teachers could play an important part in assisting such initiates.

UPGRADING CURRICULUM AND TEXTBOOKS

THE ISSUE

The decline in student achievement already described was coupled with a general loosening of pupil curriculum requirements. Furthermore, the textbooks assigned to pupils have lowered their levels of demand for learning. If we want to raise current levels of learning and offer more opportunities to pupils we must reconsider our current practices.

DISCUSSION

The past twenty years in American secondary education have been marked by a sharp downturn in student enrollments in major subject areas. Far too few students study any foreign language or any mathematics and science beyond the most basic required course. Nor is it coincidental that high school graduation requirements and college entrance requirements have fallen substantially during this same period. These phenomena are mutually reinforcing a negative fashion. The abandonment of high school and college foreign language requirements has contributed to a shortage of teachers of foreign language; the lowering of requirements in other areas has contributed to the decline of student achievement. These events were not inevitable; they were brought about by human actions and by conscious policies. The can be reversed in the same way.

When we speak of curriculum, we speak not only about what the schools offer as courses but also of the policies that move children into the course of study. In the past two decades, the trend toward lowered requirements and increased electives in the high schools has fragmented the curriculum. In "hard" subjects like mathematics and sciences, students have been permitted to elect unchallenging alternatives in order to ease their way to the diploma. In "soft" subjects like English and social studies, students in many schools have become consumers. They may choose among ethnic studies, diluted social science programs, trendy minicourses, and nonrigorous personal service courses. By now, the minicourse boom seems to have subsided, but no coherent approach to the curriculum has emerged to take its place.

One effect of this focus on pupil choice has been to force many teachers to enter into pupil-hunting competitions in order to maintain enrollment in their courses. Often such contests lead to the presentation of watered-down materials and pop presentations. Of course, good teachers usually engage their pupils' interests. However, the current process often forces teachers to cultivate such engagement by promising less homework and nonrigorous grading.

It would not be fitting for one group to spell out the specifics of what should be taught to all children. But certain principles can be derived from our national experience in the recent past. It has been unwise to provide pupils with wide ranges of choice among diverse, weakly structured curricula. And too often the plea of choice is an adult copout. The plea frees adults from the responsibility of making demands on pupils and pressing them toward higher performance. None of this is to totally deny student choice, perhaps at the high school level. By adolescence, serious differences in human interests and ability became apparent. Pupils—in consultation with faculty and parents—can participate in making informed choices among well-planned options. But all such options must represent serious, organized sequences and make appropriate demands on pupils.

Course and school choice decisions—or assignments—affecting adolescents are often decried. They supposedly "freeze" pupils into lifetime career decisions. But our country has—and will continue to have—a variety of post-high school educational options: two year colleges, four year colleges, and myriads of other alternatives. And many of these institutions are filled with adults, indeed, who have decided to return to school. If a youth, at fourteen, fifteen or sixteen, is unable to handle some academic material and is counselled—or flunked—into an alternative, it does not necessarily follow that his career has been determined for the next fifty years. Such decisions should not be taken lightly; however, they should also not be overdramatized.

Still, when all is said, pupils must be confronted with certain uniform requirements, since we are—and should stay—a common society. These demands should be supplemented with aspects of choice. Our recommendations strive to balance these divergent themes.

Research in recent years has demonstrated that the literacy level in textbooks has been substantially lowered to reflect and respond to the falling literacy level of pupils. This cycle has become self-reinforcing. The absence of challenge in the textbooks feeds declining literacy. The economics and expectations affecting textbooks are also relevant. There is an emphasis on "pretty,"

well-illustrated books, with much white space. This increases the cost of each book. It generates pressures for books to be sold and purchased on a volume basis. Such mass market textbooks are then written for median or low median pupils. There is nothing wrong, per se, with attractive books. But we should recognize that such a focus generates hidden costs.

But not all textbook publishers have succumbed to the pressure to "dumb-down" their content and language. Some books are still available which are knowledge-based. In the areas of science and mathematics, "knowledge-based" means that the content reflects the best that is currently know in the field, free from error. "Knowledge-based" in literature means that textbooks contain unabridged works by outstanding authors, selected on the basis of literary merit and without giving undue weight to novelty. "Knowledge-based" in history means that textbooks reflect, in an appealing literary style, the excitment and intrinsic interest of the great achievements, dastardly deeds, remarkable individuals, and crucial events of or past. Classroom teachers often do—and should—have input in textbook purchase decisions. Unfortuantely, such decisionmaking too often becomes a popularity contest, and the "winners" are the texts considered easiest to teach.

RECOMMENDATIONS

1. All able pupils in elementary and secondary school should be expected to complete a curriculum that stresses competence in the use of language and numbers; the literature and important ideas of our society; the history of our own and other societies; the principles an practice of science, mathematics and technology; and an appreciation of the arts.

2. Substantial proportions of students should also complete work generating competency in a foreign language, familiarity with significant literature, and mathematics perhaps up to calculus. Other students, after appropriate advisement and consultation with parents, should be counselled or referred to alternative curriculm areas.

3. Good teachers of science, math, history, and literature should not have to display their wares on the high school student marketplace. A school or system dedicated to fostering learning should scrupulously constrain the casual exercise of pupil choice.

4. Textbook selection should aim to make constructive demands on all pupils and focus on knowledge-based materials. It may be appropriate to give greater weight to more diverse and less elaborately illustrated texts to moderate the cost of providing differentiated materials for students of varying competencies. Districts and schools, in making textbook purchase decisions, should give substantial weight to the opinions of their better-trained (or master) teachers and the criteria developed by teacher subject matter organization, such as the National Council of Teachers of Mathematics.

PROVIDING CHOICE FOR PARENTS AND PUPILS

THE ISSUE

There is increased interest in providing parents and pupils with greater choice among different forms of schools and school systems. Plans to facilitate such options have attracted growing attention, and some systems for choice have been put into effect. But heated controversies also have arisen around the design and adoption of these plans.

DISCUSSION

An enlarging body of research has demonstrated that substantial differences in efficiency exist among schools serving approximately similar families and students. In other words, schools differ in the energy and skills of their leaders and staffs, the policies they apply, and the ethos they establish. Some do better jobs than others.

This recognition contrasts with earlier beliefs that better or worse run schools made little or no difference to pupil learning, or the obverse—that we all knew how to run good schools and were generally doing so. Thus there was little interest in developing—or even in studying—schools organized around significantly different premises or patterns. The belief was that there was One Best System for education.

This view was always belied by the covert school ranking systems applied by some educators and sophisticated parents. In practice, fast-track academic institutions existed in both the public and private sectors. The celebrated schools were not necessarily the "best" schools of their eras. Often, the thing they did best was select students.

In recent years, many citizens have been dissatisfied with the evident inflexibility and bureaucratic defects of their particular public schools. Others have wanted their children enrolled in schools that more effectively reinforced parents' values—and such values were not necessarily religious.

Some parents have also been frustrated by the relative impersonality of many large public schools—especially high schools. As a result, they have generated pressures for the formation of discrete, more communal sub-programs, carved out from the total schools. Such shifts may be congruent with our discussion regarding student character. There we urged the development of persisting and more intimate, contacts among persons regularly in the school. Sub-programs can foster such contacts.

Another pattern of choice was revealed in a recent study conducted by the Chicago Reporter. It showed that 46 percent of Chicago public school teachers who live in the city and have school-age children send them to private schools, paying the required tuition. That is the exercise of choice—by both black and white teachers—with a vengeance. Finally, the research finding already mentioned also argued for allowing individual public schools, and their principals, greater leeway in applying policies diverging from their system's norms. The wisdom—or flaws—of such variations could be monitored by market-economy tests: did parents enroll their children in these schools and keep them there? An educationally sophisticated population did not always need the government to designate their children's schools.

A variety of parent choice plans have been proposed: magnet schools within the public system; voucher systems providing parents with chits (obligating public funds) to "buy" education for their children in either public or private schools; schemes for partial tax forgiveness so that some of the out-of-pocket costs of schooling can be credited against a parent's tax payments; and subschools, or "houses," where pupils enroll in a separate and distinct unit that is part of a larger operating school. Undoubtedly, other examples of choice arrangements can and will evolve.

Some choice plans operate within individual schools, others in school districts, some on the state level. Proposals have been made to assist choice from the federal level. Complications often arise about how much such schemes can—or should—assist private, church-related schools; assistance provided to church-related schools may lead to government intrusion into religious matters. However, such state assistance for church schools has apparently "worked" in some European countries. But one cannot simply draw a parallel between the European and American situations. No one can insure that government dollars will not be accompanied by legislation affecting internal policies. And this possibility may be another argument for incremental, state-based programs of assistance.

Another perplexing problem has been the matter of clarifying exactly what parents are to choose from: what is to be unique about the "selected" schools. Many schools have sought to distinguish themselves in terms of particular vocational or educational foci, e.g., music and art, computers, science. Interestingly enough, we cannot identify any recently established single-sex school of choice, although research data suggest this a viable approach for enhancing adolescent male or female achievement.

There is surely some merit to making "programs" the point of focus. But it is our belief that many parents, in seeking school alternatives, are seeking schools or subschools which have a strong academic press and which strive to develop good character in pupils. In other words, many of the reputedly best American public schools simply were well-managed institutions with dedicated teachers and high levels of parent/school cooperation. Perhaps, over time, the better alternative schools will simply be those whose policies facilitate such patterns.

RECOMMENDATIONS

1. The development of different patterns of school operation in different schools, or in programs in a particular school, is an important form of experimentation and a stimulant to healthy diversity. Parent choice among such patterns provides greater fairness to parents and will help monitor variations which occur. Furthermore, facilitation of choice can actually help strengthen our public schools; the current unsatisfactory status is due partly to the lack of inter-school competition, even between public schools. Without choice, we may only see more stagnation and decline.

2. The development of variation and choice will proceed best on the local school, school district, and state level. Varied policies can be tested at these levels, and the consequences of inevitable mistakes will be moderated. But even at the district level, incremental development will be necessary to provide quality programs.

3. There are numerous impediments to developing significant diversity among public schools in many states and communities: state laws, union contracts, judicial decisions, and districtwide policies. If we are sincere in praising diversity and greater freedom for parents, we must modify many of these constraints.

4. As a group, we have deliberately considered the potential virtues and drawbacks of systems of providing public support, via subsidies of tax credits, for private schools. The issue is admittedly complex. However, the majority of our signers believe changes in this direction are appropriate within particular school districts and states.

5. Public and private schools entering into the competitive choice environment should not be especially attracted to gimmicky

packages. The motto of one well-regarded New York City private high school is simply, "We give homework." Perhaps the message communicated by such a motto is more significant than that communicated by a school advertising its computers or pretty building.

6. Choice is a two-way street. If parents can choose among schools, than schools (and programs) should be able to make significant demands on parents to support school policies. After all, in a choice situation, it is not as if parents have no place else to go. Further, the parents of a school-of-choice presumably come there because they want certain commonalities in school policies. Parents who seek policy exceptions for themselves and their children in schools of choice undermine the reason for the school's existance, and they can be properly referred to other schools.

7. Schools are not simply a family matter. Much education is paid for by taxpayers; and even private education bought by parents cannot create schools entirely free from social constraints, especially if such schools become tax-assisted. The appropriate forms of government supervision will be determined by a complex process of experiment and negotiation. Private schools which hope to receive, directly or indirectly, significant government benefits without government intervention may be deceiving themselves and should, perhaps, reconsider their priorities.

8. Education interest groups should not be hostile to all pro-choice measures. Without some increase in competitive forces, especially within and among public schools, the overall stability of our school system may be endangered.

REVITALIZING EDUCATION POLICYMAKING AND RESEARCH

THE ISSUE

The quality of education policymaking in general, and research in particular, is significantly affected by the energy and abilities of the persons committed to such careers. The available evidence supports the charge that the professions in these two fields have become excessively inbred. As a result, they are less able to approach their critical responsibilities with appropriate vision. Furthermore, although the United States has for several decades spent public money to conduct and improve education research, these activities have been handicapped by political and interest group politics, and too often they are carried out at low conceptual levels.

DISCUSSION

Some blunt words must be uttered about the persons who now participate in education policymaking. Almost all persons—over 95 percent—now holding administrative positions in school systems entered the field via the teaching profession. This uniformity is largely due to the certification requirements established by state and local laws. To become a school principal in most states, for example, one must have been a classroom teacher for at least three years. Much the same pattern prevails in state education agencies and, to a lesser extent, in regional organizations, professional associations and federal agencies concerned with education. Though elected policymakers are infrequently ex-teachers, nearly all of the administrators, appointed leaders, and professional "movers and shakers" have come up through the ranks.

A high proportion of education researchers also began as teachers and moved up as their talents and interests were refined. Other researchers, who enter the field from other directions, such as the social sciences, often make only passing commitments to education per se.

The career patterns and interests of these policymakers and researchers bear little resemblance to the broad-gauged qualifications of persons who shaped education policies during earlier periods of American and world history. Thomas Jefferson was deeply engaged with education issues. Benjamin Franklin drafted a plan which eventually became the University of Pennsylvania. Horace Mann came into education after a career as a lawyer and state legislator. John Dewey was a professor of philosophy who chose to found and direct an experimental school.

The breadth and dynamism of such persons gave extra quality to their diverse visions for education. Today, we do not seem to believe that developing education policy can be a spare time activity. Yet, the field still needs ambitious and broadgauged people. The education profession, to put it bluntly, has become inbred and needlessly defensive. Many current education administrators and researchers are able and dedicated. But existing explicit and tacit restraints on the recruitment into education administration and research have made for unhealthy inbreeding. Conversely, the career incentives now prevailing in America are not encouraging enough ambitious young people to commit themselves to education, not only as teachers but also eventually as administrators, executives, and reseachers. One barrier to such commitment are the current norms which assume that all such persons must first begin as teachers and perhaps continue such work for a number of years.

We should also consider the conduct of education research, itself. Many Americans assume that research will generate better answers to complex education problems. In the early 1970s, these aspirations led to the development of the federal government's National Institute for Education to facilitate such research. Significant education research is also supported by other government agencies and private foundations. Finally, the teaching budgets of many public and private universities actually subsume much research cost.

Undoubtedly, aspirations for these activities have been too high. The nature of human learning in schools is enormously complex. It is more difficult to be scientifically certain how to improve schools than to put someone on the moon. We may be able to analyze how one person causes another to learn some discrete piece of knowledge. But one school can be comprised of a hundred adults working for a living and 2,000 students living at home with the families. The school is affected by diverse and conflicting government and union policies, plus public expectations and neighborhood factors. Understanding what levers to pull to transform such an institution into an optimum learning environment involves far more than a theory of human learning.

Even when good quality research identifies some relationships as "statistically significant," those relationships may not be very "robust." For example, smaller class sizes, or other revised practices, may slightly improve pupil learning, but is such extra learning worth the substantial increased cost involved? And how do we know that there are not other, better ways of spending our limited education dollars? Beyond the matter of complexity, there lies ideology. We cannot know everything. Thus, preferences and value-based opinions must guide the choice of research and funding targets. Since our findings are usually incomplete, people put different interpretations on inconclusive information. Furthermore, the proponents of such interpretations often preface their contentions with the sacred phrase "research shows." Finally, scholars often conclude that their hopes for more funding may rest partly on the support their findings provide for certain preferred policies and ideologies.

American impatience also complicates the matter. Complex institutions such as schools often absorb new discoveries slowly. Thus, developing well-conceived innovations, and seeing them into effect, may take decades. Such a process may dishearten legislators and parents who wrongly but understandably hope for more direct results. As a result, researchers and funding agencies may focus excessively on short-range, dramatic activities—whatever is currently "hot."

RECOMMENDATIONS

1. States should eliminate all requirements that school administrators must be former teachers, or that they must possess formal training in education per se. Instead, states should be prepared to "certify" as school administrators men and women of diverse backgrounds who can demonstrate outstanding leadership potential, broad-gauged intelligence, and general understanding of organizational dynamics and educational processes. Such "demonstration" should take the form, initially, of tests, interviews, proof of prior leadership experience and other evidence of "likely" success. This examination should lead to an interim license that can be converted into a periodically renewable regular license upon at least one year's successful performance in a leadership role (or completion of a suitable apprenticeship).

2. State and local school systems should develop traineeships, apprenticeships and internship programs, complete with suitable opportunities for advanced study in universities or elsewhere. Then, promising young and mid-career non-education trainees can more easily be "developed" as education leaders.

3. Education research organizations, institutes, agencies and centers, as well as the faculties of schools of education themselves, should make sustained efforts to attract outstanding scholars (and graduate students) from many fields to join their staffs, to participate in their work, even to lead them.

4. Our political leaders should decide to insulate some education research from the political process, so more long-range efforts can be attempted. The early history of the RAND corporation may serve as a model. The caliber of RAND's research during the 1950s was high because (a) the federally funded research center was sited 3,000 miles away from Washington; (b) RAND was provided with reasonably secure funding for nearly ten years and put under no pressure for demonstrable results; and (c) the researchers were well qualified people who deliberately selected their own priorities after consulting with Air Force staff. Education, like the military, is important enough to justify such a risky research enterprise, and it should be able to attract quality people.

5. The numerous constituencies now debating the future of more short-range re-

search (such as that sponsored by the NIE) must engage in profound compromises to develop more stable funding bases and principles. The persistent pursuit of ideological goals, on both the left and the right, and the protection of institutional bases have lowered the credibility of the entire endeavor.

Reevaluating Undergraduate Education

THE ISSUE

The quality of American undergraduate education is as much in need of careful scrutiny as that of elementary/secondary schooling, and so are public policies bearing on undergraduate education. But deliberate consideration is needed to see what is wrong, and what can be done about it.

DISCUSSION

The nation has been obsessed in the last two years with "excellence" in the primary and secondary schools, but until very recently little attention has been paid to analogous issues in two- and four-year colleges. Yet there are many signs that higher education has not satisfactorily recovered from the excesses of the late sixties and early seventies. Indeed, new erosion is occurring, much of it the result of the panicky effort to maintain enrollments by admitting (and often recruiting) students of low ability and weak preparation.

Some colleges and universities have tried (or been compelled) to raise their entrance standards as part of the effort to elevate high school exit standards. But the number is small. Furthermore, the new standards ordinarily relate to formalistic criteria such as the number of years of particular courses that applicants must take, rather than objective indicators of knowledge or intellectual prowess.

Almost all nationally normed college "exit" examinations, such as the Graduate Record Exams, have shown steadily declining average scores over the past decade. (The G.R.E. verbal average has fallen farther and faster than the S.A.T. verbal score, implying that colleges not only are failing to make up for the inadequacies of entering students, but also are, in a sense, accelerating the deterioration.) Few colleges have pre- and post-test systems for students or comprehensive exit exams required of all students. At an aggregate level, there are not yet any general measures of young adult learning to correspond to the National Assessment of Educational Progress. A few undergraduate colleges have impressive "core" curricula. In most, however, a "smorgasbord" of elective courses is the dominant pattern of curricular organization.

The disorder which has afflicted many secondary schools has extended into some campuses. Informed observers report frequent problems with student cheating, disorderly conduct in poorly monitored dorms, and generally lax direction of students by supposedly responsible adults. Some of the laxity may be attributed to court decisions excessively restricting the power of college authorities. But the role of education in developing youth character does not end with high school, although the forms of instruction necessarily vary.

Other problems besetting many colleges and universities include: procedures for selecting administrators that militate against the designation of strong leaders and persons with clear ideas, slipshod standards of teaching and research among faculty, and a loss of the sense that controversial issues should be examined and discussed on campus without regard to politics or ideology.

Meanwhile the cost of higher education continues to soar and the public is asked to pay a larger share of it through various means, ranging from institutional subsidies to student grants and loans. With increased dependency on public funds, of course, comes increased regulation and diminished academic sovereignty. It is true that a number of these problems are familiar. Furthermore, in the recent past, there have been several reports to the public which have demonstrated constructive concern with some of the dissatisfaction just recited. Still, there is little evidence that the "academic community" is assuming sufficient responsibility for quality control. The external scrutiny which has occurred needs to be continued, intensified, and given broader focus.

RECOMMENDATIONS

1. A National Commission on Excellence in Higher Education, consisting primarily of distinguished laymen, should undertake the fact-finding and analysis that can lead (if warranted) to clear policy recommendations for the improvement of American undergraduate education. The Commission should be concerned with both the academic and character development aspects of higher education. It would be appropriate for the President of the United States to appoint such a commission.

2. State and private support for student scholarships and other aid to higher education should be related more closely to standards of student performance than has recently been the case.

3. The projected extension of the National Assessment of Education Progress to cover young adults should be developed and put in operation. We need more feedback from this important research tool.

4. More two- and four-year colleges should apply their own forms of quality control. Such control might consist of requiring uniform comprehensive exit exams for students, or pre- and post-tests that appraise student learning through their college years.

5. Federal student aid policy should be reexamined with an eye to giving greater weight to the matter of financial need and to recognizing individual achievement. Conversely, less weight should be given to broad distribution of aid to high proportions of applicants who do not display significant financial need or academic potential.

Receiving Accurate Information on Schools and Pupils

THE ISSUE

Clear, well-organized statistics on school operations and school effects in indispensable for improving education. Unfortunately, data usually made available to the media, parents, and policymakers are inadequate.

DISCUSSION

Schools and districts publish a great deal of information. However, the format and the substance of such statistics are often of little help in discovering what is really going on. Many commentators believe that the inadequacy of the current information systems is not accidental—they know that many school administrators try to hide or obscure embarrassing information. Furthermore, good quality education data, collected on state and national levels, can also permit interdistrict and interstate comparisons. Such varied and regular assessments can help parents, voters, and the media to evaluate local school, school district, and state policies. But, to improve such statistics, we must recognize more clearly what we want to measure and how.

We first need measures of whether the goals of schooling are being met. There are three such goals: pupils learning things valuable for use after graduation; pupils completing school; and pupils choosing to continue education after high school. These goals are ordinarily measured by standardized test scores, dropout rates, and the college-going rate of graduating seniors. Regrettably, there are problems in measuring all of these goals.

Standardized tests are increasingly used to measure school performance. However, they were originally designed to measure individual student performance. As school efficiency measures, they have a number of limitations. The same or directly comparable tests must be used in different schools in a district; and comparability across districts is also desirable. Comparable tests should be used over a period of years. Test should be relevant to curriculum goals established for the next stages in the student's life, in college, or on a job. Tests should have national norms to allow comparison of the school with the national average. Both dropout rates and college-going rates are difficult to measure. Schools do not regularly follow up on those who graduate, leave, or transfer during school. However, present or exstudents who request transfers or transcripts are a good proxy. Such requests can be compared across schools from year to year. As with achievement testing, the value of these data in improving (or evaluating) the school depends on their public use of inter-school and inter-district comparisons.

The internal functioning or efficiency of a school can also be described by statistical measures. But this is more difficult than measuring a school's goal-attainment. Still, some measures can serve as indicators. These measures ought to be maintained by each school on a yearly basis. One of these is the proportion of students taking each of certain well-defined courses. Specific high school courses in mathematics and science, such a first-year algebra, second-year algebra, geometry, calculus, chemistry, and physics, are easiest to record, along with first-, second-, and third-year foreign language courses. Other indicators of functioning are teacher absenteeism and turnover, pupil failure rate by grade, and transfer rate.

There is an important limitation on using performance and functioning measures for comparative purposes. Pupil performance and conduct are strongly affected by home background and prior academic preparation. Many schools do routinely obtain some information about such factors; this information can sometimes be adapted to permit meaningful comparisons among schools, or over time.

The National Assessment of Education Progress is a different, and potentially valuable, yardstick at local and higher levels. Unfortunately, pressure groups have prevented policy-relevant comparisons, and few school districts have linked their district-wide testing to the Assessment.

If the different forms of data described are more available, they can affect school, district, state and national education policy decisions and the findings of education researchers. They can also improve parent decisions about where to live or which magnet schools to select. And the media can engage in more informed reporting.

RECOMMENDATIONS

1. School districts should collect and make public data on student achievement on a school-by-school basis for at least two of the grades covered by each of the typical schools in the district, preferably grades toward the beginning and end of the school span, e.g., in a K-8 school, grades two and eight. The data should include information about student background and preparation to allow for warranted comparisons. The reports should be based on national norms. Administrators should design and monitor the testing process so it is fairly managed. The media should appropriately report and analyze such data.

2. The testing administered should be linked to standardized international tests where possible (such tests now exist for mathematics for age 13 and high school seniors, and sciences at ages 10, 14, and high school seniors). This permits comparison to international as well as national standards.

3. Achievement testing should move towards measuring specific subject matter competencies, in other words to measure pupils' learning of the curriculum.

4. School districts should maintain yearly school-by-school records of dropout rates as each grade level, and the rate of college-going for graduating seniors. They should also maintain records of teacher turnover, student turnover, teacher absenteeism, student failure rate by grade, and rates of student enrollment in well-defined courses.

5. These measures of school goal-attainment and school functioning should be publicly available, both for parental use and for research and policymaking use. Florida and California, for example, are carrying out exemplary state level efforts at the compilation and publication of such information.

6. State legislatures, school boards, and school administrators should take measures to carry out these procedures. Researchers and companies developing standardized tests could also assist in the design of appropriate instruments. In particular, state education departments, and possibly the U.S. Department of Education, should develop diverse, but standardized, evaluative systems—since districts usually lack the capability for such efforts. Districts, or schools, with different curriculum priorities could then choose among technically adequate systems. Federal agencies should cooperate with international agencies to facilitate the selective development and application of internationally standardized tests.

7. The National Assessment of Education Progress is an important tool for describing the current state of cognitive learning in the United States. The U.S. Department of Education can and should improve the quality of the information collected by combatting the tendency to conceal data which disclose differences in performance among schools, districts, and states. One measure which might advance this end would be for the Secretary of Education to delegate the supervision of both national education data collection and research policy to an Assistant Secretary of Education, selected for his nonpartisan professional stature.

PARTIAL DISSENTS BY SOME SIGNERS

David A. Bennett: I believe the statement represents the mainstream of responsible education reform in this country. My endorsement is qualified only by my concern about its sympathy for "providing public support, via subsidies or tax credits, for private schools." I fully appreciate the value of educational alternatives. Indeed, I was principal architect of a "voucher" program for the Milwaukee Public Schools, under which all parents had choices from a wide variety of public school programs. However, I do not believe such programs should be extended to provide public support for non-public schools. I support the view found in the statement, that "private schools which hope to receive, directly or indirectly, significant government benefits without government intervention may be deceiving themselves . . . "

Allan C. Carlson: In developing the Statement, the signers decided to by-pass the education approaches of "values education" and "sex education." (And sex education usually goes far beyond transmitting simple biological facts.) The decision was a useful device for building consensus. However, it avoids confronting two areas where student's moral values and character-formation are often systemically under-mined. Progress in assisting character formation can be made through many means, as the Statement outlines. But full success cannot be achieved until these two approaches are removed from the curriculum.

Stanley M. Elam: The Statement recommends "substantial salary, increases in the later stages of the teaching career", and scholarships and loans as inducements for bright students to enter teaching. These are the only ways in which the Statement recognizes that teaching is so poorly rewarded in our society that not enough good people will enter or remain in the profession. I would add that the economic rewards of teaching must equal those of other major professions requiring similar ability and preparation for success. This will take a lot of tax money. The Statement also suggests that "the majority of signers" approve of subsidies and tax credits for private schools" in order to promote choice and competition. I believe such subsidies and credits would be a major error, not only weakening public education but eventually subjecting "private" schools to state authority and destroying their freedom to do some of the things they now do (not all of which I approve). The common public schools are still the greatest bulwark of democracy we have, and they must not be undermined. I am a strong supporter, however, of competition and choice within the public school system. It can be achieved if the public insists upon it.

William H. Schreiner: I find it comfortable to support the major tenents of the Statement, however, I disagree with some of the ideas advanced in the discussion about parent and pupil choice.

Richard Stephenson: Increasing the school choices available to parents and pupils is desirable. But, considering the appearance of neo-conservatism in America, it is difficult to view tax credits for private schools as other than instruments for making "good" schools better, or richer, and "poor" schools poorer, or worse. It understandably goes against the grain for middle or upper class parents to consign their children to second-rate schools, if a better one is available. Similarly, most lower class parents, if possible, will opt to send their children to schools with demonstrably good programs. As the prime receptacle for minority and lower class students, urban public schools do not enjoy a high reputation. As a consequence, it is likely that tax credits would further widen and deepen race and class segregation. Thus, such a revised policy would imperil the existence of urban public schools.

SIGNERS

Edward A. Wynne (Editor), professor of Education, University of Illinois at Chicago. He is the author or editor of six books, and over 70 articles, reports, and chapters. He is also Editor of Character II, a bi-monthly newsletter about the public and private policies shaping the character of young Americans, and Coordinator of "For Character", a Chicago area school recognition program.

Herbert J. Walberg (Co-editor), is a psychologist and Research Professor of Education, University of Illinois at Chicago. He has written over 300 articles and chapters, and written or edited 21 books on educational productively and related topics. He has served as advisor to the Illinois Office of Education, the U.S. Department of Education, the Office of the President, and the national boards of education in Singapore and Sweden.

Donald A. Bennett, Ph.D., Superintendent of Schools, St. Paul, Minnesota. Prior to assuming his position in October, 1984, he served as Deputy Superintendent, Milwaukee Public schools for eight years. He has written numerous articles on school integration, educational equity and adequacy, and is consultant to many school districts on school desegregation and the use of magnet schools in that process.

Urie Bronfenbrenner, Jacob Gould Professor of Human Development and Family Studies, Cornell University. He was cited as Outstanding Researcher, American Education Research Association. 1975; recipient of the Kurt Lewin Award, American Psychological Association, 1977; and received the Anisfied-Wolf award in Racial Relations in 1981, for his book, The Ecology of Human Development. He is a member of numerous national and international commissions on children, the American Academy of Arts and Sciences and the National Academy of Education.

Allan C. Carlson, Ph.D., Executive Vice President, The Rockford Institute (Rockford, II), and Editor of its publication Persuasion at Work. His articles on education and family policy questions have appeared in The Public Interest, Policy Review, Education Week, Regulation, Current Issues in Education, and other journals.

William D. Coats, Ph.D., President, Youth Enrichment Services (St. Clair Shore, MI), and Executive Director, Education Voucher Institute. He was formerly Superintendent, Groose Point Public Schools; Superintendent, Kalamazoo Public Schools; and Professor, University of Michigan. He is widely published in professional journals on education.

Paul De Hart Hurd, Professor Emeritus of Education, Stanford Univeristy. He has written extensively on the underlying policies and conditions of pre-college science education in the U.S. and the Peoples Republic of China. His most recent publication is Reforming Science Education: The Search for the New Vision. He is a member of the Six Hundred (the Northeast Asia-U.S. Forum on International Policy, sponsored by Stanford), and the Academy of Indpendent Scholars.

Stanley M. Elam, Contributing Editor, Phi Delta Kappan (Bloomington, IN). For over ten years, he served as Editor, Phi Delta Kappan, and Director of Publication, Phi Delta Kappan. The Kappan is a monthly magazine for education administrators, with a readership of over 100,000.

Raymond English, Senior Vice President, Ethic and Public Policy Center (Washing-

ton, D.C.). He was formerly director of a social science textbook series, Concepts and Inquiry; and Chair, Department of Political Science, Kenyon College. He is the author and editor of many publications on education and politics, including Constitutional Democracy versus Utopian Democracy and The Grenada Mission.

Jim Enochs, Assistant Superintendent of Schools, Modesto California. He developed an education program, "Academic Expectations and the Fourth R—Responsibility", which was featured in the Christian Science Monitor, the New York Times, Associated Press, CBS News, and public television. He is the consultant to numerous school districts and state departments of education, and also the author of many articles in education periodicals.

Nathan Glazer, Professor of Education and Sociology, Harvard University. He is Co-editor of The Public Interest, a quarterly journal, and author of numerous books and articles on education and public policy. His most recent book is Ethnic Dilemmas.

Joseph C. Harder, Member, Kansas State Senate (Mound Ridge, KN). He is: Chair, Kansas Education Master Planning Committee; Commissioner, Education Commission of the States; and Member, Education Committee, National Conference of State Legislators. He is a former businessman.

Barbara Heyns, Professor of Sociology, New York University and Director, Center for applied Social Science Research. She was previously on the faculties of the University of California, Berkeley, and the Harvard Graduate School of Education. In addition to numerous articles, she is the author of Summer Learning and the Effects of Schooling, and co-author of Inequality—A Reassessment of the Effects of Family and Schooling in America.

Robert Hogan, McFarlin Professor of Psychology and Chair, Department of Psychology, University of Tulsa. He was formerly Professor of Psychology and Social Relations, Johns Hopkins University, and is Editor, Journal of Personality and Social Psychology. Among his many publications is Personality Theory.

Judith S. Kleinfeld, Professor of Psychology, College of Human and Rural Development, University of Alaska, Fairbanks. She is the author of Eskimo School on the Andreasfky, and over 30 articles and 60 research reports on youth and community activities.

Ernest W. Lefever, Ph.D. (in Christan Ethics, Yale University), Founding President, Ethics and Public Policy Center (Washington, D.C.). He served on the Values Education Committee of the State of Maryland (1979-1983). He is the author of hundreds of articles for the popular and scholarly press, and eight books, including Ethics and United States Foreign Policy, and Amsterdam to Nairobi: The World Council of Churches and the Third World.

Robert MacGregor, President, Chamber of Commerce of Greater Kansas City. He was formerly President, Chicago United; Vice President and Executive Director, Dayton-Hudson Foundation; Member, City Council of Minneapolis; and Chair, Morgan Park High School Parents Council.

William C. McCready, Associate Professor of Social Service Administration, University of Chicago, and Director, Cultural Pluralism Center, National Opinion Research Center. He is also editor of Culture and Ethnicity, and has written seven other books and numerous articles on the sociology of religion.

Michael Novak, Director Religion and Public Policy Project, American Enterprise Institute (Washington, D.C.). He is the author of numerous scholarly and popular books and articles on public issues. He has held teaching positions at Harvard and Stanford Universities. He was formerly Chief, U.S. Delegation, United Nations Human Rights Commission in Geneva, and is currently Member, Board of International Broadcasters (which governs Radio Free Europe).

Andrew Oldenquist, Professor of Philosophy, and Member, Mershon Center Faculty, Ohio State University. His recent publications include Normative Behavior, and articles on ethics, education, biology and society, and social philosophy.

Kevin Ryan, Professor of Education, Boston University, and Director, Boston University-Portugal Program to Develop a System of Education Colleges for Portugal. He is the author of twelve books on education issues focusing on teacher education and moral education. He has formerly been a member of the faculties of Stanford, Harvard, the University of Chicago and The University of Ohio.

Francisco D. Sanchez, Jr., Superintendent of Schools, Alburquerque, New Mexico. He is a Member, Board of Trustees, College Board, and a Member, Policy Board, University of California, Los Angelos, Center for the Study of Evaluation. He was formerly a Member, National Commission on Excellence in Education. He was selected as one of the One Hundred Top Executive Educators.

William H. Schreiner, Ph.D., Principal, Glenbrook South High School (Glenview, IL). In 1984 the school was selected, as an excellent school by the U.S. Department of Education, and he was designated as the outstanding principal in the State of Illinois by the National Association of School Administrators. Since 1970, he has also served as the President of the Central Suburban High School League.

Henrietta S. Schwartz, Dean, College of Education, San Francisco State University. She has been Principal Investigator on 26 grants for studying schools throughout the nation. She was formerly Dean, College of Education, Roosevelt University; faculty member, University of Chicago; and Assistant Principal of a Chicago public high school.

Richard Stephenson, Ed.D., Principal, Dunbar High School, Chicago public school system. He is a Member of the Boards of Directors of the Illinois High School Principals Association, and Bok House. He is also Vice President, High School Auxiliary, Chicago Principals Association, and a member of the Chicago Association of Black Educators.

Ernest van den Haag, Professor of Jurisprudence and Public Policy, Fordham University. He is the author of ten books and over 200 articles in learned journals. He was formerly Professor of Social Philosophy, New York University, lectured on sociology and psychology at the New School for Social Research. He is a practicing psychoanalyst.

James Q. Wilson, Shattuck Professor of Government, Harvard University, Author of numerous books and articles on public issues, including Thinking About Crime.●

THE PLIGHT OF JEWS IN THE SOVIET UNION

● Mr. BURDICK. Mr. President, this is my first opportunity as a participant in the congressional call to conscience to speak to my colleagues about the difficult situation of Jews in the Soviet Union.

When the United States signed the Helsinki accords, we pledged to guarantee certain basic human rights, including freedom of religion and the right to emigrate. If our signature means anything at all, we must not only guarantee human rights at home, but we must also speak out when these basic principles are violated by any nation which has agreed to uphold them.

The Soviet Union is a signatory to the Helsinki accords. As I mentioned, one of the rights guaranteed by the accords is the right to emigrate, but one look at the Jewish emigration numbers indicates a clear Soviet violation of this most important principle.

Jewish emigration has plummeted from a high of 51,320 in 1979 to a pathetic low of 896 in 1984. The reason for the decline is not that fewer Jews wish to emigrate. On the contrary, more than 350,000 Soviet Jews have begun the emigration process.

The United States has repeatedly raised this issue with the Soviets. Members of Congress have made a personal commitment to this fight for freedom by meeting with refuseniks when they visit the Soviet Union, and many American citizens have worked tirelessly on the issue for years. I have been particularly impressed by the dedication and commitment of those young Americans who are members of the Student Coalition for Soviet Jewry.

As the emigration numbers have fallen, our sense of frustration has deepened. Recently, this frustration has given way to real concern for the very safety of Soviet Jews.

There is evidence that harassment of the Jewish community has accelerated in the U.S.S.R. We have received reports of a campaign to stamp out Jewish religious and cultural practices, and have followed with alarm the creation of the Anti-Zionist Committee, and the showing of a virulently anti-Semitic program on Leningrad television.

The situation is especially precarious for Jews who make public their desire to emigrate. We know that once a Jew takes the first step in the emigration process, he is subject to harassment and intimidation; he loses his job, and in some cases, is arrested and tried on trumped up petty and criminal charges.

All of this points to a very dangerous pattern of discrimination against Soviet Jews. It is a pattern that no American in good conscience can ignore.

Last March, on the International Day of Concern for Soviet Jews, the President said:

We have no higher priority. Those who care about the fate of Soviet Jews should know that we are with them today, and will be with them tomorrow.

We in Congress are with them too. It is time to renew our commitment to Soviet Jewry, and make 1985 a year of progress on this most important human rights question.●

CONGRESSIONAL BRIDGE CLUB CELEBRATES 30TH ANNIVERSARY

● Mr. STAFFORD. Mr. President, it is appropriate that the Senate recognize the 30th anniversary of the Congressional Staff Duplicate Bridge Club.

The club, founded in 1955, has held weekly games, as well as quarterly and annual tournaments, in the House or Senate office buildings almost continually since that date.

While I am not a duplicate bridge player, I know that some of my colleagues in both the House and the Senate, as well as many staff members, have participated and enjoyed these club tournaments. They tell me they find the atmosphere relaxed and informal, and that these games are as enjoyable as those played anywhere.

The club games are open to all Members of the Congress, who are honorary members of the club, as well as to congressional staff, employees of the Library of Congress, and others who have at some point worked on the Hill. The club meets Monday evening at 7 p.m. in the South Cafeteria on the Dirksen Office Building.

Mr. President, I commend the club on this anniversary.●

TRIBUTE TO JOHN W. ANDERSON OF THE U.S. ARMY CORPS OF ENGINEERS

● Mr. PRYOR. Mr. President, on Friday of this week, March 1, we will witness the first day in 45½ years that the U.S. Army Corps of Engineers will be without the services of one of its most dedicated and effective employees, Mr. John W. Anderson of the Vicksburg District. John Anderson has been the executive assistant to the Vicksburg District Engineer since 1971 and in that capacity, he has played a major role in the development of the Lower Mississippi Valley. He will be sorely missed, both by his colleagues in the Army Corps of Engineers, and by the people he came into contact with frequently in the course of his work in the Lower Mississippi Valley area. I, too, will miss John.

John Anderson was born in Hope, AR, in 1916 and he began his career in Federal services as a boatman with the Corps of Engineers in Vicksburg in 1939. His career with the corps was interrupted by war twice, when he served with the U.S. Coast Guard in World War II and the Korean conflict. As he rose through the civilian ranks with the Corps of Engineers, he received two Meritorious Civilian Service Awards, in 1963 and 1973. His career has been punctuated by numerous letters of appreciation and commendations, both from Federal officials and from public sector civilian organizations.

I am particularly proud of the fact that both John and his wife, the former Mary Aleen Turner, are native Arkansans. Mary Aleen is a native of Magnolia, AR. I want to take this opportunity to publicly thank both of them for their contributions to our Nation. It has been a pleasure to work with John, and I can only wish him the best in his retirement in the years to come.●

YEAR OF SOCIAL SECURITY

● Mr. MOYNIHAN. Mr. President, 1985 marks the 50th anniversary of the passage of the Social Security Act of 1935. As my colleagues may know, I have introduced legislation, Senate Joint Resolution 23, to commemorate this important event by declaring 1985 as the "Year of Social Security."

Though this joint resolution has not yet passed the Congress, I wish to inform my colleagues that the celebration has started. Max Manes, president of the Amalgamated Clothing & Textile Workers Union's New York Headwear Joint Board retiree group, has recently written an article chronicling both the significance of Social Security for generations of Americans, and the necessity of protecting Social Security for the generations to come.

I urge my colleagues to read this article, "After 50 years, Social Security seen as one of nation's 'most significant' laws." I ask that this article be printed in the RECORD.

The article follows:

AFTER 50 YEARS, SOCIAL SECURITY SEEN AS ONE OF NATION'S "MOST SIGNIFICANT" LAWS

(By Max Manes)

(Max Manes, president of ACTWU's New York Headwear Joint Board retiree group, is also chairman of Seniors for Adequate Social Security, an affiliate in New York of the National Council of Senior Citizens.)

On Aug. 14, 1935, President Franklin D. Roosevelt signed the bill passed by Congress establishing the Social Security System (SSS). The importance of that event 50 years ago can hardly be overstated. A 1982 study by the Employees Benefit Research Institution states: "The Social Security Act of 1935 has proved to be one of the most significant pieces of legislation—if not the most significant piece—ever enacted by the Congress of the United States."

How much the system means to the American people is widely recognized, although opponents have tried to downgrade it and create an impression of Social Security as a problem rather than a solution.

Social Security is "A . . . system of protection in old age, survivorship, disability and sickness, touching the lives of practically every family in the United States," says J. Douglas Brown of Princeton University in An American Philosophy of Social Security.

"Entitlements to future Social Security benefits are the most important asset of most American families, and actual benefits have played a central part in reducing poverty among the aged," declares the Brookings Institute's Henry J. Aaron in Economic Effect of Social Security.

In 1937 the U.S. Supreme Court upheld the constitutionality of the Social Security Act. On the 40th anniversary of the system, the AFL–CIO pointed out that, based on the Constitution, "This legislation enunciated for the first time the principle that American citizens are entitled to safeguards in time of need."

Support for Social Security among the people was always strong and has ranked it as the most popular federal program in the nation since its inception. As *Business Week* (on 11/29/82) observed: "The American people . . . have carried on a love affair with Social Security." It is this great popularity which has been the main obstacle to the ceaseless efforts by opponents of the system to weaken and undermine it. The broad public support was manifested in election campaigns, surveys, mail to Congress, grassroots lobbying, public rallies and various other demonstrative actions whenever the system was threatened.

It is ironic that the 50th anniversary of this vital program should occur when we have a president in the White House who has a long record of enmity for Social Security and under whose Administration the system has been subjected to the most severe attack in its history.

Long before he became President, Ronald Reagan crusaded against Social Security along with foes of the system from the world of business, finance, insurance and extreme right wing groups. He joined Barry Goldwater in attacks on it during the Arizona senator's 1964 presidential campaign. He fought against the enactment of Medicare. Under his presidency, Social security benefits—and other programs for human needs such as Medicare, Medicaid, SSI, Food Stamps, etc.—have been drastically reduced in callous disregard for the millions of Americans who depend on them.

To disarm opposition to the cutbacks, Reagan and his Administration disguised the assaults on the system with the claim that they were only trying to "save it from bankruptcy." David Stockman, Reagan's budget director, confessed in an interview in *The Atlantic* magazine in December 1981 as to the purpose of this scare tactic: "It will permit the politicians to make it look like they are doing something for the beneficiary population when they are doing something to it."

In his '84 campaign Reagan promised not to cut Social Security benefits. But he had made similar promises in 1980, only to break them. We must not allow a repeat performance in his second term. We must not lose sight of the fact that, even as he was making these promises on the campaign trail, his Administration was continuing to scheme against Social Security, Medicare, Medicaid and all social programs.

"Top officials of the Social Security Administration," said a report from Washington in the New York Times last October 14, "have been studying proposals for changes in the retirement program, including some that would make participation voluntary, while encouraging reliance on private insurance, pensions and savings. . . ." Acting Commissioner of Social Security Martha A. McSteen, "confirmed" attending such a meeting.

"There have been recurrent reports of the Reagan Administration's designs on Social Security benefits," warns Elizabeth Wickenden, director of the Study Group on Social Security, which watches developments concerning the system closely. The studies encompass "reduction, postponement or elimination" of cost of living increases, "restructuring downward of the whole system . . . privatization . . . means testing . . . increasing Medicare charges," in effect reducing cash benefits, etc.

It would be both a farce and a tragedy if the 50th anniversary year of this historic legislation should be misused by the Reagan Administration to parade as a friend of Social Security while masking further attacks to undermine it. Preventing this from taking place must be a priority task for all of us who have a stake in the system, both old and young.

When F.D.R. signed the Social Security Act, he referred to it as "a cornerstone of a structure which is being built—but is by no means complete." Marking the Act's 40th year, the AFL-CIO stated: "In order to fulfill the proper role, the legislation must be constantly improved." But this not what Reagan wants. His course is detrimental to the system, and must be reversed. There must be no "Bi-partisan" cooperation with Reagan's course. No more cuts in any guise. Benefits that have been cut should be restored, and we must continue strong efforts to build and improve the structure of the system.

Our aim should be the goal visualized by the original architects of the system of Social Security—F.D.R.'s Cabinet level Committee on Economic Security. In its report proposing the Social Security System, which Roosevelt sent to Congress with a message urging enactment, the committee said: "A program of economic security as we vision it must have as its primary aim the assurance of an adequate income to each human being in childhood, youth, middle age of old age—in sickness or in health."●

HUNGER IN AMERICA

● Mr. KERRY. Mr. President, today I join with my senior Senator in recognizing the efforts of a group of physicians who are releasing an important study detailing the presence of hunger in America. The task force, organized by Dr. J. Larry Brown of the Harvard University School of Public Health, has found some profoundly disturbing evidence that hunger abounds in every region of the country and is increasing all the time. It is a study that demands careful consideration and action.

Last year, with Dr. Brown and some of his colleagues, I visited a ward of the Boston City Hospital where physicians are treating children suffering the effects of early food deprivation. These children, in a hospital in one of our major urban areas, have very little chance of full recovery for the deprivation occurred during important developmental years of their growth. It is particularly painful because it never had to happen. And, unfortunately, the numbers are on the rise.

The study not only documents the extent of the problem, but it also proposes some solutions—solutions, given the magnitude of the problem, we should consider immediately.

I am proud to represent a State that boasts two outstanding antihunger advocates in Larry Brown and Senator KENNEDY and I hope to join them in the session ahead to work to revitalize strong programs to help the many hungry people in our country today.●

EXPRESSION OF APPRECIATION TO GOVERNMENT OF ALGERIA

● Mr. SIMON. Mr. President, on the occasion of the coming state visit of Algerian President, Chadli Bendjedid, to the United States next month, it is appropriate that we express our appreciation to the Government of Algeria for the role they played in obtaining the release of the American hostages in Iran in January 1981.

The first soil that those hostages touched as free men and women was the soil of Algeria whose government's efforts in mediating the crisis between the United States and Iran led to their liberation. In recalling those trying days when there seemed to be little hope that the hostages would be freed, it should be kept in mind that the successful resolution of the hostage crisis could not have been accomplished without the scrupulously fair mediation efforts of Algeria.

In this connection, it was President Bendjedid's personal decision to embark on this humanitarian mediation effort. His action and the tireless, round-the-clock work of his late Foreign Minister, Mohamed Benyahia—one of the most impressive public servants I have met anywhere—culminated in the successful outcome of the negotiations between the United States and Iran. More important, it demonstrated to the world that the process of peaceful negotiation can effectively resolve international crises.

Therefore, I take this opportunity to thank President Bendjedid on behalf of the American people and to wish him the warmest of welcomes to our country.●

RETIREMENT OF NRA'S HARLON B. CARTER AND APPOINTMENT OF G. RAY ARNETT

● Mr. MURKOWSKI. Mr. President, last week Mr. G. Ray Arnett, former Assistant Secretary of Interior, was unanimously elected as the executive vice president of the National Rifle Association of America.

Mr. Arnett's election came at the January meeting of the NRA Board of Directors, after Executive Vice President Harlon B. Carter announced his decision to retire as the chief executive officer of the NRA.

Mr. Carter has been a member of the NRA for nearly 50 years, and for the last 8 has served as its executive vice president. During his association with the NRA he established the Institute for Legislative Action, the lobbying arm of the NRA, and became its first executive director. Although Mr. Carter is retiring as the association's chief executive officer, he will continue to serve the organization in an advisory capacity and will serve on the association's executive council.

During his tenure as executive vice president, Harlon Carter led the NRA to live by President Lincoln's words: "Important principles may and must be inflexible." As Mr. Carter said:

> And so we are: Inflexible in protection and furtherance of our right to keep and bear arms in the interests of good citizenship for all of us. Our numbers ensure our credibility and reflect our commitment. This is what moves the mighty avalanche of good citizens who are the National Rifle Association. Dedication to principles.

Those of us who have known and worked with Harlon Carter over the years take the news of his announced retirement with sorrow. But, Harlon Carter can still match the vim, vigor, and vitality of any of our freshmen colleagues. In any event, I would like my colleagues to join me in paying tribute to Mr. Carter on his retirement.

The dedication to principles that Harlon Carter lived by so well will not be lost on his distinguished successor. G. Ray Arnett has long labored for proper wildlife management, for conservation of our natural resources, for strong support of hunting rights, and for uncompromising defense of the second amendment right to keep and bear arms. As a former NRA board member, his contributions to the organization have been so great, I am sure the organization has enhanced its own importance by electing him as its next executive vice president.

Mr. Arnett recently resigned from his position as Assistant Secretary of the Interior for Fish, Wildlife and Parks. My colleagues should know that Mr. Arnett is an internationally acclaimed authority on hunting and conservation.

It is impossible, in this short space of time, to capture the demonstrated abilities for leadership and great industry in his work that Ray Arnett has shown. Mr. Arnett, as was his predecessor, will be a credit to the NRA. I look forward to working with him and have been assured likewise he is anxious to hear the views of my colleagues.

I ask the Members of this body to join me in wishing G. Ray Arnett good luck and success in his new position as executive vice president of the National Rifle Association.●

ARGENTINA'S NEW BREED OF FARMERS ARE PARING U.S. GROWERS' MARKETS

● Mr. BOSCHWITZ. Mr. President, I ask that an article on the disadvantages American farmers face in the world market be inserted into the CONGRESSIONAL RECORD. This article, taken from the Wall Street Journal of November 15, 1984, illustrates how the embargoes of the Carter administration handed Argentina and other agricultural countries a large share of our traditional Soviet market. With their lower production costs and lower valued currency, the Argentines intend to increase their grain and oil seed production 50 percent by the end of the decade and sell much of this to other Latin American nations—a market dominated for the time being by the United States.

The article follows:

ARGENTINA'S NEW BREED OF FARMERS ARE PARING U.S. GROWERS' MARKETS

(By Lynda Schuster)

CARMEN ARGENTINA.—When the U.S. embargoed grain sales to the Soviet Union almost five years ago, Dino Toressi decided that his pigs were a thing of the past.

He sold the 2,000 hogs, planted his 450 acres with corn and wheat and started producing grain for export to Russia, grabbing what had been U.S. business.

"Grains are our future," he yells above the engine's din as he tears along a dusty country road in his new blue pickup. "I want more wheat and corn. I want new technology. I want to be modern. I want to be rich."

Meet the new breed of Argentine farmer. Long a backward country cousin of his U.S. counterpart, he is fast emerging as an aggressive and sophisticated competitor. Thanks to government aid, improved education on farming methods and a trend toward professional management. Argentine farmers have doubled annual grain and oilseed output over the past decade and turned this country into the world's fifth largest exporter of wheat.

Argentina's agricultural gains illustrate one reason that Yanqui farmers are losing their competitive edge abroad. Farming nations are stepping up production, scrutinizing U.S. policies for openings such as the Soviet embargo, undercutting U.S. prices—and gobbling up traditional U.S. markets.

Although the U.S. is still first in grain exports, its share of world wheat trade has slipped in just 10 years from nearly 50% to about 38%. Analysts warn that the squeeze on U.S. exports, already intensified by a strong dollar, could worsen as competing countries become even more productive. Argentina, for one, intends to increase grain and oilseed production 50% by the end of the decade, to 60 million metric tons, and sell much of it to other Latin American nations, a market now dominated by the U.S.

"If Argentina ever really gets going. It could knock the stilts out from under us," says John Urbanchuk, an economist at Wharton Econometric Forecasting Associates in Philadelphia. "Argentina has some of the best land in the world, it can produce a lot cheaper than the U.S. and it's just starting to use available technology," Mr. Urbanchuk says, "This is competition that's going to hurt."

Farmers here in Carmen, the heart of the fecund wheat plains haven't always been so keen on progress. Argentina reached annual grain and oilseed production of about 20 million metric tons in the 1930s—and stayed there for the next four decades. With exports taxed as high as 50%, and the government pursuing a policy of cheap food at home, there was little incentive to duplicate the big technical transformation of U.S. farms after World War II.

All this changed around the mid-1970s when a free-market-minded government scrapped export taxes and spread the welcome mat for multinational farm equipment and grain and seed companies. The moves worked: Farmers felt encouraged to invest more, and the multinationals stepped up their operations here, competing to buy grain from Argentine farmers and to sell them hybrid seed and tractors and other machinery. Production now has doubled.

IT MADE A LOT OF SENSE

Jorge Sibuet, who farms 270 acres of corn with his father, well remembers the beginning of the surge. The tall, whippet-thin Mr. Sibuet says that salesmen suddenly started beating down his door, pushing products that he never knew existed.

"In the beginning we didn't accept the hybrid seeds. We weren't used to them," Mr. Sibuet recalls. "But those salesmen kept on talking, taking us to lectures, sending us brochures, samples of the seeds. In the end, it made a lot of sense."

For the Sibuet farm, and the country as a whole, it has meant almost a 30% leap in corn yields in 10 years—and usually without fertilizer. Instead of fertilizer, most Argentine farmers rotate crops with livestock—generally eight years of crops followed by four years of pasture—to nourish and rest the soil. In a nation like Greece, which combined hybrids with fertilizer, the new seeds produced a dramatic threefold jump in yields. (Neither Argentina nor Greece, however, comes close to matching U.S. yields.)

Other benefits, too, have come to Carmen, a strikingly beautiful place of emerald-green undulating hills and a population of 3,000. Inspired partly by a television series on U.S. farming some years back, many people in this area started growing soybeans. The results are impressive.

Average yields have outstripped those of the U.S. by about 5%, thanks mostly to the fact that the soybeans are planted on only the very best land whereas those in the U.S. are planted far and wide. Here, soybeans and other oilseeds easily bring in more money than wheat or corn, Carmen's traditional crops. Soybean output nationwide has quadrupled in seven years, and Argentina now is a major exporter of soybean products and second only to the U.S. in soybean exports. Raimondo Garcia, who farms 250 acres here, is wild about soybeans. "I put them in the ground," he says, "and I just want to stand there and stare at them."

Farmers here are also latching on to the latest technology. While few countries boast so vast an extension-service network as the U.S. Department of Agriculture's, producers in places like Argentina are learning plenty nevertheless.

Pedro Bogard typifies the new, professional farm manager. He holds a university degree in agricultural administration, unheard of just 10 years ago. He is young, energetic and eager to make the most of the land. His goal is to mechanize the 3,000 acres of San Luis Rural, the *estancia*, or ranch, near Carmen that he has managed for three years.

Mr. Bogard, who looks like a country-and-western singer with his shaggy blond hair and cowboy boots, is well on the way to his goal. He stands in the middle of a vast field, watching a bright red tractor drag around his pride and joy, a new cultivator. The ranch bought about $1.5 million in new equipment this year, Mr. Bogard says, and he figures he will be able to raise his wheat, corn and soybean yields by about 15%.

"Good, good," he murmurs, bending down to caress an upturned clod of rich-smelling earth. "This is so much gentler on the soil. I feel like I'm giving it new life."

COUNCIL CHAPTERS

Wanting more than the government's overextended farm service can provide, some of the biggest and best producers rely on private groups like the Regional Council of Agricultural Experimentation. Based on a French group, it organizes 1,500 farmers into small local chapters, each headed by an agronomist. The agronomist extensively studies each farm, and members meet monthly to discuss his findings.

These council members have become agriculture's elite, commanding yields some 40% higher than the national average. Take Carlos Covernton, who runs the 7,600-acre Two Sisters estancia near Carmen. He spends hours one afternoon in deep discussion with his agronomist, Enrique Seminario. They sit in Mr. Covernton's elegant wood-beamed office, sipping cups of foamy coffee. Gauchos scurry about, garbed in traditional flat, broad brimmed hats, pantaloons and belts trimmed in shimmering coins.

Mr. Covernton is going to use fertilizer for the first time on his 3,700 acres of corn and soybeans. Mr. Seminario tries to talk him into more herbicides, too, but Mr. Covernton worries about the cost. One reason Argentine farmers can produce food cheaply is that they use fewer chemicals than American farmers. (Other reasons: They use less state-of-the-art equipment, too, and their land costs are lower.)

Mr. Seminario consults a thick notebook covered with calculations and assures Mr. Covernton that the increased costs should be offset by an estimated 25% increase in yields. Mr. Covernton stares into his coffee cup and says maybe.

Some incentives to increase production have had nothing to do with internal events. There was, for example, the January 1980 grain embargo imposed by President Carter in retaliation for the invasion of Afghanistan. Important grain growers like Argentina and Canada suddenly became primary suppliers to a huge customer—and continued to be, even after the U.S. said in 1981 that it was ready to resume sales to Russia.

The U.S. share of total Soviet grain imports has since fluctuated from 20% to 40%, compared with a range of 44% to 74% before the embargo. Argentina's share, meanwhile, immediately jumped to 32% from 16% and has since hovered well above the pre-embargo share. Last year it was about 21%.

This isn't the only instance in which the U.S. unintentionally helped promote foreign production and exports. The 1973 ban on its own soybean exports—an attempt to avert a domestic shortage—helped encourage Brazil to expand its fledgling soybean industry to fill the void. Ten years later, Brazil is the world's largest exporter of soybean meal (and third in whole beans).

Experience with world markets has contributed to a mood of quiet confidence in Carmen, an understanding that farmers

here can and will use foreign events to their advantage. This is reflected in the banter heard down at the Sportsman's Club, the local watering hole whose ancient pool table seems the only justification for its name. Saturday afternoons find the Formica tables filled with farmers drinking red wine cut with seltzer.

At one table a group huddles around Armando Barbien, the beefy manager of the local grain cooperative. He is expounding upon how best to benefit from the fact that this region's seasons, and hence its planting times, are opposite the U.S.'s. Read the papers and watch the gringos, he urges. If there is no market for wheat, then plant soybeans. No corn market, plant sunflowers. Noticing a North American visitor, he interrupts his discourse for a moment.

"We may not know where Cheecago is," he mispronounces proudly, "but we know that it's important to our grain."

Argentina seems ready to really give the gringo farmers a run for their money. Experts get starry-eyed when they talk about what the widespread use of fertilizers would do for yields and about how farmers could then easily meet the government's goal of a 50% jump in grain output by 1990. Fertilizer is currently used on only about 20% of Argentine farm land.

Most chemicals are prohibitively expensive because they are imported. But the government, bent on reaching its production goal, has slashed the high import duty on herbicides. It also is giving fertilizer to farmers who want to exchange part of their future crops for it.

PRICE STRATEGY

And it has a clear strategy for winning a large share of the Latin American market, which currently accounts for almost 20% of total U.S. grain exports. The U.S. has been able to dominate the Latin market by selling grain on credit. Cash-poor Argentina clearly can't do the same, but with average production costs some 30% below those of the U.S., Argentina could offer attractive deals to hungry nations like Brazil and Mexico.

"We can, and we will, undercut world prices," declares Nestor Stancanelli, a top official in the ministry of foreign commerce. "And that's how we will sell 20 million metric tons more of grain to our Latin neighbors."

But progress could be slowed by many things. For starters, the 25% tax on most grain exports is no incentive. The government recently cut the wheat export tax to 18%, but it isn't promising to do much more even though farm exports bring in about 70% of the country's hard cash.

Then there is Argentina's inflation. The uncertainty it creates is causing many farmers to think twice about making big investments. And even if farmers did produce 60 million metric tons of grain and oilseed, they would still face huge storage and transportation problems.●

RADIO LIBERTY

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 141 and join with my distinguished colleague from Florida in an attempt to expand the currently limited broadcasting to Soviet Jews by Radio Liberty.

Recently, state-sponsored Soviet anti-Semitism has been stepped up. Cries from Soviet Jews in this oppressive state must be heard, and soon. The Soviet production, "The Hirelings and Their Accomplices," brings home the chilling fact of just how Soviet Jews are envisaged by their countrymen, and their government. Labeled "refuseniks" by their Soviet peers, Jews, from a Soviet perspective, are part of a global conspiracy against the Soviet Government and people. As Moscow airs more and more derogatory programs of this nature, the oppression and violence will continue, and worsen.

Last year, more than 350,000 Soviet Jews expressed interest in immigration; 896 were allowed to leave. This number is a 98 percent drop from just 5 years earlier, and the crackdown goes further than immigration. Jews are frequently harrassed, both inside and outside their homes, by Soviet authorities. Often they are imprisoned or relocated against their will for no apparent reason. They are forbidden to practice their religion in any form, and are not allowed to celebrate, or even recognize, their holidays.

This legislation will give hope to Jews living inside the Soviet Union, by consolidating Jewish-related broadcasts into "Radio Maccabee." As broadcasts such as these increase, it will become apparent to the Soviet Jews, if it presently is not, that we, in the United States, do care about their plight, and care greatly, and will continue to fight for them, until every last one is freed from Soviet tyranny and anti-Semitism.

Mr. President, I urge the promotion of this legislation.●

THE RETIREMENT OF SENATOR RUSSELL LONG

● Mr. ROTH. Mr. President, like probably all of my colleagues, I am surprised and saddened at the decision of Senator RUSSELL LONG to retire from the Senate at the end of his current term.

I have had the pleasure of serving with Senator LONG on the Finance Committee for the past 14 years, and hardly a session went by on that committee that I did not learn something from Senator LONG—either about the Senate, about taxes, or about people. In all my time in Washington, I have never met a more effective legislator, or a finer person.

I do not want this statement to sound like a eulogy, because Senator LONG will remain a major force in the Senate for the next 2 years, and beyond. But I am sure that the Finance Committee hearing room, and this Chamber, will be a far duller and less interesting place when Senator LONG heads off to his well-deserved retirement.●

THE 65TH ANNIVERSARY OF THE PROCLAMATION OF INDEPENDENCE IN ESTONIA

● Mr. D'AMATO. Mr. President, February 24, marked the 65th anniversary of the proclamation of independence of the Republic of Estonia. On that day, Kalevipoeg, the hero of Estonia, came home to bring his people freedom.

On February 20, 1920, a treaty of peace was signed between Estonia and the Soviet Union. In this treaty, Moscow "voluntarily and forever" renounced its sovereign rights over the territory and people of Estonia. Concurrently, many nations accorded Estonia de jure recognition, including Japan and Germany. The Government of the United States followed just 2 years later.

On June 15, 1920, the sovereign state of Estonia established its constitution, which affirmed Estonia's independence and its republican form of government. In 1925, the young Republic, appreciating the importance of ethnic identity, became the first country in the world to grant its minorities cultural autonomy.

Estonia's independence and republican form of government was shattered during the very early days of World War II when an infamous nonaggression treaty was signed between Nazi Germany and the U.S.S.R. This treaty assigned Estonia to the Soviet orbit. In 1941, however, Estonia was occupied by the Nazis in their drive toward Moscow. For 3 years, Estonians were forced to work for Hitler's war effort.

In October, 1944, the Red Army reoccupied Estonia, and immediately purged tens of thousands of innocent Estonian citizens. The Soviet Union then took control of Estonia's Government, private institutions, farms, and transportation and communication networks. Moreover, Soviet law forbade citizens to travel to other countries, and often, to travel within their own country.

Today, Russian oppression of the Estonian people is severe. For the 1.5 million people who live in Estonia, a systematic Soviet policy of Russification and cultural genocide is being carried out. Estonians have been relocated by Soviet authorities, and Russians have infiltrated their country to replace them. The Soviet Union is consciously attempting to obliterate the Estonian language and all ethnic traditions which have made these people justly proud of their heritage. Further, traditional mores and values are being eroded; many places of worship have been closed.

The Estonian people have had a long history of resistance to the Soviet occupation, and today, as always, we stand behind them. Since the early 1970's Estonian self-determination has been sought through both the Demo-

cratic Movement of Estonia and the Estonian National Front. The early 1980's have witnessed strikes at factories and student demonstrations in at least five cities.

We must not deviate in our support for the self-determination of the Estonian people. We must, as urged by thousands of Estonian-Americans, continue to stand behind the people of this sovereign state, against the ruthless and imperialistic aggression of the tyranny directed from Moscow. We must look back on Estonia's brief encounter with independence 67 years ago as the glimmering light at the end of the tunnel: The road to freedom.

Thank you, Mr. President.●

TAX REFORM AND THE AGRICULTURAL ECONOMY

● Mr. BAUCUS. Mr. President, the Federal income tax system has a significant impact on the agricultural economy. In some cases, this impact comes from provisions that affect businesses generally, such as the accelerated cost recovery system and the favorable treatment of capital gains. In other cases, it comes from provisions that affect farms and ranches specifically, such as special cash accounting rules and soil conservation deductions.

Most of these provisions were designed to help businesses in general, and farmers and ranchers in particular, by encouraging investment and increasing productivity. However, some farmers and ranchers and some agricultural economists think that these provisions' cumulative impact is largely negative. They believe that many of the provisions have grown so complicated that farmers and ranchers are burdened with excessive paperwork. And they believe that tax incentives have sometimes attracted tax shelter investments that concentrate farm and ranch ownership, increase land prices, and otherwise distort the agricultural economy (see, for example, the December 21, 1984, report of the Congressional Joint Economic Committee).

TAX REFORM

In the same way that the current tax system has a significant impact on the farm economy, tax reform will have a significant impact on the farm economy, for good or ill. The most prominent tax reform proposal is the Treasury Department's, which would "combine lower tax rates, increase personal exemptions, and zero bracket amounts with the repeal or modification of a number of existing deductions, exclusions, and credits" (volume 1, p. VII).

At a time when the agricultural economy is reeling from heavy debt, low prices, and a record number of farm foreclosures, it's critical that we fully understand and openly debate the potential ramifications of tax reform for the agricultural economy.

THE CRS REPORT

To increase our understanding and focus our debate, I recently asked the Congressional Research Service to report on "the effect of the Treasury tax reform proposal on farm income taxation." In general, the report concludes that enactment of the Treasury proposal would increase the overall tax burden on agricultural income, that its effect would vary substantially among different types of agricultural operations (for example, wheat farming and cattle ranching), and that "some burden of the increase in farm tax burdens would fall on tax shelter operators and investors."

More specifically, the proposal identifies six major proposed changes that would have a significant effect on the taxation of agricultural income (in addition to the basic reduction in individual and corporate tax rates):

Modification of the cash accounting rules, which principally would affect livestock breeding, dairying, and orchard and vineyard operations;

Replacement of lower tax rates for long-term capital gains with the indexation of capital assets, which would principally affect sales of land and livestock;

Replacement of the accelerated cost recovery system and investment tax credits with a "real cost recovery system" based on estimated actual useful lives and an indexed basis, which would affect all agricultural structures and equipment.

The indexation of interest, which CRS say would "be good news for creditors but bad news for debtors" (and might also reduce interest rates).

Subjecting large limited partnerships to a separate corporate level tax, which would affect agricultural tax shelter operations; and

Limiting the deductibility of interest other than mortgage and direct business interest, which principally would affect agricultural tax shelter operations.

CONCLUSION

I hope that this report stimulates further study and debate. We must learn more about the current tax system, about the Treasury proposal, and about alternative tax reform proposals. And we must analyze not only the primary impact of reform (on the tax burden on agricultural income) but also the secondary impact (on the structure of the agricultural economy); not only the short-term impact but also the long-term impact. Thus informed, we can openly debate the proper relationship between the Federal tax system and the agricultural economy.

I ask that the full text of the CRS report be printed in the RECORD.

The report follows:

EFFECT OF THE TREASURY TAX REFORM PROPOSAL ON FARM INCOME TAXATION

(By Jack Taylor)

INTRODUCTION

In November 1984, the Department of the Treasury published a comprehensive plan for reforming the Federal income tax system.[1] The plan would bring into the tax base large amounts of income not now covered because of exclusions, exemptions, deductions, and credits. At the same time, it would reduce the tax rates applied to this broadened tax base. The system would be fully indexed for inflation. A major objective of the plan is economic neutrality in the tax system.

Such a tax system would be a profound change from our present system of subsidies and penalties. Some taxpayers' burdens would increase and some would decrease relative to what they pay under the present system. A more economically neutral tax system could be beneficial to particular taxpayers even though their own taxes actually increased if, for example, it produced substantially lower interest rates. A proposal as comprehensive as the Treasury's must be evaluated on many factors other than its effect on the tax burdens of a particular taxpayer or class of taxpayers.

However, understanding what groups gain and what groups lose in the initial redistribution of tax burdens is certainly an important criterion in judging a tax reform proposal. Many questions have already been raised about the effects of the Treasury proposal on particular industries. This paper assesses some of the possible impacts of the proposal on the taxation of income from farming.

As a tax-favored industry under the present system, farming would be faced with tax increases under a more neutral system such as the Treasury proposes. Different types of farm operations have different degrees of tax preference under present law, so they would face different degrees of tax increase.

The remainder of this chapter gives as background a brief overview of the Treasury proposals and a summary of the present tax rules most affecting farm income taxation. Chapter II gives a more detailed description of how the Treasury proposals change the tax rules most affecting farmers. Chapter II offers an assessment of how these changes will alter the tax burdens on farm assets. The final chapter summarizes the overall impact of the proposals on farm income taxation.

A. Overview of the Treasury proposal

Treasury's proposed tax reforms would result in a tax system with a greatly expanded tax base, redued tax rates for virtually all individual taxpayers, and a single rate of tax for all undistributed corporate income. Most business deductions would be revised to reflect the principle that only the actual expenses of earning income are legitimate tax deductions. Most of the special incentive provisions intended to influence economic decisions (such as the investment tax credit) would be repealed. Virtually the entire system would be fully indexed for in-

[1] U.S. Department of the Treasury. Tax Reform for Fairness, Simplicity, and Economic Growth, a Treasury Report to the President. Volume I, Overview. 262 p. Volume II, General Explanation of the Treasury Department Proposals. 408 p. Nov. 1984. Hereafter cited as Treasury Report.

flation, so that real tax burdens would not change because of the inflation rate.

The individual income tax base would be broadened by including many currently untaxed fringe benefits and other tax-exempt income, repealing itemized deductions for State and local taxes and limiting other itemized deductions, reducing the deductibility of mixed personal and business expenses such as entertainment, and restricting the devices available for tax shelters. Business deductions for depletion and depreciation would be based on estimated declines in the economic value of the assets, adjusted for inflation. Interest income and deductions (except limited itemized deductions for individuals) would be indexed for inflation, and the basis of non-debt capital assets would be indexed for purposes of computing gain on sales and for inventory accounting. Special capital gains provisions would be repealed. Most of the special rules for particular industries, such as insurance, banking, and mining, would be repealed. Corporations would be allowed a partial deduction for dividends paid.

The proposal is designed to be revenue neutral, meaning that it is intended to produce about the same amount of Federal tax receipts in 1986 as the present tax system would produce. Revenue neutrality (although possibly not very realistic in the face of the current persistent budget deficits) is a necessary convention for analytical purposes. The effect of raising taxes above their current aggregate levels is an entirely different question from the effect of rearranging the tax burden, however large it is, among taxpayers. The Treasury proposes a major rearrangement of tax burdens. This proposal deserves study for its own sake, quite apart from the question of how much money will be needed to fund the Federal Government.

It is obvious from even these few highlights that this is an extremely comprehensive proposal. Every taxpayer will be affected, and many will be affected by a number of different changes, perhaps going in a number of different directions. The overall impact of the proposal is supposed to be to reduce the tax burden on individuals and, to remain revenue neutral, increase the burden on corporations.[2] Taxpayers not presently taking advantage of the tax preferences being repealed or reduced will obviously fare much better than those now benefiting from the use of those preferences. So the effects of the Treasury proposal on a particular taxpayer or class of taxpayers depends in large measure on how they are treated under present law.

B. Income tax rules affecting agriculture

Anything in the tax code could affect the way a farmer is taxed. Farm families earn wages, have investment income, itemize deductions, and even engage in exotic tax shelter programs. Their total income tax bill is determined by these and other nonfarm tax provisions, as well as by the provisions specifically affecting farm income.

This report deals with the tax burdens on farm income, not necessarily the tax burden on farmers. The more dependent a taxpayer is on farm income, the more the analyses in this report will apply; but for many farm families, the changes in the other tax rules will have much more to do with their final tax liabilities under this proposal than the farm income tax rules discussed here.

A relatively few provisions of the present tax law make the taxation of farm income unique.[3] The right to use cash accounting for the costs of producing inventory and other capital assets, the special tax treatment of capital gains income, and the advanced recovery of capital afforded by the investment tax credit and the accelerated cost recovery system (ACRS) provide the principal tax benefits for farm income. There are also some penalties placed on farm income, since the farm tax privileges are often used in tax shelter operations.

The provisions particularly affecting farm income are all changed in the Treasury proposal. In addition, the indexation provisions, particularly the indexation of interest, will have a profound effect on the tax status of farm income. These changes are described in detail in the next chapter.

L. SUMMARY OF TREASURY PROPOSALS AFFECTING AGRICULTURE

A. General

The tax reform package was designed as an interrelated whole, with increases in tax burdens in one place fully or partially offset by rate reductions, indexation for inflation, or other changes. This section briefly summarizes some of the general changes proposed by Treasury that need to be taken into account in discussing the provisions specific to farm income.

For individuals, the proposal contains an increase in the personal and dependency exemptions and the zero-bracket amounts, which together establish the threshold below which income is not taxes. Exemptions would be worth $2,000 each and the zero-bracket amounts would be raised to $2,800 for a single individual, $3,800 for a married couple filing jointly, and $3,500 for a head-of-household return. Instead of the current 14 or 15 tax brackets with rates ranging from 11 to 50 percent, there would be only three brackets, with rates of 15, and 35 percent. Exemption and zero-bracket amounts and the rate brackets would be adjusted annually to reflect changes in the general price level.

An itemized deduction for contributions to charity would be allowed only for contributions in excess of 2 percent of adjusted gross income, the interest deduction would be restricted as discussed in section E, below, and the itemized deduction for non-business State and local taxes would be repealed. Medical expenses and casualty losses would continue to be deductible under the existing rules. The deduction for two-earner married couples would be repealed, but the deduction for contributions to an individual retirement account would be increased and expanded in scope.

For corporations, the present graduated rate structure of 15 percent on the first $25,000 of taxable income, 18, 30, and 40 percent on each of the next $25,000 increments, and 46 percent on all income over $100,000 would be replaced by a flat 33-percent tax on all taxable income. Corporations would be allowed to deduct 50 percent of the dividends they pay their stockholders, so the flat corporate rate of 33 percent would apply in full only to undistributed profits.

C. Modification of the cash accounting rules

Farmers are, to some extent, excepted from the current tax rules restricting the use of the cash method of accounting. Under the general rules of tax accounting, expenses that go to develop an asset that lasts and produces income beyond the current tax year are supposed to be capitalized and deducted when the income from the asset is reported. In the case of inventories, the costs are deducted in the year the goods are sold; in the case of a depreciating capital asset, the costs are deducted incrementally over the productive life of the asset. Farmers, with a few exceptions, are allowed to deduct the expenses of raising crops, livestock, fruit and nut trees and vines, and similar products in the year the bills are paid, regardless of when the crop or product is sold or when the livestock, trees, or vines start producing for sale (which could be several years later). Citrus and almond growers and tax-shelter organizations are not allowed this cash accounting option but must capitalize all development costs.

Under the Treasury proposal, the expenses incurred during the preproduction period of any product or asset that takes two years or more to reach the production stage would not be deductible currently. These expenses would have to be capitalized and treated as the price of a purchased asset is treated, that is, deducted from the sales price if the asset is sold or depreciated if the asset is used in production. The expenses required to be capitalized would be comprehensively defined and would include all expenses directly attributable to the activity and an allocable share of general and administrative expenses, including depreciation and interest. The capitalized costs would be indexed for inflation.

The rules allowing cash accounting for products and assets with preproduction periods of less than two years would not be changed by the Treasury proposal. Thus, all the expenses of producing most field crops, for example, would continue to be deductible on a cash basis.

These changes would apply principally to livestock breeding, dairying, orchards and vineyards (except almond and citrus groves), and similar ventures that have, in the past, been treated especially generously. The costs of producing these long-term assets have been deductible years in advance of there being any income to report, making the tax rates on them effectively negative. In addition, the income, when it was finally reported, was often taxed as tax-favored capital gains.

C. New treatment for gains on sales of assets

Under present law, gains on sales of property are divided into several types, depending on whether the property qualifies as a capital asset, on the length of time it was held, and on a number of special legal provisions changing the nature of the property just for purposes of tax treatment. All these legal distinctions are important because sales of capital assets held long enough to qualify as "long-term" are given more favorable tax treatment than other property sales. ("Long-term" means six months or longer for assets acquired after June 22, 1984, and one year for those acquired earlier, with the exception of livestock. Cattle and horses must be held for at least two years and other livestock for at least one year to qualify as long-term capital assets.) Individuals may exclude 60 percent of long-term capital gains from taxable income and corporations are given a reduced tax rate on

[2] Treasury Report, vol. 1. p. 254. See also U.S. Library of Congress. Congressional Research Service. A Comprehensive Analysis of Five Tax Proposals: Effects of Business Income Tax Provisions. Report No. 84-832 E, by Jane Gravelle. Washington, 1984. 24 p.

[3] For a more extensive discussion, see U.S. Library of Congress. Congressional Research Service. Farm Income Taxation. Report No. 85-13 E, by Jack Taylor. Washington, 1985. 52 p.

them. The gains are computed using nominal values, so the amount of taxable "gain" from any transaction depends on the inflation rate during the time the assets was held.

Treasury proposes to repeal the special exclusions and tax rate reductions for capital gains and to eliminate most of the distinctions between different types of property sales. Instead, virtually all property sales would be indexed for inflation. (Almost the only exception would be bonds and other debt instruments, for which the interest payments rather than the principal would be indexed.) For all assets except debt instruments, gain would be computed by first inflating the cost or basis of the asset to current dollars (using inflation adjustment factors provided by the Internal Revenue Service). The selling price would be in current dollars, of course, so subtracting the cost in current dollars would give a fully indexed gain or loss. Any resulting gain would be included in taxable income to be taxed at the standard rates, although there would still be restrictions on the deductibility of losses. Thus, at zero inflation rates, capital gains would be taxed as ordinary income, but gains on an asset held during a period of inflation would often be more favorably treated than under present law. An asset held for a relatively short time and appreciating at a relatively low rate during a period at high inflation would be more favorably taxed under the Treasury proposal.

These changes would affect the tax burden on farm income in several important ways. Land, perhaps the most valuable farm asset, frequently is expected to produce part of its return in the form of appreciation in value, which will not be taxed until the farmer sells out and retires. The present capital gains tax reductions are a significant advantage in this situation, but indexing the original cost of the land would frequently be just as valuable. Another important use of the capital gains provisions of present law, especially in tax shelter operations, is the sale of raised livestock held for draft, dairy, breeding, or similar use or of raised fruit or nut trees or vines. Under present law, it is frequently possible to deduct the costs of raising such assets over the several years it takes to reach the production stage and then to receive capital gains treatment when the assets are sold. The Treasury proposal would reduce the value of this type of an operation considerably.

D. Revised capital recovery system

The present capital recovery system for depreciable property consists of an investment credit against tax for a part of the cost of property other than buildings and rapid depreciation of the cost under the accelerated cost recovery system (ACRS). The investment credit ranges from 6 to 25 percent of the cost, depending on the type of property. ACRS recovery periods range from 3 to 18 years; farm machinery and equipment is assigned a 5-year recovery period and most farm buildings are assigned an 18-year life (except "single-purpose structures," such as greenhouses and milking parlors, which are written off over five years).

The Treasury proposes to scrap this system entirely and replace it with a "real cost recovery system" (RCRS). There would be no investment credit, and the annual deduction for depreciation would be based on schedules designed to reflect actual declines in economic value. However, the deduction would be computed on a depreciable basis that had been adjusted for inflation, not on historical cost.

RCRS would be implemented by assigning depreciable property to one of seven classes and assigning to each class a depreciation rate based on studies of the actual decline in value of assets in that class. The depreciation rate for a class would be applied each year to the remaining undepreciated cost of an asset inflated to current dollars. For example, the depreciation rate for buildings would be 3 percent a year; so each year the cost not already recovered through prior depreciation would be increased by that year's inflation rate (supplied by the Internal Revenue Service) and the result multiplied by .03 to compute the year's depreciation deduction.

Farm buildings would receive a depreciation rate of 3 percent. Most other farm depreciable assets would be assigned recovery rates of either 12 or 18 percent.

E. Indexation of interest

Present law allows the deduction of nominal amounts of interest paid and requires the reporting of nominal amounts of interest income received, without regard to the effects of inflation. However, inflation causes the value of the underlying debt, the amount of money on which the interest is calculated, to decline even as the interest accrues, so part or all of the interest merely goes to maintain the value of the principal. Payments of principal, of course, are loan repayments, not income or current expenses, and should not affect the calculation of the tax liabilities of either the debtors or the creditors.

The Treasury's proposal would separate the components of most interest, treating the portion representing inflation as repayment of principal and the portion representing true interest as taxable income or a tax deduction. For corporations, the Internal Revenue Service (IRS) would prescribe a fraction of all interest receipts and payments to be excluded as the inflation portion. For individuals, interest on the mortgage on a principal residence would be deductible in full, without adjustment, as an itemized deduction. All other interest income and deductions would be netted before any inflation adjustment was made. If this net was positive (interest income), a fraction would be excluded as the inflation portion. If it was negative (interest deduction), $5000 would be deductible in full without adjusting and all over $5000 would be reduced by the exclusion factor before being deducted. Personal, investment, and noncorporate business interest would apparently be aggregated for purposes of applying these rules.

The fraction of interest to be excluded as the inflation portion will be prescribed by the IRS based on a measured inflation rate and an assumed real interest rate. In the Treasury report on its proposal, the assumed real rate of interest is 6 percent.

Generally, indexation of interest is good news for creditors and bad news for debtors. How good or bad the news is depends on the inflation rate. One percent inflation means that 14 percent of interest income will not be taxed and that 14 percent of interest paid (above the limits) will not be deductible. (The 14 percent is derived as follows: 1 percent inflation divided by the sum of the 1-percent inflation rate and the 6-percent "real interest rate.")

Since farmers tend to be net debtors, this change, taken alone, would probably tend to increase farmers' taxes. The Treasury argues that these changes should also tend to reduce interest rates, because lenders will not demand, nor borrowers so willingly pay, high inflation premiums.[4]

F. Curbing of tax shelters

Under present tax law, many of the tax advantages accorded farm income also serve to reduce taxes on income earned outside the farming operation and thus "shelter" it from tax. This can be done by taking the early deductions allowed under the cash accounting and capital recovery rules and not recognizing the income generated by these expenses until a future year. The value of this tax deferral can be greatly increased if the expenses go to develop an asset whose sale generates capital gains income taxed at reduced rates.

The proposed changes discussed earlier would serve to reduce the attraction of farm tax shelters; in particular, capitalizing the expenses of raising assets with long preproduction periods, eliminating the capital gains exclusion, and reducing the value of the capital recovery provisions would curtail opportunities to profit by sheltering off-farm income. In addition, however, Treasury proposes some restrictions aimed at tax shelters in general.

A number of tax shelters, including some in farming, have been marketed through the use of limited partnerships. The limited partnership has the advantages of a corporation in that the investor's liability is limited and there is separate management divorced from ownership; and it has the partnership advantage of being able to pass along losses to investors. This latter feature is, of course, essential in a tax shelter operation. The Treasury's proposal would treat all partnerships with more than 35 limited partners as corporations for income tax purposes, making them liable for the corporate tax on any profits and making it impossible for them to pass losses through to the partners.

Interest deductibility would be limited for all interest "not incurred in a trade or business" to mortgage interest on a principal residence plus net investment income plus $5,000. These limits apply after netting interest income and expenses and adjusting any net deduction over $5000 for inflation, as discussed earlier. For purposes of this limit, a passive investors' share of the income of a subchapter-S corporation or a limited partnership would be treated as investment income (not as a trade or business). The use of borrowed funds is often an important element in tax shelter investing, so this limitation will make it more difficult to achieve economic benefits from a leveraged tax shelter.

II. CHANGES IN TAX BURDENS ON AGRICULTURAL ASSETS

A. Tax burdens on farm income

This chapter analyzes the effects of the Treasury tax proposals by relating the proposed changes to the sources of farm income. The sources of farm income are the labor of the farmer and his or her hired help and the various assets used in the farm operation. Because the current tax system treats different sources of income differently, the actual tax burden anyone faces depends on the sources of his or her income. The Treasury's proposal treats most sources of income more evenly than the present system, so the overall effect would ultimately be a more neutral tax system; but getting to that point will mean greater changes in

[4] Treasury Report, v. 2, p. 198.

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tax rates for some kinds of income than for others.

The effects of the Treasury proposal on farm income tax burdens depend on the interaction of the changes in tax rates, the indexation provisions, the other generally applicable provisions, and the provisions especially affecting farm income. In addition, individual farmers' positions will be affected by their own situations (such as their mix of assets or types of products) and by the general inflation rate. Only by considering all of these things together could one predict an individual's potential change in net tax liabilities.

The obvious impossibility of the task outlined in the previous paragraph does not often stop tax analysis from making a great many statements about changes in tax burdens, and this chapter will be no exception. The direction (if not the magitude) of the Treasury's proposed changes can be suggested for most farm income sources, at least under assumptions about inflation rates and other conditions.

The changes in the corporate tax rates, a change undoubtedly of considerable importance to part of the farm community, will be ignored in most of the discussions of income sources below. A final section in this chapter will bring the corporate rate changes into the discussion, along with a brief word about the taxation of labor income.

B. Inventories

The normal practice among most farm operators is to deduct production expenses in the year paid or incurred rather than capitalizing them as inventories. The Treasury proposal would continue to allow this practice for most farmers, so most farmers would experience no change in tax burdens due solely to inventory accounting.

The reduction in individual tax rates would alter the net tax burden on inventories; and the nature of farm income taxation is such that the reduction in tax rates may well increase the tax burden on farm inventories. The expenses of producing goods to be sold later are frequently deducted from off-farm income, giving a very low or even negative tax rate on farm inventories. Reducing the tax rates means that the value of the deduction against other income is reduced and the tax rate on the inventories is actually higher than it was before.

Non-family corporations with receipts of over $5,000,000 are currently required to use inventory accounting and would continue under this requirement under the Treasury proposal. These corporations could experience a decrease in tax burdens on inventories. If the corporation's current taxable income is more than $75,000, its overall tax rate might be reduced. (At $75,000, the current marginal corporate tax rate is 40 percent, which would be reduced to 33 percent under the Treasury proposal.) In addition, inventories would be indexed for inflation, which would reduce the effective tax rates on virtually all corporate inventories.

C. Livestock, trees, and vines

Productive assets that are raised on the farm, such as fruit and nut trees and vines and breeding or dairy livestock, would be subject to one of the most notable changes in treatment in the Treasury proposal. The costs of raising any such assets that do not become productive for two years or longer would have to be capitalized rather than deducted currently. Expensing the preproduction costs of these assets gives them very low or negative effective tax rates under the present tax system; capitalizing these costs would increase tax burdens substantially.

Since most of these assets require two years or more to reach a productive stage, most will come under the new capitalization requirements of the Treasury proposal. All will lose the special capital gains exclusion, which is repealed in the Treasury proposal. The capitalized costs would be recovered either when the asset is sold or through depreciation deductions during the asset's productive life. In either case, the cost would be indexed for inflation.

This change almost surely results in an increase in tax burdens on raised farm assets. Treatment under present tax law is so generous that almost any change is bound to be in the direction of higher taxation. Under existing law, the present value of the tax savings from deducting preproduction expenses plus the present value of the future after-tax income from the asset is typically greater than the present value of future pre/tax income; in other words, the investment is more profitable after taxes than it was before taxes (at least for those who have sufficient tax liability on other income to use the deductions). Indexation of depreciation could never be as generous as this advance expensing. The Treasury's proposal institutes a more neutral tax treatment, which in this case means higher taxes.

It is not possible to calculate the magnitude of these tax changes in the actual farm economy because no data is available on preproduction costs. Presumably, a very large portion of the expenses of raising certain productive assets, particularly trees, vines, and cattle, are never capitalized and so appear only as current deductions in IRS statistics. (If the asset is sold for use in production, its basis in the hands of the new owner establishes its capital value, but if it is never sold, it will usually not appear on any balance sheet as a capital asset.) How much of the currently deducted expenses shown in the farm income statistics are actually the costs of producing capital assets is simply unknown.

Since the tax rates on these assets have been historically so low, increasing them is necessary to Treasury's objective of equalizing the tax treatment of various investments in all sectors of the economy. More nearly equal tax rates could be beneficial to the farm economy in general if they discourage tax shelter operators. Many investments in livestock, trees, and vines are undertaken to take advantage of today's tax code, not because the investment is economically attractive; this contributes to overproduction of farm products and high input costs. The provisions requiring capitalization of preproduction costs would raise the taxes on many livestock and fruit and nut producers; but it could benefit them in the long run by helping produce a more economically sensible market in which to operate.

This change does, however, entail some potentially serious administrative problems. The cash accounting provisions for farmers in the present Code are not there solely to reduce farmers' taxes (although they frequently have that effect). They also avoid the problem of distinguishing ordinary operating expenses from capital expenditures, a problem that could be more serious for IRS than for the taxpayers. A single example can illustrate the point. The owner of a beef cattle herd maintains the herd by keeping some of the female calves (heifers) for future breeding stock and selling culled heifers and neutered male calves (steers) for beef. Thus, when a cow is bred, the result may be a heifer to be used for future breeding, which would be a capital asset, or another calf, which will be sold as ordinary stock in trade. (This would be inventory in another business, but the Treasury proposal does not require any additional farmers to use inventory accounting.) The problem can be envisioned by imagining the IRS and the farmer debating how to classify the breeding fee. Perhaps most farm expenses are of this nature, and in the past the Congress has decided that trying to force farmers to keep adequate books to properly classify them was not worth the cost.

D. Depreciable assets

Tractors and other equipment, barns and sheds, purchased livestock used for breeding or other production, and similar depreciating assets would be treated very differently under the Treasury proposal. The present system, designed to encourage investment in these types of assets, would be replaced by a system designed to be neutral, a system offering recovery of an asset's real inflation—adjusted cost over its economically useful life. In a world with no inflation, this change would cause a marked increase in the tax rates on depreciable assets. In a world with even moderate amounts of inflation, however, there could be an actual decrease in taxes because of the more netural cost recovery, especially taking the change in tax rates and other changes into account.

There are a number of other factors to be taken into account in trying to decide the actual effects of this change on an individual farmer or on the farm economy generally. One important factor is that the present cost recovery system (investment tax credit and ACRS) applies only to new purchases. Depreciable assets already owned are not affected. Under the real cost recovery system, however, all depreciable assets are adjusted for inflation each year. Thus a farmer with large investments in older depreciable assets is likely to be more lightly taxed on his total depreciable assets under the Treasury proposal, even if his marginal rate on new investments were higher.

The rate of inflation would, of course, be the most important determinant of the net change in tax liabilities on depreciable assets. At very high inflation rates, virtually everyone would face lower tax rates than at present, because the value of the inflation adjustment would outweigh the value of the more rapid recovery of historic costs. Under ACRS, a $10,000 piece of farm equipment can be written off over five years. The discounted present value of the amounts written off, at 5 percent inflation and a 4 percent real discount rate, is $8,370. At a 10-percent inflation rate, however, the future deductions would be worth only $7,660. Under RCRS, the same equipment would be written off at a rate of 12 percent of the indexed balance, the present value of which is $7,810 (also at a 4 percent real discount rate; since the RCRS is indexed, the present value is the same under any inflation assumption). At 5 percent inflation, the value of an ACRS deduction is greater (not considering the reductions in tax rates); but at 10 percent inflation, the RCRS deduction is worth more.

E. Land

Tax rates on land used as a productive asset are essentially the statutory rates, because in general write-offs against land are not permitted, not even write-offs representing the declining productivity of farm land. In many cases, however, part of the return

on an investment in land comes in the form of an appreciation in value that is taxed only when the land is sold, so the value of the deferral and the reduced capital gains tax rates on the sale do serve to provide some tax advantage to land. In addition, some capital expenditures that might add to the value of land, such as conservation expenses, are deductible from current income under present law.

The Treasury proposal changes the tax burden on land by eliminating the deductibility of capital improvements, by substituting indexing for capital gains on sales, and by the general changes in the tax rates.

Probably the dominant factor in these changing tax burdens is the change in the treatment of sales proceeds. To illustrate this change, assume a farmer buys a piece of land in 1985 for $100,000 and sells it exactly five years later for $127,628. The inflation rate is exactly 5 percent each year. Under present law, the farmer would report and pay tax on $11,051 ([$127,628 minus $100,000] times .40). Under the Treasury proposal, he would be taxed only on his real, after-inflation gain, which in this case would be zero. (An inflation rate of 5 percent a year would mean an IRS-proclaimed "adjustment factor" of 1.27628. $127,628 minus [$100,000 times 1.27628] equals zero.)

Obviously, this example was designed to yield a predetermined answer; it illustrates what happens when the property being sold has appreciated at a rate exactly equal to the inflation rate. If it appreciates less than the inflation rate, indexation would allow the deduction of the real, after-inflation loss the seller suffered. If the property appreciated faster than the inflation rate, whether the seller will be better off excluding 60 percent of the gain or being taxed on only the real gain would depend on the length of time the property was held as well as the inflation and appreciation rates.

F. Corporate tax rates and other changes

The Treasury proposal changes the corporate rate structure from graduated rates of 15 to 46 percent to a flat rate of 33 percent. Corporations would, however, be allowed a deduction from taxable income for one-half of dividends paid to stockholders. The current rules allowing "subchapter-S" corporations with 35 or fewer shareholders to elect not to be taxed as corporations would be continued.

These rate changes would result in some tax increases for corporations currently paying at the lower rates and not distributing considerable amounts of income. Allowing for the individual rate changes and the partial deductibility of dividends, however, there is no doubt that the tax rates on distributed corporate profits would generally decrease, even for those corporations experiencing tax rate increases at the corporate level.

The tax rate changes, therefore, will have little or no effect on those farm corporations that do not accumulate much in the way of undistributed profits, those filing under subchapter-S, and those with no profits, while those with large profits (over $75,000) will experience rate decreases. The only ones adversely affected are those with profits of under $75,000 who have relative large amounts of undistributed profits. (The tax status of the owners of the corporation, rather than that of the corporation itself, controls the ultimate tax effects, of course.)

A great deal of farm income is generated by labor, and with few exceptions labor income is taxed at the statutory individual income tax rates. Since those rates are reduced under the Treasury proposals, farmers could generally expect reduced taxes on their personal incomes. One potentially painful exception involves the deduction of mixed personal and business expenses. There are already some restrictions on some of these deductions, such as luxury automobiles and home computers, and the Treasury proposal would add more, notably on travel and entertainment expenses. Although these expenses probably do not mean much to the average farmer, it may be that some of the more "businesslike" farm operations are accustomed to take advantage of these deductions and so would experience a tax increase.

III. SUMMARY AND CONCLUSIONS

Agriculture is a tax-favored industry under present tax law; and, in any equalization of tax rates among industries such as proposed in the Treasury plan, it is certain to face tax increases. The Treasury proposal would eliminate some of the most important provisions that reduce the tax rates on farm income, notably by requiring capitalization of some expenses deductible under current law, by repealing the capital gains exclusion, and by substituting an indexed depreciation deduction for the current capital recovery provisions. On the other hand, tax rates would generally be reduced, there would be virtually full protection against inflation-induced tax changes, and some of the current tax advantages for agriculture, notably cash accounting for inventories, would be retained. Thus, the agricultural sector as a whole would almost certainly suffer an increase in taxes if the Treasury reforms were enacted, but for any particular farmer or group of farmers, the result might be quite different.

Within the agricultural sector, the tax advantages of today's law are not uniformly distributed, and the tax increases brought about by a reform proposal such as the Treasury's would not be uniform. Many kinds of livestock farms, orchards, and vineyards require two years or more of development before they become income-producers, and these would experience substantial tax increases from the requirement to capitalize development expenses. Field crop and vegetable farms and other agricultural operations with shorter development periods would still be allowed to deduct as current expenses the costs of inventories and many productive assets (e.g., poultry) and so would not face any tax increase due to this change.

Farming operations using large amounts of new depreciable assets might suffer large tax increases from the proposal to substitute indexed depreciation deductions for the current capital recovery system, but even this effect would vary with a farmer's particular circumstances. Single-purpose structures (a new milking parlor, for example) would experience very large tax increases, but an older hay barn would be taxed more lightly than under the present system in times of even modest inflation. Farm operations that do not replace their equipment very rapidly might find the depreciation deductions on the indexed basis of their older equipment to be more beneficial than the present system's subsidies to new purchases. The substitution of an indexed basis for computing gains and losses on sales of property for the current capital gains exclusion might raise taxes in certain cases (for example, livestock tax shelters, orchard and vineyard development, and farm land appreciating in value very rapidly because of urban development); however, in many cases it would actually lower taxes, because the inflation exclusion would be larger than 60 percent of the gain. Indexation of interest generally raises taxes for those with large net interest deductions, but it reduces taxes for persons with net interest income.

Some corporate tax rates would actually be increased under the Treasury proposal (from 15, 20, and 30 percent to 33 percent); but, since dividend distributions are 50 percent deductible, the 33 percent rate is halved for distributed profits. Taking into account the decreases in individual income tax rates, the combined corporation and individual income taxes on distributed corporate profits would be reduced in all cases except a few tax-avoidance situations (in which the corporate form is used to transfer income among family members).

Much of the increased tax burden in the agricultural sector would be borne by nonfarm income, because much of the current tax advantage that would be eliminated presently benefits nonfarm rather than farm income. The ability to profit by large tax deductions and credits depends on having tax liability to off-set, and in the farm area that tax liability frequently relates to nonfarm income. Restricting the deductibility of preproduction expenses, substituting indexation for the capital gains exclusion, and reducing the up-front capital recovery benefits in favor of indexed economic depreciation will undoubtedly raise the tax burden on many farm families; but these changes will all but destroy the value of most farm tax shelter operations.

If the generally accepted public finance theories are correct, Treasury's proposed new tax system should lead to a more efficient allocation of resources in the economy and a farm sector with more rational product markets, lower production costs, and lower interest rates. But the mechanism by which these boons are to come about is a sometimes drastic alteration in the distribution if tax burdens, and this process would necessarily be painful for the taxpayers on the losing end of the redistribution.●

ORDER FOR EXTENSION OF ROUTINE MORNING BUSINESS AND RECESS

Mr. SIMPSON. Mr. President, I have been in the chair to hear the remarks of the Senator from West Virginia, both while he was majority leader and as minority leader, as he shared with us the history of the United States Senate, which is a most moving and extraordinarily complete record of this body, some 70 or 71 segments. I have been privileged to hear personally at least three of those.

At this point, Mr. President, I ask unanimous consent that morning business be extended not past 6:30 p.m., and that the minority leader be recognized for a relation of the history of the Senate, as he has done in the past so capably, and that no time restriction apply to the minority leader.

I further ask that following the conclusion of the minority leader's remarks, the Senate automatically stand in recess until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished majority whip for his courtesy and the kindness shown in his very gracious remarks with respect to the 70 speeches that I have made on the subject of the United States Senate.

Mr. President, may I say I will be glad to yield the floor at any time during my speech in the event another Senator comes on the floor and wishes to be recognized for the purpose of a statement only.

In that event, I ask unanimous consent that the RECORD show no interruption in my speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE UNITED STATES SENATE

WOMEN SENATORS

Mr. BYRD. Mr. President, today, in my continuing series of addresses on the Senate's history, I shall discuss the history of women senators. Clearly, women have come a long way since the days when they could only view the Senate's deliberations from the galleries, where the rustling of their crinolines sometimes grew so loud that it drew stern remonstrances from the presiding officer. But, while women have moved from passive observers to active participants in the Senate, it is also clear from their small numbers among us that theirs has been, and continues to be, a long and rocky row to hoe.

I shall begin this discussion of women in the Senate by examining some of the facts and figures relating to their tenure here before looking at the personal stories that lie behind the statistics.

The arrival of the first women in Congress coincided with the height of the suffrage movement and the ratification in 1920 of the Nineteenth Amendment granting women the right to vote. The long struggle to win the vote brought many women to Washington for the first time—not yet as members of Congress but as vocal, militant protestors. Their actions, such as chaining themselves to the White House fence, were designed to get attention—and they did. They certainly got the attention of the senators and representatives assembled in joint session to hear President Wilson's annual address on December 5, 1916. Five suffragists, members of the National Woman's Party, had smuggled a huge yellow satin banner under their capes into the front row of the House chamber visitors' gallery. As Wilson was speaking, they dramatically unfurled the banner over the side of the railing. It demanded, "Mr. President, What Will You Do For Woman Suffrage?" The president was only momentarily distracted, but when he finished speaking, a herd of policemen hustled the women away while a page leaped up and tore down the offending banner as commotion erupted on the floor.[1]

The Nineteenth Amendment, stating simply that "The right of citizens of the United States to vote shall not be denied or abridged by the United States or any state on account of sex," became law in 1920, but the first woman member of Congress actually arrived four full years before its passage. Several states, Wyoming first among them, had already recognized women's right to vote and one of them, Montana, made history in 1916 when its voters sent suffragist and reformer Jeannette Rankin to the House of Representatives.

During her first term in the House, Miss Rankin dramatically cast her vote against American entry into World War I. After her initial term, Representative Rankin ran unsuccessfully for the Senate. A quarter of a century later, on the eve of World War II, she returned to the House as a member. Still an ardent pacifist, she opposed America's entry into the conflict. This time Representative Rankin was the only member of either house of Congress to vote against entering the war. In 1945, at the end of this second term, Miss Rankin retired from Congress and devoted the rest of her life to working for world peace.[2]

Since 1916, when the voters of Montana sent Jeannette Rankin to the House, a total of 115 women have served in Congress from forty states. Of this number, 15 have been senators, including our colleagues Senators Kassebaum and Hawkins. Margaret Chase Smith of Maine holds the distinction of being the only woman to serve in both chambers. Nearly every Congress since the 65th, when Miss Rankin arrived, has seen an increase in the number of women members. Nevertheless, their total of 116 represents less than one percent of the total number of almost 12,000 members of both houses of Congress.[3]

Women, like their male colleagues, have found their way into the Congress by a variety of means and for varying lengths of time. Of the fifteen women senators, for example, two were never sworn in because Congress was not in session between their election and the expiration of their terms. Another woman sat in the Senate for only one day—a record for brevity. Several women were appointed or elected to fill unexpired terms and served in Congress for less than a year. Only five women have ever been elected to full Senate terms. In an excellent, slightly macabre, article entitled "Over His Dead Body: A Positive Perspective on Widows in the United States Congress," historian Diane Kincaid notes that most women have made their way to Congress via the so-called "widows' mandate," the practice by which the widow of a deceased member is awarded his seat to keep it "safe" until the next general election. The "widows' mandate" has brought 70 percent of the women senators and 50 percent of all women representatives. Most were the widows of the members whose seat they filled.[4]

As women have become more active in politics at all levels, the congressional tradition of the "widows' mandate" has weakened. And, as we know today, both Senators Kassebaum and Hawkins were elected on their own.

The women who have served in Congress are remarkably diverse in their party affiliations, philosophy, and backgrounds, just as are their male counterparts. As Hope Chamberlin writes in her book on women in Congress entitled *A Minority of Members*:

> Most members of this numerically select group were reared in modest economic circumstances; almost all attended college; only a few never married. The majority have been white, Anglo-Saxon, and Protestant. Beyond hard work and the gift of intuition, however, they have had little else in common. The laws of chance, if nothing else, argue against parallels . . . . their pre-congressional careers, if any span a broad spectrum; teaching, stenography, journalism, social work, broadcasting, the theater, law—even cowpunching.[5]

Who are these fifteen women who have served in the Senate? After reading their names, states, and parties, I will speak briefly about each woman, and try to impart a sense of their diversity and their commonality. In chronological order they are Rebecca Felton, Democrat of Georgia; Hattie Caraway, Democrat of Arkansas; Rose McConnell Long, Democrat of Louisiana; Dixie Bibb Graves, Democrat of Alabama; Gladys Pyle, Republican of South Dakota; Vera Bushfield, Republican of South Dakota; Margaret Chase Smith, Republican of Maine; Eva Bowring, Republican of Nebraska; Hazel Able, Republican of Nebraska; Maurine Neuberger, Democrat of Oregon; Elaine Edwards, Democrat of Louisiana; Muriel Humphrey, Democrat of Minnesota; Maryon Allen, Democrat of Alabama; and Senators Kassebaum and Hawkins. The history of women in the Senate has clearly been a bipartisan one—the tally thus far stands at 8 Democrats, 7 Republicans.

Now let us go back and look at each of these women. In all of these brief biographies, I should note, I have been greatly aided by the work of many historians who have written about women in the Senate collectively and individually; most notably by Hope Chamberlin's book, and by Susan Tolchin's *Clout: Womanpower and Politics*, and by a document published by

Footnotes at end of article.

the House, for the 1976 bicentennial, entitled *Women in Congress.*[6]

I will begin with the very first woman senator, Rebecca Latimer Felton. Mrs. Felton actually holds three Senate records. Not only was she the first woman senator, but she holds the record for the shortest Senate service—one day—as well as the record for being the oldest person ever to be sworn into the Senate for the first time—she was 87-years-old. Obviously, this was no ordinary woman. Her biography, by John Talmadge, is aptly subtitled *"Nine Stormy Decades,"* and indeed they were.[7]

Rebecca Latimer Felton took her oath of office on November 21, 1922. But just two months earlier, on October 3, 1922, the date affixed to her senatorial commission, the likelihood that Mrs. Felton would be accorded this unprecedented honor seemed remote.

The sudden death of controversial Senator Thomas E. Watson gave Georgia Governor Thomas Hardwick an unexpected opportunity. While a member of the House in the 65th Congress, Hardwick had aroused female ire by voting against the Nineteenth Amendment. But now, if he were to name a woman, the first woman, to the Senate, he might recapture the favor of the newly enfranchised ladies. And, because the election to be held before the 67th Congress reconvened would surely return a man to the post, Hardwick was confident his action would not earn him the ill-will of his male constituents.

Hardwick announced that Mrs. Felton, a widow, was his choice, and he also announced that he would be a candidate for the unexpired term in the upcoming primary. He described Mrs. Felton as a "noble Georgia woman, now in the sunset of a splendid useful life." Almost as an afterthought, he added, "It is unfortunate that an elected successor will prevent her from being sworn in." [8]

Governor Hardwick obviously underestimated Mrs. Felton's vitality in her "sunset years." She had been in Georgia politics too long not to know a gentlemanly power play when she saw one. Her telegram of acceptance gave no clue that she had already made up her mind to reach the Senate floor. She simply expressed her appreciation for the honor "on behalf of the thousands of Georgia women who will reward you at the ballot box."[9]

Almost everybody in "Mother" Feltons's hometown of Cartersville turned out on October 7 for the official ceremony at which she received her certificate of appointment. In his speech, the governor admitted that he had been against suffrage for women, but, inasmuch as it was now the law of the land, he believed "it was right." Therefore, he said, he had selected Mrs. Felton to prove that Georgia had accepted the enfranchisement of women as a fact. He also noted again that he deeply regretted that Mrs. Felton's tenure must end before she could serve.[10]

Rebecca Felton ignored this last remark. Parchment scroll in hand, she claimed, "The biggest part of this appointment lies in the recognition of women in the government of our country. It means, as far as I can see, there are now no limitations upon the ambitions of women. They can be elected or appointed to any office in the land. The 'sex' had been obliterated entirely from the Constitution."[11]

Newspapers in the North and South praised Mrs. Felton as a women of exceptional ability and character, but, on the matter of the governor's motives, editors were not so complimentary. Calling his act "merely a pretty sentiment . . . an empty gesture," the *Pittsburgh Gazette-Times* stated, "He did not appoint a woman because he has respect for women in politics but actually to smooth his own path to the Senate," The *St. Louis Star* noted, "Other governors who may be studying the health charts of United States senators should take full note of Governor Hardwick's strategy."[12]

Behind the scenes, with Mrs. Felton's blessing, suffragists across the land launched a campaign to see that Mrs. Felton was officially seated among her peers in the Senate chamber. The appointment of the first women senator, they believed, must be acknowledged on a national stage. But how to unblock the road to Washington? There seemed only two alternatives. Either the president would have to be persuaded to call a special session of Congress or the Senate must consent to her being sworn in before her elected successor took his seat.

The women tried the presidential path first. President Warren Harding was inundated with messages beseeching him to permit Mrs. Felton to have her day in the Senate. But the president's refusal was curt: it would be too expensive, he claimed, to summon Congress back just to seat a single senator.

When Georgia Democrats chose Walter George, not Governor Hardwick as their candidate in the primaries (tantamount to election in Georgia at the time), the women shifted their tactics and tried to elicit from Mr. George a promise that he would defer presentation of his credentials. Mr. George pointed out several obstacles, most seriously the Seventeenth Amendment that stated that the term of an appointed senator ended the day a successor was elected, but if Mrs. Felton was willing to risk rejection, Mr. George said he was willing to step aside to allow her to precede him.

In late October, a throat ailment sent Mrs. Felton to the hospital. From her sickbed, she wrote to President Harding, asking him to reconsider his decision against calling a special session. On November 9, Harding issued a proclamation to convene Congress on November 20—not to seat her, but to urge immediate passage of the administration-sponsored ship subsidy bill. Mrs. Felton began to pack her suitcase.

Her decision to set off for an uncertain fate in Washington surprised no one in Georgia. Few expected her to change after more than fifty years of charting her own course. For more than five decades, she had stumped the state, campaigning against graft and bribery, skirmishing with state legislators over temperance, advocating prison reform, compulsory school attendance, vocational education, care for expectant mothers, and woman suffrage. Like many of her contemporaries, Mrs. Felton also shared the anti-Negro prejudice of her section to the point of obsession, and was well known as a champion of white supremacy and segregation. If anyone could convince the Senate to seat her, it was strong-minded "Mother" Felton.

Rebecca Latimer was born in DeKalb County, Georgia, in 1835, in the latter half of Andrew Jackson's second administration. Her father was a Whig leader in the area and instilled in his children a lively interest in current events. In her autobiography, entitled *My Memoirs of Georgia Politics,* she recalled visiting the local stage coach stop with her father to learn the latest news. After the stage coach departed, ". . . it was the most natural thing in the world for my father to read aloud /from the *Southern Recorder/* to the eager people, who learned all they knew of national politics in that way. I became familiar also with 'Tippecanoe and Tyler Too?' "[13]

Rebecca's father believed in the education of women and saw to it that his daughter received the best available in Georgia. When she was sixteen, she was enrolled in Madison Female College, a strict Methodist institution, which her mother had attended. Graduating with honors in 1852, she was on the committee that selected the commencement speaker, William Harrell Felton, an eloquent Methodist minister and physician. Fifteen months later, Rebecca Latimer and Dr. Felton, an advocate of rights for women, were married.

The Feltons lost their sons, their farm, and their fortune during the Civil War, and spent the years afterwards trying to regain their former prosperity. In 1874, Dr. Felton, bucking the "Bourbon" Democrats, ran for a House seat from the Georgia 7th district as an Independent. Mrs. Felton entered the fray with relish:

> From the beginning to the end, I was in the thick of my husband's campaign. . . . I wrote hundreds of letters all over fourteen

counties. I wrote night and day, and for two months before the close kept a man and a horse at the door to catch every mail train three miles away. . . . At one time my health broke down, but I was propped up in bed with pillows and wrote ahead. I made appointments for speaking, recruited speakers, answered newspaper attacks, contracted for the printing and distribution of circulars and sample ballots. . . .[14]

The campaign's success proved a great tonic to Mrs. Felton's health. For the next six years, she served as her husband's secretary and clerk in Washington. Constant attention to their wishes and opinions earned her the title "our Second Representative from the Seventh" among her husband's constituents back home.

Her husband's campaigns for reelection in the autumns of 1876 and 1878 were bitter ones and her presence at his side became a campaign issue. Political rallies of that era were rough, coarse affairs, considered unfit for the ears of Georgia ladies. Consequently, her presence was denounced by the Democratic press in editorials that called her attendance a "disgusting spectacle." "There is a nobler, higher sphere for women," enemy editors thundered, "Fill it!"[15]

When Dr. Felton was defeated in 1880, he and his wife began a newspaper, *The Cartersville Free Press,* to push the reform measures they held dear. When, in 1884, Dr. Felton was elected to the first of three terms in the state assembly, his wife was again at his side, pushing her own agenda and garnering the support of women's groups for measures her husband introduced. When William Felton died in 1909, it was only natural that Rebecca Felton should travel the reformer's route alone.

Aboard the train enroute to Washington in November 1922, Mrs. Felton, 87-years-old, white haired and bespectacled, recalled the long road she had traveled and wondered about the reception that awaited her in the capital. What would be the disposition of those members of the Senate present for the third session of the 67th Congress? At the moment, no one was certain. The *New York Times* reported that a few senators planned to oppose her taking the oath because of the precedent it might set. On the other hand, the *Atlanta Journal* quoted a Republican as saying, "It will be a brave man that objects. I'm not a candidate for the job."[16]

Vice President Calvin Coolidge gaveled the senators to order at noon on November 20. Rebecca Felton, who had arrived more than an hour earlier amid cheers from the women crowding the galleries, had taken an empty seat to await her fate. But the Senate adjourned after only twelve minutes out of respect for the deceased Tom Watson. "I'll be back tommorrow," Mrs. Felton assured waiting reporters.

She was back the next day, and the galleries were again filled with women wearing the colors of their various feminine-rights organizations. As she walked down the aisle to occupy Watson's vacant seat, Mrs. Felton turned and blew the onlookers a kiss.

After three other new senators were sworn in, Mrs. Felton listened as senior Georgia Senator William Harris stated her case and expressed the hope that there would be no objections. Hardly had Harris finished speaking when a voice called out, "Mr. President!" It was Thomas J. Walsh of Montana, who arose to speak against Mrs. Felton's seating. It was not the lady herself, he made clear, whom he opposed, but the irregularity of her seating. Walsh was prepared to speak at length against the seating of Mrs. Felton, but a message came from the House that the president was ready to speak to the joint session on changes in the merchant marine. Mrs. Felton went along with the rest of the senators and sat through the president's address, then returned with them to the Senate chamber.

Once again, Walsh rose and delivered a long discourse citing the Constitution and a host of other authorities but acknowledging that he was not lodging a formal objection, only informing his colleagues of the gravity of the situation. Finally, he finished. There was silence. No one else moved to speak, so the president pro tempore asked the clerk to read Mrs. Felton's credentials. Mrs. Felton sighed and smiled. Lifting her floor-length black gown slightly, she took Senator Harris's arm and proceeded to the rostrum to be swron in.

Her "I do" as she swore to uphold and defend the Constitution was loud and clear. The president pro tempore chose to ignore the Senate rule forbidding outbursts from the gallery as the ladies present, and many of the senators on the floor, burst into applause. There was no opportunity for Mrs. Felton to speak that day, but, having spent weeks biding her time, she was willing to wait another day.

At the Wednesday session, Senator Felton proudly answered the roll call, then arose and was recognized as the "junior senator from Georgia." After thanking her colleagues, especially Senator George who would be sworn in as soon as she finished speaking, she addressed herself to the future. Looking gravely at the male senators who surrounded her, she said, ". . . . when the women of the country come in and sit with you, though there may be but a very few in the next few years, I pledge to you that you will get ability, you will get integrity of purpose, you will get exalted patriotism, and you will get unstinted usefulness."[17]

With that, her brief Senate career ended, but not her career as an activist. Until her death in 1930, at the age of 95, Rebecca Felton remained active, voting in every state, local, and national election and urging other women to do likewise.

Rebecca Felton was right in predicting that more women would follow her into the Senate and that they would be women of quality, and she was also correct in stating that their numbers would be few. An entire decade elapsed before the next woman arrived. This was Hattie Caraway, the first woman ever elected to this body. In the journal she kept while a senator, which has been edited by Diane Kincaid and is entitled *Silent Hattie Speaks,* Mrs. Caraway noted that she was told that she had been given the same desk Rebecca Felton had used for just a day. "I guess," she noted dryly, "they wanted as few of them contaminated as possible!"[18]

Hattie Caraway accomplished many Senate "firsts." In addition to being the first woman elected to the Senate, she was also the first woman to vote in the Senate, to preside over the Senate (on May 9, 1932), to chair a Senate committee (Enrolled Bills), and to preside over Senate hearings.

Hattie Wyatt Caraway was born in Tennessee in 1878. When she graduated from Dickson Normal College in 1896; she was engaged to Thaddeus Horatio Caraway. After their marriage in 1902, Thaddeus pursued a career in politics and law in Arkansas, while Hattie's life centered around their children and their home. In 1912, Thaddeus Caraway was elected as a Democrat to the first of his three terms in the House, and in 1920, the first election in which Hattie could vote after the Nineteenth Amendment, he was elected to the Senate. There he built a reputation as a champion of farmers, a foe of lobbyists, a die-hard Democrat, and a fierce opponent in debate. He was elected to the Senate again in 1926 and was making plans to seek a third term in 1932 when he suddenly died on November 6, 1931.

His death left Arkansas politicians faced with a sticky problem. Under state law, had Thad Caraway died three days later, leaving less than a year until the next general election, the governor could have simply appointed someone to serve out the remainder of the term. But since he had died leaving more than a year, an immediate appointment was necessary, to be followed by a special election.

Several candidates were considered, but all were more interested in the full six-year term up for grabs in the general election little more than a year away. All agreed with the governor that naming Thad Caraway's widow as the interim appointee as well as the Democratic candidate in the special election for the remaining year would

be the safest route to follow. It was assumed that Mrs. Caraway would have no interest in running for the full term. Hattie Caraway seemingly accepted these arrangements, returned to Washington still grieving, and on December 9, 1931, was sworn into the Senate.

While Senator Caraway set about familiarizing herself with the office routine, committee work, and parliamentary procedure, some of Arkansas' most prominent politicians announced their candidacies for what they presumed would soon be an empty seat. They had miscalcuated. On May 10, 1932, the very last day before the filing deadline for the primary, a special delivery letter arrived from Washington containing Senator Caraway's filing fee. Although the Arkansas newspapers had a brief field day—"Bombshell Explodes in Arkansas Politics", "Senator Springs Surprise by Announcing for Office," the seven men who had also filed were convinced that Mrs. Caraway was not a serious threat.

The assumption seemed sound. Hattie Caraway had no campaign funds, no campaign manager, and no campaign plans. But her opponents' nonchalance turned to concern, when, in July, Senator Caraway announced that popular Senator Huey Long of Louisiana, the father of our colleague Russell Long, was coming to Arkansas to help place her record before the people. An avowed enemy of Arkansas's senior Senator Joseph T. Robinson, Long proclaimed the "little widow woman" who sat beside him in the Senate the true heir to the egalitarian philosophy of her late husband.

On August 1, Senator Long roared into Arkansas in a long, black limousine, with two trucks wired with loudspeakers and fitted out with makeshift speaker's stands, four vans for transporting campaign posters and literature, and a host of energetic, young campaigners. Together, Long and Caraway stumped the state. Senator Long was a charismatic speaker and he electrified the crowds. He appealed to his listeners' provincial pride, their economic resentments, and the chivalry: "We've got to pull a lot of pot-bellied politicians off a little woman's neck." Mrs. Caraway spoke less often but in the same vein, appealing to the poverty-stricken farmers she represented. Their combined message was unmistakable: Senator Caraway had bravely and consistently stood by the common people and they should return her to Washington.

When Senator Long left one week later, he and Senator Caraway had traveled 2,000 miles, been to 31 counties, made 39 speeches, and personally reached over 200,000 people. In the primary, Hattie Caraway received 44.7 percent of all votes cast, a plurality, and went on to an election victory in November.[19]

While this election campaign was the most dramatic episode in Hattie Caraway's career, it wasn't the end of it. For the next six years, she devoted herself quietly to her Senate work. She rarely made public statements but strongly supported almost all of President Roosevelt's New Deal legislation, helped find jobs for depression-stricken constituents, and helped secure grants and loans for public works projects for her state.

Many assumed that Senator Caraway would announce her retirement before the 1938 Senate contest, but she again confounded the political prophets by filing for reelection. Huey Long had been assassinated in 1935, but with the support of organized labor, veterans, and women's groups, she narrowly defeated Representative John McClellan—whose slogan was "Arkansas Needs Another Man in the Senate"—by eight thousand votes, and won her second six-year term.

Senator Caraway's last six years in the Senate were much like her first seven. She continued to be one of President Roosevelt's most faithful supporters. She saw that constituents' requests were answered, assisted the successful effort to block a lessening of Arkansas' representation in Congress, and secured important public works projects for Arkansas. In 1943, she became co-sponsor of the proposed Equal Rights Amendment to the Constitution, the first woman member of Congress to endorse it. Like many male politicians, however, Senator Caraway failed to recognize that her methods were growing outdated, and her popularity and support declining. Her decision to run for a third term in 1944 was a mistake. She was beaten in the Democratic primary by former University of Arkansas president J. William Fulbright. (I should note at this point that Senator Caraway's nephew, J. Lewey Caraway, continues to serve the Senate as Superintendent of Senate Office Buildings.)

In February 1936, another "first" for women occurred in the Senate when Senator Rose McConnell Long of Louisiana was sworn in, bringing the number of women in the chamber to two for the first time. Unfortunately, the circumstances that brought Mrs. Long were tragic—the brutal assassination of her husband in the Louisiana state capitol building. The Long family holds an unmatched Senate distinction. Senator Huey Long, Senator Rose Long, and our colleague Senator RUSSELL LONG form the only father-mother-son combination in the history of this institution. We have the sons of several former senators in the Senate today: Senators SIMPSON, DODD, and GORE are all the sons of former senators but the parent in the Senate in each instance was their father. Only Senator LONG can claim both parents as United States senators.

Mrs. Long was not the first choice of the Louisiana Democratic machine to inherit her husband's Senate seat. The front runner, Governor O.K. Allen, died before he could be sworn in. His successor, Governor James Noe, acted quickly to prevent a fractious struggle within the party by promptly appointing Mrs. Long. Governor Noe claimed, "This is the proudest moment of my life." Hattie Caraway of Arkansas, who owned her first election in part to the sound trucks Mrs. Long's husband brought upriver, was delighted: "It will be nice to have a woman's company in the Senate."[20]

Succeeding her colorful and famous husband in the Senate was a hard act for Mrs. Long to follow. She chose not to adopt her husband's kinetic style, preferring instead to serve out her eleven-month term very much in the backgound. She found her niche in committee work. Of the five Senate committees to which she was appointed, she devoted the most time to Public Lands and Surveys, taking great pride in leading the efforts to enlarge Chalmette National Historical Park on the site of the Battle of New Orleans.

Mrs. Long understood politics well enough to accept her role for precisely what it was: the legatee of her husband's political estate. When the 74th Congress ended in January 1937, she unobtrusively left Washington, bound for Shreveport and home.

In mid-1937, another woman joined Senator Caraway in the Senate. Dixie Bibb Graves of Alabama arrived amid a storm of controversy. When Governor Bibb Graves appointed his wife to fill the Senate seat vacated by the appointment of Hugo Black to the Supreme Court, he argued that "She has as good a heart and head as anybody." But the governor's mansion was inundated with mounting criticism over the apparent flagrant abuse of personal patronage.[21]

Although her political power was clearly derivative, Dixie Bibb Graves boasted a long career in club and reform work, having campaigned hard for women's suffrage and temperance. A *New York Times* article described her as a woman who was "at home with deep-sea fishing tackle, a shotgun, a garden spade, or a silver ladle at the banquet table." The *Times* also credited her with drafting some of her husband's speeches and influencing his key decisions.[22]

Despite the skepticism and anger she left back home, Mrs. Graves, escorted by Alabama's senior Senator John Hollis Bankhead II, was sworn in and took her seat in the 75th Congress with Hattie Caraway looking on. As a freshman Democratic senator, Mrs.

Graves was assigned a seat at the rear of the chamber, in a section known as the "Cherokee Strip" because it was on the Republican side and accommodated the Democratic overflow. Because there were 75 Democratic senators in 1937, Democrats who were seated there were said to be "off their reservation," in an area reminiscent of Oklahoma's original Cherokee Strip that belonged neither to the Indians nor to the government. "I'm supposed to be seen, perhaps," Mrs. Graves told a radio audience on one occasion, "but certainly not heard." [23]

Mrs. Graves did speak, however, and spoke loudly enough on issues close to the hearts of voters in Alabama that a write-in campaign was launched to change her status from interim senator to full-fledged candidate. Mrs. Graves declined the honor, however, and, with an almost perfect attendance record to her credit, ended her Senate career after just five months in office.

In 1938, the first Republican woman senator, Gladys Pyle of South Dakota, came to Washington, In November 1938, she was elected to the Senate to fill the vacancy caused by the death of Senator Peter Norbeck. She was, in fact, the first woman elected to the Senate in her own right without prior service under appointment. In view of her distinguished political career (she was the first woman elected to her state's legislature), it was a shame that Gladys Pyle served only two months in the Senate—that was all that was left in the term—and was never even sworn in because Congress was not in session during those two months. She would have no committee assignments, not even a Senate seat, but she had no intention of passing up the opportunity to work for her constituents from a power base in the capitol. With her mother, a stenographer, and a clerk, the interim senator drove from South Dakota to Washington "because I wouldn't feel like a senator unless I did it." The first thing she did was to affix her nameplate on the door of her suite in the Senate Office Building. And then, in the two months during which she was a senator, she began calling on all the top government officials who might be able to aid depression-ravaged South Dakota. [24]

It was ten more years before another woman came to the Senate, and like Gladys Pyle, she was from South Dakota. "Honored that's how I feel," said Vera Bushfield in 1948 when South Dakota's governor informed her that she was his appointee to serve out the remainder of the term—just three months—in the seat vacant due to the death of her husband, Senator Harlan Bushfield, a former governor of that state. "The appointment is being made," the governor told the people of South Dakota, "with the understanding that shortly before the 80th Congress reconvenes she will resign and thus enable me to give seniority rights to the new senator-elect." The governor left no question; this was to be a short Senate career. [25]

Because Congress was in recess at the time of her appointment, Mrs. Bushfield was confronted with the same dilemma that Gladys Pyle had faced ten years earlier: to go or not to go to Washington. Since she would not be sworn in even if she went, Mrs. Bushfield decided to stay home in Pierre. "I can serve the constituency best," she believed, "by making myself as accessible as possible." After her three month term ended, as she had promised the governor, Mrs. Bushfield resigned on December 26, 1948, giving senator-elect Karl Mundt a few days seniority over the other freshmen in the 81st Congress.

The next woman to enter the Senate is one who many of us have been privileged to know personally. I vividly recall that she was the only woman in the Senate when I came here in 1959 and that she always wore a beautiful red rose. When I arrived, she had already been in the Senate for a decade. I refer to Margaret Chase Smith of Maine, who holds at least two Senate records. She is the only woman in history to be elected to both the House and the Senate, and she holds the record for the longest Senate service by a woman—four terms or twenty-four years. In 1960, she attained the highest vote percentage of all Republican senatorial candidates nationally. She was also the first woman elected to a leadership post in the Senate, being unanimously elected chairman of the Republican Conference in 1967 and again in 1969 and 1971.

"If I am to be remembered in history," said Margaret Chase Smith, "it will not be because of legislative accomplishments but for an act I took as a legislator in the United States Senate when on June 1, 1950 I spoke in the Senate in condemnation of McCarthyism at a time when the then junior senator from Wisconsin had the Senate paralyzed with fear that he would purge any senator who disagreed with him." Mrs. Smith is probably right. What came to be known as her "Declaration of Conscience" speech is probably the act for which she is most remembered, but it is only one important act of a very long and distinguished career. [26]

Declaration of Conscience is also fittingly the title of Margaret Chase Smith's autobiography and it stresses the importance the element of conscience has played in her political career. A quiet, business-like woman, she had rarely spoken in the Senate until that June day when she felt impelled to make her point. The first Republican to attack Senator McCarthy and his tactics, Senator Smith startled her colleagues with these words:

> I do not like the way the Senate has been made a rendezvous for vilification, for selfish political gain at the sacrifice of individual reputations and national unity. . . . I do not want to see the party ride to political victory on the Four Horsemen of Calumny—fear, ignorance, bigotry, and smear. [27]

Senator Smith's joust with Senator McCarthy, who was finally censured by the Senate four years later, served notice to her colleagues that she was going to be independent and tough-minded. She was no novice at politics. She had arrived in the Senate with almost a decade of experience in the House behind her. In 1940, she had been elected to the House to fill the vacancy caused by the death of her husband, Clyde H. Smith. She was re-elected four times.

In the Senate, Margaret Chase Smith continued the battles for military preparedness she had begun in the House, winning the respect of her colleagues for her self-possession, self-reliance, and firm grasp of the federal budget. She had earned the nickname "Mother of the Waves" after introducing legislation to establish the women's branch of the Navy. She also worked indefatigably for increases in appropriations for medical research.

In 1964, Senator Smith announced her intention to capture her party's nomination for the presidency. "I have few illusions and no money, but I'm staying for the finish," she said. In the final tally at the convention, Senator Smith, Maine's favorite daughter candidate, rolled up more delegate votes than anyone else except the GOP nominee himself, our colleague Senator Barry Goldwater. Thus, she became the first woman in history to have been nominated for president of a major political party. Once, before her own bid for the presidency, an interviewer asked Senator Smith, "Suppose you woke up one morning and found yourself in the White House, what would you do?" "Well," said Mrs. Smith in her sober Down-East accent, "I'd go straight to Mrs. Truman and apologize, and then I'd go home." [28]

The virtues that were Margaret Chase Smith's trademark were also the causes of her eventual defeat after twenty-four years in the Senate. Proud of her perfect attendance record, and of answering to 2,941 consecutive roll call votes without a miss, she made it a practice never to campaign when the Senate was in session. She was also scrupulous about spending very little on her campaigns. But the year of her last primary, 1972, was not a good one for seniority as younger politicans ousted older incumbents all across the Nation. At seventy-four, it was more important that Mrs. Smith campaign than ever before, if only to counter charges that she did not have the stamina to keep pace with the Senate's grueling schedule.

Her opponent out-spent, out-traveled, and out-polled her.

"I hate to leave/the Senate/when there is no indication another qualified woman is coming in," Senator Smith lamented. "We've built a place here for quality service. If I leave and there's a long lapse, the next woman will have to rebuild entirely." Four women had come and gone in the Senate during Senator Smith's long tenure, and to her relief, she didn't have to wait too long for other qualified women to follow.[29]

Back in April 1954, Senator Smith wrote in her syndicated column, "Washington and You": "Governor Robert B. Crosby did the women of America, as well as the women of Nebraska, a great honor in appointing Mrs. Eva Bowring to the vacancy created by the death of Senator Dwight Griswold." Nebraska Republican leaders, aware of the precarious numerical balance in the Senate (47 Republicans to 48 Democrats with Oregon's Independent Wayne Morse voting with the Republicans on organization matters), were so anxious for Eva Bowring to get to Washington to take the oath of office that they offered to help "roundup" her affairs. And for Eva Bowring, a widow, and owner of a 10,000 acre cattle ranch, "roundup" meant just that. In addition to a long career of Republican party work, Mrs. Bowring was well known for her readiness to join her ranch hands whenever they needed her, even if it meant riding through blizzards to rescue stray cattle from freezing on the open range.[30]

At a press conference to accept the proferred Senate seat, Mrs. Bowring announced that she was going home to the Bar 99 "to kiss the cattle goodbye," and then she would be off to Washington to begin her six-month career as a senator. Upon her swearing in, she became the thirteenth woman member of the 83rd Congress. She did not consider the number unlucky at all: "Prepare yourself," she declared, "there will be more women." [31]

In her half year in the Senate, she was a conscientious worker and a firm supporter of President Eisenhower's farm policies. As she had promised, Mrs. Bowring ended her Senate career in November 1954, and returned to her ranch in time for the cattle roundup.

As Mrs. Bowring retired, for the first time in history one woman succeeded another as a United States senator. Hazel Abel had been elected to the two-month-long vacancy in Nebraska's Senate seat that a technicality in the state's election law had created. Considering the shortness of the term, it was surprising that anyone campaigned hard for it, but Mrs. Abel and sixteen others did. "Why bother?" she was asked. "To me it was more than a short term in the Senate. I wanted Nebraska voters to express their approval of a woman in government." [32]

The day Hazel Abel was sworn in, November 8, 1954, was a historic one. Mrs. Bowring had returned from Nebraska especially to escort her successor to the vice president's rostrum for the oath taking. Moreover, censure proceedings against Senator Joseph McCarthy were due to begin. The Senate was being asked to display its confidence in the subcommittee that had been assigned the task of investigating Senator McCarthy's actions. One of the members of the subcommittee was Margaret Chase Smith. Senator Abel studied all the evidence before becoming the first senator to answer the roll call. She cast her vote with the majority (67 to 22) to condemn Senator McCarthy's conduct.

In 1960, another woman joined Senator Smith in this chamber. The voters of Oregon elected Maurine Neuberger to succeed her husband, the late Senator Richard Neuberger. The decision to run had been a difficult one. Her husband had died just two days before the filing deadline for the upcoming election, and Governor Mark Hatfield had appointed former State supreme court justice Hall S. Lusk to serve in the interim. But petitions signed by several thousands Oregonians urging her to put her name on the ballot and a supportive telephone call from Senator Smith convinced Mrs. Neuberger to toss her hat into the ring.

A former two-term member of the Oregon House of Representatives, Mrs. Neuberger was recognized as a seasoned politician and campaigner, and as an advocate of the liberal Democratic politics espoused by her late husband. In the Senate, she served on the Agriculture, Banking and Currency, and Commerce committees, and on a special committee on the aging. Her interests revolved around consumer legislation, health and education, and conservation. Unafraid of controversy, she tackled the tobacco industry and initiated a nationwide no smoking campaign. As a result of her efforts, Congress gave the Federal Trade Commission the authority to regulate cigarette advertising. Disadvantaged like many other women candidates by the high cost of election campaigns, Maurine Neuberger decided not to run for another Senate term in 1966.

For three short months in 1972, there was another woman in the Senate: Democrat Elaine Edwards of Louisiana. Like Dixie Bibb Graves of Alabama, she was appointed by her husband, Louisiana Governor Edwin Edwards, to complete the term of the late Senator Allen J. Ellender, who had been elected in 1936 to succeed Louisiana's first woman senator, Rose McConnell Long.

In her three months in office, Senator Edwards was able to assist in laying groundwork for new highway construction in Louisiana, the inclusion of a provision in the Omnibus Rivers and Harbors bill easing the financial burden on local government, and a bill appropriating funds for the Allen J. Ellender Fellowships for needy high school students and teachers.

After Senator Edwards resigned in November 1972, and Senator Margaret Chase Smith left the Senate the following January, five years passed before another woman, soon joined by a second, sat in the Senate. The circumstances that brought them here, as many of us who were in the Senate at the time remember with great sadness, were the deaths of their beloved husbands. In January 1978, Muriel Humphrey was appointed by the governor of Minnesota to fill the vacancy caused by the death of Senator and former Vice President Hubert Humphrey. A few months later, in June, the death of Senator James Allen of Alabama brought his widow, Maryon, to the Senate.

Both Senators Humphrey and Allen left this body in November 1978, but that month also brought us another woman senator under happier circumstances. In the November elections that year, our colleague Senator NANCY KASSEBAUM became the fourteenth woman senator. She became only the fourth woman ever to win election to a full six year term, and the first woman to win election to the Senate who was not preceded in Congress by a spouse. In 1980, as I have also noted, Senator PAULA HAWKINS of Florida won her Senate seat and joined Senator KASSEBAUM as the fifteenth woman senator.

There have never been more than two women in the Senate at any one time. But surely it will be just a matter of time before this record, too, will be broken and another Senate "first" added to the record books.

Mr. President, I ask unanimous consent that footnotes to "Women Senators" be printed in the RECORD at this point.

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES TO "WOMEN SENATORS"

[1] Inez Haynes Irwin, *The Story of the Woman's Party*, New York: 1921, pp. 180–82.

[2] Hope Chamberlin, *A Minority of Members: Women in the United States Congress*, New York: 1974, pp. 5–18; "Jeannette Rankin," *Notable American Women*, Cambridge: 1980, vol. IV, pp. 66–68; Florence White, *First Woman in Congress, Jeannette Rankin*, New York: 1980; Hannah Josephson, *Jeannette Rankin: First Lady in Congress*, Indianapolis: 1974.

[3] Statistic made available by the Congressional Caucus for Women's Issues; "Women in the United States Congress," CRS Report No. 83-49 Gov, 1983.

[4] Diane Kincaid, "Over His Dead Body: A Positive Perspective on Widows in the United States Congress" *Western Political Quarterly*, 21, March 1978, pp. 96–104.

[5] Chamberlin, pp. 3-4.
[6] Susan Tolchin, *Clout: Womanpower and Politics*, New York: 1974; U.S. Congress, Joint Committee on Arrangements for the Commemoration of the Bicentennial, "Women in Congress, 1917-1976," 94th Congress, 2nd sess.
[7] John Talmadge, *Rebecca Latimer Felton: Nine Stormy Decades*, Athens: 1960. The best sources for information on the life of Rebecca Felton, and the sources from which the following biography are drawn, include Talmadge; Chamberlin, pp. 119-136; Joel Williamson, *Crucible of Race*, Oxford: 1984; and Felton's own two volumes of memoirs, *My Memoirs of Georgia Politics*, Atlanta: 1911, and *Country Life in Georgia In the Days of My Youth*, Atlanta: 1919.
[8] *Atlanta Journal*, October 2 and 3, 1922.
[9] Ibid.
[10] Ibid., October 7, 1922.
[11] Ibid.
[12] Chamberlin, p. 21.
[13] Felton, *Memoirs*, p. 18.
[14] Chamberlin, pp. 26-27.
[15] Ibid., p. 28.
[16] *New York Times*, November 18, 1922; *Atlanta Journal*, November 18, 1922.
[17] The account of Mrs. Felton's seating in the Senate is recorded in the *Congressional Record*, 67th Congress, 3rd sess., pp. 3-23.
[18] The best accounts of the career of Hattie Caraway are found in Chamberlin, pp. 86-95 and in Caraway's diary, edited by Diane Kincaid, *"Silent Hattie" Speaks: The Personal Journal of Senator Hattie Caraway*, Westport: 1979; Caraway, p. 44.
[19] "Hattie and Huey," *Saturday Evening Post*, October 15, 1932, pp. 6-7, 88-90, 92; *Arkansas Gazette*, August 1-9, 1932; T. Harry Williams, *Huey Long*, New York: 1969, pp. 583-618.
[20] Chamberlin, p. 118.
[21] Ibid., p. 121.
[22] "Women in Congress," p. 31.
[23] Chamberlin, p. 123.
[24] Ibid., p. 126.
[25] Ibid., p. 196.
[26] "Women in Congress," p. 75; The best sources of the career of Margaret Chase Smith include her autobiography, *Declaration of Conscience*, edited by William Lewis, Jr., New York: 1972 and Frank Graham, *Margaret Chase Smith: Woman of Courage*, New York: 1964.
[27] "Women in Congress," p. 75.
[28] Ibid., p. 76.
[29] Chamberlin, p. 351.
[30] Ibid., p. 240; "Women in Congress," p. 11.
[31] Chamberlin, p. 242.
[32] "Women in Congress," p. 3.

Mr. BYRD. Mr. President, I thank the Chair and I yield the floor.

(The following orders were entered prior to Mr. BYRD's remarks and are printed at this point by unanimous request.)

ORDERS FOR WEDNESDAY

ORDER FOR RECESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 12 noon on Wednesday, February 27, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Further, Mr. President, I ask unanimous consent that following the two leaders under the standing order, there be special orders of not to exceed 15 minutes each for Senators PROXMIRE and INOUYE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period of routine morning business not to extend beyond 1 p.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. SIMPSON. Mr. President, following morning business, the Senate will automatically resume consideration of S. 457, the sub-Saharan African relief bill, and pending is amendment No. 10 offered by Senator ZORINSKY dealing with emergency farm credit assistance. Also pending is amendment No. 11 offered by Senator MELCHER in the second degree. Rollcall votes can be expected during Wednesday's session on amendments and possibly final passage of S. 457.

RECESS

The PRESIDING OFFICER [Mr. WALLOP]. Under the previous order, the Senate will stand in recess until 12 noon tomorrow.

Thereupon, at 6 p.m., the Senate recessed until Wednesday, February 27, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 26, 1985:

THE JUDICIARY

The following-named persons to the positions indicated:

Melvin T. Brunetti, of Nevada, to be U.S. circuit judge for the ninth circuit, vice Herbert Y.C. Choy, retired.

R. Allan Edgar, of Tennessee, to be U.S. district judge for the eastern district of Tennessee, vice H. Ted Milburn, elevated.

Howell Cobb, of Texas, to be U.S. district judge for the eastern district of Texas, vice a new position created by Public Law 98-353, approved July 10, 1984.

IN THE NAVY

The following-named U.S. Naval Reserve officer, to be appointed permanent lieutenant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531.
Murphy, Mark E.

The following-named U.S. Naval Reserve officer, to be appointed permanent lieutenant commander in the Chaplain Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:
Matoush, Joseph R.

The following-named U.S. Naval Reserve officer, to be appointed permanent lieutenant commander in the Dental Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:
McNamara, Michael F.

The following-named limited duty officers, to be reappointed permanent lieutenant as limited duty officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:
Andaya, Carlos Deguzm
Anderson, Gerold Boyd
Argilan, John David
Armga, Charles Richard
Bailey, Don Franklin
Bailey, James Johnston
Bartlett, Francis I.
Battaglia, Anthony P.
Beaty, David Louis
Bennett, George Louis
Bird, Melvin Charles
Boyce, Richard A.
Bruce, Wardee Roland
Callahan, Edward Thomas
Cave, William Bernard
Chambers, James Thomas
Cirucci, Edward Joseph
Clark, Jimmy Cline
Cochran, Raymond Arthur
Coley, Brian Bernard
Davis, Cecil Llewellyn
Dawson, Millard Esmond
Day, James Lee
Dronette, Eugene J.
Eggleton, William W.
Ferreira, Robert W.
Finch, William Francis
Fitzgerald, Dennis C.
Fortuna, Leonard James
Galanides, Antonio M.
Garcia, Patrick, Jr.
Geiling, Rex Walter
Gilchrist, William R.
Gillip, Raymond Roger
Gunderman, George C.
Hall, Bertram Martin
Haney, Edward Patrick
Harden, Lawrence Ellis
Harman, James Allen J.
Hayes, Robert Philmore
Heidler, Edward J.
Hernden, Robert Lee
Hesketh, Gerald Harris
Hubble, Lester Harold
Hutsell, Edward Sheri
Jackson, Ronald C.
Jacobs, Robert J.
Jenkins, Willie James
Johnson, John Wesley
Jones, Joseph Berdell
Jones, Robert Leslie
Key, James Dennis
Kiniston, Kalum Eugene
Ladow, Louis Peter
Laffey, Thomas
Long, Lawrence Herbert
Lovin, Wallace T.
Lunsford, Jay William
Lynch, Raymond Richard
Maes, Thomas Wayne
Martin, Michael P.
McAllister, David G.
Miller, Ralph Fredrick
Moffett, Martin Charles
Morgan, Franklin H.
Ogg, Paul Richard
Overfield, Norman M.
Paoletti, Michael James
Randle, George Pa E.
Reagin, Albert Gene
Reeves, Christopher
Reeves, Richard Dale
Savino, Oronzo Joseph
Schmidt, Keith Leon
Shaw, Harvey J.
Simpson, Leonard W.
Skipper, William Herman
Slade, George Walker
Smith, James
Smith, Paul Reginald
Smith, William Sherman
Smythe, John Merton
Soriano, Ezequiel S.
Stith, Fred Eugene
Sturgis, Russell
Sutfin, Archie L.
Thayer, Michael Wayne
Torres, Joseph Henry
Tucker, Gary Dell
Vargas, Kenneth Lee

Vinson, Thurman Lavie
Ward, Joseph E.
Weir, Clayton Scott
Wicks, Walter Henry I.
Williams, Luther Otis
Wood, Ronald Lee
Zambrano, Ernesto Man

The following-named temporary limited duty officers, to be appointed permanent lieutenant as limited duty officers in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Africa, Galileo Afric
Alexander, Galen E.
Alley, Robert Douglas
Ames, Ronald Earl
Anderson, Raymond G.
Aniskevich, Stephen
Archer, Robert W.
Arthur, Douglas S.
Babich, Eugene V.
Bailey, Bruce C.
Baish, Frederick S.
Baker, Dennis O.
Ballard, Robert M.
Balvocius, Philip M.
Barton, David Bruce
Becklehimer, Jerrold
Bentley, Arnold L.
Bera, Michael O.
Berry, Dennis Ray
Bevill, James R.
Biddle, Raymond D., Jr.
Blair, Charles M., III
Blake, Michael Jerome
Blankenship, Maurice
Blauvelt, Everett A.
Block, Curt Douglas
Block, James M.
Blyth, Bert E.
Bodkin, David E., Sr.
Bogart, Michael J.
Boothe, Edward M.
Boudreaux, Lou Edward
Bowles, Donald W.
Boye, Robin D.
Braithwood, Edward G.
Brockway, Daniel Char
Brooks, William T., Jr.
Burba, Michael J.
Burns, Deborah Braddy
Burris, James E.
Calderwood, William
Canaday, Leon Patrick
Capiral, Pete G.
Carder, Ronald L.
Carroll, Richard V.
Carter, Linda Louise
Castiglione, Thomas J.
Casto, Lester M.
Castor, Robert John
Catullo, Arthur S.
Chambers, Danny Alvin
Chatten, Calvin R.
Chenault, Daniel M.
Chilton, Thomas E.
Cline, Jaer J.D.
Cline, Larry David
Cole, Andrew Vernon
Cole, William K.
Combs, William Wood
Cone, Gordon Kenimer
Connolly, Michael G.
Conover, Gerrit W.
Conroy, Patrick M.
Cose, James P.
Cowan, Brien M.
Crawford, Ivan L., Jr.
Cribbis, Richard J.
Cronin, Dennis Miles
Currivan, Paul B.
Curry, Robert Francis
Cushing, Paul R.
Cusick, Michael J.
Davidson, Dickie C.
Davidson, George W.
Deal, Jerry W.
Deck, Ervin C.
Defendi, Dennis C.
Dennison, Lee E.
Dienes, John NMN
Digangi, Charles Jose
Dimmick, Michael Alan
Dobbs, Willoughby B.
Dodmead, James M.
Dove, William L.
Downs, Robert L.
Eash, Dennis E.
Easton, Stephen C.
Edmondson, Paul Ernest
Edwards, Dennis E.
Elliott, William Craig
Elmore, William L.
English, Kenneth P.
Engman, Harold A., Jr.
Estela, Oniel Michael
Everett, Edward Walter
Everett, John C., Jr.
Fail, Robert Wesley
Fallon, Michael A.
Fathke, Donald D.
Faust, Donald B.
Fix, Bruce P.
Floyd, Benjamin Winch
Fox, Robert A.
Francoeur, Leonard C.
Frank, Randall W.
Franklin, Eugene NMN
Freeman, Kenneth Wayne
Fuchs, Louis G.
Fuller, Frank B., Jr.
Gallaher, Richard D.
Gallion, Lloyd E.
Gamber, John A.
Gambone, Ralph M.
Garletts, Donald R.
Gee, Carlton E., Jr.
Gentry, Michael Steven
Gerik, John L.
Glenn, William G.
Goldsworthy, David R.
Gould, Harrell L.
Gray, Michael Allyn
Green, Frank NMN, Jr.
Greene, Thomas M.
Grubbs, James W.
Guptill, William Carl
Gurath, Michael Warren
Gustafson, David B.
Guthrie, Donald W.
Hagan, Thomas M.
Hahn, Brant Elliott
Hahn, Robert Dean, Jr.
Haraldson, Gary L.
Hardy, Dallas S.
Harrell, Daniel T.
Harris, Roger Lee
Harris, Stephen H.
Harrison, Richard E.
Harrison, Robert M.
Hartington, William
Hartman, Ronald George
Hayes, Calvin NMN
Henderson, James Quinn
Hendy, William L.
Henninger Terence P.
Hermanson, Kenneth A.
Higgins, John Arthur
Higgins, Joseph Eugene
Highfill, James Joseph
Hill, Martin R.
Hill, Norman L., Jr.
Hollis, Rodney Earl
Hoover, Steven L.
Hostetler, Ricky D.
Howser, Thomas J.
Hublitz, Gary R.
Hulion, Cubie Vander
Ingram, Billy R.
Jackson, Robert E.
Janik, Louis A.
Johnson, Craig R.
Johnson, Peter F.
Johnson, Roy Allan
Johnson, Thad A.
Johnston, David Charles
Jones, Thomas E.
Josephs, Robert M.
Junkins, Carroll E.
Junkins, Richard C.
Kalinowski, Robert Z.
Keaney, Thomas E.
Kennerson, Michael A.
Kightlinger, Edward
Kincheloe, James T.
Kinsey, Luther D.
Knapp, Michael L.
Kobs, Paul I.
Kout, James P.
Krekeler, Adron D.
Kusmierz, Richard T.
Kuykendall, Jerry L.
Lamontagne, David E.
Lane, William R., Jr.
Langham, Jerry D.
Langley, Earl T.
Lavine, Michael L.
Lawson, Lawrence J.
Lee, Steven E.
Leonaitis, James A.
Letke, Thomas R.
Lewia, Bruce C.
Lieberman, Theodore W.
Little, Dale Eugene
Livingston, Ryan M.
Lupi, Sebastian A.
Machleit, Rickie L.
Magnuson, Franklin C.
Maguire, Bernard L. I.
Mallicoat, Duane W.
Mangiantini, Guido E.
Mangold, Leo B.
Mangus, Gregg R.
Marlette, William F.
Martin, Frederick F.
Martin, Michael R.
Massengill, Norman L.
Masterman, Howard W.
Mattern, Peter A.
Matthews, Jack A.
Maurer, James Dale
Mayes, Frederick W.
McCaffrey, George J.
McCall, David C.
McCall, Warren Butler
McCarthy, Donald James
McClintock, Elmer C.
McCready, Michael D.
McFarland, William E.
McGowan, Douglas F., Jr.
McGuire, Philip M.
McKimmy, Emery M.
McNally, Stephen
Mead, Michael E.
Megahee, William D.I.
Melton, Martin Michael
Mendoza, John NMN
Mikell, John S., Jr.
Miller, Douglas R.
Miller, Howard P.
Miller, John H.
Misconis, Leo A., Jr.
Moller, Carlos Eduard
Moore, Donald A.
Moore, Gregory NMN
Morgan, Kenny NMN
Morris, Robert Wayne
Mosley, David L.
Mount, Arnold A.
Murphy, Thomas F.
Murray, Robert H., III
Myers, Forest I.

Myers, Joseph O., Jr.
Newland, Robert E.
Nichols, Richard C.
Nolen, Larry E.
Novak, Jerome T.
Nussbaum, Jack V.
O'Brien, Patrick T.
Oderman, Carl W., Jr.
O'Keefe, Raymond Leo I.
Pait, Gerald L.
Parish, Benjamin A.
Penix, Larry D.
Perau, Monte R.
Perry, David NMN
Perry, Lorenz Meldrum
Peterson, James T.
Phelps, Kenneth A.
Piccus, David L.
Pickles, Norman W., Jr.
Pitcavage, Edward W.
Pitt, Richard F., Jr.
Pochel, Stephen R.
Prather, Larry J.
Presley, Richard G.
Prevost, Thomas Albert
Price, Dennis M.
Pulford, Michael J.
Pum, Joseph H.
Pyle, Ronald E.
Quiros, Freddie E.
Radke, Franklin B.
Ramirez, Orlando NMN
Re, Philip T.
Reaka, Michael W.
Reap, Daniel J.
Reichenberg, David M.
Renier, Clifford J.J.
Riley, Charles John J.
Ritarita, Edmundo L.
Rives, Richard S.
Roberts, Stephen L.
Robinson, Oscar J.
Rodkey, Joseph R.
Rodriguez, Richard N.
Rodriguez, Robert J.
Roe, Richard A.
Rogers, Troy M.
Rolfe, Patrick William
Rose, Jerald L.
Ruff, James R.
Ruth, Dennis B.
Sacks, Joseph C.
Savage, Earl E.
Scharf, Michael J.
Schmidt, Larry F.
Schwecke, James K.
Scott, Randall E.
Seiferd, Vincent L.J.
Senk, Stephen Michael
Shaunessy, Martin J.
Shervey, Bruce E.
Shirley, Calvin C.
Sinyard, William A.
Skube, Edward Anthony
Small, Noel A.
Smith, Clyde Francis
Smith, Dale D.
Smith, Gary D.
Snyder, Clinton T., II
Sourgose, Frank J., Jr.
Speirs, Douglas W.
Spradlin, Larry L.
Stenzel, Leonard C.J.
Stephen, David A.
Stevens, Alfred B., Jr.
Stevens, Leigh F.
Stevens, Mark W.
St. Jean, Michael A.
Stobart, Ralph Edward
Stonecypher, Maurice
Sullivan, Lawrence J.
Summers, Charles NMN
Sutton, Ronald C.
Swartz, Russell P.
Swift, Preston L.
Taber, Freeman Allen
Tabor, Daniel N., III
Tackett, Danny R.
Tangen, Larry A.
Tarrani, Joseph M.
Taylor, Michael J.
Taylor, Winford J.
Tessier, James J.
Thayer, Richard E., Jr.
Thompkins, Robert W.
Thompson, Robert A.
Thoms, Harry R., Jr.
Torell, Clark R., Jr.
Tostevin, Daniel C.
Townsend, Manning R.
Trahan, Theresa Jean
Trexler, Eric M.
Troyer, Daane Lee
Turner, Michael C.
Upshaw, James Ivon
Upton, Michael L.
Urello, Howard P.
Vajda, James E.
Vaniderstine, Robert
Varga, John Karl
Venter, Dale A.
Ventura, Denis F.
Vilcheck, John R., Jr.
Walker, Anthony E.
Walker, Robert L.
Walter, Owen F.
Watkins, Steven Alan
Watts, Harold D.
Webb, Stephen C.
Weiss, Jannine Michel
Weselis, James A.
White, James S.
Williamson, James L.
Winston, Eugene NMN
Wood, David Wayne
Worth, Mary Luellen
Wright, David Howard
Young, Ricky Lee
Zalonis, James E.

The following-named U.S. Naval Reserve limited duty officer of the line, to be appointed permanent lieutenant in the line as a limited duty officer of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Anderson, Robert W.

The following-named permanent limited duty officers, to be reappointed as permanent lieutenant in the Supply Corps as limited duty officers of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Concepcion, Edwin San
Medina, Genelito Vale
Tumaliuan, Anniano T.

The following-named temporary limited duty officers, to be appointed permanent lieutenant in the Supply Corps as limited duty officers of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Aguinaldo, Angel G.
Baker, Ronald Allan
Bjelland, Robert E.
Bolger, Gregory R.
Bonnette, Michael R.
Carter, David A.
Collins, Timothy A.
Curry, Charles J.
Dalton, Elizabeth H.
Delmendo, Gerardo M.
Flores, Manuel A.
Grubbs, John F.
Hicks, Duane D.
Jessup, Daniel F.
Lambert, Otis P.
Laughlin, Richard F.
Laurent, Michael J.
Monahan, Richard Dee
Pagen, Samuel W.
Phenis, James C.
Plude, Douglas J.
Roberts, Richard D.J.
Sammons, Gloria Jayne
Sciancalepore, M.
Shank, Jeffery B.
Stangeland, Herbert
Stange, Vernon L.
Word, Samuel Beford J.

The following-named permanent limited duty officer, to be reappointed permanent lieutenant in the Civil Enginner Corps as a limited duty officer of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Baker, Jess K., Jr.

The following-named temporary limited duty officers, to be appointed permanent lieutenant in the Civil Engineer Corps as limited duty officers of the U.S. Navy, pursuant to title 10, United States Code section 5589A:

Caldwell, Jack D.
Phillips, David C.

EXTENSIONS OF REMARKS

VISIT TO NORTHERN IRELAND

HON. ROBERT J. MRAZEK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MRAZEK. Mr. Speaker, last week, British Prime Minister Margaret Thatcher addressed this House in joint session. At that time, Mrs. Thatcher made passing reference to the problems in Northern Ireland, although she had no specific proposals to put forth.

It is my firm belief that the Thatcher Government should begin to work in concert with the Reagan Administration to bring about reconciliation between the parties involved.

Mr. Speaker, a generation has now been raised in Northern Ireland knowing only violence, discrimination, and repression. Since they know no other life, the threat of violence, becoming an institutionalized aspect of the political fabric of Northern Ireland becomes greater.

Peter T. King, the county comptroller of Nassau County, NY, recently returned from a trip to Northern Ireland and submitted a report of his observations to my office. The insights that he provides are unique. He is one of the few Irish-American activists who have had the access to visit with representatives of the loyalist community in Northern Ireland.

I believe his comments deserve the attention of my colleagues.

VISIT TO NORTHERN IRELAND

(By Peter T. King)

During the period of January 26–January 31, 1985, I was in Belfast, Northern Ireland at the invitation of Families For Legal Rights which is an organization comprised of relatives of loyalist defendants who have been charged on the uncorroborated testimony of "supergrass" informers.

The purposes of this visit were (a) to observe the current loyalist supergrass trial where 29 alleged members of the outlawed loyalist para-military Ulster Volunteer Force (UVF) are being tried on the uncorroborated testimony of supergrass James Crockard and (b) to meet with leaders and representatives of the loyalist community.

I had previously been to Northern Ireland five times. While I had met with loyalists on several of those occasions, my main contact had been with nationalists. It has been a fact of life and death in Northern Ireland that political and sectarian divides are not easily crossed.

In October 1983 I had been in Belfast to observe two supergrass trials (McGrady and Grimley) of nationalist defendants. At a news conference in Belfast and in a report which I wrote upon my return to the United States, I stated that these supergrass trials, where large numbers of defendants are tried together for unrelated crimes, without a jury, and are convicted on the uncorroborated testimony of a supergrass informer, are show trials reminiscent of Stalin's Russia. I charged that the judiciary of Northern Ireland had surrendered its independence and had become a mere adjunct of British military policy. I contended that the use of supergrasses was merely the latest abuse by England of Northern Ireland's criminal justice system. Previous abuses, some of which continue to date, include internment without trial, tortured confessions, the use of lethal plastic bullets against civilians, and indiscriminate searches of homes and arrests of civilians by security forces.

In January 1984 I participated in the filming of a television documentary on the supergrass system for the program "20/20 Vision" which is shown on Channel 4 in England. At that time I met with relatives of loyalist defendants in supergrass trials. While they made me aware of loyalist disaffection with British rule, I did not realize the actual extent of that disaffection.

I accepted the invitation of Families For Legal Rights because it has always been my position it is just as wrong when loyalists have their rights violated as it is when nationalists' rights are violated. Human rights are universal and cannot be allowed to be restricted by political or sectarian boundaries. I also believed it was significant that a hard-core loyalist group, which was fully cognizant that I was a Catholic and supported the nationalist cause, would invite me to assist it. This signalled to me a considerable change in loyalist thinking.

The Crockard trial is as violative of due process and civil and human rights as were the McGrady and Grimley trials. In virtually every particular this loyalist trial equalled the nationalist trials in its perversion of justice. Even if any or all of the 29 defendants are acquitted, justice will not have been done because the lives of the defendants and their families will have been devastated because of a criminal prosecution and trial which were fatally defective *ab initio*. In fact, the supergrass trials are a sophisticated version of internment because whether or not the defendants are convicted—bowing to international pressure, the judges have been acquitting defendants on evidence which would have been more than sufficient for conviction just one year ago—large numbers of them are imprisoned from the time of their arrest until trial. This time "on remand" often exceeds two years.

The prevalent thinking in Northern Ireland today is that the use of supergrass has just about run its course with only two significant cases remaining—Kirkpatrick (nationalist) and Gibson (loyalist). This, however, should provide little solace because recent history has demonstrated that England replaces one draconian system with another—e.g., internment was succeeded by Diplock Courts which were characterized first by tortured confessions and then by supergrasses.

What has made the supergrass system unique is the extent to which it has been imposed upon the loyalist community. Internment, tortured confessions and plastic bullets were directed primarily against the nationalist community and this caused England considerable public relations problems. England attempted to avoid this problem with the supergrass system by charging loyalists as well as nationalists, thereby giving the appearance of even-handedness.

This had outraged the loyalist community for several very basic reasons. First, in their frenzied pursuit to erect the facade of impartiality, the British have charged loyalists on evidence which, in some instances, is even less credible than the evidence against nationalists. Second, the "terrorist" offenses for which the loyalists are now being charged are the very type actions which, in the past, the British security forces condoned and even encouraged them to commit against the nationalists.

Third, while the British have moved against the loyalists in the past, it has never been on this scale or to this extent. Indeed, the loyalists have historically viewed themselves as the ultimate defenders of British rule in the six counties. For loyalists to witness the British system of justice being so horribly perverted with themselves included among its victims is psychologically shattering to growing numbers of loyalists.

The extent to which many working class loyalists feel alienated from England was made clear to me in my meetings with Families For Legal Rights and with loyalists politician George Seawright and with Andy Tyrie who is the commander of the loyalist para-military Ulster Defense Association (UDA).

At this juncture, I believe that my terminology should be defined. In the context of Northern Ireland, "loyalist" is interchanged with "Protestant" and "nationalist" is interchanged with "Catholic". It has been, however, and continues to be my firm belief that the tragedy of Northern Ireland is in no sense a "religious" conflict. The loyalists historically were Scotch or English settlers who happened to be Protestant and the nationalists were native Irish who happened to be Catholic. It has also been my belief that the loyalist and nationalist communities have far more in common with one another than they do with England. The British, however, have succeeded in dividing the communities and pitting one against the other by according the loyalist majority a status superior to the nationalists. Among the working class, however, where, ironically, the animosity is most bitter, the loyalist superiority is often marginal. As Andy Tyrie stated to me: "The Catholics have always claimed they have been second class citizens in Northern Ireland. That is not true. The loyalists were the second class citizens; the Catholics were third class citizens."

Because of the traditional loyalist attachment to British rule, however, loyalist politicians generally refrain from any criticism of British policy. Thus many loyalist politicians support the use of supergrasses because they believe that to attack any part of the British system would give credence to the nationalist movement. Thus, while loyalists are being illegally imprisoned, their elected representatives have been silent and, accordingly, have lost touch with many of their constituents.

George Seawright is an elected member of the Belfast City Council and the Northern

Ireland Assembly. Some of his remarks, such as his desire to "incinerate" Catholics, can only be described as undisguised bigotry. He does, however, demonstrate an intellectual consistency uncommon among loyalist politicians. For instance, he has sided with Sinn Rein in the Belfast Council when he believes nationalist representation are being denied their rights. He is also an outspoken opponent of the supergrass trials and is opposed to the strip-searches of women in Armagh Prison even though few loyalists have yet been victimized by this degrading process.

Andy Tyrie heads a para-military organization which has killed many nationalists. For several years, however, he has advocated independence from Britain in the form of a six-county Ulster. Understandably, the nationalists reject Tyrie's proposal because they believe—quite rightly in my opinion—that a loyalist controlled six-county state would result in the same type of government sanctioned oppression of the nationalists that characterized Northern Ireland from 1920-1968. Tyrie is, however, very much opposed to supergrasses and strip searches and is anxious to set forth his positions on these issues to Irish-Americans. Indeed, my meeting with him at the UDA headquarters in East Belfast went on for more than 3 hours.

What most vividly demonstrated to me the dramatic change in loyalist attitude and thinking, however, was my meeting with accused UVF members and their relatives which Seawright also attended. The meeting was held in the Loyalist Club on the Shankill Road which is the embodiment of the most bitter hatred between loyalists and nationalists. Yet, as a Catholic and professed nationalist supporter, I was graciously and politely received. Quite frankly, I could not imagine such a meeting taking place several years ago. These most dedicated loyalists were willing to ignore my Catholic religion and republican sympathies in an attempt to reach agreement on matters such as supergrasses which are of concern to both loyalists and nationalists.

I do not for a moment minimize the extent of the breach between the communities. Nonetheless, I believe that there now exists a unique diplomatic opportunity which should be seized before the moment passes. The ideal role for the United States to play is as an honest broker. Every effort should be made by the United States to encourage meaningful dialogue between the two communities on issues of mutual relevance and importance. Supergrasses and strip-searches are two such issues. Additionally, the United States must not only permit but indeed encourage loyalist and nationalist representatives to set forth and articulate their positions to the American people. In short, the United States must discard its visa denial policy and allow all Northern Ireland representatives into our country including nationalists such as Gerry Adams, Danny Morrison and Owen Carron and loyalists such as Andy Tyrie, George Seawright and Ian Paisley.

The time has also long since come to acknowledge that a war situation exists in Northern Ireland and that peace will never come until all parties to the conflict including para-militaries such as the Ulster Defense Association, the Ulster Volunteer Force and the Irish Republican Army are permitted to take part in whatever negotitations are ultimately held.

My own views on Northern Ireland are unchanged. I believe that Northern Ireland is a failed political entity and that the only viable, long-term solution is a united 32 county Ireland wherein the legitimate rights of loyalists and nationalists would be guaranteed. The precise framework and time table for a united Ireland would be arrived at after honest and meaningful diplomatic initiatives by London and Dublin and negotiations among all parties including para-militaries.

Ideally, the United States would set this process in motion by furthering the dialogue between loyalists and nationalists. Even, however, if the dialogue does not bring about a long-term political solution, it could nevertheless result in the alleviation of human rights violations by the British against both communities and that in itself would be a very meaningful achievement.

Finally, London and Dublin can be expected to resist any effort to achieve nationalist-loyalist dialogue because that will limit their influence. The English and Irish governments have, however, failed miserably over the past 65 years in Northern Ireland. Each has cynically manipulated and abandoned the communities whose interests it supposedly represented. In short, the bankrupt policies of London and Dublin cannot be allowed to once again frustrate the hope of progress.

The people of Northern Ireland have suffered too long and too hard for the United States to ignore the potentially historic diplomatic opportunity which presently exists. The time for action is now. The judge is history.●

RABBI EDGAR GLUCK: A MAN OF VISION AND ACTION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to an outstanding religious leader and community activist, Rabbi Edgar Gluck whom I have been privileged to know for over a decade. Rabbi Gluck is one of those extraordinary men who are blessed with enormous energy and personal commitment which enables them to work tirelessly for the good of others.

Rabbi Gluck has served the people of New York not only as a religious leader, but as an effective civil servant who knows the intricacies of our local and State government. But he is also no stranger in Washington, where he has come over the years to lobby and to testify on the importance of community anticrime programs, juvenile justice services, and the need for improved health and mental health services. You are as liable to see Rabbi Gluck in Albany, as at the city council, or in the Halls of the Congress, for he is a community leader who understands the importance of taking one's message wherever the decisions affecting a community are made.

Sometime ago Rabbi Gluck's enormously creative mind dreamed up the concept of the Hatzohol, a volunteer rescue squad that would be equipped with the most modern medical technology and staffed with trained community people. As usual with Rabbi Gluck, he was able to communicate his concept and work with other community leaders until this important auxiliary emergency health service became a reality. Thanks to the trailblazing of Rabbi Gluck and his associates, many other Jewish communities have now organized similar Hatzohol units.

Rabbi Gluck has also worked to improve the health care services for the Borough Park area by serving as a member of the board of directors of Maimonides Hospital's Mental Health Board and chairman of its Political Action Committee. Because of his many years of experience with public safety issues, Rabbi Gluck now serves as chairman of the Rabbinical Police Liaison Committee of New York State. In that role, Rabbi Gluck serves as an important interpreter of the needs and concerns of the community to our State and local law enforcement officials.

Mr. Speaker, President Reagan has constantly reminded us all of the important role that dedicated community leaders like Rabbi Edgar Gluck play in improving the quality of life of our cities, towns, and neighborhoods. It is a marvelous indication of the vitality of American democracy that so many of our citizens remain willing and eager to work for the good of their communities.

May the good example of men like Rabbi Gluck inspire our youth to continue this important tradition of volunteer service. For, without the dedication and philanthropic commitment of people like Rabbi Gluck, our communities would be far less hospitable places in which to live and raise a family.●

THE KRASNOYARSK RADAR

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. COURTER. Mr. Speaker, discussion of future arms control agreements with the Soviet Union naturally includes the matter of compliance with past agreements. Recently the President has made public a list of seven Soviet violations of existing arms control agreements which he deems certain, and the General Advisory Committee report finds nine positive violations. Both surveys detail many other violations of less certainty. The most notable violation, and some of its political implications, was reviewed by the Washington Post's editors in an editorial of February 5, 1985, which I commend to the attention of my colleagues:

The editorial follows:

THE KRASNOYARSK RADAR

A year's further discussion of whether the Soviet Union is respecting its arms control obligations has produced more of a consensus than most people had thought possible. The release of President Reagan's latest congressionally mandated report on "Soviet noncompliance with arms control agreements" makes this clear.

The main thing that has happened since the last report is that public attention has focused on one alleged violation—the Krasnoyarsk radar. Most of those who previously hesitated to call it a violation of the 1972 Antiballistic Missile Treaty (ABM) have stopped hesitating. It has become very hard to deny that the Soviets set out shortly after the treaty was signed on a course specifically blocked by the treaty, that they stonewalled through years of American efforts to induce them to admit it or correct it and persist on that course to this day. Fewer people remain to say that it really doesn't matter all that much and that, in any event, it's wrong to talk about it in public.

Some Americans feared—others hoped—that official efforts to nail the Kremlin on this violation would unravel the whole arms control process. This has not happened: President Reagan and the Russians are headed back to full-scale negotiations at Geneva. But there have been other major consequences. The American standards for verification of new agreements have been toughened. And major impetus has been given to the idea of an American defense against ballistic missiles—this is the idea embodied in the president's Strategic Defense Initiative. Unlike the Soviet radar at Krasnoyarsk, this program, in its current, research phase, is entirely consistent with the ABM Treaty.

A few Soviets have hinted that, if Moscow felt it could avoid public embarrassment, it might find a way to halt construction on the radar or otherwise signal that it understood American sensitivities. But of course Moscow had years to do just that, and so far has chosen not to, even though it was being discreetly pressed on the matter by Americans of very different political persuasions.

Is there not someone in the Kremlin with the wit to recognize the immense Soviet interest in quietly unfolding a few tarpaulins at the Siberian construction site? What a pity that its political radar is so inferior to that huge electronic radar being built at Krasnoyarsk.●

EXEMPTION FROM TAXATION OF FRINGE BENEFITS

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. VALENTINE. Mr. Speaker, I am today introducing legislation that amends the Internal Revenue Code of 1954 to correct the treatment of nontaxable fringe benefits for law enforcement and other vehicles. My amendment adds to the list of those entities already excluded from taxation of fringe benefits. It would include drivers of law enforcement, fire and rescue vehicles.

My office has received many inquiries from throughout my district and the State of North Carolina concerning the proposed new Internal Revenue Service [IRS] regulations. If these regulations were to stand, they would adversely affect firemen, police officers, emergency service personnel and perhaps other public service employees who are assigned motor vehicles for what the IRS apparently holds to be "off-duty" use. For purposes of taxation, the IRS regulations would compute the value of such vehicles to be $4 per day and the employee would be required to pay income tax on this amount. This would increase taxable income by some $1,040 per year.

The Internal Revenue Service has published new "temporary proposed" regulations in the Federal Register which provides for a number of modifications and alternatives. Although the clarification of the fringe benefit regulations include definite improvements, the regulations cannot be regarded as either fair or equitable. Unfortunately, the IRS continues to assert the premise that all commuting in a company vehicle is a taxable noncash fringe benefit. Employees who make themselves available to respond to a call while at home and employees securing vehicles in the evening are clearly performing employment responsibilities. It is unfair to tax them on these activities.

Mr. Speaker, take, for example, a police officer who is assigned a vehicle and is on call 24 hours per day. The officer is subject to be called to duty at any time and takes home a vehicle which is marked, equipped with a police radio, and equipped with emergency items such as additional weapons, flares, first aid equipment and other materials. When the officer leaves his home, he actively begins patrolling and frequently passes the scene of an automobile accident, is directed by radio to an accident scene, or from time to time, a robbery scene. The officer may also have taken home civil or criminal process papers to be served after hours or on his way to work. Despite these clearly demonstrated needs, the IRS would hold that the use of such vehicles would be a cash benefit worth $4 per day to those persons and therefore subject to tax withholding requirements.

Since police officers are available for duty at all times, I do not believe they should be taxed for the use of the vehicles. In addition, the mere fact that a police automobile is in the neighborhood represents a strong deterrent to crime.

Mr. Speaker, my legislation would further clarify the regulations by adding to section 132(a)(3) a more concise definition to include public vehicle drivers to the list of those already eligible for exclusion from gross income.

Further, this same situation can also be applied to fire and rescue personnel. They are required to respond, but are we to tax them when they are provided with car? I believe it would be unfair—extremely unfair—to tax those persons who are required to perform, in many instances, emergency functions in life and death situations.

My legislation would exclude police, fire and emergency personnel from the regulations. I consider this essential in order to assure continued protection of our citizens. The regulations, as they now stand, are unclear and act as an intrusion, into the ability of the States and municipalities to effectively protect our citizens.

While I support reducing the deficit and closing certain tax loopholes, as described in the Deficit Reduction Act of 1984, I do not believe that doing so warrants taxing our public service organizations as a part of the means to achieve the reduction of the deficit.

Mr. Speaker, I urge my colleagues in the House to support the legislation to correct this situation.

Thank you.●

SALE OF CONRAIL

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. FOGLIETTA. Mr. Speaker, among the most important issues before the House this year will be the sale of Conrail. The Philadelphia Inquirer on Sunday, February 24, 1985, ran an article by Mr. Tom Belden discussing the important questions we will have to resolve. Today, I want to call my colleagues' attention to this thought-provoking article and enter it into the RECORD.

The article follows:

FOR BUYER OF CONRAIL: TAX CREDITS

(By Tom Belden)

The potential for Norfolk Southern to reap $1.4 billion in tax benefits in buying Conrail could become a key issue in congressional hearings scheduled to begin this week.

Some members of Congress are concerned that if Norfolk Southern, the company supported by Transportation Secretary Elizabeth H. Dole for the purchase, were to reap those savings, the transaction would amount to a net loss for taxpayers—not a net gain, say staffers on the House and Senate Commerce Committees.

That prospect and another issue—whether it is possible to ensure that Conrail continues to operate as it is new and is not looted by its new owner—will likely be topics of strong debate, according to the staffers.

In addition to those questions, say the staffers—whose committees must pass the legislation to return Philadelphia-based Conrail to the private sector—the hearings will consider how a sale would affect rail competition and employment, both within Pennsylvania and throughout the nation.

While most of the debate over the Conrail sale thus far has focused on its possible consequences on competition and employment,

the tax-benefit aspects of the sale have received practically no attention.

The only mention of the subject that Transportation Department officials have made was to say that Norfolk Southern would not be allowed to keep the almost $2.4 billion in potential tax deductions now on Conrail's books. These benefits resulted from Conrail's past operating losses and equipment investments.

Transferring those tax benefits to a buyer clearly would amount to double-dipping in the federal treasury and would be a windfall to Norfolk Southern, all involved in the process agree. The government has spent $7.6 billion since the bankruptcy of the Penn Central-Railroad in 1970 to support rail service in the Northeast and buy property for Conrail.

But what would be handed over to Norfolk Southern under the terms of Dole's proposal, in exchange for the $1.2 billion cash it has offered for the 85 percent interest in Conrail that the government owns, are Conrail assets—primarily property and equipment—valued for tax purposes at about $3.1 billion.

By using the so-called accelerated cost-recovery system of the 1981 federal tax code, businesses can more rapidly write off the cost of the assets they own.

Through the accelerated cost-recovery system, or ACRS, as it is popularly known, Norfolk Southern theoretically could recover about $1.4 billion in tax savings alone in as little as five years. Such a rapid recovery of Norfolk Southern's investment assumes the Virginia-based rail-holding company had to pay taxes at the nominal corporate tax rate of 46 percent.

Norfolk Southern executives acknowledged that they would be buying substantial tax benefits in Conrail's assets, but that they believed it would take them far longer than five years to use them up.

Although Dole and Norfolk Southern officials vigorously defended the tax benefits of the sale as a normal part of business transactions today, the matter comes up at a time of widespread concern over federal budget deficits.

Congressional staffers and government analysts believe there are members of Congress who will contend that, after having already invested billions of dollars in Conrail, the federal government will lose more than it gains in the sale, if all the deductions are used.

"I know I've got a curious bunch of members here on that issue," said one Senate aide. "There's no question we'll be looking at it."

In an interview last week in her Washington office, Dole said that if Conrail were to be sold without the inclusion of those tax deductions, it would depress the railroads value and place it at a severe financial disadvantage compared with other railroads.

Dole said she had cleared the inclusion of the tax deductions in the proposed sale agreement with David Stockman, director of the Office of Management and Budget.

At one time Stockman had argued with Transportation Department officials against letting the new owner of Conrail use the tax deductions because of their potential long-term effect on the federal budget, according to several congressional and government sources.

John R. Turbyfill, Norfolk Southern's executive vice president for finance, said that his railroad had taken the value of Conrail's tax benefits into account in deciding that $1.2 billion was a fair price to bid for the railroad.

"The tax base of Conrail is an asset, just as are its locomotives or lines," Turbyfill said in a telephone interview from Norfolk Southern's headquarters in Norfolk, Va. "That is one of its characteristics we took into account in valuing Conrail. Using them [the assets for tax purposes] will depend largely on Conrail's income. There's nothing out of the ordinary or nefarious about getting the tax bases. It's just like getting locomotives or track."

HEARINGS START WEDNESDAY

The first hearings on Dole's sale proposal are scheduled for Wednesday and Thursday in Washington before the Senate Committee on Commerce, Science and Transportation. The hearings will chaired by Sen. John Danforth (R., Mo.).

A hearing of the House Energy and Commerce Committee, chaired by Rep. James J. Florio (D., N.J.), who has promised a through inquiry into the process Dole used to select Norfolk Southern, was postponed last week when Dole's schedule precluded her appearance.

Also due to come under scrutiny are the so-called protective covenants contained in the memorandum of intent that Dole signed Feb. 8 with Norfolk Southern.

Dole has emphasized time and again that the covenants—requiring such things as keeping Conrail's headquarters in Philadelphia and specifying minimum levels of capital investment in the railroad—are part of what make the sale to Norfolk Southern the best possible deal for Conrail and the country.

"I think the covenants are key to the deal," Dole said. "If you are concerned that this railroad be very, very strong on into future, as far as you can see, it seems to me the way you do that is by assuring that cash is going to remain in the company."

Yet, as the covenants are drafted in the memorandum of intent, the secretary of transportation is granted substantial power to waive any of the covenants. The memorandum contains no definition of precisely how the secretary would make such a determination.

CAPITAL SPENDING

Among the covenants that could be examined closely in Congress is one that would allow capital spending on Conrail to fall to as little as $350 million a year. In 1984, Conrail had capital expenditures of more than $500 million.

Another covenant says Norfolk Southern is required to "continue to operate from its headquarters in Philadelphia" and "retain its locomotive shop and car-repair facilities" at Altoona, Pa., but it provides no more detail than that.

Norfolk Southern chairman Robert B. Claytor, in an interview in Norfolk last week, repeated his earlier statements that there are no present plans to substantially reduce employment in Philadelphia.

"Not only do we not have any intention of closing the Philadelphia offices . . . it's not economically feasible to do it," Claytor said.

Even before any debate comes on such issues in the Senate and House, there will be other opportunities for those who oppose Dole's plan to express themselves on any number of subjects, starting tomorrow, when Sen. Frank Lautenberg (D., N.J.) holds an informational meeting in New York City.

Scheduled for an appearance at Lautenberg's meeting are, among others, Federal Railroad Administrator John H. Riley, one of Dole's top lieutenants, and Conrail chairman L. Stanley Crane, a staunch opponent of a sale to Norfolk Southern. Crane wants to see his railroad sold through a public stock offering.

Crane also is to be one of at least a dozen witnesses before the Senate committee Thursday. Among others that day will be Lautenberg; Sens. John Heinz and Arlen Specter, Pennsylvania's two Republican senators, who also favor a public stock offering, and representatives of other railroads, of Conrail's labor unions, of investment banking firms and of companies that ship freight on Conrail.

The Senate panel on Wednesday will hear not only from Dole but a host of others who favor a Norfolk Southern deal, including Claytor.

Despite the new challenges to her plan and the continuing clamor for a public offering, Dole last week was still brimming with confidence that the almost two-year-long sale process would result in passage this year of the Conrail legislation she is proposing.

"I don't think there's really any comparison" between a single-buyer sale and the public offering "in terms of what would really benefit the public the most," she said. Support in Congress for a public offering "will fall of its own weight when we go into hearings," she declared.●

RIGHT TO LIFE WEEK

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SMITH of New Jersey. Mr. Speaker, I would like to take this opportunity to commend Councilman Randy Corman and his colleagues, the mayor and council of the borough of Sayreville, NJ, for declaring the week of January 20, 1985, through January 26, 1985, to be "Right to Life Week" in the borough of Sayreville. These good citizens have resolved to urge the people of the borough to "respect the sanctity of innocent human life."

In a nation where nearly 4,000 lives are snuffed out daily by abortion—about 15 million unborn children are killed each year—and where more than 5,000 children were killed through child abuse last year, it is encouraging to see a community stand up and be counted in support of life. Let the borough of Sayreville be an outstanding example of pro-life leadership to its surrounding communities, both in New Jersey and across these United States.

Mr. Speaker, I am proud to insert the text of this resolution for consideration by my colleagues. My hope is that this will serve as a model to be emulated by towns, boroughs, and cities nationwide.

RESOLUTION

Whereas, on January 22, 1973, the United States Supreme Court legalized abortion with its now infamous Roe v. Wade decision; and

Whereas, since that fateful day, the number of unborn lives that have been brutally extinguished in America has exceeded the number of people who perished in Hitler's concentration camps; and

Whereas, if our civilization is to survive, it must once again protect the sanctity of innocent human life, whether born or unborn;

Now, therefore, be it resolved by the Mayor and Council of the Borough of Sayreville that the week of January 20, 1985 through January 26, 1985 is hereby declared to be "Right to Life Week" in the Borough of Sayreville and all borough citizens are urged to respect the sanctity of innocent human life; and

Be it further resolved that a duly authenticated copy of this resolution be forwarded to the Knights of Columbus Council 2061.

RANDY CORMAN.

Approved:

JOHN B. MCCORMACK, *Mayor.*

I, Margaret V. Hahn, Borough Clerk of the Borough of Sayreville do hereby certify that the foregoing is a true copy of a resolution adopted at a regular meeting of the Mayor and Borough Council held on the 16th day of January, 1985.●

FULL EMPLOYMENT WITHOUT INFLATION: TOP SOCIAL GOAL FOR THE 1980'S

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. COURTER. Mr. Speaker, with unemployment still at unacceptable levels, a program is emerging in Congress to reach the cardinal economic and social goal of the decade: full employment without inflation. This program includes three progressive legislative initiatives: First, urban enterprise zones to rebuild our depressed inner cities and assimilate minorities into the mainstream of the American economy; second, tax reform and further marginal tax rate reduction to boost output, economic and income growth; and third, monetary reform to lower interest rates and stabilize the value of the dollar in terms of commodity prices and other currencies.

Enterprise zone legislation gives special tax incentives for working, hiring, investing and starting up new business ventures in cities with areas officially defined as "pockets of poverty" where unemployment is high and despair even higher.

The second initiative would be a complete overhaul of our complex and unfair tax system; a radical base-broadening and rate-reducing effort designed to surge the economy toward the end of the decade. One such proposal, the Kemp-Kasten fair and simple tax, would remove 1½ million of the working poor from the Federal income tax rolls, double the exemptions for families, drop the top personal rate to 25 percent, an reduce and index the capital gains tax. The Treasury Department tax reform proposal and the Bradley-Gephardt fair tax have similar features. Another sharp drop in tax rates would be an ideal way to reignite the 1983-84 recovery.

Finally, there has been a great deal of debate and confusion over why we have experienced the economic ups and downs of the last 15 years. The Congress is beginning to put the spotlight on our monetary authorities in the realization that the Federal Reserve Board's interest rate and price rule policies are central to achieving the high levels of growth and output needed to achieve full employment.

The Fed's proper role should be to provide for the stability of the purchasing power of the dollar. No more elusive visions of a steady growth in the money supply, no more bumping interest rates at will with no signs of inflation in the financial markets.

Instead of having the philosopherkings at the Fed and Treasury guessing at the future supply of money, we should let the market itself find the equilibrium between the supply of money and the demand for it. The balanced monetary policy and Price Stability Act would direct the Federal Reserve Board to maintain price stability in terms of an index of commodity prices devised by the Federal Reserve Board and the Treasury.

Under this price rule the roller coaster ride that prices, interest rates and exchange rates have been on since the early 1970's would have been mitigated. When the index of commodity prices rises, this would be a signal for the Fed to tighten policy. When the index falls, policy would be loosened. This guideline would have stopped the inflationary fall of the dollar in the 1970's as well as the debilitating rise of the dollar and high interest rates of the 1980's.

The success of these programs will free us from the most pernicious idea that has gripped official Washington in our time: that you fight inflation with unemployment and you fight unemployment with inflation.

The supposed tradeoff between unemployment and inflation, the Phillips curve, is an idea and a policy that Congress should finally and officially reject. Full employment, as embodied in the Humphrey-Hawkins Act, must become the paramount goal of economic and social policy.

It has been far too long since this country has had noninflationary economic growth. Not since President Kennedy's tax cuts and commitment to the Bretton Woods fixed exchange rate system have we had both rising production and employment. It is the triumph of President Reagan's first term that the noninflationary expansion of 1983-84 has almost matched President Kennedy's boom, proving once again that prices can be stable while people are going back to work.

In his second term, President Reagan should strive to bring the unemployment rate down well below 5 percent. The President can realize this end by advancing a monetary reform that will insure us against future inflation and credit crunches by the Federal Reserve Board. A combination of tax reform, enterprise zones, and price-oriented Fed policy would be the proper fiscal and monetary mix to achieve this end.

It is imperative that economic growth be the first priority of our economic policy not because it is inherently more important than other personal or social goals, but because without growth, progress toward one goal can only be achieved by the impoverishment of something or someone else.

Whether our efforts are geared toward cleaning up toxic wastes, rebuilding our national defenses, lifting our struggling minorities out of poverty or balancing the Federal budget, growth must come first. It is the linchpin of what Wilhelm Roepke, the economist who designed the post-war German economic miracle, has called the socially responsible free market economy.●

NICARAGUA: FORBES SAYS IT IN A NUTSHELL

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. STUMP. Mr. Speaker, in the February 25, 1985, issue of Forbes magazine, Malcolm Forbes, Jr., expressed clearly and concisely the reasons for which the United States must renew its support for the Nicaraguan democratic resistance. I urge my colleagues to read the Forbes editorial, which follows:

NICARAGUA

(By M. S. Forbes, Jr.)

Congress in coming weeks will decide whether to resume funding for the Nicaraguan Contras, who are fighting the Cuban-like Sandinista government. Money ran out last fall and the House of Representatives refused new appropriations.

Our legislators should reverse this foolish action.

The true nature of the Sandinistas should be clear by now to every objective observer. Democratic elements are being systematically quashed. Basic civil liberties have been taken away. Secret police powers have expanded enormously. A totalitarian regime is in the making.

The government is being aided by all the disreputable elements of international terrorism—the P.L.O., the Ayatollaha's Iran, the Bulgarian secret service, not to mention boatloads of Soviet and Cuban "advisers." Eastern bloc arms are pouring in.

The aim of the Sandinistas is clear: Turn Nicaragua into a base for subverting neighboring states such as El Salvador, Costa Rica, Honduras and, ultimately, Mexico.

Honduras and Costa Rica are already making appeasing gestures to their terror-

ists neighbor by cracking down on Contra leaders within their borders. The congressional cutoff has made them think they had better hedge their bets, as the U.S. appears to be a rather unreliable ally.

To allow this Soviet puppet to establish itself on the American continent—Castro's Cuba, at least, is an island—would be folly.

Central America is no Vietnam. It is only a 120-minute plane ride away. Ten thousand miles separate us from Southeast Asia. At the polls and in public opinion polls, the people of Central America have made clear they want no part of a Sandinista-style regime. That's apparently true even of Nicaraguans themselves. Why else did Nicaragua's recent elections bear all the earmarks of a Soviet-style sham? Did the Marxists fear they would lose a free vote?

For moral and strategic reasons, Congress had better vote a health flow of support for the Contras.

They're fighting our battle, too.

TRIBUTE TO INGRID WALTER—FOR 34 YEARS OF SERVICE TO REFUGEES

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SOLARZ. Mr. Speaker, I would like to pay tribute today to a remarkable woman named Ingrid Walter. On March 1, she will be retiring as director of the Lutheran Immigration and Refugee Service, a voluntary resettlement agency, after more than 34 years of service to refugees. I have been honored to know her and to work with her for the past 8 years.

She herself was a refugee. She fled both Nazi and Communist occupation of Estonia in 1945 and worked as a resettlement officer in West Germany until 1949, when she came to the United States as a displaced person. Since joining the staff of the Lutheran refugee program in 1950 and becoming its director in 1976, she has helped more than 125,000 refugees find safety and a chance for a new life in the United States. Among these 125,000 was the Nguyen family of Milton, PA, whose daughter, Jean, was cited in the President's recent State of the Union Address for her fine achievements at West Point.

Ingrid Walter has worked with the massive influx of refugees following World War II, with persons expelled from Uganda in 1972, with the wave of Indochinese refugees after 1975, as well as East Europeans, Afghans, Ethiopians, and others. Over the years, she has chaired committees and worked with many others on issues pertaining to immigration law and policy and the rights of the foreign born to bring about constructive changes.

In January 1980, she was named one of the 10 most influential American Lutherans in "Missouri in Perspective." When awarded an honorary doctor of humanity degree in 1981 by Wartburg College in Waverly, IA, she was hailed as "a tribute to the country of your birth, a symbol of what is best about the country of your adoption, and the embodiment of the calling which is ours as servants of the Lord Jesus Christ." Throughout the Lutheran world, she has been cited for her "assertive leadership for the cause of human assistance on behalf of Lutheran congregations." Those of us who know her are aware that she has fully earned this respect and affection by her leadership, dedication, and deep concern for people.

I pay tribute to her, not only because of her achievements, but also because she is a person who never lost touch with people. She took her personal trauma and sadness as a refugee and her elation at having reached the shores of the United States and turned it into a lifelong channel so that others could become a part of our Nation of immigrants and strengthen our country with their hopes, dreams, and achievements.

We will miss her unique presence in refugee work. Somehow I feel that after more than 34 years of service, she will continue to find ways to express her devotion and commitment where there are refugees in need. But for now, on the occasion of her retirement, I wish to honor the work she has done thus far, and join the many others who wish her Godspeed and the very best.●

NEW DEVELOPMENTS IN LASER TECHNIQUE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MOORHEAD. Mr. Speaker, at a time when a record number of Americans suffer from serious heart disease due to badly blocked coronary arteries, I think it is timely to bring your attention to new developments in an experimental laser technique which could substantially reduce the number of people requiring risky coronary bypass surgery and, subsequently, eliminate a large portion of our Nation's health bill.

The technique, called laser corcnary angioplasty, was described in the New York Times on January 29. It is being developed by physicians and scientists at the Cedars-Sinai Medical Center in Los Angeles and NASA's Jet Propulsion Laboratory located in my district in Pasadena. A laser attached to flexible glass fibers, enclosed in a catheter, is passed through arteries to reach material, called plaque which blocks the flow of blood. Laser energy fired through the fibers decomposes the material without the usual heat that can destroy surrounding tissue. Although the prototype laser device is still in the experimental stage and is not expected to be tested on human patients for about 18 months, it has been used successfully on the arteries of cadaver and animal tissues.

Lasers currently available to the medical profession have not been considered for the treatment of cardiovascular disease mainly because the devices lack precision and the energy produced tends to perforate fragile artery walls too easily. As a technological spinoff from work scientists at the Jet Propulsion Laboratory are conducting on chemical components of the upper atmosphere, a research team consisting of James Launderslager, Thomas Pacala, Stuart McDermid, and David Rider found what they needed in a device called the excimer laser.

This device produces short intense bursts of ultraviolet light that can destroy unwanted material in the arteries with considerable precision without the extreme temperatures that can damage delicate surrounding tissue. The plaque molecules are broken up and subsequently vaporized into carbon dioxide, hydrogen, and molecular particles that are believed to be absorbed by the body in the normal circulation of the blood. In tests, the excimer laser has been able to remove a typical artery blockage in 2 minutes.

When perfected, developers estimate a laser-fiber optic device that would cost around $100,000. In 1982, the last year for which figures are available, about 170,000 people underwent coronary bypass surgery at a cost of around $20,000 a person. With this remarkable device, scientists envision treatment for obstructed arteries in a matter of minutes, possibly without requiring an overnight stay in the hospital. At this point, I think it is important to call your attention to the significance of this achievement. If all goes as planned, this new laser technique will not only save money, it will revolutionize the treatment for thousands of people who are afflicted with cardiovascular disease.

In his state of the Union message, President Reagan spoke with optimism about the genius of American technology and the benefits that will accrue to each of us because of it. I think this is a perfect example of what the President was speaking about. This innovation will ease the strain on the Federal budget, it will save many lives, it will enhance the health of many individuals, and it will help answer the ethical question about who among us can afford or deserves to be treated for heart disease.

Mr. Speaker, I applaud unabashedly this breakthrough and the men and women responsible for it.●

WIND ENERGY

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, wind energy is becoming one of America's major renewable energy sources in the post-oil-embargo era. The Federal renewable energy tax incentives have permitted the wind energy industry to grow dramatically in the past few years, and wind machines are fast becoming a familiar part of the landscape in California, my home State of Hawaii, and a number of other States as well.

Windfarms generated only about 10,000 kilowatt-hours of electricity in 1981, their first full year of production—less than the yearly electrical needs of two average homes. Last year, they generated over 188 million kilowatt-hours, or enough electricity for 31,000 homes, and that figure is expected to double in 1985.

Modern aerospace, materials, and electronic technology are bringing wind turbines to the point where they will be competitive with conventional energy sources in the not too distant future. I present the following article from the February 19, 1985, edition of the Energy Daily for the benefit of our colleagues. It discusses the current status of the wind energy industry, particularly the gains that have been made in California in recent years and points out that economic competitiveness for the industry is just ahead. I hope that the article will provide useful background for our colleagues as the drive to extend the renewable energy tax incentives this year gains momentum. The article follows:

WINDMILLS CLOSE THE GAP

BY BURT SOLOMON

Windmills are within four to five years of being economically competitive in California, according to a consultant for Pacific Gas and Electric Co., which buys electricity from thousands of them.

Most of the windmills now being installed in Altamont Pass 45 miles east of San Francisco "have the potential" to generate electricity at a dime to 15 cents per kilowatt-hour, according to a paper Don Smith, a wind consultant in PG&E's San Ramon, Calif., research office, will present today to an American Society of Mechanical Engineers wind energy symposium in Dallas. The better machines now available cost, on average, $1,200 per KW to build, yielding a generating cost of 10-11 cents per KWh (in '84 dollars) or of 6½ cents levelized to current pennies, Smith told *The Energy Daily* last Friday.

In comparison, PG&E officials say that their Diablo Canyon nuclear power plant—soon to come on-line at a per-kilowatt cost of $2,466—is expected to generate power at a levelized cost of 6-7 cents per kilowatt-hour, a spokesman said last Friday. (That's in '84 dollars and assumes a 65-percent capacity factor over 30 years.) PG&E currently pays 8.6 cents per KWh for on-peak power from small power producers—an "avoided cost" rate based on oil-fired generation.

Neither nuclear nor coal is truly an option for future capacity in California, Smith noted last Friday. He thinks that wind power will surpass oil and natural gas in economic allure within a half-decade if wind gets five percent cheaper during each of the next couple years while oil and natural gas get a little costlier.

Smith's conclusions about wind power costs assume that interest on borrowed capital will amount to 14 percent (a crucial assumption for an energy technology with high front-end costs and free fuel), that operating and maintaining the machines will annually cost two to three percent as much as building them, that they'll run for a decade at 90-percent availability, that they'll operate at a 30-percent capacity factor, and that they'll enjoy an average windspeed of 16 miles per hour. His figures don't take into account the generous tax benefits offered to windmill investors by the U.S. and California governments.

PG&E, pressed by state regulators to show enthusiasm for windmills, cogeneration and other newfangled power sources, has 4,087 windmills hooked into its grid (as of February 5) with a combined capacity of 355 megawatts. Smith examined the economics of the 2,600 windmills installed by last October, which he treated as a single 220-megawatt power plant.

Interestingly, the most important variable in computing a windmill's cost of generating power isn't the installed cost but the windspeed, the PG&E study found. Altamont Pass, where sea breezes from San Francisco Bay funnel into the Central Valley, is home to the world's largest agglomeration of windmills. But the hilly pass has a complex topography, and the windspeed can vary as much as 25 percent within a short distance—enough, according to Smith, to nearly halve the energy production at the calmer sites and almost double the cost of each KWh. One site was measured last year—thought to have been a lousy wind year—at 12 mph, rather than 16 mph. "If that's true it destroys the economics," Smith said.

Also crucial to the economics is how the windmills in a wind farm are arranged. If they're built too close together they will interfere with one another's wind flow—reducing the power output and augmenting the cost. (In Altamont Pass, 18 square miles are under wind development—an average of one windmill per four acres.) Relatively unimportant to the economic calculations are the duration of a wind farm's life and the extent of O&M costs.

At least 19 different sorts of windmills have been installed in Altamont Pass, with capacities ranging (as of last fall) from 40 to 400 kilowatts. Three percent of them were Darrieus (vertical-axis) windmills; the rest were the more conventional sort, most of them designed with blades downwind of the tower. PG&E purchased 125 million KWh from them last year, four times 1983's output.

Altamont Pass windmills have been getting bigger and better year by year, according to the PG&E study. The average machine installed in mid-1984 had more than double the power rating (108 KW, up from 52) of those built in 1982. The reasons: longer blades, and larger generators that let machines pump out power in stiffer winds. And the average capacity factor is on the rise, from 3.4 percent in '82 to 8.9 percent in '83 to 13 percent last year; that sent the average cost per KWh plunging from $1.62 to 53 cents to 32 cents. (Last year's average installed cost: $1.660 per kilowatt, down from 1982's $2,188.) Windmill operators aim for capacity factors of 35-40 percent, industrial officials say; if it goes higher, the generator is considered undersized.

PG&E has 772 megawatts of wind power under contract and is negotiating for 520 MW more. The giant utility now obtains 0.2 percent of its power and wind—sometimes as high as one percent, in early mornings when winds are high and demand is low. "If all of the planned capacity is installed, and if the improvement in performance continues, within a few years PG&E may be getting about 2.5 percent of its annual electrical energy from Altamont Pass winds, with peaks in the early morning of 10 percent," according to Smith.

Smith, with a bachelor's degree in engineering and a Ph.D in modern European history, believes the wind industry might now be a couple of years farther advanced had windmill designers paid more attention to history—in particular, to the machines constructed 50 years ago in France, Germany and Denmark. The Darrieus eggbeater-like windmill, he notes, was invented by a Frenchman in the '20s, then forgotten and reinvented by some Canadians in the '60s; the Canadians applied for a U.S. patent but were refused it after U.S. patent officials learned of the earlier work and declared the invention in the public domain.●

UNITED JEWISH Y'S OF LONG ISLAND

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MRAZEK. Mr. Speaker, I recently attended a moving breakfast on Long Island on behalf of the United Jewish Y's of Long Island. For over a decade, UJY has been instrumental in coordinating, planning, and developing an array of YM and YWHA services and programs for the 30,000 Y members and other residents of Long Island. Indeed, in this time UJY's has grown to become a leading cultural and educational center serving the area.

I'd like to pay special tribute to two men who have helped to build the United Jewish Y's into a major community center. Leonard Cooper, president of the board and Al Levy, chairman of the board hae dedicated their time and unceasing efforts toward bringing these vital services to Long Island's Jewish community. Their commitment, perserverance and intelligence serve as an example to all people in the area. I commend them for their work on behalf of the United Jewish Y's.

Perhaps the most perceptive statement about the services performed by UJY was the one delivered by Cy Leslie, chairman of the MGM/United Artists Home Entertainment subsidiary, at the breakfast. The text of his

speech demonstrates how important this is as a civic endeavour for communities all across the country. His speech follows:

STATEMENT BY CY LESLIE

It has been said the greatest exercise for the human heart is to bend down and help somebody else up.

A concept such as a "Y" or a community center stems from both positive past experiences and what is clearly the community need to help somebody.

I would like to share with you a little of my own personal perspective. My own desire to see a center really began with my own experience as a youngster in the Bronx. It is clear to me, in retrospect, that if I had no "Y", my life would have been measurably poorer—in social development—life long relationships—and that sense of community and responsibility to others.

While some areas on Long Island are more affluent and some less, they all share one basic reality—there is a sense of social deprivation. Where are the social centers for our youth?

How do we accommodate the need of the increasing generation of seniors who have limited current facilities? How about the children? Or the large middle group who seek affordable relaxing athletic facility and the availability of the broadest possible cultural exposure? All of this seems so invisible in these two counties that boast richness of education—intellect and a spirit of caring.

I gave you some of my own personal observations but to each person the "Y" has its own significance. To the pre-school child it is the first socialization and learning experience outside the home; to the elementary school child is development of a relationship with adults; a teenager can make new friends in a safe environment and a parent can safely say, "it is 9 o'clock and I know where my child is". To the parents, whether single or not, it is deriving personal benefit from the diversified programming specifically geared to their own needs. To the cardiac patient it is a swimming pool for rehabilitation; to the young adult it is in meeting peers in an environment other than street corners and bars and to the older adult it represents a break in the lonliness of suburbia by coming to a center.

We believe that through our programs people find those outlets and satisfactions that provide anchor and balance in their lives and serve as a corrective measure to those heavy problems that could lead to emotional distress. We believe firmly that prevention is preferable to cure, although it would appear the cures would be the more dramatic when it comes to requests for funding. There is also a pragmatic reason for prevention and that simply is the cost is far less than cure and in human terms, saves agony and heartbreak in the process.

We believe in strengthening family life by providing fulfilling, meaningful activities to all members individually and as a family. An example—parent/child programs where parents learn to understand how to raise their children and we speak of programs that begin with infants as young as three months of age.

The world we live in now is dramatically different than what we saw 10-20 years ago and beyond. Close to 70% of the families we serve now have two working parents out of economic necessity. Through our day care and preschool programs, we serve children from six months to kindergarten age and help working families by providing good, constructive care and programming during the day.

We have extensive activities for the elementary school child and after school program for children to improve their social skills and engage in athletics, crafts and cultural arts.

What sadder plight than that of a teenager in suburbia who feels a sense of isolation. They have few places in which to congregate; they are under special pressures because of the limitation of transportation. The "Y" offers an environment of fun and social activities and leadership training and skills and sports. There is yet another and newer phenomenon that has happened in suburbia. We have seen the older teen and young adult go off to college and now begin to observe them coming back to take jobs on Long Island—many of whom must live at home because they cannot afford their own living facility. Certainly young adults living with parents need a place away from home and the "Ys" provide many programs for such young adults and older singles.

In a society where divorce is so rampant, the single parent has particularly overwhelming problems. Picture if you will the single parent who is the mother trying to earn a living who worries about her children's whereabouts while she is at work, who needs to do the shipping and the caring without the help of a partner. For her, the "Y" offers a double benefit. It is a safe haven for her children and offers her a program for herself as an individual where she can meet with others in similar life situations and enjoy the simple warmth of social contact. Today we also find the single parent can be a father. He too faces the problem of raising the family alone. Perhaps it is at the "Y" that the single mother may meet the single father so that they can share their very special concerns together.

The older adult is often one whose spouse had died and comes to suburbia to live with his or her children. This older adult finds that he or she must make new friends and cope generally with the infirmities of old age. The "Y" provides programs of social lectures, trips, discussion groups, and sometimes even provides transportation. There are special groups too for the physically and emotionally disabled for whom services are often in short supply or in communities far away. In the summertime, we serve over 3,500 children in day camps and distribute $87,000 in camp tuition assistance enabling low income families the ability to send their children to day camp.

These are only the basic elements which serve as our motivation to see "Ys" start, develop and grow as the hundreds of others around the United States. Gratification comes with the knowledge that those in existence now have a combined enrollment of 6,487 families, representing a combined number of individuals enrolled at 30,000. The "Ys" are open to everyone. Many programs are open to the public—20,000 nonmembers are participating in activities as well as the members.

If time permitted, there would be so much more I could say about the two school buildings we have taken over, about the reconstruction physically and, about the spirit and impact we have made on community life. I can only conclude by giving my own personal view that the "Y" is not a luxury but an essential service that can never be measured in dollars alone.

I'd like to leave you with a bit of philosophy applicable to every aspect of life—but especially in our quest for tomorrow:

Yesterday is but a Dream
And tomorrow a vision
But today—well-lived, well-planned and well-executed
Makes every yesterday a dream of happiness
And every tomorrow a vision of hope for all.

I join all of our associates this morning in sharing that dream—that hope and that expectation.●

THE 24TH CONGRESSIONAL DISTRICT RESPONDS TO FROST QUESTIONNAIRE

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. FROST. Mr. Speaker, in January, I mailed my 1985 legislative questionnaire to residents of my congressional districts, and the response was extremely good. The results of that questionnaire were given in my February 22 weekly column, and I display the results in the RECORD at this point for the information of the other Members.

This year, my annual questionnaire was one of the first to be mailed from the House of Representatives, and the results of this opinion survey were closely watched by others in the House.

More than 9,400 residents of the 24th Congressional District took the time to send me their opinions, and by doing so, these people provide me with valuable information about how my district wants to be represented in Congress.

The questionnaire was mailed to every household in the district, and while the results cannot be judged as a complete opinion of the district, it does serve as a meaningful sample. The results of this year's questionnaire are given below:

Questions	Responses (percent)		
	Yes	No	No response
1. Do you feel that the present method of collecting income taxes is fair	12.92	84.24	2.84
2. Should the current method of collecting income taxes be replaced by a modified flat tax system similar to either the Bradley-Gephardt or the Treasury plan? (Respondents answering Yes to Q1 were not counted.)	71.52	19.88	8.60
3. Do you favor an income tax collection program that eliminates all deductions and imposes only one percentage of taxation on all incomes? (Respondents answering Yes to Q1 were not counted.)	42.44	48.67	8.89
4. Do you feel that the immigration laws of the United States need revision?	85.27	10.86	3.87
5. Do you favor giving amnesty to illegal aliens who have lived in the United States since before 1980? Respondents answering No to Q4 were not counted.)	27.82	68.41	3.77
6. Do you favor severe penalties for employers who hire illegal aliens? (Respondents answering No to Q4 were not counted.)	70.49	25.83	3.67
7. Should the Federal Government legislate to prohibit all abortions?	21.98	74.21	3.81
8. Do you feel that the use of Federal funds for abortions is proper for lower income people where rape, incest, or danger to the mother's life is involved? (Respondents answering Yes to Q7 were not counted	75.84	21.18	2.98

Questions	Responses (percent)		
	Yes	No	No response
9. If a "freeze" is placed on expenditures of the Federal Government, should Social Security be subject to the same "freeze?"	43.67	55.30	1.03
10. If a "freeze" is placed on expenditures of the Federal Government, should Defense be subject to the same "freeze?"	54.78	43.66	1.56

VALUE OF TIME

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SAM B. HALL, JR. Mr. Speaker, a native of Bonham, TX, which was formerly in my congressional district, Mr. Mac Reese, has written an outstanding article on the value of work and the element of time, which I want to bring to the attention of my colleagues.

Mac Reese is known far and wide as a very talented writer. He has written a volume of poetry, which, I understand, is to be published in the near future. In addition to his writing ability, Mac Reese is known as a scholar with strong interests in music and history. He is currently involved in assisting the Sam Rayburn Library in Bonham because of his knowledge of Speaker Rayburn and the period of our Nation's history in which Speaker Rayburn played such a valuable role.

Mac Reese has enjoyed a long, active and varied career. His wonderful command of the English language is reflected in the following article which I commend to the attention of my colleagues:

TIME IS NOT A GIFT; DON'T MISUSE ITS LOAN

(By MacPhelan Reese)

Greatness is the result of intense, enlightened thinking successfully applied to doing the most good for a worthy majority, yet, ironically, ascent to greatness brings descent to aloneness; an increase of responsibility demands a decrease of gregariousness.

Greatness is monitored by a sense of anakinetic urgency aggravated by the realization that life may be next breath brief, that popularity is no more durable than cotton candy in a rainstorm and fame as momentary as the brush stroke of a falling star. Nevertheless, even though it desires neither popularity nor fame, a luminous mind can no more retain its radiations than an ocean can restrain its waves.

Greatness knows that honesty with others begins with honesty with oneself, that the courage to face up to a situation is an extenuation of the courage to face one's conscience, and that the unprepared are the inadequates who may turn craven in a crisis. It knows that propitiousness is bought with preparation and preparation is a synonym of W-O-R-K. It knows that problems are solved by determined, directed thought, that efficiency eliminates the superfluous, exemplifies candor, and nullifies slander. It knows that cynicism is the potter's field of resurrected sophistries and that optimism is the Seminary of Brotherhood, a brotherhood whose campus is the world.

It knows that some minds run from self-scrutiny as some insects scamper for darkness when exposed to light, that many of us fear self-reckoning as a crapulous drunkard dreads counting his money after a spree. It knows that constant distraction keeps a lame-brain in traction. It knows great minds mend their faults, that lesser minds defend theirs; it knows that pessimistaken minds are self-sealing, that great minds are self-revealing and self-healing. It knows great minds are repleted by introversion, that stunted minds are depleted by extroversion. It knows that selflessness is the moly that silences each Circe's song of sensuality. It knows that time is not a gift but a loan, that its misuse affronts its Giver.

Although it knows monastic meditation can be a merciless mirror of an honest mind, it knows, too, it can change a small hard scrabble farm into a parish, its shack into a church where it may hear the inaudible, sense the unseen, and feel the unrevealed. It knows it must inventory itself far from the kindergarten of infantile disputes, far from tooth and talon talions, the cacophonies of commerce and the dickering and bickering of dollar idolatry. It must revitalize itself far from the arenas of Power, the smut-blinding, gut-grinding mills of opinion, the echo chambers of chauvinism, and last, but by no means least, the boresome buffoonery of bumptious boobs.

It is aware, also, that ears cannot long endure a sustained tone at a certain pitch, neither can greatness long endure the thought-vibrant intensity of moated and drawbridged seclusion. It is told when it must be on its way to resume its obligations with fresh funds from the vaults of Service.

Without resentment, it has learned that the ingrates of each generation feel that the "greats" of past generations have been amply rewarded with I.O.U.'s written on confetti and then paid to windy shibboleths.

It realizes, too, that measured by eternity, an eon is but a day, and that nations rise and fall like shadow-wrestlers on a wall and that their schiamacies are too soon forgotten after the nightfall of retrogression.

It believes that each cell immured in each man is a microcosm, a world within a world and that these worlds are minuscules of an empire, an empire that is a mere symbiont of the Whole. But this above all, it has come to know that the infinitude governing these infinities is God and that His emanations are the psychokymes that generate inspired thinking.

It is ever-conscious that the longest life is only a moment long, a moment individuated by a name whose bearer may be no more than a flash, a frame in God's endless reel, a reel which reveals the unending, inconclusive vendettas between Right and Wrong.

Yet: "Nothing that was worthy in the past departs; no truth or goodness realized by man ever dies or can die; but it is all still here, and recognized or not, lives and works through endless changes."—Thomas Carlyle.

Greatness perpetuates itself; as long as its influence pollenates receptive minds, the owner of that greatness shall live.

Generations of unborn aspirants shall add to the mighty structure of Sam Rayburn's statesmanship. Like a beaconed monolith, it shall orient the children of our children's children. And, as surely as shadows lengthen with the sun's decline, his eminence shall extend to horizons beyond our horizon.●

THE AFDC ERROR REDUCTION AND QUALITY CONTROL IMPROVEMENT ACT

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MATSUI. Mr. Speaker, I rise today to introduce important legislation to reform the quality control system used in the Aid to Families with Dependent Children [AFDC] Program. The basic purpose of the quality control system is to reduce program errors and ensure that the right amount of benefits are delivered to the right people. Therefore, I am most concerned that if changes are not made in the current quality control program, particularly the fiscal sanction provisions, it will seriously harm the AFDC program and its beneficiaries.

Over the years, the Federal Government has devised quality control guidelines to ensure that States reduce AFDC program errors and pay the right amount of benefits to eligible recipients. Our efforts have paid off. From fiscal year 1973 through the first half of fiscal year 1982, nationally States have nearly halved the average error rate from 16.5 percent to 7.3 percent. Also, many States have error rates well below the national average.

Notwithstanding the tremendous progress that has been made to reduce errors, many States are threatened by sizable fiscal penalties for exceeding federally set error tolerance levels. I am concerned that the magnitude of these penalites, over $1.3 billion for fiscal years 1981 through 1989, jeopardize the steady performance of error reduction that States have turned in over the past decade. In many cases, States which have lower than average error rates will be penalized. Moreover, States may be forced to absorb such cutbacks through reducing administrative costs resulting in even higher rates of error or passing it on to AFDC recipients through reduced or restricted benefits.

Without question, States must adhere to some form of quality control standards. To be effective, such a system must be timely, applied fairly and be cost effective. Our present system does not accomplish these goals.

For example, under the current system, States do not receive information on errors they commit in time to be of great use to them in making corrections or recoveries. States have only received information relating to their fiscal year 1981 error rate.

The current system also appears to overstate the actual AFDC error rate. Questionable statistical procedures are used to develop the error rates and

States are penalized for client errors over which they have limited control or for paperwork errors which do not involve misspent AFDC funds.

In addition, the present system fails to take into account economic conditions, as well as significant geographic and program differences among the States. These factors often contribute to errors in ways largely beyond the control of States. An unpublished HHS study shows that such outside factors as greater population density, higher crime rates, size of the local population and size of the welfare agencies' caseloads contribute significantly to higher error rates. Despite these findings, HHS makes no effort to consider these factors when determining a State's error liability.

In other words, the current quality control system will take Federal AFDC funds away from States because of an increase in error largely caused by conditions beyond the control of the States. Furthermore, this reduction in Federal funds will come at a time of rising poverty and just when many of these States are beginning to recover from the recession.

As I have stated above, the purpose of the quality control program is to help States improve AFDC administration and reduce AFDC errors. Its purpose is not, or should not be, to force States to cut AFDC benefits or develop more restrictive eligibility requirements. Its purpose is not to shift AFDC costs from the Federal to State budgets. Its purpose is certainly not to force States to cutback on AFDC administrative staff or otherwise reduce administrative resources which will undoubtedly result in an increase in AFDC errors in the future. This is counterproductive and the reverse of what the quality control system seeks to achieve.

My legislation attempts to address these problem areas while retaining the quality control system and mandating a basic error tolerance of 4 percent. I urge my colleagues to join me in this challenge to correct the inequities in the current quality control system used for the AFDC program. Only through reform will we continue to reduce program error rates and ensure that the right amount of benefits are given to the right people. The major provisions of the bill include the following:

AFDC ERROR REDUCTION AND QUALITY CONTROL IMPROVEMENT ACT

The AFDC Error Reduction and Quality Control Improvement Act is designed to achieve four objectives:

To ensure that error rate sanctions are fair and do not result in AFDC benefit cuts or further reductions in administrative funds.

To hold States accountable for making accurate AFDC payments and impose fiscal sanctions for excessive errors.

To require that States identify and attempt to correct all errors made in administering the AFDC program but base fiscal penalties only on errors which result in misspent AFDC funds.

To establish a fair, equitable and timely AFDC quality control system by acknowledging that a State's error rate should be adjusted when socio-economic, geographic and program factors influence the error rate.

SUMMARY OF PROVISIONS

1. *Establish minimum quality control policies and procedures in law.*

A. States would be required to determine the AFDC error rate for each fiscal year. States would collect a statistically reliable sample of cases for a quality control review following a timetable established in regulations. States could, at their option, collect either 2 six-month samples or an annual sample of their AFDC caseload to develop the error rate but would be prohibited from reducing their sample size.

B. The Federal re-review, analysis, and notice to the States of the official error rate would have to occur within six months after the close of the fiscal year for which the data are collected or six months from the date a completed State sample is submitted to the Federal regional office, whichever is later. The State's official error rate for fiscal sanction purposes would be the adjusted State error rate discussed below.

C. After completing the State data collection process: (1) States would develop and submit to the HHS Secretary a corrective action plan for reducing the identified errors (including those not subject to fiscal penalties as discussed below); (2) the HHS secretary would review and approve the plan; and (3) implementation of the corrective actions would begin. The HHS Secretary would be required to establish a timetable for these activities in regulations and monitor the corrective action process. States with error rates that are consistently at or below the standard tolerance level, prior to adjustment, would not be required to submit a corrective action plan for the Secretary's approval.

2. *Set a new national standard for the AFDC error rate.*

A. The standard tolerance level for overpayment errors would be permanently set at 4 percent. Under current law, States must reach a 4 percent standard tolerance level by FY 83; this declines to 3 percent for FY 84 and thereafter.

3. *Determine the adjusted State error rate.*

A. The procedures described above would be used to obtain the raw error rate data. Subsequently, two adjustments would be made to produce the adjusted State error rate:

First, the point estimate of a State's error rate would by the lower bound of the range within which a State's true error rate falls. This statistical adjustment is necessary because the sampling procedure used in the quality control system cannot precisely estimate the actual error rate. Instead, the system identifies a range within which the actual error rate is located. Under current rules, the midpoint of the range is used even though the ture rate may be lower than the midpoint.

Next, technical errors would be excluded for fiscal sanctions purposes. These are paperwork omissions which, if corrected, would not change the AFDC payment level. They include: failure to provide evidence in the file of social security numbers, assignment of rights to support, cooperation in obtaining support, WIN registration, and other errors which have no fiscal impact.

4. *Recognize that certain factors beyond a State's control influence the error rate by adjusting the standard tolerance level annually for each State.* The standard tolerance level would be adjusted as follows:

A. Add 0.5 percent to the standard level if the State has operated an AFDC unemployed parent program during the fiscal year.

B. Add 0.1 percent to the standard level, up to a maximum of 0.5 percent, for each 20 percent increment by which the State exceeds the national average in terms of percent of total State AFDC caseload with earnings.

C. Add 0.1 percent to the standard level, up to a maximum of 0.5 percent, for each 20 percent increment by which the State exceeds the national average in terms of population density (population per square mile of land area).

D. The steps described in item 3 produce the adjusted State error rate. The steps described in item 4 produce the adjusted State tolerance level.

5. *Impose fiscal sanctions on the basis of the adjusted State error rate and the adjusted State tolerance level.*

A. A state's fiscal sanction would be equal to the federal portion of benefits paid above the adjusted State tolerance level using the adjusted State error rate.

B. A sanction amount would be reduced by the Federal share of overpayments collected by the State in the fiscal year to which the error rate applies.

C. The current authority for the HHS Secretary to waive sanctions to acknowledge certain circumstances would be retained and modified as follows:

(1) States could request a waiver based on the State's good faith effort to reduce errors. In making the waiver request, States would also be permitted to challenge the Federal error rate findings. The HHS Secretary would review and act on the request according to a timetable specified in regulations.

(2) The regulations would also specify the criteria that would be used in assessing waiver requests and the relative importance of each factor so that States may informally assess whether a waiver request is appropriate. In reviewing the waiver request, the HHS Secretary would be required to consider the following:

(a) *Factors beyond the State's control*—such as disasters (fire, flood or civil disorders); strikes by State or other staff needed to determine eligibility or process changes in cases; sudden workload changes resulting from changes in Federal or State law and regulations or rapid caseload growth; and State actions which were the result of incorrect policy interpretations by a Federal official.

(b) *Factor's related to agency commitment*—such as demonstrated commitment by top management to the error reduction program; sufficiency and quality of operational systems which are designed to reduce errors; us of effective systems and procedures for the statistical and program analysis of quality control and related data; and effective management and execution of the corrective action process.

(c) *Other factors as appropriate*—these may be identified by the Secretary in regulations or may be detailed by States in their waiver requests but would include past State error rate performance as well as the cost effectiveness of error reduction efforts.

(3) States would be permitted to appeal the Secretary's decision on the waiver re-

quest described above to the HHS Grant Appeals Board and could also appeal to the courts.

D. In lieu of the waiver authority identified above, the Secretary would be required to permanently waive a sanction if the State submits a plan for the reduction of errors which includes the expenditure of additional State administrative funds equal to one-half of the sanction amount. These expenditures would be a Federally-matched administrative expense.

6. *Reward States with low error rates.*

A. A State would receive an incentive payment when its adjusted State error rate is below the standard tolerance level (prior to any adjustments) of 4 percent. The amount of the incentive payment would be equal to one-half of what the Federal government saves on AFDC payments because the State error rate is less than 4 percent.

7. *Conduct selected studies related to error reduction and quality control.*

A. The HHS Secretary would be directed to complete a study within one year of enactment which includes: a detailed analysis of the nature of client errors and the degree to which client errors can be controlled by States; standards by which to judge whether a client error could have been controlled; and an assessment of the cost-effectiveness of this type of error reduction.

B. The HHS Secretary would also be directed to study and suggest measures of AFDC performance which are broader than the current quality control system (which measures only payment accuracy) and more accurately reflect the full range of responsibilities a State has in administering the AFDC program. The underpayment error rate would be one such measure. This study would also examine the cost effectiveness of error reduction and of a broader performance measurement system.

8. *Effective date.*

A. For FY 81 and 82, States would have the option of applying current law (the Michel amendment) or the new quality control system and standards.

B. For FY 83 and thereafter, the new quality control system and standards would apply.

* * * * *

This legislation also includes a quality control provision affecting the Supplemental Security Income (SSI) program. The provision would require the Federal government to continue reimbursing States for the errors it makes in administering the State Supplemental Program (SSP) in SSI. The present agreement between the Federal government and the States promulgated in regulations on March 7, 1979 would be retained.●

A&S DEVELOPS CREATIVE PROGRAM FOR YOUTH JOBS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. TOWNS. Mr. Speaker, last spring, the House Subcommittee on Domestic Monetary Policy held a field hearing in Brooklyn on the impact of the Nation's economic recovery. One of the witnesses at that hearing was the vice president of Abraham & Strauss, one of New York's major department stores, Francesco Cantarella. Mr. Cantarella's testimony was particularly insightful on the efforts of businesses like Abraham & Strauss to develop employment training programs for youth in Brooklyn. This past holiday season, A&S, working through Career Opportunities for Brooklyn Youth, initiated a program of transporting unemployed 18 to 25 year olds from Brooklyn to work in their suburban store in Paramus Mall Park.

The New York Post reported on this effort and a parallel effort in Nassau County where A&S transports employees hired in Hempstead or Queens to their store in Manhasset. A&S's program is an excellent example of how the problem of high unemployment can be lessened through a job development program in areas where businesses have difficulty locating workers. Mr. Speaker, I have included a copy of the Post article for my colleagues' review. Perhaps A&S's program will inspire other businesses to try the same approach.

The article follows:

[From the New York Post, Dec. 11, 1984]

CITY YOUTH JUMP ON A&S BUS TO FILL VACANT SUBURBAN JOBS

(By Rich Friedman)

Arlene Rivera began work as an Abraham & Straus cashier yesterday by boarding a bus in Brooklyn bound for Paramus, N.J.

A&S is paying $1300 per week to bus Arlene and nearly 80 other seasonal workers from downtown Brooklyn to the suburbs because of the extreme difficulty the chain has in filling entry-level, minimum-wage jobs in some affluent suburbs.

Store officials cite a number of explanations for the lack of suburban job-seekers: the end of the baby boom, changes in workforce demographics, the exodus of back-office jobs to the suburbs, and the desire of teenagers to attend college.

Brooklyn resident Rivera has a more succinct explanation of why a job would go literally begging in Paramus or Manhasset, L.I., where A&S has also had trouble staffing up:

"People don't look for it." says Rivera, who will use the money she makes between now and Dec. 24 to buy Christmas presents for her family. "They're there. People think the job comes to them."

Rivera and her co-workers are being bused to New Jersey as part of a five-year-old program called COBY—Career Opportunity for Brooklyn Youth—of which A&S is a corporate founder.

Backed by a number of organizations, COBY previously provided disadvantaged Brooklyn workers—1,300 of them aged 17-25—with jobs in the immediate community with some going only as far away as Manhattan. A&S is its first venture outside the city, to areas profoundly different than the neighborhoods from which these workers come.

"In many regards it is more of a convenient excuse to do something that we've been wanting to do for some time," A&S President Robert Tammero told Business Tuesday. "We have watched for a number of years the long lines and the people going away disappointed."

The long lines hit their peak last year—when A&S drew 11,000 applicants to its Brooklyn headquarters when it became known 1,200 seasonal jobs were available.

"We could not help but be upset at what happened to those 10,000 people," who could not be offered a job, said Francesco Cantarella, A&S vice president and a COBY cofounder.

Meanwhile A&S has been busing workers who applied at its Rego Park store out to Manhasset—a busload of 40 at a time from Hempstead, also a high unemployment area, to Manhasset's Miracle Mile.

The Long Island Association has expressed an interest in hiring COBY workers at a variety of sites, including A&S's Smith Haven Mall store in Suffolk County.

A&S began busing 40 workers to Paramus three weeks ago to fill a wide variety of jobs and yesterday added another busload of 40. Another 60 COBY workers are employed at the downtown Brooklyn store.

The chain has a real need for the workers, Cantarella said, and is not simply dumping inner city youth from areas blighted by unemployment into affluent suburbs.

The workers undergo an orientation program that covers listening skills exercises, group discussions and role playing exercises dealing with such situations as obnoxious customers, conflicts with associates or supervisors, and what to do when a friend asks a sales clerk to fudge a receipt.

The Paramus Workers leave Brooklyn at 10 a.m. and then leave Paramus at 6 p.m. with overtime workers catching the 9 p.m. bus. They are paid from the minute they check in to board the morning bus to the time they get off the evening bus.

Brooklyn Chamber of Commerce President Joseph French told Business Tuesday that the A&S/COBY program is a "top priority jobs development program," which "spearheads an innovative approach to providing Brooklyn youth with the opportunity to work in the suburbs, where jobs are going unfilled."

A&S supports COBY with a $200,000 grant, portions of which were matched by Brooklyn Union Gas, Con Edison and various corporations, as a kick-off to a $500,000 fund-raising drive.

Tammero, A&S' president, said the eagerness with which his charges have attacked their jobs should put an end to "this cropola that comes out about the hard-core unemployment in Brooklyn."

Keith Lang, 21, from Bushwick, is a stock man in women's apparel and hopes to stay on in Paramus.

Asked why his suburban counterparts have not filled the jobs, Lang said, "Maybe they don't need to work. If there's a job to be done, I'll do it."

Lenny Dalrymple, a 19-year-old Bedford-Stuyvesant resident, found his way to an A&S job in Paramus through COBY executive Michael Amon-Ra after searching unsuccessfully on his own for a job.

Now a cashier in the gift department, he has been given the responsibility of setting up displays, which, he says, "feels good. It's up to me to make it look good, I'm the only one who knows where everything is."

Whether or not the A&S jobs become permanent, Amon-Ra concluded, COBY gives these youngsters "the self respect, the pride and confidence to enter the world of work as opposed to petty crime or the self-hate of drugs."

A SALUTE TO THE TURNER CONSTRUCTION CO.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. STOKES. Mr. Speaker, thank you for providing me with this time to salute the Turner Construction Co. On March 6-7, 1985, the company will host its eighth annual Corporate Equal Employment Opportunity Seminar here in Washington, DC.

Under the leadership of my good friend, Mr. Hilton O. Smith, corporate personnel administrator and EEO director, the Turner Co. has become a nationally recognized company committed to working with minority-owned firms.

Mr. Speaker, in 1984, the Turner Co. was awarded the Major Corporation Program Award for 1984, by the National Association of Minority Contractors. This was the highlight of many years of involvement with this organization. The Turner Co. was the first member of the Contractors Association Major Corporation Progam which was started in 1981. The program has cultivated working relationships between major corporations and general contracting firms in the pursuit of expanding opportunities for minority business enterprises.

Moreover, the Turner Co. executives not only believe in affirmative action but also end results. The company has been in the forefront of equal employment in the construction industry by being one of the first major construction companies to establish a full-time equal employment opportunity department in its organizational structure.

In 1968, Mr. Speaker, the Turner Co. initiated construction management training seminars for minority firms. Since that time, 800 minority contractors have benefited from the courses.

In addition to seminars, long-term business relationships have been established between Turner and many other minority construction contractors. Joint venture relationships have been established and realized by such notable minority-owned firms as Ozanne, Trans-Bay and Ty-Roc.

Since 1979, 1,330 different minority firms have performed subcontract work on Turner Co. projects in the United States. Subcontracts through 1983 totaled $305,630,069. Joint ventures during the same period amounted to $182,971,901. The grand total for doing business with minority firms is $488,601,970.

Mr. Speaker, it is apparent to me that the primary objective in these particular efforts of the Turner Co. is to expand the use of minority businesses thereby helping them to become more stable and successful members of the overall business community. The company has demonstrated that it is committed to taking the necessary affirmative action to show steady progress in the increase of minority suppliers and contractors used as well as the total dollar amounts spent with minority firms.

Mr. Speaker, it is a pleasure for me to salute the Turner Co. at this time. I want to give special recognition to Mr. Hilton O. Smith for his efforts in making the Turner Co. a model in terms of cooperative efforts with minority-owned firms.●

A TIME OF DECISION NEARS ON NUCLEAR WASTE

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. DERRICK. Mr. Speaker, the title I've used for my remarks today is taken from a front page article in the Sunday edition of New York Times (Feb. 24, 1985) which carried a date line of Barnwell, SC. Barnwell, as it so happens, is located in my congressional district in South Carolina. Barnwell is also home to Chem Nuclear Services, Inc., which operates at this location one of only three operating comercial low-level radioactive waste disposal sites in the United States. In fact, I have just returned from a tour of the Chem Nuclear facility in Barnwell, where I also announced that I would today reintroduce the southeast interstate low-level waste management compact in the House of Representative.

The editors of the Times could not have chosen a more apt title for this article. The decision time on low-level radioactive waste is indeed upon us. This may well be the "make or break" Congress for the viability of the policy we implemented in the Low Level Waste Policy Act of 1980—Public Law 96-573.

The 1980 act was a lesson in minimalistic legislative drafting. It simply stated: Individual States are responsible for the disposal of commercial low-level radioactive wastes generated within their borders; regional interstate compacts are encouraged as the most safe and efficient means of disposal—and to check the proliferation of disposal sites—and once Congress grants consent to the interstate compact, the compact region could, beginning January 1, 1986, prohibit the importation of waste from outside the region.

Over the last several years, therefore, the States have been engaged in the process of formulating interstate compacts to share a common disposal site for low-level radioactive wastes. By the close of the last Congress, interstate compacts had been introduced in the House of Representatives from five regions in the United States.

Mr. Speaker, I am today reintroducing the Southeast interstate low-level radioactive waste management compact, and am joined in this by nearly one-half of our colleagues representing districts in the eight-State Southeast compact region—Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia. This compact legislation was first introduced in August 1983. It, along with the four other compacts introduced during the 98th Congress, however, was left pending in the last Congress. Hearings were held in the two House committees of jurisdiction—Energy and Commerce and Interior and Insular Affairs—but the legislation was not marked up by either committee. A similar situation pertained in the other Chamber, where the legislation was left pending in the Judiciary Committee.

As the New York times article indicates, the time for decision on this issue is here. South Carolina, which presently receives for disposal approximately 45 percent of the low-level radioactive wastes generated nationwide, will no longer bear such a disproportionate burden in the management and disposal of these materials. My State has made a good faith effort to pursue a national solution to this problem by working for enactment of the 1980 act; by negotiating an interstate compact with our neighbors in the Southeast; and by making the Barnwell site available to disposers of low-level radioactive wastes in the Southeast region through 1992.

The political atmosphere in my State will not tolerate inaction by Congress on this legislation which is of paramount interest to the Nation as well as my State. Gov. Richard W. Riley has stated that he will take action to limit access to the site, beginning January 1, 1986, unless action is taken in Congress on the southeast compact. Legislation is also working its way through the South Carolina Legislature which proposes to close the site on October 1, 1985, if the Congress has not acted by that date.

Mr. Speaker, I have made a commitment to my constituents to make this issue my top legislative priority. I realize that issues related to radioactive waste disposal are not always among the most popular with my colleagues in the House. It is imperative, however, that we move to responsibly address this situation before States are compelled to act on their own in response to the frustration they have suffered in Congress.

Moreover, I am encouraged that both the Interior and Insular Affairs Committee, as well as the Judiciary Committee in the other body have scheduled action on the compact legis-

lation early in March. I know my good friend and colleague, MO UDALL, shares my concern and commitment to resolve the impasse that has to this date blocked action on pending compact legislation. Indeed, the legislation introduced by the chairman of the Interior Committee, H.R. 1083, will provide a useful starting point for discussion of some of the more intractable issues facing this legislation.

Mr. Speaker, I continue to maintain that the best solution for the Congress in this situation is to approve the compacts as they are presented to Congress. Regions without disposal capacity would thereby be compelled to deal with regions with available sites, instead of the Congress, to provide disposal capacity during the interim during which they develop such capacity. I fear that to the extent that commitments are hedged, and dates moved back, we will find ourselves in this same situation when we are backed up against the next absolute date.

Mr. Speaker, for my colleagues information I would like to insert at this point the text of the New York Times article I have cited; the text of Governor Riley's statement yesterday before the National Governor's Association; and a copy of the bill introduced in the South Carolina House of Representatives on this matter.

The material follows:

[From the New York Times, Feb. 24, 1985]

A TIME OF DECISION NEARS ON NUCLEAR WASTE

(By Matthew L. Wald)

BARNWELL, SC, Feb. 22.—A forklift operator carefully unloads barrels and crates from the back of a truck, keeping his body away from the containers. He stacks them neatly on the bottom of a trench as technicians and inspectors from the state, armed with radiation detectors, look on.

A computer records the precise location of each contianer and a $5 million laboratory nearby processes thousands of water, air and soil samples each year. The monitoring will continue for two centuries.

The facility here, a similar operation in Hanford, Wash., and a smaller site in Nevada are the focus of a national debate on the disposal of low-level radioactive waste. The material, which cannot be reprocessed, includes everything from gloves used by reactor workers to the waste byproducts from the manufacture and use of radioactive substances in medicine.

About a dozen trucks, carrying waste from much of the United States, arrive every day at the facility, which opened in 1969 and which now contains about 16 million cubic feet of waste. The site, which once handled 80 percent of the nation's low level waste, now accepts about 45 percent. Officials in South Carolina feel that the state has carried the responsibility for too much of this waste for too long and is considering closing the facility.

At the urging of South Carolina, Washington, and Nevada, Congress in 1980 passed the Low Level Radioactive Waste Policy Act, which gave the 50 states the responsibility for establishing new diposal sites. The states were told that if they made waste-handling compacts among themselves, they could exclude waste from non-compact states from their sites, beginning next January. Congress envisioned the establishment of about a dozen sites like Barnwell around the country.

But so far, no new sites are near establishment and several of the biggest waste generators, including Massachusetts, New York and Pennsylvania, have not approved plans for compacts. Officials from those states are pressing Congress to withhold approval of the eight-state Southeastern Compact, which would use Barnwell, and the Northwest Compact, formed around Hanford, so that the rest of the country will not be excluded from these sites.

In the South Carolina legislature in Columbia, this request has prompted calls for retaliation. "Enough is enough and fair is fair," said State Representative Harriet Keyserling, the co-sponsor of a bill that would shut Barnwell entirely if Congress does not approve the Southeastern Compact.

WE'VE DONE OUR FAIR SHARE

South Carolina is also home to another facility at which nuclear wastes are stored. The United States Energy Department's Savannah River Plant, where components for nuclear weapons are made, stores the high-level waste it has generated and continues to generate.

"We've done our fair share; it's time for others," Mrs. Keyserling said in a telephone interview. "If there are risks, they ought to be shared."

Dr. John J. Stucker, a special assistant to Gov. Richard Riley, said the Barnwell site, operated by Chem-Nuclear Systems, Inc., "cannot provide disposal for the whole country in perpetuity." The state's goal, he said, is "assuming some control of our destiny, and assuring capacity for ourselves." South Carolina produces about 10 percent of the nation's low-level waste, most of it from five civilian nuclear reactors.

"It's high-tech disposal," said Dr. John J. Stucker, who, like other state officials, has nothing but praise for the way Chem-Nuclear Systems Inc. runs the Barnwell facility.

That idea of closing the site gets mixed reviews in the city of Barnwell. "I really consider it the best industry we have," said Rodman Lemon, the mayor since 1970. The waste depository "provides jobs, and it's as clean as can be," he said. It employs 260, and has an annual budget of $13 million, much of it spent locally.

Mr. Lemon said he would like to see it take in all the nation's low-level waste.

Neither is the state complaining about the facility. "I think the company has in some instances done more than we have required," said Heyward G. Shealy, chief of the Bureau of Radiological Health. Mr. Shealy's department licenses the site, limits the kinds of wastes that can be buried, inspects operations, and, along with Chem-Nuclear, takes environmental samples. When the site closes, control will pass to the state. A "perpetual care" trust fund of $15 million has been collected, and it is growing with contributions of $2.50 per cubic foot of waste.

"If all the experts are right, it won't be a burden," said Dr. Stucker. The materials buried here lose their radioactivity over varying periods, but nearly all will be inert in 300 years and will have lost most of their activity long before that.

Chem-Nuclear is experimenting with growing shallow-rooted Christmas trees over filled-in trenches, as a cash crop for the state.

A PRECISE OPERATION

Both the state and the company agree that the Barnwell site is not a dump. "It's a controlled facility," said M.G. Garner, a spokesman in the Columbia headquarters of the company, which is a subsidiary of Waste Management Inc., of Oakbrook, Ill.

"I defy you to find something 'dumped'" said John Zawacki, the general manager of the facility. He said the site has become a model for repositories elsewhere. Recent visitors include representatives from Pennsylvania, Texas, California and South Dakota.

The operation is carried out with considerable precision. The trenches, in a clay that is largely impermeable to water, are dug with sharp edges and are precisely graded at the bottom with a 1-percent slope, so that any rainwater entering while the trench is open, or penetrating the clay cap after it is finished, can be pumped out. Wells monitor the water in the sandy soil under the clay.

After a trench is covered, the radiation level at the surface is no higher than levels of radiation that occur naturally in the area.

The shape of the trench and precise method of disposal depends on the material. In the trench designated for the least-contaminated material, 1,000 feet long, 100 feet wide and 22 feet deep, workers position metal boxes that looked like small trash dumpsters, filled with 1,000 pounds of soil and, according to the labels, less that one tenth of a gram of uranium.

In a narrower, deeper trench nearby that will eventually be covered with 6 inches of concrete as a shield against inadvertent intrusion, technicians often bury metal parts taken from the inside of reactors that, unshielded, could provide a lethal dose of radiation. Even in their shielded casks, they emit some gamma rays, and workers use a construction crane to avoid getting too close.

The disposal charge, exclusive of surcharges for some items difficult to handle, is $24.65 per cubic foot, including a $4 radioactive waste tax, which South Carolina spends on education. The facility also pays $175,000 each year to the state in licensing fees, $150,000 in tax on equipment, and $440,000 to Barnwell County.

The site has had no major accidents since it opened, and only one small leak, in which tritium, a radioactive form of water produced in reactors, leaked from its packaging. The leak was quickly discovered and contained, and the State has since instituted a rule that all liquid wastes must be solidified, usually by mixing with concrete, before shipment to Barnwell.

"We went with the idea of managing surface water, and burying only solid waste, and having a means to determine what's going on," said Mr. Shealy.

The prospect that Barnwell may cease to be the main repository for the eastern United States is not entirely bad for Chem-Nuclear. It hopes to bid on operating similar sites in at least three other states.

REMARKS BY GOV. RICHARD W. RILEY

I want to speak to you about a matter this Association first addressed over five years ago. In 1980, at the urging of the NGA, Congress passed the Low Level Waste Policy Act.

Since then, two-thirds of the states have joined a low level waste compact or have established their own state siting procedures.

These include the eight states of my own region—the Southeast.

For almost two years now, as many as five of these compacts have been before the United States Congress for consent. However, in all that time, not one of them was even reported out of committee.

Last summer, I was invited to address this Committee on this subject. Like my colleagues from Nevada and Washington, I pledged my sincere efforts to find a resolution to the problems that have prevented Congressional approval.

I renew that pledge today. However, I must add a note of urgency.

The impasse, which has prevented Congressional consent to the compacts, has resulted from the fear that some states would lose access to the three existing sites. Failure to resolve this matter in a reasonable way will undoubtedly lead to the very outcome these states fear.

It is our view in South Carolina that without Congressional consent, we do not have a compact. And without a compact, there will be no more access to our State's disposal site.

With his recent proposal, Congressman Udall has given all of us an opportunity to solve this dilemma. I do not agree with every provision in HR 1083, but it is the vehicle that can lead to the solution we seek. I urge each of you to work with your state and regional compact officials, your low level waste generators and your Congressional Delegation to seek a reasonable solution for obtaining Congressional consent of these compacts. This can be accomplished in a manner which will authorize operation of the three existing sites under the terms of the compacts, and continue progress toward the development of new disposal sites in this nation.

TEXT OF BILL

(A bill to provide that no disposal of low-level radioactive waste is permitted in South Carolina except that generators in this State of low-level radioactive waste are authorized to provide for temporary nonpermanent storage of this waste on the site of generation under those regulations promulgated by the Department of Health and Environmental control, and to provide that the provisions of this act shall take effect January 1, 1986, unless the Congress of the United States has ratified the terms of the Southeast Interstate Low-Level Radioactive Waste Management Compact on or before October 1, 1985.)

Whereas, by Act 91 of 1983, the General Assembly of South Carolina, in order to provide for the health and safety of its citizens and to provide for the general welfare of the citizens of this State, declared it the public policy of this State to provide for an effective menas for the safe and efficient disposal of low-level radioactive waste; and

Whereas, the Congress of the United States by passage of the Low-Level Waste Management Act of 1980 authorized the formation of interstate compacts or the establishment of State disposal sites; and

Whereas, the Congress has failed to ratify the Southeast Interstate Low-Level Radioactive Waste Management Compact; and

Whereas, the General Assembly of South Carolina finds that it is necessary for the health and safety of its citizens and for the general welfare of its citizens in the furtherance of the establishment of the compact to terminate the right of any person, association, group, corporation, or combination thereof to dispose of low-level radioactive waste in this State after January 1, 1986, unless and until the Southeast Interstate Low-Level Radioactive Waste Management Compact is approved by Congress; and

Whereas, it is now found to be the public policy of this State, in order to provide for the health and safety of South Carolina's citizens and for the general welfare of South Carolina's citizens, to provide for a site for the disposal of low-level radioactive waste generated by South Carolina producers at a future time set by the General Assembly should this Southeast Interstate Low-Level Radioactive Waste Management Compact not be approved by Congress. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina

SECTION 1. On January 1, 1986, no disposal of low-level radioactive waste is permitted in South Carolina except as hereinafter provided.

SEC. 2. Generators in South Carolina of low-level radioactive waste are authorized hereunder to provide for temporary nonpermanent storage of this waste on the site of the generation under those regulations as may be promulgated by the Department of Health and Environmental Control.

SEC. 3. No temporary storage, disposal, or stockpiling of low-level radioactive waste is permitted on site by South Carolina generators of this waste except as otherwise authorized herein.

SEC. 4. The definitions found in Chapter 47 of Title 48 of the 1976 Code, which chapter was added by the provisions of Act 91 of 1983, apply to the terms used herein.

SEC. 5. The provisions of this act shall take effect January 1, 1986, unless the Congress of the United States has ratified the terms of the Southeast Interstate Low-Level Radioactive Waste Management Compact on or before October 1, 1985, in which case this act shall not take effect.●

A TRIBUTE TO IDA ISRAEL

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SOLARZ. Mr. Speaker, I rise today to pay posthumous tribute to Ida Israel, the first lady of the Brooklyn Shorefront community who died tragically on January 21 when a fire swept through and destroyed her Seagate home of more than 60 years.

Although herself a septuagenarian, Ida was always busy tending to the needs of the elderly in her community—many of whom called on her regularly for assistance of one kind or another. And Ida was no stranger to politics either. She used her well-deserved reputation to lobby for the needs of the elderly, the poor, and the downtrodden with local elected officials whom she counted among her friends, and with other State and Federal officials. The needs of the Shorefront community took her on many lobbying trips in City Hall, Albany, or Washington. I was privileged to know this remarkable woman for over a decade, and to count on her wise counsel and effective assistance.

Ida Israel had spent the better part of her adult life in community betterment. She devoted her energies to issues ranging from community anticrime efforts to neighborhood preservation and improvement and to health and housing for senior citizens.

As a member of Community Board 13 from its inception, Ida was the longtime chair of its social service committee. It was in that position, as well as her capacity as a member of the Coney Island Hospital Community Advisory Board, and the Jewish Community Council of Greater Coney Island that Ida began her efforts to improve health care services for the young, the old, the poor, and the infirm in her beloved Shorefront community.

Project Relief, a program of the JCC of Greater Coney Island which offers desperately needed transportation service to the elderly in Coney Island, was one of Ida's favorite projects. To meet the need for housing, Ida worked with the Jewish Association for Services to the Aged, the organization that built several senior citizen apartment houses in the Shorefront area. She also volunteered in JASA's efforts to establish an active Meals On Wheels Program to serve the many homebound elderly who could not get to the senior centers for a nutritious meal and some companionship.

Ida's concern over the unmet health care needs of the people in her community led her to begin the fight for a freestanding community health clinic in Coney Island. Her dream was to build a clinic near where the people who needed the care most lived. She knew the hardship caused by the long trip to the local municipal hospital and knew, as well, that some people couldn't or wouldn't undertake the trip—missing vitally needed medical treatment. After a good deal of work, Ida and her allies convinced hospital officials, elected officials, and the Federal Government of the need for the clinic and then overcame dozens of obstacles to bring this project to fruition. It is sad that Ida will not be present to personally cut the ribbon for the clinic's official opening next month. For I am sure that without her effort, there would be no clinic on that site at all.

New York's appreciation of Ida Israel's lifelong dedication and commitment to the needs of others was demonstrated for the last time when hundreds of people from all walks of life, and all corners of this city, braved near-zero temperatures and icy streets to attend her funeral. Some had worked with Ida on one of her many committees. Many others had come to pay tribute to a lady who had quietly helped them in their time of need. Family and friends eulogized Ida Israel for her tremendous energy and compassion for the less fortunate, as

well as her great love and dedication to her family.

Mr. Speaker, Ida was indeed a beacon of light in our community—showing the way to greater compassion and dignity for all. She will be sorely missed by family and friends alike. For she touched each of us, encouraged us to do more, and was always there when we needed her.

Ida Israel was indeed a good friend of mine. The void left by her untimely passing will not easily be filled. Each of us must do more to continue her fine work, for that would be a fitting and proper tribute to this great lady who gave so much to us all.●

ESTONIAN INDEPENDENCE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. YATRON. Mr. Speaker, I rise to take this opportunity to commemorate the 67th anniversary of the independence of Estonia. On February 24, 1918, the hopes and desires of the Estonian people were realized with a declaration of independence proclaiming Estonia a free democratic republic.

For the next two decades, peace, prosperity, and freedom flourished in this Baltic State. The Estonian people demonstrated what a small nation could achieve under a democratic way of life.

World War II, however, ushered in a brutal era of repression and tyranny. Stalin forcibly incorporated Estonia into the Soviet Union and embarked on an intensive campaign of Russification. While I am proud that the United States has not recognized the Soviet takeover, I am saddened by the fact that Moscow's efforts to completely suppress the Estonian culture continue.

The Kremlin is increasingly eliminating the Estonian language and ethnic traditions. Estonian mores and values are being eroded. Many places of worship have been closed. Religious and political activity is tightly controlled and any person who expresses a view not sanctioned by the government is dealt with harshly. A significant number of religious believers and peaceful dissidents continue to be imprisoned, harassed, physically and psychologically abused, and subject to other forms of inhumanity, for courageously bringing Soviet violations to the attention of the world.

Nevertheless, even while enduring these insufferable injustices, the Estonian people have not lost their determination to recover their freedom. They are a brave and valiant people who are destined to enjoy, once again, democratic government.

As chairman of the Subcommittee on Human Rights and International Organizations, I have a deep interest in the plight of the Estonian people. The subcommittee will closely monitor Soviet abuses of its citizens and work to help those everywhere who are victimized by totalitarianism. As a free nation, we must continue to support the Estonian people in their struggle to remove the chains of oppression.●

A TRIBUTE TO WILLIAM HOLSCLAW

HON. HARRY M. REID

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. REID. Mr. Speaker, it was on February 10, 1984, when events, unplanned and unexpected, changed William Holsclaw's life—when the hopes and dreams of a normal 12-year-old boy were superseded by the struggle to save lives—those of his two younger brothers and himself.

During the early morning hours on that February day, William awoke in his family's trailer, located in Jean, NV. Smoke and fire had engulfed the mobile home. After running through a flame-filled hallway to awaken his father, William returned to his bedroom to locate his two brothers, Brian, then 4, and Jimmy, then 3. Because William's father could not reach his sons through the flames, William himself found his brothers and handed them out the window to his father. First, he gave Brian to his father and then returned to the flaming area to locate Jimmy, who was wedged between the bed and the wall. After freeing his youngest brother from the burning trailer, William with his hair and back burning, climbed through the window to safety.

All three youngsters were treated for burns. The two youngest had only minor injuries. For William, however, second- and third-degree burns scorched more than 50 percent of his body and, even now, he must wear a pressurized body suit to protect his slowly healing skin.

Within days of the incident I was fortunate enough to have the opportunity to praise William for his bravery. I would have given a more detailed tribute, but, because of the rules of the House, I was limited to 1 minute. Following is that speech.

He smiles sheepishly when responding—"I just did what came natural." Yet, to most, the story of William Holsclaw's courage far surpasses "Normal."

Earlier this month, 12-year-old William bravely ignored flames that were engulfing his family's mobile home, to rescue his two younger brothers, 4-year-old Brian and 3-year-old Jimmy—one at a time.

"He stood there and handed those babies out while he was cooking" his father repeats to the sympathetic listener. Thinking of himself first was not William's way when those flames threatened his family.

By the time his father pulled William out of the burning inferno, William had suffered burns over nearly 50 percent of his body. And, William's bravery must continue, as he faces the many needed skin grafts to repair his charred body.

I am humbled when I hear such stories of courage and especially touched about William, who lives in Jean, NV, a small, isolated town more than an hour's drive from any rescue assistance.

I am proud to praise William's unselfish courage and his sense of humanity—qualities that, for William, just came natural.

Shortly after delivering this message to Congress, I submitted William's name to the Carnegie Hero Fund Commission for nomination. In December, the commission awarded William the hero's medal.

It was a great pleasure for me to present that medal to William in February—just 1 year after his heroic act. His selflessness and courage have set an example for the rest of us and helped us realize the value of life.

William is one of the few people recognized annually by the Carnegie Hero Fund Commission. Since 1904, the commission has honored people who risk or lose their lives in saving or attempting to save the life of someone else. William, who was one of nearly 1,000 nominees for a Carnegie Medal in 1984, was one of the three youngest to receive the award.

Though the details of the incident will fade from the memories of others, the significance of his heroism will live on for William and his family. Yes, he has medals, but he also has scars. More important than awards, however, and a greater tranquilizer than medicine—are the smiling faces of Brian and Jimmy—two young boys who will always consider their older brother the greatest hero in history.●

THE 67TH ANNIVERSARY OF ESTONIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GILMAN. Mr. Speaker, today I am pleased to join in commemorating the 67th anniversary of Estonian independence. Amidst the Russian Revolution and World War I, this small nation declared its independence on February 24. In 1920, after valiantly struggling for independence during invasions from the Red Army, the nation of Estonia finally signed a peace treaty with the Soviet Union.

During this period of true sovereignty, this tiny republic proved the importance of self-determination and in insuring the principles of justice and liberty. In 1925, Estonia became the first country in the world to grant its Russian, Jewish, German, and Latvian minorities cultural autonomy through

subsidized ethnic schools, libraries, and theaters.

But, in 1940, after the infamous Stalin-Hitler Pact, the Soviet armies overran Estonia and annexed Estonia and other Baltic States to the Soviet empire. These nations were subsequently turned into massive military bases.

Currently, the Soviet Union has installed atomic and conventional submarines, warships, missiles, underground and above ground airfields, tanks, and other forms of weapon related systems. Estonians have not accepted this occupation without resistance and in 1981, a group of Estonians signed a petition calling for any nuclear free zone in northern Europe to include the Baltic States. Soviet response was a basic violation of human rights: searching the homes of petition signers and KGB harassment and interrogation. Many people were arrested and on December 16, 1983, three Estonians were sentenced to labor camps for their crimes.

These brave and freedom fighting Estonians are still banished to labor camps for their call for peace and disarmament. And, 1½ million Estonians are held captive by 122,000 Soviet troops in a land that once embraced democratic principles and protected the rights of its citizens.

Today, as we commemorate Estonian Independence Day, let us pledge to continue to combat Soviet oppression there and throughout the world. Let us hope that one day all Estonians will again have the opportunity to choose their own economic, political, and cultural destiny.●

BLACK HISTORY MONTH

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mrs. BURTON of California. Mr. Speaker, February is Black History Month. I would be remiss if I let the month go by without making some mention of the importance of this observance.

Along with my constituents in California's Fifth Congressional District, I applaud this month of legacy and challenge, and was heartened by the celebrations that took place this month in my district. A number of entertainers and speakers were sponsored at the San Francisco County jails this month, including Rev. Amos Brown of the Third Baptist Church and Supervisor Doris M. Ward. Rev. Howard Gloyd, the pastor of Bethel A.M.E. Church, called the celebration of this church's 133rd anniversary "a basic black history." And the Afro-American Historical and Cultural Society, under the leadership of Board President Ed Flowers and Executive Director Jule C. Anderson, organized a series of programs for the month.

Black History Month is especially important to me because so many of my constituents have made black history. They include Federal Judge Cecil Poole, who was the first black U.S. attorney in northern California. Attorney Terry Francois was the first black member of the San Francisco Board of Supervisors; the late Ella Hill Hutch, the first black woman elected to the board of supervisors, and Doris Ward and Willie B. Kennedy, the current black members of the board more than ably follow in their footsteps.

The Honorable Willie Brown is the first black State assemblyman from San Francisco. After some 20 years of exemplary service, he has attained the rank of speaker of the California Legislature. Aileen Hernandez is a constituent who has worked tirelessly on civil rights and women's rights issues. She is a past president of the National Organization of Women [NOW], the only black woman to have held that post. And a discussion of black luminaries in the Bay Area is incomplete without mention of Dr. Carlton Goodlett, whose dedicated service to the San Francisco black community includes publication of the Sun Reporter for over 35 years. Other constituents, too numerous to mention, have been trailblazers in their fields of expertise and deserve recognition in Black History Month.

A bit of irony tinges our celebration of Black History Month. For while we celebrate those black Americans who have served in the forefront of every movement for social change, we acknowledge that 33 percent of the black population is poor. While we note that black Americans helped to build this Nation in countless recorded and unrecorded ways as slaves, homemakers, industrial workers, teachers, soldiers, lawyers, doctors, judges, scientists, athletes, and entertainers, we also note that 50 percent of the black youth in this country cannot contribute because they cannot find work. Black History Month is a time for reflecting on a proud past and for forging a strong and proud future.

Because I share the sentiments of Dr. Julianne Malveaux, an economics professor at San Francisco State University, and columnist for the San Francisco Sun Reporter, I would like to share her column with you.

BLACK HISTORY MONTH: LEGACY AND CHALLENGE

(By Julianne Malveaux)

Black History Month is always a pleasant and reflective time. From the vantage point of the present, we can review our past, acknowledge our heroes and heroines, and scrutinize their words and action for things that are of special value today. Because I have Frederick Douglass' words, "Power concedes nothing without a struggle," prominently placed on my bulletin board, I tend to begin Black History Month with thoughts of his history of activism, and to proceed.

Sojourner Truth's words, "Ain't I A Woman," are moving and important. When she gave her Akron, Ohio, speech in the 1950's, she talked of her work, as much as a man, and her suffering, and her children. And then she asked white women assembled "Ain't I A Woman?" Her words may have been the ones that Shirley Chisholm and C. Delores Tucker thought of when they founded the National Political Congress of Black Women.

Sojourner Truth's words may have special meaning to women like Margaret Bush Wilson, who tangled with top level NAACP leadership and walked away a feminist. Those words must ring in the ears of those black women who keep trying to find a place for themselves in a "woman's movement" that doesn't try to include them.

Another set of "black history words" that are special are the words of our novelists and poets. Martin Delaney was the first black to attend medical school in the United States in the 1850's. He did not graduate from Harvard because his white classmates objected to his presence in their classes. Instead, he became an activist and agitator, and at one point organized black people to leave the United States and return to Africa. He had negotiated with the Liberian Government for land for a black settlement. But Delaney was a renaissance man, the author of one of the early black novels, "Blake: Or the Huts of America." His hero, Blake, was a combination of Nat Turner, Denmark Vessey, and other historical figures.

Because Delaney explored the connection between black people in the United States, in the Caribbean, and Africa, his novel and his life remind us of Paul Laurence Dunbar's poem, "Africa." Dunbar wrote a melodious ode to the continent, an ode that explored connections with the jungle, with Christianity, and with stanzas that ended with the words, "What is Africa to me?" Were Dunbar's words and thoughts a precursor to the current mobilization against apartheid?

W.E.B. DuBois was the writer of the most prophetic words. He noted, at the turn of the 20th century, that "the color line" would be a key issue for the century. He has been right. Despite war and peace and prosperity and poverty and social programs and joblessness, race has been a consistent issue in U.S. public policy. Some folk have tried to sweep it under the rug, and others have sworn that things have changed and that race is no longer important.

But just as black Americans have taken to the street to stop apartheid (OR apart-hate, or racial segregation), so race remains an important consideration in our country. We have, in fact, our own version of apartheid. When a white man shoots four black boys in the back and gets away with it, citing fear, we have apartheid, alive and well in the United States. When black unemployment is more than twice the rate of whites, when black poverty is three times the rate of white poverty, when black men are blocked from labor force participation, when black women on welfare say they would work if there were affordable day care, when black children are squeezed out of city colleges by budget cuts, State colleges because remedial courses are being cut back, and the University of California because of entrance requirements, then the apartheid we protest is not only apartheid in South Africa, but in our

own country. Legally, black Americans are not segregated the way black South Africans are.

Black History Month reminds us of a glorious legacy, the proud and powerful legacy of a people who have survived slavery, serfdom, lynching, recession, and depression and still managed to produce achievers like Frederick Douglass, Mary McLeod Bethune, Dr. Robert Weaver, Roy Wilkins, Everet Just (aptly described as the "Black Apollo of Science" by MIT Prof. Ken Manning), Shirley Chisholm, and others. But why do we reflect on this proud legacy so infrequently? Just once a year, local schools set aside some special time in history classes to talk about black historical figures who made a difference. Once a year, the Federal building displays photos of prominent blacks who have made history. Once a year, churches turn over some of their program time to black history. Once a year, clubs sponsor black history programs. But come March 1, there is business as usual. No more reflections on our past.

Given the current economic position of black folk, reflection can be dangerous. With the number of blacks in poverty growing, the number of blacks who are unemployed rising, and the size of the so-called black middle class shrinking, reflection on our past raises questions about our present and our future. But Black History Month is not only a reflection on our legacy; it is also a challenge to make our futures wholer, stronger, and more equal. We respond to the challenge of Black History Month not by reflecting on our past, but by working for our better future.●

TAXATION OF VETERANS' DISABILITY COMPENSATION

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. KLECZKA. Mr. Speaker, I rise today to voice my concern about the Federal budget deficit which is threatening our economy. Deficit reduction must be a priority during the 99th Congress. Our efforts must include a thorough review of all Federal spending programs, and our approach must be equitable. The budget recently presented to Congress has the ax sharpened for cuts in urban development action grants [UDAG], veterans' benefits, aid to students, and farm programs, just to name a few; but what does it do in the area of defense? Defense spending cannot be exempt from our deficit reduction efforts. No rock should be left unturned; however, care must be taken to avoid upsetting the landscape of our domestic programs.

As we give consideration to various cost-saving proposals, we must proceed carefully. We cannot turn our backs on the human consequences of our actions.

With this in mind, I submit the following remarks, composed by Commander Adam E. Tomes of Cudahy, Wisconsin's Chapter 7 DAV Post, for insertion into the RECORD.

DISABLED AMERICAN VETERANS,
DEPARTMENT OF WISCONSIN INC.
February 13, 1985.

To: Hon. Congressman Gerald Kleczka.

Subject: To Be Read on Congressional Floor.

Re: Taxation of Veterans' Disability Compensation

It is with deep regret and feelings of amazement that I find myself in a position to have to write, address and express views to our legislators of the United States of America on Who, What and Why there are Veterans' in particular Disabled American Veterans and what it is like to be disabled as a result of serving our country at a time of declared wars and or police action states such as Korea and Vietnam. First of all bear in mind and never forget that I doubt if their is any one disabled Veteran alive who regrets or resents that he acquired a disability while serving his country in defense of or Promoting the Fruits of Democracy "Freedom" and equal Justice for all". Lest we never forget this is God's gift to mankind long before our country drafted and or adopted a Constitution protecting and guaranteeing us and the World these Human Rights. If in doubt, from the very moment a baby is born anywhere on earth, God made it a human being, giving this person Eyes, to see this big, beautiful world with all its trimmings, including outer space. Likewise the ability to see your fellow man. Ears, to be able to hear and communicate with your fellow man. Mouth, to be able to communicate and express your own feelings with your fellow man without censorship. Arms and Hands, to be able to help your fellow man and also to be constructive. Legs and Feet, to take you any place you wish to go and as far as you wish, may it be North, South, East or West. God gave man a Heart, to feel emotions, in particular love for your fellow man, and last but not least, he gave us a Brain, to think and reason with, but still gave us the free will to exercise our own decisions, may they be right or wrong. If this is not a blue print for freedom, what is?

There are Veterans who fought in battles in order to protect and guarantee all the American Public their amiable human rights of living in Freedom and then there are Veterans who gave something or part of themselves very unselfishly that permanently leaves them living a life with pain, suffering and rendering them handicapped. These brave and Silent Veterans are called Disabled American Veterans. But then there are Veterans that All Veterans remember, love, respect, and always Make the time available in memory of them with a moment of prayer and that is for all those Veterans who paid with the Supreme Sacrifice by giving up their lives for our very own Freedom much like Christ who gave up his life on the cross for our very own Salvation.

I ask all the legislators, how can any of you in good conscience even consider thoughts of or assessing a tax against a Disabled American Veteran who is drawing compensation for the loss of an arm, or leg, or both or multiple combinations there of when these limbs no longer exist? Or even assessing a tax or penalty against that person for having that kind of Disability? How can you assess a tax against a Veteran who gave us his sight and penalize him for being blind? How about a Veteran who perhaps gave up his normalcy by a head wound or a Veteran who gave a up the ability to speak because his speech control center was knocked out by a shrapnel, perhaps a missile or bullet wound or any type of head injury? How about assessing and penalizing a Veteran for being confined to a wheelchair because he may be Hemiplegic, Paraplegic or Quadraplegic—of course you could declare his wheelchair as tax deductible! Then we have Veterans who may have Psychiatric problems and I'm sure the legislators thoughts of ascertaining a tax on their only security is sure to eliviate some responsibility of our government and because once they commit suicide as did several social security recipients who were taken off their rolls unjustly not too long ago would mean whoever does take his own life becomes one less to be concerned with! Then, of course, we do have many Vietnam Veterans who fall into all the categories listed above. You could once again consider them as being expendible and assess your tax proposals. I myself am a World War II Disabled American Veteran, should I be concerned about them? I dare anyone to ask me!

To my legislators I say I believe I'm sure I know what problem exists—you are not knowledgeable as to what constitutes a Disabled Veteran Status. (You may meet me on the street and say to yourself that man is totally disabled?) (You draw your own conclusions. What you would be unaware of is, first, how did I acquire my disabilities? How incapacitating they are? What has and how much does it cost me in terms of my money despite my so alleged benefits and most of all how does my disabilities affect my family and their lives as an ie. I've lost two families because of them seeing me in bouts of severe pain that last 3-4 days out of each month and I've never gone without being in an emergency room of a hospital at least once per 3-4 weeks since 1943 at age 18 now being 61. The nurses cringe because I no longer have any muscles in my arms, stomach wall, buttock or legs in order to inject narcotics for the pain as prescribes. I had to give up my practice in the medical profession in the interest of my patients because I never knew and know when the pain will strike. Why all this? Because as a medic I felt obligated to save the lives of two comrades and in so doing sustained a fractured and dislocated four vertebrae in my neck and despite the injury managed to save another from drowning but my dear legislators you better believe when I say as an individual and professional there are others far worse than I. If you take the time to visit the V.A. Hospital or even a chapter meeting of anyone of the D.A.V. Organizations I'm sure all of you will have second thoughts about your tax proposals. Also please be aware of how difficult it is to be given and or rated in degrees of disability being service connected you will not find a single veteran receiving Service Connected Disability who is not entitled to it. Likewise, there are many entitled to more than what they receive.

I will conclude by saying to all the legislators take a poll from the public as I have and get their opinions on your proposals regarding the Disabled American Veterans—Their opinions I assure you will astound you! One opinion and suggestion an attorney gave me, "is this a stepping stone to euthanasia?" I realize our government has to function within a reasonable budget but I also feel there are other avenues to rectify these problems without penalizing the Veterans and their justifiable, earned benefits. Remember without their dedications, devotions, and sacrifices this country, its ideals, goals and principles would not be in existence or in reality. One last comment—I can't help but feel that your proposals and

all the publicity it creates gives all the Communists one of the greatest victories ever achieved in the 20th Century without firing a single bullet—Have any of you ever given any serious thoughts before you act?

ADAM E. TOMES, *Comdr.,*
DAV Chapter 7, Clement J. Zablocki,
6260 S. Lake Drive, Cudahy, WI●

REFOCUSING ON BROKERED DEPOSITS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GARCIA. Mr. Speaker, earlier this year I introduced H.R. 107, a bill designed to address the use of brokered funds within the financial industry. This bill carefully balances the desires of individual investors with the needs of local thrifts and banks and the concerns of Federal regulators. In essence, the bill places a cap on the amount of short-term brokered funds any financial institution may hold while maintaining protections for the Federal deposit insurance system by restricting the activities of troubled thrifts and banks.

There has been a great deal of literature on this subject over the last 12 months. Perhaps one of the most thorough studies to come along was recenly released by Cates Consulting Analysts of New York. The study examines the failure of some 76 banks and thrifts and the role brokered funds played in the downfall of these institutions. Their conclusion, as pointed out in the following American Banker article, is that those blaming the failure of depository institutions on broker funds all but ignore the virtues of the brokerage function while failing to understand the role other sources of funds play in the failure of institutions as well as the inability of some thrifts and banks to manage credit risk and/or interest rate risk.

For the purview of my colleagues, I am including a copy of an article which appears in today's American Banker.

[From the American Banker, Feb. 26, 1985]

REFOCUSING ON BROKERED DEPOSITS

(By Sanford Rose)

As a famous legislator once quipped: "Don't blame you! Don't blame me! Blame the man behind the tree!" Today the man behind the tree is the deposit broker, the favorite whipping boy of a goodly number of panicky regulators, bemused congressmen, and credulous jounalists. Many would curtail or even ban the brokered deposit, which is said to have contributed to the failure of countless financial institutions.

The palpable falsity of this proposition is demonstrated in a recently released study by Cates Consulting Analysts of New York. The study examines the reasons for failure at the 60 commercial banks and some 16 savings and loans that folded between January 1 and Sept. 30, 1984. Particular attention is paid to the role of brokered deposits in these 76 failures.

Of the 60 commercial banks that failed in the first nine months of last year, 37 (63%) had no brokered deposits whatsoever. Of the 23 that used brokered funds, nine employed them so sparingly that they could not have played any measurable part in the collapse of these institutions. The median ratio of brokered money to total deposits at these banks amounted to less than 7%.

Six failed banks made moderate use of brokered funds—20% or less or total deposits. Only eight banks—13% of those that went belly-up during the period—might be described as immoderate gatherers of brokered funds, with usage amounting to more than 20% of total deposits. And only two of these eight banks were brokered-funds hogs, taking more than 37% of their total deposits out of the brokered-funds market.

There were 17 failures of savings and loans from January 1 to September 30 of last year. Data are available on 16 of these unfortunate institutions. Ten of the S&Ls had no brokered deposits at all. Of the six that used brokered funds, two got less than 2% of their total deposits from brokers, one obtained 19% of its money in this form, and in only three cases was the ratio of brokered to total deposits greater than 20%.

OTHER MONEY COULD BE HAD

The most significant datum in the Cates study concerns the ratio of brokered funds to all forms of purchased money. The brokered deposits, whether retail or wholesale, bears some of the characteristics of purchased money. Brokers of retail funds generally aggregate retail deposits and place the funds in institutions in units of $100,000. Those who deal in wholesale funds perform the reverse operation, disaggregating larger chunks of money and also placing them in units of $100,000. Thus nearly all forms of brokered money appear on balance sheets in the category of large liabilities—$100,000-and-over deposits.

As the Cates study points out, brokered funds represent only one category of large liabilities. Jumbo CDs, fed funds, repos, and commercial paper constitute the bulk of other types of purchased money.

Observes Ray Garea, an executive vice president of the Cates group and the author of the study: "If we find that significant levels of brokered deposits were present in a substantial number of 1984 bank failures, that does not necessarily support a conclusion that brokered deposits cause or were even related to such failures. If the banks that failed made excessive use of other types of purchased money, it would be inappropriate to focus on brokered funds alone as a cause of failure. Attempting to limit or eliminate the use of brokered deposits would have little effect if banks could merely shift to other forms of purchased money."

A glance at the Cates data reveals that this is precisely what would happen. Surprisingly, failed banks that used brokered deposits have had abundant access to other bought money. The ratio of brokered deposits to bought money at the 23 failed banks that tapped the brokered-funds market was only 37%. In other words, the users of brokered money were able to obtain 63% of their purchased-money requirements from nonbroker sources—ostensibly from unwary investors in their local markets.

Looked at from another vantage, the 23 failed banks with brokered deposits were excess users of bought money. They funded nearly 40% of earning assets with large liabilities. But only 13% of their assets were funded with the brokered-deposit component of bought money. The rest of the cash came from directly placed paper. Thus the evidence would seem to indicate that, absent brokered funds, these banks could have gone elsewhere to finance their shaky portfolios.

The same point can be made about the six failed S&Ls that made use of brokers. The ratio of brokered deposits to purchased funds at these institutions amounted to 48%. Clearly, thrift users of brokered money were able to obtain more than half of their total requirements from other sources.

Where did these six as well as the other 10 failed thrifts get the purchased money that financed an excessive portion of their earning assets? That's easy. They got a large chunk of it from their respective Federal Home Loan Banks. Purchased funds at the 16 failed thrifts financed around 30% of earning assets. The proportion of earning assets funded by FHLB advances at these institutions averaged nearly 14%.

Failed thrifts made considerably greater use of FHLB money than did healthier associations. The question might then be legitimately asked: If the regulators themselves provided the wherewithal for shaky associations to greatly expand their operations, how is it possible to single out for condemnation the deposit broker, who in some cases merely supplemented the effort of the governmental authorities?

Or as analyst Ray Garea puts it more piquantly: "If one wants to argue that a specific liability category causes S&L failures, then the solution is to dismantle the Federal Home Loan Bank System!"

But the obvious fact is that specific liability categories are not responsible for the demise of thrifts or for that of commercial banks either. The 16 savings and loan casualties of 1984 perished because they assumed even more interest rate risk than did their peers. As a result, their net interest margins and their book capital positions deteriorated more rapidly than was the case at those associations which still cling to life.

The 60 commercial banks that failed in 1984 did so because of problems of asset quality. In 1983, the median radio of nonperforming loans to total loans at these 60 institutions was an astounding 11.44%. The ratio of chargeoffs to loans in 1983 was approximately 10 times greater in these 60 banks than it was for banks in general. Even in 1982, 40% of the 1984 failures had loan losses equal to or greater than 1.46% of total loans.

WALKING CORPSES

The conclusion is inescapable: Banks and thrifts fail because of their inability to manage credit risk and/or interest rate risk. The presence or absence of brokered deposits is largely irrelevant to their condition.

Indeed, in most cases, it can be shown that failed banks or thrifts were walking corpses long before they acquired significant amounts of brokered money, if, in fact, they did so. Consider two examples of 1985 failures that have recently been reported. Just this month, the $20 million-deposit Peoples Bank & Trust Co. of Wartburg, Tenn., and the $33 million-deposit West Valley Bank of Woodland Hills, Calif., were closed. Both banks were alleged to have acquired large amounts of brokered deposits to engage in speculative and shady deals—a phenomenon dubbed linked financing. The implication is that these institutions failed because of the relationship between brokered money and

questionable or illegal enterprises. But nothing could be further from the truth.

The Tennessee institution posted losses of 3.64% on assets and had chargeoffs equal to 6.30% of loans in 1983, at a time when its reliance on brokered money had not yet ballooned. Indeed, in that year large liabilities as a percent of earning assets was 21%, actually down from the 32% recorded in 1982.

Given its losses and an alarming drop in its capital ratio, the $20 million bank was experiencing terminal difficulties before it made the decision to acquire an estimated $8 million to $10 million in brokered funds. The decision to seek those funds was undoubtedly a desperate gamble designed to reverse the inevitable greased slide into oblivion.

THE CAUSE WAS GLUTTONY

The bank's real difficulties began when it overlent outrageously in 1980. In that year, commercial loans grew by a vertiginous 51%, and this was followed in 1981 by a further 40% explosion in the commercial loan portfolio.

The West Valley Bank lost 50 basis points on assets in 1983 and 40 basis points the year before. Its retrun on assets had been slipping since 1980. The bank recorded net chargeoffs equal to 2.17% of loans in 1981. After falling to 1.01% in 1982, chargeoffs climbed back to 1.51% in 1983. By 1982, the bank's other real estate owned as a percent of loans plus OREO had reached 4.52%.

Quite obviously, this institution was drowning in bad real estate loans. In 1980, the growth of nonretail loans amounted to an eyepopping 70%. Apparently, the bank had enormously expanded its commercial real estate portfolio at precisely the wrong time, reaching both for unsustained volume and for yield.

Interestingly, in 1983, West Valley's reliance on large liabilities was no greater than that of regional peer banks in the same size group, although dependence on purchased money had been greater in the past. But no one can reasonably argue that purchased or brokered money undid West Valley. The bank was already in extremis in 1983.

That year, it appears to have suffered a crippling loss of collected demand deposits, as strapped borrowers seemingly could not maintain the level of their compensating balances. Hence, they engaged in a continuous round of check writing, which inflated cash items in the process of collection and sharply reduced the bank's ratio of earning assets to total assets.

At West Valley, more than a third of reported assets did not earn a dime in 1983. Any bank that can't stop the hemorrhaging of investable demand balances is terribly ill. The fact that West Valley subsequently embarked on a madcap insurance scheme funded with brokered money is very nearly beside the point.

SLIGHTED VIRTUES

Those who blame brokered money for the failure of depository institutions overemphasize the dangers and all but ignore the virtues of the brokerage function. Brokerage improves the efficiency of markets, and if allowed to flourish, may contribute to the ability of banks and thrifts to provide borrowers with long-term credit accommodations. (See "In Praise of Brokered Deposits," the *American Banker*, March 29, 1984.)

While there are some problems with unrestricted brokerage, these can for the most part be eliminated with minor reforms. It is simply idiotic, however, to link brokerage to the demise of depository institutions. The Cates study is a partisan document, to be sure. It was written for Merrill Lynch. But it is soundly researched, and its conclusion—that there is little, if any, causal connection between brokered funds and bank or thrift collapse—is unassailable.●

ABORTION AND OTHER IMAGES OF HORROR

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GREEN. Mr. Speaker, I would like to submit for the RECORD a thought-provoking editorial which was featured recently on the OpEd page of the Washington Post. Entitled "Abortion and Other Images of Horror," the message of the article can best be summarized by one of its sentences:

If it is no longer possible to claim ignorance of the pain of abortion, as the people behind "The Silent Scream" would claim, it is even less possible to claim ignorance of the terrible cost to human dignity—and in human life—of overpopulation and its attendant misery and suffering.

This article is particularly interesting in view of the administration's withholding of $46 million in 1985 funding for the U.N. Fund for Population Activities and of its cutoff of $17 million for International Planned Parenthood Federation.

I recommend the following article to my colleagues:

[From the Washington Post, Feb. 19, 1985]

ABORTION AND OTHER IMAGES OF HORROR

(By William McPherson)

One day last week I went over to the White House to see a movie. That's not something I regularly do— or indeed had ever done. But I'd never seen the movie before, either, and I was curious. The film was "The Silent Scream," which shows by means of ultrasound the aborting of a 12-week fetus. Presidential assistant Faith Ryan Whitlesey described the 28-minute film as "a powerful testament for the pro-life position," and indeed it is, though perhaps not so utterly compelling as its most fervent advocates, would like to believe. A special commemorative edition of the film was given to the president, who had already seen it, and videtapes were delivered later that day to every member of Congress and to the justices of the Supreme Court. It is the president's hope, as he said last month, "that if every member of Congress could see this film . . . , that Congress would move quickly to end the tragedy of abortion."

Whether one agrees or disagrees with the president, any person or normal sensibilities would have to find the film disturbing—rather the way the television footage of children starving in Ethiopia was disturbing when we first saw it last year. We do not want to hear about fetuses being "torn apart, dismembered, disarticulated, crushed and destroyed," in the words—all the more shocking for their cool delivery—of Dr. Bernard N. Nathanson, a founder of the National Abortion Rights Action League who changed his mind and joined the other side. (He narrates the film and was at the White House to introduce it to a hundred or more of the faithful, including the Rev. Jerry Falwell, as well as some members of the president's staff and a few journalists.) We do not want to see the gruesome shots of fetuses in trash cans. We do not want to see Ethiopian children starving, either. We want, as they say, everything to be nice, and every child wanted and every family happy, and wars and pestilence and famine to cease.

But life is not a fairy tale, and not everything that happens is nice. The famine in sub-Sahara Africa is not nice. The extreme poverty in which much of the world lives is not nice. Wars which continue to sweep one corner of the planet or another are not nice. Pestilence and death are not nice, nor is terror. As it turns out, life is not a television comedy either, and all these things we might prefer not to see do in fact exist out there and now even assault us from our television screens. The visual image has indeed brought the horror home. If it is no longer possible to claim ignorance of the pain of abortion, as the people behind "The Silent Scream" would claim, it is even less possible to claim ignorance of the terrible cost to human dignity—and in human life—of overpopulation and its attendant misery and suffering.

And yet people try all the time. Many of those most opposed to abortion, for instance, are also most opposed to any other civilized method of population control (except, it sometimes seems, capital punishment). Even the White House has temporarily (perhaps permanently) frozen $46 million intended for the United Nations Fund for Population Activities. It has also cut off $17 million for the International Planned Parenthood Federation because a very small proportion of its funds helps support abortion clinics in countries where they are legal. And the Agency for International Development's Family Assistance Planning funds have been reduced by $40 million in the new fiscal year.

It is incredible to me that an administration so sensitive to life *in utero*, and so touched by the sad individual case, can be so seemingly unaware of the horrible checks that the world will impose willy-nilly on unlimited life outside the womb. Surely no one can "like" abortion; but just as surely no one can really like those traditional and exceedingly harsh but effective methods of keeping the world's population within manageable limits: the "natural" scourges of famine, pestilence and war. The screams of those victims are not silent. And if the population of the world soars from its present 5 billion to a projected 12 billion in the next century, no one can reasonably expect those terrible afflictions of humankind to remain at a decent distance from these happy shores. The time for emergency aid is now. The real emergency aid is the aid we are withholding.●

1983 FIREFIGHTER FATALITIES—108

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GOODLING. Mr. Speaker, on October 4, 1981, the people of the United States dedicated a monument at the National Emergency Center in

Emmitsburg, MD, known as the Fallen Firefighters Memorial. The monument pays tribute to America's firefighters, who had been the bulwark of the Nation's civil defense effort since the founding days of our country. Throughout our history, patriotic Americans have risked their lives to defend their communities against fire and disasters. Therefore, it is only fitting to remember those who have given their lives unselfishly in service to their fellow man.

On Sunday, October 14, 1984, the third annual Fallen Firefighters Memorial ceremony was held at the monument site, honoring those who made the ultimate sacrifice—the sacrifice of their life in an effort to save others—during 1983.

The public participation in the national observance was the greatest attendance—over 700—since the dedication in 1981. Over 27 families of deceased were present on this special day. The observance, as is traditional, started in the campus chapel. The memorial service was concluded at the monument. The 1983 ceremony was particularly notable because of the presence of the U.S. Military Academy Glee Club. All in all it was a most impressive program; therefore, for posterity's sake I am entering the program as it was presented on this special Sunday in October.

It is proper and a privilege for me to bring the names of these everyday patriots to your attention and the attention of the Nation as a permanent record of their honorable and selfless deeds.

The list of names follows:

1983 FIREFIGHTER FATALITIES—108

Lonnie L. Franklin, Houston, Texas Fire Department
James D. Overstreet, Dowling Fire Department, Ozark, Alabama
Huey Copeland, Wolf Lake Ware Fire Department, Wolf Lake, Illinois
Herman R. Tidwell, Waxahachie, Texas Fire Department
Frederick A. Steffen, Frankford Township Fire Department, Branchville, New Jersey
John H. Marnati, Murphysboro, Illinois Fire Department
Bernard A. Frechette, Newton, Massachusetts Fire Department
Joseph F. Shipton, Hamel, Illinois Community Fire Protection District
William B. Entwistle, New Milford, New Jersey Volunteer Fire Department
Walter T. Hale, Springfield, Kentucky Fire Department
Kenneth J. Sobbe, New Lenox, Illinois Fire Protection District
Vernon A. Gudat, Peoria, Illinois Fire Department
Keith Farr, Avon, New York Fire Department
Ernest J. Bergeron, Houma, Louisiana Fire Department
Hilbert J. Reiner, Muir, Pennsylvania Volunteer Fire Department
Harold L. Baker, Bristow, Oklahoma Fire Department
John A. Yoder, Los Angeles County, California Fire Department
Robert E. Spangenberg, Allentown, Pennsylvania Fire Department
Joseph D. Arnold, Sr., Rural Security Fire Company, Lebanon, Pennsylvania
James C. Nelson, Sterling Heights, Michigan Fire Department
Michel S. Chenard, Orange County, California Fire Department
Richard C. Miller, Menoher Heights Fire Department, Johnstown, Pennsylvania
Erich J. Buzilow, II, Smithfield Volunteer Fire Company 1, Huntingdon, Pennsylvania
Leonard J. Farr, Creighton, Missouri Fire District No. 5
Andrew S. Usyk, Sr., Schuyler Fire Department, Utica, New York
Dale F. Eyerdom, Granger Township Fire Department, Medina, Ohio
Eddie F. Jackson, Pensacola, Florida Fire Department
Athniel K. Appelberg, Pensacola, Florida Fire Department
William L. Smothers, USDA Forest Service, Daniel Boone National Forest, Winchester, Kentucky
Warren D. Colby, Springfield, Massachusetts Fire Department
John J. Thompson, Heightstown, New Jersey Engine Company 1
Albert F. McGovern, Sr., Bridgeport, Connecticut Fire Department
Thomas Girdley, Crossville, Tennessee Fire Department
William E. Booth, I, Riverview, Missouri Fire Protection District
George R. Burton, Parker Colorado Fire Department
Robert J. McPherson, Beverly, Massachusetts Fire Department
Harvey C. Wolf, Tyrone, Pennsylvania Fire Police
Robert W. Raitz, Sr., Holland, Ohio Fire Department
Gilbert G. Hund, Fullerton, California Fire Department
Garry S. Kuehner, Yonkers, New York Fire Department
Robert Wasner, East Orange, New Jersey Fire Department
Arthur E. Mattson, Jr., Mohegan Fire Company, Uncasville, Connecticut
Gary Kreski, Livonia, Michigan Fire Department
Leonard J. Bloodgood, Otisco Fire Department, Tully, New York
Richard D. Shively, Findlay, Ohio Fire Department
Donald P. Semyon, Avoca Pennsylvania Hose Company No. 1
John C. Tyner, Sr., Grays Creek Volunteer Fire Department, Hope Mills, North Carolina
Robert L. Baltimore, Palm River Volunteer Fire Department, Tampa, Florida
Herman Peyton, Parker, Arizona Fire Department
Ernest A. Duquette, Glen Park Fire Department, Watertown, New York
Lawrence E. Miller, Cherry Creek, New York Fire Department
Clifton A. Graves, Sunset Whitney Volunteer Fire Department, Rocklin, California
Arleigh M. Christensen, East Harford, Connecticut Fire Department
Harold J. Cornell, Saint Marys, West Virginia Fire Department
David F. Cook, Griffith Volunteer Fire Department, Winston-Salem, North Carolina
Willian N. Hammond, General Electric Fire Department, Ft. Edward, New York
Donald R. Bogash, Riverhead, New York Volunteer Fire Department
James D. Mahaney, Cairo, West Virginia Fire Department
Lisa Long, Seattle, Washington Fire Department
David B. Manetzke, Pensacola, Florida Naval Air Station Fire Department
Barry V. Johnson, Monona, Wisconsin Fire Department
Lester D. Shaw, Claflin, Kansas Fire District No. 1
Jeffery L. Dieter, Sr., Ocean City, Maryland Volunteer Fire Department
Charles A. Crowley, Jr., Hammonton, New Jersey Fire Department
Lawrence J. Bleichner, Tolono, Illinois Fire Department
Gregory A. Stauffer, Jefferson Volunteer Fire Company, Codorus, Pennsylvania
Sidney Brown, Chicago, Illinois Fire Department
Eric D. Fitzgerald, George McMurty Fire Company, Vandergrift, Pennsylvania
Richard D. Dixson, Chillicothe, Missouri Fire Department
Willian J. Ford, New York City Fire Department, Brooklyn, New York
Henry D. Salas, Pasadena, California Fire Department
Keith L. Lemmons, Bureau of Land Management, Carson City, Nevada
Gene A. Ahrendt, USDA Forest Service, Big Horn National Forest, Sheriden, Wyoming
Robert P. Cogan, Maplewood, New Jersey Fire Department
Michael P. McCarthy, Morningside, Maryland Volunteer Fire Department
Jackie R. Gober, Dekalb County Fire Department, Decatur, Georgia
Edwin S. Irwin, Harding County Rural Fire District No. 2, Nara Visa, New Mexico
Edmund A. Chrosniak, Buffalo, New York, Fire Department
Peter J. D'Abrosca, Cranston, Rhode Island Fire Department
Frederick W. Mayberry, Silverdale, Pennsylvania Fire Company
Alan E. Jones, New Rochelle, New York Fire Department
John L. McDonnell, Draintree, Massachusetts Fire Department
Smith Carroll, Barbourville, Kentucky Fire Department
William J. Mahoney, Portsmouth, Virginia Naval Shipyard Fire Department
Ellis A. Williams, Jr., Dade County Fire Department, Miami, Florida
Edward T. Mosko, Dearborn, Michigan Fire Department
Edward J. Donovan, Boston, Massachusetts Fire Department
Arthur L. Cassel, Jr., Newton Falls, New York Volunteer Fire Department
Calvin L. Steve, District of Columbia Fire Department, Washington, DC
Jerry V. Litell, Sacramento, California Fire Department
Wayne M. Turpin, Fairmount, Illinois—Vance Township Fire Department
Michael J. Blanchard, Sr., Southbridge, Massachusetts Fire Department
Duane P. Dress, Put-in-Bay, Ohio Volunteer Fire Department
Bruce E. Mettler, Put-in-Bay, Ohio Volunteer Fire Department
Michael L. Sweeney, Put-in-Bay, Ohio Volunteer Fire Department
Donald C. Lund, Clearwater, Florida Fire Department
Glenn E. McCoog, P.O.L. Volunteer Fire Company, Wayne, New Jersey
Jerald J. Hisel, Los Angeles County, California Fire Department
Arthur E. Gurule, Los Alamos, New Mexico Fire Department

Charles L. Drenth, Lyle, Minnesota Fire Department

Raymond C. Hickman, New Bloomington, Ohio Volunteer Fire Department

Michael G. Catanzaro, Buffalo, New York Fire Department

Michael L. Austin, Buffalo, New York Fire Department

Matthew E. Colpoys, Buffalo, New York Fire Department

James C. Lickfeld, Buffalo, New York Fire Department

Anthony J. Waszkielewicz, Buffalo, New York Fire Department

Leon Morris, Pittsburgh, Pennsylvania Fire Department

Hubert W. Golden, Bismark Comm. Fire Protection District, Danville, Illinois●

THE 67TH ANNIVERSARY OF THE INDEPENDENCE OF THE REPUBLIC OF ESTONIA

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. HOWARD. Like the other Baltic republics, Estonia realized its independence just after World War I, only to have it taken away a generation later as Stalin, in complicity with Nazi Germany, sliced up Eastern Europe under the auspices of the then "secret" protocols to the Molotov-Ribbentrop Pact. In the years since the Soviet seizure of Estonia and the other free ethnically distinct nations, Moscow has pursued a cold, calculated policy of Russification, a policy wholly inconsistent with the Soviet constitution.

We can only conclude from Soviet policy in Estonia that Moscow's duplicity toward Soviet citizens extends to matters of autonomy as well. Only by raising its standards of conduct to the level of other civilized nations can the U.S.S.R. legitimately claim great nation status. Until then the Soviet Union will remain simply a heavily armed collosus, afraid to address the legitimate aspirations of distinct nations within its own borders and unable to earn the respect of the international community.

As Americans, it is not our preference but our duty to express solidarity with all people for whom the light of freedom is a fervent dream, a yearning of the spirit amidst a systematically repressive reality. We are brothers with the Estonian people, brothers by virtue of the freedom we cherish and the freedom they so desire.●

CAPITAL PUNISHMENT—TOPIC OF NEW BOOK BY CONGRESSMAN WILLIAM CLAY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. STOKES. Mr. Speaker, thank you for providing me with this opportunity to inform my colleagues of the upcoming book by the Gentleman from Missouri, [Mr. CLAY] on capital punishment in America. Tentatively entitled, "Kill or Be Killed," the book includes cleverly presented arguments against the death penalty.

After it is published, I know that the book will be the topic of discussion by both advocates and opponents of capital punishment. This thought-provoking book promises to be of significant interest to people around the globe.

In anticipation of the completion and publication of the book, the St. Louis Post-Dispatch ran an article in its January 28, 1985 edition. At this time, I submit the aforementioned article in the CONGRESSIONAL RECORD. I ask my colleagues to join me in saluting Congressman WILLIAM CLAY on his upcoming book.

The article follows:

[From the St. Louis Post-Dispatch, Jan. 28, 1985]

CLAY'S DEATH PENALTY CRUSADE BECOMING A BOOK

(By Bill Lambrecht)

("Good evening, I am John Smith in our Cleveland studio, bringing you the latest report on the latest government homicide. Today Dorothy Falwell, age 16, white, 5-foot-2, 122 pounds, became the 610th person executed in the U.S. this year.")

WASHINGTON.—The above is not a snippet of a screenplay or a passage from some futuristic novel. It comes from the chapter called "Why Not Public Executions?" in an almost-done book by a would-be author: Rep. William L. Clay, D-St. Louis.

Clay quietly has devoted hundreds of hours during the past year putting together a book, his first such effort. Its subject is one of his favorites during his 16 years in Congress: the wrongs of capital punishment.

The book, tentatively called "Kill or Be Killed," is non-fiction, a treatise of Clay's strong beliefs. He has more than 200 pages in nearly polished form, and he plans to finish his last revisions within two months, he said during an interview last week. He made available some of the chapters.

Clay's dedication to the writing might surprise some of those who know of his reputation, right or wrong, as one who moves about among issues but leaves details to others.

He has approached his book purposefully, reading hundreds of articles in recent months. Sometimes he sits over his electric typewriter in his home in Maryland until 3 a.m. or later, he said.

"I feel good when I write, but I admit I have to keep rewriting to get it like I want it," Clay said.

During Congress' light schedule of late, he has been working almost nonstop on the book from Friday mornings through Monday nights, he said.

The result is a fat sheath of typewritten pages stuffed into a black leather binder. He scribbles notes and editing changes in the margins. Then he gets a new version typed and goes over it again.

Clay plans to start looking for a publisher soon, he said. A friend in the book business told him recently that he might find some difficulty finding an audience. But Clay is undaunted.

"If I have to, I'll publish it myself," he said.

"The all-male, all-black jury found little Dorothy Falwell guilty of luring the victim, Willie Bobo, black male, 250-pound construction worker, into a deserted, wooded area, robbing him of his week's salary and crushing his head with a baseball bat."

Clay writes his own column for small newspapers in his district; most members of Congress delegate that task. Clay says the book came about almost by accident. About two years ago, Clay began preparing a speech for the House floor against a bill for the death penalty. He won praise from colleagues for his remarks, he recalled last week.

Soon after, Clay had to give a speech in St. Louis. He chose the death penalty as the topic. The clips and photocopies on his desk began to grow.

It helps, of course, to have the run of the world's biggest library, the Library of Congress. To members of Congress, the library delivers. The mounds of paper on his desk grew. Before long, the material had outgrown the speech.

Reflected and footnoted in the draft of his book are newspaper and magazine stories, serious works of theology, historical material and essayists like Albert Camus. For Clay, it's almost like being back at St. Louis University, where he got a degree in history and political science in 1953.

Recently, Clay sought to interview some inmates on death row in Virginia. They refused. But Clay said he would try to talk with others.

Throughout the draft are Clay's beliefs, stated strongly, that the death penalty is barbaric, ineffective as a crime deterrent and administered to the lower classes.

"There has never been a rich person put to death in this country," Clay remarked last week.

"Now we go to Roger Brown, our field reporter, at the scene of the execution. . . . 'Yes John, I will attempt to vocalize for the 40 million viewers exactly what took place here at the Ohio State Bastille. Let the tape start to run. The executioner is now putting the noose over Little Dorothy's head . . .'"

In his narrative of the public hanging, Clay tries to demonstrate the brutality of the death penalty. He mocks justice and makes his characters as bizarre as possible to make his points.

Clay writes of executions in 19th-century India, in which the condemned were strapped to the hind leg of an elephant and crushed to death. "Some argue nothing so gory could possibly happen in the U.S.," Clay wrote. "But in fact it did happen here. It happened less than 45 years ago in the great state of Missouri."

He then related the true story of Cleo Wright, a black man arrested in Sikeston, Mo., in the killing of the wife of an army sergeant. Wright was shot three times by police and taken to a hospital. A mob broke into the hospital and dragged him away, hooking his knees over the rear bumper of an automobile. Wright was dragged through

town and then soaked with gasoline and ignited.

Clay goes on to make his case that all who believe in the death penalty should be required to observe when it is carried out.

"The playing of the national anthem, the raising of the flag, the beating of the drums and, of course, selective readings from the Old Testament will befit the spectacle. Popcorn for the children, beer for the adults, cheerleaders and scorecards to identify the players will be required.

"The president of the U.S. will feel compelled to call the jury foreman, the governor and the executioner to offer his congratulations."

" 'Now Warden Henry Georing VIII is giving the nod to proceed. He is cutting the springs, which will set off the trap. Oh, oh, Little Dorothy just hit the bottom and you can see that she is fighting, pulling on the straps, wheezing, whistling. She seems to be trying to get air.' "●

BLACK HISTORY MONTH

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. BROWN of California. Mr. Speaker, when our grandmothers and grandfathers used to sit down and talk about their lives, they weren't just telling tales. Rather they were following a long line of historians who passed their precious knowledge from generation to generation using the most expressive instrument created: the human voice.

This knowledge is power. Because when you know where you come from, you know who you are. Our grandparents knew this, so did W.E.B. Dubois, Sojourner Truth, Dr. Carter G. Woodson, and Martin Luther King, Jr. They also knew how important it was that this knowledge continue to be handed down. Black History Month is a reminder for us to learn from the past. For through black history, the voices of the past speak to us personally, asking us what have we done, what are we doing, and what are we prepared to do to ensure that the slaves, activists and martyrs did not dream and die in vain.

On this level, history is what Dr. Carter G. Woodson, the father of black history, called the clarified experience of people. Dr. Woodson wrote this about the black past:

> The achievements of the Negro properly set forth will crown him as a factor in early human progress and a maker of modern civilization. He has supplied the demand for labor of a large area of our country . . . he has given the nation a poetic stimulus, he has developed the most popular music of the modern era, and he has preserved in its purity the brotherhood taught by Jesus of Nazareth. In his native country, moreover, he produced in the ancient world a civilization contemporaneous with that of the nations of the early Mediterranean, he influenced the cultures then cast in the crucible of time, and he taught the modern world the use of the iron by which service and initiative have remade the universe. Must we let this generation continue ignorant of these eloquent facts?

Dr. Woodson believed that such an observance of black history would afford all Americans the opportunity to learn, recognize and appreciate the role of black Americans. We are all too familiar with the contributions made by Thomas Jefferson, George Washington, and Abraham Lincoln. But how many of us know that in 1909, Mathew Henson, a black man, planted the American flag at the North Pole; or that the second book published by a woman in America was written by a black woman, Phillis Wheatley, in 1773; or that Dr. Daniel Hale Williams performed the first successful heart operation in 1893; or that 17 years ago, Thurgood Marshall was appointed Justice to the Supreme Court.

These are living testimonies of the voices of the black past, who speak to us from slavery and segregation, which tell us among other things, that nothing—neither reactionaries, nor temporary political and economic setbacks—can destroy the American dream, if we keep the faith of our grandfathers and grandmothers and put our hands to the plow and hold on.

I am sure, Mr. Speaker, that a good number of my colleagues recognize these eloquent words by Dr. Martin Luther King, Jr., when he spoke about the future of black Americans:

> We've got some difficult days ahead. But it doesn't matter with me now, because I've been to the mountaintop. . . . And I've seen the promised land. I may not get there with you. But I want you to know tonight that we as a people will get to the promised land.

As we pause to recognize the black men and women who have contributed to the development of America's economic, cultural and social heritage, we must bear in mind that now is the time to honor the past, as well as a time to look ahead to many more accomplishments in the future. Knowing and understanding the history of black Americans is a must if we are ever to fully appreciate the total American historical experience.●

NO INDIVIDUAL AND NO GOVERNMENTAL AGENCY IS ABOVE THE LAW

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mrs. COLLINS. Mr. Speaker, equality under the law is a primary concern for all of us. Citizens are required to obey just laws in the same ways as Federal agencies are bound to adhere to the law. But sometimes the system breaks down.

On July 25, 1984, the House Government Activities and Transportation Subcommittee, which I chair, held a hearing on the refusal of the National Endowment for the Humanities [NEH] to comply with directives to submit employment information, required by law, to the Equal Employment Opportunity Commission [EEOC], which is the lead agency in the Federal Government to oversee employment and affirmative action issues.

During that hearing, we were told by EEOC Chairman Clarence Thomas that NEH was joined by the Federal Trade Commission and the Justice Department in a blatant refusal to submit employment goals and timetables for their agencies as mandated by section 717 of title VII of the 1964 Civil Rights Act as amended. This law forbids discrimination on the basis of race, color, religion, sex, or national origin. Currently, 110 Federal agencies are required to file an annual submission of these goals and timetables; 107 agencies have done so.

The NEH is currently headed by William Bennett who has been nominated for Secretary of the Department of Education.

To remedy this problem, I have introduced H.R. 781. Its main purpose is to promptly provide the EEOC with the necessary power to subpoena information relating to employment practices from any officer or employee of any Federal department or agency who seeks to evade or defy the law requiring such officer or employee to provide such information to the Commission.

My bill, H.R. 781, applies specifically to section 717, title VII of the Civil Rights Act.

Without such data, it is impossible for EEOC to compare an agency's performance with prior years so that it can determine whether there has been progress or regression in hiring practices.

In his testimony before our subcommittee, Chairman Thomas stated that: "There is no legitimate question with regard to the Commission's authority to seek information it deems appropriate." However, he noted that his agency lacked the necessary appropriate sanctions to require compliance from delinquent Federal agencies. "I think that Congress could simply give us some enforcement provisions. There aren't any now," Chairman Thomas said.

H.R. 781 will correct this unintentional oversight that occurred when Congress approved the reorganization plan of 1978, which created EEOC.

Should any Federal employee refuse to comply with the subpoena, the EEOC would be empowered to request a court order seeking compliance. If the recalcitrant individual still chose

to ignore the court order, he or she could be held in contempt of court.

Under the legal authority of subpoena power, sanctions for contempt of court can include fines and imprisonment.

In a democracy such as exists in the United States, no person or institution is above the laws of the land. We are not free to pick and choose which we will obey and which we will ignore. The goals and timetables requirements specified by the Civil Rights law apply to all 110 Federal agencies.

H.R. 781 will provide the tools to EEOC to seek this essential compliance with the law.●

FREE TRADE ZONE FOR SMALL BUSINESS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. ROTH. Mr. Speaker, over the last decade, the United States has run trade deficits in every year but one. The trade deficit for 1984 toppled $123 billion and projections for 1985 are just as gloomy.

Although our capital accounts have offset to some extent the effects of these huge deficits, we are not trading enough. Year in and year out, we are not exporting our goods to the world at the same rate that we are bringing products into our country.

CONTRIBUTION OF SMALL BUSINESS

When we look at the structure of our exporting community, we find that less than 2,000 major companies account for over 80 percent of our exports. If we are going to strengthen our export performance over the long-run and bring our exports more in line with our imports, then we must look to where growth can occur.

The Grace Commission found that 82 percent of the new jobs created in the United States come from companies employing less than 100 people. Small and medium-sized business create six times as many jobs as large businesses.

I believe that if we are going to change the trade deficit statistics, we have to start making it more feasible for the smaller company to enter the export market. America's entrepreneurs are an incredible resource to our economy. They supply the bulk of employment in this country and they supply an endless stream of new products, innovations, and technologies. Firms with less than 1,000 employees generate 24 times as many technological innovations per research dollar as do businesses with over 10,000 employees. Small business is the backbone of our communities. Free enterprise and entrepreneurship are the staples of democracy.

CALL FOR A GLOBAL FREE TRADE ZONE

Therefore, I am introducing today a resolution which calls on the President to initiate negotiations with our trading partners to obtain a global free trade zone for independently owned small business. Until such time as there is general worldwide free trade, I believe it desirable to look for opportunities to create pockets of free trade.

If we are serious about expanding small business participation in world trade, tariff reductions would be one way to offset the extra complexity and risk inherent for small business exporters. A precedent for tariff preferences has already been established by this Congress and other nations through the generalized system of preferences [GSP].

Our economy as well as the world economy stands to benefit from a global free trade zone for small business. We can significantly ameliorate our trade deficit by attracting more American companies into the international trading arena. A free trade zone targeted to independently-owned small business will help foster free enterprise and entrepreneurship around the world. It is an important U.S. foreign policy objective to encourage the healthy growth of an active private sector, particularly in the developing world. It is the private sector, not State-owned enterprises that creates a constituency for democratic institutions.

Many of us are concerned about the growing trade deficit and frankly I fear a clamor for protectionist actions. I believe that we stand more to gain by focusing our efforts on expanding trade not limiting trade. We all have much to gain by a multilateral reduction in tariffs for independently owned small business. I hope that my colleagues will join me in calling for this approach.●

DISMANTLE THE SBA

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. DREIER of California. Mr. Speaker, this morning, I spoke out in support of the administration's proposal to dismantle the Small Business Administration. I would like to submit the following Forbes article from February 11 as additional food for thought. It provides a good insight into who the SBA's constituency really is.

REST IN PEACE?

(By Gary Slutsker)

Not all government agencies live forever. The forthcoming bare-bones Reagan budget will surely recommend a quick death for the Small Business Administration. David Stockman figures he'll save $1.6 billion by closing its 4,000-employee agency and selling its portfolio. By Washington standards, $1.6 billion is small potatoes. And SBA Administrator James Sanders, a former insurance executive, is hardly a heavy hitter. Even the SBA's supporters are quick to cite its problems.

The irony is that even though the SBA has lots of friends, few are small businessmen. Ask David Weatherup, for example, if he would miss the agency, and you get a flat no. He built Syracuse, N.Y.-based Central Fence of cny, Inc., which has annual revenues of $2 million, without going to the government for help. Sure, he needs credit, but Weatherup borrows from the bank, not from Washington. "The SBA is a last resort," he says.

Weatherup's experience isn't atypical. When the National Federation of Independent Business polled members last June, nearly 70% had never even contacted the SBA, and 80% said the agency had a neutral or negative effect on their businesses.

SBA funds are generally available to any business with 500 or fewer employees and that has been denied credit by two banks. In 1984 the agency made 1,676 direct loans, worth $104 million, and issued $2.5 billion in loan guarantees. Congress calculates that up to a quarter of all SBA companies default. No wonder critics call the agency's customers "the cream of the crap."

The SBA, which was created in 1953 to aid and assist small companies, does more than simply lend money. Supporters say its most effective component may be the Office of Advocacy, charged with lobbying for small business within the government. The office also helps small companies get government contracts.

But critics snipe at many other SBA activities. The agency's disaster relief function could easily be administered elsewhere. Also, the SBA already lets a few so-called preferred banks hand out government loan guarantees—eliminating a function handled largely by the agency's own lending officers. Why not privatize this whole process? Since bankers usually are liable for 10% of the value of all guaranteed loans, they aren't likely to lavish funds on bad risks.

Small Business Investment Companies—venture capital firms the agency regulates and makes loans to—could also easily be privatized. For example, one proposal recommends creating a semipublic company to raise money and act as a bank for SBICs. Its role would be similar to Fannie Mae's participation in the mortgage market. Loans to SBICs amounted to $160 million annually in each of the past three years and may well rise to $265 million in the year ending Sept. 30. That's still a minuscule amount when compared with the total $3.1 billion of venture capital raised by private partnerships in 1984.

Many of the SBA's training and management assistance programs, moreover, duplicate services provided by private groups. Typical are grants to universities that try to help small companies. Not a great idea, says John Sloan, NFIB's executive director, who favors massive cuts while keeping the agency alive: "Local businessmen don't want to go to academics for management advice."

Despite such criticisms, the SBA still has powerful friends. Where? Look first on Capitol Hill. Without an SBA to oversee, the Senate Small Business Committee, run by Senators Lowell Weicker (R-Conn.) and Dale Bumpers (D-Ark.), would lose power

and prestige. The same goes for the House committee.

Then there are the banks that use SBA guarantees to make loans and the Wall Street firms that trade the guaranteed portion of the loans. The total market value in SBA guarantees is about $600 million per year.

The fundamental issue at stake is that lots of things have changed in the 30 years since the SBA was created. With so much interest today in venture capital and the entrepreneurial spirit, the need for cheerleading from the SBA is greatly reduced. The agency has earned an unfortunate reputation around many successful small businesses for being a sucker for a hard-luck story. Better, says Weatherup of Central Fence, if government looked at the big picture. "There should be more assistance to the companies that are succeeding than the ones that are losers," he concludes.

Not a bad idea.●

ESTONIAN INDEPENDENCE DAY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. STRATTON. Mr. Speaker, February 24, 1985, marked the 67th anniversary of Estonian independence. I am pleased to rise in Congress as I have in previous years to join with my colleagues, Estonian Americans, and Estonians throughout the world in commemorating the anniversary and in showing support for the struggle of the brave people of this Baltic State against Soviet domination.

Estonia has a proud, yet tragic history in the 20th century. After World War I, Estonia proclaimed itself an independent, democratic nation. Although invaded that same year, 1918, by Soviet armies, the people of that small country were able to wage a successful war of independence and repulse the Soviets in February 1920. For the next 20 years, Estonians lived as a free people.

The country thrived during this period making great progress and industrial enterprise. The gross national product doubled. Estonian literature and culture flourished, as did human rights. Estonia became the first nation in the world to grant its minorities autonomy through government-subsidized ethnic schools.

However, economic progress and social tolerance were ended in the summer of 1939 by the pact between Hitler and Stalin which allowed the Baltic States to come under the Soviet sphere of influence. The Soviets consequently annexed Estonia, Lithuania, and Latvia, incorporating them into the U.S.S.R. in 1940.

For the last two generations, the country has been under Soviet domination. Through deportation, execution, and emigration, the small nation has suffered a tragic loss of its people: In the 1940's, one-third of the population was lost. Russification, the imposition of Russian language, culture, and the influx of Russian peoples, has also challenged the country's endurance. But Estonians at home and abroad have struggled bravely and successfully to retain their culture and traditions. And I have been greatly impressed with the enthusiasm of Americans of Estonian descent in carrying on the culture and traditions of their broad heritage.

Today, as we observe with admiration and concern the struggle of the people of Afghanistan, a more recent acquisition to the Soviet shphere of oppression, our sense of the plight of people in all captive nations is sharpened. Yet it is extremely heartening for all oppressed peoples to see that the national consciousness of the Estonian people has not faded, but is even more resolute, especially in the face of ongoing Soviet aggression and imperialism.

Therefore, we, in Congress, shall continue to call for individual freedom and self-determination in Estonia and other captive nations until the people of these brave countries are once again free.●

INTRODUCTION OF LEGISLATION TO CONTINUE AND AMEND THE FEDERAL SUPPLEMENTAL COMPENSATION (FSC) PROGRAM

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. LEVIN of Michigan. Mr. Speaker, today I am introducing legislation to extend and amend the vitally important Federal Supplemental Compensation [FSC] Program. FSC pays supplemental unemployment compensation to jobless workers who have exhausted their regular State unemployment benefits and any extended benefits [EB] they may be eligible for. The current FSC Program is set to expire on March 31, 1985, just 5 short weeks from now. In the other body, Senator CARL LEVIN is introducing identical legislation.

In the fall of 1983, when the Congress last extended the FSC Program, I believe two points were made clear in testimony before the committee and in debate on this floor. First, in times of severe economic distress, a supplemental benefit program is critical to assist the long-term unemployed. Second, the permanently authorized Extended Benefit [EB] Program, which was designed to assist States with high unemployment, is no longer working as Congress intended, leaving a dangerous vacuum in the social safety net. I strongly believe that both of these points are as true today as they were in 1983.

It is certainly true that unemployment has declined in the past year and a half, but the current economic expansion has, unfortunately, left many States behind. Five States, Alabama, Louisiana, Michigan, Mississippi, and West Virginia are still suffering from double-digit unemployment rates. Another six have unemployment rates over 9 percent, almost 2 full points above the national rate. In the week of January 26 of this year, 327,000 individuals across the country had exhausted all of their regular State unemployment compensation and were collecting FSC benefits. In my home State of Michigan, where unemployment has stubbornly refused to fall below 11 percent, 17,400 people currently depend on FSC payments. In the first week of February, 2,600 more individuals exhausted their State benefits and were forced to file for FSC. There is no doubt that endless unemployment benefits are not the solution to long-term joblessness, but it is also true that in States with very high unemployment rates, the simple fact is workers will need more time to find a job. Supplemental benefits provide that extra time.

The EB Program, the frontline defense for economically distressed States, has become all but defunct. Only two States are currently providing extended benefits, and of the six States with double-digit unemployment, only one is paying EB. Through much of last year, not a single State had triggered on EB, despite persistently high unemployment in many areas. I believe the evidence is overwhelming that the EB Program in its present form does not, and cannot, respond appropriately to periods of severe labor market distress.

For these reasons, I believe it is imperative for the Congress to devise a workable Supplemental Compensation Program prior to the expiration of the FSC Program next month and several bills have been introduced to accomplish this. Instead of allowing the only working Supplemental Benefit Program to expire, we should take the opportunity of the current economic expansion to rationalize the system.

Mr. Speaker, I am also aware of the difficulty in enacting a comprehensive reform package. If this is not possible, then the current FSC Program should be amended to ensure that the States with the highest unemployment levels are eligible for the greatest number of weeks. This past month, the State of Michigan fell from 14 to 12 benefit weeks, even as the State's total unemployment rate rose four-tenths of 1 percent to 11.0 percent. For this reason, I am introducing legislation to extend the FSC Program for 18 months, until September 30, 1986.

This legislation would maintain the current benefit structure of 14, 12, 10,

and 8 weeks. It would, however, make two major changes to the current program. First, the anchor date for the long-term insured unemployment rate [LIUR] would be moved forward 1 year to January 1, 1983. While the impact of this change is to lower the LIUR for most States, I believe it is justified if the program is to be extended for an additional year and one-half.

Second, the bill would substitute a total unemployment rate [TUR] trigger for the current 13-week insured unemployment rate [IUR] trigger for the 11 largest States. The total unemployment rate is the familiar measure of unemployment that we have all come to know so well during the past recession. The insured unemployment rate is the measure of unemployment that is used to trigger on the two Federal unemployment compensation programs [EB and FSC]. The IUR includes only those unemployed workers who are currently collecting regular State benefits. It does not include the long-term unemployed who have exhausted their State benefits, nor does it include those who for one reason or another are unable to qualify for benefits. Thus the IUR is typically several points lower than the TUR measure.

This change is made for two reasons. First, the divergence of the TUR and the IUR in recent years has made this second number a less reliable measure of labor market distress, the concept that trigger numbers are designed to measure. Second, the TUR is at present statistically reliable for any given month in only the 11 largest States. Therefore the IUR/LIUR trigger of current law is maintained for the 39 smaller States.

The basis of this proposal is that supplemental benefits should be available if, first, a State's unemployment rate is very high, or second, a State has been suffering from high, if not acute, unemployment levels for an extended period of time and, finally, third, a State's eligibility should be determined by the best available measure of labor market distress. The IUR, and where appropriate the TUR, provides a snapshot picture of the current unemployment situation in a given State. The alternative measure, the LIUR, provides a longer perspective, with somewhat lower thresholds.

Mr. Speaker, we must remember that behind all the numbers and statistics, lie real people with real needs. Unemployment is still raging in far too many parts of this Nation. I urge my colleagues to join me in seeking to continue the FSC Program.●

WARRANT OFFICER EQUAL APPOINTMENT ACT

HON. MARVIN LEATH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. LEATH of Texas. Mr. Speaker, I rise today to introduce legislation designed to correct certain inequities that exist between warrant officers of the Army and Air Force and warrant officers of the Navy, Marine Corps, and Coast Guard. The existing statute, 10 U.S.C. 55, states, in essence, that Army and Air Force regular chief warrant officers will be appointed by warrant by the service Secretary while those of the Navy, Marine Corps, and Coast Guard will be made by commission "* * * by the President by and with the advice and consent of the Senate."

Army warrant officers—the Air Force does not currently utilize warrant officers—because of the nature of their appointments experience certain disadvantages not common to their Navy contemporaries.

Army warrant officers may not administer oaths of reenlistment.

Army warrant officers may not administer oaths—unless serving as adjutants or assistant adjutants.

Army warrant officers may not be identified as commanding officer even when in command—warrant officers command all Army bands and vessels as well as many dispensaries and health clinics.

Appointment of warrant officers by commission will assist in appointment, as required, of selected chief warrant officers in the grade of captain within the restraints of the "10/20 rule." The 10/20 rule states that to retire as a commissioned officer an individual must have served at least 10 years on active duty in a commissioned status. Because most warrant officers will have over 10 years of total active Federal service before they would be considered for appointment to captain, it has not been possible for them to complete 10 years of commissioned service before achieving retirement eligibility. Since the proposed change would cause regular chief warrant officers' service to be commissioned service for legal purposes, attaining 10 years of commissioned service would no longer pose a problem.

Mr. Speaker, I thank you for the opportunity to explain the legislation and encourage my colleagues to support this effort.●

PORTERVILLE SCHOOL WALK

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. PASHAYAN. Mr. Speaker, the Statue of Liberty has served as a symbol of welcome to returning Americans and to newcomers to our land for nearly 100 years. A gift from the people of France, it is now undergoing a much-needed restoration so that it can continue its mission as a beacon of freedom in New York Harbor.

Nearly 3,000 miles away from New York Harbor the students in Mrs. Darlene Byars' second grade class at Westfield School in Porterville, CA, in my district are joining millions of Americans and others in the voluntary effort to finance the restoration of Miss Liberty, estimated to cost $230 million.

To help to raise money, the students in Mrs. Byars' class are walking the distance between their school in Porterville and the Statue of Liberty. Although they never stray from the campus of Westfield School, their walking has taken them as far as the mileage between Porterville and New Mexico. They hope "to arrive" at the statue sometime in May.

Porterville citizens, community organizations, and businesses are sponsoring the students in amounts of 10 cents to $1 per mile. When the walk is completed, the students hope they shall have raised over $1,000 to aid in the restoration.

Mr. Speaker, I am proud of these young people and their teacher for what they are doing to aid in restoring a valued national treasure, and I hope that publication of this report will inspire others to join in similar efforts.

It is a most pleasing expression of patriotism.●

H.R. 1082 RESTORES DEATH PENALTY FOR ESPIONAGE

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. STUMP. Mr. Speaker, on February 7, 1985, I introduced H.R. 1082, the Omnibus Intelligence and Security Improvements Act. Title VI of the bill restores the death sentence as a potential penalty for espionage and treason. The bill would revitalize the treason and espionage death sentence provisions which are already contained in the Federal Criminal Code, but which have not been imposed since the Supreme Court invalidated the death penalty for procedural reasons in 1972. The bill establishes comprehensive,

fair, and constitutional procedures for imposing the death penalty upon those who intentionally inflict grave damage upon the security of the American people by committing treason or espionage.

I believe that the potential imposition of the death penalty would deter individuals from spying within the United States for hostile foreign powers. The events of the past few years have proved that our espionage laws are not strong enough to deter espionage when they are not backed up by the risk of the death penalty.

A quick review of recent publicly known spy cases shows that spies working for hostile foreign powers present a great danger to the security of the United States, and shows that those spies are quite active despite our existing espionage laws.

In 1976, CIA officer David Barnett became a secret agent for the Soviet KGB. Barnett gave the Soviets, among other things, the identities of CIA covert personnel. Barnett sold himself and U.S. secrets to the KGB for $92,600. The FBI caught him in 1980; he was convicted and is in prison.

In 1978, the FBI arrested Ronald Humphrey, a U.S. Information Agency employee, on espionage charges for transmitting classified defense information to the Communist Government of Vietnam. He was convicted.

Thereafter, Christopher Boyce, an employee of a major CIA contractor, gave CIA communications secrets to the Soviets. He was caught and convicted. Boyce is the subject of the recent movie "The Falcon and the Snowman," which depicts his acts of disloyalty.

In 1978, disaffected CIA employee William Kampiles sold the top secret manual on a super-secret U.S. reconnaissance satellite to the KGB. He was caught and convicted.

A defense contractor employee, William Holden Bell, gave top secret information about major U.S. weapons systems to the Soviet bloc, He was convicted in 1981.

In 1982, Richard Craig Smith, when he was an Army counterintelligence officer, allegedly was actually a double agent working for the KGB, providing information to the Soviets on U.S. secret agents. That case is currently under prosecution.

In 1983, the FBI captured James Durward Harper, who admitted selling to the Polish intelligence service classified information concerning U.S. ICBM's and ballistic missile defense technology.

In 1984, the FBI arrested one of its own—FBI agent Richard Miller—who allegedly sold to Soviet agents the FBI's classified counterintelligence manual. That case is currently under prosecution.

Also in 1984, the FBI arrested Karl Koecher, who while a CIA employee, allegedly passed classified information to the Czechoslovakian intelligence service. That case is currently under prosecution.

Again in 1984, the FBI arrested Thomas Cavanagh, an employee of a major defense contractor, for allegedly attempting to sell America's secret stealth technology to FBI agents he thought were KGB agents.

I do not cite these particular cases to say that any of these people, if or as convicted, deserves the death penalty. That is for judges and juries to decide based on particular evidence and particular circumstances in particular cases.

I would note that I have only mentioned recent espionage prosecutions involving disloyal, or allegedly disloyal, Americans who had access to sensitive U.S. secrets; this is by no means a complete list of recent U.S. espionage cases. I have cited the examples of disloyal, or allegedly disloyal, Americans because they show that we have an extremely serious espionage problem. The security of this Nation is at risk.

The litany of espionage disasters of the past 6 years ought to be enough to make anybody understand that we have a serious and growing security problem in the United States and that our espionage laws are not working as they should. The existing espionage statutes and penalties do not suffice to deter the espionage which threatens the security of our Nation.

Title VI of H.R. 1082, by establishing constitutional procedures allowing imposition of the espionage and treason death penalty which is already on the books, will improve the deterrent effect of our espionage laws. Disloyal individuals who damage the security of the American people for their own personal gain by selling America's vital defense secrets to hostile foreign powers may think twice if they know it could cost them their lives.●

TRIBUTE TO ERNIE AND JEAN HAHN

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. McCANDLESS. Mr. Speaker, if you and my colleagues were to travel to the Coachella Valley today, you would find the involvement of Ernie and Jean Hahn in many charitable organizations and nonprofit institutions. In fact, for 35 years, the Hahns, working together and separately, have touched the lives of thousands of people through their good works. Fittingly, the recipients of the 1984 Coachella Valley Humanitarian Award will be Ernie and Jean. On Monday, March 18, 1985, many of their friends and admirers will gather in Rancho Mirage to honor them.

The Hahns are particularly well known for their work on behalf of the Eisenhower Medical Center, where Ernie is a founding trustee and continues to serve as a member of the executive committee. Jean is also a member and past vice president of the auxiliary. They are major benefactors of the Eisenhower Medical Center, and twice have been cochairpersons of the fundraising Bob Hope Classic Ball.

It is a wonder that Ernie and Jean have time to eat or sleep. They are also well known for their support of the Palm Springs Desert Museum, where Jean serves as a trustee, and where they have again been major benefactors. Ernie is chairman of the museum's foundation campaign, and Jean is cochairman of its endowment campaign.

Is that the extent of their active involvement in the community? No, indeed. They have been major supporters of the Bob Hope Cultural Center, where Jean serves as a member of the theater management board. They have also been involved in helping the Family YMCA of the Desert, the Foundation for the Retarded, the Palm Desert Senior Citizens Center, the Indio Public Library, the California Nature Conservancy, the Bighorn Research Institute, St. Francis of Assisi Catholic Church, Sacred Heart Catholic Church, and the Temple Sinai Community Center. Does the list end here? No. Add the Desert Symphony, the Braille Institute, the American Cancer Society, and the Palm Springs Humane Society, among many others.

In 1946, Ernie founded the Hahn-St. John General Contracting Co. in Hawthorne, CA, which in 1956 became Ernest W. Hahn, Inc., now known as Nuhahn, Inc. His companies have built more than 40 regional shopping centers across the Nation. He and Jean have shared their success time and time again, and they have been tireless in their humanitarian efforts. I am sure you and my colleagues join me in saluting two great Americans: Ernie and Jean Hahn.●

PERSONAL EXPLANATION

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. LEWIS of Florida. Mr. Speaker, due to official business I was not present for rollcall No. 12. Had I been present, I would have voted "no".●

CONGRESSIONAL SALUTE TO HON. PETER SCARPELLI, SR. OF NUTLEY, NJ—ESTEEMED BUSINESSMAN, COMMUNITY LEADER AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. ROE. Mr. Speaker, on Thursday, March 7, a prominent group of concerned citizens from labor, business, civic, and community organizations will gather together in testimony to an esteemed businessman, community leader and good friend, the Honorable Peter Scarpelli, Sr., whose lifetime of service to the people of the township of Nutley and its surrounding communities has truly enriched our community, State, and Nation.

Mr. Speaker, I know that you and our colleagues will want to join with me in extending our warmest greetings and felicitations to Peter Scarpelli and share great pride in the success of his long dynamic and active leadership in public affairs with his good wife Celia; their sons Peter, Ralph, and Vito; and eight grandchildren as they celebrate this milestone of achievement in their family endeavors.

There is much that can be said of Peter Scarpelli and his lifetime of achievements in service to people. He has been a resident of Nutley for 49 years and an esteemed businessman in the community for over four decades. He is president of the Scarpelli Landscaping and Industrial Maintenance Co. and has served as superintendent of parks and public property of the township of Nutley.

Mr. Speaker, the quality of leadership and sincerity of purpose that Peter Scarpelli has imparted to our people in the political, civic, and business world are mirrored in his many accomplishments and the warmth of his friendship that have won him the confidence and support of all of us who have the good fortune to know him.

He was a major bulwark of strength in the Democratic Party from his early days in its organizational structure and throughout his leadership endeavors as a ward leader in Essex County and president of the Nutley Democratic Club.

Peter Scarpelli has brought great honor and prestige to the township of Nutley with his lifetime of good works and we are particularly proud of his compassion, dedication, and untiring efforts on behalf of our young people. He has strongly supported sports programs for our youth in Nutley donating his personal services as well as those of his company to the organization of the Little League Program and the care and maintenance of its athletic fields. He is a founder of, and active in the Peter Scarpelli Civic Association, the Knights of Columbus, the Italian American Club, the Elks, the Irish-American Club and a member of the Holy Family Church in Nutley.

Mr. Speaker, it is indeed appropriate that we reflect upon the deeds and achievements of our people who have contributed to the quality of our way of life here in America and I am pleased to call your attention to Peter Scarpelli's standards of excellence in working to improve the quality of life for the people of our community, State, and Nation. As we gather together on March 7 in tribute to the quality of his leadership and sincerity of purpose dedicated to service-to-people, we do indeed salute a distinguished citizen, outstanding community leader and great American, the Honorable Peter Scarpelli, Sr. of Nutley, NJ.●

TRIBUTE TO TAYLOR M. QUINN

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. WEISS. Mr. Speaker, Mr. Taylor M. Quinn, a man noted for his tough compliance stance on matters affecting the quality and safety of the Nation's food and cosmetic supply, retired from the Food and Drug Administration [FDA] this February, after 34 years of dedicated Government service.

Mr. Quinn's retirement is considered at FDA as "the passing of an era." He has always been highly respected for his knowledge of and expertise in FDA compliance actions relating to this country's food and cosmetic laws and regulations. His ready willingness to share his vast experience has already been missed. An important piece of FDA history has vanished with the departure of this remarkable public servant.

Mr. Quinn was the Director of the Office of Compliance in FDA's Center for Food Safety and Applied Nutrition—formerly called the Bureau of Foods—a position he held for 7 years. In that position he was responsible for providing scientific, technical, regulatory and managerial leadership for the effective operation of the food and cosmetic compliance activities of the FDA, including all field and headquarters compliance programs relating to the safety, wholesomeness and nutritional quality of foods. Mr. Quinn was a member of the Senior Executive Service since its inception 5 years ago.

Mr. Quinn began his career with the FDA as a seafood inspector in the New Orleans district; later this position there was converted to food and drug inspector. He served there for 8 years. He was transferred to the Baltimore district as the resident inspector for the District of Columbia where he served for 2 years. When the Dallas district office was opened, he was selected as a food and drug officer handling compliance matters for the new district.

In 1964, he was transferred to the FDA Washington headquarters office where after 7 years he organized and became the Director of the Division of Regulatory Guidance in the Bureau of Foods. In 1978, he became the Associate Director for Compliance which was recently changed to the Office of Compliance.

In 1968, Mr. Quinn received the FDA Award of Merit for developing guidelines for use by the field districts in taking direct legal action without headquarter's review and approval. In 1973, he was again awarded the FDA Award of Merit for outstanding performance in resolving complex problems, and developing and applying new approaches in the areas of food safety and labeling. In the same year, he received a group FDA Award of Merit for response to a national emergency involving hazardous shellfish contamination. In 1974, he was given another group FDA Award of Merit for his role in the evaluation of potential health hazards involving canned foods.

In 1976, Mr. Quinn received the Departmental Distinguished Service Award for outstanding contributions in the development and implementation of programs to improve food labeling and to protect consumers from hazardous foods.

Under the Senior Executive Service, Mr. Quinn has received two additional awards, one in 1980 and again in 1983.●

EXPLANATION FOR MISSED VOTE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GILMAN. Mr. Speaker, I was unavoidably detained yesterday during the vote on approving the Journal. Had I been present, I would have voted "no".●

PLANNING FOR THE FUTURE

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. IRELAND. Mr. Speaker, I note with interest that in another 2 years it will be the 50th anniversary of the enactment of the laws that established

our Social Security System which commenced in 1939.

In the last several years, we in Congress have had to grapple with ways to ensure the continued viability of the system. While there are many causes for the problems, they may, at least in part, be attributable to the fact that we have lost sight of the program's original purpose. In 1937, Franklin Delano Roosevelt designed the Social Security System to provide a foundation for the individual's financial security. Once this secure base was established, it would be up to the vast majority of able Americans to build their own house of financial independence.

Over the years, the basic Social Security Program has been changed by increasing the numbers of individuals eligible for benefit and raising taxes. In the face of these changes, my constituents fear that the program might not be there when they reach old age, despite their contributions over the years.

There are, however, others in this country who have thought long and hard about this dilemma. In this regard, I want to commend the efforts by individual citizens, such as Arthur Lynch Williams, Jr., for helping all of us address these concerns in terms of basic financial planning. Mr. Williams is the author of a simple, straightforward book entitled "Common Sense." Mr. Williams' views on financial security provide guidance to the average American. He presents some simple guidelines on how each person can build his or her whole house of financial security using basic tools of financial planning. He encourages people to plan for their security as opposed to placing total reliance on Uncle Sam. This is a key principle in Mr. Williams writings and one which should be impressed upon all able Americans.

There are many ways in which individuals can plan, save, and invest for the future. Mr. Williams points out some simple approaches to this problem that are available to individuals at almost any income level. He discusses, among other things, individual retirement accounts, maximum life insurance at minimum premiums, mutual funds, money market funds, and tax deferred annuities.

The basic premise of Mr. Williams' book is that wage earners and business people alike should "pay themselves first" to guarantee their retirement. He points out simple concepts often lost in the growing complexity of today's investment opportunities such as the "magic of compound interest."

In short, I am glad to see enterprising people like Mr. Williams foster commonsense attitude and offer us the benefit of his thinking and experience to help all of us look to ourselves and not the Government for our future security.●

BUDGET CUTS IN EDUCATION

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. OWENS. Mr. Speaker, today I, and many of my colleagues are considering the issue of funding for education. Today, the full Education and Labor Committee commenced hearings on the proposed cuts in education. The President's budget includes a number of policy changes which are not necessarily obvious. For example, on the issue of funding for library services and construction, the President has again zeroed out all funds. His press releases which summarize the cuts portray this as a $32 million cut, but it is really a $125 million cut. This is clear in the detailed appendix to the budget even if it does not appear in the more commonly scanned press releases and summaries.

Libraries will also suffer further budget cuts if the President has his way. The decrease in the postal revenue foregone means, quite simply, that many libraries will find themselves paying increased fees for fourth class mailing. This double blow has not escaped the notice of those of us who care about libraries and their vital role in the original and continuing education of our people.

The budget also cuts expenditures in the special education services from $1,321,270 in fiscal year 1985 to $1,306,100 in fiscal year 1986. Now that does not seem to be too much of a cut, but when you put it together with the elimination of free mailing for the blind and the physically handicapped, it means a great deal less assistance for those who are clearly in need.

The President has also proposed severe cuts in postsecondary education. In Federal fiscal year 1984, New York State guaranteed 393,528 student loans for a total of $936 million. This represented 12.5 percent of all dollars provided nationally through the Guaranteed Student Loan Program.

Based on 1983-84 borrowing, the administration's proposal to limit GSL eligibility to students in families with incomes of $32,500 or less would eliminate 95,880 loans—24 percent—and would reduce the total borrowed by $221.81 million—24 percent. Undergraduate borrowing would be cut by 24 percent and graduate borrowing by 22 percent.

An additional 27,000 graduate students with incomes below $32,500 will have their guaranteed student loans reduced as a result of the proposal for a $4,000 cap on total Federal aid from all programs. Most graduate student borrowers now take loans of more than $4,000 per year. The estimated loss from this proposal will be $34.0 million. The combined proposals will eliminate or reduce guaranteed student loans for 75 percent of graduate student borrowers.

Secretary Bennett has repeatedly spoken up for the President's budget. He says that no student will be deprived of an education because parents can borrow an additional $4,000 per year in PLUS loans. The Secretary does not explain how poor parents will commence payment and meet the PLUS installments. This deficit generating administration apparently feels that one way to reduce Federal deficits is to shift them unto those who seek an education.

In conclusion, it is important that we all consider just what the administration proposes. Cuts are spread across every human service program while programs related to defense or the destruction of others are lavishly funded. This bespeaks a rather dim view of the future that I cannot share. The real and practical peace and prosperity of future America is best secured by a greater and more generous national committment to education.●

A CONGRESSIONAL SALUTE TO THE MEXICAN-AMERICAN DEMOCRATIC CLUB ON THEIR 25TH ANNIVERSARY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. ANDERSON. Mr. Speaker, I am proud to call the attention of my colleagues to the 25th anniversary of the Mexican-American Democratic Club. This year's installation banquet was held in Harbor City on Saturday, February 9, and you can be sure that a great time was had by all.

The club was founded in 1958 and chartered 2 years later under the guidance of Manuel Betancourt, Henry Flores, and Victor Valdez. It was established to help Hispanics become more actively involved in the community and, of course, the machinery of the Democratic Party. Today, the club is open to anyone who has the vision to make America a better place to live.

Those who join know that the Democratic Party is the hope for simple justice of equality, fairness and compassion toward all our people. They stand for basic civil and human rights and the hope for all Americans to earn a decent living and a chance to get ahead. They want to make sure that the wealthy and powerful live up to their responsibilities to a society that is fair, prosperous and strong. I suppose the ideals of those who join and support the Mexican-American Democratic Club can best be summed up by a 1940 quote from President Franklin Roosevelt:

I am fighting, as I have always fought, for the rights of the little man as well as the big man, for the weak as well as the strong, for those who are helpless as well as for those who can help themselves.

Mr. Speaker, today we see many Hispanics at the top policymaking positions within the Democratic Party. This did not happen overnight. It took a great deal of work from literally millions of Hispanics who have the foresight and intestinal fortitude to get a job done. It is these types of individuals who comprise the Mexican-American Democratic Club.

My wife, Lee, joins me in congratulating and commending the club on this, their silver anniversary. We would like to especially salute Connie Guzman who is returning as their president. We know that there is much good yet to be accomplished in our land and the Mexican-American Democratic Club will continue to lead the way to bring about social and economic equality for all Americans.●

THOMAS M. BOLES, POTENTATE, AL MALAIKAH TEMPLE

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MOORHEAD. Mr. Speaker, on March 12, Mr. Thomas M. Boles will be honored in Burbank, CA, as the new potentate of the Al Malaikah Temple of Los Angeles.

In Thomas Boles we honor a person truly deserving of special recognition. he is a man deeply committed to his family, his community, his country, and his God, a man devoted to the causes of education and music, a man who has given more than anyone can know to the fraternal and charitable activities of the Al Malaikah Temple.

In addition to his unwavering commitment to the Shriners Hospital for crippled children in Los Angeles and the Masonic lodges of California, Tom has found time to serve on the board of governors of Chapman College, to act as president of the Rio Hondo Symphony Association and to be involved with the Los Angeles Philanthropic Foundation, and the Friends of Huntington Library. He is a member of the First Friends Church of Whittier. He is the president of Equipment Consultants, Inc. and Sun-Union, Inc.

Born in Ohio, but not a native Californian, his record of service speaks of unselfishness, of great energy, and of superior effort.

Mr. Speaker, I am appreciative of what Tom Boles represents, of the good things he promotes, and the ethics by which he lives. I am pleased to play a small role in this worthy tribute.●

CENTENNIAL OF THE SAILORS' UNION OF THE PACIFIC, AFL-CIO

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mrs. BURTON of California. Mr. Speaker, on March 6, 1985, the Sailors' Union of the Pacific, AFL-CIO, celebrates the 100th anniversary of its foundation. I would like to share some of the history of that great organization with my colleagues.

The Sailors' Union of the Pacific, AFL-CIO, a leading force in the regional and national labor movement, as well as in the worldwide maritime union movement, counts its history from March 6, 1885, on which date a group of some 400 seamen, meeting on a lumber pile at the Folsom Street wharf in San Francisco, vowed to "resist oppression in any and every form," and set up the Coast Seamen's Union.

In 1891, the Coast Seamen's Union, which largely represented sailing ship crews, and the Steamship Sailors' Union, merged to establish the Sailors' Union of the Pacific.

The history of the Sailors' Union of the Pacific, AFL-CIO, includes the names of many noble and courageous fighters for the cause of labor, of progress, and of good citizenship.

Most famous among the leaders of the Union was Andrew Furuseth [1854-1938], known as "the Abraham Lincoln of the seas." Through a long and tenacious legislative effort culminating in President Woodrow Wilson's signature of the U.S. Seaman's Act in 1915, Furuseth and his union comrades secured full civil rights for a class of workers who had traditionally been considered virtual bondsmen to the masters of vessels.

As late as the beginning of this century, seamen could be imprisoned for the supposed crime of quitting a ship, then considered desertion. In addition, the seamen were preyed upon by corrupt hiring agents, known as crimps, who carried on, unrestrained, the abusive practice of shanghaiing, in which seamen were kidnaped and forced to work on vessels. The seamen were also subject to fraudulent wage attachment through a so-called advance system.

Further, food and conditions for the sailor were often far below standard, and many seamen were physically victimized by cruel, sadistic officers, known as buckoes.

Passage of the 1915 Seaman's Act, with the help of friendly legislators including Wisconsin Senator Robert M. LaFollette, laid the basis for the final abolition of these fearful practices. It is for this reason that the beloved Furuseth, when he died, lay in state in the Labor Department building here in Washington.

In the early years of the Sailor's Union of the Pacific, AFL-CIO, other men of courage and principle played a role, along with Furuseth. They included Burnette Gregor Haskell, a California labor lawyer; Walter MacArthur, a seaman who became editor of the union's great crusading organ, the Coast Seamen's Journal; and Paul Scharrenberg, a later Journal editor.

With the passing of the Furuseth generation, a new group of leaders emerged to guide the union through the turbulent 1930's and their aftermath. Chief among them was one Harry Lundeberg [1901-1957]. Both Furuseth and Lundeberg were born in Norway, and brought the Viking spirit with them to American shores.

During the Lundeberg years, the Sailors' Union of the Pacific, AFL-CIO, achieved improvements in wages and conditions to which the organization's members could look with great pride. The union's seamen were the first American sailors to obtain pensions, vacations, and many other benefits. Lundeberg was a strong believer in the American system of free, collective bargaining and, under his leadership, the union became known for its fair honest, but militant dealings with employers.

Since 1957, the union has had two leaders: Morris Weisberger and the incumbent president/secretary-treasurer, Paul Dempster. As before, the union has contained out in front in the service of labor and the broader community on the Pacific coast.

The officers and members of the Sailors' Union of the Pacific, AFL-CIO, have every right to celebrate their centennial with enthusiasm and vigor; their contributions to this great Nation have been truly enormous. The merchant seamen who built the union deserve great credit for their service to the Nation's maritime commerce in peacetime, and for their fulfillment of their patriotic duties in wartime. They deserve the thanks and congratulations of all Americans.●

RETIREMENT OF WAYNE ELWELL AS EXECUTIVE DIRECTOR OF THE PRINTING INDUSTRIES OF NEW ENGLAND

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. FRANK. Mr. Speaker, Wayne Elwell is retiring as executive director of the Printing Industries of New England, headquartered in Newton, Mass. Wayne has been executive director of the Printing Industries of New England since 1972, and has a total of 28 years of service in graphic arts industry associations.

Since Wayne joined the Printing Industries of New England [PINE], it has grown from 160 members to over 370 members. PINE has a budget approaching $1 million per year. Among Wayne's accomplishments while executive director of the Printing Institute of New England, which provides training for management and technical personnel in the industry, and training for persons seeking to become involved in the printing industry. The credit union of the Printing Industries of New England was also developed by Wayne, and has now reached assets of $3 million and over 3,500 shareholders.

Printing and publishing is the second largest industry in Massachusetts in number of establishments. It is fifth in total number of employees and fifth in total payroll.

Mr. Speaker, Wayne Elwell has made a contribution to the printing industry and to the community he has served of which we can all be proud. I take this opportunity to commend Wayne Elwell and to wish him well on his retirement.●

TRIBUTE TO POLICE CHIEF HAROLD McGEE

HON. SAM B. HALL, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. SAM B. HALL, JR. Mr. Speaker, an outstanding public official and law enforcement officer, Harold McGee, will soon retire as Chief of Police of the Texarkana, TX, Police Department. Chief McGee is recognized throughout the State of Texas as a fine lawman, and he will be sorely missed by law-abiding citizens.

At a time when the Nation is becoming more and more alarmed by rising crime, especially violent crime which is drug-related, it is reassuring to know that the citizenry has dedicated and effective law enforcement officers like Chief McGee to protect our life and property. As a member of the Judiciary Committee and the House Select Committee on Narcotics Abuse and Control, I know firsthand how difficult and dangerous his job and the job of our other peace officers is throughout the country. We owe such people a debt of gratitude.

Chief McGee has spent almost 36 years in law enforcement. He came to the Texarkana Police Department in 1949 and made his way through the ranks to become the Chief of the Department in 1968. Texarkana and the surrounding area has grown tremendously during that time and his department has kept abreast of the times and the need to upgrade the quality of police work. He is not only recognized for being a courageous lawman, but he has strived to bring administrative efficiency to an expanded Police Department.

His leadership qualities have been widely recognized. He has served as President of the Texas Police Chiefs Association, President of the International Association of Chiefs of Police, and has been appointed to a number of other prestigious groups associated with law enforcement. In numerous forums and commissions associated with making law enforcement more effective, Chief McGee is always sought out as an adviser and participant.

I take this opportunity to wish Chief Harold McGee the very best in his future endeavors and thank him for a job well done.●

SIXTH ANNUAL BROTHERHOOD AWARDS FROM KENNETH GIBSON CIVIC ASSOCIATION

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. RODINO. Mr. Speaker, on Sunday, I had the privilege of attending the Sixth Annual Brotherhood awards Breakfast sponsored by the Kenneth A. Gibson Civic Association.

The event was worthy of the fine man for whom it is named—Newark's Mayor Ken Gibson. And, as always, the six recipients of this prestigious award all embody the principles of civic pride and community involvement that have been also clearly defined by our mayor.

It is a great honor for me to say a few words today about the awardees.

Marguerite Bush was cited for her outstanding involvement with, and commitment to, the young people of our community. As the associate executive director of the Clinton Hill Branch YMWCA, and in all of her other activities, she has provided inspiration and direction for countless young people.

John P. Caulfield, currently director of the Newark Fire Department, is a member of the New Jersey State Senate. His volunteer activities including working with St. Mary's Orphanage, St. Peter's Orphanage, the Newark Branch of the NAACP, the President's Council on Youth Opportunity, and the Greater Newark Urban Coalition.

Annette Hubbard is a nurse at United Hospitals of Newark, where she serves as patient care coordinator. She is involved with many professional nursing associations, particularly the Concerned Black Nurses of Newark, of which she is the president emeritus. Ms. Hubbard lectures about health care issues all over the city, and volunteers in health activitives for senior citizens.

Ronald B. Tuff, director of the division of taxicabs for the city of Newark and owner of the Omega Bus Tours Co., was given an award for his involvement in numerous civic activities. His bus company offers low-cost transportation to community and day care centers, and also provides employment opportunities for some of Newark's hard-core unemployed and for teenagers.

William "Bill" Wallace came to Newark as an orphan who had lived in and out of many foster homes. The people of Newark helped him to get on his feet, and he never forgot this. His career included jobs with the Singer Sewing Machine Co., the United Electrical Trade Union, the Federal Bureau of Investigation, and many others. He went to work for the Newark Police Department in 1968, volunteering his services as an urban specialist dedicated to fighting juvenile delinquency. From this program came his 4-H Urban City Program at Rutgers University. Bill has been tremendously successful in training, employing, and inspiring the young people of Newark.

Blonnie Watson has instilled a sense of pride in the city of Newark among its citizens. As a community activist and president of the board of directors of High Park Gardens, Blonnie Watson continually lives up to her promise to use her energy to "make the dreams of Newark a reality."

Mr. Speaker, all of these individuals have contributed greatly to improving the quality of life in our city. I am very proud to know them all.

I would also like to say a few words about the event itself, and to mention the people who were involved in Sunday's program. Mr. Elton E. Hill, president of the Kenneth A. Gibson Civic Association, served as master of ceremonies; the Hon. Rev. Ralph T. Grant, Jr., president of the Newark City Council, gave the invocation; the awards were presented by Ms. Eleanor Newman and Mr. Isaac Thomas, Jr.; the benediction was offered by Rev. Robert D. Woods, Sr.; and the keynote speaker was Melvin King, former Massachusetts State representative, currently a professor at MIT and community activist in Boston.

Once again, I offer my commendations to the six recipients of this year's Brotherhood Awards, and to the man who provides inspiration for all the people of our community, Mayor Kenneth Gibson.●

PENNSYLVANIA KNIGHTS OF COLUMBUS DAY

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. YATRON. Mr. Speaker, March 24, 1985, has been designated Pennsyl-

vania Knights of Columbus Day. Councils throughout the Commonwealth will be celebrating on that day with special activities such as open houses, socials, and membership recruitment efforts. In Berks County, the Light of Christ Council, No. 8726 has planned a program directed toward increasing community awareness of the order's involvement in numerous activities and toward a membership drive.

It is indeed an honor for me to bring to the attention of my colleagues this important observance and the outstanding contributions of the Knights of Columbus and in particular, the Light of Christ Council No. 8726 of Sinking Spring, PA.

I learned of this celebration through the kindness of Mr. John Sadowski and I want to wish him and the entire council family a most successful celebration on the 24th. The Knights of Columbus, and the members who have come together under its unity, exemplify the type of community spirit that is so important to the American way of life. The council has enhanced the lives of so many. It is indeed fitting that we pay tribute to the Light of Christ Council, No. 8726 and the Knights of Columbus. I know that my colleagues will join me in honoring them for their many good works and deeds.●

JUDGE JOHN R. SPON

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. APPLEGATE. Mr. Speaker, Judge Spon and his gracious wife Dorothy, both personal friends, have contributed immensely to Steubenville and Jefferson County.

John has served as a member of the Jefferson County Children Services Board, the Jefferson County Drug and Alcohol Abuse Center, the Jefferson County Mental Health Center, and the Young Men's Christian Association. Along with these distinctions, John has also served as president of the Jefferson County Humane Society, the Steubenville Little League, the Babe Ruth League, and the Steubenville High School Parent Teachers Association. He is also one of the directors of the local chapter of the Full Gospel Businessman's Fellowship International. As well, I might also add that John is an avid ham radio enthusiast.

Mr. Speaker, on behalf of the people of the eighteenth district of Ohio, I would like to convey to Judge John R. Spon our highest regards and respect for the service that he has rendered to our community. John has given to us through this experience on the court the ideals of fairness and understanding that will be sorely missed in Steubenville and Jefferson County following his retirement. I wish Judge John R. Spon and Dorothy the very best as he departs the bench and starts his journey into a well-deserved and wonderful retirement.

Mr. Speaker, recently, Judge John R. Spon retired from the probate and juvenile court of Jefferson County, OH, after many years of dedicated and outstanding service to his community.

Judge Spon, a life-long resident of Steubenville, graduated from Ohio Northern University in 1942, followed immediately by his service in World War II with the U.S. Navy, serving for nearly 3½ years and achieving the rank of lieutenant commander. John returned to his native Steubenville after the war and went on to serve in the office of the prosecuting attorney in Jefferson County, working for nearly a decade under Attorneys Bernard T. McCann and Joseph Loha. In August 1961, John was appointed by then Ohio Governor Michael DiSalle to fill the unexpired term of the late Emmett M. Morrow as judge of the probate and juvenile courts. It has been in this position that Judge John R. Spon has served his community, bringing the utmost in distinguished judgment and leadership throughout this time that has spanned nearly a quarter century.●

TRIBUTE TO DR. AND MRS. CARL EYERICK

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. BERMAN. Mr. Speaker, I rise to pay tribute to two respected and popular leaders of my community, Dr. and Mrs. Carl Eyerick. Since their first years in Burbank their involvement in both the community and hospital has enriched the lives of their friends and colleagues and has set an example of civic responsibility.

Of the many activities and honors which Carl and Doris shared—from the Burbank Symphony to the Kiwanis Association—none relied so heavily on their contributions or afforded them as much pleasure as the Orchid Society of southern California, where Carl served as president and Doris as social and ball chairwoman.

On the occasion of the Orchid Ball sponsored by the Burbank Community Hospital Foundation, where Carl and Doris Eyerick are special honorees, I ask the members to join me in saluting them and wishing them continued success.●

SUPPORTING PREVENTION STRATEGIES FOR TEENAGE SUICIDE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. BIAGGI. Mr. Speaker, teen suicide has become one of the fastest sweeping epidemics in this Nation that is taking the lives of young people in record numbers. Each year, 5,000 young Americans kill themselves, triple the figure of three decades ago, while at the same time, the rate for adults remains constant.

In response to this growing problem, I have joined in cosponsoring H.R. 1099, introduced by my colleague from New York [Mr. ACKERMAN], which provides a modest, but straightforward method of using our educational system to help attack the problem at the community level. Under this legislation, a 3-year program is authorized at $10 million per year, which would establish a competitive grant program. This program, targeted at local educational agencies, would be administered by the Department of Education and would provide a maximum of $100,000 per year to any one grantee.

A quick review of the startling statistics on teen suicide will underscore the need for this problem. In 1950, suicide rate for the 15-to-24-age group was 4.9 percent per 100,000 persons. In 1965, the suicide rate for this same group was 8.1 percent. By 1983, this rate has risen to an alarming 11.7 percent. The statistics are particularly alarming for young men; in 1981, the rate for white males was 21.1 percent, and the rate for black males was 11.1 percent.

Under H.R. 1099, the Secretary of Education is authorized to fund projects that demonstrate:

Ability to increase awareness of teen suicide among school personnel and community leaders;

Training strategies in prevention for school personnel;

Ability to implement and administer school-based prevention programs; and finally

Use of community resources and cooperation in the development and implementation of suicide prevention programs.

Recent television shows and movies have served to further dramatize this problem. We hear almost weekly news reports about another tragic act by a young person in small towns as well as large cities across the country. As a member of the House Education and Labor Committee for 15 years, I believe that this bill represents an appropriate response to this problem by incorporating schools, as focal points of communities, in partnerships with parents and school personnel, in the fight to address this problem.

I urge our colleagues to join with us in support of this timely and important initiative.●

LEGAL SERVICES INCENTIVES ACT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. GARCIA. Mr. Speaker, today along with 17 of my colleagues, I am introducing the Legal Service Incentives Act, a bill to supplement the funding of the Legal Services Corporation. Let me state at the start that this is not another Government funding measure, but a mechanism for providing incentives for raising funds to provide legal services to poor people.

Let me explain how my bill would work. In several States there exists something called Interest on Lawyers Trust Accounts [IOLTA]. This voluntary mechanism allows lawyers, acting collectively through bar associations, to take steps to generate interest on otherwise unproductive client funds and to use the interest to fund law related public interest activities. The principle is simple. Client funds in the lawyer's possession are pooled in NOW accounts. The interest generated by the NOW account is allocated to law related public interest activities through a not-for-profit corporation. I would point out that this program has generated $21 million for legal aid to poor people in need of legal services.

Unfortunately, the program has become so successful that the money generated has been used too often for activities other than direct legal services to indigent people, such thing as law school scholarships, legal law libraries, and so forth.

My bill would provide an incentive to keep these funds for direct legal services to the poor by placing a tax on the money that is not used directly to provide legal services to indigents. While this legislation would not prohibit IOLTA funds from being used for other purposes, it would encourage the use for which the funds were originally established. With this mechanism, we can provide the much needed money to assist the faltering Legal Service Corporation without additional increases in the Federal deficit. I urge my colleagues to cosponsor this measure.●

SUSIE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. MINETA. Mr. Speaker, we would like to speak in honor of Susanne B. Wilson, an individual who deserves our highest praise and respect.

Susanne Wilson, whose public service in our community serves as a model for all citizens, will be honored at a special dinner on March 1, 1985, for her outstanding contributions to our friends, residents and constituents in the county of Santa Clara.

Susanne Wilson is a member of the board of supervisors in our county. She was first elected to the board in November 1978. Prior to her election as supervisor, Susie was a member of the San Jose City Council. She served her city with distinction from 1973 to 1977. Susie's extensive efforts and effective leadership have helped enable San Jose and Santa Clara County become one of the premier locations in the country. With the help of people like Susie, Santa Clara County has been able to offer assistance, services, and strong fiscal policy for thousands of residents as well as city and county government that is accessible and responsive.

Yet Susie's record of contribution extends beyond her important work as an elected official. She has served on the YWCA board of directors for more than a decade and served as president of the board for more than 3 years. She currently continues her leadership role today as chairperson of the YWCA advisory council.

Since its inception in 1974, she has been a dedicated believer and helper in WOMA—the Women's Alliance, a battered women's shelter. During her tenure as a councilwoman and vice mayor of San Jose, she fought for and won private and government funding for WOMA. As a county supervisor, when budgets were drastically cut, her leadership and guidance helped direct WOMA to sources of funding which assured the continuation of these important services.

She is a cofounder of the Walk for Women of Sparta, a fundraiser for San Jose State University's Women's Athletic Program. The walk, which is entering its fifth year, has become the most successful single-event fundraiser for women by women in collegiate athletics. She has also given her talents to helping in the Santa Clara Valley Medical Center—expansion of the facility to meet the needs of the community involving her church in the VMC Rehabilitation Center, and assists VMC in meeting its always unmet needs for more space for premature infants.

As a result of her dedicated service, Susie has received many honors and awards—including WOMA's Woman of Distinction and the Woman Achievement Award from the League of Friends of the Santa Clara County Commission on the Status of Women. Susie's record of service and accomplishment is exemplary. She is a committed public offical who works to solve problems and find equitable answers. We trust her judgement; we respect her achievements.

Mr. Speaker, we have enjoyed working with Susie, and we are honored to have her as our friend. Susanne Wilson strongly deserves accolades and thanks for her notable service to our community. In light of this fact, we ask you, Mr. Speaker, and all Members of the U.S. House of Representatives to join us in extending thanks to our friend, Susanne Wilson. ●

SENATE—*Wednesday, February 27, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be led by Monsignor Casale, of Newark, NJ, sponsored by Senator LAUTENBERG.

PRAYER

The Reverend Monsignor Franklyn M. Casale, vicar general and chancellor of the Archdiocese of Newark, Newark, NJ, offered the following prayer:

Almighty God, we know You as our creator and guide mindful of the many blessings You have given people through the ages. We are grateful for all You have done for our great Nation in its history. Continue to look upon us with Your kindness and extend us Your care.

Bless those who have the responsibility of the governance of this country and, in particular, this Senate. Assist all to be generous in their outlook, caring in their deliberations, wise in their judgments and courageous in their decisions. Reduce the obstacles, the ones over which we have control and even those which seem to overwhelm us, which keep us from realizing the dreams of our Nation yet unfulfilled and the hopes of a world which still longs for justice and peace.

Regardless of differences and difficulties, may we always walk together as brothers and sisters in respect and love so that we may inherit the promises made by You to those who cooperate in the work of God. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I yield to the distinguished Senator from New Jersey [Mr. LAUTENBERG].

THANKS TO THE VISITING CHAPLAIN

Mr. LAUTENBERG. I thank the Senator.

Mr. President, I was pleased to hear the opening prayer given today by our guest Chaplain from my home State, Monsignor Casale, from Newark, in my home State of New Jersey, and was pleased that his message was one that is perhaps as appropriate now as it has ever been, calling for harmony and unity.

I hope his message will inspire all of us, Mr. Majority Leader, in our function here to work together for a common purpose.

The monsignor and I actually shared a bit of time at an alma mater of mine, Seton Hall University, a Catholic university in New Jersey. I am happy to have him here today.

Monsignor Casale has a long association with New Jersey and represents the kind of hard working, public spirited citizen we are proud of in our State. He attended preparatory and undergraduate school at Seton Hall in South Orange. After attending Catholic University, he returned to New Jersey to complete his formal education at Immaculate Conception Seminary in Darlington.

After his ordination, Monsignor Casale took up the position of associate pastor of Our Lady of Fatima Church in North Bergen. His 8 years of dedicated service to the North Bergen community led to his appointment as personal secretary to the esteemed archbishop of Newark, Peter L. Gerety. Four years later he gained the title of monsignor and was appointed chancellor by the archbishop. Most recently, in 1983, Monsignor Casale became vicar general and chancellor. In this important position he is the priest responsible for the activities of the archbishop's administration.

The monsignor is very active in church affairs and so contributes greatly to the vitality of the New Jersey community. I appreciated hearing his words today and hope that my colleagues shared in their inspiration.

I thank the Chair for the time to make this statement.

Mr. DOLE. I thank my colleague from New Jersey.

I thank you, Monsignor.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders will have 10 minutes each, and there are special orders not to exceed 15 minutes for Senators PROXMIRE and INOUYE; routine morning business not to extend beyond the hour of 1 p.m., with statements limited therein to 5 minutes each.

Following morning business, the Senate will automatically resume consideration of S. 457, the African relief bill, and pending is an amendment No. 11 offered by Senator MELCHER in the second degree to amendment No. 10 offered by Senator ZORINSKY; both deal with farm credit. It is possible rollcall votes will occur during today's session on amendments and possibly on the passage of S. 457.

Mr. President, I suggest that we would like to dispose of S. 457 today. Whether or not we do that, I think, depends on the outcome of a number of meetings that are going on at this time.

We hope that Members on both sides of the aisle will make some statements later specifically addressing the pending amendments. It is my hope that my colleagues and members of their staff will be carefully listening to some of the statements, because we believe that both the pending amendments are flawed and that the amendment to be offered after the disposition of the two pending amendments is even more flawed. So I hope that we may be able to convince our colleagues that we already have a good farm credit package in place.

I just suggest, and I think it ought to be very carefully considered, that what we are about to do is wreck the arrangement we already have in place and demand that the Secretary of Agriculture get wrapped up in other administrative procedures. That will take another 30 days and during that 30 days, the farmer is not going to know what he can do. It seems to me that it is about time we just laid the facts all out there so the American farmer is going to know in 15, 20, or 25 days exactly why everything is messed up. I would guess that that would take some time this afternoon.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, the Democratic leader is recognized.

MINORITY LEADER URGES VOTE TODAY

Mr. BYRD. Mr. President, I join with the distinguished majority leader in urging—I may be going a little beyond the majority leader in the use of this verb, but I am going to urge that we vote today. We are ready to vote. We all have good attendance showings on both sides, I suppose. I am not privy to the attendance check on the majority leader's side.

Mr. DOLE. It is good.

Mr. BYRD. The distinguished majority leader says it is good. I think we ought to get on with the votes on this African relief bill.

We are seeking to relieve hundreds of thousands who are suffering and dying in Africa. At the same time, we are also attempting by these amendments to relieve suffering in the farm States, where farmers are losing their farms, banks are going under, and some people, because of the fact that their whole life's savings are riding on this farm situation, have even committed suicide.

So, let me urge that we do vote and vote soon, vote today, on the amendments that are pending. We on our side are ready. I hope that we can, before the day is out, act on the remaining amendment or amendments after the Zorinsky and Melcher amendments are disposed of and vote on final passage today.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. I thank the Chair.

NUCLEAR PROLIFERATION—LET'S ACT NOW

Mr. PROXMIRE. Mr. President, there has not been much talk in the last 2 or 3 years about nuclear proliferation—some, but very little compared to the enormous threat it represents to this country. Recently, I wrote an article for the Bulletin of the Atomic Scientists. It was the March 1985 issue on nuclear proliferation. I ask unanimous consent that that article be printed in the RECORD as if read.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS MUST ACT ON PROLIFERATION

(By William Proxmire)

For the President of the United States, for most members of Congress, and indeed for most Americans, fear of nuclear war means simply fear of a Soviet nuclear attack. But the prospect of a U.S.-Soviet nuclear conflict is actually far less likely than another type of nuclear war, one that could occur in perhaps 10 or 20 years among nations that are just now laying the foundation for future nuclear arsenals.

These nations, which have been able to acquire sensitive nuclear technology, equipment and materials through civilian nuclear exports from the United States and other nuclear suppliers, will soon be able to produce nuclear weapons. And they will be less hesitant to use them. What's more, the U.S.-Soviet nuclear arms race may help this process along.

For more than 20 years the United States and the Soviet Union have devoted much of their nuclear weapons research to developing smaller, more accurate, less vulnerable, more reliable weapons systems. In addition, the intense study of the nuclear winter phenomenon now going on in both the United States and the Soviet Union may push the arms competition further into lighter, low-kilotonnage weapons. The resulting smaller size and weight will reduce the prime cost of nuclear arms: their delivery systems. Even a terrorist may soon be able to backpack a nuclear weapon to its target. The superpower nuclear arms race is thus moving relentlessly toward weapons that fit both the budget and the style of countries such as Libya and Iraq, which are generally considered to have clear and demonstrated motives to acquire nuclear arsenals.

Twenty years ago, many predicted that without a strong international nonproliferation movement, 15 to 20 countries would have nuclear arsenals by 1984. But they were wrong. Nonproliferation controls imposed by the United States and other nuclear supplier nations have been somewhat effective, even though those controls, triggered by India's detonation of a nuclear device in 1974, have failed to prevent several other nations from coming perilously close to acquiring nuclear weapons. Also, the reactor market has taken a nose-dive, so fewer countries have acquired nuclear facilities than was once projected.

But one big reason proliferation has been limited to date is that we have been very lucky. Over the next decade or two our luck may not hold, unless we manage to strengthen international nonproliferation controls very stringently. For the last three years, instead of strengthening controls, the United States just seems to be pushing its luck. A look at three recent nuclear cooperation agreements the United States has signed or is prepared to sign—with Sweden and Norway in 1983 and with China in 1984—reveals the reason for this.

One of the biggest national security threats the United States faces is the worldwide commercialization of plutonium, which is produced by reprocessing spent reactor fuel. Despite the dangers inherent in its dissemination, and despite the lack of economic justification for using plutonium in civilian reactors, the Reagan Administration has had no qualms about promoting this bomb-usable fuel abroad. So far, the government has approved enough reprocessing requests to fuel 2,000 warheads. By the twenty-first century, there might be enough separated plutonium worldwide to fuel 50,000 bombs.

Yet rather than clamping down on this dangerous substance, the Administration seems intent on promoting it. And the Swedish and Norwegian agreements are the best examples. Under those agreements the United States has granted Norway and Sweden prior approval to reprocess our nuclear fuel for the life of the agreement. This means that for 30 years Sweden and Norway can produce plutonium without review or renegotiation by the United States. Even though neither nation has any interest in building a nuclear arsenal, these agreements set an appalling precedent. When the time comes for negotiating or renegotiating other reprocessing provisions, how do we tell Middle Eastern or South American countries that the terms of sale to them must be different from the terms for Sweden and Norway?

In 1984, the Administration was on the verge of announcing a nuclear cooperation agreement with China. As of this writing, the text of the agreement still has not been released, but what has leaked out has left many members of Congress uneasy. The provisions relating to what can be done with the nuclear materials we sent to China reportedly are unclear. The language on U.S. veto rights over Chinese reprocessing of our fuel reportedly is "unusual"—which probably means that it's vague and full of loopholes.

Further, the only formal Chinese nonproliferation pledge the Administration could provide when the agreement was under discussion was that at a White House dinner the Chinese premier had mentioned in his toast that the Chinese "do not engage in nuclear proliferation." Small comfort, considering that widely circulated reports have documented that China has aided Pakistan's nuclear weapons program and has sold low-enriched uranium to South Africa and heavy water to Argentina. Of course, China is already a nuclear military power and has ample uranium supplies. But U.S. nuclear aid would provide a basis for China's production of vast quantities of plutonium, which other nations trading with China do not possess.

China has repeatedly expressed opposition to formal restraint on proliferation, one instance being a refusal to sign the 1968 Non-Proliferation Treaty. Unless there are strict provisions in the nuclear cooperation agreement, China in the future could have a free hand to duplicate or resell U.S.-supplied equipment and materials—and the by-product could well be more plutonium spread all over the world.

For all these reasons, nonproliferation must become a central concern of our government and especially the Congress. To this end, in early 1984 I introduced an amendment, to a bill that amended the Export Administration Act, providing that no nuclear cooperation agreement signed by the president would become effective unless both the House and Senate assented to it by majority vote. That amendment passed the Senate by a smashing 74 to 16 vote—for good reason. Since 1954 Congress has had veto power over nuclear cooperation agreements, if the House and Senate passed concurrent resolutions opposing the accords. But in 1983, the Supreme Court invalidated this mechanism by ruling that such a legislative veto was unconstitutional. As it now stands, any nuclear cooperation agreement the president signs sits in Congress for 60 days and then automatically goes into effect. My amendment would have restored congressional authority to reject these agreements.

The Administration fought the amendment vigorously during the House-Senate conference on the Export Administration Act. Secretary of State George Shultz threatened to recommend a presidential veto if the amendment stayed in the bill. The conference responded to this presidential pressure and gutted the amendment. The bill itself died in the closing days of the session.

I will try again this year to get this measure passed. It is crucial that Congress have a meaningful part in any U.S. agreement to export nuclear materials, equipment or technology. Congress has the general responsibility, by constitutional provision and by consistent practice over the years, to approve or disapprove far less significant international agreements, involving issues

such as fishing rights, safeguarding wildlife, and tax treaties. It is difficult to imagine a more critical and dangerous threat to our national security than the spread of nuclear weapons.

The requirement that two-thirds of the Senate assent to the ratification of any treaty with a foreign nation constitutes a severe limitation on executive power and a recognition by our founding fathers that this country should enter into agreements with other nations only after careful and cautious consideration—and with overwhelming assent by the Senate. Perhaps we should restore that congressional authority in nuclear cooperation agreements by simply requiring that they be elevated to treaty status—and therefore require a two-thirds affirmation by the Senate. At the very least, the agreements should be subject to affirmative majority vote by both Houses of Congress.

The Administration, in opposing my amendment, argued that through the 1954 Atomic Energy Act, as amended by the 1978 Nuclear Nonproliferation Act, Congress had already set forth the legal framework within which the Administration must negotiate any nuclear export agreements. A requirement that Congress approve an agreement is not needed, the White House maintained, since the Administration already is dutifully following the provisions of the Nonproliferation Act.

The Administration, however, has made a shambles of those provisions. And the best evidence of this is the Swedish and Norwegian agreements, and very likely the pending Chinese agreement—all of which were negotiated after the Supreme Court's decision and therefore are not now subject to congressional approval. In fact, the Swedish and Norwegian agreements stray so far from the provisions of the Nonproliferation Act that several members of Congress have joined in a lawsuit challenging their legality.

The Nonproliferation Act and its legislative history clearly intended that approvals for reprocessing be done on a case-by-case basis—not the 30-year blanket approval the Administration negotiated with Sweden and Norway. Furthermore, the Act states that the United States cannot approve reprocessing requests if they increase the risk of proliferation or if the reprocessing is done under conditions that do not insure timely warning of any diversions of U.S. materials to nuclear weapons use. The 30-year blanket approval in the Swedish and Norwegian agreements makes a mockery of these two provisions. Who can say that producing plutonium in any country 10 years from now, for example, will not increase the risk of proliferation, or that we will be able to detect diversion that far away in a timely manner?

Before we write any more blank checks, we should keep in mind that a nation can be our friend one day and our enemy the next. Before the overthrow of the Shah, Iran wanted to build over 16 nuclear power plants. Imagine what Ayatollah Khomeini could do with a 30-year blanket approval provision.

The Administration also claims that it has dutifully followed the provisions of the Nonproliferation Act in negotiating the Chinese nuclear cooperation agreement. But leaks have indicated that the agreement twists the Act's provisions on safeguards and on what can or cannot be done with U.S. nuclear material. For the moment, however, Congress has no approval authority over this agreement which, over the next 30 years, could involve the transfer of billions of dollars worth of sophisticated U.S. nuclear aid to the world's second leading communist power.

Clearly, Congress has to be more involved in these nuclear export decisions. If the Administration can get away with what I consider a clear violation of the law in negotiating nuclear agreements with two Scandinavian countries, it can ignore any other provisions in the law intended to prevent nuclear proliferation. Any attempts by Congress to slow the spread of nuclear weapons will be in vain. The Administration can simply ignore such restraints, as it did in the Swedish and Norwegian agreements. Filing lawsuits to block a bad nuclear cooperation agreement is a noble effort, but probably a forlorn one.

It is therefore vital that Congress require that nuclear cooperation agreements have either treaty status, requiring two-thirds Senate approval, or the approval of a majority in both Houses of the Congress. But even if the Congress should enact such a requirement, this president surely would veto it. It would be very difficult, but not impossible, to override that veto. After all, my amendment providing for affirmative approval by both Houses for any nuclear export agreement to become effective passed by about five to one—in a Republican-controlled Senate in 1984 and over Administration objections. The makeup of the Senate is slightly more favorable to such an amendment in 1985, but the Administration's opposition will be much more intense. Still, we must try. We are entering a critical period when we have to be even more vigilant about the spread of nuclear weapons.

Based on history, Congress cannot afford to allow only the executive branch to maintain that vigilance. Congress also has to get into the act. It's our best hope to stop nuclear weapons proliferation.

S. 517—NEW REQUIREMENTS FOR FEDERAL HAZARDOUS WASTE SITES

Mr. PROXMIRE. Mr. President, today I am pleased to introduce, with Senators HART, DIXON, SIMON and GORE, a bill which amends the Comprehensive Environmental Response, Compensation and Liability Act by imposing new requirements on Federal hazardous waste sites.

Although existing law requires Federal cleanup, almost none is taking place. In fact, instead of setting an example for industry, Uncle Sam is one of the worst polluters in the Nation.

According to EPA reports, 452 military installations have toxic sites which present serious threats to public health. Even worse, almost every State has one of these Federal toxic timebombs.

But the problem is not limited to the Defense Department. Other agencies, such as the DOE, are also environmental outlaws. Although the exact number of all federally owned and operated hazardous waste sites is not know, estimates by the National Wildlife Federation put the total as high as 1,400!

These numbers are shocking but they alone do not convey the enormity of the Federal facilities problem. Just one site, the Rocky Mountain Arsenal in Colorado, has been described as the most contaminated square mile on Earth and its cleanup might cost $2 billion—much more than the original estimate of the military's entire hazardous waste problem.

Yet, despite a 1978 Presidential order for cleanup, almost no Federal facilities have complied. For example, as of this fall, the Navy had inspected 97 bases but cleaned up 3. In fact, throughout the entire Defense Department, only 11 remedial actions against hazardous waste sites were completed in an almost 10-year period!

Why this dreadful record of indifference to human health and the environment? The answer is simple. A series of executive branch actions have torn the heart out of Federal hazardous waste abatement. Executive orders and memoranda of understanding deprive EPA of any role in Department of Defense hazardous waste abatement. To make matters worse, EPA and the Department of Justice will not sue Federal facilities which are out of compliance with any—any—Federal environmental Federal law.

Now, how does my bill help? Superfund would be amended so that federally owned or operated sites would be treated equally with private sites.

It puts EPA on a schedule to assess and rank Federal sites and requires affected Federal agencies to commence remedial actions within 6 months after their inclusion on the National Priority List (NLP), and complete such actions within 2 years.

The bill also requires agencies to explain compliance failures to EPA and to report on cleanup progress to Congress.

I hope the Committee on Environment and Public Works will give the bill their favorable consideration when they mark up superfund legislation later this week.

I ask unanimous consent to include in the RECORD letters and background information from the National Wildlife Federation and the Environmental Policy Institute as well as a bill summary and an article from U.S. News and World Report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENVIRONMENTAL POLICY INSTITUTE,
Washington, DC, February 26, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Washington, DC.

DEAR SENATOR PROXMIRE: I am writing to express our support for your amendment to the EPA Superfund bill requiring the cleanup of toxic waste sites at federal facilities. As revelations of the past few years have shown, often times federal facilities are the biggest violators of federal toxic waste laws. The problem of toxic waste dumping at federal facilities is widespread and requires spe-

cific and clear guidance which your proposed legislation offers.

In particular, the measures in your bill requiring public notification and similar treatment as private facilities is commendable. Federal facilities should serve as the "yardstick" for the private sector to compare their clean-up efforts. Without question, your amendment goes a long way to make federal facilities the examples for private business to follow.

Sincerely,

ROBERT ALVAREZ,
Director, Nuclear Power and Weapons Project.

[From U.S. News & World Report, Mar. 4, 1985]

LOOK WHO'S POLLUTING THE COUNTRY NOW—UNCLE SAM

(By Ronald A. Taylor)

Even as Washington hits harder at industry's polluters, new evidence is piling up that shows the federal government itself is one of the worst poisoners of the environment.

The latest tally by the Environmental Protection Agency finds that cancer-causing chemicals from 342 military bases, weapons plants and other federal facilities are fouling the air and public water supplies.

Disclosure of contamination by Uncle Sam comes at a time when Congress is considering renewal of the 1.6-billion-dollar Superfund for cleaning up private industry's abandoned dumps.

The volume of federally caused pollution doesn't approach U.S. industry's estimated annual output of 291 million tons of hazardous wastes. But public records make clear that the government generates contaminants on a broad front—all the way from far-flung military outposts in Alaska to facilities amid sun-belt cities.

From the Defense Department alone come an estimated 518,000 tons of toxic wastes annually, according to Pentagon estimates. Cases of federal pollution that have been found to date include:

Flaws in the multimillion-dollar industrial-sewage plant at Tinker Air Force Base, Okla., that send cyanide and chrome into the North Canadian River and Eufaula Lake.

Mercury-contaminated sediment from a nuclear-weapons plant in Oak Ridge, Tenn., that poisons the football-practice field of a nearby junior high school.

Toxic leaks from the Twin Cities Army Ammunition Plant in New Brighton, Minn., that have tainted eight water wells with cancer-causing agents.

Environmental officials are finding that federal housekeeping practices are no better—and are sometimes worse—than industry's. So far, investigators have determined that the leading culprits are facilities of the Defense and Energy departments.

Most troublesome are military bases where inadequate sewage treatment is a longstanding problem. After a 10-year, 1-billion-dollar program to cure military sewage-treatment woes, a General Accounting Office survey of 13 problem bases last year found eight of them still discharging polluted water into neighboring rivers and streams.

Compounding those woes are problems handling highly toxic solvents and other proven cancer causers commonly used to clean and refurbish warplanes, tanks and other heavy equipment. The man-made solvents, once considered miracle cleaners for removing grime without damaging delicate components, have poisoned ground water in scores of communities near military bases.

At Tinker Air Force base, an expensive new plant designed to filter out these chemicals has failed to work. As a consequence, cyanide and cancer-causing solvents are leaking into public drinking water.

COMING BACK TO HAUNT US

Wells serving civilian neighbors of McClellan Air Force Base, Calif., are so tainted with these degreasers that Air Force officials last year agreed to foot the $600,000 cost of extending the Rio Linda Water District system an additional mile to include 36 Rio Linda, Calif., households. Chemical contamination was traced to discarded aircraft parts in pits that have been used since the dawn of the jet age at McClellan.

"Forty years ago, it was an accepted practice to just toss things there," says Willis Ackman of Rio Linda, whose well was poisoned. "Unfortunately, some of those attitudes are coming back now to haunt us."

As James Allen of the state health department's toxic-control program in Northern California asserts: "Virtually every military installation in any part of the state has a hazardous-waste problem of some sort."

The Pentagon's environmental-policy chief, Carl Schaffer, admits, "We are not an insignificant player when it comes to toxic wastes. The Defense Department is just like a big industry, and we just woke up in the 1970s, too."

The legacy of sloppy maintenance and disposal practices now poses a potentially costly dilemma. EPA officials want to add 32 military and four civilian-agency sites to the list of the nation's 546 most serious hazardous dumps. However, federal law bars using even a penny of the Superfund—drawn from a tax on industry—to clean up dump sites owned by the government. In the meantime, money intended for defense is being tapped to rid contamination at remote military installations.

The result: Defense spending for pollution control has risen by two thirds in the last two years to 750 million dollars this year. At least 50 million dollars will be needed by the Army Corps of Engineers to clean up abandoned military outposts. World War II-era debris, including asbestos and unexploded ordnance, along with wastes from the post-war Distant Early Warning (DEW) radar stations pose a health threat to Alaskan native villagers.

Cleanup costs are especially high in Alaska because the wastes must be transported great distances. For instance, tons of tundra at Aniak was spoiled by 350 gallons of polychlorinated biphenyls, or PCB's, used as a fire retardant. The chemical was intentionally dumped from transformers at a former DEW-line station there. It took Air Force workers nearly a year to dig out 81 tons of PCB-laden soil, pack it into barrels and fly it out on C-130 transport planes two years ago.

Unable to use the Superfund, federal agencies are forced to cover cleanup costs from strained operating budgets.

EXCESS MERCURY

For the Energy Department's Y-12 nuclear-weapons-manufacturing plant in Oak Ridge, Tenn.—where an estimated 2.5 million pounds of mercury was spilled into a creek decades ago—that has meant 85 million dollars from its budget since 1980 to protect the local environment.

Since testing began three years ago, high levels of mercury have been discovered throughout Oak Ridge, Energy officials are also battling EPA and state officials over the threat posed by uranium wastes buried in trenches and nitric-acid wastes dumped in settling ponds.

Questions about who will pay to clean up the mess become even more complicated when problems are discovered on federal land that was once occupied by a private firm.

EPA and Interior officials are negotiating with Sangamo-Weston, Inc., officials to figure out who will foot the cost of locating and removing PCB's from the Crab Orchard National Wildlife Refuge near Marion, Ill. "We have high PCB readings in the soil," says refuge manager Wayne Adams, "but the Superfund law did not provide for the situation we find ourselves in."

Adams says he stumbled into evidence of PCB contamination 18 months ago while trying to figure out why deer livers showed high lead levels.

Now, federal inmates of the Marion, Ill., penitentiary contend the prison's water supply contains cancer-causing PCB's. The fire-resistant compound, commonly used to insulate electrical transformers, leached into the land between 1946 and 1962 when it was occupied by a Sangamo transformer plant.

The civilian work force is also at risk from pollution at federal facilities. Pigeon droppings and potentially hazardous asbestos particles are being circulated through the air-ventilation system serving 28,000 workers in the Pentagon. Routine maintenance was halted indefinitely at the world's largest office building in January.

Even EPA employes aren't immune to the indoor-pollution threat. Flaking asbestos, which causes asbestosis and a rare form of lung cancer called mesothelioma, was found in EPA's Denver offices in 1982.

Maintenance of aging buildings that house federal offices poses other toxic threats. The General Services Administration, the government's janitor-and-landlord agency, has been closely monitoring maintenance in the buildings it leases in the nation's capital since the 1983 discovery of pipe cleaning fluids flowing through drinking-water fountains in a building that was leased to the Labor Department.

Washington, D.C., fire officials in 1983 found 500 safety problems and health hazards, including high levels of common trash, at the National Archives, repository of originals of the Declaration of Independence and the U.S. Constitution.

WOES FOR DOE

The dawn of the nuclear-energy age generated special problems for the Department of Energy. After three decades of nuclear-energy research at the Lawrence Livermore National Laboratory in California, high concentrations of the cleaning solvents TCE and benzine pollute the water table of the town of Livermore.

Federal environmental officials say the dimensions of Uncle Sam as a polluter are only now beginning to surface.

Just under way are these investigations: Are fertilizer and pesticide residues from the Agriculture Department's experimental farms causing groundwater problems? Do gasoline tanks at Postal Service motor pools leak underground? Are General Services Administration cleansers and other toxic chemicals properly stored?

Meanwhile, environmentalists worry that a poor showing by the government could slow down its battle against industrial polluters. Warns Henry Cole, research director

for the National Campaign Against Toxic Hazards: "How can the federal government expect industries to comply when it sets such a bad example?"

NATIONAL WILDLIFE FEDERATION,
Washington, DC, February 26, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate, 530 Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR PROXMIRE: On behalf of our more than 4 million members nationwide and our state and territorial affiliates throughout the U.S., this is to convey the National Wildlife Federation's enthusiastic support for the legislation you are introducing with Senator Gary Hart to address the problem of neglected hazardous waste sites owned by the Federal Government. As elaborated in the attached Fact Sheet (which we prepared last summer), there are at least 1,100 uncontrolled hazardous waste sites in the U.S., many of which pose significant potential hazards to human health and the environment, which are not being monitored or regulated by the Environmental Protection Agency (EPA). They are sites which are owned by the Federal Government and are located in every state and most congressional districts.

When Congress enacted the original Superfund law in 1980, it made clear (in section 111(g)) that it expected "each department, agency, or instrumentality of the . . . Federal Government" to comply fully with all procedural and substantive mandates of the Act "to the same extent . . . as any nongovernmental entity." Unfortunately, a number of actions by the Executive Branch have prevented and frustrated accomplishment of this objective. Specifically: (1) it continues to be official Department of Justice policy that, under no circumstances, will one Federal agency ever initiate court action against another Federal agency for violations of environmental (or any other) laws; (2) Memoranda of Understanding entered into by EPA with the Department of Defense and the Department of Energy inappropriately preclude any EPA role for hazardous substance releases from Superfund sites (except by invitation) so long as the releases are confined within the facility's boundaries; and (3) the Superfund Executive Order (No. 12316) issued in 1981, confers unprecedented self-policing privileges on the Department of Defense with regard to the implementation of sections 104 (a), (b), and (e) and section 111(g) of Superfund. And, although EPA has commendably recently reversed its policy against considering Federal facility sites for inclusion on the National Priorities List (three dozen Federal sites were proposed for addition to the NPL for the first time in October 1984), the above policies operate to significantly and unduly limit the accountability of Federal facilities which own or have contributed to Superfund sites.

The Proxmire-Hart bill goes a long way toward restoring this accountability and we commend you and Senator Hart for offering it.

As of possible interest, I append (in addition to the Fact Sheet) copies of two relevant resolutions adopted by NWF's voting delegates at our 1981 and 1984 Annual Meetings, respectively. The first ("Federal Facility Pollution Control," 1981—No. 21), "urges the President of the United States to revise Executive Order 12088 to make clear that Federal facilities will be prosecuted to the same degree as private industry when they violate applicable pollution control laws and regulations." The second ("Uncontrolled Hazardous Waste Sites," 1984—No. 16), urges Congress to quickly enact a reauthorized and strengthened Superfund law which includes (among other elements) "increased federal agency accountability for uncontrolled hazardous waste sites under the ownership or control of federal facilities."

Again, we thank you for taking this initiative. Please let me know if we can be of further assistance.

Sincerely,

KENNETH S. KAMLET,
Director, Pollution & Toxic Substances Division.

SUPERFUND AMENDMENT NEEDED TO ADDRESS NEGLECTED HAZARDOUS WASTE SITES OWNED BY THE FEDERAL GOVERNMENT

There are 1,100 to 1,400 uncontrolled hazardous waste sites in this country which are not monitored or regulated by the Environmental Protection Agency (EPA). They are owned by the Federal Government (at least 80% of them by the Department of Defense), and are located in every state and in most congressional districts.

What makes these potentially dangerous sites different from other uncontrolled hazardous waste sites?

Although the 1980 Superfund law and other pollution control statutes mandate full substantive and procedural compliance by Federal facilities, the Executive Branch has carved out a special status for dangerous waste sites owned by the Department of Defense and other Federal agencies. The Superfund Executive Order (No. 12316), issued by President Reagan in 1981, delegated to DOD independent authority to implement Sections 104(a), (b), and (e), and 111(g) of Superfund with respect to releases from DOD facilities or vessels—a self-policing privilege conferred on no other public or private sector entity. A Memorandum of Understanding (MOU) entered into between EPA and DOD in August, 1983, went even further and relinquished EPA's remaining Superfund authority over hazardous substance releases within the confines of DOD facilities. A parallel MOU with the Department of Energy (DOE), involving regulation of hazardous waste sites under RCRA, entered into in February 1984, was recently invalidated by a Federal district court in a Tennessee case involving the release of 2.5 million pounds of toxic mercury into nearby waterways over a 30-year period. To further reduce the possibility that Federal Superfund sites will be properly addressed, EPA and the Department of Justice have, since 1979, adopted a blanket policy against ever pursuing court action against Federal facilities violating Superfund or other environmental statutes. (This policy was most recently reiterated in an October 11, 1983 letter from an Assistant Attorney General to the Chairman of the House Energy and Commerce Committee.)

How serious is the problem of Federal facility Superfund sites?

By one estimate, the Defense Department generates more than 400,000 tons of liquid waste a year. The Navy alone produces some 19 million gallons of liquid hazardous waste and 35 million pounds of hazardous waste solids in the U.S. every year. Given the large number of Superfund sites owned by Federal facilities, and the size and nature of the industrial-type operations with which they are associated, some of these sites represent potentially very significant problems.

EPA has only recently begun to do hazard rankings on DOD and other Federal facility Superfund sites to screen them for possible inclusion on the NPL, with the first group of Federal NPL sites due to be announced later this month. But only a relatively small number of Federal sites have been screened so far—and EPA's evaluation has depended heavily on data supplied by DOD and the other agencies involved.

A 1982 evaluation of Air Force sites by Risk Science International concluded that 33 of the Air Force's top 100 sites of concern—located at 9 separate Air Force installations in 8 states—warranted inclusion among the top 40 NPL sites. Perhaps even more striking, all 100 Air Force sites were found to score above the NPL cutoff score and this would merit inclusion on the NPL.

Are there examples of Federal facilities releasing hazardous waste because of a lack of compliance with Superfund?

Yes. The following is a list of a few of the 26 DOD installations in 21 states at which DOD itself acknowledges "the potential for alleged association exists" between waste releases on the installation and offsite contamination:

1. *Air Force Plant #44, Arizona*—trichloroethylene and chromium contamination of underground water supply serving ½-million Tucson residents.

2. *Rocky Mountain Arsenal, Colorado*—impacts over a 25-square-mile area near Denver associated with Army production of munitions, nerve gas and pesticides.

3. *Twin Cities Army Ammunition Plant, Minnesota*—trichloroethylene contamination of private wells adjacent to the arsenal in New Brighton.

4. *Redstone Arsenal, Alabama*—extensive offsite contamination from historical DDT manufacture at the arsenal.

Other such installations include: Griffis Air Force Base and Lake Ontario Ordnance Works in *New York;* Air Force Plant #83 and Kirtland Air Force Base in *New Mexico;* Norton Air Force Base, former Bolsa Chica Military Reservation, and former Santa Rosa Army Airfield in *California;* McChord AFB, *Washington;* Wurtsmith AFB, *Michigan;* Newark AFS, *Ohio;* Offut AFB, *Montana;* Pease AFB, *New Hampshire;* Lowry AFB, *Colorado;* Mallory AFB, *Tennessee;* Loring AFB, *Maine;* Charleston AFB, *South Carolina;* Hanscom AFB, *Massachusetts;* Cornhusker AAP, *Nebraska;* Letterkenny Army Depot, *Pennsylvania;* Phoenix Military Reservation, *Maryland;* Chemical Warfare Service Experimentation Station, *Florida;* and West Virginia Ordnance Works in *West Virginia.*

Among the *non*-DOD Federal facilities at which concerns have also been raised about off-site releases are:

1. Lawrence Livermore Laboratory, California—water table next to this nuclear research center contaminated with high levels of two toxic solvents.

2. Y-12 Nuclear Weapons Facility, Tennessee—Clinch River contaminated with toxic chemicals such as PCBs, cyanide and mercury.

How effective has DOD been in identifying and cleaning up its own dangerous Superfund sites?

Not very! Since DOD began its "Installation Restoration Program" in 1975, a total of 11 remedial actions (cleanups) have been completed—all of them since 1982. As of June 30, 1984, of 460 DOD facilities requiring assessment, while two-thirds (307) had completed preliminary ("Phase I") assessment, only 41 (9 percent) had made it

through the "Phase II" field survey stage (similar to the EPA "RI/FS" process), and a mere 28 facilities (less than 7 percent) had progressed to the remedial action stage ("Phase IV"), with 17 cleanups underway and 11 completed.

There are an average of 2.5 to 3 individual uncontrolled hazardous waste sites at each DOD facility.

RESOLUTION NO. 21—FEDERAL FACILITY POLLUTION CONTROL

Whereas, numerous military and civilian Federal facilities throughout the United States are significant sources of air, water and hazardous waste pollution, and many of these facilities are out of compliance with Federal and State pollution control requirements; and

Whereas, many Department of Defense facilities have sought to categorically exempt themselves (for reasons other than national security) from toxic wastewater controls applicable to private industry; and

Whereas, the Federal Government has refused to take legal action where necessary against Federal facilities which are recalcitrant violators of pollution control laws; and

Whereas, all of the major Federal pollution control laws, and Executive order 12088, specifically require Federal facilities to adhere to all procedural and substantive requirements applicable to private industry;

Now, Therefore, Be It Resolved that the National Wildlife Federation, in annual meeting assembled, March 26-29, 1981, in Norfolk, Virginia, urges the President of the United States to revise Executive Order 12088 to make clear that Federal facilities will be prosecuted to the same degree as private industry when they violate applicable pollution control laws and regulations; and

Be It Further Resolved that the National Wildlife Federation urges the Secretary of Defense and the Secretaries of the individual military services to direct their facility commanders and personnel to adhere scrupulously to Federal and State pollution control requirements and to seek exemptions from these requirements only to the minimum extent necessary to satisfy legitimate and compelling national security needs; and

Be It Further Resolved that the National Wildlife Federation urges the Office of Management and Budget, the General Services Administration, and the oversight and Appropriations committees of the United States Congress, to assure the availability of sufficient funding to enable Federal facilities to take a leadership role in complying fully and expeditiously with applicable pollution control requirements.

RESOLUTION NO. 16—UNCONTROLLED HAZARDOUS WASTE SITES

Whereas, more than 16,000 inactive and uncontrolled hazardous waste sites have been identified in the U.S. and require evaluation (and this number could grow to 22,000 sites or more), with some 5,000 of these sites ultimately requiring some degree of cleanup; and

Whereas, present and realistically available governmental resources fall far short of being able to clean up more than a small fraction of these sites in the near future; and

Whereas, private industry has the opportunity and the ability to clean up many uncontrolled hazardous waste sites for which it bears responsibility, and should be encouraged to actively meet this responsibility; and

Whereas, people who live, work, and recreate in the vicinity of uncontrolled hazardous waste sites have a strong and legitimate interest in ensuring that such sites are rapidly and effectively cleaned up and detoxified; and

Whereas, uncontrolled hazardous waste sites can seriously harm fish, wildlife, and other natural resource values;

Now, therefore, be it resolved that the National Wildlife Federation, in annual meeting assembled March 15-18, 1984, in Atlanta, Georgia, urges the Congress of the United States to enact on a basis of urgency a reauthorized and strengthened Superfund law which includes the following elements:

An extended and greatly enlarged trust fund;

A taxing mechanism designed in part to discourage undesirable waste disposal practices (and thereby minimize the production of future uncontrolled disposal sites, but only to the extent this can be done without compromising the ability to preserve a stable Superfund funding base):

Expanded citizen participation and citizen suit opportunities;

Increased federal agency accountability for uncontrolled hazardous waste sites under the ownership or control of federal facilities;

The requirement that any "hazard ranking system" used to rate Superfund sites for inclusion on the National Priorities List give appropriate consideration to food chain contamination impacts and the potential for other types of natural resource damage;

Extension of the statute of limitations for taking action to recover for natural resource damages resulting from uncontrolled hazardous waste sites;

Accelerated promulgation of natural resource damage assessment regulations by the Department of the Interior;

A requirement that all federal land-managing and owning agencies systematically assess the extent of natural resource damage resulting from uncontrolled hazardous waste sites on lands under their jurisdiction or control; and

Be it Further Resolved that the National Wildlife Federation welcomes and encourages the greatest possible effort and commitment by responsible private industry to voluntarily clean up and remedy uncontrolled hazardous waste sites, under appropriate governmental and private supervision, and subject to suitable sanctions, safeguards, and inducements.

FEDERAL FACILITIES BILL—BILL SUMMARY

(1) establish a system of EPA and public notification of hazardous substance releases from Federally-owned or operated sites.

(2) require the EPA Administrator to establish a publicly-accessible "Federal Agency Hazardous Waste Compliance Docket" containing information on the known nature and extent of environmental contamination response actions taken, etc., at each Federally-owned or operated Federal facility;

(3) give EPA the responsibility to ensure that a preliminary assessment is conducted at each Federal Superfund facility;

(4) require EPA, where appropriate, to perform a hazard ranking on such facilities in order to prioritize them;

(5) require EPA, where appropriate, to include such facilities on the NPL;

(6) require the Federal agency, in consultation with the EPA Administrator, to commence a remedial investigation and feasibility study ("RI/FS") within 6 months after inclusion of a facility which it owns on the NPL;

(7) require the EPA Administrator, within 90 days after completion of an RI/FS, to enter into an interagency agreement with the concerned Federal agency head, providing for the commencement of remedial action at the facility within 6 months, and, to the maximum extent practicable, to complete such remedial action within 2 years of the date of the agreement;

(8) require the Federal agency to explain in writing to the Administrator, if the remedial action is not completed within 2 years, an explanation of why such action was not completed;

(9) require each agency to submit annual reports to Congress concerning its progress in implementing the requirements of the amendment;

(10) reaffirm the unavailability of Fund money to pay for the clean-up of Federally-owned or operated sites;

(11) require the EPA Administrator to bring a Section 106 abatement action against any agency which fails or refuses to comply with any requirement of the amendment;

(12) reaffirm that all guidelines, rules, regulations, procedures, and criteria applicable to private facilities under Superfund (except those relating to bonding, insurance and financial responsibility) are also applicable to Federally-owned or operated facilities in the same manner and to the same extent.

S. 517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comprehensive Environmental Response, Liability and Compensation Act of 1980 is amended by inserting the following new section immediately after section 115:

"SEC. 116. FEDERAL FACILITIES.

"(a) NOTICE.—

"(1) INITIAL.—Not later than 6 months after the date of the enactment of this section, each department, agency, and instrumentality of the United States shall transmit to the Administrator a notice regarding each facility at which any hazardous substance has been treated, stored pending disposal, or disposed of and which, as of the date of the enactment of this section, is owned or operated by the department, agency, or instrumentality.

"(2) ANNUAL.—In each year after the date of the enactment of this section, each such department, agency, or instrumentality shall submit such a notice regarding each such facility which is owned or operated by the department, agency, or instrumentality at any time after the date of the enactment of this section and which was not the subject of a notice transmitted under paragraph (1).

"(b) CONTENTS OF NOTICE.—The notice under subsection (a) shall contain the following information, to the extent available—

"(1) the location of each facility, and where any hazardous substance has been disposed of, a description of hydrogeology of the facility and the location of withdrawal wells and surface water within one mile of the facility;

"(2) such information relating to the amount, nature, and toxicity of the hazardous substance in each facility as may be necessary to determine the extent of any health hazard which may be associated with any facility;

"(3) information on the known nature and extent of environmental contamination at

each facility, including a description of the monitoring data obtained;

"(4) a list of facilities at which any hazardous substance has been disposed of and environmental monitoring data has not been obtained, and the reasons for the lack of monitoring data at each facility;

"(5) a description of response actions undertaken or contemplated at contaminated facilities; and

"(6) an identification of the types of techniques of treatment of disposal which have been used at each facility.

"(c) FEDERAL AGENCY HAZARDOUS WASTE COMPLIANCE DOCKET.—The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket which shall contain each notice transmitted under subsection (a) regarding any facility and notice of each subsequent action taken under this Act with respect to the facility. Such docket shall be available for public inspection at reasonable times. Three months after establishment of the Docket and every three months thereafter, the Administrator shall publish in the Federal Register a list of the Federal facilities which have been included in the Docket during the immediately preceding 3-month period and a list of each facility included in the Docket at which subsequent action has been taken under this Act during the immediately preceding 3-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the Docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the Docket under this subsection.

"(d) ASSESSMENT AND EVALUATION.—Not later than 1 year after the date of the enactment of this subsection, the Administrator shall take steps to assure that a preliminary assessement is conducted for each facility for which a notice is required to be transmitted under subsection (a). Following such preliminary assessment, the Administrator shall where appropriate—

"(1) evaluate such facilities in accordance with the criteria established in accordance with section 105 under the National Contingency Plan for determining priorities among releases; and

"(2) include such facilities on the National Priorities List maintained under such Plan.

Such evaluation and listing shall be completed not later than 14 months after the date of the enactment of this section.

"(e) RIF's AND INTERAGENCY AGREEMENT.—

"(1) RIF's.—Within 6 months after the inclusion of any facility on the National Priorities List, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator, commence a remedial investigation and feasibility study for such facility.

"(2) INTERAGENCY AGREEMENT.—(A) Within 90 days after completion of each such remedial investigation and feasibility study, the Administrator shall review the results of such investigation and study and shall enter into an interagency agreement with the head of the department, agency, or instrumentality concerned for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action as such facility. All such interagency agreement shall comply with the public participation requirements of section 104(j). Such agreement shall require that substantial continuous physical onsite remedial action is commenced at each facility which is the subject of such an agreement within 6 months after the agreement is entered into.

"(B) Each interagency agreement under this paragraph shall include, but shall not be limited to:

"(i) a review of alternative remedial actions and selection of construction design by the Administrator;

"(ii) a schedule for the completion of each such remedial action; and

"(iii) arrangements for long-term operation and maintenance of the facility.

"(3) COMPLETION OF REMEDIAL ACTIONS.—To the maximum extent practicable, remedial actions at facilities subject to interagency agreements under this section shall be completed within two years from the date the interagency agreement was entered into. If not completed within such period, the department, agency, or instrumentality shall transmit to the Administrator an explanation of why such action was not completed. Such explanations shall be included in the Federal Hazardous Facility Compliance Docket and in the annual report made by the department, agency, or instrumentality under paragraph (4) to the Congress.

"(4) ANNUAL REPORT.—Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to—

"(A) a report on the progress in reaching interagency agreements under this section;

"(B) the specific cost estimates and budgetary proposals involved in each interagency agreement;

"(C) a brief summary of the public comments regarding each proposed interagency agreement; and

"(D) a description of the instances in which no agreement was reached.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached.

"(f) TRUST FUND MONEY.—Except as provided in section 111(e)(3), money in the Hazardous Substances Response Trust Fund shall not be available for actions implementing any interagency agreement under this section.

"(g) COMPLIANCE BY AGENCY.—The Administrator (represented by the Attorney General as provided in section 107(g)) shall bring an action under section 106 against the head of any department, agency, or instrumentality which fails or refuses to comply with any requirement of this section.

"(h) TRANSFER OF AUTHORITIES.—Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by executive order of the President or otherwise, to any other officer or employee of the United States or to any other person.

"(i) APPLICATION OF REQUIREMENTS TO FEDERAL FACILITIES.—All guidelines, rules, regulations, procedures, and criteria which are applicable to preliminary assessments carried out under this Act for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priorities List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned and operated by a department, agency, or instrumentality of the United States in the same manner and to the same extent as such guidelines, rules, regulations, and criteria are applicable to other facilities, except for any requirements relating to bonding, insurance, or financial responsibility. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, procedures, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this Act.".

SEC. 2. PUBLIC PARTICIPATION.

Section 104 of the Comprehensive Environmental Response, Liability and Compensation Act of 1980 is amended by adding the following new subsection at the end thereof:

"(j) PUBLIC PARTICIPATION.—

"(1) PROPOSED PLAN.—Before adoption of any plan for remedial action to be undertaken by the Administrator or by a State or by any other person at any site, the Administrator, or State, as appropriate, shall—

"(A) publish a notice and brief analysis of the proposed plan and make such plan available to the public,

"(B) provide a reasonable opportunity for submission of written and oral comments regarding the proposed plan.

The notice and analysis published under subparagraph (A) shall include sufficient information as may be necessary to provide a reasonable explanation of the proposed plan.

"(2) FINAL PLAN.—Notice of the final remedial action plan adopted shall be published and the plan shall be made available to the public before commencement of any remedial action. Such final plan shall be accompanied by a discussion of any significant changes (and the reasons for such changes) in the proposed plan and a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under paragraph (1).

"(3) EXPLANATION.—If any remedial action is taken, if any enforcement action under section 106 is taken, or if any settlement or consent decree under section 106 is entered into, after adoption of a final remedial action plan, and if such action, settlement, or decree differs in any significant respects from the final plan, the Administrator shall provide an explanation of the significant differences and the reasons such changes were made.

"(4) NEWSPAPER PUBLICATION.—For the purposes of this subsection, publication shall include, at a minimum, publication in a major local newspaper of general circulation.

"(5) GRANTS FOR EXPERTS AND TECHNICAL ASSISTANCE.—

"(A) GROUPS AFFECTED.—In accordance with rules promulgated by the Administrator, the Administrator may make grants available to any group of individuals which may be affected by a release or threatened release at any facility which is listed on the National Priorities List under the National Contingency Plan. Such grants shall be for the purpose of enabling the group to obtain expert advice and technical assistance to review and assess data and information which has been prepared by the Administrator with respect to such facility and which is required to be published under this subsection.

"(B) AMOUNT AND SHARE.—The amount of any grant under this paragraph may not

exceed four-fifths of the total costs of the expert advice and technical assistance for which such grant is made and each grant recipient shall be required, as a condition of the grant, to contribute at least one-fifth of the total of such costs.

"(C) LIMITATIONS.—Not more than one grant may be made under this paragraph with respect to a single facility. For purposes of sections 111 and 221(c) of this Act, the cost of any grant made under this paragraph shall be treated as a cost described in section 111(c).".

SEC. 3. EPA ACTIONS AGAINST OTHER DEPARTMENTS, ETC.

Section 107(g) of the Comprehensive Environmental Response, Liability and Compensation Act of 1980 is amended by inserting "(1)" after "(g)" and by adding the following at the end thereof: "Nothing in this Act or in any other provision of law shall be construed to prevent the Administrator, represented by the Attorney General, from bringing any action under this Act against any other department, agency, or instrumentality of the executive branch of the Federal Government.

"(2) Notwithstanding any other provision of law, the Attorney General shall not represent any department, agency, or instrumentality of the United States (other than the Environmental Protection Agency) in any civil action under this subtitle to which the Administrator is a party. The head of such department, agency, or instrumentality may appoint attorneys employed by such department, agency, or instrumentality, or enter into contracts with attorneys who are not officers or employees of the United States, to represent the department, agency, or instrumentality in any such action.".

● Mr. HART. Mr. President, I am pleased to join the distinguished Senator from Wisconsin [Mr. PROXMIRE], in introducing legislation clarifying the role of the Environmental Protection Agency with respect to federally owned and controlled hazardous waste sites. When enacted, this important legislation will enhance the EPA's efforts to protect public health and the environment from hazardous waste sites on Federal property.

In 1980, when Congress enacted the present Superfund Program, a provision was incorporated requiring each agency and department of the Federal Government to comply fully with all procedural and substantive mandates of the act. Unfortunately, through administrative processes and executive orders this provision has been severely diluted. More than 500 facilities nationwide—including several in my own State of Colorado—continue to circumvent compliance with the Superfund Program. Many of these sites pose extremely serious threats to the American public, but because of their Federal status cleanup efforts have been extremely slow or nonexistent.

The legislation we are proposing today will for the first time treat Federal facilities in the same manner as private facilities. The bill will require each agency and department of the Federal Government to work closely with the EPA in complying fully with all requirements of the Superfund law. Among other things, this legislation will increase and clarify the EPA's regulatory and monitoring authority in identifying and requiring timely cleanup of Federal sites. Each agency will be required to provide information and documentation on the nature and extent of hazardous contamination at Federal installations nationwide, including annual reports submitted to the Administrator and the Congress. Finally, and as a last resort, this legislation will enable the EPA to bring section 106 enforcement action against any agency which fails or refuses to comply with the act.

Mr. President, had the EPA and various Federal agencies complied fully in the past, many sites around the country, including several in Colorado, would not be suffering the consequences of uncontrolled hazardous waste disposal, including contaminated ground water. Although the Department of Defense has performed better than many agencies in pursuing identification and cleanup of its contaminated sites, even their efforts have been clearly inadequate. Containment and cleanup of the Rocky Mountain Arsenal near Denver has proceeded at a very slow pace. Although identified as a potential problem site over 15 years ago, we learned just this week that containment efforts at the arsenal may be failing and additional ground water may be contaminated and moving offsite. If left unchecked, the drinking water of several nearby communities may be further poisoned. Moreover, the timetable for actual cleanup of the arsenal is at best unknown and, with each passing day, the costs associated increase.

Mr. President, this legislation is necessary to insure that identification, assessment and cleanup progress is made at thousands of Federal sites nationwide. The American people will no longer tolerate, nor should they be threatened by sites owned or controlled by their own Government. We can no longer attempt to regulate the private sector yet conspicuously fail to regulate the actions and activity of the Federal Government. This legislation will help the EPA to pay as much attention to cleaning up Federal sites as it does the cleanup of thousands of private sites nationwide.

I commend the efforts of the Senator from Wisconsin and urge the Senate to expeditiously consider and pass this important legislation.●

REVOLVING DOOR BILL

Mr. PROXMIRE. Mr. President, I recently introduced legislation providing for a 2-year cooling off period before Federal contracting personnel can accept employment with a firm over which they had contracting authority.

Rarely does a week go by that we do not hear of another possible conflict-of-interest case involving a former Federal employee. One week it is three generals going to work for the designer of a major antiaircraft weapons system—the same generals who supervised the weapon's development while they were in uniform. Another time it is a lower level Federal official stationed at a contractor's facility who leaves the Government one day and starts working for that same contractor the next.

In all these cases the taxpayer is justified in wondering whether a conflict of interest exists. He is justified in wondering whether his interests are taking precedence over those of the Federal employee. He is justified in wondering whether Federal contracting officials are being less than zealous when bargaining on behalf of the Government with their prospective employers.

Given the large and growing number of such incidents, some nevertheless argue that reform legislation of the type I have introduced would place unreasonable restrictions on Federal employees. They argue that it would place unnecessarily harsh limitations on the ability of these employees to earn a living after leaving Government service. They maintain it would deprive them of constitutional rights without due process of law.

Mr. President, the American Law Division of the Congressional Research Service [CRS] recently completed a study which offers an excellent analysis of the legal and constitutional implications of revolving door reform legislation. In it, the CRS lays these and other objections completely to rest.

First, the study points out that a number of specific Federal conflict-of-interest laws already exist. One prohibits members of the Federal Reserve Board's governing body from working for any member bank for at least 2 years, if they do not complete their full term on the Board. A similar restriction applies to members of the Federal Deposit Insurance Corporation's Board of Directors.

The CRS also addresses the argument that revolving door proposals are not legally permissible because they are unconstitutional bills of attainder directed at a specific group. As the study shows, the courts have ruled that such statutes are rules of general applicability for accomplishing the legitimate legislative purpose of protecting the Government. The Supreme Court has even indicated that in enacting them Congress relied on its knowledge of human psychology, fully aware of situations that can tempt any person, not just certain individuals or members of a specific group.

Moreover, the courts have upheld a number of conflict-of-interest laws af-

fecting the private sector that are far more restrictive than the bill I have proposed. Some of these statutes prohibit employees who leave a firm from working for any of that firm's clients for a given period of time. The courts consistently have ruled that these bills do not impose an unreasonable restraint of trade, provided they contain some type of limitation.

My bill clearly is limited in the sense the courts have in mind. It only restricts employment for the first 2 years after termination of Federal service. In addition, it prohibits Federal employees from joining just those firms with whose contracts they were personally and substantially involved during the last 3 years they worked for the Government.

The CRS study shows there is ample judicial precedent for restricting post-employment activities of former Government employees. The study shows the courts have routinely upheld such measures, provided they were not so broad or unlimited as to be unreasonable. The study shows the courts upholding even more restrictive statutes in the private sector than the one I have proposed for the Government.

The CRS study places the revolving door bill I am proposing firmly within the context of a rich legislative tradition. It clears away any possible objection about its legality or constitutionality.

Mr. President, should not the taxpayers of this country expect from Federal workers the same assurance of propriety that the owner of a small business can contractually obligate his employees to provide? Do not the taxpayers deserve to know with certainty that those trusted with awarding billions of dollars in Government contracts each year are acting without ulterior motive?

My bill has support from both sides of the aisle, from Senators representing a broad range of political views. I urge the Governmental Affairs Committee to act speedily and favorably on this vital piece of legislation so that it can be brought to the floor of this body for prompt consideration.

Mr. President, I also ask unanimous consent that the CRS study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

LEGAL ANALYSIS OF "REVOLVING DOOR" PROPOSAL REGARDING EMPLOYMENT WITH GOVERNMENT CONTRACTORS BY FORMER FEDERAL EMPLOYEES

(Jack Maskell)

This report discusses the constitutional and other legal issues which may arise in a federal law which would prohibit a former employee of the federal government from working for certain private businesses for a period of five years after leaving the government if the former employee had, while in the service of the government, performed a government procurement function with respect to a contract with that private business.

Several post employment conflict-of-interest laws, or "revolving door" restrictions, are currently in effect in the federal service, including the general "revolving door" restriction under 18 U.S.C. § 207 limiting certain representational activities before the government on behalf of private clients or employers by former federal employees. These restrictions have been promulgated generally to protect the government from the use against it of information which an employee may have gained in the course of his public employment; to prevent an employee from being influenced in the performance of his official duties by the hope or prospect of later benefit in the way of a job from a grateful private employer; and to limit the influence of former high level officials over personnel in their former agency.

The limited case law on this subject has generally shown that such restrictions are proper subjects for congressional determination, *Fox* v. *Kingsland*, 81 F. Supp. 433 (D.D.C. 1948), *aff'd* 180 F.2d 45 (D.C. Cir. 1950), and are not to be considered legislative punishment against specific persons such that they are prohibited "bills of attainder" under Article I, Section 9 of the Constitution. *United States* v. *Nasser*, 476 F.2d 1111 (7th Cir. 1973); see *United States* v. *Brown*, 381 U.S. 437 (1965) as to bills of attainder and conflict-of-interest laws generally.

The "revolving door" law at 18 U.S.C. § 207 was found to be a "rational means" of obtaining a "legitimate legislative purpose." *Nasser, supra* at 1116. Governmental regulations of private economic endeavors have generally been upheld by the Supreme Court by a mere showing of some "rational basis" for the law within the knowledge of legislators, and thus do not undergo the critical scrutiny of regulations on First Amendment freedoms. *United States* v. *Carolene Products Co.*, 304 U.S. 144, 152 (1938); *Nebbia* v. *New York*, 291 U.S. 502, 527-528 (1934); *Williamson* v. *Lee Optical Co.*, 348 U.S. 483, 488 (1955). Despite the general "hands off' attitude of the Court with respect to government economic regulation, there is a legal theory that might be advanced that an extremely restrictive law could be so burdensome and unreasonable that it would be a deprivation of liberty or property without due process of law. *United States Constitution*, Article V.

No case law has been found as to when an employment restriction imposed by the government might reach the limits of "reasonableness" either as to duration or extent of coverage. However, in the private sector "anti-competitive" covenants in private employment contracts, such as barring a former employee from working for clients of the former employer for a period of years, have been upheld by state courts as not against public policy nor against restraint of trade principles when such restrictions are deemed "reasonable." (54 Am. Jur. 2d. *Monopolies, Restraints of Trade, and Unfair Trade Practices*, §§ 511-513). Although decided on a case-by-case basis depending on the particular facts and circumstances, a test of reasonableness would often include a determination of whether the restrictive "no competition" covenant was limited in some way either as to duration or geographic area. (Am. Jur. *supra* at § 512; see, for example, *May* v. *Young*, 2 A.2d 385 (Conn. 1938).

Under these legal analyses the types of proposals under consideration thus appear to have a "rational basis" of protecting against undue influences, conflicts-of-interest, and protection of the government. Since the restriction would be limited both in duration, and as to the prohibited private employers of former federal employees, it arguably would be "reasonable" in comparisosn to the restrictive "no-competing" covenants permitted in private employment contracts. There are, of course, numerous competing public policy issues involved, including the potential detrimental effect of such a restriction on the loss of services in the private sector and to the nation of persons who have gained particular expertise in the government; the injury to the individual and his family in restricting the pursuit of his career in the private sector; the potential difficulties in recruiting qualified personnel in the federal service if more restrictive post employment laws were enacted; and the placing of further impediments and roadblocks to "quits" from the federal government to the private sector at a time when the Office of Personnel Management has found that "quit rates" from the government to the private sector are so low as to justify an across-the-board pay cut in the federal service. However, under the legal analysis provided, the resolution of these competing public policy issues would appear to be for congressional, rather than judicial, determination.

This report discusses the constitutional and legal issues which may arise in a federal law which would prohibit a former employee of the federal government from working for certain private businesses for a period of 5 years after leaving the government if the former employee had, while in the service of the government, performed a government procurement function with respect to a contract with that private business.[1]

The type of restrictions to be implemented by the proposed legislation are generally categorized as "post-employment conflict-of-interest" laws, or as they are commonly referred to, as "revolving door" restrictions. These provisions place restrictions or limitations on the permissible employment opportunities of persons who leave the federal government to work in private industry.

There are in existence, it should be noted, a number of post employment restrictions of various applicability currently under federal law. These provisions, as a general rule, do not appear as broad, nor of such a duration, as the proposal under consideration. The two principal objectives of the existing provisions recognized in federal case law are to (1) protect the government from use against it by former employees of information gained in the course of their service; [2] and (2) prevent a government employee from being influenced in his official duties by the hope of later benefits from a private employer.[3]

Existing federal laws of this nature include [4] the provisions of 12 U.S.C. § 232

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[1] See, for example, H.R. 5922, 98th Congr., 2d Session; note S. 695, 95th Congr., 1st Session, which proposed a two year restriction.

[2] *United States* v. *Nasser*, 476 F.2d 1111, at 1116 (7th Cir. 1973).

[3] *Brown* v. *District of Columbia Board of Zoning Adjustment*, 413 A.2d 1276, 1282 (D.C. App. 1980).

[4] The statutes discussed herein are provided as example of current restrictions and are not intended to be an all-inclusive, comprehensive list of federal post-employment laws.

under which members of the Board of Governors of the Federal Reserve Board who have not served their full term of office may not, for two years after leaving the Board, hold any office, position, or employment in any member bank. A similar restriction is placed upon the Board of Directors of the Federal Deposit Insurance Corporation at 12 U.S.C. § 1812, which prohibits Board members who do not serve their full term from holding any office, position, or employment in any insured bank for two years after leaving the Board. Under the provisions of 35 U.S.C. § 4 officers and employees of the Patent Office are restricted for one year after leaving the agency, from applying for a patent or acquiring, directly or indirectly, except by inheritance or bequest, any patent or any right or interest in any patent, issued or to be issued by the Office. Officers on the retired list of the regular armed forces may not be paid from appropriated funds for three years after being placed on that list if such officer is engaged in selling or contracting or negotiating to sell supplies or war material to any agency of the Department of Defense, the Coast Guard, N.O.A.A., or the Public Health Service (37 U.S.C. § 801(b)). Retired officers of the armed forces are further barred permanently from representing any person "in the sale of anything to the Government through the department in whose service he holds a retired status" (18 U.S.C. § 281, note); and are barred for two years after retirement from acting as agent or attorney in prosecuting claims against the United States involving the retired officer's former service, as well as being permanently barred from pursuing claims against the United States involving a matter in which the officer was "directly connected" while on active duty status (18 U.S.C. § 283, note).

The broadest federal post-employment restriction, as to the employees covered, is 18 U.S.C. § 207. Although broad as to its coverage of all officers and employees of the executive branch, independent agencies, and the District of Columbia, this statute is narrow as to the range of private, post government employment activities which it restricts. For the most part, this provision regulates *representational* type of activities by former employees of private clients or employers before the government or in courts against the government, but does not prohibit merely being employed by businesses or firms with whom the former employee had dealt while in the government.

Very briefly, 18 U.S.C. § 207 provides (1) a lifetime ban on "switching sides," that is, acting as agent or attorney or otherwise representing someone before, or advocating to, the government or a court concerning a "particular matter" involving identified parties on which the former employee had worked "personally and substantially" while with the government;[5] (2) a two-year ban on "switching sides" on a matter which was "under the official responsibility" of the former employee while with the government but on which he did not work "personally and substantially";[6] (3) a two year ban on "senior" level government officials aiding or assisting private parties with their advocacy or arguments, by way of personal appearances before the government concerning a particular matter on which the former official had worked personally and substantially while with the government;[7] and (4) a one year "cooling off" period for "senior" level government officials in which they may not make advocacy contacts on any matter to the agency in which they had been employed.[8]

Other provisions in the United States Code may not necessarily prohibit particular post employment activity of former employees of specific agencies, but may require the filing of reports by such former employees if they become engaged in duties for government contractors. Certain former military and civilian employees of the Department of Defense, for example, must file reports for three years after leaving that Department concerning their employment with particular defense contractors (10 U.S.C. § 2397), and the Secretary of Defense is to report to Congress concerning these filings (10 U.S.C. § 2397(e)). Similar requirements on former employees of the National Aeronautics and Space Administration were repealed in 1981.[9]

Certain statutory schemes of restricting or regulating post employment activities of particular employees of federal agencies or department in an attempt to deter potential conflicts of interest are thus currently in effect under federal law. It should be noted that the restriction of employees of the Patent Office, 35 U.S.C. § 4, discussed above, formerly prohibited only the receipt of an interest in a patent by a person while employed by the Patent Office. In a case before the United States District Court for the District of Columbia, *Fox* v. *Kingsland*, 81 F. Supp. 433 (D.D.C. 1948), *aff'd* 180 F.2d 45 (D.C. Cir. 1950), the Patent Office argued that the former restriction should also apply to persons who conceive of an idea while working for the Office and then quit the Office and immediately file for a patent. 81 F. Supp. 436. The District Court in that case stated that the responsibility and decision for such a restriction on post-government employment activity would be a matter for congressional, rather than judicial, determination, implying that such a restriction would be permissible limitation on private conduct imposed by Congress:

"This Court is not unmindful of the potential danger involved in allowing Patent Office employees to resign and immediately thereafter to file an application for patent. Whether there should be an express statutory restriction establishing the time which should elapse before ex-employees of the Patent Office may apply for patents is a question for Congressional consideration. In the words of the Supreme Court, 'The courts ought not to declare any such policy; its formulation belongs solely to the Congress.'" *United States* v. *Dubilier Condenser Corp.*, 289 U.S. 178, 198. . . . (81 F. Supp. at 438)

There has also been litigation concerning the general "revolving door" statute under federal law, 18 U.S.C. § 207. In one of those cases the restrictions on former employees were upheld by the United States Court of Appeals against a constitutional challenge. The Court in *United States* v. *Nasser*, 476 F.2d 1111 (7th Cir. 1973), summarized Appellant's arguments that the post-employment restrictions constituted an unconstitutional "bill of attainder":

"Appellants argue that § 207(a) is a bill of attainder in violation of Article I, section 9 of the constitution because it is a legislative act that imposes 'punishment' on the group without a judicial trial. They emphasize . . . that the 'punishment' to which they refer is not the penal sanction which would be judicially imposed for a completed violation of § 207(a) but the 'disqualification which former employees in general, and [appellent], as a practicing attorney in particular, suffer as a result of their former employment by the Government.'" (476 F.2d at 1115)

To these arguments the Court found:

"We are unable to agree with the analysis that this particular restriction is a punishment legislatively imposed upon a specified group. Rather, the statute is within the classification of a rule of general applicability for the accomplishment of a legitimate legislative purpose. The purpose of protecting the government, which can act only through agents, from the use against it by former agents of information gained in the course of their agency, is clearly a proper one. The restriction, against acting as agent or attorney for another in a matter in which the person participated personally and substantially as an officer or employee, is equally clearing a wholly rational means of pursuing that purpose." (476 F.2d at 1116)

The Supreme Court has discussed in *dicta* in an earlier case the distinction between unconstitutional bills of attainder directed at specific groups, and permissible conflict-of-interest regulation. In the case of *United States* v. *Brown*, 381 U.S. 437 (1965), the Court explained that in earlier cases the deprivation of one's opportunity to practice a trade was considered "punishment" inflicted upon such person:

"The deprivation of any rights, civil or political, previously enjoyed, may be punishment, the circumstances attending and the causes of the deprivation determining this fact. Disqualification from office may be punishment, as in cases of conviction upon impeachment. Disqualification from the pursuits of a lawful avocation, or from positions of trust, or from the privilege of appearing in the courts, or acting as an executor, or guardian, may also, and often has been, imposed as punishment." 4 Wall., at 320. (381 U.S. at 448)

The Court noted, however, that a conflict-of-interest provision in Section 32 of the Banking Act barring certain officers, directors and employees of firms issuing or underwriting securities from being an officer of director of a member bank of the Federal Reserve System, was not an unconstitutional bill of attainder meting out legislative

[5] 18 U.S.C. § 207(a).
[6] 18 U.S.C. § 207(b)(i).
[7] 18 U.S.C. § 207(b)(ii).
[8] 18 U.S.C. § 207(c).

[9] P.L. 97-96, 95 Stat. 1211, December 21, 1981, repealed Section 6 of the NASA Authorization Act of 1970, as amended (42 U.S.C. 2462). The House Report on the measure (H.R. 1257, 97th Congr.) provided explanation of the recommendation for repeal made by the Administrator of NASA, at H.R. Rpt. No. 97-32, 97th Congr., 1st Sess., 224: "Fourth, a provision formally repealing section 6 of the National Aeronautics and Space Administration Authorization Act, 1970, as amended (42 U.S.C. 2462), has been included. Section 6 requires that certain current and former employees of the National Aeronautics and Space Administration who previously worked or now work for an aerospace contractor which has contracts with the agency of more than $10,000,000 disclose certain facts about their employment in annual reports to the Administrator, which reports are then required to be made available for public inspection. The Congressional Reports Elimination Act of 1980, Public Law 96-470, repealed subsection 6(d) (42 U.S.C. 2462(d)), which had imposed the additional requirement that NASA send a report on such employment information to the Congress. The purpose of the remainder of section 6 that would be repealed is currently served by the Ethics in Government Act of 1978, Public Law 95-521, as amended. In any event, under section 207(c) of the Ethics in Government Act of 1978, as amended, the Title II reporting requirements therein supersede the section 6 reporting requirements to be repealed."

punishment to specified persons, in that "Congress was legislating with respect to general characteristics rather than with respect to a specific group of men" (381 U.S. at 454-455). The Court explained:

"He suggests that for purposes of the Bill of Attainder Clause, such conflict-of-interest laws are not meaningfully distinguishable from the statute before us. We find this argument without merit. First, we note that § 504, unlike § 32 of the Banking Act, inflicts its deprivation upon the members of a political group thought to present a threat to the national security. As we noted above, such groups were the targets of the overwhelming majority of English and early American bills of attainder. Second, § 32 incorporates no judgment censuring or condemning any man or group of men. In enacting it, Congress relied upon its general knowledge of human psychology, and concluded that the concurrent holding of the two designated positions would present a temptation to any man—not just certain men or members of a certain political party. Thus insofar as § 32 incorporates a condemnation, it condemns all men. Third, we cannot accept the suggestion that § 2 constitutes an exercise in specification rather than rule-making. It seems to us clear that § 32 establishes an objective standard of conduct. Congress determined that a person who both (a) held a position in a bank which could be used to influence the investment policies of the bank or its customers, and (b) was in a position to benefit financially from investment in the securities handled by a particular underwriting house, might well be tempted to 'use his influence in the bank to involve it or its customers in securities which his underwriting house has in its portfolio or has committed itself to take.' 329 U.S. at 447. In designating bank officers, directors and employees as those persons in position (a), and officers, directors, partners and employees of underwriting houses as those persons in position (b), Congress merely expressed the characteristics it was trying to reach in an alternative, shorthand way. That Congress was legislating with respect to general characteristics rather than with respect to a specific group of men is well demonstrated by the fact that § 32 provides that the prescribed disqualification should not obtain whenever the Board of Governors determined that 'it would not unduly influence the investment policies of such member bank or the advice it gives its customers regarding investments.' We do not suggest that such an escape clause is essential to the constitutionality of § 32, but point to it only further to underscore the infirmity of the suggestion that § 32, like § 504, incorporates an empirical judgment of, and inflicts its deprivation upon, a particular group of men." (381 U.S. at 453-455)

Judicial precedent thus exists for upholding particular restrictions upon post employment activities of former government employees. In the cases regarding such post employment conflicts-of-interest, particularly in the decision upholding 18 U.S.C. § 207 against a constitutional challenge, it appears that the court looked to determine if the restriction is reasonable, that is, if it is a "rational means" for the "accomplishment of a legitimate legislative purpose." *Nasser, supra* at 1116. As to governmental regulations and restrictions on private economic endeavors in general, it may be noted that by the end of the 1930's the Supreme Court had generally found that legislation affecting or regulating such economic rights, rather than fundamental liberties such as speech, press and religion, may be upheld against substantive due process challenges if the legislation has a "rational basis". (See discussion in *Constitution of the United States of America, Analysis and Interpretation,* U.S. Government Printing Office, 1973, Senate Document No. 92-82, pp. 1170-1177, 1310-1335). In the case of *United States* v. *Carolene Products Co.,* 340 U.S. 144-152 (1938), the Supreme Court, in answering the Fifth Amendment due process challenge, stated:

. . . [R]egulatory legislation affecting ordinary commercial transactions is not to be pronounced unconstitutional unless in light of the facts made known or generally assumed it is of such a character as to preclude the assumption that it rests upon some rational basis within the knowledge and experience of legislators.

As noted by the Court in *Nebbia* v. *New York,* 291 U.S. 502, 527-528 (1934), regarding state restrictions under a Fourteenth Amendment due process challenge:

"The Constitution does not guarantee the unrestricted privilege to engage in a business or to conduct it as one please. Certain kinds of business may be prohibited; and the right to conduct a business, or to pursue a calling, may be conditioned . . . And statutes prescribing the terms upon which those conducting businesses may contract, or imposing terms if they do enter into agreements, are within the state's competency."

Although such case law exists showing that economic regulation generally needs only a "rational basis" to be upheld, there may be advanced a legal theory that in some extreme circumstances, for example, if a law were to totally deprive former government employees from ever practicing their specific trade or skill in the private sector, that such a provision might be so burdensome and unfair that it arguably would constitute a substantive due process violation, that is, that such a restriction would arguably deprive such a person of liberty or property without due process of law. *United States Constitution,* Amendment V. Note *Chicago, R.I. and P. Ry. Co.* v. *United States,* 284 U.S. 80, 97 (1931): "a regulation which is so arbitrary and unreasonable as to become an infringement upon the right of ownership constitutes a violation of the due process clause of the Fifth Amendment." See also *Williamson* v. *Lee Optical Co.,* 348 U.S. 483, 487, 491, where the Court at least discussed the logical "reasons" for the state economic regulation. Under this theory, the duration and the inclusiveness of the prohibition, as well as its connection to a legitimate governmental purpose, would appear to bear upon its argued reasonableness or unreasonableness, that is, where the regulation is less restrictive as to its duration or the types of employment opportunities available, then the more "reasonable" it arguably would be.

No specific case law has been found concerning when post government employment restrictions on individuals, either as to their duration or extent, might arguably begin to reach the limits of "reasonableness". Merely for purposes of analogy, however, it may be noted that in the private sector, anti-competitive clauses in employment contracts, such as those restricting an employee from working for clients of his former firm upon leaving that firm, have been upheld in courts as not against public policy nor violative of anti-trust principles if such restrictions are "reasonable" (see 54 Am. Jur. 2d, *Monopolies, Restraints of Trade, and Unfair Trade Practices,* §§ 511-513).

There is no precise rule determining reasonableness in these cases and each case appears to be determined on an ad hoc basis. However, a test of "reasonableness" often includes an examination as to whether such contractual restrictions are limited in some way, such as for example, either as to duration or geographic area (54 Am. Jur. 2d, *supra* at § 512).

In a state case, *May* v. *Young,* 2 A.2d 385 (Conn. 1938), for example, the Connecticut Supreme Court of Errors upheld a contractual restriction on an employee, for two years after termination of employment, from entering into the employ of any client of his former employer. The court found there:

"If such a restriction is to be upheld and enforced it must be reasonably necessary for the fair protection of the employer's business, good will or rights and not unreasonably restrict the rights of the employee, due regard being had to the interests of the public, and the circumstances and conditions under which the contract is to be performed. [citations omitted] A bargain by an employee not to compete with his employer during the term of the employment of thereafter 'within such territory and during such time as may be reasonably necessary for the protection of the employer * * *, without imposing undue hardship on the employee,' does not impose unreasonable restraint of trade unless effecting, or forming part of a plan to effect, a monopoly." Restatement, Contracts, § 516(f).

"Agreements by which an employee undertakes not to enter a competing business or employment on leaving his employer's service are reasonably necessary for the protection of the employer's business. Under such agreements parties obtain employment on certain terms which prevent them, on leaving that employment, from making use of knowledge which they have acquired during that employment to the detriment of their employer. *Middleton* v. *Brown,* L.J. Ch. 411, 412; 13 C.J. 485. When the character of the business and the nature of the employment are such that the employer requires protection for his established business against competitive activities by one who has become familiar with it through employment therein, restrictions are valid when they appear to be reasonably necessary for the fair protection of the employer's business or rights, and do not unreasonably restrict the rights of the employee, due regard being had to the subject matter of the contract and the circumstances and conditions under which it is to be performed." (2 A. 2d at 387-388)

The apparent public interest promoted by the proposed legislation, that is, to eliminate the potential harmful influence of the prospect of future private gain by later employment with a private contractor by federal employees who have input into federal contracts made with those private firms, would arguably provide the necessary "rational basis" for the restriction imposed. (See *General Motors Corp.* v. *City of New York,* 501 F. 2d 639, 648-49 (2d Cir. 1974); *Brown* v. *District of Columbia Board of Zoning, supra* at 1282). Furthermore, since the restriction would be limited to only those firms which had certain contracts with the government on which the employee worked, and would be limited in duration (between 2 and 5 years under different proposals), arguments may be made that such restrictions, in comparison to "no compet-

ing" clauses in private sector cases, are "reasonable".

There are of course several competing public policy issues involved in such a restriction. For example, it may need to be determined whether the prevention of such potential influences and conflicts-of-interest outweigh the detriments of the loss of services in the private sector and to the nation of persons who have gained particular expertise in the government, the injury to the individual and his or her family in limiting one's pursuing of one's career in the private sector, the potential difficulties in recruiting qualified personnel in the federal service if even more restrictive post-employment laws were enacted, and the placing of furthing impediments and roadblocks to "quits" from the federal government to the private sector in light of recent Office of Personnel Management findings that "quit rates" from the government to the private sector are so low as to justify an across the-board pay cut in the federal service. (Note OPM compensation report, December 17, 1984; Washington Post, p. C2, December 18, 1984; Washington Post, p. A14 editorial Dec. 22, 1984.) However, in light of the "rational basis" and "reasonableness" of the proposed restriction, as far as legal standards are concerned, resolution of these competing public policy issues involved would appear to be for congressional, rather than judicial, determination.

ESTONIA, 67 YEARS LATER

Mr. PROXMIRE. Mr. President, February 24 marked the 67th anniversary of the Proclamation of Independence of the Republic of Estonia. That notwithstanding, Estonia has been under the control of the Soviet Union for the last 44 years. In 1940, the Soviet Union annexed Estonia, an act which the United States still does not recognize. The Soviets brought many countries in Eastern Europe into their sphere of influence at the end of World War II. They only annexed three of these countries, however—Estonia, Latvia, and Lithuania.

Since the 1940 annexation of Estonia, the Soviet Union has carried out actions to eliminate Estonians as a nationality. The russification of Estonia takes many forms. The Soviets relocate Estonians to other regions of the country and replace them with Russians. This, combined with a low birth rate, has created a situation where only 64 percent of the people living in Estonia in 1979 were Estonians. This figure compares with 88 percent in 1939.

Estonian is a language that is quite similar to Finnish and many people in Estonia get their information of the outside world from Finnish radio. The Soviet Government tries to jam transmissions from Finland into Estonia, but is largely unsuccessful. The Soviets teach college classes, especially science classes, in Russian even when the majority of the class is Estonian. The Soviets emphasize use of the Russian language and make only token efforts to teach Russian-speaking people Estonian. Despite all of this, only 24 percent of Estonians say they speak Russian well.

The ultimate aim of all these moves is to eliminate Estonians as a nationality in the Soviet Union. Through devices such as relocation and harassment the Soviet Union is using russification to destroy the Estonian nationality in the Soviet Union. This is a good example that even today genocide exists in our world under the Russian Communist influence.

So who are we to run and accuse others of genocide when we do not recognize it as an international crime? Let us change that now and make sure our voice is heard and taken seriously on behalf of these victims. Mr. President, I urge immediate action on the Genocide Convention.

RECOGNITION OF SENATOR INOUYE

The PRESIDING OFFICER. Under the previous order, the Senator from Hawaii [Mr. INOUYE] is recognized for not to exceed 15 minutes.

Mr. INOUYE. I thank the Chair.

JAMES LEE, EXECUTIVE CHEF OF THE U.S. SENATE

Mr. INOUYE. Mr. President, the month of February is designated as Black History Month to recognize achievements of black Americans in our Nation. Among the notable Afro-Americans honored this month, there are those who have earned wide recognition, who will live in prominence in the pages of history. But there are many others, known perhaps only to their friends and loved ones, who have also lived richly fulfilling lives and, in so doing, helped to build a proud legacy for all black Americans.

It is one of these quiet, easily forgotten individuals whom I wish to recognize. He is a member of our Senate family; he has toiled in the Halls of the Capitol for the past 29 years; he has been called on for assistance at almost every important Senate event during those years. He is James Lee, executive chief of the U.S. Senate.

Known to Senators, staff, and his many other friends as Jimmy Lee, he is one of 10 children from a modest farm family in the South. After a long day in the fields, Jimmy, with his father, would work for three white families to earn extra income. From his mother, he learned many skills, among them the ability to cook.

In 1956, at age 18, he left home to seek his fortune. He arrived in Washington, DC, on a Saturday and on Monday began work as a busboy in the U.S. Senate Dining Room.

A diligent employee, Jimmy Lee worked his way up after 2 years from busboy to cook's helper, then to first cook, assistant chef, chef, and eventually executive chef.

He attended cooking school on his own time, and took additional lessons to learn the skills of a bartender and waiter. His hard childhood on the farm taught him the value of work, the importance of perserverance, and the rewards of devotion to duty.

Jimmy Lee attained his current position as executive chef in 1969. Under his supervision and direct involvement, the U.S. Senate Dining Rooms serve an average of 5,575 persons each day. When the Senate is in session, it serves four to five receptions plus three to five luncheons on a daily basis. Over a quarter of a century, that is a huge number of meals.

Throughout his career, Jimmy Lee has prepared meals for a variety of Senate guests—from royalty like Prince Philip, and a score of Presidents and Vice Presidents, to visiting families from every one of our States. Whether he is tossing a salad for 500 people at the dedication of the Hubert Humphrey Building or fixing his famous sweet potato pie, Jimmy Lee has imparted a bit of his magical cooking skills and southern hospitality to every Senate diner for over two decades.

Jimmy Lee will always be remembered for his congeniality and warm friendship to us in the Senate. From his humble beginnings, Jimmy Lee has succeeded with the pluck of his persistence and will be remembered for the dignity of achievement. It is fitting that his legacy should be honored by us all, in this month of recognition for black Americans, and in the future years of his continued service to our Nation.

On behalf of my colleagues, I wish to extend my gratitude and our recognition to Jimmy Lee.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

PROUD TO BE AN AMERICAN

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

Mr. GARN. Mr. President, occasionally, in the mountains of mail we each receive, comes a letter that has special meaning.

This was the case with the letter I received from a Mr. John Hayes, who through some simple action on the part of my office, had an experience of a lifetime.

I ask unanimous consent that the contents of this letter, which I found to be a most touching and revealing expression of the feelings of one

American for the hundreds who risked their lives at Normandy, be printed in the RECORD for the benefit of the combined Members of the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR JAKE: Maybe I should be more formal but, I'm not going to. I feel as though I know you but, I don't. However, I have voted for you numerous times and I'm glad I did. I am writing to thank you sincerely for your kind assistance with my passport. Just the other day I finally pinned my little daughter down, a 37 year old "Little Jewel", and asked her if she really called Jake Garn's office to get my passport approved in such a record time, and she said "yes." Last June 84, about the 1st, I processed my passport (application) and "birth certificate" at the State Capitol. My first name was not on it, just Baby Hayes. After getting it all corrected and the necessary documents together, we, with the help of the county records office, mailed the sealed unit with Federal Express at 5 minutes to 5:00 p.m. Friday afternoon. Thanks to you and your office it was processed Saturday and returned, completed passport and all, to my daughter on Monday, before 9:30 a.m.—just 3 days! It was really marvelous. My daughter was bound and determined that I was to make the 40 year "Normandy Reunion" (1944-1984) and make it I did!

My trip was the most memorable trip of my life, sentimental, just like a story book trip. I went to church alone in Ste Mere, Eglise, France. I prayed alone; I cried alone; and I thought alone—for this I am truly grateful. I went to the 2 cemeteries at St. Laurent; 13,796 buried—some of them my buddies.

Today, I truly know why—I didn't realize the fullness of my life until now. I am truly proud to be an American. I am very proud of you and your upcoming flight. It will surely be the most memorable experience of your life. I sincerely wish you the best and that you will return more dedicated than ever! I am happy we both still have a "Wild Hair." I want to sky dive again after they rebuild my hips—I hope I can make it. By damn I will!

May God Bless you on your trip and may He watch over you always.

THE CLEMSON SOCCER TEAM, 1985 NATIONAL CHAMPIONS

Mr. THURMOND. Mr. President, although soccer is the most popular sport in the world, it has only been within the last two decades that this fascinating game has gained national recognition in the United States.

Perhaps the finest soccer competition takes place at the collegiate level, and I am proud to say that America's best college soccer team comes from my home State of South Carolina. On December 17, 1984, the Clemson University soccer team became the new National Collegiate Athletic Association [NCAA] soccer champions—a goal which they have sought for nearly 20 years.

I am pleased to commend Dr. I.M. Ibrahim, founder and head coach, and the players of the Clemson Tigers soccer team, on this much deserved and long awaited victory. Coach Ibrahim, who first came to Clemson from Israel to finish his doctoral studies in chemistry, began the soccer team in 1967. Since limited funds prevented him from recruiting highly sought after athletes from the United States, Coach Ibrahim concentrated on utilizing foreign exchange students. This tradition has changed, however, with the majority of his team comprised of some of America's most talented soccer players.

On May 12, the Clemson soccer squad travels to Mexico to compete against the Mexican national champions. I wish them well as they represent the United States during this international competition.

Mr. President, the NCAA soccer championship is a coveted title, and for Clemson University, my alma mater, this triumph is a dream come true. I know that my colleagues in the Senate join me in congratulating the Clemson University soccer team on this historic occasion. In order to share more about these champions, I ask unanimous consent that the following information be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Greenville [S.C.] News, Dec. 17, 1984]

CLEMSON WINS SOCCER TITLE

SEATTLE.—Let him hold it and squeeze it.

Let him cradle it like an infant, for this was the one prize for which he'd been aching for over a decade. Forgive him for handling a wooden trophy so delicately, but he doesn't want to let it go.

And let his wife cry, for she lives the same dream all these years.

Clemson is national soccer champion, and the emptiness Coach I.M. Ibrahim had felt through 11 previous NCAA tournament bids is finally filled. The odds might have protested, but the Tigers believed too much in themselves to believe anyone else.

Their 2-1 victory over two-time defending national champion and second-ranked Indiana Sunday at Seattle's Kingdome was typically defiant of the Tigers' entire season—a seemingly decisve goal with 11:14 left for a 1-0 lead; the Hoosiers fighting back less than five minutes later to tie; Clemson coming back one more time with just 1:42 remaining on a set corner kick play which hadn't worked all season.

The winning goal was initiated by Maxwell Amatasiro's corner kick, which sophomore Dick Landgren headed in front of the net, which senior midfielder John Lee headed past IU freshman goalie Bruce Killough.

"That one play was a set play," said Ibrahim as he hugged the championship trophy. "I had wanted to go to the near post all game (on corner kicks), and finally we did it on the last chance."

"My job," explained Lee, "was to stand in front and block the keeper's view. Landgren was to charge in. He made the play. We've tried it two or three times a game. But it finally worked."

Clemson's first true taste of the title came for one fleeting moment late in the second half, after nearly 79 scoreless minutes of back-and-forth jabbing and counter-punching.

Midfielder Maxwell Amatasiro, one of two remaining Nigerians in Clemson's ever-Americanizing program, rocketed a long shot toward IU's freshman goalie, Bruce Killough. The ball deflected off of IU's Keith Meyer, causing Killough to twist the wrong way as the ball bounced toward the goal. Whatever reprieve Killough had when the ball hit the right post, though, was lost as Gary Conner charged in and beat him on a sharp-angle shot.

"Their first goal, the ricochet, was just one of those breaks," said IU coach Jerry Yeagley. "We've had some during the season, and you need them to win.

"After they scored, we went to a lineup without a sweeper, going with four forwards, to keep the pressure on them. And we were able to get the free kick for our goal."

That occurred after senior Paul DiBernardo, IU's leading scorer, was fouled in front of Clemson's goal by Charlie Morgan. On the free kick, just 15 yards away from Tiger walk-on goalie Shawn Cartmill, John Stollmeyer dumped a quick pass to DiBernardo, who launched a perfect shot into the upper left corner of the goal.

"When we tied it," Yeagley said, "I thought the momentum had swung our way. But it wasn't meant to be."

Ibrahim was worried the recent weeks of travel through the NCAA tournament—to N.C. State, Virginia and UCLA—would mean exhaustion if the game went into overtime. The simple solution was to win it in regulation, which Clemson did.

This was Clemson's second trip to the championship game, the other coming in 1979 when it lost 3-2 to SIU-Edwardsville. This also happened to be the first time an unseeded team has won the title since SIU-E.

"This is an unbelievable team," Ibrahim beamed. "I thought when we scored the first goal, we were just seven minutes away from fulfilling the dream I've been entertaining for 18 years (dating back to non-varsity days, when he began Clemson's program)."

Clemson did it by winning 17 of its final 18 games, and beating the top four seeds of the tournament.

"He's been chasing it for a long time," said Yeagley, who like Ibrahim began his school's soccer program over a decade ago. "I know how Coach Ibrahim feels."

Yeagley had lost four finals before finally capturing his first two years ago. On Sunday, he was chasing an unprecedented third straight. But it ended as IU's fifth runner-up trophy, with a 22-2-2 record.

"Indiana's an unbelievable team," Ibrahim acknowledged. He only had to remember September's 4-3 loss at IU for confirmation, when the Hoosiers built a 4-1 lead. But that was prior to Ibrahim's major lineup changes, a shift from seniors to youth. It ignited Clemson's hard charge through the latter part of the season and, Ibrahim agreed, turned the Tigers into the country's hottest team.

"But we really deserved it," Ibrahim continued. "We've worked so hard for it."

He was then asked what it was like preventing Indiana from making history with a third straight title.

He answered, "Perhaps we're starting history with our own streak, aren't we?"

1985 ROSTER OF THE CLEMSON UNIVERSITY SOCCER TEAM

No.	Name	Pos.	Hgt.	Wgt.	Class	Exp.	Hometown
1.	Shawn Cartmill	Goalie	6-2	175	Jr.	SQ.	Atlanta, GA.
1.	Tim Genovese	Goalie	6-1	175	So.	SQ.	St. Louis, MO.
2.	Charlie Morgan	Back	5-9	140	Sr.	1VL	Atlanta, GA.
3.	Bill Fortner	Back	5-10	175	So.	1VL	St. Louis, MO.
4.	Paul Rutenis	Back	6-2	185	Fr.	HS	Chesterfield, MO.
5.	Adubarie Otorubio	Back	5-10	155	Sr.	3VL	Lagos, Nigera
6.	John Lee	Midfield	5-10	160	Sr.	3VL	Coventry, England
7.	Maxwell Amatasiro	Midfield	5-9	150	Sr.	3VL	Lagos, Nigeria
8.	Eric Eichmann	Midfield	5-10	150	So.	1VL	Margate, FL.
9.	Chuck Nash	Striker	6-1	180	Sr.	3VL	St. Louis, MO.
10.	Gary Conner	Striker	5-11	150	So.	1VL	St. Louis, MO.
11.	Peter Stebbins	Midfield	5-10	150	Jr.	2VL	Silver Spring, MD.
12.	Danny Clavijo	Midfield	5-11	155	Sr.	2VL	Atlanta, GA.
14.	Bernard Gray	Striker	6-0	170	So.	1VL	Annandale, VA.
15.	Peter Coles	Back	6-0	180	Sr.	3VL	Solihull, England
16.	David Torris	Back	6-0	175	Jr.	2VL	Pittsburgh, PA.
17.	Paul Carollo	Midfield	5-7	140	Fr.	HS	Florissant, MO.
18.	Dick Landgren	Midfield	5-11	160	So.	1VL	Hamilton, OH.
22.	Seth Kulla	Midfield	6-0	165	Fr.	HS	Wilton, CT.
23.	Bruce Murray	Striker	6-1	180	Fr.	HS	Germantown, MD.
24.	Robert Dowd	Back	6-1	180	So.	1VL	Decatur, GA.
25.	Steve Lucey	Back	5-11	170	Fr.	HS	Raleigh, NC.
26.	Jamie Rootes	Back	6-1	170	Fr.	HS	Stone Mt., GA.

Head Coach: Dr. I.M. Ibrahim. Assistant Coach: Greg Andrulis. Graduate Assistant: Mo Tinsley.

TENTATIVE STARTING LINEUP

Goalie: Shawn Cartmill, 6-2, 175, Jr. (8 saves, 1 shutout).

Backs: Charlie Morgan, 5-9, 140, Sr. (3 G, 2 Ast). Paul Rutenis, 6-2, 185, Fr. (1 G, 2 Ast). Adubarie Otorubio, 5-10, 155, Sr. (1 G, 1 Ast). Bill Fortner, 5-10, 175, So. (0 G, 0 Ast).

Midfield: Maxwell Amatasiro, 5-9, 150, Sr. (5 G, 5 Ast). Eric Eichmann, 5-10, 150, So. (8 G, 12 Ast). John Lee, 5-10, 160, Sr. (3 G, 5 Ast). Dick Landgren, 5-11, 160, So. (8 G, 4 Ast).

Strikers: Gary Conner, 5-11, 150, So. (18 G, 8 Ast). Bruce Murray, 6-1, 180, Fr. (13 G, 15 Ast).

CLEMSON UNIVERSITY TENNIS DOUBLES CHAMPIONS

Mr. THURMOND. Mr. President, in the winning tradition of Clemson University athletics, Richard Matuszewski and Brandon Walters captured the national title as America's No. 1 collegiate tennis doubles team.

The mark of any great athlete is discipline and hard work, and Richard and Brandon epitomize those essential qualities. These fine gentlemen have been a valuable asset to the Clemson tennis team, and this victory is one which they certainly deserve.

Mr. President, Clemson University and the State of South Carolina can be proud of this outstanding accomplishment, and I congratulate Richard and Brandon on winning this prestigious distinction. In order to share more about their championship triumph, I ask unanimous consent that an article from The Orange and White newspaper of Clemson University be included in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The (Clemson University) Orange and White, Feb. 12, 1985]

TIGER DUO WINS NATIONAL TITLE

Richard Matuszewski and Brandon Walters became Clemson's first national tennis champions Sunday, as they completed a sweep through the ITCA National Indoor doubles tournament with a straight set victory over the University of Houston at Houston, Tex.

Matuszewski and Walters claimed the title with by beating hometown favorites Steve Couch and Gerald Marzenell 6-2,6-3.

It was the fourth victory of the weekend for Matuszewski and Walters, who opened their national title bid by beating Minnesota's Matt Grace and Chuck Murzbacher, 6-4, 7-5.

In the second round they upset the tournament's number one seeds—John Letts and Jim Grabb of Stanford—with a pair of tiebreaker victories 7-5, 5-7, 7-6.

They advanced to the finals with a 7-6, 6-3 win over Peter Mallett and Kirk Loomis of Oklahoma State.

In reaching the finals, Matuszewski and Walters—last year's fifth and sixth-flight ACC singles champions—became Clemson's third entry in a national title match. Pender Murphy and Mark Dickson reached the ITCA doubles final in 1980, while Lawson Duncan played for the NCAA singles title last spring.

This time, however, the outcome was different—giving the Clemson tennis program its first national championship.

"I'm unbelievably proud of these guys," said Tiger coach Chuck Kriese. "I feel like the key to their success is that they go into a tournament like this and don't feel like they have to play out of their minds. They do nothing different, they just play.

"Richard and Brandon are two of our hardest workers. They give 100 percent every match—against small colleges, big colleges, and in the national championship. What got them here was consistency."

Kriese credited Clemson's vastly improved doubles to the work of assistant coach Ed Krass.

"After we were so bad in doubles last year, I decided that it was something we had to emphasize," K iese said. "Ed has been working with the doubles teams and it's made a tremendous difference. We're spending about 80 percent of our time working on volleys and quick volleys. These guys are hitting about 2,000 quick volleys a day, and the work shows.

"Last week at the team championships we won seven of nine doubles matches, and now this. Matuszewski has always had the ground strokes, but now he's becoming a great volleyer. And Walters may be the best net man in the country."

Kriese said that the Tigers will have little time to savor their championship.

"Bascially, they get to enjoy it one day and then its back to work," Kriese said. "Winning this tournament will give them a lot of confidence. They'll still take some blows, but they're going to be able to handle it."

Kriese noted that the victory by Matuszewski and Walters was a controversial one.

The match was scheduled for 11:30 a.m. and began on time. But with the score tied 1-1, the tournament director suspended play because of a mistake in the Houston newspaper, which had incorrectly listed a 12:30 p.m. starting time.

"The tournament director wanted to stop play until the crowd got there," said Kriese. "But Brandon went to Mike Blanchard, who is the tournament referee, and complained, and the match was re-started after a 25-minute delay.

"It was a very upsetting situation," Kriese added. "It was like the horses were at the starting gate, and someone said stop."

Kriese said the delay reminded him of a situation last spring at the NCAA tournament in Athens, Ga., when the Tigers were forced to wait nearly two hours when officials decided to place Georgia on the courts originally scheduled for the Clemson-Stanford match.

Kriese said he planned to file a written protest with the ITCA.

"It was very similar to the situation at Georgia," he said. "Some people who are directing tournaments are more interested in promoting them for the fans than they are about the players.

TRIBUTE TO MARTIN J. CAHILL

Mr. DOLE. Mr. President, I wish to acknowledge the retirement this Thursday of one of the Senate's most dedicated and conscientious employees, Mr. Martin J. Cahill. Mr. Cahill—or "Marty" as most of us in the Chamber know him—has served the Members and staff of this body with great loyalty for the past 9 years. He has earned the gratitude and admiration of all of us.

Born in Belle Isle, Newfoundland, Marty's family moved to the Washington area when he was 8 years old. He attended school here in Washington and was active in athletics during his youth.

In 1945, after 5 years at the Navy Yard, Marty joined the Washington Metropolitan Police Department at age 29. He spent the next 19 years working up through the ranks and in 1964 was detailed to the U.S. Capitol in charge of the plainsclothes division. Marty rose to the rank of lieutenant detective and received numerous commendations for outstanding performance and valor from the Metropolitan Police Department before his retirement in 1976. Upon retiring from the police force, Marty was asked to work in the Senate Chamber as a floor attendant to the Sergeant at Arms. Since then, Marty has served on both sides of the aisle, helping the Members and staff with efficiency and skill.

Now, as Marty leaves the Senate, I want to wish him a long and happy retirement with his wife Mary, his daughters, and granddaughters. I congratulate him for his remarkable career in government service. He has faithfully served the Senate and his country and he has earned the respect and affection of all of us.

AFRICA FAMINE

Mr. LEAHY. Mr. President, since autumn, our attention, indeed the world's attention, has been focused on the terrible consequences of the drought and famine in Africa. The continent is suffering from the worst drought of this century. The forces of nature and politics have combined to create a human catastrophe of unbelievable proportions. Populations of 20 African countries do not have enough to eat. Men, women, and children are dying from starvation in Ethiopia, Sudan, Mali, Chad, and Mozambique. Some 150 million people are suffering from the drought—10 million people are in imminent danger of starving to death.

Our response to this disaster over the past 5 months has been remarkable. The Reagan administration and the American people have acted in the best traditions of American compassion and good will. America will provide 50 percent of all food aid to Africa. In October and November, we shipped 600,000 tons of U.S. emergency food aid for Africa, worth some $250 million. That was more food than we shipped to Africa in all of fiscal year 1984. In that same 2-month period, the American people donated $40 million for aid to starving Ethiopians through private relief organizations. Thousands more have volunteered for famine relief and agricultural work in Africa.

In Vermont, Senator Edgar May of Windsor, a State legislator, has organized a Vermont Service Corps—our version of the Peace Corps—to directly assist the Africans. In 1 month, 250 Vermonters volunteered to help. But you expect that from Vermonters.

All Americans recognize that as the richest and most abundant nation on Earth, we can act quickly, and with resolve, to combat massive suffering thousands of miles from home. And we do this despite repeated actions by the Ethiopian Government to frustrate relief efforts in areas where civil war rages and suffering is most severe.

But more help is needed. An exodus of thousands of Ethiopians have been entering Sudan in recent weeks. It will continue. There is an urgent need for food and water, medicine and vaccines, blankets and shelter and the vehicles to transport these supplies. The faster we act, the more will live.

We have before us a bill authorizing $175 million for nonfood aid for the African countries hit hardest by drought. That is identical to the amount authorized last week by the House Foreign Affairs Committee for the same purpose. It reflects the best estimates of the private voluntary organizations and U.N. agencies dealing with immediate relief, recovery, and medical needs to those countries. No one can firmly predict the circumstances these countries will face 6 months from now, but we do know present needs are enormous. This supplemental bill will prevent a terrible situation from becoming horrible beyond our imagination.

It will take decades of persistent research and development aid to solve the African agricultural crisis. That process has started, but the famine continues. I urge you to support this aid. Our differences as Republicans and Democrats have no place in this decision. We have a responsibility to save thousands of people who will die without our help.

RETIREMENT OF MARTIN J. CAHILL

Mr. HOLLINGS. Mr. President, tomorrow is retirement day for one of the most effective—and beloved—Senate employees. I refer of course to Marty Cahill. I guess I should be more formal and say Mr. Martin J. Cahill, but on this occasion, formality must take a back seat to that great affection which we all feel for our friend.

Marty has been working in and around the U.S. Capitol for almost 21 years now. He came originally to run the plainclothes division of the police. He served with valour and dedication for the next dozen years until his retirement from the police force in 1976. Many distinctions and commendations have come his way for his outstanding performance as a police officer.

In the years since his retirement from the police, Marty has worked very closely with us in the Senate Chamber and made himself many friends on both sides of the aisle for the skill with which he does his job and for the sincerity and warmth of his friendship.

We hope Marty will be back to see us often. His contribution here has been an enduring one and so, too, are the friendships he has made. He and his wife, Mary, and his daughters and grandchildren can take great pride in a job well done. The U.S. Senate is a better place for Marty having come our way. So to you, Marty, and your family, our best wishes for a long and happy retirement. And come back to the Senate often.

AFRICAN FOOD CRISIS

Mr. DODD. Mr. President, in the last 3 years a crisis of staggering proportions has engulfed the African continent. Famine and disease have taken the lives of millions of Africans, many of them infants and children who never knew what it is like not to be hungry. In Ethiopia alone, some 300,000 people died in 1984 from starvation. The agony of this situation is compounded by the fact that another 150 million people in 20 African countries are presently affected by food shortages. Of these, more than 10 million are directly threatened by starvation.

The immediate cause of the crisis is a severe, 3-year drought that has spread throughout Africa. The roots, however, lie deeper, in ill-advised economic policies, declining agricultural production, growing populations, worldwide inflation and disrupted trade patterns. In the period from 1960–80, Africa's per capita food production declined by 20 percent. To a large extent, this resulted from the adoption of economic policies that lacked producer incentives. As food production declined, Africa's population grew by more than 2 percent per year. Today, sub-Saharan Africa has the fastest rate of population growth and, sadly, the lowest life expectancy of any area in the world. With food supplies declining and inflation rising, the African nations found it increasingly difficult to feed their own people or to generate foreign exchange to buy food. The result is the tragedy that confronts us today.

The international community has responded generously, albeit belatedly, to the crisis in Africa. As Americans, we can be proud that the United States has been at the forefront of this effort. In fiscal year 1984 the United States provided 505,000 metric tons of food valued at $173 million. In this fiscal year to date, we have supplied the people of Africa with 1.1 million metric tons valued at $423 million. However, food alone is not enough. The victims of famine need potable supplies of water, emergency medical supplies and care, blankets, clothing, and shelter. S. 457, the African

Famine Relief and Recovery Act, which is now before the Senate, is designed to address those needs.

S. 457 authorizes a supplemental appropriation of $175 million in emergency assistance for Africa in fiscal year 1985. Of this $137.5 million is disaster assistance and $37.5 million is assistance for the millions of refugees that have fled from their own countries in search of food. The bulk of these funds are to be channeled through private voluntary organizations [PVO's] that are working in Africa. Organizations such as the Catholic Relief Services, CARE, Lutheran World Relief Services, and World Vision, to name just a few, have become the lifeline of the African people. They have worked selflessly and persistently to stem the tide of death and disease that is sweeping across Africa. They are the product as well as the symbol of our longstanding humanitarian spirit and tradition. The American people recognize this and have generously donated more than $100 million to the PVO's involved in the African relief effort. It is only fitting and proper that the United States do the same. By passing S. 457, reported favorably by the Foreign Relations Committee by a 13 to 0 vote, we can demonstrate our support for the people of Africa and our confidence in American PVO's. In view of the growing crisis, we can simply do no less.

Mr. President, I hope S. 457 will be approved by a wide margin.

FOREIGN TRADE ANTITRUST IMPROVEMENT ACT

Mr. DECONCINI. Mr. President, earlier this month I introduced S. 397, the Foreign Trade Antitrust Improvement Act of 1985. This legislation would provide U.S. courts with the statutory authority and procedural tools necessary to minimize conflicts with our major trading partners arising from application of U.S. antitrust laws to international commerce, while at the same time safeguarding the effectiveness of our antitrust laws in protecting competition and U.S. consumers.

Today I wish first of all to share with my colleagues just a few of the many favorable comments I have received on this legislation. These comments have come from leaders in government, industry, the academic community and the bar, both in the United States and abroad.

One such individual with wide international business experience is Hans Angermueller, vice chairman of Citicorp, a company with offices in 92 countries around the world and with one half of its commercial business generated from customers located abroad. Mr. Angermueller writes:

> Antitrust is, of course, only one source of friction resulting from extraterritorial application of domestic law. Export control regulations, securities laws, banking laws, embargos and boycotts are other examples. However, because antitrust law cuts across the whole of U.S. business, involves very high costs, often amounts to "fishing expeditions" through corporate records and can culminate in treble damages, it is perhaps the worst irritant. The ideas in your draft bill would appear to moderate the existing environment without undermining the thrust of the antitrust laws to foster a competitive economy.
>
> Proceeding now unilaterally with a bill such as yours makes good policy sense. . . .

The IBM Corp. has recently experienced in Europe some of the difficulties faced by business firms that operate worldwide and are caught between the conflicting antitrust policies of the different jurisdictions. Accordingly, I believe that the following comments I have received from Nicholas Katzenbach, IBM's general counsel and former Attorney General of the United States, are of particular interest and importance.

> I believe that you are absolutely correct in your perception that the "extraterritorial" application of our antitrust laws has been and will continue to be a source of friction between us and our trading partners in Europe and the Far East. I also believe that the provisions of your draft bill are precisely the kind of moderating steps that would ameliorate this problem.
>
> I think there can be no doubt that increasingly trade has become international, and the markets against which it is proper to measure antitrust considerations are to one degree or another international in many more circumstances than in the past. To apply our antitrust laws to private suits in which the United States does not have a dominant interest is bound to cause some measure of international friction, and to encourage other states to assert similar jurisdiction and thus escalate the degree of friction involved.
>
> In the past few years our courts have recognized this difficulty, and sought to deal with it through the decisional process. I think it is important that Congress not only bless this endeavor, but take measures to simplify it procedurally and emphasize that we are not here dealing with antitrust cases brought by the government but merely those brought by private parties. This leaves the government, in the form of the executive, a discretion to deal with these problems which is called for today. By limiting jurisdiction in private cases it is my judgment that the hand of the executive is in fact strengthened in its effort to work out reasonable compromises with respect to the exercise of its authority and the exercise of foreign authority in public policy matters.

Because the central purpose of my legislation is to reduce unnecessary conflicts over antitrust between the United States and its allies, I am pleased that a number of distinguished foreign observers of U.S. antitrust have responded favorably to S. 397.

From Germany, which has its own highly developed and vigorously enforced antitrust law, I have received an encouraging statement from Ulrich Immenga, a member of the German Monopolies Commission and one of Germany's preeminent competition law scholars. Professor Immenga writes that my legislation "will not only be important for the trading partners of the United States, but will set a pattern for international solutions of this problem." He further notes that sections 2 and 3 of S. 397, dealing with the exercise of U.S. antitrust jurisdiction, are "an important completion" of the 1982 Foreign Trade Antitrust Improvements Act and that section 5, providing authority to award single instead of treble damages in international antitrust cases, will discourage blocking statutes and other hostile foreign reactions to U.S. antitrust enforcement.

Heinz Ruhnau, former State Secretary for Transportation of the Federal Republic of Germany and now chairman of the German airline Lufthansa, describes S. 397 as "an excellent initiative" because overbroad applications of U.S. antitrust law "weaken the Atlantic community and foster anti-Americanism in Europe. Should you be successful, it will be an important contribution to the strengthening of the Atlantic Alliance."

From Great Britain, I have had favorable comments from a number of sources, including Sir Alan Neale, a distinguished student of U.S. antitrust law for the past 30 years, and Valentine Korah, a leading scholar of European antitrust law. While both of them continue to have reservations about the U.S. commitment to exercising antitrust jurisdiction extraterritorially, both also conclude that S. 397 could substantially ameliorate what Sir Alan refers to as "a continuing and most troublesome source of friction between the U.S.A. and your trading partners."

Mr. President, let me turn now from these positive reactions to my legislation and refer to a speech given by the Secretary of State in Columbia, SC on May 5, 1984. This important address deals with the subject of conflicts of jurisdiction among nations, and my legislation has been developed in major part to respond to the problems so well identified by the Secretary in that address.

Secretary Shultz begins by describing some of the conflicts between nations over antitrust, criminal investigations, unitary taxation, disclosure requirements and export controls, and he sketches the ways in which such conflicts can do serious harm to the open world economic system upon which our prosperity and that of our trading partners depends. He then offers four principles for resolving or minimizing these conflicts.

The first principle is harmonization: efforts by nations to resolve the policy differences that underlie many conflicts of jurisdiction. S. 397, by authorizing the award of single damages in

international antitrust cases, would provide the authority for harmonizing our approach to private antitrust enforcement with that adopted under other nations' competition laws—none of which provide for treble damages.

The second principle of conflict resolution is the principle of comity: where national policies differ, nations should exercise their jurisdiction only after trying to take foreign interests into account. S. 397 confirms the "jurisdictional rule of reason" under which U.S. courts will exercise jurisdiction over private antitrust actions only where the U.S. antitrust interest predominates over any adversely affected foreign governmental interests.

Secretary Shultz's third principle for minimizing jurisdictional conflicts is "to improve coordination within the U.S. Government" so that foreign interests will be given consideration by organs of our Government whose actions affect sensitive foreign interests. S. 397 provides for just this kind of coordination between the executive and judicial branches when a question arises as to the effect of a private antitrust action on foreign nations and U.S. foreign policy interests.

Finally, the fourth principle is improved mechanisms for prior notice, consultation and cooperation with other governments in areas where conflicts of jurisdiction occur. S. 397 will encourage such consultation and cooperation by making the executive branch responsible for the first time for advising the courts on the foreign policy implications of private antiturst actions in international commerce.

Mr. President, I ask unanimous consent that the full text of Secretary Shultz's speech be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRADE, INTERDEPENDENCE, AND CONFLICTS OF JURISDICTION

[Secretary Shultz's address before the South Carolina Bar Association in Columbia on May 5, 1984] [1]

This is a year of some important anniversaries. Next month, on June 6, President Reagan will pay a visit to the Normandy beaches on the 40th anniversary of D-Day. For those of us with an economic bent, this year is also the 40th anniversary of Bretton Woods—the historic conference of free nations that laid the foundation of the postwar economic system

The essence of these postwar arrangements was to institutionalize cooperation in trade and finance in order to avoid the disastrous mistakes of the 1930s that had exacerbated and spread the Great Depression. The industrial democracies committed themselves to an open world economic system that promoted trade and the free flow of goods, services, and investment. They created new mechanisms of multinational action and new habits of economic policy. The result has been a generation of global economic expansion unprecedented in human history.

Over time, this postwar system has adjusted, of course, to new situations. The end of colonial empires brought into the global system scores of new nations which seek to develop and share in the new prosperity. Oil shocks, monetary disputes, and protectionist pressures have created stresses in the system. My subject this morning is another dimension of problems, often overlooked, which potentially could be more serious than any of the others. Ironically it is, in a sense, a product of the system's success.

You lawyers know it as the problem of "extraterritoriality" or more accurately as conflicts of jurisdiction. Sometimes the United States and other countries need to apply their laws or regulations to persons or conduct beyond their national boundaries. International disputes can arise as a result: sometimes, as in the case of the pipeline sanctions we imposed after martial law was declared in Poland, the legal disputes reflect disagreement on foreign policy.

My message today is twofold.

In an interdependent world, such problems are bound to proliferate, because they are inevitably generated by the expanding economic and legal interaction among major trading partners in the expanding world economy.

Secondly, unless they are managed or mitigated by the community of nations, these conflicts of jurisdiction have the potential to interfere seriously with the smooth functioning of international economic relations that is essential to continued global recovery.

So you can see why a Secretary of State, trained as an economist, has chosen such a topic to discuss before a distinguished bar association.

DIMENSIONS OF THE PROBLEM

Let me give you a few examples of what I am talking about.

An American company claiming injury by foreign companies operating in our market as a cartel may bring an antitrust suit against those companies, yet their cartel may be permitted, or even encouraged, by their own governments.

An American grand jury investigating the laundering of drug money and tax violations may subpoena documents of a bank operating in a Caribbean banking haven—a country that prohibits the disclosure of such information.

In our country, 12 states have adopted the unitary tax system, which taxes a local subsidiary not only on the basis of its own operations but also taking into account the operations of the corporate parent and other subsidiaries. Foreign companies and their governments are protesting vigorously, because such a system can lead to double taxation.

The Commission of the European Community, on the other hand, is considering regulations that would require European subsidiaries of American firms to disclose what the firms consider sensitive business information—plans for investment and plant closings, for example, even including those outside Europe.

Finally, our allies may object strenuously when the United States attempts to prevent foreign subsidiaries and licensees of American companies from exporting certain equipment or technology to the Soviet Union or other countries for reasons related to our foreign policy objectives.

These examples show you the variety of different issues that can give rise to questions of conflicts of jurisdiction. And they suggest why, with the best of intentions, we are likely to run into many problems of this kind.

CONFLICTS OVER ECONOMIC ISSUES

The volume of international transactions has grown tremendously in the last three decades. The contribution of international trade as a proportion of American gross national product has doubled since 1945. American exports increased from $43 billion to more than $200 billion in the 1970s alone. The value of world trade more than doubled during that period. American direct investment abroad as of 1982 totaled some $221 billion; foreign direct investment in the United States in the same year stood at $102 billion.

One symbol of this age of economic interdependence is the multinational corporation. The conditions that produced the explosion in trade across national boundaries have led to a similar internationalization of industry. Thirty years ago, most American industrial firms conducted their operations top to bottom within the United States. Today, those same operations are often spread out across the globe, whether to produce components at the lowest price or to produce goods closer to potential markets. Today, virtually every line of trade and industry has been affected—and advanced—by the spread and growth of multinational enterprises.

In this environment of commercial and industrial expansion, it is not surprising that the United States—and other nations—often find it necessary to apply their laws, regulations, and policies to activities abroad that have substantial and direct effects on their own economies, interests, and citizens. Needless to say, our assessment of our need to reach persons or property abroad often runs up against other nations' conceptions of their sovereignty and interests and, if not handled skillfully and sensitively, can escalate into legal and political disputes.

Our relations with our neighbor Canada provide the best illustration of the potential for trouble—which, in this case, I'm happy to say, is pretty well under control. Americans own approximately 45% of Canadian industry. In 1982, trade with the United States constituted almost one-quarter of Canada's gross national product. Approximately 70% of Canada's oil and gas, 37% of its mining, and 47% of its manufacturing is controlled from abroad. Speaking from this perspective, Canadian Ambassador Alan Gotlieb has characterized our attempts to exercise jurisdiction over persons or entities in Canada as calling into question "the ability of a national government to impose its laws and policies—that is, to govern—within its national boundaries."

Just after I was confirmed as Secretary of State, I traveled to Ottawa for 2-day talks with my Canadian counterpart, External Affairs Minister Allan MacEachen. After our talks, we announced our intention to meet at least four times each year to discuss bilateral and multilateral issues. We have already met seven times, and issues of extraterritoriality have invariably been at the top of our list. These issues range from banking and taxation to export controls and antitrust regulations.

Canada is not our only ally concerned about these issues. In the past year we have received more than 25 formal diplomatic demarches on the subject from many of our closest allies and trading partners. One of their major concerns is the unitary tax, now

[1] Press release 123 of May 7, 1984.

in use in 12 American states. In my tenure at the State Department, few issues have provoked so broad and intense a reaction from foreign nations. Fourteen countries submitted a joint diplomatic communication to the Department of State over this issue.

These countries—the 10 members of the European Community plus Japan, Canada, Switzerland, and Australia, representing 84% of total foreign direct investment in the United States (that's $85 billion)—had three complaints. They complained about the administrative burden of compliance and about the potential for double taxation. And they warned that we must anticipate adoption of unitary taxation by developing nations which are heavily in debt and looking desperately for new sources of revenue. As the world's largest foreign direct investor, the United States will be a big loser if the practice becomes widespread. Developing nations, I might add, would be even bigger losers in the long run, since they would scare away investors.

Although on a technical level it can be debated whether unitary taxation really involves "extraterritoriality," it is perceived that way on a political level. Thus I am pleased to see that the Unitary Tax Working Group of Federal, state, and business representatives—established at the President's direction—has reached a consensus in favor of limiting unitary taxation to the "water's edge." Despite problems yet to be overcome, we think substantial progress has been made toward finding a practical solution.

NATIONAL SECURITY AND FOREIGN POLICY CONFLICTS

As controversial as these conflicts over trade and financial issues can be, the potential for sharp controversy is even greater when the disputes involve major foreign policy concerns. As the largest free nation, the United States must use the full range of tools at its disposal to meet its responsibility for preserving peace and defending freedom.

You all remember the case of the pipeline sanctions. When martial law was imposed in Poland in 1981, President Reagan applied economic sanctions to show that "business as usual" could not continue with those who oppress the Polish people. We prohibited exports of oil and gas equipment and technology to the Soviet Union by firms within the United States and by foreign firms using American-made components or U.S. technology. Eventually we also prohibited exports of wholly foreign-made commodities by subsidiaries of U.S. firms abroad. This caused a major dispute between us and our trading partners, who complained of the extraterritorial reach of the sanctions and the retroactive interruption of contracts already signed.

Our Export Administration Act, which is now up for renewal, authorizes the government to impose controls on exports of equipment or technology on grounds of either national security or foreign policy. That authority extends not only to entities within the United States but to any entity, wherever located, that is subject to U.S. jurisdiction. We consider this to include foreign subsidiaries of U.S. firms, although such authority has rarely been exercised. The act also provides authority for controls on reexports and for controls on the export abroad of foreign products using U.S. components or technology.

Thanks to the allied consensus on the need to keep militarily useful technology from falling into the hands of our adversaries, implementation of so-called "national security" controls has not generally created problems over extraterritoriality. Each allied government enforces similar controls, and policies are kept in harmony through the Coordinating Committee for Multilateral Security Export Controls or COCOM. It doesn't make sense to spend billions of dollars on defense but at the same time help our adversary build up the very military machine that we are spending the billions to defend against.

When it comes to use of export controls to impose sanctions on foreign policy grounds, which we resort to very sparingly, no such consensus exists. Our efforts under the Export Administration Act to compel U.S. firms outside the United States to adhere to our foreign policy controls have stirred up new controversy. This is in part because some of our allies do not share our belief in the efficacy of economic sanctions, in part because of differing strategic perspectives, and in part because their domestic economic interests would have been more adversely affected than ours.

In our current effort to extend and amend the Export Administration Act, we have given careful consideration to some of the provisions that made the pipeline sanctions so controversial. Specifically, the Administration supports clarifying the criteria for controls on so-called "foreign policy" grounds, taking account of the principle of sanctity of contracts in this area. At the same time, resolution of the pipeline dispute has demonstrated the benefits of a cooperative allied approach to economic relations with the Soviet bloc.

When I was in private business, I was concerned about the practice of using foreign trade as a tactical instrument of foreign policy. I called it "light-switch diplomacy"—the attempt to turn trade on and off as a foreign policy device. The problem is twofold. First, the United States is no longer in such a dominant position in world trade that our unilaterally imposed sanctions have as powerful a political effect as is intended. Moreover, America's reliability as a supplier is eroded; other countries simply change suppliers or design U.S. components out of the goods they manufacture. The U.S. economy suffers unless our main trading partners go along with us. Foreign aircraft manufacturers, for example, are already avoiding U.S.-made high-technology navigational devices for fear that some day new U.S. export controls might be imposed, preventing sales or drying up supplies of parts.

Now that I am Secretary of State, I continue to have the same concerns. But I know, too, that there are cases beyond the strict legal definition of "national security" that pose a serious challenge to our broader security and other foreign relations interests. In these cases, economic and commercial interests cannot be the sole concern of policy. Dealing with Libya and Iran is an example; and we must be able to prevent U.S. commerce from being the source of chemicals used unlawfully in regional conflicts.

For these kinds of cases, it seems to me imperative for the President to have discretionary authority to use national security and foreign policy controls on a selective basis. Although such controls can have painful side effects, the alternatives available for responding to threatening international developments can sometimes have even higher costs. We have thought a lot about the proper balance and have tried to build such a balance into the President's proposal for amending the Export Administration Act. This approach merits congressional support.

But it is clear that problems will remain. As the world economy grows more interdependent, as the machinery of business regulations grows more complex, as the Soviet Union steps up its drive to acquire advanced technology that it cannot produce itself, the opportunity for differences is bound to grow. Any one of the major trading countries is likely, on some occasion in the future, to feel that its national interest or public policy cannot be served without an assertion of jurisdiction that leads to a disagreement with its partners. And, if the disputes get out of hand, they could do damage to this open system of trade and investment and become an obstacle to further economic growth, as I have said. Disputes over extraterritoriality could become a bigger threat to our economic interests than the present concerns about tariffs, quotas, and exchange rates. On a political level, they can become a serious irritant in relations with our allies and thus even weaken the moral foundation of our common defense.

So extraterritoriality is not an esoteric, technical matter. It is high among my concerns as I go about the job of managing the foreign relations of the United States.

THE NECESSITY FOR A SOLUTION

It is, in fact, a matter of some urgency. Increasingly, conflicts of jurisdiction are resulting in defensive and retaliatory actions on the part of some foreign governments.

A number of countries have enacted "blocking" statutes seeking to forbid individuals or companies from complying with U.S. law or regulation. In 1980, for example, Britain enacted the Protection of Trading Interests Act. This law empowers the British Government to order companies in Britain not to comply with foreign subpoenas and discovery orders, as well as foreign laws, regulations, or court orders that threaten to damage British trading interests. The act also authorizes a British company to retaliate against private treble-damage antitrust awards by filing a countersuit in British courts.

In addition, the prospects of application of our laws to offshore conduct is beginning to result in new barriers to investment. Acquisitions and mergers have also been impeded, and foreign manufacturers are beginning to seek alternative sources of supply to replace U.S. sources that are considered unreliable.

The threat of U.S. export controls has, indeed, inspired foreign purchasers to design around or circumvent the use of U.S. components in their products. An Italian firm, for example, uses General Electric rotors in turbines it manufactures for the Soviet pipeline project. Early this year, it notified GE that it wanted the license to manufacture the rotors in Italy or else it would manufacture them without GE approval by using technical knowledge developed over the years of using GE components.

The unitary tax has made foreign companies think twice about building plants in the United States. A few months ago, the president of Fujitsu was reported in The Washington Post as saying that his company is delaying plans to build a plant in California to see whether that state repeals its unitary tax law. Sony has stated that it decided to expand new U.S. investment here in South Carolina rather than California because of California's unitary tax. (South Carolina, I must say, has a remarkable record of at-

tracting some $3.5 billion in foreign investment in the last dozen years or so.)

Speaking more broadly, we have had a number of suggestions from friends and allies in recent years that application of American law where it conflicts with their policies can only serve to damage adherence to an investment principle we have long cherished: national treatment for American-owned companies abroad.

These may be only the tip of the iceberg. The threat of extensive application of domestic law—be it U.S. or European law—to entities or persons abroad has the potential to harm the fabric of the global economic system. And disputes of this kind pose a danger of poisoning political cooperation among the democracies, whose solidarity and cohesion are the underpinning of the security, freedom, and prosperity of all of us. It is imperative, therefore, that we manage the problem of conflicts of jurisdiction.

THE SEARCH FOR SOLUTIONS

As we search for solutions, we can start by examining an analogy from our own history. As lawyers, you have much experience with dealing with conflicts of laws among the several states. And you remember that as this country grew from a collection of "free and independent states" under the Declaration of Independence to its status as a "more perfect union" under the Constitution, this growth was accompanied by a political struggle over the effort to centralize and strengthen national control over interstate commerce.

It's not news to the people of South Carolina that the growth of our country gave rise to a continuing tension between the sovereign states and the Federal Government. In the economic sphere, notwithstanding the centralizing clauses of the Constitution, conflicts of jurisdiction arose from the states' attempt to regulate and tax the railroads in the late 1800s. America's railroads, indeed, were an early example of multijurisdictional enterprises. Their growth made the United States a truly "national" market for the first time. Understanding the importance of economic integration, the Supreme Court decided in several landmark cases, dealing with shipping and interstate commerce, that conflicts of jurisdiction among the several states could not stand in the way of national prosperity. Today, the United States can be viewed as the largest free trade area in the world.

In the United States we have been fortunate that the friction generated by conflicts of jurisdiction has been eased by a strong Federal system. In the international arena, differences among nations are not so easily resolved. As a result, what may first appear to be a clash of legal principles can quickly escalate into a major diplomatic incident. International law, instead of mitigating conflict, can become a battleground until the underlying dispute is eased by creative diplomacy. The need for such solutions is becoming more urgent as conflicts of jurisdiction multiply in our economically interdependent world.

The question we face, however, is not whether extraterritorial reach should be permissible but rather how and when it should be done. Thanks to the wonders of modern electronics, corporations and individuals can frustrate important national regulations and laws by transferring assets, data, and documents across oceans with a telephone call or the push of a computer button. In such a world, where transactions often involve parties in several nations, rigid territorial limits to jurisdiction are, in fact, not practicable.

Even some of the most eminent critics among our allies recognize this. Canadian Ambassador Gotlieb has stated:

"It is clear that in our interdependent world a purely territorial approach to sovereignty—one that completely separates national jurisdictions—is not workable; some extraterritoriality is inevitable and, sometimes, even desirable."

Nevertheless, it is essential that the industrialized world find ways of containing or mitigating or resolving some of the problems. The United States cannot disclaim its authority to act where needed in defense of our national security, foreign policy, or law enforcement interests. However, we are prepared to do our part in finding cooperative solutions. We are prepared to be responsive to the concerns of others. If our allies and trading partners join with us in the same spirit, we can make progress.

The first element of our approach is to strive to resolve the policy differences that underlie many of these conflicts of jurisdiction. The pipeline dispute, for example, was resolved through diplomacy: the United States lifted the sanctions while the industrial democracies began working out a new consensus on the important strategic issues of East-West trade. Harmonizing policies is not easy. Our allies are strong, self-confident, and independent minded; and they do not automatically agree with American prescriptions.

Even where policies are not totally congruent, it may be possible at least to bring them closer together in some areas, or to agree on some ground rules that allow us to meet our legitimate needs. Some examples include regulating competition, pursuing foreign insider trading in our securities markets, and protecting what we consider to be our sensitive technology. A good case in point is the cooperation we recently received from several foreign governments in intercepting sensitive computers that were being diverted to the Soviet Union.

Second, where policies do not mesh, countries should seek to abide by the principle of international comity: they should exercise their jurisdiction only after trying to take foreign interests into account, and they should be prepared to talk through potentially significant problems with friendly governments at the earliest practicable stage.

Sometimes, the answer may be a formal international agreement. We have tax treaties with 35 nations, for example, including all the major industrial countries. I have just returned from China, where the President signed a tax treaty that will enter into force after ratification. These have the effect of harmonizing national systems and fostering international commerce, and they usually establish procedures for enforcement cooperation.

Similarly, we and our partners have been expanding formal arrangements for mutual assistance in the law enforcement area. Three such formal treaties are already in force, three more have been signed and are awating ratification, and several more are under negotiation.

We are also discussing ways to develop further our informal arrangements of advance notice, consultation, and cooperation with foreign governments where appropriate and feasible. Under OECD [Organization for Economic Cooperation and Development] guidelines regarding antitrust enforcement, in place since 1967, the United States has notified or consulted with foreign governments approximately 490 times regarding antitrust cases, including the well-known Uranium and Laker matters. With West Germany, Australia, and Canada, we have expanded these guidelines into bilateral agreements or arrangements.

We have cooperative procedures as well for some of the independent regulatory agencies. The Federal Trade Commission (FTC), for instance, participates in the antitrust notice and consultation program I mentioned earlier. And the Securities and Exchange Commission (SEC) has entered into a Memorandum of Understanding with Switzerland, through which we can obtain information in Switzerland that we need in investigating insider trading and other securities violations.

Third, we are working to improve coordination within the U.S. Government. Within the executive branch we are studying procedures through which other agencies inform and, if appropriate, consult with the Department of State when contemplating actions that may touch foreign sensitivities about conflicts of jurisdiction. The State Department has already played a constructive role in assisting, for example, the SEC, the FTC, and the Justice Department.

Fourth, we are considering the development of bilateral and multilateral mechanisms for prior notice, consultation, and cooperation with other governments. In the OECD, we are working out a set of general considerations and practical approaches for dealing with cases of conflicts of jurisdiction relating to multinational corporations. Discussions are taking place also in the UN framework with both developing and industrialized countries. We have had extensive bilateral consultations with Britain and Canada, and we are ready to consider such appropriate and mutually beneficial arrangements with other interested friendly countries.

Such measures will not end conflicts of jurisdiction, but they are an earnest of this country's determination to do what it can to avoid conflicts where we can and to minimize the harm that the unavoidable conflicts can do. The United States, for its part, will continue to maintain that it is entitled under international law to exercise its jurisdiction over conduct outside the United States in certain situations. We will continue to preserve the statutory authority to do so. But we will exercise the authority with discretion and restraint, balancing all the important interests involved, American and foreign, immediate and long-term, economic and political.

PROBLEM SOLVING

The essence of our approach is to reduce the problem from an issue of principle to a practice of problem solving. This is because, in the final analysis, there is a higher principle at stake: the political unity of the democratic nations. That unity, as I said earlier, is the key to our common security, freedom, and prosperity. The system of law that we and our allies so cherish and the free economic system that so nourishes us are under severe challenge from adversaries who would impose their own system by brute force. If the free nations do not stand solidly together on the fundamental issues, we all risk losing much that is precious—far more precious than the subject matter of any particular dispute.

To solve these problems, we need creative thinking on the part of the American legal community, businessmen and economists,

government officials, foreign policy experts—and their counterparts abroad. I know that with imagination and dedication, we in the free world can surmount these obstacles. Too much is at stake for us to do otherwise.

SECRETARY VISITS KOREA AND JAPAN

(Secretary Shultz left the presidential party in Shanghai, China, on May 1, 1984, to visit Seoul (May 1-2) and Tokyo (May 2). He returned to the United States on May 2.

(Following is the Secretary's toast at the dinner in his honor hosted by Korean Foreign Minister Lee Won Kyung in Seoul on May 1.) [1]

I see many friends that I have met before, even including someone from my tour of duty in government many years ago in the Finance Ministry business, so I feel very much at home. In fact, this is the third visit that I have made to Korea as Secretary of State, and I was trying to think if there is another country that I have visited three times in that period. But, at any rate, it is a pleasure for me to be here again and be with you and to have a chance to share with you the views that developed as a result of the President's most recent trip to the Pacific region and to China.

The President's recent trip to China is part of his overall policy toward the Pacific region—a policy that included the President's successful trip to Korea and Japan last fall. These presidential trips are only the most visible element of a healthy two-way flow of officials between our countries that began with President Chun's visit to Washington in 1981, practically immediately after President Reagan's inauguration. This frequent transpacific travel reflects the evergrowing importance and complexity of relations between us, a trend that will only accelerate.

Evidence of this abounds. Last year, your exports increased 12%, mostly due to increased shipments to the United States. Foreign banks in Korea will soon be permitted increased access to your currency market. New regulations will bring increased foreign investment, much of it American, and tariffs are gradually lowering on items of interest to U.S. exporters.

In the political sphere, at the top of our agenda, as always, is the deterrent. I think I should read that again, because it is so fundamental—the maintenance of a firm alliance and a strong deterrent. Americans are well aware of the great burdens your people endure in meeting the threat from the North and responding to the North's excessive military buildup. I speak for President Reagan, as well as for myself, when I say that the U.S. commitment to Korea and to our mutual goals of peace, stability, and prosperity are firm and unshakeable.

We have not forgotten, nor would we let the world forget, North Korea's senseless and tragic attack in Rangoon. I might say that I have been told on some occasions that it is time to let bygones be bygones and to go on, and I know that life is such that you do go on. But I have had to respond to that, just as a personal matter. It happened to be that I knew your predecessor and felt he was a good friend. We knew his wife. My wife called on her when we were last in Korea. That tragedy weighs on our hearts. We look forward to the responsible and seasoned approach you have taken in the wake of this tragedy, as in the wake of the loss of Korean Air Lines Flight 007, and we have worked with you to condemn those responsible.

It is in this context, with respect and friendship and with a healthy air of skepticism, that we join you in the search for a reduction of tension on the peninsula. We believe your proposals for concrete measures to reduce tensions can play an important role in this process. We will continue to work closely with you in exploring possible opportunities to reduce tension and build a more stable peace, and we welcome your efforts to strengthen democracy at home.

You have taken many encouraging steps even since my last visit. It is a reminder to us all that democracy requires mutual respect and dialogue, a duty that falls on both those who govern and the people. The firm bonds that unite the Korean and American people have stood us in good stead over the past years as we've coped with changes and tragedies. The United States and the international community applaud the patience, statesmanship, and good will your government has shown in the pursuit of peace, just as we admire your strength and determination to deter war. The international sporting events that will be held here, leading to the Olympics in 1988, attest to a growing respect of all quantities. Our formal discussions will further strengthen the partnership between our two great countries and our ability to meet the challenges of peace, prosperity, and justice to which we are devoted.

Last fall I accompanied President Reagan as he visited our soldiers at the DMZ. I remember our boys would say their unit's motto, "Rock Steady," as they saluted their officers. I don't know any better words for our commitment to your people, or confidence in you as allies, than those words, "Rock Steady."

Please join me in a toast to President Chun, to Foreign Minister Lee, to the Republic of Korea, and to the noble partnership between our two great countries.

[1] Press release 122 of May 4, 1984.

SEPARATION OF CHURCH AND STATE

Mr. CRANSTON. Mr. President, I have been a strong and consistent supporter of the first amendment's protections against government interference in the free exercise of speech and religion. Thus I have opposed legislation which would involve the Federal Government in religious activities like prayer in schools because I believe our religious freedoms will inevitably be eroded by governmental regulations.

The idea of protecting a citizen's freedom and right to speak and to worship is basic to my own secular philosophy of government. Indeed, first amendment issues are usually publicly debated in secular terms, which often leads to our overlooking the fact that religions themselves may have religious as well as secular reasons for maintaining the separation of church and state.

John V. Stevens, Sr., the president of the Church-State Council of the Seventh-day Adventists, recently addressed the National Religious Broadcasters Convention on the question: Should the followers of Christ utilize the force of civil law in religious matters, even though conditions may be deplorable and Christians possess political power?

As a Christian, I find Mr. Stevens' resoundingly negative response, grounded thoroughly in Biblical teachings, to be among the most enlightening contributions to the church-state debate that I've ever read.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BROADCAST FREEDOMS AS THEY RELATE TO CHURCH-STATE ISSUES

Presented at a National Religious Broadcasters Convention Workshop, Feb. 6, 1985, at Washington, D.C., by John V. Stevens, Sr., President, Church State Council of Seventh-day Adventists, Pacific West, P.O. Box 5005, Westlake Village, CA 91359.

Just as loose living followed WW I during the twenties, WW II's spirit of victory and freedom turned liberty to license. While the depression cut short the roaring twenties debauchery, economic prosperity fueled and fed moral decay since WW II.

This moral decay has presented many citizens with dilemma and frustration. Thanks to conservative Christians, the primary problems confronting this nation have been clearly articulated: eroding economy, faltering families, annihilation by abortion, political weakness, and a foreboding future. We are grateful to religious broadcasters and others for this analysis and for alerting the nation.

However, there is strong disagreement over solutions to the stated problems, even amongst conservative Christians.

How are people freed from moral decay? "Where the spirit of the Lord is, there is liberty." 2 Cor. 3:17. Christians sometimes think that the spirit of the Lord is wherever we witness or preach. That isn't necessarily so. We want people to know Christ, and we want religious freedom. These benefits can take place only when the spirit of the Lord (liberty) is present.

Verse 18 reveals how people are tranformed. "But we all, with open face beholding, as in a glass the glory of the Lord, are changed into the same image from glory into glory, even so by the Spirit."

By beholding, we become changed into the likeness of that which we behold. Beholding will transform people into the image of God. It will also degrade people into the likeness of Satan. How can religious broadcasters and others present Christ, His character, His truths, in His spirit so people will become like Christ?

One of the most deceptively dangerous pitfalls is an unholy zeal that grows like a cancer. When people do not value morality, moral decay degenerates society. We may be tempted to be like the disciples who, after being refused hospitality by a Samaritan village, asked the Lord if fire from Heaven wouldn't be just about the right treatment for those ungrateful, unloving "unbelievers."

Jesus rebuked them. "You know not what manner of spirit ye are of. For the Son of Man is not come to destroy men's lives but to save them. And they went to another village." Luke 9:51-56.

Christ never used force or coercion. The history of Christianity, even contemporary, testifies of far too many instances where

well-meaning Christians have similarly failed to follow Jesus' example in their desire to spread the gospel. Saul of Tarsus is a prime example of zeal without knowledge.

When Saul became Paul, through the transforming power of the Holy Spirit, he said, "For I am not ashamed of the gospel of Christ: it is the power of God unto salavation to every one that believeth * * * for therein is the righteousness of God revealed from faith to faith: as it is written, The just shall live by faith." Rom. 1:16-17.

Faith cannot be compelled by other men, by churches, or by government. Without faith, based on free choice, there is no power of God unto salvation.

Two immutable things, His counsel and His oath, make it possible for us to lay hold upon the hope set before us, and that hope becomes an anchor of the soul. Hope gives stability; it has staying power. Heb. 6:18, 19. Hope cannot be compelled, forced, or coerced by other men, by churches, or by government.

Through Christ we become "more than conquerors through Him who loved us." By sharing that experience, others too may become conquerors through Christ's love. Love cannot be compelled by other men, by churches, or by government.

Faith, hope, and love, the very essence of Christianity, come only as man beholds Christ, understands His love, His ministry, His law. Through a surrender based on faith, the fruit of that experience is a life lived in harmony with the high moral principles that transform men. As individuals are transformed, their influence, like a leaven, transforms nations. This transformation cannot be forced by other men, by churches, or by government.

Furthermore, "By grace are ye saved through faith; and that not of yourselves: it is the gift of God: Not of works lest any man should boast." Eph. 2:8.

It is as futile to try to save man or create a moral society without grace as it was impossible for Simon to purchase the Holy Spirit with money. The marriage of religion and patriotism can only guarantee a religion of works.

We need to be religious and patriotic, but both must remain separate to avoid a barren, powerless religion, void of grace. Grace cannot be compelled by other men, by churches, or by government.

When well-meaning Christian preachers seek to restore God's image in man in any other manner, they are offering strange fire, robbing the Holy Spirit of His opportunity to transform in God's way, and robbing God of His glory. Furthermore, such changes which rely on forces of civil law can build only whited sepulchers, full of dead men's bones.

As Christians, religious broadcasters need to be imbued with the servant mentality. The ambitious mother of James and John did not want this for her sons. "Lord, place my sons on either side of your throne in the heavenly kingdom. Let them replace the covering cherubs."

Christ made it pointedly and painfully clear that government exercises power and dominion over others, "But it shall not be so among you: but whosoever will be great among you, let him be your minister; And whosoever will be chief among you, let him be your servant, even as the Son of Man came not to be ministered unto, but to minister, and to give his life a ransom for many." Matt. 20:26-28.

Such words are just as painful to hear today. Our fallen nature, seeking to overthrow our predominant spiritual nature, prefers to hear the words directed to Herod after he gave his eloquent oration, "It is the voice of a god, and not of a man." Acts 12:22.

However, his ecstasy was short-lived, for he was smitten dead for accepting praise and worship that belonged only to God.

All of Christ's efforts were directed to individuals to receive the gospel. He never looked to the powerful rulers of the synagogue, the Sanhedrin, or the Roman government to assist Him in His efforts to transform men or society. He looked only to God's power. With men outside of Christ, might makes right. With those in Christ, right makes might.

Sending his followers to preach the gospel of His kingdom, He said, "freely ye have received, freely give." Matt. 10:8. We receive the gospel from Christ through free choice. We must give it in the same manner.

The reason is simple. Christ's message is one of His character, which is love. Hence, the Ten Commandments, which describe Christ's character, reveal His love for God, which is supreme, and his love for man. To be like Christ is to love God and man. You can't force the one you love and maintain his or her love and respect. Love cannot be compelled, but it can be awakened, and that only by love—in no other way.

God could have made man an automaton, making certain that he would never sin. But He loved him more than he loved Himself; hence, He made man as all other intelligent creatures, a free moral agent. Without freedom of choice, which permits man to serve God or to serve Satan, man cannot develop a character fit for His Maker.

If God ever could have justified the use of force, it would have been when Eve was about to take the fruit from the tree of Knowledge of Good and Evil. He could have prevented the floodgates of sin from being opened. But He didn't use force even in that instance, for He loved her.

Church-state issues have permeated society, creating conflict. How should religious broadcasters relate to these? "Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's." Matt. 22:21.

Interpretation of this text varies among Christians as much as it does on other Biblical teachings; hence, the divergent views. What is the realm of Caesar and what is the realm of God?

Romans 13 reveals that Caesar has jurisdiction in the second table of the Decalogue, the one that defines man's responsibility to man, the basis of civil freedom. Not a single reference is made to the first table, the first four commandments. Those define man's relation to God and are the basis for religious freedom. This is outside of Caesar's realm.

In an effort to resolve our nation's church-state dilemma, let us define the first table as one that deals with religious moral issues, based on man's vertical relationship to God, and in addition, his relationship to man based on religious dogma. The second table deals with social moral issues based on man's horizontal relationship to man.

The last six commandments are basically part of civil law. The fact that these are part of God's law does not make them religious moral issues. The religious aspect is not germane. People are not against false witnessing, stealing, or killing because it is in the Ten Commandments. They are primarily against these social problems because they do not wish to be deceived, robbed, or killed. This is true of agnostics and atheists as much as it is true of religious adherents. Social moral principles are a government responsibility. People and preachers can and should speak out in favor of their civil enforcement.

Religious moral issues are not in the same category. These have to do with one's relationship to God, his religious beliefs and practices; hence, these are outside the authority of government legislation. Surely, religious broadcasters wish to maintain Free Exercise of religion. Such freedom is best maintained by not inviting or urging government to become involved in legislating religious moral issues. Government lacks expertise in religion, and is forbidden to legislate in this area by both the Constitution and by God Himself.

When we talk about legislating prayer in public schools, we are talking about worship, the most intimate act between man and God. That is a religious moral issue. When we talk about government taking general taxes and utilizing them for the financing of religious education in religious schools, we are dealing with religious moral issues, based on the vertical God-man relationship and religious dogma. Even that most sensitive of all issues today, abortion, as repugnant as it is, is based on religious dogma, and hence, is a religious moral issue. Each is an area where the government really needs to hold the line where it is.

Let's look at religious moral issues. It is my belief that these are the church-state establishment issues; preachers of righteousness need to use the free market to share their religious beliefs, not the administration, the legislature, or the courts. Preachers can use radio, television, and the printed page, utilizing them to appeal to people to change their thinking, to take responsibility to pray, to teach their children to pray, to see and use the benefits of Christian education and support it, to regard life, including that of the helpless fetus, with greater respect.

Jesus proclaimed the gospel in the free market; the disciples did likewise. I see no Scriptures which authorize the followers of Christ to utilize the force of civil law in religious matters, even though conditions may be deplorable and Christians possess political power. Christ's admonition to draw a distinction between rendering to Caesar and to God is the foundation of our First Amendment Religion Clauses.

Let's take a look at history. The colonists fled Europe because as religious dissidents they were denied civil and religious freedom. But when they became the majority, they established their own religion, following the footsteps of their Old World persecutors.

Colonial America was certainly moral. Few would deny that, especially if we define morality as honesty, respect for property, etc. Non-conformists were persecuted, jailed, banished, and even put under the death penalty. Why? Because they differed with established religious moral issues, if you please, church-state establishment issues. And the majority ruled.

Now one must question the morality of a society that treats others in such a manner simply because they differ in their religious viewpoints. I find such treatment immoral, evidence of the absence of Christ's indwelling Holy Spirit; "for where the spirit of the Lord is, there is liberty."

A moral society cannot exist without religious freedom, which by its very nature allows for differences of religious views and practices. When freedom turns to license

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through irresponsible use, the freedom is withdrawn in order to preserve society.

Historically, whenever license runs rampant, the pendulum ends up swinging as far to the side of repression as it did before toward permissiveness. Unfortunately, repression has happened too many times in the name of God, and for His supposed glory.

How do religious broadcasters restore morality to freedom without resorting to coercive behavior by government control—without making the United States officially a Christian nation, basing laws on Bibical dogma?

How do we get people to adopt moral principles of Christianity? Do we seek government help? If we do, then are we admitting that the preaching of the Word is not powerful enough to change lives? Are we saying that the Holy Spirit is not capable of changing lives in sufficient quality and quantity?

Does a Christian have the right to use collective force to control the state, through the electoral process, or whatever, so that the power of the state may be used to control the consciences of the people and to advance the cause of the church? Only one disciple used force to advance the kingdom, and that effort ended up putting Christ on the cross. Jesus said, "My kingdom is not of this world, if my kingdom were of this world, then would my servants fight." John 18:36.

How did James Madison feel about established religion? "If religion be not within the cognizance of Civil Government, how can its legal establishment be said to be necessary to Civil Government? What influence, in fact, have ecclesiastical establishments had on Civil Society? In some instances they have been seen to erect a spiritual tyranny on the ruins of Civil authority; in many instances they have been seen upholding the thrones of political tyranny; in no instance have they been seen the guardians of the liberties of the people. Rulers who wished to subvert the public liberty may have found an established clergy convenient auxilliaries."

(Madison's Memorials were written as a remonstrance against Patrick Henry's efforts to pass legislation in Virginia that would pay religious teachers from tax revenues. Madison obviously saw establishment as something far more encompassing than merely the forbidding of a national church or religion in developing the First Amendment. The Senate twice considered, and defeated both times, that narrow Establishment concept.)

When as Christian broadcasters we share our concern about the viability of the United States, we had better take a hard look at history and see that the efforts to legislate religious morality have had terrifying consequences, and that that cure is apt to be more deadly than the disease.

Religious broadcasters must have a proper zeal to be true to their calling. Some zealous Christian leaders sought input at the time that the Virginia Act For Establishing Religious Freedom was being framed. The Act later became the basis for the federal Constitution. They appealed that "explicit acknowledgment of the only true God and Jesus Christ" be included. Their request was denied.

Writing of the incident, Thomas Jefferson penned these words: "The insertion was rejected by the great majority in proof that they meant to comprehend within the mantle of its protection the Jew and the Gentile, the Christian and the Mohammedan, the Hindu and infidel of every denomination." Similar efforts were met with similar results when the U.S. Constitution was being developed.

The Founding Fathers envisioned a Constitution that not only provided freedom of religion but also freedom from religion. The first clause provided for freedom from religion, if one did not want it, and the second clause provided for freedom of religion, if they chose it.

"Congress shall make no law respecting an establishment of religion, nor prohibiting the free exercise thereof." There it stands, freedom from and freedom for, in that order.

It is my belief that the Establishment Clause came first because the threat of Religious Establishment was greater to be feared than the loss of Free Exercise. Establishment always destroys Free Exercise, creating division, disunity, and disaster. A representative form of government was being established, one which was to be free from authority to regulate religious moral issues.

Government, inherently, is neutral in matters of religion, having no interest in it except to provide for Free Exercise. However, under a representative form of government, the Founding Fathers knew that the electorate could use their influence to try to get religious laws enacted. To prevent government from doing that very think, the Constitution forbade the government from authority in the religious sphere. This is a very sensitive area for religious broadcasters, but our first loyalty is to Christ, and our second loyalty is to the nation.

As ambassadors of Christ and citizens of Heaven, we are not to become entangled in the affairs of this life. Otherwise, we cannot please Him who has chosen us to be His soldiers. 2 Tim. 2:4. An ambassador does not involve himself in political matters of the nation where he has been sent. His responsibility is to represent his government leader, to provide for freedom for citizens of his country. Christians, then, are to know God, to become like Him, to share the principles of His kingdom, and to maintain religious freedom so God's kingdom can prosper.

Christ used this approach. He did not involve Himself with the government of Rome or of the Jews, nor seek their assistance in promoting His kingdom by the use of civil law.

We hear a lot about majority rights. The constitution was written to protect everyone, but especially the minority. "Federal Constitutional Convention Notes" reveal that James Madison believed that freedom was best preserved by dividing civilized societies into different sects, factions, and interests.

"In all cases where a majority are united by a common interest or passion, the rights of the minority are in danger. What motives are to restrain them? A prudent regard to the maxim that honesty is the best policy is found by experience to be little regarded by bodies of men as individuals. Respect for character is always diminished in proportion to the number among whom the blame or praise is to be divided. Conscience, the only remaining tie, is known to be inadequate in individuals. In large numbers, little is to be expected from it. Besides, religion itself may become a motive to persecution and oppression.

"The only remedy is to enlarge the sphere, and thereby divide the community into so great a number of interests and parties, that in the first place a majority will not be likely at the same moment to have a common interest separate from that of the whole or of the minority; and in the second place, that in case they should have such an interest, they may not be apt to unite in the pursuit of it."

Perhaps religious broadcasting has already brought a majority coalition in this nation, not only on social moral issues but on religious moral issues. That is done properly by using the free market of ideas; however, as a religious consensus is broadening, people are being urged by some sincere religious broadcasters to utilize their voting franchise to enact certain religious moral issues into civil law.

Such efforts concern me, for they are no different in their method than the procedures that we utilized during the Dark Ages. The results are likely to be similar. When the Church turns from its Maker and Husband, and as a bride goes to the Kings of the earth to be cared for and enriched by civil authorities, then I perceive that the fidelity of the bride has to be in question.

The Seer of Patmos calls the bride a harlot. I cannot believe in my heart of hearts that any Christian broadcaster would knowingly promote such a thing, but frustration coupled with desire have led more than one man or one woman into infidelity, and history records numerous incidents where the bride of Christ has been guilty of the same.

Remember, your commission is to go, to teach, and to baptize Christians. This is done individually, not collectively. Christ never commanded His followers to make Christian nations. The U.S. has been called a Christian nation. Note the distinction between a nation of Christians in substance, which is voluntary, and an officially Christian nation, in form, which is not voluntary but established and coerced by law.

Those whose burdens include a desire to make Christian nations would benefit greatly by reading Ezek. 21:26-27. Just before Judah was taken into captivity, God said: "Thus saith the Lord God Remove the diadem, and take off the crown: this shall not be the same: exalt him that is low, and abase him that is high. I will overturn, overturn, overturn, it: and it shall be no more, until he comes whose right it is; and I will give it him."

God never intended to have His own nation—a visible nation, that is. He always wanted an invisible nation, one in which His children from all nations, tongues, and kindreds could belong. He set up a patriarchal system and called Abraham to be head of a people later ruled by judges until Israel felt insecure and demanded to have a king in order to be like other nations. God warned them that they were headed for trouble, because they had rejected Him as their King. He then allowed Israel to have a nation; because in honoring their use of free choice, they would see the ultimate end of trying to tie His church to a political entity. It was an unworkable concept from the beginning.

God says, "The experiment is over, I told you it wouldn't work, and I won't have another thing to do with it until the end of time, when Christ comes to take His church, from all nations, kindreds, tongues and peoples."

It is your task, Christian broadcasters, who hold so much influence in your hands, to call individuals to voluntarily exercise their free choice to know and serve God in hope, faith, and love, and in harmony with the example of Christ, the Living Word—the Ten Commandments in action, if you

please. To do otherwise is to be derelict of duty.

He has not called any of us to make any visible nation His. In fact he has clearly stated he will not have another nation. We can all readily see that King Saul saved the Amalekite cattle against God's explicit command. When confronted he said, "Why, Lord, I saved the best to give to you."

God replied, "I don't want it. All I want is to have your loyalty, your obedience. That is a whole lot better than any gift you can give me. Because you have not obeyed my voice, because you have in reality rejected me, I now reject you from being king over Israel." (I Sam. 15)

What if we make the United States an officially Christian nation when He has explicitly said that He will not reign over any nation until Christ's second coming? What if we say, "Lord, we make this a gift for you, it's something special." What will the Lord say? Will it be any different from what He told King Saul? I think not.

God loves each of us more than He loves our beloved country. He didn't die to save countries, He died to save individuals. He died to save those who love Him and will be loyal to Him no matter what.

For in His heavenly kingdom there will be no force, and a sinless eternity will depend on our willingness to choose always to love Him and our fellow man. There will be no government administration, legislature, or judiciary utilizing force to get us into line. We have to learn to discipline ourselves loyally by His grace in this life, now, by the choices we freely make. That is the message for you religious broadcasters on church-state issues.

As individuals partake of the Word of God, and are guided and empowered by the Holy Spirit, their lives will be a blessing to those around them, and little by little, like the leaven works in the dough, the whole lump will be improved and made better. But society will never be perfect until Jesus sets up His kingdom of glory.

The overthrow of Old Testament Judah and New Testament Jerusalem by foreign powers was preceded by strenuous efforts to enforce outward religious conformity while, at the same time, inward regeneration was sadly missing. Paul predicted, "This know also that in the last days perilous times shall come. For men shall be lovers of their own selves * * * having a form of godliness, but denying the power thereof."

Promote religious moral issues, church-state establishment issues, into civil law, with civil penalties, and you will have whited monuments to your credit; many will have a form of godliness, but power will be lacking. You will have left a legacy of a generation—yes, a nation of Pharisees, who outwardly followed all the details but were spiritually dead inside.

Force never changes people for the good. At worst it festers and breaks out in rebellion. At best it creates hypocrites.

God has commanded all men to worship Him and obey His precepts, but has He ever commanded any man or set of men to compel others to worship and obey His precepts? To ask these questions is to emphatically answer them in the negative.

2 Chron. 7:14 is a fitting close. "If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and heal their land."

Individuals, choosing freely, without civil coercion and civil penalties, humbling themselves will bring change. Humility cannot be forced. Humility was the formula, the promise, the condition then. Nothing has changed. It is the same today. For God is the same yesterday, today, and forever. Amen.

MEMORIAL TRIBUTES TO ISADORE FALK—20TH CENTURY PIONEER FOR BETTER HEALTH CARE IN AMERICA

Mr. KENNEDY. Mr. President, the death of Dr. Isadore S. Falk last year deprived America of one of its greatest pioneers in the field of health care. For over half a century, Ig Falk helped to shape the quality of all aspects of our health care system, and each of us who learned from him and worked with him in successive Congresses respected him not only for the breadth of his insight and the extraordinary brilliance of his intellect, but also for the unusual warmth of his friendship.

On November 30, 1984, many of Ig Falk's colleagues and friends gathered at Yale University for a memorial service in his honor. The moderator of the service was John Thompson, professor of public health at Yale, and other speakers were Prof. Wilbur Cohen, of the L.B.J. School of Public Affairs at the University of Texas; Mel Glasser, director of the Committee for National Health Insurance in Washington, DC, and former director of the Social Security Department of the United Auto Workers; Prof. Rosemary Stevens, of the University of Pennsylvania; and John Nelson, of the New Haven Community Health Care Plan, which was founded by Dr. Falk in the early 1960's. Although I was unable to attend personally, a brief tribute that I had prepared was also read at the service.

Mr. President, I ask unanimous consent that the tributes to Dr. Falk at the memorial service for him last November may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORIAL TRIBUTES TO ISADORE S. FALK, YALE UNIVERSITY, NOVEMBER 30, 1984

JOHN D. THOMPSON, PROFESSOR OF PUBLIC HEALTH, YALE UNIVERSITY

We have come to celebrate the memory and accomplishments of our colleague and mentor, Dr. Isadore Falk, and his wife, Ruth. His return to Yale in 1981 ended a 37-year absence from academia. I am afraid we didn't treat him very well when he came. We shoe-horned a desk in a corner of an old wet lab with a desk for his secretary in another corner. We couldn't remove the benches or hoods because we were about to move to new quarters. He bore this indignity with patience, but I remember one occasion when I was reviewing the plans for his new office, he looked about the lab and wistfully described his old office in Baltimore and its 12-button call board through which he could summon an equal number of minions steeped in everything from economics to law. At Yale, he was all alone.

When Dr. Falk's effect on the school of Public Health is assessed, it is difficult to realize that he was on our faculty for but 8 years. I tried to explain why he was able to influence us all so powerfully: Of course, he was a legendary figure before he came back to Yale, he could transmit the threads of continuity in the economics of personal health care—he should have been able to do so, he hand-twisted most of the threads himself, he exhibited great patience and was willing to share his vast knowledge of the field—it was all of these things but more—and that additional factor was his decision to teach and challenge the faculty of the school as well as the students.

The Falks opened their home to faculty seminars where, in an atmosphere of comfortable contention, issues of medical care policy and organization could be discussed. Faculty were challenged to join Dr. Falk in his early feasibility studies for a prepaid group practice plan in New Haven and were co-opted to assist in the legislative changes required to obtain licensure. When he retired, he left behind a committed and knowledgeable faculty.

Dr. Falk was a witty and charming man who was, above all, a scholar. No one in the United States had his grasp of the theoretical and experimental knowledge of his field. He did not permit his reputation to erect a facade between him and his students, nor did he use it as a platform for exhortation or polemics. Dr. Falk was a man interested in transferring knowledge: if that process changed one's view of the world—so be it. But, to Dr. Falk, knowledge must come first. We will continue to remember him, his knowledge, and his works.

WILBUR J. COHEN, PROFESSOR OF PUBLIC AFFAIRS, LYNDON BAINES JOHNSON SCHOOL OF PUBLIC AFFAIRS, UNIVERSITY OF TEXAS

I first encountered the presence of I. S. Falk just 50 years ago. I had become the research assistant to the Executive Director of President Roosevelt's Cabinet Committee on Economic Security in August 1934. Although unemployment insurance and old age security were the dominant programs on FDR's legislative objectives, Arthur J. Altmeyer gave early priority to the employment of Dr. Falk and Edgar Sydenstricker in an effort to include health insurance on the Committee's agenda.

Altmeyer had written a report on health insurance in 1919 and his subsequent professional experience in the administration of workers' accident compensation made him a strong supporter initially of state health insurance and later of national health insurance. Although FDR decided not to include health insurance in the omnibus Social Security Act of 1935, within 4 days after enactment of the law, Altmeyer was able to obtain Roosevelt's written endorsement for going ahead to study health plans. As soon as the Social Security Board received administrative funds in 1936, Altmeyer sought out Dr. Falk to head up the medical economics staff of the research component of the Board.

The significant developments in health policy medical economics, and the development of base line health and medical data for some 20 years grew out of the professional cooperation of these two remarkable pioneering intellectual leaders.

Falk came to his important work in the Social Security Board with the wide scope and depth of 5 years experience with the Committee on the Costs of Medical Care,

and the completion of his book, "Security Against Sickness." As a result, Falk had the widest and deepest informational base on medical economics in 1940 than probably any other person in the United States, with the possible exception of his friends and colleague, Michael M. Davis.

The CCMC Report of 1932 precipitated a reaction which plagued Falk's life for many years and one which he bore with philosophical equanimity. On the very day and place of release of the CCMC Report, a copy of Dr. Morris Fishbein's editorial in the Journal of the American Medical Association was placed beside the Report at the New York City press conference. Fishbein called the Report's recommendations "socialism, communism-inciting to revolution." He characterized a prepaid group practice proposal as "soviet". This set the context of ideological controversy and invective for a third of a century (1932-65) until Medicare broke the back of this emotional characterization of almost every proposal during these tumultuous years.

Falk subsequently became the target of scurrilous attacks from one of his disgruntled employees in the Social Security Board. For some 14 years, Marjorie Shearon spearheaded a vicious, unfair, continuous diatribe against him and every person associated directly or indirectly with him in a guilt-by-association methodology which made Senator McCarthy's later efforts look feeble. But whatever Ig Falk felt about all these attacks, he did not falter or compromise his integrity, his goals, his professional outlook.

I worked closely with Ig Falk in the drafting of the first comprehensive national health insurance plan, the Wagner Murray-Dingell bill of 1943, the Truman Health Message of 1945, and the Medicare proposal of 1951. I saw the remarkable craftsmanship he brought to these pioneering efforts. He had great patience and perseverance with both minor technical details and major issues of policy. He had a standard of excellence and critical reexamination of his own intellectual products which could exasperate you when arbitrary deadlines were right upon you.

Mrs. Shearon's attacks ultimately resulted in political pressure upon Mrs. Oveta Culp Hobby, the first Secretary of HEW, to circumscribe, transfer or preferably retire, Altmeyer, Jane Hoey, Falk, and myself in 1953-54. Altmeyer retired when his term expired, Miss Hoey and Ig Falk promptly resigned with dignity and I withstood the pressures for 2 years and resigned in 1955.

I saw all this at a very close range and I admired the integrity, the dignity, the absence of vindictiveness, of Dr. Falk.

He was a man for all seasons.

After the failure of the Truman-Wagner-Murray-Dingell national health insurance plan in 1950, I began to think about incremental ways to achieve some progress in the health area. This brought me into programmatic differences with Ig.

Ig was the quintessence of the rational man. He was for excellence, comprehensiveness, universality, equity, and quality.

He would not oppose incrementalism in principle—but would in practice.

Much of what is good today in health plans is better because of Ig Falk.

He made a difference.

The history of health policy during the past 57 years (1927-84) cannot be written or evaluated without the presence and the influence of this giant in the field of health policy. Nor can the history of health policy for the future be written without acknowledging the impact of his contributions. There will be a lengthened shadow of Ig Falk on the national health plan this nation eventually adopts. I hope you and I are here when that occurs but I may not be. I hope therefor, that among you younger men and women here today you will bow and say a word in praise of I. S. Falk when the day for which he tried so hard, so long, so competently, comes into being.

MELVIN A. GLASSER, DIRECTOR, COMMITTEE FOR NATIONAL HEALTH INSURANCE, WASHINGTON, DC

In assessing the life and work of Ig Falk, I think of the words of Bialik, the poet of the Hebrew renaissance: "There was a man and behold, he is no more." In a very real sense, Ig Falk was a man of the renaissance, incomparably broad in his interests, creative in developing areas of new knowledge, forceful in his views, and above all, committed to the well-being of his fellow man.

I knew that Ig started out in life as a bacteriologist, but it was only much later that I learned that he was 16 years old when he accompanied C. E. A. Winslow, the newly appointed professor of public health, to Yale to serve as his laboratory assistant. In a 40-year relationship, Winslow became Ig Falk's mentor, colleague and friend—roles Falk played for so many of us over the years.

When he died, Ig Falk was 85 years old, and he prided himself on being a man born in the last century who constantly strived to bring the social programs of this country into the next century.

It is interesting to speculate on the kinds of contributions which could have been made by this young man with the soaring intellect and disciplined application of knowledge had he remained at the University of Chicago where he went after Yale and continued his research and epidemiological work in influenza and immunology.

But this man appeared to be preordained to make a different kind of contribution to the well-being of society. When Professor Winslow was named Executive Director of the newly formed Committee on the Costs of Medical Care in 1927, Ig joined him shortly thereafter as Associate Director.

The CCMC was a self-created, private organization of some fifty distinguished Americans from many fields. It was chaired by the former president of the American Medical Association, and committed to a comprehensive 5-year program to study the economic aspects of the care and prevention of illness.

This focus upon the health of the nation intrigued Falk, for he was aware of the fact that in the period around 1916 the movement for state-operated health insurance programs comparable to those recently developed in workmen's compensation had gained considerable support. Included among the supporters was the AMA, which was sympathetic to the idea and had employed the distinguished social worker, I. M. Rubinow, a Socialist, to direct its health insurance study. At congressional hearings in 1916, he represented both the American Medical Association and the Socialist Party—undoubtedly the only time in history anyone has served in those two capacities at the same time.

The studies Ig conducted for the committee and those in which he was involved as program administrator, together with exposure to a wide cross-section of professional and lay leaders in health, so immersed Ig in medical care that I used to refer to him as our country's "No. 1 Medical Carenik".

If there had been a specialty organization in Medical Care, as there are in Pediatrics, Internal Medicine and Surgery, Ig Falk would certainly have been the founding father, theoretician, and resident guru.

Think for a moment with me on the principal recommendations of the Committee on the Costs of Medical Care, which he helped develop and which shaped his life and the professional lives of many in this room.

1. Better organization of personal health services, especially through comprehensive group practice.

2. Strengthening the Public Health services.

3. Group payment of costs, through nonprofit insurance, taxation, or both.

4. More efficient coordination of services.

5. Improvement of professional education with increasing emphasis on the teaching of health and the prevention of disease.

It is understandable that these principles were guide posts in Ig's professional efforts for the rest of his life. It is also understandable that these 1932 recommendations were strenuously objected to by a minority of the committee and a majority of the AMA, who advised continuing reliance on solo practice fee-for-service payments as means of assuring economical quality medical care.

Without a massive base and organizational sponsors, the committee's report stirred interest but no action. In the meantime, Ig was conducting studies on health indices for the Milbank Memorial Fund and was working with a presidential committee studying health care for possible inclusion in the developing Social Security proposal.

There was not enough public support to have the original Social Security Act include grants for state-directed health insurance. But Ig and his colleagues felt progress was being made when the 1935 act included, for the first time, federal grants-in-aid to the states for maternal and child health, and for crippled children's health services.

From his position as Assistant Director and, beginning in 1940, as Director of the influential Bureau of Research and Statistics of the Social Security Board, and with the support of able and committed young people like Wilbur Cohen, he became a major advocate for compulsory national health insurance.

The initial proposals provided for a national health program, based principally on federal grants to the states, and were sent to Congress by President Franklin Roosevelt. They became the first Wagner National Health Bill. Subsequent versions developed by Falk and his colleagues eventuated in the Wagner-Murray-Dingell proposals of 1943 and thereafter.

These were much strengthened measures. The state grant-in-aid features and discretion in administration were dropped. Beginning in 1945, with the Truman-sponsored national health insurance proposal, the pattern of a centrally directed health plan comparable to the Social Security cash benefits pattern was adopted.

Ig would often cite this experience to demonstrate that the relative mildness of the proposals in the FDR period had not reduced the opposition to them, but it had reduced the support of groups which wanted stronger programs. Further, the state-run plans in unemployment compensation and public assistance were having all sorts of administrative and fiscal problems, while the nationally operated OASI program was progressing smoothly.

It is sad that currently a national administration and a Congress grappling with very

comparable problems in health services are not able to bring to bear on them the experience and perspective that Ig so well applied in an earlier period.

He paid a high price for his committed advocacy. His carefully worded and balanced replies to the increasingly strident personal attacks fell upon deaf ears and closed minds. It became clear that an unsympathetic Eisenhower Administration and a hostile Congress, using Falk as their whipping boy, would vent their wrath on Ig's Bureau of Research and his colleagues in the government. Accordingly, he resigned his post, and for some 4 years served as World Bank consultant to governments of Malaysia, Singapore, and Panama, until he returned to Yale as "Chief Medical Carenik", Professor of Public Health, in the newly reorganized Department of Epidemiology and Public Health.

I had the good fortune to receive from Ig the invitation for an adjunct faculty appointment, and was able to note with pleasure the scholarship, creativity, and enthusiasm with which he and his then-principal colleagues, John Thompson and Dick Weinerman, developed the Department's program.

Ig was a reserved man, yet those who worked with him recognized he was deeply committed to the goals of social justice. He cared, and was concerned that the social institutions of our society reflect that caring for each and for all of us.

Ig always had strong identification with workers and with the labor movement. In 1946, at the request of the Secretary of the Interior, he drafted a health and welfare plan for the United Mine Workers which provided the basis for the union's pioneering and retirement fund. For 22 years, until 1980, he was a consultant to the United Steelworkers of America, where he conducted major studies of the union's health programs, helped prepare collective bargaining proposals, and developed plans for consumer-oriented pre-payment programs. Only one was completed, in Saulte Ste. Marie, Canada. Ironically, this plan was eventually destroyed by a Canadian national insurance program which made no provision for change in the way in which health services were delivered and paid for.

In 1965, I was the director of the Social Security Department of the UAW. That summer I drove up to Stonington, Connecticut, where Ig and Ruth had their summer cottage, and spent the afternoon talking about health care. I knew that Ig had been prominent among those in the early 1960's who were convinced they could not secure the passage of national health insurance and had proposed instead what we now know as Medicare. Walter Reuther and the leadership of the United Automobile Workers felt from the beginning that, as important as this program was, compromises made to bring about its passage would eventually undermine it. They believed, too, that if needed system changes were to be achieved, and cost and quality control standards introduced into the health system, a comprehensive universal program was essential. Reuther and the UAW were determined to put their commitment and resources behind the effort to mobilize popular support for a new plan.

I remember I told Ig that I was familiar with his many achievements and that, some day, at his memorial service, his friends would recount what he had done in public health, in Social Security, in social research, in pre-paid group practice, and in helping foreign governments. I said, however, "In one regard, you have failed. Despite your magnificent efforts, you did not succeed in bringing about the passage of a national health insurance program. I am offering you a second chance. Join us in the new effort. Give leadership to our Technical Committee and counsel to our organizations, and we may yet change your one major reverse."

Ig agreed without hesitation. For the next decade and a half, he was the moving spirit in developing a series of national health insurance proposals that were principled in structure, progressive in goals, and realistic in financing. His prestige as a thinker and a leader attracted a stellar group of professionals to the technical committee. In turn, the reputations of these professionals helped draw to the citizen effort an ever wider group of committed individuals and organizations.

A set of 14 program principles was developed. In essence, these were an updating of the recommendations of the Committee on the Costs of Medical Care. Included were the need for a universal program, comprehensive and quality protected services, integration with the national social insurance system, full financial protection of consumers as well as providers, assurance of availability of benefits, public accountability, and participation by consumers on the advisory councils and in administrative policies. The first Health Security Program introduced in the Congress by Senator Edward Kennedy and Representative Martha Griffiths embodied these principles. It was widely recognized that much of the strength of this plan derived from its relating of finances and reorganization of the delivery system, together with the elimination of waste.

It was a joy to observe Ig operating in the context of the Technical Committee. He was courtly, instructive, creative, hard working, and tough as nails. He fought each and every proposal to moderate a part of the program that might depart from the principles. Eventually he prevailed. The Health Security Act, in my view, will for a long time be seen as a model of what health insurance protection could be for the American people.

When it became clear that Health Security would not pass and newly-elected President Carter offered assurances of the administration's support for a modified version of the original plan, Ig set to work advising others on the construction of a compromise plan, but his heart wasn't in it, and when the Carter administration did not honor its commitments to the labor movement and the American people, Ig appeared to be as much relieved as disappointed. And, in his last years, when the Committee for National Health Insurance, with new technical advisers, began to examine possible revisions in an approach to universal protection, Ig's vehement advice was to go back to the principles adopted earlier. He was convinced the compromises with the Carter officials ill served the American people.

In joining with you in tribute to Ig Falk, I would characterize him as a renaissance man ahead of his times. This is the memorial service to which I alluded almost twenty years ago. Ig did not succeed in overturning his major reverse. His contributions in the health field are, however, monumental and in his books, his articles, his teaching and his studies, his legacy is still alive.

The elections earlier this month and in the last few years have caused some of our summer soldiers to retreat to the protection of noncommitment.

I speak to you this afternoon, however, as one of the inheritors of Ig's legacy. I'm convinced what he stood for, what he worked for, is decent and is right for the people in this country. I shall continue to work for it, and hope that our ranks will be enlarged and the times become more propitious.

ROSEMARY STEVENS, PROFESSOR OF THE HISTORY AND SOCIOLOGY OF SCIENCE, UNIVERSITY OF PENNSYLVANIA

It is difficult to realize that Professor Falk is dead. His presence for many of us here has been important, even instrumental, in our lives and our careers. He is an enduring part of us. I, myself, met Ig in 1961, at the beginning of my career in the United States. I was his student at Yale. This might have been a time, for an ordinary mortal, which would reflect the waning years of his career. But he was never one to abide by averages. He was always an extraordinary individual. When I met him, he was in his early 60's—embarking on a new career, or more properly a renewed career, as a professor of public health here at Yale. Indeed he was about to embark on the crowning achievement of his life—the establishment, through major struggles and setbacks, of the Community Health Care Plan in New Haven and now, of course, in Wallingford.

Isadore Falk was born in Brooklyn in 1899. He went to school in Brooklyn and was, by his own account, an omnivorous reader from the beginning. After casting around for something to do after completing high school at the age of 15, through a cousin he gained an interview with C.E.A. Winslow, who was to become professor of public health at Yale in 1915 when Falk was 16 years old. Falk became Winslow's protege. Through him he was introduced at a young, impressionable age to the central problems in public health and medical care that arose out of the very successes of scientific medicine in the first decades of the 20th century.

Winslow invited the young Falk to be his "laboratory boy" or assistant. This new high school graduate spent several months training in lab techniques in New York and then he moved to New Haven, to Yale. His professional life, beginning and ending in this city, connected with this University, has an order and grace to it that I think seemed to him a natural, cyclical progression. Yale and New Haven were in many ways Ig Falk's adopted birthplace. He read extensively as a young man from Winslow's shelves, in the fields of public health sciences and organization. He became a special student in the Sheffield Scientific School at Yale, choosing courses chiefly in the sciences, under Winslow's direction. He gained his baccalaureate degree in 1920, his Ph.D. in 1923 when he was all of 24 years of age.

Meanwhile, this young man had been captured by, or had captured, a powerful purpose—a vision that was to remain with him for the rest of his life, a perception of a logic that seemed undeniable, a scientific and social truth: namely, that scientific medicine, through the very successes it had achieved and was achieving in the laboratories and the great hospital clinics that were springing up in American cities everywhere at the time of World War I, the achievements of scientific medicine could only become realized for the whole population if medicine were properly organized and collectively financed.

Ig Falk, in the last few months of his life, at the age of 84, recalled the words that Winslow used in one of his undergraduate classes at Yale in 1917-18. I'd like to quote his recollections of what Winslow said, talking about why millions of people in our country, and elsewhere, fail to avoid or overcome ailments that modern medicine knows how to cure and to prevent:

The main reason is that people do not make effective and timely use of well-trained and knowledgeable physicians—even when these are available in their communities. And why not? Mainly or largely because there is a financial barrier between doctor and patient, a fee to be paid for the service; and many do not know how to find the right doctor, and haven't or can't afford the fee, even when the doctor is generous in holding it down or reducing his usual fee or even not charging a fee; and many do not want to ask for charitable or free care. So they put off seeking the needed care; and many live and suffer with their ailments—or even watch it progress until, to their dismay, it is beyond control.

Undoubtedly these were the words Winslow used, or at least a more polished version of what he said. Ig Falk had a phenomenal memory. What is striking about the statement, however, is that it became a young man's call to action, a strategic philosophy for the rest of his life. Thus, it was without any hesitation, irony, or rethinking, that Ig Falk, trying in his old age to set down his early recollections, called his early experiences with Winslow at Yale, "birth of a mission." His mission was to translate what seemed to be the irrefutable logic of fact—that modern medical care demands, indeed assumes, group payment and group organization of services—into organized health insurance schemes and organized group practice arrangements.

Thus he embraced with enthusiasm the proposed bills and plans for comprehensive health insurance between 1916 and 1920, as later, working with Winslow, with Professor Irving Fisher at Yale, and with others. Thus, still a teenager, he worked to improve the model bills that were then being drafted. Thus he produced his first publication at the age of 19, an analysis of national health insurance for the magazine of the General Federation of Women's Clubs, then a very influential organization—a publication of which he remained proud and which stood up well in retrospect. Thus, too, he could never accept the apparently unreasoned opposition of organized medicine to any proposal for national health insurance, opposition that crystallized with AMA policy in 1920. Over 60 years later, in a rare written excursion into his feelings, he was to write,

I was deeply disappointed that the major organization of physicians could not see or embrace what seems to be so evident—that changes in medical science demanded change on the economic side of medicine.

Opposition to national health insurance and to improvement in medical care was in his view illogical and unscientific—and plain wrong.

As we have heard, his career was to be marked, as a result, at least through the 1960s, by periods of bitter hostilities with organized medicaine. He was to be deeply hurt when such hostilities resulted, as they did on occasion, by ad hominem attacks and by the association of organized payment schemes with socialist and communistic ideas. Falk, seeing himself as espousing positions that anyone with a scientific mind, even common sense, would accept—the organizational logic of medical advances, the science of facts—became a passionate, controlled and gifted reformer, tenacious in his object, consistent in his views, formidable both to his adherents and opponents.

His career was so full it is impossible to do it justice, even with four speakers: His work as a professor at Chicago in the 1920s where he held, characteristically, two jobs—the second, reorganizing the Chicago health department; his resignation from a full professorship at the age of 30, when that university dropped its plans to develop a school of public health because all available money was being siphoned off to the medical school and hospital; his acceptance of major responsibility for the study program of the CCMC two and a half years into its five year program, when its studies were in disarray and behind schedule; his association with Edgar Sydenstricker at the Milbank Memorial Fund in the 1930's and his concurrent work for the New Deal in designing programs for Social Security; his later work for the Social Security Board; and so on. But I would like to add to this his international consulting work in the 1950's—just to give some flavor of the extent of this work, he was a consultant in Malaya, Singapore, Panama, the Canal Zone, Haiti and Dominica; and also to note that he continued, when he came to Yale in the early 1960's to be associated with numerous national activities—the most notable for the Committee on National Health Insurance.

Falk's life was distinguished by his involvement in action, hard work, and discipline, by the drama of politics, by conflict, by his continued commitment to planning for a better system, his untiring enthusiasm, and his sense of integrity. The fact that the American health care system ought to be excellent, but is not, is a blot on the social fabric of America.

In a world given to expedience and compromise, there are few men or women with this firm sense of purpose, this steady pursuit of excellence, this overwhelming vision—or Ig Falk's degree of success. In the CCMC studies alone, he made a major contribution to our understanding and thinking about health care in America. These studies stand as the classic studies of American medical care in the 20th century.

In his book, Security Against Sickness (1936), he arrayed, at an important time, the experience of health insurance programs elsewhere in the world, as overpowering evidence of what could be achieved through organization. In his studies of health care utilization, of health standards, of health indicators, in his consulting reports, his numerous legislative analyses, his speeches, his studies have been influential for generations of colleagues, students, organizations, and legislators.

As a writer, Ig Falk was extraordinarily productive and prolific. He was blessed, as I think all of us here know, with a flowing, persuasive, writing style. He was also a severe critic and editor of his own work and that of his students. He believed in cutting down the written word to the absolutely necessary, persuasive minimum. In this critical task he was aided by the constructive, steady, and probably draconic criticism of his wife, Ruth. Ruth Falk sustained her husband and their children through the many career stresses of his life, worked with him on several studies, and was his most constant colleague and ally, and his most trusted friend.

Of Ig's students and protegés there are many, including many here. I count myself fortunate to be one of them. Ig was a teacher whose exposition rolled off the tongue with an inexorable marshalling of arguments and figures. he was a superb mentor, supportive, kind, patient. He was nonintrusive when things seemed to be going well, trenchantly critical of less than one's best. He was generous with his time, always willing to give full credit, and interested in all well-argued points of view. He was also a fiercely private man, his feelings well defended, whose assertive positions as an expert on health and social security were matched by personal humility and diffidence. I believe he never thought of himself as influential or important, only of his work. But he was. It was his character as well as his abilities that inspired his many students.

I'd like to think of Ig Falk sitting here, listening to these presentations, his head cocked to one side in quizzical and sardonic question, the ash of the ubiquitous cigarette about to fall upon the floor, maybe even one of the famous Falk manhattan cocktails, refrigerator-cooled, on the table (he and Ruth were, after all, members of the Prohibition generation), a paperback detective story nudging the latest analysis of social security and health statistics and the latest Washington newssheets, annotated with his exclamation points and criticisms.

I think I speak for all members of the academic community in public health and health administration when I say that Professor Falk's influence will continue for many years, through the individuals, the programs and the writings he leaves behind him. For those of us who teach in universities his life will continue to provide a model of the relationships which are possible between knowledge and action. Science to Ig Falk was never neutral. In his impeccable research studies he tackled massive projects and essential themes. He had the sensitivity and judgment to perceive major questions in health care that were only just beginning to appear on the horizon long before many of us could see them, caught, as we too often are, in the pressures of immediate events. He was, in his belief in the persuasive power of knowledge to change the world, a dangerous man. It is a danger to which all scholars should aspire—and few are able to achieve.

We honor the memory of this man whose life was filled with honor, purpose, dignity and achievement. We will remember Ig Falk with respect, admiration, gratitude and affection.

JOHN A. NELSON, PRESIDENT, COMMUNITY HEALTH CARE PLAN, INC., NEW HAVEN

The development of New Haven's Community Health Care Plan, now with its some 40,000 members being served at multiple sites, was to I.S. Falk a generative response to his wish for a rational health care delivery system.

To place Falk into the context of his CHCP years, I think of his timing for the teachable moment and his role as the mentor-teacher who is also a leader. It was his steadfastness, intellectualism, organizational know how, and integrity which shaped CHCP. He seized upon the teachable moment for others and inspired them to focus their talents and skills on his plan for a comprehensive prepaid group practice.

One can't help but wonder who was the mentor that seized on Falk's teachable moments. Who shaped and steered that brilliant mind towards the destiny which

brought into existence the Community Health Care Center Plan for New Haven?

Recently, crossing my desk was a third reprinting of Winslow's, "The Evolution and Significance of the Modern Public Health campaign," first published in 1923. During Falk's undergraduate and graduate training, Charles-Edward Amory Winslow the leading theoretician of the American public health movement during the first half of the twentieth century, was the Chairman of the Department of Public Health at Yale University. For young Falk here was the mentor who postulated in that 1923 article "before medicine becomes truly preventive, there must be a radical alteration in the basis for medical service. It is extremely unlikely that the average individual will ever resort to his physician until he experiences compelling symptoms of disease if the incurring of an immediate financial obligation is specifically involved. The maintenance of physical health will surely call for the provision of some social machinery (comprehensive prepaid medical group practice HMO) superior to the happy-go-lucky methods of the past. How the desired end can be attained is the major problem before the physicians and the public health profession of the present day." And, that desired end became Falk's objective.

I can only conjecture about the lively discussion and debate that must have been exchanged between Falk and Winslow over America's need for a rational health insurance system. Educated in the scientific method, Falk knew there were important pieces of information missing before a solution could be found. In his book "Security from Illness," published in 1936 he said, "it seemed highly doubtful that any of the European systems were entirely suited to American needs; but the design of an appropriate American system was made difficult by the lack of precise information on the nature of our problems, their causes, their exact definition, and their quantitative characteristics."

His departure from Yale to the University of Chicago and thence his work with the Committee on the Cost of Medical Care to seek out that precise information about the American health system must have eventually directed him to the compelling logic of comprehensive prepaid medical group practice.

The past month has led me to query a number of Falk's associates and contemporaries concerning his role in the development of the Community Health Care Plan in New Haven. The immediate question was the rationale for his return in the summer of 1961 to teach at his alma mater, Yale.

The period prior to 1961, found him in his consultant role with the United Steelworkers of America, but rooted to his beloved home in Stonington, Connecticut. It was in Falk's Stonington home that Dr. Edward Cohart of Yale's School of Public Health met with Falk to persuade him to consider a professional appointment to teach medical care organization and management. Falk demurred at first and suggested other candidates. He felt that Yale Corporation would not appoint him since he had been "blackballed" by influential individuals within the American Medical Association. Cohart prevailed, and he agreed to teach on a part-time basis so that he could continue his consulting activities. His appointment was effective the summer of 1961 as Professor of Public Health (Medical Care). At no time during his interviews were their talks about program development; but in subsequent conversations with other colleagues following his appointment, Falk had stated he had in mind the development of a medical school related prepaid medical group practice plan at the time he considered the appointment.

Falk's fear of retribution from organized medicine didn't materialize and his appointment was without controversy in the New Haven community.

As Dr. Falk took up his academic responsibilities at the School of Public Health, there were others in the New Haven community particularly within the trade union movement, who were seeking ways to change the patterns and costs of medical care. At that time, Ruth Greenberg was the Educational Director for the AFL-CIO State Labor Council and Joseph Roarke was Secretary-Treasurer of the same organization. Over several years they had discussed the various labor and cooperative sponsored health plans as a means to improve health services for union members. They had found a sympathetic ear in Albert Snoke, M.D., Director of Grace New Haven Community Hospital, from 1946 until 1965. Snoke, too, had played a role in encouraging Dr. Cohart and Dean Vernon Lippard to appoint Dr. Falk to the faculty.

It was in Snoke's office on a December day in 1961, that I. S. Falk met for the first time these two labor protagonists for development of a comprehensive prepaid medical group practice plan. The teachable moment was there. Over the next two years, the President of the New Haven Central Labor Council, Vincent Sirabella, became involved with and influenced by Falk. Sirabella's visit to the AFL-CIO Medical Service Plan of Philadelphia resulted in his marshalling the Central Labor Coucil to sponsor a union Health Committee in New Haven. The Health Committee was charged, "to concern itself with the availability of health care and with the development of proposals to meet increasingly acute needs. The Committee became interested in the development of a team or group practice program for prepaid comprehensive family health care. It reviewed the development of group practice plans elsewhere, considered the potentials for continuing community support if such a plan was to prosper in the New Haven area, and explored the possibilities for achieving "dual choice" clauses under employer-employee contracts so that employed persons would be enabled to enroll electively in a health center plan. The Health Committee and its parent Council concluded that such a program would be feasible in this area, and they committed themselves to its development." [1]

Throughout that Committee's deliberations, I.S. Falk provided directly, or through his students, technical support.

Probably at no other time in the history of the development of HMO's have students contributed so much to the documentation and planning of a going concern like CHCP. The book shelf in our corporate office is a testament to the prodigious production of objective research performed by Falk and his students. The titles, the dedication and acknowledgement pages are proof of Falk's ability to involve others from diverse backgrounds. Clearly, linkages were established then, which, over the years insured for the good and welfare of the then, embryonic CHCP organization.

For example, in 1963 an essay by David R. Sheehan titled, "Connecticut Blue Cross, 1952-1961, An Evaluation of the Current Needs", was presented to the faculty of the Department of Epidemiology and Public Health at Yale. Sheehan's joint advisors were Joseph Duplinsky, then President of Connecticut Blue Cross and Dr. Falk.

That 1963 joint academic activity was the beginning of a relationship between Connecticut Blue Cross and Blue Shield and CHCP which exists to this day in administrative service contracts, and more recently, joint ventures between the two organizations in fostering the development and management of prepaid medical group practice plans in other Connecticut communities.

As the work of the Union's Health Committee moved forward, the task of developing enabling legislation fell to Norman Zolot, attorney for the Connecticut State Labor Council. This was to be a community enterprise and not limited to only a labor union sponsorship. There were no existing laws under which an organization like CHCP could be placed, so language for a new legislative Act was prepared incorporating Falk's requirements that the membership would control the corporation. During the 1967 Connecticut legislative session, the legislative Health Committee held a hearing concerning this generic act to permit HMO operations in the State. Since the New Haven County Medical Society had missed the first hearing, they requested, a second hearing. The opposition, thus alerted, resisted the generic act. As a result, Falk and Zolot proposed a bill which as a special act (335) which incorporated Community Health Care Center Plan, Inc. under Connecticut law. The eight named incorporators included representatives from labor, medicine, Yale, the City of New Haven and Dr. Falk. As Zolot describes Falk, he said, "Falk would never back away from a fight but would lay out a careful strategy to deal with it".

The maneuvering for legislative support of the special act went down to the wire. Behind the scene, John Bailey, then the National Chairman of the Democratic Party and Connecticut State Chairman, telephoned from Washington to advise Falk of the compromises being negotiated in the State Capital. The compromise deal entailed limiting the location of the Plan's medical facilities to the City of New Haven. Thus, although geographically restricted, another significant barrier was overcome and the task of financing both the developmental and building phase loomed ahead.

Funding for these activities had, as one might suspect, numerous sources ranging from grants to contributions from members of trade unions.

In the preparation of grant applications, Falk stands above his peers. His descriptive flow of an organized plan with its rationale and budgets, places Falk's application among "The Great Books" counterparts for grants. He left nothing to chance.

Initial seed money and support came from Connecticut State and New Haven Labor Councils, AFL-CIO and various national and local unions and the New Haven foundation. Falk banked on the interest of linking a community health services program and a teaching medical center for improved accessibility and availability of health services. As Falk said at that time, "Current and prospective manpower shortages for health

[1] I. S. Falk, Development of the Community Health Care Center Plan in New Haven, Connecticut. Final Report to the Community Health Services, HSMHA, Department of Health, Education and Welfare for a Development Support Grant. March 1, 1969. March 31, 1973. November 1973.

care, steeply rising costs, and demand for comprehensive and continuing care through a better-organized system of availability and delivery were inviting new inter-relations between community services plans and the teaching-training hospitals and the university medical centers of the country. The potential breadth of the New Haven program offered an opportunity to use it as a demonstration program".[2]

In the name of "demonstration programs" I. S. Falk applied for grant money, and with letters of support, which included Yale's Medical School succeeded in most instances. The design of CHCP's prospective health center facility and the specification for linkage with the teaching hospital of the Medical Center was supported through a contract between Yale University and the Hill-Burton Research and Development Division in the Public Health Service.

Other grants became available from the Robert Wood Johnson Foundation and HEW to see the program through the difficulties inherent in the financing of CHCP's first years. In addition, there was another Federal grant which funds for research and evaluation of the program.

As an aside, let me share with you a story which Larrie Roop related about Ig's forebearance with the bureaucracy of federal grantsmanship. It seems that the CHCP staff had used federal capital funds without prior authorization to purchase typewriters instead of calculators as previously approved in the federal grant. Falk, as principal investigator, was summoned to the Boston office of HEW. There he faced the young new federal employee responsible for monitoring the grant. In a sophomoric voice, the young bureaucrat announced on behalf of the Federal Department of HEW, "Dr. Falk we are going to spank you, but we do have a lollipop for you." He then announced that he was extending a retroactive approval of the change made in the capital expenditure budget. A soft smile came across Dr. Falk's face as he accepted his penance and the meeting concluded on a cordial basis. However, the return auto trip was punctuated with Ig's comments about the young upstart bureaucrat.

With these various grants, Dr. Falk marshalled the resources of "town and gown", to move the program forward.

As Falk planned for the health center building without which no program could exist, consideration was given to leasing space in a Long Wharf building with leasehold improvements which could be financed with federal funds (Federal funds could not be used for building, purchase and land acquisition). Here he was frustrated by the delay in obtaining support funds from DHEW which resulted in the loss of the rental space to another tenant. However, not to be undaunted, his union contacts led him to a former New Havener, Michael Sviridoff, who worked for the Ford Foundation. A one million dollar Ford community-project development loan was made to CHCP which permitted leverage in borrowing the balance of construction and mortgage funds from local banks. Construction on the building started in October, 1970 and patient services were initiated October 4, 1971.

The early years which followed that first day of patient services on October 1, 1971 were marked by slow enrollment growth and constant attention to cash flow. At times Falk would pledge his personal funds to insure that the payroll would be met. The frustrations of those early years was rarely shared with others so that they wouldn't become alarmed. A positive outlook was reflected.

In concluding, let me recapture for you a brilliant crisp October afternoon over one year ago when CHCP's Wallingford Health Center was dedicated. Ig Falk was there to say, "To me this is in the nature of a birthday. The end of September is our birthday. Not precisely the right date"—but—in his wry manner he said, "we chose today for the weather". He went on to describe CHCP's beginnings, "they were hard days. We had to build. We had to grow. We had to find funds. The financial problems seemed insoluble—but somehow, they were solved. I suppose I can say, for the old timers and new timers as well, angels guarded us."

"I will close" he said, "with a benediction." "We started with nothing but a gleam in our eyes—a vision—a hope; and we hope that those angels will continue to guard us—everyone."

Indeed, Ig's benediction may serve this day—as we now conclude our memorial service. Let our benediction be—that the angels will guard over Ig and those values and ideas of his which are our inheritance.

SENATOR EDWARD M. KENNEDY

I wish that I could be in New Haven this afternoon to join in remembering one of the most remarkable men I have ever met. When I became chairman of the Senate Health Subcommittee in 1971, the first and the best piece of advise I received was just four words long: "Talk to Ig Falk." I did—but more to the point, I listened to him, as did an entire generation of leaders in this country concerned about the quality of health care in the United States. No one I ever met had greater insight, or worked harder, or cared more deeply, or spoke more eloquently than Ig Falk about the cause of decent, affordable health care for all our citizens.

"Senator," he once told me," you members of Congress have already enacted a Comprehensive National Health Insurance Plan for the President of the United States and all the Members of the Senate and the House of Representatives. If it's good enough for you, why isn't it good enough for every man, woman, and child in America?"

Somehow, someday, some Congress and some President will finally understand the simple truth of Ig Falk's irresistible logic, and when we do, his dream shall finally be a reality for all Americans.

Near the end of Pilgrim's progress is a passage that tells of the death of Valiant:

"Then he said, 'I am going to my father's and though with great difficulty I am got hither, yet now I do not regret me of all the trouble I have been at to arrive where I am.

My sword I give to him that shall succeed me in my pilgrimmage and my courage and skill to him that can get it, my marks and scars I carry with me, to be a witness for me, that I have fought his battle who now will be my rewarder.'

When the day that he must go hence was come, many accompanied him to the riverside, into which, as he went he said, 'Death, where is thy sting?' And as he went down deeper, he said, 'Grave, where is thy victory?' So he passed over, and all the trumpets sounded for him on the other side."

[2] I. S. Falk. A Community Group Practice Prepayment Plan Linked with the Medical School Center in New Haven, Connecticut. Group Health Institute June 1969. Proceedings.

CONGRATULATIONS TO NATIONAL RIFLE ASSOCIATION

Mr. HATCH. Mr. President, for those committed to protecting our constitutional rights to keep and bear arms, as I am, an important era came to a close a few weeks ago. In January, Harlon Carter, the respected executive vice president of the National Rifle Association, stepped down from a distinguished career as chief executive office of this 3-million-member organization. On January 26, the NRA board of directors unanimously elected former Assistant U.S. Interior Secretary G. Ray Arnett to carry on Harlon Carter's effort to protect the second amendment and promote hunter safety and wildlife management.

At this time of transition and reappraisal of the successes and goals of the National Rifle Association, it seems appropriate to congratulate this great organization for its contributions. Not only has the NRA championed the rights of individual gunowners, trained shooting teams to represent the United States in world competitions such as the Olympics, advocated adequate conservation of natural resources, and supported firearms safety training programs, it has also brought recognition and enjoyment to countless Americans through its athletic tournaments and hunter safety programs. Moreover it has contributed to our national battle against crime by training law enforcement agencies in marksmanship and proper use of firearms. At this important time in NRA's history, I would like to pause to acknowledge its contributions and to welcome the prospect of continuing to work toward the high goals of this organization.

Upon his retirement, I would like to commend heartily Mr. Harlon Carter. Members of the House and Senate, on both sides of the aisle, know and respect Harlon. He has been an active member of NRA for nearly 50 years. He established the Institute for Legislative Action and became its first director before serving for 8 years as NRA's executive vice president. Fortunately Harlon will continue to serve the NRA in an advisory capacity on the association's executive council.

Harlon Carter, as all those who have worked closely with him know, left a rich legacy when he stepped down as leader of the Nation's most influential hunting and gunowner organization. His dedication to the interests of hunters and gunowners and his keen abilities have built a strong and united NRA. I pay tribute to Harlon and wish him the best life has to offer, which for him, I am sure, is ample time to pursue his undying love for hunting and sport shooting.

Mr. Ray Arnett, the new executive vice president, has resided in Virginia since his appointment by President

Reagan in 1981 to be Assistant Secretary of Interior for Fish, Wildlife, and Parks—a position he filled with distinction. As a Marine Corps veteran, Ray received a field commission while serving in combat in the South and South Central Pacific theater of operations during World War II. He also served honorably during the Korean war. An internationally acclaimed conservation and hunting expert, Ray established a reputation in habitat protection and wildlife management long before assuming the chief responsibilities for those activities in the Reagan administration. His experience in dealing with Congress should also prove invaluable to NRA. He has already earned respect for the manner in which he conducted the affairs of his office at the Department of the Interior and the confidence with which he testified on fish, wildlife, and national parks issues before various congressional committees.

As chief executive officer of NRA, Ray is responsible for continuing NRA's reputation for service in many areas:

Training citizens in safe and responsible use of firearms; assisting law enforcement agencies acquire expertise in marksmanship and firearms handling; fostering the healthy spirit of competition and athletic self-discipline in more than 7,000 NRA-supported tournaments annually; improving the skills of the shooting teams that represent the United States in the Olympics and other world competitions; promoting hunter safety; advocating proper conservation of natural resources and wildlife management; and most important of all, protecting the individual rights of each citizen to keep and bear arms as guaranteed by the Bill of Rights.

In conclusion, I once again congratulate the NRA for all it accomplished under Harlon Carter and I look forward to serving with Ray Arnett as this great organization continues to provide a greater array of services and benefits to gunowners and hunters.

KEEP AMTRAK ROLLING

Mr. BIDEN. Mr. President, I am a frequent rider on Amtrak between my home in Wilmington and my job in Washington, and have made this trip on an almost daily basis for more than 12 years. During this time my interest in and knowledge of how Amtrak works has grown through thousands of conversations with employees on the train, in the rail stations, and at the repair yards.

There has been a tremendous improvement in the service on Amtrak trains as compared with the time railroad passenger trains were being operated by private rail companies. Morale among workers has improved, tracks and equipment have undergone a multibillion dollar modernization, and the trains are better than ever.

What a contrast considering the condition of the track and equipment the Government inherited. For many years, railroad companies had moved away from passenger service. The investments that were not made in stock and service during this period were evident everywhere you looked. This was a huge handicap that had to be overcome to regain public confidence in rail travel.

The Government made a commitment to a national rail passenger service that the private sector would not. Since 1970, Amtrak has worked to clean up the problems caused by years of inattention by its previous owners. In 1979, Congress set up specific goals for Amtrak to meet in recovering its operating costs. A management committed to providing quality rail service has succeeded in meeting those goals. The percentage of Amtrak costs borne by passengers has steadily increased and is expected to reach 60 percent by next year.

The administration apparently fails to recognize that progress is being made, and that there is every reason to expect the trend toward lower Government subsidies to continue. In their shallow method of calculating costs and benefits, Amtrak loses money so it must be abandoned.

I would like to commend to the the attention of my distinguished colleagues a pair of articles by columnist Tom Wicker of the New York Times that appeared in the Wilmington News Journal of my home State of Delaware, on February 18 and February 20. He details many of the shortcomings of the administration's financial analysis. I ask unanimous consent that the articles be printed at the conclusion of my remarks.

Mr. Wicker points to the selective use of figures and statistics that the administration uses to support its position, one that can best be termed penny wise and pound foolish. Tom Wicker indicates:

Killing rail passenger service probably will cost the Government billions of dollars over the following 6 years.

Because of contracts inherited by Amtrak from the private railroad companies, and the expectation that a sale of much of Amtrak's physical property would yield only a small amount of money, the cost to the Government of getting out of the rail passenger business could approach $2.1 billion over a 6-year period. Further, discontinuance of service would leave the United States as the only major developed country without a national passenger rail service and the benefits it provides.

Other major costs of doing away with Amtrak not figured by the administration include the added expenses that would flow to other modes of transportation. Our Nation's highways are already straining under the heavy traffic demands that are placed on them. The end of the train service would only accelerate the deterioration of roadways through increased wear and tear and congestion. The environmental cost of all the cars that could be expected to take to the road is also not taken into account.

For an administration that prides itself on understanding the economics of the free market, their study of Amtrak fails miserably. In their cost comparisons, Amtrak fares are compared against the lowest discount air fares available between Washington and New York. I do not believe that you would see a continuation of $19 flight between Washington, DC, and New York without the competition Amtrak provides. Air fares in the Northeast Corridor would at least double in the absence of Amtrak. Of course, thousands of passengers in Delaware and other areas who do not have the luxury of choice in their transportation modes would simply be stranded.

There are many other considerations—the cost of earlier investments, freight and commuter traffic, and national defense concerns—that have neatly been left out of the justification for the Amtrak cut.

There is no doubt that improvements must still be made in Amtrak operations and I fully expect they will be made. Amtrak management has shown that the railroad can meet the goals set by Congress. I prefer a course of action that continues to push Amtrak toward a better financial performance, rather than the administration's meat-ax approach. I urge my distinguished colleagues to keep America's passenger railroad system rolling.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AMTRAK HAS NO DOG TRAINS; WHY KILL IT?

(By Tom Wicker)

If every federal program were operating today at its 1977-78 funding level, there would be little if any deficit crisis. And that's just what Amtrak, the national railroad passenger service, is doing: Its federal subsidy was $600 million in 1977, $716 million in 1978—but just $684 million in fiscal 1985.

The trend, moreover, is down. Since a congressionally mandated reorganization in 1979, Amtrak's annual subsidy has declined by 26 percent in dollars adjusted for inflation, and by nearly $200 million in current value dollars.

Those are good reasons—among many others—why its proposal to kill Amtrak is a classic example of the Reagan administration's meatax approach to deficit reduction. Neither the effectiveness of a program, nor the value of the service it provides the public, or the long-term consequences of killing it, seem to make any difference if a few dollars can be lopped off the federal budget.

Amtrak's shrinking subsidy—which costs each tax-paying American household only 91 cents a month—has been achieved, for example, despite improved and in some cases expanded service. The Autotrain is now being run daily between Washington and Florida. And with Metroliner ridership increasing 18.5 percent in fiscal 1984, all Amtrak trains now carry 60 percent of air and rail passengers in the heavily-traveled corridor from New York to Washington, including intermediate stops. Try to imagine traffic and passenger-service conditions at La Guardia and Washington National airports if Amtrak trains disappear.

The "political trains" that Congress used to insist be operated, despite low passenger demand and high losses, have either been eliminated or rescheduled and upgraded to meet congressionally established loss-per-passenger-mile criteria. Measured by those standards, an Amtrak official reports, "there's no train in our system that can be called a dog."

Amtrak does not, of course, pay its own way at the ticket window; neither do most transit systems. But Amtrak's passenger revenues now fund 60 percent of its total costs, a substantial increase from only 48 percent in 1980. The system provides a needed choice of intercity transportation modes, with air and bus lines and the private auto; without Amtrak, the U.S. would be the only developed nation in the world lacking national rail passenger service.

From its revenues and subsidy, moreover, Amtrak shells out $116 million annually to maintain the rail right-of-way, which it owns outright, from Boston to Washington. Conrail, New Jersey Transit, Metro North, the Southeast Pennsylvania Transit Authority, the Maryland Rail Commuter service, the Massachusetts Bay Transit Authority, are some of that right-of-way's users. How many of them, and under what interstate formula, will pick up that $116 million cost, if the Reagan administration kills Amtrak? And who'll maintain passenger stations, which are not included in the $116 million? Isn't it likely that track and station maintenance—hence commuter services—will simply decline?

If Amtrak is demolished, not only will the $684 million savings (the 1985 subsidy level) be a drop in the huge bucket of a projected deficit above $200 billion, killing rail passenger service probably will cost the government billions over the following six years. That's because labor contracts inherited by Amtrak from the private railroad companies provide that any employee who loses his job because of a route discontinuance must be paid his full salary for every year he's worked, for up to six years. If the federal government now kills all Amtrak routes, the courts probably would hold it responsible for the inherited contracts; that would cost about $2.1 billion in "labor protection" pay over the six-year period—with *nothing* in return.

Besides, it's a late day to lower the budget boom on Amtrak just after a federal investment of $3.1 billion in the system's infrastructure, its stations, maintenance facilities, computer systems, and new rolling stock (the passenger cars now in use on most routes west of the Mississippi are some of the most modern any nation can boast). Another $2.1 billion, moreover, has been spent on upgrading the Boston-Washington corridor, for a total of $5.2 billion in capital investment that's just beginning to pay off in improved service reliability and economy to the taxpayer. Even grand old Union Station in Washington is now being restored to its original function—just as the Reagan administration decides to dismantle Amtrak, the only reason for having a Washington terminal.

So why kill Amtrak? Stay tuned, railroad buffs.

AID TO AMTRAK SMALL AND SHRINKING

(By Tom Wicker)

Why should the Reagan administration, even with its self-created budget crisis, kill a 24,000-mile rail system that carried 20 million travelers last year—including 60 percent of air-rail traffic in the New York-Washington corridor?

Rising costs? Not at all; Amtrak's federal subsidy, reflecting improving performance, has declined 26 percent since 1980, in dollars adjusted for inflation. Even in current dollars, the system is receiving less from the federal government than it did in 1978.

Administration spokesmen charge that taxpayers subsidize every Amtrak passenger trip by about $35. They add a $639 million federal subsidy to $46 million that business travelers could deduct from income taxes for rail travel in 1984, and divide by 20 million passengers.

The deceptive $35 result leaves out of account such Amtrak outlays as $116 million a year to maintain the Boston-Washington right-of-way, which it owns outright but which Conrail and numerous commuter lines use. By the same tricky arithmetic, 1984's 221 million airline passengers cost the Treasury $33 each—the $7.4 billion that air business travelers deducted, divided by 221 million. And that's not counting governments spending for air traffic control and airports.

Actually, an Amtrak passenger's $12 fare is matched by an $8 federal contribution, and other fares are matched in that proportion, because ticket revenues now account for 60 percent of Amtrak's operating costs. That's up from 48 percent in 1980, reflecting tighter management, improved scheduling and hard bargaining for more favorable labor contracts. Even better figures can be expected in the future—if Amtrak has one.

The administration also claims that the subsidy gives Amtrak unfair advantage over "unsubsidized" transportation modes. But from 1972 to 1983, Federal Aviation Administration programs—primarily traffic control—cost taxpayers $33 billion; and user fees for buses don't cover federal, state and local costs of building and maintaining the streets and highways they use. These are vital services, carrying far more passengers than Amtrak; but they are "unsubsidized" only in that they do not receive direct federal payments.

But isn't Amtrak, as the administration charges, a "subsidy for the middle class"? Passenger surveys and travel industry data show that more than 10 percent of travelers with incomes below $10,000 take the train, as do more than 20 percent of those earning $10,000 to $20,000. Nearly 50 percent of Amtrak passengers earn above $30,000, but so do more than 60 percent of air travelers.

Most higher-income rail passengers take short-haul trains like the New York-Washington Metroliners. But travelers with less than $20,000 annual family income account for half of all Amtrak passenger-miles—mostly on long-haul trains. They can't afford the airlines, and consider a long-distance trip more comfortable on a train than a bus.

Never mind, says the administration; if Amtrak dies, the states or private rail companies will pick up the service. That's a joke.

Forget the states, too. The Metroliners, for instance, traverse the District of Columbia, Maryland, Delaware, Pennsylvania, New Jersey and New York; imagine them trying to work out the management, labor and financing arrangements to keep the trains running and the stations and right-of-way in shape. Since the Reagan administration also wants to kill federal aid to mass transit, it's even questionable that, say, New York state would be able on its own to maintain even a heavily traveled intrastate route like that between New York City and Albany.

In fact, if Ronald Reagan persuades Congress to kill Amtrak, for no better reason than to cut only $684 million from a prospective deficit of more than $200 billion, intercity train travel will come to an effective end in the United States; the lost trains will never come back; and the wealthiest people in history, once boasting the most extensive transportation network anywhere, will become the only nation in the developed world without a national rail passenger system.

WELCOME TO BALTIMORE FOR THE NAACP

Mr. MATHIAS. Mr. President, last week brought some very welcome news to the citizens of Maryland, when one of the Nation's pioneer civil rights organizations announced that it will relocate its headquarters in Baltimore. The National Association for the Advancement of Colored People [NAACP], which has occupied quarters, in Metropolitan New York throughout most of its history, plans to buy a building for its national office in Maryland. On behalf of all Marylanders, I congratulate the NAACP on this decision, and extend to this distinguished organization our best wishes for continued achievement and success in its new office.

In one sense, the NAACP will not be moving to Baltimore; it will simply be coming home. Many distinguished Baltimoreans have left their mark on the stirring history of this leading organization for black Americans. Last week's news led me to reflect with pride upon a great Baltimorean, the NAACP's veteran Washington representative, the late Clarence M. Mitchell, Jr. This vital civic tradition is today embodied in the person of Mrs. Enolia McMillan of Baltimore, the current national president of the NAACP.

The changes that members of the NAACP have seen since the organization was founded in 1909 have been epochal. The strides that our society has taken toward the ideal of equal justice have been impressive. No organization has played a larger role in this march toward freedom than the National Association for the Advancement of Colored People. But much more remains to be done. The immediate agenda includes enactment of the Civil Rights Restoration Act of 1985, to put the

Federal Government back on the track of vigorous enforcement of the civil rights laws. It also features work to improve the administration of the 1968 Fair Housing Act. Furthermore, the NAACP is committed to making sure that fiscal stringencies do not become an excuse for retreating a single inch from our national commitment to eradicate discrimination and prejudice from our society. All these tasks, and more, add up to a continuing challenge for an organization that has surmounted so many formidable barriers over the last three-quarters of a century.

I look forward to working with the NAACP in the years ahead to tackle this important agenda for justice. For that reason, I am particularly pleased to welcome the organization's national headquarters to the free State of Maryland.

Mr. President, on February 20, in reaction to the news of the NAACP's impending move to Baltimore, the Evening Sun newspaper published an editorial that perceptively summarized the organization's longstanding ties to that city. I ask unanimous consent that the editorial entitled "Welcome 'Home' " be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Evening Sun, Feb. 20, 1985]

WELCOME "HOME"

When we begin to enumerate the great black statement of 20th Century America, names which immediately spring to mind are Walter White, Roger Wilkins, Thurgood Marshall, and Clarence Mitchell. Two of those four men who made their mark on society through the vehicle of the National Association for the Advancement of Colored People were from Baltimore.

Thus it is fitting that the NAACP, in choosing to relocate its national headquarters from New York, chose Baltimore—a city which is almost unique in America in nurturing and sustaining a black middle class.

When the NAACP was founded 75 years ago, its goals were morally unassailable—the right to hold a job commensurate with one's talents and skills, the right of to get a decent education for one's children, the right to live in a neighborhood where one's resources and station in life permitted, the right to participate in government through voting and jury service, the right simply to sit on a park bench and watch one's children at play, the right to eat and sleep at a decent inn while on the road.

In retrospect these claims are so elementary it would seem that only a committed bigot could oppose them, but yet there were plenty of such people around. It was only through patient, plodding effort, so long sustained by the NAACP, that these rights were finally secured—not just for black Americans, but for all Americans.

Now we live in a time when the issues are more subtle and complex, a time when opponents of civil rights can clothe themselves in more superficially plausible arguments, a time there is a vague sense that America has gone "too far" in securing rights. In such a time there is an urgent need for the dauntless optimism of the NAACP that the nation can fulfill the promise of its philosophical lodestones, the Declaration of Independence and the Constitution.

It is a privilege and an honor for Baltimore to become a focal point of that ongoing quest by becoming the new, yet very old, home for the NAACP.

RETIREMENT OF KEITH MAINLAND, HOUSE COMMITTEE ON APPROPRIATIONS

Mr. STENNIS. Mr. President, I want to join the distinguished Senator from Oregon and chairman of our Committee on Appropriations in calling attention to the Senate of the retirement of Keith Mainland, the chief clerk and staff director of the House Committee on Appropriations. I regret to learn that he is retiring after over 28 years of public service.

I subscribe to the fine words of the Senator from Oregon about Keith Mainland. While I have not worked on a day-to-day basis with Mr. Mainland, I have had the opportunity and pleasure to have contact with him and to observe his work as a result of many, many conferences on appropriation matters over the years. He is a highly valuable staff member and I have some feeling of the esteem with which he is held by those Members with whom he has been closely associated in the House of Representatives. I have heard many Members express praise and fine, warm sentiments about Mr. Mainland. These include men with such distinguished service in the Congress as the late Representative Albert Thomas of Texas; our friend, George Mahon of Texas, the long-time chairman of the House Committee on Appropriations who appointed Mr. Mainland as clerk of the committee in 1972; and the current chairman and my colleague, Chairman JAMIE WHITTEN.

As I say, I regret that Keith Mainland has decided to leave his work here in the Congress. I have enjoyed our association and the brief times together in our appropriation conferences and on other occasions, and I extend my best wishes to him and to his family. Keith Mainland has earned our special thanks and commendations for a job well-done.

Mr. MATTINGLY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

FARM CREDIT

MELCHER AMENDMENT TO ZORINSKY AMENDMENT NO. 10

Mr. EXON. Madam President, I rise in support of the amendment offered by the Senator from Montana [Mr. MELCHER], which is a second-degree amendment to the amendment offered earlier by my colleague [Mr. ZORINSKY].

Under the terms of the amendment offered by Senator ZORINSKY to which the Melcher amendment is addressed, the administrative requirements that the lenders must write off part of the principal or the interest on a loan as a prerequisite to obtaining a Farmers Home loan guarantee would be reinstated. The Melcher amendment would once again require the lending institution to write off in part the principal or the interest on the loan in order for the loan guarantee to be approved.

The argument might be made, and I think with some justification, that eliminating the requirement that the lender must write off part of the principal or interest would end any risk that the lender may have with the loan under the debt restructuring plan. Eliminating the writeoff requirement would place an additional burden on the Government and the borrower without any sacrifice by the lender. If this program is to be effective in meeting the needs of the farmers then I believe it is only fair that the lending institutions be asked to contribute their fair share toward the solution.

Furthermore, Madam President, it is my understanding that those lending institutions which originally indicated that they could not participate in the administration's debt restructuring program under the original writeoff requirements now can participate in this program as a result of the cooperative interest buy-down program as provided for in another section of the Zorinsky amendment.

I applaud the approach of the Senator from Montana, which I believe is one of true fairness. I am proud to be an original cosponsor of that amendment.

As we struggle with the difficult problem of reaching a reasonable compromise with which to assist our agriculture sector, I believe that such a compromise requires sacrifice on the part of all concerned. The Melcher amendment, coupled with the Zorinsky amendment, of which I am also a cosponsor, brings the lenders back into this compromise and will require them to meet the requirements to write off principal or interest on restructured loans before they can take advantage of the further interest writedown that these two amendments provide. I urge the adoption of the Melcher amendment.

I also say, Madam President, that I wish we could move more aggressively ahead than we have thus far on the Zorinsky amendment and then, hopefully, the amendments to follow. Under the agreement worked out last week as a result of the filibuster of the Meese nomination, it was clearly agreed that both sides of the aisle would have an opportunity to offer two amendments and that there could be two second-degree amendments to those amendments. Since we are working on something that is time urgent from two standpoints, I just wish that we could now get on with the business of the Senate.

I remember the criticism that was voiced on the floor of the Senate last week, when some of us stood very clearly on what we thought was critically important, to delay the confirmation of Ed Meese until we had a commitment—a commitment, I emphasize—that we could at least bring up the measures that we have now offered for floor debate, then get a vote and let the U.S. Senate express its will. We had some difficulty in getting that. The delay, in my opinion, was longer than necessary; in the end, we were successful in obtaining an agreement to provide for exactly what we sought in the original instance.

The measure before us, I remind all, is the African relief bill. So we have a double reason to move ahead aggressively. First, we have the proposition which we outlined at great length on the debate last week during the filibuster on the Meese nomination and have outlined further in the deliberations this week. This is Wednesday already. The crux of the situation is that we have a serious situation, serious short-term situation at least, with regard to getting the spring crops in the ground. All of our action has been to address that short-term problem. If we do not move ahead but wait many days longer, then there will be less and less farmers with a chance to get their spring crop in the ground. So that is one reason to move ahead speedily.

The other reason to move ahead speedily is, obviously, the vehicle to which these amendments are attached. That is the African relief bill, which is to provide food for starving people in Africa. With the farm emergency situation and the desire that I think is universal in both Houses of Congress to move ahead on the African relief bill, it makes me wonder why we cannot move ahead more aggressively. I had hoped, frankly, Madam President, that after the filibuster finally came to a conclusion we might be able to move ahead in a very expeditious fashion by presenting the amendments and voting on all of them on Monday. When I say all of them, I mean the two that the agreement allowed for this side of the aisle and the other side of the aisle. Here we are on Wednesday. We on this side were prepared to vote on this amendment last night. Here we are at 1:20 on Wednesday with time ticking away and we seem to be further delayed for reasons that are not entirely clear to this Senator, although I have some suspicions as to what is occurring.

The Melcher amendment and the Zorinsky amendment are so important that we should move ahead on them promptly. And if we do then allow, if necessary, the other side of the aisle to offer the two amendments to which they are entitled and the two second-degree amendments, if that is their desire, it would seem to me that could conveniently dispose of this matter one way or the other sometime this afternoon.

I urge once again the adoption of the Melcher and Zorinsky amendments and then following that the consideration of the next amendment that under the agreement would be offered by the other side of the aisle. Following that, we are prepared to introduce on this side the so-called Dixon amendment, which is essentially patterned to a large degree after the Daschle amendment that is likely to pass the House of Representatives today, and then we could move expeditiously ahead with the passage of the bill itself.

So once again I think time is of considerable essence, and I wish that we could get on with the business of the Senate that is not being delayed by any filibuster with regard to Ed Meese. But the facts are, whether we are filibustering or not, we are not moving aggressively ahead. We could have done this Monday. It is Wednesday and we really have not accomplished very much yet.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. Madam President, there are two pertinent questions that could be asked and I will pose those questions and give you my answers. The first is this question: Does the fact that we have in the United States surplus farm commodities in such abundance indicate American agriculture overproduces? That question can only be answered by posing the second question and then answering the two together.

The second question is: Is the food that we produce actually needed in the world?

Well, there are two current matters to consider. First is the bill that we are considering, African relief. And that poses part of the answer. Yes, the African relief measures are absolutely essential for sustaining life in a dozen or more countries in sub-Saharan Africa. That is very current. And then as of this week a Harvard study was released that deals with hunger in America.

The findings of that study on hunger in America are not surprising to me but perhaps reawaken some of the fear and consternation that Americans have had from time to time about how in a country of such food abundance there can possibly be Americans who are malnourished.

I will not go into the results of that study except to indicate that yes, indeed, there are pockets of hunger and malnutrition in the United States where, despite the mountains of food we have, some people are still malnourished. Of course that is a concern to us.

But in light of both circumstances, my judgment is that substantial food production in the United States is essential. It is good policy. When we balance out the world's needs for food against the world's supply of food, we always come up with a very narrow margin. I believe it is good U.S. policy to permit American agriculture to produce in about the quantities we have been producing in the past several years because it puts us in a position of being the constant and dependable supplier for world need. The humanitarian relief that we have provided to various countries for the past 40 years, through food for peace and other measures that we have enacted since 1954 to provide food for relief of starvation and malnourishment around the world, has paid off for the United States. It has broadened our trade. It has brought customers to us who were at first unable to purchase our food and now are dependable purchasers year after year. In fact, American agriculture is the marvel of the entire world. No other country is in the position that we are to supply the variety and abundance of food supplies that we have. It is to our credit that we have used humanitarian relief in a broad way and continue to do so. It has also been good business policy and has developed trade for us. The real salvation of American agriculture will come when we have price improvements for the commodities we produce.

Our goal is to broaden the trade opportunities in whatever way is necessary, whether it is direct cash sales on the availability of supply or whether it is concessionary sales, long-term agreements, barter, or actual food donation for malnourished countries. All of that is good policy. All of that is the hope of American agricultural producers; that we will follow that path aggressively and with consistency to broaden the opportunities to sell our commodities in the world market. That eventually leads to substantially increased prices for American commodities. That is what the American farmer and rancher must have in order to survive.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Madam President, on many occasions, Senators have railed against foreign aid. I have made that speech a few times, myself, about how we just have to stop shoveling money out in foreign aid, that this disastrous hemorrhage of American resources into foreign aid has to stop, that it is unfair to the taxpayers to keep sending this money overseas.

I have to say that over the time I have been interested in public policy, we have spent a lot of money overseas for causes of which I did not approve. But when it comes to the underlying provisions of the bill we are now debating, for relief of people starving in Africa, I did not want the opportunity to go by to say that, at least on this one occasion, I think this foreign aid is well justified.

The proposed authorization of $175 million to go to those areas of Africa which have been hit by famine not only is justified but also reflects a typical American response to the needs of people who are unable to care for themselves.

Madam President, I also note that this legislation, if approved, as I expect it will be, comes on the heels of more than $600 million in emergency food aid given by our country during the last 3 fiscal years, that is, given by our country, and in addition I think we should recognize that millions and scores of millions and perhaps hundreds of millions of dollars in food aid has been directed to Africa and specifically to Ethiopia by the private sector, by voluntary agencies and by individuals who have opened their hearts and their pocketbooks to reach out halfway across the world to help people who are in much need.

To the people of Ethiopia, particularly, we have done something which I think is in the highest traditions of our country. But as we prepare to authorize and subsequently to appropriate nearly $200 million more of the taxpayers' money, I do not think we should do so without being pretty frank about some of the underlying causes of the famine in Africa, especially in Ethiopia.

I think we should tell them very frankly that there is more at stake here than just conditions of weather or adverse climate conditions which have resulted in the famine which is such a tragic reality in Africa today.

A large part of Africa faces the dire prospects of war and depression. If Ethiopia, for example, had the climate of the British Isles, in my opinion, they would still be starving. It is not enough just to say the rains have not come and, as a consequence, people are hungry over there, because the reality is Ethiopia suffers something that is as bad as, and in some ways even worse than, adverse weather conditions. It is ruled by a regime which is notorious for its brutality and ineptness. Its ruler, a homegrown barbarian with a foreign Communist ideology, is a Marxist version of Idi Amin, Comrade Mengistu, who could turn the Garden of Eden into a desert with the agricultural policies which are being pursued in that country today.

As a matter of fact, it is worth noting, at least in passing, that this same policy which is being pursued in Ethiopia has had disastrous consequences on the agricultural productivity of lands all over the world which have tried it. As a matter of fact, we should recall that a half century ago Stalin willfully turned the Ukraine, which is one of the Earth's natural breadbaskets, into a wasteland. His famine was made in order to crush the peasants and to force them into collective farms, and if millions perished in the process, and of course they did, it evidently did not matter or did not matter enough to the leaders of the Kremlin.

I point this out because precisely the same tactic is being pursued in Ethiopia today according to published accounts. Press reports say that the regime in power in Ethiopia is using starvation as a weapon against dissident areas and using hunger as an excuse to deport residents into concentration camps. Hungry people trying to flee into neighboring countries are shot and their relatives executed, according to published reports.

This great famine has become merely another weapon in an inhuman campaign to make slaves of the Ethiopian people.

In Ethiopia, as in much of the underdeveloped world, famine is the result of economic policies that destroy the productivity of their people. Productive farms are denied fertilizers and tools. Rich lands are taken for collectives and the outputs plummet much as it has in the Soviet Union, just as it did in those areas of Asia where similar policies were implemented.

There is nothing surprising about this. As essential as good soil, water, and decent weather are to successful agriculture, I say to my colleagues, a free market is equally important.

Like anyone else, farmers need reasons to work. A family must have an incentive to plow through paddies, scrimp for years to buy a piece of simple equipment, and sacrifice consumer goods for land improvement. That is human nature.

Over much of the world, however, particularly in those areas which face chronic hunger, farmers have little incentive. They labor under the world's least productive economic system. Their land is wasted. Their crops are blighted. Their harvests are fouled by socialism.

The Soviets' lame excuse of 60 years of bad weather has been exported throughout much of the Third World.

We can see it literally, I say to my colleagues, in every corner of the world, in places as diverse as Sri Lanka and Russia and in some parts of Latin America and in much of Asia.

I only mention this not to begrudge the money that we are authorizing to be sent by our country. It is proper as a rich, prosperous country for us to be generous and openhanded in helping suffering people who seek our help.

So I am enthusiastic about this legislation. I wish it were not necessary. But it is not only proper, in my opinion, it is something we should do with a degree of pride and humility.

But, Madam President, I just did not want to let the notion pass that this is just legislation that is required because the people of that region of the country are down on their luck or that the weather has turned bad several years in a row, or the rains have not come, or they do not have any natural resources to be economically self-sufficient.

By all means, let us make every effort to reduce the suffering of starving Africa. Let us save all the children we can and, for that matter, all of their parents that we can, even if, and I believe this will be the case, even if in this instance our aid has the unintended side-effect of shoring up a regime that is at best incompetent and at worst despicable.

America should be the land of mercy and generous help in such times. But even though our hearts are soft, let us not be softheaded about this. Let us recognize that the regime in power is actively making the situation worse, not better; that they have made it clear that their political objectives supersede their humanitarian concern for their own people.

Madam President, a half century ago the whole world ignored Ethiopia and decided it was better to accommodate the ambitions of Mussolini and other adventurers of that time. I do not think we should make that same mistake again. We cannot, we must not acquiesce in the Communist tyranny that is destroying Ethiopia now without endangering more of Africa and, beyond, our own freedom. The aid we give now is more than emergency relief. It is a pledge of faith for the years ahead.

What the people of Africa could do in agriculture if they had the freedom

in which to pursue their own self-interest would be remarkable to behold.

I do not for a minute underestimate the natural disadvantages that the people in that area of the world suffer under. But I just remind my colleagues as we move hopefully soon to a vote on this legislation an even greater plight is the repressive climate of political leadership in that country, and I only wish it were possible for us to legislate or appropriate a solution to that as easily as we can send money to Africa.

Mr. HELMS. Madam President, the able Senator from Colorado has added a dimension to this discussion that is sorely needed.

On a number of occasions I have inquired of young people visiting me—college students and others—about the history of the Ukraine. I am yet to find one who is aware of the brutal action taken by the Kremlin against the people of the Ukraine. It is an absolute fact, incontrovertible, that this was the deliberate slaughter of millions, as the able Senator said. The anomaly was that the Ukraine was the breadbasket of the Soviet Union. It was a highly productive farm area. But it also involved people who happened to collide with the goal of communism, and specifically the Kremlin. The farmers, wherever they are, have a way of being independent, they have a way of wanting to be free, and that was not at all acceptable to the Kremlin and Mr. Stalin.

So, the Senator from Colorado is exactly right. Stalin deliberately, intentionally embarked on a program to exterminate those people, to rid himself of this political problem that he would have had, had they been able to survive in freedom and prosper as they had down through the years.

I am personally grateful to the Senator for having brought that dimension into the discussion because it has not been mentioned heretofore.

As to Ethiopia and other African countries, I would inquire of the distinguished Senator from Colorado if he had the privilege of seeing the pictures taken by our able colleague from Missouri, Mr. DANFORTH, when he went over there last year?

Mr. ARMSTRONG. No; I regret to say I did not see those pictures.

Mr. HELMS. I hope that the Senator will inquire of Senator DANFORTH and ask to see them, Senator DANFORTH went out into the hinterlands of Africa. He saw the pitiful sight, he photographed countless numbers of people. And they are heart rending—the pictures of the bloated bellies, the pitiful people so weak that they cannot walk even 50 yards to get to the parcels of food shoved out of an airplane for them. They do not have the strength to move that far.

But the point is this: I remember Senator DANFORTH saying, "I want you to look at the next series of slides and tell me what you see that is unique about them." As I looked at the slides I immediately saw his point. In a number of the photographs that Senator DANFORTH had taken, there was one or more Marxist soldier in the background, with guns. All of them were fat and healthy. They were well fed. So the problem is that the food that these starving people have been denied—by their own Marxist government—has been used to foster and to build that Communist regime. Moreover, Ethiopia is exporting food, food that the starving people there are being denied.

But, as the distinguished Senator from Colorado said, even if a part of the aid ends up in the wrong hands, we ought to do what we can for as many as we can over there. I share the Senator's sentiments.

And, Madam President, I have the same feeling about the foreign aid program in general that the Senator does. Most American taxpayers do not realize that when you calculate in the interest on the foreign aid money appropriated by Congress since 1946 when the foreign aid program began, the total cost to the American tax payers has been $2.03 trillion. So we are talking about an enormous amount of money that has been wasted.

But, notwithstanding all of that, I compliment the Senator for his position and for his fine statement and I say to him I agree with him.

Mr. ARMSTRONG. Madam President, I very much thank the Senator from North Carolina for his kind words. Obviously, the underlying legislation is not controversial and so I have not spoken to persuade anybody of the merit of it, but simply to register my own personal conviction that this is something we ought to do and need to do. But we should not kid ourselves that in the process we are only trying to treat the symptom. In large measure, we are unable today to treat the underlying problem which is this brutally repressive economic and political system which has been imposed upon the people of that region of the world.

Mr. HELMS. I thank the Senator.

Madam President, Senator ARMSTRONG has provided a valuable insight into the underlying legislation.

I happen to be a member of the Foreign Relations Committee, in addition to being chairman of the Senate Agriculture Committee. I have the privilege of serving on the Foreign Relations Committee with the distinguished presiding officer [Mrs. KASSEBAUM].

But I hope that Senator ARMSTRONG's comments will not be disregarded. I hope it will not be like a ship passing in the night—mentioned and forgotten—because U.S. foreign policy has enormous implications.

As the Senator spoke, I was thinking, for example, of the country that used to be known as Southern Rhodesia, now known as Zimbabwe. I have often stated my concerns about some of those who have made and implemented foreign policy, and I am bound to observe that U.S. role in what happended to the people of the country now known as Zimbabwe is nothing short of tragic and short-sighted, and harmful to the hope of freedom in the world.

The U.S. State Department had an opportunity just a few years ago to support a very fine Prime Minister of Zimbabwe. His name is Abel Muzorewa. Bishop Muzorewa was taught English by an American missionary to then Rhodesia. He was converted to Christianity by this missionary, and became a Methodist bishop. He was elected Prime Minister of Zimbabwe in a free and fair election.

Now I would have thought at that time, and was dismayed that I was wrong, that our State Department and President Carter would have supported Prime Minister Abel Muzorewa with every resource at their command. But that was not the case. Our State Department deliberately undermined Prime Minister Muzorewa and made certain that another election would be held in which Muzorewa was defeated and a Marxist was elected.

I recall the major news media of our own country, day after day, night after night, on the television and on the front pages, as they went out of their way to sing the praises of Mr. Mugabe. Well, Mugabe became Prime Minister and now Zimbabwe is a Marxist country. Bishop Muzorewa, the former Prime Minister, has been under house arrest and within the past 24 hours the news has come that five of Muzorewa's aides were murdered by the Mugabe government.

Now I do not hear any outcry in the New York Times or the Washington Post or CBS or NBC or ABC about that. Here is an instance of Communists killing innocent people and not a word do you hear in protest from the self-proclaimed fair, unbiased, responsible, major news media of this country.

No, Madam President. There is a double standard in the major news media of this country when it comes to Communist brutality. The media take a boys-will-be-boys attitude about that. But note the outcry in the media when anti-Communists in Central America are the subject of charges.

So the Senator from Colorado, obviously, has touched a nerve with me. And I appreciate so much the remarks he made, and specifically his reference to the Ukraine and how the Communists deliberately terminated millions of people, starved them to death, so that they could not be around to

oppose Mr. Stalin's policies. That is the way the Marxists operate. And, yet, we have people in this country who say, well, you know, communism is just another philosophy, it is just another political force, and I say baloney.

If I live to be 1,000, I will never forget the KAL-007 incident in which the Communists deliberately—deliberately—shot down a plane carrying 269 innocent human beings, including two little girls ages 5 and 3 whom I held on my lap in Anchorage, AK, just before they got on that plane.

So, if the discussion of this African aid legislation does no more than prompt us to think about what we are doing and think about the cause of the starvation in Ethiopia and elsewhere, then it will have been well worth the time and well worth the money.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. HECHT]. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

Mr. DOLE. Mr. President, what is the pending business?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AFRICAN FAMINE AND RELIEF AND RECOVERY ACT OF 1985

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Sahara Africa, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Zorinsky Amendment No. 10, to provide emergency farm credit assistance.

(2) Melcher Amendment No. 11 (to Amendment No. 10), in the nature of a substitute.

CALL OF THE ROLL

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 6 Leg.]

Armstrong	Hecht	Symms
Baucus	Helms	Zorinsky
Byrd	Melcher	
Dole	Pryor	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of absent Senators.

The assistant legislative clerk resumed the call of the roll.

Mr. HELMS. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi [Mr. STENNIS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 94, nays 4, as follows:

[Rollcall Vote No. 12 Leg.]

YEAS—94

Abdnor	Glenn	Melcher
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Proxmire
Burdick	Heflin	Pryor
Byrd	Heinz	Riegle
Chafee	Helms	Rockefeller
Chiles	Hollings	Roth
Cochran	Humphrey	Rudman
Cohen	Inouye	Sarbanes
Cranston	Johnston	Sasser
D'Amato	Kassebaum	Simon
Danforth	Kasten	Simpson
DeConcini	Kennedy	Specter
Denton	Kerry	Stafford
Dixon	Lautenberg	Stevens
Dodd	Laxalt	Symms
Dole	Leahy	Thurmond
Domenici	Levin	Trible
Durenberger	Lugar	Wallop
Eagleton	Mathias	Warner
East	Matsunaga	Wilson
Evans	Mattingly	Zorinsky
Exon	McClure	
Ford	McConnell	

NAYS—4

Goldwater	Quayle
Long	Weicker

NOT VOTING—2

Garn	Stennis

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

The Senate will be in order.

The majority leader is recognized.

Mr. DOLE. Mr. President, let me say at the outset that I hope we can dispose of the pending bill and all amendments this afternoon. I am not certain we can do that, but we are going to try. What I would like to do now is to have a short discussion of the merits of the pending amendment and then dispose of it. I, for one, would like to make a brief statement. I think there are others who would like to make a brief statement. There has been a lot of general discussion, but we have not really focused on what the amendment might do. I will just take a few minutes to state my understanding of the Zorinsky amendment as amended by the distinguished Senator from Montana.

There are a number of provisions. One would be an improvement in the processing of applications by Farmers Home. But another requires the Secretary to use up to $100 million in fiscal 1985 to offset one-half of any reduction in interest rates by commercial lenders under the Debt Adjustment Program. We just took care of lenders on Saturday by putting the cash-flow requirement down from $110 to $100. Now they are back wanting us to pick up their part of the interest payment.

In addition, under the resolution we agreed to on Saturday, there was no $650 million cap—there was no cap at all. But now we come back and say, "Well, we are going to require an additional $1.85 billion, a total of $2.5 billion," when there is no cap at the present time.

This amendment would also allow lenders to qualify for a 90-percent guarantee on loans, principal, and interest, under the Debt Adjustment Program, without requiring either a writedown of principal or interest. This works to the detriment of the entire program. It reduces Farmers Home cash-flow requirements to 100 percent, and—could result in a Farmers Home takeover of about $2.5 billion in nonconforming or classified loans. So I think we should make the record clear on what this amendment does.

Let me further discuss some of the principal areas. First, interest buydown. There has been a great deal of talk about how the interest buydown provision in the amendment would reduce the interest costs of a farm borrower whose loans are restructured under the Debt Adjustment Program. The suggestion has been that the Government would match the reduction in interest rates on these loans by commercial and cooperative lenders. The fact is, Mr. President, I believe this interest buydown is nothing less than, an effort to help the banks. Under the Debt Adjustment Program, banks are required to write down the principal or interest rate on eligible farm loans to the point where the farm borrower can show a 100-percent cash-flow. We did that on Saturday. In exchange for the writedown—this is what it was all

about—in exchange for that writedown, the bank receives a Federal guarantee on 90 percent of the adjusted principal balance.

What this provision of the amendment would do is require the Government to buy out one-half of the amount of interest the bank is required to writedown to receive its guarantee. And this comes after the banks insisted on reducing the cash-flow requirement for the writedown from 110 to 100 percent.

In other words, Mr. President, the banks were not satisfied when we agreed to reduce their interest costs under the Debt Adjustment Program, which raised the subsequent payments for farmers. They now want the Government and the taxpayers to pay half of their remaining interest costs. Now, where do we draw the line? I think we are going to make that judgment pretty soon, and we will find out how much people care about what this amendment really does.

Having reduced the cash-flow requirement and the amount of the needed interest reduction, the banks are now asking us to foot half the remaining tab. That is all it is. I would add if this amendment passes, we have sent the signal that we really do not care about deficit reduction; anything that comes along with only a $100 million will go ahead and pass and we will worry about the deficit later. I think we should all be on record on these amendments. We are going to have rollcall votes. We need to find out where we are on deficit reduction. Are we really serious about it or do we want to go back to business as usual?

So I submit that this provision is not in the least inspired by a concern for the welfare of farmers in need of financing this spring. It is not the cooperative sharing of reduced farmer interest expenses that its sponsors would represent. It is nothing more than a bank grab for $100 million more from the taxpayers to cut their costs for becoming eligible for a program that guarantees them against significant losses on 90 percent of their poor quality farm loans.

Second, Mr. President, the amendment seeks to set a minimum level of loan guarantees under the Debt Adjustment Program. It would add $1.85 billion to the $650 million authorized in September for a total of $2.5 billion. We have been up and down on this issue about 15 times. We said there was no cap. Everybody agreed there was no cap. The Secretary of Agriculture indicated there was no cap. In a press conference yesterday at the White House I indicated there was no cap. But now this amendment sets a cap of $2.5 billion. This runs counter to the agreement we reached on Saturday that passed the Senate by a vote of 92 to 0. Just 4 days later, we want to change it.

The subsequent section of the amendment proposes to permit lenders to qualify for these loan guarantees without having to cancel any principal or any writedown interest. In other words, the bank could receive a Federal guarantee on 90 percent of the principal of any farm loan, assuming the borrower can show a 100-percent cash-flow, without making any sacrifice or assuming any risk.

Let me remind my colleagues that the Government did not make all these loans. The banks made the loans. In some cases they made good loans; in some cases they made bad loans. Under this amendment, we will come in and make certain that the banks will not absorb any loss. Is that the way the Senate wants to go? We will make that judgment soon.

I am convinced that this will never become law, but we should go on record to see if we are going to help the farmers or help the banks and confuse the farmers.

I have asked Secretary Block—how long it would take to implement the regulations for this amendment—to get word out to the 3,000 offices around the country. I have asked them for an honest, specific answer, not 60 days or 90 days. I am told that if they pushed everything, it would take at least 30 days after enactment.

We are not going to enact this legislation in 3 or 4 weeks, if that. So we are looking at another 30 days beyond that, before anything happens. Spring planting will be done. There won't be time for this amendment to provide any possible relief to the farmer. What's more we are going to disrupt the 52-year traditional role of CCC loans.

100-PERCENT CASH-FLOW REQUIREMENT FOR FMHA

Finally, Mr. President, I was just made aware that this amendment would also reduce the minimum cash-flow requirement for Farmers Home borrowers under the debt adjustment program from 110 percent to 100 percent. I thought we had made a pretty good argument against this change, because it requires the producers to pay more. I want people on the other side to understand that this does not help the farmers. The farmers are going to pay more. If that is what the Senate wants to do, it will have that chance today.

Let us review the facts once more. Under the program, FmHA set aside only enough debt—up to 25 percent or $200,000—to allow the farmer to cash flow. If the cash-flow requirement is reduced to 100 percent, FmHA will have to set that much less debt on the shelf. Instead of 25 percent or $200,000, it will be less. As a result, the producer's debt servicing payments will be that much higher.

There is no way you can get around it. I know there is always a tendency to get a little partisan in these areas, but if we are really concerned about the farmers—concerned that there is a real problem in rural America—then we should be talking about what is in the amendment.

We want to set the record straight in the next 15 or 20 minutes. If others want to speak, we will be happy to hear them and respond to questions.

For example, a farmer owes FmHA $100,000 at 10.25 percent interest for 5 years. Before the adjustment, his loan payments are $26,549 per year.

Mr. President, I ask unanimous consent to have a table in this connection printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Amount of debt set-aside	Annual loan payment
Cash-flow requirement:		
0	$26,549	
100 percent	10,000	$23,894
Do	25,000	19,911

Mr. DOLE. Under this example, Mr. President, 100-percent cash-flow will cost the farmer $3,983 more per year because of the smaller amount of debt that FmHA must set aside. Over the 5-year period of the loan, this will cost the farmer $19,915 more than the 110-percent cash-flow.

We have asked experts, people not involved in partisan politics or under some pressure to give a political response, whether this is good or bad, and this is their response.

Mr. President, it is one thing to say we are helping the farmer. It is another to say what we do actually assists the farmer. The facts ought to be there, because in 6 or 7 months, if we adopt this amendment and the Dixon amendment, we are going to be back here saying, "Maybe we should forgive that loan. Maybe we should not have advanced the farmer 50 percent of the loan. He has spent the money and has only 50 percent remaining, and the best way to resolve that is to forgive the loan."

I am convinced that someone will be standing here in June or July—we will not be here in August—saying, "I have a great idea. The price has not gone up for the American farmer because we still have not addressed the deficit, we have not moderated the strength of the dollar, interest rates are still high, and it is the Government's fault, so I have a solution. We are going to forgive that advance loan, or forgive part of the loan, or figure out some new way to 'help' the farmer."

So I think the die is cast, but I want to make a record, and I want the RECORD to reflect this in a few months.

As I see it, the only reason the cash-flow requirement was changed from 100 percent under the program is that

the banks did not want to write down the principal or interest to show a higher 110-percent cash-flow. We agreed to that. The Secretary has already notified 3,000 offices to go ahead and do that because we did not want the banks to refuse to participate. We did it for a good purpose. Many banks are hanging on by their fingernails.

The RECORD should reflect that if we are talking about the farmer, you are increasing the burden. Maybe that is all right. Maybe the farmer wants to help the bank, and I am certain they work closely together.

Farmers Home is different from commercial banks. Farmers Home is a captive lender. It cannot refuse to put part of a farmer's loan on the shelf if he demonstrates the required cash-flow level. By setting that level at 110 percent, FmHA is forced to put that much more of the farmer's loan on the shelf—to his benefit.

We have debated this; we have been up and down the hill. There has been a sincere effort on the part of many to work out some of the differences. As I said earlier, in my view, we have a good program in place. We have a debt restructuring program with a 90-percent guarantee and no $650 million cap. We have been assured direct operating loans for the Farmers Home with no cap. Also, we clarified some things last week with respect to servicing applications and other areas of concern to Senators on both sides.

Mr. President, I yield now to the distinguished Senator from North Carolina. I know that the distinguished Senator from Minnesota wants to make a statement.

Mr. MELCHER. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I should like to yield first to the Senator from North Carolina.

Mr. HELMS. Mr. President, I do not want the majority leader to lose the floor unless he wants to yield it. I wanted to ask him this question: Has the Banking Committee considered the implications of this amendment?

Mr. DOLE. The Banking Committee has not considered this amendment. We do not have any jurisdiction over it in the Agriculture Committee, as the chairman knows, but I think the distinguished Senator from Washington represents the Banking Committee.

Is that correct?

Mr. HELMS. I should like to hear from Senator GORTON, if the majority leader will yield for that purpose.

Mr. DOLE. If there is no objection, I ask that I may yield 5 minutes to the distinguished Senator from Washington without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GORTON. Mr. President, it is my belief that the distinguished chairman of the Agriculture Committee wished to ask me two or three questions on the narrow issue in this overall amendment, as to its effect on the banking sector of the economy and on bank examinations, and I would be delighted to respond to his questions.

Mr. HELMS. I thank the Senator.

Having served on the Banking Committee, I am wondering if the able Senator will tell us what he believes to be the possible effect of the bank regulation provisions of the Zorinsky-Melcher amendment on the confidence that rural bank depositors may have in their banks in the event these amendments are adopted and implemented?

Mr. GORTON. The Senator from North Carolina has hit right at the bull's-eye point of the troubling nature of the banking provisions in this amendment.

The answer is in what this says about bank examinations, and it says:

> Notwithstanding any other provisions of law, * * * Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans.

That is the end of the quote.

What this means, I say to my distinguished friend and chairman of the Agriculture Committee, is that these loans will be treated in a different fashion by bank examiners as a result of this amendment than will any other category of loans.

What this means, in turn, is a very real and often a very realistic suspicion of the condition of banks which are attempting to secure depositors which, of course, provide the basis for their being able to be in business and to make agricultural loans.

The primary, the overwhelming purpose of the banking examination process is the integrity of the banking system and of the individual banks. When you begin to cut away from the authority of bank examiners to tell them to ignore problem loans when they are in fact problem loans, you are cutting at the most important single factor about a successful banking system and that is confidence in its integrity. What you are doing, in essence, is to say, well, there may be troubled loans in some of these banks but instead of dealing with the very real problems the banks have and the loans they have, we will send this message to the person who is going to tell us that these troubles exist and may help us in doing something about them. As a consequence, the direct answer to the Senator's question is the depositor will and should lose confidence in banks which are subject to these questionable provisions.

Mr. HELMS. I thank the Senator.

I am also curious, if the Senator can tell me, how these proposals can be consistently applied from one bank to another.

Mr. GORTON. The answer is that they cannot. As a matter of fact, the answer is that the amendment directs that they not be.

What this amendment does is to set up a different standard for the treatment by bank examiners of one category of loans from all other categories of loans.

One of the most important elements of the bank examination system is consistent treatment. This amendment demands that that treatment be inconsistent.

Mr. HELMS. Then I suppose there is the ultimate question: What happens if the farmers' neighbors draw out their money? Where will the bank get the money to lend?

Mr. GORTON. The bank will not have money to lend.

Mr. HELMS. True.

Mr. GORTON. That is essentially the answer to the question by the Senator from North Carolina and as a consequence in this part of this amendment, not one I think very carefully thought out by the sponsors, not even central to the purpose of the sponsors of this amendment. What they have done, in my view, is to hurt the farmers who advance the loans.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. HELMS. Mr. President, I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. It will hurt not only the farmers for whom these banks provide the source of loans, they may have hurt the other depositors in those banks as well and may have hurt the security of the banks themselves.

I think that this part of this amendment is most ill advised, I tell my distinguished colleague, the chairman of the Agriculture Committee.

Mr. HELMS. I know the answer to this. But just for the record, has the Banking Committee considered the pending amendments?

Mr. GORTON. No, it has not.

Mr. HELMS. I thank the Senator.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The majority leader had the floor. Does he yield?

Mr. DOLE. Mr. President, I yield to the distinguished Senator from Montana for a question.

The PRESIDING OFFICER. The Senator from Montana.

Mr. DOLE. I will be happy to yield the floor.

Mr. MELCHER. Mr. President, I will ask the question and seek the floor.

If the majority leader will yield, in the example that was given of the $100,000 loan at 10¼-percent interest for the restructured loans the required payment for the first year is $26,000 on 100-percent cash-flow or $19,000 if it were 110-percent cash-flow. Is that not a Farmers Home Administration direct loan, the example given?

Mr. DOLE. Yes.

Mr. MELCHER. Does the Senator know that under the terms of the amendment it is optional with the borrower whether they want to pay 110 or 100 percent cash-flow?

Mr. DOLE. I think we understand the language of the amendment but I am just describing what is going to happen to the farmer. Why is the option in there? Why should it be in there at all? Why is it optional? Why does the Senator want to penalize the farmer?

Mr. MELCHER. In the specific example that the distinguished majority leader gave, it would be obvious, since it is optional, that the farmer would choose for his own advantage 100-percent cash-flow. But there are other examples that could be given where the 100-percent cash-flow would be advantageous to the borrower. All we are saying is make it the best deal to the farmer.

Mr. DOLE. If it is more it is going to be better for the farmer.

Mr. MELCHER. Yes; on certain restructured loans it would be better to have 100-percent cash-flow. The figures show it would be more advantageous to the borrower.

Mr. DOLE. Mr. President, I do not dispute the word of my colleague from Montana, but I wish to have a chance to look at that and put a pencil to it. That is the first thing the farmer is going to do—put a pencil to anything someone says is a good deal to find out. I think there is no need to change the farmer's loan. If you are going to make it optional, the farmer is going to take it anyway.

I say to my friend from Montana we will take a look at it.

Mr. MELCHER. That is precisely the reason that the amendment is drafted the way it is, so it is optional to the farmer borrower and they take what fits their circumstances in their particular restructure loan the best in order to make a good sound loan eventually.

I yield the floor.

Mr. BOSCHWITZ. Mr. President, one of the reasons that I rise to oppose this amendment is just what the Senator from Montana is talking about, and that is the FmHA restructuring of loans.

Presently under the program announced in September, a farmer can go and have his insured loan restructured by the FmHA. The real estate interest rate can be lowered to 5¼ percent, the operating loan interest rate can be lowered to 7¼ percent, and 25 percent of his principal on the real estate part of his loan can be put on the shelf. He does not have to pay any interest or principal on the deferred portion for 5 years. Then, Mr. President, current regulations wisely require a 110-percent cash-flow.

If a farmer at that point does not have cash-flow of 110 percent, Mr. President, I am afraid that we simply cannot save that farmer and perhaps he should not be saved.

But as I think of this amendment, I wish to ask you, Mr. President, to picture in your mind what goes on in a bank when a farmer comes in for a loan guaranteed by FmHA and asks to have his cash-flow charted. Now, if this bank is an approved lender, the bank can use its own forms for the purpose of determining the cash-flow of that farmer. The bank, of course, wants that farmer to have a positive cash-flow so that it can get a guarantee from FmHA. The farmer, of course, is also interested in having his cash-flow equal to at least 100 percent so he can obtain additional loans.

So really two very willing coconspirators are sitting across the desk and they are figuring out a cash-flow that is necessary to qualify for this guarantee. When getting into interest write-down, the banker and the farmer discuss it a little bit and the banker says, "Well, your cash-flow does not look so good." The farmer says, "I am going to use less nitrogen this year. I put a lot of nitrogen into the soil last year."

The banker certainly will agree, and the farmer says his neighbor next door has cows or has turkeys and he is going to "buy my corn and give me 10 cents a bushel more than if I take it down to the elevator."

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BOSCHWITZ. So he will get another dime for his corn or soybeans. Then they are going to talk about the yield, the farmer and the banker, and the banker will very readily accept the farmer's statement that his yield will be a little higher this year, that there was some impediment last year. Last year he had rootworms on his farm, and this year he will not. Diesel fuel is going to come down in price, the farmer is going to project, and the banker may well agree.

Coming up with this 100-percent cash-flow, Mr. President, is a very flexible and subjective thing. Indeed, the farmer does not even have to buy crop insurance under the terms of this amendment, as I understand it.

So what we have already put together—the guarantee of loans if the farmer cash-flows at 100 percent—is indeed a very flexible and adequate solution to the farm crisis. It can be utilized by farmers and lenders immediately and, indeed, it is in effect already.

If we pass this bill, there is no matching bill in the House, so that we are going to have to go to conference. And it will be a matter of a week or so and then we will have to come back and pass it once again. Then you have to have the writing of the regulations. It simply will not get done soon enough, to help farmers in time for spring planting, as the distinguished majority leader has pointed out.

But what we have passed in the resolution on farm credit last week is indeed adequate. When you think of the farmer and his banker sitting across the desk from one another, willing coconspirators, as I say, for the purpose of getting 100-percent cash-flow loans, it seems that the program will be quite popular. We have a guarantee program in place. That guarantee program is a very usable program.

The bankers went out and made these loans, very often went out and got the farmer into trouble. Frankly, I do not want to bail the bankers out from much of the trouble that he or she happened to cause.

So I feel that what we have done is enough and that, indeed, we have shown great interest in the farm problem and the farm credit problem, a great deal of compassion for the farmer. I say that this amendment, while I know that the intentions of my friend from Nebraska are indeed of the highest level, that this amendment really is a bank bailout. It does not help the farmer. It does not help the farmer because he will be able to do this through 100-percent cash-flow under all the circumstances that I can imagine and those few who cannot perhaps should not.

I yield the floor.

Mr. ZORINSKY. Mr. President, I yield 3 minutes to my colleague from Nebraska, Senator EXON.

I just yield to the Senator from Nebraska.

The PRESIDING OFFICER (Mr. MATTINGLY). The Senator from Nebraska.

Mr. NICKLES. Regular order.

The PRESIDING OFFICER. The Senator from Nebraska may only yield for a question.

Mr. ANDREWS. A point of order, Mr. President. Are we under a time agreement?

The PRESIDING OFFICER. The Senator from Nebraska has the floor and may only yield for a question.

Mr. DOLE. Mr. President, I believe the other Senator from Nebraska was seeking recognition.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank the Chair.

I have been listening with a great deal of interest, especially with regard

to the remarks made by the Senator from Washington and the Senator from Minnesota. The Senator from Minnesota said we have shown a great deal of interest and have done something for the American farmer. I agree with the first part of his statement, that we have shown some interest, but I think he is wrong if he thinks we have really done anything very meaningful up to this date.

That is what the filibuster last week was all about, to allow us to come to the floor of the U.S. Senate to get something done constructively.

I say again that the Zorinsky amendment, as amended—and very importantly amended—by the Senator from Montana, and I am a cosponsor of both of those, I think overcomes any legitimate charge that could be made here.

You can see the theme running through the smokescreens that are being set up, that we are trying to help the banker, not the farmer. On the face of it, it is wrong. On the face of it, those of us who have fought for the interests of the family sized farmer time and time again, it seems to me, basically, our integrity is being questioned.

This Senator from Nebraska and my colleague, Senator ZORINSKY, the Senator who offered this amendment, make no apologies for what we have done for the American farmer. I think the smokescreens are going up that somehow we can make the banker pay for the difficulty that the farmers are in today. There is no way that we are going to pass legislation here, if it helps the farmer, that is not indirectly going to help the banker, because it is only the farmers, who owe money to the banks or other financial institutions, that are in trouble today, and those are the ones that we are trying to help by working our way over this immediate bridge, if you will, to get the crops planted for the spring of this year.

I listened with great interest to the Senator from Washington. He was saying that parts of this legislation are not proper because we are telling the institutions of the Federal Government—the regulators, if you will—that they can treat one segment of the banking society different from others. And he said that cannot be done. How ridiculous can we be by making a statement like that? Is there a single person in the United States over 3 years of age that does not understand that for the first time in history, possibly—a gross exception was made when the regulators made what could be considered some illegal arrangements with the Continental Illinois National Bank of Chicago, IL, where they came in and guaranteed not $100,000, as under the law, but everybody, regardless of how much money they had in the Continental Illinois National Bank. And yet, in Nebraska today, when banks go broke, anybody with over $100,000 in loses $100,000. Is that fair and equitable treatment? Is that treating all of the lending institutions alike? Of course, it is not.

We go to the aid sometimes of some institutions that are in trouble because we think that is the role and responsibility of Government. The FDIC is another institution that has not treated everyone equally. In Verdigre, NE, we have the FDIC up there today basically following what they think is the letter of the law. And under that interpretation it might be right. But I am going to submit to you that the FDIC does not treat everyone alike in every one of the loans that they have been forced to take over by the failure of some banks.

They are, in Verdigre, NE, today, in some instances, not allowing a milk producer enough money to feed the cows. They are just seizing, seizing the money, if you will, when the milk is sold.

That is not what they are doing in other cases where they have inherited bad loans from banks that have failed.

I had a personal experience that I would like to tell the Senate about for a moment. My wife and I went to Florida for 10 days after the election. We were staying at a hotel that we have stayed at for, on and off, maybe 20 or 30 years. After I got there, I noticed that the service in this hotel was not quite as good as I thought it had been previously. I found out that that hotel had been taken over by the FDIC as part of their assumption of the portfolio of the bad loans from the Continental Illinois National Bank in Chicago, IL.

But I made careful note that when I paid by personal check for the services rendered for the 10 days that we stayed there, I noticed that personal check of mine was not seized by the FDIC. I noticed that that particular hotel was going on operating basically, from a financial standpoint, as it had in the past under the authority and auspices of the FDIC. Another case in point that the regulatory institutions are not—and I emphasize "not"—treating all of their borrowers and all of the bank debts that they have taken over equally.

Now it may be that that action was entirely justified. I simply say that to argue that when certain segments of our economy are in difficulty that we cannot do something about it here does not square with the facts.

Some of the smokescreens that have been raised here, and other smokescreens, basically are to the point that this is a bank bailout instead of a farmer bailout. It is neither. It is simply providing some loans under structured arrangements, under arrangements that the Federal bureaucracy has control over and is carefully spelled out in the amendment offered by the Senator from Nebraska. I simply say that all we are doing here essentially is providing some loan money to help people out over a particularly critical situation.

I think it should be emphasized—and many Senators do not understand this—if we pass the amendment offered by the Senator from Nebraska, Senator ZORINSKY, as amended by the Senator from Montana, Senator MELCHER, and if then we follow that by accepting the amendment to be offered by Senator DIXON from Illinois, which has to do with the advancement of Commodity Credit Corporation payments for up to half the amount, we have not solved the farm problem. We have not even begun to solve the farm problem. That has to be addressed, I suggest, with the longer track approach with regard to writing the new farm bill which will essentially take over with the 1986 crop. This is a Band-Aid approach at best. It does not begin to solve the farm problem. But I do agree with the Senator from Minnesota. At least we have the attention of the people on this. I hope we have the sufficient attention of the U.S. Senate, and that they will agree to pass the modest suggestions that we are making.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I listened to some of the discussion today and some yesterday. Things sure do get "curiouser" and "curiouser." We have heard a lot said about what this amendment—which I am happy to cosponsor with my colleagues, Senator ZORINSKY and Senator MELCHER—is going to do. We have heard a lot of talk about how this is going to take care of the banks. Somehow or another these farmers and bankers are sitting down across the table making great, wonderful music for each other. Let me tell you, 30 some odd years ago I started out in farming. If they had the rules they had today, the banker that made me the loan could not have made the loan. I kind of resent the fact that they are suddenly talking about how terrible it is that part of our amendment says that there ought to be some commonsense judgment from the bank examiner groups when they go around. I was brought up to believe that you make better loans by trusting the character of the borrower than you do by going by the rulebook. It is the way it used to be. It is the way you have to do it in agriculture.

There was a letter from the administration, might I point out, Mr. President, to my colleagues on this side of the aisle that was sent down here last week saying that the administration

feels that this is important, and the bank examiners and the rest should use some common sense and good judgment when they take a look at farm operating loans given the nature of the economy.

Suddenly today on the floor it is some heinous New Deal that we dragged in from some place else. It is a matter of good judgment; it is a matter of necessity.

Let me also point out, Mr. President, that what we are talking about today in the U.S. Senate and what we have been talking about in the last week is not bailing out some banks. We are talking about when the farmer goes in to make an operating loan. That operating loan is for this year. It is a new loan. It is not a bailout. That farmer has the option. We can go to his PCA, or he can go to the Farmers Home window, or he can go to his local bank.

There are so many farmers waiting in line trying to get processed through Farmers Home, that is why the legislators were down here; not to change the rules as much as to hire additional people to work processing those loans. This amendment, Mr. President, has been addressed as something that is a departure from common sense. Let me quote from it. It says:

> The Farmers Home Administration shall assign personnel to work overtime, including weekends and nights, to process loans and loan applications where necessary to meet the processing time schedules set by Congress or the Farmers Home Administration.

Maybe it is my farmer tendencies, but I see absolutely nothing wrong with suggesting when the ox gets caught in the hole that you work maybe a little bit on Saturday and Sunday to try to get it out. That is the way we do it back on the farm. That is what we have to do to get these loans processed on time.

Let me also point out, Mr. President, that we do in fact and indeed have an item in this amendment saying that we should move to provide loan interest writedowns to banks. Someone said that is a bank bailout. It is not. The credit goes to the borrower. For those of you who are not involved in making farm operating loans—and I do each spring, probably the only Member of the Senate who can say I have to spend more than my Senate salary each year buying a different kind of fertilizer—but let me point out that when you go in to make that operating loan the banker looks at you, looks at you in the light of today's economic conditions, and he says, "Farmer Smith, you know, given what has happened in agriculture and the fact that the value of your land has gone down, and the value of your machinery is down, you are getting close to being a classified loan. Why, you could qualify to go over to Farmers Home. And if you go to Farmers Home window, they will give you your loan at 8 percent, and I cannot." More and more farmers are being told that this spring, Mr. President, by their bankers. More and more are going to the Farmers Home window. That is why we have the unprecedented demand for operating loans at Farmers Home this year which is 2½ times greater than it was 3 years ago. They simply do not have time to process them. That is why we put into this amendment, Mr. President, the idea that there is indeed and in fact an interest rate drawdown. And if the bank agrees to draw down 2 percent, the Federal Government will share in drawing down 2 percent, and the farmer, if he stays with his bank, can get a 4-percent drawdown on interest rate rather than having to go to the Farmers Home window to get a 5-percent drawdown on interest rate.

Let me put my Senate Budget Committee hat on and comment on that for just for a minute. We have to go back to some basic arithmetic when we are discussing these bills. It saves the taxpayers money if the farmer is encouraged to stay at the banker window where half of the drawdown is financed by the bank and only half by the Federal Government than if he is forced to go to the Farmers Home where the entire drawdown is financed by the taxpayers. That is basic and elemental arithmetic.

I point out also, Mr. President, it is a Republican idea. I mentioned briefly yesterday that this interest rate drawdown was done in a time of crisis in 1973 proposed by a then Republican administration, voted on by the Congress and put into effect. And it worked. It is nothing new. It is a concept that works. It is a concept that we ought to do right now.

Let me close because there are many other people who want to speak. But I hope we can talk about the basics of the issue rather than smoke, mirrors, and all of this other magic. But let me also point out that today we are sensibly debating the underlying issue, the famine relief bill. Somehow or another it looks ludicrous to me that we are debating and everybody is agreeing that we are going to vote $175 million for famine relief for those tragically impacted residents of Africa and we are fussing about the possible $170 million cost of getting farmers into the field and planting the crop without which our proud Nation would not be able to have the food to provide those famine stricken nations.

I am getting darned sick and tired, Mr. President, of hearing all this talk about the farm problem. We ought to talk about the agricultural opportunity and the fact that our farm families are giving our Nation abundant supplies of food and fiber that will win far more friends in a troubled world than all the bullets and bayonets that we have turned out of armament factories all of these years. If we are going to debate a famine relief bill and say it is not fitting to put an amendment on it that can allow our farmers to plant their fields this spring, then somehow or another it is indeed getting "curiouser" and "curiouser."

Mr. MATSUNAGA. Will the Senator yield for a question?

Mr. ANDREWS. I am glad to yield to my colleague and good friend from Hawaii.

Mr. MATSUNAGA. I have been sitting here and listening to the debate. It is said back home. It is true. If you do not understand anything, go ask a farmer. The statement that the farmer-Senator made has been one of the clearer statements I have heard. My question is this: What is evil about helping the banker to help the farmer if in the final analysis by helping the banker we help the farmer even more? That is what puzzles me. There seems to be a great evil to help the banker being expressed here on the floor.

So what is the evil of helping the banker if we are going to help the farmer, which is our ultimate goal here?

Mr. ANDREWS. I do not see anything evil in it at all. I think these bankers and farmers need to get together. The point is that instead of berating the bankers and claiming that somehow or another they are getting a swift deal on this, let us think for just a minute. They save money if they encourage the farmer to go over and get his low-interest loan from the Farmers Home. They save money. But they do not have the time to process them all at Farmers Home. It is a lot better offer to get into this partnership sharing and keep them at the bank window where they belong, so hopefully with a good crop, hopefully with stronger exports, and hopefully maybe even in our country, realizing the need again for an initiative that started under a long-time-ago Republican administration—the Food for Peace Program—let us hope they can move that further ahead so we will need this production.

Hopefully, they will be able to get to the point where their fortunes will get better and their economic situation will improve to the point where they will not have to look for that discounted loan from the Farmers Home window.

Mr. MATSUNAGA. I thank the Senator for his response. I can see from his response that many farmers today would not be in business had it not been for the assistance rendered them by bankers.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, we are going to vote very shortly. I want to explain exactly what we are going to vote on, the amendment I have offered in the nature of a substitute. It

does not change the Zorinsky amendment, which I cosponsored, except in one regard.

Here is what we will be voting on:

First of all, there is room for lower interest rates for agricultural borrowers. Let me point out that in Montana and the Upper Plain States the interest rates at banks run from 14 to 15 percent and in Iowa it is generally 14 percent. So there is room to have a lesser interest rate.

If we are going to have a restructured loan, a loan, in other words, where the borrower can come up on top by paying off his debt, there are two things that are important: a lower interest rate for that borrower and a stretchout in the period of time that the loan becomes finally due. In other words, if it is due in the spring, stretch it out 1 year, 2 years, and in some cases 5 years.

Who will determine what that stretch out is and what the interest rates are to make it possible for these farm borrowers who are under stress to be able to pay out? It is going to be a restructured loan under the discretion of the Department of Agriculture. Their guidelines are still going to be in place. Before any loan guarantee is provided, they are going to have to sign off.

Another point that should be made is, How much does all this cost?

There is a figure by CBO of about $75 million likely over the next period of years for those loan guarantees that finally do not work out. That is a rather modest price.

There is no signicant new money as far as guarantees go. That is not new money. That is what the Department of Agriculture has said it will do anyway—make available a much money as needed.

But there is new money for a cooperative interest rate buydown. It is $100 million. That money will be triggered first of all by the private lender, the bank or the Production Credit Association, by marking down a portion of the interest rate, discounting, actually, their own loan to get the interest rate down. Then their writedown will be matched by a like amount by the Department of Agriculture. We suggest that that would be no more than 2 and 2. That is 2 percent by the private lender and 2 percent by the Department of Agriculture. That is what uses up $100 million.

The last point that should be made, and I think it was perhaps clarified in the question I asked the majority leader, in the example he gave of a $100,000 loan at 10¼ percent interest, is, Should the borrower be in a position of having the cash-flow figured at 100 percent or 110 percent? Those circumstances vary. In some cases, the borrower's advantage would be better to have it at 110 percent and in other cases at 100 percent. For those direct loans by the Farmers Home Administration, the Melcher amendment allows that option to the borrower himself to work it out.

Mr. ZORINSKY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. ZORINSKY. I would like to respond briefly to the question raised concerning farm credit with respect to the FDIC and the Comptroller of the Currency.

I want to refer to a letter dated June 28, 1984, to Mr. C.T. Conover, the Comptroller of the Currency. That letter is a request for special consideration for farm loans because of high interest rates and declining land and equipment values. This has caused more and more loans to be adversely classified. The letter expresses concern that too much land on the market has a very direct and measurable negative impact on the value of land.

This letter requesting special help is signed by Senator DOLE, Senator BOSCHWITZ, Senator LUGAR, Senator HELMS, Senator ZORINSKY, Senator HATCH, Senator PRYOR, and many others.

So I think we share a common objective in attempting to get the Comptroller of the Currency and other financial regulators to exercise caut'on and restraint in classifying agricultural loans.

I also have a press report quoting Paul Volcker as saying that the Federal Reserve Board is encouraging forbearance in cases where bankers decide that a farmer's current debt problems are short term. That is—Paul Volcker is supporting a policy of caution and restraint.

Mr. President, before we vote on the pending amendment, I want to respond to the charges that have been leveled against my credit proposal.

My proposal has been referred to as a bailout for banks. I freely acknowledge that certain provisions of my amendment will be of help to banks that make farm loans and I am not ashamed of those provisions. In my State, banks and farmers are in the same boat and I can tell you that boat is sinking fast.

Nonetheless, I support modifying my original proposal to require banks to bear a greater share of the cost of providing credit assistance to farmers. The elimination of the provision in my original amendment—relating to the writeoff of principal or interest—makes it clear beyond a doubt that this is not a bill to bail out banks.

Another charge that was raised is that the interest buy-down provision of my amendment is unprecedented. That is simply wrong. The Farmers Home Administration managed an interest buy-down program in 1973. Regulations were issued to implement that program and some of those regulations were reprinted in yesterday's RECORD.

In addition, I have before me copies of contracts under which the Farmers Home Administration entered into interest buy-down agreements with commercial lenders under existing law.

I think we have adequately buried the argument that the interest buydown provision of my amendment is unprecedented.

Now, to my amazement, the latest argument being used against my proposal is that we already have a workable program in place.

"Workable program." The meaning of those two words as they relate to the debt adjustment program is something I want to focus on for a few minutes.

When the Debt Adjustment Program was announced 6 weeks before the election, we were told that it was a workable program. All through December and early January we were told that a workable program was in place.

A few weeks ago, after much criticism of that program, the administration announced some relatively minor changes in the debt adjustment program. We were told that those changes would make for a workable program. After days of intensive negotiations, last week the administration agreed to another relatively minor administrative change in the Debt Adjustment Program. No doubt we will hear that familiar refrain again—"we now have a workable program."

There is much evidence that the current program is not workable and that the minor changes made by the administration will not make it workable.

For example, of the 104,000 applications from current Farmers Home Administration borrowers for assistance under the Debt Adjustment Program, only about 16,000 have received any assistance as of February 21. The reason for this is not that farmers delayed filing their applications—the program allowed farmers only 30 days to file an application. Those applications have been piled high on desks in county offices all over the country for months. The Agency needs the additional personnel provided by my proposal to allow for speedy processing. The action taken by the Department yesterday in announcing its intention to hire additional personnel is a step in the right direction.

In terms of loan guarantees issued under the debt adjustment program, as of February 21, only 21 loans have been guaranteed. Should we expect a big increase in the next few weeks—not really. There are only about 400 applications even under review.

That is not my definition of a workable program and that is the main issue here today. If the Senate rejects the Zorinsky credit package—and it

will not matter if that happens on a motion to table or some other parliamentary maneuver—the Senate will be sending a clear, unqualified message to every farmer, rural household, and rural business that the Senate thinks 21 loan guarantees is a workable program.

So that there is no mistake about what is happening here, I have had the Department of Agriculture report on the status of the Debt Adjustment Program placed on every Senator's desk. I strongly urge my colleagues to look at that report and ask yourselves:

Does one loan guarantee for Kansas make for a workable program?

Do no loan guarantees in Wisconsin, South Dakota, and Oklahoma make for a workable program?

I submit that we need the provisions of my amendment—including the interest buy-down—to provide for a truly workable program. That is the least we can do for our farmers.

I ask unanimous consent that the text and tables included in the Department of Agriculture report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATUS REPORT ON DEBT RESTRUCTURING

To the ACTING ASSOCIATE ADMINISTRATOR:

Attached are the results of a telephone survey made of State Offices Feb. 20-21, 1985 on the status of the debt restructuring program. The following questions were asked (the numbers on the accompanying charts correspond to the question numbers):

1. Number of borrowers requesting set aside?

2. Number of borrowers rescheduled/reamortized without set aside?

3. Number of borrowers granted set aside?

4. Total number of borrowers rejected for set aside?

5. Contracts signed by:

a. credit analysts?

b. farm management specialists?

c. Approved Lender Program?

6. Guarantees:

a. number of borrowers reviewed?

b. number approved?

c. dollar value of loans approved?

The state-by-state results follow:

	Req. SA Q.1	Resc/ Reamt. Q.2	Got. SA Q.3	No. SA Q.4	Contracts Q.6			Guarnts. Q.6	
					(a)	(b)	(c)	(a)	(b)
State:									
Alabama	2,021	289	73	721	0	0	0	7	1
Alaska	0	0	0	0	0	0	0	0	0
Arizona	265	16	1	42	0	0	0	0	0
Arkansas	4,482	233	32	516	0	0	0	2	0
California	1,238	152	34	163	0	0	0	9	0
Colorado	888	253	31	185	3	4	0	0	0
Connecticut/Massachusetts/Rhode Island	312	74	32	73	0	0	0	0	0
Delaware/Maryland	163	34	16	65	0	0	0	1	0
Florida	824	229	46	84	0	0	0	6	1
Georgia	2,217	331	12	562	0	0	0	4	1
Hawaii	144	28	0	0	0	0	0	0	0
Idaho	1,485	184	49	411	0	0	0	0	0
Illinois	5,356	503	246	751	24	19	0	7	2
Indiana	2,521	34	10	340	0	1	4	1	0
Iowa	6,892	395	437	704	26	27	0	25	2
Kansas	2,781	278	55	492	8	7	4	18	1
Kentucky	3,316	248	172	267	0	0	0	0	0
Louisiana	3,263	794	226	802	0	0	0	0	0
Maine	855	123	120	208	0	0	0	0	0
Michigan	2,580	137	145	223	0	0	0	0	0
Minnesota	4,556	307	221	727	21	19	6	23	2
Mississippi	3,949	313	22	607	0	0	0	124	3
Missouri	6,313	747	452	1,688	5	2	0	20	1
Montana	1,707	73	149	165	0	0	0	2	1
Nebraska	4,329	306	99	129	12	13	2	81	0
Nevada	106	9	0	53	0	0	0	0	0
New Hampshire/Vermont	354	113	14	10	3	0	0	0	0
New Jersey	261	18	1	50	0	0	0	0	0
New Mexico	572	87	20	160	0	0	0	0	0
New York	1,559	125	54	61	0	0	0	2	0
North Carolina	2,315	243	44	190	5	0	0	1	0
South Dakota	4,229	559	240	472	17	3	0	2	0
Ohio	2,072	110	14	308	3	3	0	3	1
Oklahoma	4,096	811	243	1,104	31	0	0	4	0
Oregon	742	48	3	83	0	0	0	0	0
Pennsylvania	1,421	149	122	322	1	4	1	2	0
Puerto Rico	760	31	6	141	0	0	0	0	0
South Carolina	1,226	152	21	140	0	0	0	10	1
South Dakota	4,963	68	43	230	0	35	15	7	0
Tennessee	3,196	267	19	273	1	0	0	4	0
Texas	6,292	584	90	1,064	0	0	0	33	3
Utah	605	157	24	160	0	0	0	?	0
Virginia	1,855	686	104	270	0	1	0	1	1
Washington	879	91	39	170	0	0	0	0	0
West Virginia	524	105	16	163	0	1	0	0	0
Wisconsin	3,357	511	1,360	121	3	6	0	0	0
Wyoming	589	137	74	68	0	0	2	6	0
U.S. total	104,430	11,142	5,231	15,538	163	145	34	408	21

Total dollar value of guaranteed loans approved—$2,902,711.

CAUTION ON DEBT RESTRUCTURING STATUS REPORT

To Lapis Writers:

Question number 4 on this report, "Total number of borrowers rejected for set aside" can be extremely misleading.

The number "rejected" includes borrowers who have been helped by the Debt Adjustment Program short of an actual set aside of a portion of their loans for five years with no interest. The number includes borrowers whose loans have been reviewed under the program and have received a limited resource rate, had their loans reamortized, were helped by adjustments by other lenders or a combination of these methods. Even though many of them have received this help, they are listed as "rejected" for set aside.

Since the term "set aside" is often used in the broader sense, meaning the entire FmHA debt adjustment program, the "rejected" column may be interpreted by reasonable people to mean we have rejected that many borrowers for any assistance. That interpretation would also mean those borrowers would be on their way out because they could get no help from the "last resort lender." About 15,500 borrowers would fall into that category in this report if it was misinterpreted.

The official (MISD) report should be ready in the next two weeks or so. In the meantime, it would be better to stay away from this figure when discussing the report with others. If asked specifically about those rejected, an explantion of the above would be absolutely necessary.

Mr. BENTSEN. Mr. President, I salute my distinguished friend the Senator from Nebraska [Mr. ZORINSKY] for his leadership in addressing the farm crisis which is upon us today. He has long been active in support of our Nation's farmers, and as the new ranking member of the Senate Agriculture Committee he has played and will continue to play an important

leadership role in crafting a solution to our Nation's farm problems.

I am pleased to join with my distinguished friend as well as with the distinguished Senator from Oklahoma [Mr. BOREN] and the distinguished Senator from Nebraska [Mr. EXON] and others in cosponsoring this amendment to deal with the farm credit crunch we find ourselves in during this year's planting season.

This amendment will require this administration to take a number of steps which they have so far refused to take to help our hard-pressed farmers. In many respects the amendments dealing with the administration's much promoted Debt Adjustment Program will simply require that this program be run under the same eligibility standards that have been used in the past for Farmers Home Administration loans. Others of these provisions will write into legislation some of the administrative changes that the administration agreed to make as a result of our negotiations last week during the consideration of the Meese nomination.

Among other important changes, this amendment requires FmHA to use $100 million from their existing funds to buy down the interest rates on loans made by commercial lenders who agree to reduce the interest rate by an additional equal amount. It also provides an additional $1.85 billion in loan guarantees in addition to the $650 million already available. Assuming the historical loss rate of 5.5 percent, this will result in about $10 million in outlays over a period of several years.

It modifies cash-flow requirements under the administration's Debt Adjustment Program to lower cash-flow requirements for prospective borrowers from 110 percent of obligations to 100 percent. This was done for loan guarantees as part of last week's compromise. FmHA has never before required applicants to show 110 percent cash-flow. This will expand the number of eligible farmers.

It directs the Secretary to use existing authority to hire additional personnel for loan processing.

It requires farm credit system to complete a study within 6 months on the feasibility of an insurance program to protect borrower stock in the event of failure by a PCA or land bank.

It encourages bank regulatory agencies to refrain from classifying loans which have been restructured under the FmHA Loan Guarantee Program.

It requires FmHA regulations implementing these provisions to be issued within 15 days.

But these changes are not the answer to our farm problems. Not by a long shot. Our farm problem is price, not credit. Farmers can get all the credit they want if they can only show that they can pay it back. Under this administration's farm policies many of them cannot do that.

The farm bill that we got from this administration last Friday is not, in my estimation, a reasonable answer to the stark reality of our farm problems. This farm bill was written in a never-never land, a place called a worldwide free market. I would like to see such a place, and Texas farmers would be happy to compete in a free market.

But the reality of life intrudes into theoretical concepts, and the reality is that there is no free market. Japan sells us cars but won't buy our beef. Europe uses export subsidies to destroy the world markets for wheat, sugar, dairy, and other farm products. U.S. economic policies have driven the dollar so high that we couldn't compete in world markets against many countries even if they didn't subsidize their products. Our strong dollar is as effective as any export subsidy in helping our competitors' exports.

Mr. President, I will not take more of the Senate's time listing the problems facing the American farmer. I think those problems must be dealt with, not just ignored, and the Senator from Texas will continue to work to see that these problems are addressed constructively. This amendment is a first step toward dealing with these problems, and I urge its adoption by the Senate.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I indicated earlier that we hoped to be able to vote at 3:30 p.m.

The distinguished Senator from New Mexico wants to speak but he wants to speak on the Dixon amendment. I understand that following this amendment, depending on how it works out, there may be an amendment from this side. We are entitled to a first-degree amendment and a second-degree amendment. That would be followed by another first-degree amendment and second-degree amendment from that side and a first- and second-degree amendment on this side.

Mr. President, I am prepared to vote. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to amendment No. 11. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—54

Abdnor	Eagleton	Long
Andrews	Exon	Matsunaga
Baucus	Ford	Melcher
Bentsen	Glenn	Metzenbaum
Biden	Gore	Mitchell
Bingaman	Grassley	Moynihan
Boren	Harkin	Nunn
Bradley	Hart	Pell
Bumpers	Heflin	Pressler
Burdick	Hollings	Pryor
Byrd	Inouye	Riegle
Chiles	Johnston	Rockefeller
Cranston	Kasten	Sarbanes
Danforth	Kennedy	Sasser
DeConcini	Kerry	Simon
Dixon	Lautenberg	Stennis
Dodd	Leahy	Weicker
Durenberger	Levin	Zorinsky

NAYS—45

Armstrong	Hatfield	Packwood
Boschwitz	Hawkins	Proxmire
Chafee	Hecht	Quayle
Cochran	Heinz	Roth
Cohen	Helms	Rudman
D'Amato	Humphrey	Simpson
Denton	Kassebaum	Specter
Dole	Laxalt	Stafford
Domenici	Lugar	Stevens
East	Mathias	Symms
Evans	Mattingly	Thurmond
Goldwater	McClure	Trible
Gorton	McConnell	Wallop
Gramm	Murkowski	Warner
Hatch	Nickles	Wilson

NOT VOTING—1

Garn

So Mr. Melcher's amendment (No. 11) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, if I may have the attention of my colleagues, I understand that the next vote requested will be on the Zorinsky amendment as amended by the Melcher amendment.

The PRESIDING OFFICER. That is true.

Mr. DOLE. I wonder if we might be able to dispose of that on a voice vote.

I ask unanimous consent that the order for the yeas and nays be vitiated.

Mr. HARKIN. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the amendment. The yeas and nays have been ordered. Is there further objection?

Mr. DOLE. One is enough. [Laughter.]

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] is necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "nay."

The PRESIDING OFFICER (Mr. QUAYLE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—54

Abdnor	Eagleton	Long
Andrews	Exon	Matsunaga
Baucus	Ford	Melcher
Bentsen	Glenn	Metzenbaum
Biden	Gore	Mitchell
Bingaman	Grassley	Moynihan
Boren	Harkin	Nunn
Bradley	Hart	Pell
Bumpers	Heflin	Pressler
Burdick	Hollings	Pryor
Byrd	Inouye	Riegle
Chiles	Johnston	Rockefeller
Cranston	Kasten	Sarbanes
Danforth	Kennedy	Sasser
DeConcini	Kerry	Simon
Dixon	Lautenberg	Stennis
Dodd	Leahy	Weicker
Durenberger	Levin	Zorinsky

NAYS—45

Armstrong	Hatfield	Packwood
Boschwitz	Hawkins	Proxmire
Chafee	Hecht	Quayle
Cochran	Heinz	Roth
Cohen	Helms	Rudman
D'Amato	Humphrey	Simpson
Denton	Kassebaum	Specter
Dole	Laxalt	Stafford
Domenici	Lugar	Stevens
East	Mathias	Symms
Evans	Mattingly	Thurmond
Goldwater	McClure	Trible
Gorton	McConnell	Wallop
Gramm	Murkowski	Warner
Hatch	Nickles	Wilson

NOT VOTING—1

Garn

So the Zorinsky amendment (No. 10), as amended by the Melcher amendment (No. 11), was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. Before the majority leader proceeds, the Senate will be in order. Those Senators who desire conversation, please retire to the cloakroom. Staff desiring conversation will also retire to the cloakroom. The Senate will be in order.

The majority leader is recognized.

Mr. DOLE. Mr. President, as I understand it, under the previous order, the majority side now is entitled to offer an amendment in the first degree. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I yield to the floor. The distinguished Senator from Texas has an amendment.

Mr. GRAMM. Mr. President, I thank the distinguished majority leader for yielding for the purposes of offering an amendment.

AMENDMENT NO. 12

(Purpose: To limit expenditures under this act.)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mr. GRAMM] for himself, Mr. MATTINGLY, and Mr. NICKLES, proposes an amendment numbered 12.

At the end of the committee substitute, insert the following:

"SEC.——. Notwithstanding any other provision of law, no officer of the Executive Branch of the Federal Government shall take any action to implement this Act that would result in an increase in the Federal deficit. This section shall not apply to the implementation of sections 1 through 5 of this Act.".

Mr. GRAMM. Mr. President, no segment of the American economy is hurt more by deficits than agriculture. Deficits impact interest rates and interest rates affect farmers twice. First, they affect farmers in terms of borrowing money to plant crops, to buy land, to buy equipment, and to conduct the production of agricultural products.

Second, by producing high real interest rates, deficits help drive up the value of the dollar and deny the American farmer markets. So I think it is very important, Mr. President, in our efforts to help the American farmer, that we not do anything that will compound the long-term problem that we face, a long-term problem that affects us in terms of high interest rates, high value for the dollar, and therefore declining markets and rising costs to the American farmer.

This amendment, Mr. President, is aimed at assuring that the action we take here today in the name of the American farmer does not impact on the Federal deficit and therefore does not compound the problem that the American farmer already faces.

I would like very briefly to outline what we did in a sense-of-the-Senate resolution that was agreed to by the President to help farmers in terms of their credit problems.

First of all, we committed an unlimited amount of money for restructuring the debt of the American farmer. Second, we took action to bring down the cash-flow requirement from 110 percent to 100 percent of net cash-flow from farm production. Now, I think most people have gotten lost in terms of what that means, and I would like to outline it once again to be sure that everybody knows what we are talking about.

Under the previous set of rules that existed at USDA, a farmer could borrow up to 110 percent of cash-flow; meaning that, effectively, on any given payment, the farmer could commit in restructuring of a loan about 91 percent of his or her expected cash-flow.

What we have done here, in the name of helping the farmer, is change that provision by the sense-of-the-Senate resolution, agreed to by the President, that will now allow debt to be restructured in such a way as to impose on the farmer burden of 100 percent of cash-flow. Not only are these more generous terms than anybody else in the American economy could possibly borrow under, but I think the proposal is unreasonable. We have gone that far, Mr. President, in trying to deal with the problem.

What we have before us now are two proposals that seek to go further. The first would buy down interest rates on the restructure. Let me remind Members of the Senate that, under existing circumstances, a lot of these notes that are held by banks are not worth 100 cents on the dollar. Many would not sell for 40 cents on the dollar if thrown on the open market.

Therefore, when we come in and assume a 90-percent guarantee on the loan—which we have done under the sense-of-the-Senate resolution which has been implemented by the President—banks will have every incentive to renegotiate in such a way as to bring interest rates down so that the payment does not exceed 100 percent of cash-flow.

But what we seek to do here is come in, where banks already have an incentive to restructure the debt out of their own interest to gain a guarantee of 90 percent of the face value of the note, and give them an additional $100 million.

Mr. President, I do not think that is in the interest of the farmer, and I know it is not in the interest of the American taxpayer.

The second proposal would speed up the CCC payment and make CCC a production loan, something that has never existed in the whole history of the Department of Agriculture since it came into existence under the Lincoln administration.

My amendment is simple and straightforward.

First of all, we have taken substantial action to help the American farmer. We have guaranteed an unlimited amount of credit. We have changed the structure of debt to allow farmers to borrow at a rate of payback that guarantees many of the loans will be forced to be defaulted, so generous are the terms. We are now taking additional action that could raise the deficit and compound the problem the farmer faces in terms of the high value of the dollar on the world market, clearly produced by high real interest rates, and in the process destroy markets for U.S. agricultural products and depress prices.

Second, by raising the debt, we will further compound the problem by raising interest rates, thereby costing

the American farmer more to borrow the money that the farmer needs to plant and harvest the crops.

So this amendment is straightforward, Mr. President. It simply says that no provision adopted here today, save the provision related to African aid, shall be implemented if it raises the Federal deficit. The issue, then, becomes who is and who is not for fiscal responsibility? Who does and who does not care about the fact that we have a $200 billion deficit? Who is and who is not concerned about the high interest rates and their impact on agriculture?

Let me remind Members, Mr. President, that we are going to write a budget and that budget is going to set out a target amount for agriculture. Every penny we spend in deficit spending on this credit program will not be available to produce a market, to produce prices that will make it possible for farmers to avoid going deeper into debt. Farmers must be able to discharge debt by earning a return in an expanding market and by a farm program aimed at producing a market price that will make rural America not just a good place to live—which it has always been—but a good place to make a living.

So in this amendment I give Members an opportunity to say where they stand on the deficit. Let those who are concerned about the deficit vote "aye." Let those who are not concerned about the deficit vote "no."

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, let me indicate to my colleagues that if we can dispose of this amendment fairly quickly, I would still like to accommodate the distinguished Senator from Illinois. I think that might be the last amendment. I am not certain. There will be no second-degree amendment to the amendment on this side. So that will take care of this. I ask for the yeas and nays on the Gramm amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I think it is up to us. Do we want to complete the whole package by 5:30? I hope we do. That is the choice.

I want to take maybe 2 minutes to commend the distinguished Senator from Texas. It is frustrating, very frankly, to have the first piece of legislation passed in this Congress be one that costs money. I think we might as well find out right up front whether we care about the deficit or not. If we do not, it is going to make it pretty easy around here for most Members. My view is if the Members do not care, I am not certain whether the leadership should be particularly worried about it. We have had an opportunity today, and we seem to have demonstrated we do not have the will to face up to the deficit. It looks as though politics may have overridden the deficit problem. I guess we all engage in politics from time to time. But this is just the beginning. After a very generous farm credit package has been advanced, clarified, and expanded, that was not enough. The bankers were not satisfied. They wanted more.

I think I am prepared to say this proposal will never become law but it is an indication that we are already ready to admit to the American people that we lack the courage to face up to the deficit. Maybe that will change. But if two, three, four, or five people can be persuaded to leave the fold on this issue, I am certain it is going to be true of every other issue that we face. So I think we may as well lay the issue out very honestly. That is why I think the amendment now pending is significant. It is not meaningless. We have all made speeches about the Federal deficit. The first opportunity we get we vote to add to the deficit. We ought to be on record. We ought to be, we are going to be on record as the yeas and nays have been ordered. We ought to tell the American people and tell the people in our States that all those speeches we made about the deficit were phony, do not worry about it, that was only politics. We will worry about the deficit later. We will worry about the farmers later. We will worry about everyone else later. Maybe a deficit plan will still come together. But it seems to me if, after going the extra mile, we cannot persuade our colleagues that we have done enough, we are going to have some tough decisions to make—tough decisions where we are going to be asked to actually reduce programs, and not expand programs. And the outlays for agriculture over the last 4 years are in excess of $60 billion. It is not that we as a government have not been quite generous to the farmer. It is not that we have somehow deserted the American farmer.

I have to believe that most farmers understand that there is a lot of game playing going on. Everybody wants to be on the right side. But in my view there are just as many farmers or more out there that wonder what we are doing. Every day we meet we spend some more money.

I want to commend the distinguished Senator from Texas for putting us on the spot. Everybody who voted for the spending amendment ought to vote against this amendment to be consistent. That is the way it has to work since you either admit you are for increasing the deficit or you have to figure out something else to say in your press release.

So we hope to vote pretty soon. I want to accommodate the distinguished Senator from Illinois. I hope we can vote on this amendment quickly.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Will the distinguished Senator from Texas who offered the amendment yield for a question?

Mr. GRAMM. I am happy to.

Mr. PRYOR. I am not quite certain what the Senator from Texas' amendment does, but it appears to me that the Senator from Texas is saying we are willing to increase our deficit by $175 million for African relief but not increase the deficit for the help of the American farmer. I am as concerned as the Senator from Texas about our deficits, but I am also concerned about the American farmer. Is that what the Senator's amendment is saying?

Mr. GRAMM. Let me respond by reminding the distinguished Senator from Arkansas that just last week we passed a sense-of-the-Senate resolution that was accepted by the President and that committed the administration to an unlimited amount of credit, changing the rules of that credit to some of the most generous terms ever adopted.

So what this says is that we placed into force on Friday a program that is at work today even as we talk in alleviating the problems in American agriculture in terms of the credit crisis. And it says that any additions we make today would either have to be reprogrammed, funds taken out of other programs or else they would not be implemented if they increase the deficit because increases in the deficit hurt the farmer more than any other worker in the economy. The farmer is hit twice: Once, by interest rates that are paid in terms of credit the farmer incurs and, second, by the high value of the dollar which is produced by high interest rates which denies the farmer a world market that produces a price that would allow the farmer to pay off debt rather than incurring it. My goal is more than simply to see the farmer have access to additional credit. My goal is to produce a market and a farm program that will produce a price to allow the farmer to pay off debt, not to incur it. I think it is important that we not squander the money we have here and deny ourselves access to it when we write the farm bill.

Mr. PRYOR. I will respond to the Senator by saying, one, we do not have the market, and nothing that we have done in the last 7 or 8 days is going to provide that market and two, we do not have the price for our crops and nothing that we have done in the last several days is going to get a better price for own farmers. All we are attempting to do is get some extra credit, and the extra $100 million in all

likelihood is going to allow a few farmers to have access to some credit sources where they possibly would not have had access before, and possibly a little lower interest rate, and lo and behold, some of those farmers may in fact once again become what they want to become, and that is a taxpayer.

Many are not paying taxes now. These want to pay taxes and this $100 million in this Senator's opinion is going to help provide the opportunity for a lot of farmers in this country to be taxpayers and to contribute to our economy.

Mr. GRAMM. Will the Senator yield further?

Mr. PRYOR. I am glad to yield.

Mr. GRAMM. Let me go back to your original question. I am prevented from touching the African relief provision under the unanimous-consent request. The distinguished Senator from Arkansas and any other Member of this body can vote no on that provision if they choose. But I did not have the freedom to amend it.

Let me also say that the $100 million provided for in the amendment before this body and the $5 billion impact of the advanced $100 million payment on CCC does not represent, in terms of the credit provisions, a payment to the farmer. It represents a payment to the banks. I think that is a central point of contention here when banks already have the incentive to write down loans that in many cases are worth 40 cents on the dollar. We are rushing in with a taxpayer's purse and saying, "We will guarantee 90 percent if you will write the interest down so that it does not exceed 100 percent of the farmer's expected cash-flow." A payment provision is virtually impossible for the farmer to pay back. On top of that, the new provisions to be added today would give the banks $100 million. I submit the Federal Government does not have the $100 million to give them.

Mr. PRYOR. I submit to my friend and the distinguished Senator from Texas that the advanced payment of 50 percent under the Commodity Credit Program is a payment that does not go to the bankers. That does not go to the bankers. It goes to the farmer.

In addition to that, in my understanding, there is no budgetary impact on that because this is money that has been authorized thus far and this is money that will be allocated only in advance based on past production of the farmer.

I think I see what the distinguished Senator is attempting to do. We just look at it very differently. I hope the Senator's amendment will be voted down.

Mr. DOLE. Mr. President, as I understand it, we are prepared to vote. I would just indicate that some of our excess grain is going to the Ethiopian famine relief. Many of our farmers contributed to that themselves so I do not think that is an argument that will hold very much water.

Mr. SASSER. Will the distinguished majority leader yield for a question?

Mr. DOLE. Surely.

Mr. SASSER. Mr. President, does the majority leader hold the floor?

Mr. DOLE. I am happy to yield the floor. I am trying to accommodate my friend from Illinois. We are trying to work out a problem.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, as I read the amendment offered by the distinguished Senator from Texas, he is saying, reading the amendment, "Notwithstanding any other provisions of law, no officer of the executive branch of the Federal Government shall take any action to implement this act which shall result in an increase in the Federal deficit."

It goes further to say that, "This section shall not apply to the implementation of sections 1 through 5 of this act."

Then looking at the bill, itself, Mr. President, I note that under section 2, it states that "Assistance under this section shall be provided," and then enumerates, "Such assistance shall include relief, rehabilitation, recovery projects," et cetera, "which may include the furnishing of seeds for planting, fertilizer, pesticides, farm implements, farm animals, vaccines, veterinary services to protect livestock, blankets, clothing, shelter, disease prevention, water projects (including water purification and well drilling) small-scale agricultural projects, . . . emergency health needs," et cetera.

It goes on in that section and says in section 2(c) that, "there are authorized to be appropriated $137.5 million for fiscal year 1985 for use in providing assistance under this section."

Mr. President, it appears to me that we have a dual concept here of what our obligations should be.

First, I applaud and intend to support the legislation offered to relieve the tragic plight of those in Africa who are suffering from famine and disease, much of which is a result of forces much beyond their control. I think it is within the largess of the American people and I think they will applaud the appropriating of $137.5 million provided by this legislation.

But the question comes, How can we increase the deficit to aid these deprived people in Africa who are in need of aid—there is no doubt about it—and state that we cannot do likewise to aid American farmers?

How can we justify purchasing seeds for planting, fertilizer, pesticides, farm implements, building water projects, and not, by the same token, realize that that is increasing the deficit and not allow our farmers some relief. It is logic that we hear emanating from the Secretary of Defense. He seems to think that the dollars spent on military hardware, and I have supported most military expenditures, do not increase the national debt. In fact, he even went so far as to reply to a question of the distinguished Senator from Iowa, Senator GRASSLEY, when the Secretary appeared before the Budget Committee, that money spent by the defense establishment actually reflows in such a way that it creates more economic activity and more jobs and really does not add to the deficit.

Well, if we can add to the deficit by defense—and I do not think there is any doubt that money spent for defense or military hardware increases the debt—if we can add to the deficit by defense and a worthwhile endeavor such as aiding the people in Africa, surely, if it becomes necessary to increase the deficit slightly, ever so slightly, I am told, to aid the American farmer, surely we should do that.

I do not understand why we are running down a dual track, one that will increase the deficit to put Africans back into the business of agriculture, but which cannot increase the deficit to put American farmers back into the business of agriculture.

Mr. GRAMM. Will the distinguished Senator yield?

Mr. SASSER. I yield the floor.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I am happy to yield to my friend from Texas.

Mr. GRAMM. I thank the Senator for yielding.

First, let me point out to my distinguished colleague from Tennessee that I am prohibited under the rule by which this bill is being considered to amend section 1 through section 5, so if the Senator from Tennessee wants to vote against African relief, he will have that opportunity shortly. I suggest if he wants to, that he do it.

What I was permitted to do was to try to deal with the deficit problem. I submit that we do not help the American farmer by driving up the deficit. We hurt the farmer. We have already committed an unlimited amount of credit. We have already changed the rules to allow the farmer to incur more debt, given cash-flow, than any other economic decisionmaker in our society will have an opportunity to do. I doubt the wisdom of that policy. But it is in force today.

What I submit here is that politics and political gamesmanship should not induce us to raise the deficit.

I have, through this very simple amendment, given people an opportunity not to say how they feel about African relief—you will get a chance to vote on it and, if you are against it,

vote no—but to say how they feel about deficit spending.

The people who vote against this amendment are voting to raise the deficit. In doing so, we are hurting the farmer in the act of playing politics.

Mr. SYMMS. I will yield to the Senator from Tennessee in a moment, but first I want to say, Mr. President, that I thank the distinguished junior Senator from Texas for his succinct remarks and for the amendment. From knowing him in the other body, I know he was right on target always, and again he is right on target.

I think he spelled out very clearly for those of our colleagues who want to vote against African relief, they will have the opportunity. If they want to vote to add more money to the deficit, they are going to have the opportunity to vote that way in this next vote. The fact is that one of the reasons American agriculture has gotten itself into so much trouble over the years has been a continued dependence on the Government for too much of the market share of the farmer's income. These things and many things have happened beyond the control of certain farmers; they have had bad luck or bad crops, or a market that was taken away from them and embargoes. We could go back through all the things that have happened to them over the years that have been disincentives for good prices for agricultural products. But I think we have to recognize that the administration has made an agreement with what we passed here last Saturday, which is a very generous program to try to take care of some of the problems—and there are problems—with respect to American agriculture and extension of credit to some of those farmers.

But the Senator from Texas is right: the farmers do not need more credit as much as they need a better price. They are not going to get a better price from their products by having Washington, DC, and those of us who hold political office turn around and continue to try to shovel out the largesse of the taxpayers' money for another program that will add more debt upon more debt upon more debt. That is really what we are talking about here.

I am confident that this is politics and as the distinguished majority leader said, there is nothing unusual about having politics discussed here, in the U.S. Senate; but I think it is somewhat frustrating here with the market out there, when the people are begging Washington, DC to do what it is they vote for in November every year—that is, straighten out the Federal budget. The first time an issue comes up, we crack the dike. If they can do it on farms and special interest groups, bankers and what have you can get an additional $4.5 billion or an additional $100 million on some kind of extension or more farm credit shoveled out the door, do not think for 1 minute that the Student Aid Program or the Student Loan Program, whatever program comes down the road, will not be able to get it, too.

What that is saying is we are not doing anything about the problem we say we are interested in doing. That is everybody in this body talking about the deficit. It is too much spending that causes this. It is not a lack of revenue. There is $400 billion more revenue coming into the Federal Treasury annually now than there was 10 years ago, but there is $600 billion more going out the door than there was 10 years ago.

Mr. President, I implore my colleagues to see the problem we are facing here, that we are, once again, trying to buy votes from a certain section of our economy at the expense of the rest of the taxpayers of the United States. That is exactly what is happening. It is not whether or not we care about farmers. I happen to be a farmer myself. The problem is that in some cases we have farmers—some who are good operators, some who may have been a little imprudent—who actually have bought real estate and land at a price that is more than what they will produce out of it. If we cannot produce our way out of it, there is no way they can come out. They have to be able to produce something commensurate with the value of the debt they put upon it. Laying more debt upon debt is not going to solve that problem.

I think the program Secretary Block has underway, while we are debating this here today, is already being acted on in my State and all other States through the Farmers Home Administration—that is an adequate program. It will work and they are going to make it work to the degree that they can save a lot of farmers who are capable of working themselves out of the problems they are in.

Of course, there will be some who will not be able to make it, and that is unfortunate, but that is the system. We have to allow the opportunity for some people, in their effort to make it, that they are going to be able to, and have some that probably will not make it.

I just want to say one other thing, Mr. President; then I shall yield the floor. We somehow have an illusion here that there is going to be a great crisis in the country if somebody incurs a debt and they are not able to pay that debt off. What we have to remember is that in this world we live in, every debt ultimately is paid off. Either the person who borrows the money pays the debt off or the one who lends the money pays the debt off. There are going to be some debts out there incurred with respect to real estate that are not all going to make it. In my State, there are some 25,000 farmers. There are some 1,500 of those farmers or more, that we know of, approximately, through FmHA, that are in a delinquent situation with respect to their ability to pay off their debts.

I do not know how each of those farmers is going to come out. I would hope most of them would have the opportunity to make it and be able to work themselves out of the problem they are in and produce their way out of it. But the ones who do not, the person who lent them the money is ultimately going to end up paying that debt off for the lender.

Mr. SASSER. Will the Senator yield for a question?

Mr. SYMMS. Yes; I shall be happy to yield for a question. I shall be happy to yield the floor.

Mr. SASSER. Let me ask my friend from Idaho, Mr. President, could he explain to me how a vote for the African relief bill, which will cost the Treasury in the neighborhood of $175 million, is a vote against raising the deficit, and a vote for the amendments here to feed the American farmer would be a vote to increase the Federal deficit?

Mr. SYMMS. I can answer that.

Mr. SASSER. Will he kindly explain the difference?

Mr. SYMMS. The Senator from Tennessee obviously was not listening to the Senator from Texas, who answered that not once but twice. Under the unanimous-consent agreement we are working under, the African relief under this bill is not amendable. The Senator knows that. If he is in doubt about African relief—and I think there is good reason for Members of this body to be in doubt about African relief, because all you have to do is go to Africa and look across the continent.

You will find out that in one part, in the countries that have Marxist-Leninist leadership, the people are starving in those countries. The countries that allow some market opportunity are doing a little better. They have the drought on top of it to compound the problem.

But if the Senator wants the vote on African relief to be consistent with his position for fiscal conservatism, he may do so. The Senator can have a lot of reasons why he does not want to make that decision. I do not want to make that decision for the Senator.

The Senator from Texas is quite right; under the agreement, the African relief portion is not amendable. The portion to go on and add largesse for the American farm program, that is amendment. Each Senator has to decide. I am going to vote not to raise any more debt and burden any more debt on the Treasury of the United States at every opportunity that I

have. Each one of these issues we have to decide for ourselves.

Mr. SASSER. Mr. President, will the Senator yield for another question?

Mr. SYMMS. Certainly.

Mr. SASSER. Following that logic, would it not follow that every Senator who did not object to the unanimous-consent request then favors increasing the Federal deficit to borrow money for the African relief bill?

Mr. SYMMS. I will yield to the distinguished Senator from Texas.

Mr. GRAMM. Mr. President, let me repeat that every Member of this body will have an opportunity to vote no on the African relief bill. If the Senator from Tennessee opposes it, then I suggest that he vote no. What I have proposed is not related to the African relief bill, which, in fact, it could not be under the rule that we operate under here. What I propose is that in the provisions of the amendments which have been added to this bill and possibly will be added, or implemented, the money be reprogrammed from existing expenditures to hold the Federal deficit harmless, the logic being a simple and, I think, irrefutable in that the farmer is hurt more by deficits and high interest rates than any other factor in our society.

I thank the Senator.

Mr. DOLE. Mr. President, I understand the distinguished Senator from Nebraska wanted to make a statement, then we shall be prepared to vote. I urge my colleagues that we are prepared then to take up the so-called Dixon amendment. If we can avoid extensive debate, we may be able to dispose of that.

I am not certain if there will be another amendment from this side. If not, we can go to final passage.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. ZORINSKY. Mr. President, I thank the Chair.

It is unfortunate that our efforts to help farmers had to become involved in a political morass on the floor of the Senate. I can assure every one of my colleagues on both sides of the aisle that I will do everything I can to make sure that farmers are made aware of how this package was put together and how the pending amendment attempts to gut the credit proposal that was just approved.

I take a back seat to no one in balancing the budget and my voting record is out there for everyone to see.

Let me assure you, Mr. President, that this is a litmus test not on budget busting but how you feel about the future of agriculture, how you feel about saving a few farmers. I saw the cost of the PIK Program last year—that I never even had a chance to vote on. It was concocted through the discretionary authority of the executive branch of Government. Under that program, billions of dollars were spent, and nobody asked me if I wanted to bust the budget with that program.

All I want to say in conclusion, Mr. President, is that I have listened to us talking about delaying sending out Federal pension checks to throw the cost from this year's budget to next year's budget—to pick up $1.5 billion to keep from "busting" the budget. I have seen us play the shell game. I have seen us play every game in this Chamber.

But I am proud to bust the budget if it comes to saving the farmers who provide food for the people of this country.

That is all I have to say, Mr. President. You can put me down as leaning against this amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Texas. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 43, nays 55, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—43

Armstrong	Hatch	Proxmire
Boschwitz	Hatfield	Quayle
Bradley	Hawkins	Roth
Chafee	Hecht	Rudman
Cochran	Heinz	Simpson
Cohen	Helms	Specter
D'Amato	Humphrey	Stafford
Denton	Laxalt	Stevens
Dole	Lugar	Symms
Domenici	Mattingly	Thurmond
East	McClure	Trible
Evans	McConnell	Warner
Goldwater	Murkowski	Wilson
Gorton	Nickles	
Gramm	Packwood	

NAYS—55

Abdnor	Ford	Matsunaga
Andrews	Glenn	Melcher
Baucus	Gore	Metzenbaum
Bentsen	Grassley	Mitchell
Biden	Harkin	Moynihan
Bingaman	Hart	Nunn
Boren	Heflin	Pell
Bumpers	Hollings	Pressler
Burdick	Inouye	Pryor
Byrd	Johnston	Riegle
Chiles	Kassebaum	Rockefeller
Cranston	Kasten	Sarbanes
Danforth	Kennedy	Sasser
DeConcini	Kerry	Simon
Dixon	Lautenberg	Stennis
Dodd	Leahy	Weicker
Durenberger	Levin	Zorinsky
Eagleton	Long	
Exon	Mathias	

NOT VOTING—2

Garn	Wallop

So Mr. Gramm's amendment (No. 12) was rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

● Mr. BIDEN. Mr. President, I have voted against the amendment of the Senator from Texas which would have vitiated the action the Senate took earlier today to help American farmers who are facing bankruptcy. The idea of adopting a constructive piece of farming legislation and then instructing the executive branch not to administer it—as this amendment would have done—makes no sense to me.

The $200 billion deficits that this country faces must not be dealt with in this backdoor manner. I believe the way to deal with deficits is to bring a complete budget freeze to the floor of the Senate as quickly as possible and adopt it. Such a freeze should freeze everything—defense, agriculture, cost-of-living adjustments, other domestic spending. I am prepared to vote for such a freeze and I hope the leadership on the other side of the aisle will bring the matter up for action promptly.

I hope that we will not see any more efforts to make political capital at the expense of the American farmer—or any other group of Americans. However, I suppose the Senator from Texas will be offering this amendment to every bill that comes before the Senate. I will continue to oppose such sabotage to worthwhile Government activities, while supporting a budget freeze that will provide effective action against deficits.●

Mr. DOLE. Mr. President, I understand the distinguished Senator from Illinois [Mr. DIXON] is prepared to offer his amendment under the unanimous-consent agreement. I will confirm that with the Senator from Illinois.

My understanding is that we would like to dispose of that amendment. If so, if we can do it rather quickly, we can do it tonight; otherwise, it will be some time tomorrow afternoon.

Mr. DIXON. Mr. President, may I have a moment with my leader?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WILSON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, at the appropriate time I am prepared to offer the amendment that would consititute, as I understand it, may I say

to the majority leader and the assistant majority leader and the minority leader, the second amendment to be offered as an amendment of the first degree under the accommodations entered into at the conclusion of the discussions between the distinguished majority leader and the distinguished minority leader last Saturday, I believe it was. May I say to all of my colleagues that the amendment is exactly the same as an amendment I have distributed among those on both sides who have indicated they will support the amendment and also exactly the same as the amendment I have shown to the majority leader and to the distinguished chairman of the Agriculture Committee, Senator HELMS.

The amendment has as its sponsors myself, the distinguished Senator from Iowa, Senator GRASSLEY; the distinguished Senator from Nebraska, Senator EXON; the distinguished Senator from South Dakota, Senator PRESSLER; the distinguished Senator from California, Senator CRANSTON; the distinguished Senator from Tennessee, Senator SASSER; the distinguished Senator from Michigan, Senator LEVIN; the distinguished Senator from Texas, Senator BENTSEN; the distinguished Senator from Montana, Senator MELCHER; my distinguished colleague from Illinois, Senator SIMON; the distinguished Senator from Arkansas Senator PRYOR; and the distinguished junior Senator from Iowa, Senator HARKIN.

This amendment is the amendment that has been referred to so many times that provides effective assistance only for the 1985 crop, and may I make that point, first, because the distinguished Senator from North Dakota, Senator MARK ANDREWS, indicated to me that he would support it if it was limited to the 1985 crop, and I do want to make it clear that it is understood on the floor of the Senate that it is limited to the 1985 crop.

This particular amendment would permit an advance to the farmer in the spring from the Commodity Credit Corporation funds of one-half of what the farmer could obtain from ASCS in the fall after harvest, limited, though, to each individual farmer to not in excess of $50,000. So it would be whichever is less, $50,000 or one-half of what the particular farmer applicant would obtain in the fall after harvest.

The amendment further provides that it is a recourse loan, that is, recovery may be made, of course, by the Government at the current interest rate.

Now, there have been some suggestions this is some kind of a free advance. The interest rate is 9⅛ percent currently, as I understand the law, and the amendment further provides that within 15 days of the passage of this act, the Secretary of Agriculture would be required to establish the rules and regulations by virtue of which the provisions of this act would be carried out.

The final provision, of course, would be that the applicant has an opportunity to file within 30 days of the passage of this act, and I might say to the majority leader that I have taken off that last section which was the so-called Levin-Pryor amendment, which was part of the Zorinsky-Melcher amendment already adopted, so it is no longer necessary to have their provision in this amendment. In summary, that is essentially what the amendment does.

I argue that it is revenue neutral. It is revenue neutral in the sense that the only people who are obtaining this money in the spring are the people who could obtain the whole amount after the harvest in the fall.

I understand the administration wants to suggest that there are revenue considerations here. The only way there can be a revenue consideration here is, if a farmer cannot get his crop in in the spring, I think it is a fair argument you would tragically make the savings on that farmer because he goes bankrupt and you will not have to give him the money after the harvest in the fall. But, with that exception, I see no revenue consideration in here in this amendment.

I would want to make this final point. My friend, the distinguished majority leader, has suggested we are changing a program that has existed for half a century. We are making a change one time for this year only. This is not a permanent law. This is an emergency law for this year for the 1985 crop. It will apply only to this situation, so it is a special case. And why is it a special case?

May I say finally in conclusion to my colleagues, before other discussion takes place, that I was in a room with the distinguished majority leader; the distinguished chairman of the Agriculture Committee; the distinguished Senator from Nebraska [Mr. EXON]; the distinguished Senator from Oklahoma [Mr. BOREN]; and others may have been there, I do not remember, when the Secretary of Agriculture was there with one of his assistants. And the point that was made at that time was that 6.6 percent of the farmers in the country would not be creditworthy under what was being contemplated at that time; that is to say that they had a debt to asset ratio of over 70 percent. Further discussions have shown that there is another 2.2 percent that should be included in that category who have a debt to asset ratio that is over 100 percent.

So the fact is that 8.8 percent of the farmers in this country, that is 9 out of every 100 farmers in the United States of America right now, are not creditworthy, in the contemplation of everything we have done until now, to be able to put a crop in this spring in order to have a harvest this fall from which they may obtain the funds that are available under this program.

Now this is the set-aside program that most here that are from farm States are familiar with. It is a good program. The program has worked for years. The program will continue to work. And all we are doing here is advancing money so that the farmer can put in the 1985 spring crop.

I would say that any person who votes for this amendment can say in absolute good conscience that he is voting for a revenue neutral amendment. And though I know that my colleagues on the other side will argue otherwise, the fact is that this is nothing more than an amendment to permit an advance this spring against what the farmer is fully entitled to in the fall if he signs up for the program.

I think it is a good amendment. I would urge its consideration by my colleagues on both sides. I think with this package finally added to what has already been done, we will have given some substantial assistance to farmers in the country.

Mr. DOLE. Mr. President, has the amendment been offered?

Mr. DIXON. No, not yet.

Mr. DOLE. So we do not know what is before us?

Mr. DIXON. Well, I can assure my colleagues it is what I gave him the other day.

Mr. DOLE. There will no no changes in the amendment, is that correct?

Mr. DIXON. I do not contemplate any, unless the majority leader has some suggestions.

Mr. DOLE. It is rather difficult to debate the amendment if the amendment has not been offered. Until we have an amendment offered, I yield the floor.

Mr. DIXON. Mr. President, may I say to my distinguished colleague, the majority leader, that others here are scheduled to speak momentarily on the amendment and there was still some discussion a moment ago about it.

But the amendment I have addressed so far is in fact the amendment that the majority leader has seen. John Gordley, sitting to his right, was handed that. I am sure that has been examined. The only thing I have removed from that amendment is that portion of the amendment that was the so-called Levin-Pryor addition to the amendment which has already been adopted as a consequence of the adoption of the Zorinsky-Melcher amendment.

Mr. CHAFEE. May I ask the Senator from illinois a question?

Mr. DIXON. Yes, of course.

Mr. CHAFEE. Why does he not present his amendment? What are we here for?

Mr. DIXON. I thought there were some others here that were going to be heard momentarily.

Mr. CHAFEE. If we are going to debate an amendment, we might as well have it up. What is the matter? Is it not written or not printed? What are we waiting for?

Mr. DIXON. Does the Senator have any questions now about what I have already discussed? Because I have the amendment and it will be offered momentarily, I believe. I think that some of my colleagues wanted to say something about it. I believe my colleague from Nebraska may be prepared to do that momentarily, my colleague from Kentucky, my colleague from Alabama, and others.

Mr. CHAFEE. I do have some questions on the invisible amendment. I assume that you could tell me about it.

Mr. DIXON. Well, I will do my best.

Mr. CHAFEE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Those who wish to converse will take their conversations into the cloakrooms.

Mr. CHAFEE. Mr. President, I am just assuming that the amendment that we are discussing is the one that the Senator will present, and that it is in the form that the Senator has described and answered questions about.

First of all, let me ask one thing about this amendment. I know that we are upset about the Midwestern farmers. That is where the problem is. Does this amendment go beyond that? Does it cover tobacco and peanuts, for example?

Mr. DIXON. This covers all of the so-called basic cash crops—wheat, feed grains, upland cotton, rice, tobacco, sugar cane, sugar beets.

Mr. CHAFEE. Let us concentrate on this. Why are we dealing with this? There is no suggestion that the tobacco and peanut farmers are in trouble. Why are they included?

Mr. DIXON. I must say in candor to my friend from Rhode Island, we do not raise peanuts in my State. There is, I think, one or so tobacco growers in the extreme southern part of Illinois.

But the reason they are contained in this is because this is part of the act that is presently on the books which relates to the crops that I have indicated to my friend from Rhode Island. And they are part now of that particular contemplated fund, the CCC fund, so they would be part of that fund under this amendment which permits an advance to obtain money in the spring.

I am not sure that the Senator is right about that statement that he made about those farmers. He may be. I do not know about that.

Mr. CHAFEE. My next question is about the $50,000 loan. That is a cap. Is there a means test, or does everybody get it?

Mr. DIXON. Anyone who signs up for the program who would ultimately get the full amount in the fall after harvest, which is, of course, the existing law, could obtain half in the spring pursuant to their being a part of the program. It is half of what they get the whole of.

Mr. CHAFEE. Why do you not have a means test? This is a very unusual step you are taking here. We have heard a lot of talk on this floor—not just today, but for a week now—about the dire situation of farmers in the Midwest. Why do we not apply a means test to the $50,000?

Mr. DIXON. Well, the act as it is here drawn does not require a means test.

Mr. CHAFEE. I know that. My question is, Why not?

Mr. DIXON. Because any person who participates would obtain the full amount after the harvest in any event. All this permits is an advance against that full amount with recourse at interest. That is the law now.

Mr. CHAFEE. Let us get back to the interest. The interest is 9⅜ percent?

Mr. DIXON. That is the law now.

Mr. CHAFEE. Are you saying that the prime people can go and borrow money at that rate?

Mr. DIXON. No, I am saying that probably the Senator from Rhode Island voted for that in the act prior to the time I got here.

Mr. CHAFEE. But that is what they get after they produce the crop. Is this not a splendid situation for some farmer who is in fine shape? There is no means test, so he could go down and get $50,000 at 9⅜ percent—"Come one, come all; hurry, hurry and pick it up." Then he could take it and invest it in anything he wanted. Is that right?

Mr. DIXON. You have to sign up for the program. You have to participate in the program.

Mr. CHAFEE. No question.

Mr. DIXON. Then in the fall, if you did that, you would obtain the full amount. You will be able to obtain as much as half in the spring. You would pay 9⅛ interest on it for that period of time.

Mr. CHAFEE. Is not this a different way?

Mr. DIXON. No. I do not think it is.

Mr. CHAFEE. It really is a different way.

Mr. DIXON. It is an advance.

Mr. CHAFEE. The Federal Government is making up the difference clearly when you go down and borrow at 9⅜. Somebody is making up the difference.

Mr. DIXON. It is the same rate that presently exists under the CCC fund. You are obtaining half of it in the spring.

Mr. CHAFEE. That is, when you put up your crop. After you harvest your crop, you turn it in. You get that, if you should choose to go that route.

Mr. DIXON. That is correct.

Mr. CHAFEE. What the Senator is proposing here now is that regardless of whether you have any difficulties at all, you can go down and pick up $50,000 at subsidized rates, take the $50,000, put it in a CD or whatever you want, and make the difference.

Mr. DIXON. You cannot do that. You get the advance to put in the crop. You give the money back. You would get the whole amount in the fall in the harvest. You get the advance of half to put in the crop in the spring.

Mr. CHAFEE. But you do not have to waste your time doing that.

Mr. DIXON. Sure; you have to put in the crop.

Mr. CHAFEE. There is no means test. You do not have to have problems. You can be a John J. Rockefeller. You can be anybody and go down and get a loan for $50,000. Is not this grand?

Mr. DIXON. It is nothing more than the existing program with an advance in the spring of half against what you obtain after your harvest in the fall.

Mr. CHAFEE. Do not suggest this is a typical situation, and that a shoe manufacturer in my State or a jewelry manufacturer can go down and get $50,000 at 9⅜ percent based on what he is going to sell next Christmas? This is an unusual procedure. The Senator is peddling it on the basis that this is an emergency for the farmer, but there is no means test. It is not restricted to the crops that are in trouble. And anybody can get the $50,000 at a subsidized rate. If the Senator has trouble seeing that that is a giveaway—that somebody is being subsidized by the Federal Government—then we have a lot of problems.

Mr. DIXON. May I say to the Senator that it is a program for those participate in and sign up in the CCC Program. They may obtain an advance recourse loan to put in their crop. The bill itself provides on page 4:

> If a producer who has received an advance recourse loan under this section fails to comply with any term or condition prescribed by the Secretary, the producer shall repay such loan immediately plus such additional interest thereon as the Secretary shall prescribe by regulations.

It is not intended as an advance to the farmer of some money that will not be used for the purpose for which the act is intended.

Mr. CHAFEE. Look, we have been through this. We went through this with the Student Loan Program. There was no means test. Parents were going down and getting a loan, putting it in CD's, and getting the difference.

Where is your means test? It is a subsidized loan. Why do you not add means test so that those who need it will get it?

Mr. DIXON. May I say once again to the Senator that the people who will participate in this program are people who have signed up for the program. They have done that in the past. There has been no means test required by law in the past. The people that would participate in this now will once again be the same people who have participated in the past; that is, farmers who put in these crops.

Mr. DOLE. Will the Senator yield?

Mr. DIXON. Yes.

Mr. CHAFEE. If I could just answer that one point: The Senator fails to recognize a difference under the existing program. The crop is harvested, and you get the loan if you so choose. What the Senator is proposing here today is that you get the loan in advance whether you need it or not, that you get it at a subsidized rate, and that you can do anything you want with the money—invest it at a higher yield and in 3 years you get to keep it. No wonder the country has a deficit.

Mr. DIXON. What the Senator from Rhode Island is suggesting is that farmers do this and will misuse those funds. But that is not the case. They will participate in the program as they have in the past, they will put in their crop that they otherwise would not put in, and these funds then will be advanced to them as one-half of the funds they would obtain in the fall. They pay 9⅛ percent interest. That is a higher rate than the Government gets for money. So that the Senator's argument that the Government loses money flies in the face of the financial facts which are that the rate at which the Government can obtain money is less than the rate that the farmer is paying for the money when he obtains it although I would be the first to concede that 9⅛ is a lesser rate than the market generally for any kind of a loan.

Mr. DOLE. Will the Senator from Illinois yield?

Mr. DIXON. Yes.

Mr. DOLE. I will indicate that if we can dispose of this amendment quickly—I do not mean tabling, but an up-or-down vote—we are prepared to stay in and do that if we can also dispose of the amendments on this side. There may be one, possibly two. But it is one round. It is the combined first and second degree. Then I assume there might be a vote on final passage. So we are looking at as many as four, possibly three record votes. If you add to that the debate, we are looking at probably 8:30.

Mr. DIXON. May I interrupt the majority leader to accommodate him? Those on my side have indicated that this has been discussed sufficiently, that everybody that had meant to speak does not need to speak. I am prepared to send the amendment to the desk.

AMENDMENT NO. 14

(Purpose: To provide for advance recourse loans to producers of wheat, feed grains, upland cotton, rice, tobacco, peanuts, soybeans, sugar cane, and sugar beets, and for other purposes)

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of myself and Senators GRASSLEY, EXON, PRESSLER, CRANSTON, SASSER, LEVIN, BENTSEN, MELCHER, SIMON, PRYOR, and HARKIN, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Illinois [Mr. DIXON], for himself and Mr. GRASSLEY, Mr. EXON, Mr. PRESSLER, Mr. CRANSTON, Mr. SASSER, Mr. LEVIN, Mr. BENTSEN, Mr. MELCHER, Mr. SIMON, Mr. PRYOR, and Mr. HARKIN, proposes an amendment numbered 14.

At the appropriate place in the bill, insert a new title as follows:

TITLE III

ADVANCE RECOURSE LOANS

SEC. 301. This title may be cited as the "Advance Recourse Loan Act of 1985".

SEC. 302. Effective only for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

"ADVANCE LOANS

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make available advance recourse loans to producers of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act. Such advance recourse loans shall be made only to producers who agree to comply with such terms and conditions as the Secretary may prescribe consistent with the provisions of this section and shall be made as follows:

"(1) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity.

"(2) Within the limit set out in paragraph (5) of this subsection, advance recourse loans shall be made available:

"(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to 50 per centum of the farm program yield for the commodity times the farm program acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary;

"(B) to producers of tobacco and peanuts who are on a farm for which a farm marketing quota or poundage quota has been established on an amount of the commodity equal to 50 per centum of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

"(C) to producers of soybeans, sugar beets, or sugar cane on an amount of the commodity equal to 50 per centum of the farm yield for the commodity times the farm acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(3) An advance recourse loan under this section shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under this section shall specify such due date and the rate of interest payable on the loan. The rate of interest shall be the rate of interest in effect for Commodity Credit Corporation commodity loans on the date the advance recourse loan is made. The Secretary shall establish procedures, where practicable, under which the producer, simultaneously with repayment of the recourse loan, may obtain a nonrecourse loan on the crop, as otherwise provided for in this Act, in an amount sufficient to repay the recourse loan. In cases in which nonrecourse loans under this Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay the recourse loan at the time the producer receives advances or other payments from the producer's disposition of the crop.

"(4) To obtain an advance recourse loan under this section, the producer shall provide such security for the loan as the Secretary determines to be adequate to protect the interests of the Government.

"(5) The total amount of advance recourse loans that may be made to any person under this section shall not exceed $50,000.

"(b) If a producer who has received an advance recourse loan under this section fails to comply with any term or condition prescribed by the Secretary, the producer shall repay such loan immediately, plus such additional interest thereon as the Secretary shall prescribe by regulations.

"(c) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

"(d) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(e) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.".

REGULATIONS

SEC. 303. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue regulations to implement the provisions of this title as soon as possible, but not later than fifteen days after the date of enactment of this title, and loans provided under this title shall be made available beginning on the date such regulations are issued. The Secretary shall extend the period of sign-up for participation in the programs for the 1985 crops of wheat, feed grains, cotton, and rice under the Agricultural Act of 1949 for a period of 30 days after the date of enactment of this title.

A SOLUTION TO THE FARM CRISIS

Mr. DIXON. Mr. President, we from time to time in this Chamber debate the merits of soil conservation as a means of controlling the erosion which despoils and weakens our priceless farmland in this great agricultural Nation.

Today, however—indeed for the past several days—we have been talking about another kind of erosion—the

erosion of our agriculture economy. Unfortunately, Mr. President, our soil is not the only thing subject to erosion. Any kind of erosion tends to be insidious, little noticed until severe damage has been done. That is exactly what has happened to us in agriculture.

We have heard here clearly and vividly during the last few days a graphic outline of the dire straits in which the farmer finds himself. Land values have eroded. Commodity prices have eroded. The farmer's net worth has eroded. Farm loan sources have eroded. Overseas markets have eroded. Purchases by farmers in our rural communities have eroded. Just about everything has eroded on thousands of farms, Mr. President, except the determination and spirit of the American farmer to pull himself out of this mess if we will just give him some help and a little breathing room.

I have several times repeated during the course of this debate that I have no concern about pride of authorship in terms of getting some immediate short-term help for the farmer so he can buy seed, fuel, and fertilizer for his spring crop. It matters not to me whether it is a Dixon bill in the Senate or the Daschle bill from the House, or any other legislative vehicle. It does matter to me that we get the job done! It matters to the Illinois farmer that we get the job done! Let us do something! Let us do it now!

Mr. President, let us get the American farmer off of the covers of the national news magazines and back into the fields where he belongs. Raising a crop is a lot more productive than raising a fuss. The American farmer—the Illinois farmer—would much rather be working in his fields than demonstrating in his State capital or here in Washington.

For these reasons, I rise today to discuss an amendment I will offer at an appropriate time.

This amendment combines features of several bills that have been introduced in the Senate and the House this year. Specifically it authorizes and directs the Secretary of Agriculture to make available advance price support loans for the 1985 crops.

The amendment directs the Secretary of Agriculture to make advance commodity credit corporation loans on a portion of the 1985 crops. Loans would be made to producers of farm program commodities for which price support loans are available in the 1985 crop year. Such commodities include wheat, feed grains, rice, upland cotton, tobacco, soybeans, peanuts, and sugar.

The amount of the loan would be equal to the nonrecourse price support loan rate for the commodity, multiplied by 50 percent of the farm yield, multiplied by the anticipated number of acres to be planted to the commodity. In the case of tobacco and peanuts, the loan rate is multiplied by 50 percent of the quota. The total amount of advance loans that one producer could receive would be limited to $50,000.

The advance loans made under this program would be recourse loans and would be repaid after harvest. The amendment directs the Secretary of Agriculture to establish a procedure enabling producers to repay the recourse loan at the same time they receive regular, nonrecourse price-support loans on their crops. In other words, the recourse loan would, in essence, be converted into a nonrecourse loan.

To ensure that the program is operated on a fiscally sound basis, adequate security will be required for the loan at the time the loan is made. Advance loans made under the program established by the amendment would be administered by the Agricultural Stabilization and Conservation Service and the ASC county committees. The sign-up period for the 1985 crop programs would be extended for a period of 30 days after the date of enactment of the bill to enable producers to receive advance loans under the program.

The amendment incorporates the advance payment features of several bills pending in the Senate:

S. 433, introduced by Senator DIXON on February 7; S. 458, introduced by Senators EXON, BOREN, SIMON, BURDICK, PRYOR, HARKIN, LEVIN, and ZORINSKY on February 19; S. 459, introduced by Senator HART on February 19; and S. 460, introduced by Senator GRASSLEY on February 19.

The amendment provides for a program similar to that proposed by Representative DASCHLE and others in the House—H.R. 1035—on February 7. H.R. 1035 was ordered reported by the House Committee on Agriculture on Friday, February 22.

Certain features of the program established by the amendment—the recourse nature of the loans made, the limitation on outlays, and the requirement for posting of adequate security to protect the interest of the Government—will limit the outlays under the program to a lesser amount. If the program attracts additional participation in the 1985 crop programs, additional outlays occur, but the resulting reduction in production can increase market prices and thereby reduce outlays in other accounts such as deficiency payments. Against this background, the expected result is a revenue neutral bill.

The idea is to let the farmer, in effect, borrow from himself, but to do it in the spring, rather than wait until harvest time, because, bluntly put, there will not be any harvest if the seeds do not get into the ground this spring.

The immediate emergency, as we all well know, is getting operating loans to begin planting. In a normal year, this would be no problem. You could go to the bank, to the Production Credit Association, or to Farmers' Home and get the necessary loan. But there is nothing normal about this year. PCA's have their own problems. Farmers' Home is building up an inventory of property. Banks are overextended in some instances. The result is that many farmers, already burdened by debt, cannot obtain loans with which to buy seed, fuel, and fertilizer.

For that reason, I feel that my uncomplicated bill allowing an advance on resource loans makes good sense so farmers can plant their crops in a timely fashion. You should keep in mind, obviously, that this is a Band-Aid. It is quite simply a short-term measure, for an immediate, short-term problem. The bill for it will come due this fall, when the farmers who qualify for this advance will not have the full amount of nonrecourse loan money available.

Tiding the farmer over through the spring season is only one factor in what needs to be done. For the long-term, all of us know that we need to find a way in many instances to stretch out the farmer's debt. We need to give the solid operating farmer breathing room to get back on his feet.

Many of the ideas floating around in Washington certainly will involve the expenditure of too much Federal money at a time when we are confronted with our massive budget deficit. Many of them very likely will only partially solve the problem.

The difficulty, obviously, is that we do not have the luxury of time. For that reason, I feel we must do something in the short-term to get the farmer in the field in the next few weeks. He would much prefer to be doing that rather than taking part in demonstrations in Springfield, IL, or Washington, DC. Once we make it possible for him to finance his seed, fertilizer, and fuel for spring planting, we must then turn our collective attention to the long-term problem of stretching out the farmer's debt.

Many experts are throwing up their hands by saying this cannot be done. I do not buy such a pessimistic assessment. It will be difficult to do, but I think we should try. Why do I say that? Because the alternative is too dire. The cost is too high.

We have been meeting for many long hours in Washington in an effort to hammer out an agreement that will be meaningful and helpful to the farmer who needs assistance. Behind closed doors, I have heard an estimate that even with the administration's plan in place, should we all agree to it, 7 out of every 100 farmers will still go broke by the end of the planting season. Think of that: 7 out of every 100 farmers in Illinois—7 out of every

100 farmers across America—will go broke, even if the administration's plan is implemented.

Now, I have a reason to believe that this estimate is too low. There are other estimates which have not even been made directly available to us that suggest that as many as 9 out of every 100 farmers will go belly up by the end of planting season. Whether the figure is 7 percent or 9 percent, I say it is unacceptable. It is simply too high. It threatens the very existence of good solid operating farmers who do not deserve to go broke.

The New York Times, speaking from the standpoint of a major urban newspaper, just last Friday said that aid could come in time for many hard-pressed farmers, and went on to say, "* * * there is a case to be made for giving it." The New York Times, of course, is well aware of the assistance the Federal Government gave to New York City when it teetered on the verge of bankruptcy.

Let me quote a paragraph from the Times editorial:

When the Federal Government helped New York City out of its fiscal crisis, it won budget reforms in return. When the Federal Government guaranteed loans for Chrysler, it won concessions from Chrysler's stockholders, bankers, suppliers, and workers. A similar deal with agriculture would be harder to manage because there is no single group to bargain with. But an explicit agreement from the major farm lobbies and elected officials from farm States is conceivable.

This expresses my sentiments. Let us develop a program we can all agree on that will keep the farmer from going broke. Let us write it in such a way that the economic health of our rural banks will not be jeopardized. Let us get the rural economy back on track, so the farmer will be a customer again, so the fertilizer dealer, the fuel dealer, the implement dealer, the seed dealer, the car dealer, and everyone else the farmer deals with, can once again prosper.

Let us resolve not to allow the 1980's to become a repeat of the 1920's, which were a prelude to the Great Depression of the 1930's. Let us learn from the lessons of history, rather than repeat our mistakes of the past.

Our goal must be to wipe away the pessimism that now occupies us in rural America and throughout Illinois. We must foster optimism. We must get the farmer back onto his feet, back into the fields, back to his rightful place in the rural community as the cornerstone of the rural economy that he has been and must continue to be.

To do any thing less will be a disservice to our Illinois and American farmers and to our fellow citizens who know that a thriving farmer is the key to a growing, dynamic economy for all of us to enjoy.

Mr. LEVIN. Mr. President, I rise in support of the Dixon amendment to grant crop loan advances to farmers who need the advance in order to plant this spring.

The farm legislation we have been debating for the past several weeks has been emergency legislation in response to real agriculture crisis. Senator DIXON'S amendment responds to that crisis by calling for advancing a portion of the loan which would normally be obtained at harvest instead of the beginning of the planting season. This action is necessary because the farmers' ability to obtain loans from their usual sources for planting expenses such as seed, fertilizer, and other planting expenses through their banks, has been exhausted.

Senator DIXON estimates that approximately 80,000 to 120,000 farmers will be helped by this amendment by allowing them to plant their crops this spring.

These 120,000 farmers are not just numbers on a balance sheet, they are farmers who need our help. They are the communities who depend on the health of agriculture to survive. They are the faces of children who are uncertain whether they can live in the same community. They are the faces of third and fourth generation farmers who have been efficient and economically healthy until recently when their land values dropped drastically and their assets in land have been substantially cut—in some cases cut in half.

I urge adoption of this amendment because ultimately it will not cost any more than the current program, yet in the meantime, it will aid farmers who are truly in need of assistance.

Some may ask why a Member of Congress from a so-called industrial State is so concerned about the farm crisis? Because it is America's crisis. Because my constituents in Michigan understand the despair and pain resulting from loss of work and income. Because when farmers go broke, they do not buy equipment that is made by workers in cities and towns. Because this crisis will affect every one of our constituents as consumers. Because Washington and Congress will face a growing tide of humanity seeking survival.

If we don't act promptly and effectively, 5 to 30 percent of our farms may go under this year. If we don't act we'll have fewer and fewer farmers, and before we know it, a few corporate conglomerates will control our agriculture and then all of our constituents will pay higher food prices due to less competition.

We must act immediately in the following ways:

First, we must provide additional loan guarantees to farmers and a better debt restructuring program as provided in the Zorinsky amendment.

Second, we must get adequate staff to the FmHA and insist that they promptly handle loan applications—work nights and weekends if necessary—to get rid of the current backlogs. Senators ZORINSKY and DIXON have included these provisions, originally proposed by Senator PRYOR and me, into their amendments.

On a long-term basis, we must help assure an adequate price for farm products and get production and demand back into kilter. While emergency loans are necessary now so that spring planting can take place, loans to some extent are Band-Aids and put farmers into a deeper hole—they need a decent price to get out of that hole.

Let me now step back a bit in time. A few weeks ago, my brother, Congressman LEVIN and I, spent 4 days in Michigan, South Dakota, and Nebraska meeting with farmers, farm credit organizations, small business people such as implement dealers, agricultural chemical suppliers, and others directly impacted in the crisis confronting agriculture.

Our colleagues, TOM DASCHLE and JIM EXON, held meetings in South Dakota and Nebraska. We are grateful they invited us to attend.

We began in our own State of Michigan, a State which has about 60,000 farms and has more farmers than some of the Farm Belt States. Michigan is a major producer of soybeans, sugar beets, navy beans, dairy products, pork, berries, peaches, corn, wheat, plums, apples, cucumbers, blueberries, carrots, celery, mushrooms, prunes, plums, tomatoes, grapes, and strawberries, et cetera, et cetera.

Michigan farmers of all kinds face a crisis. For instance, Michigan's cash income from farming was $820 million in 1980. It is estimated in 1984 that it was $690 million and the forecast for 1985 is that it will be $645 million. This is based on a Michigan State University econometric model which has been used regularly. Michigan's farm real estate averaged $1,232 per acre in value in 1981. By 1984, the value dropped to $1,109 per acre. Total farm assets in Michigan were $17.1 billion in 1981 and dropped to $16.1 billion in 1984.

At the same time, total Michigan farm debt increased from $3.2 billion in 1981 to $4 billion in 1984. Farmer's equity in their property dropped from $13.9 billion in 1981 to $12.2 billion in 1984. The debt to equity ratio increased from 23 percent to 32.3 percent in those same 3 years. According to Michigan bankers and State farm officials almost one out of every five farmers in Michigan is operating under financial stress and faces uncertain prospects for credit for the spring planting season.

As a result of the drop in land value and the drop in farm income, there is inadequate equity and projected income to meet the requirements of

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lending institutions for operating loans this spring. Low land value and low projected cash flow mean that a large number of farmers are "poor credit risks" in the eyes of their usual credit sources. The bottom line is that farmers cannot borrow the money they traditionally borrow in the spring in order to plant their crops.

At a meeting with the Production Credit Association [PCA] of Bay City, MI, the estimate was about one-third of the 1,040 were having serious troubles: At the hearing of the House Budget Committee in Lansing, the director of the Kalamazoo, MI, PCA stated that about 20 percent of the farmers were having serious problems with payments.

At a bank in Frankenmuth, MI, we were told of an extended family operation involving two fathers and their sons working 1,400 acres, who had expanded operations in the late 1970's who had suffered net income losses in 1981, 1982, and 1983 from a combination of high interest rates and bad weather, and whose net worth had dropped from nearly $2 million to nearly zero in 4 years.

We met farmers in the Michigan Thumb who have been in business for over 25 years and now are in serious trouble. One had recently sold part of his farm, but with no other ready assets to sell, he faced the end of farming unless he received some credit assistance to facilitate his farm operations beginning with planting in the next month or so.

While Michigan has a crisis in agriculture, it is better off than many States. In the two States that we visited, South Dakota and Nebraska, land values have dropped farm more than land values in Michigan. Newspapers are full of notices of auctions of farms. In many cases those farms have been in the same family three and four generations. The entire Legislature of South Dakota came to Washington. There are farm crisis rallies and stress hotlines, increases in spouse abuse, child abuse, suicides of farmers who believe there is no hope or who feel guilty for losing a family farm that has been in the family for generations.

There is a great deal of anger in the countryside and small towns of South Dakota and Nebraska. Disbelief, mixed with shock and perhaps a bit of shame, is now bursting to the surface; it is being propelled by a significant worsening of conditions in the last several months and the specter of a pending planting season without the means to cope with it. It is manifested not in violence, but in militancy.

What has been the Reagan administration's response to a clear need to help our family farmers?

It is proposing to drastically cut the amount of credit available to farmers from the Farmers Home Administration [FmHA]. The administration proposes a total loan level of $3.4 billion in the fiscal year 1986 budget compared to the $4.476 billion in fiscal year 1985. A drastic reduction in direct loans is proposed from $3.78 billion in fiscal year 1985 to $400 million in fiscal year 1986.

The administration proposes to reduce price support loan rates by taking the national average price of the commodity over a 5-year period and setting the loan rate at 75 percent of that price. For wheat farmers, it means about 56 cents less per bushel and for corn farmers it means nearly 43 cents less per bushel. Sorghum farmers would get approximately 47 cents less per bushel and barley farmers would get about 26 cents less per bushel. The administration's fiscal year 1986 budget is a prescription for disaster for agriculture in America.

In that prescribed disaster the FmHA would be little help. The Farmers Home Administration was designed to be the safety net—the lender of last resort. But the proposed cut in the FmHA direct loan level and the proposed cuts in price support loans would consequently result in tens of thousands of farmers, perhaps hundreds of thousands of farmers, falling through that net and crashing to the ground, taking small businesses and banks with them in the process.

The Farmers Home Administration is being systematically strangled by funding cuts, slowdowns in processing of applications, and staff reductions. There is a moratorium on hiring personnel for the Farmers Home Administration with the result that loans take months and months to process.

The FmHA is failing in its statutory purpose of being a lender of last resort for American family farms because of a rigid, simplistic doctrine that less government automatically, necessarily, and instantly means Americans are better off.

The most visible exponents of the administration doctrine are David Stockman and John Block. David Stockman has called the grinding into the ground of American farmers "the way a dynamic economy works." We believe the bankruptcy of a large number of American farmers represents sickness in the agricultural economy, not proof of its health.

Even if you believe that the weak should perish as a beautiful byproduct of a pure, free economy, the weak and the less capable aren't the victims in the current agricultural crisis. It is chance and random luck that determines which farmers are going under to a large degree, such factors as when you bought your land and what the price of your crop is in the world.

The farm crisis is also the result of Government policies—big deficits which raised effective interest rates and produced overvalued dollars which reduces exports. So if you plant crops which are traditionally exported in large quantities, but aren't being exported at their usual level, you come up short.

The premise of Stockman's attack is wrong—random chance and Government policies are greater factors affecting farmers survival chances in the current crisis than efficiency or managerial skill.

We have heard a common theme sung by Dave Stockman about the distress in rural America and nonrural America. Dave Stockman said a few weeks ago that he saw no reason to distinguish among the laid off industrial worker, the troubled small business person, the aging veteran of World War II or the student whose loan would be ended, and the distressed farmer.

In a word, we are in a common boat. How true. But Stockman's conclusion is that the boat should sink in the waters of icy indifference. Let everyone swim solely by himself, or sink, he says. It seems to me that is not the answer.

But the most lurid rhetoric of Stockman or Block cannot hide the fact that the policies are President Reagan's. The proposed cuts in our agricultural credit program and FmHA lending authority are the President's policies. The proposed cut in price support loan rates and target prices is the President's proposal.

That is why the entire South Dakota Legislature and a good percentage of the Nebraska Legislature sought to meet with the President. They wanted to meet with the President and not an appointee of his and they were right.

The protective shield around the President must be pierced. He must confront the reality of 5 percent to 30 percent of our farmers not planting this spring. He must fully and personally understand the threat to the values of family and independence which the growing farm upheaval represents.

We do not want to excuse mistakes made by farmers, but they were not all land speculators. We do not want to forget for a moment the deficit, but farmers were not the only cause of the deficit in this country. We do not want to put the family farmer on a pedestal, but there is a lot of talk, and correctly so, about values in American society, and it seems to me we ought to look at the values involved in the family farm.

We do not want to be for a moment a rubber stamp for all the subsidies in this country for farmers or anybody else. We are not sure of the answer to the farm problem in the long run, but we are sure that the answer is not to let tens of thousands of middle-sized farmers sink in the short run.

Much legislation has been offered and more will be forthcoming.

Some is short term—to get farmers help in time so they can plant this spring, such as the Dixon amendment which will hopefully be considered in the very near future.

Some is long term—successor legislation to the farm bill which expires at the end of this fiscal year. Both need the attention of this Congress on an urgent basis. There is a farm crisis, but it is more than a crisis among farmers. If we fail to act in a prompt way, hundreds of thousands of Americans will be the immediate victims and all Americans who consume their products will be victimized in the marketplace in the not too distant future.

Mr. ZORINSKY. Mr. President, the amendment would provide for advance recourse loans to be made to producers of the 1985 crops of wheat, feed grains, upland cotton, rice, peanuts, tobacco, soybeans, sugarcane, and sugar beets. These are commodities for which nonrecourse price support loans will become available after the crop is harvested.

Adoption of this amendment will help ensure that our Nation's farmers will have sufficient funds available to plant their crops this year.

The loan would be limited to an amount equal to the nonrecourse price support loan rate for the commodity multiplied by 50 percent of the farm yield and the number of acres of the commodity that the farmer intends to plant for harvest. In the case of tobacco or peanuts, the loan rate would be multiplied by 50 percent of the quota. In addition, a producer could not receive advance loans totaling more than $50,000.

Interest on these loans would be charged at the CCC commodity loan rate on the day the loan is made.

The advance loans made under this program would become due and payable as soon as practicable after the crop is harvested. The Secretary of Agriculture would be required to establish a procedure enabling producers to repay the recourse loan at the same time they receive regular, nonrecourse price support loans on their crops.

To ensure that the program is operated on a fiscally sound basis, adequate security would be required for the loan.

Producers of wheat, feed grains, upland cotton, and rice would be required to participate in the 1985 commodity programs. The signup period for those programs would be extended for a period of 30 days after the date of enactment of this legislation to enable producers to qualify for advance loans.

By providing a mechanism under which loans can be made quickly, the amendment will help ensure that financially hard-pressed farmers have sufficient funds available to plant their crops.

Mr. President, the amendment combines features of several bills that have been introduced in the Senate and the House this year. I particularly want to commend Congressman DASCHLE—the original author of the proposal—for his efforts in developing this innovative legislation. South Dakota, like Nebraska, has been hard hit by the depression in the farm economy. My neighbors in South Dakota are fortunate to have Congressman DASCHLE representing their interests.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, for purposes of accounting for the time because I have a tendency to talk too long, I yield myself 5 minutes.

Mr. President, the distinguished Senator from Rhode Island is absolutely right. This is not a proposal that is going to help farmers in need. This is a proposal that is going to throw away the CCC fund, and allow for a huge amount of interest that we are going to subsidize to all the farmers, whether they need it or not. Let me give you an analogy that I remember very vividly. When interest rates went up to 14 percent in the United States, we did not change the law with reference to student loans. So we had student loans for almost anybody. I think the president of the Ford Motor Co. could have probably gotten one. They got them at 5.5 percent. What do you think happened? All those people that had money for their own children saved away, switched their money to long-term high interest instruments. Why? Because they were going to get about 13 percent on CD's. So they left their money over there, collected their interest, and they came to good old Uncle Sam with no means test, and got their 5.5 percent student loan. Some of them are still paying back that wonderful package of goodies.

The truth of the matter is that this amendment takes the agricultural crop stabilization fund, the CCC—historically an important and critical program for price stabilization and significantly modifies its purposes and goals. Under the current program when you are all through with the growing season, and you have gone to your banker and borrowed money at the going rate for planting in order to make sure that you do not have to sell your corn and your wheat all at one time and depress prices. Now, "Here is the loan rate. Put your crop in the bins. You own it. And we just now lent you money because you put your grain in there. We lent you money for the next 9 months or until that crop goes above that in which event you pay it back and take back title to your crop so you can sell it at the higher market price.

"But we lend you subsidized loans during that period of stabilization to let you market."

There is no way they can stand on this floor and say if you give every farmer in America up to $50,000 advance that we are not giving it to rich farmers who do not need any money, while the budget is going broke further.

I can tell you now if we leave current policy alone and add a few more of these programs, we will be at the $230 billion deficit next year. And after that about $280 billion. We are never coming down. God knows who is ever going to pay this debt off.

What we are doing here with this program is saying, "We think there are some farmers in trouble, but let us use this good old CCC fund, subsidized interest rates, and let us say, 'Come one, come all. Forget about crop stabilization. This is not for farmers who have grown their crop, who are worried about flooding the market 7 or 8 months from now when they harvest their crop. It is for all of you. Come on in here. Do not borrow from someone else. Good old Uncle Sam will lend it to you at 3 or 4 percent under the rates you would have to pay elsewhere.'"

That is all in the name of not spending any money. And we are helping out all farmers, including the 6 or 8 percent who really need it.

When we write these checks and send them to these farmers for up to $50,000, whether they have money, need money, or do not, all of them, as soon as we write the checks it goes on the budget. My estimate is $4.5 billion. That is the lowest estimate I have. $4.5 billion on budget right now that we are lending to farmers who do not even need it at 3 to 4 percent under the prevailing rate.

They say 9¼ is not so bad because it is less than the Federal Government has to pay.

Is that not something? We do not have any money. We borrow every bit of it. That is a marvelous assumption, that we are not losing any money, when every bit of this money we have to borrow because the CCC does not even have any money. They go to the U.S. Treasury and this gets appropriated.

They say, "Treasury, put some more money in the CCC." Treasury goes out and borrows it and gives it to them so we can write checks to every farmer in America.

Why did I say $4.5 billion is the minimum? I hope the farmers of America all listen because we are destabilizing the crops of America, not stabilizing them. We are inviting disaster in 8 or 9 months. There are already a lot of American farmers who decided in their own good judgment not to plant. There will not be very many of them, I

will tell Senator GOLDWATER. They are all going to plant. Why should they not? You are giving them the money at below market to plant. So we estimate that probably it would be higher than $4.5 billion.

We are sending this message out there.

Farmers, come on, we have $50,000 for each one of you. It is not after you have grown your crop. It is instead of going to your good old banker. We are worried about those bankers so we want to give you this money, all of you, not the poor farmers. Come on in here.

They are all going to plant, and they are all going to borrow.

We think it may be $8 billion before we are through if we can even get it done.

This is another nice part, if we can get it done.

If the President signs this bill, I can see this: This is not just one shot at the President of the United States and the Secretary of Agriculture by the farmers in trouble. We will have another one in about 40 days because there is no way to carry out this bill, to change it from the kind of program it is to a consumer loan when the CCC does not even know how to make consumer loans. So we are going to ask them in the next 30 or 40 days to go to 2 million farmers. No problem. Just go through the massive development of regulations and lend the money.

They are not going to be able to do it. You can recruit the whole U.S. Army, and you will not get it done. Then they will be down here screaming that we solved the farmer's problem but old Secretary Block just did not want to do it.

I can tell you they cannot pass the regulations and process these loans. It is totally new. It is nothing the CCC ever did.

But there is some kind of magic. We have found a way. There is nothing in this.

I will be honest with you. At a minimum, what is in this is about 7½ months of subsidizing loans for every farmer who does not need any money. That is the bare minimum. If everything goes rosy you have taken every farmer who did not need money and you have given him 8 percent subsidized interest loans—not poor farmers but all of them—and they get it from now until the time they harvest—that is when their loan starts running in terms of time—had they been borrowing for loan stabilization purposes and delivering the security to the Federal Government, to wit, the crops.

I submit, between now and then that is not all we are going to lose because just as sure as I am standing here there is going to be a whole lot happen to some of the farmers in the meantime and they are not even going to be able to pay the loans back. We will probably be here with a bailout for the CCC, I say to my friend from Rhode Island. They will be in here in about 8 or 9 months.

I submit that the farmers of the United States ought to say to those who propose this legislation, "In the name of helping a few of us, you are going to increase crop production and we are not interested in increasing crop production at this time. You are going to destabilize the price 7 or 8 months from now because we are going to overproduce."

A whole bunch of farmers are going to be in trouble because they could not quite make it through and they will be anxious to get that last little bit of money they want to get.

Who knows what will happen to the market, but good old Uncle Sam will take care of it all.

I repeat, if this passes, and I guess it is going to, I hope the farmers of the United States understand that they have been telling us to cut this budget deficit.

I saw 150 of them from one State and they stood up and cheered when I said we were going to reduce this budget deficit. I think fully 85 to 90 percent of them would be dumbfounded if they thought in the midst of this financial crisis we are going to come up with this kind of financial program in the interest of helping a few farmers—6 to 8 percent. I wish someone could tailor something a little more on target instead of giving away CCC.

There is $25 billion available to CCC without authorizing a new one. We are at $18 billion now. If my estimate is correct, this will cost between $4.5 and $8 billion. So we will be close to the entire CCC funding program in the name of a temporary farm bailout amendment at least ostensibly aimed at helping a few of those farmers in our country that need help.

I want to close by telling you I have 33,000 copper miners, uranium miners, and potash miners in four States out in the West who are out of work. Their copper mines closed down.

The last time I checked there were 200,000 automobile workers in the United States out of work.

The American economy is in transition. We have told them these are changing times.

I submit that we all missed the boat. We should have been down here about every 2 months with some kind of a mortgage bailout for the homeowners of this country who in this changing economy could not afford to pay their mortgages.

I did not hear anybody doing that for copper workers. I did not hear anybody doing that for uranium workers.

I do not think we ought to do this, but I guess we are going to. I only hope it never becomes law and we find some more reasonable way to help the farmers. I think we are on the right track with the Debt Adjustment Program now in place. It will work, if we leave it alone for the bankers and farmers to work it out.

I yield the floor.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, there is something that should be stated and stated emphatically so there is no mistaken belief as a result of some of the statements earlier made on the Senate floor. First, these loans are recourse and they must be repaid. And they must be repaid at time of harvest. So they are very short term in the case of wheat. They would not be out there very long. We are one of the last States to harvest and we harvest in August and September. So they are of very short duration in the case of wheat. They would be longer in corn, longer in some other crops. But they are only to the point of harvest, so that makes them of short duration.

The statement made that these are subsidized loans is totally inaccurate. These loans are made at the cost of money for the Treasury and they are funneled through a directorate to the borrower.

For those borrowers who have a mortgage on their operation they are going to have, of course, to turn that money over to the bank or the PCA or whoever holds their mortgage as a part of that anticipated crop.

The reason they are not subsidized—and the figure that has been mentioned, 9⅜ percent, is not a bad figure, because if you take the time to read what Treasury notes are selling for that would be due, say, in August or September or October or November or December, you will find Treasury notes are selling for less than 9⅜ percent. So it is totally inaccurate to state that they are subsidized loans. They are not subsidized.

Can they be recovered? A recourse loan can be recovered. The grower, in order to make sure that he has a crop, has to take out, under the terms of the amendment, Federal crop insurance to make sure either that there is a crop or there is a Federal crop insurance payment based on insured loss.

The real advantage to the amendment is simply this: For those borrowers who are under stress now, they can utilize the lower rate of interest available to the U.S. Treasury at no cost to the Treasury and secure a much lower rate of interest on the part of their indebtedness.

That is simple. That is very advantageous. Restructuring the loans for these farmers that are under stress, the No. 1 point is to get the interest rates down. The interest rates for a lot of people, we read, according to what banks vote the prime, has been greatly reduced from a year ago. I say that is wonderful. But for agricultural bor-

rowers, the rates are anywhere from 14 to 16 percent. So this is an opportunity for just a few months to secure money at no cost to the Treasury that will be available for farmers to reduce their overhead in interest payments on the amount of their indebtedness up to $50,000.

It is that simple. It is easy to understand. The advantage is obvious. I know that it is an unusual procedure, but we are under very trying times and very much emergency times for over 200,000 farm borrowers, and I support the amendment very vigorously on this one point: We can get some restructured loans at a less cost of interest and then we are part way along the path for recovery of distressed farmers.

Mr. DOLE. Mr. President, have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. They have not.

Mr. DIXON. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I know there are a number of Senators who have problems, so I am going to make a brief statement.

Mr. President, I certainly appreciate the concerns of the Senator from Illinois for those farmers who are experiencing difficulties obtaining financing this spring. I would like to believe that his amendment is in the long-term interest of the farmers he would like to help.

I intend to go through a list of arguments on the problems which this advance loan proposal raises. But first, I would like to mention two issues that underlie this entire discussion.

First, I believe that we now have a program in place that will respond to the credit requirements of nearly every viable farmer this spring. We have a liberaiized debt adjustment plan to assist banks and other private lenders in restructuring their customer's loans. For farmers who still cannot find credit, we have an open-ended commitment from Secretary Block that adequate direct operating loans will be made available by the Farmers Home Administration to meet demand this year.

The second point follows from the first, Mr. President. If a farmer cannot show the 100-percent cash-flow needed to either get his loan restructured by his commercial or cooperative lender or to get a new operating loan from the FmHA, are we really doing him a favor by making an advance loan on his 1985 crop?

Under certain circumstances, I would agree, it would be right for us to extend additional credit to those farmers who are in such dire circumstances. If there were some bright spot on this year's horizon for farm prices, I would be prepared to support such an action.

Unfortunately, additional credit is exactly what most of our farmers do not need, particularly those who are not breaking even. And even with the decline of the dollar on exchange markets yesterday and today, I do not believe we will see sufficient export strength in the next year to bolster farm prices and balance those farmers' books.

So I would just say to the Senator from Illinois and other Senators that I appreciate their sentiment and concern. However, it is likely that the heroic measure proposed by this amendment would be more to the detriment of the very farmers they seek to help.

COST OF DIXON AMENDMENT

Let me now turn to the various problems which the Dixon amendment raises, Mr. President. According to USDA estimates, this proposal would increase net Government outlays in fiscal year 1985 by some $9 billion. This number includes the transfer of $5.9 billion in loans from fiscal year 1986. However, it also includes increases in loan activity, higher interest outlays, and additional deficiency payments.

As we all know, Mr. President, the bulk of CCC loans are usually repaid with interest when farmers market their crops. However, given the likelihood of some loan defaults, together with other increased payments, USDA estimates the net cost of the Dixon amendment at $1 billion.

PAYMENTS IN PROGRESS

In addition to the likely cost of this amendment, I would point out that ample Government payments are already being made under the farm program. After the program signup deadline this Friday, USDA will be making $2 billion in advance deficiency payments on 1985 crops. This total includes $880 million to feed grain producers, $725 million for wheat, $300 million for cotton and $140 million for rice.

In addition, deficiency payments on 1984 crops total $3.7 billion, including $1.7 billion to feedgrain producers which will be paid in April. Cotton and rice farmers received $700 million and $300 million, respectively, in February. Wheat producers received $1 billion in 1984 crop deficiency payments in December.

ADMINISTRATAIVE NIGHTMARE

In addition to its $8 billion in outlays and $1 billion cost, this amendment would be a nightmare for the Commodity Credit Corporation to administer. There is no time to pass legislation in the Senate, resolve differences in conference with the House—which has at least two bills pending—and get a new program in place before spring planting. Add the fact that the administration is strongly opposed to the advance loan proposal and there is no way Congress could take effective action before April or May.

There are other administrative problems that make this proposal unclear if not unsound. The amendment places no credit-elsewhere restriction on eligibility for advance loans. As a result, large farmers with ample credit resources will be able to receive a $50,000 loan at 9⅛ percent, buy a 6-month CD, and profit from the differential on commercial interest rates. I would submit this will not benefit the small or marginal producer one bit. In addition, I understand the amendment would make the same loans available to sugar processors. They do not even need to put crops in the ground this spring.

A further problem is the fact that the Government would receive no insurance or collateral for these recourse loans. Federal crop insurance is not required, and the advance loans could be attached by other creditors. In short, Mr. President, this proposal lacks basic safeguards to ensure that the advance loans can or will be repaid.

There is in the amendment a provision allowing the Secretary of Agriculture to provide such security for the loan as he determines necessary to protect the Government's interest. Short of requiring crop insurance, I know of no way this security could be provided. And the amount of time required to coordinate such a complex arrangement would put us well beyond planting time.

POSTPONING THE PROBLEM

Another problem with advancing one-half of a producer's loan is that, after harvest this summer or fall, the farmer will have only half his normal operating capital on hand. He will be placed in a position of either borrowing to pay his expenses or selling his crop on a depressed, postharvest market. The only alternative will be to come back to the Federal Government for more help—to propose converting his advance loan to some long-term loan or outright grant.

CHANGING THE PURPOSE OF FARM PROGRAMS

Finally, Mr. President, I believe all of us who have worked with and believe in farm programs should be seriously concerned over the prospect of changing the nature of the nonrecourse loan. For 52 years, these loans have served as source of operating credit after harvest, and to support farm prices during times of surplus. To pretend we can advance one-half of the loan amount to finance planting this spring and not disrupt this traditional function may sound good to some, but it did not to several farm groups. Letters have been received

from the National Farmers Organization, the National Farmers Union, and the National Grange who are strongly opposed to the advance loan concept. These are groups that usually do not stint in their efforts to obtain financial support for farmers and ranchers here in Washington. And many of their members are hard pressed in the effort to find financing this spring.

However, they recognize the pitfalls which advance loans would establish for the future of farm progarms. And even the American Farm Bureau Federation, which initially wrote on February 19 in support of the idea has modified its views. In a telegram last Friday to Secretary Block, Farm Bureau president, Robert Delano asks the administration to expedite implementation of the revised debt adjustment program contained in Senate Resolution 57, the Abdnor resolution.

So, Mr. President, for all these reasons, I urge my colleagues to judge this proposed amendment on its merits, not for some political consideration. What may be seen as a victory for politics-as-usual here in Washington may soom come to be seen as a dismal political trick in the countryside later this year.

In the Sunday Omaha World Herald, there is a headline which says, "Few Farmers in Survey Fail To Gain Spring Crop Loans." I think, with the help of the media, we have blown this issue up pretty high in Washington. I am not certain, however, that, out in the country, they know what it all means or that it is quite as critical. Obviously, it is serious. It should be addressed. We have addressed it. We have been very generous. If we need to do more, when we have had an opportunity to see what happens, we shall do it. But I would just say this amendment is not necessary.

We have had a loan program for 52 years. Now we are going to start to take it apart. And once we start down that road, as someone who has been on the Agriculture Committee for a long time, I say someone is going to find a way to start gutting that loan program. For 52 years, it served the American farmer. Now we are going to get all the ASC people in the business of making loans. They have never done that in their lives.

There is no way that we are going to help any farmers in their spring planting if this amendment were adopted and signed by the President tonight. There is simply no time to train ASC people to make these loans and all the other programs we have agreed to.

I urge all my colleagues that this bill is not going to become law if we cannot defeat it in the Senate.

I do not have any quarrel with my friend from Illinois. I know he is sincere. But I think we have taken an issue here, as we do sometimes in the Nation's Capital, and overblown it. This article comes from right out in the heart of the problem. It was not a year ago; it was Sunday. And the headline is "Few Farmers in Survey Fail To Gain Spring Crop Loans."

They surveyed 620 farmers. They found 16 or 2.7 percent, who think they will not be able to get a loan.

I ask unanimous consent to have portions of that article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the World Herald, Omaha, NE, Feb. 24, 1985]

FEW FARMERS IN SURVEY FAIL TO GAIN SPRING CROP LOANS

WORLD-HERALD SURVEY

(Total results from three counties)

Do you need to borrow money in order to plant?

Yes—427; No—173.

If you have to borrow, have you already secured a loan?

Yes—203; No—224.

If you haven't already secured a loan, do you think you will be able to secure one in time to plant?

Yes—144; No—16; Unsure—64

SUMMARY

86.7% of farmers surveyed either don't borrow, already have a loan or think they will get one.

10.6% of farmers surveyed aren't sure if they'll get a loan they need to plant.

2.7% of farmers surveyed say they won't get the loan they need to plant.

Sixteen of 600 Midlands farmers interviewed by The World-Herald this month said they had been unable to get loans for spring planting.

Another 64 farmers said they were unsure of whether they could get the financing they needed.

Together, those who had been turned down or were unsure of adequate financing constituted 133 percent of the survey sample.

The remaining 67 percent in the survey said they will not have to borrow, have already obtained financing or expected no trouble getting loans in time to plant.

AG SURVEY

Seven days, from Feb. 12 through Feb. 18, were spent interviewing by telephone the 600 farmers in The World-Herald's survey on securing credit for spring planting.

The Agricultural Stabilization and Conservation Service Offices in Holdrege, Neb., Wayne, Neb., and Red Oak, Iowa, provided lists of all the farmers in Phelps and Wayne Counties in Nebraska and Montgomery County in Iowa. Farmers were called until 200 had been contacted in each county.

The total of 600 farmers interviewed represents about one-third of all the farmers in the three Midlands counties.

Each farmer first was asked: Are you borrowing money this year in order to plant your crops?"

Those who answered yes also were asked: "Have you secured a loan for planting your crops this year?"

The farmers who needed loans to plant but had not received them were asked an additional question: "Do you think you will be able to secure financing soon enough to plant crops this spring?"

General questions concerning the agricultural economy also were asked.

I want to say finally that anybody can pick up $50,000 under this amendment. You can be a multimillion dollar farmer and still go down and get this loan at 9⅛ percent. That is not bad. There is no requirement that you have to be turned down by a bank or creditworthy and there is no credit-elsewhere provision. There is nothing in the provision that says somebody cannot attach the loan. As soon as it is handed over to the farmer, some other creditor can attach it. There is nothing in the bill that says the Federal Government is going to be protected.

Again, I do not have any quarrel with what somebody wants to do to help the American farmer, but I believe the RECORD will indicate that many of us have been helpful to the American farmer. I just do not believe this amendment should pass.

We are not going to try to table it. I am not certain we have the votes to table it. Let us have an up or down vote and move on to the next amendment and possibly passage between now and quarter to 7.

Mr. DIXON. Mr. President, I want to say this quickly in conclusion. The first thing is the farmer does have to put up security. Page 4 of the amendment, section 4 says:

> To obtain an advance recourse loan under this section, the producer shall provide such security for the loan as the Secretary determines to be adequate to protect the interest of the Government.

This is nothing but an advance of half of what that farmer could get in the fall. When you talk about the fat profit somebody is going to make, here is the Treasury bond interest rate so far since June of last year through March of this coming year. It has varied from a high of 9.32 to a low of 7.36. We are talking about a 9-plus-percent rate. The farmer will only have the money from the time he puts in the crop in the spring until he takes out his harvest in the fall, a period of less than 8 months in most cases. I think every argument made against this bill is without any foundation whatsoever.

For those 9 out of 100 farmers who are not creditworthy and otherwise cannot get money to put in a crop in spring, I think we ought to pass this amendment.

Mr. EXON. Mr. President, I rise in strong support of the amendment offered by Senator DIXON of which I am a cosponsor. I believe this amendment and this approach will effectively deal with the farm debt crisis currently facing our family farmers and ranchers throughout our Nation. This amendment is the second part of a package truly designed to save family agriculture until the long-term

changes in policy can be enacted in the 1985 farm bill.

This amendment is a bipartisan effort to advance to cash-poor farmers an amount equal to 50 percent of the total commodity loan. This type of approach can put money into the farmer's hands almost immediately which will enable him to meet his needs for spring planting.

Mr. President, over the past few days, we who represent the hard-pressed agriculture have brought to the attention of this body and of this Nation the dire economic conditions which are forcing our farms and ranches onto the auction block. As I said when I introduced S. 458 which the current amendment is drawn from, it is time to take off the rose-colored glasses and see the reality of the causes behind the current depression in agriculture. The facts of the matter are simple. The Federal Government's policies of high deficits, high interest rates, the overvalued dollar abroad, and sharply declining land values have pushed farmers into a corner and now the Government must provide the relief required to put them on a sound financial footing once again. The amendment we offer to the Senate will be a big step in the right direction.

Mr. President, I have been in touch with a number of farm organizations in my State and nationally regarding the 50-percent advance payment approach. Initially, some groups had opposed this citing what they considered to be new and uncertain precedents which would be created by such legislation. However, I am pleased to report that most groups I have communicated with are in strong support of this amendment. Those who are indicating their support for this amendment are the Nebraska Wheat Growers Association, the Nebraska Corn Growers Association, the Nebraska Wheat Board, the Farmers Union of Nebraska, the Farm Crisis Committee, the American Agriculture Movement, and the American Soybean Association to name only a few. Mr. President, all of these groups have indicated to me that it is critically important that our farmers get some up-front cash immediately in order to meet their needs in the short term. I believe this amendment provides the assistance our food producers so desperately need.

Mr. President, I urge my colleagues to support the adoption of this amendment.

Mr. WILSON. Mr. President, my office has received communications from the California Farm Bureau, and the Western Growers Association, the California Cattlemen's Association, Sun Diamond Growers, the California Grape & Free Fruit League, the California Chamber of Commerce, the California State Department of Food and Agriculture on behalf of the Governor, and the chairman of the California State Agricultural Advisory Board, all urging opposition to the Melcher, Zorinsky, and Dixon amendments to S. 547 and urging support for the program of farm credit relief proposed by the Secretary of Agriculture.

Mr. President, the pending amendment should be defeated. It makes available recourse commodity loans for crop production for the first time in the 52-year history of the commodity credit program, a perilous misstep that threatens both the integrity of the program and an increase in the budget deficit. These production loans are to be available without means test or evidence of financial need or hardship, and at a subsidized interest rate not available to other citizens who have suffered business reverses. These $50,000 loans are immediately subject to other creditors' remedies which may defeat the Government's alleged recourse. The money apparently can be invested to earn higher interest than the loan recipients must repay. This amendment is unwise and unfair to good farmers and to the American taxpayer.

CCC ADVANCE LOANS POSE PROBLEMS

Mr. HELMS. Mr. President, the idea of using the Commodity Credit Corporation as a farm credit institution is unwise in the extreme. The CCC was created, and has functioned, as a marketing tool for farmers. Its purpose is to help agricultural producers avoid depressed prices as they bring their crops to market at the same time during the harvest season.

Although past efforts to use CCC as a vehicle to provide income to farmers have already done much to impugn the integrity of commodity loan programs, they still remain primarily marketing tools.

The pending proposal represents a drastic shift in farm policy. It would fundamentally alter the purpose of the CCC, and would further damage the family farmers it is intended to assist. A Pandora's box of problems will be opened if Congress adopts this ill-advised proposal.

The basic issue at hand is extending further taxpayer assistance to farmers who, for various reasons, may not be able to obtain commercial credit. These producers are primarily in the Corn Belt. Trouble in many States is even localized within those particular States. Most of the producers enduring financial stress are those who followed their bankers' advice to grow and expand during the inflationary bubble of the late 1970's.

This growth and expansion by producers who were not as well established as others, and therefore, more highly leveraged, has now come home to haunt many areas of rural America. The reasons are many and the blame widespread. I will not, however, dwell on these issues today.

Rather, I would reemphasize the problems with and my opposition to using the CCC as a farm credit bailout mechanism.

It should not be lost on Senators that several major farm organizations oppose advance commodity loans.

The National Farmers Organization, National Farmers Union, and the National Grange all counsel that such action would be inappropriate. They understand the purpose of the CCC and find that purpose to be worth preserving and fighting for.

These farm groups, see the CCC as the vital centerpiece of long-term agricultural policy reform—even though we differ on the specific reforms needed.

CCC is not a farm credit institution. Those who would turn it into such only further fog the debate between appropriate agricultural policy for the future and present "crisis mentality" social policy concerns.

These are proposals constructed as if every producer in America is ready to have a farm sale. These proposals, if implemented, provide a windfall for those who do not need the assistance and who are usually in better financial condition than most of the taxpayers providing such assistance.

Further, advancing CCC loans is another proposal designed to avoid facing the basic fundamental problems confronting agriculture.

It should be obvious, after 50 years of experimentation, that there is no substitute for facing agriculture's problems squarely.

Advancing CCC loans is simply not going to make the farm crisis go away, and would, in fact, only further thwart efforts to address fundamental farm policy issues.

We will have an opportunity this year to consider these fundamental problems and possible solutions in the context of the 1985 farm bill.

If at that time, Senators wish to make dramatic changes in the propose of the Commodity Credit Corporation—they are welcome to make their arguments.

I strongly counsel against turning the CCC into a farm credit institution without the benefit of hearings, consideration by professional agricultural policy analysts, and input from producers themselves.

Then, after interested parties have had time to study the implication, we can debate the issue in a calmer and more enlightened atmosphere.

Other than the fact that the CCC is not a substitute for commercial farm real estate and operation lending institutions, the gentleman's proposal has several other major flaws.

First, we hear so much about the plight of the small family farmer. Indeed, many small family farmers are in trouble. Other than a limit on the

amount of the advance loan, this proposal continues the practice of broad-based taxpayer assistance to farmers regardless of their individual financial situation. There is no mechanism to distinguish which farmer need the assistance and which ones do not. I believe the public is weary of seeing their hard-earned tax dollars go to individuals who, by any measure, are better off than the average citizen in this country.

Second, advancing CCC commodity loans before the commodity is produced is much the same kind of band-aid approach to this continual farm problem as advancing deficiency payments. With advance deficiency payments, we try to induce participation in farm programs and put more cash in farmers' pockets. Advancing loans and payments amounts to robbing Peter to pay Paul. What are we going to do after harvest and the producer can only receive the last half of his loans?

That answer is easy. We will do with loans the same thing we do with payments—demand an advance the next year so that we never really have to catch up with that first-year infusion. This would be a bad precedent for CCC loans.

Third, there is absolutely no collateral to secure the loan. I often hear farmers complain about how we do not run the U.S. Government like a business. Businesses are not in the habit of extending loans unsecured. The way I read the gentleman's proposal—not only is there no security to protect the taxpayers' interests, but the loan is nonrecourse. Nonrecourse means the taxpayer has no recourse but to accept the collateral as full payment upon default. Under this proposal, however, there are no commodities securing the loan, and, therefore, no reason to doubt that many of these loans would have to be written off as losses to the taxpayers.

As unsatisfactory as all the items I just outlined are, none is as important as my original objection based on the fact that the Commodity Credit Corporation was not intended to be and should not become some sort of farm credit bailout mechanism. The CCC is a tool to help producers market their crops—let us not ruin the CCC for a farm credit bailout that is not even targeted to those who need the help.

The PRESIDING OFFICER. Is there further debate? The question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "nay."

The PRESIDING OFFICER (Mr. RUDMAN). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 50, nays 48, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—50

Abdnor	Exon	Matsunaga
Andrews	Ford	Melcher
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mitchell
Biden	Grassley	Moynihan
Bingaman	Harkin	Nunn
Boren	Hart	Pell
Bumpers	Heflin	Pressler
Burdick	Hollings	Pryor
Byrd	Inouye	Riegle
Chiles	Johnston	Rockefeller
Cranston	Kennedy	Sarbanes
Danforth	Kerry	Sasser
DeConcini	Lautenberg	Simon
Dixon	Leahy	Stennis
Dodd	Levin	Zorinsky
Eagleton	Long	

NAYS—48

Armstrong	Hatch	Nickles
Boschwitz	Hatfield	Packwood
Bradley	Hawkins	Proxmire
Chafee	Hecht	Quayle
Cochran	Heinz	Roth
Cohen	Helms	Rudman
D'Amato	Humphrey	Simpson
Denton	Kassebaum	Specter
Dole	Kasten	Stafford
Domenici	Laxalt	Stevens
Durenberger	Lugar	Symms
East	Mathias	Thurmond
Evans	Mattingly	Trible
Goldwater	McClure	Warner
Gorton	McConnell	Weicker
Gramm	Murkowski	Wilson

NOT VOTING—2

Garn	Wallop

So Mr. DIXON's amendment (No. 14) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. METZENBAUM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, as I understand it, there will be one additional vote tonight. I do not believe we are going to exercise our right to offer another amendment on this side.

I just suggest that I think the vote was close and I hope those who opposed this one billion dollar giveaway in this last amendment will now vote against the entire package.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, can the Senator from Kansas explain to us concerned about conditions in Africa what might occur in the way of relief if this bill were rejected because of the add on?

Mr. DOLE. I understand there is an urgency. The distinguished chairman of the Foreign Relations Committee is here. I yield to him.

Mr. LUGAR. Mr. President, in response to the distinguished majority leader, this legislation is mired in difficulty. Perhaps we will have to start from scratch. We will attempt to do that as soon as we can in the Foreign Relations Committee so we have a clean bill and try again.

Mr. ZORINSKY. Mr. President, will the Senator yield for a question?

Mr. LUGAR. I am happy to yield.

Mr. ZORINSKY. Mr. President, as a member of the Foreign Relations Committee, I wish to ask the Senator if he did not tell me he wished to expedite this measure and get it passed as quickly as possible?

Mr. LUGAR. Yes; I respond to the distinguished Senator from Nebraska. We did try to expedite this in a strong bipartisan vote. Of course, it was part of the reconciliation process last Thursday, Friday, and Saturday that made it possible for this bill to be here.

Mr. ZORINSKY. I thank the Senator.

Mrs. KASSEBAUM. Mr. President, I have been a strong supporter of foreign aid and a particular friend of American efforts to relieve famine in Africa. I am concerned, however, with the $175 million of new appropriations authorized by this bill for famine relief. I believe that the Agency for International Development had, at the end of January, $1.4 billion of unobligated development assistance funds and $2.7 billion unobligated economic support funds. The famine relief needs should be met by reordering these resources to meet the crisis at hand. One must remember that the 1985 aid program was originally conceived in 1982. Several hundred million dollars of these unobligated funds were voted for projects that will never take place for a variety of reasons. In the past 3 years there have been changes that have made the planned projects no longer desirable. In some cases the feasibility studies have shown the project to be unfeasible. In others, the local government has lost interest or is having its own problems in coming up with the portion of project costs that it is required to pay.

For example, during the last quarter of fiscal year 1984, AID sent to Congress reprogramming notifications of $285 million. These notifications asked our permission to cancel planned projects and to fund previously unplanned projects.

Even in the case of sound projects, it would not impose significant harm on economic development in the world if AID were to postpone temporarily some projects from the last quarter of fiscal year 1985 into the first quarter of fiscal year 1986. AID projects are frequently delayed, and 3-month delay in obligating the funds would pose no particular threat to either our foreign policy or the host country's development planning.

It is my intention to vote no on this bill to indicate my concern with the source of the funding. I announce as well my intention to scrutinize carefully all the reprogramming requests we in the Foreign Relations Committee receive during the remainder of the year with the intention of trying to find $175 million in savings to offset the increased costs of the famine relief effort.

Mr. LUGAR. Mr. President, I share with our colleague from Kansas a commitment to bringing our Federal budget under control. I appreciate the reservations she has about the $175 million in new budget authority authorized by this bill. The dilemma we face is that AID's reprogramming authority has limits on the amounts that can be transferred. Moreover, the identification of specific projects that can be postponed takes time, and the emergency accounts are getting perilously low on funds. I share the hope that AID can carefully scrutinize its present operations and projects to discover ways that a significant portion of the increased authorization for emergency programs can be offset by reductions in other, nonemergency accounts. It might be a very good precedent for us to see AID return to the Treasury as unspent an offsetting amount at the end of this fiscal year.

I assure the distinguished Senator from Kansas that she will have my full support and cooperation in pressing AID to review all new projects and to consider delaying some lower priority projects temporarily in order to keep overall AID obligations as close as possible to currently authorized levels.

Mr. MATTINGLY. Mr. President, I wish to ask the majority leader one question. Will the majority leader answer just one question once again about what the budgetary impact of the add-ons to this bill will be?

Mr. DOLE. Mr. President, I am glad someone is concerned about the budgetary impact. That has not been demonstrated in a majority way, but we understand the conservative estimate is $1 billion for the last amendment and over in excess of $100 million in the first amendment. So we are starting off with adding a billion-plus to our problem if this ever became law. I do not think that will ever happen.

But we have not demonstrated in the Senate that we are prepared to face up to the deficit, at least today we have not.

Mr. MATTINGLY. I thank the Senator.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN AGRICULTURE AT A CROSSROAD

Mr. ARMSTRONG. Mr. President, it is a bitter but true irony that American farmers today face the worst of times at the time they have achieved their greatest farming success.

American agriculture today is at the height of productivity. Some 2.4 million American farmers—less than 3 percent of our people—feed an entire nation of 220 million and have enough left over to export $38 billion in food to other nations. Even more incredible is that less than 500,000 farmers produce most of our food. Since 1930, farmers have increased agricultural production 2½ times.

American agriculture is a modern day success story, and the envy of an often starving world.

What overshadows this success is the grim, stark, inescapable fact that many farmers are going broke. Today farm debt is to the farmer what a summer's hailstorm is to wheat—punishing, devastating, crippling. Many farmers face an unprecedented financial crisis. The reasons are many: Low farm prices, high production costs, slow growth in export markets, decreasing value for farmland, huge capital requirements, high interest cost, and tangled and counterproductive Federal farm, trade, and fiscal policies.

For many the situation is bleak. Farmers cannot generate the income to service their debts, and consequently are scrambling to secure operating loans for spring planting.

For many farmers, the root of the present difficulties lie in the events of the 1970's. First, farmers, who are great energy users were bombed with energy prices that tripled in a decade. Next the soaring, double-digit inflation, the legacy of the Carter administration, further drove up operating costs. Then interest rates hit a record 21½ percent. The only protection farmers had against this triple threat was rising land prices and, in droves, farmers on the advice of their Government and their bankers borrowed against their land.

Then, in 1980, agriculture was dealt a severe blow by the embargo on agricultural exports to the Soviet Union, our largest market for wheat exports. The U.S. share of the Soviet market went from 70 percent to 20 percent. Importing nations shied away from the United States as an unreliable supplier, and other food exporting nations increased their production.

A shriveled export market, excess production, high costs and high interest rates rapidly eroded cash-flow. Once cash-flow was eroded, many farmers could not meet interest payments, triggering a precipitous and unprecendented decline in the value of farm land. Today, many farmers are experiencing a debt/credit crunch caused by falling land values, high real interest rates and declining commodity prices. Lenders, painfully aware of the declining value of farm assets, are carefully weighing further extension of credit, and in many instances, denying credit farmers need to finance spring planting.

It is a grim situation in rural America.

Estimates of the number of farmers facing difficulty vary, but the most solid data shows financial difficulties to be concentrated in about a third, or 210,000, of the Nation's 700,000 medium and large sized farms.

These operations are primarily commercial family farmers whose yearly income ranges from $40,000 to $500,000. The latest official within group figures report that of the 210,000 farm operations with severe financial problems have debts that equal at least 40 percent of their assets. This means, simply, they will have difficulty meeting interest payments on their debts this year. Even worse, about 100,000 farms in this income have debts at least equal to 70 percent of their assets. Altogether, these 210,000 farmers owe about two-thirds of the total farm debt estimated to be $200 billion.

The situation may even be worse, Mr. President, than what are indicated in these months old official reports. In the last few months, there has not only been a remarkable decline in land values but so much land is now on the market, with no bidders, no one can be sure what current market values of farm land are. This decline is inexorably increasing the debt to asset ratio. Many areas are reporting distress sales as low one-third to one-half of what the land was valued at a year ago.

This farm debt situation in general and the declining value of land in particular is not only affecting those farmers with debt, it also carries the potential of adversely affecting those with moderate debt with conservative debt to asset ratios. That's because there is so much farm land in desperate need to be sold that foreclosures could trigger even lower values for farm land, with truly disastrous results for both farmers and lenders.

According to CBO estimates, 28.7 percent of the farmers produce 87.6 percent of total farm cash receipts, it is now estimated that somewhere in the neighborhood of half of this group of our most productive farmers have serious debt problems. This means that over 40 percent of our food production in the United States is in serious financial difficulty.

Colorado is no stranger to the seriousness of the problem. According to the Federal Reserve Board, 4.5 percent of all farms in the 10th Federal Reserve District, which includes Colorado, failed in the third and fourth quarter of 1984. Another 5.7 percent had to partially liquidate their assets. Both these rates are three times the rate a year ago.

Trouble on the farm means trouble in the rural communities, and especially for the rural banks dependent on agriculture. Last year, 29 banks with at least 25 percent of their loans in agriculture failed. Three of these banks were in Colorado. In addition, the number of banks where delinquent loans exceed capital in Colorado increased from 24 in 1983 to 33 in 1984. The Production Credit Associations—one of the largest suppliers of farm operating credit—lost $240 million in 1983, their worst losses since the 1930's, and the losses are expected to be higher in 1984 and 1985. Another indication of the credit crunch in the Farm Credit System is further evidenced by the six PCA's that have been liquidated since the middle of 1983. These losses are being absorbed by the Farm Credit System, Driving up their interest rates to cover those losses.

The Federal Government has not been standing idly by doing nothing while farmers went broke. No, the Federal Government has often intervened in exactly the worst ways. First, the Government creates soaring inflation, and allows interest rates under the Carter administration to rise above 20 percent. Then it subsidizes excess production through Federal programs distorting production and markets. Then the Government provides subsidies to pay farmers to cut production. And then the Government subsidizes exports to get rid of the surplus, causing farm prices to rise above world market levels.

Over the last 4 years this bizarre combination of Federal benefits has cost more than $13 billion annually. In 1983, farm subsidies exceded $22 billion.

Mr. President, it is important for Congress and the Nation to understand the source and magnitude of the farm credit situation, the the Government's role. It is important to understand the past to better understand present proposals to provide even greater Government help to farmers.

What is needed to solve the farm debt crisis is the following to occur:

First, the Federal Government must reduce budget deficits and balance the Federal budget. Doing so is the only real and permanent hope that interest rates will fall to a point where farmers can realistically and appropriately borrow operating funds.

Second, the Federal Government must take policy actions to expand, not restrict exports. The high deficits causing high interest rates have created a strong dollar making it more difficult for other nations to buy our agricultural exports.

The primary objective of short-term help to agriculture should be aimed at changing the psychology that is now preventing land markets from stabilizing. Once investors are once again willing to buy farmland a great many operations can be saved by the sale of part of their land assets.

Third, the Federal Government must in the longer term help transition American agriculture to a fully market oriented status, and end government subsidy. To their great credit, the respected American Farm Bureau, the largest farm organization in the States, has long advocated ending government price supports for agriculture.

The worst thing the Government can do for American farmers is to enact yet more short-term Government Band-Aids that make long-term solutions impossible. To do so is to chase votes at the expense of constituents.

That does not mean Congress or the President should pull the rug from farmers. In fact, the President has initiated a program—a program affirmed by a Senate resolution which I cosponsored and has passed the Senate—that is intended to help those farmers who are on the verge of bankruptcy but who may just get by with a slight restructing of debt. Included in this program are such provisions as:

For farmers with loans at non-FmHA lending institutions, the commercial banks or Farm Credit System banks can write down 10 percent of the interest or principal of a farmer's existing debt in exchange for a Federal loan guarantee for 90 percent of a new loan for this year's planting season. As a result of the resolution passed by the Senate, a farmer need only demonstrate that he can make his revenues equal his costs for a bank to qualify him for such a loan. In addition, the Senate resolution assures that enough loan guarantees will be available for all eligible farmers.

Increases the amount of the loan guarantee on the new loan upward to 90 percent over the life of the loan.

Ensures that enough operating loans will be available from Farmers Home Administration to meet the needs of all qualified borrowers.

Removes a requirement that farmers with FmHA loans make first use of their farm income to pay off loans. This provision allows farmers to use farm income to meet family living expenses.

Expresses the Senate's desire to see lending institutions aggressively make us of the program initiated by the President.

A policy of forebearance should be exercised by Federal and State financial regulatory agencies in classifying agriculture loans.

This is not a panacea. The program will not do anything about weather, prices, costs or export markets. It will not help every farmer. It will not spark a new and flourishing and profitable era in American agriculture.

The great difficulty that Congress faces is the inability, thus far, of leading agricultural and financial leaders to produce a program that looks like a sound solution.

All of the proposed solutions that have been discussed at length on the Senate floor propose additional Government spending such as the program to further buy down interest rates for a relatively small number of American farmers. But it is Government spending—which has increased 976 percent since 1960—that is responsible for today's high interest rates. More spending will not lower interest rates. Higher spending will only lead to higher interest rates.

Nor is the solution for the Government to guarantee further farm credit on an unlimited basis. A nation straddled with $1.6 trillion in national debt and paying $180 billion in annual interest is hardly in a position to guarantee more debt.

Mr. President, the solution to the farm problem, to our trade deficit, to unemployment, to interest rates, to a whole host of problems plaguing this Nation, is to reduce Government spending.

The irony to this is that it is the farmer—practical, realistic, prudent—who best understands this. Colorado farmers I have talked to tell me that the solution to the problem is for the Government to restore order to Government finance, to balance the budget, to cut spending.

Mr. President, there is a ray of hope that Congress will finally resolve to reduce Federal spending. Both Democrats and Republicans now support an across the board freeze in Federal spending, and there is the promise that Congress will reduce fiscal year 1986 spending by $50 to $60 billion. Doing so will send a powerful signal to Wall Street, to Main Street, and to rural America.

This single step will help restore investor confidence, and lead to lower interest rates. It is in the best interests of farmers and consumers and busi-

nessmen and all Americans for Congress to do so.

Mr. HEFLIN. Mr. President, I wish to relate some brief legislative history pertaining to the provision of the Zorinsky amendment dealing with the Small Business Administration.

I note there is considerable authority for dealing with this problem under title XIX of Public Law 97-35 and other general legislation wherein the Small Business Administration is authorized to make loans and restructure existing loans and to use the loan guarantee authority to encourage banks, production credit associations and other lenders to restructure existing debts by small businesses which include those in the business of producing agricultural products.

The PRESIDING OFFICER. The Senator will please suspend. The Senate is not in order. The Senator from Alabama has the right to be heard. I would ask the Senators having conservations to please retire to the cloakroom so the Senator from Alabama can be heard.

Mr. HEFLIN. In the Small Business Administration section 7(a), Loan Guarantee Program, there still remains in this fiscal year more than $2 billion in guaranteed authority. While there has been a preference for using the Farmers Home Administration's machinery for purposes of farm loans when it can fully service the needs of producers of farm products, it has been and is still expected that the Small Business Administration authority should be used where the Farmers Home Administration cannot fully meet the requirements of individual borrowers or where the Small Business Administration authority would better serve the purpose. It is clear at the present time that the authority existing in both agencies are needed not only to handle the administrative but also the financial requirements of the existing situation.

I would like to point out that there are a number of outstanding disaster farm loans made by the Small Business Administration. The language now contained in the Zorinsky amendment which is before the Senate, would give authority, or at least call upon the Small Business Administration to assist producers with delinquent disaster farm loans. I hope the SBA will act in this regard.

Mr. EXON. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. The Senator from Nebraska wishes to be heard. He cannot be heard.

Mr. EXON. Mr. President, I am going to be very brief, but I thought it was tremendously important that before we have this rather important vote we should at least make some brief remarks to offset the comments that have been made just before we almost hurriedly rushed into a vote.

We had a very long filibuster last week. Some people said that filibuster was not necessary because we would have an opportunity to vote on farm legislation. How many times did we hear that? "We are going to have a chance to vote up or down on farm legislation so you do not need to hold Ed Meese's nomination up and stop that." We did it. We got a commitment, which was just what we wanted.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator from Nebraska is correct. The present occupant of the chair finds the Senate to be more disorderly than usual this evening. The Chair was going to suspend until the Senate gives attention to the Senator from Nebraska who deserves to be heard. The Chair would require and request that any Senators who would like to carry on conversations and any staff please retire to the cloakroon.

I would appreciate it if the Senator from Nebraska would continue to suspend until we have order in the Senate. We still do not have order.

Mr. EXON. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I think the action that we are seeing now, led by the majority leader on the other side, indicates that had we not taken the action that we did last week we probably would have been thwarted on any meaningful farm legislation from here on out. I simply say that we have a right to use any tactic that we want.

It seems strange, indeed, to me though, when the U.S. Senate, by majority vote three times today—first on the Melcher amendment, then rejecting a measure by the Senator from Texas that would have destroyed that, and then a close vote just now by a majority vote on the Dixon amendment—have expressed the will of the U.S. Senate and now the motion is being made to thwart that by sidetracking a bill that supposedly was vitally important, and passed, I think nearly unanimously out of the committee headed by my distinguished colleague from Indiana.

There have been some suggestions here that we are starting out on the wrong track this year in the U.S. Senate. If we are going to have to vote over and over and over again and then go through an exercise where we are now being asked to turn down aid to starving people in Africa because the President of the United States does not want this bill on his desk, it seems to me that is not a very constructive way to run the U.S. Senate. But I admit it is a tactic that can be used under the rules.

Therefore, I hope that those who have had the courage to vote as they have based on their conviction—eight or nine at least on one vote that I suspected had their arms twisted very severely—I hope that they can stand the twisting for another 15 minutes and I hope that we will pass this bill and not send it back, which is, obviously, the intent of the majority on this side.

Mr. President, I yield the floor.

Mr. ABDNOR. Mr. President, today we have before us an amendment which will provide for the advancement of price support loans. Under the amendment, farmers would receive up to one-half of their price support loans immediately rather than having to wait until fall to take out the loan. Supporters of this amendment see it as a good way to make lower interest rate money available to farmers and their intentions are good and honest. But, as other of my colleagues are aware, this amendment could turn out to be a real Trojan horse for farmers, for the Government, and for taxpayers.

I have some grave reservations about the amendment. I think that it might possibly hurt farmers in the long run. I am unsure. Despite my feelings, I am going to vote for the amendment because farmers in my home State of South Dakota like the idea of getting advance price support loans and because the entire South Dakota Legislature supports this concept. Just a few days ago, all 105 legislators recommended adopting this proposal. That's 105 ayes and no negative votes. As my colleagues know, I am a South Dakotan's South Dakotan and when my farmers and every single member of the legislature think that I should vote a certain way, by golly I'm going to do it. That's why I was elected to the Senate; to represent the people of South Dakota.

But let me say this; I think the South Dakota Legislature may have voted without knowing the full ramifications of this proposal. At first blush the proposal looks very attractive. Who doesn't like the idea of providing farmers with lower interest rate funds? Not me, I like that idea. But let us examine the advance price support loan proposal for a minute. Let me share with you some of my concerns.

No. 1, farmers most likely will use the money from price support loans for operating expenses rather than going to their banker. Thus the banker may feel relieved of any responsibility to restructure that farmer's debt. If this turns out to be the case, we will have done that farmer much more harm than good.

No. 2, the price support loan is used by farmers to pay fall harvesting expenses and to tide them over until they can wisely market their grain. If, as now is being proposed, the farmer uses half of his loan to plant his crop, what in the world will he have left

over to survive this fall and next winter? In actuality, I fear that we may be creating even a greater credit problem.

No. 3, the price support loan serves a price support and marketing function, not a credit function. The loan is intended to enable farmers to market their grain in a wise manner. This would be impossible if farmers already have exhausted their funds and lost control of their commodities.

No. 4, what would happen if the producer experienced rain, hail, drought, or any other natural disaster?

Mr. President, I clearly have some concerns on this issue. It is my hope that my concerns are unfounded and it will be beneficial to the farmers of this country.

I ask that letters from the National Farmers Organization and the National Farmers Union opposing this amendment be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FARMERS ORGANIZATION,
Washington, DC, February 8, 1985.

Hon. TOM DASCHLE,
U.S. House of Representatives, Washington, DC.

DEAR TOM: It is not pleasant to argue with friends, but I must make clear to you and your colleagues who join you on H.R. 1035 why I believe it to be a bad mistake to advance 50% of the estimated CCC loan on grain as a source of operational capital. All of us certainly understand the need for money that plaques so many good farm operators right now. You and the other Members are sincere in wanting to help them, but this is not the way to do it.

Since neither AAM, Farmers Union nor my office knew of this idea in time to advise ahead of your action, we must catch up quickly in the discussion if that is possible.

The proposition is unwise because—

(1) It violates a long-standing principle that the loan is primarily a price support function. The producer must be in position to repay the loan with interest and sell his grain if he can make a profit. This would be impossible if he has already exhausted his funds and lost control of the commodity.

The loan must never be categorized with the different payments that are made from time to time simply to bolster income.

(2) How do you expect the operator to survive next winter if he is giving one third or one half his crop in rental charges and spends another half in the spring with the agri-business dealers.

(3) An operator drawing one half the loan value to spend for fertilizer, seed and feed, who then is caught in a drought, flood, hail or other disaster, will have no crop to use as security for the loan. In that case he would be billed immediately for the advance and interest charges by the Administration.

(4) Perhaps most important of all—if you push this idea, you will give Mr. Stockman and others in the Administration a perfect excuse to avoid cooperation in restructuring farm debt at lower interest rates.

I think you would be in much better position to put together a package including these elements:

(a) An interest buy-down similar to the IBA proposal.

(b) A one-year cut-off of FmHA foreclosures.

(c) Some of the points made by Governor Wilkinson in yesterday's hearing to protect and expand the capabilities of the Farm Credit System.

(d) Expansion of the Emergency Loan Program.

Thank you for your very serious interest in this farm credit crisis. I hope the consideration of this matter may be kept separate from the action on the price support program. Mr. Stockman reportedly already has some ideas that will wreak havoc with the loans without encouraging him to misuse that vital element of the farm program as a source of credit.

Sincerely,

CHARLES L. FRAZIER,
Director.

NATIONAL FARMERS UNION,
Washington, DC, February 15, 1985.

Hon. ED JONES,
Chairman, Subcommittee on Conservation, Credit and Rural Development, Committee on Agriculture, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We in the Farmers Union wish to commend you and your colleagues for moving so expeditiously to address the serious economic crisis facing America's farmers and ranchers. I am particularly pleased to hear that a mark-up is scheduled for next Thursday, the 21st.

After your Committee's hearing last week, I believe that there are several proposals that a vast majority of the Members agree upon. Among these include an interest buydown; renegotiation of debt; additional Economic Emergency money; a moritorium on FmHA foreclosures; expediting operating loan applications and, loan guarantees for borrowers in the private and Farm Credit System.

There is, however, Mr. Chairman, one proposal which has been suggested that we have some serious reservations about, and that is the suggestion that producers be allowed to draw advance Commodity Credit Corporation loans on the crops they will harvest this summer and fall. Our concerns are the following:

(1) CCC loans are and have been since their inception a "marketing tool." They are not an income protection mechanism as is the "target price" approach.

(2) What will happen if the producer draws an advance CCC loan and loses this crop due to a natural disaster? In order to qualify for an advance, we are convinced that the CCC would require a producer of the loan. We do not believe that Congress ever meant for Federal Crop Insurance to be forced on producers.

(3) We believe making such loans on a "recourse" basis, even if they are permitted to be changed to a "nonrecourse" status later sets an extremely unwise and dangerous precedent. This would be just "one-foot-in-the-door" for those who want to change our CCC loan programs from a "non-recourse" to a "recourse" basis.

(4) This approach does nothing to assist those producers in the livestock sector, many of whom are facing equally serious economic problems.

(5) We believe this approach, if adopted, would allow the Administration to further "down-play" the other programs and proposals that your committee will include in the credit package.

Mr. Chairman, we know of and appreciate your concern. Let us not do something now, however, that could very likely come back and haunt us in the not too distant future.

Again, we appreciate your leadership in this time of crisis. We are available to lend assistance in any manner you see fit.

Thank you.

Sincerely,

ROBERT J. MULLINS,
Director, Legislative Services.

Mr. BIDEN. Mr. President, I rise today in support of S. 457, the African Famine Relief and Recovery Act of 1985. Mr. President, Africa today is a place where our modern faith in progress is being severely tested. For the past two decades, per capita food production has not only failed to keep pace with an average annual 2.7 percent population growth rate, it actually declined by 20 percent during that time period. Even before the current drought, child and infant mortality rates in sub-Sharan Africa were double those of other developing countries. More than 20 percent of the total population there consumed less than the minimum amount considered necessary to sustain a healthy life. Per capita gross domestic product has declined each year since 1981 averaging 3.7 percent annually. The World Bank projects continued to decline in per capital GDP well ino the 1990's.

Economically, Africa was the hardest hit by the oil price hikes of the early 1970's and the ensuing recession in the West. Exports plummeted, and import bills soared. Consequently, public debt climbed rapidly. African public debt grew from $5 billion in 1970 to $65 billion by 1983. In that same time period, medium and short-term debt increased by an annual average of 22 percent. Little wonder that by 1984 10 of the 14 nations which had debt reschedulings approved by the so-called Paris Club consortium of international lenders were African nations.

Parallel to these economic setbacks, there was unfolding a human and environmental tragedy that continues today. Beginning with the Sahel drought in the 1972-74 period—a famine that claimed 150,000 lives and wiped out much of the indigenous livestock—Africa has experienced intermittent drought, crop failure, and famine. Previously localized, this tragic cycle has now cut a broad and deep swath through most of the sub-Saharan continent where, in some places, the desert is expanding southward by as much as 50 kilometers per year.

Today, 150 million Africans—one out of every three residents living south of the Sahara desert—in 24 countries are faced with severe food shortages. Perhaps 14 million of these—half of them in Ethiopia—are at risk of starvation. Their numbers are growing. Estimates gathered from international relief agencies, private voluntary organizations and others working in these countries suggest that as many as

300,000 have died in Ethiopia, and another 100,000 in Mozambique. Thousands more have died in Chad, and in refugee camps in the Sudan. Without additional food, clothing, medicine, shelter, and some rudimentary tools, seeds and fertilizers, there can be little hope of stabilizing the situation anytime soon. Without rain, the near term prospects for recovery are almost nil.

Perhaps not since the "black plague" swept through 14th century Europe claiming one-third of its population has the world witnessed a continentwide natural disaster of the dimension and severity of this African drought and famine.

The administration has made a firm and unambiguous commitment to provide 50 percent of the unmet food need in Africa's affected areas, to undertake a strong effort to provide relief and other nonfood aid to the famine victims, to avoid ideological wrangles in providing such assistance, and to do all of this "above the exigencies of our very severe budget constraints." These criteria were very much on our minds when the Foreign Relations Committee marked up this legislation. The Congress and the administration share the same goals, we simply differ on how much is enough.

The Committee on Foreign Relations met on last Thursday to mark up S. 457, an administration bill providing supplemental authorization of appropriations of $25 million in disaster assistance for Africa. Not one syllable was uttered during that markup in defense of the administration's $25 million request. Instead, the committee moved immediately to consider a bipartisan compromise figure of $175 million—$137.5 million in disaster assistance and $37.5 million in refugee assistance. The bipartisan compromise, which had unanimously passed the House Foreign Affairs Committee was approved on a 13-0 vote, with one member voting present. It is our understanding that these sums have been incorporated into the appropriations supplemental that has been approved by the House Appropriations Committee in H.R. 1239, and which will be considered by the Senate later this week or next.

The administration request was considered woefully inadequate by almost every private witness who has testified before the Congress on the Africa famine. The request for $25 million, if approved, would simply replenish AID's disaster assistance [OFDA] account for worldwide—not Africa-specific—disaster relief needs. Currently AID has obligated or spent all of the amount provided for this fiscal year, and has reprogrammed an additional $10 million from prior year funds that were deobligated. Already, $23.4 million in disaster assistance has been provided to Africa famine relief. If another earthquake were to strike Guatemala, or Italy for example, or another cyclone were to strike Bangladesh, the replenishment sought by the administration for disaster assistance would be exhausted with nothing left for Africa.

The Foreign Relations Committee approved this specific amount of disaster assistance because of several important factors. First, the need is manifest, and growing. AID itself is in possession of PVO project requests for disaster assistance, and other urgent relief efforts that total in excess of $100 million. Emergency health projects to provide vaccines to fight epidemics threatening the camps where many of the famine victims have sought aid, total at least $20 million. These are projects that are ready to go—they just need to be funded. New needs and new projects are identified nearly every day as the situation on the ground continues to change, and, in most instances, to deteriorate.

Second, the committee wanted to provide some funds for reconstruction and recovery in the affected areas. If we can help stabilize the situation of immediate need with relief and rehabilitation assistance—such as tents, blankets, medicines, some tools and seeds—we then must begin the process of reconstruction with intermediate kinds of help and aid. The provision of seeds, fertilizer and pesticides, for example, is necessary to restore seed stock which in many areas was actually consumed when food was depleted, and to begin to move away from relief dependency.

These numbers are not infallibly derived from sure and certain source books. They represent a best faith, bipartisan effort—based on firsthand counts, PVO needs, administration commitments, and congressional visits to these countries—to meet a clear and pressing need for help. Traditionally Congress has always erred on the side of too much, rather than too little when human lives hang in the balance—as they most certainly do in Africa. And usually, Congress has been proved right. Last year, for example, the administration requested $90 million as an emergency supplemental food aid effort for Africa. With overwhelming support in both bodies, Congress increased the amount to $150 million in additional food aid, and $16 million in additional disaster assistance. All of it was used for the expanding famine in Africa because all of it was needed.

In addition to the disaster assistance, the SFRC also approved $37.5 million in emergency refugee assistance to help meet the special, compelling needs of those who have crossed national borders to seek relief from famine, and in some cases, political turmoil. Today there are an estimated 4 million African refugees in 24 countries. Almost a quarter of these refugees are in the Sudan alone—taxing an already overburdened economy with the strain of feeding, housing, and rudimentary sanitation costs. In many countries, given the tremendous pressure to meet their own populations, needs due to the drought and famine, refugees are helped last—if at all. Without the special efforts of the International Red Cross, or the U.N. High Commissioner for Refugees, many of these individuals would receive nothing at all. Their needs are special, and distinct from other kinds of relief needs in Africa, precisely because of their special status. The committee recognized this fact in approving this modest amount for African refugees.

Mr. President, in a thoughtful, insightful piece he wrote for the Washington Post several weeks ago, Stephen Rosenfeld made this point: "The truth is, many of us have had several reasons—beyond the horror—for not wanting to see those television pictures of starving children in Africa. We have squirmed a bit and written the obligatory check as individuals, and as a nation. But it is hard to look at black Africa without feeling that something has gone terribly wrong. It is not just the spectacle of the suffering that troubles us. It is the sense that we—we of America and the West who thought we knew how to help these people—did not know well enough, even after acting as though we did.

With the world's fastest population growth rate, highest infant and child mortality rate, highest illiteracy rate, lowest life expectancy, declining per capita food production, declining per capita GNP, and with 150 million people facing severe food shortages—14 million of them risking starvation—something indeed has gone terribly wrong in Africa. Enlightened self-interest, if not a moral imperative, dictates that the United States must work with host governments and other donor nations and international organizations to grapple with Africa's myriad and tragic problems. We can ill afford to let the deterioration in living standards, and social fabrics themselves continue in countries like the Sudan, Somalia, Kenya, Zaire, and Chad where we have important commercial and security interests and links.

A continental crisis has unfolded in the past decade and we must devise new ways of thinking about and responding to the problem. While we cannot, must not, and will not let people die from lack of food and nutrients, neither can we be lulled, once the immediate crisis has abated, into thinking that all Africa needs is more of the same. On a per capita basis, sub-Saharan Africa receives almost $20

million—the highest per capital ODA in the world. The next highest, Latin America, by comparison, receives $6 per capita. ODA flows from all sources are estimated by the World Bank to have exceeded $50 billion in the past 6 years. And yet, the situation deteriorated visibly in that same time period.

President Reagan, in his statement unveiling his African hunger relief initiative, recognized the need for a thorough reexamination of the African reality. He had called for a three-pronged U.S. program that addresses the immediate emergency, the pressing refugee problem, and longer term agricultural development needs on the continent. In addition, he has called for an international conference of prospective donor nations. While the agenda for such a conference has not yet been set, it ought to include a rigorous review of past development efforts in Africa, the need for improving donor coordination, and a realistic assessment of infrastructure needs to help Africa regain its economic productivity and move toward self-sufficiency in its foodstuffs. As Assistant Secretary Chester Crocker told our committee, "In many parts of Africa, we are confronted by interrelated sets of economic and political problems which require that we devote our attention and concern to the economic issues as a way of furthering our own national interests." Africa's long-term future, in other words, may well impinge upon our own.

● Mr. ROTH. Mr. President, all of us are well aware that some parts of our country, heavily dependent on the farm economy, are currently experiencing extreme financial stress. Like most of my colleagues, I have heard and read reports of widespread foreclosures, farm-glutted real estate markets, worsening land prices, and other ruinous developments being experienced in many rural communities.

To these distressful conditions and developments, I believe the administration has responded both responsibly and compassionately, as it should do.

The debt adjustment program that is now being implemented provides loan restructuring authority, increased flexibility in eligibility criteria, additional staff to process loans, and loan guarantees to assist private lenders in meeting the needs of the American farmer. I support and applaud this effort. It is indeed an appropriate and responsive reply to a terribly vexing situation.

Interestingly enough, however, my support for the administration's action has occurred despite the fact that there has been no flood of support or encouragement that has been communicated to me from Delaware farmers. They certainly have empathized with their fellow farmers across the country. But they have not been writing and calling either to urge my participation in last week's filibuster or to solicit my support for the proposals to expand credit support that are being considered here today.

I firmly believe that the farmers of my State feel the administration's response is indeed adequate. I am convinced that Delaware's farmers see the need to balance the taxpayers interests with our ability to productively intervene in the agricultural economy. Similarly, I have no doubt that the farmers in my State are very deeply concerned about the overall structure of farming and its long-term health.

Mr. President, the critical need before this Congress is to get Government out of agriculture, to do away with 50 years of failed policies, which over the past 4 years have cost the American taxpayer $50 billion, and to return agriculture once again to a market economy.

I believe farmers in Delaware support this view. They have appreciated the opportunities the Farmers Home Administration has provided young people to start new operations. They have valued that agency's help when bad years have squeezed them financially. But they resent those situations in which FmHA credit becomes a way of life, where those with long-term loan subsidies and little equity or stake are able to bid up rents and prices on resources that they also need.

A story was recently related to me of the case of two farmers in the Midwest facing financial difficulties who came to their university extension office for advice. One indicated that he had $3 million in assets, $2 million in debt and was losing ground. The advice to him was to liquidate and try to salvage what he could. In the second case the farmer had more debt than equity. The advice to him was, that if he wanted to keep farming and someone would lend him money he should hang in there: He had nothing to lose.

No one can say that because someone still has some equity that he will be able to succeed. But it is certainly inappropriate to create a climate where those who have no stake and no hope of business success are guaranteed perpetual taxpayer support for that business venture.

Our farm policies should create a climate for success by providing opportunities, not guarantees.

Mr. President, we are faced with a monumental deficit of $200 billion. Our most pressing need is to get firm control of the now uncontrolled Government spending. The proposals offered here today only aggravate an already serious situation without, in any way, creating any benefits.

I firmly believe that we can best serve our farmers by controlling spending and reducing their cost to borrow money. We do not better their condition or that of our national economy by eliminating incentives to succeed or as Secretary Block has said if our "Goal is to insulate lending institutions from risk or incentive to continue to serve the agricultural community in their area."●

● Mr. PELL. Mr. President, after a great deal of thought I have decided, reluctantly, to vote in support of legislation to extend additional emergency credit to our Nation's hard-pressed farmers.

I have decided to support this legislation despite my opposition for many years to our overblown and hugely expensive system of farm subsidies.

Indeed, in my view, many farms and agricultural banks are in deep trouble now primarily because of their own mistakes in borrowing, lending, and investing imprudently, at times recklessly and at times in speculation and anticipation of ever-rising farmland values.

On the other hand, in fairness, it must be said that Federal Government policies have contributed to the farm credit crisis. Our past farm credit and farm subsidy programs have encouraged farmers to overcapitalize, overinvest, and to go deeply in debt. And it is not our farmers who are responsible for the economic policies that have led to the sharp increase in the value of the dollar that has crippled exports of farm products.

Regardless of fault we now have on our hands a farm economy much like an overblown balloon. The question is whether it is wiser simply to let it burst and collapse, or to see whether we can let the air out of the balloon more slowly and with less damage.

I am deeply concerned that unless we extend adequate emergency credit the balloon will indeed burst; that the bankruptcy and foreclosure of enough farms and the failure of enough banks will trigger a destructive avalanche that will severely damage the entire economic, social, and community life of agricultural areas of our Nation.

It is a serious risk that I believe we should not take. For that reason I will support in the national interest, an extension of emergency farm credit. At the same time, I state again my strong support for a basic reform of our national farm policies to place our farm economy on a sound basis without huge, continuing subsidies by the taxpayers. Both common sense and compassion dictate that we reach that objective through orderly transition and change instead of through a farm economy catastrophe.●

● Mr. HOLLINGS. Mr. President, I rise today to join other farm leaders in the Senate in a call for relief for the American farmer. In the last few months I have been in every county in South Carolina and I have seen and heard about the problem not only

from farmers, Mr. President, but also from the grocers, small business people, the bankers, and all the other businesses the farmer supports, particularly in rural America. A way of life long respected as the backbone of this Nation is under attack for reasons beyond the control of the farmer. If this way of life, the family farm, should cease to exist it will not only be a financial disaster, but a diminution of the soul and spirit of the Nation since its beginning days.

The problem is not that the farmer cannot get financing to buy a new tractor. He can't get the money to plant a crop. That is why I have joined my good friend from Oklahoma, Senator BOREN, and many others, in sponsoring a resolution to urge the President to provide emergency credit for the Nation's farmers and to provide it right now. And, Mr. President, I will be voting for the much needed assistance that is now being debated.

Planting starts in the next 30 days and unless we act now, a lot of farmers won't have a fighting chance to get their money back at harvest time. This is a travesty. The American farmer is the world's No. 1 producer and No. 1 exporter. He's in a tremendously risky business, risks that are, for the most part, beyond his control. Because farming is so vital to the health of our economy, it is, in my belief, essential as a matter of public policy that we aid farmers in meeting these risks. Failure to do so at this time is unthinkable in the mind of this Senator. The loans can be repaid, farms saved, family farming saved, and an adequate and dependable supply of food and fiber, at reasonable prices, guaranteed for the American consumer.

Mr. President, farmers face many and varied risks. They run from cold to hail to drought; but even if the farmer survives the vagaries of the weather and brings in a good crop for all his hard work, he must do battle with the local economy, the national economy and the world agricultural market. It is in this economic arena that the farmer has met his match, not because he can't compete—he's the most competitive—but because the Federal budget deficit and Federal agricultural policies have placed such a handicap on him that he simply cannot make it.

The deficit has burdened the farmer with a high real cost of money. Since 1975 interest rates have doubled from 8 percent of the cost of production to 16 percent of the cost of production. The overvaluation of the dollar has acted as a tax of 25 percent or more on all goods the American farmer exports. Is it any wonder there is a crisis in agriculture? And yet, Mr. President, despite all these handicaps agriculture shows a $19 billion trade surplus last year. In this time of record trade deficits, this Senator, Mr. President, cannot understand how we dare turn our backs on the one sector of our trade economy that continues to be a bright spot. And, if we would bring the Government policies under control that bright spot would become the shining beacon that would lead us out of the record high trade deficit situation.

Time is running out. In South Carolina last year, Mr. President, the Production Credit Association reported a 25-percent increase in foreclosures. The credit situation in South Carolina today has been described by farm lenders as "the most stressed since the Great Depression." One publication described the borrowing power of the peach farmer as "destroyed in both collateral and income." In the past, Mr. President, this body and this Government has had the courage to act in time of crisis. Nothing less is needed today. If we can finance huge loans to foreign nations surely we can come forward with loans for our own.

Mr. President, the bottom line is that we have to act now. All the farmer asks is a chance to compete. But if you can't plant you're out of the game. You can't compete. And when your borrowing power is destroyed because of circumstances largely beyond your control, you can't plant. It's time for us to come up with the dollars our farmers need. If we can find $8.5 billion to save Brazilian and Mexican loans, we can sure find $1.8 billion to turn over agriculture loans and save our family farms—the way of life that forms the backbone of this Nation.●

● Mr. RIEGLE, Mr. President, I am gratified that the Senate has finally taken some action to convey a measure to provide help to farmers in this country. It is desperately needed assistance and it is my hope that we will complete action and send it to the President in an expeditious fashion.

Mr. President, I would also like to commend my colleagues Senators BOREN, EXON, BYRD and all of the others who have participated in the efforts to enact this legislation for farmers. I know that they have worked many long hours, and have tried in all good faith to construct legislation that is acceptable to the administration while providing the meaningful assistance that our farmers desperately need.

In the past few weeks, I have listened closely to my colleagues, heard administration witnesses; and spoken to Michigan farmers. I have reached the same conclusion shared by many of my friends in the Senate and around the country that agriculture is in a critical situation; the credit crisis is real and the response from the administration has been totally inadequate and insensitive.

Total farm debt is approaching $220 billion, farms are carrying a larger burden of debt than at any other time in recent history, and the asset base of agriculture is crumbling. It is estimated that between 10 and 15 percent of all farmers are in critical financial condition, with a 70 percent debt-to-asset ratio.

When we speak of 10 to 15 percent of the farmers who are in a critical financial situation, it translates into 250,000 families. In Michigan, we are somewhat more fortunate than the national statistics indicate. We have 5 to 7 percent in that major problem category, which is 1,500 to 2,000 Michigan families. A more alarming statistic is the group of farmers who are sliding toward that 70 percent debt-to-asset mark. This group is 13 percent of Michigan farmers, and while they are not in a mortal situation at this moment, they could find themselves in such a situation very rapidly through a combination of lower prices, drought, stronger dollar, or any other factor beyond their control. These 13 percent in Michigan are 4,000 families, and it is this group that must benefit from the assistance that we can provide in legislation. The loss of these 4,000 farm families should not be allowed.

The administration claims that all of the farmers who are in financial difficulty are responsible for their own problems. I find it incredible that anyone would suggest that 250,000 farmers nationwide, or 2,000 in Michigan are bad managers or inefficient. I know Michigan farmers are the best in the Nation, and they can compete in terms of yield, production, low costs, any basis one chooses.

Mr. President, we have the most efficient and most productive farmers in the world, and in a very real sense they are victims of their own success. The last 5 years have been very difficult for agriculture. Many farmers have left farming in the last 5 years. The real question is, can we afford to lose 250,000 farmers, many of whom are the youngest and the ones who we need to carry agriculture into the next century? I am concerned that in the administration's zeal to reduce farm supports, and to weed out the so-called mythical bad managers, we will lose our future productivity in agriculture. We must do all we can to prevent this from occurring.●

Mr. GRASSLEY. Mr. President, a couple of days ago, I was informed by a number of my colleagues that I had made the big time—that Gary Trudeau had included me in his "Doonesbury" cartoon strip for my efforts to help America's family farmers. He said I had sponsored the quote, way of life, unquote, loan program.

Although this was a subtle jab at the efforts of farm-State Senators to make our case for trying to help America's debt stricken family farmers, it was in

good humor. Frankly, I appreciate his attention to our farm problems. The more attention, the better hope we have of making our case for assistance. I sent Mr. Trudeau a thank you and a box of corn bread so he and his family can pitch in to help our farm markets. You'll have to read the Doonesbury if you don't understand.

Sometimes we farm-State Senators wonder if our city friends really understand the importance of agriculture, not only to rural States, but also to the country as a whole. We wonder, for instance, if they know that in Iowa, 4 out of 5 jobs depend upon agriculture, or that nationally, one out of five jobs is related to agriculture as a whole.

It was heartening, therefore, to read that a January New York Times/CBS news poll found that 65 percent of the 1,534 adults said that it would be a bad idea to cut farm aid as a way to trim the Federal deficit. Twenty-seven percent, though, thought it was a good idea. I'd like to assume that the 65 percent were not all farmers—on the other hand, I'd like to think that the 27 percent supporting farm cuts all worked for the Pentagon. All joking aside, as a side note, I think this poll gives us assurances that Americans do not support unfair budget cuts—all the more reason to support my across-the-board budget freeze.

One reason I think Americans support farm aid is because they realize that farm programs don't cause high food costs. And they know that farm programs don't make farmers rich. Last year, Americans spent $312 billion on food, But only 27 percent of that went to the farmer. Moreover, Americans spend less of their disposable income on food than any other people in the world—about 16 percent of disposable income.

And farm programs don't make most farmers rich. In Iowa, the average farm family, in a good year, may only net $10, $11, maybe $12,000 per year. And only a small fraction of that in any given year can be attributed to farm subsidies. And during the last 2 or 3 years, most Iowa farmers have found themselves going further and further into debt because they can't make any kind of profit at all.

They kept borrowing, hoping to keep ahead of inflation, to keep ahead of the grain embargoes, or the unfounded food scares. They thought that next year would bring a better year. But the droughts hit, and then they hit again. The wet spring, the killing winters. And now the strong dollar, weak exports, high interest rates, and plummeting land values. And the plummeting land values cause panicking lenders and regulators who all take it out on the farmers.

So why do people farm? Why do they put up with all of this adversity? Why don't they throw in the towel and move on to something that is more stable, that pays a reasonable wage, that causes less stress and fewer ulcers?

Some do leave. But some are forced to leave, and that is a sad tragedy. It is sad for America because these people love what they are doing. And those who toil for the love of their work, work best. They care for their land and will leave it in good shape for generations to come. They have a mission to feed this country and the hungry of the world. And it is sad for these people forced to leave, because they do farm for the love of it. Moreover, as alluded to in Doonesbury, it is a "way of life." Maybe that's as good a title for this legislation that we are debating—"The way of life loan program." I think it's a way of life worth preserving.

Some of my colleagues from States outside the Midwest have asked me, "Chuck, is it as bad as they say it is?" After hearing cries of wolf that have sometimes resulted in bad farm policy enough times, it is little wonder that some people are skeptical.

But when asked that question, I can look anyone straight in the eye, and state emphatically that it is much worse. I can only speak for Iowa, but I know many other States are suffering as well.

In Iowa, panic is literally setting in. Panic by lenders; panic by mainstreet businesses, and farm input and service businesses, and farmers. It's panic that we have not seen since the Great Depression. If left unabated, like the Great Depression, it could spread throughout our Nation's economy like wild fire.

Just how bad is it? A recent survey conducted by the Food and Agricultural Policy Research Institute at the University of Missouri and Iowa State University was published in the March edition of Farm Journal. The results speak for themselves.

I would like to share with my colleagues the results of the survey as printed in the Farm Journal, as well as the opinion section written by Lane Palmer.

As you can see, for those who have any question about the severity of the problem, this survey clearly spells out farmers throughout the United States are in trouble. Over 42 percent of Midwest farmers are in such deep financial trouble, that their survival is stake. Nationwide, the number is over 30 percent.

I urge my colleagues to review this information. My hope is that this will help them understand that much is at stake, and that their support for remedies is essential.

The survey follows:

[From the Farm Journal, March 1985]

WHO WILL FARM IN FIVE YEARS?

(By Linda Schotsch)

Financial stress on the farm isn't new, but it's changing. The roots of current problems go back to the higher, more volatile interest rates that resulted primarily from a late-1979 shift in U.S. monetary policy toward fixing the money supply and away from targeting interest rates. This condition spawned two previous Farm Journal surveys on farmers' financial health, reported in early 1982 and 1984.

Unfortunately, the farm financial crisis is worsening. And while in-depth state surveys have been conducted in the past year or so, the broad national perspective was lacking.

Major farm policy decisions will be made in the next year. Debate on the 1985 farm bill already is under way. "Initial analysis indicates that the financial situation requires special attention, yet estimates of probable legislative impacts are impossible without this information," says Abner Womack, University of Missouri economist.

That's why Farm Journal supplied its computerized national list of farmers to assist the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri and Iowa State University in conducting a major national survey.

Farmers completed over 1,200 questionnaires that are the basis for this report. Farm size ranged from a low of $2,000 gross farm income to a high of $4.5 million, and included crops, dairy, hog and beef operations.

The results confirm estimates by several farm finance specialists and closely mirror state data where available. Here are the highlights:

The majority of farmers still are in sound financial shape. Nationally, 41% of the farmers answering the survey still are in excellent shape, with debts worth 10% or less of their assets; another 30% are in good shape with under 40% debt (see table).

Survey returns were fairly evenly distributed among regions, while actual farms are concentrated in the Midwest. When you weigh the survey results to adjust for the actual number of farmers in each region (using 1982 Census of Agriculture figures, 47% of all farms are in the Central region; 35.5%, South; 11% West; 6.5%, East), these numbers fall slightly to 37.9% and 28.8%.

The trouble spot has shifted. Most farm management specialists agree that if your debt-to-asset ratio is over 40%, you face possible financial problems. In earlier surveys, more farms in the West and South fell in these categories than in Central, where they now appear.

In the Central region, 42% of the farmers now fall in the problem categories, compared with 20% to 30% in other regions (see table). The average debt-to-asset ratio is 37% in the Central states, compared with 20% to 24% in other regions.

"It seems that the incentive or opportunity to expand during the 1970s was lower in the other regions, so farmers didn't buy land and equipment as aggressively as in the Central region," says Womack. "In addition, Corn Belt farmers specialized more, giving up livestock and other forms of diversification."

Young farmers are most vulnerable, as the second table shows. But many entry-level farmers show cash flows and battle plans that will keep them in farming. Says a Minnesota crop/hog producer who rents 400 acres and whose wife has an off-farm job:

"We are in our fifth year, and have not made any large investments such as land, so our financial position is healthy with a good machinery base. We are hopeful—but not enthusiastic—about our future in farming, because of the profit potential compared with the amount of risk."

Debt is concentrated in the hands of financially troubled farmers. The 15% who have passed the 70% debt/asset ratio and are severely stressed hold 30.3% of the debt.

Those in the 41%-to-70% group—another 18% of farmers nationally—hold 34.9% of all U.S. farm debt.

Off-farm income helps many finance debt and living expenses (see graph). In the South, off-farm income makes up over half of total income; in the East, 47%; West 44%. But in the Central region, it falls to just 24%.

Says a young illinois farmer who owns 100 acres, rents another 230 and reports he makes $13,000 off the farm: "I plan on staying in farming, but less and less income may come from the farm and more from other sources if things continue in the direction of the past few years."

Financial problems may be more severe than many farmers think. Some in the serious- and extreme-leverage zones indicate they believe they can continue farming 10 to 20 more years!

"Large farms with 40% to 50% debt-to-assets that finance most of their operating costs often roll over additional debt from year to year," says Womack. They are in the low end of the caution zone. "Yet after three to four years, all it takes is one bad crop to make annual payments escalate. This dries the operation into dangerously higher debt-to-asset ratios." (See "The Leverage Lesson" on pages 16 and 17 for an example.)

A survey "lessons" summary from Farm Journal Staff Economist John Marten includes these points:

1) The rapid shift in economic policy—higher interest, dollar value and deficits, with lower inflation—is continuing to cause widespread financial stress as net farm income and asset values fall.

2) Failure rates for both lenders and farmers will gradually accelerate if conditions don't improve soon.

Nationally, 15% of farmers are severely stressed. They'll fail or require radical changes in business practices to stay in farming. In the Central region, 21% are in this group.

Another 18% (21.5% in Central) of farmers are in the 41%-to-70% debt/asset group. This group now has negative cash flows and will experience rapid net worth losses as the '80s progress, if things remain as they are, as illustrated in "The Leverage Lesson" example on the following pages.

These two groups account for 65% of all U.S. farm debt or $140 billion out of $215 billion.

3) The survey results point out the need to do a practical financial analysis at least annually. Treating the patient with prevention is easier than later radical surgery.

4) The policy implications are clear—the survey measures financial stress that is severe and widespread. So the current Administration move to make large cuts in farm spending is at odds with farm support needs.

5) Farm credit market conditions are worsening, though the recent move down in interest rates has allowed some loss "recouping" by lenders. Any combination of higher interest rates and a lower government farm "safety net" would cause rapid deterioration as increased loan defaults drag lenders under.

Renting keeps the balance sheet positive for some farmers like the three generations of Gidneys, Norman, 54; Zeno 78; and Mike, 27. Of the 2,000 acres of wheat, milo and oats they grow, Norman owns just 50 and Zeno, 80.

The Collin County, Tex., farmers lease the rest, increasing acreage steadily since about 1975, says Mike. "We have a pretty good reputation, and when land becomes available, people are willing to let us farm it."

Norman and Zeno also milk 180 to 200 cows. "None of us has needed an off-farm job," says Mike. "Whatever we make, we make right here. The last couple years have been real good for us. We had a good wheat crop last year, and our cows have done all right for us."

They plan to be among those farming in five years—the question is where. "We are in a developing area just north of Dallas, and we may have to move farther north," says Mike.

WHICH ROUTE TO RECOVERY?

(By Lane Palmer)

By now, the severity of our farm financial situation should be apparent to all. Any remaining doubts are removed by results of the nationwide survey appearing on pages 13 to 15: 42% of Midwestern farmers are carrying so much debt that their very survival is threatened!

Many of these families are as if shell-shocked. And with good reason, because most of them are good farmers. Now suddenly the prospect of failure is imminent. They've been hit by a series of sledgehammer blows completely beyond their control:

Devaluation of the dollar in 1970, which unleashed demand for your products overseas.

The OPEC oil cartel in 1973, which doubled and redoubled your production costs.

When the OPEC dollars slowed, Congress decontrolled credit, which kited your interest rates.

And since 1980, an appreciating dollar, which once more has priced you out of world markets.

So don't blame yourself—or your banker—or your FmHA fieldman. And if you're not in trouble yourself, don't blame other farmers for being poor managers. We all are victims, and the last thing we need now is to give in to frustration and anger—not to mention violence.

It will take clear thinking from all of us to work our way out of this predicament. Everyone is looking to Washington, and there are things the federal government can do, as we'll mention in a moment. But it's our guess that you'll get the quickest relief from things you can do for yourself.

For instance, are you being realistic about your own financial condition? As Staff Economist John Marten points out on page 16, the credit crisis has crept up on many farmers. They simply were not aware of what double-digit interest rates were dong to them. Our survey shows that Central farmers are earning a smaller proportion of their income off the farm than are farmers in other regions. It's fact of life today, that many people want so much to farm that they are willing to subsidize their farming with off-farm work. You may have to also, if you are to remain competitive.

We see no blanket rescue plan offering real promise. Some people still talk of a moratorium on all loan repayments. While the federal government could declare one on FmHA loans, it can't tell private lenders what to do.

For the short-term, we must keep commodity programs going. That reality appears to be sinking in, in Washington. Also, the USDA has now improved the loan guarantee program it began through FmHA last fall. That should help, but if lenders and farmers don't go for it in large enough numbers, the USDA should sweeten it further.

For the longer term, there's increasing talk of the government buying up the most distressed farms to keep them from further depressing the land market. That would take an enormous amount of money, and it would make Uncle Sam the super landlord that nobody wants to see.

But if the situation worsens, we'll need to consider a plan along the lines proposed by Iowa State economist Neil Harl (FJ, Mid-Feb.). Under one option, he suggests that a government-backed "Agricultural Credit Corporation" (ACC) might acquire the land at its fair market value. In exchange, the lender would write down 10% of the principal or its equivalent in interest rates over four years.

Then the ACC would rent the assets at their fair rental value, with preference to prior owners. The rent would be applied against the principal if the owner is in a position to buy it back at the end of four years. Harl prefers a second option under which the ACC would not acquire the assets. Instead, it would become the contractor with lender and borrower to keep the operations going.

A proposal for just such a bank was made before Congress by John Harling, president of the Omaha Farm Credit Banks. But Harling suggests such a bank might "hold the land out of production . . . thus enhancing the profit outlook for all."

A drastic proposal, but it would be a way of taking some of the capital out of agriculture. But then how might the nation finance a rescue effort of such proportions? And how could land retired this way be held and eventually brought back in?

Given the federal record of managing commodity and lending programs like FmHA, those questions are frightening. But so is the threat of a collapes of our farm financial structure.

SEVERAL SENATORS. Vote.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask unanimous consent that notwithstanding the gentleman's agreement of February 23, 1985, the Senate now proceed to the consideration of H.R. 1096.

The PRESIDING OFFICER. The bill will be stated by title.

The bill clerk read as follows:

A bill (H.R. 1096) to authorize appropriations for famine relief and recovery in Africa.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LUGAR. Mr. President, I move to strike all after the enacting clause, and insert in lieu thereof the text of S. 457, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. RUDMAN] appointed Mr. LUGAR, Mr. HELMS, Mr. MATHIAS, Mr. PELL, and Mr. ZORINSKY conferees on the part of the Senate.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 62, nays 35, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—62

Abdnor	Exon	Matsunaga
Andrews	Ford	Melcher
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mitchell
Biden	Grassley	Moynihan
Bingaman	Harkin	Murkowski
Boren	Hart	Nunn
Bradley	Hatfield	Pell
Bumpers	Hawkins	Pressler
Burdick	Heflin	Pryor
Byrd	Hollings	Riegle
Chiles	Inouye	Rockefeller
Cranston	Johnston	Sarbanes
D'Amato	Kasten	Sasser
Danforth	Kennedy	Simon
DeConcini	Kerry	Specter
Denton	Lautenberg	Stennis
Dixon	Leahy	Stevens
Dodd	Levin	Weicker
Durenberger	Long	Zorinsky
Eagleton	Mathias	

NAYS—35

Armstrong	Hecht	Proxmire
Boschwitz	Heinz	Quayle
Chafee	Helms	Roth
Cochran	Humphrey	Rudman
Cohen	Kassebaum	Simpson
Dole	Laxalt	Stafford
Domenici	Lugar	Symms
East	Mattingly	Thurmond
Evans	McClure	Trible
Gorton	McConnell	Warner
Gramm	Nickles	Wilson
Hatch	Packwood	

NOT VOTING—3

Garn	Goldwater	Wallop

So the bill (H.R. 1096), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

(During the day morning business was transacted and additional statements were submitted, as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:33 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills; without amendment:

H.R. 607. An act to provide for a continuation of the authority to pay cash awards to Federal employees for certain cost savings disclosures, and to clarify the authority to provide cash awards to members of the Armed Forces for such disclosures; and

H.R. 1096. An act to authorize appropriations for famine relief and recovery in Africa.

MEASURE REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 607. An act to provide for a continuation of the authority to pay cash awards to Federal employees for certain cost savings disclosures, and to clarify the authority to provide cash awards to members of the Armed Forces for such disclosures; to the Committee on Governmental Affairs.

MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1096. An act to authorize appropriations for famine relief and recovery in Africa.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-505. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation entitled "The Agricultural Adjustment Act of 1985"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-506. A communication from the Assistant Secretary of the Army transmitting, pursuant to law, a report on a decision made to convert the personnel services function, Fort Sill, OK, to performance under contract; to the Committee on Armed Services.

EC-507. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to convert the base supply function at Sheppard Air Force Base, TX, to performance under contract; to the Committee on Armed Services.

EC-508. A communication from the Secretary of Defense transmitting, pursuant to law, a report on the waiving of staffing and monetary set-aside by the Department of Defense regarding technology transfer activities; to the Committee on Commerce, Science, and Transportation.

EC-509. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to provide mandatory reporting authority for collection of data on the apparel industry; to the Committee on Commerce, Science, and Transportation.

EC-510. A communication from the President of the United States transmitting a draft of proposed legislation for improvement of "Superfund" and extension of taxing authorities which support it; to the Committee on Environment and Public Works.

EC-511. A communication from the Under Secretary of Labor transmitting, pursuant to law, the quarterly report on the expenditure and need for worker adjustment assistance training funds; to the Committee on Finance.

FC-512. A communication from the Administrator of AID transmitting, pursuant to law, a report on a U.S. strategy on the conservation and protection of biological diversity in developing countries; to the Committee on Foreign Relations.

EC-513. A communication from the Secretary of the Commission of Fine Arts transmitting, pursuant to law, a supplement on the Commission's report on "The Federal Managers Financial Integrity Act"; to the Committee on Governmental Affairs.

EC-514. A communication from the Chairman of the Occupational Safety and Health

Review Commission transmitting, pursuant to law, a report under the Federal Managers' Financial Integrity Act; to the Committee on Governmental Affairs.

EC-515. A communication from the Deputy Assistant Secretary of the Interior for Indian Affairs transmitting, pursuant to law, a proposed plan for the use and distribution of funds of the Shoshone-Bannock Tribes of Fort Hall Reservation; to the Select Committee on Indian Affairs.

EC-516. A communication from the Federal Inspector of the Alaska Natural Gas Transportation System transmitting, pursuant to law, the System's 1984 Freedom of Information Report; to the Committee on the Judiciary.

EC-517. A communication from the President of the African Development Foundation transmitting a draft of proposed legislation to authorize appropriations for the Foundation for fiscal year 1986; to the Committee on Foreign Relations.

EC-518. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, the Base Structure Report for fiscal year 1986; to the Committee on Armed Services.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports were submitted:

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Lando W. Zech, Jr., of Virginia, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1989.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DANFORTH (for himself, Mr. EVANS, Mr. GORTON, Mr. HATFIELD, Mr. MURKOWSKI, and Mr. PACKWOOD):

S. 516. A bill to give effect to the treaty between the Government of the United States of America and the Government of Canada concerning Pacific salmon, signed at Ottawa, January 28, 1985; to the Committee on Commerce, Science, and Transportation.

By Mr. PROXMIRE (for himself, Mr. HART, Mr. DIXON, Mr. SIMON, and Mr. GORE):

S. 517. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to establish certain requirements with respect to hazardous substances released from Federal facilities, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BUMPERS:

S. 518. A bill to amend the Internal Revenue Code of 1954 to repeal the so-called contemporaneous recordkeeping requirements for vehicles and to provide greater protections and incentives for investment in small business; to the Committee on Finance.

By Mr. EVANS (for himself, Mr. CRANSTON, Mr. CHAFEE, Mr. KERRY, Mr. INOUYE, Mr. RIEGLE, and Mr. METZENBAUM):

S. 519. A bill to require a study of the compensation and related systems in executive agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HATFIELD:

S. 520. A bill for the relief of Valeria Irene Graham and Jason Macaree; to the Committee on the Judiciary.

S. 521. A bill for the relief of Suzy Huf Hui Chang and Lee Lo Lin and Lee Juo Jui; to the Committee on the Judiciary.

By Mr. HATCH:

S. 522. A bill to amend the Civil Rights Act of 1964 to protect the rights of the unborn; to the Committee on the Judiciary.

By Mr. ARMSTRONG (for himself, Mr. MELCHER, Mr. BUMPERS, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. NICKLES, Mr. LUGAR, and Mr. DOMENICI):

S. 523. A bill to prohibit the payment of certain agricultural incentive payments to persons who produce certain agricultural commodities on highly erodible land; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ARMSTRONG (for himself, Mr. BOSCHWITZ, Mr. MATTINGLY, Mr. HOLLINGS, Mr. COCHRAN, Mr. INOUYE, and Mr. PRESSLER):

S. 524. A bill to recognize the organization known as the Retired Enlisted Association, Inc.; to the Committee on the Judiciary.

By Mr. GLENN:

S. 525. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MITCHELL:

S. 526. A bill to amend the Public Works and Economic Development Act of 1965, as amended; to the Committee on Environment and Public Works.

By Mr. SPECTER:

S. 527. A bill for the relief of Pravinchandra and Kamala Bhuva; to the Committee on the Judiciary.

By Mr. RUDMAN (for himself, Mr. EAGLETON, Mr. STEVENS, Mr. BRADLEY and Mr. DANFORTH):

S. 528 A bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which congressional campaigns are financed; to the Committee on Governmental Affairs.

By Mr. DECONCINI (for himself and Mr. DOLE):

S. 529. A bill to make technical amendments to titles 11 and 28 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 530. A bill to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, CA; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI (for himself, Mr. CHILES, Mr. COCHRAN, Mr. ABDNOR, Mr. D'AMATO and Mrs. HAWKINS):

S. 531. A bill to authorize the appropriation of funds for the operation and maintenance of a Special Operations Wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Enforcement, and to require certain reports; to the Committee on Armed Services.

By Mr. DOMENICI:

S. 532. A bill to amend the Water Resources Research Act (Public Law 98-242) to authorize research and development on problems associated with the depletion of the Ogallala Aquifer; to the Committee on Environment and Public Works.

By Mr. DOMENICI:

S. 533. A bill to improve certain operations of the U.S. Army Corps of Engineers, and to authorize the Corps of Engineers to undertake several specific projects for the development of the Nation's water resources; to the Committee on Environment and Public Works.

By Mr. STAFFORD (by request):

S. 534. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

By Mr. SYMMS:

S. 535. A bill entitled the "National Shipbuilding Industrial Base Act of 1985"; to the Committee on Armed Services.

By Mr. EAGLETON (for himself, Mr. ANDREWS, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DIXON, Mr. DOLE, Mr. EXON, Mr. GORE, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mrs. HAWKINS, Mr. HEINZ, Mr. HOLLINGS, Mr. LUGAR, Mr. MATSUNAGA, Mr. MCCLURE, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SIMON, Mr. STENNIS, Mr. SYMMS, Mr. WARNER, Mr. WILSON and Mr. ZORINSKY):

S.J. Res. 65. Joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month"; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 66. Joint resolution designating June 14, 1985, as "Baltic Freedom Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ARMSTRONG:

S. Res. 81. Resolution to establish regulations to implement television and radio coverage of proceedings of the Senate.

By Mr. HATCH (for himself, Mr. CRANSTON, Mr. DURENBERGER, Mr. FORD, Mr. PRESSLER and Mr. BAUCUS):

S. Con. Res. 22. Concurrent resolution to express the sense of the Congress that sufficient appropriations should be made available for the Job Corps Program in order to maintain it as a viable Federal effort to assist economically disadvantaged youths in obtaining and holding employment and contributing to society; to the Committee on Labor and Human Resources.

By Mr. BAUCUS (for himself and Mr. EVANS):

S. Con. Res. 23. Concurrent resolution to express the sense of the Congress concerning the reduction of trade barriers by Japan; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH (for himself, Mr. EVANS, Mr. GORTON, Mr. HATFIELD, Mr. MURKOWSKI, and Mr. PACKWOOD):

S. 516. A bill to give effect to the treaty between the Government of the

United States of America and the Government of Canada concerning Pacific salmon, signed at Ottawa, January 28, 1985; to the Committee on Commerce, Science, and Transportation.

PACIFIC SALMON TREATY ACT

● Mr. DANFORTH. Mr. President, today I am introducing on behalf of myself and Senators EVANS, GORTON, HATFIELD, MURKOWSKI, and PACKWOOD, the implementing legislation for the recently negotiated United States-Canada Pacific Salmon Treaty. This bill is identical to the draft implementing language agreed to by the U.S. delegation to the treaty talks and introduced by Congressman BREAUX as H.R. 1093.

The Pacific Salmon Treaty has been under negotiation for 15 years. The settlement represents the culmination of many years of hard work, occasional frustration, arduous negotiation, and compromise. The U.S. delegation to the treaty talks comprised fishermen of several gear types from three States: Alaska, Oregon, and Washington. Indian and non-Indian fishermen, commercial and sport fishermen, and State and Federal Government officials all grapled with the complex issues of providing coastwide management of the Pacific salmon resource.

All of the parties to the U.S. delegation are to be congratulated for their tireless efforts and for making the sacrifices necessary to reach an accord. The results of this good faith bargaining will be evidenced by the survival and enhancement of salmon runs in the Pacific.

The treaty and annexes will provide long overdue coordinated management of the salmon resource. This agreement provides the first step to rebuilding depressed stocks of salmon by regulating salmon catches by fishermen from Canada, Alaska, Oregon, and Washington. Two main principles, the conservation principle and the equity principle, govern the treaty. The conservation principle seeks to "prevent overfishing and provide for optimum production." The equity principle provides "for each party to receive benefits equivalent to the production of salmon originating in its waters."

The treaty provides for a United States-Canada Pacific Salmon Commission and three advisory panels to meet the treaty goals of coastwide salmon management. The implementing legislation identifies the roles of the affected U.S. interests in the composition and decisionmaking process of the bodies created under the treaty. The bill being introduced today provides a reasonable balance between giving affected parties a voice in the process and insuring that the United States meet its obligations under the Pacific Salmon Treaty.

The administration is strongly supportive of the treaty and the implementing language. I am hopeful that Congress will act swiftly to ensure conservation and enhancement of the precious salmon resource upon which thousands of fishermen in the Northwest and Alaska are dependent.●

● Mr. GORTON. Mr. President, I am pleased to be a cosponsor of this legislation. I wish to commend all those who have participated in getting this important treaty and implementing legislation so expeditiously considered.

The United States-Canada Salmon Interception Treaty is critical to the Pacific Northwest. The future of the salmon resource and the people who depend upon it are in jeopardy. Uncontrolled interceptions by Canadians and U.S. citizens have been a major problem resulting in overfishing.

The solution to this problem is the Pacific Salmon Treaty and the implementing legislation we are introducing today. The treaty is built upon two basic principles:

First, to prevent overfishing and provide for optimum production, and

Second, equity—each country should receive benefits equivalent to the production of salmon originating in its waters.

The principle purpose of this bill is to authorize U.S. participation in the treaty. Briefly, the bill accomplishes this purpose by: First, setting forth key definitions; second, setting forth the criteria and method for appointing U.S. representatives and alternates to the Commission established by the treaty, as well as the Southern, Northern, and Fraser River panels; third providing a conciliation board to facilitate the achievement of a consensus among the U.S. commissioners; authorizing the Secretary of State to receive and transmit official communications to and from the panels and Commission, on behalf of the United States; fourth, spelling out responsibilities of the relevant States. Indian tribes, and regional fishery management councils; fifth, establishing procedures for interagency cooperation in the implementation of the treaty; sixth, specifying prohibited acts and penalties; seventh, establishing general standards to guide U.S. actions pursuant to the treaty; and eighth, setting forth other miscellaneous and administrative procedures.

In summary, this extremely technical and controversial issues has finally been resolved. But while it is not a panacea, I do believe this treaty and implementing legislation is the best agreement we could attain under current circumstances. This treaty is endorsed by most of the Northwest's commercial and sport fishermen, State and tribal fishery managers, conservationists, fishery depending businesses, port authorities, cities, counties, and State governments. The Pacific Salmon Treaty is vital to the protection, enhancement, and coordinated management of our salmon resources. We would strongly urge our colleagues to support this treaty.●

By Mr. PROXMIRE:

S. 517. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to establish certain requirements with respect to hazardous substances released from Federal facilities, and for other purposes; to the Committee on Environment and Public Works.

(The remarks of Mr. PROXMIRE and the text of this legislation appear earlier in today's RECORD.)

By Mr. BUMPERS:

S. 518. A bill to amend the Internal Revenue Code of 1954 to repeal the so-called contemporaneous record keeping requirement for vehicles and to provide greater protections and incentives for investment in small businesses; to the Committee on Finance.

SMALL BUSINESS TAX AMENDMENTS

● Mr. BUMPERS. Mr. President, on February 6 of this year I introduced S. 396, the Small Business Fairness Act of 1985, a bill that included four separate titles containing provisions of great importance to small business. Title IV of that bill contained important tax provisions which, among other things, repealed the burdensome and unnecessary contemporaneous recordkeeping requirements for business use of vehicles and provided tax incentives for investment in small business. I am today introducing these tax provisions as a separate bill, the Small Business Tax Amendments of 1985, for referral and action by the Committee on Finance.

It is, of course, an understatement to say that there has been great dissatisfaction among the public with some regulations which were recently put into effect by the IRS pursuant to the Deficit Reduction Act of last year, namely the contemporaneous recording travel regulations. I am encouraged that the IRS has, in recent days, seen fit to simplify these regulations, but I'm not convinced that these changes go far enough. The mail and the calls I have received on these regulations certainly prove the old maxim that you can only give people as much government as they are willing to take. These regulations have been a ridiculous burden on individuals and businesses which use cars and trucks—and that's just about everybody—and they must be repealed. Just before Christmas, I wrote a strong letter to the IRS complaining vigorously about these regulations, and they politely informed me that they were only doing exactly what Congress had told them to. Well, I've read that law and I am convinced that the IRS was interpreting the law as broadly as possible, and I think they initially went beyond the intent of Congress. I am pleased that

the IRS is now interpreting this law more fairly, but I have yet to be convinced that absolute repeal is not the best alternative. My bill does just that.

Before I describe my capital formation proposals, I want to say a few things about the effect they will have on our economy. There is a distinct connection between these proposals, and stimulating the economy, and creating jobs. They are true pump priming, not tax giveaways disguised as supply-side economics. First, small businesses account for three-quarters of all employment and about 80 percent of all new jobs, according to a study by MIT. Testimony presented to the Small Business Committee indicated that firms with 50 employees or less accounted for virtually all of the new jobs in the Northeast between 1972 and 1976. Similarly, between 1978 and 1980, small firms were responsible for 78 percent of all new jobs in the Middle Atlantic States. And, as a southerner, I can personally attest that small businesses are responsible for creating virtually all of the new jobs in the South. Small businesses grow faster, as a survey by Inc magazine showed. It listed the 500 fastest growing privately owned businesses, which grew 571 percent between 1977 and 1981, while the Fortune 500 grew 70 percent. The work force of those privately owned companies grew by 315 percent, compared to 2 percent for the fortune 500 companies.

In order to grow like that, however, the companies need access to capital. They frequently have obtained all that they can of bank loans as well as loans from friends and relatives, and when they do obtain bank loans, they generally pay an interest rate that is about 3 percentage points higher than their big-business competitors. Consequently, they need access to venture capital. Testimony before the Finance Committee in January 1983 indicated that there is a $7 billion shortfall in venture capital available to small businesses, so it is necessary to lure it with some well-designed tax incentives.

A reduction in capital gains for small business investments held for three years is a proven incentive. For example, between 1973 and 1977, the average new private capital committed to venture capital firms was $43.6 million per year. In 1978, the maximum capital gains rate was reduced to 28 percent, and investment increased to $596.3 million per year. In 1981, the maximum rate was again reduced, and the money committed to venture capital firms increased to $1.5 billion per year. Similarly, new capital in public offerings increased as the maximum capital gains rate went down. Between 1975 and 1977, that figure averaged $217.3 million per year. Between 1978 and 1980, it increased to $717.3 million per year, and in the 1981 to 1982, it averaged $2.33 billion per year. These are astounding increases, and they cannot simply be explained as responses to general economic conditions.

These incentives should be channeled toward small businesses, because, as I have pointed out, that is where the greatest response in growth and new jobs is greatest. A study by GAO in August 1982 showed that $209 million in venture capital was invested in 72 specific companies in the 1970's, and in 1979 these 72 companies had combined sales of $6 billion. They had an average annual growth rate of 33 percent, and they created 130,000 jobs, while producing $100 million in new corporate tax revenues and $350 million in employee tax revenues. They also produced $900 million in export sales. Just think what would happen if we enticed the entire $7 billion of the venture capital that is needed by small businesses.

Having said all this, let me briefly explain the capital formation provisions of my bill. In the area of capital gains, I proposed to lengthen the capital gains holding period from 6 months to 1 year. I think it was a very serious mistake to shorten the holding period from 1 year to 6 months, and I strongly opposed this idea last year when this change was made. We might as well not have a capital gains tax at all as to have the present policy. Such a short holding period only encourages speculation in the stock market, in gold, and silver, and other commodities and, in my judgment, it does immeasurable harm to small businesses in this country which depend on stability in the capital markets for their very survival. Theses businesses, Mr. President, generally can't go to the stock exchange and make a public offering to raise capital. They are, for the most part, single proprietorships, partnerships, and closely held small corporations. When they need capital they go to the bank or other lending institution. Let me say again, the 6-month holding period for capital gains discourages investment in small business, the backbone of our economy, and it discourages the availability of capital for these businesses by making more speculative investments more attractive.

I also propose a capital gains rollover provision which would parallel the rollover provision now available for homeowners, if the taxpayer reinvests his gain in a second qualified small business. The gain, up to $100,000, would simply not be recognized if the second investment is made within the required period. In tandem with this provision, I also am proposing in this bill a capital gains deduction of 80 percent for small business investments which are held for 3 years. The rationale for these changes in the tax law is the same as that with respect to the holding period for capital gains. We should recognize the invaluable role of small businesses as a source of stability and job creation in our economy, and we should do everything reasonably possible to encourage the growth of small business. The rollover provision and the 80-percent deduction for small business investments held for 3 years are sound and direct means to encourage the availability of capital for this sector of the economy.

Finally, I propose to clarify what should be the law already, but what the Justice Department has decided is not the law, despite what I think was a very clear message from the Congress. A few years ago Congress enacted the Regulatory Flexibility Act, which essentially requires Federal agencies to consider whether rules which they are proposing will have a significant impact on small businesses. The Justice Department concluded that Congress did not intend to impose this terrible burden on that favorite of Federal agencies, the Internal Revenue Service. I simply want to make clear by this bill that the Regulatory Flexibility Act does indeed apply to the IRS, and the IRS should consider the impact of its rules on small businesses just like all other Federal agencies.

Mr. President, I urge the Finance Committee to hold hearings on this sensible measure and send it quickly to the Senate floor for a vote.●

By Mr. EVANS (for himself, Mr. CRANSTON, Mr. CHAFEE, Mr. KERRY, Mr. INOUYE, Mr. RIEGLE, and Mr. METZENBAUM):

S. 519. A bill to require a study of the compensation and related systems in executive agencies, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEE ANTI-SEX-DISCRIMINATION IN COMPENSATION ACT

Mr. EVANS. Mr. President, I have today introduced a bill regarding pay equity, one which deals with one of today's most important civil rights issues as it relates to the equity of pay between jobs filled primarily by men and those filled primarily by women.

Mr. President, during the Senate debate of the Equal Pay Act of 1963, Senator Randolph, our former and most distinguished colleague, said this of the legislation, "the provision of equal pay for women is an act of justice which Congress may not, in good conscience, withhold from American working women." He went on to say "I am familiar with the arguments against equal pay for women. They are substantially the same arguments which were advanced in earlier years in opposition to congressional action on child labor, on sweat shop and on the original minimum wage and hour legislation." History has proved the wisdom of Senator Randolph's statement. The Nation survived all the al-

leged evils associated with paying women the same as men for doing the same work and many wrongs were righted. As a long-time supporter of pay equity for women I am sure that if Senator Randolph were taking part in the Senate's deliberations today he would find the arguments advanced against equal pay for equal worth as ill-conceived as they were in 1963.

In 1985, few would argue against either the moral or economic "rightness" of equal opportunity and equal pay for equal work. Unfortunately, the same old fears have been resurrected by opponents of pay equity and their arguments are premised on the same fallacies of the opponents of equal pay. For example, we have heard the bizarre raving of U.S. Civil Rights Commission Chairman Clarence Pendleton that comparable worth, "is the looniest idea since looney tunes hit the screen."

Mr. President, at this point, I ask unanimous consent that a series of statements made during the debates in 1948 and 1963 on equal pay for equal work, statements made by the chairman of the National Association of Manufacturers and other business representatives and by Members of Congress, be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EVANS. Mr. President, the only thing new about comparable worth is its name. This time the issue is equal pay for equivalent work. The public policy question is the same as it was in 1938 when Congress passed the Fair Labor Standards Act. It is the same as it was in 1963 when the Equal Pay Act was enacted and it is the same as it was when title VII of the Civil Rights Act was passed in 1964. The issue is the elimination of wage discrimination based on sex.

As far back as the mid-1960's shortly after I came into office as Governor, I found I was having difficulty in attracting talented managers to State government. In addition, there was no apparent consistency at that time between State departments and their wage-setting practices. It is significant to note that I began by seeking advice from leaders in private industry in my State. They told me the State pay structure was not competitive with private industry, particularly in managerial ranks. We then launched a study to determine what various jobs were worth in the marketplace, to State government, and how they all fit together internally in the State pay system. We hired the same consultants who had been advising major regional corporations on job valuations. The results were astonishing. Tradition, neglect, and lack of analytical models resulting in overpaying some managers while drastically shortchanging others. Using methods borrowed from private industry we made significant changes. We realigned positions. We raised salaries for some positions substantially, and froze salaries on other positions until they returned to alignment as a result of the studies.

It is important to emphasize that we were not out to prove that there was discrimination. It was almost by accident that we discovered the disparities between male and female dominated occupations in a much broader analysis of job alignments. Further studies were initiated to insure that key civil service benchmark positions bore an appropriate relationship to managerial salaries. We found consistent and disturbing aberrations at all pay levels. Jobs held primarily by women consistently were underpaid when measured against comparable jobs held primarily by men. For example, animal technicians, a glorified term for zookeepers, received far higher salaries than child care specialists. We paid more to take care of our animals than our children. It is amazing to me now that so many opponents of comparable worth look on the whole method of job analysis as being some new and strange device, unproven and unused. That simply is false. In fact, two-thirds of the adult age population are pay graded by job evaluation methods.

In response to charges that comparable worth is as "looney as looney tunes." I'd say Clarence Pendleton hasn't examined modern compensation management lately.

He and others have assailed the techniques of job evaluation as being subjective. All methods of wage determination, including the marketplace, are subjective to some degree. The common elements of job evaluation; skill, effort, responsibility, and working conditions are no more arbitrary than the abnormalities and distortions present in the external market place. The marketplace, they say, is the only fair and equitable determinant of wages. According to this analysis workers should move from job to job in response to the laws of supply and demand. Similarly, employers will pay a higher wage for labor where the quantity is small and the demand is high and a lower wage for labor that is abundance of existing demand. In the real world, labor markets are hardly bastions of perfect competition. Workers and employers have limited information of job availability and employees are not completely mobile, especially when they have accumulated senority and pension rights. The existence of collective bargaining further complicates this model of perfection. In fact, the result of this collective bargaining process often results in a negotiated wage that bears little rational relationship to the free market and we are currently suffering the consequences of this in international competition.

These distortions are amplified when considering salary setting within a governmental body as large as the Federal or State government. With nearly 3 million employees, the Federal Government is the single largest employer in the Nation. Within the Federal classification system there are approximately 7,000 types of positions that correspond to series or grade levels of pay. The complexity of salary setting for Federal employees is more readily seen when comparing it to State government and large corporations. The State of Washington has 2,300 civil service classifications. By comparison, the Ford Motor Co. has 5,000 position classifications and AT&T has approximately 3,350 positions under its current classification system. A few years ago, AT&T instituted a new job evaluation process which took into account technological change within the industry that had produced an excessive number of job titles, many different names for these jobs and not much difference in job content. Similarly, many of the factors and criteria that are used to determine wages in Federal pay practices are the same as they were in 1923 when the major Federal compensation systems were established. Since their inception 62 years ago they have never been formally studied for sex bias. Thus, I believe it is imperative that Congress initiate a comprehensive study of the wage-setting practices within the Federal work force. The legislation I am introducing today calls for such a comprehensive examination. The intent of this measure is to seek facts and not prejudge results.

This legislation establishes a Commission on Compensation Equity with representatives selected by the President, Congress, and employee organizations. The Commission would be charged with the responsibilities of selecting, from a list prepared by GAO, a private contractor to carry out the study itself and of submitting to the President and Congress, its findings and recommendations based on the contractor's study. It is my intention that this measure will serve as a vehicle for discussion of the GAO report which will be submitted to Congress tomorrow. This report, which will detail the appropriate scope, methodology, and other technical aspects for studying the Federal classification system was requested by me, Senator STEVENS, Senator CRANSTON, and House leaders last November. It is my hope that relevant findings of the GAO report will be incorporated into this legislation and used as guidance for the conduct of the study contemplated.

The need in 1985 for Federal action in this area of wage discrimination is

the same as it was in 1963. We haven't eradicated the cause, we merely made a scratch on the surface. For example, in 1963, 22 States already had equal pay laws and I might add many of my former colleagues argued that this was ample reason why Federal action in this area was unnecessary. In 1985, 16 States have laws requiring comparable pay standards and 14 States have convened studies of their own civil service compensation systems. The Federal Government, by convening a study, certainly is not pioneering a new frontier.

Numerous public- and private-sector studies have uncovered strong evidence pointing to the existence of factors perpetuating sex discrimination in job evaluation systems. There is no convincing reason to believe the Federal classification system is immune to such factors. Most experts agree that factors used to rate jobs in most evaluation plans do not correspond closely to characteristics of the contemporary labor force. For example, the modern work force is increasingly concentrated in technical and service jobs that did not exist when the systems were developed.

I strongly believe there are alternatives which come under the heading of comparable worth that are responsible and reasonable ways for Government to decide the internal alignments of jobs within its organization. It does not necessarily incur extra costs to Government, nor does it mean all wages will be raised. This type of internal alignment requires evaluation of the requirements of various jobs regardless of the sex of incumbents. Furthermore, this type of internal alignment can and has been done responsibly to bring equity to a pay system.

I must emphasize that we need go no further. Government should not get in the business of requiring or setting the method of job classification in private industry. That is a perfect place for the market to work. If the Federal Government decides to institute a new system and if a new system raises the job classifications and salaries of positions filled primarily by women, and if the result is that the best qualified for those positions choose to work for Government, I believe private industry will respond in the marketplace. And, I suggest that would be the most appropriate and effective way for us to eradicate discriminatory wage-setting practices.

We do not need to go so far as some would suggest. We need go only as far as to enable Government to provide the same leadership it has provided over the many, many years in the step-by-step progress we have made from where we were a century ago to where we are today in eliminating discrimination.

Mr. President, our unwillingness to respond because of the view that the markeplace, itself, is the most valid and, in fact, the only necessary tool for achieving pay equity is really nothing more than a poor excuse used in 1945 and 1963 when equal pay for equal work was the issue. Our inability to respond will allow the entire question of comparable worth to remain within the jurisdiction of the courts and such decisions will be made by judges who are isolated from the political and economic consequences of their decisions in this area. To perceive comparable worth as a threat is a mistake—a potentially costly mistake which will put the Federal Government at a competitive disadvantage to other employers who will provide the cutting edge.

It will leave the decision for the question of comparable worth to remain within the jurisdiction of the courts, and such decisions will be made by judges who are isolated from political and economic consequences of their decisions.

I urge my colleagues to join me in this next important step to end sex-based discrimination. There is no more appropriate place to begin than with the Federal work force.

Mr. President, I ask unanimous consent that a series of articles, "Comparable Worth: Is Fairness Practical," by Marilyn Gardner, in the January 19 issue of the Christian Science Monitor; "Comparable Worth Issue Is Getting Under Geezil's Skin," by Miner Baker, in the Seattle Post-Intelligencer, January 17, 1985; "Most Workers Back 'Comparable Worth,'" in the Seattle Post-Intelligencer, February 13, 1985; "Fair Pay," by Jodie T. Allen, in the Washington Post in February 1985; and "Experts Say Job Bias Against Women Persists," by William Serrin, in the New York Times in November 1984, and the text of the bill, be printed in the RECORD, at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employee Anti-Sex-Discrimination in Compensation Act of 1985."

DEFINITIONS

SEC. 2. For purposes of this Act—

(1) the term "position" means employee positions that are subject to classification under chapter 51 of such title or the job-grading system under subchapter IV of chapter 53 of such title;

(2) the term "Commission" means the Commission on Compensation Equity established by section 3;

(3) the term "Director" means the Director of the Office of Personnel Management;

(4) the term "employee" means an individual to whom chapter 51 and subchapter IV of chapter 53 of such title applies; and

(5) the term "labor organization" shall have the meaning given such term by section 7103(a)(4) of such title.

ESTABLISHMENT

SEC. 3. There is established a commission to be known as the Commission on Compensation Equity.

STUDY

SEC. 4. (a) In order to determine whether federal jobs are appropriately classified, graded, and paid and whether the wage-setting practices in executive agencies of the United States Government are in compliance with applicable laws and regulations prohibiting sex-based wage discrimination in Federal employment policies and practices, the Commission shall provide, by contract with the consultant selected pursuant to section 9, for—

(1) the conduct of a study of representative executive agencies' wage-setting practices and wage differentials within and between position—classification system under chapter 51 of title 5, United States Code, and the job grading system under subchapter IV of chapter 53 of such title, using standard objective job-evaluation techniques, to determine whether there are occupations where the rates of pay payable for positions held predominantly by female employees are lower than the rates of pay payable for positions held predominantly by male employees although the work performed in each instance involves skills, effort, responsibilities, qualifications, and working conditions which, although not indentical, are equivalent in totality; and

(2) the preparation and submission of a report containing the findings of such study, including a list of any such positions and the extent of the differences in the rates of pay in such cases.

(b) For the purpose of this section, the term "executive agency" shall have the meaning given such term by section 105 of title 5, United States Code.

REPORT

SEC. 5. (a) Not later than eighteen months after the effective date of this Act, the Commission shall transmit to the appropriate Committees of the Congress the report required by section 4 and shall provide a copy of this report to the Director.

(b) The report shall include—

(1) the Commission's findings resulting from the study; and

(2) the Commission's recommendations (other than any recommendation which would result in a reduction in the rate of pay payable for any position) for such administrative or legislative actions, or both, as it considers appropriate (including any recommendations for modification of the provisions of section 8).

(c) Not later than ninety days after the Commission submits its report to the appropriate Committees of the Congress pursuant to subsection (a), the Director shall submit to such Committees and the Commission a report commenting on the Commission's report and specifying the Director's plan (and the timetable therefor) to carry out each of the Commission's recommendations or, in the event that the Director does not specify a plan to carry out one or more of such recommendations, the Director's reasons for not specifying such plan.

(d) Not later than sixty days after the Director submits the report to the appropriate Committees of the Congress pursuant to subsection (c), the Commission shall submit to such Committees any additional comments that the Commission deems appropriate in response to the Director's report.

APPOINTMENT OF COMMISSION

SEC. 6. (a)(1) The Commission shall be composed of nine members as follows:

(A) Two appointed by the President of the United States.

(B) One appointed by the majority leader of the Senate.

(C) One appointed by the minority leader of the Senate.

(D) One appointed by the Speaker of the House of Representatives.

(E) One appointed by the Minority Leader of the House of Representatives.

(F) Three jointly appointed by a five-member panel composed of one officer of and designated by each of five labor organizations selected by the Director from among labor organizations representing substantial numbers of women who occupy positions that are subject to chapter 51 or subchapter IV of chapter 53, of title 5, United States Code (including each of the three such labor organizations representing the greatest number of employees).

(2) Members of the Commission shall not be members of Congress and shall, to the maximum extent practicable, be chosen from among persons who have extensive knowledge and technical expertise in the major areas of the Commission's consideration and study.

(b) All appointments under subsection (a) shall be made not later than 60 days after the effective date of this Act.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a)(1) The President shall designate a Chairman of the Commission from among the Commission members. The Commission shall elect a Vice Chairman from among its members. The Vice Chairman shall act as chairman in the event of the absence or incapacity of the Chairman.

(2) The Commission shall adopt such rules and regulations as it considers necessary to establish its procedures and to govern the manner of its operations, its organizations, and its personnel.

(3) Five members of the Commission shall constitute a quorum.

(4) Any vacancy in the Commission shall not affect its powers except with respect to satisfaction of the quorum requirements in paragraph (3). Such vacancy shall be filled in the manner in which the original appointment was made.

(b) Each member of the Commission who is not an officer or employee of the United States government shall be paid compensation at a rate equal to the daily equivalent of the rate of basic pay in effect for level IV of the Executive Schedule for each day the member is engaged in the performance of the duties of the Commission.

(c)(1) The Commission may appoint, terminate, and, subject to paragraph (2), fix the compensation of such personnel as it considers advisable to employ to assist in the performance of its duties, without regard to the civil service laws, the provisions of title 5, United States Code, or any other law relating to the number, classification, or compensation of employees. The Commission may also procure temporary and intermittent services in carrying out its responsibilities. The Chairman shall appoint an executive director of the Commission with the approval of a majority of the Commission members.

(2) An employee of the Commission may not receive compensation at a rate exceeding the rate of pay payable for grade GS-18 under section 5332 of title 5, United States Code.

(3) Service of an individual as a member of the Commission or as an employee of the Commission shall not be considered service in an appointive or elective position in the United States Government for the purposes of section 8344 of title 5, United States Code.

(d) All members and employees of the Commission and all individuals performing temporary or intermittent services for the Commission shall, while performing the duties of the Commission, be paid per diem, travel, and transportation expenses in the same manner as provided for under subchapter I of chapter 57 of title 5, United States Code.

(e)(1) The Commission or any member authorized by the Commission may, for the purposes of carrying out this Act, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements, with or without consideration or bond, and take such other actions as the Commission considers advisable, to the extent that amounts provided pursuant to section II are available. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(2) The Commission is authorized to obtain directly from any officer, department, agency, establishment, or instrumentality of the United States Government such information, suggestions, estimates, and statistics as the Commission considers necessary to carry out this section. Each such officer, department, agency, establishment, or instrumentality shall furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made on behalf of the Commission.

(3) The Commission may use the United States mails and receive administrative support from the Administrator of General Services in the same manner and under the same conditions as departments and agencies of the United States Government.

(4) No officer or agency of the United States Government shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to Congress or Committees of Congress or to the President.

(f) The Commission shall meet from time to time, as its members consider appropriate.

TERMINATION

SEC. 8. Ninety days after the date the Commission submits its comments pursuant to section 5(d), the Commission shall cease to exist.

CONSULTANT

SEC. 9. (a) The Comptroller General of the United States shall prepare and submit to the Commission a list of at least five consultants which on the basis of their objectivity, extensive knowledge, and technical expertise in the matters to be studied pursuant to this Act, the Comptroller General considers appropriate to conduct such study.

(b) From among the list of consultants transmitted by the Comptroller General pursuant to subsection (a) the Commission shall select one consultant to conduct such study.

CONSTRUCTION

SEC. 10. Nothing in this Act shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, national origin, handicap, or age.

FUNDING

SEC. 11. Of the sums appropriated to the Office of Personnel Management for general operating expenses for fiscal years 1986 and 1987, such amount as is estimated by the Comptroller General of the United States as necessary to carry out this Act shall be made available to pay the expenses of the Commission and shall remain available for such purpose until September 30, 1988.

EFFECTIVE DATE

SEC. 12. This Act shall take effect on October 1, 1985.

[From the Christian Science Monitor, Jan. 19, 1985]

COMPARABLE WORTH: IS FAIRNESS PRACTICAL?

(By Marilyn Gardner)

The letter, written by my great-grandmother to my great-grandfather during their courtship, offers a century-old perspective on a problem that refuses to go away: pay equity.

"I am teaching here in town this winter," she explained at the beginning of her second year of teaching in 1867. "A Mr. Pope teaches the other school. I have 32 and he has 30 scholars. He gets $50 per month and I $25. They say he never taught before. . . ."

Two years later, teachers' salaries became the subject of another letter she wrote: "Mr. Gillmore is going to teach here this winter, and [my friend] Alida the primary grades. Mr. Gillmore gets $50 and Alida $28. I think that is pretty good. The doctor did not want to pay quite as much as $50, but the rest were willing so he hired him. Alida asked $28, and the doctor said he would not beat her down as long as they paid Mr. Gillmore so much."

Today, 115 years after the school committee in that small Wisconsin town granted Alida 56 cents for every dollar Mr. Gillmore earned and agreed not to "beat her down" to a lower salary, women still earn, on average, between 59 percent and 62 percent of men's salaries. The Equal Pay Act of 1963 makes it illegal to pay women less than men for the same work, but it does not protect many women clustered in female-dominated fields such as teaching, nursing, and clerical work.

Enter comparable worth, an attempt to achieve pay equity by ranking jobs on the basis of the skills and responsibility they require and their value to an employer. Hailed by women's groups and labor unions as the most important pay issue of the '80s, the concept has come under fire from opponents in industry and government.The Heritage Foundation, a conservative research organization, has told the Justice Department that "the fight against comparable worth must become a top priority." A senior White House economist, William Niskanen, called it "a truly crazy proposal." And the chairman of the U.S. Commission on Civil Rights, Clarence M. Pendleton Jr., in a now-famous comment, termed it "the looniest idea since Looney Tunes came on the screen."

The bad news for Mr. Niskanen and Mr. Pendleton is that this "crazy proposal," this "loony idea," continues to gain momentum.

At least 15 states are reviewing job classifications for evidence of discrimination. Scores of lawsuits have been filed against cities and states across the country. And a recent 10-week strike at Yale University—temporarily suspended without settlement—focused national attention on salary differentials at the university, where mostly female clerical workers earn an average of $13,400 and truck drivers $18,500.

Much of the reason for gaps between men's and women's wages, many experts maintain, is sex segregation in the labor force.

"It's more than a gap, it's a chasm," Florida state Sen. Carrie P. Meek told members of the Florida Women's Network at a meeting on comparable worth in Tampa last fall. "Only about half the gap can be explained by differences in age, education, and experience. There is a residual difference: sex discrimination."

In an ideal world, proper adjustment of imbalances would occur naturally through the workings of a free marketplace. But market forces have been notoriously slow in bringing women's salaries in line with men's—witness the modest gains since my great-grandmother and Mr. Pope earned greatly disparate salaries for similar duties more than a century ago.

Prospects for the future, moreover, are not encouraging. The Rand Corporation, while noting recent gains in women's pay, has predicted that by the year 2000 women will still earn only 74 percent of men's income.

Opponents of comparable worth predict that economic chaos would result from trying to balance disparities. They cite the $800 million it could cost Washington State to comply with a federal judge's order to equalize pay for 15,000 workers in female-dominated state jobs. And using the concept in government employment, Mr. Pendleton says, would require the federal government to raise more money, which "doesn't come from the tooth fairy."

Neither do women's current salaries. Just ask working women—especially members of the 10 million families the government says have no male wage earner—who know all too well how far 59 cents doesn't go in buying a dollar's worth of goods and services.

Instead of asking if we can afford to make these changes, we should consider another question: Can we afford not to? Fifty-seven percent of Americans living at the poverty level—now at its highest point in 18 years—are women.

Some critics maintain that women should seek higher-paying or nontraditional jobs. That may be part of the solution. But for those who through preference, training, or talent choose traditional "women's" jobs, the answer lies not in a mass exodus but in an upgrading of pay levels to reflect more accurately the value and importance of their work.

Comparable worth may not be exact mathematical possibility. But it is a moral idea that deserves to be taken seriously.

By documenting and publicizing specific imbalances, its proponents are forcing thinking people to ask: Is it fair that New York City police dispatchers, most of whom are black women, earn $4,000 to $6,000 a year less than fire dispatchers, the majority of whom are white men? It is equitable to pay cleaning matrons in Massachusetts a starting salary $1,000 lower than that of male janitors? And should a librarian in Virginia with 13 years of experience and master's degree in library science receive the same salary—less than $25,000—as a county maintenance superintendent with a high school diploma?

Ultimately, trying to legislate equality may prove as impossible as trying to legislate morality. But not to attempt to achieve equality is to perpetuate inequality and the attitudes that promote it. As a matter of economic justice for nearly 45 percent of the work force, comparable worth deserves a hearing. It may not be a perfect—or permanent—solution. But in raising questions about fairness and equality, it may prove to be an important first step in finding answers that can benefit everyone.

[Seattle Post-Intelligencer, Jan. 17, 1985]

COMPARABLE WORTH ISSUE IS GETTING UNDER GEEZIL'S SKIN

(By Miner Baker)

My old friend Geezil is still hanging around our place—eating my food, occupying my favorite chair, ogling my wife. I could forgive all that were it not for his pretensions as an economist. On every subject he has an opinion he regards as the gospel according to Adam Smith.

Just the other day he remarked, "This comparable worth thing is going to cause a lot of mischief. That's the nonsense that says a nurse should be paid as much as a carpenter if their jobs are found to be of equal worth."

"Sounds fair to me," I said.

"Fair indeed," snorted Geezil.

"Do you realize that implementing such an idea would cost billions and billions of dollars? It would wreck the whole economic system. There are more than 45 million women at work in these United States. Most are quite content with their working conditions and their pay, as well they should be, but a few troublemakers are trying to stir up this comparable worth thing."

"It seems to me," I said, "that your argument about cost is an admission that there is in fact discrimination against women. Otherwise it wouldn't be expensive to correct it."

"Discrimination," said Geezil, "is a nasty word that doesn't belong in this discussion. Women are different from men, that's what. They certainly are super as secretaries, nurses, librarians and lots of other jobs."

"Geezil, you old fraud," I interposed, "you are admitting the very thing you say isn't true. It is in these very jobs where women are concentrated where compensation is low by comparison with jobs traditionally held by men."

"But you can't make that kind of comparison," Geezil sputtered. "There is no way to compare the work of a librarian with that of a plumber."

"Well, actually there is a way," I countered. "It may not be the best way but it works reasonably well. You have experts study the requirements of each job and rate them numerically with regard to skill, education, responsibility, working conditions, etc. Then you add up the ratings and get a score."

"Aha, you admitted that it may not be the best way," Geezil gloated. "You see, there is really only one way to fix a salary. That is the judgment of the marketplace."

"You and your marketplace, Geezil. You must realize that most wages are not fixed by supply and demand operating in a vacuum. Everyplace you have a union, you have collective bargaining to push wages up. And you have minimum wages fixed by law. If women get their act together, as indeed they seem to be doing, it will be as if they comprised one big union and at the same time a potent political force."

"Precisely what I mean by mischief," snorted Geezil. "If they really take hold of this comparable worth thing, they will wind up wrecking the economy. There is no way that business can absorb the increased cost it would entail."

"Come now, Geezil," I said, "no doubt it would be costly. It often is costly to right a wrong. But business has absorbed the costs of safety regulations and environmental standards. Why is this any different?"

"It just won't work, that's what," he answered. "You cannot replace the action of supply and demand in the marketplace with a set of arbitrary standards for determining the worth of each job."

"You, my friend, are a big fraud," I said. "You know that it can be done. That's why you're so concerned about it."

[From the New York Times, November 1984]

EXPERTS SAY JOB BIAS AGAINST WOMEN PERSISTS

(By William Serrin)

Despite years of progress in the workplace, American women still face job discrimination so deep and pervasive that it will be years before they begin to approach parity with male workers, experts say.

"Women clearly are doing much better than they have ever done before," said Janet L. Norwood, United States Commissioner of Labor Statistics, who called the increase in the number of women who work "the most striking demographic change in the U.S. labor force in recent decades."

And Samuel M. Ehrenhalt, the bureau's New York regional commissioner, said women were spending more of their lives working. That phenomenon, he added, has had "profound effects on work and society, including life styles, living standards, relationships of men and women, the family, the care of children and older people."

He calls the increase in working women "the most dramatic development in the nation's use of human resources since the Industrial Revolution."

But changes in the number of women working and the jobs they hold can be deceiving, a number of authorities and working women say. "We don't have to get men coffee," says Ann Doyle Kenny of Boston, a university research worker, "but those changes are cosmetic."

A number of factors have limited women's progress and will continue to do so, authorities agreed.

One problem, Mrs. Norwood said, is that the bulk of working women are in low-paying jobs, generally in low-paying industries. About two-thirds of working women are employed in service and retail industries or state and local government. Five of the top 10 occupations among women are sales or clerical jobs.

In recent years, what seem to be permanent declines in manufacturing employment have blunted women's efforts to move into higher-paid blue collar jobs in such industries as automobiles, steel and rubber. Only one female worker in six is employed in a goods-producing industry.

Nevertheless, women have narrowed the wage gap in some areas, authorities acknowledge. Over the past two years, for example, there has been little or no difference between the beginning salaries offered male and female bachelor's degree candidates in a

number of scientific, engineering and social science professions, according to a 1983 survey by the College Placement Council. Recent studies by the Bureau of Labor Statistics found narrow wage differences between men and women in white collar professions.

In 1983, the bureau says, women under 25 earned 90 percent as much as men. Female elementary school teachers earned 87 percent as much as male teachers, female lawyers 88 percent as much as their male counterparts and female computer programmers 81 percent as much as male programmers.

But in sales, where women make up a large percentage of workers, they earned less than 50 percent as much as male sales clerks in 1983, the bureau reported. "All available information points to one basic fact," Mrs. Norwood said. "The earnings of women are generally lower than the earnings of men."

EARNINGS RATIO IS STATIC

Moreover, while some women's wages are improving, the ratio of their earnings to those of men has been roughly static for years. Since 1960, Mrs. Norwood says, it has remained at 57 percent to 65 percent. And the Rand Corporation, a research group, predicted in a recent study that women's wages would be 74 percent of those for men by the year 2000.

"Women are getting more higher paying jobs," says Karen Nussbaum, president of District 925, an office workers' union, "but you don't see pay scales for women's dominated jobs rising. The difference between 57 and 65 percent isn't much, but we are supposed to be ecstatic."

Miss Nussbaum attributes the apparent narrowing of the wage gap not to upward mobility of women but to the "terrible decline in good-paying manufacturing jobs." That, says Sarah Kuhn of Massachusetts Institute of Technology has caused male workers to "skid" into lower economic levels, levels closer to those of women.

Meanwhile, experts say, women face new difficulties caused by the reorganization of work through the use of computers and the export of many jobs traditionally performed by women, such as those in the textile, shoe, clothing, toy and electronics industries.

"New jobs are being created that didn't exist before, and many women are into these jobs," said Mary C. Murphree, a consultant to the Federal Women's Bureau, a branch of the Department of Labor. But a lot of the new positions "are low-level word- and data-processing jobs," she said.

The continuing employment of many women in such low-paying jobs is particularly disturbing to some experts because many women are heads of households. The Government says about 10 million families have no male wage earner.

The future for working women seems uncertain.

Many of the 20 occupations expected to grow the most by 1995 are those that traditionally employ women, the Bureau of Labor Statistics says. Among them are legal assistants, computer programmers, physical therapy assistants and bank clerks.

But authorities on the subject said they feared women would lose work through automation. Some jobs will require more skills and will be more challenging, said Miss Murphree, who specialized in studying the impact of computers on the office worker. But many jobs may be eliminated, so that, in part, "whatever affirmative action progress we've made now is up for grabs."

A study by Wassily Leontief and Faye Duchin of New York University supports that view, concluding that computers in the office will mean dramatic productivity improvements but a "steep decline in the relative number of clerical workers."

WOMEN IN THE WORKFORCE

Despite these problems, large numbers of women have entered the work force. In October, 46.2 million women were at work, and they accounted for 40.5 percent of the labor force. More than two-thirds of the women 25 to 54 years old are in the labor force. Three of five women with children work, including 46 percent of those with children younger than 3 and 52 percent of those with children younger than 6.

In 1983, 52.9 percent of American women were in the labor force. The comparable figures were 33.9 percent in 1950, 37.7 percent in 1960 and 43.3 percent in 1970, according to the Bureau of Labor Statistics. From 1950 to 1983 the rate rose 19 percentage points, about as much as it had from 1890, when it was 18.2 percent, to 1960.

Beyond joining the labor force in greater numbers, women are moving into occupations traditionally dominated by men. "We're penetrating professions we were not in before," said Lenora Cole Alexander, director of the Federal Women's Bureau.

From 1962 to 1982 the proportion of women among engineers rose from 1 percent to 6 percent; among mail carriers, from 3 to 17 percent; among butchers, from 4 to 16 percent; among physicians, from 6 to 15 percent; among insurance agents, from 10 to 26 percent; among bartenders, from 11 to 50 percent; among bus drivers, from 12 to 17 percent, and among college teachers, from 19 to 26 percent.

Women constitute a majority of insurance adjusters, bill collectors, psychologists and assemblers. There are 3,800 of them at work in underground coal mines, according to the Coal Employment Project, a female miners' group in Oak Ridge, Tenn. And the Bureau of Labor Statistics says women are likely to take 7 out of every 10 jobs created in the 1980's and 1990's.

The situation is complicated by the fact that many of the new jobs will not be near the women who need them most.

According to Judith Gregory, a research specialist for the American Federation of Labor and Congress of Industrial Organizations, many new jobs being taken by women in banking and insurance and high technology, among other sectors, are in suburban areas that are not accessible to black, Hispanic or Asian women. Many businesses are seeking what they call a "quality clerical worker," she says, adding, "I think 'quality clerical worker' means a white, suburban, non-union, part-time worker."

"So few women reach the top," says Mrs. Alexander of the Federal Women's Bureau.

FEW WOMEN IN SOME JOBS

Nevertheless, while "employed women are clearly moving into higher-paying jobs," Mrs. Norwood of the Bureau of Labor of Statistics said, the "actual number engaged in these occupations remains relatively small."

"For example, the number of women lawyers increased more than fivefold over the last decade, but there are still less than 100,000 in the legal profession, and they make up only about 15 percent of the total," she said.

Men continue to dominate in construction, too. The Southeast Women's Employment Coalition of Lexington, Ky., says that less than 2.5 percent of skilled highway jobs are held by women, despite a 1982 gasoline tax law for highway construction that barred discrimination in filling jobs created by the tax increase.

On the other hand, in 1983 the Bureau of Labor of Statistics found women accounted for 99 percent of registered nurses, house cleaners and servants, 92 percent of bookkeepers and bank tellers, 89 percent of waiters, 8 percent of cashiers, 82 percent of elementary school teachers, 75 percent of food service workers and 70 percent of retail clerks.

Catalyst, a New York-based research group that works to place women on corporate boards, says only about 8 of every 1,000 employed women hold high-level executive, administrative or managerial jobs and women occupy about 455, or 3 percent, of the 16,000 seats on the boards of the thousand largest corporations listed by Fortune magazine.

[From the Seattle Post-Examiner, Feb. 13, 1985]

MOST WORKERS BACK "COMPARABLE WORTH"

WASHINGTON.—More than two-thirds of the workers questioned in a recent survey think women are not paid fairly compared to men and most supported the idea of "comparable worth" wages for jobs of similar skills, a study commissioned by the National Committee on Pay Equity said Tuesday.

Women currently earn 63 cents to every dollar a man earns, according to statistics often cited by women's groups.

More than 83 percent of the 1,000 working men and women contacted by telephone in November said the "wage gap" is a serious problem that should be corrected. Many pointed to discrimination as the primary cause of the wage gap, the poll found.

However, a U.S. Chamber of Commerce official attacked the poll saying it was more a manipulation of responses than a true examination of public opinion.

"Whenever you ask the wrong question, it is inevitable that you will also receive the wrong answer," said Virginia Lamp, a labor relations attorney with the chamber.

"This issue has been largely addressed in a superficial manner up to now, and citing such a misleading poll is just one more of the same tactics that comparable worth proponents seem bent on using."

More than a year ago, a federal judge ordered the state of Washington to pay $800 million in back pay to women employed by the state because they had been paid less than men for doing similar jobs.

That case, now on appeal, sparked a national debate on the issue of pay equity for women clustered in low-paying "pink collar" jobs, such as secretaries and clerks.

[From The Washington Post, February 1985]

FAIR PAY—WHY RIDICULE "COMPARABLE WORTH"?

(By Jodie T. Allen)

Quiz: Who wrote the following? "Comparable worth is an extension of women's demand for equal pay for equal work, an idea that is both reasonable and fair as a way of correcting the undeniable, historic wage discrimination against women."

Answer: the editors of Business Week magazine.

That's right. The quotation comes not from the annual report of the Radical Feminist League to Disrupt the American Economy, but from an editorial in a recent issue

of a distinguished business journal. They recognize that "comparable worth"—the misnomer that generally refers to the idea that employers should not pay low wages for certain jobs just because they are typically held by women—is an idea that should not be dismissed by ridicule or misrepresentation.

Economists predict that, as skills of working women increase, the pay gap between men and women will narrow to "only" 25 percent by the end of the century. Part of the larger discrepancy is accounted for by differences in training, work experience, responsibility and, perhaps, such intangibles as "drive" and the distractions of family responsibilities. But there is no serious dispute that many employers pay less for jobs in which women are concentrated than those in which men predominate.

Women for centuries were crowded into a few occupations. It would have been remarkable if employers had not taken advantage of that fact by paying them less than their skills and responsibilities would have commanded in an open marketplace. Vestiges of this discrimination still exist. How else to explain the fact that New York City pays its police dispatchers (mostly black women) several thousand dollars less than it pays its predominately white male fire dispatchers—to site one current but far from isolated example?

Using similar examples, women have been pressing employers in wage negotiations (such as those recently concluded at Yale University) and in court suits alleging illegal discrimination (such as the successful suit brought against the State of Washington). The comparable pay practices being sought would not, as administration spokesmen and other pooh-poohers of the idea claim, require that ballet dancers be paid as much as football players, or nurses as much as lab technicians. Nor would the changes being asked of individual employers require the creation of another ghastly federal bureaucracy charged with assigning worth and wages to every worker.

In fact, as a recent report sponsored by 23 House Republicans pointed out, Title VII of the Civil Rights Act, as interpreted by the Supreme Court in the state of Washington case, already prohibits employers from adopting pay-setting schemes that discriminate between men and women in similar though not identical jobs. These Republican legislators did not find that the drive for comparable pay presaged the decline and fall of the free-enterprise system. Instead, they called on employers to eliminate bias from their pay practices and on federal agencies to speed up investigation of discriminatory practices.

Ending sex discrimination in wage-setting would not prohibit employers from setting pay scales that were different from those of other employers or from responding to skill shortages in male-dominated jobs. But fair pay would require that individual employers review their formal or informal job classification practices and ask themselves, for example, whether the differences in what they pay secretaries (who are in short supply) and truckdrivers (who are currently in great surplus) are really the result of impartial market forces.

In fact, most wages are not determined by the free interplay of supply and demand in a fluid market. Convention, monopoly power, unionization and employer preference have had far more to do with the wages paid in many occupations. The relatively high pay for surgeons compared with other doctors, for example, has been traced to the surgeons' dominance in fee setting arrangements when Blue Shield insurance was invented in the 1930s. The relatively low pay for nurses and secretaries has been charged to collusive practices among employers in some areas.

Like earlier legally enforced changes in the labor market—minimum wage, child-labor, health and safety, fair labor standards and equal-pay laws—reviewing comparable pay would be inconvenient and, in some cases, costly to employers. But forward-looking private and public employers—such as the editors of Business Week and the 23 House Republicans—are recognizing that inexplicable differences in pay for jobs requiring comparable skills are not only hard to justify but very likely to result in costly litigation.

By moving voluntarily to straighten out its pay practices, the state of Minnesota, for example, avoided both prolonged litigation and a costly settlement. By willfully ignoring repeated findings by independent job reviewers, the state of Washington ended up owing—deservedly—a costly backpay award. Moreover, contrary to predictions of opponents, Minnesota's new pay practices seem to have encouraged women to move into traditionally male jobs—a trend that will ultimately help in narrowing the gap between male and female earnings.

The importance of pay equity is easy to exaggerate on both sides. While egregious pay discrimination because of gender surely exists, the evidence is that it does not account for a substantial portion of the total wage bill. That means that eliminating it neither would be very costly to the average employer nor would do much for the average female worker. But comparable worth—or pay equity or sex discrimination or whatever you want to call it—is important as part of the continuing drive to make the job market a fairer and more open place.

EXHIBIT 1

House Committee on Education and Labor; 80th Congress; February, 1948 Hearings on Legislation to amend FSLA to provide equal pay for equal work.

"Speaking of sex, I suppose in the last 15 years or so I have hired a lot of stenographers. If you get a pretty one you do not keep her long. Of course, you have some inducements for paying her a little more, maybe, but I have thought a number of times I might hire a man. If I did that, I think I might be willing to start him out a little higher than I would some girl because the probabilities would be that he would be a permanent employee, whereas with a girl you have to get a new one about every year or every 6 months or so. Sex is a thing that interferes with permanency it seems to me."—Rep. George MacKinnon, D-Mill

"In addition to the fact that there appears to be no need for legislation of this kind, these specific bills go far beyond the avowed objective of advancing the cause of equal pay for equal work. Not only do they involve unwarranted interference of the work relationship in a manner which would be disruptive and dangerous but the provisions of this legislation run directly counter to the Government's announced policy of promoting harmonious industrial relations and, insofar as possible, leaving such matters in the hands of labor and management."—George F. Kohn, National Assn. of Manufacturers

"Since management and labor are both sincerely devoted to the principle and practice of equal pay for equal work, I beg this committee to consider whether extensive government intervention is necessary to accomplish something which is now being voluntarily accomplished by the parties themselves."—George F. Kohn, NAM

Use in connection with 1948 wage gap which was 25 percent for men and women doing the same job (BLS). Note that estimate does not include entire work-force of men verses women, only men and women with same job title.

Rep. Madden R-Ind: "How long would you say it is going to take before you will arrive at equal pay for equal work?

Mr. Kohn: "Oh, it is inaugurated. It is practically fulfilled, I would say. If you were to ask me how long it would be until we reach perfection I would say it would probably never be perfect, even if you legislated for it. I don't think we have ever been able to effect even by legislation, perfection in our society.

"As a matter of fact, I think it will inevitably lead to national job classification by industry, applying not only to where there are inequities, as the committee might find them or the Secretary of Labor might find them, but through every job and every plant in the country, for the simple reason that if changes are recommended then of course you immediately come to the point of having to try to preserve long standing and recognized job differentials and you have your wage structure from top to bottom, in my mind, at least potentially, subject to change as the result of findings of government."—Mr. Kohn, NAM

"We are opposed to the enactment of this bill. The premises stated are not true . . . there is no need or occasion for burdening American employers, employees, and taxpayers with the onerous bureaucracy, the interference with liberty and freedom, and the huge expenditure of public money that this bill contemplates. As a practical matter, it would render the employment of women so hazardous to employers that women would be greatly handicapped thereby so far as concerns their employment in the future at all.—David Clarke, Ill Manufacturing Assn.

House Committee on Education and Labor; 88th Congress, March, 1963 Hearings before the Subcommittee on Labor on the Equal Pay Act of 1963.

"This legislation would in fact discriminate against both men and women. Most secretaries are women. We have had several young men start out as secretaries and later rise to positions of importance. When these young men started and as they progressed I am certain that their wages were higher than some female secretaries doing equal or superior work. But we also knew that there as a possible potential of their rising to more important jobs, supervising a large number of other men. If this law is passed we will hire women for all secretarial positions and be deprived of this avenue of advancement."—William Miller, U.S. Chamber of Commerce

"The legislation does not permit us to hire the best people for the jobs . . . there are some physiological differences which cause absenteeism more and then, of course is the question of performance . . . employers are willing to hire women at $50 to $100 a month less than the salary paid to a man in an equivalent position. This evidently is the salary differential that places a monetary value in these handicaps as developed in the market place. If, however, the employer is not permitted to evaluate these handicaps

and must pay an equal salary, as I pointed out it is not worthwhile to hire a woman."—William Miller, USCC

Rep. Green: And no woman has the chance of being a leader in your plant?

Mr. Miller: "I have yet to see a woman in a manufacturing establishment who has yet to rise to the top in a manufacturing job . . . it is because men, in general, like to be supervised by men rather than women in factory jobs."

"If this additional cost in employing women is not taken into consideration, the net effect of equal pay legislation will be to limit the job opportunities for women since it will cost more to employ women than men. Obviously, an employer, to survive in a competitive market, must look to his total employment costs and not simply to individual wage rates."—Boyd Owen, Owen-Ill Glass Co.

NEW BIPARTISAN PAY-EQUITY INITIATIVE

Mr. CRANSTON. Mr. President, I am pleased to join with the distinguished Senator from Washington [Mr. EVANS] in introducing this legislation, S. 519, the proposed "Federal Employee Anti-Sex-Discrimination in Compensation Act of 1985". This bill would establish a Commission on Compensation Equity which would be given the responsibility of selecting, from a list prepared by the Comptroller General, a private contractor to carry out a study of the two basic Federal employee compensation systems—the position-classification system under chapter 51 and the job-grading system under subchapter IV of chapter 53 of title 5, United States Code—to determine whether sex-based wage discrimination exists in those systems. The Commission would report to the President and the Congress its findings and recommendations based on the contractor's study.

Mr. President, the Senator from Washington and I have worked closely together to develop this bipartisan measure to facilitate an objective conduct of the study of the Federal wage-setting system—a study that is long overdue.

I am very appreciative for Senator EVANS' support of my attempts last Congress to bring this matter to a vote in the Senate and for his cooperation and that of his staff, particularly Lisa Marchese, in working so closely together with me and my staff in the development of this bill. During his service as Governor of the State of Washington, Senator EVANS had been a true leader in efforts to identify and eliminate sex-based wage discrimination. He is committed, as am I, to finding constructive approaches to resolving this difficult problem which affects the lives of millions of women and their families, and I am delighted to be able to work with him in this important area.

BACKGROUND

Mr. President, last year on June 28, the House passed overwhelmingly, by a vote of 413 to 6, legislation providing for a comprehensive review of Federal employee systems to determine if the wages paid in jobs filled predominantly by female workers were set lower than the wages paid in jobs filled predominantly by male workers, because of the sex of the employees rather than on the basis of any intrinsic differences in the relative value of the work performed, the qualifications required for the job, or the working conditions. The study called for in the house-passed legislation was similar to that provided for in section 4(d) of legislation, S. 1900, which I had introduced in the Senate during the First Session of the 98th Congress. After the House-passed bill had been left in legislative limbo in the Senate for many months, I sought in the closing days of that Congress to have the Senate consider the measure by offering an amendment to the fiscal year 1985 continuing resolution which would have compelled the Director of the Office of Personnel Management to carry out the study. On October 3 that amendment was defeated on a procedural vote (Congressional Record, daily ed. S12995-13003). However, thereafter, after extensive negotiations, the principals in this matter reached an agreement to facilitate the consideration of legislation in this area in the 99th Congress. That agreement is set forth in a colloquy I had on October 10, 1984 (Congressional Record, daily ed. S14003) with the Chairman of the Senate Subcommittee on Civil Service, Post Office, and General Services, the Senator from Alaska (Mr. STEVENS).

Pursuant to that agreement a formal request was made on November 15, 1984, to the Comptroller General to submit to the appropriate House and Senate committees by March 1, 1985, a report outlining the options for selecting an appropriate scope and methodology for such a pay-equity study, estimating the time and costs entailed, and addressing certain other technical questions relating to the acutal conduct of the study. The agreement also provides that Senator STEVENS' subcommittee will hold hearings on the GAO report soon after it is submitted and thereafter consider legislation if necessary to carry out the study.

It is our intention that the relevant findings of the GAO report be incorporated into the legislation we are introducing today and be used for guidance in the actual conduct of the study which would be mandated.

RELATIONSHIP TO S. 5

Mr. President, on the first day of this session, January 3, my revised version of S. 1900, the pay equity measure I had introduced in the 98th Congress, was introduced as S. 5 I was joined in sponsoring this bill by the distinguished Senator from Montana [Mr. MELCHER]. In a statement which appears in the CONGRESSIONAL RECORD of January 24 (daily ed S595) explaining the provisions of S. 5, I indicated that, although S. 5 contained provisions, derived from S. 1900, relating to the carrying out of a study of the Federal work force with respect to pay equity, it was my intention to work with the Senator from Washington [Mr. EVANS] in developing a new vehicle that would lead to the conduct of such a study. The legislation being introduced today represents the fulfillment of that intention. S. 5, of course, contains other provisions relating to the enforcement of existing Federal laws relating to sex discrimination in employment and the development and utilization of objective job-evaluation techniques. These provisions are designed to lead to the elimination of many of the sex-based pay inequities that exist. I intend to continue to pursue enactment of those provisions as well as the provisions of the legislation that we are introducing today.

BIPARTISAN EFFORT

Mr. President, attainment of pay equity is an issue which should be supported by both sides of the aisle. It is not a partisan issue. The overwhelming vote in the House last year in favor of a pay-equity study of the Federal workforce demonstrates that bipartisan support. The leadership of the Senator from Washington on this issue and the support in this body from Members of both sides of the aisles further evidence of this bipartisan support. Unfortunately, there is a small, but highly vocal group of opponents of pay equity who have attempted to ridicule and distort the issue and have sought thereby to polarize opinions.

Mr. President, whatever terminology is used—be it equal pay, comparable pay, or pay equity and in this statement I am using the term "pay equity"—the issue involved is sex-based wage discrimination. That means paying some workers less because they are female.

Twenty years ago, a similar small band of opponents argued against paying women the same wages as men for the same work. They fought against passage of an equal pay bill because they saw nothing wrong with paying women less than men for doing exactly the same job. The underlying issue is still with us, albeit in a somewhat more sophisticated form. It is simply whether the sex of a worker ought to be relevant to the wages that worker receives. The answer ought still to be a resounding "no".

Mr. President, it is clear that an overwhelming majority of Americans agree with us. A recent national survey of workers, both male and female, found that four of every five supported the concept of pay equity and a majority felt that certain predominantly female jobs were underpaid.

Mr. President, I ask unanimous consent that an article from the New York Times, February 13, 1985, edition describing this survey be printed in the RECORD at the conclusion of my remarks.

NEED FOR RATIONAL DIALOG

Mr. President, pay inequity is a serious problem that has massive consequences for millions of women in the workforce and their families. The wage gap between male and female workers is real and, although some progress has been made in the past several years in closing the gap, much more needs to be done. On the one hand, many employers, in both the public and private sectors, have already begun efforts to address the pay equity issue. Over 100 governmental initiatives have taken place in the past 4 years in the area of pay equity. These initiatives have ranged from pay-equity studies of public employer wage-setting practices—similar to that being proposed for the Federal workforce in our legislation—to actual implementation of pay-equity wage adjustment plans. These efforts, in the words of a Minnesota public official involved in the implementation of that State's voluntary pay-equity initiative, need not be "extremely costly, chaotic or controversial."

In my own State of California, pay-equity adjustments have been negotiated for public workers in numerous localities. The increases have been moderate and phased-in over time and have not resulted in any of the parade of horrors or economic disruptions that the opponents of pay equity have alleged.

These opponents like to claim that paying female workers fair wages will lead to the creation of massive new bureaucracies and the Federal Government setting the wages of every American. That is a preposterous distortion and scare tactic designed to avoid entering into a serious dialog about the problem and how to remedy it. There is absolutely nothing in the pay-equity issue that would lead to such a result, any more than passage of the Equal Pay Act or title VII led to government control of wage-setting practices. We already have Federal agencies such as the Equal Employment Opportunity Commission, responsible for enforcing laws against sex-based wage discrimination.

The current administration simply chooses to ignore the issue of pay equity.

Mr. President, an excellent article by Jodie Allen on pay equity recently appeared in the Washington Post. It is a thoughtful and analytical discussion of the issues involved. I ask unanimous consent that this article also be printed at the conclusion of my remarks.

SIMILAR OPPOSITION TO 1963 EQUAL PAY ACT

Mr. President, it is somewhat ironic that many of the same arguments used today against pay equity for women were advanced 20 years ago in efforts to block passage of the Equal Pay Act. Our beloved former colleague from West Virginia, Senator Randolph, summarized those arguments in an eloquent speech he made on the Senate floor on May 17, 1963, urging passage of that landmark legislation. Senator Randolph said then—

As a cosponsor of this measure and a member of the Subcommittee on Labor which received testimony during the hearings, I am familiar with the arguments against equal pay for women. They are substantially the same arguments which were advanced in earlier years in opposition to congressional action on child labor, on the sweatshop, and on the original minimum wage and hour legislation. In each instance we have heard from some employers and their associations that our legislation would harm first the very persons we were seeking to protect or benefit. We have been told that our legislation would raise production costs and thereby result in either wide-scale unemployment or raising prices. The history of the American economy during the 25 years since the enactment of the Fair Labor Standards Act has belied each of these prophecies. The past quarter of a century has witnessed a phenomenal increase in American prosperity and in the real wage of American workers of both sexes. This achievement has been due in no small measure, to the constructive actions of the Federal Government in the field of fair labor standards legislation, working in cooperation with progressive leaders in organized labor and in management. (Congressional Record, S8915, May 17, 1963.)

Mr. President, I would also note that the same allegations made today that pay-equity implementation would lead to the creation of massive Federal bureaucracies setting wages and interfering with private enterprise were made against the Equal Pay Act. During the congressional floor debate in 1963, it was charged that guaranteeing equal pay for equal work would lead to the creation of an army of Federal agents to go about snooping into every little, as well as every big business in the country to see whether the Federal law is being enforced." (CONGRESSIONAL RECORD, May 23, 1963, H9193, Representative Colmer). Another opponent argued that enforcement of the equal pay bill would "create an administrative nightmare, and in many instances will permit the views of an enforcement officer to supersede those of the employer with respect to employment practices. "(CONGRESSIONAL RECORD, H9213, May 23, 1963).

Mr. President, we all know that enactment of the Equal Pay Act in 1963 did not lead to those dire results. It is equally clear that enforcement of pay equity will not have those results either.

CONCLUSION

Mr. President, the Senator from Washington and I both hope very strongly that this new measure will provide the basis for a satisfactory vehicle leading to an objective study of the Federal workforce to determine whether the Federal Government's wage-setting practices are marred by sex-based wage discrimination. The Federal Government has a responsibility, both as the largest employer in the country and as a model to other employers, to make sure that its own employment practices are totally free from bias. The conduct of the study called for by this legislation is designed to ensure that the Federal Government carries out that responsibility fully.

There being no objection, the articles previously mentioned were ordered to be printed in the RECORD, as follows:

[From The Washington Post, Feb. 13, 1985]

FAIR PAY

(By Jodie T. Allen)

Quiz: Who wrote the following? "Comparable worth is an extension of women's demand for equal pay for equal work, an idea that is both reasonable and fair as a way of correcting the undeniable, historic wage discrimination against women."

Answer: the editors of Business Week magazine.

That's right. The quotation comes not from the annual report of the Radical Feminist League to Disrupt the American Economy, but from an editorial in a recent issue of a distinguished business journal. They recognize that "comparable worth"—the misnomer that generally refers to the idea that employers should not pay low wages for certain jobs just because they are typically held by women—is an idea that should not be dismissed by ridicule or misrepresentation.

Economists predict that, as skills of working women increase, the pay gap between men and women will narrow to "only" 25 percent by the end of the century. Part of the larger discrepancy is accounted for by differences in training, work experience, responsibility and, perhaps, such intangibles as "drive" and the distractions of family responsibilities. But there is no serious dispute that many employers pay less for jobs in which women are concentrated than those in which men predominate.

Women for centuries were crowded into a few occupations. It would have been remarkable if employers had not taken advantage of that fact by paying them less than their skills and responsibilities would have commanded in an open marketplace. Vestiges of this discrimination still exist. How else to explain the fact that New York City pays its police dispatchers (mostly black women) several thousand dollars less than it pays its predominately white male fire dispatchers—to cite one current but far from isolated example?

Using similar examples, women have been pressing employers in wage negotiations (such as those recently concluded at Yale University) and in court suits alleging illegal discrimination (such as the successful suit brought against the State of Washington). The comparable pay practices being sought would not, as administration spokesmen and other pooh-poohers of the idea claim, require that ballet dancers be paid as much as football players, or nurses as much as lab technicians. Nor would the changes being asked of individual employers require the creation of another ghastly federal bureauc-

racy charged with assigning worth and wages to every worker.

In fact, as a recent report sponsored by 23 House Republicans pointed out, Title VII of the Civil Rights Act, as interpreted by the Supreme Court in the state of Washington case, already prohibits employers from adopting pay-setting schemes that discriminate between men and women in similar though not identical jobs. These Republican legislators did not find that the drive for comparable pay presaged the decline and fall of the free-enterprise system. Instead, they called on employers to eliminate bias from their pay practices and on federal agencies to speed up investigation of discriminatory practices.

Ending sex discrimination in wage-setting would not prohibit employers from setting pay scales that were different from those of other employers or from responding to skill shortages in make-dominated jobs. But fair pay would require that individual employers review their formal or informal job classification practices and ask themselves, for example, whether the differences in what they pay secretaries (who are in short supply) and truck-drivers (who are currently in great surplus) are really the result of impartial market forces.

In fact, most wages are not determined by the free interplay of supply and demand in a fluid market. Convention, monopoly power, unionization and employer preference have had far more to do with the wages paid in many occupations. The relatively high pay for surgeons compared with other doctors, for example, has been traced to the surgeons' dominance in fee setting arrangements when Blue Shield insurance was invented in the 1930's. The relatively low pay for nurses and secretaries has been charged to collusive practices among employers in some areas.

Like earlier legally enforced changes in the labor market—minimum wage, child-labor, health and safety, fair labor standards and equal-pay laws—reviewing comparable pay would be inconvenient and, in some cases, costly to employers. But forward-looking private and public employers—such as the editors of Business Week and the 23 House Republicans—are recognizing that inexplicable differences in pay for jobs requiring comparable skills are not only hard to justify but very likely to result in costly litigation.

By moving voluntarily to straighten out its pay practices, the state of Minnesota, for example, avoided both prolonged litigation and a costly settlement. By willfully ignoring repeated findings by independent job reviewers, the state of Washington ended up owing—deservedly—a costly back-pay award. Moreover, contrary to predictions of opponents. Minnesota's new pay practices seem to have encouraged women to move into traditionally male jobs—a trend that will ultimately help in narrowing the gap between male and female earnings.

The importance of pay equity is easy to exaggerate on both sides. While egregious pay discrimination because of gender surely exists, the evidence is that it does not account for a substantial portion of the total wage bill. That means that eliminating it neither would be very costly to the average employer nor would do much for the average female worker. But comparable worth—or pay equity or sex discrimination or whatever you want to call it—is important as part of the continuing drive to make the job market a fairer and more open place.

[From the New York Times, Feb. 13, 1985]

EQUAL PAY SUPPORTED IN SURVEY

WASHINGTON, February 13.—Four of every five working Americans support the concept of equal pay for jobs of equal value, according to a new survey by the National Committee on Pay Equity.

"The poll shows that women and men care very much about fairness," Claudia Wayne, executive director of the coalition of 220 individuals, unions, women's organizations and civil rights groups, said at a news conference Tuesday.

"The Reagan Administration is out of touch with the people of this country," she said, charging that opponents in the Administration rarely opponents in the Administration rarely acknowledge "the injustice and the illegality of a system that discriminates against women by undervaluing and underpaying their work."

The coalition argues that wages in fields dominated by women, such as nursing, teaching and clerical work, are depressed and should be raised to match pay levels in male-dominated jobs requiring comparable skill, training and responsibility.

Citing a national survey of 1,010 United States workers conducted by the Marttila & Kiley company of Boston, a public-opinion research organization, Miss Wayne said 69 percent of those questioned said they believed women were not paid as fairly as men for the work they did.

She said 83 percent believed the wage gap between men and women was a serious problem that should be corrected; majorities felt that nurses, teachers and secretaries were underpaid, and 61 percent said the jobs would be higher paying if men held them.

Asked to give the major reason women on the average earn 60 cents for every $1 earned by men, 23 percent of those surveyed cited discrimination. The next most frequently cited reasons, at 11 percent each, were that "men make the rules" and "women lack experience and skills."

The question asking for an opinion of pay equity outlined the problem and solution as viewed by supporters. It did not cite the views of opponents, who believe the wage increases would be impractical, too costly or inimical to a free-market system.

"Our concern was whether people agree with the principle of pay equity," Miss Wayne said. "No question was asked about where the money would come from. Cost in and of itself is not a defense of discrimination."

According to the committee, cost has not been an issue in Minnesota, where, Miss Wayne said, pay equity for state employees has been adopted voluntarily.

By Mr. HATCH:

S. 522. A bill to amend the Civil Rights Act of 1964 to protect the rights of the unborn; to the Committee on the Judiciary.

PROTECTING THE RIGHTS OF THE UNBORN

Mr. HATCH. Mr. President, President Reagan has continually pricked the conscience of the Nation with regard to the tragedy of abortion. At the outset of his second term, he has placed this crisis at the top of his agenda. In his second inaugural address, the President observed that America is a compassionate nation "where the old and infirm are cared for, the young and, yes, the unborn, protected * * *." The morning following his inauguration, the President addressed more than 70,000 citizens who braved some of the most frigid weather in Washington's history to protest the 12th anniversary of the dark day that the Supreme Court created a national right to abortion on demand. Not more than a few days later, President Reagan forcibly emphasized his support for abortion restrictions. In his State of the Union Address, he said:

> The question of abortion grips our nation. Abortion is either the taking of a human life, or it isn't. And if it is—and medical technology is increasingly showing that it is—it must be stopped. It is a terrible irony that, while some turn to abortion, so many others who cannot become parents cry out for children to adopt. We have room for these children; we can fill the cradles of those who want a child to love. And tonight, I ask you in Congress response to move this year on legislation to protect the unborn.

In response to this timely plea, I am pleased today to introduce the Abortion Funding Restriction Act. This bill would add a new section 606 to the Civil Rights Act of 1964 to prohibit the use of Federal financial assistance to perform abortions except where the life of the mother would be endangered if the fetus were carried to term. In other words, Mr. President, this bill would replace the annual time-consuming appropriations battles over the Hyde amendment with a permanent statute. As my colleagues are well aware, the Hyde amendment restricts the funding of abortions in the Health and Human Services appropriations bill.

The Abortion Funding Restriction Act is not a new proposal—indeed its language is virtually identical to the Hyde amendment first attached to the appropriations bill in 1976 and declared constitutional by the Supreme Court in the 1980 case of Harris versus McRae—but it would be significant for the Congress to permanently and unequivocally state that it will not lend financial assistance to a practice that the President notes may well be "the taking of a human life."

OPERATION OF THE ABORTION FUNDING RESTRICTION ACT

As I mentioned, this bill amends the Civil Rights Act of 1964 which prohibits racial discrimination in any State, local, or private program or activity receiving Federal financial assistance. Federal agencies enforce the prohibitions of the Civil Rights Act by conditioning Federal financial assistance on compliance with regulations implementing the ban on discrimiation. Any State, local, or private agency which violates title VI forfeits Federal assistance. Thus, this Abortion Funding Restriction Act would bar the use of Federal financial assistance for abortion within the reach of title VI of the Civil Rights Act. Federal agencies would add to their current regulations

enforcing the Civil Rights Act appropriate restrictions on abortion except where necessary to preserve the life of the mother.

This bill would clearly apply abortion funding restrictions to Medicaid funding. Medicaid fundings is clearly Federal financial assistance to the States. Thus, States would be required to attach abortion restrictions to any funds dispersed to hospitals or other medical facilities as payment for services rendered in compliance with the state medical insurance program.

This amendment to the Civil Rights Act has several important benefits: first, it is targeted to the types of funding currently covered by the Hyde amendment and does not represent a departure from current policies restricting funding of abortion; second, it incorporates the funding restriction into an existing and potent enforcement scheme making its implementation easy and effective; and third, it appropriately protects, within the bounds of Federal jurisdiction, the civil rights of the unborn.

I would like to clarify once again that this amendment will operate as the Hyde amendment has operated. It will not eliminate all forms of Federal funding to any hospital that performs an abortion. This is true for two reasons. In the first place, the State, not the hospital, is the entity receiving Federal financial assistance under the Medicaid Insurance Program. The funds received by the hospital or other medical provider are not Federal assistance to the hospital, but payments in compensation for services rendered. Accordingly, the State would be bound not to use any funds to pay for performance of an abortion except when necessary to preserve the mother's life. The hospital, however, would not be a recipient of Federal financial assistance subject to the requirements of title VI. In addition, the language of this bill clarifies that a hospital can still perform abortions that are not paid for with Federal dollars. The bill's language is specific: "No Federal financial assistance shall be used to perform abortions" except to save the mother's life.

CONSTITUTIONALITY

Mr. President, I would like to read the entire text of this bill:

SEC. 606. Nothing contained in the Civil Rights Act of 1964 shall be construed to authorize the use of federal financial assistance for abortions and no such assistance shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Now I would like to read the first amendment Congressman HENRY HYDE amended onto the 1977 Labor and Health, Education, and Welfare Departments' appropriation bill:

None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Except for the slight difference in terms necessary to conform to the terminology of the Civil Rights Act of 1964, the language of these two measures is identical. This underscores my intent to codify permanently the Hyde amendment.

It is clearly within Congress' authority to enact such a funding restriction. A large and convincing number of court cases have demonstrated that there is no constitutional requirement for government, Federal, State, or local, to provide funding for abortions. I would like to discuss a few of these decisions which are unique in their consistency.

In 1977, the Court decided in the case of Beal versus Doe that there is no federally imposed mandate upon the States to provide funds for nontherapeutic abortions. The Court reasoned that nothing in the Social Security Act's title XIX suggests that participating States are required to fund every medical procedure that falls within the delineated categories of medical care. The Pennsylvania law which excluded unnecessary abortions from Medicaid compensation was upheld by the Court. The Justices also ruled that when Congress passed title XIX in 1965, nontherapeutic abortions were generally illegal in most States. Thus the Court stated that Congress could not have intended to require funding for what was then a generally illegal act. Finally, the Court held that the State has a valid and important interest in encouraging childbirth throughout a pregnancy.

The same year, the Court heard the case of Maher versus Roe. The Court ruled that the Constitution does not require the States to fund elective abortions. The Court let stand a Connecticut law which required women to obtain a certificate of medical necessity before they could receive funding for their abortions under Medicaid. The two indigent women who sued in the case were not part of a suspect class, the Justices held, and thus the necessity rule did not discriminate against them.

The Court stated that:

This case involves no discrimination against a suspect class. An indigent women desiring an abortion does not come within the limited category of disadvantaged classes so recognized by our cases.

Moreover, the law did not hinder the women's Roe abortion rights since they would be dependent, as before, on private abortion services. Nonetheless, the Court found that the Constitution imposes no obligation on the States to pay pregnancy-related medical expenses of indigent women. As it ruled in the Beal case, the Court said that the Connecticut law was related to the State's purpose: Encouraging normal childbirth.

In the Poelker versus Doe case (1977), an indigent woman sued the mayor of St. Louis saying the city had violated her constitutional rights by refusing to finance her hospital costs for a nontherapeutic abortion. The Court decided that the Constitution does not require municipalities to provide public hospital services for elective abortions even if they provide those same services for normal childbirth. In the Court's words:

. . . we find no constitutional violation by the City of St. Louis in electing, as a policy choice, to provide publicly financed hospital services for childbirth without providing corresponding services for non-therapeutic abortions.

Citing Maher versus Roe, the Court stated that the Constitution does not prevent a city from expressing a preference for childbirth over abortion, pursuant to democratic processes.

Of all these cases, however, none states more clearly and convincingly the constitutionality of the Hyde amendment and therefore the bill we are examining today, than the case of Harris versus McRae. In 1976, Congress passed the Hyde amendment which significantly reduced the use of Federal funds to finance abortions under Medicaid. Several indigent women sued to challenge the amendment's constitutionality. The Court held that the Hyde amendment was indeed constitutional and was not in violation of the equal protection or liberty components of the fifth amendment's due process clause or the first amendment. In fact, the Court held that, "* * * the Hyde amendment violates no constitutionally protected substantive rights." Furthermore, the Court reasoned that the amendment does not obstruct access to abortions, but only encourages childbirth which is recognized as a valid public interest. Finally, the Court stated that the indigent women involved in the case had no right to financial means to avail themselves of the entire range of protected choices. As the Court observed:

* * * it simply does not follow that a woman's freedom of choice carries with it a constitutional entitlement to the financial resources to avail herself of the full range of protected choices.

It is clearly beyond question that the Hyde amendment and the bill which I am introducing today are constitutional. They both stand upon a long and consistent history of legal decisions which leave no doubt about their constitutional integrity. Passage of my bill will mandate what the Supreme Court has already deemed to be consistent with the supreme law of the land.

CONGRESSIONAL ECONOMY

The Abortion Funding Restriction Act also has the virtue of eliminating the necessity of prolonged debates and fractious filibusters which have accompanied adoption of the Hyde amendment year after year. Invariably

the Hyde amendment has been among the last issues resolved each Congress as the Senate attempts to enact a continuing resolution and has consumed time which otherwise might have been used to resolve other vital issues. It seems senseless to spend the Senate's precious time debating and deciding an issue which has been debated and decided consistently year after year in the same manner. Such exercises in futility subject the Senate's honored and traditional procedures to criticism. Since passage of abortion-funding restrictions in 1976, the Senate has voted on that same issue 65 times. The ultimate result has always been the same—abortion-funding is restricted. I submit that we would be wise to make the decision one more time and put the issue to rest thereafter. This bill accomplishes that objective.

PROTECTING HUMAN LIFE

Without a doubt, the most important reason for supporting the measure I introduce today is to curb the monumental human tragedy which abortion in America has become. In 1973, the Supreme Court ruled in the Roe versus Wade case that women have a constitutionally protected right to abortion. That single decision has given the United States an abortion policy more permissive then every other Nation on the globe with the exception of Communist China which incidentally has done nothing to prevent the practice of female infanticide which has become endemic in that country. Since the Roe decision, 15 million unborn babies have been killed as the result of abortion. This figure truly represents a staggering loss of human life. However, this figure seems even more signficant when we consider that the 15 million casualties of abortion translates to 1.5 million per year, 4,000 lives lost each day, 170 dead per hour, and one abortion every 20 seconds. By the time I have concluded the remarks I am making now, between 30 and 40 potentially productive and humane American citizens will be denied the basic God-given gift of human life. Even the rate of homicide is lower in the United States where someone is murdered only once every 25 minutes. Today, more babies are lost to abortion than are allowed to live until birth in New York City and the Nation's Capital where we stand now. This frightening figure might apply to our entire Nation if America's permissive abortion policies continue. Indeed, nearly one in every three pregnancies in America is aborted, and the figure is rising.

According to Syska, Hilgens, and O'Hare's "New Perspectives on Human Abortions," chapter 13, abortions performed in the United States have gone from about 100,000 per annum in 1973 to 1.4 million today. These figures are based on information from the National Centers for Disease Control. This shocking increase in the incidence of abortion can be attributed to the Roe versus Wade decision. This increase in elective abortions has amounted to more than 10 times the total number of American lives lost in all of our wars combined.

This extremely high number of abortions might be justifiable if a large amount of them were performed in order to preserve the health of the mother. This is not the case, however, Dr. Irwin Cushner, who happens to be an advocate of abortion of demand, has stated that only 2 percent of the abortions performed in America are medically necessary. The other 98 percent can be attributed to the inconvenience of incurring a financial burden after the child is born, the bother of interrupting an education, the nuisance of appearing pregnant before one's friends, or the toil of having a baby of the sex which the parents do not prefer. One expert witness, who testified before the Constitution Subcommittee of which I am chairman, might differ with the fact that 2 percent of abortions are medically necessary. Based on his own experiences in administering an estimated 75,000 abortions during his lifetime, Dr. Bernard Nathanson could recall only one case in which the mother's life could reasonably be said to have been at stake.

Many women who choose to have abortions do so saying that the baby is unwanted. We must ask the question, unwanted by whom? Although the mothers of aborted babies obviously do not want them, there are thousands of young couples who, for whatever reason, wish to adopt babies rather than conceive and give birth to their own children. Many of these couples have had to wait years to adopt one child while at the same time millions of potential children they could have brought into their loving homes were destroyed. In my own State of Utah there are nine couples ready to act as parents for every child available for adoption. Why must these people with so much love to offer have to wait so long to give it to so few?

Abortions are not performed exclusively on babies who could not survive outside the womb. Over 15,000 abortions a year are performed after the mother's 20th week of pregnancy. From that point onward, a child could be delivered and might survive on his own. Abortions occur quite late in some pregnancies, through the 7 and 8 months in many cases. Abortions after this point are more accurately described as judicially legalized infanticide. As shocking as it might seem, the U.S. Centers for Disease Control estimate that more than once every day an abortion leads to live birth. These babies might survive were it not for the use of saline solutions, prostoglandin, and other abortion techniques.

The Hyde amendment has had a significant effect in reducing the horror of abortion. According to figures released by the Department of Health, Education, and Welfare, Medicaid-financed abortions for the year 1976 amounted to between 250,000 to 300,000. After passage of the Hyde amendment, this number had fallen to 2,328 abortions from February 14, 1978, until the end of that year. The Hyde amendment has had a stunning impact on reducing the number of elective abortions in this country. This is certainly a compelling reason to put the amendment into law.

It is also important to note that abortion does not enjoy the wide public support its boosters claim it does. An ABC News Washington Post poll conducted in 1981 concluded that 66 percent or Americans would not advise abortion as an option for a 15-year-old daughter. Only 23 percent said they would advise abortion, while 11 percent were undecided. The same poll showed that 62 percent of independents thought abortion was morally wrong, as did 64 percent of Republicans and 68 percent of Democrats.

In short, abortion has gone from being a significant problem to a tragedy of national proportions over the last 10 years. I doubt the Supreme Court would have ruled as it did in the Roe case had it known what the human cost of its decision might be. Today we have an opportunity to address the emergency that is facing our Nation through abortion. By passing the Hyde amendment into law we can slow the rising death toll of American abortion victims.

In closing, I would like to urge my colleagues to act quickly to adopt this legislation. May I remind you of what I said a bit earlier. This bill is clearly constitutional. A long, clear, and consistent history of legal cases and decisions has demonstrated that neither the Federal nor State and local governments are obligated to provide funding for nontherapeutic abortions. This legislation undoubtedly falls within the guidelines established by those cases. In addition, Congress has set a precedent in favor of legislation such as what I am introducing today. By voting for the Hyde amendment each year it has been introduced, Congress has set itself on record as favoring restrictions on Federal funding of abortions. Thus, there is prior legislative support for language similar to that we are discussing today. Finally, by passing the Hyde amendment into law, we can at once codify the previous intent of the Congress and the Subpreme Court while keeping this controversial issue from being discussed and reexamined ad infinitum every year. By passing this bill, we can settle the issue of public funding for abortion once and for all.

Above all else though, this bill would go far to limit the tragic and unnecessary damage which abortion has inflicted upon our country. Thousands of innocent, unborn babies would gain the greatest benefit possible as a result of this legislation: the chance to live.

By Mr. ARMSTRONG (for himself, Mr. MELCHER, Mr. BUMPERS, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. NICKLES, Mr. LUGAR, and Mr. DOMENICI):

S. 523. A bill to prohibit the payment of certain agricultural incentive payments to persons who produce certain agricultural commodities on highly erodible land; to the Committee on Agriculture, Nutrition, and Forestry.

HIGHLY ERODIBLE LAND CONSERVATION ACT

Mr. ARMSTRONG. Mr. President, so much fertile, crop-producing topsoil is wasting away that America now faces the frightful specter of reliving the 1930's dustbowls which ruined farmland, and transformed proud and productive farmers into impoverished, vagabond transients.

Today we are losing more topsoil to wind and water erosion than at anytime in the 1930's. Each day 26 square miles of America's best topsoil is blowing or washing away, and the annual loss exceeds 6 billion tons. In just the 7 months between November 1983 and June 1984, 12.3 million acres of land in the Great Plains were damaged by wind erosion. The Soil Conservation Service says this loss is twice the level of recent years, and the second highest since records have been kept.

So precious is topsoil that, without it, the earth becomes barren, crops will not grow, and the Nation and the world starves. We owe our very existence to a thin layer of topsoil.

Incredible though it may seem, our Federal Government allows, encourages, even subsidizes wasteful erosion of this valuable, irreplaceable topsoil.

In spite of the overwhelming surpluses of many agricultural commodities, surpluses which are choking our system, depressing prices, and making it increasingly difficult for farmers to eke out a living, more farmland is being added to an overexpanded base. And increasingly, farm plows are breaking land that should be left alone: fragile grasslands, highly erodible land that is simply not suitable to sustain cultivation. In many areas of the arid West, the natural cover of sod that took centuries to develop is destroyed in hours, and the damage is virtually permanent and irreversible.

The Federal Government encourages this plowing through farm subsidies. These subsidies were intended to ensure that farmers could make a living, while assuring consumers of a stable price for food products. Yet these subsidies encourage destructive plowing because it gives no consideration to the importance of conservation.

Congress should act now to end subsidies for sodbusters.

Legislation I am introducing today will help protect the Nation's topsoil by ending Government subsidies paid to those who bust up highly erodible land.

Enacting tough sanctions against sodbusters is an idea whose time has finally come.

Sodbuster sanction legislation is not new. I introduced the first sodbuster bill in 1981. Since then, support for the concept has grown to the point now where there is virtual unanimity that Congress must act, and act soon.

Since introducing the first bill, a number of variations of my original bill have been proposed, debated, and at one time or another been passed by either the House of Representatives or the Senate. Yet while Congress talks, more and more topsoil is blown or washed away, forever lost.

It is time for Congress to act now to make it a national policy that sodbusting is not an activity to be subsidized by the Government.

What so far has prevented Congress from taking meaningful action is that Congress focuses on the minute details of the legislation, and forgets the overall national need to preserve our fragile topsoil.

But the fact of the matter is that the several versions of the sodbuster bill are not radically different. The version I originally introduced after a long campaign to develop a consensus between a wide range of farm and environmental groups would have denied Federal farm payments for portions of crops grown on highly erodible land. Last August, the Senate passed a version to deny Federal farm payments for the crop grown on highly erodible land. And last year, the House of Representatives passed a bill that would have denied farm benefits on all crops if any erodible land was plowed. The differences represent distinctions, but all have the same fundamental purpose.

I am introducing today the version that most recently passed the Senate. It will deny the farmer who plows highly erodible land Federal farm benefits for all plantings of the crop grown on the highly erodible land—for example, if wheat is grown on the newly plowed highly erodible land, then wheat on the other land would also be denied Government price support payments.

I want to emphasize, however, I think it is less important which version of the sodbuster bill passes than it is to pass a sodbuster bill.

All three versions of the bill will end Government subsidies to those who plow fragile grasslands. Where the versions differ is the extent to which Government subsidies are denied.

While Congress has been debating these differences, it has failed to articulate a national policy against sodbusting. And the result is almost a national tragedy. In the last 2 months, some 3 million acres of land in the Great Plains has suffered soil erosion caused by wind, and damaged more land than during any comparable period since the 1950's. In Colorado alone, at least 200,000 acres have been plowed and made eligible for farm subsidies in the 4 years Congress has failed to enact meaningful sodbuster legislation.

It is still not too late to enact meaningful legislation. But we are losing valuable time and soil. Colorado has a total of 4 million acres of fragile grasslands plowed—more than any other State—and over 500,000 acres since 1978. Nationally, we lose 6 billion tons of topsoil a year. There are nearly 250 million acres of unplowed highly erodible lands, and this most erosive land is being plowed up at a rate equivalent to almost 2,100 acres a day.

The sodbuster bill I introduce today provides that land classified as highly erodible and which has not been farmed for 10 years is simply not eligible for farm subsidies. Department of Agriculture agencies administering Federal farm and loan programs will enforce the sodbuster bill. Exceptions will be allowed under the bill for land that can be farmed using a conservation plan based on technical standards set forth by the Soil Conservation Service and approved by a local soil conservation district. There are approximately 3,000 conservation districts nationwide, 1 in nearly every county. They are established by State law, and are staffed by local people who understand local problems.

Moreover, the bill uses existing definitions for highly erodible land. The definitions are already understood and accepted by the Nation's farmers and conservation officers.

In short, this bill will stop the payment of price supports, FmHA loans, farm storage facility loans, disaster payments, and crop insurance for a farmer's crops if he plows highly erodible land. This legislation is supported by nearly every farm and conservation group in America.

The sodbuster bill will not stop erosion completely. It will not end all the plowing of marginal land. And it will not solve the economic problem confronting our Nation's farmers. But it will get the Government out of the business of subsidizing soil erosion. I do not believe Government should tell farmers what they can and cannot do on their own land. But, I do believe that we should stop asking the taxpayers to support a practice clearly not in the best interests of the United States.

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Government price supports, crop insurance, disaster payments, farm storage facility loans, and other incentives being made available to all crops grown on this newly plowed, marginal land amounts to using the Public Treasury to destroy our soil resources. I am not arguing here for any major reforms in that price support system, though good arguments can be made. I am simply arguing that this system should not encourage new plowing of bad farmland that will add to our erosion problem.

Nationwide, nearly 45 million acres of these fragile lands have been plowed under—nearly 10 percent of our entire farm base. But, there are another 250 million acres of marginal lands waiting to be plowed. While the States with the greatest number of unplowed highly erodible lands are primarily located in the Great Plains area, there are 27 States outside the Great Plains with at least 1 million acres of unplowed fragile lands. These are the lands addressed by the sodbuster bill. If all these acres, representing half again as much as our entire cultivated land base, were plowed, our farm system and a great deal of the world's food supply could be severely damaged.

The American farmer is by far the world's most productive. Each one of them produces enough food for himself and 78 other people. Our agriculture system has produced for many years the world's most abundant, low-cost food supply. The system generates about 20 percent of the Nation's gross national product and employs, directly or indirectly, over 20 percent of the labor force—23 million people. More people work in American agriculture, and the industries that depend on it, than in any other industry in the country, or anywhere in the world. We cannot afford Government policies that encourage erosion of this critical asset.

We must remember that despite all man's accomplishments, we owe our very existence to a thin layer of topsoil and the fact that it sometimes rains. It is long past time to stop encouraging the destruction of that topsoil. I ask unanimous consent that the bill, and some supporting material, be included in the RECORD at this point, and I urge speedy adoption. The critical season for sodbusting is the spring, and the past several years in Colorado there have been at least 50,000 acres of fragile grasslands plowed each spring. Thus far, this year's winter has been dry on the eastern plains in Colorado, so we may well have the conditions developing for severe dust storms unless this legislation is approved soon. In the race for soil and against time, literally, we are losing ground.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled; That this Act may be cited as the "Highly Erodible Land Conservation Act of 1985."

DEFINITIONS

SEC. 2. For purposes of this Act:

(a) The term "agricultural commodity" means any agricultural product planted and produced by annual tilling of the soil, including one-trip planters.

(b) The term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the land capability classification systems in effect on the date of the enactment of this Act. The land capability class for a field shall be that determined by the Secretary to be the predominant class under regulations issued by the Secretary.

(c) The term "Secretary" means the Secretary of Agriculture.

AGRICULTURAL COMMODITY PRODUCTION ON HIGHLY ERODIBLE LAND

SEC. 3. Except as provided in section 4 and notwithstanding any other provision of law, on and after the date of the enactment of this Act, any person who produces an agricultural commodity on highly erodible land shall be ineligible, as to any of that commodity produced during that crop year by such person, for—

(a) any type of price support, income assistance, or production adjustment payments for such commodity made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(b) a loan under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b (h)) for the construction or purchase of a facility for the storage of such commodity;

(c) crop insurance for such commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(d) a disaster payment for such commodity under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(e) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

EXCEPTIONS

SEC. 4. Section 3 shall not apply to any of the following:

(a) Any land that was cultivated by a person to produce any of the 1975 through 1985 crops of agricultural commodities.

(b) Any crop of an agricultural commodity planted by a person before the date of the enactment of this Act.

(c) Any crop of an agricultural commodity planted by a person during any crop year beginning before the date of the enactment of this Act.

(d) Any loan described in section 3 made before the date of the enactment of this Act.

(e) Any crop of an agricultural commodity produced using a conservation system that has been approved by a soil conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that soil conservation district. In areas where no soil conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

COUNTY COMMITTEES

SEC. 5. To ensure compliance with the provisions of this Act by persons participating in the programs described in section 3, as well as fair and equitable treatment in the application of this Act, the Secretary shall use the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C 590h (b)) in the administration of this Act.

APPEALS

SEC. 6. The Secretary shall establish, by regulation an appeal procedure under which the owner or lessee of land classified as class IVe, VIe, VII, or VIII land under the land capability classification systems may obtain a review of such classification.

SOIL SURVEYS

SEC. 7. As soon as practicable after the date of the enactment of this Act, the Secretary shall complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this Act. In selecting localities for such surveys, the Secretary shall, insofar as possible, select localities where significant amounts of highly erodible land have been or are being converted to the production of agricultural commodities.

HIGHLY ERODIBLE CROPLAND IN THE UNITED STATES

[Classes 4e, 6e, 7, and 8 based on preliminary 1982 national resource inventory data]

State	Already plowed acres [1]	Potential new acres
Alabama	375,300	5,068,700
Arizona	1,000	3,268,500
Arkansas	90,800	4,189,600
California	1,049,400	13,733,000
Colorado	4,360,300	17,114,700
Connecticut	15,100	25,400
Delaware	4,700	13,200
Florida	185,400	131,800
Georgia	388,200	5,419,000
Hawaii	82,200	375,300
Idaho	1,271,600	3,908,200
Illinois	1,322,000	2,061,100
Indiana	674,600	1,623,900
Iowa	1,963,200	1,640,500
Kansas	2,803,100	8,958,500
Kentucky	862,200	4,173,200
Louisiana	25,700	1,743,200
Maine	57,200	689,100
Maryland	201,200	430,700
Massachusetts	7,800	31,700
Michigan	285,900	1,223,100
Minnesota	421,400	1,281,000
Mississippi	538,400	3,936,300
Missouri	1,124,000	3,004,800
Montana	3,783,500	19,016,900
Nebraska	3,839,300	15,785,200
Nevada	93,200	251,300
New Hampshire	24,400	262,000
New Jersey	61,900	55,600
New Mexico	704,600	18,346,000
New York	393,100	2,816,900
North Carolina	508,000	3,595,400
North Dakota	2,388,000	3,941,000
Ohio	589,400	3,319,600
Oklahoma	1,897,200	11,032,500
Oregon	521,100	9,091,300
Pennsylvania	888,700	2,020,800
Rhode Island	0	500
South Carolina	90,600	1,680,400
South Dakota	1,613,100	9,393,500
Tennessee	881,500	4,272,900
Texas	2,806,400	23,709,900
Utah	397,100	2,524,900
Vermont	78,900	531,000
Virgina	438,100	3,807,500
Washington	2,412,900	8,159,500
West Virginia	321,500	2,718,500
Wisconsin	1,343,400	2,815,700
Wyoming	804,700	13,810,300

HIGHLY ERODIBLE CROPLAND IN THE UNITED STATES—Continued

[Classes 4e, 6e, 7, and 8 based on preliminary 1982 national resource inventory data]

State	Already plowed acres [1]	Potential new acres
Total	44,991,300	247,003,600

[1] Sodbuster bill does not affect these lands already under cultivation.

By Mr. ARMSTRONG (for himself, Mr. BOSCHWITZ, Mr. MATTINGLY, Mr. HOLLINGS, Mr. COCHRAN, Mr. INOUYE, and Mr. PRESSLER):

S. 524. A bill to recognize the organization known as the Retired Enlisted Association, Inc.; to the Committee on the Judiciary.

RECOGNITION OF THE RETIRED ENLISTED ASSOCIATION, INC.

Mr. ARMSTRONG. Mr. President, today I am reintroducing a bill which would grant a national charter to the Retired Enlisted Association, Inc. My colleague, Congressman KEN KRAMER, is introducing a companion bill in the House.

TREA is a not-for-profit retired military veteran's organization that seeks "to promote and assist its members professionally and culturally, both locally and nationally, to uphold the Constitution of the United States, to defend the United States from all her enemies, to improve the relationship between the military and civilian populace, and to maintain liaison with the active personnel of the Armed Forces."

Started in my home State of Colorado, TREA has gained some 26,000 members from all 50 States, Guam, the Virgin Islands, Puerto Rico, and overseas. Its members are made up of retired enlisted personnel from the U.S. Armed Forces. In a practical sense, TREA serves its members by lobbying Congress to protect the rights and benefits of retired military personnel and to alert members to legislation that affects them. It also promotes national security objectives and support for our Armed Forces.

The members of TREA are those men and women who answered the call of their country when they were needed, and who served with honor, dedication, and personal sacrifice. It is appropriate that we in Congress gratefully acknowledge the service they have given to this great country.

Therefore, I urge you to join me in cosponsoring this bill to charter TREA so that it may further its work on behalf of enlisted retirees.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

CHARTER

SECTION 1. The Retired Enlisted Association, Inc. organized and incorporated under the laws of the State of Colorado, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The Retired Enlisted Association, Inc. (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes for which the corporation is organized shall be those provided in its articles of incorporation.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporation purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be as provided in the constitution and bylaws of the corporation, and terms of membership and requirements for holding office within the corporation shall not be discriminatory on the basis of race, color, religion, or national origin.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

(f) The corporation shall retain and maintain its status as a corporation organized and incorporated under the laws of the State or States in which it is incorporated.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. Subject to any applicable State law—

(1) the corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors;

(2) the corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote; and

(3) all books and records of the corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(68) The Retired Enlisted Association, Incorporated."

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxations as provided in the Internal Revenue Code of 1954. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act the charter granted hereby shall expire.

By Mr. GLENN:

S. 525. A bill to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation, and for other purposes; to the Committee on Governmental Affairs.

RADIATION REORGANIZATION ACT

Mr. GLENN. Mr. President, I rise to introduce the Radiation Research Reorganization Act of 1985.

Mr. President, nearly 7 years ago the Secretary of HEW established the interagency task force on the health effects of ionizing radiation to address the question of overlapping and fragmented jurisdiction by Federal agencies in both radiation protection, and radiation research.

Among the items specifically considered by the task force was the study of ways of expanding the role of health and regulatory agencies in the area of radiation research as a means of dispelling some public perception of—

A conflict between DOE's role as the primary sponsor of research into the biological effects of ionizing radiation and its roles as a developer and promoter of nuclear energy, and as an employer, through contractors, of workers exposed to radiation during the production of nuclear weapons.

The task force review resulted in recommendations that:

A review be made of existing programs and the proposed research agenda in this area to determine whether it is appropriate to transfer portions of DOE's research budget to other agencies, and, if it is appropriate, recommend which projects to transfer.

Former HEW Secretary, Joseph Califano, in the last memorandum that he sent to President Carter before leaving office, dealt specifically with the question of agency research roles. He wrote:

My recommendation goes beyond the task forces on this issue. I feel strongly that the major responsibility for research into the health effects of low-level radiation should be placed in an agency which has health related research as its primary responsibility. The credibility of government supported research in this area will be compromised if the major source of funding continues to be the agency responsible for developing nuclear weapons and developing and promoting energy sources that result in radiation exposure.

The inherently schizophrenic nature of this dual mission has already damaged the credibility of the government's effort to protect the public health; indeed, there are responsible scientists who believe that it has damaged the public health itself.

I believe that the balance of resources should be shifted from DOE to NIH and other health related agencies over the next two to three fiscal years. . . .

I believe that research funding could be shifted without losing valuable scientific expertise.

Mr. President, I introduced legislation in the 96th and 97th Congress to establish coordinating groups on radiation policy and radiation research that in my view would have expedited the process of setting standards for protection of the public, as well as providing a basis for radiation research untainted by any charges, whether founded or not, of conflict of interest. As it turned out, neither President Carter nor President Reagan were interested in a legislative solution to this program. Both chose to deal with it by means of setting up coordinating bodies by Executive order. President Carter's efforts in this area were vitiated by President Reagan when he took office in 1981, but then President Reagan turned around shortly afterward and established the Radiation Policy Coordination Committee which operates within the White House's Office of Science and Technology Policy.

Among the questions which my legislation would have addressed at the time was precisely the one addressed by Secretary Califano in his memo to President Carter. This problem, unfortunately, has not gone away, and is being addressed on only a piecemeal basis if at all. It is true that DOE's share of research on radiation protection has declined in recent years, but DOE still has the lion's share of the research money.

DOE's own studies on the cancer risks of protracted exposure to low doses of ionizing radiation have turned up some evidence that workers at a number of their plants do suffer from excess mortality and morbidity as compared to comparable control populations. While these findings may not at this time be definitive, some of the studies have been marked by controversy associated with purported attempts by DOE or its contractors to lessen the impact of unfavorable results. In one case, at least, DOE removed the principal investigator of the study and replaced him by DOE's own scientists.

It is not my intention in this statement to impugn the integrity of the Department of Energy or the scientists who work for it. But when we are dealing with a question of the scientific basis for findings and regulations regarding public health and safety, we cannot afford to allow even the appearance of conflict of interest to raise serious questions in the public's mind about whether radiation protection, programs, and research are being objectively pursued with the public interest foremost.

In the last Congress, my colleague on the House side, Congressman TIM WIRTH of Colorado, who has also had a long interest and involvement in this issue, proposed to transfer to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct epidemiological studies of the effects of radiation. This proposal was in keeping with the conclusions of the interagency task force on the health effects of ionizing radiation in 1979 and with the legislation I had subsequently introduced in 1980 and 1982. We have agreed to jointly introduce legislation based on this proposal simultaneously in the Senate and House today.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Radiation Reorganization Act of 1985".

SEC. 2. The Congress makes the following findings:

(1) After many years of study there remain unresolved questions about the human health effects of radiation exposure from many sources such as nuclear bomb tests, the manufacture of nuclear weapons, residing near nuclear production facilities, nuclear power plants, and radioactive wastes, and the medical uses of nuclear materials.

(2) The epidemiology of radiation-caused injury and disease, including cancer, birth defects, and genetic damage, must be examined and understood in relation to experimental studies in animals.

(3) Public health authorities must be able to direct research efforts so that effective means of protecting the public against dangerous exposure can be developed and achieved.

(4) The Secretary of Energy's responsibility for production of nuclear materials and nuclear weapons conflicts with the responsibility of the Secretary under the Energy Reorganization Act of 1974 to study the health impacts of activities of the Department of Energy and such conflict has created public doubt as to the integrity of the health impact studies of the Secretary.

SEC. 2. (a) There is transferred to the Secretary of Health and Human Services the authority of the Secretary of Energy to conduct, under section 103 of the Energy Reorganization Act of 1974 and any other law, epidemiological studies of the effects of radiation. With respect to the authority to conduct studies of the health effects of radiation in places of employment on individuals employed in such places, the Secretary shall exercise such authority through the Director of the Centers for Disease Control. In carrying out the function transferred by this subsection, the Secretary shall consult with the Director of the National Cancer Institute, the Director of the National Institute of Environmental Health Sciences, the Director of the National Institute for Occupational Safety and Health, and the Director of the Center for Devices and Radiological Health.

(b)(1) There are transferred to the Secretary of Health and Human Services—

(A) the personnel employed,

(B) the property and records now being used or held,

(C) the obligations and commitments made, and

(D) the unexpended balances of appropriations, allocations, and other funds available (or to be made available) for use,

by the Secretary of Energy in connection with the function transferred by subsection (a).

(2) The Director of the Office of Management and Budget, at such time or times as the Director shall provide, shall make such determinations as may be necessary with regard to the functions transferred by subsection (a), and make such additional inci-

dental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such function as may be necessary to carry out the transfer.

SEC. 3. (a) To advise the Secretary of Health and Human Services in carrying out the function transferred by section 2(a) there is established an advisory panel. The panel shall consist of seven members appointed by the Secretary. The Secretary shall make appointments to the panel so that the membership of the panel will represent individuals who are expert in the conduct of epidemiological studies of the health effects of radiation, individuals who represent public interest groups concerned about the health effects of radiation, and public health officials who deal with such health effects.

(b)(1) Except as provided in paragraph (2), members of the panel shall (A) each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the panel, and (B) while away from their homes or regular places of business and while serving in the business of the panel, be entitled to receive transportation expenses as prescribed by section 5703 of title 5, United States Code.

(2) Members of the panel who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits by reason of their service on the panel.

(c) The Secretary shall provide such administrative support services for the panel as it may request.

By Mr. MITCHELL:

S. 526. A bill to amend the Public Works and Economic Development Act of 1965, as amended; to the Committee on Environment and Public Works.

REGIONAL ECONOMIC DEVELOPMENT ACT

Mr. MITCHELL. Mr. President, I am today reintroducing legislation to continue the economic development activities now performed by the Economic Development Administration. My bill is virtually identical to the legislation enacted by the House of Representatives last Congress, and reintroduced this year by Congressman OBERSTAR.

EDA was created to promote the long-range economic development of areas with severe and persistent unemployment and with low per capita income. The Agency aids in the development of public facilities and private enterprise to create new, permanent jobs and to preserve existing jobs which might otherwise be lost by the shutdown of an industry in such areas.

For the past 4 years, the administration has proposed the elimination of the EDA. Congress, on the other hand, has rejected attempts to kill the Agency, recognizing that local pockets of unemployment and economic stagnation exist which need the specialized, targeted aid which EDA can provide.

No matter how successful national economic policies may be in stimulating overall economic growth and reducing inflation and unemployment, important structural problems will remain. Many of our Nation's urban and rural communities and multistate regions will still be experiencing unemployment, lagging economic growth, industrial decline, and underutilized production facilities and resources. EDA represents an effort to correct those disparities. It has its shortcomings, which must be corrected, but on balance it has been a successful and important program.

Let me give some examples found in Maine of the kind of targeted assistance that can save and create jobs by attacking economic growth head on.

EDA is directly responsible for creating and saving thousands of jobs in Maine. In a State with chronic unemployment problems and an economy aggravated by high energy costs, this is a substantial contribution. Many Maine communities do not have the indigenous resources to attract substantial private investment. EDA has provided that seed money.

EDA funds to match locally raised money are being used to build a major fish-handling facility in Portland. It will be the only bulk fish handling and marketing facility north of Boston, and it has real potential for substantially improving the competitiveness of U.S. fisheries against the subsidized Canadian industry. Another EDA grant matched local money in the St. John Valley, to build a central potato handling and packing facility for the region. It will help local farmers make the most of crop improvements they have already undertaken, and it will help against another subsidized competitor from Canada. A guaranteed loan to a resort at Sugarloaf Mountain has helped save 449 jobs.

None of these loan guarantees or direct grants have been billion-dollar expenditures. All have involved private sector jobs, and each of them has the potential for returning many more dollars to the Federal Government in taxes on wages earned and profits realized.

The bill I am introducing today, which makes several modifications to the EDA programs, is intended as a starting point for discussion purposes within the Senate Environment and Public Works Committee on which I serve. Several other modifications to the existing EDA programs have been suggested, but there appears to be a consensus on one critical point: Regional and economic development programs are a worthwhile Federal commitment in areas where incomes remain low, where unemployment remains stubbornly high, and where help is needed to stimulate local economic growth.

I intend to examine all of the economic development proposals put forward in both Houses of Congress, as a member of the Committee on Environment and Public Works.

EDA has been validly criticized for its diffuse nature. Right now, over 85 percent of the country is eligible for EDA assistance. That is a legitimate criticism. I think the program should be more narrowly targeted. It should be limited to areas that are truly suffering chronic high unemployment and low per capita income.

The bill I am introducing today would target economic development assistance to such areas, reducing eligibility to approximately 41 percent of the Nation's population.

Mr. President, EDA has been a successful program. If we discontinue the Economic Development Administration, we will be discarding the best of a program because it has some shortcomings. That makes neither fiscal sense nor long-term economic sense. It is not fiscally responsible to terminate a program that creates jobs, saves welfare costs, generates State and local tax returns, and raises the level of national economic output.

We should not destroy a useful program, one which has shown an ability to reach and really help many depressed communities at minimal cost, simply because it needs improvement. Let us, rather, commit ourselves to making that improvement.

By Mr. SPECTER:

S. 527. A bill for the relief of Pravinchandra and Kamala Bhuva; to the Committee on the Judiciary.

RELIEF OF PRAVINCHANDRA AND KAMALA BHUVA

Mr. SPECTER. Mr. President, I rise today to introduce legislation on behalf of an immigrant family, the Bhuvas, who have lived in this country continuously for nearly 17 years, have 2 American born children ages 10 and 13, and are a productive, upstanding part of their community outside Pennsylvania, who are facing imminent deportation which will return the family to India, where they are now nearly as much foreigners as they are here in the United States. This deportation would impose severe hardship on the Bhuva family, and in this legislation I am seeking to grant them permanent residence status.

The children, a boy and a girl, were both born and raised in the United States and are American citizens. Mr. Bhuva came to America to study chemistry and currently owns a business in a suburb of Philadelphia. The family lives in a single family home and the children attend public schools where they are doing very well—the daughter is in the gifted student program for mathematics. The children

have been raised as Americans and appear to have only a superficial knowledge of their Indian heritage. They do not speak their parents native language, have not been raised with the Hindu religious customs of their forbearers, do not wear traditional clothing, and eat an American diet. In short, the family has been thoroughly assimilated into the American way of life.

In addition to the trauma that such an uprooting would have on any child, the Bhuva children present an especially compelling case. The children have already experienced a brief but disastrous visit to India, in June 1980. Intended to last through the summer, the trip was abruptly terminated when the childrens' difficulty adjusting to the Indian diet and culture became a physical as well as psychological threat. Both children lost a great deal of weight, and the girl contracted hepatitis. The impact of the trip was traumatic for both children.

In addition, the Bhuvas have been informed that the only English speaking schools in the area of India to which they would be sent cannot enroll their children for at least 3 years.

There are also severe financial hardships involved in the Bhuvas' transplant to India. Mr. Bhuva has filed an affidavit stating that his remaining family in India cannot help them with housing or food or anything else, even temporarily. In addition, he has letters from a number of firms where he has inquired about possible employment in India, none of which can offer him employment.

After 17 years in this country, the Bhuvas are in the tragic situation of being foreigners both here and in India, particularly the children, who are totally Americanized.

The Bhuvas lawyers are continuing to pursue every legal option, but have conceded that the chances of their being able to stop the deportation are very slim.

Private relief legislation is the only remaining option.

Mr. President, I am the son of immigrants. My parents came to this country with little more than an ambition of making a better life for their family than they had known themselves. Pravinchandra Bhuva—and thousands of immigrants like him who have lived and worked in this country for many years—harbors the same ambition for himself and his family.

Through hard work and initiative, he and his wife have come far toward realizing their ambition, and in doing so have enriched the lives of their community and the United States.

We are a nation that has grown great by opening its doors. To allow immigrants who have made a productive life for themselves here and who seek to contribute to their communities to join us as permanent residents is to the benefit of all.

I urge early consideration and passage of these bills.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding paragraph (14) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Pravinchandra and Kamala Bhuva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available under section 203(a) of the Immigration and Nationality Act to natives of the countries in which the aliens were born or, if applicable, the total number of immigrant visas which are made available under section 202 of such Act to natives of the countries in which the aliens were born.

By Mr. RUDMAN (for himself, Mr. EAGLETON, Mr. STEVENS, Mr. BRADLEY, and Mr. DANFORTH):

S. 528. A bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which congressional campaigns are financed; to the Committee on Governmental Affairs.

BIPARTISAN COMMISSION ON CONGRESSIONAL CAMPAIGN FINANCING ACT

● Mr. RUDMAN. Mr. President, I rise today to introduce legislation to establish a temporary commission to study the issue of congressional campaign financing and recommend such changes as are appropriate. I am pleased that Senators EAGLETON, STEVENS, DANFORTH, and BRADLEY have joined me in sponsoring the Bipartisan Commission on Congressional Campaign Financing Act, and that Representatives UDALL and FRENZEL are introducing identical legislation in the House.

Mr. President, I believe it is fair to say that there are virtually no Members of either the Senate or the House of Representatives, and surely no defeated candidates, who believe the current system in which campaigns are financed and conducted is acceptable. Frequently mentioned concerns include the length of campaigns, the reliance on television advertising, the complexity of existing Federal campaign laws and the difficulty of complying with them, and, above all, the cost of campaigns. The complaints come from Republican, Democratic, and Independent politicians, and transcend the ideological spectrum. Most importantly, complaints come from the public at large, which is greatly disserved by the present system and recognizes that fact.

Numerous bills and constitutional amendments have been introduced in both Houses in recent years to address the problem or particular aspects thereof, from Members as diverse as Senators GOLDWATER, HELMS, DODD, and PROXMIRE. Senator INOUYE and I introduced a bill in the last Congress addressing television advertising and I have introduced a separate bill which directly addresses the financing of campaigns. Both those bills are about to be reintroduced. I give away no secrets, however, by noting that, when it comes to the setting of the rules under which campaigns will be operated, there is virtually no trust among the active, competing players in the game of politics. Any measure which is introduced is immediately subjected to a searching examination for its hidden agenda, and we have an ingrained suspicion that all proposed legislation must work in favor of the partisan or ideological predilections of its sponsors.

Meanwhile, since political campaigns are a contest in which there are only winners and losers, and where the cost of losing can be quite high in both financial and personal terms, those of us who run for elective office feel obliged to mount as vigorous a campaign as possible. A candidate, whether incumbent or challenger, may feel that it is wrong to have to raise huge amounts of money, but he will do it if he believes it to be necessary to have a chance of winning. A candidate may believe that a certain negative political spot is beyond the bounds of propriety, but he will allow it to be run if he thinks it will be helpful.

Quite frankly, the only meaningful constraint right now is the candidate's conscience. But even candidates with the strongest sense of conscience are under strong pressure to do something they might not, under normal conditions, approve of. Campaign consultants are employed to find ways to win campaigns and their stock in trade is to be associated with winners. The volunteers who work in the campaigns are making a great sacrifice to do so, and one hates to let them down. Party chairmen and similar officials are focused on the consequences of the campaign's outcome to the exclusion of all else. Finally, candidates have self-imposed pressures in addition to the external ones.

Thus, the existing system goes on.

The bill Senators STEVENS, EAGLETON, DANFORTH, and BRADLEY and I are introducing is an attempt to break the logjam that has developed over the years. It would create a bipartisan 11-man commission to study the consequences of the existing system, and to

consider and make recommendations for improving it. Two members of the commission would be chosen by the Speaker of the House, the House minority leader, the Senate majority leader, and the Senate minority leader, for a total of eight. Each of them would be required to choose one sitting member of their respective body and one person who is not holding elective office. The Republican and Democratic National Chairmen would get one appointment each. Finally, the 11th person would be chosen jointly by the Senate majority leader and the Speaker of the House.

The commission would be required to report back to Congress with its recommendations within 1 year of the date this bill is enacted. Subject to appropriations, the commission would be authorized to spend $1 million.

Quite frankly, I have never been a great believer in establishing commissions to solve public policy problems. The problem of campaign financing, however, is uniquely suited to being addressed by a bipartisan commission. This is an area where recent history teaches us that the law of unintended consequences prevails as often as not, and any potential solution needs to be considered in a thorough and deliberate fashion. It is also an area where progress requires genuine bipartisan consensus, consensus which can only be achieved in a forum conducive to compromise. Finally, it is an area where many Members of Congress have very firm, but divergent, views, views frequently borne of their personal experience.

The congressional committees which normally have jurisdiction over campaign financing operate in a highly charged, frequently partisan atmosphere, certainly have too much day-to-day business to attend to, and are not bipartisan in their makeup. The best of intentions will not produce reform in the area of campaign financing under those circumstances. But, a temporary bipartisan commission with no other tasks is perfectly suited to address the issue.

Mr. President, in conclusion, this legislation is a needed first step if progress is to be made in fixing our method of campaign financing, and I hope my colleagues will cosponsor and support this measure.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Bipartisan Commission on Congressional Campaign Financing Act".

DECLARATION OF POLICY

SEC. 2. It is the policy of the Congress to develop a means of campaign financing which—

(1) permits candidates the opportunity to communicate effectively with the electorate,

(2) protects the integrity of the legislative process, and

(3) promotes, to the greatest extent possible, public confidence in both the electoral and legislative processes.

ESTABLISHMENT OF COMMISSION

SEC. 3. For the purposes of carrying out the policy set forth in section 2, there is hereby established a commission to be known as the Bipartisan Commission on Congressional Campaign Financing (in this Act referred to as the "Commission").

IMPLEMENTATION OF POLICY BY COMMISSION

SEC. 4. (a) In carrying out the policy set forth in section 2, the Commission shall consider and study the Federal laws and regulations and public commentary relating to the financing of the elections of Members of Congress and the effects of such laws and regulations and the practices which they permit. Such study and consideration shall give particular attention to the extent, if any, to which current campaign financing practices affect the legislative process, and to the extent, if any, to which such practices undermine public confidence in our representative form of Government.

(b) To the extent to which the Commission determines the present system of campaign financing is deficient in meeting the goals set forth in section 2, it shall consider changes in such system including—

(1) increasing or decreasing the amount of money which individuals, political parties, or political action committees may contribute to a candidate for Congress;

(2) increasing the Federal income tax credit available to an individual who contributes to a candidate for Congress;

(3) initiating a plan of public financing of congressional campaigns;

(4) making available to candidates for election to Congress either free or subsidized broadcasting time;

(5) examining the role of independent expenditures, as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (17)), which are made either by individuals or political action committees; or

(6) any other measure which the Commission deems appropriate.

(c) On the basis of its consideration and study, the Commission shall make findings and recommendations, including specific proposals for changes in Federal laws and regulations, to promote the policy set forth in section 2. The Commission is specifically directed to make every reasonable effort to achieve the broadest possible bipartisan consensus in arriving at such recommendations.

(d) In carrying out its consideration and study, the Commission shall avail itself of relevant information and data gathered by such public and private organizations and individuals as it deems appropriate. The Federal Election Commission, the Clerk of the House of Representatives and the Secretary of the Senate shall cooperate with the Commission, to the extent allowed by law, in providing whatever statistical and other appropriate and relevant information the Commission requests.

ORGANIZATION OF THE COMMISSION

SEC. 5. (a) The Commission shall be composed of eleven members as follows:

(1) Four appointed by the Speaker of the House of Representatives, two of whom shall be members of the House of Representatives and two of whom shall not currently hold elective office.

(2) Four appointed by the President pro tempore of the Senate, two of whom shall be members of the Senate and two of whom shall not currently hold elective office.

(3) Two appointed by the chairmen of the national committees of the two major political parties; one by the chairman of the Republican National Committee and one by the chairman of the Democratic National Committee.

(4) One, who shall be the chairman of the Commission, appointed jointly by the President pro tempore of the Senate upon the recommendation of the Senate majority leader and the Speaker of the House of Representatives.

(b)(1) Members of the Commission shall, to the extent possible, be chosen from among persons with a broad knowledge and understanding of the major areas under the Commission's consideration and study, particularly the legislative process and the manner in which congressional campaigns are financed.

(2) The Chairman shall be chosen from among persons known for their integrity and national stature and possessing abilities and characteristics necessary to facilitate a bipartisan consensus on matters under the Commission's study and consideration.

(c)(1) Of the members appointed by the Speaker of the House of Representatives under subsection (a)(1), one from the House of Representatives and one currently not holding elective office shall be appointed on the recommendation of the minority leader of the House of Representatives.

(2) Of the members appointed by the President pro tempore of the Senate under subsection (a)(2), one from the Senate and one currently not holding elective office shall be appointed on the recommendation of the majority leader of the Senate, and one from the Senate and one currently not holding elective office shall be appointed on the recommendation of the minority leader of the Senate.

(d) Six members of the Commission shall constitute a quorum but the Commission may establish a lesser number as a quorum for the purpose of holding hearings, taking testimony, and receiving evidence.

(e) Any vacancy in the Commission shall not affect its powers, and shall be filled in the manner in which the original appointment was made.

(f) An individual who is appointed to the Commission in the status of a Member of Congress, and who thereafter ceases to have such status, shall nevertheless continue as a member of the Commission and shall (if he has returned to the private sector except for his membership on the Commission) be treated as an individual appointed from the private sector for purposes of compensation under section 6.

COMPENSATION OF COMMISSION MEMBERS

SEC. 6. (a) The members of the Commission who are Members of Congress shall serve on the Commission without additional compensation. The members of the Commission from the private sector shall each be paid at a rate equal to the daily rate of pay for level IV of the Executive Schedule for each day such member is engaged in the actual performance of his or her duties as a member of the Commission.

(b) All members of the Commission shall be reimbursed for travel as authorized by section 5703 of title 5, of the United States Code, subsistence, and other necessary expenses incurred by them in the performance of their duties.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(1) appoint, terminate, and fix the compensation without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 of the United States Code, or of any other provision of law, relating to the number, classification, and General Schedule rates—

(A) of such personnel as it deems advisable to assist in the performance of its duties, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(B) an Executive Director for the Commission contingent upon confirmation by the Commission members at an annual rate of compensation not to exceed a rate equal to the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(2) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule.

(b) Service of an individual as a member of the Commission, or of an advisory council or committee under section 8, or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission, or of such advisory council or committee, or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

(c) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

ADVISORY COUNCILS AND COMMITTEES

SEC. 8. The Commission may establish, without regard to the Federal Advisory Committee Act, such advisory councils and advisory committees as it may deem appropriate to provide specialized assistance in the performance of the duties vested in the Commission by this Act. Members of such advisory councils and committees, while attending meetings of such councils or committees or while otherwise serving at the request of the Commission away from their homes or regular places of business (unless otherwise eligible for travel and subsistence expenses under chapter 57 of title 5, United States Code), may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for individuals in the Government serving without pay.

POWERS OF THE COMMISSION

SEC. 9. (a)(1) The Commission or, on the authorization of the Commission, any subcommittee thereof or any member authorized by the Commission may, for the purpose of carrying out this Act, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements (with or without consideration or bond, to such extent or in such amounts as are provided in appropriation Acts, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), make such expenditures, and take such other actions as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(2) The provisions of the Federal Advisory Committee Act shall not apply to the Commission established under this Act.

(b) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the Commission may require for the purpose of this Act, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman.

(c) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this Act, unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the Chairman in writing.

(d) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress.

MEETINGS, PUBLIC INVOLVEMENT, REPORTS, EXPIRATION

SEC. 10. (a) The Commission shall first convene no later than two months after the date of enactment of this Act, and shall meet from time to time thereafter, as the Chairman deems appropriate.

(b) Consistent with other provisions of this Act, the Commission shall structure its operations and activities to assure the appropriate and meaningful involvement of the public in its deliberations. In doing so, the Commission shall consider the desirability of holding public hearings, particularly in locations outside of the District of Columbia, or establishing or utilizing other mechanisms whereby members of the public can readily contribute suggestions for Commission consideration.

(c) The Commission shall from time to time submit to the Congress such reports as it may deem appropriate with respect to its activities under this Act. No later than one year following the date of March 1, enactment of this Act the Commission shall submit to the Congress its final comprehensive report of its activities, including all of its findings and recommendations.

(d) Ninety days after the submission to the Congress of its final report under subsection (c), the Commission shall cease to exist.

PREPARATION FOR THE COMMISSION

Sec. 11. Upon enactment of this Act, the Director of the Congressional Research Service and the Chairman of the Federal Election Commission shall begin to prepare briefing papers for the Commission. Such briefing papers shall catalog and synthesize any recent public or private reports, analyses, and recommendations pertinent to the work of the Commission, and shall contain such other information relevant to the work of the Commission. The briefing papers shall be completed and transmitted to the Commission no later than two months after the date of enactment of this Act.

DEFINITIONS

Sec. 12. For purposes of in this Act—

(1) the term "candidate" means an individual who seeks election to the Senate or the House of Representatives of the United States, and for purposes of this paragraph, an individual shall be deemed to seek election—

(A) if such individual has received contributions aggregating in excess of $5,000 or has made expenditures aggregating in excess of $5,000; or

(B) if such individual has given his or her consent to another person to receive contributions or make expenditures on behalf of such individual and if such person has received such contributions aggregating in excess of $5,000 or has made such expenditures aggregating in excess of $5,000;

(2) the term "election" means a general, special, primary or runoff election to the Senate or House of Representatives of the United States; and

(3) the definitions in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) shall apply to this Act.

AUTHORIZATION

Sec. 13. There are hereby authorized to be appropriated $1,000,000 to carry out the purposes of this Act.●

By Mr. DECONCINI (for himself and Mr. DOLE):

S. 529. A bill to make technical amendments to titles 11 and 28 of the United States Code, and for other purposes; to the Committee on the Judiciary.

BANKRUPTCY TECHNICAL AMENDMENTS

Mr. DECONCINI. Mr. President, I—on behalf of myself and Senator DOLE—am introducing a bill which we hope will complete the work we began last year with the passage of the Bankruptcy and Federal Judgeship Act of 1984. Due to the hectic atmosphere that prevailed during the final hours of conference consideration of

that bill, numerous errors of spelling, grammar, and miscitation and the like were made. The bill we introduce today is designed to make the necessary corrections to implement the policy decisions made last year.

I have consulted with a broad spectrum of persons involved in bankruptcy law in determining what should be included in this bill. I have received the input of people such as Lawrence King, professor of bankruptcy law at New York University and editor of Colliers on Bankruptcy; Frank Kennedy, a distinguished professor at the University of Michigan and former staff director of the U.S. Commission on the Bankruptcy Law; Vern Countryman, the well-known professor of bankruptcy law at Harvard; Harry Dixon and Ed Creel of the American Bankruptcy Institute; Bankruptcy Judge Beryl McGuire, president of the National Bankruptcy Judges Conference and Howard Beck, president of the National Conference of Bankruptcy Clerks; and many others in formulating this bill. Although many additional amendments might have been made to the Code, the minimal package we are introducing today will clarify many of the technical problems now present in the Code. We believe this package will have the support of all groups interested in perfecting the bankruptcy law.

In an effort to make this bill as noncontroversial as possible I have not included a number of amendments that I personally agreed with and which I felt would have implemented the will of the Senate and of the conference committee on BAFJA. By going the extra step to make this bill as noncontroversial as possible, it is my hope that its processing can be expedited and that the uncertainties caused by the technical errors made in BAFJA can be alleviated. I hope that interest groups and Members who want to make substantive or controversial changes to the bankruptcy law will refrain from doing anything that would slow the processing of this bill. I view this bill as simply a "good government" bill, which should be in everybody's interest to process quickly.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 101(33) of title 11, United States Code, is amended to read as follows:

"(33) 'person' includes individual, partnership, and corporation, but does not include governmental unit, provided, however, that effective as of October 1, 1979, any agency, department, or unit of the United States, or any corporation chartered by the United States, that acquires assets in a receivership capacity, or purchases, or otherwise acquires, assets from any entity shall be considered a person for purposes of section 1102 of this title.".

(b) Section 101(41)(A)(xv) of title 11, United States Code, is amended by striking out "security" and inserting in lieu thereof "security".

(c) Section 101(49) of title 11, United States Code, is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

SEC. 2. (a) Section 303(b) of title 11, United States Code, is amended by striking out "subject on" and inserting in lieu thereof "subject of".

(b) Section 303(c) of title 11, United States Code, is amended by inserting "as to liability or the subject of a bona fide dispute" after "contingent."

(c) Section 303(h)(1) of title 11, United States Code, is amended by striking out "that".

SEC. 3. Section 346(j)(7) of title 11, United States Code, is amended by striking out "owned" and inserting in lieu thereof "owed".

SEC. 4. Section 362(b) of title 11, United States Code, as redesignated by section 392(a) of Public Law No. 98-353, is amended—

(1) in paragraph (6) by striking out "financial institution," each place it appears and inserting in lieu thereof ", financial institutions";

(2) striking "or" after the semicolon in the first paragraph (9);

(3) striking out "(9)" in the second paragraph (9), and "(10)" in paragraph (10) and inserting in lieu thereof "(10)" and "(11)", respectively, and

(4) in paragraph (10) as resesignated, by striking out the period at the end thereof and inserting in lieu thereof "; or".

SEC. 5. (a) Section 363(a) of title 11, United States Code, is amended by inserting "or their cash equivalents" after "property".

(b) Section 363 of title 11, United States Code, is amended by striking out "value" and inserting in lieu thereof "amount".

SEC. 6. (a) Section 365(c) of title 11, United States Code, is amended by—

(1) striking "or an assignee of such contract or lease" in subparagraph (1)(A); and

(2) in paragraph (3) by—

(A) inserting "is" after "lease"; and

(B) inserting "and" after "property".

(b) Subparagraph (2)(A)(i) of section 365(e) of title 11, United States Code, is amended by striking out "the trustee or to an assignee of such contract or lease" and inserting in lieu thereof "an entity other than the debtor or debtor in possession".

(c) Paragraph (1) of section 365(h) of title 11, United States Code, is amended by inserting "or timeshare plan" after "lease" the fourth place it appears.

(d) Section 365(m) of title 11, United States Code, is amended by striking out "362(b)(9)" and inserting in lieu thereof "362(b)(10)".

SEC. 7. Section 502(b)(6)(A)(ii) of title 11, United States Code, is amended by striking out "repossessed" and inserting in lieu thereof "repossessed".

SEC. 8. Section 502(i) of title 11, United States Code, is amended by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

SEC. 9. Section 503(b) of title 11, United States Code, is amended—

(1) in subparagraph (1)(B) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)".

(2) in paragraph (5) by inserting "and" after the semicolon; and

(3) in paragraph (6) by striking out "; and" and inserting in lieu thereof a period.

SEC. 10. Section 507(d) of title 11, United States Code, is amended by striking out "or (a)(6)" and inserting in lieu thereof "(a)(6) or (a)(7)".

SEC. 11. (a) Section 452 of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 521(3) of title 11, United States Code, is repealed.

(b) Section 521(4) of title 11, United States Code, is amended by inserting ", whether or not immunity is granted under section 344 of this title" after "estate" the second place it appears.

SEC. 12. Section 522(h)(1) of title 11, United States Code, is amended by striking out "tittle" and inserting in lieu thereof "title".

SEC. 13. Section 522(i)(2) of title 11, United States Code, is amended by striking out "his" and inserting in lieu thereof "this".

SEC. 14. Section 523(a) of title 11, United States Code, is amended—

(1) in subparagraph (1)(A) by striking out "507(a)(6)" and inserting in lieu thereof "507(a)(7)"; and

(2) by redesignating the second paragraph (9) as paragraph (10).

SEC. 15. Section 523(b) of title 11, United States Code, is amended by striking out "Services" and inserting in lieu thereof "Service".

SEC. 16. (a) Section 524(c)(6)(B) of title 11, United States Code, is amended by inserting "business debt or" before "consumer".

(b) Section 524(d)(2) of title 11, United States Code, is amended by striking out "subsection" the second place it appears and inserting in lieu thereof "section".

SEC. 17. Paragraph (3) of section 544(a) of title 11, United States Code, is amended by striking out "transfer" the second place it appears and inserting in lieu thereof "purchaser's interest".

SEC. 18. Section 546(e) of title 11, United States Code, is amended by inserting a comma after "stockbroker".

SEC. 19. Section 547(b)(4)(B) of title 11, United States Code, is amended by inserting "and" after the semicolon.

SEC. 20. Section 548(d)(2)(B) of title 11, United States Code, is amended by striking out "financial institution," and inserting in lieu thereof ", financial institution".

SEC. 21. (a) Paragraphs (3), (4), and (5) of section 464(a) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 549(a) of title 11, United States Code, are repealed.

(b) Section 549(b) of title 11, United States Code, is amended by—

(1) striking out "of" after "to the extent"; and

(2) inserting "is" after "commencement of the case,".

SEC. 22. Section 554(c) of title 11, United States Code, is amended by—

(1) striking out "521(a)(1)" and inserting in lieu thereof "521(1)"; and

(2) striking out "to the debtor" after "abandoned".

SEC. 23. The items relating to sections 557, 558, and 559 in the table of sections for subchapter III of chapter 5 of title 11, United States Code, are amended to read as follows:

"557. Expedited determination of interests in, and abandonment or other

disposition of grain assets.
"558. Defenses of the estate.
"559. Contractual right to liquidate a repurchase agreement.".

SEC. 24. Section 724(b)(2) of title 11, United States Code, is amended by—

(1) striking out "or"; and

(2) inserting ", or 507(a)(6)" after "507(a)(5)".

SEC. 25. Section 726(b) of title 11, United States Code, is amended by striking out "or (6)" and inserting in lieu thereof "(6) or (7)".

SEC. 26. Section 1121(d) of title 11, United States Code, is amended by striking out "subsection" and inserting in lieu thereof "subsections (b) and".

SEC. 27. Section 1129(a) of title 11, United States Code, is amended—

(1) in paragraph (7) by striking out "of" the first time it appears;

(2) in subparagraph (9)(B) by striking out "or 507(a)" the first time it appears and inserting in lieu thereof "507(a)(5) or 507(a)(6)"; and

(3) in paragraph (9)(C) by striking out "(6)" and inserting in lieu thereof "(7)".

SEC. 28. (a) Section 525(b)(1) of the Bankruptcy Amendments and Federal Judgeship Act of 1954 (Public Law 98-353) amending section 1302(e)(4) of title 11, United States Code, is repealed.

(b) Section 1302(b)(1) of title 11, United States Code, is amended by striking out "704(3)".

(c) Section 1302(e)(1) of title 11, United States Code, is amended by striking out "fix" and inserting in lieu thereof "set for such individual".

SEC. 29. Section 1324 of title 11, United States Code, is amended in the second sentence by striking out "the" the first place it appears.

SEC. 30. Section 1325(b)(2)(A) of title 11, United States Code, is amended by striking out "or" after the semicolon and inserting in lieu thereof "and".

SEC. 31. Section 1326(a)(2) of title 11, United States Code, is amended by striking out "payments" and inserting in lieu thereof "payment".

SEC. 32. Official Bankruptcy Form No. 1, referred to in Rule 1002 of the Bankruptcy Rules, is amended—

(1) in paragraph (6) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13"; and

(2) by striking out "7 or 13" and inserting in lieu thereof "7, 11, or 13" in the statement to be made by the attorney in "Exhibit 'B'".

SEC. 33. The table of sections of chapter 15 of title 11, United States Code, is amended by striking out "this" in the item relating to section 1501.

SEC. 34. Section 15701(a) of title 11, United States Code, is amended by striking out "trustee" the second time it appears and inserting in lieu thereof "trustees".

SEC. 35. Section 15703(b) of title 11, United States Code, is amended by striking out "truste" and inserting in lieu thereof "trustee".

SEC. 36. Section 151102(b) of title 11, United States Code, is amended by striking out "of" the second time it appears and inserting in lieu thereof a comma.

SEC. 37. (a) Section 311(b)(4) of the Bankruptcy Amendments and Federal Judgeship Act of 1984 (Public Law 98-353), amending section 151301(b)(1) of title 11, United States Code, is repealed.

(b) Section 151302(b)(1) of title 11, United States Code, is amended by striking out "704(8)" and inserting in lieu thereof ", 704(7), and 704(9)".

SEC. 38. Section 156 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) For purposes of financial accountability in a district where a bankruptcy clerk has been certified, such clerk shall be accountable for and pay into the Treasury all fees, costs, and other monies collected by such clerk except uncollected fees not required by an Act of Congress to be prepaid. Such clerk shall make returns thereof to the Director of the Administrative Office of the United States courts under regulations prescribed by such Director.".

SEC. 39. Section 157(b)(2)(B) of title 28, United States Code, is amended by striking out "interest" and inserting in lieu thereof "interests".

SEC. 40. Section 157(b)(2)(G) of title 28, United States Code, is amended by inserting a comma after "annul".

SEC. 41. Section 1334(d) of title 28, United States Code, is amended by striking out "and of the estate" and inserting in lieu thereof "and of property of the estate".

SEC. 42. Section 1930(a) of title 28, United States Code, is amended by striking out "of the court" and inserting in lieu thereof "of the district court or the clerk of the bankruptcy court, if one has been certified pursuant to section 156(b),".

SEC. 43. Section 2041 of title 28, United States Code, is amended by inserting "or any bankruptcy court" after "court of the United States".

SEC. 44. Section 2043 of title 28, United States Code, is amended by inserting ", and each clerk of the bankruptcy courts," after "United States courts".

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 530. A bill to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, CA; to the Committee on Energy and Natural Resources.

SUPPORT OF THE NATIONAL MARITIME MUSEUM IN SAN FRANCISCO

● Mr. CRANSTON. Mr. President, on behalf of Senator WILSON and myself, I introduce for appropriate reference a bill to authorize the Secretary of Interior to use revenues from the leasing of a floating drydock and other marine equipment for the maintenance and restoration of historic ships at the National Maritime Museum in San Francisco, CA. This bill is similar to S. 1647 which I sponsored and the Senate passed in the 98th Congress. It is identical to legislation being introduced in the House by Congresswoman SALA BURTON.

Mr. President, the National Park Service presently has the authority to lease out a number of properties it owns and use the income to support certain activities at the Golden Gate National Recreation Area, including the maintenance and repair of the historic ships at the National Maritime Museum. The revenue from these properties—the Haslett Warehouse and Cliff House—is projected to produce $1.45 million in fiscal 1985. Lease of the drydock, as provided in this bill, would produce an additional $75,000 annually for these activities.

The National Maritime Museum owns seven historic ships—the *Hercules, Balclutha, Eureka, Alma, C.A. Thayler, Eppleton Hall,* and *Wapama.* In terms of size and tonnage, this collection of vessels represents the largest single fleet of historic ships anywhere in the world.

Unfortunately, all of the ships need extensive maintenance and restoration, particularly the *Wapama.* This ship is rapidly deteriorating and repairs must be made soon—before structural damage becomes irreversible. Built in St. Helens, OR, in 1915, 205 feet long, 945 gross tons, the *Wapama* is the last remaining example of wooden steam schooners that transported lumber to ports along the west coast in the early part of this century. With the passing away of wind-driven sailing ships around 1900, steam schooners became a principal force in the development of the rich timberlands of the west coast, which in turn was essential to the growth of the West as a whole. The *Wapama* carried freight and passengers up and down the Pacific coast from 1915 to 1947 when the ship struck a rock in Alaskan waters damaging a forward portion of her hull. This ended the ship's commercial use. Following purchase by the State of California in 1958, the *Wapama* was repaired on the surface, but no structural repairs were done.

Since 1963, the *Wapama* has been a museum ship, housed first at the San Francisco Maritime State Historic Park which later became the National Maritime Museum at GGNRA. But, in 1979, the *Wapama* was removed from display because it badly needed repairs. Nonetheless, in 1984, the *Wapama* was designated a National Historic Landmark because of its national significance in commemorating the history of the United States.

Also in 1984 the National Park Service developed a 7-year restoration plan for the *Wapama.* Because of the deficit, the National Park Service has been trying to undertake much of this repair work without relying entirely on appropriated funds, using donated materials and volunteer labor for example. The legislation I am introducing today further facilitates these efforts to restore the *Wapama* at no cost to the taxpayers by expanding the current lease authority to include the AFDL-38 drydock and other heavy marine equipment. Although the additional revenues raised under this bill are significantly less than the $5.3 million needed to repair the *Wapama,* the additional authority over a period of years will indeed assist with this important project.

I believe this is a meritorious goal. The *Wapama* and other ships at the

National Maritime Museum are one-of-a-kind vessels. They are already in Federal ownership. We should not allow them to continue to deteriorate. Rather we should protect our national investment and preserve these vessels for the public's knowledge and enjoyment.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 530

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(f) of the Act entitled "An Act to establish the Golden Gate National Recreation Area in the State of California, and for other purposes", approved October 27, 1972 (Public Law 92-589; 16 U.S.C. 460bb-3(f)) is amended by—

(1) inserting in the second proviso after the words "the administration of said parcels" the following "and of the AFDL-38 Drydock or other vessels or heavy marine equipment,"; and

(2) striking out "for the management of said parcels of property" in such proviso and substituting "for the management (including rental or lease) of said properties".

Mr. WILSON. Mr. President, I am pleased to join my friend, Senator CRANSTON, in cosponsoring this bill which will authorize the use of funds for the leasing of drydock facilities and the rental of marine equipment to support the National Maritime Museum in San Francisco, CA.

The National Park Service has responsibility for seven historic ships in the National Maritime Museum. Of particular interest to me is the *Wapama.* This legislation will allow for the preservation of the *Wapama,* a 205-foot-long, 68-year-old, wooden steam schooner. The *Wapama* is the last of 225 wooden-hulled steam schooners which once plied their trade along the Pacific coast from Alaska to San Diego. It is a unique memorial to that era and, perhaps more than any other type of ship, it is representative of the formative days of our union.

I would like to share with you a little bit of history surrounding this vessel in the belief that you will thus be encouraged, as I have been, to support the preservation of this historic vessel.

The *Wapama* is the last survivor of a fleet of steam schooners which transported much of the timber materials used to build the cities of the Bay area, the Puget Sound, San Diego, and Los Angeles. These ships were frequent visitors at such ports from the 1880's until well into this century.

In 1949, the *Wapama* was retired from service and sold to a scrapyard where she remained for several years, quickly falling into disrepair. In 1955, legislation was introduced in the California State Legislature which provided for the establishment of a State Maritime Historical Park in San Francisco. There, the *Wapama* found a new home, underwent some restoration, and became a favorite attraction of visitors to the park. In the 16 years that she was open to the public, it is estimated that 3 million people walked her decks and began to understand, through actual experience, how their forefathers lived, built these hard-working ships, and used them to build the American West.

In 1977, the ship was transferred to the U.S. Department of the Interior to become a part of the National Maritime Museum of San Francisco; 2 years later, in 1979, it became obvious that major restoration work was necessary below the ship's waterline. The *Wapama* was removed from the Hyde Street Pier and placed on a preservation drydock in Oakland where she remains today.

The restoration effort enjoys a broad base of public support. Numerous groups and countless individuals have worked long and hard to insure the safety of this much-loved ship. Their commitment and dedication to this cause evinces a deep concern for its future. In addition, the ship is currently owned by the National Park Service, whose management policies indicate an obligation to maintain and preserve such historic structures.

I support both the good work that the community groups are doing for the *Wapama* and the National Park Service's efforts to preserve these historic structures. Therefore, I am pleased to join my colleague and friend, Mr. CRANSTON, in sponsoring this legislation.●

By Mr. DECONCINI (for himself, Mr. CHILES, Mr. COCHRAN, Mr. ABDNOR, Mr. D'AMATO, and Mrs. HAWKINS):

S. 531. A bill to authorize the appropriation of funds for the operation and maintenance of a special operations wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Law Enforcement, and to require certain reports; to the Committee on Armed Services.

READINESS ENHANCEMENT OF AIR FORCE RESERVE SPECIAL OPERATIONS ACT OF 1985

Mr. DECONCINI. Mr. President, today I am introducing legislation that will take a bold new step toward bringing the Department of Defense more deeply into our war against the narcotics trafficker. Senators CHILES, D'AMATO, COCHRAN, HAWKINS, and ABDNOR have joined me in sponsoring this bill—a bill that would, among other things, authorize the creation of an Air Force Reserve special operations squadron that, for the first time in history, will have a peacetime drug interdiction mission. No longer can we afford to sit idly by and be outgunned day in and day out by a well-financed, well-organized army of drug smugglers that is penetrating our borders with record loads of cocaine, marijuana, and heroin.

Mr. President, this bill is not some wild-eyed scheme to place stormtroopers with fixed bayonets along the southern borders of the United States. There is nothing in this bill or intended by its sponsors to allow the military to actually make arrests of citizens suspected of trafficking drugs into the country. What this bill does do is pave the way for the Department of Defense to assume a peacetime, drug surveillance mission as part of an overall national security strategy to protect our vulnerable southern borders from drug smugglers; terrorist insurgents; and unidentified, low flying suspect aircraft. Here are the basic elements of the plan initiated by this bill:

First, the bill authorizes an Air Force special operations air detection wing composed of a squadron of 16 P-3 aircraft equipped with sophisticated F-15 combat radars. This squadron would provide a detection support unit to complement an existing special operations wing stationed at Eglin Air Force Base in Florida.

Second, this unit would support our civilian drug interdiction mission during peacetime, while at the same time training our men and women to track and detect the weapons-terrorist-insurgency menace that threatens our southern borders during a wartime scenario.

Third, fourteen P-3's would be bailed to the Customs Service and flown by U.S. Customs Service pilots during peacetime. Customs P-3 pilots—most of whom are currently Reserve members—would be given the opportunity to join the Air Force Reserves. Two of the 16 P-3 aircraft would be solely dedicated to the commander of the Southern Command [SOUTHCOM] for full time use in providing much-needed detection in the weapons and drug trafficking corridors in the Yucatan Passage and between South and Central America. The balance of the P-3's would be deployed by Customs in the drug trafficking threat corridors from Florida to San Diego and up both east and west coasts.

Fourth, makes the Department of Defense's Task Force on Drug Law Enforcement a permanent office of the Pentagon. This office is currently operating as an ad hoc office designed to facilitate the loan of DOD equipment to civilian law enforcement agencies.

Fifth, DOD would pay for the one-time modification costs to retrofit the balance of the P-3 aircraft fleet with radar and other intelligence communication equipment, and the major maintenance on the aircraft. Customs

would pay for organizational maintenance, including all gas, oil, consumables, and the cost of its flight crews.

Mr. President, if any one of my colleagues doubts the need to go to new and advanced ends to protect our borders from the purge of the drug smuggler, let me suggest that they just read the latest issues of Time and Newsweek; both of which feature a cover story on the cocaine menace that is plaguing this country like never before. And it is difficult to pick up a paper on any given day and not read about another kidnaping, or murder, or execution, or crime that is directly or indirectly the product of narcotics. As this bill is being introduced, one of our drug enforcement administration agents remains missing following his abduction, presumably by Mexican drug figures, on February 7. The public is outraged and they should be. Letters coming into my office indicate that the people of this Nation are sick and tired of illegal narcotics governing the streets and putting them in fear of letting their kids play after dusk; taking a walk with their husbands around the block; or walking to the neighborhood grocery to pick up a carton of milk.

Mr. President, the concept embodied in this legislation is sound. If implemented, it would give us a double dose of protection for our southern flanks: First, it would give us an expanded peacetime drug detection capability, stretching from California to the mid-Atlantic States, and second, it would give us the training and capability to detect the flow of arms; drugs; insurgents; and other dangerous, threatening activity into the United States; in and out of Cuba; and between South and Central America during both peacetime and in time of war. The commander in chief of SOUTHCOM has corroborated the "guns-drugs-military threat" nexus in our southern region. He has transmitted these concerns to the White House and to the Congress. This bill and this plan responds to those very real concerns while at the same time beefs up our civilian drug enforcement effort in the drug threat corridors throughout the southern region.

Mr. President, this is a good bill. It is long overdue. We can no longer attack the drug smuggling juggernaut with paper clips and rubberbands. If we are to launch a full scale war against the narcotics smuggler, this bill must be passed and a new Department of Defense involvement in that war must be established.

I ask unanimous consent that the bill and a memorandum on this new congressional drug initiative be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Readiness Enhancement of Air Force Reserve Special Operations Act of 1985".

SEC. 2. There are authorized to be appropriated for fiscal year 1986 such sums as may be necessary for the operation and maintenance of a Special Operations Wing of the Air Force Reserve.

SEC. 3. There are authorized to be appropriated for fiscal year 1986 such sums as may be necessary for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Law Enforcement.

SEC. 4. Not later than September 30, 1985, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report on the manner in which the Department of Defense plans to obligate and expend funds appropriated or expected to be appropriated pursuant to an authorization contained in this Act. The report shall include a description of—

(1) actions or proposed actions to consolidate, in a Special Operations Wing of the Air Force Reserve, command and control of Air Force Special Operations aircraft, other than Special Operations aircraft which were assigned to the Special Operations Wing of the regular Air Force on or before March 1, 1985;

(2) actions and proposed actions to utilize rotary-wing and fixed-wing aircraft of the Department of Defense to furnish, commensurate with military readiness, optimal support to civilian law enforcement agencies for the purpose of carrying out drug interdiction missions and for other operational activities of such agencies relating to the enforcement of drug laws; and

(3) actions and proposed actions to promote dual utilization of Department of Defense aircraft and other Department of Defense resources available to civilian law enforcement agencies by providing for the utilization of such aircraft and resources by a Special Operations Wing of the Air Force Reserve and by such agencies.

BACKGROUND

This memorandum is intended to review and clarify the elements of a proposal to create an organization jointly involving detection assets of the Department of Defense and the U.S. Customs Service. The proposal is to enhance an existing active duty Air Force division by addition of a reserve air wing, so that a detection capability is created which will serve both the national security requirements of the Defense Department and the drug interdiction requirements of the Customs Service.

Since the relaxation of posse comitatus in 1981, it has been possible to address improvements in the detection, identification and arrest capabilities of the Customs Service by considering the utilization of assets owned by the Department of Defense. Initiatives taken to date have consisted principally of direct loans of equipment from DoD to Customs (as with the Blackhawk helicopter); the sharing of information gathered during routine DoD activities (as with the Navy ship sighting program, E2/E3 training flights, and Cudjoe Key aerostat); or specific tasking of DoD elements to support Customs (as with the specially designated E2/E3 aircraft missions and Marine Corps OV-10 flights).

The proposal now being advanced is unique because it fits none of the above categories of unilateral assistance, but rather will result in enhancement of the missions of both DoD and Customs.

THE THREAT

Customs

The Customs Service is responsible for detection, interception, and arrest of drug smugglers. Congressional hearings have documented the inability of Customs to perform this mission satisfactorily in any region of the country. Detection is the weakest of the three functions, and this deficiency has made the subsequent missions of identification and arrest almost academic.

In addressing detection deficiencies, the Congress, in cooperation with the Customs Service and DoD, authorized the production of six P3/F-15 detection aircraft systems. The P3/F-15 is currently configured with 120° air-to-air radar in the nose, 220° surface radar in the tail, and 360° FLIR. It is to be augmented with a communications monitoring package.

The prototype aircraft has enjoyed conspicuous success, making 15 detections of suspect aircraft in the 45 days that it has been undergoing initial employment exercises. This is in stark contrast to the 10 cases reported by Customs as having been made by the combined E2/E3 effort in all of 1984.

It is possible that future modifications could include a 360° air-to-air radar systems and long range optics. While all parties concede that these and other improvements would make the system even more capable, it is clear that the existing system represents a quantum advance for Customs. It is also clear that 6 systems will not meet the detection requirements of the Customs Service.

The Department of Defense

The Southern Command (SOUTHCOM) is the U.S. unified (all services represented) command headquartered in Panama responsible for Central and South America and the Caribbean littoral.

The Commander in Chief of SOUTHCOM, General Paul F. Gorman, last month confirmed to a Congressional delegation that he has detection requirements relating to his military mission that are unmet. He further confirmed, with DEA concurrence, that the detection requirements of the drug interdiction community are essentially identical to his military requirements, and that there is a strong (perhaps 85%) cross-correlation between individuals involved in drug trafficking and arms trafficking in that region.

Further reinforcing the nexus between regional drug enforcement and military interests, the General revealed that:

There is a very real southern border insurgency threat to our national security during wartime;

Narcotics profits are financing the purchase and shipment of arms to Central and South America;

In most cases the same organizations, with the same tactics, with the same individuals are involved in both drug trafficking and arms trafficking in the region;

We have no peacetime or wartime mission to detect this flow of drugs and arms in the region; and

The clandestine threat corridors for drugs, arms, and insurgents are the same.

DoD is further concerned about the continued tasking for drug interdiction detection operations of scarce and expensive E2 and E3 aircraft by the Administration, with the tacit approval of Congress. These aircraft apparently provide only a marginal benefit to the interdiction agencies at tremendous financial and operational cost to the Air Force and Navy.

Because the drug smuggling problem continues almost unabated, there is a growing outcry from Members of Congress, Governors, and other federal, state, and local politicians for dramatically increased DoD activity in support of drug interdiction. While as yet unfocussed, some of the proposed assistance approaches monumental levels, in most cases far exceeding the level of assistance contemplated by either the original drafters of the Posse Comitatus Act Amendment or DoD. These proposals enjoy widespread appeal, however, because of their simplicity, the relative enormity of the DoD budget, a growing sense that the problem has overwhelmed the impotent civilian enforcement agencies, and a perception that truly dramatic action is required to successfully address this intractable national problem.

It is clear that whatever of these other plans might survive the authorization and appropriations process, DoD is facing both enormous expenditures and increased tasking of active duty elements.

THE PROPOSAL

The plan is to create an Air Force Reserve air wing to complement the 1st Special Operations Wing (1st SOW), an active duty unit which is headquartered at Hurlburt Field, Eglin Air Force Base, Florida. A detachment of this unit is under the operational control of SOUTHCOM.

The 1st SOW currently consists of fixed wing and helicopter assets which support special operation forces infiltration/exfiltration and rescue operations. (For example, the 1st SOW provided extensive support during the invasion of Grenada).

The new organization that this proposal would create, designated the 2nd SOW, would consist of two composite (more than one kind of aircraft) reserve squadrons and a headquarters element. One of the squadrons would be rotary wing, made up of UH-1N and HH-3 helicopters currently assigned to the Second Air Division. The other would be a fixed-wing squadron consisting of sixteen P3-type aircraft with F-15 radars and certain other specially equipped fixed-wing aircraft presently attached to the 2nd Air Division.

Operationally, the P3/F-15 aircraft would be on loan from DoD to Customs during peacetime, with agreement that two of the aircraft would be available for reserve training and be tasked to support to SOUTHCOM, and eight in daily use by Customs. Active duty reservists would fly the aircraft for SOUTHCOM, with Customs pilots flying the bulk of the aircraft in their normal civilian law enforcement activities. In the event of national emergency all of the aircraft would immediately revert to DoD control.

This memorandum earlier detailed the utility of the P3/F-15 aircraft in drug interdiction operations. In terms of military intelligence requirements as articulated by Gen. Gorman, the P3 system would be similarly invaluable.

While on active duty status the P3's would generate military information at the direction of SOUTHCOM. As has previously been established, there is a dramatic correlation between military targets and drug interdiction targets. The proposal further contemplates that such collected data would be relayed to SOUTHCOM Headquarters, and further relayed, when appropriate, to the Customs Air Support Branches, DEA's El Paso Intelligence Center (EPIC), and the National Narcotics Border Interdiction System (NNBIS) regional centers.

The Congress has already authorized six P3 systems for the Customs Service. The aircraft designated for modification have been declared excess to the Navy's needs and were scheduled for retirement from active service. The F-15 radars with which the aircraft are being equipped are being loaned by the Air Force. In addition to the enhancement afforded to civilian law enforcement by the modification and loan of these aircraft, a second benefit has now been identified—the application of the converted aircraft to a new, military counterinfiltration mission. The need for this military counterinfiltration capability has been indicated in numerous intelligence reports, and is now subject to validation by the Joint Chiefs.

President Reagan, in his State of the Union address of February 6, 1985, again stressed the urgency of establishing a competent military presence in Central and South America. This proposal responds to the President's concerns by providing the capability of enhancing U.S. military and narcotics intelligence in that strategically vital area.

PROGRAM RESPONSIBILITY

The initial program authorized, to provide six P3's to the Customs Service, requires DoD to furnish the aircraft and radars and to fund the modifications. Customs has been funded to pay for consumables such as fuel, spare parts, and organizational maintenance. Higher levels of maintenance are to be performed by DoD on a reimbursable basis.

This Congressional initiative would expand this arrangement. DoD would continue to modify a second increment of 10 aircraft in a similar manner. Under the 2nd SOW proposal, Customs would continue to pay for consumables and organizational level maintenance for their normal law enforcement operations, but DoD would perform and fund the higher levels of maintenance as they do for other aircraft in the military reserves.

Customs would pay all personnel costs related to civilian operations. Current Customs P3 pilots who are now members of existing Naval Reserve P3 squadrons, and all qualified pilots to be hired would be invited to transfer to or join the Air Force Reserve, and would thus be able to perform in both missions, a clear benefit to DoD.

COST ESTIMATES—NEW CONGRESSIONAL DRUG INTERDICTION INITIATIVE

The Department of Defense has been tasked to provide estimates of the cost to implement this initiative. Those data have not yet been developed. The following estimates are staff "rough order of magnitude" projections, based on current experience with the P3/F-15 aircraft:

1. Non-recurring, one-time costs.—To refurbish remainder of aircraft fleet and retrofit with F-15 or comparable radar; install communications intelligence (COMMINT) capability in each aircraft; and install infrared surveillance equipment, civilian avoinics, and related communications equipment—$100 million.

2. Annual operation and maintenance costs.—Fleet of 16 P3 radar-equipped aircraft with air and surface target detection capacity [assumes 1000 flight hours per year, per aircraft, at $2700 per flight hour, including gas, oil and other consumables]—$2.7 million per aircraft, for a total of $43.2 million.

3. Cost to establish reserve squadron command structure to implement Congressional Drug Interdiction Initiative—$1 million.

CONGRESSIONAL ACTION REQUIRED TO IMPLEMENT NEW DRUG INTERDICTION INITIATIVE

1. No change in Posse Comitatus Act required.

2. Creation of 2nd Special Operations Wing by bill or amendment to FY 1986 Defense Authorization Bill.

3. Appropriations action as required in FY 1986.

TIMETABLE

Prototype P3/F-15—Currently at Customs air support branch.

3 Additional P3/F-15—Currently under contract-delivery to Customs by October 1, 1985.

2 Additional P3/F-15—Currently authorized for FY 1986; requires appropriations. Expected delivery in December, 1985.

10 Additional aircraft with radar capability (completion of 16 aircraft fleet)—End of FY 1987.

Mr. COCHRAN. Mr. President, I am pleased to sponsor this important joint military and drug enforcement initiative. The threat of illegal narcotics crossing our borders is escalating dramatically, and there is growing evidence that narcodollars are financing the purchase and shipment of arms to Central and South America. Our military leaders believe there is a very real threat to our national security on our southern border during wartime from the insurgents who are trafficking in drugs, guns, and revolution. Such a threat demands the deployment of our most sophisticated civilian and military resources.

Our Southern Governors, meeting recently in New Orleans, have called for increased military assistance to close our borders to the flood of illegal drugs. Our Federal, State, and local law enforcement agencies are outmanned and lack the high-tech radar and fast boats and planes employed by the highly organized "conquerors."

This need to increase military assistance presents a problem to the Congress which must ensure that military readiness is not jeopardized. National security is the primary mission of the Department of Defense.

The proposal we are advancing today would serve both the national security requirements of the Defense Department and the drug interdiction requirements of the U.S. Customs Service. The new Air Force Reserve squadron that would be created would fly daily surveillance and detection missions for the Customs Service. Detection has been identified by the Customs Service as the weakest link in its drug interdiction capabilities. The P-3 aircraft squadron will provide the strong detection capability needed,

freeing the Department of Defense from tasking scarce and expensive E-2 and E-3 aircraft for drug enforcement detection flights.

Additionally, the squadron would serve the detection requirements of Southcom in Central and South America. Two of the planes would operate directly under the command of Gen. Paul Gorman for training and military intelligence missions. Information collected would be shared, when appropriate, with EPIC, NNBIS, and other Federal enforcement agencies.

In the event of a military emergency, the reserve squadron would be activated and deployed under the control of the Department of Defense.

This proposal is an innovative approach to increasing miliary assistance for drug enforcement while serving our national security needs.

I urge my colleagues to consider it carefully.

Mrs. HAWKINS. Mr. President, I am pleased today to be a part of the introduction of the Readiness Enhancement of Air Force Reserve Special Operations Act of 1985.

My colleague, and my cochairman of the Senate Drug Enforcement Caucus, Senator DENNIS DECONCINI, is to be commended for his sponsorship of this necessary legislation. Among other things, this bill would authorize the creation of an Air Force Reserve Special Operations Squadron that would have, for the first time in history, a peacetime drug interdiction mission. I think we all agree that this is a long overdue and necessary component of our efforts to achieve the eradication of drug abuse in our Nation.

In effect, enactment of this legislation would allow the Department of Defense to assume a peacetime, drug surveillance mission as part of an overall national security strategy to protect our Nation's borders most vulnerable to drug traffickers. This would also have a beneficial impact on our attempts to deal with terrorists insurgents, and drug smuggling done increasingly by unidentified, low flying, suspect aircraft. I can speak personally to all these aspects of the drug trafficking problem, Mr. President, as it is my home State of Florida, referred to as a former paradise, that has become the point of entry for illicit narcotics in the United States.

Passage and implementation of this proposal would allow the Department of Defense the additional resources it needs to help dig my State out from under the torrent of drugs that inundates it.

The bill would authorize an Air Force Special Operations air detection wing composed of a squadron of 16 P-3 aircraft equipped with sophisticated F-15 combat radars. This squadron would provide a detection support unit to complement an existing special operations stationed at Eglin Air Force Base in my home State of Florida. This proposal would also support our civilian drug interdiction mission during peacetime, while at the same time train our men and women to track and detect the weapons-terrorist-insurgency menace that could threaten our southern borders during a wartime scenario.

Another aspect of this bill is that 14 P-3's would be assigned to the U.S. Customs Service and flown by U.S. Customs Service pilots who would be given the opportunity to join the Air Force Reserves. What I find to be particularly good news about this part of the bill is that 2 of the 16 P-3 aircraft would be solely dedicated to the Commander of the Southern Command [Southcom] for full time use in providing much-needed detection of the weapons and drug trafficking corridors in the Yucatan Passage and between South and Central America. This bill also calls for the Department of Defense's Task Force on Drug Law Enforcement to become a permanent office of the Pentagon; and arranges to pay for the one-time modification costs to retrofit the balance of the P-3 aircraft fleet with radar and other intelligence communication equipment.

Mr. President, what this legislation would provide, our Nation needs. We need it now, and we need it desperately. I am proud to be a part of this effort, and urge my colleagues to give their timely support to the Readiness Enhancement of Air Force Reserve Special Operations Act of 1985.

By Mr. DOMENICI:

S. 532. A bill to amend the Water Resources Research Act (Public Law 98-242) to authorize research and development on problems associated with the depletion of the Ogallala aquifer; to the Committee on Environment and Public Works.

OGALLALA AQUIFER RESEARCH AND DEVELOPMENT ACT

● Mr. DOMENICI. Mr. President, during the 98th Congress, I introduced legislation designed to continue the important research work that is necessary to reverse the decline of the Ogallala aquifer.

Why is this necessary? The reason is quite simple. The Ogallala—which is unknown to most Americans—is this Nation's largest, most productive source of underground water. It lies beneath portions of the six States in the High Plains, an area that produces 15 percent of the Nation's wheat, corn, grain, sorghum, and cotton, as well as 38 percent of the value of our livestock.

The productivity of the Ogallala region is critical to our national and international agriculture markets.

But, sadly, this vast source of fresh water is in serious trouble, with its level dropping several feet a year.

If that decline were occurring on the Great Lakes, or on another major source of visible, surface water, we would consider it a national calamity.

But because the Ogallala is underground—out of sight—no one pays much attention to the problem, except the thousands of farmers who will lose their productivity as a result.

In the Ogallala area, over 14 million acres of land are irrigated, using water pumped from 170,000 wells. More than 21 million acre-feet of water and extracted yearly from the aquifer, supplementing scarce surface supplies.

Monitoring of the aquifer reveals that recharge has failed to keep pace with the rate at which water is pumped from the aquifer. It is estimated that the aquifer is being overdrawn by over 3 million acre-feet annually. Taking into consideration the potential growth in the region, it is clear that action is needed now to reverse this frightening trend.

Several years ago, I sponsored legislation directing a study, through the Economic Development Administration, of the problems confronting the Ogallala area and the options for reversing the decline.

The bill I am introducing today, and which was introduced in a similar form in the 98th Congress as S. 1656, authorizes many of the recommendations that came from that study.

The only significant difference in the two bills is this: My new bill authorizes no studies of interstate water transfers, an issue that is of great concern to many of my colleagues.

Thus, this version, approved last year by the Senate Committee on Environment and Public Works, should prove noncontroversial.

Specifically, this bill amends the Water Resources Research Act of 1984—Public Law 98-242—to establish a comprehensive research and development program on the depletion of the Ogallala aquifer. The bill authorizes $11 million annually for 5 years, most of which will provide research grants to colleges and universities in the six States within the High Plains region—Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas.

The bill creates a High Plains Study Council to carry forward the work initiated by the High Plains Council, which came into being as part of the EDA study.

Research in the various States will be coordinated through this council, to be composed of the Governor of each of the six States—or a designee, plus representatives of the Secretaries of Agriculture and Interior. No funds are authorized to pay for the council.

Next, this bill sets up, in each of the six High Plains States, a technical advisory committee composed of representatives of the Secretaries of Agriculture and Interior, plus five persons

appointed by the Governor of that State. The five State appointees shall include inividuals representing the State agency holding jurisdiction over water resources, individuals from the agricultural community, the director of each State water resources research institute, as well as others with an expertise in water resources. The sum of $500,000 is authorized annually for the operations of these State committees.

These committees will have the responsibility to examine existing State laws on water management, set State priorities for research, provide public information and education, and review grant applications for merit.

The bill establishes two types of grants for research by institutions of higher education, a term that includes the water research institute within each of the States. First, the sum of $6 million is authorized annually for research projects into water-use efficiency, cultivation techniques, irrigation technologies, water-efficient crops, and water and soil conservation.

Another section of the bill makes $2 million available annually for research in precipitation management, weather modification, aquifer recharge, saline water use, desalting technologies, salt-tolerant crops, and ground water recovery.

Another category of grants is available directly to farmers in the High Plains States to cover as much as 85 percent of the costs of demonstrating new water-use technologies. The sum of $2 million is authorized annually for these projects, which must be designed to develop water-efficient irrigation techniques and practices, soil and water conservation management systems, and the growing and marketing of more water-efficient crops.

As I noted earlier, all research work in each State will be selected by the State technical committee on the basis of merit.

In order to continue the monitoring of the aquifer that is so essential, the bill also authorizes $500,000 annually to the U.S. Geological Survey. This monitoring will be undertaken in cooperation with the States of the High Plains region.

Finally, the bill requires annual reports to Congress on the progress that has occurred as a result of this bill.

Mr. President, this is sound legislation. It is needed legislation. It is cost-effective legislation. I hope it can become the law of the land early in this Congress.

Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD, together with a copy of a Washington Post article on the Ogallala.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ogallala Aquifer Research and Development Act of 1985".

SEC. 2. (a) The Congress finds that—

(1) the Ogallala Aquifer lies beneath, and provides needed water supplies to, the six States of the High Plains Region: Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas;

(2) the High Plains Region has become an important source of agricultural commodities and livestock for domestic and international markets, providing 15 per centum of the Nation's supply of wheat, corn, feed grains, sorghum, and cotton, plus 38 per centum of the value of livestock raised in the United States; and

(3) annual precipitation in the High Plains Region ranges from fifteen to twenty-two inches, providing insufficient supplies of water—both surface and for recharging the Ogallala Aquifer—needed to sustain the agricultural productivity and economic vitality of the High Plains Region.

(b) It is, therefore, the purpose of this Act to establish a comprehensive research and development program to assist those portions of the High Plains Region dependent on water from the Ogallala Aquifer to—

(1) plan for the development of an adequate supply of water in the region;

(2) develop and provide information and technical assistance concerning water-conservation management practices to agricultural producers in the region;

(3) examine alternatives for the development of an adequate supply of water for the region; and

(4) develop efficient water-conservation management practices for agricultural producers in the region.

SEC. 3. The Water Resources Research Act (Public Law 98-242) is amended by adding at the end thereof the following new title:

"TITLE III—OGALLALA AQUIFER RESEARCH AND DEVELOPMENT

"SEC. 301. (a) There is hereby established a High Plans Study Council composed of—

"(1) the Governor of each State of the High Plains Region (defined for the purposes of this title as the States of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas, and referred to hereinafter in this title as the 'High Plains Region'), or a designee of the Governor;

"(2) a representative of the United States Department of Agriculture; and

"(3) a representative of the Secretary.

"(b) The Council established pursuant to this section shall—

"(1) review research work being performed by each State committee established under section 302 of this Act; and

"(2) coordinate such research efforts to avoid duplication of research and to assist in the development of research plans within each state of the High Plains Region that will benefit the research needs of the entire region.

"SEC. 302. (a) The Secretary shall establish within each State of the High Plains Region an Ogallala Aquifer technical advisory committee (hereinafter in this title referred to as the 'State Committee'). Each State Committee shall be composed of—

"(1) a representative of the United States Department of Agriculture;

"(2) a representative of the Secretary; and

"(3) five persons selected by the Governor of the State from among officials of State agencies with jurisdiction over water resources, the agricultural community, the State Water Research Institute (as designated under this Act), and others with a special interest or expertise in water resources.

"(b) Each State Committee established pursuant to this section shall elect a chairman, and shall meet at least once every three months at the call of the chairman, unless the chairman determines, after consultation with a majority of the members of the committee, that such a meeting is not necessary to achieve the purposes of this section.

"(c) The State Committee established pursuant to subsection (a) of this section shall—

"(1) review existing State laws and institutions concerning water management and, where appropriate, recommend changes to improve State or local management capabilities and more efficiently use the waters of such State, if such a review has not been undertaken by the State;

"(2) establish, in coordination with other State committees, State priorities for research and demonstration projects involving water resources; and

"(3) provide public information, education, extension, and technical assistance on the need for water conservation and information on proven and cost-effective water management.

"SEC. 303. The Secretary shall annually allocate among the States of the High Plains Region funds authorized to be appropriated for this section for research in—

"(1) water-use efficiency;

"(2) cultural methods;

"(3) irrigation technologies;

"(4) water-efficient crops; and

"(5) water and soil conservation.

Funds distributed under this section shall be allocated to each State Committee for use by institutions of higher education within each state. To qualify for funds under this section an institution of higher education shall submit a proposal to the State Committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State Committee on the basis of merit.

"SEC. 304. The Secretary shall annually divide funds authorized to be appropriated under this section among the States of the High Plains Region for research into—

"(1) precipitation managment;

"(2) weather modification;

"(3) aquifer recharge opportunities;

"(4) saline water uses;

"(5) desalinization technologies;

"(6) salt tolerant crops; and

"(7) ground water recovery.

Funds distributed under this section shall be allocated by the Secretary to the State Committee for distribution to institutions of higher education within such state. To qualify for a grant under this section proposal to the State Committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"SEC. 305. The Secretary shall annually allocate among the States of the High Plains Region funds authorized to be appropriated under this section for grants to farmers for demonstration projects for—

"(1) water-efficient irrigation technologies and practices;

"(2) soil and water conservation management systems; and

"(3) the growing and marketing of more water-efficient crops.

Grants under this section shall be made by each State Committee in amounts not to exceed 85 per centum of the cost of each demonstration project. To qualify for a grant under this section, a farmer shall submit a proposal to the State Committee describing the costs, methods, and goals of the proposed project. Proposals shall be selected by the State Committee on the basis of merit. Each State Committee shall monitor each demonstration project to assure proper implementation and make the results of the project available to other State Committees.

"SEC. 306. The Secretary, acting through the United States Geological Survey and in cooperation with the States of the High Plains Region, is authorized and directed to monitor the levels of the Ogallala Aquifer, and report annually to Congress.

"SEC. 307. Not later than one year after the date of enactment of this title, and at intervals of one year thereafter, the Secretary shall prepare and transmit to the Congress a report on activities undertaken under this title.

"SEC. 308. (a) For each of the fiscal years ending September 30, 1986, through September 30, 1990, the following sums are authorized to be appropriated to the Secretary to implement the following sections of this title, and such sums shall remain available until expended:

"(1) $500,000 for the purposes of section 302;

"(2) $6,000,000 for the purposes of section 303;

"(3) $2,000,000 for the purposes of section 304;

"(4) $2,000,000 for the purposes of section 305; and

"(5) $500,000 for the purposes of section 306.

"(b) Funds made available under this title for distribution to the States of the High Plains Region shall be distributed equally among the States.".

SCIENTISTS MUSTERED TO SAVE AQUIFER—TEXAS ECONOMY TIED TO VANISHING SUBTERRANEAN LAKE

(By Paul Taylor)

LUBBOCK, TEX.—Can scientists keep the lake that no one has ever seen from disappearing?

That question may sound like a riddle. But it holds the key to the economic well-being of the Texas Panhandle—a semiarid region that has been transformed into a cornucopia of cotton, grain sorghum, wheat and corn by irrigation.

The Panhandle draws its irrigation water from the world's largest underground lake, or aquifer, the Ogallala. Formed millions of years ago by runoff from the Rocky Mountains, the Ogallala stretches from the Texas Panhandle to South Dakota, underlies parts of eight states, covers an area about the size of California, contains about as much water as Lake Ontario and provides 30 percent of water used for irrigation in this country.

It also is drying up.

Not much rain falls on the Panhandle, and all but a tiny fraction of what does fall evaporates before it can make its way through the claylike soil of the region and replenish the aquifer.

In Texas alone, 70,000 water wells have been dug into the aquifer since broad-scale irrigation was introduced after the Dust Bowl era of the 1930s. (In the entire Ogallala, there are 170,000 such wells.)

"If you had a big bucket of water with 70,000 straws in it, there's only one thing that can happen over time to your water table: It's going to drop," said William Lyle, professor of agricultural engineering at Texas A&M University.

The water in the Ogallala does not flow freely; it is mixed with sand and gravel. As a result, the areas most heavily drilled are the ones where the depletion problem is greatest. Fully 70 percent of the water depletion in the Ogallala has occurred under Texas.

Parts of the Panhandle have used up more than half the water in the portion of the aquifer beneath them, and an Economic Development Administration report two years ago estimated that by the year 2020 two-thirds of the water stored as of 1977 in the aquifer beneath Texas will be gone.

"We know we're losing our water," said Jim Bell, who manages a 20,000-acre farm just west of here and who each year plugs up a few more of his irrigation wells that have gone dry. "We've just got to learn to use it less—and better."

Irrigation water, in short, is treated here as a nonrenewable resource—like coal or oil or anything taken from the ground.

Conservation, until recently, has been considered the region's only hope of maintaining the productivity of its multibillion-dollar agricultural industry. And with energy costs having driven up the price of drilling fourfold in the past decade, farmers here are born-again conservationists. As a result of improvements in irrigation efficiency and a slow reversion to dryland farming, net water depletion in the region from 1979 to 1984 was half that of the preceding five years.

But conservation does not create water; it only slows its depletion. Scientists now are experimenting with two approaches, both disarmingly simple, that may prolong the life of the aquifer beyond what conservation alone could accomplish.

One is the secondary recovery of water. It involves placing the aquifer's wet sand under enough air pressure to break the water's surface tension on each grain of sand. Surface tension is estimated to keep half of the aquifer's water from being withdrawn by normal drilling.

The second approach involves the artificial recharging of the Ogallala by drilling wells to channel rainwater back into it. This technique, tried numerous times, has always failed because the rainwater carries silt that clogs wells. However, experiments with low-cost filtration systems show promise.

"If these two techniques are fully realized, I am confident we can extend the life of the aquifer by at least 100 years," said Robert Sweazy, director of the Water Resources Center at Texas Tech University here.

A. Wayne Wyatt came up with the idea of secondary water recovery. His story sounds like something from a biography of Thomas Edison or Eli Whitney.

Wyatt is manager of the High Plains Underground Water District, a water authority that represents farmers in 15 Panhandle counties. At home, he is a gardener and putterer. In a backyard experiment, he filled a bucket with sand, soaked it with water, covered it, punched some holes in the bottom and measured how much water flowed out by the force of gravity. Then, using the valve stem of a tire and a small pump, he forced air into the bucket. More water dripped out.

"I took my dumb little test to the scientists at Texas Tech, and they thought I was crazy and pretty much told me so," Wyatt said.

"Ground-water recovery is a billion-dollar business," explained Sweazy. "We figured if something as simple as that would work, someone would have done it long ago."

But Wyatt persisted and eventually got a $250,000 state grant to replicate his experiment in the field. The results have been encouraging.

"Basically, we're finding that if you pump air in for about a week, the water table around the injection well rises significantly. What you're doing is forcing the water that remains in the unsaturated area of the aquifer down . . ., where a regular, existing well can pull it out," said Sweazy, now Wyatt's biggest fan.

The artificial-recharge experiments involve taking the storm water that accumulates in the 16,000 natural playas of the Panhandle, filtering it and channeling it underground into recharge wells created alongside water wells.

Playas are shallow, clay-bottomed depressions, two or three feet deep and perhaps 30 acres in surface area, that collect rainwater. The problem with getting the water down into the aquifer before it evaporates has always been the clogging from silt, but Sweazy says he thinks he is conquering it with advances in filtration.

Skeptics, and there are plenty, doubt that either technique will prove inexpensive enough for widespread use. Farmers now pay an average of $50 an acre-foot (the quantity of water, 43,560 cubic feet, that would cover one acre to a depth of one foot) for irrigation water. Both systems would cost almost that much to get the water into the aquifer, much less to pump it out. "if artificial recharge slows the depletion rate by just 10 percent, that would be an optimistic estimate," said Lyle of Texas A&M.

Lyle finds the advances in irrigation efficiency more promising. In the old days of cheap energy, cotton farmers might have used 16 or 20 inches of irrigation water; now the norm is roughly half that.

Everything from the size of the drip in irrigation water to the timing of the application has been modified to improve efficiency. Irrigation efficiency, on the average, has increased to 80 percent from 60 percent in the last five years.

There has also been a slow, steady reversion here to dryland farming, the method used by the fathers and grandfathers of today's farmers. Irrigation peaked here in 1982, said Sweazy, and it has begun what is projected to be a slow decline. Typical dryland yields for cotton are half what they are for irrigation farming—but the cost per acre also is halved.

The problem is that dryland farming is risky; a drought year can wipe out an entire crop and put a farmer under. Farmers have cut the risk by furrow-diking their fields—creating dirt mounds every few feet between the cotton rows to capture whatever rain that falls.

All of these approaches have brought some unaccustomed optimism to the Panhandle. "People keep coming out here wanting to write that we are in a crisis over water," Wyatt said. "Well, the truth of the matter is, we aren't."

Sweazy added, "Conservation, recharge, secondary recovery, irrigation efficiency—a little here, a little there, it all adds up."●

By Mr. DOMENICI:

S. 533. A bill to improve certain operations of the U.S. Army Corps of Engineers, and to authorize the Corps of Engineers to undertake several specific projects for the development of the

Nation's water resources; to the Committee on Environment and Public Works.

WATER PROJECT AMENDMENTS OF 1985

● Mr. DOMENICI. Mr. President, my colleagues in the Senate know of my long and continuing interest in the development of a sound, effective water resources development program for our Nation. I have worked on this issue during each of my 12 years of service as a member of the Committee on Environment and Public Works. My interest continues.

As part of this effort, I have in the past sponsored several initiatives to enhance our Federal Water Resources Program. Each, I believe, is essential to make that program stronger and more effective in serving the people of this Nation. These provisions, however, failed to become law when we did not pass an omnibus water resources bill.

Today, I am pleased to reintroduce these proposals in a single bill, and urge its early enactment by the Senate.

For the benefit of my colleagues, I shall give a brief explanation of each of the bill's provisions.

Section 1 cites the bill as the "Water Project Amendments of 1985."

Section 2 concerns windfall benefits that can occur when the Corps of Engineers constructs a flood control project. This section is designed to assure that each project is truly "public" in nature and, to the extent that it is not, that any landowner who recieves a particularly large share of the benefits contributes an equitable portion of the cost of the project.

Section 3 requires that when any Federal dam-building agency submits a project report to the Senate Committee on Environment and Public Works, or its House counterpart, the agency must report on the possibilities that the structure could fail, and describe how the design assures against such a possible failure.

Section 4 involves project reports that include recommendations for recreation benefits. In the past, recreation benefits for some corps and Soil Conversation Service projects appear to have been calculated without reflecting existing recreational developments in the vicinity. Under this section, reports must contain information on similar recreation facilities in the project area and the impact of the proposed project on the usage of those existing facilities.

Section 5 involves transportation benefits when they are related to water resources projects. It requires that the Department of Transportation calculate the benefits of any corps project with transportation benefits. Such a provision will assure an independent analysis of benefits.

Section 6 creates a method to whittle down the backlog of outdated project authorization. The General Accounting Office has estimated that the backlog of authorized corps projects that are incomplete, or remain to be initiated, exceeds $43 billion.

The existence of this backlog represents a huge potential cost to the taxpayer, and adds to the difficulty of authorizing modern, environmentally sound projects.

Under this section, any corps projects would be deauthorized automatically if construction does not commence within 10 years of project authorization. It is my understanding that nearly 600 projects, costing over $18 billion, have received no funds for 10 years and could be affected by this section.

Section 7 is a companion to section 6. It rescinds authority for the Corps of Engineers to conduct project surveys authorized by law or by a resolution adopted by either congressional Committee on Public Works if no funds have been spent on that survey within 4 years. It has been estimated that 187 corps studies would be affected by this section, of which 120 are described as inactive.

Should the need to address a water resources problem remain strong, either Public Works Committee has the authority to adopt a new resolution authorizing the corps to restudy the problem and develop a proposed solution.

Section 8 is designed to cut costs by encouraging more competition. It requires the corps, when it goes to bid on a project, to split the work into contracts sufficiently small to assure adequate competition by many engineering and construction firms, not simply the largest firms.

Section 9 requires that larger corps projects undergo a cost-effective review to assure that each project, and each of its individual components, is designed in the most effective way.

Studies by the General Accounting Office have shown an opportunity for lowering the cost of water resources projects. This section is intended to assure that the corps look beyond the lowest first cost on construction to designs that assure the lowest cost over the life of the project.

Section 10 affects all small watershed projects of the Soil Conservation Service that are submitted to the Senate and House Public Works Committees. Currently, law places no limit on the size of a project authorized by committee resolution. This section requires that projects with a Federal cost greater than $10 million must hereafter be authorized by an act of Congress. Projects with a Federal cost exceeding $10 million are too large to be authorized solely by committee resolution; they deserve the consideration of the full Congress.

Section 11 requires that any SCS small watersheds project submitted to the Senate and House Public Works Committee have benefits directly related to agriculture that account for at least 20 percent of the project's benefits.

The major focus of Public Law 83-566 when enacted was to provide benefits to agriculture and agriculture-related purposes. In view of the importance of agriculture to our Nation, the Public Law 566 program should retain this original focus.

Section 12 would require the Soil Conservation Service to study the desirability, feasibility, and policy implications of requiring that full public access to all water impoundments with recreation potential be constructed under the small watershed program (Public Law 83-566). The Soil Conservation Service is required to report to Congress by April 1987 on the results of this study.

Since the beginning of the program in 1956, almost 8,000 impoundments of various types have been built. The vast majority of these were built on private land and are unavailable to the public. Yet, in some cases, these impoundments provide, at taxpayer expense, what amounts to a private recreational lake. While many of these lakes could never be developed for recreation for many reasons, some hold the potential of serving as valuable public recreation areas.

Section 13 modifies the flood control project at Truth or Consequences, NM, where significant flooding occurred in 1972 and again in 1976. Another flood poses a serious threat to life and property. The project, as authorized in 1948, consisted of a series of levees along the Rio Grande. Because of urban development in the area since 1948, that project is no longer feasible.

The corps has reformulated the project and determined that the best alternative was construction of a flood control dam on Cuchillo Negro Creek. This section authorizes this change.

Section 14 authorizes construction of a set of emergency gates at Abiquiu Dam, NM, to increase the safe operation of that dam and to complete the project as it was designed originally.

Section 15 takes two small portions of western New Mexico, now under the responsibility of the Los Angeles and Sacramento District Engineers, and transfers those areas to the responsibility of the Albuquerque District Engineer.

Section 16 authorizes two projects in New Mexico, in line with the recommendations of the Chief of Engineers. First, it authorizes construction of flood control levees north and south of Albuquerque. Residents continue to suffer average annual flood damage of $6 million, despite the existing flood

control projects. The plan calls for work on 62.3 miles of levees, at a total project cost of $41.3 million. This work provides a benefit-to-cost ratio of 1.4-to-1.

The Secretary is also authorized to increase flood protection by dredging the bed of the Rio Grande in the vicinity of Albuquerque to an elevation lower than now exists. This latter authorization is independent of the levee work. Either or both may go forward, depending on costs and local support.

Section 16 also authorizes the Puerco River project in the city of Gallup for flood control and recreation. The most recent major flood occurred in 1972, causing $1.3 million in damages at that time. The project has a cost of $3.3 million, producing a benefit-to-cost ratio of 1.5-to-1.

Mr. President, it is with pleasure that I note that many of these provisions have already been incorporated in the bill, S. 366, introduced by the chairman of the Subcommittee on Water Resources, Mr. ABDNOR. I commend him.

Mr. President, this is a sound and needed bill. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be cited as the "Water Project Amendments of 1985".

SEC. 2. (a)(1) Prior to initiating construction of any water resources project, or separable element thereof, that was authorized prior to enactment this Act, or that is authorized subsequent to enactment of this Act, and which is under the jurisdiction of the Secretary of the Army, acting through the Chief of Engineers (hereinafter in this Act referred to as the "Secretary"), and, further, which can be anticipated to provide flood control benefits, more than 10 per centum of which can be attributed to an increase in anticipated land values to a single landowner, the Secretary shall enter into an agreement with such owner that provides that such owner will repay to the Secretary, for deposit in the Treasury, either prior to construction or when such benefits are realized, 50 percentum of that portion of the project's costs allocated to the owner's benefits.

(2) Whenever the Secretary fails to reach an agreement under the terms of paragraph (1) of this subsection, the non-Federal sponsor of such project may pay the 100 percentum of the costs associated with such windfall benefits, provided such payment is made over and above any other requirements on the non-Federal sponsor for the sharing of project costs.

(b) For any general investigation survey initiated by the Secretary subsequent to the enactment of this Act, the Secretary shall, when appropriate, include in such survey report information on the likelihood that any single landowner would be subject to the requirements of subsection (a) of this section.

(c) For the purpose of section "landowner" means any individual, partnership, corporation, or other non-governmental entity that owns, or controls through long-term lease or similar arrangement, lands in the vicinity of the project.

SEC. 3. Any report submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives by the Secretary or by the Secretary of Agriculture, acting under the authority of Public Law 83-566, as amended, which recommends construction of a water impoundment facility, shall include information on the possibility of failure of such facility due to geologic or design factors, the potential impact of the failure of such facility, and information on the design features that will prevent, lessen, or mitigate such failure or the impact of such failure.

SEC. 4. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary or by the Secretary of Agriculture, acting under the authority of Public Law 83-566, as amended, shall describe the benefits of other, similar recreational facilities within region of the project, plus the anticipated impact of the proposed project on such existing recreational facilities.

SEC. 5. Beginning with the first full fiscal year following enactment of this section, the Secretary of Transportation shall be responsible for the preparation of all calculations on transportation-related benefits for any future water resources project proposed by the Secretary. As a part of such calculations, the Secretary of Transportation shall identify, with reasonable specificity, the impact of such proposed project on the usage and the economic viability of competing modes of transportation.

SEC. 6. (a) Any project, or separable element thereof, which is under the responsibility of the Secretary, and for which construction has not commenced within ten years following the date of the authorization of such project or element shall no longer be authorized after such ten-year period unless the Secretary notifies the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives that continued authorization of such project or element remains needed and justified and, within sixty calendar days (excluding days on which either the House of Representatives or the Senate is not in session because of any adjournment of more than three calendar days to a day certain) following transmittal of such notification to the Congress, each committee adopts a resolution directing the continued authorization of the project or element.

(b) Any project qualifying for deauthorization under this section, or which will qualify within one hundred and eighty days of enactment of this section, shall not be deauthorized until such one hundred and eighty days have elapsed, utilizing the terms and procedures of subsection (a) of this section.

SEC. 7. (a) Any resolution is authorizing a general investigation survey by the Secretary is automatically rescinded and is not longer authorized whenever funds have not been expended for such survey within four full fiscal years following its approval.

(b) The Secretary is authorized and directed to submit to the Congress, within six months of enactment of this section, a list of all existing surveys and studies, whether authorized by resolution or by law, that have an inactive or deferred status, and all surveys on such list may be deauthorized within ninety days thereafter by resolution of either the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives.

SEC. 8. (a) The Congress finds that it is necessary and cost-effective to encourage as many bidders as possible for contracts to be let by the Secretary and that it is therefore the policy of Congress to direct the Secretary to prepare any proposal for the construction of a civil works project in a manner that assures, to the greatest extent reasonable, that no potential bidder shall not be precluded from competing fairly for such contract because of the size of such bidder.

(b) The Secretary is further prohibited from requiring that contractors on civil works construction projects under his direction be required to perform recordkeeping that is, by law or regulations, the responsibility of the Secretary.

SEC. 9. During the design of each water resources project with an estimated cost in excess of $10 million that is to be undertaken by the Secretary, on which construction has not been initiated as of the date of enactment of this Act, the Secretary shall require that a review be undertaken of the cost effectiveness of such design. The review shall employ cost-control techniques that will assure that such project is designed to operate in the most cost-effective manner over its projected life.

SEC. 10. The second sentence of the definition of "works of improvement", contained in section 2 of Public Law 83-566, as amended, is further amended by adding after "$250,000" the following: "but not more than $10,000,000, for any projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives: Provided, That any such project with an anticipated Federal cost exceeding $10,000,000 must be authorized by Act of Congress.".

SEC. 11. Section 2 of Public Law 83-566, as amended, is further amended by deleting the period and inserting a colon at the conclusion of the proviso, and adding the following: "And provided further, That each such project submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives must contain benefits directly related to agriculture that account for at least 20 percentum of the total benefits of the project.".

SEC. 12. The Secretary of Agriculture, acting through the Administration of the Soil Conservation Service, shall study and report to the appropriate committees of the Senate and the House of Representatives by April 1, 1987, on the feasibility, the desirability, and the public interest involved in requiring that full public access be provided to any or all water impoundments that have recreation-related potential and that were authorized pursuant to Public Law 83-566, as amended.

SEC. 13. The project for flood protection for the Rio Grande Floodway, Truth or Consequences Unit, New Mexico, authorized by the Flood Control Acts of 1948 and 1950, is hereby modified to provide that the Secretary is authorized to construct a flood control dam on Cuchillo Negro Creek, a

tributary of the Rio Grande, in lieu of the authorized floodway.

SEC. 14. (a) The Secretary is authorized to construct, at Federal expense, a set of emergency gates in the conduit of the Abiquiu Dam, New Mexico, to increase safety and enhance flood and sediment control: Provided, That such feature, which was eliminated during original construction due to cost constraints, shall be considered as completing the original design concept for the project.

(b) For purposes of this section, the sum of $2,500,000 is authorized to be appropriated to the Secretary for the fiscal year ending September 30, 1986, or thereafter, such sums to remain available until expended.

SEC. 15. The Secretary shall promptly transfer to the responsibility of the Corps of Engineers district engineer in Albuquerque, New Mexico, those portions of the State of New Mexico that, as of the date of enactment of this Act, are under the responsibility of the district engineers in Sacramento, California, and Los Angeles, California.

SEC. 16. The following works of improvement of flood control and other purposes are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(a) Middle Rio Grande Flood Protection, Bernalillo to Belen, New Mexico: Report of the Chief of Engineers dated June 23, 1981, at a Federal cost of $39,200,000 (October 1982): Provided, That the Secretary is authorized to supplement such work by dredging the bed of the Rio Grande in the vicinity of Albuquerque, New Mexico, to an elevation lower than existed on the date of enactment of this Act in order to increase flood protection; and

(b) Puerco River and Tributaries, Gallup, New Mexico: Report of the Chief of Engineers dated September 4, 1981, at a Federal cost of $3,220,000 (October 1982).●

By Mr. STAFFORD (by request):

S. 534. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

WATER RESOURCES DEVELOPMENT ACT

● Mr. STAFFORD. Mr. President, I am honored to send to the desk legislation that has been submitted by the administration, legislation to accelerate the Water Resources Development Program of the Army Corps of Engineers.

I commend the administration for this initiative. This legislation is, I believe, the first omnibus water resources bill ever proposed by any administration.

This aggressive leadership of the administration is a reflection of the hard work of the Acting Assistant Secretary of the Army for Civil Works, Robert K. Dawson, as well as that of his predecessor, the Honorable William R. Gianelli. Both men are to be commended for the leadership they have demonstrated in working toward a sounder, more effective water resources program for our Nation.

Mr. President, the administration has also sent to the Congress an innovative and important proposed bill involving inland waterway development and cost sharing. It is my intention to introduce that bill within the next several days.

The bill I am introducing today authorizes a number of new water resources development projects, and proposes to institute a variety of important reforms, including ones involving port development. These reforms are quite similar to ones contained in S. 366, the bill introduced by the distinguished chairman of our Subcommittee on Water Resources [Mr. ABDNOR].

I anticipate that this new bill will add significantly to the dialog we must undertake on these important issues.

As I have said on many occasions, I believe we must resolve these tough issues—particularly ones relating to cost sharing—if we are to obtain needed new water projects. I cannot see that happening otherwise, certainly not in the environment of the deficits this Nation confronts.

It may be useful, Mr. President, to quote a statement made recently by Maj. Gen. John F. Wall, Director of civil works for the U.S. Army Corps of Engineers. General Wall in an article on the water program said this:

We must adopt changes in cost sharing and financing arrangements for Civil Works projects. The Administration has adopted a strategy of stretching limited Federal dollars over a larger number of projects than possible with traditional financing by capitalizing on the ability of project beneficiaries to assemble financing packages that will enable them to deal with a larger share of project costs. Greater reliance on non-Federal funding of water projects is based on the principle that the economic benefits of the projects, coupled with institutional arrangements to charge users a fair share for the benefits they receive, offer firm support for Federal projects under a new financing partnership.

Mr. President, this omnibus bill is important legislation. I commend the President for sending it forward. I ask unanimous consent that a copy of the bill, a copy of the transmittal letter, and a copy of the section-by-section analysis of the bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 534

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resources Development Act of 1985."

SEC. 2. For the purposes of this Act—

(1) "Corps" means the United States Army Corps of Engineers.

(2) "Secretary" means the Secretary of the Army.

(3) "Treasury" means the Treasury of the United States.

(4) "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession over which the United States exercises jurisdiction.

TITLE I—PORTS AND HARBORS DEVELOPMENT AND COST SHARING

SEC. 101. For purposes of this title—

(1) "port or harbor improvement project" means any port, harbor, or associated channel or any element thereof, which is constructed, operated, or maintained by the Department of the Army. The term does not include—

(A) any port or harbor improvement undertaken by a non-federal public body except an improvement undertaken pursuant to section 113 of this title, or

(B) any common navigation improvement.

(2) "waterway transportation" means the use of a vessel on the open ocean, on one of the Great Lakes, or at a port or harbor improvement project of the United States.

(3) "non-federal public body" means—

(A) a state;

(B) a political subdivision of a state; or

(C) any corporation or other entity which is established under an interstate compact or under a law or ordinance of, or charter issued by, a state or political subdivision thereof for the purposes of—

(i) promoting, developing, operating, or managing landside facilities at a port or ports; or

(ii) operating or maintaining a port or harbor improvement project.

(4) "average annual operation and maintenance cost" means the average annual federal and non-federal cost of operation and maintenance per ton of commercial cargo loaded and unloaded at each port or harbor improvement project, adjusted for inflation, for the most recent five-year period for which accurate data are available; except that the Secretary may use a longer period if he determines that a five-year period does not adequately reflect the anticipated cycle of operation and maintenance for the project;

(5) "national operation and maintenance ceiling" means 125 percent of the national average operation and maintenance cost per ton of commercial traffic as determined by the Secretary by dividing the federal and non-federal operation and maintenance cost for all ports and harbors of the United States with depths of more than 14 feet by the total commercial tonnage loaded and unloaded at such ports, using the most recent five-year period for which accurate data are available;

(6) "project sponsor" means, with respect to a port or harbor improvement project, a non-federal public body which has entered into a written agreement with the Secretary to provide the non-federal share of operation and maintenance costs or construction costs for the projects pursuant to sections 103 or 105 of this title; and

(7) "common navigation improvement" means any channel, lock, or other improvement constructed, operated, or maintained by the Secretary which benefits more than one port or harbor.

SEC. 102. (a) Notwithstanding any other provision of law, the non-federal share of the cost of operating and maintaining port or harbor improvement projects after October 1, 1985, shall be:

(1) for a project with an authorized depth of 14 feet or less, 70 percent of all operation and maintenance costs assigned by the Secretary to navigation purposes;

(2) for a project with an authorized depth of more than 14 feet with annual commercial tonnage of less than 1,000,000 tons, 70 percent of all operation and maintenance costs assigned by the Secretary to navigation purposes; and,

(3) for any other project, 100 percent of all operation and maintenance costs assigned by the Secretary to navigation purposes; except that, the non-federal share shall be limited by the national operation and maintenance ceiling. For any port or harbor improvement project where average annual operation and maintenance costs exceeds the national operation and maintenance ceiling, the non-federal percentage of cost for such improvements shall be determined by dividing the national operation and maintenance ceiling by the average annual operation and maintenance costs per ton of commercial cargo for such project and multiplying by 100.

(b) For purposes of this section, the Secretary shall assign the costs of operating and maintaining any common navigation improvement to each port and harbor benefited or served by such improvement. The assignment shall be based on the ratio of the commercial tonnage loaded or unloaded at each port or harbor to the total commercial tonnage using the improvement. Any costs assigned on such basis to ports or harbors other than United States ports and harbors shall not be subject to cost recovery under this title. To the extent permitted under existing treaty obligation and general principles of international law, the Secretary of State is authorized to enter into discussions with foreign governments concerning repayment of any costs assigned pursuant to this section to ports or harbors within the jurisdiction of such foreign governments.

(c) Beginning July 1, 1985, and annually on each July 1 thereafter, the Secretary shall publish in the Federal Register a listing of all port or harbor improvement projects showing, for each project, the estimated schedule of operation and maintenance, the average annual operation and maintenance cost, the annual commercial tonnage, and the estimated federal and non-federal share of any anticipated operation and maintenance costs. Concurrent with publication in the Federal Register, the Secretary shall notify the project sponsor for each port or harbor improvement project of the estimated schedule of operation and maintenance, the average annual operation and maintenance cost, the annual commercial tonnage, and the estimated federal and non-federal share of any anticipated operation and maintenance costs for such project. Determinations of the Secretary, published pursuant to this subsection, are final and are within the complete discretion of the Secretary. No action by the Secretary pursuant to this section or pursuant to section 103 of this title shall be deemed to be a major federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852).

SEC. 103. (a) The non-federal share of the cost of post-authorization planning, rehabilitation, modification, or construction of general navigation features, including but not limited to breakwaters, navigation channels and turning basins, for a port or harbor improvement project shall be—

(1) in the case of depths of 45 feet or less, 70 percent;

(2) in the case of depths greater than 45 feet, an amount equal to the sum of (A) an amount equal to 70 percent of the cost which the Secretary determines would be incurred if such project had a depth of 45 feet, and (B) an amount equal to 100 percent of the cost for such project over the cost which the Secretary determines would be incurred if such project had a depth of 45 feet.

(b) This section shall apply to any port or harbor improvement project or a separable element thereof, authorized by this title or any other provisions of federal law enacted before, on, or after the date of enactment of this title (including projects not specifically authorized by Congress); except that this section shall not apply to any project or separable element thereof for which federal funds have been obligated for physical construction before October 1, 1985. Any port or harbor improvement project authorized by this title or any other provision of law enacted before, on, or after the date of enactment of this title may be constructed in usable increments.

(c) For purposes of this section, the Secretary shall assign the costs of construction, rehabilitation, modification and post-authorization planning of any common navigation improvement to each port and harbor to be benefited or served by such improvement. The assignment shall be based on the ratio of the commercial tonnage which is expected to be loaded and unloaded at each port or harbor to the anticipated total commercial tonnage which is expected to use the improvement. Any costs assigned on such basis to ports or harbors other than United States ports and harbors shall not be subject to cost recovery under this title. To the extent permitted under existing treaty obligations and general principles of international law, the Secretary of State is authorized to enter into discussions with foreign governments concerning repayment of any costs assigned pursuant to this section to ports or harbors within the jurisdiction of such foreign governments.

SEC. 104. (a) Prior to initiation or continuation of federal operation and maintenance or initiation of construction at a port or harbor improvement project or a separable element thereof after October 1, 1985, authorized by this title or any other provision of federal law enacted before, on, or after the date of enactment of this title, a project sponsor shall enter into a written agreement with the Secretary to provide the non-federal share of the costs as provided for in Sections 102 and 103 of this title in accordance with a project schedule established by the Secretary to ensure that the required items of local cooperation including any amounts to be provided by project sponsors are available as needed. The agreements shall provide for the rights and duties of the United States and the project sponsor with respect to the construction, operation and maintenance of the project including, but not limited to, provisions requiring termination or suspension of any federal construction, operation, and maintenance work for non-payment of the non-federal share of costs unless the Secretary determines that continuation of the work is in the interest of the United States.

(b) All amounts provided by project sponsors pursuant to this title shall be deposited in the Treasury as part of the Rivers and Harbors Contributed Fund account and are appropriated, without fiscal year limitation, to the Secretary for operation, maintenance, construction, rehabilitation, modification and post-authorization planning of the port or harbor improvement project or a separable element thereof for which such amounts have been provided by a project sponsor.

SEC. 105. Project sponsors shall provide traditional local cooperation requirements for operation and maintenance of port or harbor improvement projects and for rehabilitation, modification, and construction of general navigation features of such projects, including but not limited to provision of lands, easements, rights-of-way, necessary relocations, and any necessary and suitable dredged material disposal areas. The costs of these requirements shall be credited toward the non-federal share of costs pursuant to section 103 in the case of rehabilitation, modification and construction of general navigation features and pursuant to section 102(a) in the case of operation and maintenance of port and harbor improvement projects. With respect to disposal areas which may be used for disposal of dredged material in connection with both the operation and maintenance of a port or harbor improvement project and the rehabilitation, modification and construction of general navigation features, the Secretary shall determine that portion of the cost of the disposal area assignable to federal operation and maintenance and that portion assignable to federal rehabilitation, modification and construction on the basis of the estimated proportionate share of cubic yards of dredged material to be discharged at such disposal areas for each of those purposes. The Secretary shall credit the proportionate share of the cost of such disposal area to the non-federal share of operation and maintenance and of rehabilitation, modification, and construction.

SEC. 106. (a) Notwithstanding any other provision of federal law prohibiting or limiting the authority of non-federal public bodies to impose a toll or other charge for the use of the navigable waters of the United States, any project sponsor, upon enactment of this title and in accordance with the provisions of this section, is authorized to recover any amounts needed to pay or service obligations undertaken for the purpose of providing the non-federal share of operation and maintenance costs pursuant to section 102(a), for the purpose of providing the non-federal share of construction, rehabilitation, modification and post-authorization planning costs pursuant to section 103(a) of this title or for the purpose of constructing any general navigation features pursuant to section 113 of this title, including associated administrative expenditures, by the collection of fees for the use of such projects by vessels in waterway transportation. Such fees shall be established after a public hearing held pursuant to applicable state law and shall reflect to a reasonable degree the benefits provided by the project to a particular class or type of vessel. Pursuant to Article I, Section 10, Clause 2 of the Constitution of the United States, the Congress hereby consents to the imposition by any state of any imposts or duties on imports or exports only to the extent that such imposts or duties are in connection with non-federal cost-sharing requirements established pursuant to section 102 or section 103 of this title or for expenses incurred pursuant to activities under section 113 of this title.

(b) Fees authorized pursuant to this section shall be collected in accordance with a published fee schedule which shall be submitted to the Secretary for approval not less

than ninety days prior to its effective date. The Secretary, in consultation with other affected federal agencies, shall approve the fee schedule only if he determines that the fees do not conflict with the requirements of this title, other federal law, and the international obligations of the United States.

SEC. 107. No fees shall be collected under the authority of this title from—

(1) vessels not engaged in commercial activity which are owned by, or under bareboat charter or time charter to, or for any purpose under the control or custody of the United States, or any of its officers, agents, employees or of any corporation wholly owned by the United States;

(2) vessels not engaged in commercial activity which are owned by, or under bareboat charter or time charter to, any other nation; any of its officers, agents, employees or of any corporation wholly owned by any other nation;

(3) vessels used by a state, or political subdivision thereof, transporting persons or property in the business of the state or political subdivision; or

(4) vessels engaged in dredging activities or in intraport movements.

SEC. 108. This title shall not be construed to prohibit or otherwise interfere with any authority of the Department of the Army, the United States Coast Guard, the Department of the Navy or any other agency or department of the United States Government to construct, operate, maintain, or improve any port or harbor improvement project or other navigation improvement for purposes of national defense or the navigation and transportation requirements of the United States Coast Guard and the Department of the Navy.

SEC. 109.(a) There is established a task force to be known as the Port and Harbor Improvement Task Force (hereinafter referred to as the "Task Force") composed of the Secretaries of the Treasury, the Interior, Commerce, Agriculture, and Transportation and the Administrator of the Environmental Protection Agency (or their designees), and fifteen members selected by the Secretary, one of whom shall be designated by the Secretary as Chairman. The non-federal members shall be selected so as to represent various regions of the United States and a spectrum of interests, including non-federal public bodies that operate ports associated with port and harbor improvement projects, concerns engaged in water transportation, importers, and exporters. The non-federal members of the Task Force shall serve for a term of four years; except that in making the initial appointments to the Task Force, the Secretary may appoint members for terms less than four years to facilitate orderly rotation of members. The Task Force shall be subject to the Federal Advisory Committee Act (86 Stat. 770; 5 U.S.C. App. 2), as amended, and with the consent of the appropriate agency head, the Task Force may use the facilities and services of any federal agency.

(b) The Task Force shall meet at least annually to develop and make recommendations to the Secretary concerning operations, maintenance, and improvement of port or harbor improvement projects. The Secretary shall give consideration to the recommendations of the Task Force.

(c) Non-federal members of the Task Force, while engaged in the performance of their duties away from their homes or regular place of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

SEC. 110. The Secretary, acting through the Chief of Engineers, may study the feasibility of the construction of port or harbor improvement projects and common navigation improvements or the improvement, rehabilitation, or modification of an existing port or harbor improvement project and common navigation improvements if the Chief of Engineers determines, on the basis of a reconnaissance study, that the feasibility study will likely result in a justifiable project. The Chief of Engineers may consult with concerned non-federal public bodies and appropriate agencies and departments of the United States Government before initiating a feasibility study authorized by this section. Any such feasibility study would be subject to the cost sharing requirements of title II of this Act.

SEC. 111. When a non-federal public body enters into an agreement with the Secretary concerning a plan of improvement for a port or harbor improvement project in accordance with section 104 of this title, the Secretary, acting through the Chief of Engineers, may design, construct, operate, and maintain the plan of improvement, if the Secretary has determined that the plan of improvement is feasible and justified, subject to the requirements of section 112.

SEC. 112.(a)(1) Before the Secretary, acting through the Chief of Engineers, may initiate construction of a plan of improvement authorized under section III of this title, the Secretary shall submit to Congress—

(A) a final environmental impact statement for the plan of improvement, if the Secretary determines that the statement is required by the National Environmental Policy Act of 1969 (83 Stat. 852; 42 U.S.C. 4331 et seq.); and

(B) a statement of the Secretary's compliance, as of the date of such submission, with: the Clean Water Act (86 Stat. 816; 33 U.S.C. 1251 et seq.), as amended; the Fish and Wildlife Coordination Act (48 Stat. 401; 16 U.S.C. 661 et seq.), as amended; and other statutory requirements applicable to the plan of improvement.

(2) The statements required under paragraph (1) of this subsection and any other actions required by the National Environmental Policy Act of 1969 (83 Stat. 852; 42 U.S.C. 4331 et seq.) and other applicable statutes shall be completed on an expedited basis pursuant to schedules established by the Secretary, after consultation with the Chairman of the Council on Environmental Quality and other appropriate federal and state officials. Thereafter federal and state officials shall provide any data and comments, and the public shall be afforded opportunity to participate, in accordance with the Secretary's schedules. Any necessary decisions to be made by federal and state officials must be made in accordance with the Secretary's schedule.

(3) A plan of improvement addressed by an environmental impact statement that is submitted to Congress in accordance with paragraph (1) of this subsection shall be eligible for construction appropriations and implementation and may be undertaken unless a Joint Resolution disapproving the environmental impact statement becomes law within one hundred eighty calendar days of the receipts of the environmental statement by the Congress.

(b) An environmental impact statement which is submitted to Congress in accordance with subsection (a)(1) of this section and is not disapproved pursuant to subsection (a)(3) of this section shall be deemed to satisfy the requirements of section 102(2) of the National Environmental Policy Act of 1969 (83 Stat. 853; 42 U.S.C. 4332 (2)), as amended.

(c) Claims alleging that work authorized by this section will deny rights under the Constitution of the United States or violate any federal or state statutes or regulations may only be filed in a United States District Court for a district in which the work is located or to be located or in which the alleged injury occurs. These courts shall have original jurisdiction over the proceedings and shall assign them for hearing on an expedited basis if good cause exists for an expedited hearing. The courts shall not have jurisdiction to grant any injunctive relief against any actions undertaken pursuant to this section except—

(1) in conjunction with a final judgment entered in a case involving a claim filed under this section; or

(2) where the petitioner presents a clear and convincing showing that the petitioner is likely to prevail on the merits; that without such injunction the petitioner will suffer irreparable harm; that issuance of an injunction will not lead to unreasonable harm to other parties; and that issuance of the injunction is in the public interest.

SEC. 113. (a)(1) Before the initiation of construction and on request from an appropriate non-federal public body in the form of a written notice of intent to construct a port or harbor improvement project, the Secretary shall initiate procedures to establish a schedule for consolidating federal, state, and local agency environmental assessments, project reviews, and issuance of all permits for the construction of the project, including associated access channels and berthing areas, and on-shore improvements.

(2) Within fifteen days of the receipt of the notice under paragraph (1) of this subsection, the Secretary shall publish that notice in the Federal Register. The Secretary also shall provide written notification of the receipt of a notice under paragraph (1) of this subsection to all federal, state, and local agencies that may be required to issue permits for the construction of the project or related activities. The Secretary shall solicit the cooperation of those agencies and request their entry into a memorandum of agreement notify the Secretary of their intent in writing.

(3) Within ninety days of receipt of notice under paragraph (1) of this subsection, the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and any federal, state, or local agencies that have notified the Secretary under paragraph (2) of this subsection shall enter into an agreement with the Secretary establishing a schedule of decision-making for permits and related activities. The schedule of decision-making may not exceed two and one-half years from the date of the agreement.

(4) The agreement entered into under paragraph (3) of this subsection, to the maximum extent practicable, shall consolidate hearing and comment periods, procedures for data collection and report preparation, and the environmental review and permitting processes associated with the project and related activities. The agreement shall detail to the extent possible the Department of the Army's or non-federal public body's responsibilities for data development and information that may be necessary to process each permit or approval, including a schedule specifying when the in-

formation and data will be provided to the appropriate federal, state, or local agency.

(5) The agreement shall include a date by which the Secretary, taking into consideration the views of all affected federal agencies, shall provide to the non-federal public body in writing a preliminary determination whether the project and federal permits assocated with it are reasonably likely to receive approval. The Secretary may revise the agreement once to extend the schedule to allow the non-federal interest the minimum amount of additional time necessary to revise its orginal application to meet the objections of a federal, state, or local agency which is a party to the agreement.

(b) Improvements and operation and maintenance of such improvements undertaken pursuant to this section shall be undertaken at no expense to the United States.

SEC. 114. The provisions of this title shall not apply to any channel, lock or other improvement administered by the St. Lawrence Seaway Development Corporation or to any channel, lock, or other improvement, except harbors or harbor components, of the following inland and intracoastal waterways of the United States:

(a) the Mississippi River and its natural and manmade tributaries and connecting channels upstream from Baton Rouge, Louisiana;

(b) all waterways of the United States and their tributaries with an authorized depth of fourteen feet or less emptying into the Gulf of Mexico west of the Mississippi River;

(c) the Gulf Intracoastal Waterway from Saint Marks River, Florida, to Brownsville, Texas;

(d) the Apalachicola River and its tributaries upstream from its junction with the Gulf Intracoastal Waterway;

(e) the Columbia River and its tributaries upstream from a point immediately downstream of the Bonneville Lock and Dam project;

(f) the Pearl River and its tributaries upstream from the junction of the West Pearl River with the Rigolets;

(g) the Mobile River and its tributaries, incuding the Tennessee Tombigbee waterway project, upstream from the Mobile Harbor project;

(h) the Atlantic Intracoastal Waterway between Norfolk, Virginia, and Miami, Florida, via both the Albemarle and Chesapeake Canal and Great Dismal Swamp Canal routes; and

(i) the portions of the Willamette River and its tributaries with authorized depths of fourteen feet or less.

SEC. 115. The following works for improvement of ports and harbors are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated: *Except,* That the total (federal and nonfederal) estimated costs as listed in this title shall be subject to the cost-sharing provisions of this title. For those reports which have been transmitted to Congress before the date of enactment of this title, a reference to a report of the Chief of Engineers is deemed to include any modifications or recommendations of the Secretary when transmitting such reports or recommendation to the Congress other than recommendations with respect to cost-sharing which are inconsistent with the requirements of this title.

(1) Savannah Harbor Widening, Georgia: Report of the Chief of Engineers dated December 19, 1978, at an estimated total cost of $19,175,000 (October 1984);

(2) Kodiak Harbor, Alaska: Report of the Chief of Engineers dated September 7, 1976, at an estimated total cost of $14,641,000 (October 1984);

(3) Sacramento River, Deepwater Ship Channel, California: Report of the Chief of Engineers dated November 20, 1981, at an estimated total cost of $125,300,000 (October 1984);

(4) New Haven Harbor, Connecticut: Report of the Chief of Engineers dated July 26, 1982, at an estimated total cost of $25,900,000 (October 1984);

(5) Oakland Outer Harbor, California: Report of the Chief of Engineers dated January 7, 1980, supplemented July 1, 1983 at an estimated total cost of $42,400,000 (October 1984);

(6) Grand Haven Harbor, Michigan: Report of the Chief of Engineers dated October 9, 1979, at an estimated total cost of $17,200,000 (October 1984);

(7) Gulfport Harbor, Mississippi: Report of the Chief of Engineers dated January 16, 1978, at an estimated total cost of $78,968,000 (October 1984), except that the project is authorized for construction;

(8) Wilmington Harbor, Northeast Cape Fear River, North Carolina: Report of the Chief of Engineers dated September 16, 1980, at an estimated total cost of $9,718,000 (October 1984);

(9) Gowanus Creek Channel, New York: Report of the Chief of Engineers dated September 14, 1982, at an estimated total cost of $3,230,000 (October 1984);

(10) San Juan Harbor, Puerto Rico, Phase I GDM: Report of the Chief of Engineers dated December 23, 1982, at an estimated total cost of $86,334,000 (October 1984);

(11) Charleston Harbor, South Carolina: Report of the Chief of Engineers dated August 27, 1981, at an estimated total cost of $84,032,000 (October 1984);

(12) Brazos Island Harbor, Texas, Brownsville Channel: Report of the Chief of Engineers dated December 20, 1979, at an estimated total cost of $31,417,000 (October 1984);

(13) Blair and Sitcum Waterways, Tacoma Harbor, Washington: Report of the Chief of Engineers dated February 8, 1977, at an estimated total cost of $34,720,000 (October 1984);

(14) Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers dated November 20 1981, at an estimated total cost of $538,000,000 (October 1984);

(15) Monroe Harbor, Michigan: Report of the Chief of Engineers dated November 25, 1981, at an estimated total cost of $139,400,000 (October 1984);

(16) Jacksonville Harbor, Mill Cove, Florida: Report of the Chief of Engineers dated July 26, 1983, at an estimated total cost of $6,575,000 (October 1984); and

(17) Manatee Harbor, Florida: Report of the Chief of Engineers dated May 12, 1980, at an estimated total cost of $16,115,000 (October 1984).

TITLE II—OTHER WATER RESOURCES COST SHARING

SEC. 201. (a) The construction or implementation of Corps of Engineers water or related land resources projects (including small projects not specifically authorized by Congress), or separable elements thereof, authorized for construction in this Act, or subsequent acts of Congress, or in any other law enacted before the date of enactment of this Act and on which physical construction has not been initiated prior to the date of enactment shall be initiated only after nonfederal interests have entered into binding agreements with the Corps of Engineers, agreeing to pay 100 percent of operation, maintenance, and rehabilitation costs, and agreeing to share in the assigned joint and separable costs of implementation as follows:

(1) hydroelectric power: 100 percent;

(2) municipal and industrial water: 100 percent;

(3) recreation: 50 percent;

(4) flood damage reduction: 35 percent;

(5) hurricane and storm damage reduction: 35 percent;

(6) agricultural water supply: 35 percent;

(7) fish and wildlife enhancement: 100 percent;

(8) aquatic plant control: 50 percent.

(b) The agreement required pursuant to subsection (a) of this section shall be in accordance with the requirements of section 221 of the Flood Control Act of 1970 (84 Stat. 1818) and shall provide for the rights and duties of the United States and the project sponsor with respect to the construction, operation and maintenance of the project, including, but not limited to, provisions specifying that, in the event the project sponsor fails to provide the required non-federal share of costs for such work, the Secretary:

(1) shall terminate or suspend work on the project unless the Secretary determines that continuation of the work is in the interest of the United States or is necessary in order to satisfy agreements with other nonfederal interests in connection with the project; and,

(2) may terminate or adjust the rights and privileges of the project sponsor to project outputs under the terms of the agreement.

(c) Costs of implementing the following projects or measures shall be assigned to appropriate project purposes listed in subsection (a) and shall be shared in the same percent as the purposes to which the costs are assigned:

(1) beach erosion control;

(2) fish and wildlife mitigation; and

(3) water quality enhancement;

Except that, for beach erosion control projects all costs assigned to benefits to privately owned shores or to prevention of land losses shall be borne by non-federal interests.

(d) The non-federal share of implementation costs shall be in cash or in-kind during construction of the projects except that non-federal contributions during construction for flood damage reduction, hurricane and storm damage reduction, recreation, and agricultural water supply shall be consistent with the ability of the non-federal interest to pay at the time project expenditures are made. The ability of any non-federal interest to pay shall be determined by the Secretary in accordance with procedures established by the Secretary.

(e) When the Secretary determines in accordance with this section that the non-federal interest has a limited ability to pay during construction, a portion of the nonfederal contribution may be repaid over the useful life of the project but in no event over a period of more than fifty years from the date of project completion, subject to a schedule developed by the Secretary. Any repayment under this section shall include interest at the interest rate determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to ma-

turity comparable to the reimbursement period, during the month preceding the fiscal year in which funds for construction of the project are disbursed.

(f) The requirements of the section shall not apply to any navigation project or navigation component of a multipurpose project.

SEC. 202.(a) Non-federal interests shall contribute 50 percent of the cost of any feasibility study for any water resources study prepared by the Secretary except for studies of channel and lock improvements on inland and intracoastal waterways as described in section 114 of this Act. Not less than one-half of such non-federal contribution shall be in cash and the balance may be in services, materials, or supplies necessary to prepare the feasibility report. A reconnaissance analysis at full federal expense shall be completed prior to the feasibility study.

(b) This section shall not apply to water resources studies for which federal funds have been obligated beyond the reconnaissance stage before the date of enactment of this Act, unless a non-federal interest has previously entered into a cost-sharing agreement with the Secretary, in which case the cost-sharing provisions of this section shall apply to the remaining costs of the study.

TITLE III—PROJECT AUTHORIZATIONS

SEC. 301. The following works of improvement of rivers and harbors and other waterways for flood damage reduction and other purposes are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated: Except, that the total (federal and non-federal) estimated costs as listed in this title shall be subject to the cost sharing provisions of title II of this Act. For those reports which have been transmitted to Congress before the date of enactment of this act, a reference to a report of the Chief of Engineers is deemed to include any modification or recommendation of the Secretary when transmitting such report or recommendation to the Congress other than recommendations with respect to cost-sharing which are inconsistent with the requirements of title II of this Act.

(a) FLOOD DAMAGE REDUCTION.—

(1) Fountain Creek, Pueblo, Colorado, Phase I GDM: Report of the Chief of Engineers dated December 23, 1981, at an estimated total cost of $8,400,000 (October 1984);

(2) Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers dated July 9, 1979, at an estimated total cost of $27,300,000 (October 1984);

(3) Town Brook Local Protection, Quincy Coastal Streams, Massachusetts: Report of the Chief of Engineers, dated December 14, 1981, at an estimated total cost of $26,500,000 (October 1984), except that work completed by the project sponsor, which is certified by the Division Engineer as being compatible with and an integral part of the project, may be credited toward the sponsor's share of project costs.

(4) Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers dated August 10, 1979, at an estimated total cost of $14,950,000 (October 1984);

(5) Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers dated September 4, 1981, at an estimated total cost of $30,700,000 (October 1984);

(6) Cache Creek Basin, California: Report of the Chief of Engineers dated April 27, 1981, at an estimated total cost of $30,700,000 (October 1984), provided the Secretary acts in coordination with the State of California to assure that such project poses no danger to any component of its State park system;

(7) Redbank and Fancher Creeks, California: Report of the Chief of Engineers dated May 7, 1981, at an estimated total cost of $84,100,000 (October 1984);

(8) Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at an estimated total cost of $781,000,000 (October 1984);

(9) Oates Creek, Georgia: Report of the Chief of Engineers dated December 23, 1981, at an estimated total cost of $13,472,000 (October 1984);

(10) Agana River, Guam: Report of the Chief of Engineers dated March 14, 1977, at an estimated total cost of $9,080,000 (October 1984);

(11) Big Wood River and Tributaries, Idaho, Interim Report—Little Wood River, Vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers dated November 2, 1977, at an estimated total cost of $4,420,000 (October 1984);

(12) Rock River at Rockford and Vicinity, Illinois, Loves Park Interim: Report of the Chief of Engineers dated September 15, 1980, at an estimated total cost of $27,720,000 (October 1984);

(13) Des Moines River Basin, Iowa and Minnesota: Report of the Chief of Engineers dated July 22, 1977, at an estimated total cost of $15,340,000 (October 1984);

(14) Interim Report on Perry Creek, Iowa: Report of the Chief of Engineers dated February 4, 1982, at an estimated total cost of $18,900,000 (October 1984);

(15) Redwood River at Marshall, Minnesota: Report of the Chief of Engineers dated November 16, 1981, at an estimated total cost of $4,283,000 (October 1984);

(16) Root River Basin, Minnesota: Report of the Chief of Engineers dated May 13, 1977, at an estimated total cost of $8,195,000 (October 1984);

(17) South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers dated February 23, 1979, at an estimated total cost of $93,942,000 (October 1984);

(18) Horn Lake Creek and Tributaries, including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated January 4, 1983, at an estimated total cost of $3,400,000 (October 1984);

(19) Robinson's Branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers dated October 10, 1975, at an estimated total cost of $18,320,000 (October 1984);

(20) Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers dated October 24, 1975, at an estimated total cost of $16,938,000 (October 1984);

(21) Green Brook Subbasin, Raritan River Basin, New Jersey: Report of the Chief of Engineers dated September 4, 1981, at an estimated total cost of $76,530,000 (October 1984);

(22) Puerco River and Tributaries, Gallup, New Mexico: Report of the Chief of Engineers dated September 4, 1981, at an estimated total cost of $4,160,000 (October 1984);

(23) Cazenovia Creek Watershed, New York: Report of the Chief of Engineers dated September 8, 1977, at an estimated total cost of $3,025,000 (October 1984);

(24) Mamaroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers dated April 4, 1979, at an estimated total cost of $59,960,000 (October 1984);

(25) Hocking River at Logan and Nelsonville, Ohio: Report of the Chief of Engineers dated June 23, 1978, at an estimated total cost of $7,760,000 for Logan and $8,020,000 for Nelsonville (October 1984);

(26) Miami River, Little Miami River, Interim Report Number Two, West Carrollton, Holes Creek, Ohio: Report of the Chief of Engineers dated December 23, 1981, at an estimated total cost of $6,080,000 (October 1984);

(27) Muskingum River Basin, Ohio: Report of the Chief of Engineers dated February 3, 1978, at an estimated total cost of $4,256,000 for Mansfield (October 1984);

(28) Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers dated November 16, 1981, at an estimated total cost of $133,000,000 (October 1984);

(29) Harrisburg, Pennsylvania, Phase I GDM: Report of the Chief of Engineers dated May 16, 1979, at an estimated total cost of $132,900,000 (October 1984);

(30) Lock Haven, Pennsylvania, Phase I GDM: Report of the Chief of Engineers dated December 14, 1981, at an estimated total cost of $79,225,000 (October 1984);

(31) Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers dated January 30, 1978, at an estimated total cost of $7,853,000 (October 1984);

(32) Buffalo Bayou and Tributaries, Upper White Oak Bayou, Texas: Report of the Chief of Engineers dated June 13, 1978, at an estimated total cost of $90,670,000 (October 1984);

(33) James River Basin, Richmond, Virginia, Phase I GDM: Report of the Chief of Engineers dated November 16, 1981, at an estimated total cost of $101,200,000 (October 1984);

(34) Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers dated February 8, 1977, at an estimated total cost of $21,940,000 (October 1984);

(35) Yakima-Union Gap, Washington: Report of the Chief of Engineers dated May 7, 1980, at an estimated total cost of $9,323,000 (October 1984);

(36) Metro Denver and South Platte River, Colorado: Report of the Chief of Engineers dated July 14, 1983, at an estimated total cost of $10,563,000 (October 1984); and

(37) Indian River County, Florida: Report of the Chief of Engineers dated December 21, 1981, at an estimated total cost of $4,932,000 (October 1984).

(b) FISH AND WILDLIFE MITIGATION.—

(1) Fish and Wildlife Program for the Sacramento River Bank Protection Project, California, First Phase: Report of the Chief of Engineers dated September 1, 1981, at an estimated total cost of $1,415,000 (October 1984);

(2) Davenport, Iowa Local Protection Project—Fish and Wildlife Mitigation Plan: Report of the Chief of Engineers dated July 9, 1979, at an estimated total cost of $497,000 (October 1984); and

(3) Smithville Lake, Little Platte River, Missouri—Plan for Replacement of the Trimble Wildlife Area: Report of the Chief of Engineers dated September 22, 1977, at an estimated total cost of $7,870,000 (October 1984).

TITLE IV—PROJECT PROVISIONS

SEC. 401. The authorization for the Lake Brownwood Modification Project, Pecan Bayon, Texas, contained in Section 203 of

the Flood Control Act of 1968 (82 Stat. 742), is hereby terminated.

SEC. 402.(a) In addition to previous authorizations, there is authorized to be appropriated for the prosecution of the comprehensive plan of development of each river basin or project, that is referred to below by name and date of basic authorization, such sums as are necessary for the Secretary, acting through the Chief of Engineers, to complete the comprehensive plan of development.

Basin	Act of Congress
Alabama-Coosa River basin	Mar. 2, 1945.
Arkansas River basin	June 28, 1938
Arkansas-Red River basin	Nov. 7, 1966.
Baltimore Harbor	Dec. 31, 1970.
Blue River basin	Dec. 31, 1970.
Brazos River basin	Sep. 3, 1954.
Central and southern Florida	June 30, 1948.
Columbia River basin	May 17, 1950.
Connecticut River basin	June. 22, 1936.
Cottonwood Creek, CA	Dec. 31, 1970.
Gulf Intracoastal Waterway, St. Marks, Tampa	Aug. 13, 1968.
Mississippi River and tributaries	May 15, 1928.
Missouri River basin	June 28, 1938.
North Branch Susquehanna River basin	July 3, 1958.
Ohio River basin	June 22, 1936.
Ouachita River basin	May 17, 1950.
Red Run Drain and lower Clinton River	Dec. 31, 1970.
Red River Waterway	Aug. 13, 1968.
Sabine River basin	Dec. 31, 1970.
Sacramento River basin	Dec. 22, 1944.
San Joaquin River basin	Dec. 22, 1944.
Santa Ana River basin	June 22, 1936.
South Platte River basin	May 17, 1950.
Tampa Harbor	Dec. 31, 1970.
Trinity River basin	Oct. 27, 1965.
Upper Mississippi River basin	June 28, 1938.
Wabash River basin	Aug. 13, 1968.
White River basin	June 28, 1938.

(b) The sums authorized by this section include those necessary for the Secretary, acting through the Chief of Engineers, to complete local flood protection in the Columbia River Basin, as authorized by Section 204 of the Flood Control Act of 1950 (64 Stat. 178).

SEC. 403. (a) The Secretary, on the recommendation of the Chief of Engineers, is authorized, in his discretion, to permit the delivery of water from the District of Columbia water system at the Dalecarlia filtration plant, or at other points on the system, to any competent state or local authority in the Washington, D.C., metropolitan area in Maryland. All of the expense of installing the connection or connections and appurtenances between the water supply systems and any subsequent changes therein shall be paid by the requesting entity, which shall also pay such charges for the use of the water as the Secretary may, from time to time in advance of delivery, determine to be reasonable. Payments shall be made at such time, and pursuant to such regulations, as the Secretary prescribes. The Secretary may revoke any permit for the use of water at any time.

(b) The Secretary, acting through the Chief of Engineers, is authorized to purchase water from any competent state or local authority in Maryland or Virginia that has, at the time of purchase, completed a connection with the District of Columbia water system. The Chief of Engineers is authorized to pay such charges for the use of the water as the Secretary has agreed upon in advance of delivery.

SEC. 404. Section 110(f) of the River and Harbor Act of 1958 (72 Stat. 303), as amended, is amended by striking the figure "$6,528,000" and substituting the figure "$13,195,000."

SEC. 405. The Secretary of the Army, acting through the Chief of Engineers, is authorized to relocate the boundaries of the City Waterway, Tacoma Harbor, Washington in accordance with the provisions of the report of the Chief of Engineers dated May 3, 1983, at an estimated cost of $5,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. Where a private interest, public body or cooperative proposes to provide the non-federal share of the costs, as specified in title II of this Act, for any hydroelectric project or facility authorized to be undertaken by the Secretary, including work authorized pursuant to section 502 of this title, the Secretary shall consult with the Secretary of Energy and may enter into agreements with the participating project sponsor and the Secretary of Energy for delivery to the participating project sponsor of electric power generated at the project or facility which is not required for operation of the overall project in consideration for the payment, pursuant to title II of this Act, of costs assigned to hydroelectric power. Subject to the provisions of section 201(b) of this Act power from such hydroelectric projects or facilities shall be made available to project sponsors for a period of up to fifty years from the date the project first becomes operational for hydroelectric purposes, as determined by the Secretary. The Secretary of Energy is authorized to provide services and related facilities in connection with the transmission of such hydroelectric power on a reimbursable basis and to provide equivalent electric power.

SEC. 502. (a) The Secretary is authorized to plan, design, construct, operate, and maintain new or additional hydroelectric generating facilities at any water resources development project of the Department of the Army where the Secretary determines that such development by a non-federal entity under the Federal Power Act is not advisable. The exercise of the authority conferred in this section shall be subject to the provision of sections 201, 202, and 501 of this Act relating to sharing of project costs and the distribution of power produced.

(b) Before undertaking any work pursuant to this section, the Secretary shall enter into a binding agreement with non-federal interests which describes the nature, extent, and financing of the project to be undertaken and the respective rights and obligations of the United States and the non-federal interests.

SEC. 503. (a) The Secretary is hereby authorized to plan, design, and construct, on behalf of non-federal interests, hydroelectric power generating facilities at authorized water resources development projects of the Department of the Army where hydropower is not authorized and to contract for such work with funds made available by non-federal interests for such planning, design, and construction.

(b) Before undertaking any work authorized in subsection (a), the Secretary shall enter into a binding agreement with the non-federal interests which describes the nature, extent, and financing of the work to be performed and the respective rights and obligations of the United States and the non-federal interests, and which includes the provisions specified in section 201(b) of this Act. In the agreement, the non-federal interests shall agree: (1) to operate and maintain any hydroelectric generating facilities constructed pursuant to subsection (a) in a manner which will not interfere with authorized purposes of the federal project; and (2) to hold and save the United States free from damages due to or arising from any of the work performed on behalf of the non-federal interests.

(c) All work authorized in subsection (a) shall be subject to the provisions of the Federal Power Act.

SEC. 504. Section 221 of the Flood Control Act of 1970 (84 Stat. 1831) is amended as follows:

(a) Subsection (b) is amended by deleting the period at the end of the sentence, inserting in lieu thereof a semicolon, and inserting thereafter the following: *"Provided*, That, where the non-federal interest is the state itself, the agreement may reflect that it does not obligate future legislative appropriations or other funds for such performance and payment when obligating future appropriations or other funds would be inconsistent with state constitutional or statutory limitations; except that, where the agreement reflects that it does not obligate future appropriations or other funds, the agreement shall provide that the state shall be liable for damages to the United States resulting from the state's failure to appropriate or otherwise provide funds as part of the state's requirements of local cooperation."

(b) Subsection (e) is repealed, and subsection (f) is hereby redesignated as subsection "(e)".

SEC. 505. Whenever the Secretary transmits a report to Congress recommending implementation of a water resources development project and the Secretary determines that proceeding with advance engineering and design pending authorization of the project is in the public interest, the Secretary, acting through the Chief of Engineers, may initiate advance engineering and design of the project.

SEC. 506. Section 12 of the Water Resources Development Act of 1974 (86 Stat. 16; 33 U.S.C. 579), as amended, is amended as follows:

(1) in the first sentence of subsection (a), insert "and separable project elements" immediately after "authorized projects";

(2) immediately after the first sentence in subsection (a), insert a new sentence that reads—

"The Secretary of the Army, acting through the Chief of Engineers, shall use the same discount rate and evaluation procedures in effect for formulation of water resources projects at the time of reevaluation,";

(3) in the second, third, and fourth sentences of subsection (a), insert "or separable project element" immediately after "project" each time it appears;

(4) amend the second sentence in subsection (b) to read—

"A project or separable project element on such list shall not be authorized at the end of the first period of ninety calendar days of continuous session of Congress after the date such list is delivered to it.";

(5) in the fourth sentence of subsection (b), insert "or separable project element" immediately after "project" and insert "and separable project elements" immediately after "projects";

(6) in subsection (c) delete "projects" and insert "separable project element" in lieu thereof;

(7) delete subsection (d) and redesignate subsequent subsections accordingly;

(8) in the first sentence of redesignated subsection (d), insert "and separable project elements" immediately after "projects" each time it appears; and

(9) in the second sentence of redesignated subsection (d), insert "or separable project element" immediately after "project" each time it appears.

(10) by adding new subsections (e) and (f) at the end of the section as follows:

"(e) Any study of a work or improvement of rivers or harbors and other waterways for navigation, beach erosion, flood control, and other purposes, which has been authorized to be undertaken by the Secretary of the Army, acting through the Chief of Engineers, pursuant to a statute providing authority for such study, shall no longer be authorized if no funds are obligated for such study within the five-year period preceding the determination.

"(f) When the Secretary of the Army determines that Federal operation and maintenance of any water resources project or separable element thereof under the Secretary of the Army's supervision is no longer in the public interest, the Secretary shall transmit to Congress, in accordance with subsection (b) of this section, a report stating such determination and the reason therefor. Any project or separable part thereof so identified shall not be authorized at the end of the first period of ninety calendar days of continuous session of Congress after the date such list is delivered to it. For the purposes of this section continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the ninety-day period. The Secretary may salvage such physical features of projects as the Secretary determines may reasonably be used to prosecute authorized civil works activities. All other project features, including real estate interests, shall be reported as excess to the Administrator of General Services for disposal in accordance with applicable law."

SEC. 507. The Act approved August 8, 1972, Public Law 92-367, is amended by redesignating section 6 as section 7 and adding a new section 6 as follows:

"SEC. 6. The Secretary is authorized to maintain and periodically update the inventory of dams authorized in section 5 of this Act."

SEC. 508.(a) The California Debris Commission is hereby abolished and the Act of March 1, 1893, ch. 193, (27 Stat. 507; 33 U.S.C. 661-685), as amended is hereby repealed.

(b) All of the remaining authorities, powers, functions, and duties of the California Debris Commission shall be transferred to the Secretary, acting through the Chief of Engineers.

(c)(1) The assets, liabilities, contracts, property, and records of the California Debris Commission, the unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to the Commission, and any funds to be made available pursuant to section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) in connection with the functions transferred by this Act, shall be transferred to the Secretary, acting through the Chief of Engineers.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated or as provided by contract.

(3) The Secretary, acting through the Chief of Engineers, is hereby authorized to retain all real property interests presently under the jurisdiction of the California Debris Commission and to take such actions as are necessary to consolidate holdings and perfect title.

SEC. 509. Section 111 of the River and Harbor Act of 1968 (82 Stat. 735, 33 U.S.C. 426i) is amended to read as follows:

"The Secretary of the Army is authorized, at his discretion, to investigate, study, plan, and implement structural and nonstructural measures for the prevention or mitigation of shore damages attributable to federal navigation works provided that, a non-federal public body agrees to operate and maintain such measures, and, in the case of interests in real property acquired in conjunction with nonstructural measures, to operate and maintain the property for public purposes in accordance with regulations prescribed by the Secretary. The costs of implementing measures under this section shall be cost-shared in the same proportion as the cost-sharing provisions applicable to the project causing the shore damage. No project shall be initiated without specific authorization by Congress if the estimated federal first cost exceeds $1,000,000."

SEC. 510. (a) Section 15 of the Rivers and Harbors Act of 1899, (30 Stat. 1152; 33 U.S.C. 409) is amended as follows:

(1) by deleting the words "voluntarily or carelessly";

(2) by deleting the words "accidentially or otherwise,"; and

(3) by inserting the words ", lessee, or operator" immediately after the word "owner" in each place where it appears.

(b) Sections 19 and 20 of the Rivers and Harbors Act of 1899 (30 Stat. 1154; 33 U.S.C. 414 and 415) are amended by inserting the word "(a)" in front of the first word of each section and adding the following new subsection at the end of each section:

"(b) The owner, lessee, or operator of such vessel, boat, watercraft, raft, or other obstruction as described in this section shall be jointly and severally liable to the United States for the cost of removal or destruction and disposal as described which exceeds the costs recovered under subsection (a). Any amount recovered from the owner, lessee, or operator of such vessel pursuant to this subsection to recover costs in excess of the proceeds from the sale or disposition of said vessel shall be deposited in the general fund of the Treasury of the United States."

SEC. 511. Notwithstanding any other provision of law, the Secretary may dispose of any vessel, and any related equipment, which is owned by the United States and under the control of the Corps of Engineers and is used for dredging, through sale or lease to a foreign government as part of a Corps of Engineers technical assistance program or to a federal or state maritime academy for training purposes, or through sale solely for scrap to foreign or domestic interests. Any such vessel shall not be disposed of under this section or any other provision of law for use within the United States for the purpose of engaging in dredging activities. Amounts collected from the sale or lease of any such vessel or equipment shall be deposited into the revolving fund authorized by section 101 of the Civil Functions Appropriations Act, 1954 (67 Stat. 199; 33 U.S.C. 576), to be available, as provided in appropriations acts, for the operation and maintenance of vessels under the control of the Corps of Engineers.

SEC. 512. Section 3036(d) of Title 10, United States Code, is amended by deleting the words "and may provide" and adding in lieu thereof the following:

"and, on a reimbursable basis, to a State or political subdivision thereof. Services provided to a State or political subdivision thereof shall be undertaken only on condition that: (1) the work to be undertaken on behalf of non-Federal interests involves Federal assistance; and (2) the department or agency providing Federal assistance for the work does not object to the provision of services by the Chief of Engineers. The Chief of Engineers may provide. . ."

SEC. 513. Section 5 of the Act of March 4, 1915 (38 Stat. 1049; 33 U.S.C. 562), is amended by inserting the words "and after the project becomes operational" after the word "Acts" and before the comma.

SEC. 514. (a) Section 208 of the Flood Control Act of 1954 (68 Stat. 1266; 33 U.S.C. 701g) as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000."

"(b) Section 14 of the Act of July 24, 1946 (60 Stat. 653; 33 U.S.C. 701r), as amended, is hereby amended by striking out "$250,000" and inserting in lieu thereof "$500,000."

"(c) Section 205 of the Flood Control Act of 1948 (62 Stat. 1182; 33 U.S.C. 701s), as amended, is hereby amended by striking out "$4,000,000" and inserting in lieu thereof "$4,500,000."

"(d) Subsection 107(b) of the River and Harbor Act of 1960 (74 Stat. 486; 33 U.S.C. 577), as amended, is amended by striking out "$2,000,000" and inserting in lieu thereof "$3,500,000."

"(e) Section 3 of the Act approved August 13, 1946 (60 Stat. 1056; 33 U.S.C. 426g), as amended, is amended by striking out "$1,000,000" and inserting in lieu thereof "$3,000,000."

SEC. 515. Section 14 of the Act of March 3, 1899 (30 Stat. 1152; 33 U.S.C. 408) is amended by inserting a colon in place of the period at the end of the section and inserting thereafter:

"Provided further, that the Secretary may, on the recommendation of the Chief of Engineers, grant permission for the alteration or permanent occupation or use of any of the aforementioned public works when in the judgment of the Secretary such occupation or use will not be injurious to the public interest and will not impair the usefulness of such work."

SEC. 516. (a) In the event of a declaration of war or a declaration by the President of a national emergency in accordance with the National Emergencies Act (90 Stat. 1255; 50 U.S.C. 1601) that requires or may require use of the Armed Forces, the Secretary, without regard to any other provision of law, may (1) terminate or defer the construction, operation, maintenance or repair of any Department of the Army civil works project that he deems not essential to the national defense, and (2) apply the resources of the Department of the Army's civil works program, including funds, personnel, and equipment, to construct or assist in the construction, operation, maintenance, and repair of authorized civil works, military construction, and civil defense projects that are essential to the national defense.

"(b) The Secretary shall immediately notify the appropriate committees of Congress of any actions taken pursuant to the authorities provided by this section, and shall cease to exercise such authorities not later than one hundred eighty calendar days after the termination of the state of war or national emergency, whichever occurs later.

SEC. 517. In the case of any water resources project which is authorized to be constructed by the Secretary before, on, or after the date of enactment of this Act, construction of which has not commenced before such date of enactment, and which

involves congressionally authorized acquisition of lands or interests in lands for mitigation of fish and wildlife enhancement, such lands or interest shall be acquired concurrent with the acquisition of lands and interests in lands for project purposes (other than for mitigation of fish and wildlife losses or enhancement of fish and wildlife), as the Secretary determines appropriate.

SEC. 518. Section 111 of the Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 555), is amended by (1) inserting "no more than $50,000" in lieu of "$100"; and, (2) inserting a new sentence at the end thereof as follows:

"In addition, the Secretary may assess a civil penalty of up to $25,000, per violation, against any person or entity that fails to provide timely, accurate statements required to be submitted pursuant to this section by the Secretary".

SEC. 519. Section 1 of the Act of June 13, 1902, ch. 1079 (32 Stat. 371; 33 U.S.C. 565), is amended by inserting "except pursuant to section 106 of the Water Resources Development Act of 1985," after the phrase "and no toll shall be imposed on account thereof,".

SEC. 520. Section 210 of the Flood Control Act of 1968 (82 Stat. 746; 16 U.S.C. 460d-3) is repealed.

DEPARTMENT OF THE ARMY,
Washington, DC, February 20, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To authorize the United States Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes" (the Water Resources Development Act of 1985).

This proposal, in conjunction with legislation for the inland waterway system which is being transmitted separately, represents most of the Department of the Army's Civil Works legislative program for the 99th Congress. The Office of Management and Budget advises that these proposals are in accord with the President's program. The Department of the Army recommends that Congress enact these proposals.

PURPOSE OF THE LEGISLATION

As you know, the last water resources development bill for the Corps of Engineers was enacted in 1976. Since that time new construction funding has fallen off by more than two-thirds in constant dollars. This decrease has resulted not from a paucity of needed and worthwhile projects, but rather from a growing realization by recent Administrations and the Congress that we need to restructure the way projects are funded before we commit scarce federal dollars to them.

Virtually every study of federal water resources development projects undertaken in the last ten years, including studies by the General Accounting Office and the Congressional Budget Office, has concluded that the traditional federal subsidy for water projects is no longer justified. Since the Administration of Franklin Delano Roosevelt, the executive branch has been recommending increases in user charges or revisions in cost-sharing for federal water projects. Despite this urging, the formulas for cost-sharing have remained largely unchanged.

During the last Congress the House and Senate toiled to develop an omnibus water bill. All of us who are interested in meeting the Nation's water resources needs commend the Chairman and ranking Members of the committees and subcommittees with legislative jurisdiction over this issue. While we admire the effort that went into the House and Senate omnibus bills, we felt that the proposals that were developed fell short of what would be acceptable in the cost-sharing arena and went too far in authorizing projects that were not economically justified.

This year it is imperative that Congress start anew on this difficult issue. In an effort to work toward an acceptable consensus, we have developed two separate bills representing the Administration's concept of justifiable and warranted water resources legislation. The first bill, which is enclosed, consists of five titles that address ports and harbors, cost-sharing, project authorizations, project modifications, and various general provisions. The companion bill, transmitted separately, authorizes improvements on the Nation's inland waterways system. Perhaps the most notable features of these bills, and the ones that we in the Administration believe are essential to a satisfactory resolution of this issue, are the provisions for recovery of a portion of the federal costs for harbor and inland navigation improvements. Both bills include authorization of projects which have been reviewed by the Executive Branch. We will also support inclusion of other projects receiving favorable Executive Branch recommendations before enactment of this legislation.

As discussed below, we believe that our proposals for cost recovery are fair and reasonable. With respect to the Nation's ports and harbors addressed in the enclosed bill, we believe that the operators of such ports and harbors are themselves in the best position to determine how to meet the costs associated with their projects. Therefore, our proposal would enable the Federal Government to collect a portion of port and harbor improvement costs directly from a local project sponsor. That sponsor, in turn, would be authorized to impose some form of user fee on users of that specific port. Any fees imposed by a sponsor would be subject to approval by the Secretary of the Army.

As noted above, the Water Resources Development bill consists of five titles. Title I is a comprehensive proposal addressing the needs of port and harbor development and operation. For new construction, it establishes a non-federal share of 70 percent of the cost of harbors with depths of 45 feet or less, and 100 percent of the incremental costs for increasing harbor depths beyond 45 feet. Total and incremental costs would be determined by analyzing a variety of site-specific factors. The primary of these, of course, would be the volume of material to be excavated. Other factors would include:

The nature of the material being excavated, which affects the rate of excavation and the stability of side slopes;

The channel depth, which affects channel length and associated dredging efficiencies;

The availability and accessibility of disposal areas for dredged material;

The presence of physical obstructions;

Other associated construction improvements such as jetties and shore-side facilities;

The extent and scope of needed relocations;

Necessary environmental protection or mitigation features;

Assignment of costs to mobilization and demobilization requirements in relation to depth; and,

Prevailing weather and sea conditions.

Because of these variables and their effect on construction costs, total project costs must be calculated or estimated on the basis of a comprehensive engineering analysis which considers factors applicable to the individual project. This analysis would be prepared to determine incremental or total construction costs, as the case requires.

With regard to operation and maintenance at ports and harbors, the non-federal share of costs would be calculated on the basis of project depth and use. For harbors having depths of 14 feet or less, and for harbors having depths of more than 14 feet but handling less the one million tons of commercial cargo, the non-federal share would be 70 percent. For harbors with depths of more than 14 feet and with commercial tonnage of one million tons or more, the non-federal share would be 100 percent up to a limit calculated on the basis of 125 percent of the national average cost per ton for operating and maintaining all port and harbor projects.

Title I further provides that for both new construction and operation and maintenance, the value of "traditional" local cooperation requirements, such as performing relocations and providing necessary real estate interests, shall be credited to the non-federal share of project costs. Title I also establishes a Port and Harbor Improvement Task Force composed of representatives from a spectrum of interests having ties to ports and harbors. The Task Force will advise the Secretary on port and harbor improvement issues. Significant features of Title I are the provisions for the "fast-tracking" of projects to be undertaken by the Federal Government once a project sponsor has agreed to cost-sharing, and provisions for expedited environmental and permit review for projects to be undertaken directly by non-federal interests. Finally, Title I authorizes seventeen port and harbor improvements projects.

The second title establishes non-federal cost-sharing requirements for all purposes other than navigation. In order to better match costs to benefits, the new requirements generally increase the non-federal share over that now required. Title III of the bill authorizes 40 projects—most of which are for flood damage reduction purposes—subject to the cost-sharing requirements of Title II. The fourth title modifies several project authorizations. Finally, Title V contains several general provisions designed to improve the Corps' program execution. Title V also permits cooperative arrangements between the Corps, the Department of Energy, and local interests when federal hydropower development is proposed at Corps projects. Project sponsors paying the costs of hydropower facilities would receive the power from such facilities. Also included are provisions concerning procedures for deauthorizing Corps projects and studies.

With your help, and the help of the leadership in the other body, I believe we can reach a consensus on these important pieces of legislation. It will not be easy; much hard work remains ot be done. Nevertheless, I am confident that we can, in good faith, overcome the differences that remain.

COST AND BUDGET IMPACTS

Enactment of the draft Water Resources Development Act would result in an increase in budget authority for the Department of the Army in the amount of approximately $3 billion in terms of new construction authority. The provisions for cost recovery from project sponsors would, however, result in a substantial decrease in the

level of federal funding for Corps of Engineers water resources development activities.

ENVIRONMENTAL AND CIVIL RIGHTS IMPACTS

Enactment of the enclosed draft bill is not expected to have any significant environmental or civil rights impacts. The individual projects proposed for authorization have all been reviewed to determine any potential environmental impacts in accordance with the National Environmental Policy Act and other applicable environmental laws and regulations.

Sincerely,

ROBERT K. DAWSON,
Acting Assistant Secretary of the Army (Civil Works).

SECTION-BY-SECTION ANALYSIS

A bill to authorize the United States Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes

Section 1. This section provides that the Act may be cited as the Water Resources Development Act of 1985.

Section 2. This section gives the definition of terms pertinent to the Act.

TITLE I—PORTS AND HARBORS DEVELOPMENT AND COST SHARING

This title contains provisions for increased non-federal participation in the implementation, operation, and maintenance of feasible port and harbor projects while retaining substantial federal involvement in those activities. It recognizes the permanent federal interest in defense, national security, international trading, and the continued availability of a navigation infrastructure essential to the national economic well-being.

Section 101. This section includes definition of terms used in Title I.

Section 102. Section 102 would establish non-federal cost sharing requirements for operation and maintenance costs for port and harbor projects starting in October 1985.

The following percentage of the average annual cost of operation and maintenance assigned to navigation purposes would be borne by the project sponsor:

(a) projects 14 feet deep or less: 70 percent;

(b) projects greater than 14 feet deep, but with less than 1,000,000 tons of commercial tonnage annually: 70 percent;

(c) all other projects: 100 percent, except that the percentage will be reduced for projects where costs are greater than 125 percent of the national average, based on cost per ton.

Each July 1, beginning in 1985, the Secretary will publish a list of all port and harbor projects and the amount of the non-federal share for the next fiscal year. The list would include, for each project, the average annual operation and maintenance cost based on the anticipated cycle of operation and maintenance, the annual commercial tonnage, and the non-federal share of costs. Determinations of the Secretary are final and within the discretion of the Secretary.

Section 103. This section establishes cost sharing for post-authorization planning and construction of port and harbor projects for which funds for physical construction are obligated on or after October 1, 1985. A non-federal sponsor would pay 70 percent of total construction costs of all ports and harbors with depths of 45 feet or less, and 100 percent of the incremental cost of harbors deeper than 45 feet. The federal government would pay the remaining 30 percent of the cost of general navigation features for harbors with depths of 45 feet or less.

For projects which involve deepening both above and below 45 feet, an allocation of costs must be made to determine the incremental costs of deepening below 45 feet. This will require an estimate of the cost of the project if it were dredged to a depth of 45 feet. This estimate would be subtracted from the actual cost of the authorized project and the remainder will require 100 percent non-federal cost sharing.

Section 104. This section requires a written agreement between the Secretary and the local sponsor prior to initiation of construction and initiation or continuation of operation and maintenance of any project. The local sponsor must provide the non-federal share of construction and operation and maintenance cost in accordance with a schedule established by the Secretary which ensures that local cooperation and funds are available as needed for project implementation. The non-federal amounts would be deposited in the Treasury as part of the existing River and Harbors Contributed Fund account and would be available on a permanent appropriation basis for use at projects for which the funds were provided.

Section 105 provides that the project sponsor would provide traditional local cooperation requirements which would be credited toward the non-federal share of costs, both for construction and operation and maintenance. Local cooperation requirements include, but are not limited to, provisions of lands easements, right-of-way, necessary relocations, and any necessary and suitable dredged material disposal areas. This section also requires that the cost of acquisition and preparation of disposal areas be allocated between contruction and operation and maintenance of the federal project as well as to disposal of dredged material by non-federal interests from other sources.

Section 106. This section authorizes a project sponsor to recover its construction and operation and maintenance costs, including associated administrative costs, by collection of fees for use of such project. Fees would be established after a public hearing and would reasonably reflect benefits provided by the project to each class or type of vessel. Fee schedules would be submitted to the Secretary for approval. This section also provides Congressional consent to the states for the collection of such fees. It is expected that the states will take necessary actions to allow project sponsors to exercise this authority.

Section 107. This section identifies vessels exempt from payment of fees pursuant to this title. Vessels in government business, national, state or foreign, are exempt. Vessels providing military sealift service and transporting food for humanitarian reasons, such as under "Public Law 480" (emergency food assistance program), are also exempt, as are vessels engaged in dredging and in intraport movement.

Section 108. This section protects the national interest by exempting the various agencies of the Federal government involved in navigation improvements from the provisions of this Act.

Section 109. Section 109 establishes the Port and Harbor Improvement Task Force which would make recommendations to the Secretary concerning port and harbor improvement projects. The Task Force would be made up of the Secretaries (or designees) of the Departments of the Treasury and the Interior; and the Departments of Commerce, Agriculture and Transportation; the Environmental Protection Agency; and 15 members who would represent various regions, as well as project users. This Task Force would meet at least annually, and would provide user input into the annual program for port and harbor improvement. Task Force members appointed by the Secretary would serve for terms of four years, except that initial appointments will vary from one to four years to ensure rotation of membership.

Section 110. This section authorizes the Secretary to study the feasibility of constructing new port or harbor improvement projects or the modification and rehabilitation of existing port or harbor projects.

Section 111. This section would authorize the Secretary to design, construct, operate and maintain a port or harbor improvement project if such project is determined to be feasible and justified, and if a project sponsor enters into an agreement pursuant to section 104 of the Act.

Section 112. Section 112 requires that prior to undertaking any construction authorized by section 111 the Secretary must submit to Congress a final environmental statement (if required) and a statement of compliance with the Clean Water Act and the Fish and Wildlife Coordination Act, as well as other applicable statutory requirements. These statements would be completed on an expedited schedule established by the Secretary after consultation with the Chairman of the Council on Environmental Quality and other appropriate federal agencies. Any plan of improvement submitted in accordance with this section would be eligible for construction expenditures unless Congress passes a Joint Resolution disapproving the environmental impact statement within 180 calendar days of receipt, and the Joint Resolution becomes law. Any environmental impact statement submitted and not disapproved would satisfy applicable requirements of the National Environmental Policy Act. This section also limits judicial review to expedited hearings for claims against work authorized by this section.

Section 113. This section provides for expedited and coordinated review and issuance of required permits for construction of a port or harbor improvement project by a non-federal public body. This pertains to non-federal construction of authorized federal projects. Any work undertaken pursuant to these permits would be at non-federal expense. The Secretary would initiate proceedings for such review and coordinate the procedure.

Section 114. This action specifies navigation facilities which are exempt from provisions of title I. The channels and locks administered by the St. Lawrence Seaway Corporation are exempt as are the inland and intracoastal waterways, except harbors and harbor components.

Section 115. This section authorizes 17 channel and harbor projects, at a total cost estimated at $1.3 billion (October 1984). Any recommendations are deemed to include any modifications or recommendations of the Secretary other than recommendations with respect to cost sharing which are inconsistent with the requirements of this title. These projects are:

(1) Savannah Harbor, Widening, Georgia:

Location: Chatham County, Georgia on the South Atlantic Coast 75 miles south of Charleston Harbor, South Carolina.

Purpose: Deep draft navigation.

Problem: Narrow inner harbor channel results in reduced ship speeds and inefficient navigation.

Recommended plan: Widening of the channel and the existing King's Island Turning Basin.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1981.

Total project cost: $19,175,000.

Benefit/cost ratio: 1.6 to 1 at a discount rate of 8⅜ percent.

(2) Kodiak Harbor, Alaska:

Location: City of Kodiak on the northeast shore of Kodiak Island in south-central Alaska.

Purpose: Deep draft navigation.

Problem: Lack of protected mooring space causes inefficiencies and high operating costs for commercial fishing vessels in the Kodiak area.

Recommended plan: Construction of a 1,900-foot rubble-mound breakwater and a 20-foot deep access channel for protection of, and entrance to, a 45-acre moorage area and a 45-acre protected water area.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in November, 1978.

Total project cost: $14,641,000.

Benefit/cost ratio: 1.8 to 1 at a discount rate of 8⅜ percent.

(3) Sacramento River, Deepwater Ship Channel, California:

Location: Sacramento River in central California from Avon to the Port of Sacramento.

Purpose: Deep draft navigation and recreation.

Problem: Existing 30-foot channel depth and channel widths are inadequate to provide efficient and safe passage of ships.

Recommended plan: Deepening of channel to 35 feet and widening of channel, installation of salinity monitoring stations, authority to construct necessary features for salinity control if necessary, establishment of about 200 acres of wildlife mitigation habitat, and development of 30 acres of recreation facilities.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1981.

Total project cost: $125,300,000.

Benefit/cost ratio: 2.3 to 1 at a discount rate of 8⅜ percent.

(4) New Haven Harbor, Connecticut:

Location: North-central shore of Long Island Sound abutting the Cities of New Haven and West Haven, Connecticut.

Purpose: Deep draft navigation.

Problem: Existing 35-foot channel and inadequate channel widths result in inefficient and unsafe vessel operation.

Recommended plan: Deepening of existing channel to 40 feet, widening and realignment of channel, construction of new turning basin, and disposal of dredged material in Morris Cove and at the Long Island Sound Central Disposal Site.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in December, 1981.

Total project cost: $25,900,000.

Benefit/cost ratio: 2.0 to 1 at a discount rate of 8⅜ percent.

(5) Oakland Outer Harbor, California:

Location: Oakland Harbor on the eastern shore of central San Francisco Bay.

Purpose: Deep draft navigation.

Problem: Inadequate existing channels result in unsafe and inefficient vessel operation and subsequent higher transportation costs.

Recommended plan: Deepening to a maximum of 42 feet and widening of existing channels and relocation and widening of the turning basin.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in February, 1981.

Total project cost: $42,400,000.

Benefit/cost ratio: 2.7 to 1 at a discount rate of 8⅜ percent.

(6) Grand Haven Harbor, Michigan:

Location: East shore of Lake Michigan at Grand Haven, Michigan.

Purpose: Deep draft navigation.

Problem: Inadequate channel and turning basin result in unsafe and inefficient vessel operation.

Recommended plan: Deepening of harbor entrance channel and harbor river channel to a maximum of 29 feet and construction of a new and larger turning basin.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in July, 1981.

Total project cost: $17,200,000.

Benefit/cost ratio: 1.1 to 1 at a discount rate of 8⅜ percent.

(7) Gulfport Harbor, Mississippi:

Location: Mississippi Sound, 78 miles east of New Orleans.

Purpose: Deep draft navigation.

Problem: Inadequate channel depths and widths result in safety and efficiency problems.

Recommended plan: Deepening to a maximum of 38 feet and widening of existing channel.

Environmental impact statement: Supplemental information to revised draft statement was filed with the Environmental Protection Agency in December, 1978.

Total project cost: $78,968,000.

(8) Wilmington Harbor, Northeast Cape Fear River, North Carolina:

Location: City of Wilmington in southeastern North Carolina.

Purpose: Deep draft navigation.

Problem: Need for improved and extended channels to meet expanding port development.

Recommended plan: Deepening to a maximum depth of 35 feet and widening of ship channel and turning basin.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in February, 1980.

Total project cost: $9,718,000.

Benefit/cost ratio: 2.4 to 1 at a discount rate of 8⅜ percent.

(9) Gowanus Creek Channel, New York:

Location: Gowanus Creek connects the New York Harbor entrance with the interior of the Borough of Brooklyn, New York City.

Purpose: Deep draft navigation.

Problem: Inadequate channel depths result in navigation inefficiency.

Recommended plan: Deepening of the channel to a maximum of 40 feet.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1982.

Total project cost: $3,230,000.

Benefit/cost ratio: 3.8 to 1 at a discount rate of 8⅜ percent.

(10) San Juan Harbor, Puerto Rico:

Location: North coast of Puerto Rico at the City of San Juan.

Purpose: Deep draft navigation.

Problem: Inadequate depths and widths result in hazardous and inefficient use of the harbor.

Recommended plan: Deepening to a maximum of 40 feet and widening of a number of harbor channels and features and mitigation for the loss of 22 acres of shallow-bottom habitat.

Environmental impact statement: Final statement filed with the Council on Environmental Quality in August, 1976.

Total project cost: $86,334,000.

Benefit/cost ratio: 5.8 to 1 at a discount rate of 8⅜ percent.

(11) Charleston Harbor, South Carolina:

Location: Midway along the South Carolina coast at Charleston, South Carolina.

Purpose: Deep draft navigation.

Problem: Present channel is inadequate to safely and efficiently carry existing traffic.

Recommended plan: Deepening to a maximum of 42 feet and some widening of existing project and mitigation for 10 acres of lost wetland.

Environmental impact statement: Final supplement to final statement was filed with the Environmental Protection Agency in March, 1981.

Total project cost: $84,032,000.

Benefit/cost ratio: 1.8 to 1 at a discount rate of 8⅜ percent.

(12) Brazos Island Harbor, Texas:

Location: Southernmost tip of Texas about 5 miles from the Mexican border.

Purpose: Deep draft navigation and recreation.

Problem: Inadequate channel widths and depths cause unsafe and inefficient vessel operation.

Recommended plan: Deepening to a maximum of 42 feet and widening of existing channels, enlargement of turning basin.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1981.

Total project cost: $31,417,000.

Benefit/cost ratio: 1.6 to 1 at a discount rate of 8⅜ percent.

(13) Blair and Sitcum Waterways, Tacoma Harbor, Washington:

Location: Tacoma Harbor in Puget Sound in the northwest corner of Washington.

Purpose: Deep draft navigation.

Problems: Blair Waterway is too shallow and narrow at the East 11th Street Bridge to permit safe and efficient ship passage. Sitcum Waterway is presently maintained by local interests.

Recommended plan: Deepening of the Blair Waterway to a maximum of 45 feet and replacement of the East 11th Street Bridge, and assumption of maintenance by the Federal government of the locally constructed Sitcum Waterway.

Environmental impact statement: Finding statement filed with the Environmental Protection Agency in November, 1978.

Total project cost: $34,720,000.

Benefit/cost ratio: 2.2 to 1 at a discount rate of 8⅜ percent.

(14) Norfolk Harbor and Channels, Virginia:

Location: Hampton Roads, Virginia, and vicinity. Hampton Roads includes the ports of Norfolk, Portsmouth, Chesapeake, Newport News, and Hampton, Virginia.

Purpose: Deep draft navigation.

Problem: Existing channel depths are inadequate to accommodate larger vessels anticipated for prospective traffic.

Recommended plan: Deepening the existing 45-foot channels to 55 feet, constructing new 57-foot deep channel off Virginia Beach referred to as the Atlantic Ocean Channel, constructing three fixed mooring anchorage areas each capable of handling two vessels simultaneously, deepening the existing 40-foot portion of Elizabeth River and Southern Branch of Elizabeth River to 45 feet, deepening the existing 35-foot portion of

Southern Branch to 40 feet up to the Gilmerton Bridge (River Mile 17.5) and providing an 800-foot turning basin at that point.

Environmental impact statement: The final EIS was filed with the Environmental Protection Agency on April 3, 1981.

Total project cost: $538,000,000.

Benefit/cost ratio: 3.6 to 1 at a discount rate of 8⅜ percent.

(15) Monroe Harbor, Michigan:

Location: Within the city of Monroe, Michigan.

Purpose: Deep draft navigation.

Problem: Existing channel is inadequate to handle modern ships safely and efficiently.

Recommended plan: Deepening of the river basin portion of the channel to a maximum of 27 feet, deepening to a maximum of 28 feet and widening of the Lake Erie portion of the channel, construction of a new turning basin and a confined disposal facility, and the creation of a marsh for mitigation purposes.

Environmental impact statement: Final statement was filed with the Environmental Protection Agency in March, 1981.

Total project cost: $139,400,000.

Benefit/cost ratio: 3.2 to 1 at a discount rate of 8⅜ percent.

(16) Jacksonville Harbor, Mill Cove, Florida:

Location: St. Johns River in Jacksonville, Florida.

Purpose: Navigation and recreation.

Problem: Shoaling conditions in Mill Cove have been caused by the federal Jacksonville Harbor navigation project. The shallow depths restrict small boat traffic and adversely affect property values.

Recommended plan: Enlargment of existing opening to Mill Cove to increase flow, construction of diversion structures.

Environmental impact statement: Final statement was filed with the Environmental Protection Agency in August, 1981.

Total project cost: $6,575,000.

Benefit/cost ratio: 1.5 to 1 at a discount rate of 8⅜ percent.

(17) Manatee Harbor, Florida:

Location: Southern shoreline of Tampa Bay, Florida near the entrance to the Gulf of Mexico.

Purpose: Deep draft navigation.

Problem: Locally constructed 40-foot channel is experiencing continued shoaling and existing widths are inadequate for present traffic. Both of these factors contribute to inefficient and unsafe navigation.

Recommended plan: Modification of authorized Tampa Harbor Project to provide for a 400-foot wide by 40-foot deep Federal channel at Manatee Harbor, consturction of enlarged turning basin and diked disposal areas, and creation of 10 acres of shallow bay bottom for mitigation purposes.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in September, 1979.

Total project cost: $16,115,000.

Benefit/cost ratio: 7.8 to 1 at a discount rate of 8⅜ percent.

TITLE II—OTHER WATER RESOURCES COST SHARING

Title II establishes cost sharing policy for federal water resource project development. This title increases the non-federal share of most project costs, and establishes the percentage of project costs which non-federal interests are to provide and for certain purposes how that share is to be financed. Construction and operation and maintenance provisions in this title do not apply to ports and harbor projects, or to inland waterway projects.

Section 201. This section specifies non-federal cost sharing for project purposes other than navigation. The cost sharing provisions apply to all projects for which physical construction has not been initiated prior to the date of enactment. Physical construction means actual construction and does not include land acquisition. In addition to all operation and maintenance, a project sponsor would provide the following percentages of assigned construction costs during the period of construction, with the exception of flood damage reduction, recreation hurricane and storm damage, and agricultural water supply which may, in some cases, be repaid with interest over time.

(1) hydroelectric power: 100 percent;

(2) municipal and industrial water: 100 percent;

(3) recreation: 50 percent;

(4) flood damage reduction: 35 percent;

(5) hurricane and storm damage reduction: 35 percent;

(6) agricultural water supply: 35 percent;

(7) fish and wildlife enhancement: 100 percent;

(8) aquatic plant control: 50 percent.

Prior to any construction, the sponsor would enter into an agreement with the United States which specifies rights and duties of each. Such agreement would cover cost sharing and provision for termination or suspension of work in the event of failure to pay the non-federal share.

Water quality enhancement, beach erosion control, and fish and wildlife mitigation projects would require an assignment of their costs to project outputs (recreation, storm damage reduction, water supply, etc.) to determine cost sharing.

Federal financing of the non-federal share of project implementation costs assigned to flood damage reduction, recreation, hurricane and storm damage reduction, and agricultural water supply would be consistent with the inability of the non-federal sponsor to pay during construction. The determination of the ability to pay as well as any repayment schedule, which could be over the useful life of the project up to a maximum of 50 years, would be made by the Secretary in accordance with procedures established by the Secretary. Repayment of the non-federal share would include interest charges at federal borrowing costs as determined by the Secretary of Treasury. Agricultural water supply is generally the provision of reservoir storage as a source of irrigation water, but may also include provisions for improving the quality of irrigation water downstream of reservoirs; it does not include irrigation works necessary to make use of the storage. This provision does not change the applicability of existing reclamation law to Corps of Engineers projects in the 17 western states. The cost-sharing provision of this title will govern the Secretary's development of agricultural water supply at all projects undertaken by the Secretary.

Section 202. This section requires that all feasibility studies, except studies of inland navigation channels, be cost shared 50/50, with a minimum of one half the non-federal share in cash. Requirement of non-federal participation in feasibility studies will help to ensure that only those studies which enjoy strong local support and which have a reasonable chance of developing implementation plans which are consistent with local priorities move forward. Reconnaissance studies will continue to be funded at 100 percent federal cost. The cost sharing will apply to feasibility studies initiated after enactment of this Act, and to the costs remaining after enactment for a number of feasibility studies initiated in Fiscal Year 1985 for which sponsors agreed to share a portion of the cost.

TITLE III—PROJECT AUTHORIZATIONS

Section 301. This section authorizes for construction by the Corps of Engineers of 37 flood control projects, and three fish and wildlife mitigation projects.

All of the projects authorized in this title are subject to the cost sharing provisions of Title II of this Act. The total estimated cost of these projects is approximately $2 billion at October 1984 price levels. The federal cost of any specific project will be less than indicated in this report with the application of the cost-sharing provisions of Title II of this Act.

The following flood control projects are authorized by section 301(a):

(1) Fountain Creek, Pueblo, Colorado:

Location: Southeastern Colorado in the City of Pueblo.

Purpose: Flood control, recreation.

Problem: Low-lying areas of the urban residential area of Pueblo are faced with a continuing threat of floods that have the potential to cause substantial damage.

Recommended plan: 5,900 feet of riprap channel and 10,200 feet of levee on both banks of Fountain Creek.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June, 1981.

Total project cost: $8,400,000.

Benefit/cost ratio: 1.1 to 1 at a discount rate of 8⅜ percent.

(2) Lake Wichita, Holliday Creek, Texas.

Location: Wichita Falls, Texas.

Purpose: Flood control.

Problem: Serious flooding in urban areas below the dam, as well as periodic flooding in commercial and residential areas around the lake.

Recommended plan: Project includes structural measures, including raising and repairing the existing Lake Wichita Dam embankment, constructing a new uncontrolled spillway and excavating an improved channel downstream of the dam to the mouth of Holliday Creek. The plan would provide 100-year flood protection and eliminate the possibility of a major dam failure.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1981.

Total project cost: $27,300,000.

Benefit/cost ratio: 1.7 to 1 at a discount rate of 8⅜ percent.

(3) Town Brook Local Protection, Quincy Coastal Streams, Massachusetts:

Location: The Town of Quincy, Mass.

Purpose: Flood control.

Problem: Town of Quincy has inadequate protection against flood of record which occurred in 1955 and would today cause $14 million in damages.

Recommended plan: Construction includes a new spillway and outlet on the existing Old Quincy Reservoir and a below ground relief tunnel in the Town of Quincy 12 feet wide and 4,000 feet long.

Environmental impact statement: An environmental assessment finding of no significant impact was filed on September 29, 1980.

Total project cost: $26,500,000.

Benefit/cost ratio: 1.2 to 1 at a discount rate of 8⅜ percent.

(4) Eight Mile Creek, Paragould, Arkansas:

Location: Green and Craighead Counties in northeast Arkansas.

Purpose: Flood control, recreation.

Problem: Major floods have occurred in the basin every four to twelve years, most recently, in 1973, with damages totaling $12.3 million in 1982 dollars.

Recommended plan: Channel enlargement of Eight Mile Creek and establishment of a green way along one side of the channel.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in February 1981.

Total project cost: $14,950,000.

Benefit/cost ratio: 1.2 to 1 at a discount rate of 8⅜ percent.

(5) Fourche Bayou Basin, Arkansas:

Location: Saline and Pulaski Counties in central Arkansas, predominantly in the City of Little Rock, Arkansas.

Purpose: Flood control, recreation.

Problem: Inadequate channel capacity of Fourche Creek results in major flood damage to urbanized area of the City of Little Rock. The major flood in 1978 caused $17 million in damages.

Recommended plan: Channel improvement and restriction of future development in the flood plain.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March 1981.

Total project cost: $30,700,000.

Benefit/cost ratio: 1.9 to 1 at a discount rate of 8⅜ percent.

(6) Cache Creek Basin, California:

Location: Approximately 90 miles north of the City of San Francisco.

Purpose: Flood control, fish and wildlife enhancement.

Problem: Flooding has repeatedly occurred along the rim of Clear Lake in the Upper Cache Creek Basin, most recently in 1970. Sediment control problems in the Lower Cache Creek Basin result in excess deposits in downstream flood control channels impairing their efficiency.

Recommended plan: Enlargement of Clear Lake outlet channel and addition of a bypass channel for enhanced flood protection and raising levees of the existing settling basin to provide additional sediment storage capacity.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in July 1980.

Total project cost: $30,700,000.

Benefit/cost ratio: 1.9 to 1 at a discount rate of 8⅜ percent.

(7) Redbank and Fancher Creeks, California:

Location: The Fresno-Clovis metropolitan area of Fresno County.

Purpose: Flood control, recreation.

Problem: Because of the inadequacy of the existing flood control reservoir and lack of detention basins, urban flooding in the Fresno area has caused continued problems.

Recommended plan: The existing Big Dry Creek Reservoir dam would be raised; a dam on Fancher Creek would be constructed; and three detention basins, would be built.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in November 1980.

Total project cost: $84,100,000.

Benefit/cost ratio: 1.06 to 1 at a discount rate of 8⅜ percent.

(8) Santa Ana River Mainstem, including Santiago Creek, California:

Location: Southeast of Los Angeles in Orange County and western San Bernardino and Riverside Counties.

Purpose: Flood control.

Problem: Highly developed and urbanized areas of Southern California through which the Santa Ana River passes are faced with the potential for unprecedented flood damages should, what is called the Standard Project Flood or Maximum Probable Flood, occur. Such a flow of water could not be handled by existing flood protection structures on the river and damages from sucn an event have been estimated at $14 billion.

Recommended plan: Raise existing Prado Dam 30 feet; construct 23 miles of channels and levees on the Santa Ana River; construct two miles of channel on the Oak Street Drain; and construct a flood retardation basin and 1.7 miles of channel improvement on Santiago Creek.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in August 1981.

Total project cost: $781,000,000.

Benefit/cost ratio: 2.4 to 1 at a discount rate of 8⅜ percent.

Comment: The cited report of the Chief of Engineers recommends construction of a new dam at Mentone, in addition to the other project features. The recommendation of the Secretary includes only the features as described, excluding the dam at Mentone.

(9) Oates Creek, Georgia:

Location: Augusta, Georgia.

Purpose: Flood control.

Problem: There is recurring flooding in the urbanized area of the Oates Creek Watershed with average annual damages of $2 million.

Recommended plan: Modify and enlarge 2½ miles of channel, modify 15 bridges and construct a 6-foot high, 1,000-foot long levee.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in August 1981.

Total project cost: $13,472,000.

Benefit/cost ratio: 2.0 to 1 at a discount rate of 8⅜ percent.

(10) Agana River, Guam:

Location: Agana, the capital of the Territory of Guam.

Purpose: Flood control.

Problem: The Agana River courses through the main business center of the city and is subject to periodic flooding.

Recommended plan: Construction of 1,700 feet of channel improvement and 4,900 feet of levees.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in December 1978.

Total project cost: $9,080,000.

Benefit/cost ratio: 1.4 to 1 at a discount rate of 8⅜ percent.

(11) Big Wood River and Tributaries, Idaho:

Location: Lower Wood River Basin in the vicinity of the Cities of Gooding and Shoshone, Idaho.

Purpose: Flood control.

Problem: Periodic flooding has continuously caused damage to the Cities of Gooding and Shoshone.

Recommended plan: Construction of a diversion channel and two separate ponding facilities for off-stream diversions of Little Wood River flood flows.

Environmental impact statement: Final statement filed with the Council on Environmental Quality in November 1978.

Total project cost: $4,420,000.

Benefit/cost ratio: 2.5 to 1 at a discount rate of 8⅜ percent.

(12) Rock River at Rockford and Vicinity, Illinois:

Location: Loves Park, Winnebago County, Illinois.

Purpose: Flood control.

Problem: There are frequent flood damages due to over-flows from several large and small unnamed creeks.

Recommended plan: Project features include 15,000 feet of concrete channel, 2,500 feet of levee 5 feet high, a 75,000 gallon/minute pumping plant, and a 90-acre ponding area.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1980.

Total project cost: $27,720,000.

Benefit/cost ratio: 1.2 to 1 at a discount rate of 8⅜ percent.

(13) Des Moines River Basin, Iowa:

Location: Des Moines River Basin in central Iowa and southwestern Minnesota.

Purpose: Flood control and recreation.

Problem: Severe flooding has occurred in the City of West Des Moines four times in this century.

Recommended plan: Construction of 5 miles of levees and floodwalls.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in July, 1979.

Total project cost: $15,340,000.

Benefit/cost ratio: 1.4 to 1 at a discount of 8⅜ percent.

(14) Perry Greek, Iowa:

Location: Perry Creek Basin in and upstream from the City of Sioux City, Iowa.

Purpose: Flood control and recreation.

Problem: The City of Sioux City is not protected from flooding similar to the flood of record which occurred in 1949 and would today cause $4 million in damages.

Recommended plan: Channel improvement.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in August, 1981.

Total project cost: $18,900,000.

Benefit/cost ratio: 1.5 to 1 at a discount rate of 8⅜ percent.

(15) Redwood River at Marshall, Minnesota:

Location: Southwestern Minnesota 90 miles west of the City of Mankato.

Purpose: Flood control, recreation.

Problem: Existing channels lack the capacity to convey the design flow to the existing diversion channel without damaging overbank and backwater effects.

Recommended plan: Construction includes channel widening, levees, construction of an overflow diversion structure with control and outlet works and recreation facilities.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1981.

Total project cost: $4,283,000.

Benefit/cost ratio: 1.4 to 1 at a discount rate of 8⅜ percent.

(16) Root River Basin, Minnesota:

Location: Southeast of Rochester, Minnesota.

Purpose: Flood control.

Problem: Annual flooding in the basin adversely affects agricultural lands and the community of Houston.

Recommended plan: Construction of 3 miles of levee at the Town of Houston and an interior drainage pumping station.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in December, 1978.

Total project cost: $8,195,000.

Benefit/cost ratio: 1.8 to 1 at a discount rate of 8⅜ percent.

(17) South Fork Zumbro River, Minnesota:

Location: Rochester, Minnesota.

Purpose: Flood control, recreation.

Problem: Over one-third of the City of Rochester lies in the Zumbro River flood plain. The 100-year flood could cause over $100 million in damages.

Recommended plan: Construction includes deepening and widening the Zumbro River channel, Bear Creek, and Cascade Creek and the construction of two short levees.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1979.

Total project cost: $93,942,000.

Benefit/cost ratio: 1.1 to 1 at a discount rate of 8⅜ percent.

(18) Horn Lake and Tributaries, Tennessee and Mississippi:

Location: De Soto County, Mississippi and Shelby County, Tennessee.

Purpose: Flood control, recreation.

Problem: Frequent flooding in both urban and agriculture areas of the basin.

Recommended plan: Construction of channel improvements to 6 miles of Horn Lake Creek and Cow Pen Creek and channel improvement on 5 miles of Southaven Creek and Rock Creek.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in July, 1982.

Total project cost: $3,400,000.

Benefit/cost ratio: 2.0 to 1 at a discount rate of 8⅜ percent.

(19) Robinson's Branch, Rahway River, New Jersey:

Location: City of Rahway and the Townships of Clark and Scotch Plains, Union County, New Jersey, about 10 miles southwest of Newark, New Jersey.

Purpose: Flood control.

Problem: Area is subject to recurrent fluvial flooding. The last major flood in 1973 caused $1.1 million in damages.

Recommended plan: Construction of channel improvement, levees, and floodwalls in Clark and Scotch Plains; a concrete flume, channel improvement and levees and floodwalls in the City of Rahway.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in December, 1978.

Total project cost: $18,320,000.

Benefit/cost ratio: 1.02 to 1 at a discount rate of 8⅜ percent.

(20) Rahway River and Van Winkles Brook, New Jersey:

Location: Townships of Springfield and Union, Union County, New Jersey, about 8 miles southwest of Newark, New Jersey.

Purpose: Flood control.

Problem: Recurrent flooding has occurred in Springfield and Union Townships. The last major flood in 1973 caused $2.5 million in damages.

Recommended plan: Principal features include 6,300 feet of levee; 19,000 feet of channelization; and alterations to 7 bridges.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in November 1978.

Total project cost: $16,938,000.

Benefit/cost ratio: 1.5 to 1 at a discount rate of 8⅜ percent.

(21) Green Brook Subbasin, Raritan River Basin, New Jersey:

Location: Counties of Somerset, Middlesex, and Union about 15 miles southwest of Newark, New Jersey.

Purpose: Flood control.

Problem: Recurrent flooding has occurred in the basin, with the most recent major flood in 1973 causing over $84 million in damages.

Recommended plan: Major project features include 80,000 feet of levees; 16,000 feet of stream realignment; 6 pumping stations; and 12 bridge replacements.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June, 1981.

Total project cost: $76,530,000.

Benefit/cost ratio: 1.6 to 1 at a discount rate of 8⅜ percent.

(22) Puerco River and Tributaries, New Mexico:

Location: City of Gallup in McKinley County, in northwestern New Mexico, about 135 miles west of Albuquerque.

Purpose: Flood control, recreation.

Problem: The City of Gallup incurs periodic floods. The most recent major flood in 1972 caused $1.3 million in damages.

Recommended plan: Project features include levee rehabilitation, rock removal, and a new inlet structure.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1981.

Total project cost: $4,160,000.

Benefit/cost ratio: 1.2 to 1 at a discount rate of 8⅜ percent.

(23) Cazenovia Creek Watershed, New York:

Location: West Seneca, in Erie County, New York.

Purpose: Flood Control.

Problem: There is recurrent flooding along the urbanized area of Cazenovia Creek most commonly during late winter and early spring when high water combines with ice jams along Cazenovia Creek.

Recommended plan: Construction of a low concrete dam and ice retaining boom.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in July, 1977.

Total project cost: $3,025,000.

Benefit/cost ratio: 1.1 to 1 at a discount rate of 8⅜ percent.

(24) Mamaroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut:

Location: Village of Mamaroneck, Westchester County, New York; and Port Chester, New York, and Greenwich, Connecticut, all northeast of New York City.

Purpose: Flood control.

Problem: The last major flood in the basin in 1975 caused damages of $37.5 million in the Mamaroneck and Sheldrake Basin, and $0.8 million in damages in the Byram River Basin.

Recommended plan: Project features include channel modification, levees, floodwalls, and 4 bridge replacements.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in April, 1981.

Total project cost: $59,960,000.

Benefit/cost ratio: 1.06 to 1 at a discount rate of 8⅜ percent.

(25) Hocking River at Logan and Nelsonville, Ohio:

Location: City of Logan in Hocking County, Ohio, City of Nelsonville in Athens County, Ohio, both about 51 miles above the mouth of the Hocking River.

Purpose: Flood control, recreation.

Problem: There is frequent flooding at both of these urban areas. Estimated annual damages amount to $3,398,000 at Nelsonville and $1,613,000 at Logan.

Recommended plan: Channel modification and levees at Logan, and channel widening and floodway construction at Nelsonville.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June, 1981.

Total project cost: Logan—$7,760,000; Nelsonville—$8,020,000.

Benefit/cost ratio: Logan—1.6 to 1 at a discount rate of 8⅜ percent; Nelsonville—3.4 to 1 at a discount rate of 8⅜ percent.

(26) Miami River, Little Miami River, Ohio:

Location: West Carrollton, Moraine, and Miami Townships (7 miles south of Dayton, Ohio).

Purpose: Flood control, recreation.

Problem: There is periodic flooding of the study area and a need for urban recreation opportunities.

Recommended plan: Project features include 1.1 miles of channel enlargement and replacement of a railroad bridge.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1981.

Total project cost: $6,080,000.

Benefit/cost ratio: 1.6 to 1 at a discount rate of 8⅜ percent.

(27) Muskingum River Basin, Ohio.

Location: City of Mansfield, Ohio in Richland County.

Purpose: Flood control, recreation.

Problem: There is frequent flood damage to the City of Mansfield from Muskingum River floods.

Recommended plan: Channel modification at Mansfield.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1979.

Total project cost: $4,256,000.

Benefit/cost ratio: 2.5 to 1 at a discount rate of 8⅜ percent.

Comment: The cited report of the Chief of Engineers recommended levee construction at the City of Killbuck also. However, that portion of the project is not economically justified at this time, and this is not proposed for authorization.

(28) Mingo Creek, Oklahoma.

Location: Within the City of Tulsa, Oklahoma.

Purpose: Flood control.

Problem: Since 1959, nine major floods have been recorded on Mingo Creek. In 1976 the largest flood occurred causing $48 million in damages.

Recommended plan: 7.5 miles of channelization, construction of detention ponds, and preservation of 35 acres of bottom land timber.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June 1981.

Total project cost: $133,000,000.

Benefit/cost ratio: 2.2 to 1 at a discount rate of 8⅜ percent.

(29) Harrisburg, Pennsylvania:

Location: City of Harrisburg, Pennsylvania.

Purpose: Flood control.

Problem: Recurring floods in the city have caused repeated damage with the 1972 flood causing $85 million in damages.

Recommended plan: Construction of a dry dam, 3 miles of channelization, and 3,800 feet of floodwall.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1981.

Total project cost: $132,900,000.

Benefit/cost ratio: 1.5 to 1 at a discount rate of 8⅜ percent.

(30) Lock Haven, Pennsylvania:

Location: City of Lock Haven in Clinton County, Pennsylvania.

Purpose: Flood control.

Problem: The City of Lock Haven has been subjected to floods 19 times in 130 years.

Recommended plan: Construction of 24,500 feet of levee, 6,500 feet of floodwall, and 4 pumping stations.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June, 1981.

Total project cost: $79,225,000.

Benefit/cost ratio: 1.11 to 1 at a discount rate of 8⅜ percent.

(31) Saw Mill Run, Pittsburgh, Pennsylvania:

Location: On Saw Mill Run in Pittsburgh, Pennsylvania.

Purpose: Flood control.

Problem: Existing channel is not able to contain flood flows.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in December 1978.

Total project cost: $7,853,000.

Benefit/cost ratio: 1.0 to 1 at a discount rate of 8⅜ percent.

(32) Buffalo Bayou and Tributaries, Texas.

Location: Suburban Houston, Texas.

Purpose: Flood control.

Problem: Flooding in urban areas along Cole and Vogel Creeks, tributaries of Buffalo Bayou, and White Oak Bayou upstream from the mouth of Cole Creek.

Recommended plan: Construction includes channel enlargement, rectification and partial paving of 9.2 miles of White Oak Bayou, 4.9 miles of Cole Creek, and 4.5 miles of Vogel Creek to provide Standard Project Flood protection. Nonstructural flood plain management and beautification measures are also included.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in August 1979.

Total project cost: $90,670,000.

Benefit/cost ratio: 1.5 to 1 at a discount rate of 8⅜ percent.

(33) James River Basin, Virginia:

Location: The James River Basin in the City of Richmond, Virginia.

Purpose: Flood control.

Problem: Flooding in Richmond in 1960 and 1972 caused a total of $82 million in damages.

Recommended plan: Construction of floodwalls and levees on both sides of the James River in downtown Richmond.

Environmental impact statement: Final supplement to final statement filed with the Environmental Protection Agency in July 1981.

Total project cost: $101,200,000.

Benefit/cost ratio: 1.08 to 1 at a discount rate of 8⅜ percent.

(34) Chehalis River, Washington:

Location: Cities of South Aberdeen and Cosmopolis, in southwestern Washington.

Purpose: Flood control.

Problem: Recurring flooding of these cities by the Chehalis River. The 1933 flood of record caused damages in current prices of $13 million.

Recommended Plan: Construction of 4.7 miles of levees and 5 pumping stations.

Environmental impact statement: Final statement filed with Council on Environmental Quality in November, 1978.

Total project cost: $21,940,000.

Benefit/cost ratio: 1.3 to 1 at a discount rate of 8⅜ percent.

(35) Yakima Union Gap, Washington:

Location: Yakima County, Washington.

Purpose: Flood control.

Problem: Periodic flooding on Yakima River flood plain, most recently in 1975 and 1977. Average annual damages are $1.2 million.

Recommended plan: Raising of existing levees.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1981.

Total project cost: $9,323,000.

Benefit/cost ratio: 1.6 to 1 at a discount rate of 8⅜ percent.

(36) Metropolitan Denver and South Platte River and Tributaries, Colorado:

Location: South Platte River, 80 miles southwest of Denver.

Purpose: Flood control.

Problem: Flooding on Westerly Creek has occurred in 14 different years since 1942. The existing Kelly Road Dam no longer provides adequate protection. This is due, in part, to extensive development in the Denver-Aurora area which has greatly increased runoff, and to the age and unsafe condition of the dam which must be operated to allow some overtopping to prevent failure.

Recommended plan: Kelly Road Dam would be modified for safety purposes. A new dam would be constructed on Lowry Air Force Base and a small amount of channelization would be placed upstream of the new Lowry Dam.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in May, 1981.

Total project cost: $10,563,000.

Benefit/cost ratio: 1.4 to 1 at a discount rate of 8⅜ percent.

(37) Indian River County, Florida:

Location: East central coast of Florida midway between Jacksonville and Miami.

Purpose: Flood control/Shore protection.

Problem: Beach Erosion of shore fronting City of Vero Beach and along Sebastian Inlet State Park.

Recommended plan: Restoration of 1.7 miles of beach at Vero Beach and 1.7 miles of beach at Sebastian Inlet State Park.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in June, 1981.

Total project cost: $4,934,000.

Benefit/cost ratio: 2.3 to 1 at a discount rate of 8⅜ percent.

The following fish and wildlife mitigation projects are authorized by section 301(b):

(1) Fish and wildlife Program for Sacramento River Bank Protection Project, California, First Phase:

Location: Sacramento, California.

Purpose: Fish and wildlife mitigation.

Problem: Acquisition of lands for mitigation of fish and wildlife losses associated with the first phase of the Sacramento River Bank Protection Project was not originally authorized.

Recommended plan: Acquisition of 260 acres of land for mitigation.

Environmental impact statement: Final statement of the overall project which described the need for this mitigation was filed with the Council on Environmental Quality in June, 1973.

Total: project cost: $1,415,000.

Benefit/cost ratio: Not applicable.

(2) Davenport, Iowa:

Location: At Nahant Marsh, a natural wetland which is located near the already authorized Federal flood protection project for the City of Davenport, Iowa.

Purpose: Fish and wildlife mitigation.

Problem: The Corps of Engineers flood control project which is authorized for Davenport, Iowa, will have adverse effects on the Nahant Marsh, a unique wetland which is presently used for wildlife study. The flood control project would prevent the wetland from being periodically inundated by the Mississippi River and consequently destroy its wetland characteristics.

Recommended plan: Acquisition and preservation of approximately 163 acres of marshland and the construction of structures to regulate water levels and floods into the marsh.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in March, 1978.

Total project cost: $497,000.

Benefit/cost ratio: Not applicable.

Comments: Construction of the already authorized Federal flood conrol project at Davenport, Iowa, is contingent on the authorization of this mitigation plan.

(3) Smithville Lake, Little Platte River, Missouri—Plan for Replacement of the Trimble Wildlife Area:

Location: The Missouri River flood plain about 20 miles east of Kansas City, Missouri.

Purpose: Fish and wildlife mitigation.

Problem: Smithville Lake inundates a portion of the Trimble Wildlife Area formerly operated by the Missouri Department of Conservation thereby making the area unsuitable for the type of management the Department has established.

Recommended plan: Acquisition of 2,610 acres to replace the Trimble Wildlife Area.

Environmental impact statement: Final statement filed with the Environmental Protection Agency in September, 1978.

Total project cost: $7,870,000.

Benefit/cost ratio: Not applicable.

TITLE IV—PROJECT PROVISIONS

Section 401. This section would deauthorize a modification to Lake Brownwood, Pecan Bayou, Texas. The modification was an earth fill embankment, and modifications to the outlet works and spillway in the interest of dam safety. Since the states and dam owners are responsible for the safety of non-federal dams, and local interests have accomplished the authorized work, the authorization is no longer necessary.

Section 402. This section authorizes additional appropriations necessary to complete all construction of comprehensive river basin plans for flood control, navigation and other purposes in each of 28 river basins which are presently subject to limits on the amount of funds that can be appropriated.

This legislation would eliminate the need for yearly consideration by the President and Congress of river basin monetary authorization legislation. It is not intended to diminish Congressional oversight for the Army Civil Works Program, but rather, to promote efficiency in the exercise of that oversight function.

Beginning with the Flood Control Acts of 1928 and 1936, Congress authorized certain basin and project plans for construction, subject to limitations on the amount of funds that could be appropriated for the plans in each basin. Today a total of 28 basins are subject to monetary limitations. In past years, Congress has had to enact river basin monetary authorization legislation to raise these limits on an annual basis and occasionally, as in 1977, twice in one year. In 1978, failure to pass such legislation disrupted schedules on several projects and required suspension of on-going contracts on others. This resulted in significant cost increases for the Federal government and

serious hardships for construction workers who were laid off during the suspension of work on the projects. In addition, the delays placed an administrative burden on the Army Civil Works Program, as project schedules based on actual appropriations by the Congress were repeatedly disrupted.

The river basin monetary limits no longer serve a useful oversight function. Since the passage of the Congressional Budget and Impoundment Control Act of 1974, the authorization committees of both Houses of Congress have developed procedures to provide for annual review of the entire Army Civil Works Budget. These annual reviews of the overall Civil Works Program remove the need for periodic review of that portion of the program subject to river basin monetary authorization limits. The annual review and subsequent appropriations have resulted in appropriations for several of these basins which exceed the monetary authorization, thus rendering the authorized limitations meaningless.

Section 403. This section would permit the sale of water from the Washington Aqueduct directly to authorities in the State of Maryland in a manner similar to the presently authorized sale of water to Virginia communities. It would also permit the Washington Aqueduct to purchase water from Maryland authorities when necessary to meet emergency conditions. Such authorization would allow the construction of a major new interconnection between the two largest water utilities in the Washingon Area, the Washington Aqueduct Division (WAD) and the Washington Surburban Sanitary Commission (WSSC). This type of interconnection has been recommended in several studies in order to provide for mutual assistance between Washington area utilities in times of crisis. The WSSC would finance construction of all pipelines and pumping stations required.

The Washington Aqueduct provides water to Washington, D.C., via the District of Columbia water system. Under sections 43-1540 and 43-1541 of the District of Columbia Code, the Aqueduct is also authorized to deliver water to Arlington County, Falls Church, and any other competent state or local authority in the Virginia metropolitan area. The sales to the Virginia systems are discretionary. That is, they must be acceptable to the Secretary and may be terminated at any time. The receipts from the sales are deposited in the District of Columbia's Water and Sewer Enterprise Fund.

Current customers of the Washington Aqueduct would be protected in two ways. First, a new sales agreement could only be entered into upon the recommendation of the Chief of Engineers. The Chief could use this avenue to ensure that existing customers are not affected adversely by the new sales. In addition, the bill would authorize the Secretary to revoke a water sales agreement at any time. The Secretary could use this authority to protect the Aqueduct's current customers during an emergency.

The proposal would permit the Washington Aqueduct to purchase water from Maryland and Virginia water systems that are interconnected with it. This would help to ensure that sufficient water is available for Aqueduct customers during emergency situations.

Section 404. This section would increase by $6,667,000 the amount of Federal funds available for rehabilitation of the Illinois-Mississippi Canal. By a series of agreements between the State of Illinois and the Federal Government, the canal was turned over to the State in 1970, for use as a parkway. As part of the transfer, P.L. 85-500 specified rehabilitation work to be completed by the Corps. The work started in the 1960's and continued until 1974 when it was suspended awaiting the outcome of a law suit. A total of $8,528,000 has been authorized to be spent on the rehabilitation work. The Illinois Department of Conservation has recently completed a master plan for the parkway which includes rehabilitation work consistent with work authorized to be done by the Federal government. At current price levels (October 1984) it is estimated that a total authorization of $13,195,000 would be required to complete the rehabilitation work by the Corps.

Section 405. This section would relocate the present navigation channel boundaries in City Waterway, Tacoma Harbor, Washington. The City of Tacoma requested the change in boundaries to enhance boating opportunities and marina development consistent with the City's plan. The full project dimensions are no longer needed for waterway uses.

This provision eliminates the navigational servitude over portions of the City Waterway in Tacoma, Washington. This action will allow several small boat marinas in the waterway to continue to lease space without the need for certain bonding requirements. Federal control over those portions of the waterway will be ended, eliminating any cloud over the title.

TITLE V—GENERAL PROVISIONS

Section 501. This section pertains to hydroelectric power facilities to be constructed in conjunction with a Corps project. The Secretary would be required to consult with the Secretary of Energy concerning delivery of power generated as a result of such hydropower facilities to be constructed for a project sponsor. The sponsor would pay 100 percent of the cost of the hydropower facilities as required by title II of the Act. In return, the sponsor would receive power in excess of project requirements for a period of up to 50 years.

Sections 502 and 503. Sections 502 and 503 both provide authority for the Corps to design and construct new or additional hydropower generating facilities at Corps dams where the facilities were not originally authorized. Most hydro projects can be planned, constructed and operated by non-federal interests under the FERC procedures. However, the Corps should be directly involved in planning, design, and construction of hydroelectric facilities at its dams whether the power is developed by the Corps or non-federal interests. Such involvement would assure that hydropower development is compatible with authorized purpose of the federal project and the structural integrity of the project is maintained. Both sections 502 and 503 address development of hydropower facilities at Corps projects.

Section 502 authorizes the Secretary of the Army, acting through the Chief of Engineers, subject to the requirements of Sections 201 and 202 of this Act, to plan, design, construct, operate and maintain hydropower generating facilities at any water resources development project of the Department of the Army, when the Secretary determines development by a FERC licensee is not advisable. Only in cases where non-federal development of hydropower potential at an existing Corps project is impractical because of physical, legal, competing use, institutional, environment or economic reasons, would the Corps develop the hydropower as a federal project with non-federal financing. In those cases where non-federal development of hydropower at a Corps project under a FERC license is practical, section 503 would allow planning, design, and construction by the Corps if requested by the FERC licensee. This would serve the best interest of the taxpayers by combining Federal expertise with non-federal financing to accomplish sound hydropower development. In addition, where appropriate, joint construction of the power facility and the Corps project would be more efficient and cost effective, especially with regard to power-on-line date.

Before undertaking any work pursuant to section 502 the Secretary must enter into a binding agreement with a non-federal interests which describes the nature, extent, and financing of the work and the respective rights and obligations of the United States and the non-federal interest. Authorization of hydropower development pursuant to this section will not preclude development of hydroelectric power at Corps projects pursuant to the Federal Power Act. Development by FERC licensees will continue to be encouraged in all but a few cases where it would be desirable for federal development.

Section 503 provides for the Secretary of the Army, acting through the Chief of Engineers, to plan, design and construct, on behalf of non-federal interests, hydroelectric power generating facilities at authorized development projects of the Department of the Army where hydropower is not authorized and to contract for such work with funds made available by non-federal interests for such planning, design, and construction. This would be most advantageous to both federal and non-federal interests when the Corps project and the licensees power facility can be constructed at the same time.

Before undertaking any work pursuant to section 503, the Secretary must enter into a binding agreement with the non-federal interest describing the nature, extent, and financing of the work and the rights and obligations of the United States and non-federal interest. Non-federal interests are responsible for operation and maintenance after completion, for operating facilities in a manner which will not interfere with authorized purposes of the federal project, and for obtaining a FERC license, where required.

In summary, the authorities provided in these two proposals, in combination, would promote the efficient utilization of hydropower resources at Corps projects, with assurance that the operational and structural integrity of the project is maintained. At the same time, this development would be accomplished through non-federal financing of project costs.

Section 504. This section would amend Section 221 of the Flood Control Act of 1970 to provide that where a state enters into a local cooperation agreement, the agreement may reflect that it does not obligate future legislative appropriations.

Section 221 prohibits the Corps of Engineers from initiating construction on any water resources development project until each of the project's non-federal sponsors has entered into a legally-enforceable written agreement with the Secretary of the Army "to furnish its required cooperation for the project." In other words, each local sponsor must agree to provide its share of the funding of the project. Because of the large amounts of money involved, the locals must be capable of binding themselves to fi-

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nancial obligations that extend over a number of years. This poses a serious problem for states which have statutes or constitutional provisions that prohibit state officials from negotiating agreements that would obligate future state legislatures to appropriate funds. Since 1970, when Congress enacted Section 221, the Department of the Army has discovered that a number of state agencies are subject to legal restrictions which prohibit them from entering into any agreement that would obligate future state legislatures to appropriate funds.

The legislative history of Section 221 indicates that Congress expected the section to encourage states, having constitutional or statutory provisions that prohibit the obligation of future revenues, to amend those provisions so that they could enter into fully binding and legally enforceable local cooperation agreements as required by Section 221. However, to date, no state has done so. Instead, a number of potentially beneficial water resources development projects have lanquished. On the one hand, Section 221 requires state agencies to unequivocally commit their state legislatures to appropriate needed revenues. On the other hand, the performance of the Federal government is conditioned on future congressional appropriations.

The Department of the Army believes that the proposed legislation will resolve the current impasse without vitiating the essential protective features of Section 221.

The proposed legislation would also serve a second purpose. It would repeal Section 221(e) of the Flood Control Act of 1970. That subsection requires the Secretary of the Army to maintain a continuous inventory of the status of all Section 221 cooperation agreements and to report to Congress annually thereon. While the Corps would continue to maintain an inventory of all agreements, reporting to Congress no longer serves a useful purpose as it once did in the early years after Section 221 was enacted.

Section 505. This section would authorize the U.S. Army Corps of Engineers to continue certain advance engineering and design of water resources development projects prior to their authorization for construction, where the Secretary of the Army has already submitted a favorable report on the projects to Congress.

The planning and design of water resources development projects by the Army Corps of Engineers has traditionally involved work undertaken in a number of stages prior to actual physical construction of the project. Typically, Congress first authorizes the Corps to conduct a study of a particular water resource problem or proposal. The Corps then prepares the study, sometimes in more than one phase, and, if it determines that a plan of improvement is economically feasible and environmentally sound, the Corps recommends the plan in a report submitted to Congress. The report is ordinarily in sufficient detail to provide Congress with the information needed to make a determination on whether to authorize construction, but it does not involve any detailed engineering and design of the plan of improvement. Such advance engineering and design (AE&D) in the past was undertaken only after Congress actually authorized the project for construction.

Since 1981, Congress has allowed funding of "detailed studies and plans and specifications" of water resources development projects of the Department of the Army out of the General Investigations account of the Department's annual Civil Works appropriations measure. This has permitted the Corps of Engineers to continue AE&D on projects for which a final report has not yet been submitted to the Congress. In some cases involving broad study authorizations, the Corps can submit an interim report, covering a portion of the study area and continue with AE&D while awaiting action on that recommendation. This is not possible where a final report has been submitted to the Congress since transmittal of a final report terminate the Corps authority to undertake any further study of a project.

The proposed legislation would allow preconstruction advance engineering and design on projects for which the Secretary of the Army has already submitted final feasibility reports. If a report recommends implementation of the project, and if the Secretary of the Army determines that continuation of project planning is in the public interest, the Corps of Engineers may initiate advance engineering and design of the project.

Section 506. This section would amend section 12 of the Water Resource Development Act of 1974, which provides a procedure for deauthorization of projects. This proposal would amend section 12 in five respects. First, the proposed amendment would clarify that the section could be applied to separable increments of projects and not just total projects. This would allow the elimination of unneeded segments of otherwise viable projects. Second, with this amendment, the Secretary, acting through the Chief of Engineers, would use the same discount rates and evaluation procedures in effect for formulation of water resources projects at the time of reevaluation in deciding whether or not a project should be submitted for deauthorization. This would permit inclusion on the list of projects all unconstructed projects which do not meet current standards and policies, regardless of original authorization date. Third, the proposal would modify the deauthorization process to eliminate current committee veto provisions. This provision would provide that any project would be deauthorized after 90 calendar days of continuous session of Congress unless Congress takes action otherwise. Fourth, the proposal includes a provision for automatic termination of study authorization for which no funds have been expended for five consecutive fiscal years. Finally, the proposal includes a provision making Section 12 deauthorization procedures applicable to completed projects which are Federally operated and maintained where continuation of such effort is no longer in the public interest.

The proposed changes will significantly improve the efficiency of the Section 12 deauthorization process in identifying authorized projects which are no longer needed or are not justified by todays standards. It will help to reduce the Corps current backlog of an undetermined number of studies and approximately 400 authorized Civil Works projects plus an undetermined number of separable elements of projects for which no funds have been appropriated for at least eight years. These art studies, projects and separable elements which have little or no chance of producing projects or viable solutions to problems perceived years ago.

Section 507. This section would amend Public Law 92-367, Section 5, paragraph (1) to authorize the Corps of Engineers to remain and update the National Inventory of Dams. The original legislation authorized compilation of the inventory, but was silent on its maintenance. To be of continuing benefit, the inventory must be maintained and updated. The legislation would allow the Corps of Engineers to maintain the computerized data bank and to periodically publish and distribute the inventory and appropriate addenda. Individual states would continue to be responsible for the data collection and submission to Corps offices. Coordination will be maintained with all Federal agencies responsible for funding and/or constructing dams.

Section 508. This proposal would abolish the California Debris Commission and its authority to regulate hydraulic mining. The Commission's remaining navigation and flood control responsibilities would be transferred to the Corps of Engineers. In addition, all of the Commission's assets and liabilities would be transferred to the Corps. The Corps would be authorized to retain all real property interests presently under the Commission's jurisdiction and to take such actions as are necessary to consolidate holdings and perfect title. These real property interests are needed for the continued operation of existing Commission projects.

The Commission's three members must be officers of the Army Corps of Engineers and are appointed by the President with the advice and consent of the Senate. Originally, the Commission's primary responsibility was to control the vast amounts of soil and other debris which were then being released into California rivers and streams by miners employing the hydraulic method of gold recovery. Between 1853 and 1909, hydraulic mines poured over 1.5 billion cubic yards of debris into California water. The debris interfered with navigation and frequently caused flooding. The California Debris Commission was authorized to regulate hydraulic mining via permits—no company could engage in such mining unless it (1) provided an effective way to store its own debris and (2) obtained a permit from the Commission.

Hydraulic mining has become uneconomical, and the industry has collapsed. It is not anticipated that any new permits will be issued in the foreseeable future. Thus, there is no need for a separate commission to process permits. Furthermore, should the need arise, such activities would be subject to adequate federal regulation via the permit requirements of Section 10 and 13 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403, 407) and Sections 402 and 404 of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1342, 1344).

But, while the California Debris Commission no longer has a meaningful role to play with respect to the regulation of hydraulic mining, it continues to perform a valuable supervisory role with respect to several existing navigation and flood control projects. The Commission's remaining supervisory responsibilities in this area should be transferred to the Corps of Engineers.

Section 509. This section would amend Section III of the River and Harbor Act of 1968 (33 U.S.C. 426i) to allow implementation of nonstructural measures to mitigate shore damage attributable to Corps navigation projects.

In order to promote shore conservation and the equitable treatment of the owners of shoreline property, Congress enacted Section III of the River and Harbor Act of 1968. That section authorizes the Secretary of the Army to investigate, study, and construct projects for the prevention of mitigation of shore damages attributable to federal navigation works. The authority is discretionary. The Federal government now bears

the entire cost of installing, operating, and maintaining the projects. Furthermore, if the estimated first cost of any project exceed $1,000,000 specific congressional authorization is required.

In the exercise of this discretionary authority, the Secretary has discovered several instances where nonstructural measures could accomplish the stated goals of Section 111 at less cost to the Federal government. In addition, such nonstructural measures could prove to be more environmentally sound over the long run than the construction of shore protection projects.

Under the proposed amendment, the Secretary would be authorized to acquire shoreline property or an interest in real property associated with a shoreline. Such acquisition would only be undertaken after a feasibility study has been completed. The study process would include coordination with federal agencies including the Federal Emergency Management Agency, and other interests. Since the Secretary would be under no legal obligation to acquire the property, and since the property would not be needed to complete federal navigation projects, it is anticipated that the Secretary would acquire the property by voluntary purchase rather than through the power of eminent domain. In addition, a non-federal public body must agree to share the initial cost in the same proportion as cost sharing for the project causing the shore damage and operate and maintain the real property or interest in real property for a public purpose, on terms and conditions deemed satisfactory to the Secretary and in accordance with regulations prescribed by the Secretary. Normally, the federal government would retain all property rights even though the local sponsor is operating and maintaining the property. But where the sponsor is prohibited by law from operating or maintaining real property unless they possess an interest in it, the "terms and conditions" clause would enable the Secretary, at his discretion, to enter into a long-term lease with the sponsor.

Section 510. This section would amend Section 19 of the River and Harbor Act of 3 March 1899 (30 Stat. 1154, 33 U.S.C. 414) and Section 20 of the River and Harbor Act of 3 March 1899 (30 Stat. 1154, 33 U.S.C. 415) to provide that the operator, owner, lessor or lessee, associated with a wreck either singularly or collectively shall reimburse the United States for any expenses related or incidental to the removal and salvage, including storage. Any money received from such reimbursement or from the sale of disposition of any such wreck shall be deposited into the general fund of the Treasury of the United States. Currently the Corps costs of removal can only be offset by the salvage value of the wreck which, in the case of abandoned vessels, is usually less than the cost of removal.

Section 511. This section would authorize the sale of hopper dredges in storage as well as spare parts.

The Corps of Engineers has in floating storage 11 hopper dredges which have been retired in accordance with PL 95-269. In addition, spare parts for these dredges occupy valuable warehouse and yard storage space at a number of locations. These dredges are almost all obsolete and since little or no attempt was made to preserve them when laid up, most have deteriorated to the point that rehabilitation costs may exceed their present value. The dredges and their spare parts cannot be disposed of without congressional authorization.

Legislation which established the program for retirement of the old Corps dredges and the minimum fleet concept did not provide for the eventual disposal of the surplus dredges. In fact, it indicated that future congressional action would address this point. No provision was made for costs associated with preserving the old dredges or for their storage. The storage costs are being absorbed by the projects on which the remainder of the Corps fleet works and little or no work was done to preserve the old dredges. The storage costs are substantial and the space occupied by spare parts and patterns is needed for the existing fleet and other uses.

Section 512. This section would amend 10 U.S.C. 3036, which currently authorizes the Chief of Engineers to provide planning, design, and construction services to other Federal departments, agencies or instrumentalities, to allow the Corps to provide such services to non-federal public entities on a reimbursable basis.

The Corps has undertaken work for others under a number of different authorities. The Economy Act (31 U.S.C. 535) authorizes the head of any federal agency to provide goods and services to other federal agencies where such goods and services cannot be provided as conveniently and as cheaply by a commercial enterprise. Additionally, the Corps has specific authority under 10 U.S.C. 3036 to provide services to other departments, agencies, and instrumentalities of the United States, including authority to provide such services by contract. Pursuant to these authorities, the Corps has undertaken planning, design, and construction work for other federal agencies. The Corps authority to undertake work for non-federal public entities is contained in the Intergovernmental Cooperation Act (42 U.S.C. 4421 *et seq.*) which authorizes federal agencies to provide "specialized and technical services" to states and political subdivisions on a reimbursable basis when the agency has a particular expertise which is not reasonably and expeditiously available through ordinary business channels. This authority has generally been interpreted as not providing authority to undertake actual construction work.

The authority to undertake construction work for non-federal public entities on a reimbursable basis would allow the Corps to provide a valuable service to the Nation at no cost to the federal government. The Corps is able to provide a world-wide capability for all aspects of construction management which has been exemplified by integrity and efficiency. Obtaining authority to undertake construction work for non-federal public entities would further enhance the Corps military capability by ensuring a well trained and experienced work force in the event of mobilization.

Section 513. This section would authorize the Chief of Engineers to modify navigation project channel dimensions at the channel entrances, bends, sidings, and turning places after the project becomes operational.

While the Corps of Engineers has solved the problem of designed navigation channels on straight reaches of waterway, it is only through actual operation of the project that it is possible to determine with precision, the exact dimensions required for the safe passage of vessels at the entrances, bends, sidings, and turning places. Section 5 of the River and Harbor Act of 4 March 1915, provides for these type adjustments while the project is in the planning, design, and construction stage but makes no provision for modification after construction is completed. Presently, the only means available to modify the project is through the lengthy process of obtaining enabling legislation.

Section 514. This section would increase the single project limits on several of the continuing authorities. Existing legislation limits on the costs of projects to be implemented under the Continuing Authority Programs are now more restrictive than when they were set by legislation. It is proposed to raise the single project cost to those shown below. This is justified by normal cost increases and other effects since Congress last authorized increased cost limitations.

	Proposed limit	Existing limit
Sec. 208 of the Flood Control Act (Snagging and Clearing for Flood Control)	$500,000	$250,000
Sec. 14 of the Flood Control Act of 1946 (Streambank and Shoreline Protection of Public Works	500,000	250,000
Sec. 205 of the Flood Control Act of 1948 (Small Flood Control)	4,500,000	4,000,000
Sec. 107 of the River and Harbor Act of 1960 (Small Navigation)	3,500,000	2,000,000
Sec. 3 of the Act of August 13, 1946 (Public Law 79-727) (Small Beach Erosion Control)	3,000,000	1,000,000

Section 515. This section would amend section 14 of the act of March 3, 1899 to provide specific authority for the Corps to approve alteration or use of navigation and flood control improvements where the Secretary of the Army determines that such use would be in the public interest and will not impair the usefulness of the work constructed by the United States. The Corps has been asked to approve non-federal construction in a number of instances where the proposed improvement would benefit the local economy without impairing the effectiveness of the structure built by the United States. Section 14 of the Rivers and Harbors act of 1899 (33 U.S.C. 408) declares it to be unlawful for any person to alter or make use of any improvement built by the United States for navigation or flood control. The section does allow the Corps to approve occupation or use where such occupation or use is temporary and not "injurious to the public interest." However, the Corps lacks the authority to approve any construction, alteration, or use when the activity will result in a permanent alteration or improvement of the structure built by the United States.

Section 516. This section improves the ability of the Secretary to utilize the resources of the Corps of Engineers in time of war or national emergency. The civil works resources of the Corps constitute a valuable reserve capability that would be used to meet mobilization construction requirements in times of extreme national need. This section enables the Secretary to draw upon those Civil Works resources when required during war or national emergencies.

Subsection (a) authorizes the Secretary to free Civil Works resources, including funds, personnel, and equipment, from projects not essential to the national defense and to apply those resources to authorized Civil Works, military construction, and civil defense projects critical to the national defense. Under this authority the Secretary could, for example, terminate work on a recreation facility and utilize the newly freed funds and personnel to construct barracks for mobilized reserve units. This authority would be available only in two very

limited situations: in time of war declared by Congress, or in time of national emergency declared by the President in accordance with the National Emergencies Act. The National Emergencies Act provides that the President may invoke and use emergency authorities only when he declares a national emergency, notifies Congress of his action, publishes his declaration in the Federal Register, and specifies, either in this declaration or in a subsequent executive order, which emergency authorities he intends to use. Subsection (a) of the proprosal further specifies that the threat leading to the declaration of national emergency must be military in nature; national emergencies dealing with economic or other nonmilitary crises would not trigger the authorities provided here. This subsection does not provide authority to construct any project not otherwise authorized by law.

Subsection (b) requires the Secretary to notify the appropriate Congressional committees immediately upon exercising the authorities provided by subsection (a). In addition, this subsection specifies that those authorities shall cease to be exercised not later than 180 days after the termination of the state of war or national emergency that led to their invocation.

Section 517. This section would require the Corps of Engineers to acquire justified separable fish and wildlife mitigation lands, concurrently with acquisition of project lands. This requirement would apply to any project for which mitigation has been authorized, and would assure that mitigation measures are provided concurrent with the need.

Section 518. This section amends the Act of September 22, 1922 to increase from $100 to $50,000 the penalty for failure to provide statements relative to vessels, passenger, freight, and tonnage as required by the Secretary. It also allows the Secretary to assess a civil penalty of up to $25,000 for failure to provide information as required by the Act.

Section 519. This section amends the Act of June 13, 1902 which allows for non-federal interests to construct improvements on navigable waters, subject to approval of the Secretary, but prohibits charging tolls for the use of those improvements. This amendment would allow non-federal interests to collect tolls to recover non-federal costs pursuant to title I of the Act.

Section 520. This section would remove the prohibition preventing the Secretary from collecting entrance fees at Corps of Engineers project recreation lands and facilities. The Administration will propose generic legislation amending the Land and Water Conservation Act to establish entrance fees at federally operated recreation areas.●

By Mr. SYMMS:

S. 535. A bill entitled the "National Shipbuilding Industrial Base Act of 1985"; to the Committee on Armed Services.

NATIONAL SHIPBUILDING INDUSTRIAL BASE ACT

● Mr. SYMMS. Mr. President, I ask unanimous consent that this bill be printed in the RECORD and appropriately referred. I intend to offer this bill after it is studied and marked up by the appropriate committee, perhaps as an amendment to the fiscal year 1986 defense authorization bill.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

"Notwithstanding any other provision of law, the policy stated in 10 USC Section 7302 is hereby reaffirmed and the President is directed to report to Congress within 30 days of the enactment of this bill all actions taken and planned to implement such policy with respect to the construction of major surface combattant vessels."●

By Mr. EAGLETON (for himself, Mr. ANDREWS, Mr. BRADLEY, Mr. BUMPERS, Mr. BURDICK, Mr. CRANSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DIXON, Mr. DOLE, Mr. EXON, Mr. GORE, Mr. GRASSLEY, Mr. HATCH, Mr. HATFIELD, Mrs. HAWKINS, Mr. HEINZ, Mr. HOLLINGS, Mr. LUGAR, Mr. MATSUNAGA, Mr. MCCLURE, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. RIEGLE, Mr. ROTH, Mr. SARBANES, Mr. SIMON, Mr. STENNIS, Mr. SYMMS, Mr. WARNER, Mr. WILSON, and Mr. ZORINSKY):

S.J. Res. 65. Joint resolution designating the month of November 1985 as "National Alzheimer's Disease Month"; to the Committee on the Judiciary.

NATIONAL ALZHEIMER'S DISEASE MONTH

Mr. EAGLETON. Mr. President, today, I and 34 of my colleagues are introducing a joint resolution to designate November 1985 as "National Alzheimer's Disease Month."

More than 2.5 million people in this country suffer from Alzheimer's disease an irreversible brain disease that causes loss of memory followed by confusion, disorientation, loss of affect and intellect, and eventual physical deterioration. Thus far, medical science is unable to identify the cause of the disease. There is no known drug or treatment that can halt the progression of Alzheimer's. But research progress is being made.

Recently, researchers learned that the neurofibrillary tangles found in the brains of Alzheimer's victims contain a fibrous protein not present in the nerve cells of the normal adult brain. Either this protein is newly formed, perhaps as a result of virus or an abnormal gene, or perhaps it is formed during normal development and is reexpressed in the Alzheimer's brain.

Research on Alzheimer's victims has also revealed a decrease in a brain enzyme that is involved in the synthesis of acetylcholine, one of the major transmitters of the brain. The implications of recent research findings on Alzheimer's disease and other degenerative disorders of the brain are as yet not fully known, but they are encouraging. They give us hope that a strong and sustained biomedical research effort will someday unlock the mystery of Alzheimer's disease and lead us to effective treatment and a cure.

In the meantime, we must continue our efforts to educate and build public understanding of Alzheimer's disease and its impact on the daily lives of its victims and their families. Designating the month of November as National Alzheimer's Disease Month, as we have done for the 2 prior years, is one small way to help focus attention on the serious and insidious nature of Alzheimer's disease.

A simple resolution will not assure a stable research effort. It will not sensitize Government policy under the disability program to assure fair and equitable determinations in claims involving Alzheimer's victims. It will not resolve the unmet need for long-term care of Alzheimer's patients nor build the necessary support system for the family members who traditionally care for the Alzheimer's patient. Nevertheless, it can be a significant stimulus for changing public attitudes toward Alzheimer's disease and for recognizing that mental deterioration is not an inevitable consequence of aging.

I urge all of my colleagues to join with us in supporting the designation of the month of November 1985 as National Alzheimer's Disease Month. We must not allow the initiative we have developed over the past 2 years to slacken as we continue to struggle to understand and combat this tragic affliction.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 65

Whereas more than two million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is the fourth leading cause of death among older Americans;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $20,000,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1985 is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

By Mr. D'AMATO:

S.J. Res. 66. Joint resolution designating June 14, 1985, as "Baltic Freedom Day"; to the Committee on the Judiciary.

BALTIC FREEDOM DAY

● Mr. D'AMATO. Mr. President, I rise this afternoon to express my solidarity with the struggling people of the Baltic Republics of Lithuania, Latvia, and Estonia.

In 1940, these three sovereign states were illegally and forcibly incorporated into the Soviet Union. The Red Army infiltrated and occupied these free and independent nations. This blatant act of aggression by the Communist regime of Joseph Stalin brought to a tragic end the independence and prosperity which Lithuanians, Latvians, and Estonians had fought so bravely to attain.

On the evening of June 14, 1941, the Soviets began a massive deportation program which sent hundreds of thousands of Baltic people to the Gulags where many perished. Between 1944 and 1949, more than 600,000 Lithuanians, Latvians, and Estonians were forcibly deported to Siberia. The Soviets have pursued a brutal policy of Russification designed to strip the Baltic people of their religious, cultural, and historical heritage.

Since the unlawful incorporation of the Baltic Republics, an illegal act which the United States has never recognized, the freedom-loving people of Lithuania, Latvia, and Estonia have been subjected to some of the most brutal forms of oppression ever instituted by the Kremlin. Under Stalin, Khrushchev, Brezhnev, Andropov, and Chernenko, thousands of Lithuanians, Latvians, and Estonians have been slaughtered, deported, exiled, imprisoned in slave labor camps or committed to psychiatric institutions. These ruthless dictators have pursued a policy which denies the Baltic people even the most basic of human rights, in clear violation of the United Nations universal declaration on human rights and the Helsinki final act.

Despite repeated professions of support for the principles embodied in the final act, the Soviets blatantly violated the rights to self-determination guaranteed the Baltic people. As the act affirms:

All people always have the right, in full freedom, to determine, when and as they wish their internal and external political status, without external interference, and to pursue as they wish their political, economic, social, and cultural development.

In recent years, Soviet disdain for the Helsinki accords are shown by their intensified repression of Lithuanians, Latvians, and Estonians. Dr. Algirdas Statkevicices, a member of the Lithuanian Helsinki monitoring group has been sentenced to compulsory psychiatric treatment for engaging in "anti-Soviet agitation and propaganda." In addition Fathers Alfonsas Svarinckas and Sigitas Tamkanicias have been persecuted and imprisoned for their defense of believers' rights. Meanwhile, Juris Brimeisters, a Latvian Social Democrat is serving a 15-year sentence in a strict regime camp for his political convictions. We also must not forget the courage of Dr. Juri Kukk, an Estonian human rights activist who died of a hunger strike in a transit prison where he had been placed as a result of "anti-Soviet agitation and propaganda."

Despite Soviet denial of basic human rights and civil liberties, the people of Lithuania, Latvia, and Estonia have struggled heroically in their efforts to break the chains of Soviet domination. Their steadfast belief in the principles of independence and their deep-rooted love for freedom have enabled them to endure Communist hegemony and oppression. The free spirit of the Baltic people will not be broken. Their search for self-determination will continue.

In light of our Nation's dedication to the principles of independence and commitment to the protection of civil liberties, it is appropriate that we join in solidarity with the more than 5 million Lithuanians, Latvians, and Estonians who continue to fight for their own independence. It is imperative that the United States send a clear and strong signal that we will not abandon the Baltic people who live under Soviet tyranny. We must continue to champion the cause of independence for the Baltic States.

Mr. President, I ask unanimous consent that my joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 66

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia;

Whereas the Union of the Soviet Socialist Republics (U.S.S.R.) in 1940 did illegally seize and occupy the Baltic Republics and by force incorporate them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.;

Whereas the U.S.S.R. since 1940 has systematically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Baltic Republics, thus threatening the Baltic cultures with extinction;

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Estonia, Latvia, and Lithuania, find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the U.S.S.R. refuses to abide by the Helsinki Accords which the U.S.S.R. voluntarily signed;

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination;

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States of Latvia, Lithuania, and Estonia, the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms, and

Whereas the U.S.S.R. conscripts Estonians, Latvians, and Lithuanians into the Soviet armed forces compelling them to serve in Afghanistan, Vietnam, and Cuba: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R. and deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression and that the fourteenth day of June 1985, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people and that the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. HEINZ, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 70

At the request of Mr. INOUYE, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 70, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pair due to cancer.

S. 141

At the request of Mrs. HAWKINS, the names of the Senator from Oklahoma [Mr. NICKLES] the Senator from Maine [Mr. COHEN], the Senator from

Wyoming [Mr. SIMPSON], the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. D'AMATO], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 141, a bill to amend the Board for International Broadcasting Act of 1973 to provide for a special Radio Liberty program of Russian language broadcasting for the Jewish population of the Soviet Union.

S. 154

At the request of Mr. INOUYE, the names of the Senator from Florida [Mrs. HAWKINS], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 154, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts for use by the U.S. Olympic Committee.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of social security benefits.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 274

At the request of Mr. DENTON, the names of the Senator from Virginia [Mr. WARNER] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 318

At the request of Mr. HEINZ, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 318, a bill to extend the revenue sharing program for local governments through fiscal year 1991.

S. 329

At the request of Mr. HECHT, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 329, a bill entitled the Highway Speed Modification Act of 1985.

S. 339

At the request of Mr. LAUTENBERG, the name the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 339, a bill to implement the Rule of the Shorter Term in the case of computer programs.

S. 377

At the request of Mr. DECONCINI, the names the Senator from Hawaii [Mr. INOUYE], the Senator from Maryland [Mr. SARBANES], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 394

At the request of Mr. GORTON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 394, a bill to amend the Housing and Community Development Act of 1974 to provide housing assistance to the homeless through renovation and conversion of facilities for use as temporary housing, provision of emergency housing and food, and provisions of residential housing assistance in the transition to independent living.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 412

At the request of Mr. GOLDWATER, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 412, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 440

At the request of Mr. TRIBLE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 440, a bill to amend title 18, United States Code, to create an offense for the use, for fraudulent or other illegal purposes, of any computer owned or operated by certain financial institutions and entities affecting interstate commerce.

S. 472

At the request of Mr. DOLE, the names of the Senator from California [Mr. WILSON], the Senator from Connecticut [Mr. WEICKER], the Senator from Illinois [Mr. DIXON], the Senator from Oklahoma [Mr. BOREN], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 472, a bill to amend title V of the Social Security Act, and section 2192 of the Omnibus Budget Reconciliation Act of 1981, to modify the terminology relating to certain disabled children.

S. 487

At the request of Mr. MATHIAS, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 487, a bill to recognize the organization known as the Statue of Liberty-Ellis Island Foundation, Inc.

SENATE JOINT RESOLUTION 11

At the request of Mr. MATTINGLY, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Senate Joint Resolution 11, a joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation.

SENATE JOINT RESOLUTION 26

At the request of Mr. PRESSLER, the names of the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to designate "National Farm Crisis Week."

SENATE JOINT RESOLUTION 35

At the request of Mr. GORTON, the names of the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 35, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week."

SENATE JOINT RESOLUTION 38

At the request of Mr. HEINZ, the name of the Senator from Minnesota [Mr. DURENBERGER], was added as a cosponsor of Senate Joint Resolution 38, a joint resolution authorizing and requesting the President to designate the week of March 10 through March 16, 1985, as "National Employ the Older Worker Week."

SENATE JOINT RESOLUTION 40

At the request of Mr. LUGAR, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 40, a joint resolution to designate the month of October 1985 as "National Down Syndrome Month."

SENATE JOINT RESOLUTION 48

At the request of Mr. LEVIN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 48, a joint resolution to designate the year of 1986 as the "Year of the Teacher."

SENATE JOINT RESOLUTION 51

At the request of Mr. HATCH, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. BURDICK], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Illinois [Mr. DIXON], and the

Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 51, a joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week."

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

SENATE JOINT RESOLUTION 53

At the request of Mr. DENTON, the names of the Senator from Nevada [Mr. HECHT], the Senator from Massachusetts [Mr. KERRY], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 56

At the request of Mr. DECONCINI, the names of the Senator from Nebraska [Mr. ZORINSKY], the Senator from Oklahoma [Mr. BOREN], the Senator from Indiana [Mr. QUAYLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Illinois [Mr. DIXON], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 56, a joint resolution to designate April 1985 as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of Senate Joint Resolution 60, a bill to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. HEINZ, the names of the Senator from Oregon [Mr. PACKWOOD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from California [Mr. CRANSTON], the Senator from Illinois [Mr. DIXON], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care.

SENATE RESOLUTION 35

At the request of Mr. GOLDWATER, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Resolution 35, a resolution to express the sense of the Senate relative to discriminatory and unduly restrictive State and local regulation of home satellite antennas.

SENATE RESOLUTION 53

At the request of Mr. DODD, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Resolution 53, a resolution concerning the Internal Revenue Code.

SENATE CONCURRENT RESOLUTION 22—RELATING TO THE CONTINUATION OF THE JOBS CORPS PROGRAM

Mr. HATCH (for himself, Mr. CRANSTON, Mr. DURENBERGER, Mr. FORD, Mr. PRESSLER, and Mr. BAUCUS) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 22

Whereas for twenty years the Job Corps has assisted economically disadvantaged young men and women to become employable and employed by providing job training and support services;

Whereas eighty-five percent of Job Corps participants are high-school drop-outs, twenty-five percent have been rejected for enlistment in the United States Armed Forces for failure to meet minimum entry requirements, and one-hundred percent are below the poverty level;

Whereas more than 1.2 million such youths have participated in the program and have benefited from services designed to assist them in becoming more responsible, employable, and productive citizens by providing a positive living environment conductive to the development of social and behavioral skills necessary for a productive life;

Whereas the Job Corps provides counseling, extracurricular activities, and recreation to assist participants with interpersonal relations, self-discipline, leadership, and respect for authority;

Whereas the Job Corps offers its participants the health care and proper nutrition which they previously may not have received and which are required for maximum learning;

Whereas independent evaluations have consistently found that the Job Corps has positive net benefits and that its benefits exceed its costs;

Whereas in program year 1983-84, the Job Corps experienced a positive termination rate of nearly 80 percent and placed 68 percent of its graduates in unsubsidized jobs;

Whereas studies show that former Job Corps participants averaged more weeks of employment and higher earnings and fewer weeks of public assistance and unemployment compensation than youths who did not participate in the Job Corps; and

Whereas the elimination of the opportunities provided through this program would deny to thousands of economically disadvantaged youths access to a proven successful means of pursuing a productive life and would contribute to the already intolerably high rate of youth unemployment: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Job Corps has been a cost-effective and successful program that should be continued as a separate component of the Job Training Partnership Act, that the commitment of the Congress to the program is reaffirmed, and that sufficient appropriations should be made available for the program in order to maintain it as a viable federal effort to assist economically disadvantaged youths in obtaining and holding employment and contributing to society.

SENATE CONCURRENT RESOLUTION 23—RELATING TO REDUCTION OF TRADE BARRIERS BY JAPAN

Mr. BAUCUS (for himself and Mr. EVANS) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 23

Whereas, the United States and Japan are generally committed to principles of international free trade;

Whereas, in keeping with these principles, the United States has given Japan broad access to our markets;

Whereas, Japan has benefitted from this access by becoming a major United States supplier and had a $37 billion merchandise trade surplus with the United States in 1984;

Whereas, Japan uses a system of prohibitively high tariffs and nontariff barriers to limit imports of American processed forest products such as lumber, softwood plywood, particleboard, veneer, and linerboard; and

Whereas, these tariff and nontariff barriers force Japanese consumers to pay unnecessarily high prices for processed forest products, deny American producers of forest products a fair opportunity to compete in Japan, reduce potential American forest-products sales by $1 billion a year, and obstruct the development of better trade relations between the United States and Japan; and

Whereas, President Reagan and Prime Minister Nakasone have agreed to negotiate substantially increased market access for four industrial sectors, one of which is forest products, and such negotiations are now in progress: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) in these current negotiations, Japan should substantially reduce the tariffs that Japan imposes on processed forest products, including lumber, softwood plywood, particleboard, veneer, and linerboard,

(2) in these current negotiations, Japan should begin to substantially reduce the nontariff barriers Japan imposes on imports of processed forest products, and

(3) any refusal by Japan to substantially reduce such tariffs and to begin to substantially reduce such nontariff barriers will seriously impede the development of better trade relations between the United States and Japan and will be taken into account when Congress considers other issues affecting the relationship between Japan and the United States.

Mr. BAUCUS. Mr. President, I rise to introduce a resolution, along with Senator EVANS, insisting that Japan reduce its barriers to American forest products.

Honda Rimei, a philosopher of Japan's Tokugowa era, said that "For-

eign trade is a war in which each party seeks to extract wealth from the other." America is in the middle of such a war today, and we are losing it. More and more of our wealth is shifting overseas. As evidence, last year our trade deficit was $123 billion. This year, it may reach $200 billion.

These deficits are not just an abstract problem for economists. America's shift from being a net exporting nation to a net importing nation has cost millions of jobs, affecting virtually every State.

For example, Butte, MT, was once the copper mining capital of the world. Today, every mine has closed. All 13,000 workers have lost their jobs to workers in Chile, Peru, and Zaire. And Butte, once our proudest city, has hit hard times. Its population has declined from 100,000 to 30,000 people.

Butte is not an isolated example. Hundreds of other communities, all across the United States, have suffered the same fate, whether they produce steel, autos, or some other product.

There are many reasons for our huge trade deficit. The primary one is our huge budget deficit, which has inflated the international value of the dollar by about 40 percent since 1980, making imports cheaper and exports more expensive. But another important reason is that foreign governments have outnegotiated us, using the international trade laws to their own advantage.

OUR TRADE DEFICIT WITH JAPAN

This is especially true in the case of Japan. In 1816, a Yankee sea captain named O'Cain tried to sell American products in Japan, but failed. "They told us," one of O'Cain's sailors wrote, "that they had plenty of everything we had to offer."

Since O'Cain's voyage, Japan has transformed itself from an isolated feudal kingdom into the free world's second-leading economic power, with a higher projected growth rate than any other industrial nation. This transformation was made possible by the open postwar trading system, which permitted Japan to import cheap raw materials and then sell its manufactured goods worldwide, especially in the United States. In fact, it's no exaggeration to say that the open trading system has benefited Japan more than any other nation.

But some things haven't changed. Today, Japan defends its home market as stubbornly as it did in 1816. As a result, last year Japan sold us about $37 billion more worth of merchandise than we sold them; to put it another way, for every $1 worth of products U.S. businesses sold to Japan, Japanese businesses sold $2.62 worth to us.

The Japanese have attained this huge surplus, in part, by successfully employing a value-added strategy, by which Japan encourages imports of raw materials and discourages imports of finished products produced from those raw materials. As a result, most of the lucrative value-added processing occurs in Japan.

PROCESSED FOREST PRODUCTS

This value-added strategy has been especially effective regarding forest products. Japan imposes few barriers against imports of logs, but imposes many formidable barriers against imports of processed forest products. As a result, many jobs that might be in Missoula, MT, or Olympia, WA, are carefully protected in Sapporo or Osaka, Japan, even though the productivity of Japanese workers is less than half that of their U.S. counterparts.

Let me explain the problem more fully. The United States is the world's leading producer of forest products. We have abundant resources, skilled workers, and advanced technology. That's why the Office of Technology Assessment recently concluded that:

The United States is well positioned to satisfy * * * a major share of future world forest products requirements.

The U.S. forest products industry is very conscious of the potential value of foreign markets, and is exporting aggressively to them. For example, U.S. exports of processed forest products increased from about 3.5 percent of total U.S. production in 1970 to more than 9 percent of total U.S. production in the early 1980's.

Many of our forest products exports are produced from softwoods like Douglas fir, ponderosa pine, lodgepole pine, and spruce, which are cut, milled, and processed throughout the Northwest. For example, western Montana is a competitive producer of softwood lumber, plywood, particleboard, and kraft-linerboard, all of which have significant existing or potential export markets.

Because it has so few harvestable forests, Japan depends heavily on forest products imports. The United States is Japan's main import supplier, and Japan is our main export customer. In 1983, we exported 1.1 billion dollars' worth of forest products to Japan; in other recent years, we have exported almost 2 billion dollars' worth.

The Japanese market is especially attractive because of Japan's active homebuilding industry. In fact, in some recent years, the number of housing starts in Japan has actually exceeded the number here. What's more, Japanese builders are beginning to use softwoods in much greater amounts than ever before and overall Japanese construction methods are changing in ways that make the Japanese market more attractive to U.S. producers. American standards have been adopted for certain products, and the U.S. platform-frame construction method has been copied. Although this type of construction now accounts for less than 2 percent of home construction, it is expected to account for as much as 20 percent by 1990.

To capitalize on this market, American forest products companies have been working hard to sell in Japan. They've opened Tokyo offices. They've learned the language. And they've changed some of their manufacturing standards, by doing things like adding a special tint to the color of kraft linerboard—which has been done by a company in Missoula, MT.

But, so far, Japan's high tariffs on processed forest products have prevented U.S. producers from fully participating in this substantial market. The following table illustrates the effect Japan's tariffs have in protecting the Japanese domestic industry:

Product	Tariff	Imports as a percent of total Japanese consumption (1980)
Softwood logs	0	50
Softwood lumber—pine & spruce/fir only	6–9	14
Particleboard	12	7
Plywood	15	1
Veneer	15	2
Laminated lumber	20	(1)

[1] Less than 1 percent.

Mr. BAUCUS. Mr. President, Japan's high tariffs on processed forest products contrast starkly with other developed countries' tariffs. For example, America's tariffs on veneer, particleboard, and the type of plywood used in Japan range from 0 to 8 percent; the European Community's range from 0 to 10 percent. Even some less-developed Asian countries, like Taiwan, have lower tariffs on processed forest products than Japan does. In addition, Japan uses a web of nontariff barriers, like unnecessarily complicated licensing and certification systems, to bog U.S. producers down.

Mr. President, Japan's protectionist value-added strategy, embodied in these high tariffs and these nontariff barriers, is inconsistent with Japan's commitment to free trade. What's more, it denies the American forest products industry about $1 billion a year in potential sales. Granted, that is only a small part of our overall trade deficit. But, to the forest products industry and the workers in Montana, Washington, and elsewhere who depend on it for their livelihood, it is a very significant amount.

THE BENEFITS FOR JAPAN

Increased U.S. forest products sales would benefit not only the United States, but also Japan. For example, lower tariffs would mean, for Japan:

Potentially lower housing, construction and other product costs and a strengthened competitive position for Japanese forest product users and consumers.

Greater stability of raw material supply for Japanese forest products manufacturers, because more open markets for processed products will tend to ensure that the United States continue to keep its raw materials flowing to Japan; and

A closer alliance, for Japan's exporters of other products, with a major American industry which has been one of the strongest supporters of open markets.

NEGOTIATIONS

For years, the U.S. Government has been urging Japan to reduce its tariffs on processed forest products.

For example, during the Tokyo round of multilateral trade negotiations, U.S. negotiators repeatedly requested reductions in Japan's processed forest products tariffs. But Japan refused to make any significant reductions.

Since then, U.S. negotiators have continued to request significant reductions. The United States has even offered to make corresponding concessions by reducing its tariffs on plywood produced in Japan—Japan now sells us 15 times more plywood than we sell them.

Last year the Japanese led us to believe that their processed forest products tariffs finally would be reduced, after the sometimes acrimonious United States-Japan beef dispute was resolved.

But the Japanese let us down. In mid-1984, shortly after the beef issue was resolved, Japan announced a package of tariff reductions for 1985; but there was nothing in this package for the U.S. forest products industry.

Many Americans were deeply concerned about Japan's failure to make the processed forest products tariff cuts that we thought were forthcoming. I and several other Senators and Congressmen wrote to Ambassador Okawara and to Prime Minister Nakasone to express our concern. Ambassador Brock said that:

> The absence of any mention whatsoever of forest products among the tariff reductions is particularly disappointing.

Vice President BUSH said that:

> The failure of the Japanese to act in this area was the biggest disappointment in their trade package.

And the National Forest Products Association adopted a resolution urging Japan to:

> Truly open its markets by sharply reducing the prohibitive tariffs on processed wood products.

Then, in January, President Reagan met with Prime Minister Nakasone. They agreed, at that meeting, that Japan would make further market opening efforts, especially in the key sectors of forest products, telecommunications equipment, medical equipment, and pharmaceuticals. This agreement was a big step forward.

But we still have a long way to go. A few weeks after the Reagan-Nakasone meeting, I visited Japan myself. While there, I discussed the coming forest products negotiations with Prime Minister Nakasone, with the Director of the MAFF Forestry division, and with other Japanese Government and industry officials. Repeatedly, I was told that the forest products issue was very sensitive politically and that the negotiations might not result in significant Japanese concessions by the time the negotiators report back to the President and the Prime Minister before the economic summit in May.

Recent events unfortunately confirm this pessimistic interpretation of the Los Angeles round of negotiations. According to press reports, the first forest products discussions, held in Tokyo last weekend, resulted in absolutely no progress.

THE RESOLUTION

Mr. President, an old Japanese proverb says the "the sack of a man's patience is tied with a slip knot."

Well, our patience is running out. Japan's value-added strategy, embodied in its prohibitively high tariffs on processed forest products and its nontariff barriers to processed forest products, is inconsistent with the basic principles of free trade and hurts a U.S. industry that has been one of the leading defenders of those principles. These barriers must be reduced significantly, and soon.

This won't be easy. As a public servant, I understand the political problems that market liberalization can cause. I've met with Japanese lumbermen. I know how strongly they feel.

But Japan can't have it both ways. Japan can't ask the American people and the American Government to overcome domestic political pressure, unless the Japanese people and the Japanese Government are willing to do the same, by opening Japan's markets and helping the affected Japanese industries adjust to economic change.

I know that many of my colleagues, on both sides of the aisle, share my concern. Therefore, Senator EVANS and I are introducing a resolution, similar to last year's Baucus-Packwood resolution, Senate Concurrent Resolution 145, that conveys the sense of the Congress that Japan should substantially reduce its barriers to processed forest products, including plywood, particleboard, veneer, lumber, and kraft linerboard. Furthermore, the resolution conveys the sense of the Congress that, if Japan refuses to take such action, its refusal will seriously impede the development of better relations between our countries and will be taken into account when Congress considers other issues involving the United States-Japan bilateral relationship.

CONCLUSION

Mr. President, Ambassador Mike Mansfield correctly calls America's relationship with Japan "the most important bilateral relationship in the world."

Today, that relationship is under great strain, because of Japan's huge bilateral trade surplus and the tension it generates.

Protectionist proposals are proliferating. Given this situation, both countries must work hard to reduce the strain. Here in the United States, this means doing things like reducing the Federal budget deficit and thereby reducing the international value of the dollar. In Japan, it means opening markets wider to American products.

Mr. President, I am introducing this resolution to encourage Japan to do what it knows it should do: Open its markets wider to American processed forest products and give our companies a fair chance to compete. I urge all of my colleagues to cosponsor this resolution and support its swift adoption by the full Senate.

I hope that the current forest products negotiations succeed, so that our companies finally have a fair chance to compete. In that case, further legislative action will not become necessary.

Mr. EVANS. Mr. President, today I am submitting with Senator BAUCUS a concurrent resolution to encourage better progress in the U.S. Government's negotiations with Japan on its wood product tariffs. We are concerned with lowering tariffs on four products: softwood plywood, particleboard, veneer, and linerboard. We are also concerned with reducing the nontariff barriers in Japan toward these products. This is essentially the same resolution as the one introduced by Senator BAUCUS with Senator PACKWOOD last September at the end of the 98th Congress. Following its introduction today, we hope to gather a substantial number of cosponsors.

This concurrent resolution expresses our grave disappointment with the lack of progress on this issue over the past year and the increasingly obvious unwillingness of the Government of Japan to address this problem seriously. It is particularly timely since our Government's negotiating team, led by Under Secretary of Agriculture Dan Amstutz, has just returned from Tokyo following an unsuccessful meeting with their Japanese counterparts. This was the first sector-specific meeting on the wood products issue since President Reagan's meeting with Prime Minister Nakasone in January. In that meeting, the President expressed the strong interest of the United States in seeing Japan make timely progress on increasing the market access in Japan for U.S. producers in four product areas. In this

week's meeting, which was characterized in the media as a shouting match between the two sides, the Japanese side clearly showed that it is entirely unprepared and unwilling to engage in serious negotiations in the wood products area.

The forest products industry in the Pacific Northwest today is in deep trouble. Many sawmills have closed recently, causing unemployment and economic dislocation in many smaller communities in the Northwest. Even the more efficient mills are operating at lower rates than would be expected from the recent recovery in the housing and construction industries. It is difficult to identify the precise factors that are causing the industry's problems, although it is clear that some is due to long-term structural changes and some is due to the surge in softwood lumber imports from Canada.

Mr. President, I am not advocating outright protection for our forest products industry. I believe that the market should be the primary force in shaping the future structure of the industry. I do believe, however, that our Goverment has a role to play in the adjustment period for the industry, by trying to smooth out the rough edges while realizing that we cannot change the direction of the current. Increasing exports of wood products to Japan and other countries, while not a panacea, will certainly be one way to ease the transition process.

The wood products industry in Japan claims that it is depressed, and that it cannot afford to even consider increased imports at this time. They are correct in their assertion that the Japanese plywood industry is depressed, and I recognize that. But they do not understand that the U.S. industry faces a similar predicament, and that both industries face difficult times now. The reality is that there will be less room for the current players. This means that the more efficient will have to tighten their belts to survive, while the less efficient will be forced to leave. This reality holds for both countries.

While it is true that the forest products industry in Japan is actively opposing tariff reductions, many in Japan will benefit from reduced tariffs. The advantages will flow primarily to the Japanese consumer, who will benefit from reduced costs for housing, furniture, and other wood products. It is true that the platform housing method which utilizes 2x4 construction is still relatively small in Japan. But it is a growing market that U.S. companies should be accorded equal access to in the future. The Japanese Government might well keep the interests of its consumers in mind, as well as those of its wood products producers, as it approaches negotiations with the U.S. Government.

Another key point is that designation as a depressed or recession industry should not mean that imports should be restricted or maintained at a low level. I interpret the primary purpose of Japan's legislation affecting depressed industries to be to smooth and facilitate the adjustment process—not to prolong or delay that process. In fact, higher imports may facilitate Japan's adjustment process. In fact, higher imports may facilitate Japan's adjustment process. The case of Japan's aluminum industry comes to mind. In spite of its designation as a structurally depressed industry in the late 1970's, imports of foreign aluminum ingot and fabricated products increased rapidly, and, in fact, now account for more than 50 percent of the Japanese market. The Japanese aluminum industry, primarily because of high energy costs, has been forced to close domestic capacity and shift substantial capacity overseas through joint ventures with foreign partners. But the industry has adjusted to a higher import level, which has benefited other Japanese manufacturing industries and the ultimate Japanese consumer.

The same economic benefits can be realized from lower tariffs for the three products under negotiation now: plywood, particleboard, and veneer. It is especially true for softwood veneer, which can be used as a core by Japan's plywood industry.

Mr. President, this is not a new issue. In the Multilateral Trade Negotiations in 1979, the Japanese Government refused to lower plywood and veneer tariffs below the 15 percent level, where they remain today. Meanwhile, the U.S. Government reduced tariffs on hardwood plywood from 20 percent to 12 percent, and eliminated tariffs on wood veneers. These tariff reductions have been at or near the top of the U.S. Government's bilateral negotiating agenda with Japan for the last 2 years. But we have not yet seen any significant progress. In fact, the Japanese side seems to be moving backward rather than forward on this issue.

The latest signs from Tokyo are indeed disturbing. We hear that the Liberal Democratic Party [LDP], primarily in response to the powerful agriculture and forestry lobbies, has taken a firm stance against even considering the wood products issue at this time. This includes opposition to consideration of both tariff and nontariff barriers. And the Japanese Government, led by Director-General Tanaka of the Forestry Agency, seems to be saying that an exchange of information and answering the U.S. Government's questionnaire on the wood products industry is the extent of its cooperation at this time. They are saying: "It's all right to discuss the issue, but don't expect any action in this round of negotiations." This is entirely unacceptable to the U.S. side.

Mr. President, the Japanese side is going so far as to indicate that increased imports of U.S. wood products today would prevent the reforestation efforts in Japan by undercutting the vitality of the Japanese wood products industry. This is a ludicrous argument. In fact, the environmental impacts of cutting trees and shipping raw logs to Japan for their consumption are much more severe on this side of the ocean. Unfortunately, it indicates how far the Japanese side is willing to go to protect a noncompetitive industry that has been insulated from international competition for many years.

In sum, Mr. President, it is clear that the first meeting on wood products did not go well. To be truthful, this was not entirely unexpected given the opposition to it among certain quarters in Japan. Yet I hope the Government of Japan will recognize immediately the seriousness of our intent in the United States on this issue, both in the administration and in the Congress. Continuing to confront the United States on this issue will only invite ill will and exacerbate congressional pressure to take actions that will not be in the mutual benefit of either side. Neither side wants that to happen. Hence I hope that the Japanese Government will begin to negotiate seriously on this issue.

SENATE RESOLUTION 81—RELATING TO TELEVISION AND RADIO COVERAGE OF THE SENATE

Mr. ARMSTRONG submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 81

Whereas on April 21, 1982, the Senate agreed to S. Res. 20, Ninety-seventh Congress, which provided for television or radio coverage, or both, of proceedings of the Senate, subject to the adoption of a resolution containing such regulations and such rules changes as are needed to implement television or radio coverage, or both, of proceedings of the Senate: Now, therefore, be it

Resolved, That (a) the Senate hereby authorizes and directs that there be both television and radio broadcast coverage (together with videotape and audio recordings) of proceedings in the Senate Chamber.

(b) Such broadcast coverage shall be—

(1) provided in accordance with the provisions of this resolution,

(2) provided continuously at all times when the Senate is in session (or is meeting in Committee of the Whole), except for any time when a meeting with closed doors is ordered, and

(3) provided subject to the provisions pertaining to the Senate gallery contained in the following Standing Rules of the Senate: rule XIX, paragraphs 6 and 7, rule XXV, paragraph 1(n), and rule XXXIII, paragraph 2.

SEC. 2. The radio and television broadcast of Senate proceedings shall be—

(a) supervised and operated by the Senate,

(b) made available on a "live" basis and free of charge to (1) any accredited member of the Senate Radio and Television Correspondents Gallery, (2) the coaxial cable system of the Architect of the Capitol, and (3) such other news gathering, education, or information distributing entity as may be authorized by the Committee on Rules and Administration to receive such broadcast.

SEC. 3. The television broadcast of Senate proceedings shall follow the Presiding Officer and Senators who are recognized to speak by the Presiding Officer (including Senators who are so recognized with the consent of another Senator to interrupt such other Senator).

SEC. 4. (a) The broadcast coverage by radio and television of the proceedings of the Senate shall be implemented as provided in this section.

(b) The Architect of the Capitol, in consultation with the Sergeant at Arms and Doorkeeper of the Senate, shall—

(1) construct necessary broadcasting facilities for both radio and television (including a control room and the modification of Senate sound and lighting fixtures),

(2) employ necessary expert consultants, and

(3) acquire and install all necessary equipment and facilities to (A) produce a broadcast-quality "live" audio and color video signal of such proceedings, and (B) provide an archive-quality audio and color video tape recording of such proceedings:

Provided, That the Architect of the Capitol, in carrying out the duties specified in clauses (1) through (3) of this subsection, shall not enter into any contract for the purchase or installation of equipment, for the employment of any consultant, or for the provision of training to any person, unless the same shall first have been approved by the Committte on Rules and Administration.

(c) The Sergeant at Arms and Doorkeeper of the Senate shall (1) employ such staff as may be necessary, working in conjunction with the Senate Recording and Photographic Studios, to operate and maintain all broadcast audio and color video equipment installed pursuant of Senate proceedings, (3) make copies of such recordings available, upon payment to him of a fee fixed therefor by the Committee on Rules and Administration, to Members of the Senate and to each person described in subsection (b) (1) and (3) of section 2 of this resolution, and (4) retain for ninety days after the day any Senate proceedings took place such recordings thereof, and as soon thereafter as possible, transmit to the Librarian of Congress and to the Archivist of the United States copies of such recordings: *Provided,* That the Sergeant at Arms and Doorkeeper of the Senate, in carrying out the duties specified in clauses (1) and (2) of this subsection, shall comply with appropriate Senate procurement and other regulations.

(d) The Librarian of Congress and Archivist of the United States shall each receive, store, and make available to the public, at no cost for viewing or listening on the premises where stored and upon payment of a fee equal to the cost involved through distribution of taped copies, recordings of Senate proceedings transmitted to them by the Sergeant at Arms and Dookeeper of the Senate.

SEC. 5. (a) As soon as practicable after the necessary equipment has been installed, there shall begin a test period during which tests of radio and television coverage of Senate proceedings shall be conducted by the staffs of the Committee on Rules and Administration and of the Office of the Sergeant at Arms and Doorkeeper of the Senate. Such test period shall end on such date as may be agreed upon by the majority leader, the minority leader, the chairman of the Committee on Rules and Administration, and the ranking minority member of such committee.

(b) During such test period—

(1) final procedures for camera direction control shall be established,

(2) coverage of Senate proceedings shall not be transmitted, except that, at the direction of the chairman of the Committee on Rules and Administration, such coverage may be transmitted over the coaxial cable system of the Architect of the Capitol, and

(3) recordings of Senate proceedings shall be made and retained by the Sergeant at Arms and doorkeeper of the Senate.

SEC. 6. The use of tape duplications of broadcast coverage of the proceedings of the Senate for political or commercial purposes is strictly prohibited; and any such tape duplication furnished to any person shall be made on the condition that it not be used for political or commerical purposes.

SEC. 7. Any changes in the regulations made by this resolution shall be made only by Senate resolution. However, the Committee on rules and Administration may adopt such procedures and such regulations, which do not contravene the regulations made by this resolution, as it deems necessary to assure the proper implementation of the purposes of this resolution and S. Res. 20, Ninety-seventh Congress.

SEC. 8. Such funds as may be necessary (but not in excess of $3,500,000) to carry out this resolution shall be expended from the contingent fund of the Senate.

● Mr. ARMSTRONG. Mr. President, if Thomas Jefferson, the Democratic idealist, were alive, well, and serving in the U.S. Senate today, I am convinced he would be leading the fight to permit television coverage of Senate debates.

Little did Jefferson know 200 years ago he made the best argument for televising Senate proceedings when he said:

Educate and inform the whole mass of people. Enlighten the people generally and tyranny and oppression of the body and the mind will then vanish like spirits at the dawn of the day.

At issue in the effort to televise Senate proceedings is how best the men and women of our country—those who pay the bills of the Government over which the Senate presides—may freely know and discuss issues so critical in their lives.

The question is this: Do American citizens have the right to participate in their Government by watching their elected Senators at work?

The Librarian of Congress, Daniel Boorstin, perfectly answers the question:

Our citizens want to know what is really happening in Washington. Through televising the proceedings of the Nation's senior deliberative body, the U.S. Senate, the people would gain a better appreciation of this historic institution, and a better understanding of all the processes of Government.

So with the imprimatur of Jefferson, the intellectual fervor of Boorstin, and the support derived from the public's right to know, I am today introducing legislation to allow full and immediate television and radio coverage of the U.S. Senate.

Mr. President, if every seat in the Senate gallery were occupied on a 15-minute rotating basis while the Senate is in session, no more than 3.4 million Americans could watch Senate proceedings. In other words, less than 2 percent of the population could ever watch the Senate in session during a typical year.

By contrast, on any given evening, it is estimated that some 50 million people will watch the network news programs. If the television networks and the independent stations and the burgeoning satellite TV network industry had access to the highlights of action in this Chamber, more people would be able to see Senate debates of major legislation in 1 day than would be possible in half a century, if we limit the access to this Chamber just to the physical gallery, as we do now.

The advent of television in the last half century has changed the way Americans communicate and learn, and in some respects changed it in ways I regret. Nonetheless, it is a fact. I am told that the average student will spend 12,000 hours in school during the course of his education from kindergarten to the 12th grade. During the same period, a student will spend 15,000 hours viewing television. I do not suggest that this is an entirely wholesome trend—on the contrary, I think it is not—but I mention it to point out that we have entered, like it or not, in some ways with regret, the television age.

Television is the most compelling medium the public has ever had available, and its scope is increasing almost every day. To isolate this body, which has been called the world's greatest deliberative body, from that media is absolutely intolerable, in my judgment. Yet, while we are talking about a new technology, the idea of public access, public participation, in the work of this Chamber is not, of course, a new idea.

From the beginning of our Republic—indeed, prior to the beginning of our Republic—the debates which affect the governing process of this country have been reported through the best and most timely available contemporary media, the newspapers, beginning in 1794. The very beginnings of our country are founded in public access to such debates.

When the delegates to the Constitutional Convention completed their work in 1797, there was some doubt as

to whether the public would accept the work they had produced. But the publication of the views of the authors in the Federalist Papers and other articles gave the public the exact arguments used during the debates. As other Members of this body have pointed out in previous debates on this subject, the tradition established of public access through print media continues to this very day.

In the case of the debate of the Constitution itself, prior to the adoption of it, the public was able to judge what was being produced in the actual words of those who made proposals.

For example, they would read the words of Madison in the Federalist Papers; and it has been suggested by some that public acceptance of the new Constitution was partly conditioned upon that opportunity.

Since the first Senate Chamber was built 200 years ago, we have allowed newspaper reporters in the galleries—sometimes not without mixed results. The presence of reporters from print media and, in fact, the presence of electronic media reporters in the gallery without the tools of the craft, has greatly influenced the course of our country and the debates which take place here.

Nonetheless, I suggest that the best analogy in modern times to the use of newspaper technology or the circulation of the Federalist Papers two centuries ago is the circulation by television, by satellite, by video tape, or other technologically advanced means, of the proceedings of this Chamber.

I should like to turn for a moment to some arguments which have been advanced in the past in opposition to televising the proceedings of the Senate.

Some argue that TV coverage might result in longer and more frequent speeches by Members of the Senate. It is hard for me to see how this could possibly be the case, in view of the extraordinary length of some speeches which are now delivered in this Chamber. On the contrary, it appears to me that, in some instances, Senators might be disposed to be more concise and to come more quickly to the point, if they were aware that the entire proceeding was being televised and that people at home could see the course of the debate.

Others suggest that the presence of television might compel Senators to come to the floor when they should be in committee meetings. In my judgment, this also should be rejected. The Librarian of Congress discussed that at some length in his statement, and I read from his statement:

> The real story of the Congress is the story of day-to-day grueling work to protect the public interest and to express the peoples' will.
>
> It is said sometimes that the American people may misunderstand the fact that seldom are all 100 Senators present for an entire debate; but I suggest, Mr. Chairman, that this could itself be a way of focusing the citizens' attention on the other activities of Senators, in their committees and elsewhere, and help correct the misunderstanding, and deepen the citizens grasp of how the Congress works.

Again, I think the Librarian of Congress has summed up very well.

There is a notion that somehow the opportunity to be on television would be so irresistible that Senators would come to the floor to speak. Again, that is a possibility which I do not dismiss. Yet, I think that once the novelty of televised floor proceedings has worn off, the impulse to address the Senate excessively would also wear off, if indeed it developed at all.

I acknowledge also those who have pointed out that televised proceedings, either live or in videotape format for reference, are no substitute for the CONGRESSIONAL RECORD. I want to reiterate, as the Chairman of the Rules Committee has made so clear in the past, that in no event would we expect to dispense with a printed record of Senate proceedings, which is invaluable not only for historical and scholarly research, but also for the average reader.

I now turn to what, in my mind, is the most distressing argument against the resolution—that, in some way, the mere presence of television cameras in this room would prevent the Senate from doing the business we have been sent here to do.

It has been alleged by some that the proceedings would be so disrupted that we would not be able to accomplish the public's business.

I cannot help wondering if, somehow, having the people watching us will change drastically what we are doing, what we actually accomplish, what our work product is; whether or not, in fact, we are doing the wrong business to start with. To allege that public scrutiny of the public's business is a hindrance is shockingly undemocratic, in my judgment.

I do not suggest, however, that there would be no change in the way we do business. What I do suggest is that the changes, for the most part, resulting from televised coverage of the debates in this Chamber, would bring about improvements. Let me mention what some might be:

In the first place, I think we might put an end to, or at least restrict, the haphazard, slipshod way in which major legislation is frequently enacted in the middle of the night. I know—and I am sure my colleagues will recall—of many instances when, in the closing hours of a session, procedural rights of Senators and their constituents, which have been guarded jealously day after day, week after week, month after month, all through the session, are cast to the wind, permitted to go down the drain, in order to meet some kind of legislative deadline.

This usually happens as a result of bills which have long been in conference. Sometimes we will pass bills and they will go to conference and languish there for months and months and only come back a matter of hours, perhaps 2 hours or 3 hours, before the expected adjournment of a session; and then we are told there is no time for procedures such as printing and conference report, time for the public to look at the work product of the committee, time for us to check at home with the people who might be affected by pending legislation.

But I believe that if I stand in this Chamber and speak for 100 years on this matter it will not begin to have the effects on the actual course of debate and handling of these conference reports that televising just one such late night session will have.

If the public knew what we were doing in moments of tension they would not stand for it.

Mr. President, I can sum up quickly. At issue is whether the United States Senate should transact the public's business in an orderly manner and in full view of the 200 million who might wish to watch on some historic occasion.

It does not matter how many are watching at any moment. The critical issue is the availability, the opportunity, the mere fact that someone can tune in and watch the proceedings. That has an important effect. I think it has an enormously important effect on the direction and substance of our debate.

We are preparing to debate, hopefully within a few months, the Federal budget. On this issue there are great differences between the two Houses of Congress and the administration. The coming debate ought to be aired in a fully open manner, in a way where everybody can watch.

The budget situation has important economic consequences and, depending on the decisions made in this Chamber, choices will have to be made affecting every American. The choice, in my judgment, depends on what happens in this Chamber.

Now, in a simpler time, in an era gone by, people could live in Denver, CO, or New Orleans, LA, or Baltimore, MD, year after year, even for decades, a whole lifetime, without ever really being too much affected by what happened in the Chamber of the U.S. Senate. It was perfectly possible in times gone by to have a significant, fulfilling, satisfying life and never really come much in contact even with the Government of this country.

A hundred years ago people out in Colorado were scarcely conscious of the National Government. But today it is so pervasive, our economy is so global in nature, that what happens in Zurich or Washington affect so quick-

ly what is going on in Lamar or Leadville, CO, that we are all one great big global village.

So it is important not just in some academic or civic sense but in a real sense of how we live day to day for the public to participate in the proceedings of this Chamber. We are not talking about, in this resolution, diminishing the rights of Senators or degrading the procedures for debate in this Chamber but, on the contrary, this resolution is consistent with and dignifies the highest traditions of our body.

We already have significant tradition throughout this country in legislative bodies of televising proceedings of our State legislatures.

The other body, at the other end of the corridor in this Capitol, is televised on a regular gavel-to-gavel coverage. I am persuaded, Mr. President, that the experience of some years of that has shown how the thoughts and the life of this country have been enriched by the opportunity to see the U.S. House of Representatives in action.

That is not to say there has not been much that is boring in those proceedings; not to say there has not been an occassional demagogue rise to speak to the Chamber; not to say there have not been many arguments made that I do not personally approve. But the main thrust is that the public has had a chance to see, to know, and to participate in that way. I think that is a wonderful thing.

In conclusion, Mr. President, I guess it is obvious from the main direction of all my remarks this afternoon that I think this is a matter of utmost importance. It probably will not be seen as that today or even on the day we vote. It will not be thought of, perhaps, even in the calendar year 1985 as one of the most important pieces of legislation of the year.

When we go home to see the voters they probably will not want to talk first about this particular resolution. They will want to talk about the budget, national defense, and the flat tax proposals. But, I would suggest, Mr. President that 100 years from now people will look back upon our decision to begin televising the proceedings of the U.S. Senate as one of the most important, possibly the most important, and significant act of the Senate in 1985.●

AMENDMENTS SUBMITTED

AFRICAN FAMINE AND DROUGHT RELIEF

GRAMM (AND OTHERS) AMENDMENT NO. 12

Mr. GRAMM (for himself, Mr. MATTINGLY, and Mr. NICKLES) proposed an amendment to the committee amendment to the bill (S. 457) to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; as follows:

At the end of the committee substitute, insert the following:

"SEC. . Notwithstanding any other provision of law, no officer of the Executive Branch of the Federal Government shall take any action to implement this Act that would result in an increase in the Federal deficit. This section shall not apply to the implementation of sections 1 through 5 of this Act.".

DURENBERGER AMENDMENT NO. 13

(Ordered to lie on the table.)

Mr. DURENBERGER submitted an amendment intended to be proposed by him to the bill S. 457, supra; as follows:

On page 2, between lines 23 and 24, insert the folowing:

TITLE I—AFRICAN FAMINE RELIEF AND RECOVERY

On page 2, line 25, strike out "SECTION 1. This Act" and insert in lieu thereof "SEC. 101. This title".

On page 3, line 2, strike out "2" and insert in lieu thereof "102".

On page 4, line 23, strike out "3" and insert in lieu thereof "103".

On page 5, line 16, strike out "4" and insert in lieu thereof "104".

On page 7, line 2, strike out "5. (a) Amounts appropriated pursuant to this Act" and insert in lieu thereof "105. (a) Amounts appropriated pursuant to this title".

On page 7, line 8, strike out "Act" and insert in lieu thereof "title".

On page 7, line 13, strike out "Act" and insert in lieu thereof "title".

On page 7, line 15, strike out "Act" and insert in lieu thereof "title".

On page 7, line 19, strike out "Act" and insert in lieu thereof "title".

On page 8, line 1, strike out "Act" and insert in lieu thereof "title".

On page 8, line 4, strike out "Act" and insert in lieu thereof "title".

On page 8, line 8, strike out "Act" and insert in lieu thereof "title".

On page 8, strike out the matter following line 16 and insert in lieu thereof the following:

TITLE II—FARM CREDIT ASSISTANCE

SHORT TITLE

SEC. 201. This title may be cited as the "Agricultural Debt Recovery Act of 1985".

ADDITIONAL LOAN AUTHORITY

SEC. 202. Section 346 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994), as amended by section 607 of the Emergency Agricultural Credit Act of 1984 (Public Law 98-258; 98 Stat. 140), is amended by adding at the end thereof the following new subsection:

"(f) In addition to any loans authorized before the date of the enactment of the Agricultural Debt Recovery Act of 1985, $5,000,000,000 in loans for fiscal year 1985 are authorized to be insured, or made to be sold and insured, or guaranteed under the Agricultural Credit Insurance Fund or Rural Development Insurance Fund.".

APPROVED LENDER PROGRAM

SEC. 203. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. (a) In determining the eligibility of a lender to participate in the approved lender program established by exhibit A to subpart B of part 1980 of title 7, Code of Federal Regulations, the Secretary shall—

"(1) approve or deny an application of a lender to participate in such program within ten business days after receipt of such application;

"(2) require, as a condition of eligibility for such participation, that a lender demonstrate agricultural loan losses charged against reserves (net of recovery) that do not exceed 3.5 per centum on the most recent five year moving average;

"(3) permit the substitution of five years' experience in making and servicing agricultural loans for any educational requirement for the designation of a person to process and service loans under such program; and

"(4) permit a lender who does not qualify for such program to contract with an approved lender to process and service loans under such program.

"(b)(1) In carrying out such approved lender program, except as provided in paragraphs (2) and (3), the Secretary shall permit an approved lender (with the approval of the Secretary)—

"(A) to make and service real estate and operating loans insured or guaranteed under this title; and

"(B) to convert a commercial loan made for agricultural purposes into an insured or guaranteed loan, a guaranteed loan into an insured loan, or an insured or guaranteed loan into a low-income limited resource loan, or any combination thereof, if the borrower of the loan to be converted agrees to such action and meets the requirements prescribed under this title for such loan.

"(2) An approved lender may not convert into an insured loan under paragraph (1)(B) more than 35 per centum of the total principal and interest due on a commercial loan or guaranteed loan.

"(3) If an approved lender converts under paragraph (1)(B) a commercial loan or guaranteed loan into a combination of an insured loan and a guaranteed loan, the Secretary may not guarantee the repayment of more than 60 per centum of the total principal and interest due on the guaranteed loan.

"(c)(1) The Secretary shall approve or deny a completed application received from an approved lender for an insured or guaranteed loan under this title within ten business days after receipt of such application.

"(2) If the Secretary does not approve or deny such application within ten days after receipt, such application shall be considered to have been approved by the Secretary.

"(d) Notwithstanding any other provision of this title:

"(1) The interest rate on any loan made or serviced under such approved lender program may not exceed a rate which is equal to the discount rate established pursuant to section 14(d) of the Federal Reserve Act (12 U.S.C. 357) plus two and one half per centum per annum.

"(2) Loans made under such approved lender program shall be payable in not to exceed fifteen years.

"(e) If the borrower defaults on a loan insured or guaranteed under such program and the loan is liquidated, the lender and

the Secretary shall be entitled to a pro rata share of the proceeds of such liquidation based on the dollar value of such proceeds.".

GUARANTEED LOANS

SEC. 204. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) (as amended by section 203 of this Act) is amended by adding at the end thereof the following new section:

"SEC. 350. If a borrower obtained a loan guaranteed under this title before the date of the enactment of the Agricultural Debt Recovery Act of 1985 and the borrower is not able to repay the total indebtedness of the borrower under this Act in accordance with a manageable debt repayment schedule, the Secretary may make and insure a loan to such borrower in such amount and on such terms and conditions as will permit the borrower to repay such indebtedness in accordance with a manageable debt repayment schedule.".

DIXON (AND OTHERS) AMENDMENT NO. 14

Mr. DIXON (for himself, Mr. GRASSLEY, Mr. EXON, Mr. PRESSLER, Mr. CRANSTON, Mr. SASSER, Mr. LEVIN, Mr. BENTSEN, Mr. MELCHER, Mr. SIMON, Mr. PRYOR, and Mr. HARKIN) proposed the following amendment to the bill S. 457, supra; as follows:

At the appropriate place in the bill, insert a new title as follows:

TITLE III

ADVANCE RECOURSE LOANS

SEC. 301. This title may be cited as the "Advance Recourse Loan Act of 1985".

SEC. 302. Effective only for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"ADVANCE LOANS

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make available advance recourse loans to producers of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act. Such advance recourse loans shall be made only to producers who agree to comply with such terms and conditions as the Secretary may prescribe consistent with the provisions of this section and shall be made as follows:

"(1) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity.

"(2) Within the limit set out in paragraph (5) of this subsection, advance recourse loans shall be made available:

"(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to 50 per centum of the farm program yield for the commodity times the farm program acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(B) to producers of tobacco and peanuts who are on a farm for which a farm marketing quota or poundage quota has been established on an amount of the commodity equal to 50 per centum of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

"(C) to producers of soybeans, sugar beets, or sugar cane on an amount of the commodity equal to 50 per centum of the farm yield for the commodity times the farm acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(3) An advance recourse loan under this section shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under this section shall specify such due date and the rate of interest payable on the loan. The rate of interest shall be the rate of interest in effect for Commodity Credit Corporation commodity loans on the date the advance recourse loan is made. The Secretary shall establish procedures, where practicable, under which the producer, simultaneously with repayment of the recourse loan, may obtain a nonrecourse loan on the crop, as otherwise provided for in this Act, in an amount sufficient to repay the recourse loan. In cases in which nonrecourse loans under this Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay the recourse loan at the time the producer receives advances or other payments from the producer's disposition of the crop.

"(4) To obtain an advance recourse loan under this section, the producer shall provide such security for the loan as the Secretary determines to be adequate to protect the interests of the Government.

"(5) The total amount of advance recourse loans that may be made to any person under this section shall not exceed $50,000.

"(b) If a producer who has received an advance recourse loan under this section fails to comply with any term or condition prescribed by the Secretary, the producer shall repay such loan immediately, plus such additional interest thereon as the Secretary shall prescribe by regulations.

"(c) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

"(d) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(e) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.".

REGULATIONS

SEC. 303. Notwithstanding any other provison of law, the Secretary of Agriculture shall issue regulations to implement the provisions of this title as soon as possible, but not later than fifteen days after the date of enactment of this title, and loans provided under this title shall be made available beginning on the date such regulations are issued. The Secretary shall extend the period of sign-up for participation in the programs for the 1985 crops of wheat, feed grains, cotton, and rice under the Agricultural Act of 1949 for a period of 30 days after the date of enactment of this title.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry has scheduled a full committee farm bill hearing to receive testimony from Members of Congress and the Secretary of Agriculture regarding 1985 farm legislation.

The hearing will be held in room G-50, Dirksen Senate Office Building, on Thursday, March 7, 1985, beginning at 10 a.m. to hear from Members of Congress and at 2 p.m. to hear from the Secretary of Agriculture.

Members of Congress wishing to give testimony on this important issue can contact Warren Oxford, committee chief clerk, or Evelyn Schaub, hearing clerk, at 224-0014 or 224-0017, respectively, by the close of business on Tuesday, March 5, 1985.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold a hearing on S. 277, a bill to reauthorize and amend the Indian Health Care Improvement Act, and for other purposes. The hearing will be held on March 6, 1985, commencing at 11 a.m., in room 106 of the Dirksen Senate Office Building.

Those wishing to testify should contact Peter S. Taylor, staff director, or Patricia Zell, staff attorney, of the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, February 27, to conduct a hearing on the oversights on the President's budget request for Indian programs, to be administered by the Departments of the Interior, Health and Human Services, Housing and Urban Development, and the Department of Education.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MATTINGLY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, February 27, to receive testimony from the commander of the Unified Commands.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COSPONSORSHIP OF SENATE CONCURRENT RESOLUTION 14, RELATING TO JOSEF MENGELE

● Mr. LAUTENBERG. Mr. President, I join in sponsoring Senate Concurrent Resolution 14, which calls on the Government of Paraguay to undertake an exhaustive search and investigation into the whereabouts of Nazi war criminal, Josef Mengele. As chief doctor at the Nazi concentration camp at Auschwitz-Birkenau during World War II, Mengele was personally re-

sponsible for the deaths in Nazi gas chambers of over 400,000 Jews and the horrible torture and debasement of many others who were the victims of scientific experiments. There can be no greater crime against humanity than that committed by Mengele, and no American has been left untouched by the horrors of Nazi Germany.

Although the Government of Paraguay has promised to carry out an investigation regarding Mengele, it has not followed up with any action. Efforts to find and arrest Dr. Mengele in Paraguay go back more than 20 years. He was granted Paraguayan citizenship in 1959, and was reportedly seen there as late as 1978. West Germany has been attempting to extradite him to stand trial since 1962. The Paraguyan Government stated in November 1984, to a delegation of the International Network of Children of Jewish Holocaust Survivors, that it would seek to locate Mengele and allow foreign observers to participate in such a search. So clearly, the evidence exists to warrant a renewed, extensive effort to find and prosecute this war criminal.

Mr. President, no punishment can fit the crime in this case. Nor can we guarantee that the arrest and punishment of Josef Mengele will avoid future holocausts. However, we in Congress must encourage Paraguay, as a respected and valued participant in the world community, to do everything in its power to ensure that Josef Mengele's crimes against humanity are punished. Justice must be done to avenge those who suffered so much at Mengele's hands.●

UNITED STATES THREATENED BY MEXICO PROBLEMS

● Mr. GOLDWATER. Mr. President, last year, a past district governor of Rotary International, Mr. Manuel Moreno Rivas spoke to the Arizona Southern District Rotary International meeting. He spoke on the subject of "United States Threatened by Mexico Problems." Mr. Rivas has excellent knowledge of political affairs in Latin America and has consistently fought Communist inroads and aggression in his nation. He has paid a price for this, surviving three attempts on his life. It is truly remarkable that this brave man has been able to continue carrying his message to the public. He names names and he puts the blame for corruption and conspiracy where it belongs.

One of the reasons that I have been so consistent in my support of President Reagan and his attention to Central America has been the fact that Mexico is the next country north of Central America. I have great confidence in Mexico—in her citizens and in her leadership—but the fact that a world problem exists 800 miles from my front door in Arizona does not make the thought pleasant of having the ideology become established in Central America. Because it has such a real effect on all the matters we are discussing on Central America at this time, I ask that his remarks be printed in the RECORD.

The material follows:

UNITED STATES THREATENED BY MEXICO PROBLEMS

Ladies and Gentlemen: Last November, when my wife and I were having dinner at the home of Mr. Nelson Davis, past Governor of Rotary District 550, together with several American couples that were being hosted at his home, the conversation drifted to world affairs, and from there we became engrossed in a discussion of what is going on in the Central American countries and in Mexico. We discussed the latest news as it was being broadcast and printed in your television stations and newspapers; we talked about the controversial attitudes taken by your civic and religious organizations, about the policies and position held by the Reagan Administration, about the anti-nuclear parades and demonstrations that were organized synchronically in almost all the cities of the United States, about the refugees from Central America, about the guerrilla warfare that was taking place both in Nicaragua and El Salvador, about the tremendous economic crisis that is destroying Mexico.

At the end of our conversation we arrived at one conclusion: In spite of the fact that you have immediate and lengthy information, through your magnificent media, there is a tremendous confusion, a lack of complete and truthful understanding in the minds of the citzens of the United States as to what is really going on in those God-forsaken countries, as to what are the real motives and purposes behind all that bloody turmoil, as to what should be the general attitude of the American government in regards to a crisis that, whether we like it or not, is threatening the very existence and survival of the United States of America and the remaining free countries of the world.

It was then that Mr. Nelson Davis invited me to appear before you in the course of this magnificent district conference, thus giving me the opportunity of expressing, to a select group of Americans, the facts that I have gathered in regards to the Central American havoc and the Mexican crisis.

I do not wish to pose before you as an authority on the subject. However, after working almost 40 years as a newspaper editor, after having taken a very active part in the politics of my country striving to save it from falling into the hands of the Soviets, after having studied in detail the developments of modern history, especially the advances and onslaughts of Russia in its quest for World domination, after having detected the same strategy and tactics and methods utilized by the Kremlin in all the countries they have subdued, I believe in my humble capacity to express before you the facts and opinions that I have gathered, and that, I hope, will clarify in your minds the motives, the reasons, the schemes that have been utilized to bring about the bloody revolutions of Central America and the apparently unsurmountable economic crisis that, sooner or later, is bound to make of Mexico the largest Communist satellite in the American Continent.

I sincerely hope to be able to draw the right picture and perspective, I would like to make things so clear that you may be aware of the danger that is threatening us and I pray that by such an awareness you may be moved to act in a moment when the world, our world of freedom and democracy is being assaulted, undermined and perhaps on the verge of disappearance.

POST-WWII HISTORY

To be able to understand completely the problems of Central America and Mexico we have to follow the pattern of history during the last 39 years.

We have to consider that, since 1945, at the end of World War II, until 1984, 25 countries in Europe, Asia, Africa and the American Continent, with a joint population of 1,250 million people, have been subdued by the Communists. In January of 1959, when the forces of Fidel Castro defeated the army of Fulgencio Batista, the Comintern controlled Cuba, thus placing the first Red satellite in the Americas. Once the Cuban patriots were jailed and assassinated, once the emissaries sent from Moscow organized the secret police and put into practice the well-known Russian methods of killing, executing, abducting and terrorizing, Russia acquired the springboard that would enable the Reds to launch, with great ease, the assaults and onslaughts that they deemed necessary for the control of the American public.

In the course of the last 25 years, Cuba was converted into the largest arsenal of Latin America. It also became the most appropriate and efficient training camp for guerrilla warfare and terrorism. The atomic weapons that were sent back to Russia when President Kennedy's firm stand forced the Red navy to return to its bases, were brought back into Cuba when the American vigilance subsided. Cuba has become an important satellite and the Kremlin is determined to hold it and use it to put into practice the future offensives against the free nations in the world.

It did not take very long until the Russian-trained Cubans became skilled trainers of guerrilla warfare and terrorism. Thousands of young Cubans, both men and women, had been sent to Moscow to receive the most specialized drilling and instruction. From Russia and Cuba they were sent to Africa, to Asia and to wherever there was violence or turbulence in order to make them apply their training and put it into practice. When the Soviets determined that the Central American countries were ripe for violent revolts, they sent both agitators and trainers to prepare the proper revolutionary climate and to education the natives in the use of the armament they supplied in huge quantities and in the tactics of guerrilla fighting.

The social and economic conditions of the Central American nations presented a very propitious field for the work of the Communists. Since the beginning of our century the so-called "Banana Republics" derived their main income from the sale of their tropical products to the "United Fruit Co.", an American corporation that held enormous power in Washington and which not only dealt commercially with those countries, but also took a very active part in the political events of all those countries. It was up to the "United Fruit Co." to approve the results of elections—if and when they were held—or the appointment of government officials. Many government heads were promoted or capsized without any other cause

than the convenience or whims put into play by the executives of The United Fruit Co.

Wielding an immense economic power that could manipulate any political situation, The United Fruit Co., became the supreme elector in the banana republics. Presidents and dictators sprang from the rich Haciendados, families that dealt with and were favored by the United Fruit Co., and the rulers were backed by the American State Departments.

NICARAGUA

In the particular case of Nicaragua, The Somoza family had all the power and the wealth. Since 1937, when the first Anastasio Somoza held the presidency for ten consecutive years, until 1979, when the Sandinista army directed by the Communists, overthrew the Government, two generations of Somozas ruled with an iron hand over Nicaragua, holding office or putting in the Presidency men that unconditionally obeyed the orders of the family.

The rich became richer and the mighty more powerful. The masses, however, were kept in astounding poverty and ignorance which increased with the demographic explosion. While the wealthy sent their offspring to the best schools and universities in Europe and The United States, the poor remained illiterate. In 1978, a year before Anastasio Somoza Junior's downfall and assassination, 53.8% of the population could not read or write.

The stage was very adequate for the communists. Hungry, destitute and desperate people will follow any banner. Hundreds of Nicaraguan youths had been taken into Cuba to be trained in guerrilla warfare. They came back into their country, under command of Cuban officers, ready to teach their kin and brothers in the arts of agitation and jungle fighting. Russian ships delivered machine guns, ammunition, bazookas, rockets, flame throwers, armed jeeps, light tanks, etc. MiGs and helicopters were flown across the Caribbean by Cuban pilots and Russian instructors.

With better weapons and excellent military training the Sandinist army of liberations was able to defeat Somoza's forces in just a few months. Thus, under the indulgent benevolent attitude of the Carter administration, which had already alienated the Panama Canal and withdrawn the protection previously granted to Somoza, Nicaragua became the second Russian satellite in the Americas.

EL SALVADOR

Once consolidated in Nicaragua the Communists were ready for the next objective in their quest for the domination of the Central American nations. There is only an imaginary border line between Nicaragua and El Salvador which are really separated and united by the jungle. The Cuban guerrillas, this time strengthened by the veterans of the Nicaraguan revolt, began their recruiting of Salvadorans and established their training camps in the clearings among the tropical forests. Availing themselves again of the ignorance and hunger of the young peasants, it was easy for them to form storm groups and commandos and to start assaulting small rural communities, defeating the government garrisons, and advancing their groups which in many instances have been able to take and plunder small towns and cities, holding them until the Government forces make them retreat back into the jungle.

The raping of women, the assassination of civilians, the stealing of cattle and property, the torturing and execution of whoever has a reputation of being loyal to the Government, the forced recruiting of youths, some of which are barely strong enough to carry a rifle and its ammunition, the destruction and burning of homesteads, the imprisonment of merchants and businessmen, tormented until they surrender all the money they have, are some of the daily occurrences in the life of the Salvadorans that abide in rural communities apart from the main cities and regions that are government-held and patrolled.

Their sufferings do not stop there. Once the rebels are defeated and forced to retreat, the same people become the victims of the regular army. Accused of having sheltered the guerrillas of having helped them with the money, food and supplies, of having sent their youths to engross the communist enemies, and of having been guilty of all kinds of treasonable acts, they are imprisoned, harassed and even shot as collaborators. Caught between the communist guerrillas and the army, all they want is to get away in order to survive. They try to reach the big cities, in spite of the martial law and the rigorous regulations that forbid the infiltration of the large towns to avoid the creeping in or enemy spies, terrorists and agitators. They cross illegally the borders of Honduras and Guatemala to get into Mexico from where they strive to cross the Northern border and seek shelter and protection in the United States.

RED SUPPLY SHIPS

You are all aware of all the events that occurred in the revolt and fighting in El Salvador. Your newscasts are full of information about the battles and skirmishes between the guerrillas and the army. What they do not present to you—perhaps because it would be very dangerous—is the arrival of the Russian and Cuban ships to the coasts of Nicaragua, and the unloading of the huge amounts of armament of all sorts for the use of the Red guerrillas operating in El Salvador. Some of these weapons, of Czechoslovakian manufacture, have been found and seized in Guatemala, undoubtedly the next objective of the Kremlin in its plan for the continent's domination.

The only reason why El Salvador has not become the third Russian satellite in Latin America must be ascribed solely to the help that the United States has provided for the government of that country. Were it not for the American military advisors, for the antiguerrilla training provided by your armed forces technicians, for the weapons and economic support granted to the authorities of El Salvador we could certainly surmise that the country would have been taken, like Nicaragua, and that the big battlefield at the present moment, would be in Guatemalan territory.

The help provided by the Reagan administration, the sending of your navy, the mining of the coasts to prevent the big Russian destroyers from disembarking more troops and equipment for the seizure of the Central American Republics have prevented the capture of El Salvador, and perhaps of Guatemala, Honduras and Costa Rica. Thanks to that most opportune help, that has been so bitterly and furiously criticized by the media and by some members of Congress, several million people still retain their freedom.

MEXICO

The advance of communism in Mexico is an altogether different story.

The tactics and methods utilized by the Kremlin to make of Mexico a communist country have been more than subtle, more intelligent, more prolonged and more efficient than the violent procedures adopted for the control of the Central American countries. Since 1918, when the United States declared a boycott against the Bolsheviks, the Russians retaliated by sending their agents to Mexico at a time when a bloody revolution was tearing the country apart in a frenzy of destruction and when nobody would pay any attention to the infiltration of foreign agents. Since that time they have taken an active and important part in every significant issue of Mexican politics. Hundreds of agents with specialized preparation and thorough knowledge of the different aspects of Mexican life, became the intellectual directors of every action that took place in the political life of the country. At the present moment you can find thousands of Soviet agents mixed up in every political organization and movement, receiving orders issued by the Kremlin and passed on by the Russian Embassy in Mexico City. A magnificently organized and disciplined organization is now working and fighting for the world supremacy of Communism. Using the native Reds, many of which have been trained in Moscow, they take advantage of every point of strife, discussion or struggle to present Communism as the medicine that will cure all evils. Within the organization you will find high ranking government heads, bright and educated financiers, that know to perfection how to bring about, with official help, economic movements and crisis that will produce poverty and hunger so that the Communists may appear as the redeemers and make the Communist banner looked upon as the only solution of all problems.

You can find that the Communist organization has placed crooked and amoral politicians in strategic government positions, with enormous amounts of money at their disposal, to be used whenever and wherever a bribe has to be paid to foster and enhance the power of the Reds.

Could you get to know the Russian diplomats, their consuls and attaches, their spies and agents, you would find that they are people who hold the most specialized knowledge of the country and the natives, which permits them to face any problem and situation with such ease that they are almost always successful in their endeavors.

Those diplomats and agents—in appalling contrast with the ones that your state department provides—receive a magnificent training equivalent to a high university degree, specializing in the knowledge of the country to which they are envoyed. They know the language to perfection. They study to the utmost detail the history of the country. They know, through years of intense study, the social and economic situations and problems of the nation. They know the psychology of the Mexicans and how they react to the different incentives and pressures. They make, through their complete and well informed dossiers, specific personal studies of the men in power and of those important men who wish to ascend in their political careers, knowing, before hand, how they are going to handle them through their weaknesses, their ambitions, and their assets. Once in power, those native politicians take the role of puppets whose strings are pulled efficiently from the desks of the Russian embassy.

EDUCATION TARGETED

The Russians knew, when they began their work in Mexico, that the most effec-

tive weapons to attain their ends was the power to educate. Since the middle 1930s they were able to place in the highest posts of the Secretaria de Education Publica (our federal education department which controls and supervises all education in Mexico), the most convinced and able Marxists and ever since they have been in control of that most important department.

They knew that before going into the education of children and youths they had to organize the education of the teachers. In special colleges, attended by carefully selected young men and women, they taught them how to teach in accordance with the communistic systems and purposes. When those teachers and instructors graduated they were completely convinced and ready to indoctrinate their pupils in consonance with the ideology instituted by the Reds. Thus, for generations, the children of Mexico have received a biased education. They have been taught to hate the imperialist Americans as the source of all evil and to worship the communistic heroes. In the free Government textbooks you find that very little is said about our forefathers who gave their lives to build the nation. Instead, children can read about the wonders of Karl Marx and the magnificence of Lenin and Stalin, and the greatness of Mao, and the martydom of Che Guevara, assassinated by paid American killers, and the bravery and heroism displayed by Fidel Castro in openly challenging the powerful United States of America.

Most of the teachers in Mexico belong to the Communist party. By placing in the executive posts of the federal secretary of education their most reliable men, the teachers are controlled and very carefully investigated by the Communists. Even if they may not agree with the Reds or have different convictions and ideals, they have to conform with the system established and obey orders. Any disobedience or change of thought is punished by immediate destitution. The present minister of education in Mexico is Augustin Reyes Heroles, previously Secretary of the Interior, an open-face Communist militant considered as one of the heads of the Red international staff.

ELIMINATE PRIVATE ENTERPRISE

Another main objective of the Communists in Mexico was the destruction of private enterprise. Bringing all kinds of political, fiscal and legal pressure upon individuals and corporations they forced them to sell their business and industries to the federal government. Ruling out any kind of competition, the state now owns the railroads, the aviation companies, the electric power, the one and only telephone company, the fishing industry, the main mining exploitation, the sugar factories, the iron and steel foundries, the oil wells and gasoline refineries, the petro-chemical production, etc., etc. There are 392 agencies, branches and delegations, the so-called "empresas para-esta-tales", state enterprises, which constitute the machinery of the government for state control of every single yield of Mexican farming, fishing, mining, industry, energy production, commerce and transportation.

GOVERNMENT SEIZES LAND

The farming land of Mexico had been, until 1934, the property of private individuals and rich families. The "campesino" or peasants, who integrated the majority of the Mexican population, were employed in the toiling of the land and there was a tremendous discrepancy in the distribution of wealth. While the Haciendados lived in great prosperity the peasants survived in miserable conditions. As a result a series of agrarian laws were promulgated and the land was confiscated from the rich but it never was given to the poor peasants. In accordance with the well-known Communistic pattern, the state became the owner of the land. The peasants were organized in collective groups, imitating the procedures utilized in the countries behind the iron curtain, and permitted to work in the land patches that the agrarian authorities provided.

You are well aware of the results of such practices. The bureaucratic machinery provided by the government created new institutions and new bosses that subsist and get rich by exploiting the work of the peasants. Agricultural production fell so that Mexico has to import sugar, corn, beans and food from other countries. The peasants abandon the land and become Braceros, illegally crossing the border of the United States in an effort to work and send money so that their families may survive.

78% of the land belongs to the Government. 22% is still owned by private individuals who are limited to the possession of two hundred acres. The official collective system yields 25% of the grains and food produced in Mexico. The individual farmers, with only 22% of the land in their possession, supply the other 75%.

LUIS ECHEVERRIA

The main objective of the Communists in Mexico was attained in 1970 when Luis Echeverria took office as President. The scheming and stealth used to put him in power constitute one of the most patient and amazing feats of intelligent work performed by the Communists. Affiliated to the Communist Party when he occupied a high office in the Federal Department of Education, Echeverria was soon transferred to the Department of the Interior as head of Internal Security. While occupying this post he was approached and became a paid member of the American Central Intelligence Agency where he was known under the cryptonym of "Litempo 14". Supposedly he was providing important information to the C.I.A. and to the American Embassy in Mexico City. What the C.I.A. and the American Embassy did not know was that Echeverria was also in the employ of the Russian K.G.B. and that the information he was passing had its origin in the Russian Embassy.

Promoted to the head of the Department of the Interior he became the most probable candidate to the Presidency, which, as we previously stated, he attained in 1970 and retained until 1976 when he appointed Jose Lopez Portillo as his successor.

The twelve years that followed Echeverria's ascent into power became a long nightmare for the Mexicans. Tearing apart the constitution that they swore to defend when they took office, changing the laws that gave right and freedom to the citizens, depriving the nations of its wealth, which they squandered and stole, securing from foreign countries enormous loans that were embezzled or sent to Cuba, Nicaragua or El Salvador to finance the Red Revolution, Echeverria and his successor, Jose Lopez Portillo, achieved and completed the Russian plans in regards to Mexico.

A resourceful country, owner of enormous reserves, treasures and assets, was turned into a mendicant nation, following the original Communist purpose. The "coup de grace" was delivered by Lopez Portillo when he confiscated all the banks, which now operate under Government and state rules. The Mexicans face a future of increasing poverty and hunger. The Communists know that empty stomachs will lead the Mexicans into violence and they are preparing the future so that the desperate fury of the destitute cast-outs may be used for the attainment of their objectives as part of their program for the domination of the world.

COMMUNIST TACTICS AND STRATEGY

I have presented to you in what may be called a brief outline, since each subject treated would require hours of narration and explanation, the sequence of the Communist onslaught in Central America and Mexico. In all that I have exposed, you must have grasped the numerous and different ways and means that the Communists use in order to attain their goals. From sheer violence and guerilla warfare, used in Central America, to patient and complete domination of political power and the creation of economic crisis, successfully employed in Mexico, you can see and realize the unending resources, the intelligent maneuvering, the deviousness of purposes, the lack of scruples, the amorality of methods that the Communists use and have at their command. To try to understand them you must always deprive yourselves of any well-intended feeling and thought. They act differently, they think differently, they are different. That is why, when the newscasts about disarmament treaties or about Central American problems are presented to you, you become confused.

There is something, however, that must never be confused in your mind.

The happenings in Cuba, and Nicaragua, and El Salvador and in Mexico, must be considered as little battles in the course of a great war where the main target, the supreme objective, the principal aim is the destruction and domination of the United States of America.

You must consider that the Central American countries and Mexico are only partial goals, stepping stones, beachheads in the hot and cold war that the Kremlin is waging against your country.

You, and only you, are the enemy.

To do away with freedom and tradition, and patriotism, and human rights, and democracy, and religion, you must be destroyed. To have complete control over the world's human and material resources, you must be conquered whether by force and atomic explosions or by total isolation and thorough infiltration.

COMMUNIST PROGRESS

How much the Communists advanced in the infiltration of your institutions and organizations?

Luis Echeverria, now one of the great directors of international communism, in a speech given three months ago (February, 1984) in the University of the Third World, in Mexico City, expressed the opinion that prevails in the Communistic world in regards to the progress obtained by the Reds in the United States.

He stated and I quote:

"The big giant is sick . . . the enormous idol that holds the capitalistic structure has clay feet . . . the cancer cells that we have injected in his blood stream are working steadily and efficiently in an organism that is already corroded by its own maladies and plagues . . . the enemy is now in agony . . . our victory is just around the corner . . ."

And I wonder . . .

How much truth can we ascribe to Echeverria's word?

How far have the Russian agents advanced in the penetration and infiltration of your schools and universities, of your churches, of your labor unions, of your political parties, of your media and of your civic organizations?

When you see civic and religious and racist conglomerates unite under a single command and stage parades and demonstrations on the same day and the same hour in every important town and city of the United States with the sole purpose of protesting against the manufacture of nuclear weapons, and you can appraise the magnificent organization that it takes to launch such a campaign on a nationally synchronized movement, you have a right to wonder if, behind the apparent public discontent, there is not a master hand interested in doing away with the strength that so far has kept the Russians from attacking your country.

When you witness the rabid attacks launched against President Reagan and his administration by members of Congress and media commentators and you know that what your President is doing in Central America in preventing the seizure of those countries by Russia, so avoiding the integration of enemy bases for a later attack on the American territory, you also have a right to wonder if those politicians and commentators are not the tools that the Communists are using to weaken your defenses.

When you behold that party conveniences and concerns supersede the interests of your country, and that the feeling of patriotism is drowned by internal antagonisms and the struggle for selfish encumbrances, you have the right to wonder if there is not a guiding force bent on destroying the unity of the American nation.

When you observe the hostility of youths against grownups and you don't find the cause for their rebellion and defiance that threatens the family institution basis of our society; when you witness the destruction of industries, brought about by misled labor unions, when you perceive that significant political men and women of your nation are knocked to pieces by scandal-seeking media; when you value the indifference and indolence of so many Americans in regards to the foreign affairs that threaten the security of your country; when you find that your costly and vital technology is being sold to your enemies by traitors; when you consider that many of your misguided priests and ministers take part in the subversive campaigns against your government, you can well surmise and believe that masterminds and guiding hands are working in your midst, set on the destruction of your basic institutions of the forces and strength that make the American way of life.

CONCLUSION

South of your border there are 19 countries that the Russians are trying to dominate either by violence or infiltration. The Kremlin is striving to leave the United States completely alone and isolated. Those countries do not want to be Communist satellites and their people do not want to become slaves. They are impoverished and weak and they know that their only hope is your strength. They know that they are doomed forever if the world were to witness the fall of the American Empire.

Three hundred and thirty million of the human beings in Mexico, Central and South America feel that their destiny lies in your hands.

Ladies And Gentlemen:

When a man feels that all his resources have failed, when he finds himself at the end of his capacity and becomes convinced that all his efforts are in vain, when frustration and desperation overcome him and he knows that there is nothing he can accomplish by himself, he turns to the Almighty God and prays.

And we are praying . . .!

We are asking God to save us from slavery . . .

We are begging for the preservation of peace based upon the dignity of man . . .

We call upon the Lord to give you the wisdom that we are not allotted so you can be saved from treason, and deceit and snaring . . .

We implore the Almighty to provide you with ever growing strength as the only means of forcing the Russians into peace . . .

We pray for your welfare, and your freedom, and democracy . . .

We pray for the United States of America.

I thank you.●

STUDENT AID BENEFITS

● Mr. DODD. Mr. President, I am dismayed by the recent comments of the new Secretary of Education, Dr. William Bennett, regarding student aid benefits which he made during his first news conference.

I am concerned because the Secretary seems to question the virtues of higher education and of equal accessibility for all students to attend the most suitable postsecondary institution.

In my opinion, these comments represent a direct reversal of Federal education policies and commitments made to students to ensure equal access for quality postsecondary education based on individual merit instead of personal wealth.

In addition, Dr. Bennett's hesitation to afford personal choice in selecting postsecondary institutions is paradoxical to his support for private elementary and secondary schools.

Most children, even before they enter elementary school, are encouraged by parents, teachers, communications media, and other interested associates to intellectually prepare themselves and focus on becoming successful in whatever profession they might desire.

It appears from the Secretary's comments, however, this option may not necessarily be extended to those children of middle- and low-income parents who cannot personally afford to choose a college or university or provide financial alternatives to the rigors of academic life.

It would be interesting to review the statistics and reports Dr. Bennett used to determine that if students divested themselves of automobiles, vacations, and stereos they could finance their own education.

I know this theory does not apply to my home State of Connecticut. For example, if the President's student aid budget proposal is enacted approximately 24,000 college students would lose $62 million in federally guaranteed loans, while disqualifying more than one-third of the 61,000 students now eligible for these loans. Under the Reagan proposal the total Federal aid loss to Connecticut's students, from the Guaranteed Student Loan Program and other forms of aid, would be approximately $67 million.

Mr. President, it is not, in my opinion, sound public policy to compromise the future of our Nation by denying students the ability to pursue their academic and professional interests.

I urge Dr. Bennett to consider the likely negative effects the administration's proposal, which he so adamantly supports, would have on the Nation's economic, health, and military stability.

Mr. President, I ask that the attached article from the February 18 edition of the New York Times, "Federal Aid and the Colleges," be placed in the RECORD.

The article follows:

FEDERAL AID AND THE COLLEGES

(By Fred M. Hechinger)

In his first news conference as Secretary of Education, William J. Bennett "enthusiastically" supported the Reagan Administration's proposal to cut off subsidized student loans for families with incomes of $32,500 or more, and to put a $4,000 cap on annual college grants to needy students.

In the same week it was reported that Cornell University planned to suspend its policy of providing aid to all students who need it after they have been admitted. Several other colleges are reconsidering what used to be known as "need-blind admission" in which students are admitted purely on the basis of academic and personal qualities, with a guarantee that they will get financial aid if needed. Stanford University, which practices need-blind admission, announced that under the proposed limits 2,200 of its undergraduates would become ineligible for federally guaranteed loans.

All of this suggests that if the Administration's student aid cutbacks are approved, the question will no longer be, "Who should go to college?" but, "Who can afford it?"

Mr. Bennett asserted that many colleges are shortchanging their students in two ways, first by mismanagement and waste and second by not improving their students' values and "reasoning ability." He challenged the assumption that "wonderful things must come to pass when you get a degree" and pointed out that while more than half of all American high school graduates go to college, only about 15 percent do so in Britain, Japan and West Germany.

If some day his son, who is not 10 months old, were to ask him for $50,000 to start his own business in lieu of tuition for an Ivy League college, Mr. Bennett said, he might "think that was a good idea." (The $50,000 solution is, of course, only an affluent parent's option.)

The question whether college is worth the cost arises periodically, partly because of the colleges' excessive claims of high earning returns for their graduates. Moreover, the wide range of quality among colleges and their students justifies the questions

Mr. Bennett raises about some of them. Objective campus watchers will not deny his assertion that there is a great deal of poor management in academia, a problem that plagues many large institutions, from hospitals to the military services and business enterprises.

Still, Mr. Bennett's views on the Administration's proposed student aid cuts will be hotly debated. John Brademas, president of New York University and, when he was a member of Congress, a spokesman for education, called the proposed cutbacks a threat to "an entire generation of scholars." Senator Paul Simon, Democrat of Illinois, asserted that the new Education Secretary, by suggesting that students could make up for lost support by giving up "three weeks at the beach," is "trivializing a very important national issue."

The temptation is indeed to compare the three-weeks-on-the-beach label for students' extravagance with that of the three-martini lunch for business people. Close to 800,000 students now pay much of their college bills through jobs held under federally subsidized work-study programs. Many more earn their way through college by holding jobs.

Mr. Bennett's anecdotal approach to his son's prospective career after high school invites anecdotal replies. If his idea of giving his son $50,000 in lieu of a college education, adjusted for inflation 16 years hence, were to survive normal parental changes of mind, I would pit against it another family's experience: Having already spent more than that amount for our older son's college education, we do not belittle the sacrifice, but we do not view the money as ill-spent.

Our son's values and reasoning ability seem to be in good shape, and we gladly credit his college experience for some of this. Since his graduation in 1983 he has been gainfully employed in work that he enjoys and does well. College did not specifically prepare him for this, but it gave him the kind of humanistic education that Mr. Bennett strongly supported when he headed the National Endowment for the Humanities. It is also unlikely that, without college, our son would have landed the job.

Since our younger son is now only a (costly) freshman, judgment must be reserved, but even now his values and reasoning abilities appear well-tended.

Lest this anecdotal response, too, in Senator Simon's words, trivialize the issues, serious questions must be posed.

How will a ceiling of $32,500 on family income for eligibility for federally guaranteed loans affect educational opportunities for youths from poor and middle-income families?

How will a $4,000 cap on direct grants to needy students affect their opportunities, when annual college costs can run as high as $15,000, and can exceed $4,000 even in many state universities? Will the poor be confined to low-cost colleges or be turned away altogether?

How will these trends affect the colleges? Unless high-cost campuses can substantially increase their student-aid budgets, they will have to admit fewer students who need aid. This would make them again the rich people's campuses they used to be. Their privileged graduates would dominate the nation's affairs.

Need-blind admission probably would not survive anywhere. Even now, turning down needy students is not a new trend. It has been "a fact of life" for some time at all but the best-endowed, high-prestige colleges, says Micheileen Doran, director for State and Institutional Services at the College Board. Cuts in Federal aid would therefore have an instant impact on the admission of needy students. Such cuts would be rendered more severe in view of the substantial reductions in aid that have already been made. According to College Board statistics, total aid from all Federal programs fell 19 percent, in dollars adjusted for inflation, from 1980 to 1984. Even taking into account increased aid from the states, the total still declined more than 14 percent.

Since the stakes in the debate over the cost and the value of higher education affect American youth and American society, they should be discussed in American terms. Comparing college attendance in the United States with that of other countries ignores social, economic and ideological differences. Low rates of college attendance in Britain, Japan or West Germany—and even lower ones in the Soviet Union—need not suggest that higher quality calls for higher hurdles. The issue is one of national goals, fairness of access and the value placed on human capital.●

FRANCIS O. WILCOX

● Mr. LUGAR. Mr. President, Francis O. Wilcox, who died on February 20, 1985, served as the Senate Foreign Relations Committee's first chief of staff, from 1947 through 1955. At the time he arrived from the old Legislative Reference Service, Dr. Wilcox found that the committee's staff consisted of one full-time clerk, one half-time clerk, and a half-time secretary. It became his assignment to recruit and direct the committee's first professional staff, to meet the challenges of America's expanded international role in the years after World War II.

The lack of a staff had forced the committee to depend excessively on the Department of State. Speeches had to be written there; committee reports were prepared by the executive branch; and there was no mechanism by which the Senate could act independently or bring to bear the kind of helpful advice and counsel necessary to shape American foreign policy. Senator Arthur Vandenberg, then chairman of the Foreign Relations Committee, gave Dr. Wilcox a free hand in building a staff. "You go hire the best people you can find," Senator Vandenberg said. "I don't want to have anything to do about it. But remember, I'm holding you responsible." Vandenberg's trust was well placed, for Dr. Wilcox had soon assembled a staff—from universities, the State Department, and the Legislative Reference Service—who were well equipped by intelligence and training to do the kind of work the committee needed.

The enormity of their task can be seen in the committee's calendar for the 80th Congress. Among the major items facing the committee when Dr. Wilcox was appointed were aid to Greece and Turkey, better known as the Truman Doctrine, the Marshall plan to provide relief to war-devastated Europe, the International Refugee Organization, the trusteeship agreement for the Pacific territories, the Rio treaty, the Institute for Inter-American Affairs, treaties of peace with Italy, Bulgaria, Rumania, and Hungary, the Foreign Aid Act of 1947, aid to China, the Children's Fund, the U.N. headquarters convention, the Vandenberg resolution which led to the formation of NATO, the wheat agreement, the Smith-Mundt Information and Educational Exchange Act, three double-tax conventions, and treaties of commerce with Italy and China.

This was also a period of bipartisanship in foreign policy, when a Democratic President, Harry Truman, and a Republican Congress worked together to confront the perils of the cold war. Francis Wilcox epitomized the spirit of bipartisanship, both then and throughout his long career in Washington. He was appointed chief of staff with the full support of both the Republican chairman, Arthur Vandenberg, and the ranking Democrat, Tom Connally. During his 9 years on the staff, Dr. Wilcox served under four chairmen—two Republicans and two Democrats. Senator Bourke Hickenlooper of Iowa later said of Dr. Wilcox:

> I have served with him on the Committee on Foreign Relations since 1948, and I still do not know to what political party he belongs. . . . It is sufficient to say that in his service to the committee he has acted not only without partisanship, but also in such a manner as to serve Democrats and Republicans with complete impartiality and intelligent assistance.

After leaving the committee staff in 1955, Dr. Wilcox continued a distinguished career in foreign policy. During the Eisenhower administration he served as Asssitant Secretary of State for International Organization Affairs. That position gave him the opportunity to work closely with the United Nations, an organization whose work he had followed since he attended the original U.N. Conference in San Francisco as a congressional advisor. In 1960, Dr. Wilcox was standing at the podium in the General Assembly when Soviet Premier Nikita Khrushchev, in a belligerent mood, took off his shoe and pounded it on the table. From 1961 to 1973, Dr. Wilcox served as dean of the prestigious School of Advanced International Studies at Johns Hopkins University. In 1973 he retired as dean emeritus and became executive director of the congressionally created Committee on Organization of Government for the Conduct of Foreign Policy. And from 1975 to 1984 he was director general of the Atlantic Council of the United States, most recently serving as the council's vice chairman.

Both the legislative and executive branches of the U.S. Government benefited from Francis Wilcox's talents

and both will miss his wise counsel. In an oral history interview conducted with the Senate Historical Office shortly before his death, Dr. Wilcox concluded with these words, characteristic of his life's work and concerns:

The main thing is to make sure that the two branches work together. Otherwise we can't expect the Constitution to function effectively. The question is not whether the president is more important than the Congress or vice versa. The real question remains—how can we develop the kind of teamwork and cooperation between the two branches that is essential in our checks and balances system of government.●

FREEDOM FOR THE BALTIC STATES

● Mr. LAUTENBERG. Mr. President, this month we celebrate the anniversaries of the independence of the Baltic republics of Estonia and Lithuania. February 16 and February 24 marked the 67th anniversary of independence of these states. Along with Latvia, Estonia and Lithuania enjoyed cultural, agricultural, and economic prosperity and development until 1940, when they were forcibly incorporated into the Soviet Union. Although suppressed these many years, hope for freedom has remained alive in the hearts of the people of these countries. Many have fled the oppression that exists under Soviet control. But their fierce pride in their national heritage and their unswerving dedication to freedom inspire us in the United States who sometimes take these freedoms for granted.

Mr. President, a constituent of mine, Dr. Jack J. Stukas of Watchung, NJ, serves as vice president of the Supreme Committee for the Liberation of Lithuania and chairman of the Knights of Lithuania, Lithuanian Affairs Committee. For the information of my colleagues I ask that the text of a letter which Dr. Stukas sent to the Newark Star Ledger appear at the conclusion of my remarks. It is an eloquent reminder that we must not forget the oppressed people of the Baltic republic.

The material follows:

[From the Newark (NJ) Star-Ledger, Feb. 15, 1985]

DEAR EDITOR: Feb. 16 marks the 67th anniversay of the restoration of independence to the more than 700-year-old Lithuanian state.

In June 1940, the armed forces of the Soviet Union invaded and illegally annexed Lithuania and her sister Baltic republic of Latvia and Estonia, which had enjoyed liberty and independecne for 22 years, and were members of the League of Nations. The Soviets formed puppet regimes and the Communist-controlled legislatures "petitioned" the Supreme Soviet of the USSR to incorporate each Baltic republic into the USSR.

The year that spanned June 1940 and June 1941 was one of terror for the peoples of Lithuania, Latvia and Estonia. Over 655,000 of them were deported to Siberia. Thousands were executed. Many deportees never arrived at the concentration and work camps; they died in cattle cars of starvation and disease.

What happens when a country becomes a Soviet colony could be judged by the events in Lithuania and her sister Baltic states. People are jailed for requesting implementation of the Helsinki accords regarding human rights. No free press is allowed, no freedom of speech or assembly. There is no possibility to exercise self-determination for the people, no freedom of elections. Believers suffer severe persecution for their faith. Teachers and public officials who are observed attending church are dismissed from their positions. Students, for taking part in devotions, lose the possibility of continuing their education in universities.

About one million citizens of Lithuanian descent in the U.S.A., along with thousands of Estonian Americans and Latvina Americans, are grateful to the United States for its no-recognition of the incorporation of the Baltic states into the Soviet Union On June 14 last year, President Reagan, authorized and requested to do so by Senate Joint Resolution 296, in his Baltic Freedom Day proclamation stated: "The United States has never recognized the forceable incorporation of the Baltic states of Lithuania, Latvia and Estonia into the Soviet Union, and it will not do so in the future."

Today, the oppressed peoples of Lithuania, Latvia and Estonia are struggling within the USSR for their right to freedom, justice and self-determination, as their Soviet masters attempt to destroy them with violence and force. We, in the Free World, must use diplomatic and other possible pressures in order for the Soviet Union to withdraw its military forces, secret police apparatus, foreign administration, and release from jails, concentration camps and psychiatric wards people who struggle for human rights and liberty in Lithuania, Latvia and Estonia. Self-government must be restored to these nations.

The sad fate and memory of the victims of ruthless and godless Communist persecution in Lithuania, and her sister Baltic republics, must never be forgotten. President Reagan has also said, "Oppression and persecution continue to this day, but despite this long dark night of injustice, the brave men and women of Estonia, Latvia and Lithuania have never abandoned the battle for their national independence and God-given rights." Let us hope and pray and do what we can to ensure democracy's triumph over tyranny, so that freedom and independence can be restored to these three nations in the near future.

DR. JACK J. STUKAS,
Watchung, NJ.●

THE U.N.'S WAR AGAINST THE WEST

● Mr. SYMMS. Mr. President, the February 16 edition of Human Events contained an especially informative and timely article entitled, "The U.N's War Against the West." Many Americans still cling to the vision of the idealistically conceived United Nations where the brotherhood of nations convene to peacefully negotiate their differences. In reality, today's United Nations is a wetnurse for guerrilla/terrorist organizations, most of them Marxist in orientation, seeking to subvert legitimate governments. The Human Events piece cites United Nations contributions to armed revolutionary movement to be $133 million since 1975. Why should the American people tolerate, and finance, such behavior from an organization that is supposed to be the neutral and objective arbiter of conflicts in the international arena?

My distinguished colleague, Senator DENTON, held extensive hearings on the Soviet Union's role in promoting terrorism in the southern African continent in the spring of 1982, as the article points out. The hearing conclusively confirmed Soviet domination of the military operations of the African National Congress [ANC] and the South West Africa People's Organization [SWAPO], both Marxist organizations disguised as "liberation" movements. The hard evidence from Senator DENTON's forum should be reexamined in light of the current misguided pressure for disinvestment in South Africa. South Africa is the primary proponent on the continent, and in the world today, for the true black liberation movements ongoing in Angola, and until recently, Mozambique. In these countries, black nationalist leaders with the support of the majority of their people, are attempting to force Marxist governments to hold free and fair elections, and to allow their citizens to elect representative governments. Disinvestment advocates, unwittingly or not, play directly into the hands of the Soviets and their surrogates, who seek to control the mineral resources upon which Western industry depends.

Mr. President, again I commend Senator DENTON for bringing this issue, so critical to our national security interests, before the American people, and request that the entire article, "The U.N.'s War Against the West," be printed in the RECORD.

The article follows:

[From Human Events, Feb. 16, 1985]

THE U.N.'S WAR AGAINST THE WEST

(By Thomas G. Gulick)

(Mr. Gulick is the executive director of the Concerned Citizens Forum in Washington, D.C., and a former policy analyst with the Heritage Foundation's U.S. Assessment Project. He toured United Nations Development Project (UNDP) operations in Malawi, Tanzania, Zimbabwe and Zambia and visited South Africa as part of his investigations of the U.N.)

The United Nations is actively supporting armed warfare and revolution by directly funding three Soviet-backed "national liberation movements" and one guerrilla group sponsored by the People's Republic of China (PRC). These are, respectively, the Palestine Liberation Organization (PLO) in the Middle East; the African National Congress (ANC), the South West African People's Organization (SWAPO) and the Pan Africanist Congress (PAC). The latter three groups are staging guerrilla and terrorist warfare in southern Africa. In Central

America, Honduran refugee camps are also being used to aid Marxist guerrillas attacking the government of El Salvador.

This is not a new policy for the U.N. The Marxist governments of Angola, Mozambique and the new Socialist regime of Robert Mugabe in Zimbabwe were all aided by the United Nations when they were guerrilla revolutionary movements fighting in the bush. Since 1975, the United Nations has given at least $133 million in direct aid to armed revolutionary movements, most of them Marxist.

While cash and services are helpful, it is only part of the U.N. largess. The PLO, for example, not only controlled the United Nations Relief Works Agency (UNRWA) refugee camps in Lebanon but turned them into "military bastions." This is the phrase used by the Lebanese ambassador to the U.N., Edward Ghorra, in his letter to U.N. Secretary General Kurt Waldheim in 1976.

Ghorra attached an additional letter from Lebanon's deputy prime minister in this communication to Waldheim. It documented PLO installation of "heavy weapons" in the UNRWA camps of Lebanon as early as 1969. The same letter noted that the PLO had even "occupied the UNRWA offices in the camps." Waldheim did nothing.

UNRWA has an annual budget of $200 million for Palestinian refugee camps located throughout the Middle East. The budget for these camps in Lebanon is $20 million a year.

The Israeli invasion of Lebanon in 1982 proved that U.N. facilities like the Siblin Training Center near Beirut were used for PLO military recruits. PLO documents captured by the Israelis after the invasion also confirmed that the PLO used intelligence reports of the U.N. International Force in Lebanon (UNIFIL), the U.N. peace-keeping contingent, to monitor Israeli troop movements. The documents were dated May 26, 1981.

Another fringe benefit for the PLO from the U.N. is that all but 120 "international staff" of UNRWA's 17,000 worldwide employes are Palestinians. This situation was described by John Miles of UNRWA's New York office to this reporter in an interview. Since Palestinians nearly dominate UNRWA, U.N. monitoring of military activity in the UNRWA refugee camps becomes almost impossible.

U.N. funding of national liberation movements has paid for food, housing, basic education, professional training, health services and medicines, legal fees, radio broadcasting, agricultural projects, communal farms and refugee relief.

The United Nations High Commissioner for Refugees (UNHCR) camps in Honduras are being run chiefly for the benefit of Marxist guerrillas from across the border in El Salvador. Genuine refugees fear, and increasingly avoid, these installations. Not only is the treatment of non-rebels likely to be unfriendly, but they face the threat of forced service in guerrilla fighting units.

A UNHCR report published in April 1984 states: ". . . settlements for refugees should be placed away from border areas where they may be in physical danger and where their presence may exacerbate international tensions."

The refugee camps in question are extremely close to the Salvadoran border. Their military value would, of course, decrease with distance from that border. UNHCR, in reply to frequent complaints, has been promising for more than two years to move these camps to sites on the other side of the country. No action to change the situation has been taken.

In contrast, camps in Honduras serving people who flee from Sandinista Nicaragua are reported to be in bad condition and run by staffs which mistreat refugees. The Marxist guerrillas who used to crisscross the border now run their country.

Probably even more important to Communist-backed guerrilla groups than the material aid is the international political recognition and status they have been given by the U.N.

The PLO, ANC and SWAPO have all been recognized as the sole and authentic representatives of their people when, in fact, they are all fighting for their political survival at home. This is graphically illustrated by Yasser Arafat's second expulsion from Lebanon and his deadly battle with the breakaway PLO faction led by Syrian backed Abu Nidal.

In Namibia, there are at least a dozen major political parties besides SWAPO. SWAPO tried to control the polls by violence in the last Namibia election after refusing to participate in the voting. Both Arafat and the SWAPO leader, Sam Nujoma, have been honored with public appearances and speeches at U.N. assemblies.

Pro-Western national liberation movements have not been so honored.

Two examples are UNITA, now waging a successful guerrilla war against the Marxist government of Angola, and the Mozambique National Resistance (MNR) movement, waging an equally successful campaign against the Marxist government of Samora Machel in Mozambique.

Neither group has been recognized or given any kind of forum at the U.N.

Meanwhile, U.N. funding of Marxist guerrilla movements is continuing and has been institutionalized.

A systematic and comprehensive investigation of U.N. aid to armed revolutionary groups, including in kind contributions, has never been made.

As with all U.N. funding, at least 25 per cent of the aid to guerrilla and terrorist groups comes from the United States; 65 percent of it comes from the Western nations' combined contributions.

This amounts to U.S. and Western bankrolling of Marxist and Soviet-backed revolutionaries through the U.N. foreign aid funnel.

The PLO dominates two committees in the U.N. Secretariat in New York: "The Committee for the Exercise of the Inalienable Rights of the Palestinian People" and the "Special United Nations Committee on Palestinian Rights." These two groups are funded with $3 million annually.

Full observer status has been awarded to the PLO by several U.N. specialized agencies, including the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labor Organization (ILO), the World Health Organization (WHO) and the International Civil Aviation Organization (ICAO). The ICAO has allowed the PLO to send observers to all its meetings where air security and skyjacking are discussed. Rationale: the PLO has had considerable experience in skyjacking.

Soviet aid and influence in the PLO organization is openly admitted and even boasted about by Yasser Arafat, George Habash and other PLO leaders. Considerable Soviet influence in the African National Congress and in SWAPO has been voluminously documented by the U.S. Senate Subcommittee on Security and Terrorism, chaired by Sen. Jeremiah Denton (R.-Ala.).

Volume I of the subcommittee's hearings on "The Role of the Soviet Union, Cuba and East Germany in Fomenting Terrorism in Southern Africa," March 21-31, 1982, is a particularly revealing look at how the leadership of the ANC and the South African Communist party interlock.

Denton's subcommittee hearings established clearly the control of the military wings of ANC and SWAPO by the Soviets. The Pan African Congress (PAC) broke with ANC over the domination of the ANC by white Communists and has since received military aid from Communist China. PAC is much smaller than the ANC, considered to be the more serious terrorist threat to South Africa, mainly through its sabotage attacks and terror bombings.

The Denton hearings include evidence from many ex-ANC and ex-SWAPO members confirming reports of torture and murder of dissident ANC members and of African civilian "reactionaries" who resisted the ANC. Also confirmed were kidnappings of Ovambo youth by SWAPO in their forced recruitment campaign. Witnesses from both ANC and SWAPO verified that certain of their cadres had been flown to the USSR and East Germany for military and intelligence training.

ANC and the PAC are liberally funded by the U.N. In a single year, 1980-81, nearly $10 million in identifiable support went to the two terrorist groups. They receive money and aid from many of the U.N. specialized agencies—UNESCO, for example, budgeted about $8 million for 1981-83 for ANC, PAC, SWAPO and the PLO.

SWAPO's privileges at the U.N. include "permanent observer" status at the General Assembly, awarded in 1976. Since 1971, SWAPO has been invited to attend U.N. Security Council meetings on Namibia, the only Namibian political party so privileged.

The U.N. and its specialized agencies have allocated $40 million in direct and indirect aid to SWAPO for the period 1977 through 1986.

There are a bevy of U.N. bureaus channeling money and aid to SWAPO. These include the U.N. Council for Namibia in New York, the Fund for Namibia, the Institute for Namibia (located in Zambia) and the United Nations Commissioner for Namibia with offices in New York, Luanda, the capital of Angola (where SWAPO has its forward terrorist-guerrilla bases) and in Botswana.

In an interview in June 1983 in Lusaka, Zambia, Hage Geingob, SWAPO Central Committee Member, 2nd U.N. official, told this reporter that SWAPO would not hesitate to intimidate Namibian villagers with violence when elections are held again in Namibia. "What are you going to do about it?" asked Geingob defiantly. He added, in SWAPO jargon, "The struggle will continue!" i.e., the use of terror to coerce the electorate will continue. SWAPO is already infamous for murdering tribal headsmen who will not support the movement.

The U.S.-educated Geingob is the director of the Institute for Namibia, a U.N. training institute in Lusaka for Namibian refugees that is controlled by SWAPO.

A diplomatic source close to Zambian affairs reports that the Institute is used to promote SWAPO's armed revolutionary aims in Namibia.

Diplomatic and intelligence sources in southern Africa say that U.N. refugee camps in Angola and Botswana run by the UNHCR are used for military recruitment, as military holding camps and even for

training by SWAPO and the ANC. These sources report that the more promising ANC and SWAPO recruits are flown from Angola and Botswana to Eastern Europe and the Soviet Union via Tanzania for advanced military training. These reports were confirmed in recent testimony by ANC defectors before the Denton Subcommittee on Security and Terrorism.

SWAPO uses the U.N. in plotting battle strategy. The following message between SWAPO military cadres, reported in *South African Digest* on April 10, 1981, was intercepted in the field, September 1978, after a rocket attack on a village called Katim Mulilo:

"Congrats success Mulilo emphasized. Message 6 August must be for U.N. [to] defer elections to later date which will enable us to prepare major attack. Continue guerrilla tactics for now, but await order for major assault which will come only when U.N. forces are at full strength so South African forces will be neutralized. Meanwhile, initiate plan to eliminate Steyn, Mudge and Du Plessis [SWAPO political rivals in Namibia]."

U.N. funding of the PLO also helps the training of international terrorist cells operating in Western Europe, such as the Baader Meinhof Gang, the Red Brigades, the IRA and groups like the Japanese Red Army who have been and are being trained in PLO camps in the Persian Gulf area. Some of these individuals were captured by the Israelis in their invasion of Lebanon when Israeli troops stormed PLO training camps.

Considering this extensive U.N. support of guerrilla and terrorist movements, it is not too surprising that special U.N. committee on international terrorism has not produced a single anti-terrorist program since 1972. The U.N. Ad Hoc Committee on International Terrorism, through spokeswoman Jacqueline Dauchy, reported that "as far as we're concerned, the question of international terrorism is asleep." The last meeting of the committee was in 1979. The committee chairman is Valentin Romanov of the Soviet Union.

There is a pattern in the U.N.'s support of left-wing and Communist-backed guerrilla movements. The four national liberation movements now officially recognized and supported by the U.N. operate in two militarily strategic locations—southern Africa and the Persian Gulf.

The rare minerals, metals and gems of southern Africa (including platinum, uranium, gold, diamonds, chromites, manganese, cobalt, etc.) and the vast oil reserves of the Persian Gulf make these two areas what Leonid Brezhnev referred to as the "Achilles heel of the West." Brezhnev was acknowledging what the Soviets have known for over 20 years—that the armies and factories of the U.S. and Western Europe could be crippled if the Soviets cut them off from these vital minerals and petroleum resources.

But precious minerals are also becoming the "Achilles heel" of the Soviets. Dr. James A. Miller in his 1980 study, "Strategic Minerals and the West," (American-African Affairs Association, Inc.), pointed out that the Soviets now have become dependent on imports for a number of their strategic minerals. Miller believes the reasons for this stem from Soviet mining mismanagement, labor mismanagement, location of reserves beneath the Siberian permafrost, rising industrial demand and so forth. The Soviets now have need of rare minerals for their own heavy industry and military forces.

An expert on Soviet military strategy, former Czech Gen. Jan Sejna, discusses USSR goals in his recent book, We Will Bury You.

Sejna says what the Soviets refer to as "Phase Two" of their "Strategic Plan" is aimed at cutting off the U.S. and the West from the Third World and its resources.

In addition, Dr. Miller notes in his paper on strategic minerals, the Soviets regard OPEC's use of the "oil weapon" as a model for the rest of the Third World of how to destroy the capitalist economy of the West.

Thus they have encouraged all Third World resource-producers, whether of oil, minerals or agricultural crops, to nationalize these resources and create cartels.

One of the best lobbying arenas the Soviets have for that purpose is the United Nations and the assemblies of its specialized agencies. These, in effect, have become propaganda platforms for the Soviet Bloc. Jan Sejna says the objectives of Phase Two of the Soviet strategy in the Third World are: (*1*) to destroy "colonialism," (*2*) weaken the economies of the old colonial powers and (*3*) win new allies in the effort to discredit the "imperialist powers," led, of course, by the United States. No one can deny the Soviet success in meeting these objectives, argues Sejna, helped by their exploitation of the new balance of votes in the United Nations.

Bloc voting in the General Assembly and most U.N. specialized agencies can isolate the U.S. and its approximately 30 consistent allies by as much as 120 votes to 30, or 4 to 1 against the West. The Group of 77 (G-77) is a collection of nations consistently voting with the USSR against the West in the U.N. This, in fact, is the standard voting pattern of key issues like disarmament and condemnation of Israel and South Africa. On the other hand, the G-77 and OPEC blocs tend to shield the Soviets when the USSR is attacked for its human rights violations and the persecution of political and religious dissenters.

SOVIET BLOC ESPIONAGE AT THE U.N.

The growing manipulation of the United Nations organization by the Soviet Union involves more than the funding of guerrilla warfare. Soviet Bloc penetration of the organization has reached alarming proportions. In the New York headquarters, for example, approximately 3,000 citizens of Communist countries work in their national missions or in the U.N. Secretariat. According to Arkady Shevchenko, former Soviet Under Secretary General at the Secretariat until his defection in 1978, more than a third of this total are KGB agents. This is explained in some detail by Dr. Juliana Pilon of the Heritage Foundation in her recent paper, "Moscow's U.N. Outpost."

Shevchenko and another Soviet defector, Igor Glagolev, report that the position of Special Assistant to the U.N. Secretary General is "traditionally" held by a medium-rank KGB officer (usually a colonel). This assistant, adds Glagolev, "practically controls the whole staff of the U.N." KGB officer Guennadi Yevstaf'iev presently holds this post. He held previous KGB positions in New Delhi, Sri Lanka and Tokyo, according to Pilon.

The FBI maintains that the Soviet agents with diplomatic status at the U.N. are mainly interested in recruiting spies. Through Soviet officials in the U.N. personnel departments, the KGB is able to get personal information on U.N. diplomats who might be co-opted.

Furthermore, the Soviets exert considerable control over the press and media bureaus which originate press releases and manage the U.N. broadcast service. The key Soviet here is Anatoly Mkrtchyan, chief of the DPI External Relations Division Shevchenko has identified Mkrtchyan as a KGB colonel. This bureau is a vital conduit for the transmission of information packets bearing pro-Soviet propaganda. It is a means for alerting leftist groups throughout the world, but especially in Western Europe, of the dates of arrival of prize propaganda packages at their local U.N. Information Centers.

Another important KGB activity at the United Nations noted by Pilon is "active measures" (especially disinformation).

According to Shevchenko, the Soviets operate highly sophisticated electronic spying equipment from a mansion owned by their United Nations Mission in Glen Gove, N.Y. The purpose is to monitor long-distance phone conversations and spy on Long Island industry.

Soviet agents are also active in U.N. groups in Europe. Last April, French President Francois Mitterrand expelled 47 KGB agents. A quarter of these were working in the UNESCO Paris headquarters.

Arnaud de Borchgrave reports that Geneva, Switzerland, now has more Soviet Bloc spies per capita than any city in the West.

Nearly 80 agents of the KGB and the GRU (Soviet military intelligence) have infiltrated a dozen international organizations, including the United Nations Organizations in Geneva (UNOG).

High-ranking KGB and GRU operatives are employed in UNOG specialized agencies dealing with meteorology, telecommunications and labor unions, according to Western intelligence sources and Swiss security officials contacted by Arnaud de Borchgrave. These agents work closely with 50 intelligence operatives from the Soviet consulate and the Soviet Mission to the United Nations in Geneva.

The deputy chief of the Soviet U.N. Mission in Geneva, Dmitry Pronsky, de Borchgrave reported in *Newsweek* on May 7, 1979, was also the KGB station chief in that city.

Geli Dneprovsky, director of personnel for UNOG, besides having access to all U.N. personnel records, took personal charge of recruiting staff for the U.N. Transition Assistance Group. This is the body that will supervise elections in Namibia if a compromise interim government can be achieved. Dneprovsky is a KGB colonel.

Vladimir Lobachev, then in charge of UNOG's conference-making section, is also a KGB colonel, de Borchgrave reported. Dneprovsky returned to Moscow about a year ago and Lobachev has been replaced by another Russian, Yuri Ponomarev.

NIEO: A GLOBAL WELFARE PROGRAM

The funding of Marxist guerrilla movements, aiding international terrorism and constructing espionage networks represent the dramatic, the overt side of the U.N. war on the West. There is, however, another less publicized assault on the institutions of the free, industrial world called the "New International Economic Order" (NIEO). In 1984, ten years after its introduction as a resolution in the General Assembly, NIEO dominates U.N. activities. Its aim, in the pattern of classical socialism and Marxism, is the establishment of a world Socialist welfare economy.

The object of NIEO is to force the rich nations of the world to share their wealth and technology with the underdeveloped, often subsistence-level rural economies of Africa, Asia and South America. This plan is based on the assumption that such a transfer would lift the nations of the Third World to the production and living standards of the United States, Western Europe and Japan. In addition, there would be a world central bank and a new world currency. This centralized banking authority would preside over a redistribution of the planet's wealth.

Through the NIEO word-war at the U.N., the Soviet Bloc, working through its allies in the Third World coalitions and the Group of 77, has been able to recreate the world in a Marxist image. Today U.N. publications describe the United States and the nations of Western Europe as decadent colonial powers exploiting their nominally independent former colonies.

There is, of course, no mention in official U.N. writings, of how individuals like Tanzanian President Julius Nyerere destroyed the post-colonial economy of his country through Soviet-style collective farming and controlled market prices. Also absent is the story of Nyerere's mastery of the "foreign aid supermarket" to the tune of $600 million per year in mostly Western aid as the Tanzanian economy continues to disintegrate.

United Nations publications also paint South Africa and Israel as irrevocably racist and imperialist. Several attempts have been made to eject both countries from the organization. Marxist terrorists and revolutionaries, however, attend and even address official sessions. Representatives of the anti-Soviet Afghan freedom fighters or pro-Western guerrilla resistance movements (like UNITA in Angola or FDN in Nicaragua) do not, of course, receive similar privileges.

United Nations members like Saudi Arabia, Argentina and Egypt are not usually considered as anti-Western, but all three voted with the Soviet Union over 80 percent of the time and with the U.S. only 25 to 30 percent of the time during 1981 sessions of the General Assembly.

Results like these are symptomatic of the power of the temper NIEO has created at the U.N. It has convinced most of the people of the underdeveloped world that they are being exploited. The brute force and greed of Western "capitalist imperialists" has robbed them of a full share of the planet's riches, is the NIEO message. Their "natural rights" were being trampled by men and forces refusing to share the profits from the use of resources which, when rightly considered, belong to everyone, NIEO advocates intone. The Third World has not been difficult to convince. The United States is providing no effective rebuttal.

NIEO is the perfect vehicle for Soviet Bloc diplomacy in the Third World. Under the U.N. rubric, the poor nations are told relations with the Soviets will be good for "development." These relations will worry the free-market nations, causing them to provide even more "foreign aid." In the meantime, the Soviets send their economic planning experts, military advisers, East German secret police trainers and even Cuban troops to new client states.

LOST AT SEA

NIEO boosters are now tantalizing Third World governments with a share of the riches of more than three-fourths of the planet. They promise them control of the oceans. Beneath the rhetoric about the earth as the "common heritage of mankind," the Law of the Sea Treaty (LOST) aims at control of the precious and highly strategic minerals and petroleum needed by the Western industrial nations. This treaty remains unsigned by most Western industrial powers. At stake are 1.5 trillion tons of manganese, nickel, copper and cobalt deposited as nodules on the sea floor, mainly in the Pacific Ocean.

LOST would create a controlling global U.N. corporation called the "International Seabed Authority," "The Authority" for short. The Authority would have a mandate to favor developing nations and would create its own mining corporation (with Western industrial nations' money), called "The Enterprise."

LOST is Marxist-Leninist wish fulfillment. It supports perfectly Soviet global military strategy. It would tax free enterprise sea mining out of business and would funnel mostly funds of the U.S. and other Western nations to anti-American governments.

No guarantee would be given to the U.S. of a vote in The Authority proportionate to its expected 25 per cent contribution. U.S. and other Western industrialized nations would be forced to turn over their sea mining technology to The Authority, which, in turn, could pass this technology, including high-technology patents and inventions, to the underdeveloped nations and to the Soviet Bloc. This would provide an open door for the transfer of dual-use (civilian or military) Western high technology to the Soviet Bloc armed forces.

The Authority would force a private mining company to set production ceilings, prospect for two mining sites at its own expense and then surrender one to The Authority. Private mining concerns would have to compete against "The Enterprise," funded by Western governments and exempt from taxes and payments to The Authority.

ATTACK ON FREE PRESS AND EDUCATION

The pattern of LOST emerges again in the strategy of the "New World Information Order (NWIO). NWIO is ideological warfare at a more subtle level. This struggle is over control of a different kind of resource—the modern mass telecommunications media.

NWIO is a plan to isolate the Third World from the powerful influence of Western free-market culture and the Western news media. The Soviet argument to the rulers of underdeveloped countries as presented through UNESCO is: "Here is a worldwide, ultra-modern news network and you, the Third World, are not part of it. You are, in fact, being exploited by it because the news correspondents in your countries report negative things about you in their newspapers and on television.

"You should insist on more control over these capitalist multinational media corporations at home. You can require their journalists to be 'licensed' and you can complain that they don't cover Third World problems and concerns.

"Once you have aroused their fears of nationalization and of guilt, you can ask for the foreign aid necessary to build your own media networks which *you*, not they, will control."

NWIO was at the heart of the Reagan Administration's decision to leave UNESCO in 1985. It attacks directly the free press and the freedom of speech. It preaches government control of media and of culture.

In 1974, under Amadou-Mahtar M'Bow, UNESCO quickly became a focus for NIEO Marxists and Socialists. He ditched the old UNESCO facade of a Western-dominated intellectual club and put the emphasis on Third World "development." Now UNESCO's conferences, offical documents and publications revolve around NIEO and developing the poor nations. Little actual "development" is ever delivered by UNESCO.

In UNESCO conferences in 1976 and 1978 the U.S. and the European allies scrambled to fight off passage of a Soviet-inspired New World Information Order.

Caught off guard, Western media corporations were suddenly faced with the prospect of an embargo on their news correspondents throughout the Third World. And UNESCO wasn't going to stop with a ban on Western journalists who offended Third World governments.

Also being discussed were tariffs and restrictions on Western television, films, video and tape cassettes and phonograph records as well as U.S. and Western advertising for Third World markets. Even computer technology, data processing and microchip technology were being targeted for control by a swarm of minor agencies hatched by UNESCO.

In the early '70s, UNESCO published a perennial best-selling book, *Learning to Be*, which heralded the "New Educational Order" (NEO). This "new" order turned out to be the regurgitation of the Socialist educational philosophy introduced by UNESCO, circa 1950, in a series of pamphlets called "Towards World Understanding."

NEO added elements of secular humanism, computerized classroom instruction and modern mass telecommunications to the old "World Understanding" tracts. Those tracts were infamous in the U.S. for their attacks on the nation-state and patriotism and their promotion of world government.

These U.N. alphabet strategies (LOST, NWIO, NEO) have a common tactic: they attack Western business, Western corporations and the success story of free enterprise in the United States and NATO nations. They all contain the NIEO Marxist formula of the "clash of opposites" to instigate antagonism between the Western industrialized nations and the agriculture-oriented countries of the Third World.

All these "New World Orders" have a pattern: cut off the U.S. and the NATO nations from Third World raw materials and markets. This strategy has a scondary target. If it doesn't succeed in alienating a Third World nation from the U.S. and bringing it into the Soviet Bloc camp, it at least teaches that nation the Marxist "trade union" tactic of threatening to turn against the West unless the West delivers more foreign aid.

"The New World Information Order," for instance, was imbued with just this strategy in a treaties of the same name written for UNESCO by Mustapha Masmoudi, the Tunisian radical Socialist and former Secretary of State for Information in Tunisia.

Masmoudi called for $250 billion in Western foreign aid to allow the Third World to build its own mass communications systems. He recommended an $18-to-$20-billion down payment. To encourage the West to act, he mentioned the possibility of Third World restrictions on Western journalists and taxes on Western cultural products.

Building Third World media networks has been trusted to a UNESCO sector called the

International Program for the Development of Communications (IPDC), created in 1980. So far the West has given little money. The IPDC programs funded through 1983 have been awarded mainly to leftist media groups or to state-controlled Third World media institutions.

Masmoudi summarized the NWIO plan when he redefined the idea of information itself. "Information must be understood," he writes, "as a social good and a cultural product, not as a material commodity or merchandise." In other words, all commercial media and news services must be socialized and nationalized and provided free to the populace. All media, therefore, would be government-controlled.

A delegate from Zambia at the recent 1983 biennial UNESCO General Conference held in Paris, pronounced frankly the common UNESCO opinion. He said: "We believe in two-way communication, a right to communicate and some form of government control over information."

The government, that is, has the right to establish the official reality through its censorship of objectionable information in the press, on television, on the radio, through satellite communications, through movies and even through art and music. This is a sound basis for the totalitarian state. Through all the "new orders" UNESCO is sending Third World governments the message to seek control over all aspects of the lives of their citizens.

UNESCO advocates this not only at the national level but at the level of international law; not only for communications, but also for all forms of education, art and culture.

Unfortunately, few commentators on the United Nations take the U.N. plan to build "a new world order" seriously. The U.N. and its radical ideologues take it very seriously, however. It is their vision of a new world administered by themselves, the countryless world diplomats, career global civil servants solving all the "old world's" problems through a new United Nations Organization.

In their conception, all the world's wealth—natural resources and Western technological mastery—will flow through a new and powerful international organization. These visionaries come from the West as well as the Third World. They work in the various offices and at all levels of the U.N. or are merely affiliated with it.

Many insufficiently informed Western observers believe that the United Nations is, at worst, an innocuous debating society. As has been shown, however, the control of this organization is firmly in the hands of our determined enemies.

The NIEO and its alphabet "new world orders," such as the NWIO and the Law of the Sea Treaty, are unmistakably anti-free enterprise, anti-business, anti-freedom in the American and Western sense of consitutionally guaranteed personal freedoms. And what does the U.S. gain from the so-called U.N. "dialogue" that she could not gain from bilateral diplomacy?

U.N. expert Mark Zacher (International Conflicts and Collective Security, 1977), notes that in 93 conflicts and wars between 1946 and 1977, the U.N. had virtually no influence. Fifty-three of these conflicts were not even debated at the U.N.

(See also: Roger Brooks' Heritage Foundation paper "U.N. Peacekeeping: An Empty Mandate" [April 20, 1983]. Brooks added that "the U.N.'s peacekeeping performance at best has been ineffective.")

The United States must assert her leadership by withdrawing from the United Nations. This is not actually a drastic step. The U.N. is dominated by anti-Western coalitions.

There is no reasonable prospect of changing this situation. The U.S. should make its own approach to the Third World through a new free market organization designed specifically to give aid and training to friendly nations. The Third World should be scouted for business and leadership talent. The Soviets and Cubans do this in sponsoring guerrilla groups, trade unions, Socialist and Communist clubs and political parties in underdeveloped areas.

This is the war the U.S. is losing in Central America, southern Africa and elsewhere. The U.S. should search for talent in Honduras, Guatemala, Costa Rica, Panama, Mexico, etc., not only for military trainees but for business school candidates, journalism, education, political science and law students, doctors, trainees in the vocational arts and trades, in the fine arts and in music.

These leaders can return to their countries and teach the American conception of freedom to their countrymen. Why should the Soviets and the Cubans dominate the "hearts and minds" campaign? U.S. experts in the required fields should be recruited to work in friendly countries as part of the program.

Recruiting for careers in this kind of foreign service should be taking place in U.S. high schools and universities across the country. U.S. business could play a major role in this kind of diplomacy by offering programs, professional training and careers in development work both abroad and for U.S.-based training of foreign students and leaders. The idea of the Peace Corps should be greatly expanded in this sense by the Reagan Administration and by the private sector.

The United Nations organization has proved itself repeatedly and exasperatingly a failure. This program is a practical means of recovering some of the original promise of an international body now more devoted to creating Marxist turmoil than the ways of peace.

U.N. VOTES FOR NEW BUILDING INSTEAD OF FAMINE VICTIMS

Typical of the off-target socialism of the New International Economic Order (NIEO) regime at today's United Nations was a recent vote in the General Assembly. By a vote of 122-to-5 that body approved $73.5 million in funding for a new conference center in Addis Ababa, the Ethiopian capita. Meanwhile, Ethiopians continued to starve to death in the most devastating famine in that country's history.

Before the vote U.S. Representative to the U.N. Richard Nygard protested that the $73.5 million could be better used to: inoculate one million Ethiopian children; build 25,000 wells and pumps for 12.5 million people and the feeding of 125,000 Ethiopian families for one year with enough left over to supply all of drought-stricken Chad's cereal imports for 1985. Nygard's protests were to no avail.

Most of the 122 votes for the conference center, intended for the U.N. Economic Commission, were Third World votes. Most of the money, however, was Western. The U.S. contribution of 25 per cent will be about $18.4 million. American plus Western European and Japanese funds together will pay over 60 percent of the bill for the new conference center—about $45 million.

Once again U.S. taxpayers are paying the lion's share of a U.N. boondoggle while genuinely needy people go begging from the vast majority of NIEO programs at the U.N.●

UNITED STATES LOSING PART OF MAJOR BEEF AND PORK EXPORT MARKET

● Mr. BOSCHWITZ. Mr. Speaker, I rise to bring attention to the fact that the United States could lose a large portion of its beef and pork market in Taiwan to the EEC and other countries. This is through no fault of American beef and pork producers who continue to efficiently produce quality meat products but cannot compete with the unfair subsidies of many of our competitors. I ask that an article on this situation, taken from the February 1985 issue of the U.S. Meat Export Federation publication ACTION be printed into the RECORD.

The article follows:

EEC BEEF SALES POSSIBLE TO TAIWAN

A visit by a U.K. delegation to Taiwan could indicate that beef and pork from the U.K. and other European Economic Community countries will eventually be allowed into Taiwan, a major importer of Australian and U.S. beef. According to the USDA, Taiwan is likely to be Australia's third largest export market for 1984. During the first 11 months of 1984, the U.S. exported 1,244 MT or $4.7 million of beef and veal to Taiwan.

Taiwan has also lifted its ban on beef imports from Sweden, Norway, Finland and Iceland previously imposed due to foot and mouth disease.●

DEFENSE SPENDING LEVELS

● Mr. WALLOP. Mr. President, I should like to direct my colleagues' attention to an article by Mr. Herbert Stein in this morning's Wall Street Journal. Mr. Stein makes a number of points that are extremely relevant to the present debate on the defense budget and deficit reduction. While polls demonstrate that the majority of American people exaggerate the present defense budget's share of the national economy, the fact is it is not large in historical terms and it is not an impossible burden on the U.S. economy. Mr. Stein notes that:

Defense expenditures today, as a fraction of GNP, are smaller than in any year between 1951 and 1972.

In the last year of a balanced federal budget, fiscal 1969, defense expenditures were 9 percent of GNP, compared with 6.6 percent in the current fiscal year.

During the 4 years of the "big" Reagan defense buildup, defense spending increased $19 billion while the output used for nondefense purposes, private and public, increased $145 billion (in 1972 dollars).

The issues we in the Senate must face are: whether the defense budget "is providing as much defense as we need, or more or less" and whether "the defense could be obtained for

fewer dollars." While an arbitrary cut of a certain percentage may be an easy way to avoid the difficult work of making judgments on which programs are most essential for national security and our domestic environment, such an approach is an abdication of our responsibility. If progress is to be made in increasing efficiency with which defense dollars are spent—and I believe that great potential for doing that exists—it will be difficult work to examine specific programs, procedures, and approaches, not in across-the-board freezes. Only then will we hand down to future generations in this country the legacy of a safer world.

I ask that the article referred to be printed in the RECORD.

The article follows:

CUTTING THE LEAN OUT OF DEFENSE

(By Herbert Stein)

One of the most commonly believed propositions about economic policy these days is that nothing serious can be done about the budget deficit without cutting defense. But, of course, the proposition is not literally and arithmetically true. President Reagan's new budget has shown how the deficit can be reduced to a fairly low level—less than 2% of gross national product—without significantly cutting defense and without touching his two big untouchables, Social Security and taxes.

Anyone who says that the deficit cannot be reduced without cutting defense should be understood to be saying one of two things:

1. "I don't want to cut the deficit without cutting defense" or,

2. "Although I would be willing to cut the deficit without cutting defense, there are other people whose assent is required, who are less well-informed or public-spirited than I am, and they don't want to cut the deficit without cutting defense." (That is what is meant by saying that it is "politically" impossible to do so.)

Thus, we come down to the proposition that important people do not want to cut the deficit without cutting defense, and we must ask why that is so.

The majority of American people have a vastly exaggerated idea of the size of the defense program. In a poll conducted last year for the Committee on the Present Danger, only 6% of the respondents said, correctly, that defense expenditures were less than 10% of GNP. In fact, defense expenditures in 1984 were 6% of GNP. Fifty-seven percent thought defense spending exceeded 20% of GNP and 9% thought it exceeded 50%. With such inflated ideas of the size of the defense program, people will naturally have inflated ideas about the difficulty of cutting the deficit without also cutting defense.

RESISTING FACTUAL INFORMATION

Presumably, many in Congress are better informed than the public at large, but few of them are willing to stray far from the misconceptions of their constituents.

The ideas that the defense program is enormous, is the principal cause of the deficits and is a great burden on the U.S. economy seem to resist all factual information. Defense expenditures today, as a fraction of GNP, are smaller than in any year between 1951 and 1972. In the last year of a balanced federal budget, fiscal 1969, defense expenditures were 9% of GNP, compared with 6.6% in the current fiscal year. During the four years of the "big" Reagan defense buildup, defense spending increased $19 billion while the output used for non-defense purposes, private and public, increased $145 billion (in 1972 dollars). With the administration's present plans, defense expenditures would rise to 7.5% of GNP by 1990. This would still be less than in any year of the Eisenhower or Kennedy administrations. With the administration's defense program, output available for nondefense use in 1990 would be 25% higher than in 1984.

It is sometimes suggested that the increase of defense expenditures should be held to 3% a year, instead of the 6.7% the administration now proposes. That cut would increase the output available for nondefense purposes in 1990 by about 2% compared with the administration's program, making it 27% rather than 25% higher than in 1984. That's what we would gain by cutting the defense program.

Why has this program, small in relation to relevant magnitudes, past and present, become the indispensable item in trying to reduce the deficit? What seems to be involved in many minds is a notion of fairness. "Cap Weinberger should do his share. If we are going to cut aid to agriculture, student loans, urban mass transport, and so on, it is only fair that we should cut defense." But the defense program is not for the benefit of Secretary Weinberger in the same way that the agriculture program is for the benefit of farmers or the student loan program is for students. The defense program is for the benefit of this and future generations of Americans. The question of fairness involved is whether it is fair to risk the lives, fortunes and freedom of future generations in order to raise the consumption level of this generation by two percentage points or so.

One of the cliches of this kind of talk is that national security depends upon the nation's economic strength as well as upon its military strength. Our economic strength is not in danger, whereas whether we are adequately providing for our military necessities is a serious question. We do have a federal debt problem. But we are not faced with a choice between solving that problem and meeting our military necessities. Today the debt is about 35% of GNP. With the administration's budget program the ratio would level off at around 40%, not a frightening figure.

There are only two issues about the defense budget. One is whether it is providing as much defense as we need, or more or less. The other is whether the defense could be obtained for fewer dollars.

The first question is the crucial one, but it is not much discussed. One frequently hears the assertion that since we and the Soviets now have enough weapons to kill each other 10 times over, there is no need for more. This leaves open the vital matters of the survivability of the nuclear forces and the adequacy of our conventional forces when circumstances may require reliance on them to protect our national interests. Although no one can measure that risk, it does not seem worth taking in order to slightly increase private consumption in America.

In fact, almost no one who calls for cutting the defense program says that he wants weaker forces. Almost all insist that they want to get the same forces more cheaply. One suggestion for getting the defense more cheaply is to stretch out the defense buildup over a longer period. That would reduce the outlays in the near future. But if what is proposed is really a stretching out, it means more expenditures later. The saving would be the interest saved by making the expenditures later rather than earlier. However, defense forces obtained later are not as much security as defense forces obtained earlier. F-16s delivered in 1990 will not protect us in 1988 and 1989. Stretching out is a way of reducing the national defense.

Finally, there is the matter of waste. This is what most people are talking about when they say that the needed defenses can be provided more cheaply. And certainly there is waste in the defense program; in some respects more serious than $900 screwdrivers. There is waste in most human endeavors, although waste may not survive so long where a market test must be met. The question is whether we know how to remove the waste without impairing defense. Can we remove Cap Weinberger's pound of fat without shedding a drop of vital blood?

Setting dollar limits on defense will not make the program more efficient and reduce waste without cutting strength. There is waste basically because decisions are made by people who naturally and inevitably have a different view of what is efficient than some ideal objective representative of the taxpayer may have.

LESS WASTE, LESS STRENGTH

The Air Force general who someday may be required to fly over the Soviet Union and who in any event has an exceedingly high appreciation of technological advance, naturally wants the B-1, not the old B-52, and believes that is best for the national security. He is no different from the doctor who thinks his patients are better off if he provides $200 of tests when anyone complains of a stomach ache. Or a lawmaker who thinks the military base in his district is vital to something, if not necessarily the national security.

The most prudent assumption is that if the defense budget is cut from $300 billion to $270 billion, to be allocated by the same organizations and people as at present, with the same incentives, we will get about the same proportions of strength and waste from the $270 billion that we would have gotten from the $300 billion. That is, there will be less waste and also less strength. The results might be different if the decision-making system were different.

Having lived in Washington through the regimes of 15 secretaries of defense, all able and honorable men, I would not count on improvement of the system coming easily. Some improvement may be possible, however, and it is worth seeking. But that is not what we are going to get out of the budget-making process that is now going on among White House and various congressional factions. If we get a cut in the defense budget it is going to cut strength, not improve the system, and it is going to result from, or at least be justified by, misinformation about the relation of defense to the budget and the economy.

(Mr. Stein, chairman of the Council of Economic Advisers under Presidents Nixon and Ford, is a senior fellow at the American Enterprise Institute.)●

YOUTH SUICIDE PREVENTION MONTH

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 53, which designates the month

of June 1985 as "Youth Suicide Prevention Month."

The teenage suicide rate is one of the most tragic growing statistics in our Nation today. There is really no known reason for this rise in suicides among our youth, but it has climbed to the third leading cause of death for those between the ages of 15 to 24. Five thousand American youths can be expected to take their lives this year and almost 2 million will make the attempt.

The designation of June as Youth Suicide Prevention Month will do much to bring this problem to the public attention. We can no longer avoid the growing dilemma of suicide of our children. Most tragically, suicide can spread like a disease among our youth, who to the surprise of many, often feel the tremendous pressures of life. Efforts must be made to arrest this problem through the combined efforts of individuals, families, communities, organizations, and government to educate our society on what needs to be done.

It is essential to view this problem like other medical disorders and treat it accordingly. Government sponsored research into mental health problems such as depression can not be diminished. We have a duty to our youth to ensure that our Government will do all in its power to help ease the problem of suicide.

I strongly urge my colleagues to join me as a cosponsor of this important legislation. Public awareness, instead of avoidance, and active involvement instead of simple concern is essential to stem the rising tide of suicides among our youth that seriously threatens the fabric of our society.●

ESTONIAN INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, February 24 marked the 67th anniversary of the proclamation of Estonian independence. Every year, as Americans of Estonian descent mark with great pride this important date, they also mourn the short life of the independent state of Estonia, and renew their commitment to restoring the lost freedoms of the Estonian people.

Since 1940, the Soviet presence in Estonia has caused great suffering and hardship for the Estonian people. In 1941, 60,000 Estonians were killed or sent to concentration camps; in 1949, 80,000 Estonians were sent to Siberia.

Today, the suffering of the Estonian people continues. The Soviet Union, ignoring its obligations under the final act of the Helsinki accords, continues its unrelenting campaign of human rights violations. Courageous Estonian men and women are persecuted for simply demanding their most basic human rights.

The fight for human rights is closely linked with one of the best known Estonian dissidents, Mart Niklus, who has provided great inspiration to his countrymen in the struggle for freedom.

In addition to fighting to preserve their human rights, Estonians, on a daily basis, are confronted with Soviet policies designed to eliminate their centuries-old religious and cultural traditions. The success of the Soviets' brutal policy of Russification is unmistakable. Today, only half of the total population of the Estonian capital of Tallinn are native Estonians.

Despite the oppression, and despite the hardships, Estonians continue their fight to preserve their cultural identity. The survival of Estonia requires that its culture be permitted to flourish, and that growth can only be nurtured in a society which honors and protects the rights of all its citizens.

In commemorating Estonian Independence Day, we renew our commitment to the cause of human rights and self-determination for Estonians and for all people of the world.●

WILLIAM F. CODY

● Mr. ARMSTRONG. Mr. President, yesterday was the birthday of one of the more notable characters in our Western heritage, William F. Cody, more commonly known as Buffalo Bill. It was certainly appropriate that the Senator from Wyoming [Mr. SIMPSON] alerted the Chamber to this important day and recalled for us the memory of a man whose spirit still lives throughout much of the West. Mr. President, the Senator from Wyoming and I normally see eye to eye on most of the heated political issues that affect the West—with one important exception. As my friend has noted, the man that Wyoming calls son is buried in Colorado—there to stay as an honored citizen of our State as well. And I might add, that his burial there occurred back in 1917 despite the violent objections of the town of Cody, which Buffalo Bill founded in 1895 and which provided an early home to the Senator from Wyoming. Nearly every resident of Cody, since those early years after Buffalo Bill's death, still feels keenly about the final resting place of the man whose personality and character so well reflects the American West.

My friend from Wyoming rightly observed that most of the bitterness has now gone out of the dispute, but the complaint about the location of the gravesite has not always been so temperate. In 1921, a posse of citizens from Cody headed off on horseback for Lookout Mountain, the actual site of Buffalo Bill's grave, just west of Denver. The group was determined to recover the remains of Cody and return them to the town that bears his name. Word of the impending raid, however, reached Colorado, where the Governor and the American Legion were alerted and quickly organized; they took up fortified positions around the gravesite and prepared for a pitched battle. We can only speculate about how this battle would have been recorded in the history books and how the event might have affected what is now the very close friendship between our two States, because the posse never made it. Historians speculate that the raiding party never got any further than a bar in Casper, WY, where presumably they discovered some pastime less morbid than grave robbing.

So, Mr. President, the celebration of the birthplace of the Great Scout, William Frederick Cody, is observed with much feeling in both Colorado and Wyoming. Yet in one of these States, the celebration is perhaps not without a note of wishful thinking, that one day a posse will be formed with a more steady determination and a more resolute character, to return the bones of that famous Wyoming son and Western spirit whose birthday is worthy of the Senator's remarks. And I would just say in closing, Mr. President, Colorado is as vigilant today as ever.●

GUATEMALA

● Mr. LAXALT. Mr. President, on February 20, 1985, Dr. Georges A. Fauriol, senior fellow at the Georgetown University's Center for Strategic and International Studies, testified before the House of Representative's Subcommittee on Western Hemisphere Affairs. Dr. Fauriol expressed clearly and concisely why and how the United States can assist the people of Guatemala in their attempts to reestablish democracy in their country. I ask that Dr. Fauriol's statement be printed in the RECORD and recommend it to my colleagues.

The material follows:

STATEMENT OF DR. GEORGES A. FAURIOL

INTRODUCTORY COMMENT

This is an auspicious moment for both Guatemala and the United States: on the one hand, a refreshing political climate has taken hold of an admittedly fragile Guatemalan environment, and on the other, the precariousness that characterized the U.S. position in Central America several years ago has, at minimum, been deflected. Public attention has understandably been so strongly focused on the Salvadoran and Nicaraguan contingencies that developments on Central America's northern tier have been somewhat overlooked. But recent changes in Guatemala's domestic political behavior and cast of characters are sufficiently encouraging signs suggesting that reluctance to endorse this process may not be in the best interest of the United States.

Regionally, a strategic shift has occurred. Most notable has been the redirection of Central America's domestic politics toward political pluralism, a greater respect for human rights, a stabilization of the area's downward economic spiral, and a contain-

ment of externally induced radicalism. Guatemala, to the surprise of its numerous critics, fits this cautiously optimistic trend line. In contrast, the most salient exception to the rule has become the confirmation of a Marxist-Leninist hold on the Sandinista regime of Nicaragua, to the consternation of that regime's many friends.

In early 1985, Guatemala is in the midst of a political rejuvenation. An attempt to reestablish a legitimate, democratic government has formally been underway since the Constituent Assembly elections of July 1984. Despite early concerns, the process has generated a forward-looking, open, and realistic vision of democratization. The prospects for restoration of political stability have become an attainable objective. Naturally, realization of this will in part be based on the foresight and self-discipline that all political actors display in the coming months.

The legitimate role of the United States in this process is not to be overestimated, yet the development of a sound relationship with Central America's largest nation should be an element of U.S. regional strategy. The backdrop to this is significant in four ways: first, the bilateral U.S.-Guatemala relationship has over the last 6-8 years been painful and generally unproductive at best, albeit for probably valid reasons; second, the factors shaping this difficult relationship—namely, an abusive political regime—have been dramatically altered; third, Guatemala's democratic institution-building does relate to the encouraging efforts at political reconstruction elsewhere in Central America; and last, the underlying economic problems of Guatemala remain a weak link, with repercussions for the nation's political experiment on the one hand, and its ability to overcome the cause of violence, including insurgency, on the other.

A constructive engagement of the United States in Central America has defined an agenda built around the insistence on domestic reforms, serious attention to endemic socio-economic development problems, and a retrenchment of overt Cuban and Marxist influence. For the first time in many years, Gautemala can legitimately claim a fruitful spot in this agenda. The trajectory of recent events should bode well for U.S.-Guatemalan relations. Encouragement of the Guatemalan political process, attention to the immediate needs of the economy, and a recognition that insurgency weakens the ability of Guatemala to progress satisfactorily justifies a measured package of U.S. assistance at this time. Not doing so would be tantamount to abandoning a democratic spirit now present in Guatemala to the ravages of left—and right—wing extremism.

BACKGROUND

Recent events in Guatemala

For several reasons, Guatemala should be considered the jewel of any Central American strategy. It has the largest population and economy in this subregion, an incipient industrialized base, an established export-oriented agriculture (coffee, cotton, sugar), significant oil reserves, hydroelectric power resources and nickel deposits, the most genuine, if latent, tourism potential in Central America, although it has traditionally been governed by fiercely, often harsh, anticommunist governments. In contrast, other U.S. regional interests may in fact be more modest, even though U.S. political and economic exposure remains significant throughout Central America.

Central American institutions, including those of Guatemala, are changing. Until recently, Guatemala had a relatively stable oligarchy, although it is fair to say that this stability had been maintained since 1954 through the use of coercion and electoral fraud. As in the Salvadoran case, government and governmental-affiliated private forces have used violence against opponents to ensure the continuity of the regime. Thus, years of fratricidal violence have led to a sharp polarization of Guatemalan public life. The military, in its various factions remains the real power holder. However, in many respects the military has proven to be a modernizing force within Guatemala, anxious to gain civilian support, as exemplified by the civil defense patrols. The military remains the de facto power holder; the U.S. must continue to encourage this body in its democratization efforts, thereby assuring a stable transition of power.

U.S. options are limited by the generally poor image Central American regimes, particularly Guatemala, have in the United States. Several factors have contributed to Guatemala's image problem, including: U.S. politics, poor public relations by both the Guatemalan government and its U.S. supporters, harsh international reality, and the media's perception of events in Guatemala. U.S. public reaction to Guatemala has been unusually negative and entrenched, cultivated by varying pressure groups. Thus, as U.S. policy is pursued toward Guatemala, U.S. public reaction will be affected by the perceived legitimacy of U.S. actions. To that extent, the U.S. ability to improve the image and actual performance of the Guatemalan regime remains a critical variable, particularly during this transitional period to democracy.

The turbulent years (1978-83)

The present government of Mejia Victores is the product of profound upheavals during the two most recent Guatemalan governments: General Romeo Lucas Garcia (1978-82) and General Efrain Rios Montt (1982-83). During these years, the sponsorship of politically-related violence had attained critical proportions; such instability and violence was greatly enhanced by an expanding Marxist-led guerrilla campaign. The resulting clashes were brutal, albeit ulitimately quite effective in their immediate governmental objectives—in eliminating the immediate insurgent threat and establishing some degree of order.

Briefly, the Lucas government has been viewed by many as one of the most tragic periods in Guatemalan history. Violence permeated the society (often in the form of banditry), and was used by every sector to obtain its own objectives. Thus, not only did guerrilla violence increase, but also violence sponsored by a variety of civilian groups, virtually covering the entire political spectrum. Concern with the deteriorating political environment, an increasingly discredited political and military leadership, and an unfavorable international image were significant factors in motivating a coup led by young officers of the Armed Forces in March 1982. By June 1982, General Efrain Rios Montt, although not originally involved in the coup, assumed sole possession of power.

The Montt regime, although originally applauded for its successes eventually produced a scorecard of mixed results. Initial success was forged in counterinsurgency through the introduction of programs on the political and security fronts. First, a creative civil defense program, part of the "bullets and beans" program was implemented. This program was designed to incorporate the local peasantry in combatting the insurgent movement by supplying them with arms, ranging from rifles to machetes and sticks. In addition, existing social programs were revitalized and the socio-political status of the Indian population was elevated. Finally, military force began to take a more active role in community assistance, enhancing relations between the civilian population and the military.

Although the Rios Montt government conveyed an unfavorable reputation due to repressive tactics employed, Montt understood the need for governmental reform. He was outspoken in his intention to re-introduce democracy through Constituent Assembly elections in July 1984, and presidential elections in early 1985. Unfortunately, on the economic side, things went from bad to worse: a world recession lowered export prices of key commodities; domestic and foreign investment remained low; and tourism flows, already at a virtual standstill since the late 1970s, did not recover.

A further blow was Rios Montt's association with the born-again Christian faith which alienated many sectors in a predominately Catholic society. Relations with the U.S. also remained poor, in particular with the U.S. Congress. Rising dissatisfaction with Guatemala led to the coup of August 1983, bringing General Mejia Victores, Montt's Defense Minister, to power.

The advent of the Mejia Victores regime

General Mejia Victores thus inherited a nation in which domestic and international prospects were very unfavorable. Fortunately, he was aware of the necessity to restructure the Guatemalan government using a democratic model. Another factor which played heavily in his decision to continue the democratization process was the apparent decrease in guerrilla activity, signaling a military and political success (at least temporarily), which seemed to terminate the justification for military rule. In turn, upon his assumption of power, Mejia Victores proceeded to implement a progressive program aimed at full democratization, as envisioned by Rios Montt. The previous electoral timetable—Constituent Assembly elections in July 1984 and presidential elections in mid-1985—remained in effect. In order to ensure the election's validity, Mejia structured the electoral transition in a manner that excluded any military involvement.

Since General Mejia Victores assumed power 1½ years ago, positive change has slowly occurred within Guatemala. Such developments are all the more remarkable when considered not only within the context of current Central America upheaval, but in light of the fact that current U.S. policy in the region is devoted least toward the promotion of democratization within Guatemala.

Insurgency and human rights

Although the insurgency problem has not been fully resolved, overall human rights improved in 1984. United Nations Special Rapporteur Lord Colville of Culross cited several areas of improvement in his report to the UN General Assembly, including: resettlement of internally displaced persons; government grants of land titles to Indians; pardons and release of those convicted by Special Tribunals; and a continuing good record in the area of freedom of speech, assembly, and the press. In addition, as in 1983, there were no verified instances of massacres of Indians.

Counterinsurgency operations continue, yet monthly average figures for both

combat and non-combat deaths have dropped dramatically from, under Lucas, 356 deaths per month to 110 deaths per month under Mejia. Thus, politically-related deaths have been significantly reduced although kidnappings and disappearances remain a problem. Civil defense patrols continue to be an important component in combatting the insurgency. The government is aware that human rights offenses have been committed by these patrols; appropriate actions have been taken to discontinue this trend. In total, while the guerrillas' urban base has been eliminated and much of the highlands is under government control, a low intensity conflict remains ongoing.

Another element in the government's counterinsurgency program has been the construction of "polos de desarrollo" (rural resettlement program); these areas have unfortunately come under much controversy, often referred to as concentration camps. Such a perception of these "development poles" is a distortion of the actual situation. Continuous years of insurgent activity has taken its toll on Guatemala, particularly in the rural areas, destroying crops (the livelihood of the Indian population) and forcing many to become refugees. Most have fled to Mexico, and have been placed in refugee camps located in the state of Chiapas. Since the recent decline in guerrilla activity, the government has encouraged a policy of repatriation. However, as previously stated, much destruction in rural areas has occurred; the "polos de desarrollo", predominantly located northwest of the capital, represent the government's attempt to aid in the resettlement of rural areas. In addition, the construction of such areas prevents contact between the rural population and guerrillas.

With respect to these "polos" per se, although passes are required to leave, access to outerlying areas (i.e., village markets) is fairly free. Although government presence varies in each "polo", fences have not been constructed surrounding the structures, nor is there any sort of prison-type atmosphere. Actual living conditions within these "polos" is no doubt an improvement for the rural population over their previous living conditions. Each house constructed is secure in relation to climatic factors (rainstorms, etc.), and running water and electricity are supplied; it is expected that appliances will soon be made available. In addition, schooling is provided (although supplies are currently low) and medical treatment is available.

Additionally, residence in the "polos" is not a requirement; one can leave these areas at any point in time, which in fact has been done. However, it is generally recognized that one is safer living within the "polos" than alone and unprotected against guerrilla warfare in rural areas. Finally, these areas have been so successful that plans are being undertaken to construct an additional 60 "polos".

Process of democratization

Constituent Assembly elections held July 1, 1984 are yet another indiction of Guatemala's desire to establish a legitimate, democratic government. A total of 17 political parties and 3 civic communities participated; only those groups tied to the Unidad Revolucionaria Nacional Guatemalteca (URNG, guerrilla umbrella organization) were denied participation, effectively excluding the left-wing portion of the political spectrum. The outcome of this electoral exercise (which witnessed a record voter participation of 72.66%) proved to be a resounding victory for the nation's centrist parties, the Christian Democrats (DCG) and the newly-formed Union of Nacional Center (UCN). These elections represent the first non-fraudulent elections in 30 years of Guatemalan history, and must therefore be considered an integral part of the democratization process.

The 88-member Constitutent Assembly's powers are limited to the drafting of a constitution and habeus corpus laws. This process has proven to be long and arduous; in fact, the entire procedure has been much lengthier than expected. Much of the delay has been caused by the increased politicization of the Assembly as the political parties are looking over the horizon and planning for the 1985 presidential elections through the formation of coalitions. With regard to procedure, after the constitution has been drafted presidential elections will be announced with a 3-4 month interim period for campaigning allowed. At present, the target date for elections is July-August 1985.

Economic stagnation

Perhaps the sole sector of Guatemalan society that has not seen improvement is the economy, which has been in decline since the late 1970s. Guerrilla warfare and violence virtually destroyed the tourism industry, which has yet to experience a recovery. Overall economic growth has suffered visibly: GDP rates fell from 5.0% in 1978 to −2.8% in 1983. Although the inflation rate has been fairly low (6.4% in 1983) it is expected to rise significantly during 1985. Both unemployment and underemployment remain high, at approximately 40%. In addition, manufacturing firms are operating only at 60% capacity, reflecting declining regional markets, declining real disposable income at home, and increasing shortages of foreign exchange for imported materials and equipment.

Since June 1984 the IMF has suspended all agreements with Guatemala. In particular, the IMF was dissatisfied with government proposals for corrective actions: (1) the value added tax (VAT) was reduced from 10% to 7% in 1983, translating into decreased tax revenues; (2) interest rates were not raised (although as of December 21, 1984, interest rates have been freed); and (3) a devaluation of the quetzal was not pursued although legalization of the higher priced parallel foreign exchange market was carried out. The current account balance remains in the red—for 1985 it is projected to be U.S.—$283 million. Overall, balance of payments difficulties has been attributed to increased imports, increased interest payments, and lower capital inflows; the foreign external debt now stands at roughly $2.3 billion. However, on January 28, 1985, the IMF conducted a preliminary review of the economic situation within Guatemala, but as yet, new agreements have not been reached.

Summary analysis

In a final analysis, since 1983 Guatemala has made large gains in the establishment of a democratic society despite regional instability. Human rights have improved, personal freedoms are widely respected, rural resettlement has begun, civil defense programs have proven successful in both security and political terms, non-fraudulent Constituent Assembly elections have been held with presidential elections anticipated for July/August 1985, and in general, counterinsurgency operations are dismantling the guerrilla bases of power.

However, economic recovery has not occurred, which is considered by many as the missing link. For nations dependent upon foreign exchange earnings from the export of traditional commodities, economic and political stability are inextricably related. Guatemala should not be considered an exception to this rule. With little foreign assistance this nation has undergone several turbulent and violent years, yet recently has made great strides in re-establishing democracy. The cornerstone of U.S. policy in Central America has been the promotion of economic and political stability. It is clear that Guatemala is on the road to democracy; U.S. economic and security assistance should not be denied as this nation attempts major structural reforms through a political opening, but instead should be encouraged by the United States.

U.S. POLICY OPTIONS

Recent events in Guatemala suggest that substantial changes may be occurring. The generally discredited, corrupt, and repressive regime environment of the recent past has been replaced by a government that is demonstrating its determination to achieve a greater degree of political economic, and social stability. The stated objective of the Mejia administration is to return the nation to civilian-controlled democratic government. This is a major structural change for Guatemala and, clearly, the process toward democratization will not be an easy one. Yet, in comparison to the dark days of the early 1980's, the nation has shifted from being a source of embarrassment for the international community to representing another hopeful sign of socio-political modernization in Central America.

The following considerations shape the U.S. policy response:

(1) "Hands-off" Approach: An "ostrich" approach by the United States is as inappropriate, under present circumstances, as a full-dress military presence in Guatemala. Washington cannot hope to play a constructive role in Central America as a whole, and Guatemala in particular, if the assumption is first made that our involvement is *ipso facto* nefarious. The latter is an outrageous political canard whose only purpose is to drive Central American societies to either of two unpalatable choices: either toward the unscrupulous and outmoded characteristics of traditional dictatorships or into the hands of the equally unscrupulous and hypocritical nature of Marxist government. The United States, as a global power, does have a strategic interest and attended responsibilities to avoid those two extreme outcomes.

(2) Political Reforms: Urging Guatemala to pursue its program of political liberalization is essential. But to do so also implies careful attention by Washington of concrete forward steps actually taken by Guatemala's competing elites. Furthermore, signs of measurable progress toward open politics must be realistically tested; U.S. policy cannot hope to be effective in the short term if we judge democratization efforts on the basis of an abstract future perfection as opposed to the deplorable past. In our rush for instant results, the American public should appreciate the fact that it takes longer to create a viable process of democratic government than it takes to institutionalize hostile left-wing Marxist regimes.

Over the last two years, the Guatemalan polity has been transformed. Mechanically, the Constituent Assembly elections were almost faultless. Politically, they demonstrated the degree to which a viable consensus has in its own fragile manner developed. The lack of violence and ironically, the rela-

tively high percentage of blank ballots cast (5.487%) did also demonstrate an ability by individuals to express themselves constructively. The recent expansion of the political spectrum with the addition of the Social Democrats underlines the depth of the entire experiment.

In a country where leadership with vision and a social consciousness has not been the norm, the present competing civilian leadership (from the Social Democrats to the MLN) and the political actions of the Mejia regime suggest a new mind-set. The qualities involved here, courage and determination, cannot be brought in from the outside. In creating a democratic environment, a self-confident and self-reliant leadership is a basic requirement. There needs to be inspiration for the populace to openly participate and follow. That this takes place in the context also of an insurgency makes it more difficult.

In view of a cool relationship with Guatemala since the late 1970s, the nation's military and civilian leadership cannot be viewed as American "puppets." At this juncture in Guatemala's delicate political reconstruction, the United States could undermine this process through failure to provide a helping hand. Alternatively, the United States could invigorate the process of democratization by providing such a helping hand. The latter is not to be envisioned as "creating" democracy in Guatemala, for only Guatemalans can do that; but if the seeds are there, and they are, then the United States can play a constructive and timely role.

(3) Human Rights: The situation has improved, and that is a fact. Clearly, the situtation remains related to both the after-effects of fighting a simmering insurgency campaign as well as undergoing a plainly awful economic crisis. The two combined suggest a degree of social malady bound to constrain Guatemala's ability to rapidly improve its human rights record. However, when looking at the trends of the last five years, the number of incidents has decreased dramatically (as discussed earlier in this testimony). We should judge Guatemala fairly, not against a standard that American society itself cannot readily meet, but rather against the horrendous situation of a few years ago—and the context of present political trends.

Nor does it help to make sweeping generalizations about a "regime of terror" (Latin American Democratic Lawyers Association) or suggest that the Guatemalan military has "created a nation of widows and orphans" (*Bitter and Cruel*, Lord Avebury and Anthony Lloyd). Guatemala, like the rest of central America, remains plagued by kidnappings, assassinations, and disappearances. And that is also a fact. But every political actor in Guatemala (including insurgents and terrorists of the left) shares the blame for this. There are few clean hands; it is hypocritical for liberal circles in the United States and elsewhere to imply either that left-wing groups are not the cause of any violence in Guatemala, or that because "government" forces are statistically responsible for more violent acts, their "progressive" opponents are somehow more virtuous.

The United States has *not* given a clean bill of health to Guatemala on the human rights issue. There can be no mistaken impression that the American government, the Congress, and the public at large will require continuous progress on this matter. Without acceptable human rights standards, there is no democracy. But changes in Guatemalan behavior have been visible and for them to be sustained suggests a need for Washington to recognize these changes, endorse the process, and indicate the need for further improvements.

(4) Economic Aid: A program of large-scale economic assistance would be desirable. Guatemala clearly needs an infusion of resources to halt the hemorrhage of the economy; comparatively, it has also been at the bottom of the totem pole in the scope of both U.S. bilateral ($2-$5 per person in the 1979-82 period) and international development assistance regionally ($10 per person, as opposed to $56+ for Jamaica, and $80 for Nicaragua). Despite $36 million in U.S. development assistance in 1984, there remains a serious foreign exchange and balance of payments problem. This has impacted on the IMF negotiations, decreased domestic business confidence, and drained government resources to pursue infrastructural projects and sustain the requirements of a counterinsurgency campaign. Guatemala is a CBI country; the fact that the economy has traditionally been one of the more vibrant in the region suggests a residual strength. Reflective of Guatemala's importance economically and politically, an allocation of U.S. economic assistance would be timely. Obviously, the role of the private sector is crucial in this regard but given Guatemala's immediate needs, the business community (both there and here) cannot be viewed as the sole engine of growth.

Continued approval of current U.S. development assistance levels (about $33 million) is crucial to arrest further economic decay. In addition, overlapping with the political needs of a fledgling democratic environment are the severe financial constraints under which a civilian government is likely to operate later this year. A shortage of foreign exchange coupled with a foreign debt of about $2.3 billion are hardly confidence-characteristics. U.S. policy interests thus might be better served by providing Guatemala with some Economic Support Funds (ESF) now, rather than later. We would not want to see a fragile civilian government seriously weakened by the political repercussions of an economic crisis generated by a lack of U.S. assistance at a critical time.

(5) Security Assistance: Guatemala has faced an insurgency threat since the late 1970s. With no U.S. assistance, and using its own tactics and strategy, Guatemalan security forces have since early 1984 thrown back the most serious advances of rural and urban guerrilla opposition. Large-scale U.S. security assistance involving massive resources and hardware is unnecessary. What is required at this juncture is logistical and communications equipment, and spare parts. These non-lethal needs would:

(1) enable the armed forces to sustain its presence in guerrilla theaters of operation;

(2) maintain rapid-response forces;

(3) improve command/control capabilities of local forces by their commanders (thus improving oversight of troop behavior in the field);

(4) upgrade humanitarian functions such as medivac and other emergency capabilities; and

(5) broaden the government's (including the expected incoming civilian regime) ability to sustain its civic-oriented development programs in the rural regions of the country.

A critical element in U.S. thinking is consideration of the situation that a new civilian government in Guatemala is likely to face during the second half of this year. Utmost on the new leadership's mind will be its ability to close off any resurgence of guerrilla warfare and urban terrorism. There is on this point, it should be noted, a broad consensus among Guatemala's aspiring civilian political leaders: they do not accept the far left's violent campaign for government control, and appear quite inclined to do what it will take to prosecute an effective counterinsurgency campaign to defend their nascent democracy. This is not just wild talk from the "far right" but is the judgment of moderate and left-of-center political factions participating in the democratic process. The Salvadoran example does underline the fact that Central America's democratically elected civilian leaderships will have to bear arms to protect their nation. Faced with a similar situation in the U.S. we would do the same thing; Guatemala is no exception.

With a general agreement among civilian politicians on the need to combat insurgent violence, operationally, the military does presently face difficult prospects. The counterinsurgency campaign of the last several years has drained the armed forces of material capabilities. Shut off from a relationship with the United States since 1977, Guatemala made do with what it had, as well as hard currency acquisitions from countries whose scruples were different than those of the United States.

Today, Guatemala's ability to counter threats to its security are probably at a low ebb, particularly as it relates to field mobility: critical spare parts for helicopters and fixed-wing aircrafts as well as trucks and communications equipment. The sad fact is that the armed forces' critical shortages in these areas probably contribute to unnecessary deaths in the field: first, because the military cannot retrieve its own casualties efficiently; second, because it cannot always easily communicate with local low-level commanders, thus raising fears and confusion regarding locally situated conflicts and the causes of civilian casualties; and third, because the operational response time by the military to rural guerrilla attacks may be so slow that it provides easy targets for the insurgents, and increases the likehood of violence. In a recent guerrilla attack (January 1985) on the southern side of Lake Atitlan, it took government forces about 15 hours to respond.

Lack of mobility also affects the armed forces' civic action program. Referred to earlier in this testimony, this aspect of counterinsurgency strategy has taken up a substantial chunk of the already limited material, financial, and human resources of the military. Sustaining such an effort requires replenishing Guatemala's resource and technical training capabilities. With a crippled economy, Guatemala's incoming civilian government cannot hope to finance essential expenditures related to the maintenance of socio-economic development-oriented security programs (polos de desarrollo, civil defense patrols and various offshoots of the bullets and beans program.)

The above suggests the need to resume a limited program with Guatemala involving specific needs, to be fulfilled through Foreign Military Sales financing (FMS). The FMS sales would be limited to the Guatemalan Armed Forces' non-lethal logistical and communications equipment requirements (backpack radios, transport and engineering vehicles, helicopter parts, flight safety equipment and conceivably the purchase of

helicopters to replace those no longer airworthy).

In tandem, the presently limited International Military Education and Training (IMET) program should be sustained. At the dawn of Guatemala's democratization process, a $300,000 expenditure is a worthwhile investment in further professionalizing the nation's military personnel. Furthermore, U.S. policy objectives would benefit both from warm ties to the incoming civilian government as well as with Guatemala's senior military leadership as that country's democratic process unfolds.●

SPACE ENTREPRENEURS

● Mr. SYMMS. Mr. President, I call the attention of this body to an issue that I believe has been largely neglected—the need to develop low-cost alternatives to Government-funded and Government-controlled space transportation systems.

I believe that it is time to consider what role private entrepreneurs should play in the development of space transportation.

For this reason, I am submitting an article published by Patrick Cox for Reason magazine, of January 1985.

While I cannot endorse each of the specifics, I share the author's interest and concern. It is time we investigated the role of the private sector in producing cheaper and more efficient means of space transportation.

I ask that the article be printed in the RECORD. The article follows:

SPACE ENTREPRENEURS

(By Patrick Cox)

Gary Hudson needs $100 million, maybe $200 million. He needs the money to fulfill a dream: he wants to build a spaceship. If he succeeds, he is certain that he will make a fortune—and that anyone who backs him will, too. But first, he needs $100 million, maybe $200 million.

Hudson is one among a number of entrepreneurs who have been trying to develop "launch vehicles" for transporting things into space—satellites, people, manufacturing facilities, whatever. These entrepreneurs and their efforts to develop low-cost alternatives to government-funded and government-controlled space transportation systems have caught the imagination of documentary filmmakers and the mainstream media from Esquire to the Wall Street Journal.

They are a colorful lot, and they've had their small successes. But the story of the conquest of space by private enterprise can't be written yet. And upon investigation, it appears unlikely that that story will be written for some years to come.

The roaring, enthusiastic energy that was associated only several years ago with the beginnings of the free-enterprise launch business has taken on a bitter edge. The groups of mostly young entrepreneurs and engineers are running up against a major obstacle to their dreams of space exploration and financial success. That obstacle is not a lack of energy or talent or ideas. Ironically, it is the National Aeronautics and Space Administration, the very organization that has fueled so many Americans' fascination with space.

The problem is that NASA is a taxpayer-funded monopolist of space transportation—a bureaucratic empire, with a budget of billions, that presents its Space Shuttle as the best, the most economicial—the only—way to get into space. Its current, on-the-record, official line is one of encouraging "the commercialization of space." But behind the scenes there are NASA policies, actions, and attitudes reflecting a dogged determination to keep space transportation a government monopoly.

Yet for people like Gary Hudson and others who are trying to develop low-cost space transportation, NASA's monopolistic stance amounts to a war against those efforts. This investigation has turned up evidence that at a high level NASA has even resorted to "hardball" pressure tactics in an attempt to deliberately stifle the development of a private space transportation industy. But for the most part NASA's war against space entrepreneurs is a subtle war; the obstacle it poses can be traced to its very existence.

There are at least two ways to think about space. From one perspective, space is a commercial frontier, a place where generations of entrepreneurs will build businesses and fortunes, in communications, manufacturing, mining—even tourism.

Already, there is a successful and rapidly growing communications-satellite business, providing telecommunications at the speed of light all over the world. Gold prices, telephone calls, and reruns of I Love Lucy are bouncing around the geosynchronous orbit, 22,300 miles overhead, at this very instant.

Navigational radio services are available to anybody with the right receivers. Satellite imaging services relay pictures of the Earth and its atmosphere to geologists, shipping lines, and others, although the best stuff is reserved for the military. Weather satellites are providing three-dimensional images of myriad meteorological phenomena from pole to pole.

In the not-too-distant future, there are even more spectacular developments. The processing of materials in space, where there is little gravitational force, promises cheaper, purer, and more exotic pharmaceuticals. The first astronaut sent into space aboard the Space Shuttle by a private firm (McDonnell Douglas) monitored the manufacture of a secret substance for Johnson & Johnson—a substance that reportedly can be produced 500 times faster in the microgravity of space than on Earth. And John Deere, the farm-equipment maker, has performed metallurgical research in space that may lead to the manufacture of better and cheaper alloys on Earth.

Space, too, provides the ideal waste disposal site—intensely hot suns, giant incinerators in the heavens above. Our own sun provides a source of energy, bounced to Earth from orbiting solar plants, that could someday make fossil and nuclear fuels obsolete. Conditions in space could also provide help for people with medical problems that cannot be treated effectlvely on Earth. Even asteroid mining is foreseen. And only time will reveal wonders that are as yet unimagined.

There is another way to look at space, a romantic one. A generation ago, children played at cowboys and Indians. Television and film were filled with the Old West, reflecting a longing affection for the frontier that almost seems programmed into Americans' chromosomes. But now there is the Star Trek generation. Cowboys are out, Han Solo, Luke Skywalker, and E.T. are in.

Space has become a symbol of freedom and adventure for the generation that broke all TV-viewing records one summer day in 1969, when the space vessel Eagle landed on the moon. I remember that day much better than the usual "Do you remember what you were doing when?" day, the day that President John F. Kennedy was shot. Indeed, Kennedy may one day be remembered mainly as the President who rose to the Soviets' Sputnik challenge, sent Americans into space, and thus inaugurated a new era of exploration.

When Neil Armstrong set foot on the moon on July 20, 1969, and flubbed his line, we the American people were not so much excited by the advances of nation or science—we were excited by the potential for us, each one of us. The implications were personal. We saw ourselves taking that giant step—not for mankind, but for ourselves, individually.

But whatever the cause that sets pioneers in search of promised lands, they cannot accomplish anything without transportation. From the Phoenecians to the Vikings to Christopher Columbus, shipping was a vital ingredient of their varied successes. Hannibal conquered Rome with elephants. The Arabs beat all comers with camels. The Spanish took the Americas with ships and horses. In the United States, the railroad joined the East to the West. The automobile followed, reshaping the continent; then the airplane, reshaping the globe.

I belabor the obvious for a reason: transportation is the key to space. Nothing of historical importance ever happens until people get there. And nothing really important happens until people can transport more than national flags. Transportation links the practical side of space exploration with the romantic dreams.

The history of space transportation is not a long one. The first U.S. rockets were launched into space by the Defense Department in the 1950s, using technology derived from military missiles. The military's immediate objective was to launch "spy" satellites: essentally, a satellite equipped with a camera and transmitter was put atop a big, unarmed missile and fired into space. The satellite, high enough to escape Earth's gravity, coasted into orbit. The missile itself, the "launch vehicle," fell away during the spaceward flight (in "stages," or segments) and disintegrated during its descent or dropped into the ocean, broke up, and sank. Because such a rocket can be used only once, it is called an "expendable launch vehicle," or ELV.

NASA was created by Congress in 1958 to research and develop space technology for peaceful purposes. It joined the military in producing ELVs of several different designs. These vehicles differ among one another primarily in size and power—that is, in how heavy a payload the rocket can boost how far into space. Observational satellites, which relay pictures of the planet and its atmosphere back to Earth, are launched to low earth orbit (LEO), roughly 100 to 200 miles above Earth, Communications satellities—the "birds" that relay phone calls, TV signals, and a variety of other electronic stuff—are deposited in geostationary, or geosynchronous, orbit (GEO), 22,300 miles above Earth. In that orbit, satellites move synchronously with Earth, so that they appear from the ground to be fixed in the sky.

By the mid-1960s, the government's rockets had proven themselves reliable, paving the way for commercial uses of the ELVs, and the first commercial communications satellites were spun into orbit—aboard

NASA rockets. Space entrepreneurs were a phenomenon of the future. Even had dreamers perceived the potential for a launch business, though, they would have run into a massive wall of "national security" concerns. During this early period of space-flight development and the Cold War environment in which it occurred, much of the launch technology now commonly available was highly restricted.

When NASA had completed its first major mission in 1969—beating the Russians in sending a human to the moon—it turned to its next challenge: the development of a manned "space truck," a fully reusable spaceship that could ferry people and cargo between Earth and space. Like the cost of an airplane, the shuttle's cost could be spread over a great number of users, making the journey to outer space economically feasible. The expensive, disposable ELVs—the original workhorse rockets—would be replaced with an economical alternative, and the high frontier would at last be opened to development. So the vision went.

The reality was NASA's Space Shuttle, finally operational in 1981, turned out to cost three times more to develop than originally projected. Likewise, its cost of operation keeps escalating. Yet NASA determinedly promotes the Shuttle as a low-cost space vehicle, setting a low price for commercial users and making up the difference out of the taxpayers' kitty.

Meanwhile, in 1983 the Reagan administration directed NASA and the military to turn over their expendable launch vehicles—primarily NASA's Delta and Atlas launchers and the Air Force's Titan rocket—to private operators. So major aerospace corporations are now poised to compete with the Shuttle in getting satellites and such into space. It's a situation that makes NASA very testy.

Joining NASA and the private ELV operators in the space-transportation scene is a third element: the entrepreneurs. They see a growing market for launch services and, typically, they think they can do it for less than either NASA's Shuttle or the privatized ELVs.

It was just two years ago that the barrier to a free-enterprise launch industry appeared to have finally been breached. On September 9, 1982, Space Services, Inc. (SSI), a Houston-based firm headed by Texas real-estate millionaire David Hannah and former astronaut Donald Slayton, launched its $2.5-million *Conestoga I* rocket from Matagorda Island, off the Texas coast, 196 miles into the sky. Only little more than a year before, Hannah's group (Slayton was not yet part of it) had seen $1.5 million and months of development work go up in smoke when their *Percheron* rocket blew up on the Matagorda pad during a launch attempt.

The *Conestoga I* was actually a surplus NASA "sounding," or research, rocket incapable of delivering a commercial payload into orbit. But its successful launch was funded and carried out from start to finish by a private company. Among entrepreneurs, enthusiasm ran high: the big money would now come their way, because at last investors had seen that a private company could do what till then only government had done. But investors didn't reach for their checkbooks.

Even for SSI, the launch firm that some observers consider the most likely to succeed, disappointment was in store. Following its Conestoga I launch in 1982, the firm started developing what would be its operational rocket, the Conestoga II, and hoped to sign up customers. Space Vector, a small California aerospace firm that executed the first launch under contract to SSI, was hired to work on development of Conestoga II.

By the beginning of 1984, SSI decided to no longer fund work on the project, and Space Vector struck out to develop its own commercial rocket, the LEO 3. Two years after the Conestoga I launch, Hannah and company are still seeking their first customer, and they've hired another firm, Space Data, to develop the Conestoga II. They're also interested in acquiring rights to market NASA's Scout, a sounding rocket that can deliver small payloads to low earth orbit.

Another high point for entrepreneurs came in August 1984, when Starstruck, Inc., launched its sounding rocket, the Dolphin, from the Pacific Ocean, off the Southern California coast. It was the young firm's fourth try—and first success—at launching the Dolphin.

But that up was immediately followed by a down. Just a few weeks after the August 3 Dolphin launch, Starstruck president Michael Scott—who in 1982 had left his position as chairman and chief executive officer at Apple Computer to head Starstruck—laid off nearly all of Starstruck's 50 employees. The apparent austerity move touched off a reorganization of Starstruck's management; the firm's board of directors was reconstituted, and Starstruck cofounder Tucker Thompson replaced Scott as president. Thompson put together a skeletal staff to keep operations going, and the firm plans to continue developing its operational rocket, the Constellation.

Gary Hudson's career, too, resembles something of a roller-coaster ride. Hudson got his chance to realize a long-time dream when, with David Hannah's backing, he designed the Percheron rocket. After the Percheron met its explosive fate in July 1981, Hudson and Hannah's partnership ended. But Hudson formed Pacific American Launch Systems, which is now developing his new dream vehicle, the Phoenix.

Other private launch initiatives include Len Cormier's Third Millenium. Cormier envisions a "Space Van," a Shuttle-like manned spacecraft launched in midair from atop a jumbo jet. He is reportedly trying to set up a public stock offering to get funding for the project, but as yet no stock has been put on the block.

Robert Truax's Truax Engineering, meanwhile, has plans to develop two very large and powerful launch vehicles, the Excalibur and Sea Dragon rockets. But to publicize his company's efforts in order to attract investors, Truax is pursuing his Project Private Enterprise—a plan to launch a person into a brief suborbital flight aboard a small rocket. He has constructed most of the rocket and conducted several engine test firings for the press. According to Tom Brosz, the editor of Commercial Space Report, Truax needs about another $1 million "to polish off the project."

And there's OTRAG, a West German firm that for several years appeared to be gathering momentum in developing a rocket, from a base of operations in Libya. OTRAG has ended the Libyan connection but is reportedly continuing with its plans to develop a commercial rocket.

One of the revealing features of these private launch initiatives is that they do not share a single approach to space transportation. Some, like Space Services with its Conestoga, or Space Vector with its LEO 3, aim to develop a more or less conventional expendable rocket. Others—Starstruck, for example—are adding unconventional twists to otherwise conventional rocket designs.

Starstruck's Dolphin uses s hybrid engine that incorporates a liquid oxydizer and a solid fuel, a revival of technology that the Air Force developed and then abandoned. The hybrid engine is said to offer certain performance advantages over an all-solid engine (like that of SSI's Conestoga II, for example) and greater safety than a liquid-fuel system such as the Titan's. The Dolphin, approporiate to its name, is launched from in the sea, rather than from a launch pad on land. Starstruck not only is spared the expense of building launch pads but also will have great flexibility in choosing a launch site. In addition, Starstruck's idea is to develop modular rocket units that can be put together in various numbers to create more-powerful launchers.

Hudson's Phoenix, too, is a quite different approach to designing a launch vehicle. The way to radically bring down launch costs, says Hudson, is to create a reusable vehicle. If a rocket is used only once, the price charged—by a private firm, anyway—must cover the vehicle's full production costs as well as development and operating costs. But if a single vehicle gets used over and over again, each user pays only a portion of its production costs. The more users, the lower the costs to each user, all other things being equal. Hudson is placing his bet on a reusable rocket.

Unlike Len Cormier's Space Van (and NASA's Shuttle), Hudson's Phoenix is not a winged vehicle—it is a ballistic, or missile-like, vehicle. This design, says Hudson, results in much less stress and heat build-up, especially during reentry into Earth's atmosphere. Hudson's explanation of his design criteria is lucid, and his logic seems quite solid. Yet major investors don't want any part of it. Why they don't requires a lot of digging into the way NASA goes about its business.

Mention "Shuttle pricing" to a space entrepreneur, and he's likely to turn purple. It's one of the subtle ways NASA sits athwart the private road to space, and it's probably the most important.

Ever since the Space Shuttle's much-applauded maiden flight in the spring of 1981, it's been ferrying things into orbit for private firms (and, dramatically, fixing or fetching some). NASA charges users of the Shuttle, of course, just as users have been paying for launches via government-operated ELVs. But NASA undercharges commercial users, according to outsiders—pricing launches at half their actual cost and perhaps even at a quarter of their cost.

Phillip Salin, a cofounder of the firm Starstruck, is an outsider who has looked closely at NASA's Shuttle pricing. In February 1984, he was invited by Rep. Harold Volkmer (D-Mo.), head of the House Subcommittee on Space Science and Applications, to testify on the economics of Shuttle pricing.

Salin, who has a background in economics, spent two weeks tracking down financial information about the Shuttle, His job was not easy: there are no balance sheets for the Shuttle, it being a commercial venture of an agency that is manned by scientists instead of business people. And to judge from what Salin discovered, it is possible that had standard accounting practices been applied to Shuttle pricing policies, space development might have taken a quite different course in the last few years.

On February 28, 1984, Salin walked into the Rayburn Office Building of the U.S. House. Four congressmen and 100-odd interested parties in the audience were there to hear his testimony. Subcommittee chair Harold Volkmer ran the show. Salin was nervous, because even he was surprised at the numbers he had uncovered in his marathon "audit" of NASA.

According to the space agency's own projections of costs, budgets, and an expected 53 launches from October 1985 to October 1988, Salin declared, the average cost per Shuttle launch during those three years will be approximately $250 million. That figure, he noted, includes apportioned ongoing costs for maintaining, operating, and improving the Shuttle.

The $250-million-per-launch estimate does not include some $20 billion in "sunk costs" for the Shuttle: $10 billion on R&D, $3 billion to construct orbiters, $2 billion to construct facilities, and $5 billion to conduct the first eight launches. A private company would somehow have to cover these costs, but Salin didn't add them in, he says, because of the difficulty in comparing government R&D mandated by "national interest" considerations and a private enterprise's R&D.

Even excluding that $20 billion, Salin noted in his testimony, NASA's proposed pricing policy is not based on full-cost recovery, on average annual cost recovery, on average per-launch cost recovery, or on any other methodology comparable to the way a business firm would have to set charges. Instead, NASA's pricing policy for the Shuttle is based on a cost concept of its own devising, which it calls "out-of-pocket costs." Significantly, Salin charged, the taxpayers end up paying at least half of the actual costs of sending satellites into orbit for profitable corporations such as RCA and AT&T and for various foreign governments.

Salin's testimony put NASA in a tizzy. Within days the agency had circulated a memo to every remotely interested party in Washington, attempting to rebut his analysis. The memo, dated March 7, 1984, charged that "Mr. Salin had a basic misunderstanding of both the Shuttle cost structure and the principles underlying the pricing policies for commercial and foreign customers." The six-page attack on Salin's analysis ended with the assertion that "it is the commercial and foreign customer who is subsidizing the cost of Government launches and not the opposite."

That the document's author did not sign the memo has probably spared the unknown bureaucrat much embarrassment. Only five months later, NASA chief James Beggs testified before a congressional subcommittee that each Shuttle launch actually cost $150 million to $200 million. NASA was apparently not so misunderstood by Salin as the agency had charged.

Yet three months after Beggs testified on shuttle costs, when the head of NASA's Office for Commercial Programs, Isaac T. Gillam, was interviewed for this article, he called Salin's cost estimates "preposterous." Gillam admits that Salin took pains to get all available cost data from NASA, but he contends that Salin's analysis was seriously flawed—essentially because Salin included Shuttle expenses that shouldn't, by NASA's lights, be counted as costs of a commercial launch.

What is at stake is evident from a quick review of Shuttle pricing (all in 1982 dollars). NASA currently charges only $35 million to take a full cargo bay load into low earth orbit (cargo that doesn't take up the whole bay is prorated). In late 1985 the charge is to go up to $71 million. But from October 1988 on, President Reagan has told NASA, it must charge commercial Shuttle users a full-cost-recovery price.

So NASA has analyzed its costs and projected business and submitted to the White House a post-1988 pricing proposal. NASA's "full cost recovery" price: $87 million! It's no wonder that the agency has been so eager to dismiss Salin's cost figures.

For his part, Salin concedes that some of NASA's criticisms may be valid. But he doesn't see how the average cost could be gotten below $200 million per launch. And that leaves a huge tab for taxpayers—and gives NASA a tremendous leg up on the potential competition in the space transportation business.

Against the highly subsidized Shuttle, then, private ELV operators cannot compete on price. Without its huge subsidies, the Shuttle would be a hands-down loser. But since taxpayers pick up somewhere between half and three-quarters of the actual cost of a commercial Shuttle launch, the Shuttle beats ELVs in price by a significant margin.

And, figures the astute venture capitalist, yet-to-be-proved alternatives couldn't compete either. And so investment funds for alternative vehicles remain scarce. That is precisely the problem that smacks entrepreneurs like Gary Hudson in the face. The Shuttle's artifically low price is freezing out the competition.

Of course, NASA has a benign view of its pricing policy. As Chris Kraft, former director of NASA's Johnson Space Center in Houston, told an Esquire reporter recently, "Until you capture the market, you've got to subsidize it." Eventually, with lots of users over which to spread its fixed costs, taxpayers won't have to subsidize Shuttle users. The nation's space agency will thus have made good on its promise to provide low-cost space transportation.

At best, that thinking is desperate. In the mid-1970s, NASA projected nearly 600 launches in the first 12 years of Shuttle operation. That figure was later lowered to less than 500, and in 1982 the projection was again lowered, to less than 250. In 1984, the Shuttle's fourth year of operation, it made only 5 of 10 planned launches, and observers say that NASA's goal of a launch a month in 1985 looks doubtful.

Moreover, suppose the present average cost per launch is, as Phil Salin found out and NASA now concedes, something between $150 million and $250 million. Even the most elastic imagination is tested by NASA's supposition that it can increase its volume, price, and operational efficiency enough to recover its costs, especially if the agency's record on cost overruns holds into the future. In 1982, the General Accounting Office, the federal government's internal auditor, found that NASA's projected average Shuttle launch cost increased 73 percent between 1976 and 1980.

Consider, too, that for a single launch, the fuel, external tank, and engines that are expended cost $25 million or so. And NASA employs 12,000 to 14,000 people to carry out a Shuttle launch from start to finish. How much personnel cost to attribute to the cost of a single Shuttle launch is not easy to calculate, but the magnitude at issue is clear.

Officials at NASA say that as they learn more with each Shuttle mission, they will rapidly achieve efficiencies. But NASA's descent on the "learning curve" would have to be precipitous—especially for a government bureaucracy that has little incentive to reduce costs—in order to achieve the kind of reduction it suggests.

For NASA officials, then, getting all the customers they can is their only hope for keeping up the Shuttle's facade as an inexpensive vehicle. And that means keeping competitors at bay—whether with subsidized pricing or by other means.

NASA's machinations to scuttle a private launch industry extend at least as far back as 1975. In January of that year, NASA employee Tenney Johnson sent a memo to his colleague Jerome Patterson about a Boeing proposal to develop the Minuteman 3 missile, a military rocket, as a commercial launch vehicle. Boeing was nearing the end of a production run on the missile and was looking for a way to keep up manufacture.

"Private rocket launchings, unregulated, would interfere with NASA's program, as the agency responsible for the space activities of the United States," Johnson wrote in his memo. But he speculated that the agency "would have the authority to regulate private launchings, not only to insure safety but to further the goals of the National Aeronautics and Space Administration."

Johnson acknowledged that "since NASA is not a regulatory agency, it could not promulgate rules prohibiting private launchings." Other means came to mind. "NASA could oppose an application for a radio license for such a rocket before the FCC [Federal Communications Commission] or, in cooperation with the Administrator of the FAA [Federal Aviation Administration], formulate a policy which could be effected through the regulatory authority of the FAA." The memo pointedly noted that "no one would wish to project a rocket into outer space if he could not communicate with it through the use of radio. In order to do this, he must have a license. . . . Thus, the withholding of a license would effectively prevent the private launching of rockets."

In the event, NASA did not have to employ such tactics. Boeing's proposal involved a foreign launching site, but that was nixed by the State Department on the grounds that Boeing would be "exporting sensitive technology." The issue of government authority over private launches, meanwhile, remained in limbo until the Reagan administration settled on the Department of Transportation.

Despite its abundant subsidies, however, NASA is still worried about competition from the private sector. That concern was well in the forefront of NASA chief James Beggs's mind when he pegged the Shuttle's per launch cost at $150–$200 million in congressional testimony last July. Beggs had a sticky dilemma for Congress to puzzle over: through cost reductions and price increases, Shuttle operations could be made self-sustaining by 1990, he claimed—if the Department of Defense doesn't go elsewhere for its substantial launch services.

In fact, NASA worries a lot about the military's loyalty as a Shuttle patron. The Defense Department isn't as crazy about the Shuttle as it once was—it complains about the frequent delays and long preparation time, questions aspects of the Shuttle's reliability, and has other, strategic reservations about using the Shuttle for all military missions. Consequently, the Pentagon now urges the importance of an expendable launch vehicle capability, and the Air Force even plans to purchase 10 ELVs over the next several years. "This kind of thing," confides a close observer of the NASA-Pen-

tagon feud over ELVS, "makes NASA go absolutely berserk."

"If it had cost $2 million to send a man across the Atlantic," Phil Salin suggests, "imagine how long it would have taken to explore, settle, and develop America." Salin, a cofounder of Starstruck, uses this thought experiment to drive home a main point: a dramatic reduction in the cost of getting there is the key to developing space for human use. And people at NASA would agree with this axiom as readily as would, say, Gary Hudson. NASA, after all, bet its future on the Space Shuttle, and for more than a decade poured all its resources and energy into the Shuttle, as a low-cost alternative to expendable launch vehicles.

As a government bureaucracy, however, NASA in fact has little if any reason to develop cheap space transportation. Though this claim might sound paradoxical at first—isn't it in the agency's interest to get the most out of its budget?—it becomes evident once one understands the specific incentives that NASA officials face.

Consider, first, the fundamental difference between how entrepreneurs are rewarded in the marketplace and how government bureaucrats are rewarded in the public sector. The potential for entrepreneurs' personal gain—for profit—increases as they decrease the costs of their operations. So minimizing costs is their fundamental incentive.

Public-sector managers, by contrast, are generally rewarded in accordance with the size and scope of their programs—they stand to gain no profits by cutting costs. So their incentive is to expand existing programs and create new programs—to increase their budget, that is.

At NASA, that incentive historically has led the agency to go all out for manned, rather than unmanned, systems. There is high publicity value in the glamor of astronauts, and this is an important element in an agency's bid for funds from Congress. And manned systems, requiring a far higher degree of reliability than unmanned systems, are more costly, too.

Phil Salin and many others argue that at this stage in our technological development, a manned reusable vehicle is a seriously mistaken approach to achieving economical space transportation. The Shuttle may be useful for certain types of advanced research, concedes Salin, but for the business of launching satellites, unmanned rockets—"big dumb boosters," as they are sometimes affectionately called—make the most economic sense right now.

Other entrepreneurs would not agree with Salin on this. Len Cormier of Third Millenium, for instance, is trying to develop a manned, Shuttle-like "Space Van." Salin's response to this: "Let each entrepreneur test his idea in the marketplace—without taxpayer subsidies."

Reinforcing NASA's incentive to inflate costs are the contractors who do the actual manufacturing on NASA projects. Because their fortunes rise and fall as NASA's programs expand and contract, it is in their interest, too, to promote high-cost approaches to space projects and to continually push new, more-advanced technology.

NASA's costs are also driven up by its need to satisfy politically influential constituencies. This often means making decisions based on criteria other than what is most economically rational. A prime example is the way in which the Shuttle's design had to be modified and remodified to satisfy demands from powerful quarters.

When the Nixon administration wouldn't fund NASA's plans for a manned space station, interests backing the station forced NASA to incorporate aspects of a space station, such as extended habitation in the vehicle, into the Shuttle. This significantly raised the Shuttle's cost beyond that of building a simple space truck. The truck became a mobile home.

Then, in order to win the Air Force's support, NASA again modified the design to accommodate larger military payloads and greater maneuverability. These changes led to a redesigned, complex wing and required the use of the infamous, troublesome heat-shield tiles, causing long delays and major cost increases. The Shuttle had become a paramilitary mobile home.

Finally, due to cuts in NASA's development funds, the original concept of total reusability had to be abandoned, thereby leading to higher operating costs. Some observers say the idea of a fully reusable vehicle was a questionable one, anyway, based on the premise that somewhat higher development costs would be offset by lower operating costs. But by changing horses midstream, the Shuttle ended up costing much more both to develop and to operate than purely expendable vehicles.

Risk, too, is handled by government bureaucrats in a way that inflates costs. Public-sector managers have Congress looking over their shoulders. They have little to gain if they take a risk and succeed—a cost-cutting breakthrough will not bring them profits. But if they fail, Congress may cancel their program. Understandably, NASA managers have a risk-avoidance mindset.

Ronald Cordes, a former NASA engineer on the Appollo program, has spoken at length on the subject. Faced with a choice between a $50-million system that is 60 percent reliable and $300-million system that is 90 percent reliable, says Cordes, NASA will choose the latter. A private firm, on the other hand, would probably go with the first option—it's simply good business.

Assume that a private firm fails in its first and second launches but succeeds on the third try. In three tries, each with a 60 percent chance of succeeding, the overall probability of success is 93.6 percent—at a total cost of $150 million. NASA's risk-averse strategy, however, has only a 90 percent chance of succeeding, and at twice the cost. But that's the approach NASA will choose, because failure on the first two 60 percent launches would be politically too risky.

So NASA's first concern is not to maximize its overall cost-effectiveness but to avoid politically risky errors that could lead Congress to cut its budget. And for NASA's contractors, too, the reflex to avoid political risks is second nature.

"This is caused not simply by individual decisions to reduce risks, regardless of cost," points out Eric Drexler of the Massachusetts Institute of Technology. "This pattern is ingrained into the structure of government-funded development organizations, into the way they operate." And Drexler drives home the point: "There need be no money-wasting devils to result in a devilish waste of money."

The upshot is that NASA's approach to space transportation is fundamentally inappropriate to the goal of getting into space cheaply. In contrast to the multiple, trial-and-error approaches of profit-seeking entrepreneurs, the government's space program is run as a centralized monopoly. After exhaustively studying the options, and after taking into account all the political aspects of the program, a committee of bureaucrats—scientists and technicians, yes; but bureaucrats nonetheless—selects what it sees as the single best approach to a problem, then massively funds it until it is made to work. Obviously, this brute-force method is likely to produce a higher-cost design. But in addition, it is exactly contrary to how innovative breakthroughs come about.

A comparison of the US computer and telephone industries provides an illuminating case in point. The entrepreneurial, decentralized computer industry had seen a tremendous rate of innovation resulting in dramatic cost decreases, while for decades the phone industry lay in a technological coma. It was not until the phone industry was deregulated—opening the way for a multitude of entrepreneurs to test their ideas—that real innovation returned to this area. The lesson is clear: it is open competition, not centralized monopolization, that fosters cost-reducing innovation.

It is not NASA that will prove or disaprove the feasibility of Starstuck's hybrid-engine, sea-launched Constellation rockets; or Gary Hudson's reusable Phoenix; or Len Cormier's manned Space Van; or Space Vector's and Space Service's quick and simple rockets. Each of these approaches is based on different notions of what will work best and of what users will need.

Each approach must be tested in the market—first in the market for investment capital, then, perhaps, in the market for customers. So the entrepreneurs behind these efforts must, at each step, ask themselves, How can I get the best results in the cheapest way? NASA officials, on the other hand, don't ask that question—they don't have to.

Money. When you talk with these entrepreneurs, you soon discover that they're not getting it—at least not enough to carry their ideas to a marketable point.

At first, the situation looks familiar enough—part of what one investment expert who follows the space industry calls "the continuing dialectic between the entrepreneur and investor." The entrepreneur, brimming with enthusiasm, tries to convince the investor of some profitable new idea. And the investor clings to his skepticism, looking hard for ways he might get burned. But in the field of space transportation, the entrepreneur-investor struggle is complicated by the looming presence of NASA—a huge, monopolistic government bureaucracy that provides the only model of space transportation that investors can look to.

Gary Hudson, 34 years old and with a lifelong passion for space transport, has tried to tap many investors' pockets to fund his Phoenix rocket. It's still only an idea on paper. But Hudson is convinced that the Phoenix will dramatically reduce a launching cost—to about $66 per pound of payload delivered into low earth orbit, assuming that the vehicle sees 100 launches. $66! The highly subsidized price of a Shuttle launch still costs a user about $1,300 per pound delivered into low earth orbit and about $4,600 a pound abroad a Delta rocket.

"Fantastic," remarked James Connor when the $66 figure was reported to him. Connor, of the investment firm First Boston Corp. in Dallas, is considered an astute analyst of the private space industry and its investment opportunities. He does not dismiss out of hand the remarkable claims of space transportation entrepreneurs like Hudson, but he wonders where such huge cost reductions are to come. The entrepreneurs' plans, notes, Connor, do not involve the application of some radically new technology that

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in one fell swoop will bring down the costs of space transportation several times over, as the silicon chip did for the price of computers.

Hudson has answers. Because the vehicle is reusable, with nothing but the fuel expended on a mission, the vehicle's $25-million production cost could be spread among many users, just as airlines spread the multimillion-dollar cost of a jetliner over many users, not just a single planeful.

And the operation of a launch vehicle, says Hudson, doesn't require nearly the number of people that NASA uses—some 1,200 for a single Delta launch. As evidence that fewer people are needed, he cites the military, which uses a crew about one-tenth the size of NASA's for a similar launch. Hudson expects Phoenix launches to be handled by 5-person crews. Moreover, he says operational overhead can be cut even further by simplifying launch sites and control procedures (NASA's are extremely elaborate).

Developing his Phoenix to a commercial stage, Hudson estimates, will cost between $100 million and $200 million. But he can't get that kind of backing.

Gregg Fawkes, who heads the Space Enterprise Project of the US Chamber of Commerce's National Chamber Foundation, has polled investors about going in on start-up space transportation ventures. What he's found is universal reluctance. "The assumption among investors," says Fawkes, "is that the development costs would be at least $200 million and probably more like $500 million."

Why can't Hudson and others convince investors that development costs need not be so high? Here the specter of NASA looms large.

Say an entrepreneur has worked out a concept on paper in great detail—technical, financing, and marketing aspects—and meets with a prospective investor. The investor may be impressed by the idea but has no expertise about the subject, so he gets advice from a "technical evaluator." Wanting someone who is knowledgeable about rockets and such, the investor goes to a retired aerospace-industry or NASA engineer—someone, that is, who has always operated within the environment of government bureaucracy in which cost is of little or no concern.

"There are no experts on this issue," says Starstruck cofounder Phil Salin, "because no one can answer the question the marketplace is asking: How much does it cost to develop a commercial launch vehicle? No one has ever done it, so no one really knows." Indeed, the entrepreneurs could be underestimating the development costs that face them: to achieve a quasi-successful test launch of just its prototype rocket, the Dolphin, Starstruck enterpreneurs spent four times as much money and three times as long as they had calculated.

Even if the technical evaluator judges the concept technically sound, he is almost certain to give the idea low marks on the feasibility of developing it within the cost limits the entrepreneur is suggesting. Tom Brosz, editor and publisher of Commercial Space Report, explains that the evaluator's attitude is, "if this could be done, NASA would have done it already." Adds Gary Hudson "If the idea was obvious, the entrepreneurial opportunity wouldn't be there—Boeing or somebody would already be doing it."

And to top it off, observes banker James Connor, there is "an unspoken concern about what the government intends to do—in contrast to what official policy might be." The worry, he explains, is "whether the government will take the market for launches by underbidding" private operators, as NASA is doing with subsidized Shuttle pricing.

"The real money will flow to the entrepreneurs," Connor predicts, "when they can show that users will sign contracts for their services. But users are saying, Why should we sign up with these guys when we've already got a pretty good deal from the government?"

If there were a firm policy resolution to end subsidized government launch services, Connor predicts that investors would move into the business "reasonably quickly—there wouldn't be much reason to hesitate any longer." But as long as NASA is in the launch business, there is the impression, as Connor puts it, that "the elephants are dancing and some mice will be crushed."

Yet it's still too early for the mammoth space agency to do a dance of victory. Ultimately, there may be too many mice to trample—especially on foreign shores.

When the Shuttle was nearing operation—it first flew in the spring of 1981—NASA's announced intention was to keep ELVs only as back-ups to the Shuttle and to phase them out altogether by 1986. All looked pretty rosy for NASA, but in 1983 came President Reagan's order to privatize the ELVs. Firms bid on the commercial rights to NASA's Atlas and Delta rockets and to the Air Force's Titan. General Dynamics, maker of the Atlas for NASA, won commercial rights to it, and Martin Marietta got the rights to the Titan, which it had developed for the Air Force. McDonnell Douglas, maker of the Delta for NASA, did not bid on commercializing the rocket, and the marketing rights to it went to Transpace Carriers, Inc.

NASA wanted very much to direct the government office that would oversee the private ELV industry. But Reagan assigned that duty to the Transportation Department, which then created for the purpose an Office of Commercial Space Transportation (OCST). Observers of the politics affecting the ELV industry say that Transportation Secretary Elizabeth Dole wants to help the private launch operators get off the ground and that she is likely to urge Reagan to take a firm stance on full-cost-recovery pricing for the Shuttle when the president makes a decision, early in 1985. That may be all that's needed to get the private ELV industry going—and to loosen up investment funds for launch entrepreneurs.

How President Reagan decides the Shuttle-pricing question will be crucially important to the future of the American launch industry. NASA, of course, will be pushing hard to get Reagan's approval of its own proposal for a full-cost-recovery price: $87 million (in 1982 dollars). However, the agency may not have many allies this time around.

Also studying the pricing issue are the Department of Transportation's OCST, the Office of Management and Budget (OMB), and the Congressional Budget Office (CBO). Their studies, according to informed sources in Washington, are likely to contend that commercial use of the Shuttle costs more than NASA's analysis indicates.

Moreover, Transportation Secretary Dole, in urging true cost-based pricing for the Shuttle, may well present the issue to Reagan from the subsidization angle: why, she might ask, should taxpayers subsidize users such as RCA or AT&T, especially when taxpayers face a massive federal deficit? She may explain that her office doesn't want subsidies for private launchers—just a fair shake from government by forcing NASA to charge a true cost-based price. That argument may well appeal to the administration's fiscal conservatives, especially OMB director David Stockman.

Another twist in the situation may also put some heat on NASA. On June 1, 1984, Transpace Carriers, the firm that acquired the marketing rights to NASA's Delta rocket, filed a petition with the US Trade Representative's office to investigate "dumping" by Arianespace, the European government-backed consortium: Arianespace charges American users of its Ariane rocket a lower price than European users, thus undercutting Transpace's own prices. Arianespace responded to the charge by accusing NASA of being the most unfair price cutter of all. That squabble is bound to initiate further investigation of Shuttle pricing.

Still, NASA is a powerful force in Washington politics, with many strong supporters both in Congress and in high places within the Reagan administration itself. In addition, commercial Shuttle users do not, of course, like the prospect of having to pay a full-cost price, and they will likely lobby hard for continued subsidies. So there is a good chance that the NASA position will prevail.

But if a myopic US policy thus continues to block efforts in private space transportation, there are other sources of advance. The Europeans' Arianespace probably will not go very far, because, subsidized by Common Market governments, it has many of the same problems as NASA's Shuttle.

It is the Japanese who could eventually dominate space transportation. They are not known for new technologies, but they don't need them to get into space. The tools are already available, and the Japanese have already begun to develop a launch capability. NASA may be able to throw its weight around in the US space industry, squeezing out private operators and entrepreneurs. It will not similarly be able to lean on the Japanese.

Without question, space will be developed. Also without question, Americans will be involved in some way—whether or not their efforts originate from American soil. In the really long run, space represents more than something American or Japanese—it is the domain of individualists, people with political, cultural, and economic claustrophobia. The bureaucratic barriers are therefore destined to fall. The question now is how soon. A lot of us can't quite give up hope that it will happen in time for us to help shape those vast promised lands above.●

THE RIGHT WORSHIPFUL FREDERICK J. PERHAM TO VISIT TERRE HAUTE, IN

● Mr. LUGAR. Mr. President, I wish today to acknowledge the forthcoming visit of a special guest to my State of Indiana. The city of Terre Haute, and the State of Indiana at large, will be honored by the presence of the Right Worshipful Frederick J. Perham, mayor of the city of St. Albans, Hertfordshire, England, who will be making his first visit to the United States of America on March 7, 1985. His Worship the mayor has served his

countrymen with distinction over a period spanning four decades in offices as councilor, magistrate, and currently, mayor of St. Albans. It is with great pleasure that I seek recognition for this most distinguished public servant from England, and know full well that he will establish steadfast relations with governmental leaders and friends in our great Hoosier State. I also wish for him to know that the Senate of the United States sends him warm greetings on the occasion of the 72d anniversary of his birth, March 12, 1985.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. NICKLES. Mr. President, it is with mixed emotions that I come before the Senate today on behalf of the Jews in the Soviet Union. While I am certainly pleased to be able to make a statement on their behalf, I am troubled by the fact that I and many others in this body have made similar statements in the past. While we continue to express our concern for these individuals, the Soviet Union continues to slow the process of emigration and continues to deny many individuals the right to emigrate. Last year only 896 Jews were allowed to leave the Soviet Union. This is the lowest amount allowed to leave in 20 years. Equally disturbing is the fact that over 350,000 Jews have expressed an interest in emigrating.

The right of any individual to leave any country, including one's own, is an internationally recognized human right upheld by the Helsinki Final Act and other international agreements ratified by the Soviet Union. Nevertheless the Soviet Union continues to deny certain individuals this right. The permission to emigrate is given arbitrarily—for some it takes months—these are the fortunate ones—for others it takes years and many more are permanently forbidden to leave. Although the process is long and arduous, Soviet Jews continue to apply.

The process of emigration in the Soviet Union is one that would certainly discourage most individuals. In America, we expect certain actions to occur within a given timeframe. When we go to a Federal office to request a certain action we are given an idea of how long this may take. We expect this information. However, from the day a Soviet Jew applies for emigration to the day of departure, months or years may pass. The delay would be difficult enough, but in addition to this, the emigration process may be marked by constant harassment and deliberate bureaucratic delays. Often a Soviet Jew must request several invitations from the country he wishes to go to before actually receiving one because these invitations are intercepted in the mail. Many invitations are never received. In addition, the Office of Visas and Registration does not keep regular working hours. Instead, these offices may be open only 1 or 2 days a week, with brief working hours, requiring several visits to the office before the paperwork is completed.

Another difficulty in this process is the fact that while many individuals are not permitted to leave, they are not denied either. Unless an individual is denied, he cannot reapply. Therefore for months or even years, an individual may be waiting for some type of action to occur.

The emigration process that I have outlined is one that would be discouraging to the most determined individual. The difficulties that these individuals must endure in order to even come close to leaving the Soviet Union exemplify their strong desire to emigrate. The courage and perseverance shown by these individuals certainly deserve our respect.

As long as there are Jews in the Soviet Union desiring to emigrate, there will be Americans who will be watching and waiting for the Soviet Union to allow these people to leave. I believe it is vitally important that we stand behind these strong individuals and do what we can to help them in their quest for freedom.●

A GROWTH EXPERIENCE

Mr. SIMPSON. Mr. President, let me, just in passing, make a comment on the activities of the last days. It was, I believe the phrase, an experience, is what we call that. A growth experience. I believe it is also called that in the annals of psychiatry, perhaps. But let me say that I have appreciated the assistance of the minority leader; at a time or two in those hectic days, I may have lashed out at him, and did so.

I would greatly regret it if that would ever interfere with our relationship. I owe him an apology for that. He is an awesome legislative talent and he proves that time and time again. I think that perhaps sometimes, our frustration—and that becomes evident—comes from the extraordinary capability of the man. It comes, I guess, I think there was an old phrase—I do not know what tribe I recall it from—that said the courage of your opponent honors you.

That is certainly true and perhaps in evidence. I appreciate his patience. It was a spirited time. We have much to do. With very thoughtful people on the other side of the aisle, we will do those tasks. There is much to do in this country, having not to do with just this issue but issues of great importance. I look forward to working with the minority leader and the opportunity of getting about our business which will now come before us I think in a different kind of package in the weeks to come. Hopefully we will all see that those packages are processed in a manner which does not leave us with frayed pieces of wrapping paper all over the floor. I thank the Senator.

Mr. BYRD. Mr. President, if there is one Senator in this body who feels he has many flaws, it is this one. I realize that many times I make mistakes. I hesitate to refer to my own prayers at night, but one of the prayers I say quite frequently before going to bed is that I hope God will make me more considerate of the feelings of others and help me to understand others better.

The distinguished Senator owes me no apology. He is very gracious. I do appreciate deeply the charitableness that is revealed in this statement by the distinguished majority whip.

ANOTHER WORD FROM SENATOR RANDOLPH

Mr. BYRD. Mr. President, at the close of the 98th Congress, after 26 years of service in the U.S. Senate, Senator Jennings Randolph returned to the private sector.

As many of his friends predicted, however, Senator Randolph's departure from Capitol Hill did not mean a retirement from an active involvement in the wide range of interests and commitments that have always characterized his life. Senator Randolph continues to write regularly for publication on a variety of topics and to be in demand as a speaker in a number of forums.

One example of Senator Randolph's writing interests appeared in the fall 1984 issue of Phoenix Quarterly, a periodical of the Institute of Scrap Iron and Steel. Though Senator Randolph wrote this article some time before his tenure ended, the piece reflects the kind of efforts Senator Randolph is now making, as well as the seemingly limitless scope of his concerns.

I ask unanimous consent that Senator Randolph's article appear in the RECORD as printed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COOPERATIVE EFFORT NEEDED TO SOLVE ENVIRONMENTAL PROBLEMS

By the turn of the century, the United States will have to cope with 12 billion tons of solid waste each year. Less than a decade ago, I pointed out that our society was generating 4.4 billion tons of solid waste each year. This is a dramatic and stunning increase that will be a problem far greater than the abandoned automobile dilemma of the late sixties.

Immediately following World War II, a use-and-discard mentality took hold in our country. Prior to that, America was a more conservation-oriented and parsimonious society, possibly because the Great Depression had left dramatic scars on the nation's economic landscape.

The country, during and immediately following World War II, expanded using this philosophy—one that was made possible by what Americans perceived to be an inexhaustible supply of resources and vast spaces to dump their unwanted waste. Reality is now forcing us to adopt conservation attitudes and to develop the potential for reusing many materials formerly discarded as waste.

As recently as 1976, I emphasized that the U.S. was the most consumption-oriented country on earth. Thankfully that has changed. But I believe the change has been more evolutionary than revolutionary. Solid waste management and control as well as recycling are, in many ways, the stepchildren of the environmental movement.

This country has demonstrated that it possesses an unparalleled capacity to build and develop economic resources and to continue to increase our standard of living. Yet this capacity has been accompanied, it seems, albeit unintentionally, by the tendency to ignore the impact on our earth, natural resources, and environment. At the same time, it is becoming increasingly difficult for the U.S. to satisfy its growing demands for raw materials from virgin sources, and to cope with the indiscriminate handling of its wastes. We have replaced what we took from the earth with what has turned out to be some of the most dangerous substances known to man.

And the various energy crises the nation experienced demonstrated to our citizens how fragile is the standard of living we have achieved, unless we exercise care. The uncertainty and increasing costs of energy supplies have placed increased emphasis on the need to obtain maximum use and reuse of our dwindling nonrenewable resources.

It should be remembered that the economy and the environment do not represent polar interests; rather, they are part of the same system, a system that has given us the highest standard of living in the world.

Almost two decades ago, I described as an urgent national problem the critical issues relating to solid waste management. And I said, as the world's most prodigious consumer of materials, we must now turn to recycled materials to supply our industrial machines. Solid waste are a virtually untapped source of useful materials. That statement is as true today as it was 20 years ago. At a time when shortages are not uncommon, we should be exerting every effort to find markets to reuse the millions of tons of valuable materials being discarded.

Recycling and resource recovery must become an essential part of our national solid waste management efforts. In past years, I have called for a comprehensive national materials policy that closes the cycle of resource extraction and use-and-discard so that it includes reuse as a fundamental premise. We must eliminate the word "waste" from our vocabulary and substitute the word "conservation."

Resource recovery from solid waste represents a major and virtually untapped source of materials at a time when we are faced with emergency supply-demand deficits. Resource recovery offers the potential for returning large fractions of important minerals into the materials-supply pipeline, but only if there is adequate demand from industry for these materials.

By 1977 the Congress—typified by my remarks in the Senate—agreed: "We have achieved a new awareness that we must carefully conserve and reuse our material resources." And not more than a year later I pointed out to the nation that we had come to the somewhat belated recognition that we could not live comfortably in the midst of despoiled or mismanaged resources. I continue to believe that business and industry can and will meet environmental challenges.

It is important to realize that solid waste management is *not* an area that lends itself to extensive planning and operation from the Federal levels. But actions that encourage the reuse of products can make significant contributions to resolving the country's solid waste problems. In a sense, then, solid waste management was a "first generation" effort. Progress has been made in waste to energy systems that are being adopted throughout the country to use our solid waste as a fuel to produce energy. Yet we are far from recovering the tremendous tonnages of metallic scrap generated annually. There is also a growing concern that hazardous substances may further limit recycling of metallics.

The second generation may well be product design to improve the potential for materials reuse. As with the abandoned auto problem, the metallic scrap industry cannot alone be responsible for the solution. Again, every major industry involved with production, design, and fabrication of metal products will have to play a part.

In the areas of conservation, I have frequently stated: If the American people are not aware of a situation, we as individual members of Congress have a responsibility, by our actions, to make them aware. I hope that I have been able to do that.

FAREWELL TO "PUGGY" DEGGES

Mr. BYRD. Mr. President, most people identify the U.S. Senate with the names and deeds of famous Senators, past and present, who have lent the Senate its aura of glamor and tradition.

But those most familiar with the Senate also know that this institution depends for its day-to-day efficiency and effectiveness on the good work of countless men and women, most of whose names go unheralded by the media and whose value and contributions may be appreciated only by a handful of people. Most of those staff men and women serve faithfully for a time, and then they go on to pursue some other career, or move quietly into retirement.

At times, however, a Senate staff person has served so many different Senators so well and so long that his or her unrecognized departure would signify a breach of etiquette and community responsibility.

Such is the instance of this week's retirement of Randall C. Degges as a floor assistant for the Sergeant at Arms Office. Since March 1971, Mr. Degges—fondly known by the nickname "Puggy"—has served on the Democratic side of the aisle. Through eight Congresses, he has helped to maintain the security and decorum of the Senate, and he has won the gratitude and admiration of his coworkers and many Senators for the conscientious way in which he has fulfilled his responsibilities. Mr. Degges will be sincerely missed when he leaves his Senate post tomorrow.

But the qualities that "Puggy" Degges demonstrated in carrying out his Senate floor duties have been evident throughout his life. A native of Takoma Park, MD, and a graduate of Bladensburg High School, in 1941, at age 21, Mr. Degges joined the Washington Metropolitan Police Department. In 1961, he was detailed to be in charge of the Metropolitan Police Department's plainclothes detail here on Capitol Hill. As a policeman, he rose to the rank of captain, and received numerous commendations, including "Policeman of the Month" and "Policeman of the Year." Doing his job well has been one of Randall Degges' characteristic habits.

In his retirement, Mr. Degges will continue to enjoy the companionship of his wife of 47 years—her name is Kathleen—and the love and honor of his 7 children and 16 grandchildren. I can assure him that he will also continue to enjoy the esteem and warm good wishes of those Senators whom he has served so well for 14 years. We hope for him the best as he enters retirement, and anticipate that among his rewards justly earned he will count the memories of the duties he faithfully rendered to his fellow citizens and his country as a policeman, and to the U.S. Senate as a member of its staff.

Mr. President, I want to personally wish Mr. Degges a long and delightful retirement. He is really a good man.

Mr. President, I thank the distinguished majority whip for his patience and his courtesy. I know he is tired, as are others, but he will find as he goes along, as I have found, that many times when the others have been able to say goodnight and go home to a little food—we called it supper back in my days—the distinguished majority whip and I, and the distinguished majority leader, and other Senate officers and staff will have to wait and do additional work before we can go to our rest from the day's labors.

Mr. President, I wish to add my good wishes and congratulations as well to Mr. Cahill.

The distinguished majority whip has been very cordial, courteous, and understanding, and I thank him, as I yield the floor.

Mr. SIMPSON. Mr. President, I will indeed go, and "sup," and rest, and I think I will have to come up with one of my own prayers tonight. I do sincerely appreciate the words of the minority leader.

FAREWELL TO MARTIN CAHILL AND CAPTAIN DEGGES

Mr. SIMPSON. Mr. President, let me say that I, too, appreciate the service

of Puggy Degges, who I knew when I first came here.

I think the minority leader is aware that tomorrow Marty Cahill also will be retiring. So we say farewell to two remarkable people who have been here at the Chamber many an hour and many a night. Indeed, they have served with distinction, and they are delightful people with good humor and pleasant to work with. I wish you well Puggy Degges and Marty Cahill. Godspeed to both of you. I just hope it was not the activities of the last few days that have generated the desire for retirement. That may happen again. You can come back and find out. We will not be doing, good heavens, too much more of this. And so I thank both of you for what you have done for the U.S. Senate.

RETIREMENT OF CAPTAIN DEGGES

Mr. KENNEDY. Mr. President, tomorrow marks the retirement of one of the Senate's most dedicated and conscientious aides, a man who has served the Senate with great loyalty for the past 14 years and who has earned the admiration and gratitude of all of us in this Chamber, Randall C. Degges.

Mr. Degges, who is known to us as "Captain Degges," began his Government service at the age of 21, when he joined the Washington Metropolitan Police Department. He spent the next 18 years working up through the ranks, and in 1961 he was detailed to the U.S. Capitol in charge of the Plainclothes Division. Through his extraordinary diligence, tireless effort, and skillful work, he rose to the rank of captain, and received numerous commendations from the Metropolitan Police Department before his retirement in 1971.

But his ties to the Senate were strong, and so Captain Degges immediately agreed to stay on with us in the Senate Chamber as floor attendant to the Sergeant at Arms, where he has worked with all of us on the Democratic side of the aisle—Senators and staff alike—with his unique blend of skill, warmth, commitment, and friendship.

Now, as Captain Degges leaves the Senate, I join in wishing him a long and happy retirement with Kathleen, his wife of 47 years, and with his 7 children and 16 grandchildren. I know that they are as proud of him as we are. Captain Degges is truly one of the Senate's finest, and I congratulate him for his remarkable career in public life and his service to the Senate. He leaves with the respect and affection of all of us, and I wish we had more like him.

ORDERS FOR THURSDAY

ORDER FOR CONVENING OF SENATE TOMORROW AND FOR TIME FOR LEADERS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate convene at 12 noon on Thursday, February 28, and that the two leaders under the standing order have 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND HART TOMORROW

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the leaders' time, the following Senators be recognized for special orders not to exceed 15 minutes each: Senator PROXMIRE and Senator HART.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that tomorrow, following the special orders, there be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Following routine morning business, the Senate will return to any legislative or executive calendar items cleared for action. Therefore rollcall votes are a possibility.

RECESS TO THURSDAY, FEBRUARY 28, 1985

Mr. SIMPSON. Mr. President, in accordance with the previous order, I move that the Senate stand in recess.

The motion was agreed to; and, at 7:19 p.m., the Senate recessed until Thursday, February 28, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate February 27, 1985:

THE JUDICIARY

The following-named persons to the positions indicated:

Edith H. Jones, of Texas, to be U.S. circuit judge for the fifth circuit, vice a new position created by Public Law 98-353, approved July 10, 1984.

George La Plata, of Michigan, to be U.S. district judge for the eastern district of Michigan, vice a new position created by Public Law 98-353, approved July 10, 1984.

Ronald E. Meredith, of Kentucky, to be U.S. district judge for the western district of Kentucky, vice a new position created by Public Law 98-353, approved July 10, 1984.

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force:

LINE OF THE AIR FORCE

To be colonel

Bottorff, Garald L., xxx-xx-xxxx
Tukey, Darold E., xxx-xx-xxxx

To be lieutenant colonel

Greenawalt, Peter L., xxx-xx-xxxx
Kehoe, William W., xxx-xx-xxxx
King, Eddie M., xxx-xx-xxxx
Kruckeberg, Roger P., xxx-xx-xxxx
Lambert, Alvin G., Jr., xxx-xx-xxxx
Nenninger, William P., xxx-xx-xxxx
Thompson, James E., xxx-xx-xxxx
White, Harry A., III, xxx-xx-xxxx
Young, Richard B., xxx-xx-xxxx

To be major

Johnson, Rici V., xxx-xx-xxxx
White, Harry A., III, xxx-xx-xxxx

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Kenneth E. Berger, xxx-xx-xxxx
Maj. Teddy D. Boam, xxx-xx-xxxx
Maj. Alvin E. Carter, xxx-xx-xxxx
Maj. James E. Davies, xxx-xx-xxxx
Maj. James H. Davis, xxx-xx-xxxx
Maj. Richard E. Delano, xxx-xx-xxxx
Maj. Donal E. Fries, xxx-xx-xxxx
Maj. Robert C. Gastrock, xxx-xx-xxxx
Maj. William M. Hembrough, xxx-xx-xxxx
Maj. Robert O. Johnson, xxx-xx-xxxx
Maj. Ronald C. Manning, xxx-xx-xxxx
Maj. Byron L. Mayberry, xxx-xx-xxxx
Maj. James W. McGaan, xxx-xx-xxxx
Maj. John T. Mullen III, xxx-xx-xxxx
Maj. Michael E. Phelps, xxx-xx-xxxx
Maj. Glenn K. Rice, xxx-xx-xxxx
Maj. William N. Searcy, xxx-xx-xxxx
Maj. Fred R. Sloan, xxx-xx-xxxx
Maj. William M. Voigt, xxx-xx-xxxx
Maj. William D. Walsh, xxx-xx-xxxx
Maj. Albert H. Wilkening, xxx-xx-xxxx
Maj. Donald L. Williams, xxx-xx-xxxx

NURSE CORPS

Maj. Bradley O. Bruhjell, xxx-xx-xxxx

DENTAL CORPS

Maj. Benedict N. Antonecchia, xxx-xx-xxxx

IN THE AIR FORCE

The following officers, U.S. Air Force Officer Training School, for appointment as second lieutenants in the Regular Air Force, under the provisions of section 531, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force.

Akerson, Jerome J., xxx-xx-xxxx
Alleman, Ferg M., III, xxx-xx-xxxx
Allen, Rodney J., xxx-xx-xxxx
Angelis, Diana, xxx-xx-xxxx
Aulino, Joseph, xxx-xx-xxxx
Ayres, Richard R., xxx-xx-xxxx
Bailey, Dale E., xxx-xx-xxxx
Bair, Jeffrey L., xxx-xx-xxxx
Barefield, James L., xxx-xx-xxxx
Barnes, Lawrence R., xxx-xx-xxxx
Barrett, Neville P., xxx-xx-xxxx
Bean, Stephen J., xxx-xx-xxxx
Bergmeister, Suzanne, xxx-xx-xxxx
Bernacki, Bruce E., xxx-xx-xxxx
Best, John E., xxx-xx-xxxx
Blair, Jerry T., xxx-xx-xxxx
Bleakley, Gage A., xxx-xx-xxxx
Bowling, George K., xxx-xx-xxxx
Brinker, Robert A., xxx-xx-xxxx
Brown, Michael R., xxx-xx-xxxx

Carpenter, Bill J., xxx-xx-xxxx
Catt, Patrick A., xxx-xx-xxxx
Chael, David T., xxx-xx-xxxx
Clark, John S., Jr., xxx-xx-xxxx
Clay, Robert F., xxx-xx-xxxx
Collinsworth, Daryl, xxx-xx-xxxx
Cross, Randall J., xxx-xx-xxxx
Csehoski, Gregory A., xxx-xx-xxxx
Dahl, Linda J., xxx-xx-xxxx
Davis, Mark L., xxx-xx-xxxx
Dawson, Amy J., xxx-xx-xxxx
Dungey, Clifton E., xxx-xx-xxxx
Dye, Thomas M., xxx-xx-xxxx
Elsass, Merle F., xxx-xx-xxxx
Frisbee, Gerald J., xxx-xx-xxxx
Germain, Dale E., xxx-xx-xxxx
Girkins, Kevin J., xxx-xx-xxxx
Graf, Gregory C., xxx-xx-xxxx
Greer, James M., Jr., xxx-xx-xxxx
Griffin, Kenneth G., xxx-xx-xxxx
Grimmig, Dorothy L., xxx-xx-xxxx
Guinan, James P., xxx-xx-xxxx
Hall, Andrew B., xxx-xx-xxxx
Hansen, Keith J., xxx-xx-xxxx
Hansen, Thomas L., xxx-xx-xxxx
Hanson, Scott M., xxx-xx-xxxx
Hattendorf, Paul E., xxx-xx-xxxx
Herman, Margaret J., xxx-xx-xxxx
Hill, Raymond R., Jr., xxx-xx-xxxx
Hill, Richard M., xxx-xx-xxxx
Hingel, John F., xxx-xx-xxxx
Hinkley, Ronald E., xxx-xx-xxxx
Hogins, Marcus W., xxx-xx-xxxx
Holland, Wallace Dewayne, Jr., xxx-xx-xxxx
Holmes, Richard C., xxx-xx-xxxx
Hornish, Thomas E., xxx-xx-xxxx
Hunter, Earl O., xxx-xx-xxxx
Jordan, Brian C., xxx-xx-xxxx
Justice, Freddie W., xxx-xx-xxxx
Kalbfleisch, Keith, xxx-xx-xxxx
Kale, Emory D., xxx-xx-xxxx
Kaplan, Harold D., xxx-xx-xxxx
Keene, Larry D., xxx-xx-xxxx
Kelley, Bryan C., xxx-xx-xxxx
Kersh, Kevin G., xxx-xx-xxxx
Kidd, Allen J., xxx-xx-xxxx
Kijinski, Paul J., xxx-xx-xxxx
Koster, David N., xxx-xx-xxxx
Kwieraga, David A., xxx-xx-xxxx
Lancaster, Mark A., xxx-xx-xxxx
Leslie, William M., xxx-xx-xxxx
Long, Jerry M., xxx-xx-xxxx
Lutton, Mark J., xxx-xx-xxxx
Lutton, Milton M., xxx-xx-xxxx
Macagnone, Michael, xxx-xx-xxxx
Mahler, Bruce J., xxx-xx-xxxx
Mahood, Robert W., xxx-xx-xxxx
Mann, Kenneth C., xxx-xx-xxxx
McAllister, Jeffrey, xxx-xx-xxxx
McLeroy, John P., xxx-xx-xxxx
Mohr, Robert C., xxx-xx-xxxx
Molock, Leroy M., xxx-xx-xxxx
Moon, Molly K., xxx-xx-xxxx
Morgan, Phillip H., xxx-xx-xxxx
Murray, James D., xxx-xx-xxxx
Myers, Lawrence E., xxx-xx-xxxx
Nabors, Billy M., xxx-xx-xxxx
Nalepa, Robert P., xxx-xx-xxxx
Norris, Robert J., xxx-xx-xxxx
O'Connor, John W., xxx-xx-xxxx
O'Grady, Sheila K., xxx-xx-xxxx
Pierce, Joseph D., xxx-xx-xxxx
Pihana, Patrick P., xxx-xx-xxxx
Pocino, Vincent, xxx-xx-xxxx
Poliquin, Robert E., xxx-xx-xxxx
Privette, Michael E., xxx-xx-xxxx
Puglisi, Phillip G., xxx-xx-xxxx
Quinn, Timothy T., xxx-xx-xxxx
Rampton, Daniel R., xxx-xx-xxxx
Rappaport, Neal J., xxx-xx-xxxx
Reukauf, Randy A., xxx-xx-xxxx
Rogler, John R., xxx-xx-xxxx
Root, Lisa, xxx-xx-xxxx
Roseman, Peter A., xxx-xx-xxxx
Schell, Todd A., xxx-xx-xxxx
Scholz, Theodore K., xxx-xx-xxxx
Selover, David R., xxx-xx-xxxx
Shafovaloff, Garry, xxx-xx-xxxx
Skeers, Robert R., xxx-xx-xxxx
Smith, Robin L., xxx-xx-xxxx
Stafford, Matthew C., xxx-xx-xxxx
Stearns, Barbara D., xxx-xx-xxxx
Sullivan, Brian J., xxx-xx-xxxx
Tang, Lili D., xxx-xx-xxxx
Turner, Albert R., Jr., xxx-xx-xxxx
Vanhorn, Scott D., xxx-xx-xxxx
Walker, Friend L., xxx-xx-xxxx
Walker, Mark L., xxx-xx-xxxx
Walsh, Craig A., xxx-xx-xxxx
Watson, Timothy P., xxx-xx-xxxx
Weidekamp, Greg M., xxx-xx-xxxx
West, Bruce A., xxx-xx-xxxx
Whedbee, Rodney L., xxx-xx-xxxx
Willey, Kevin J., xxx-xx-xxxx
Xavier, Francis V., xxx-xx-xxxx
Zadalis, Timothy M., xxx-xx-xxxx

IN THE ARMY

The following-named distinguished honor graduates of Officer Candidate School for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 531, 532, 533:

Chandler, George F., xxx-xx-xxxx
Gitter, Kenneth L., xxx-xx-xxxx

The following-named officers for appointment under automatic integration in the Regular Army of the United States, in their promotion grade, under the provisions of title 10, United States Code, sections 531, 532, and 533:

To be lieutenant colonel

Besaw, John J., xxx-xx-xxxx
Brazell, James L., xxx-xx-xxxx
Burton, Emory A., xxx-xx-xxxx
Cecere, Carl D., xxx-xx-xxxx
Dahl, Carroll E., xxx-xx-xxxx
Hasty, James E., xxx-xx-xxxx
Japak, Brian A., xxx-xx-xxxx
Keegan, Patrick, xxx-xx-xxxx
McCaulley, Kenneth, xxx-xx-xxxx
Riddle, Bruce C., xxx-xx-xxxx
Roberts, James Q., xxx-xx-xxxx
Tomko, James T., xxx-xx-xxxx
Upton, Henry, Jr., xxx-xx-xxxx
Wright, Mary A., xxx-xx-xxxx

To be major

Despain, Milton M., xxx-xx-xxxx
Frey, Neil B., xxx-xx-xxxx
Joshua, Stephen, xxx-xx-xxxx
Sims, Isaac, Jr., xxx-xx-xxxx

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

ARMY

To be colonel

Alden M. Cunningham, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

James L. Newborn, xxx-xx-xxxx

ARMY

To be lieutenant colonel

Michael C. Parker, xxx-xx-xxxx
Donald M. Tomasik, xxx-xx-xxxx

CHAPLAIN CORPS

To be lieutenant colonel

William Brander, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

James L. Ritachie IV, xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

JoAnn Jolivet, xxx-xx-xxxx

ARMY

To be major

Richard J. Adan, xxx-xx-xxxx
William H. Andersen, xxx-xx-xxxx
Leslie C. Bailey, xxx-xx-xxxx
Hector J. Barbosa, xxx-xx-xxxx
Phillip R. Burch, xxx-xx-xxxx
Richard H. Crocker, xxx-xx-xxxx
Daniel Fair, xxx-xx-xxxx
Johnny J. Garcia, xxx-xx-xxxx
David Grod, xxx-xx-xxxx
Robert B. Jarrell, xxx-xx-xxxx
Kenneth A. Riordan, Jr., xxx-xx-xxxx
James F. Sass, xxx-xx-xxxx
Teddy R. Seel, xxx-xx-xxxx

CHAPLAIN CORPS

To be major

William L. Kleinbrook, xxx-xx-xxxx

JUDGE ADVOCATE GENERAL'S CORPS

To be major

Judith M. B. Guarino, xxx-xx-xxxx
Andrew J. Macko, xxx-xx-xxxx

MEDICAL CORPS

To be major

Miguel V. Buxeda, xxx-xx-xxxx
Lee R. Hunter, xxx-xx-xxxx
Terry A. Reeves, xxx-xx-xxxx

DENTAL CORPS

To be major

Terrance L. Smith, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be major

Gregory P. Hollis, xxx-xx-xxxx
Bruce W. MacDonald, xxx-xx-xxxx

VETERINARY CORPS

To be major

Samuel R. Lamb II, xxx-xx-xxxx

ARMY NURSE CORPS

To be major

Lynn E. Mulero, xxx-xx-xxxx

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3370:

ARMY PROMOTION LIST

To be colonel

Forbess, Thomas E., xxx-xx-xxxx
Glodek, Thomas R., xxx-xx-xxxx
Miller, John S., III, xxx-xx-xxxx
Mirolla, John J., xxx-xx-xxxx

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

Able, Paul J., Jr., xxx-xx-xxxx
Ackerman, Charles W., xxx-xx-xxxx
Adams, Ben Wm., Jr., xxx-xx-xxxx
Adams, Charles R., xxx-xx-xxxx
Adams, Michael H., xxx-xx-xxxx
Adams, Robert T., xxx-xx-xxxx
Adkins, David P., xxx-xx-xxxx
Akin, Danny G., xxx-xx-xxxx
Akridge, William D., xxx-xx-xxxx
Alger, Terrence F., xxx-xx-xxxx
Allcorn, Luther H., xxx-xx-xxxx
Allen, Billy L., xxx-xx-xxxx
Allen, Charlie J., xxx-xx-xxxx
Allen, Everett F., xxx-xx-xxxx
Allen, John R., xxx-xx-xxxx

Allen, William C., xxx-xx-xxxx
Allison, Herbert L., xxx-xx-xx...
Almodovar, Carlos L., xxx-xx-xxxx
Almy, Christopher R., xxx-xx-xxxx
Alstad, Allen T., xxx-xx-xxxx
Amatulli, Richard P., xxx-xx-xxxx
Amerson, Andrew D., xxx-xx-xxxx
Ames, Donald L., xxx-xx-xxxx
Andersen, Marvin J., xxx-xx-xxxx
Anderson, Calvin M., xxx-xx-xxxx
Anderson, Christian, xxx-xx-xxxx
Anderson, David C., xxx-xx-xxxx
Anderson, James L., xxx-xx-xxxx
Anderson, John M., xxx-xx-xxxx
Anderson, Leon D., xxx-xx-xxxx
Anderson, Richard R., xxx-xx-xxxx
Anderson, William L., xxx-xx-xxxx
Angelo, Michael D., xxx-xx-xxxx
Anthony, James R., xxx-xx-xxxx
Apcar, Richard A., xxx-xx-xxxx
Aplass, Allen J., xxx-xx-xxxx
Aquino, Michael A., xxx-xx-xxxx
Argersinger, William, xxx-xx-xxxx
Arheit, Robert R., xxx-xx-xxxx
Armstrong, Billy C., xxx-xx-xxxx
Arritt, Parker L., xxx-xx-xxxx
Arthur, Karl A., xxx-xx-xxxx
Attanasio, Richard, xxx-xx-xxxx
Auletta, Edward A., xxx-xx-xxxx
Avella, Joseph P., xxx-xx-xxxx
Ayotte, Robert L., xxx-xx-xxxx
Bailey, Edgar D., xxx-xx-xxxx
Balmos, Edward J., xxx-xx-xxxx
Balsmeier, Phillip, xxx-xx-xxxx
Bander, Florence C., xxx-xx-xxxx
Barbeau, John R., xxx-xx-xxxx
Barber, John W., xxx-xx-xxxx
Barker, Willard L., xxx-xx-xxxx
Barlow, Gordon H., xxx-xx-xxxx
Barner, Carl B., xxx-xx-xxxx
Barnes, B. Lynn, xxx-xx-xxxx
Barnes, Everett W., xxx-xx-xxxx
Barnes, Naman X., xxx-xx-xxxx
Barnes, William L., xxx-xx-xxxx
Barnett, Gerald R., xxx-xx-xxxx
Barr, James H., xxx-xx-xxxx
Barrineau, Ronald B., xxx-xx-xxxx
Barrows, Conrad A., xxx-xx-xxxx
Bartash, Harvey S., xxx-xx-xxxx
Barlett, Robert M., xxx-xx-xxxx
Barton, Chester P., xxx-xx-xxxx
Barton, Jeffrey L., xxx-xx-xxxx
Barton, Peter W., Jr., xxx-xx-xxxx
Barton, Robert R., xxx-xx-xxxx
Barton, Thomas J., xxx-xx-xxxx
Bash, John F., xxx-xx-xxxx
Basinger, Johnny U., xxx-xx-xxxx
Bathke, John A., xxx-xx-xxxx
Baum, Kerry R., xxx-xx-xxxx
Baumer, Sandra J., xxx-xx-xxxx
Baxter, William A.J., xxx-xx-xxxx
Bean, Louis D., xxx-xx-xxxx
Bean, Maynard K., xxx-xx-xxxx
Beane, Thomas C., xxx-xx-xxxx
Beasley, Merrill T., xxx-xx-xxxx
Beck, Joseph W., xxx-xx-xxxx
Bedingfield, Larry, xxx-xx-xxxx
Beery, Kenneth E., xxx-xx-xxxx
Behne, James R., xxx-xx-xxxx
Bejger, Bohdan, xxx-xx-xxxx
Bell, Hubert J., xxx-xx-xxxx
Bender, Lyle D., xxx-xx-xxxx
Benevento, Vincent, xxx-xx-xxxx
Benjamin, George, xxx-xx-xxxx
Bennett, Thomas M., xxx-xx-xxxx
Benson, Vernon L., xxx-xx-xxxx
Bent, David M., xxx-xx-xxxx
Berndt, John A., xxx-xx-xxxx
Berry, Michael A., xxx-xx-xxxx
Beveridge, Reid K., xxx-xx-xxxx
Bevins, David W., xxx-xx-xxxx
Bielenberg, Karl, xxx-xx-xxxx
Bilac, Judith H., xxx-xx-xxxx
Binger, Robert E., xxx-xx-xxxx
Bischoff, Ingo F.K., xxx-xx-xxxx
Bivens, Harry E., xxx-xx-xxxx
Black, John R., xxx-xx-xxxx
Blankenship, Thomas, xxx-xx-xxxx
Blanton, William H., xxx-xx-xxxx
Boatman, Kenneth W., xxx-xx-xxxx
Boccadori, John A., xxx-xx-xxxx
Bockenstette, James, xxx-xx-xxxx
Bodden, William E., xxx-xx-xxxx
Bode, Louis O., xxx-xx-xxxx
Boeckmann, Lawrence, xxx-xx-xxxx
Boland, Webster L.J., xxx-xx-xxxx
Boles, Ronald L., xxx-xx-xxxx
Boltz, Thomas W., xxx-xx-xxxx
Bond, Andrew E., xxx-xx-xxxx
Bonetti, Lawrence F., xxx-xx-xxxx
Bootle, Freddie A., xxx-xx-xxxx
Bordenet, James D., xxx-xx-xxxx
Bowers, Billy W., xxx-xx-xxxx
Bowman, Edward C., xxx-xx-xxxx
Bowman, John T., xxx-xx-xxxx
Bowman, Kirby P., xxx-xx-xxxx
Bowman, Reenes R., xxx-xx-xxxx
Bowman, Wayne E., xxx-xx-xxxx
Boylan, William J., xxx-xx-xxxx
Bradley, Terry D., xxx-xx-xxxx
Bradley, William G., xxx-xx-xxxx
Brainerd, Quentin A., xxx-xx-xxxx
Bramblett, Theron P., xxx-xx-xxxx
Brandt, Laurel G., xxx-xx-xxxx
Brannan, Joseph F., xxx-xx-xxxx
Braud, Richard W., xxx-xx-xxxx
Brause, Allan R., xxx-xx-xxxx
Breazeale, Truitt D., xxx-xx-xxxx
Bress, Gary L., xxx-xx-xxxx
Bright, Ronald W., xxx-xx-xxxx
Britt, Donald J., xxx-xx-xxxx
Britton, Frederick, xxx-xx-xxxx
Brooks, Eugene M., xxx-xx-xxxx
Brooks, Leonard R., xxx-xx-xxxx
Brooks, Robert M., Jr., xxx-xx-xxxx
Broome, Frederick R., xxx-xx-xxxx
Brosnan, Joseph V., xxx-xx-xxxx
Broughton, Herman G., xxx-xx-xxxx
Brown, Billy S., xxx-xx-xxxx
Brown, Dudley B., xxx-xx-xxxx
Brown, Michael L., xxx-xx-xxxx
Brown, Norval G., xxx-xx-xxxx
Brown, Ray C., xxx-xx-xxxx
Brown, Richard M., xxx-xx-xxxx
Brown, Terry L., xxx-xx-xxxx
Broyles, Edward J., xxx-xx-xxxx
Brumley, David A., xxx-xx-xxxx
Bruning, Richard C., xxx-xx-xxxx
Brunson, Terry M., xxx-xx-xxxx
Bryan, Morgan F., xxx-xx-xxxx
Buchter, Denning T., xxx-xx-xxxx
Buff, Robert Y., xxx-xx-xxxx
Buie, Neill D., xxx-xx-xxxx
Bulloch, Henry E., xxx-xx-xxxx
Bumgarner, Benjamin, xxx-xx-xxxx
Bunch, Charles F., xxx-xx-xxxx
Bunton, David D., xxx-xx-xxxx
Burchstead, Harry B., xxx-xx-xxxx
Burdett, Norman B., xxx-xx-xxxx
Buretta, Evelyn A., xxx-xx-xxxx
Burke, James L., xxx-xx-xxxx
Burnam, Joseph E., xxx-xx-xxxx
Burnett, John W., xxx-xx-xxxx
Burnett, William D., xxx-xx-xxxx
Burnette, David R., xxx-xx-xxxx
Burrow, William O., xxx-xx-xxxx
Burrows, William T., xxx-xx-xxxx
Buschar, David L., xxx-xx-xxxx
Bush, Thomas E., xxx-xx-xxxx
Busic, Len T., xxx-xx-xxxx
Busic, Michael S., xxx-xx-xxxx
Bussell, Jerry L., xxx-xx-xxxx
Butzbach, Robert G., xxx-xx-xxxx
Byl, William L., xxx-xx-xxxx
Cade, John H., xxx-xx-xxxx
Caffey, Eldred Y., Jr., xxx-xx-xxxx
Cahill, Patrick J., xxx-xx-xxxx
Caldwell, Steven J., xxx-xx-xxxx
Callahan, James M., xxx-xx-xxxx
Calvin, Eugene D., xxx-xx-xxxx
Canty, Edward P., xxx-xx-xxxx
Caquelin, Dale E., xxx-xx-xxxx
Carawan, Larry B., xxx-xx-xxxx
Carlson, Thomas F., xxx-xx-xxxx
Carney, James R., xxx-xx-xxxx
Carney, William J., xxx-xx-xxxx
Carothers, Thomas F., xxx-xx-xxxx
Carper, James W., xxx-xx-xxxx
Carr, Daniel M., xxx-xx-xxxx
Carr, David J., xxx-xx-xxxx
Carrigan, William E., xxx-xx-xxxx
Carrington, Emory J., xxx-xx-xxxx
Carroll, Ernest B., xxx-xx-xxxx
Carson, Chester P.J., xxx-xx-xxxx
Carter, Gary C., xxx-xx-xxxx
Carter, Jerry K., xxx-xx-xxxx
Carter, Lewis J., Jr., xxx-xx-xxxx
Carter, Louis H., xxx-xx-xxxx
Carver, Frank N., xxx-xx-xxxx
Castaldi, William G., xxx-xx-xxxx
Castellana, Edward, xxx-xx-xxxx
Cavey, Lloyd E., xxx-xx-xxxx
Caviglia, Louis P., xxx-xx-xxxx
Cecil, Gerald T., xxx-xx-xxxx
Chada, Robert L., xxx-xx-xxxx
Chapman, Frank H., xxx-xx-xxxx
Charles, David L., xxx-xx-xxxx
Chatty, Michael A., xxx-xx-xxxx
Chester, Bennie, Jr., xxx-xx-xxxx
Chicoine, Gary S., xxx-xx-xxxx
Chipola, Lewis A., xxx-xx-xxxx
Chirico, Carl F., xxx-xx-xxxx
Chitwood, Mark J., xxx-xx-xxxx
Christensen, Ronald, xxx-xx-xxxx
Christophersen, J., xxx-xx-xxxx
Claghorn, Charles E., xxx-xx-xxxx
Clark, Harmon R., xxx-xx-xxxx
Clarke, Harvey B., xxx-xx-xxxx
Clay, Michael A., xxx-xx-xxxx
Clayton, Howard W., xxx-xx-xxxx
Clemens, Richard D., xxx-xx-xxxx
Clendenin, Joseph A., xxx-xx-xxxx
Clevenger, James W., xxx-xx-xxxx
Clow, Derald L., xxx-xx-xxxx
Clowes, William E.I., xxx-xx-xxxx
Coachys, Richard M., xxx-xx-xxxx
Coan, John G., xxx-xx-xxxx
Cobb, Charles P., xxx-xx-xxxx
Cobb, James M., xxx-xx-xxxx
Cobb, Robert F., xxx-xx-xxxx
Cochran, James R., xxx-xx-xxxx
Cochran, Larry W., xxx-xx-xxxx
Cody, Clifford C., xxx-xx-xxxx
Coffey, Edmund B., xxx-xx-xxxx
Colangelo, Thomas W., xxx-xx-xxxx
Colby, Robert W., xxx-xx-xxxx
Colinsky, Edgar G., xxx-xx-xxxx
Collier, James F., xxx-xx-xxxx
Collins, Dennis C., xxx-xx-xxxx
Collins, James E., xxx-xx-xxxx
Collins, Lawrence B., xxx-xx-xxxx
Collins, Victor A., xxx-xx-xxxx
Collins, William H., xxx-xx-xxxx
Colwell, Richard G., xxx-xx-xxxx
Conrad, John C., xxx-xx-xxxx
Consolmagno, Donald, xxx-xx-xxxx
Contardo, William F., xxx-xx-xxxx
Conway, Michael E., xxx-xx-xxxx
Corbet, Gloria L., xxx-xx-xxxx
Costa, Norman J., xxx-xx-xxxx
Cotton, Robert D., xxx-xx-xxxx
Courier, Eugene, xxx-xx-xxxx
Coye, Michael O., xxx-xx-xxxx
Coyner, William L., xxx-xx-xxxx
Crain, John T., xxx-xx-xxxx
Creek, James A., xxx-xx-xxxx
Criswell, Gilbert M., xxx-xx-xxxx
Crocamo, Gerardo L., xxx-xx-xxxx
Cronin, Robert S., xxx-xx-xxxx
Cropp, Robert J., xxx-xx-xxxx
Crow, Harold L., xxx-xx-xxxx
Crowder, Lewis H., xxx-xx-xxxx

Crump, Francis J., xxx-xx-xxxx
Cugno, William A., xxx-xx-xxxx
Culbert, Harry J., xxx-xx-xxxx
Cunningham, John B., xxx-xx-xxxx
Cutchins, James A., xxx-xx-xxxx
Cutshaw, Charles W., xxx-xx-xxxx
Daffron, Robert A., xxx-xx-xxxx
Dallara, Barry L., xxx-xx-xxxx
Damico, Francis J., xxx-xx-xxxx
Dangelo, Robert H., xxx-xx-xxxx
Daniel, Douglas W., xxx-xx-xxxx
Daniels, Lee E., xxx-xx-xxxx
Danielski, Arlan J., xxx-xx-xxxx
Dantonio, Ronald E., xxx-xx-xxxx
Darga, Jerome P., xxx-xx-xxxx
Darling, Arthur E., xxx-xx-xxxx
Daughters, David L., xxx-xx-xxxx
Davies, William J., xxx-xx-xxxx
Davis, Donald W., xxx-xx-xxxx
Davis, Jerrell M., xxx-xx-xxxx
Davis, Norman D., xxx-xx-xxxx
Davis, Walter W., xxx-xx-xxxx
Deacy, John J., xxx-xx-xxxx
Dean, Brian A., xxx-xx-xxxx
Decker, Eural, xxx-xx-xxxx
Defazio, Michael J., xxx-xx-xxxx
Degroat, Ronald J., xxx-xx-xxxx
Delacruz, Jafilam M., xxx-xx-xxxx
Dell, David A., xxx-xx-xxxx
Deloney, James A., xxx-xx-xxxx
Demarco, Domenic P., xxx-xx-xxxx
Depue, John F., xxx-xx-xxxx
Desantis, Gregory, xxx-xx-xxxx
Despain, Arlo C., xxx-xx-xxxx
Deutschle, Thomas E., xxx-xx-xxxx
Devine, Richard P., xxx-xx-xxxx
Dick, Gerald C., xxx-xx-xxxx
Dick, William H., xxx-xx-xxxx
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Sadler, Russell B., xxx-xx-xxxx

HOUSE OF REPRESENTATIVES—*Wednesday, February 27, 1985*

The House met at 1 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, just as You give strength for us to be involved in the necessary concerns of daily life, so also give us the vision to see the way to the fullness of life and the possibilities of faith and hope. Help us to understand not only the way life is, but also the way life ought to be. Encourage us not to be content with injustice or conflict, but may we be instruments of Your purposes, proclaiming peace on Earth and good will to all. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. COMBEST. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COMBEST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 234, nays 167, answered "present" 1, not voting 30, as follows:

[Roll No. 16]

YEAS—234

Addabbo	Boner (TN)	Coleman (TX)
Akaka	Bonior (MI)	Collins
Alexander	Bonker	Cooper
Anderson	Borski	Coyne
Andrews	Bosco	Crane
Annunzio	Boucher	Crockett
Applegate	Boxer	Daniel
Aspin	Breaux	Darden
Atkins	Brooks	Daschle
AuCoin	Brown (CA)	de la Garza
Barnard	Broyhill	Dellums
Barnes	Bruce	Derrick
Bates	Bryant	Dicks
Bedell	Burton (CA)	Dixon
Beilenson	Bustamante	Donnelly
Bennett	Byron	Dorgan (ND)
Berman	Carper	Dowdy
Bevill	Carr	Downey
Biaggi	Chappell	Durbin
Boland	Coelho	Dwyer
Dyson	Leath (TX)	Roe
Early	Lehman (CA)	Rose
Eckart (OH)	Lehman (FL)	Rostenkowski
Edgar	Leland	Rowland (GA)
Edwards (CA)	Levin (MI)	Roybal
English	Levine (CA)	Russo
Erdreich	Lipinski	Sabo
Evans (IL)	Lowry (WA)	Savage
Fazio	Lundine	Scheuer
Feighan	MacKay	Schumer
Flippo	Manton	Seiberling
Florio	Martin (NY)	Sharp
Foglietta	Martinez	Shelby
Ford (TN)	Matsui	Sisisky
Fowler	Mavroules	Skelton
Frost	Mazzoli	Slattery
Fuqua	McCurdy	Smith (FL)
Garcia	McHugh	Smith (IA)
Gaydos	Mica	Snyder
Gejdenson	Mikulski	Solarz
Gibbons	Miller (CA)	Spratt
Glickman	Mineta	St Germain
Gonzalez	Moakley	Staggers
Gordon	Mollohan	Stallings
Gradison	Montgomery	Stark
Gray (IL)	Moody	Stenholm
Guarini	Moore	Stokes
Hall (OH)	Morrison (CT)	Stratton
Hall, Ralph	Mrazek	Studds
Hall, Sam	Murphy	Swift
Hamilton	Murtha	Synar
Hatcher	Natcher	Tallon
Hawkins	Neal	Tauzin
Hayes	Nelson	Thomas (GA)
Hefner	Nichols	Torres
Heftel	Nowak	Torricelli
Hertel	O'Brien	Traficant
Holt	Oakar	Traxler
Horton	Oberstar	Udall
Howard	Obey	Valentine
Hoyer	Olin	Vento
Hubbard	Ortiz	Visclosky
Hughes	Owens	Volkmer
Hutto	Panetta	Walgren
Jenkins	Parris	Watkins
Johnson	Pashayan	Weaver
Jones (NC)	Pease	Weiss
Jones (OK)	Pepper	Wheat
Jones (TN)	Perkins	Whitley
Kanjorski	Pickle	Whitten
Kaptur	Price	Wirth
Kastenmeier	Rahall	Wise
Kennelly	Rangel	Wolpe
Kildee	Ray	Wright
Kleczka	Reid	Wyden
Kolter	Richardson	Yates
Kostmayer	Robinson	Yatron
Lantos	Rodino	Young (MO)

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Archer	Coughlin	Goodling
Badham	Courter	Green
Bartlett	Craig	Gregg
Barton	Dannemeyer	Grotberg
Bateman	Daub	Gunderson
Bentley	Davis	Hammerschmidt
Bereuter	DeLay	Hansen
Bliley	DeWine	Hartnett
Boehlert	Dickinson	Hendon
Broomfield	DioGuardi	Henry
Brown (CO)	Dornan (CA)	Hiler
Burton (IN)	Dreier	Hillis
Callahan	Duncan	Hopkins
Campbell	Eckert (NY)	Hunter
Chandler	Edwards (OK)	Hyde
Chappie	Emerson	Ireland
Cheney	Evans (IA)	Jacobs
Clay	Fawell	Jeffords
Clinger	Fiedler	Kasich
Coats	Fields	Kindness
Cobey	Fish	Kolbe
Coble	Franklin	Kramer
Coleman (MO)	Frenzel	Lagomarsino
Combest	Gallo	Latta
Conte	Gekas	Leach (IA)
Lent	Morrison (WA)	Siljander
Lewis (CA)	Myers	Skeen
Lewis (FL)	Nielson	Slaughter
Lightfoot	Oxley	Smith (NE)
Livingston	Packard	Smith (NH)
Loeffler	Penny	Smith (NJ)
Lott	Porter	Smith, Denny
Lowery (CA)	Pursell	Smith, Robert
Lujan	Quillen	Snowe
Luken	Regula	Solomon
Lungren	Ridge	Spence
Mack	Rinaldo	Stangeland
Markey	Ritter	Strang
Marlenee	Roberts	Stump
McCain	Roemer	Sundquist
McCandless	Rogers	Sweeney
McCollum	Roth	Swindall
McDade	Roukema	Tauke
McEwen	Rowland (CT)	Taylor
McGrath	Rudd	Thomas (CA)
McKernan	Saxton	Vander Jagt
McKinney	Schaefer	Vucanovich
McMillan	Schneider	Walker
Meyers	Schroeder	Whittaker
Michel	Schuette	Wolf
Miller (OH)	Schulze	Wortley
Miller (WA)	Sensenbrenner	Wylie
Mitchell	Shaw	Young (AK)
Molinari	Shumway	Young (FL)
Monson	Shuster	Zschau
Moorhead	Sikorski	

ANSWERED "PRESENT"—1

Dymally

NOT VOTING—30

Ackerman	Foley	Lloyd
Anthony	Ford (MI)	Madigan
Armey	Frank	Martin (IL)
Bilirakis	Gephardt	Petri
Boggs	Gilman	Towns
Boulter	Gingrich	Waxman
Carney	Gray (PA)	Weber
Conyers	Huckaby	Whitehurst
Dingell	Kemp	Williams
Fascell	LaFalce	Wilson

□ 1320

Mr. COLEMAN of Missouri changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

APPOINTMENT AS MEMBER OF THE CONGRESSIONAL AWARD BOARD

The SPEAKER. Pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Chair appoints as a member of the Congressional Award Board Mr. Patrick L. O'Malley of Chicago, IL.

APPOINTMENT AS MEMBER OF THE CONGRESSIONAL AWARD BOARD

Mr. MICHEL. Mr. Speaker, pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, I have today appointed as a member of the Congressional Award Board Mr. W. Clement Stone of Chicago, IL.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

CALENDAR WEDNESDAY

The SPEAKER. This is the day of Calendar Wednesday. The Clerk will call the committees.

The Clerk called the committees.

ADMINISTRATION WHITE PAPER ON NICARAGUA

(Mr. AuCOIN asked and was given permission to address the House and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, the only thing more fantastic than the administration's policies in Nicaragua are the excuses it uses to justify them. Once again with its new white paper on Nicaragua, the administration is trying to dress up innuendo and parade it as facts.

If we buy the white paper, we then buy the proposition that Nicaragua, with virtually no Air Force or Navy, poses a threat to U.S. shipping lanes; that the Sandinistas, beseiged by a mercenary force of 15,000 men, are preparing to invade their neighbors; and, in an interesting twist, that the Sandinistas have invented a "stealth boat" allowing them to smuggle massive arms into El Salvador without being seen or intercepted in 3 years.

The administration has gone on a fact-finding mission, Mr. Speaker, in Nicaragua and found only those facts that support its pre-position, which is that the government there is not sufficiently democratic, and therefore it must be forced to say "uncle" because it is made up that way.

What does our administration call the elections in Nicaragua? It calls them "a total sham," even though those elections were a greater opening for the political opposition than any that were exhibited under General Somoza.

Meanwhile, this administration labels the South Korean elections as a "great stride in democracy" and the South African elections as a "commitment to positive change."

Mr. Speaker, I am no fan of the Sandinista government, but I assert that a policy based on hypocrisy and on deception is bound to fail.

TAXATION WITHOUT REPRESENTATION IS ALIVE AND WELL

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, the Speaker knows better than most of us the battle cry of the American Revolution: "Taxation without representation is tyranny."

It was a cry that was heard in the streets of the Speaker's hometown back in pre-Revolutionary times.

But today it is heard in the Eighth District of Indiana. The people of that district have been denied representation but are still asked to pay taxes.

In the colonial days taxation without representation led to revolution.

In our own time, taxation without representation leads to a resolution, the likes of which I brought before this House to seat Mr. McIntyre.

Today I am introducing a bill on behalf of Rick McIntyre to provide that individuals who live in the Eighth Congressional District of Indiana shall not be required to pay Federal income taxes for the period during which they are without representation in the House of Representatives.

The majority in this House is doing to the citizens of the Eighth District of Indiana what King George III did to the colonists.

Taxation without representation is alive and well in the House. Let's rid our institution of this unfair practice.

LEGISLATION TO ASSIST AMERICA'S NEIGHBORHOOD CRIME WATCH PROGRAMS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to assist America's neighborhood crime watch programs. Crime watch programs involve volunteers of the community in patrolling their own neighborhoods and reporting crimes or other unusual behavior.

These programs have come a long way in protecting our communities.

The bill would direct the Federal Communications Commission to review the feasibility of establishing a CB station for these crime prevention groups and issue recommendations within 1 year. In conducting that study, the FCC would examine the benefits of assigning channel 11 for exclusive use of neighborhood crime watch programs.

This bill would strengthen our crime prevention efforts throughout the country and aid the thousands of volunteers in their service of preventing crime on our streets.

We cannot afford a policeman for every neighborhood, but we can and must help our citizen volunteers who are protecting our senior citizens and children who so desperately need assistance.

I hope my colleagues will support this bill.

□ 1330

EXCESSIVE SPENDING ERODES THE ECONOMY

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I recently received a letter from a gentleman who has been doing business in Argentina for the past 30 years. He said in his letter that in 1962 a 1 million peso note was worth $769,230.77, and today that same 1 million peso note is worth $2.50.

The reason, Mr. Speaker, is because they were excessive in their spending. They spent a great deal more than they took in on a lot of programs that sounded good. As a result, Mr. Speaker, they leave a terrible legacy to their children. Imagine $769 thousand reduced in value to $2.50 in 23 years.

Mr. Speaker, I submit to you and my colleagues that unless we get control of Federal spending we are going to see a $1 million bill in the not too distant future being worth $2.50, and that is a terrible legacy to leave to our children. The very foundations of this Government will start to crack if we allow that to happen.

WAR POWERS ACT OF 1985

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, today I am introducing, along with 60 of my colleagues, the War Powers Act of 1985, a bill to restore to Congress its constitutionally mandated authority over decisions of war and peace.

The powers that a President possesses to use force without prior congressional approval are strictly defensive in nature. Under no circumstances should a President take offensive action without the prior expressed approval of Congress.

Early Presidents as a rule were respectful of article I's requirement that only the Federal Legislature, after public debate, could decide when the Nation should make war. It was in the 20th century that "making war at pleasure" became a consistent, rather than an occasional, practice.

Twelve years ago, when Congress enacted the War Powers Resolution of 1973, its intent was to reassert authority over warmaking, which had been gradually usurped by the executive branch over the years.

Unfortunately, the legislation which was ultimately enacted did just the opposite. In effect, it licensed the President to go to war at his or her discretion, informing Congress only after the fact.

This is the one fatal flaw of the existing War Powers Resolution—the President alone can decide to go to war; congressional approval is required only after forces have been committed and our troops are already engaged in combat. The question then becomes, will Congress support "our fighting

troops" or not? This provision of the present law completely emasculates article I, section 8 of the Constitution.

The War Powers Act of 1985 eliminates this loophole, while providing for emergencies, which are carefully delineated in the bill. The President must consult with and receive approval from Congress before sending troops into conflict situations. This also ensures deep involvement by the American people.

Today, because Congress has relinquished the warmaking power by timid responses and by the enactment of an empty War Powers Resolution in 1973, President Reagan is free to wage war at will. And during the past 4 years we have all been witnesses to the consequences—in Nicaragua and Honduras, in Lebanon, in Grenada—how many more instances will there be in the next 4 years?

In the words of James Madison:

> The power to declare war, including the power of judging the causes of war, is fully and exclusively vested in the legislature * * * the executive has no right, in any case, to decide the question whether there is or is not cause for declaring war * * * the right of convening and informing Congress, whenever such a question seems to call for a decision, is all the right which the Constitution has deemed requisite and proper * * *.

Our founders never intended that the warmaking powers should rest in one person's hands. They were firm in their belief, enshrined in the Constitution, that decisions dealing with war and peace are far too awesome for one person to make. It is time for the people and Congress of the United States to reclaim that responsibility.

HOUSE'S DISREGARD OF STATE ELECTION LAWS SETS DANGEROUS PRECEDENT

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, simply because this body has the power to disregard State election laws does not mean it is either right, or just to do that. I am concerned that, in the case of Indiana's Eighth Congressional District, we may be dangerously close to doing just that. I'm concerned because the people of Indiana's Eighth District have chosen a Representative. I'm concerned because this body has rebuffed those 500,000 people. And, I'm concerned because the precedent we may now be setting could be used in Nevada against me, or in any other State against any one of us. It's wrong for this body to override the election laws of our States, and make no mistake, that is exactly what we are doing right now, if we continue on this path.

I urge all my colleagues to put partisanship and partisan rhetoric aside and look objectively at this issue. If you do, you must agree that the only reasonable and just thing to do is to respect the laws of Indiana, and by so doing avoid setting a dangerous precedent. I urge you to join me in affirming our respect for the laws of Indiana, and for States rights generally.

CUTS IN STUDENT AID PROGRAMS

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, the administration proposes to do away with two of the student aid programs which focus almost exclusively on the poor students—the State student incentive grant and the supplemental educational opportunity grant. These two programs have enabled poor students to attend quality private schools. At this time 720,000 supplemental grants and 340,000 State incentive grants are awarded each year. The loss of these programs will not be compensated for through other forms of aid as the administration contends.

I submit to you that much of the leadership of our country is comprised of the product of private institutions. Eleven of twelve members of President Reagan's Cabinet come from these institutions; 315 Members of Congress hold degrees from independent colleges and universities.

If these institutions were good enough for President Reagan's top advisers, why aren't they good enough for able but needy young men and women?

FARMERS' PLIGHT

(Mr. SCHUETTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUETTE. Mr. Speaker, I recently received a letter from Kevin Freese, student of Cadillac, MI:

> DEAR CONGRESSMAN SCHUETTE: My uncle has a 450 acre dairy farm here in Michigan and he said he isn't getting enough money from his produce to make a living. My uncle and other farmers need more money, otherwise there won't be any more farms which we need for food. The farmers won't have enough money to repair machinery * * * or buy feed for their livestock, seed for crops, or food for themselves. It would help if the interest rates for loans were lowered.

Kevin has said it all. Some say farmers are to blame for the crisis. Did farmers raise the interest rates? Was it farmers that embargoed agricultural exports, costing farmers millions? Did farmers cause the dollar to rise to record-breaking levels?

Of course not—the Federal Government did. In this time of severe hardship, we should be listening to the true experts: The men and women who work the land. Swift wrote:

> Whoever makes two ears of corn, or two blades of grass to grow where only one grew before deserves better of mankind, and does more essential service to his country than the whole race of politicians put together.

JAPANESE TARIFFS ON WOOD PRODUCTS

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, I want to express my disappointment over yesterday's breakdown in negotiations on tariffs that inhibit U.S. exports of wood products to Japan.

For several years I have been working closely with the wood products industry, U.S. Trade Representative Brock and his deputy, Michael Smith, and other members of the Northwest congressional delegation to bring down these high Japanese tariffs. Japan's unbearably high tariffs, ranging from 12 to 15 percent on our finished wood products, but with no tariffs on raw logs, is a blatant example of unfair trade and explains in part why the trade deficit is so high between our two countries.

The Japanese claim their finished product tariffs are necessary to protect their own domestic wood processing industry which they claim is depressed. Well, we in the Northwest have a depressed industry, too, with unemployment as high as 25 percent in one county.

Mr. Speaker, our wood product exporters in the Northwest face enormous challenges. With a high wage base and the overvalued dollar that is as high as 30 percent, and add to that the 12- to 15-percent tariff by the Japanese Government, it makes it virtually impossible for us to compete.

I want to commend Ambassador Brock and all of our negotiators for their effort. But the administration and the Congress must get much tougher if we are to see some results.

CONTINUED CONGRESSIONAL SUPPORT FOR ESSENTIAL AIR SERVICE PROGRAM

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, in 1978, the communities served by commuter and smaller airline services stood by Congress' efforts to deregulate the airline industry.

We struck a bargain with those mostly rural communities to insure continuation of their service through the Essential Air Service Program for one full decade.

We have 3 years left on that commitment and this body should not go back on that promise.

Today I am introducing a resolution which expresses the sense of the Congress that Federal assistance for the Essential Air Service Program should be continued. We should not pull the prop out from under them now.

The Essential Air Service Program has proven its worth. Since 1983 the need for Federal assistance has dropped over 25 percent—clearly, evidence that with help, in the future, the service can make it on its own. Of the 330 communities currently served by the airlines under this program, only 146 receive assistance.

We made a commitment to these communities 7 years ago. I suggest we keep it.

I urge my colleagues to support this resolution.

SENATE DELAYING FARM CREDIT VOTE UNFAIR TO AMERICAN FARMERS

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, reports are that the leadership of the other body, fearing the votes might be there to pass farm credit legislation similar to that which we are taking up today, has been delaying votes.

□ 1340

The SPEAKER. Under the rules the gentleman is not to refer to proceedings in the other body.

Mr. GLICKMAN. I appreciate the Speaker's comments. My point here today, which has been significantly altered by the Speaker's ruling, is that it is important for this Congress to pass farm credit legislation. We moved expeditiously on various matters this year including the nomination of Ed Meese to be Attorney General of the United States. Surely our farmers demand no less than that.

OIL HEAT CENTENNIAL YEAR

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I rise today to urge my colleagues to cosponsor a House joint resolution I introduced today to designate 1985 as the "Oil Heat Centennial Year."

On August 11, 1885, a patent was granted for a furnace that could burn liquid and gaseous fuels. This device is generally recognized as the first successful oil burner.

From that time to today, oil heat furnaces have become a major source of heat for commercial and residential buildings. Nearly 60 percent of the buildings in New England depend on oil as their primary source of heat. Today 28 States and the District of Columbia have significant numbers of buildings which rely on heating oil.

I am also proud to say that small businesses are the driving force behind the popularity of home heating oil. These small businesses epitomize the tenacity and ingenuity that is rewarded under our economic system by their ability to survive during the oil shortages of World War II, the import quotas of the late 1950's, price controls, the Arab oil embargos of the 1970's, and the skyrocketing price of oil which occurred then. One Massachusetts company is now entering its fourth generation of family ownership.

This centennial year will be highlighted by a meeting to be held in Boston June 17-19, 1985. Representatives of the heating oil industry from all over the world will gather to honor the accomplishments of oil heat over the past century and discuss its important future role in not only our economy but the world economy.

I urge my colleagues to join me in honoring this important milestone in our country's energy history.

DISTORTION AND FALSEHOOD DOMINATE REPUBLICAN CAMPAIGN

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, guess what arrived in the mail yesterday?

I have in my hands a copy of a new direct mail solicitation signed by our colleague from Michigan the Chairman of the National Republican Congressional Committee.

The letter is about the disputed McCloskey-McIntyre race, and once again the Republicans have gone too far in trying to exploit an important institutional issue for financial benefit.

In addition to other distortions, the Republican chairman writes:

I've gone over the figures with our lawyers * * * and if we're going to continue helping Rick McIntyre * * * we simply must raise $25,400 in the next 28 days.

I've checked the most recent financial reports, and its seems the NRCC told the Federal Election Commission that it has about $2 million in cash on hand today.

And while I'm not surprised that they forgot to mention this in their letter, it's this kind of distortion and outright falsehood that has dominated the Republican campaign on this issue from the start.

RICK McINTYRE SHOULD BE SEATED IMMEDIATELY

(Mr. COBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. COBEY. Mr. Speaker, this past January 3, I had the privilege of being sworn in as a Member of the U.S. House of Representatives. I consider it a high honor to be a part of this great institution.

I know Rick McIntyre would consider it a high honor also, but he wasn't allowed the privilege like the rest of us, for which he so diligently worked and labored.

Mr. Speaker, I swore that day to uphold the Constitution given to us by our forefathers. The right of citizens to have representation is guaranteed in article 1 of our Constitution. The people of Indiana's Eighth District are being denied this representation, and Rick McIntyre is being denied the right to represent them.

The Eighth District of Indiana should have their duly elected, and certified representative, and we need to seat him immediately, in order to serve our Nation with integrity and to retain the trust of the American people.

TRIBUTE TO RUTH FISHER

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, we are all very pleased in this body and in the U.S. Congress to have the help and service of people of great dedication and loyalty. Ruth Fisher has been my secretary since 1971 and at the close of business tomorrow will retire.

Prior to that time she served for 10 years as the personal secretary to our late beloved U.S. Senator Spessard L. Holland of Florida. She is a warm person, one of great efficiency and one who will be greatly missed by this Member and my entire staff.

You can replace a personal secretary but you can never replace Ruth.

We will miss you, Ruth.

THE JOB CORPS IS ESSENTIAL

(Mr. SEIBERLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SEIBERLING. Mr. Speaker, for 20 years, the Job Corps has fulfilled its mandate to seek out the Nation's poor people and provide them with the skills necessary to break out of the bitter poverty and despair which has ruined so many young Americans' dreams of a better life.

The Job Corps takes young people out of the ghettos and depressed rural areas and moves them to camps to do conservation work and training. The average Job Corps student is 18 years old, has a sixth grade reading level, and has a hard time adapting to a conventional learning environment. The

program isn't cheap, and it demands a great deal from its participants. But for those who stick with it, the Job Corps is a ticket out of the urban ghetto or rural poverty and into a meaningful, productive life of gainful employment. The Job Corps training programs have provided the building industries with skilled graduates who have made a measurable impact on fulfilling the manpower needs of the United States.

It is incomprehensible why President Reagan, at a time when millions of Americans are still unemployed, wants to zero out funding for one job-training program which really works. Not only does it work, but for every dollar spent on the Job Corps, the Federal Government gets back $1.48 from income taxes paid by graduates over their employment careers. Job Corps graduates thus quickly become productive citizens who more than pay back the cost of their training and while in the Job Corps, they benefit the Government by reduced dependence on welfare and other Federal programs.

Mr. Speaker, only last September President Reagan joined the chorus of officials saluting the Job Corps on its 20th anniversary. As the President noted in his telegram to the Job Corps celebrants, "your vital program has provided hundreds of thousands of deprived youths with basic educational and vocational training to prepare them for their future in the workplace."

It is still a "vital program," to use the President's words. Congress should keep it that way.

CONGRESS MUST PREVENT ADMINISTRATION FROM USING LEGAL MEANS TO FUND AN ILLEGAL WAR

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, this morning Secretary of State Shultz told members of the Committee on Foreign Affairs that the administration will not fund the Contras by diverting economic assistance funds intended for Honduras. He further assured the committee that the administration will not fund the Contras by any method not authorized by the Congress.

Thus if Congress refuses to reverse the cutoff of funds to the Contras, the administration's illegal war should come to an end in Nicaragua. But one never knows. Congress must make sure the administration does not use illegal means to fund an illegal war. Nor should we approve legal or overt funding which would allow the administration and its escalating rhetoric to pull America into a war in Central America.

The time to end the war is now and the only way to do it is to cut off all funding, legal or illegal, covert or overt. There is only one way to get this administration to the peace table in Central America: Drag it there.

□ 1350

THE EMERGENCY FARM CREDIT RELIEF ACT

(Mr. WOLPE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, today this House will consider the Emergency Farm Credit Relief Act. This legislation is critically needed if economic catastrophe is to be avoided. Let us be very clear what is at stake: If this Congress fails to act, or if the administration vetoes this bill as has been threatened, literally thousands of farmers all across this country will go under.

The ripple effects of their economic failure will be felt throughout the economy. In my own State of Michigan, there are 5,000 farmers that face bankruptcy if they cannot obtain credit to plant their crops in the coming weeks. Nationally, it is estimated that up to 30 percent of all farm operations could go under.

We need to understand that the farm crisis is not simply a crisis facing farmers: It is a crisis that falls on all of us. If immediate credit is not forthcoming it would cripple industries who supply equipment to the farm community, cripple the financial institutions dependent upon the agricultural sector, cripple small businesses, and finally could cause the ultimate demise of our rural communities. It is clear, that neither our cities or our rural communities can escape this crisis.

We are threatened, literally, by a path of serious economic disruption in every region and community in our country if we fail to take action. I urge my colleagues to pass this critically important legislation.

U.S. POLICY TOWARD NICARAGUA

(Mr. STUDDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUDDS. Mr. Speaker, the President of the United States would have us alter by force the present structure of the Government of Nicaragua. That is tantamount to a declaration of war.

The President wants Congress to resume funding for military operations directed against the people and territory of Nicaragua. That, too, is tantamount to a declaration of war.

The President is unwilling to defend before the world court the actions of our Government toward Nicaragua because those actions are legally indefensible in the absence of a state of war.

The President has called upon the American people to support what he calls a crusade for human freedom. In fact, he is calling upon our people, directly and through surrogates, to wage war.

War is a simple solution. It means you kill those with whom you disagree. It means you kill until the other side cries "uncle."

Is the history of Nicaragua so simple?

Is the present of Nicaragua so simple?

Is this what the struggle for freedom is all about?

Is this the best we can do?

The answer to these questions, Mr. President, is no. Your rhetoric is empty; it does not persuade.

Put aside this simple talk of war, and join with us in the far more complex and far more rewarding task of encouraging peace, real democracy, and social justice in Central America.

CALLING THE CONTRAS "FREEDOM FIGHTERS" WILL NOT REVERSE FAILED POLICY IN NICARAGUA

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, Nicaragua has been a secret which everyone knows. The secret war that makes the headlines and the secret U.S. strategy of overthrowing the Sandinista government that even the President now admits.

The inconsistencies of our policy in that nation are no secret to anyone. We drive Nicaragua into the arms of the Kremlin and we are shocked when we find them there. We disparage the efforts of our neighbors for naively seeking peace through negotiations as we stoke the fires of war with our millions.

We speak of our tradition of freedom in a nation where our legacy of supporting a dictator is still fresh in their minds.

President Reagan is a skillful politician. He could tiptoe across a beach without leaving a footprint. But calling the Contras "freedom fighters" will not breathe life into our failed foreign policy in Central America or slow down our steady march toward an even deeper military involvement in that region.

LEGISLATION INTRODUCED TO PERMIT STATES TO RAISE SPEED LIMIT ON RURAL INTERSTATES

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, the 55 mph speed limit is easily the most abused law in the land. High noncompliance has led Federal transportation authorities to threaten to cut off Federal highway funds to many States. As a result, State police must spend an undue amount of time and personnel enforcing this statute.

"Fifty-five" has saved lives and energy. But, we should also consider the advances we have made in automotive and road technologies. We need a national policy that recognizes these factors as well.

I recently introduced legislation that would permit States to raise the maximum speed limit to 65 mph on rural interstates where the Secretary of Transportation determines that highway safety will not be significantly adversely affected.

My bill, H.R. 693, allows Governors to apply for the right to raise the speed limit.

Past bills have sought to repeal the 55 mph on all highways. I seek to repeal it only on rural interstates where the Federal safety standards are high and the traffic count and fatality rates are low.

I am encouraged that the Transportation Subcommittee and the Science and Technology Committee held hearings on this issue and invite my colleagues to cosponsor my measure.

RATIFY THE GENOCIDE CONVENTION

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, close to 40 years ago, the U.N. General Assembly took a valuable step forward by unanimously adopting the Convention on the Prevention and Punishment of the Crime of Genocide.

Drafted in the aftermath of the Nazi regime's brutal and systematic annihilation of the Jewish people, the Genocide Convention was intended to send a strong message to the world that the crime of genocide would never again be tolerated.

Since 1946, 96 nations have become parties to the Genocide Convention.

Despite the support of Presidents Truman, Kennedy, Johnson, Nixon, Ford, Carter, and Reagan, the United States has yet to become a part of the Genocide Convention.

Our failure to ratify this important international treaty can be traced directly to opposition by some conservatives in such organizations as the John Birch Society and the Liberty Lobby.

Mr. Speaker, it is now imperative that this body speak out in support of ratification of the Genocide Convention, to express our unqualified support for this important document. Today I am introducing a resolution expressing the sense of Congress that the United States should ratify the convention.

During the 98th Congress, the Senate passed a resolution expressing approval for the principles stated in the treaty and pledging quick action on it in the 99th Congress. The time has now come for the Senate to act upon this pledge and to put the lingering question behind us.

IF YOU CAN'T TAKE THE HEAT, GET OUT OF THE KITCHEN

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, as most of you know a great many farmers will visit Washington over the next few weeks to plead their case for help from the Government. Unfortunately, it appears they will not be allowed to discuss their plight with some of the people who can provide the help they need.

On Monday, my staff requested an appointment for a few farmers from my district to meet next week with the Secretary of Agriculture, John Block. My staff was informed that for "security reasons" Mr. Block is not meeting with any farmers next week.

This one refusal, taken alone, might not be terribly significant. But I believe it is one more sign of indifference in this administration to the needs of the family farmer. I recently joined with 75 of my colleagues, from both sides of the aisle, requesting a meeting with the President on the farm crisis. In response, the door was slammed in our faces.

We were told that a meeting with the President was not possible, but that Secretary Block had evaluated the situation and the administration's program had been announced.

That they refuse to listen is tragic, for they are missing the voice of middle America crying out for help. Today the House will take up a measure to provide meaningful assistance to our farmers, rather than the unworkable program the administration has announced, and I urge my colleagues' support for H.R. 1035.

FEDERAL GOVERNMENT ALLOWING DESTRUCTION OF KLAMATH RIVER SALMON AND STEELHEAD

(Mr. BOSCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOSCO. Mr. Speaker, earlier this week in California, 13 people were indicted in connection with the illegal sale of 6,000 pounds of gill-netted Klamath River salmon and steelhead. A similar "sting" operation several years ago also produced a number of arrests. Since then, the situation has only gotten worse. The "black market" is alive and thriving, and the Klamath salmon run—once one of the greatest in the world—has been reduced to 20 percent of its historic size. Nearly half the fish that returned to the river last year were taken by Indian gill nets blocking the only route to their native spawning grounds. The natural runs are on the verge of extinction.

The bulk of the responsibility for the crisis on the Klamath rests with the Federal Government. The State of California had an effective management program until the Federal Government asserted jurisdiction in the mid-1970's and turned it over to the Interior Department. But the Fish and Wildlife Service's chief interest seems to be counting the few remaining fish. And the Bureau of Indian Affairs is more concerned with protecting users' rights than it is with protection of the resource.

We hear a lot about everyone's "rights" on the Klamath. But no one has an inherent right to destroy a public resource. It's time for the BIA to stop worrying so much about the rights of gill netters and start worrying about the rights of the resource—before there's no fish left to fight over.

□ 1400

PRESIDENT IS ASKING CONGRESS TO DECLARE SECOND-HAND WAR

(Mr. MINETA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MINETA. Mr. Speaker, in 1984, we limited assistance to the Contras to $24 million. This year, there is an absolute ban on such expenditures unless we vote otherwise. However, I believe the administration intentionally violated these ceilings by what could best be called creative accounting.

Now, the administration has begun an extensive campaign to win popular support for the Contra program. Last week on the radio, President Reagan asked for support calling these rebels our "brothers" and "freedom fighters." No longer does the administration say its objective is to interdict arms. Now the President openly admits to aiding the Contras in hopes of overthrowing the government there.

Mr. Speaker, make no mistake, by admitting he wants to overthrow the Nicaraguan Government, the President is asking Congress to declare a secondhand war by giving him the $14 million. If the President wants to overthrow the Government of Nicaragua, let him propose a declaration of war. Then if Congress is to fund a war, we will at least call it by its right name.

A MATTER OF FAIRNESS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, as we have considered on this floor the issue of the case of seating Mr. McIntyre of Indiana in this body, we have heard a great deal of talk about fairness in that issue.

We on the minority side have had some reasons to question that issue of fairness, because there has been the appearance of unfairness.

It is being considered in the House Administration Committee and it is stacked against us. It is being considered by a task force that is stacked against us by 2 to 1.

Now we have the action of the Democratic sophomore class who recently voted in Mr. McCloskey as their new class president. In other words, they have elected Mr. McCloskey to an office within this Congress and they have elected a man who has won no official count and has never been certified.

We suspect that this action belies Democratic claims of fairness and speaks to real intent. The intent appears to be an effort to seat Mr. McCloskey despite the wishes of the people of Indiana.

THE FARM CRISIS

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, today we are going to deal with the farm credit bill that addresses emergency farm credit needs out in this country.

I note that the Agriculture Secretary, who has been none too interested in the farm credit problem or the general farm problem, says if we pass a farm credit bill like this he is going to ask the President to veto it.

Well, let me ask a question: Why does this administration seem so unwilling to do for farmers what it is perfectly willing to do for other governments in this world? Let me give my colleagues an example.

Who gets 2-percent interest rates? Farmers? No. Egypt, Greece, Algeria, Finland, Austria, Cyprus, in this budget, this year, submitted by this administration.

Who gets 5-percent interest rates on credit? Jordan, Singapore, Turkey, Colombia, Portugal.

Why low interest rates so quickly and so easily for those governments but a stingy approach to agricultural credit to a Farm Belt that is burning?

I think those are twisted priorities, Mr. President. We are going to do what we have to do. The right thing. We are going to pass an emergency farm credit bill for farmers and you do what you have to do. But rethink carefully who you are doing it for. Farmers need this Government's help now so that we maintain a network of family farms in this country's future.

THE PRESIDENT AND NICARAGUA

(Mr. GARCIA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARCIA. Mr. Speaker, the President began his spring offensive against Nicaragua early this year. The President and Secretary of State Shultz have loaded their guns, aiming for the "hearts and minds" of reactionary America.

I am certain that the President has the best of intentions. All of us want to see a truly democratic Nicaragua. All of us want to see regional stability, but supporting the Contras or mining Nicaragua's harbors will not achieve these goals.

Five American bishops from the National Conference of Catholic Bishops have just completed a factfinding tour of Nicaragua. The Catholic Church is by no means a champion of the Nicaraguan Government, Yet, these men are also against a military solution as a way to settle differences with the present Nicaraguan Government.

Simply because I refuse to support the Contras does not make me an apologist for the Sandinistas. I have my problems with that government just as the President does, but I like the bishops way of solving those problems far better than the methods employed by the White House.

Perhaps the President and his advisors would be well advised to reread a particularly revealing passage from the Kissinger Commission Report on Central America. In its conclusion the report says:

> It is a common failing to see other nations as caricatures rather than as portraits, exaggerating one or two characteristics and losing sight of the subtler nuances on which so much of human experience centers. As we have studied these nations, we have become sharply aware of how great a mistake it would be to view them in one-dimensional terms. An exceptionally complex interplay of forces has shaped their history and continues to define their identities and to affect their destinies.

RURAL MEMBERS SHOULD ALSO CONSIDER NEEDS OF URBAN MEMBERS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, as an urban Member I have almost always supported legislation to provide assistance to the rural areas and to our farmers. I intend to do so with the legislation that is coming up today.

But I must tell my colleagues that I am often asked by my constituents, "Why is it that urban Members are concerned about rural people who are drowning economically, but that those Members who represent those rural areas often forget that when people are drowning economically they do so whether they live in the cities or on the farms."

I think that there frequently is a double standard. There is a sense often in this House that rural people who have economic troubles deserve full consideration, but that people in the cities who have economic problems, do not deserve equal consideration.

In my district the unemployment levels among young people in the minority communities are running close to 50 percent. The general unemployment levels for blacks run about 15 percent. We need help desperately for people in the inner cities and I hope that we will work together to provide help to people who need that help whether they live in the cities or on the farms of this country.

RURAL MEMBERS WILL RESPOND TO NEEDS OF URBAN MEMBERS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, I take this time to respond to my good friend, the gentleman from New York [Mr. WEISS], who just asked the question of why urban Members should assist and respond to the crisis in rural America and on the farms.

I observed last evening the report of Harvard College which detailed the increase in hungry people in America since 1981 when this administration came to power.

I observed that in some States like Mississippi the demand for food for the hungry has increased over 700 percent and in New York over 200 percent.

Those cries of the crisis among the hungry and the poor in America are heard by those of us who represent the farmers of America. The poor are not the first casualty of the Reagan administration, the farmers are like-

wise a casualty. Maybe the second casualty.

We are here today to respond to the crisis in rural America caused by the policies of the Reagan administration. I solicit the votes and support of all those who represent the people of the cities of this great land because you know when the time comes to help the people of the cities that those of us who represent the farm will be there to assist you and be at your side.

□ 1410

THE AGRICULTURE BILL

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, there are those of us in this House who are from urban areas and do not represent any farmers, but who have been talking with fellow Members who represent rural areas, farm areas, and would very much like to do what is right to take care of the severe problem that does appear to be facing our farmers.

But I must say this, Mr. Speaker: As one who is attempting to try to make a decision on today's bill and the various amendments to it, it makes it extremely difficult to do that if this debate is going to be colored by partisanship from beginning to end.

We have a problem that faces farmers, as I understand, whether they are Republicans, Democrats, independents or don't even register. We have some difficulty dealing with the appropriate remedy to their problems. I am not sure anybody has a monopoly on wisdom or justice or truth in this particular situation.

So I would just hope that we might reduce the rhetoric blaming Mr. Block or blaming the President or blaming the Democrats or blaming the Republicans. Let's try to at least approach this as to what is the proper solution in the short run, what is the proper solution in the long run, and give those of us who are not ultimately involved with the problem some real information, not some political rhetoric, upon which to make our judgments today and the days ahead.

MEMBERS URGED TO SUPPORT FARM BILL

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, I appreciate the opportunity to respond to my friend from New York.

When New York had its difficulty—and this Member from Iowa was serving in the House of Representatives—some of the eastern Members rose right here in the well, and they said at that time that "we realize we have been wrong in voting against your farm problems, we realize that we are on Nation and we need to be concerned about each other's problems, and we realize that if things are bad on the farm, then they are going to affect us. We just hope that you realize that when things are bad in New York that it also affects the people in Iowa."

I voted for that New York proposal. I voted for it for that reason. I think we are one Nation. I think that we are one body. And I think that we are here to represent that Nation and to represent all of the areas of that Nation. And when the people at Chrysler are in trouble, I think we have a duty to try to help; and when the people in New York are in trouble, I think we have a duty to try to help. I believe when the people in the rural area of our country are in trouble, we also need to help, and I hope that will be the attitude of the gentleman from New York and the other Members from similar areas.

FARM EMERGENCY CREDIT ACT OF 1985

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Iowa [Mr. BEDELL] for the comments that he made in response to the gentleman from New York [Mr. WEISS]. I would also say to the gentleman from New York, my colleague on the Foreign Affairs Committee, to remind his constituents, as I would ask all of my colleagues of the House to remind their constituents, that the U.S. consumers pay a smaller share of their income for food than people living in any nation on the face of the Earth. The 1984 projections for food costs show that American consumers will be required to spend an even smaller percentage, the smallest percentage ever, for food purchases.

Furthermore, I would ask my colleagues, as we take up the emergency agricultural credit bill later today, to listen carefully to this Member, who, unfortunately, has more failed banks in his district during the last 18 months than any other Member, and to take a careful look at my amendments. Additionally, I hope we will pass a bill that avoids creating additional problems for our troubled Federal farm credit system.

I appreciate this opportunity to address the House on the justification for assisting viable American farmers and ranchers.

WHITE PAPER ON LATIN AMERICA

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker and Members of the House, the House has voted several times not to fund the aid to the Contras in Nicaragua. In an effort by the administration to force the House into allowing the $14 million to be spent to continue the reign of terror that has been brought about by the Contras as they have unleashed their fire power against the civilians and kidnaping and torture and rape and murder of civilian Nicaraguans, the administration has now released its latest white paper on Latin America. I urge all Members to read it. It is one of the more glowing examples of half truths and misrepresentations that have come forth from the White House during this debate.

The basis of the white paper, basically, is that we must make an effort to protect the sealanes from raids by the Nicaraguan Navy, I guess it would be, or the Nicaraguan Air Force, I am not sure, and/or the Cuban Air Force, and therefore we must overthrow the Government of Nicaragua.

I think what has become clear is that there is no basis for that scenario. Ships passed throughout the 25 years that the Cuban regime has been there, ships have passed throughout the Caribbean. They do not cite, as the Kissinger commission failed to cite, a discussion as to whether or not this means we would be at war with the Soviet Union or not. So I urge you to read this because you will find that it is the same flimsy material upon which the original white paper that was so badly discredited the last time the administration sought to get us into a war in Nicaraguan was issued by this same White House. I think you will find out that this is the same caliber white paper.

RESIGNATION AS MEMBER OF COMMITTEE ON SMALL BUSINESS

The SPEAKER laid before the House the following resignation as a member of the Committee on Small Business:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 26, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Effective immediately, I hereby resign from the House Committee on Small Business.

Respectfully submitted,
MATTHEW G. MARTINEZ,
30th District of California.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

The SPEAKER laid before the House the following resignation as a member of the Committee on Post Office and Civil Service:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 26, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
Speaker, U.S. House of Representatives, H-204, U.S. Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby resign from the Committee on the Post Office and Civil Service.

Sincerely,

THOMAS S. FOLEY,
Majority Whip.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON EDUCATION AND LABOR

The SPEAKER laid before the House the following resignation as a member of the Committee on Education and Labor:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 27, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
H204, Capitol,
Washington, DC.

DEAR MR. SPEAKER: I hereby resign my seat on the House Education and Labor Committee effective today.

Sincerely,

HOWARD C. NIELSON,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER laid before the House the following resignation as a member of the Committee on Government Operations:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 27, 1985.
Hon. Thomas P. O'Neill, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I hereby resign my membership on the Committee on Government Operations, effective today.

Sincerely,

JOHN R. MCKERNAN, Jr.,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. GEPHARDT. Mr. Speaker, as chairman of the democratic caucus and by direction of the caucus, I offer a privileged resolution (H. Res. 83) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 83

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on the District of Columbia: Alan Wheat, Missouri;

Committee on Government Operations: Matthew G. Martinez, California; and

Committee on Post Offie and Civil Service: Morris K. Udall, Arizona (effective only for the first session of the ninety-ninth Congress).

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. LEWIS of California. Mr. Speaker, by direction of the Republican conference, I offer a privileged resolution (H. Res. 84) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 84

Resolved, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Education and Labor: John R. McKernan of Maine (to rank below Mr. Tauke of Iowa).

Committee on Government Operations: Howard C. Nielson of Utah (to rank below Mr. Craig of Idaho).

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1189, EMERGENCY AGRICULTURAL CREDIT APPROPRIATIONS ACT

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 99-8) on the resolution (H. Res. 85) providing for the consideration of the bill (H.R. 1189) to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 1239, URGENT SUPPLEMENTAL APPROPRIATIONS FOR FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. DERRICK, from the Committee on Rules, submitted a privileged report (Rept. No. 99-9) on the resolution (H. Res. 86) waiving certain points of order against consideration of the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FARM EMERGENCY CREDIT ACT OF 1985

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 79 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 79

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1035) to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(1)(6) of rule XI and sections 311 and 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI and sections 311 and 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purposes of debate only, to the gentleman from Ohio [Mr. LATTA], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 79 is an open rule providing for consideration of H.R. 1035, the Farm Emergency Credit Act of 1985. The rule provides for 1 hour of general debate. To be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. Points of order against consideration of the bill for failure to comply with clause 2(L)(6) of rule XI, The 3-day layover requirement, are waived by the rule in order to expedite consideration of this emergency legislation in the House. I would point out that printed copies of the committee report on H.R. 1035 have been available since yesterday morning. Further, the rule waives sections 311 and 401(b)(1) of the Budget Act against consideration of the bill.

Section 311 of the Budget Act prohibits consideration of legislation that would cause the budget authority or outlay ceilings to be exceeded or revenue floor to be breached. In order to consider this bill it is necessary to waive this section of the Budget Act because the outlays associated with this legislation would cause the level of outlays set by the budget resolution for fiscal year 1985 to be breached. Inasmuch as this bill seeks to address an emergency situation not anticipated when the fiscal year 1985 budget resolution was adopted, it was the opinion of the Rules Committee that the House should have an opportunity to consider this relief measure notwithstanding this budget act violation.

Section 401(b)(1), which prohibits consideration of new entitlement authority which becomes effective prior to October 1 of the year in which it is reported, must be waived if the goal of this legislation—providing emergency credit to our farmers—is to be achieved. Delaying the effective date of this legislation until the start of the next fiscal year, after the harvest of this year's crops, will provide assistance far too late and will completely frustrate the objectives we seek to accomplish in H.R. 1035.

Mr. Speaker, this rule also provides for consideration of a committee amendment in the nature of a substitute as an original bill for the purpose of amendment. Sections 311 and 401(b)(1) of the buget act are similarly waived against consideration of the committee substitute. A waiver of clause 5(a) of Rule XXI against the committee substitute is also provided by this rule. This waiver of the rule prohibiting appropriations in a legislative bill is necessitated because the bill provides that certain amounts of previously appropriated funds are authorized for a new purpose. While this amounts to a technical appropriation in the bill, it should be noted that no additional new budget authority is provided by these provisions.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1035, the Farm Emergency Credit Act of 1985, is designed to intercept a looming crisis which threatens the economic well-being of thousands of American farmers. The ability of many farmers to obtain operating loans so that they can plant a crop this year is being hampered by the presence of high interest rates, low farm prices, and the continuing deflation of land and machinery values. Because many of the Nation's farmers who are victims of these conditions are considered to be high risk borrowers by their lending institutions, they are finding it increasingly difficult to obtain the capital they need just to get the 1985 crop into the ground. H.R. 1035 attempts to deal with reluctant lending institutions by offering them Federal guarantees on 90 percent of outstanding individual farm ownership and operating loans which they agree to restructure for farmers who are otherwise eligible to be the recipients of guaranteed loans. In return for the Federal guarantee on their investments, the lending institutions would agree to write down the interest rate on the loan so that it does not exceed the cost to the institution of borrowing money plus 1¼ percent.

H.R. 1035 would also enact a program that would entitle farmers to receive recourse loans from the Commodity Credit Corporation before the crop for which the loan is made is harvested. Such loan funds would only be made available to the farmer for use in planting and tending his crop and may not exceed 50 percent of the projected value of the crop itself. The bill also limits the amount that any one farmer can receive to $200,000. I should not at this time, Mr. Speaker, that the chairman of the Agriculture Committee has said that he will offer an amendment during floor consideration to limit the amount any farmer can receive in advance loan funds to $50,000.

Mr. Speaker, in considering this legislation, the Agriculture Committee felt that the interests of American taxpayers require that the Government's obligations be adequately insured against excessive losses from defaults which may occur. Consequently, the committee included provisions in the bill requiring any farmer who benefits either from the Farmers Home Administration Loan Guarantee Program or the Advance Loan Program to purchase crop insurance if it is available. Inclusion of this provision will insure that the inability to harvest a healthy crop will not result in a total loss to the Treasury. These assurances should minimize net outlays which will result from the programs contained in this bill. The Agriculture Committee estimates that the cost of the bill will be approximately $450 million over a 6-year period.

Mr. Speaker, another important provision of this bill would provide direct Farmers Home Administration operating loans at reduced interest rates to farmers who have been especially hard hit by natural disasters in recent years. The bill would provide that any grower who farms in an area which has been victimized by a natural disaster in 3 of the last 5 years would be eligible for the loans at a rate of interest equal to the normal rate for such loans minus 3 percent. This provision is included in the bill in recognition of the fact that some regions of the country have been especially hard hit recently by natural disasters and affected farmers are in need of additional assistance due to no fault of their own.

Mr. Speaker, this measure received broad, bipartisan support when it was considered in the Committee on Agriculture. The breadth of support is strong testimony to the fact that speedy action is required in order to avert the crisis which would result should many of our Nation's farmers be unable to obtain necessary capital to plant a crop this year. The rule itself is an open one and I urge my colleagues to approve the resolution so that we can move forward on this critically needed legislation.

In my home State, Mr. Speaker, delinquency rates on farmers home loans are running at 38 percent, 8 percent above the national average. Over 1,600 farmers in South Carolina are behind in payments to the Farmers Home Administration, and unless relief is provided now, many of these producers will be forced out of business and there will be little likelihood of an repayment of this debt. And equally as important, the personal consequences for these family farmers would be devastating.

Again, Mr. Speaker, I would note that this is an open rule and every Member will have an opportunity to offer amendments to H.R. 1035. I urge adoption of the rule.

□ 1420

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. LATTA. Mr. Speaker, let me say I have great compassion and concern for the Nation's farmers. They are hard working, independent, good people who have invested both capital and labor into a vocation they love. Let me say on a personal note that I went to the farm to get my wife, and my wife's folks still live on that farm.

We realize today that the farmers are facing many problems, but let me hasten to point out that the bill before us is not the farm bill that we have all been waiting for. It would attempt to deal only with a credit problem facing some of them. I believe everyone wants to assist the farmers with their present credit crunch; the differences seem to be on how and how much is needed.

The administration's position is that the bill made in order by this rule is unnecessary in the short run, and would be detrimental to the long-run economic solutions for the American farmer. The administration has noted that it has in place now both a current lending program for spring planting for eligible farmers, and a program of debt adjustment assistance for those in debt to private lenders, which appropriately shares the credit burden among farmers, lending institutions, States, and the Federal Government.

The Secretary of Agriculture announced a provision to the administration's Emergency Credit Program for American farmers on last Friday. As a matter of fact, I have in my hand a copy of a letter dated February 27, 1985, that the Secretary of Agriculture sent to the Speaker. If I may, I would just like to read a couple of paragraphs from that letter by the Secretary of Agriculture:

It is my firm belief that the responsible use of existing authorities and the commitment of adequate resources is the soundest and surest means of insuring that the nation's farmers receive timely operating credit for the coming crop year. Further, under the provisions of the Administration's debt adjustment program, substantial care is taken to insure that individual farmers restructured debt provides them with adequate income to cover reasonable operating expenses and a margin for unexpected costs. We believe that these provisions are vital to protect the future of individual producers facing financial stress.

In reviewing the various legislative proposals before the Congress, it is clear that these important safeguards for farmers have largely been eliminated. Clearly, I believe that we need to determine whether our primary goal is to provide sound assistance to farmers who are good managers and with proper assistance can be helped or if the goal is to insulate lending institutions from risk or incentive to continue to serve the agricultural community in their area.

Further, the proposed legislation turns an important tool for orderly marketing for farmers (CCC loans) which has been in effect for 52 years, into a multi-billion dollar production finance bank. Such action is not in the best interests of farmers and will create new problems for producers at harvest.

Mr. Speaker, this bill, according to the administration, includes provisions which would cause substantial increases in Federal spending. Certainly we all know about Federal spending and how it has affected the American farmer. It has caused interest rates to rise in the United States; it has caused a high-valued dollar which has hurt farm exports, and so the story goes.

This bill requires the Federal Government to assume 90 percent of the risk on all new loans made by private lenders through its $3 billion debt adjustment program. H.R. 1035 provides that the Commodity Credit Corporation advance loans on unplanted crops at the time of program signup. This is unprecedented in Commodity Credit Corporation procedures. This has the potential for putting the farmer at greater risk of cash shortfalls during the time when he is marketing his crop.

This bill substantially increases the level of loan guarantees for debt adjustment of borrowers served by private lenders above the administration's $650 million program.

□ 1430

Mr. Speaker, the administration concludes that the total impact of these measures could be $1.9 billion in fiscal years 1985 and 1986.

Mr. Speaker, I would also like to note a few of the unusual procedural provisions of the rule which is before us.

Two provisions of the Budget Act are waived in order to protect this bill from points of order. The most important of these waivers involves section 311(a) of the Budget Act. This is the section of the Budget Act which prohibits consideration of any measure which increases spending in a fiscal year in excess of the ceiling set forth in the budget resolution.

Mr. Speaker, the current level of spending is already over the fiscal year 1985 outlay ceiling by $781 million. Therefore, any legislation resulting in additional outlays in fiscal year 1985 would be subject to a point of order under section 311(a) of the act. Since H.R. 1035 would result in outlays this fiscal year, it would be subject to a point of order if not protected; thus, the reason for that waiver.

Mr. Speaker, the provisions of the bill also violate section 401(b)(1) of the Budget Act. This provision bars consideration of any bill which provides new entitlement authority which is to become effective before the first day of the fiscal year which begins during the calendar year in which the bill is reported.

Since H.R. 1035 contains new entitlement authority which would be effective in fiscal year 1985, and since the bill was reported in fiscal year 1985, the bill would violate section 401(b)(1) of the Budget Act if not protected.

Mr. Speaker, in addition to the Budget Act waivers in this rule, there are two other waivers of House rules. Clause 5(a) of rule XXI prohibiting appropriations in a legislative bill is waived. Also, clause 2(L)(6) of rule XI is waived because the committee report has not been available for the required 3 days.

Hopefully, before this legislation becomes law, it can be put in a form more agreeable to the administration as the need for credit assistance is out there.

Mr. Speaker, I have two requests for time, and I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to this rule for some of the reasons just stated by the gentleman from Ohio.

This rule busts the budget. Now, let us understand that. Read the rule, my friends. This is the first rule brought onto the floor this year. The very first rule out of the box busts the budget. It does so very consciously. It does so very knowingly.

This vote on this rule is where you determine whether or not we are going to live within the budget, because this rule specifically says we are going to bust the budget. It says that we are going to spend more than the budget calls for, and it says we are going to do so knowingly and consciously.

I think it is also interesting, since we have heard so much talk on the floor about how the President runs up budget deficits, that this is specifically being done by the Democrats. I have here a copy of the letter from the Budget Committee to the House Committee on Rules in which it says that the Budget Committee was polled with regard to this matter, but it specifically says in the letter that only the Democrats on the committee were polled; the Republicans specifically were not polled on the Budget Committee with regard to this matter.

So the conscious decision to bust the budget is, in fact, a Democratic decision here today. We might want to remember that when it is waxed eloquently and vigorously on the floor about Presidential budget deficits in the future.

But I would hope that my colleagues who are concerned about budget deficits, who are concerned about large budget problems, will in fact oppose this rule because it is here, not on a vote later on, but here where we decide consciously to bust the budget. I would hope that in light of the deficit problems this Nation now faces that we are not, on the very first rule, going to set the precedent for this Congress that you just bust budgets without giving it some thought.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. I thank the gentleman for yielding this time to me.

Mr. Speaker, would the gentleman from Ohio answer a certain question I wish to pose with regard to his recita-

tion into the RECORD of the letter from the Secretary of Agriculture?

Am I to understand by implication that if we were to adopt the emergency programs outlined by the Secretary that we would not need to have a point of order waiving the Budget Act? In other words, put another way, is it the gentleman's understanding that whatever remedies the Secretary of Agriculture outlines for the emergency that faces our farmers would be within budget?

Mr. LATTA. If the gentleman will yield, I would not interpret it in that way. I think in any event you would be outside the budget.

Mr. GEKAS. On either side.

Mr. LATTA. Yes. This would be a new program of $650 million. There would be additional authority needed.

Mr. GEKAS. I thank the gentleman.

I, too, am concerned then about what the budget implications are, even though we want to help the farmers in this emergency situation. My problem is: Can we help the farmers in this present situation by the more limited existing means that are already lodged in our procedures and in our statutes?

If that were answered in the affirmative, then we may be overstating the problem, or overhelping, so to speak, if we were to go into the budget busting that has been described here. As one Member, I have to be assured that it is impossible to help the farmers in this emergency situation with the present weaponry at our disposal.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. I thank the distinguished ranking minority member of the Committee on Rules for yielding me this time.

Mr. Speaker, I would like to use this time to explain to the Chamber how the farmers in Louisiana are responding to this bill; therefore, I support the rule and the bill.

Louisiana farmers are telling me their interest in innovative financial help in today's emergency farm credit bill is the design and function of the new advanced recourse loan mechanism which equals one-half of the current CCC nonrecourse level available at harvest. The current nonrecourse function gives the farmer the option of loan and interest repayment when he decides to sell his crops held by the CCC or he may forfeit loan repayment and his crops as well if market prices are unsatisfactory. At that point his credit slate is clean.

A major deficiency with this is farmers are now so credit short they cannot afford to borrow outside the CCC mechanism for spring planting. Yet the nonrecourse loan is available in the fall. It is of no help to them now.

The advanced recourse loan mechanism is innovative as it provides a draw on funds when needed now. It is not a giveaway. It is a mortgage on the crop to come. As it is a recourse loan, it must be repaid in all events. This protects the Federal investment in the farmer. The advanced recourse loan puts critically needed funds in farmers' hands at precisely the right time so spring planting can proceed at a normal schedule.

So, Mr. Speaker, I urge adoption of the rule and the bill.

● Mr. FRENZEL. Mr. Speaker, I know the House must consider H.R. 1035. I also know that to do so, the House must waive the Budget Act. Nevertheless, both the Rules and Budget Committee have made a bad mistake in not following normal procedures in dealing with the waiver.

There is urgency to pass the bill. But, by no stretch of the imagination, is the presentation of H.R. 1035, the Farm Emergency Credit Act, a surprise. We have all been talking about it for weeks. The Budget Committee should have met, taken a vote on the waiver, and enformed the Rules Committee. Instead, there is only a letter from the Budget chairman to the Rules chairman, saying that Democrats only were polled by telephone, and that an unspecified majority of them supported the waiver.

My vote against the rule is a vote against undisciplined process, against the traditional, business-as-usual violation of rules designed to impress discipline into our internal procedures. I would, of course, support a waiver which had been approved in the manner prescribed by our rules.●

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. DERRICK. Mr. Speaker, I have no further requests, but I would like to say something myself.

Mr. Speaker, the gentleman from Pennsylvania, Mr. WALKER, should have read the entire letter that he quoted from. If he will go into the same paragraph that he quoted, the reason the minority members were not polled is because the minority staff director said that he had been instructed by the ranking minority member that the members on the minority were not to be polled.

Fair is fair. So let us read the whole paragraph:

> However, a poll of members of the Budget Committee indicates that a majority would support emergency waivers of the Budget Act provisions in order to permit consideration of H.R. 1035. This poll reflects only the views of Democratic members of the budget Committee since the minority staff director reports that he has been directed not to contact any Republican Members with regard to this matter.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. I will yield briefly to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, the only statement I made was that the only members who were polled were the Democrats, and that is exactly what the letter says.

Mr. DERRICK. That reminds me of a story I heard the other day about a ship at sea. When the mate came on watch, he saw where the captain had written "The mate was drunk." The mate went to the captain and he said, "But I was off duty."

He said, "Well, I did not say anything about whether you were off duty; I just said you were drunk."

So the next day when the captain came on the bridge, he saw where the mate had written, "The captain was sober."

So that is similar to what the gentleman has just done.

□ 1440

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 331, nays 91, not voting 10, as follows:

[Roll No. 17]

YEAS—331

Addabbo	Brown (CA)	Dicks
Akaka	Bruce	Dingell
Alexander	Bryant	Dixon
Anderson	Burton (CA)	Donnelly
Andrews	Bustamante	Dorgan (ND)
Annunzio	Byron	Dowdy
Anthony	Callahan	Downey
Applegate	Campbell	Duncan
Aspin	Carney	Durbin
Atkins	Carper	Dwyer
AuCoin	Carr	Dymally
Barnard	Chandler	Dyson
Barnes	Chappell	Early
Bateman	Clay	Eckart (OH)
Bates	Clinger	Edgar
Bedell	Coats	Edwards (CA)
Beilenson	Coelho	Edwards (OK)
Bennett	Coleman (MO)	Emerson
Bereuter	Coleman (TX)	English
Berman	Collins	Erdreich
Bevill	Combest	Evans (IA)
Biaggi	Conyers	Evans (IL)
Boehlert	Cooper	Fazio
Boggs	Courter	Feighan
Boland	Coyne	Fish
Boner (TN)	Crockett	Flippo
Bonior (MI)	Daniel	Florio
Bonker	Darden	Foglietta
Borski	Daschle	Foley
Bosco	Davis	Ford (MI)
Boucher	de la Garza	Ford (TN)
Boulter	Dellums	Fowler
Boxer	Derrick	Frank
Breaux	DeWine	Franklin
Brooks	Dickinson	Frost

Fuqua	Matsui	Schumer
Garcia	Mavroules	Seiberling
Gaydos	Mazzoli	Sensenbrenner
Gejdenson	McCurdy	Sharp
Gephardt	McDade	Shelby
Gibbons	McEwen	Sikorski
Gilman	McHugh	Siljander
Glickman	McKinney	Sisisky
Gonzalez	Mica	Skelton
Gordon	Mikulski	Slattery
Gray (IL)	Miller (CA)	Smith (FL)
Gray (PA)	Miller (OH)	Smith (IA)
Guarini	Mineta	Smith (NE)
Gunderson	Mitchell	Smith (NJ)
Hall (OH)	Moakley	Snowe
Hall, Ralph	Mollohan	Snyder
Hall, Sam	Montgomery	Solarz
Hamilton	Moody	Solomon
Hammerschmidt	Moore	Spence
Hartnett	Morrison (CT)	Spratt
Hatcher	Mrazek	St Germain
Hawkins	Murphy	Staggers
Hayes	Murtha	Stallings
Hefner	Myers	Stangeland
Heftel	Natcher	Stark
Henry	Neal	Stenholm
Hertel	Nelson	Stokes
Hillis	Nichols	Stratton
Hopkins	Nowak	Studds
Horton	Oakar	Sundquist
Howard	Oberstar	Sweeney
Hoyer	Obey	Swift
Hubbard	Olin	Synar
Huckaby	Ortiz	Tallon
Hughes	Owens	Tauke
Hutto	Oxley	Tauzin
Jacobs	Panetta	Taylor
Jeffords	Parris	Thomas (CA)
Jenkins	Pashayan	Thomas (GA)
Johnson	Pease	Torres
Jones (NC)	Penny	Traficant
Jones (OK)	Pepper	Traxler
Jones (TN)	Perkins	Udall
Kanjorski	Petri	Valentine
Kaptur	Pickle	Vander Jagt
Kasich	Price	Vento
Kastenmeier	Pursell	Visclosky
Kemp	Quillen	Volkmer
Kennelly	Rahall	Walgren
Kildee	Rangel	Watkins
Kleczka	Ray	Waxman
Kolter	Regula	Weaver
Kostmayer	Reid	Weber
Kramer	Richardson	Weiss
LaFalce	Ridge	Wheat
Lagomarsino	Rinaldo	Whitehurst
Lantos	Roberts	Whitley
Latta	Robinson	Whittaker
Leach (IA)	Rodino	Whitten
Leath (TX)	Roe	Williams
Lehman (CA)	Roemer	Wilson
Lehman (FL)	Rogers	Wirth
Leland	Rose	Wise
Lent	Rostenkowski	Wolf
Levin (MI)	Roth	Wolpe
Levine (CA)	Roukema	Wortley
Lightfoot	Rowland (GA)	Wright
Lipinski	Roybal	Wyden
Lowry (WA)	Russo	Wylie
Lundine	Sabo	Yates
MacKay	Savage	Yatron
Manton	Scheuer	Young (AK)
Markey	Schneider	Young (MO)
Marlenee	Schroeder	Zschau
Martin (NY)	Schuette	
Martinez	Schulze	

NAYS—91

Archer	Craig	Gregg
Armey	Dannemeyer	Grotberg
Badham	Daub	Hansen
Bartlett	DeLay	Hendon
Barton	DioGuardi	Hiler
Bilirakis	Dornan (CA)	Holt
Bliley	Dreier	Hunter
Broomfield	Eckert (NY)	Hyde
Brown (CO)	Fawell	Ireland
Broyhill	Fiedler	Kindness
Burton (IN)	Fields	Kolbe
Chappie	Frenzel	Lewis (CA)
Cheney	Gallo	Lewis (FL)
Cobey	Gekas	Livingston
Coble	Gingrich	Loeffler
Conte	Gradison	Lott
Coughlin	Green	Lowery (CA)
Lujan	Monson	Shuster
Luken	Moorhead	Skeen
Lungren	Morrison (WA)	Slaughter
Mack	Nielson	Smith (NH)
McCain	O'Brien	Smith, Denny
McCandless	Packard	Smith, Robert
McCollum	Porter	Strang
McGrath	Ritter	Stump
McKernan	Rowland (CT)	Swindall
McMillan	Rudd	Vucanovich
Meyers	Saxton	Walker
Michel	Schaefer	Young (FL)
Miller (WA)	Shaw	
Molinari	Shumway	

NOT VOTING—10

Ackerman	Goodling	Torricelli
Bentley	Lloyd	Towns
Crane	Madigan	
Fascell	Martin (IL)	

□ 1450

Mrs. MEYERS of Kansas changed her vote from "yea" to "nay."

Messrs. DAVIS, ROSTENKOWSKI, KOSTMAYER, HAWKINS, and FRANKLIN changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1500

The SPEAKER. Pursuant to House Resolution 79 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1035.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1035, to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to have this opportunity to speak in support of H.R. 1035, a bill to provide emergency credit and debt adjustment assistance relief to financially stressed farmers and ranchers, and I urge its passage by the House.

PROVISIONS OF THE BILL

H.R. 1035, as reported by the Committee on Agriculture, addresses the current, well-documented credit crisis in agriculture in a direct and responsible way. This is not a "budget-buster" bill. The Congressional Budget Office estimates that the Federal outlays under the bill will total $455 million over a 6-year period.

The bill provides $3 billion for an improved Farmers Home Administration loan guarantee program to restructure farm debt and provide operating credit. In conjunction with that provision, it also revises the current Farmers Home Administration set-aside program for farmers to make that program more workable, and contains other provisions to ensure more effective management of the Farmers Home Administration program.

Second, the bill provides a needed supplemental source of financing for 1985 operating expenses by making advance recourse commodity loans available from the Commodity Credit Corporation.

Third, the bill reduces that interest rate on Farmers Home Administration direct operating loans to farmers who have suffered multiple weather disasters.

NEED FOR LEGISLATION

There is a credit crisis in agriculture. Total U.S. agricultural debt stands at $212 billion, and recent estimates by agricultural economists indicate that as much as $110 billion of this debt is held by farmers who are facing severe financial problems.

What this means, right now, is that as farmers across the Nation prepare to enter their fields for spring planting, perhaps as many as one-third still do not have assurances from lenders that they will receive financing for their 1985 crop production expenses. And many thousands of those farmers probably will not get needed credit unless appropriate action is taken immediately to stabilize the farm credit sector.

Most unfortunately, those producers affected by the farm credit crisis are commercial family farmers—the backbone of U.S. agriculture.

I should note that the administration offered farmers a limited credit assistance program last fall. However, that effort is considered inadequate by farmers, agricultural lenders, and farm organizations.

Recently, changes were very grudgingly made by the administration in its program, but even with those changes, the administration program still falls far short of what is needed. To a large extent, the debt restructuring guarantee program has been ignored.

It is clear that Congress must act to remedy the deficiencies in the administration's program and provide other assistance to farmers. H.R. 1035, as reported, will accomplish these goals.

Further, it is essential that we act immediately. The time for spring planting and cultivation is fast approaching, and in some parts of the country is already at hand.

LOAN GUARANTEE PROGRAM

Guarantees under the bill's debt restructuring program would become available immediately upon enactment of the bill—further action through appropriation legislation would not be required.

It is important to note that the guarantee program is targeted to family farms, not to large corporate farmers. Further, the bill is targeted only to those farmers who can succeed with the assistance provided under the program. Unfortunately, this means that not every family farmer now in trouble and faced with foreclosure would be saved under this program. But it will provide a lifeline to thousands of good, solid family farmers who have a chance of making it with the loan guarantee assistance.

To qualify for the program, a farmer must show that he can "cash-flow" if he gets the guarantee. That means the farmer must be able to show that—even considering the depressed prices we are now seeing for many agricultural commodities—he will have farm income sufficient to cover all his expenses and debts under the restructured loan. While this test will exclude some farmers from the program, it is necessary to ensure that the Government guarantee authority is used wisely in a fiscally responsible manner.

The guarantee program is necessary because thousands of farmers are finding, as they seek credit to plant their crops this spring, that they are no longer creditworthy, so that their lenders won't give them the neded financing. These are cases in which, because of a combination of high interest rates, low farm prices, and falling land values, the existing debt being carried by the farmer is considered substandard by bank examiners. To continue receiving necessary credit so he can plant this spring, the farmer must reorganize his operation and restructure his debt. The program is designed to enable farmers and their lenders to establish effective workout plans.

What this program requires of banks is that they reduce interest rates substantially—to a rate that will enable the farmer to cash-flow but in no case higher than their cost of interest-bearing funds plus 1¼ percent. In return, the Government will guarantee 90 percent of the restructured debt, providing the security for the loan the farmer's eroded asset base can no longer provide.

Will this program let lenders pawn off bad loans to the Government? No. Bad loans won't qualify for the program because the farmer probably will not be able to meet the cash-flow test. There is no question but that the guarantees under the program will be beneficial to lenders who participate in the program, but only if the lender passes that assistance along to the farmers in the form of reduced interest rates.

Finally, I would address the charge that this program helps out farmers who overextended themselves several years ago when inflation and demand for farm products were high.

I would answer that the bill is not targeted to the wheeler-dealers and speculators who have overleveraged their assets and income, thinking they could count on continued high inflation in land values and rising farm prices. Those people either are already gone or wouldn't qualify for the program. Rather, this program is targeted to industrious, conservative farmers who have watched helplessly over the last 4 years as the reduction in farm income and loss of asset value have destroyed their creditworthiness.

It is for the good of all of us in this Nation that we try to save these farmers. If we don't save them, we won't be able to continue to depend on getting our food at reasonable prices. Right now, as a percentage of domestic consumption expenditures, food is cheaper in the United States than anywhere else in the world. We can preserve that situation only by supporting the productive farmers who supply us our food.

ADVANCE RECOURSE LOANS

As a complement to the debt restructure loan guarantee program, the bill also provides additional financing for 1985 production purposes through advance commodity loans. This program will ensure that the operating loan money is available when farmers need it, which is in the next few weeks. It is not intended to replace existing sources of credit, but to meet the needs of farmers who no longer have other sources of credit. To be eligible for the loan, a farmer must have been turned down for credit from other sources.

Also, the Agriculture Committee, in approving this provision, made it clear that the Agricultural Stabilization and Conservation Service and the holders of any other debt the farmer might owe must work together with the farmer to coordinate in managing the his credit situation and ensure that his debt service is closely supervised.

Further, the bill restricts the availability of these loans to make sure the assistance is provided where needed most and that the Government's interests are protected. Loans can be made only as needed to cover only production items. The farmer must provide adequate security for the loan, and there is a limit of $200,000 on loans.

POLICY AND BUDGET CONSIDERATIONS

Mr. Chairman, I cannot emphasize to this committee too strongly the responsibility we have to preserve the viability of our agricultural economy. Agriculture, along with the related food and fiber processing and marketing industries, constitutes our Nation's largest industry and biggest employer.

In addition, to state the obvious, many rural communities are absolutely dependent on agriculture for their survival. We must remember that when a farmer is foreclosed, it is not just one farmer going down the drain; it is him plus seven others—the local banker, the implement dealer, the seller of farm chemicals, the seller of seed and feed, the local auto dealer, the owner of the Main Street retail store, and the school teacher paid with his property taxes.

This bill is fiscally responsible. It aims assistance at farmers who have a chance to survive. And it does so at a cost that is truly modest in comparison with the size of the problem. The Congressional Budget Office has reported that the net cost of the bill, as it was approved by the Agriculture Committee, would be $455 million over 6 years. I think it is very likely that the final CBO figure, after we have adopted some perfecting amendments today, will be even lower than that.

The provisions of the bill waiving loan guarantee fees will reduce income to the Agricultural Credit Insurance Fund by $30 million. Otherwise, the $3 billion in additional Farmers Home Administration loan guarantees made available under the bill will not result in any outlays unless defaults on the loans occur. Based on the Congressional Budget Office assumption of a 5-percent default rate, $150 million in losses could be incurred if no collateral can be recovered.

The advance recourse commodity loan program would shift approximately $3.6 billion in fiscal year 1986 Commodity Credit Corporation loan expenditures into fiscal year 1985. There will be net additional Commodity Credit Corporation outlays of only $40 million.

The interest subsidy on Farmers Home Administration direct operating loans to borrowers in hard-hit disaster areas is expected to cost $235 million in fiscal years 1985 through 1990.

The other provisions of the bill will not have an effect on Federal outlays.

I must point out that, as we have seen the Federal deficit skyrocket over the past 3 or 4 years, the Agriculture Committee has strongly emphasized a policy of fiscal restraint in developing farm legislation. Indeed, our producers suffer more than most other businessmen from the high interest rates and overvalued dollar that these ruinous deficits have spawned.

The Agriculture Committee, since 1980, has reported legislation signed into law that will reduce Department of Agriculture program costs by $29 billion in the period through 1987. In fact, the President, when he signed the Agricultural Programs Adjustment Act of 1984 into law, stated that the

bill was the first down payment on the deficit.

Further, I would note that the Commodity Credit Corporation farm programs, in total, are an extremely small part of the overall Federal budget. Specifically, in 1984, those programs were less than 1 percent of the Federal budget, in 1985 will be about 1.6 percent of the Federal budget, and—it is estimated—in 1986 will account for just 1.2 percent of the total budget.

CONCLUSION

Mr. Chairman, this bill is not the complete answer to the problems besetting the farm economy. Farmers also need more permanent relief through better prices for their commodities, lower interest rates, and expanded export markets. These issues will be addressed in the omnibus farm bill and other measures that will be considered later in the 99th Congress.

This legislation is not the 1985 farm bill. It is not the long-term solution we need to the problems that have produced the economic squeeze that is gripping American agriculture. The House will have to look at that issue, as far as it can be affected by agricultural legislation, when we deal with the farm bill later this year. What we are doing today is an effort to help some farmers survive through one more crop year while we develop long-term solutions.

In conclusion, I am pleased to state that this legislation received strong bipartisan support in committee. This, in no small part, is due to the valuable leadership and guidance provided by Mr. JONES of Tennessee, the chairman of the Subcommittee on Conservation, Credit, and Rural Development, in the development of the legislation. In addition, I thank Mr. DASCHLE and other members of the committee from both parties who have worked tirelessly over the past few weeks to draft appropriate legislative responses to this current crisis.

For a more detailed description of the committee-reported bill, I will set out below a summary of the major provisions of the bill.

SUMMARY OF THE MAJOR PROVISIONS OF H.R. 1035, AS REPORTED BY THE COMMITTEE ON AGRICULTURE

H.R. 1035, as reported by the Committee, provides as follows:

(1) FARM DEBT ADJUSTMENT AND OPERATING LOAN GUARANTEES

The Farmers Home Administration's debt adjustment loan guarantee program (DAP) would be revised to expand its scope and improve its operation.

An additional $3 billion would be made available in fiscal year 1985 for loan guarantees under the program.

The cash flow requirement under the program would be changed from a 110 percent requirement to a 100 percent requirement. Under this revision, a farmer could establish that his operation has a positive cash flow by showing that anticipated cash inflows during a year are 100 percent of the year's anticipated cash outflows.

The Farmers Home Administration would guarantee 90 percent of the principal and interest on loans under the program.

Guarantees would be made available under the program for loans to restructure substandard farm debt that otherwise cannot be repaid under the current terms and conditions of the debt, and loans to cover 1985 operating and related expenses.

Farmers Home Administration's loan guarantee fees would be waived for guarantees under the program.

A lender could qualify a loan for a guarantee under the program by agreeing to set the interest rate on the guaranteed loan at a level—not in excess of a rate equal to the average cost to the lender of acquiring interest-bearing loan funds plus 1.25 percent—that will provide the borrower with a positive cash flow, without regard to the 10 percent write-off requirement in the current program.

Borrowers of loans to cover 1985 operating expenses would be required to obtain crop insurance, if available, to protect growing crops that are security for the loans.

(2) CASH FLOW REQUIREMENTS UNDER FMHA'S DEBT SET-ASIDE PROGRAM

The Farmers Home Administration's current debt set-aside program would be revised to change its 110 percent cash flow requirement to a 100 percent requirement. Under the program, farmers with Farmers Home Administration farm loans who are in financial distress are eligible for the postponement—for 5 year—of payments on a portion of their Farmers Home Administration loans, not to exceed 25 percent of the debt or $200,000, whichever is less. However, no farmer is eligible for postponement unless he can show that the deferral assistance will give him a positive cash flow. The bill would enable a farmer to show a positive cash flow for a year by showing that he will have a cash flow that provides 100 percent of the amount needed to pay his debts due that year. Under the current program, the farmer must show that he will have a balance available for debt service equal to 100 percent of debt due, to establish a positive cash flow.

(3) SPECIAL OPERATING LOAN ASSISTANCE

Effective through December 31, 1987, farmers in hard-hit natural disaster areas would become eligible for Farmers Home Administration insured operating loans for commodity production and related purposes at a reduced interest rate—a rate equal to the normal interest rate on such loans (based on the cost of money to the Government) reduced by 3 percent. A farmer will be eligible for the reduced interest rate loans if—

(a) in at least 3 years during the 5-year period preceding application for the operating loan, he was eligible for a Farmers Home Administration natural disaster emergency loan by reason of the fact that his farm (on which losses were suffered) was located in an area designated for emergency loan assistance; and

(b) he was engaged in farming for the three years preceding application for the operating loan.

(4) ADMINISTRATION OF THE FMHA FARM LOAN PROGRAMS

(a) The Farmers Home Administration would be required to revise the approved lender program, under which an expedited procedure is provided for the processing of applications for Farmers Home Administration farm loan guarantees, to limit—to 14 days—the time the Farmers Home Administration has to respond to ALP lender applications for approval of loan guarantees.

(b) To ensure greater participation in the Farmers Home Administration farm loan guarantee programs, the Secretary of Agriculture would be encouraged to make administrative revisions in the programs, as soon as possible, to make the programs (including the approved lender program) more responsive to borrower and lender needs, including revisions to authorize the making of advances to lenders on guarantees on nonperforming loans prior to liquidation, subject to prudent loan guarantee procedures.

(c) The Secretary of Agriculture would be encouraged to make additional personnel and other resources available to the Farmers Home Administration to enable it to process applications from farmers for Farmers Home Administration loan assistance in a timely manner with respect to the planting of the 1985 crops.

(5) ADVANCE RECOURSE COMMODITY LOANS

Producers of the 1985 crops of farm program commodities for which price support loans are available would be eligible for advance Commodity Credit Corporation loans on a portion of the 1985 crop. Loans would be made in amounts necessary to cover 1985 production costs, except that (a) no loan could exceed an amount equal to the nonrecourse loan rate times 50 percent of the farm yield times the acreage the farmer plants for harvest in 1985, and (b) the maximum amount of advance loans a person could receive would be $200,000.

Farmers would have to meet a test for credit to qualify for advance loans.

The advance loans would be recourse and would be repaid at harvest (with a procedure to be established enabling producers to repay the recourse loans at the same time that they obtain the proceeds of regular nonrecourse loans).

Advance loans would be made available as needed solely to cover costs involved in the production of the crop that are incurred or outstanding on or after the date of enactment of the bill.

The producer would have to give the Department of Agriculture a lien on the part of the growing crop covered by the loan or provide other security for the loan, and would have to protect the growing crop, if used as security, with crop insurance, if it is available.

Advance loans under the program would be administered by the ASCS and the ASC county committees.

The sign-up period for farm programs would be extended for a period of 30 days after the date of enactment of the bill.

Mr. COLEMAN of Missouri. Mr. Chairman, I grant myself 3 minutes.

Mr. Chairman, there is a farm credit crisis and it has to be addressed in the next 2 weeks or we could see up to 15 percent of America's farmers go out of business. That is the information that our committee has received from various lending sources, commercial banks and PCA's.

Certainly we know and recognize the environment in which we are considering this legislation is a very dire environment economically. Rural America has not participated in the recovery that much of America is participating in.

The Chairman has set forth the reasons: high interest rates, low prices for farm commodities, declining land values. The strong dollar overseas is making it very difficult for American producers to compete and in fact the subsidies from abroad are no longer necessary as we are supplying that through our artificially high dollar for them.

Let me point out that this is not just a rural bill. That is not just a farm bill. The people in the cities and in other areas of this country that may not produce the food certainly have a lot of their livelihood dependent upon the farm sector. Almost 23 million people in this country depend for their job directly or indirectly on agribusiness and agriculture.

That is why we are reaching out to our urban colleagues, reaching across party lines today, to come up with a bipartisan support for a bill that is very necessary.

I am sure the sponsor of the bill will detail what it contains and in the few moments I have left let me just point out that we have a decline in the rural area which is probably as significant as it was 50 years ago in the Great Depression. We do not feel that digging that credit hole deeper is going to solve anybody's long-range problem. This is a Band-Aid approach but it is also an act of survivability.

□ 1510

If we do not provide this survivability kit today, then we will see thousands and thousands of farmers go out of business and their family farms that have been in their families for a hundred years, go into somebody else's hands at a foreclosure sale.

It is a serious situation, it is a crisis we need to address.

I think we have acted in a responsible fashion with this legislation that we present to the entire body this afternoon. We are dealing not with just the loss of the economy in these areas, we are dealing with the loss of a way of life, a way of life that has had a significant impact upon our history and culture. That is something we do not want to lose in this Nation, something we think we can help save by this proposal today.

Mr. Chairman, I yield back whatever time I may have remaining.

The CHAIRMAN. The gentleman from Missouri [Mr. COLEMAN] has consumed 3 minutes.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the gentleman from South Dakota [Mr. DASCHLE], the author of the principal amendment.

Mr. DASCHLE. I thank the Chairman.

Mr. Chairman, I want to clarify our purpose today. The bill is not designed to bail out the big banks. It is not going to save every postage stamp-sized farmer, too far in debt to be saved by anything we do this afternoon. It is not going to help a multimillionaire PIK farmer looking for another handout.

It is not going to break the budget or our commitment to reduce farm expenditures. It is not going to offer a long-term solution which can only be brought about by a better price.

What we are doing is building a bridge—a bridge we hope will lead us promptly to a vastly improved farm economy. What we are going to do is to help a million farmers, the backbone of American agriculture, to survive a major crisis in their operations today.

Farmers who are victims of disastrous fiscal and monetary policy; the best managers in farming today who have been caught through no fault of their own in the middle of erratic and unpredictable agricultural direction from grain embargoes to export market collapse to dramatic reductions in land values. What we are going to do in this bill is provide invaluable new vitality to rural main street, to rural financial institutions, to rural communities, to those whose plight is directly tied to their farmers for their assistance and the economic vitality of American agriculture.

We have produced what I believe is the tightest drawn emergency credit assistance package one can write into law. First, no one is eligible if they can get credit anywhere else. Second, those speculators who have used the tax law as an incentive for involvement in agriculture would be very hard pressed to use this program. Credit-elsewhere provisions apply across the board in this bill. Finally, if farmers cannot demonstrate that even with this help they cannot meet their expenses, they are not eligible either. It is not our intent to throw good money after bad.

Taking care of both ends of the spectrum in legislation that I believe is going to provide assistance to those in the middle, those who need our help the most. Having done that, we focus our assistance on two primary forms: operating capital and restructured debt. For operating capital, we are providing for the use of the Commodity Credit Corporation Program, which is already in existence and already budgeted. We are advancing that Commodity Credit Corporation Program by 50 percent.

Because we use existing programs. Because we tie the bill down to provide support only where it will do the most good. Because we have practical limits on availability, the Congressional Budget Office estimates the cost of this bill to be $455 million over 6 years.

I believe H.R. 1035 presents the best chance we have to provide our farmers a short-term solution.

It is not the answer. But it is a bridge. A bridge that offers hope. A bridge that will carry rural America to a better day—and economic viability once more.

I strongly urge the support of my colleages.

Currently, a farmer is entitled, under Commodity Credit Corporation to take a loan at harvest time in exchange for his grain.

If the price goes up, he can sell the grain, pay off the loan, and keep the profit. If the price goes down, the Government takes the grain and the loan is paid.

We are advancing this program to this spring. We would allow a producer to borrow 50 percent of his Commodity Credit Corporation loan for spring planting purposes.

For debt restructuring purposes, we will provide a loan guarantee of 90 percent to lenders who will offer loans for refinancing purposes at a rate of 1.25 percent over their cost.

We insure utilization of the approval lender program. We require only a 100-percent cash-flow on the part of the borrower and we require that loans be considered in 15 days.

In addition, we extend the signup for this year's farm program to enable farmers the opportunity to reconsider their plans under the new circumstances.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, I rise in support of H.R. 1035, the Farm Emergency Credit Act of 1985. There is very little controversy or dissension among the members of the Committee on Agriculture as to the need for this legislation. Many of us saw a credit crisis coming. We knew that the farmers were in trouble through no fault of their own, that prices were down, that there were droughts, that interest rates were up, and the value of the dollar was high. They were not exporting their products.

We urged Farmers Home Administration to get ready for this crisis, but it was urging to no avail.

Farmers Home made promises last October that they would get disaster loans out there quickly in Montana and other places where they were and are needed. Yet to this date very, very few disaster loans have been made to our farmers in Montana, Missouri, and other places that are in trouble.

The FmHA has turned into a disaster itself. They have been about as effective in addressing the crisis as a worm chasing a bunch of chickens trying to corral them. They have withheld the necessary personnel to expedite the job and get it done. We need a bill that addressed those problems, that gets the farmers the necessary

credit at this time and in this crisis, and this bill will do that.

We also saw, those of us who are involved in agricultural production and represent agriculture producers, we saw the crisis coming and we urged the Farm Credit System to develop a credit crisis plan. However, the Farm Credit System became embroiled in a credit crisis of its own, due to the problems which agricultural producers are having.

Therefore, that system was unable to meet the credit crisis demand that many of our producers have. We saw a crisis coming which has now arrived, and, as a result of it, the members of the Committee on Agriculture drafted a bill that addresses those problems.

Mr. Chairman, I would urge the passage of H.R. 1035, because if we do not address this crisis, the failure of Continental Bank will seem like a drop of water in the ocean compared to the failures that will occur on a wide-scale basis throughout our financial institutions from coast to coast, rocking Wall Street as well as Main Street.

Mr. Chairman, there is no question that there is a crisis in rural America generally and among agricultural producers in particular. The features of this crisis are largely beyond the control of individual producers. They include high real interest rates, low crop prices to the farmer, a strong dollar which makes it very difficult to compete in the export market, unfair subsidies and increased plantings by foreign countries, and falling cropland values reducing the ability to borrow. Mr. Chairman, these factors are not the fault of individual producers. However, as a result of this dilemma in which so many producers find themselves, agriculture, our largest industry, is collectively at risk.

Mr. Chairman, we should not stand idly by while the agricultural credit crisis sweeps across the country. This is an immediate problem which affects whether some producers will have sufficient operating funds to plant in a few short weeks. We must deal with it now regardless of action we take later on the 1985 farm bill.

Mr. Chairman, H.R. 1035 is not a wide-open, never-ending, bailout for wealthy farmers who do not need help. On the other hand, it is also not a giveaway to producers with no chance of survival. This bill represents a good faith effort to strike a careful balance between the interests of truly needy producers who are good managers and the interests of American taxpayers.

Mr. Chairman, this bill further revises the administration's farm credit guarantee program by authorizing an additional $3 billion this fiscal year to provide 90 percent Government guarantees in exchange for lenders reducing their interest rates on existing debt to a rate not greater than 1.25 percentage points above the lender's average cost of loan funds. H.R. 1035 also provides for advance Commodity Credit Corporation loans on a secured, recourse basis, to producers in commodity programs solely for the purpose of operating funds. This provision would be limited to 50 percent of the yield and to a total of $200,000. It would further have a "no credit elsewhere" test to target this relief to those producers in real need. The last major feature of this bill is a provision reducing the normal interest rate on operating loans through Farmers Home Administration by 3 percent for operators who could have qualified for disaster loans in three of the last 5 years. Finally, this legislation would reopen the farm program signup period for 30 days after enactment.

Mr. Chairman, I urge my colleagues to support this urgently needed measure of which I am proud to be an original cosponsor. It will further refine and improve the President's credit initiative announced last fall and recently revised. It will deal with the immediate credit crisis and allow the Congress to turn its attention to the all important farm policy decisions we face this year. Thank you, Mr. Chairman.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. BEDELL].

Mr. BEDELL. Mr. Chairman, first of all I want to thank the chairman for bringing this bill before us and for his work on it. I particularly wanted to thank Mr. DASCHLE from South Dakota for the work that he has done, and I would like to thank the Republicans on the committee as well as the Democrats. This is not a partisan bill, this is a national bill. It is not a partisan problem, it is a national problem. It is not a regional problem as well.

If the heartland of America collapses, I am telling you the country will face problems just the same as we would when our heart in our body collapses.

Make no mistake about it, we face the likelihood of a collapse, at least in my area.

I recently conducted a series of meetings across my area and of 403 people there were only 7 who thought that we might muddle through this without a collapse in our area, and only 6 who did not know; out of 403 people.

Two of my banks failed in just the last month.

The Iowa superintendent of banking a month ago said 133 Iowa banks were in troubled financial position. He raised that this week to 141.

I hope everyone here realizes the importance of this issue and its importance to our whole country.

Mr. Chairman, we in agriculture have come to the floor a number of times in recent years to warn of impending disaster in rural America. We warned that low commodity prices, high interest rates, and disruptive Government policies were on the verge of pushing a whole generation off the farm. Our warnings were met with skepticism by some, understanding from others.

Now, the debate is over. The disaster is upon us. The only remaining questions are: How many farmers will we lose? What will be the cost to our economic and social structure in America? And finally, what steps are we willing to take to ease the wrenching process taking place on the farm?

In recent months I've spoken and written to hundreds of farmers and small business people who perceive an end to their livelihoods and are filled with anguish and despair. Many of these people are among the leading citizens of their communities with a proud record of civic achievement and professional awards.

To the younger farmer who hoped to follow his father on the farm, the realization that he must give up that hope, undergo retraining, uproot his family, and seek employment elsewhere, is a very difficult one, I'm sure. But what do you say to the 58-year-old farmer, whose equity was wiped out in a few short years, and who realizes that he's too old to start over?

The emergency credit bill before us was fashioned with the recognition that not all farmers need assistance, nor that all farmers can be saved. But it does offer a chance for a number of good, hard working farmers—and the families, small businesses, and communities which they support—to keep their operations together and await better prices and lower interest rates. Enactment of H.R. 1035 will not end agriculture's difficulties, but it will lessen them.

I must point out that legislative action to address this credit crisis is required because of inaction by the administration. The steps called for in this bill largely are actions that the Department of Agriculture could have taken administratively had the administration chosen to do so. Time and time again the administration has denied that a crisis exists and assured us that USDA programs were addressing any problems. However, as we all know from talking to farmers and bankers, that just ain't so.

I was particularly disturbed to receive this morning a copy of the letter from Secretary Block threatening a veto of this legislation if it is passed. Just as in the past, the Secretary assures us that everything is under control and that USDA will meet farmers' needs.

This letter is from the same Secretary Block who testified before the Committee on Agriculture last week that net farm income will fall from

$31 billion last year to $22 billion in 1985, and whose Department of Agriculture projects that by 1990 farm price supports will fall to $2 per bushel for wheat and less than $2 for corn. Clearly, these prices could drive even the most secure farmer out of business.

Extending a Federal lifeline to an ailing segment of our economy certainly is not unprecedented. And neither are the success stories resulting from such aid. Federal efforts—often with rural support—to give New York City, Chrysler, and others a chance are but a few examples.

We approved aid for New York and Chrysler because we recognized the cost to our entire economy if they failed. Similarly, we must realize the consequences for our economic and social structure in America if many thousands of our farmers and rural businesses are forced to shut down.

To provide just one example, Iowa State University recently estimated that the depression in the farm economy since 1979 has cost 261,000 jobs in the farm machinery and construction industry alone.

The administration claims that the need to curb massive Federal deficits means that we cannot afford to help agriculture. However, the truth is that we cannot afford to let agriculture fail. If we have a collapse in our farm economy, then the resulting loss in revenue to our Government will drive even today's deficits to far higher levels.

The bill before us today actually is a rather modest measure involving minimal Government outlays. It would advance this spring up to one-half of the commodity price support loans which farmers may take out, anyway, in the fall. However, if they can get the loan this spring to meet planting expenses, then much of the credit pressure will be relieved.

Another major component of the bill would provide Federal loan guarantees of up to 90 percent on loans made by commercial banks and institutions of the farm credit system. In order to get the guarantee, these lending institutions would have to agree not to charge a rate of interest which exceeds by more than 1.25 percent the cost of funds to those institutions. Additional safeguards are provided to assure that the financing goes only to those farmers who need it most.

Mr. Chairman, time is short and the need for credit is urgent. Most farmers have payments coming due March 1, and additional expenses must be met this spring. I urge the House to move swiftly to adopt this measure.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. SCHUETTE].

□ 1520

Mr. SCHUETTE. Mr. Chairman, there is a crisis in American agriculture today that impacts agricultural communities across this Nation, and in rural America across the heartland.

A key provision of 1035, and I am arising in support of this bill, is to provide funds for spring planting purposes. If we do not give this much-needed credit relief to farmers who are making decisions in the near future, it will not matter what we put in an 1985 farm bill, because there will not be enough farmers around to participate and grow the food that we do better than any nation on this Earth.

Farmers did not cause high interest rates. Farmers did not cause the high value of the dollar that makes our products uncompetitive on the world markets, and farmers did not cause the grain embargo that the agricultural community is reeling from and have shock waves from ever since that disastrous 1979 decision.

Many of the problems that are facing American farmers in American agriculture were either encouraged by the Government, enhanced by the Government, in fact aided and abetted by our Government, and it is time that we in this body for people across this Nation, for the farmers, come to their relief and provide them with some much-needed loans and credit.

We are not talking just balance sheets, but we are talking human needs and human concerns. Mr. Chairman, this is where I stand on 1035, and I urge my colleagues to come and give some help to farmers across this country.

Mr. DE LA GARZA. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the subcommittee that initiated this legislation, our colleague, the gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Mr. Chairman, American agriculture is in a full-blown depression, and emergency action is called for. H.R. 1035 is the product of some of the most intense and deliberate consideration I have seen the House Agriculture Committee devote to any issue since I came to Congress. Rarely have I ever seen the legislative process react with such prompt determination to address a problem as serious as the crisis now facing Rural America.

Our committee could have returned from the recent congressional recess with the attitude that the problems in the agriculture economy and the farm credit sector either do not deserve a further Federal response, or are so serious that nothing can be done to help. Instead, our Members came back to Washington last week with a firm commitment that the American family farmer is worth saving—that our Nation cannot afford to see the collapse of an entire generation of farmers—and that the rural communities of this country simply must be included in the general economic recovery that has finally begun to take hold in other parts of this Nation.

In less than 3 weeks time from the date of introduction, the committee has thoroughly considered and debated the emergency measures contained in this bill, and brought it to the full House for a vote. As far as I know, this fast track has set a record pace for legislation of this significance. This truly should demonstrate to America's farmers that the House of Representatives does understand their dilemma, and is committed to doing something concrete about it.

H.R. 1035 is not meant to be the long-term cure for what ails agriculture; our committee will address long-term solutions later this year when we develop the Omnibus Food and Agriculture bill. However, this bill is a much needed, prudent effort to throw a lifeline to tens of thousands of our Nation's farmers who need short-term credit assistance to help them stay in business in the 1985 crop year, and until a new long-term farm policy can be adopted which will carry us through this decade.

This emergency legislation addresses the credit crisis in a direct and responsible way by:

Providing much needed, immediate assistance in the form of expanded Farmers Home Administration [FmHA] loan guarantees for operating credit and debt refinancing;

FmHA direct operating loans at reduced interest rates to recent victims of multiple weather disasters;

Advance recourse commodity loans from the Commodity Credit Corporation [CCC] for use in covering 1985 production expenses, and

Improved terms for existing FmHA debt adjustment programs.

No amount of credit can take the place of better prices to farmers for the commodities they produce. But without the limited and temporary emergency measures contained in H.R. 1035, perhaps as many as one-third of our Nation's producers may be forced to leave farming within the next year or so. This bill is only the first step if we expect to see the return of profit to agriculture, but it is a much needed first step.

As a realistic effort to avoid further economic disaster which rural America cannot survive, I urge my colleagues of the House to support this bill.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I rise in support of this legislation. This bill is the result of long hours of meetings and discussion not only within the Agriculture Committee, but with farm-

ers, commercial lenders, the Farm Credit System, and the agribusiness community. We must shore up the agricultural credit structure of the economy and short-term credit so that producers can get into the field and plant and harvest their crops.

The administration has made needed changes in the debt adjustment program announced last fall that will help provide some credit assistance. However, it is the bipartisan view of the majority on the Agriculture Committee that the administration's changes do not address all of the problems the agricultural credit system is facing. This legislation will help provide the assistance needed while we can consider more fundamental changes and reforms in the agricultural credit system.

In recent weeks we have seen numerous editorials and administration officials saying that the budget deficit is so severe and that farmers, because of greed or stupidity, made their own credit bed. And, that it is not the role of the Federal Government to bail out bad management and reward those folks who did not practice sound debt management. To those folks I reply that many of the current problems in agriculture have been prompted by international and macroeconomic policies of the Federal Government. It was stated Government policy that told the farmer, just 10 years ago, that he should gear up and produce food for a hungry world. It was Government policy that 5 years later hit the farmer over the head with a grain embargo that destroyed the credibility of the United States as a reliable supplier of grain.

Add to these problems all the talk about market-oriented farm programs, the uncertainty created by the writing of the 1985 omnibus farm bill and the proposed budget cuts for fiscal year 1986, and we have a credit crisis created in part by a crisis in faith. The farmer is an eternal optimist, but the low commodity prices, and falling land values have destroyed that optimism. The USDA, by its own projections, says that if their market-oriented program is adopted, there will be an improvement in price, but that improvement will take place in 3 or 4 years. To the farmer in Kansas who has suffered through the last 5 years with prices below the cost of production, to wait for an improvement in price is a purgatory without end. To the lender who is financing the farmer, he knows that probably 30 or 40 percent of his borrowers cannot wait 3 or 4 years for an improvement in commodity prices.

This crisis in faith in farm country needs to be addressed immediately. I urge my colleagues to take the appropriate steps, by supporting this legislation to offer producers and lenders advance CCC price support loan guarantees to producers of 1985 crops. This legislation will enable farmers to get back into the field and do their spring planting and complete the production of the 1985 winter wheat crop.

Despite some rhetoric we've been hearing, this is not a partisan political issue. Nor is it one where deeply held economic philosophies have to be in conflict. I subscribe strongly to free enterprise economics, in both agriculture and in other business. Yet, I believe that laissez-faire policies in this instance, at this time, would extract a terrible economic and human cost as the solution to the problem. At the same time, I certainly reject the notion on unqualified bailout that could dig the agriculture credit hole deeper and deeper.

If action is not taken to shore up the agricultural credit system, we could experience a domino effect. Make no mistake, the shock waves out of our Nation's breadbasket will be felt on both coasts—and beyond—all the way through our business and financial communities.

Even a quick glance at the statistics shows the problems.

Agriculture banks posted loan loss rates five times as great last year as compared to 1979.

Twenty-five agricultural banks failed during 1984; 300 others are considered "troubled" by Federal regulators.

In my own State of Kansas, our 628 commercial banks hold 34 percent of the farm debt. Those banks have assets of $1.8 billion. By anyone's measure, a producer leveraged at 70 percent debt-to-assets is in deep financial trouble. Yet—and I would urge you to listen carefully to this—producers in that crisis category hold 25 percent of the Kansas banks' farm debt. That debt amounts to $670 million—a third of the banks' assets.

Mr. Chairman, that's big trouble. It's spread up and down the line throughout the farm credit system to the point that many are saying the entire system's stability is, at best, in question.

We have a clear precedent for action in the case of Continental Illinois Bank, where intervention was needed to prevent serious damage to the Nation's financial system. Such drastic action will be necessary only if we fail to take quick action to prevent the rapidly rolling snowball from turning into an avalanche. I urge my colleagues to support this legislation.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished new member of our committee, the gentleman from Illinois [Mr. EVANS].

Mr. EVANS of Illinois. Mr. Chairman, when David Stockman was explaining the administration's opposition to an emergency farm credit bill, he said he didn't see any difference between bankrupt farmers, failed small business people, and unemployed workers.

Well, neither do I. And I can tell Mr. Stockman that we're sure to have a lot more of all of them unless we pass this emergency credit bill.

It's not only the family farmers who are depending on our action today. It's also the seed, fertilizer and farm equipment dealers throughout our rural towns; it's the owners of our rural movie theaters, beauty salons, and restaurants, and all those they employ.

The fact is that for every six farmers who lose their operations one rural business closes down. And thousands of city jobs in our farm equipment industries depend directly on the future of our farmers.

To preserve jobs and prevent economic calamity, Congress has extended past assistance to giant corporations like Chrysler, Lockheed and Continental Bank. Surely our small farmers, rural small businesses, and farm equipment manufacturers deserve the same consideration and support.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Chairman, I rise in strong support of this credit legislation that is before us on the floor today, and I want to commend the chairman of the subcommittee, Mr. JONES, the ranking member, Mr. COLEMAN from Missouri, as well as the author, Mr. DASCHLE, and say that I am proud to be an original cosponsor on this measure.

There are those who are going to say that this measure is too costly and it is going to contribute to that deficit and continue to hold up interest rates. Let me say that we are concerned about the cost, but as the gentleman from Kansas and the gentleman from Montana both pointed out, the cost not to act with the credit crisis we have in agriculture today is going to be far more severe.

It is not only going to affect 25 to 30 percent of those farmers in the next year to year and a half in the heartland of America's agricultural community, it is also going to affect those small businesses in those small towns. You are going to see those small towns dry up and die.

It is going to affect the whole social fabric of the heartland of rural America. This is legislation that certainly is not going to be the panacea; it is not going to solve all the problems; it is not going to save all the farmers, but it is legislation that can save those that are salvageable so that we have a strong agricultural sector, and have a chance to write a farm bill in this session of the Congress that will meet the

needs of agriculture on into the next decade or two.

Mr. Chairman, I rise in strong support of the legislation and hope that we would have a strong vote in favor of this legislation as it leaves this floor when this session is completed.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Chairman, I think the problems American family farmers face today are well documented. I would ask you to remember that 50 years ago we found ourselves in a similar position, which we had hundreds of thousands of American farmers that were leaving the land and moving into the cities.

Back then we decided that such a change was not in the best interests of this Nation; not only because of the farmers but because of the consumer. In fact, at the beginning of each and every farm bill that we have produced since that time, we state that the purpose of this legislation is to provide for an abundance of food and fiber for the American people at a reasonable price.

□ 1530

If you look at the last 50 years of agricultural legislation one would certainly have to say that the American consumer has gotten his food not only at a reasonable price, but at or below the cost of production.

The problem with the farm bill is it has not treated the American family farmer nearly as well as it has the American consumer.

What we have got to do is to make certain that Government actions no longer work to the disadvantage of the American family farmer, whether it is embargoes or cheap food policies, whether we are trying to whittle off a few more family farmers to try to keep down the cost of living or whether we are looking at subsidies overseas that are constantly undercutting the American family farmer's market price. We must allow the family farmer to make a profit.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in strong support of this legislation. Probably I come from the most agricultural district in the Nation. We have the highest debt to asset ratio on the part of our farm operators of any State in America.

We have 20 foreclosures a day in my district. We have our farm machinery, $50,000 tractors selling for $3,500 in my district, less than 10 percent of their value. We have our farm land that has gone down 60 percent. Sand hill land that was $200 an acre 3 years ago is now $90 an acre and you can hardly get it sold. We have more banks that have closed this year than have closed in any year since the early thirties.

Our $80 billion farm credit system is going to have to have new capital infusions if we do not act quickly. This is a bipartisan measure that will give us an opportunity to get money into the hands of good operators who, through no fault of their own, do not have the money to plant their crop.

Let me say that I am very much for the 50-percent advance on the Commodity Credit Corporation recourse loans. This can be handled through the ASCS and avoid the bottleneck of paperwork that often occurs when you go to FHA.

I hope that the Members of the Congress will today show that we understand what is happening in rural America and that we care by providing a strong vote for this legislation.

Mr. DE LA GARZA. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I think it is important to ask why should we proceed with this kind of emergency legislation at this time.

It is precisely because it is an emergency that we must act. I think it is important to emphasize that we are dealing with a major crisis in the farm community. I wish it were different. All of us wish that the recovery in the economy were impacting equally on everyone. It is not.

This is a major crisis in the farm community. We are talking about something like 35 to 52 percent of the farm debts are in trouble at this point. That means almost 10 to 15 percent of the farmers in this country could be impacted in terms of losing their farms or not being able to plant a seed in the ground. That would lead to their losing their farms. That represents a major crisis in the farm community. Make no mistake about it. It is going to impact on farmers. It is going to impact on rural communities, but more importantly, it is going to impact on other areas of our economy and that is why it becomes a national issue that must be faced today.

The fact is that we in the Congress are the only ones at this point that can respond. The banks are in trouble, they cannot. There is no prospect that the economy is going to improve or that the trade deficit situation is going to improve for the farmers.

So, the bottom line is that we in the Congress must respond. Let me tell my colleagues that these are the farmers who are the muscle of our economic future in terms of agriculture. These are the farmers who can do a good job. They simply need a lifeline in order to make it for themselves and for the country. I urge support for this bill.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, we are facing in this country today a volcano that is awaiting to erupt if we do not take the proper action. If it erupts, what will happen? Well, we will destabilize American agriculture—that is obvious. But we will also destabilize all of our farm credit institutions as well—and I do not just mean the farm credit system; I also mean our commercial banks. And we could very well destabilize all of rural America as a social institution—and even our current economic recovery.

The problem we face today is that there simply is inadequate credit available to farmers due to two different elements.

First, we have significantly decreased land values—anywhere from 10 to 50 percent, depending on where you live.

Second, we have a surplus in every commodity group and therefore very low commodity prices. That combination of factors prevents the farmer from having the collateral and cash flow necessary to get the credit he needs for the spring planting season.

Now, it needs to be emphasized and reemphasized that our goal here is not to bail out every farmer in this country. We are not asking for legislation to save every farmer any more than we want legislation to save every businessman in this country.

The most highly leveraged and limited resource farmers, however, are already under the Farmers Home Administration system. What we are talking about today are those farmers who are good managers, who can cash flow, but who, due to decreased land values and decreased collateral, no longer can get credit. In other words, their bank, their PCA, cannot provide them the upfront credit for this spring's planting.

Ideally all we should have to do here this afternoon is pass $3 billion in credit guarantees through the Farmers Home Administration. That would solve the problem by guaranteeing the loans provided by our private lending institutions.

The problem with that, however, is that our Farmers Home Administration simply cannot handle the workload and demand for all of those credit guarantee applications in the few weeks left before spring planting. So, that is why we have the second element of this bill here—the 50-percent advance on the loans. Frankly, this is the only reason for advance commodity loans and it is a cash flow reason so that these farmers have some upfront cash for planting until we can solve the problem of getting them a FmHA credit guarantee.

Now we have worked out an amendment that will be offered with other

committee amendments that will make sure that this advance loan is not going to go to every farmer regardless of whether or not he can cash flow.

Simply stated, the amendment prevents farmers who already have a commitment for or already have received operating credit for their 1985 crops from obtaining an advance commodity loan as well. It also requires a producer to get the commitment of at least one lender to "stay with" that producer and provide him with such additional credit as necessary to successfully complete the crop year.

Now, Mr. Chairman, with respect to this last point, we are going to make sure, first of all, that a producer meets a "credit-elsewhere" test. In other words, he could not get credit elsewhere.

Second, if he gets this advance, he will have to show that he can get any other necessary credit for planting from private institutions. And third, he has to show that he can cash flow with this combination through the 1985 crop year.

Now, I readily admit that there are a couple of other things I would like changed in the bill, but frankly do not have the opportunity today to nitpick this bill from top to bottom.

However, I will tell my colleagues that there are going to be some problems out there with the credit guarantees where we limit the cost of money plus 1¼ percent on those credit guarantees. I talked to some farmers last week and they said that in some cases their banks will not participate in that because they will not make the decision of who gets 10 percent loans or who gets 14 percent. I simply bring that point up so my colleagues are advised of that possibility in their districts as well.

In summary, Mr. Chairman, the legislation before us, while not perfect, is most definitely needed to respond to the farm credit crunch confronting our country. And I urge my colleagues to support it.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN], a distinguished member of the committee.

□ 1540

Mr. GLICKMAN. Mr. Chairman, passage of this bill is important, but without substantive fundamental reform in the farm bill, which will have the effect of raising prices, I fear we will be back next year for more credit assistance and without action on the Federal deficit to reduce the trade imbalance and the currency valuation problems in the world, I also fear we will be back next year.

I yield to my colleague, the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. I thank the gentlemen for yielding, and I just want to say that I also support this legislation and I appreciate the bipartisan effort that we have seen on the Committee on Agriculture to respond to this problem. Again I would emphasize the importance of the House not passing this legislation and thinking we have dealt with the problems in rural America. We have to deal with the deficit which causes high interest rates, which is causing the dollar to be overvalued and devastating our agriculture export markets. Until we deal with that problem, we have not dealt with the problem of rural America.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. VOLKMER], a distinguished member of our committee.

Mr. VOLKMER. Mr. Chairman and members of the committee, there is no question that everyone here in this body and also throughout middle America and our farmers owe a debt of gratitude to the gentleman from Texas and the gentleman from South Dakota and other members of the Committee on Agriculture for working so hard in bringing this legislation before this body. They recognize the need and are doing something about it.

Many of those who have worked on this legislation, including my colleague, the gentleman from Missouri, the ranking minority member of the subcommittee, worked in the past to try to work with the administration to change their program to make it workable, but the administration has failed to do that. They have not done things timely as provided for Farmers Home personnel.

This legislation, basically, incorporates the good parts that need to be done in order to bring timely service to our farmers who are in desperate need of it this spring, now. And we need to do it in order to keep those farmers operating so that they will be able to benefit from a good farm bill for future years. It will not help these farmers if we do not have this legislation and then do a good job on a farm bill later on to get increased cash prices only to have those farmers fail not because, as has been said before, they are poor farmers, but because of poor weather conditions that we have had and because of poor cash prices.

So I wish to commend everyone for their work, and I look forward to working with them in the future on this legislation.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. I thank the gentleman for yielding, and I thank the committee generally for bringing this piece of legislation, which I support.

Mr. Chairman, most of my colleagues by now are well aware of the trouble in our agricultural and agribusiness communities and of the critical difficulties facing many farmers and businesses in repaying their loans—of the bankruptcies, the foreclosures, the failed banks. These severe conditions are obviously affecting the banks and whole communities that are primarily dependent upon their agricultural customers.

A vitally important part of our farming community is endangered. The midsized farms, the family farms, some 570,000 across the country with annual sales between $40,000 to $200,000, are predominant in this vulnerable group. These operations produce 40 percent of the Nation's food. About 178,000 of them, according to the Department of Agriculture, are deeply in debt.

In the States most troubled, land values have dropped dramatically since 1981. A recent story in the Omaha World-Herald details the problems in these States:

Here is a list of states most troubled by the current farm debt crisis, listing land value changes since 1981 and other information, such as average farm debt and debt-to-asset ratio, when pertinent. California and Texas are included because they are the No. 1 and No. 2 states in total agricultural receipts.

Arkansas: Farmland value down about 11 percent from 1981. Debt-to-asset ratio has grown from 16.9 percent in 1980 to 21.5 percent in 1984.

California: Farmland value down 5 percent to 6 percent since 1981, with some areas much worse. An extreme example is around Fresno vineyards, where land has dropped from $14,000 an acre to $7,000. At least one-third of California's 50,000 commercial growers are believed to be in trouble. Average debt is $80,000.

Illinois: Farmland value down 30 percent since 1981. Average farm debt is $107,960. An estimated 17 percent of the state's 100,000 farmers are in danger of going out of business in the next two years. Debt-to-asset ratio has increased from 11.7 percent in 1979 to 18 percent in 1983 and total farm debt has nearly doubled since 1977.

Indiana: Farmland value down 30 percent since 1981. Farm debt averages $85,384 per farm.

Iowa: Farmland value down 38 percent since 1981. Average farm debt is $160,440. About 5 percent of the state's 115,000 farmers went out of business in 1984 and another 5 percent are expected to do the same in 1985. On Jan. 17, a farmers' protest in Sioux City attracted about 4,000 people and foreclosure sales draw sympathetic neighbors and press coverage.

Kansas: Farmland value down 10 percent to 11 percent since 1981. Average debt is $112,628 on 574,000 farms. Between 5 percent and 10 percent of farmers are in danger of going out of business in 1985.

Michigan: Farmland value down about 16 percent since 1981. Average farm debt is $60,937 on 64,000 farms. A conservative estimate says 150 to 200 farmers in danger of going out of business in 1985.

Minnesota: Farmland value down 25 to 30 percent since 1981. Average farm debt is $126,315, but experts say one-quarter of the state's 95,000 farmers have an average of $500,000 to $600,000 debt. About 10 percent of farmers in danger of going out of busi-

ness. Farm debt is considered the highest priority of the state legislature this session.

Missouri: Overall farmland value down 25 to 30 percent, and value of irrigated cropland down 38 percent since 1981. Average farm debt is $104,000. About 10 percent of the state's 100,000 farmers are in danger of going out of business this year.

Nebraska: Farmland value down 35 percent to 40 percent since 1981. Average farm debt is $250,000, with about 10 percent of the state's 60,000 farms in danger of going out of business. Debt-to-asset ratio is 30.5 percent the nation's highest.

North Dakota: Farmland value down 15 percent since 1981, from $454 to $385 an acre. Average farm debt is $268,000. An estimated 4,500 of the state's 36,000 farms are in danger of going under this year.

Ohio: Farmland value down 28 percent since 1981, from $1,727 an acre to $1,245. Average farm debt $53,733 for 90,000 farmers. Farm interests say except for a freight differential Ohio farmers get on moving their crops, the situation is just serious as in western Corn Belt.

Oklahoma: Farmland value down 5 percent since 1982. Average farm debt for 74,000 Oklahoma farmers $65,000, but for those with FmHA debts, the average is $90,000. About 400 farmers are in danger of going out of business in 1985.

South Dakota: Farmland value down 19 percent since 1981. Average farm debt $144,000, but one-third of farmers carry two-thirds of the total $5.31 billion debt. South Dakota's debt-to-asset ratio of 29.5 percent is second highest, behind Nebraska. A survey indicates about 8.1 percent of the farmers are in highest risk category. The state is sending all 105 members of the Legislature to Washington Monday to lobby for farmers' concerns.

Texas: Farmland value overall is up 9 percent, but has fallen in the Texas Panhandle and Rio Grande Valley. Average farm debt is $74,251. Texas Department of Agriculture estimates from 4,000 to 5,000 commercial farmers may go out of business in 1985. Economists say grain farmers are facing the same problems as in the Corn Belt but livestock producers are starting to make money again.

Wisconsin: Farmland value down 14 percent since 1981. Average farm debt is $87,227. The Wisconsin Department of Agriculture estimates 11 percent of the state's 86,000 farms are in danger of going out of business this year and another 25 percent in two to five years.

So-called super farms, with annual gross incomes of over $500,000, got an average of $25,805 in cash and commodities from the Government in 1983. Fifty-one farms got more than $1 million each. But that money is not going to the farms that need it most—to our besieged family farms.

Even with emergency staffing, the adapted debt restructuring program for farmers offered by the administration is simply inadequate to do the job in the short time remaining before spring planting. There is no way that the Farmers Home Administration, the administering agency for this debt restructuring effort, can be beefed up to process the large number of loan guarantee applications without assistance and cooperation of commercial lending institutions. That agency has been inundated for the last 2 years and now is overwhelmed with existing customers and programs and with legions of desperate would-be borrowers.

Long delays, up to 8 months in length, with an average of 30 review hours per application, have been commonplace in the FmHA approval process. We have to bypass the FmHA almost completely in order to avoid an impossible bureacratic nightmare.

The most recent proposals by the administration to relieve the farm credit problem have not and cannot do the job. Of $650 million appropriated for the FmHA "principal buy-down" Loan Guarantee Program, only $25 million has been used since its inception in September of 1984.

To move quickly with assistance, we must be sure that the approved lender program works and that banks are motivated and prepared to participate. That is the only way we can meet the massive debt restructuring needs in the short time available.

Today this Member is offering three amendments which will affect the availability of credit for the agricultural producers and agricultural businesses in America.

These amendments will:

First, limit the extension of federally insured loan guarantees to existing borrowers of lending institutions, the Farmers Home Administration, or borrowers from lending institutions that have either failed, closed, or been liquidated. This amendment is absolutely essential if we are to avoid creating additional severe problems for the Federal Farm Credit System and a nightmare of additional paperwork caused by bank shopping.

Second, encourage lenders—both commercial and Farm Credit System lenders (PCA's)—to enter into agreements that would give relief to financially distressed borrowers by stretching out repayment of guaranteed loans over a 5-year period.

Third, require the review of all guaranteed loans annually by the FmHA.

Fourth, permit the discontinuance of loan guarantees where the borrower can be shown to qualify for credit elsewhere.

Fifth, provide, on a priority basis, for the needs of borrowers of lending institutions that have either failed, closed, or been liquidated through either direct loans from the FmHA, or loan guarantees by the FmHA of loans from State or private sources. This can help borrowers who presently have no credit home, but who do have positive cash-flow requirements.

Sixth, ensure that all applications by any agricultural bank for approved lender status from the FmHA be reviewed and acted upon within 15 days of submittal of the application, and that all banks with at least 25 percent of their loan portfolios in either agricultural loans, or loans to agriculturally related banks be automatically approved as approved lenders under this program.

Because this is the time of year that farmers, ranchers, and agricultural producers renew their loans with their lenders, and because the spring planting season will soon be upon us, it is imperative that we in Congress face the urgency and immediacy of the credit problems which face rural America. The short time available means we must accomplish that task in an extremely efficient way by motivating and using our commercial lenders under such a Federal Loan Guarantee Program—without creating an even larger problem for our Federal Farm Credit System. The amendments which I expect to offer will make the achievement of those goals more likely.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to our distinguished colleague, the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, I have been deeply involved in the development of this much needed farm credit legislation, and I am an original cosponsor of the bill. Farmers and lenders agree that this proposal will go a long way toward meeting the credit needs of the estimated 240,000 financially strapped American farmers.

The administration now must help us make this program work and join with Congress in designing budget, trade, and farm policies that will lead to better farm prices. That is the long-term solution to this current farm crisis.

I compliment Congressmen DASCHLE, JONES, and DE LA GARZA and trust that we will have strong bipartisan support for the emergency farm credit bill later today.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2½ minutes to the gentleman from Mississippi [Mr. FRANKLIN].

Mr. FRANKLIN. I thank my leader on the committee for yielding me this time.

Mr. Chairman, others have addressed the problem with the guarantee provision of this bill. Some Members on my side of the aisle have evidenced some concern about that provision in this bill dealing with the advance commodity credit loan program that now is adopted by this bill.

An agreement has been reached in a completely bipartisan manner, and I want to thank those Members of the majority side of the committee and the minority side for helping me arrive at these agreements which will limit the availability of the advance CCC loans. There is a mistaken belief out there among some of my colleagues that we are just going to give commodity loan to anybody who comes up and applies who is a farmer. That is not the case. We have limited that in two

ways by the committee amendments which will be introduced later.

First of all, if a farmer has already gotten his loan, has gotten a commitment to farm this year, he cannot get the advance CCC loan, it is not available to him. And then on the bottom side of the coin, if a farmer does not have the wherewithal to go to a bank and obtain a certificate that with the commodity advance he can obtain the necessary financing to complete the crop, then he is not eligible for the commodity advance, CCC loan.

So I think what we have done, we have done a good job in limiting the availability of the advance CCC loans to those who actually need it out there and who are worthy of having it.

I think this bill needs support from the minority, and I urge my colleagues on this side who have concerns and questions about this advance CCC loan to look at it, to see what it actually does, and if you do look at it carefully, I believe you will agree with me that it only makes this emergency credit available to those who absolutely need it and who deserve it.

Mr. EMERSON. Mr. Chairman, will the gentleman yield?

Mr. FRANKLIN. I yield to the gentleman from Missouri.

Mr. EMERSON. I just want to say that the gentleman has made a very fine statement here.

I also want to commend my esteemed colleague from Missouri [Mr. COLEMAN] for the leadership that he has shown in working in a very fine spirit with the gentleman from South Dakota [Mr. DASCHLE] in crafting this legislation. I want to commend them, Chairman DE LA GARZA, Chairman JONES; indeed, the Agriculture Committee, the rural caucus, the ag forum, many individual Members, including a number of our urban colleagues, for a very fine spirit and demonstration of concern and bipartisan cooperation in crafting a responsible measure in a difficult timeframe.

Mr. FRANKLIN. I thank my colleague from Missouri.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. STENHOLM], a very valuable member of our committee.

Mr. STENHOLM. Mr. Chairman, I rise to speak in favor of this legislation today and wish to address the budget implications.

To all Members who intend to support a freeze-plus on all expenditures in the budget for fiscal year 1986, this legislation will fit. By freeze-plus it means we can make reductions, not the 50-percent reductions from baseline or current operating expenses of the 1985 budget that the President is asking for and threatening to veto this legislation if we do not do it, but something in the nature of 5 to 20 percent in cuts from a freeze and still accommodate this particular piece of legislation.

There are some things this legislation will do and some things it definitely will not do. As written and amended, H.R. 1035 will not bail out farmers who cannot show that their 1985 crop will cash-flow. I am referring to a large percentage of the 170,000 farm operators who have debt-asset ratios greater than 70 percent. These farmers owe one-third of the total $215 billion farm debt equaling about $71 billion dollars and many are not expected to survive.

On the contrary, this legislation is designed to assist farm borrowers who are just above them clinging to the edge of the cliff—but still hanging on. Comprising 11 percent of all farmers, this group's debt-asset ratio falls between 40 percent and 70 percent and they owe between $60 and $70 billion. Benefits of this legislation are targeted toward this group of farmers who still have strong potential to make it, but will not if help is not there.

Some of you may be wondering how I can stand up and speak in favor of the balanced-budget amendment and then turn around in support of emergency farm credit relief legislation. In reality, the two goals are actually complementary. Everyone agrees we must reduce Federal spending to balance the budget. In support of this endeavor, I propose that we can freeze spending on ag programs for the next 3 years at fiscal year 1985 levels and accommodate the cost of this legislation—$455 million, according to Congressional Budget Office, over a 5-year period—and still make further major spending reductions in agricultural programs. Many now seem to like the idea of freezing Federal spending these days; I am saying we can do just that and I plan to work personally toward that goal.

Mr. Chairman, I have a letter from President Reagan to Hon. E "KIKA" DE LA GARZA dated May 11, 1984, thanking Congressman DE LA GARZA for his leadership in encouraging the Agriculture Committee to vote last spring to freeze target prices at 1984 levels, thus saving taxpayers an estimated $3.2 billion over a 3-year period. Effectively, this froze farmers' incomes at 1984 levels. The only problem I have with that bill, which subsequently became law, is that after cutting farm program spending by $3 billion, we have yet to make a real effort to reduce the overall budget deficit—expected to reach $222 billion by the end of fiscal year 1985.

Now the administration is opposing this bill because it does not fit into their overall farm plan. We must understand the implications of the administration's budget proposals before we can fully appreciate this situation. Within the President's fiscal year 1986 budget, he has indicated his interest in cutting a whopping $28 billion out of ag programs over the next 3 years. This equals a 50-percent cut from a baseline or freeze level. This doesn't sound too bad until we see this would mean that 12 percent of all proposed budget cuts over that 3-year period would be coming out of agriculture, which only comprises 1.7 percent of the entire budget. At the end of the 3-year period, our total budget deficit will still be $144 billion. If the administration thinks our proposal is too expensive, I challenge it to freeze all other programs at current services levels and then make further spending reductions in them, as I am suggesting we do to ag programs.

Certainly, this is not the ultimate solution to the agricultural woes of our Nation. That can only be addressed through long-term, responsible agricultural policy that raises farm income. However, it certainly goes further than the administration's Debt Assistance Program in its potential to provide the immediate relief our farmers need to finance their spring planting—particularly when we consider that economists expect $7.8 billion to be lost in interest and principal payment through defaulting farm loans in 1984. The current administration effort to assist farmers could be compared to a doctor telling a group of very sick people that the best cure for them would be to go out and run 50 miles as fast as they could. Of course, the very strongest of the bunch would make it, but in the process you can bet life insurance companies would be losing some money.

It is my opinion, as I have outlined, that we can justify spending $455 million in an effort to assure that the 11 percent of our farmers carrying that $60–$70 billion of farm debt on their backs do not weaken to the point that they lose their grip and come crashing down, dragging rural America further with them. H.R. 1035 provides the necessary vehicle for such relief and will have relatively small budget impact provided we pass additional legislation that will improve farm income. I am totally committed to working toward freezing budget expenditures at current levels and then making further cuts from that point.

□ 1550

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding me this time.

Mr. Chairman, this bill is not just about farmers; it seems to me that this bill is also about small towns, small businesses, and city jobs, because if farms fail, if the family farms fail, they fail too.

William Jennings Bryan once said that—

If you destroy the cities, the cities will be rebuilt; but if you destroy the family farms, the grass will grow on the street of every city in the country.

He was right about that. Family farms are critical to this country's economy. We have to do two things: First, we have to pass this kind of credit legislation, and pass it now. Second, we have to have a long-term farm plan that addresses the long-term price issues that farmers desperately need. More debt is not going to solve the problem; they need a better price. But in order to get to that price, we need some emergency farm credit.

This is Congress' spring planting. If we plant with this bill, we can harvest with a better farm bill later in the year and save many family farmers who desperately need that help now.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of the bill, and I can echo the sentiments of many of my colleagues, particularly the gentleman from North Dakota, who just spoke eloquently about the plight of our small towns, which are being affected as adversely by this whole farm crisis as anyone else.

The point that I want to make, particularly to Members on my side of the aisle that have some concerns about what they view as a "bailout" for people who got themselves into difficulty, is that that is just simply not the case. Granted, we had in the 1970's many people who speculated in agriculture, who made some bad decisions. I can tell you, most of those people are no longer in agriculture. We are talking today about good, efficient, honest producers who are in trouble regardless of what our friends at the Office of Management and Budget say, through no fault of their own.

If you look at the farm policy issues, this is a very complicated problem. If you look at it from a monetary standpoint, this is a very simple problem. While most of our country has benefited from the disinflation of the last 4 or 5 years—that is to say people in the cities have benefited from a moderation of price increases—rural America and, I might add, other basic commodity industries have been ravaged, not by a disinflation, but by an absolute deflation. Any industry that you might think of that sees the value of its products go down in absolute terms dramatically, or that sees the value of its basic assets go down dramatically—and that is precisely what has happened in agriculture—is going to find itself in desperate straits.

That is what has happened to agriculture. It is not the fault of the farmers who made the investment decisions in the 1970's, most of them at the time on the basis of very prudent advice from their bankers and from the best agricultural university information that was available. Those people made what looked like good decisions at the time. It is because of the policies of deflation that we have been subjected to in basic commodity industries for the last 4 years that we today find ourselves in the throes of a terrible crisis.

What we are doing here today, or suggesting to do here today, is a very small effort, a very short-term effort to help some of those people.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. McCURDY. I thank the gentleman for yielding me this time.

Mr. Chairman, sometimes our constituents can better address these problems or state these problems than we. I was recently in one of my towns in the Fourth Congressional District of Oklahoma, and a farmer made a statement to me that I would like to quote in summation and in urging my colleagues to support this legislation. He said:

Agriculture is in a state of crisis not only in this county, but all across the United States. It is a crisis which, if left unresolved, will affect every facet of our society.

In the early days of this criteria, the new farmers were the first to fall by the wayside, but now we are losing these men and women who have worked a lifetime of 15- and 18-hour days only to see all for which they have worked suddenly slip from their grasps. These people were not part of the great American dream of which our President so proudly boasts; rather, they are part of an even larger fraternity: The forgotten American farmer.

I wholeheartedly support the legislation before us. I fear it may be too late for most of those farmers in my congressional district, but I think we must act to help them today.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, the farm crisis is a national crisis. It affects urban, suburban areas such as I represent as well as rural areas. Every major industrial State is also an agricultural State. Products purchased by farmers are manufactured in urban and suburban areas. Major causes of the farm crisis—the overvalued dollar and high real interest rates—affect us all. Also, every consumer may be impacted by the pattern of agriculture which eventuates from this crisis.

I do not rubberstamp the present system of subsidies, but the long run will not be resolved by letting numerous middle-sized farmers sink in the short run. I urge overwhelming support for this bill.

Mr. COLEMAN of Missouri. Mr. Chairman, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise as a cosponsor and supporter of this bill because I am sick and tired of our farmers being kicked around in this country. They are not political footballs; they are Americans and taxpayers. This is not a budget-busting bill; this is a budget-saving bill.

There is a multifactor of 5 in farming today, that is, for every $1 in farm output, there is $5 that goes toward the total gross national product. If we do not pass this bill, it is going to cost us billions of dollars in managing foreclosures on farms. I encourage you to stand tall and let us demonstrate to our farmers that we are responsible.

Do not worry about a veto of this bill because we can overrride a veto.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. I thank the gentleman for yielding me this time.

Mr. Chairman, the debt crisis facing America's farmers is real. The problem has been mounting for over 2 years and the administration has refused to deal with it constructively. The unfolding events over the past 2 years have made it clear to me that if this problem is going to be dealt with, the Congress is going to have to do it. If this solution is going to be at all effective, the Congress must deal with the crisis immediately.

Two years ago, in February 1983 Congressman TONY COELHO and I wrote to Agriculture Secretary John Block to urge the administration to activate the Farmers Home Administration's emergency loan program. The Secretary refused to do so.

In September 1984, President Reagan finally announced his proposal to address the mounting farm credit crisis. Farmers, bankers, and agricultural leaders agree that the program has been totally ineffective, many have correctly labeled the program as a politically motivated false hope offered to the farm community 6 weeks before the Presidential election.

Now the administration is touting a program of $650 million loan guarantee program to deal with the farm credit crisis. The administration's program is too little, too late. A Band-Aid on a gushing wound.

Total farm debt in the United States is approaching $215 billion. Almost half of this debt is held by farmers with severe financial problems. These

financial problems were not brought on by farmers' inefficiency, greed, or stupidity as some people would have us believe.

The farm credit crisis is a product of $200 billion Federal deficit that has led to a dollar so overvalued that the American farmer can no longer sell his goods on the world market.

The crisis is a product of a Tax Code that encourages doctors, attorneys, and foreign investors to buy farmland they have never seen for tax breaks they do not deserve.

The crisis is a product of land speculation that has caused the value of our farmland to rise and fall like a roller-coaster over the past 10 years.

The crisis is a product of the current administration that continues to insist that a good shakeout of marginal farmers will solve the debt crisis, just as the economic recovery will erase the Federal deficit.

Mr. Chairman, the farm debt crisis is real and it is urgent. If we do not act and act quickly thousands of farmers across the Midwest will not have the credit they need to plant their crops. Many will be out of business in a matter of months.

The bill we are considering today is not a giveaway to farmers or a bailout for the banks. This bill simply gives American agriculture a fighting chance to weather the storm it is facing.

In a letter to the Congress today, Secretary of Agriculture John Block argues that the USDA has the authority to deal with the farm credit crisis without the legislation we are debating today. I believe he is correct, the USDA does have the authority to deal with the problem, but they refuse to do so. They have consistently refused to deal with the problem over the past 2 years, and their current proposal for credit relief is totally inadequate.

The only hope for the American farmer who is faced with a credit crisis not of his making, is the swift approval of the legislation before us today.

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

□ 1600

Mr. KANJORSKI. I thank the gentleman for yielding this time to me.

Mr. Chairman, there is little doubt that there is a crisis on the family farm today. Although the State of Pennsylvania is generally considered to be an industrial State, more than 135,000 Pennsylvanians earn their livings on some 62,000 small family farms. In Carbon, Columbia, Luzerne, Monroe, Montour, Northumberland, and Sullivan Counties, which I represent, we have 3,400 farms with 270,000 acres in cultivation which produce more than 62 million dollars' worth of crops. With an average farm size of only 80 acres per farm, I can assure you that my farmers feel the economic pinch just as quickly as their larger colleagues in the Midwest and South.

The crisis on the family farm today is the result of falling land and crop prices, declining exports which stem from an overinflated dollar, and continued high Federal budget deficits which have kept real interest rates at record levels. Farmers are struggling to meet their daily operating expenses, much less the principal and interest on the loans they took out to finance the purchases of their farms.

American agriculture has long been one of the cornerstones of our national economy. Its productivity has given us the freedom and opportunity to become the industrial giant we are today. It has helped us foster better relations with other nations by becoming the world's breadbasket, and agricultural exports have traditionally helped to reduce our international trade deficit.

If we choose to ignore this temporary crisis our agricultural economy will suffer irretrievable damage. Family farms will fail by the thousands and prime agricultural land will lie fallow or will be bought up by foreign land speculators. H.R. 1035, the Emergency Farm Credit Act, will enable the 15 percent of American family farmers who would otherwise fail as a result of cash-flow problems to keep their farms in operation until the end of the growing season when their revenues will come in.

It is important to note, Mr. Chairman, that what we are approving today is not an outright grant to farmers, nor are we paying them to not grow crops. It is not a bailout. All we are providing are temporary loans and loan guarantees, all of which will be repaid with interest, when the crops come in.

In other words, Mr. Chairman, we are providing a helping hand to the American farmer, but not a free lunch.

Mr. Chairman, there are many in the administration who would like us to believe that all is well in America. The presence of so many farmers here in Washington this week is ample evidence that all is not well down on the farm. That's why it is imperative that we pass the Emergency Farm Credit Act.

When we are done with this legislation, Mr. Chairman, I hope that we can move on to the consideration of legislation to help revitalize other industries and areas of the country, like northeastern Pennsylvania, which are still trying to dig themselves out of our last recession. Just as we meet today to work out a bipartisan solution to the problems of America's family farms, so too can we work out a bipartisan solution to the problems of areas like the 11th District of Pennsylvania which continues to suffer the ill effects of continued high unemployment.

● Mr. WATKINS. Mr. Chairman, I rise today in support and seek passage of H.R. 1035, emergency farm credit authorization. This is a first step and not the total answer. I hope that this needed infusion of capital into the Nation's family farms comes in time.

Throughout rural America, the farm economy is in a state of collapse and with its collapse comes the death knell for the many small cities, towns, villages, and hamlets. For when agriculture flourishes, the Nation's economy flourishes. When the farmer makes a profit, he buys tractors, combines, cars, pickups, and trucks, and that buying power keeps his cousins in the city employed. When the farmer doesn't have the buying power, the manufacturing arms of this Nation's economy slows and shudders to a halt.

I'm glad that today we didn't get into acrimonious accusations about who, what, and when are the root causes of the farmer's difficulties. Like the saying goes, there's plenty of blame to go around. However, it is imperative that action be taken with all due dispatch to prevent more of our family farms from becoming extinct.

Recently, in a speech, I pointed out that in the years when I was Oklahoma president of the Future Farmers of America, I frequently said that 26 percent of the population fed and clothed the other 74 percent. Now, that percentage of citizen engaged in agriculture production has dropped to less than 2.4 percent. I said that if any tree, fish, weed, flower, or animal had shown that type of population decline, they would have been declared an endangered specie. I submit, Mr. Chairman, that the emergency farm credit bill which we are today may be the only thing saving the family farmer from becoming an extinct specie, not just an endangered specie.

When the farmer, beset by losses and the highest debt in history, is allowed to restructure his debt to stretch out the payments and lower his interest rates; when the prices return to the commodities he raises; when profit is returned to agriculture, the farmer can start buying again to generate dollars springing from the real wealth of this Nation—that which comes from the earth. And perhaps, just perhaps, we can save the rest of rural America from crumbling.

I submit, Mr. Chairman, that the House must take the first step with the enactment of this bill. Tomorrow, we will hopefully pass the second part by approving needed funds for loan guarantees in our agriculture appropriation supplemental. Let us us move, rapidly, to save the family farmer.

Thank you, Mr. Speaker.●

● Mr. FRENZEL. Mr. Chairman, those of us whose committee jurisdic-

tions lie outside of agriculture cannot know the intricacies of the credit problems of agriculture, nor the intricacies of this bill. Those who do know assure us that it is the minimum needed to prevent a farm debt crisis.

The administration, and some others, believe that the bill goes too far, and costs too much. I am acutely sensitive to that argumentation. We spend too much for nearly everything. In so doing we push up interest rates which are one of the reasons the bill is now before us.

I voted against the New York loan, the Lockheed loan, and the Chrysler loan. They were problems, but not crisis. This Congress has an obligation to prevent undue disruption in agriculture, but it must be reasonable in the scope of its actions.

When we voted for New York, Lockheed, and Chrysler, we were, in my judgment, unreasonable in our damage control operations. I am very concerned that we may be in this bill, overstepping our obligations.

Here we are expanding FmHA loan guarantee authority, giving farmers immediate access to Commodity Credit Corporation price support loans which normally are not available until fall, revising the current debt set-aside program, and establishing a new disaster-related loan assistance program. That's a commitment of a lot of taxpayer dollars, which we don't have. We will have to borrow them, and pass the tax burden to our children and their children.

According to the OMB, the potential spending impact of H.R. 1035, is $8.7 billion in fiscal year 1985, and $1.9 billion in fiscal years 1985 and 1986. CBO's estimates are much less, but in fact, neither OMB or CBO has any idea of what the actual impact of the huge increase in guarantee authority and the increase of the guarantees to 90 percent will be.

For me the choice is difficult. I shall, however, despite misgivings, vote for the bill in the hope that it present a less difficult choice when it returns from the Senate. Notwithstanding my sensitivity to budget deficits and high interest rates, I can't vote against our only opportunity to prevent a potential crisis in a vital sector of a national economy and the predominant sector of my State's economy.

However, the bill needs improvement. It needs some safeguards in the access to early price support loans. The $3 billion guarantee authority seems high. And the 90-percent guarantee would appear to shift too much risk to the taxpayers. The bill will increase interest costs to some borrowers, including some farm borrowers.

My affirmative vote today is no guarantee that I shall vote for it on final passage, or that I would not vote to uphold a veto. It is a vote of hope, not one of ringing affirmation.●

● Mr. OBERSTAR. Mr. Chairman, I shall be brief today in my remarks in support of H.R. 1035, the Farm Emergency Credit Act of 1985. The farmers of Minnesota and the farmers of this Nation do not need more talk from the Congress; rather, they need action from Congress—and hopefully from the Department of Agriculture and the President.

In the past several weeks, we have had a public discussion of the problems facing American farmers unprecedented in the postwar period. The national news media, the efforts of farm State Members of Congress and of Senators, the eloquent appeals of individual farmers and farm groups have clarified and publicized the critical issues of farm economics.

The Nation is now keenly and well aware that from 10 to 20 percent of our Nation's farmers may go bankrupt this year unless Congress acts immediately to provide sufficient farm credit relief.

Further delay will only mean more farm bankruptcies; it means that more good managers of productive farms face the loss of their farms because of high interest rates, the high dollar, prolonged high costs, and inadequate prices paid to farmers.

As I stated last week on the floor of this House, the objective of farm credit legislation must be to give farmers who are good managers the chance to plant and operate this year, which will give them the breathing room they need to begin the process of restructuring and reducing the burdens of high interest debt.

Those of us who support H.R. 1035 are not looking to postpone the day of reckoning for farmers who have passed the point of being able to recover. Real interest rates have been too high for too long; debt has risen beyond manageable levels; many farms are so economically marginal that some farmers cannot be saved. Furthermore, we do not seek to continue the agony for the minority of economically distressed farmers who are not good managers.

The House Agriculture Committee has sent to the floor legislation consistent with the objective of giving good farmers a fair chance. I don't know if this legislation will solve the entire short-term credit crisis. No one knows that. Frankly, I think a broader program probably is needed. This bill, however, is a reasonable step; it is a compromise between those who would do more, and those who would do less, if anything, to respond to the needs of rural America.

Let's not nitpick this bill to death. It's a good bill not only for individual farmers in distress, and for rural America—but is in the national interest. It is absolutely contrary to our national interest to allow 10 to 20 percent of the Nation's farms to go bankrupt in 1985. No other developed nation—capitalist or socialist—would ever permit an economic dislocation of such proportions.

Real interests rates in this country for the past 6 years have placed American farmers in an untenable position. The budget deficits which the present administration have given the Nation and which they propose to give us for the rest of the decade have stretched the farm credit system to the breaking point. Farm bankruptcies, increased concentration of the ownership of the means to produce our Nation's food, farm loans unrepaid, banks ruined in the process will be the direct consequence of our failure to act now—today.

This morning, a copy of a letter was delivered to my office—and I am sure to the offices of other Members of this House—from Secretary of Agriculture John Block to the Speaker.

The substance of that letter is astonishing. It suggests that the Secretary will recommend a veto of any legislation differing from his agreement with Members of the majority in the Senate. That letter is an ultimatum, a take-it-or-leave-it position by the administration. What audacity for the Secretary of Agriculture to negotiate a deal with one body of this Congress, and then attempt to dictate the terms of that deal to the Members of this body.

The veto referred to by the Secretary would mean personal tragedy for tens of thousands of farmers, and a tremendous deprivation for towns and cities throughout the Midwest.

H.R. 1035 is sound legislation. I want to express my personal thanks to the gentleman from Texas, the chairman of the committee for his leadership in bringing this legislation to the House floor. I also wish to call attention to the superb work done by the gentleman from South Dakota [Mr. DASCHLE] whose diligence and unceasing efforts have contributed enormously to the legislation now before us.

To those of my colleagues who say that this is a bailout we cannot afford, I say that it is not a bailout, it is an investment in the future security of this country, and the authority for this program is within the authority set forth in the first budget resolution last year.

This is not a handout to farmers. H.R. 1035 authorizes loan guarantees and advance payments of up to 50 percent of CCC loans which the farmer would get this fall. The money is needed now, however, for planting, and through the advance payment procedure, farmers can get the money when it's needed most.

H.R. 1035 would allow advance payments no greater than $200,000. Other provisions to ensure the soundness of

loans made under this legislation include a restriction that farmers have a 100-percent cash flow—farm income must meet farm expenses. The Federal guaranty will cover only 90 percent of the loan value. Banks will be at risk for 10 percent—an incentive to ensure the soundness of loans which they are to make.

Between now and September 30, 1989, this bill will mean in additional net increase in Government outlays of $455 million.

Balance that cost against the economic and personal costs of multibillion-dollar loan defaults and bankruptcies of possibly as many as 400,000 family farmers.

This House gave New York City and the Chrysler Corp. the loan guarantees which they needed to survive. I am proud to have cast votes which enabled both to return to soaring economic health. Farmers now need and deserve the same chance.

Mr. Chairman, I urge an overwhelming vote by this House on a bipartisan basis that will send a clear message to the farmers that we intend to provide meaningful assistance—and an equally clear message to the administration that a veto can be overridden in the House.●

● Mr. CONYERS. Mr. Chairman, I rise to support H.R. 1035 because the small farmers—like the small urban business and the industrial employee—are the major producers of goods and services in this Nation, and we all need each other for our mutual survival and growth. As an urban Congressman, I became especially interested in the situation of the farmer when Michigan farmers came to Detroit 2 years ago and contributed massive donations of food to the hungry and unemployed industrial workers who could obtain little or no assistance from the Federal Government.

That was the beginning of an important farmer-labor, urban-suburban coalition which must continue and expand throughout the nation as we increasingly face the hardships imposed by the Reagan administration deficit-ridden economy.

The urban and labor population must express serious concern about the well being of the farm and rural worker because some 22 million jobs in industry are dependent upon agriculture. Agriculture is the largest single bloc in our export portfolio which accounts for jobs in its own right. Most predominantly industrial States, as well as farm States, have major agriculture sectors. Moreover, when farmers go broke, they do not buy equipment and products made by workers in cities and towns.

A chill wind is sweeping across the face of rural America, uprooting farm and ranch families at a rate unseen since the depths of the Great Depression. More than a quarter of a million producers have already been swept from the land by the economic turbulence of the past 4 years. And the wind grows more harsh with each passing day. At the rate we're going, less than 1 million farms will survive to the turn of the century, and half of our food production will be controlled by 1 percent of the farm population. This administration is moving rapidly in that dangerous direction.

The statistics of recent failures within the agricultural sector are frightening testimony to the fact that our national economic policy is misguided. Here are some startling examples:

Nearly 200,000 farmers have gone out of business since President Reagan took office;

Net farm income fell to $16.1 billion in 1983, the lowest level since the Depression;

For the first time since the 1930's, farmers' interest payments last year exceeded their income;

For the first 3 years of the Reagan administration, the value of farmland fell, the first time since the Depression that land values declined for 3 straight years;

Aggregate farm debt is expected to reach a record $215 billion this year; and

Because of mismanagement by this administration, Government payments accounted for more than half of net farm income last year, on the other hand, better managed Government spending accounted for between 4 percent and 11 percent of farm income during the Carter administration when the agricultural sector was much better off.

One of the greatest problems of immediate concern facing America's family farmers is the debt crisis many of them find themselves in today. More than 30 percent of America's farmers are in desperate financial shape, with another 30 to 40 percent facing accelerating financial problems in the next few months.

Michigan farmers are calling for the passage of an emergency Federal appropriation to prevent some 12 percent of the State's farmers from going out of business. Although in 1980, Michigan farm income was $820 million, it had dropped to $690 million in 1984. Only in the last 60 days, the case load of farm loan requests have doubled. Michigan farmers told me yesterday that four different small banks have refused them loans, and this problem is affecting all categories of farmers in the State. One Michigan farmer told me that he is in more than $450,000 debt, and that even veterinarians are going out of business because of the agricultural depression.

For black farmers around the Nation, the situation is even worse. Year in and year out black farmers have faced the difficulty of obtaining credit on reasonable terms because of race, poverty, or both. They continue to face racial discrimination practiced by Government agricultural agencies; and they share the burden of general bias against small farmers that permeates many Government farm programs today, particularly the Farmers Home Administration [FmHA]. Any new legislation for farmers must pay attention to the plight of the black farmer.

Now all American family farmers are in need of our immediate support. The critical debt situation in rural America has come about because of continuing low commodity prices, unacceptably high interest rates, overproduction coupled with a lack of effective demand for their products. Our farmers call for several immediate actions which I fully support:

First, existing loans must be reamortized or rescheduled to the longest period of time. Second, interest rates must be lowered to a level which will achieve repayability. Third, deferral of some of the debt may be needed until such time as farm income will permit reinstatement. And, finally, for some producers a combination of these measures may be necessary.

Next week many small farmers from around the Nation will come here to redress their grievances with this administration, but because of their overwhelming indebtedness, too many will not be able to leave their farms. We must listen to them with our hearts as well as our minds and redirect administration policies to benefit all of America rather than the few. Otherwise, the visit by the farmers will be quickly followed by the rest of middle America. Although H.R. 1035 does not include an amendment proposed by my colleague from Oklahoma, MIKE SYNAR, which allows small farmers to file for Chapter 13 bankruptcy, and which I strongly support, this bill is a good beginning and we must give it our support.●

● Mr. WIRTH. Mr. Chairman, along with the rest of our colleagues, I have been following the credit crisis in rural America with increasing alarm. While it may be convenient for all of us who represent basically urban areas to focus solely on the continuing problems of our cities, I think I echo a wide range of sentiment from among my urban colleagues when I say that none of us here—from the largest city to the smallest, most rural town or community—can afford to look away from the burgeoning tragedy within American agriculture today.

For many of us who grew up in the West, the ethic of the American family farmer is just as ingrained in our heritage, our lifestyle, and our perspectives as the ancestral immigrant is in our major Eastern cities. Just as we have come to honor our ancestors in the East, so too have we

come to honor our ancestors in the Midwest and the West—ancestors who were the predecessors of today's American family farmer. To now turn our back on those citizens—to let America's small- and medium-sized family farms disappear from our landscape—would dishonor the heritage of rural America. Equally as threatening, to ignore the problem now, or to not make the affirmative and sufficient commitment necessary to help ease the immediate threat to American agriculture, is to virtually rip the heart out of rural America—its small towns and communities and their local financial institutions, retailers, small businessmen, and service industries.

Let none among us mistake today's decision for the tough, long-term questions which confront us about the future of American agriculture. That debate ranks among the most pressing of public policy issues which now confronts this body. That debate will be joined over the upcoming weeks and months as we turn our focus to the reauthorization of our most basic farm programs. What's at stake today is ensuring that our small- and medium-sized farmers and ranchers are even able to survive until the Congress can take up this year's farm bill. What's at stake today is the immediate need to provide a renewed degree of financial security for many of our rural communities. And even more frightening, what's at stake today may very well be the question of whether the next generation of American farmers—those who are now coming back to their family lands after extensive training at our colleges and universities—are ever going to have the opportunity to apply the many new innovative and promising techniques with which they have been equipped.

Mr. Chairman, many of my colleagues today have shared horror story after horror story about the wave of foreclosures and possible failures of financial institutions which are sweeping through our farmlands. In Colorado alone, recent estimates by the U.S. Department of Agriculture suggest that some 20 percent of our State's 15,000 active farmers face serious questions about even their short-term financial viability. Those same farmers and ranchers are the very individuals and families we have now been reading and hearing about over the past few months—the citizens with debt to asset ratios to 70 percent or worse. Right behind that group in Colorado, another 15 percent of our active agricultural community is on the brink of slipping over into serious danger of foreclosure, with their own leverage at upward of 50 to 60 percent.

Among the Colorado agricultural community, the average debt to asset ratio level by age group virtually mirrors the national statistics.

Among Colorado farmers aged 35 to 45, the average debt ratio is approximately 43 percent. Similarly, among farmers 35 years old and under, that ratio is 44 percent. Yet, among that latter group are many, many young families with leverage ratios of well over 70 percent. Those are the very same families that we have now been informed cannot even afford to plant this year's crop, let alone pay the staggering sums many face to even service the current debt they hold.

I firmly believe that American agriculture is deserving of the immediate assistance offered by the legislation pending before us today. By authorizing the Farmers Home Administration [FmHA] new expanded opportunities to guarantee debt restructuring and buy down interest rates currently strapping America's farmers, we may very well take the step which ensures our own agricultural future and viability. Today's young American farmer has invested heavily in new farming techniques. Those offer considerable promise for future production—promise of producing not necessarily more, but producing smarter and more efficiently.

New irrigation and production techniques carry with them a very heavy front-end capital cost. By not acting today to assist these new producers, we may never reap the benefits of their innovations.

Just as disturbing as the situation on the farm, is the specter of financial failure hanging over rural communities everywhere. In Colorado we have now seen three banks go under in the past year. Banks in the rural communities of Holyoke and Hereford were the first to go, followed only 2 weeks ago by the town of Eads. In each case, the very security and confidence of a community was rocked to its foundation. I do not think any among us would wish that fate on one of our major cities—indeed we acted in the past to preclude such occurrences. Today, we can take the short-term steps to rebuild a floor under these countless communities which have experienced or face the same circumstances which have befallen far too many rural towns already.

Mr. Chairman, American agriculture today cries out for our help. American agriculture cries out for the opportunity to step back from imminent chaos so that we can take the time to make the tough decisions which face every Member of this body. I would be sorely disappointed in this body's ability to meet its responsibilities for protecting the well-being of all Americans if we today turned our backs on those pleas. I urge my colleagues to support the passage of H.R. 1035.●

● Mr. VENTO. Mr. Chairman, today we face some of the worst economic conditions in rural America since the Great Depression. There is a deep financial crisis in rural Minnesota, as well as throughout the Nation. Farmers are facing the most desperate financial conditions in years. Contrary to the administration's claims, the economy is not in the midst of a nationwide recovery. We are seeing this both in our cities as evidenced by our great numbers of homeless people, as well as in our rural areas with our thousands of farmers on the brink of bankruptcy.

Today we must concentrate on the plight of the farmers. Forces beyond the control of the farmers, weak exports, low commodity prices, high interest rates, and a severely overvalued U.S. dollar, have forced this crisis to its current desperate state.

The Farm Credit Act of 1985 is aimed at addressing the problem in the short term. The purpose of H.R. 1035 is to advance necessary and immediate cash relief to the farmer. This bill authorized $3 billion in loan guarantees to restructure existing farm debt or for new operating loans, as well as authorized advanced commodity loans with some new stringent conditions. These CCC loans are essential to ensure that the farmer is able to meet the current spring planting costs. If this money is not made available, many farmers will be forced to sell their farmlands simply to meet operational costs. If this situation occurs, it will only tend to drive land prices further down, and increase already too high debt-equity ratios.

In Minnesota there is consensus between farm organizations, community groups, financial institutions, and most State and National representatives. The National Government must however do its part, if the agriculture sector of Minnesota's economy is to have a fighting chance, as well as other States.

The provisions of this bill simply instruct the administration to do what it has broad authority to do under existing law. The action of Congress on this matter should not be necessary; the administration should have been willing to take the appropriate and necessary action. If these proposals do not receive immediate implementation, thousands of America's farmers will go bankrupt. This not only affects our rural agricultural economy, but it extends into other aspects of our economy as well. The USDA estimates that for each farm eliminated, three jobs are lost. In Minnesota alone, this would mean a loss of 75,000 to 100,000 jobs within the next 5 years.

We should understand the long-range effects. We need to improve the overall agricultural economic conditions. The present effect of the strong dollar cannot be over emphasized. The U.S. farmers are seen as possibly the most efficient producers in the World, yet they are no longer the most com-

petitive, and why, because of the overvalued dollar. Today American farmers receive less money for products, while the foreign customers pay more. The present U.S. fiscal policy is drastically out of line, and action must be taken to correct this problem.

In conclusion Mr. Chairman, we must pass the Farm Credit Emergency Act of 1985 to resolve the current financial crisis, and then we must strive to make the U.S. farmer competitive again. We need to develop a fair, workable plan to address the general farm economy, high farm costs, and conflicting program demands within the farm community.

I want to thank the House Agriculture Committee, the chairman, Mr. DE LA GARZA, and especially Congressmen TIM PENNY and TOM DASCHLE for their leadership and dedication bringing this measure to the floor today.●

● Mr. STARK. Mr. Chairman, this year Congress must rewrite the Nation's agricultural laws, and there will be a lot of talk about the very real plight of the smaller, family-run farms.

Family farmers are in trouble: The default rate on loans is up, as are mortgage foreclosures on farm property, interest rates remain too high, and there is a trend toward larger farms at a time when studies show maximum efficiency in small- to mid-size farms.

But if we are to really try to help true, family-operated farms, then Congress must also examine and reform the tax laws' impact on the agricultural sector.

To make pro-small family farm changes in U.S. Department of Agriculture programs without tax law changes will be equivalent to locking the front barn door and leaving the back door wide open.

The Tax Code encourages city investors to invest in farm land, structures, fruit trees, and farm animals. The result is depressed prices and market distortion for true farmers. Tax shelter salesmen who invite city investors to lease a dairy cow or invest in a cattle feed lot hurt the price received by true dairymen and ranchers. The rapid depreciation of agriculture buildings used for a single purpose have stimulated the production of certain commodities—for example, hogs—because of their tax shelter value, even though hog surpluses exist. Tax laws have also contributed to driving up the price of farm land, encouraging the trend toward larger farms, and reducing the demand or farm labor by substituting the use of capital for labor.

For the gentleman farmer—a polite word for tax code farmer—the tax laws allow him to generate losses to serve as deductions against outside income from salary, Wall Street, bonds, or whatever. Thus, the tax laws cause many agricultural investors to be more interested in harvesting deductions and losses than harvesting crops.

If there is any question that the tax code distorts farm investment and production, one needs only look at the IRS's "Statistics of Income" publications:

In 1981, 1,165 individuals in the District of Columbia filed tax returns totaling $5,328,000 in farm losses, but I defy anyone to show me a farm in the District. Similarly, 784 Americans living abroad reported farm losses of $5,491,000. These are generally absentee landlords and gentlemen farmers who are speculating in farm operations for purposes of obtaining tax deductions.

In 1983, 4,009 people with total incomes of more than $200,000 had net farm profits totaling $272 million, but 16,776 rich people with total incomes of more than $200,000 had net farm losses totaling $1.1 billion. One must suspect that a lot of "city slickers" who are talented at making money have for tax reasons decided to lose money down on the farm.

In a farm partnership, the smaller it is (for example, a natural partnership among brothers and sisters), the more likely it is to be in the black. But big partnerships and the kind put together by tax shelter salesmen tend to be in the red. For example, the 1980 IRS data shows that 16,536 people in crop partnerships of four persons or less had a net profit of $69.7 million. But in crop partnerships involving 11 to 50 people, 23,501 partners managed to lose $28.2 million. Similarly, 49,027 limited farm partners found fertile tax deductions worth $183,866,000 in losses. These aren't bad fields—they are harvesting exactly what they have sown: tax losses.

In 1980, farm partnerships with assets between $1 and $500,000 had total net positive income of $658 million, but those with assets of $500,000 to $10 million had a total of $502 million in losses. Thus, there appears to be a new law of economics: "economy of scale of inefficiency for purposes of creating tax losses."

In 1982, farm sector partnerships (including field crops, vegetables, fruits, livestock, and dairy) generated total losses of $3.15 billion.

To correct some of these obvious tax and economic distortions, we need to reform the tax shelter aspect of farming and farm land speculation; we need changes in cash accounting rules, the investment tax credit, the accelerated cost recovery system, interest deductions, and capital gains.

I am working on legislation which will take a comprehensive look at ways to preserve the smaller, more efficient farmers of America from outside speculators and tax shelter salesmen. I welcome suggestions from the working farm community concerning the drafting of the "tax half" of the farm problem.●

● Mr. FRANKLIN. Mr. Chairman, distress among American Farmers is real and widspread. The farm economy is caught in a credit crisis and immediate held is needed. There are many reasons why this situation exists and most of them relate to factors beyond the control of our farmers. Decreased land values, high interest rates, an overvalued dollar, low commodity prices and previous Government policies have all contributed to this problem. We must insure that those goods farmers, who are unable to obtain credit because of the present crisis, are given the means to survive through 1985. I believe that with the inclusion of the amendment that I am offering along with my colleague, Congressman GUNDERSON to H.R. 1035 we will accomplish this goal.

I have had some reservation about this legislation especially in the provisions that relate to the advance Commodity Credit Corporation recourse loan. My main concern was that financial help be given only to those who truly needed it and who would posses the potential to pay it back within a reasonable time. These are the farmers who have been good managers in the past and who can cash flow but because of factors such as decreased land values and decreased collateral, can no longer get credit.

This legislation should not bail out every farmer in this country. It does not make sense to say that every farmer deserves to be saved any more than it does to say that every businessman in this country should be free from encourtering risk in the marketplace. Safeguards should be attached to this legislation to prevent it from being abused and to ensure that only those farmers who have the potential to succeed in the future are able to obtain help. Therefore, I have offered along with my colleague Congressman STEVE GUNDERSON an amendment that has been agreed upon by both side of the aisle.

Quite simply this amendment states that:

No producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1985 crops shall be eligible for an advance recourse loan to finance the production of such crops. The credit elsewhere certificates provided by lenders on behalf of a producer applying for an advance recourse loan shall contain at least one certification committing a lender or lenders to provide any additional amount of funds needed by such producer to provide the financial requirements necessary to successfully complete the crop year.

This amendment would ensure that only those who truly need and deserve the financial help receive it. In addition a high risk farmer can receive an advance CCC loan only if he can show that at least one private lender will

follow him through the crop year and supply more credit if necessary. The famer is helped and a private institution will be behind him because the potential exists for him to succeed.

H.R. 1035 is not a perfect bill but I believe that with the acceptance of this amendment the necessary credit will be available to those good farmers who because of circumstances beyond their control and caught in a financial crisis and deserve help. I urge my colleagues to support this bill.●

Mr. DE LA GARZA. Mr. Chairman, at this point, in order that we might proceed with the amendments, I would yield back the balance of my time.

Mr. COLEMAN of Missouri. Mr. Chairman, seeing that we have no other requests for time, let me just say a few words here in the remaining time.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Chairman, I want to thank the chairman of the committee for expediting this matter and being very fair in the method of how this bill was put together and the concerns that some on this side of the aisle had were met with, I think, the openness of the chairman in trying to work out those details.

I also would like to address myself to the gentleman from Tennessee [Mr. JONES], the chairman of the subcommittee, who handled this bill in the subcommittee in a very fair and open fashion. Working together with both of these gentlemen, and the principal sponsor of the bill, the gentleman from South Dakota [Mr. DASCHLE], I think we have been able to put together a bill which we support on the Agriculture Committee over here on the Republican side, and I think it will receive a lot of support from this side of the aisle.

I think unlike the other body, we have not made this a political issue or partisan issue. We cannot afford to do so. I hope as we proceed on this bill that it does not disintegrate into any sort of discussions on that level.

So I want to congratulate again our chairman of the subcommittee, the gentleman from Tennessee [Mr. JONES], and the gentleman from Texas [Mr. DE LA GARZA] for their leadership and cooperation in putting together a bill which I think, under the circumstances, is an unprecedented bill for an unprecedented need. From that standpoint, I look forward to working with them in the amendment process, as well as trying to get such a bill as we now have through the other body and signed into law.

We can make all the speeches in the world, we can propose all the legislation we want, but if we do not get this bill signed by the President in the next 2 weeks, it is going to be a moot point, I think, as to what kind of help we can send to rural America.

Mr. Chairman, with that, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back the balance of his time. The gentleman from Texas [Mr. DE LA GARZA] has yielded back the balance of his time. All time has expired.

Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 1035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Emergency Credit Act of 1985".

FMHA DEBT ADJUSTMENT PROGRAM; SPECIAL SET-ASIDES OF FMHA INDEBTEDNESS

SEC. 2. The Consolidated Farm and Rural Development Act is amended by adding, at the end thereof, a new section 349 as follows:

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program for guaranteed operating and farm ownership loans established under section 339 of this title on October 19, 1984, as revised, the Secretary—

"(1) shall provide that, for the purposes of the program, a cash-flow for a borrower's operation that shows that anticipated cash inflows during a year are 100 per centum of the year's anticipated cash outflows will be considered a positive cash-flow;

"(2) shall guarantee 90 per centum of principal and interest indebtedness on each loan guaranteed under the program;

"(3) shall make loan guarantees available under the program for (A) loans to refinance existing indebtedness, as necessary to enable a lender to continue to provide credit to a borrower who does not otherwise have a reasonable expectation of repaying the existing indebtedness, or have adequate security for such indebtedness, without such refinancing, and (B) loans to finance expenses incurred in the production of commodities in 1985, including the purchase of supplies, other essential farm operating expenses, cash rent for land, and the costs of related farm and home needs including but not limited to family subsistence;

"(4) shall not charge any fee for the making of such loan guarantees under the program;

"(5) shall permit a lender to qualify a loan for a guarantee under the program by establishing the annual interest rate for the loan at a level—not in excess of a rate equal to the average cost to the lender of acquiring interest-bearing loan funds at the time the application for the loan guarantee is made, as approved by the Secretary, plus 1.25 percentage points—that will ensure that the loan will show a positive cash-flow for the borrower's operation for each year of the loan, without regard to any requirement for a writeoff of 10 per centum or more of existing indebtedness or a reduction in interest rate equivalent to such a writeoff; and

"(6) shall require the borrower of a loan for the financing of expenses incurred in the production of commodities in 1985 guaranteed under the program to obtain crop insurance, if it is available, to protect any growing crop that serves as security for the loan.

"(b) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there shall be made available to be guaranteed under the Agricultural Credit Insurance Fund $3,000,000,000 for loans under the debt adjustment program for guaranteed operating and farmownership loans established under section 339 of this title on October 19, 1984, as revised and including the changes set out in this section, in fiscal year 1985.

"(c) In implementing the program for special set-asides of a portion of existing indebtedness under farm program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purpose of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash flow projection.".

SPECIAL OPERATING LOAN ASSISTANCE

SEC. 3. The Consolidated Farm and Rural Development Act is amended by inserting, at the end of subtitle B, a new section 318, as follows:

"SEC. 318. During the period beginning on the date of enactment of this section and ending on December 31, 1987, the Secretary shall make insured loans under this subtitle that are for any purpose specified in clause (3) of clause (8) of section 312(a) of this subtitle available, at the interest rates otherwise applicable under section 316(a)(1) of this subtitle reduced by 3 per centum per annum to any borrower who—

"(1) in not less than three years during the five-year period ending on the date of the borrower's application for such loan, was eligible to receive a natural disaster emergency loan under subtitle C of this title by reason of the fact that the borrower's farm or ranch was located in an area designated in each of such years for assistance under subtitle C; and

"(2) throughout the three-year period ending on such date of the borrower's application, was engaged primarily and directly in farming or ranching in the United States.".

ADMINISTRATION OF THE FMHA FARM LOAN PROGRAMS

SEC. 4. (a) Subsection (h) of section 309 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(h)) is amended by—

(1) designating the existing text thereof as paragraph (1); and

(2) inserting at the end thereof a new paragraph (2) as follows:

"(2) In implementing the approved lender program for guaranteed operating loans and farmownership loans established under section 339 of this Act of May 4, 1984, the Secretary shall ensure that each request of a lending institution for a loan note guarantee under the program is reviewed, and a decision made on the application, in no case later than fourteen days after the lending institution has submitted such request to the Farmers Home Administration.".

(b)(1) Congress finds that—

(A) the Farmers Home Administration farm loan guarantee programs can greatly assist (i) farmers and ranchers in many areas of the Nation in obtaining financing needed to continue in operation and cover

the costs of producing the 1985 crops and (ii) lenders in meeting farmers' current credit needs;

(B) in the past, the Farmers Home Administration farm loan guarantee programs, including the approved lender program, have been ineffective in responding to the needs of our Nation's farmers and ranchers, and their agricultural lenders;

(C) many lenders believe that the Farmers Home Administration procedures restricting disbursements of guarantee proceeds on loans in default prior to completion of the liquidation process discourage participation by lenders in the loan guarantee programs;

(D) Congress has provided the Secretary of Agriculture with authority to prescribe terms and conditions for the farm loan guarantee programs of the Farmers Home Administration; and

(E) it is vital that the Farmers Home Administration farm loan guarantee programs, including the approved lender program, be revised immediately to encourage greater participation by financially hard-pressed farmers and ranchers; and their agricultural lenders.

(2) It, therefore, is the sense of Congress that the Secretary of Agriculture, as soon as practicable but not more than fifteen days after the date of enactment of this Act, should take action, administratively, to make the Farmers Home Administration farm loan guarantee programs, including the approved lender program, more responsive to borrower and lender needs, taking into consideration a revision of the terms and conditions applicable to such programs that will facilitate the disbursement of advances of guarantee proceeds on loans in default prior to completion of the liquidation process, subject to prudent loan guarantee policies.

(c)(1) Congress finds that—

(A) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(B) many financially stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(C) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(2) It, therefore, is the sense of Congress that the Secretary of Agriculture should immediately take steps, using authorities of law provided to the Secretary, to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops.

ADVANCE RECOURSE COMMODITY LOANS

SEC. 5. Effective for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make advance recourse loans available to producers of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act, as follows:

"(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1985 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for similar loans, as determined by the Secretary.

"(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity. Within the limits set out in paragraphs (4) and (7) of this subsection, advance recourse loans shall be available (A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to 50 per centum of the farm program yield for the commodity times the farm program acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary, (B) to producers of tobacco and peanuts who are on a farm for which a farm marketing quota or poundage quota has been established on an amount of the commodity equal to 50 per centum of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary, and (C) to producers of other commodities on an amount of the commodity equal to 50 per centum of the farm yield for the commodity times the farm acreage intended to be planted to the commodity for harvest in 1985, as determined by the Secretary.

"(3) An advance recourse loan under this section shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under this section shall specify such due date. The Secretary shall establish procedures, where practicable, under which producers, simultaneously with repayment of the recourse loans, may obtain nonrecourse loans on the crop, as otherwise provided for in this Act, in amounts sufficient to repay the recourse loans. In cases in which nonrecourse loans under this Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay the recourse loan at the time the producer receives advances or other payment from the producer's disposition of the crop.

"(4) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1985 crop that are incurred or are outstanding on or after the date of enactment of the Farm Emergency Credit Act of 1985.

"(5) To obtain an advance recourse loan, the producers on a farm must provide a first lien on the growing crop covered by the loan as security for the loan or such other security as is available and determined by the Secretary to be adequate to protest the Government's interests.

"(6) To obtain an advance resource loan, the producers on a farm must obtain crop insurance, if it is available, to protect growing crop that serves as security for the loan.

"(7) The total amount of advance recourse loans that may be made to any person under this section shall not exceed $200,000.

"(8) Advance recourse loans shall be made available only to producers who agree to comply with such other terms and conditions determined appropriate by the Secretary consistent with the provisions of this section.

"(b) The Secretary shall carry out the program provided for under this section through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and, in addition, the services of the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to make determinations of eligibility with respect to the credit test under clause (1), and determinations as to the sufficiency of security under clause (5), of subsection (a) of this section, and in such other capacities, as the Secretary determines appropriate.".

REGULATIONS

SEC. 6. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue, or as appropriate amend, regulations to implement the provisions of this Act as soon as practicable but not later than fifteen days after the date of enactment of this Act, and loans and other assistance provided under this Act shall be made available beginning on the date such regulations are issued or amended. The Secretary shall extend the period of signup for participation in the programs for the 1985 crops of wheat, feed grains, cotton, and rice under the Agricultural Act of 1949 for a period of thirty days after the date of enactment of this Act.

Mr. DE LA GARZA (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENTS OFFERED BY MR. DASCHLE

Mr. DASCHLE. Mr. Chairman, I offer a series of amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection

The Clerk read as follows:

Amendments offered by Mr. DASCHLE:

On page 9, line 8, insert "and" after the semicolon.

On page 9, beginning on line 20, strike out the semicolon and all that follows: through the end of line 25 and insert a period in lieu thereof.

On page 9, line 12, insert the following after the word "of": "the lower of (1) a rate not to exceed the lowest rate charged on other agricultural loans by the lender minus two percentage points, or (2)".

On page 11 strike lines 8 through 10 and insert in lieu thereof the following: "by reason of the fact that the borrower's farming and ranching operations have been substantially affected by a natural disaster;".

On line 14 immediately after the word "States" insert the following: "; and (3) is unable to obtain sufficient credit elsewhere as required under section 311(a)(4)".

On page 15, line 8, insert after the period the following:

"No producer, who has received a commitment or been furnished sufficient credit or a

loan for production of the 1985 crops, shall be eligible for an advance recourse loan to finance the production of such crops. The credit elsewhere certificates provided by lenders on behalf of a producer applying for an advance recourse loan or lenders to provide any additional amount of funds needed by such producer to provide the financial requirements necessary to successfully complete the crop year.

On page 17, line 13, strike out "$200,000" and insert in lieu thereof "$50,000".

Mr. DASCHLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. DASCHLE. Mr. Chairman, before I describe the amendments, I want to clarify one oversight that is really my fault. For some reason, four Members who have early on expressed their interest in being cosponsors to the amendments were not listed, and I do not know how to explain.

The gentleman from Wisconsin [Mr. KASTENMEIER], the gentleman from Texas [Mr. BOULTER], the gentleman from Georgia [Mr. ROWLAND], and the gentleman from Montana [Mr. MARLENEE], are on that list. Mr. MARLENEE in particular was one of the first cosponsors of it, and I want to be sure that, for the record, that fact is known.

There are five amendments that we have worked on both sides of the aisle to produce. They are simply in most cases clarifying amendments. We have agreed to them within the committee and I want to describe them briefly.

The first amendment clarifies a part of the bill, that as reported, directs producers totally covered in this legislation to purchase crop insurance for both advance CCC loans and the loan guarantee program. The first amendment simply charges that to include only the advance CCC part of the bill.

The second amendment deals with the limit that we have with regard to CCC loans. The bill as reported placed a $200,000 ceiling on the total amount of CCC loans available to the producer. This amendment, the second of my amendments en bloc, reduces that ceiling to $50,000.

The third amendment deals with the disaster program. The author of the disaster program portion of the bill intended for his language to include a test of credit. My amendment simply clarifies that test of credit.

The fourth amendment deals with the part of the bill wherein the instances in which the advance CCC loan does not provide for full financing for the production of the 1985 crop, the producer must receive certification from the lender that the additional financing will be made available by the lender.

The final amendment deals with the requirement in the bill to ensure commercial lender participation in this program. The interest rate on the Farmers Home Guaranteed Loan Program will be set at the lower of either 1¼ points above the institution's level of acquiring interest-bearing funds contained in the bill; or 2 points below the lowest rate charged by the lender on other agricultural loans.

Those are the five amendments. I think they clarify in large part the difficulties that we have foreseen and represent significant improvements in the bill.

The CHAIRMAN. The question is on the amendments offered by the gentleman from South Dakota [Mr. DASCHLE].

The amendments were agreed to.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it goes without saying that this Member does not represent a farm congressional district. As a matter of fact, I represent a primarily urban-suburban district in northern California. But I rise in very strong support and announce my intention to support the legislation on the floor of Congress and in so doing I would like to make the following remarks:

What I do know, Mr. Chairman, is that farmers in this country are in a significant difficulty, confronting a major crisis of extraordinary proportions.

What I do not know are the specifics of a solution to address the problems of the farmer. Therefore, I am not in a position to effectively evaluate whether the bill before this body sufficiently and effectively addresses the human misery that is all too real around this country as small farmers and family farmers confront this incredible crisis.

But I seek to support this bill for several reasons. First, it is clear to me as an urban Member of this Congress that we are in this situation because of the policies or the lack thereof of the Federal Government. Therefore, we as members of the Federal Government have a responsibility to address the problem.

Second, there are two significant and important values that in my estimation must be maintained. The small farmer and the family-farm concept must be maintained in this country, and the idea that food should be distributed to the American people at reasonable price is the second value that must be maintained.

For corporate America to gain control of agribusiness in this country means that the concept of the family farm, the small farmer, the idea of the distribution of food at a reasonable price, is an idea that will no longer be a reality in this country.

□ 1610

I do not have a rural district, but the constituents that this Member represents would be adversely affected if those values were to go down the drain because this Member in large part represents a portion of a constituency that is poor, that is unemployed, that is destitute, and that lacks the purchasing power if we escalate the nature of the price of food in this country, moving from the small farmer and the family farm to the concept of corporate control of agribusiness.

Having said that, this Member would even be willing, I would say to all of my colleagues on both sides of the aisle who represent farm communities, to go far beyond this legislation. This is a very temporary and not so totally effective instrument to address the problem. This Member would be prepared to go far beyond that to address the long-term problem, because, as I said before, if the small farmer and the family farm die in this country, then a large portion of the notion of reasonable distribution of food at reasonable prices would also die, and that is not in this Member's interest nor in the interests of our constituencies.

I might even say to my colleagues that there are some of us who are black Members of Congress and who are urban Members of Congress who would be prepared to go into your farm country and sit down with farmers in the rural areas of this country, all over this country, to let them see that there are black Members of Congress and urban Members of Congress who have the human capacity and the intellectual capability and the political wherewithal to understand the incredible human misery that is taking place in rural America and on farms all over this country and in so doing perhaps come together in a major coalition to find a real and competent and capable solution to those problems.

The final reason why I would vote for this bill speaks to the last point this gentleman made, because if this gentleman can communicate that those of us in the urban centers of this country can reach to our brothers and sisters in rural America who are facing these problems and understand their human misery and their concern in this crisis, maybe when we bring ideas to the floor of this Congress to ask you to understand, in the hope that in showing by example our willingness to become competent on this issue and understand the human misery of the farmer and how to address the problem, when those of us in the urban environment come to the floor of Congress to urge that this body address the human misery of tens of thousands of human beings trapped in the mire of the urban blight, you, too, will reach to us.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

(On request of Mr. WEBER, and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, this is the moment when we can embrace the notion of a coalition. We can capture this moment to address not only the psychological, political, and economic problems of the farmers in this country, but we can reach across race and class and sex and geography to come together to address human misery across all bounds.

This gentleman is not naive. Maybe it will not help us build coalitions, but at least for a few moments those of you in this body who represent the farmers and who consider yourselves conservative and moderate may understand, and maybe if we show the capacity and the capability to reach to you in your moment of need and in our collective moment of need, maybe you will reach to us to help us address the poverty and the human misery that is all too real in the urban environment.

In conclusion, Mr. Chairman, this Member stands proudly and aggessively in support of addressing the problems of the farmers, because their problem is my constituents' problem and your problem is my problem, in the hopes that in the next several weeks you will understand that on the other side of that coin lies human misery trapped in the urban environment.

Mr. WEBER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to my distinguished colleague, the gentleman from Minnesota.

Mr. WEBER. Mr. Chairman, I thank the gentleman from California for yielding, and I thank him for his statement.

I just want to thank him at this time publicly as well for the dedication he has shown on this issue and specifically to let the Members of the body know that the gentleman in the well spent almost an hour-and-a-half of his time meeting with a group of farmers, desperate farmers, from my district who came to Washington to tell their story. My colleague, the gentleman from Minnesota [Mr. PENNY] sent them in to talk to the Speaker, which is very helpful, but I appreciate also the efforts of the gentleman in the well and some other urban Members of the Congress who gave so generously of their time. I want the body to know that I appreciate the gentleman's concern on this issue.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has again expired.

(On request of Mr. DE LA GARZA, and by unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding.

Mr. Chairman, first let me assure the gentleman that we who represent agriculture so very much appreciate his sensitivity and his compassion and his intelligent comprehension of the issue.

Although we have been there in the past, assisting the gentleman with the needs of his constituency and similar constituencies, I think that today the gentleman has reinforced our dedication to continue to work with him, because the plight of an American, whether he be in the inner city or out in rural America, is the plight of an American. For those in need and those who are suffering, I wish that all of us would have the sense of sensitivity and compassion that our distinguished colleague has. Perhaps with the example here today—when those in need in one sector who are effected so drastically receive such compassion from those in another sector—I would hope and pray that we would reciprocate at the time when we are needed to help in other areas.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for his kind and generous remarks, and I yield back the balance of my time.

Mr. VOLKMER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask this of the gentleman from Missouri [Mr. COLEMAN], the ranking minority member of the subcommittee: In regard to the language that is contained on page 11 of the bill, for those who have had 3 to 5 years of disaster, I would like to draw your attention to the language in lines 4 to 10. In there it provides that:

> In not less than 3 years during the 5-year period ending on the date of the borrower's application for such loan, was eligible to receive a natural disaster emergency loan under subtitle C of this title by reason of the fact that the borrower's farm or ranch was located in an area designated in each of such years for assistance under subtitle C * * *

I would ask what that language means for the farmer who lived in the county that has been declared a disaster.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. Yes.

Mr. COLEMAN of Missouri. Has the gentleman stated his question?

Mr. VOLKMER. Yes; does that mean that the farmer had to suffer a disaster in those 3 years himself or whether just the county had to have a disaster?

Mr. COLEMAN of Missouri. Mr. Chairman, if the gentleman will yield, in the Daschle amendment we have made a change in those words, and the operative words now read as follows:

> By reason of the fact that the borrower's farming and ranching operations have been substantially affected by a natural disaster.

The intent and the reason for that language is to clarify that we do not believe that people who just happen to live in a county that was declared a disaster area would be eligible for this 3-percent interest reduction. The individual farmer has to come in and show that he as an individual farmer has, in fact, sustained losses in 3 out of 5 years.

Mr. VOLKMER. He would still be able to obtain one of these loans even though he had obtained loans in the previous 3 years also?

Mr. COLEMAN of Missouri. Yes; because those were disaster loans that he has already qualified for. This is an operating loan, and because of the fact that, as the gentleman knows in his district, as well as mine, it takes much more to get back on your feet, and you certainly need more than a disaster loan, we are attempting with this 3-percent write-down to help those particular individuals who happened to be in the wrong place at the wrong time, which is north Missouri—your district and mine.

Mr. VOLKMER. That is right. This language will apply to my district probably just as much as it applies to the district of the other gentleman from Missouri. So that is why I just wanted to make sure of what we are doing here.

Mr. Chairman, I appreciate the gentleman's work on this language, and at this time I yield to the other gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I thank the gentleman for yielding.

I first wish to again thank the gentleman from California [Mr. DELLUMS] for his support and his understanding of this issue, as he so well articulated it. I would also like to point out that Members from urban America and suburban America should support this legislation because this truly could have a domino effect. People who live on the farm have a direct influence and their economy has a direct influence on those who live elsewhere in this country.

□ 1620

Small towns are reliant upon how well the farmer does. If the farmer does well, the tractor dealer, the implement dealer, the seed dealer, the fertilizer dealer, the food stores, the clothing stores, all do well. If they are not doing well, then those who live in suburbia and rural America consequently are not working and producing for the rest of the country to their capacity; so in addition to the reasons

the gentleman from California said, there is a domino effect.

I would like to point out that as the chairman of the congressional rural caucus, we had a hearing yesterday with the various State senators and State representatives from 15 Farm Belt legislatures. They very succinctly pointed out the problem in rural America. It is real. This problem is one that is a very basic one, not just to farmers, not just to people who live in small towns, it concerns everybody because it concerns eating and that is a very important thing for all of us to think about. We in America spend only 12 cents out of the earned dollar for food, compared to 28 cents in the Soviet Union, 72 cents in the Sudan, you pick your country. The best bargain in this world is the American food that we produce and sell here and abroad. That is what we are talking about. We are talking about the basic economy and the people that produce it.

Mr. ALEXANDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this legislation and compliment the chairman, the gentleman from Texas [Mr. DE LA GARZA]; the chairman of the subcommittee, the gentleman from Tennessee [Mr. JONES]; and the gentleman from South Dakota [Mr. DASCHLE] together with the task force that has come together for the purpose of enacting this emergency legislation to deal with the farm credit crisis in America today.

I would like to compliment the bipartisan spirit of the debate that we have heard here today. I certainly agree that with the small number of Representatives that the farm community of America has in the U.S. Congress that we cannot afford the partisan wrangling that sometimes occasions debate on other subjects that are brought before this House for consideration; but I would like to say in defense of the American farmer that the plight that they now endure is not brought about by mismanagement. It is not brought about by poor judgment on their part. It is brought about by circumstances which are far beyond their control, and while this is not an issue on which we will debate the future of the farm policy of our country, it is an immediate remedy to an immediate problem.

The American farmer has dedicated his life to feeding and clothing the world. Today, he is asking for help in order to properly feed and clothe himself and his family.

Between 1979 and 1983 net farm income in the United States decreased 50 percent.

Farm residents in 1983 received, after taxes, an average per capita income of $6,917—considerably less than the $10,000 per capita income for nonfarm residents of our country.

Dire warnings about the precarious financial state of agriculture abound. The U.S. Department of Agriculture reports that approximately 18 percent of all farm operators have a debt/asset ratio of 40 percent or more. When the debt/asset ratio reaches 40 percent, economists say interest costs of the farmer begin to threaten his survival. What these percentages translate into is 419,000 financially stressed farmers with $109 billion in debt as of last January.

But even more important is the fact that there are 156,000 farms with debt/asset ratios of 70 percent or more, representing $46 billion in debt and $26 billion in assets. This sort of situation is highly insolvent and indicates a near-term potential loss exposure facing lenders.

It is worth repeating the Farm Credit Administration's predictions concerning this point:

> Unless the financial situation in agriculture is stabilized there is a danger that asset values will be forced to a record low because of forced sales. Highly stressed operators, for example, hold about 3 percent of the total assets in agriculture, considerably more than what normally comes on the market in a given year. If the bulk of these farmers go out of business in the coming year, asset markets will be under strong downward pressure.

Alan R. Tubbs, on behalf of the American Bankers Association, gave this testimony before the Subcommittee on Conservation, Credit and Rural Development on February 7, 1985:

> Based on the agricultural credit and farm debt situation, I see an impending and unavoidable crisis for this year, next year, and possibly beyond as these highly leveraged farmers hit a point of no return.
>
> My concern is that as these operators are pushed into bankruptcy, foreclosure, or partial liquidation, it will force the reallocation of assets, further eroding asset values and creating a downward spiral.

You can see this beginning to happen all over the country. As land values decrease, farmers are unable to borrow money for their production needs. Without production, they are unable to pay back their current loans. As many are forced to sell land in order to meet loan payments or raise money to plant, they push the prices of neighboring farmland down. Mr. Tubbs pointed out that in the last 2 to 3 years the average land reduction in the Midwest has been approximately 30 to 40 percent. We are becoming ensnarled in a vicious vortex.

I think it needs to be added that the crisis that the farmer experiences today in America is brought about by circumstances which are far beyond his control. It has to do with the economic policy of this country and the impact thereon of an overvalued dollar abroad, which discourages imports.

Everyone that understands farm policy knows that in order for the American farmer to survive, he proceeds on the presumption of exporting at least 50 percent of his products in international commerce. But the current economic policy discourages exports. Thus, an over supply depresses farm prices.

Mr. Chairman, there is one specific matter that I judge needs to be clarified in order to have an efficient and effective administration of this bill and of all Farmers Home Administration programs that are now being administered by the administration. In section 311(A) of subtitle (B) of the Farm and Rural Development Act, there is a provision which deals with the definition and the qualification of an applicant for eligibility under the family farm provision. In my own State of Arkansas, the Farmers Home Administration personnel interpret this provision very narrowly. They in fact say that if a family farmer, a man and his wife and a family, employ more than two persons, two hired hands, as it is defined on that farm, that they are not a family farm.

I would like to engage the chairman of the Agriculture Credit Subcommittee and the principal author of this bill, the gentleman from South Dakota [Mr. DASCHLE] in a colloquy on this subject in order that we might bring some light for purposes of congressional intent and legislative intent on this subject.

Is it true, Mr. Chairman, and I ask the gentleman from South Dakota [Mr. DASCHLE] that is it the intent of this body and the intent of Congress to interpret the definition of a family farm in a manner which is broader than the specific reference which I recited a moment ago.

Mr. JONES of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Tennessee.

Mr. JONES. of Tennessee. Let me say to the gentleman from Arkansas [Mr. ALEXANDER] and to the body that there has been an ever-changing decisionmaking group about family farm sizes and the number of people who are to be engaged in a family farm. That has been going on for a good many years now, and as a farmer and as a member of the Rural Agricultrual Committee, I have seen it change since I have been here.

I think that the main thing that determines the size of a family farm today has been requirement that the Farmers Home Administration has always used and has had to make loans to farmers, some of which I have always disagreed with, because I think that some of the loans are made beyond the group that does farming.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

(By unanimous consent, Mr. ALEXANDER was allowed to proceed for 5 additional minutes.)

Mr. JONES of Tennessee. Because I think the Farmers Home Administration, if the gentleman will continue to yield, Mr. Chairman, has made a lot of mistakes in making some of the size loans they have made in that regard. I am not referring to any particular area of the country or to any particular vocational group that does farming. I think it is a problem that we have. It is actually one, I say to the gentleman from Arkansas [Mr. ALEXANDER] that I am afraid and have a hesitancy to deal with and put in black and white as far as the definition of a family farm is concerned.

I think it is a mistake if we do that from our standpoint here in this House to be applied to the 50 States of the Nation.

Mr. ALEXANDER. So the gentleman is saying, if I interpret him correctly, and he is a man of experience, having served as a State commissioner of agriculture in Tennessee before coming here to this institution, that there are examples where numerous employees or hired hands may be put to work for a temporary period of time in the harvest season, for example, to harvest fruit maybe in Florida or even tomatoes in Arkansas or strawberries in Tennessee or okra or some of those crops, but that the limit of two persons, two hired hands, is severely restricting the definition of a family farm in such a way as to violate the intent of this body and violate legislative intent.

Mr. JONES of Tennessee. The gentleman is absolutely correct. That is a mistake if that is being done, because a limitation of two employees to any size farm in my opinion is a mistake in the first place, because of the fact of the modern machinery that we have, the changes in cultivation habits and harvesting habits every day on the farm and it would be a mistake to define the fact that the limitation of two farm hands out there on the farm would be a mistake.

Mr. ALEXANDER. I will yield to the gentleman from South Dakota in just a second, but I know of an instance where a man and his wife own and operate a farm, in this instance of over 2,000 acres; they have two sons who are in college, but it is necessary for them in order to provide the labor for this farm to hire as many as 5 or 10 hired hands.

Is it the opinion of the gentleman from South Dakota that it is the legislative intent of this body to apply the benefits or the eligibility of this program that we are enacting today to instances such as I have described?

Mr. DASCHLE. Well, certainly the gentleman raises an excellent point. I think the problem has been widely varied interpretations of the law from State to State. In some States it is narrowly focused. In other States it is widely interpreted and the result of that interpretation is that we found that a family farm in one State is not a family farm in another. It seems to me a family farm is run by a family and that criteria ought to be the sole criteria upon which we determine what a family farm is.

□ 1630

That is certainly the intent of this Member as we look to this legislation.

But I think also, if we are going to clarify this legislatively, which I think ultimately may need to be done, I think the time and the place for that is in the farm bill and I certainly intend to pursue that with the gentleman as the farm bill is brought before the House Agriculture Committee later on this year.

Mr. ALEXANDER. I certainly agree that that is the proper legislative vehicle to explore and to thoroughly define the issue. But for the moment, and in the spirit of responding to the urgent credit crisis that faces American agriculture, we must deal with that situation in this legislation to the extent that we are capable, and certainly this colloquy is intended to do that.

I would hope that we could fashion some language to be included in the report to define this, the subject of a family farm, until such time that we can do it more generally and more definitively in legislation to be brought up at a later time this year.

Mr. DE LA GARZA. Will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I will state to the gentleman that I do not know from whence the two hired hands requirement came. But the regulation that the Farmers Home Administration works under, which we feel reflects the intent of Congress, states in the definition of family farm that it "may require a reasonable amount of full-time, hired labor."

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. ALEXANDER] has again expired.

(By unanimous consent Mr. ALEXANDER was allowed to proceed for 1 additional minute.)

Mr. DE LA GARZA. Under the definition, among other things, it says, "may require a reasonable amount of full-time, hired labor and seasonal labor during peak-load periods."

I would say to the gentleman that our committee would insist that that was the intent of the Congress, and then you have to go on a case-by-case basis.

Mr. ALEXANDER. The problem that we have, Mr. Chairman, is that "reasonable" in the eyes of the person who defined that term in Arkansas was two, and reasonable to me is not two. It is 25 or 50 or whatever may be required in order to carry out the functions of the labor of a family farm.

Would the chairman disagree with my impression of "reasonable" as opposed to the limited and narrow definition that has been applied by the Farmers' Home Administration?

Mr. DE LA GARZA. As I stated to the gentleman, the regulation, as I read it, says, "reasonable." What is reasonable would be decided on a case-by-case basis. One might say yes to one and then to 20 or 25.

I think we should state here, as the gentleman from South Dakota states, and I concur, that this should be addressed in another forum. But, again, I would state that the legislative intent is reflected in the regulation, which states that a family farm may require a reasonable amount of hired labor and seasonable labor.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. ALEXANDER] has again expired.

(By unanimous consent Mr. ALEXANDER was allowed to proceed for 1 additional minute.)

Mr. ALEXANDER. Mr. Chairman, I would conclude from the chairman's statement that for the time being, and for application of the law as it currently exists, and until such time as the Committee on Agriculture can hear this subject more thoroughly, that no number should be applied in determining "reasonable" until the committee has had an opportunity to address the subject more thoroughly?

Mr. DE LA GARZA. I would state that that would be our interpretation, that "reasonable" has to mean reasonable, and that no figure be set across the board that must apply everywhere, in each section of a State, and from one State to another State.

Mr. ALEXANDER. I thank the gentleman for his contribution and for the colloquy.

Mr. DE LA GARZA. The decision could be made in each State. But our interpretation is that no stated figure should go across the board.

Mr. ALEXANDER. I thank the gentleman.

Mr. ROBERTS. Mr. Chairman, I move to strike the last word. I do so to engage in a colloquy with the author of the bill, my colleague and good friend from South Dakota [Mr. DASCHLE]. I would like to ask him a question.

Under section 5 of H.R. 1035, advanced recourse loans are provided to producers of commodities of the 1985 crop. Would the gentleman clarify a point of considerable discussion during the markup in the committee?

Are all producers involved in the production of crops for the 1985 crop year eligible for the advanced CCC price support loans?

Mr. DASCHLE. Will the gentleman yield?

Mr. ROBERTS. I will be happy to yield.

Mr. DASCHLE. Section 5 amends the Agricultural Act of 1949, and my intent is that all producers, including winter wheat producers, are eligible for the advanced CCC loans if they meet the other requirements contained in the legislation.

Mr. ROBERTS. I thank the gentleman and I yield back the balance of my time.

Mr. PENNY. Mr. Chairman, I move to strike the last word.

Mr. PENNY. Mr. Chairman, the rural communities of my district are facing a bleak future as we haven't seen since the Depression.

In my home State of Minnesota we have seen a cooperative effort by the Rural Crisis Committee, composed of Republicans and Democrats, farmers and businessmen, lenders and merchants—groups that during ordinary times would hold and express diverse interests—today united because of the real problem in rural America.

The Rural Crisis Committee thinks the farm loan system needs greater flexibility, but also more coordinated processing. There are four levels of lending and farm borrowers must go from Government to association to lending institution to vendor. Where one of the parties is reluctant to act, as Farmers Home has been for several months, financing farm operations becomes exceedingly difficult.

The solution offered by the Rural Crisis Committee is to make the private lenders the first level of processing. They could take a look at total debt and recommend how much should be recast under the Farmers Home insured loan programs; how much should benefit from guaranteed loan programs; and how much should stay in commercial loan portfolios. In making these recommendations the local private lender would be guided primarily by the requirement that the farmer be able to show a positive cashflow to cover operating expenses, debt payments, taxes, and family living expenses.

The farmer would be eligible to have the maturity of his loans extended out for a 15-year period and to obtain interest cost reductions in a number of ways:

By becoming eligible for the limited resources program in which regular FmHA rates are reduced by 3 percent;

By placing a portion of his debt under the FmHA program at "Government" interest rate levels; and

By putting an interest rate cap on guaranteed loans from private lenders.

I call upon the administration to request, at the earliest possible time, additional authority for FmHA insured loans. They have every legal right to extend the approved lender program so that private lenders can assist in processing new loans and restructuring old debts. They can extend loans out to 15 years and they can reschedule payments. So far they haven't had the will to do so.

If our farmers can get a fair price for their production and if their debt is lengthened and interest costs reduced—as we did for foreign business borrowers—they can and should survive and be successful. Much of their current difficulties stem from Government action. It is no excuse to now say that some other administration caused the problem. There are enough sins of this administration to require it to atone to rural communities—notably the outrageous size of the Federal debt, the unreasonably robust dollar in foreign markets, the lamentable export policies, and the weakness of their farm policy.

To put this in perspective, I need only point out to my colleagues that this administration rescued a large bank last year—extended a great deal of credit—off budget—without a single word of debate on the floor of Congress—in an amount significantly greater than anything we are talking about today. The FDIC took billions of dollars of bad debts off the backs of the stockholders of Continental Illinois Bank. And that was not called budget busting.

I challenge this administration to respond to rural America as they did to Continental Illinois.

Paul Volcker testified on Capitol Hill last week. He is not noted as a champion of rural America, but he did agree that there is a risk of cycle after cycle of farm devaluation, failures and foreclosures. And that would imperil our entire society.

I urge John Block and this administration, above all, to revise their comprehensive farm bill so that we restore stable and fair prices to our farmers. That's the long-term answer to this current farm crisis.

Mr. Speaker, I would like to name the members of the Rural Crisis Committee so that the record will be clear that this is not a partisan matter, but a problem that concerns every rural citizen. The Rural Crisis Committee is composed of representatives of the: Minnesota Bankers Association; Minnesota Cattlemen's Association; Minnesota Wheat Growers Association; Farm Equipment Association; Minnesota Soybean Growers; CENEX; Minnesota Farmers Union; American Agricultural Movement from Minnesota; Minnesota Pork Producers; Communicating for Agriculture; Minnesota Farm Bureau; Northwestern Lumbermen's Association; Independent Bankers of Minnesota, and Farm Credit Service.

I would now ask my colleague and friend from South Dakota [Mr. DASCHLE] for a response.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from South Dakota.

Mr. DASCHLE. Mr. Chairman, the program of the Rural Crisis Committee is a response to economic conditions created by Government policies and economic forces which farmers do not control. These policies are ruining our rural communities. They only ask a reasonable chance to restructure debt with some interest relief and some real cooperation from this Government.

The Rural Crisis Committee program, as my colleague Mr. PENNY has so ably pointed out, relies upon the private lenders to make the analysis and processing of loan applications and debt restructuring applications. The Farmers Home Administration has a backlog of tens of thousands of applications for the debt set-aside program. Private lenders have fully experienced personnel and they are ready and willing to work to preserve a wholesome way of life. If the administration will cooperate, we can accomplish the Rural Crisis Committee's goals and have a better rural America.

□ 1640

Mr. PENNY. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER: Amend section 4(a)(2) by deleting the phrase "a new paragraph (2)" and replacing it with the phrase "new paragraphs (2) and (3)" and inserting the following new paragraph and renumbering the existing subparagraph (2) as subparagraph (3):

"(2) In implementing the approved lender program established under section 339 of this Act on May 4, 1984, the Secretary shall ensure that each request of a lending insitution for designation as an approved lender under the program be reviewed, and a decision made on the application, within fifteen days after the lending institution has submitted a completed application to the Farmers Home Administration. Any such request of a lending institution that maintains loan portfolios of which not less than 25 percent of all outstanding loans are agricultural loans or loans to agricultrually-related businesses shall be automatically approved.".

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebrasaka?

There was no objection.

Mr. BEREUTER Mr. Chairman, I intend to offer three amendments and I would like to speak in general to my colleagues, especially those members of the House Committee on Agriculture.

First I would like to commend them for their responsiveness and for the excellent legislation that they have presented to us.

I happen to think it can be perfected a bit but I think they have done an outstanding job and that is the first thing I want to say.

Really, I do believe this legislation might well have been referred to the Committee on Banking, Finance and Urban Affairs as well, where I am a member, because we are dealing with a problem that involves farmers, ranchers, banking institutions as well as the agribusiness.

There are about four or five of us on that Banking Committee who do come from predominantly agricultural Districts.

I did attend as many of the hearings held by Chairman JONES as possible.

I would also say I bring, unfortunately, special qualifications to the floor today to talk on this subject, for I have in the last 18 months had four agricultural banks fail in my congressional district. Of 70 some bank failures in the country last year, 15 were in the States of Iowa and Nebraska alone.

I could tell you that chaos has resulted in those communities because in every instance it was the sole bank and financial institution in that community.

This Member, therefore is especially interested in helping the borrowers that were spun out of those failed banks who through no fault of their own really had their bank pulled out from under them. But also the amendment that I will be offering shortly will be anticipatory in trying to assist other Members avoid some of the chaos resulting from failed agriculturally oriented banks.

I would ask my colleagues to think back to the administration's debt restructuring program of last September. It provided for a principal buy down for a quaranteed loan. It was not understandably acceptable to the American banking community. Therefore it was not implemented and the farmer was not assisted on debt restructing and spring planting loans.

Of $630 million authorized for loan guarantees, only $25 million has been used. That ought to tell the Administration and the Congress something.

So if we are not going to have the cooperation and motivation from our commercial lending institutions it is rather obvious that we must make the approved lender program workable and attractive. I am fearful of two things: One, this legislation still will not work and, second, since the Farmers Home Administration cannot cope with the problems that they now have, the additional requirements placed upon them will only compound the problem unless the paperwork burden is dramatically shifted to great numbers of approved lenders.

The amendment that I offer you now is, I think, relatively noncontroversial. In the legislation that you wisely brought to this body you have provided for a maximum period of 15 days during which the Farmers Home Administration must act upon applications for loan guarantees coming from approved lenders. I am going one beyond that and suggesting that we have a problem that must be coped with in processing those applications and that it can be coped with only if we have a large number of banks acting as approved lenders.

So therefore my amendment does two things: One, it provides a maximum of 15 days for the Farmers Home Administration to act upon an application from the financial institution to become an approved lender—"yes" or "no" in 15 days. Second, it provides that agricultural banks as commonly defined, that is to say those with 25 percent of their loans to agriculture of agribusiness, will automatically be given the status of approved lenders.

That does not mean that the loans coming out of the bank of course will be automatically approved. The Farmers Home Administration must still keep that final authority to approve or disapprove. But I think it does expedite the process.

I am quite willing to engage in dialog with my colleagues here if they have questions about this approach.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I appreciate the gentleman yielding.

Mr. Chairman, generally the gentleman is on the right track, particularly on the first section here trying to get the decisions expedited. I have a couple of concerns, however, in regard to the mandate that any bank that has over 25 percent agricultural portfolio ought to automatically be approved as an approved lender.

Frankly, I must tell the gentleman I have some banks in my area that have over 25 percent agricultural loan portfolios, they are not in good condition today, they have had some real problems in the past, they are being frankly investigated by the FDIC and I do not think they ought to be approved. I will be very honest about it.

The CHAIRMAN. The time of the gentleman [Mr. BEREUTER] has expired.

(On request of Mr. GUNDERSON and by unanimous consent Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. Mr. Chairman, I understand the concern of the gentleman but I also would tell the gentleman this: We have a small percentage, a very small percentage, less than half of the agricultural banks in this country that have sought this approved lender status. I do believe the most important thing to consider is that we have approved lenders status given in a timely fashion. Then I think it requires special diligence on the part of the Farmers Home Administration to take a look at applications coming from those approved lenders about which some doubt might be expressed.

That, it seems to me, is the way we ought to proceed.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield further?

Mr. BEREUTER. Mr. Chairman, I would be pleased to yield again to the gentleman.

Mr. GUNDERSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, is the gentleman saying we ought to, by law, eliminate any discretion or judgmental ability of the Farmers Home Administration to determine whether or not a bank is worthy of being approved as a lender?

Mr. BEREUTER. I am saying, Mr. Chairman, given the short period of time that we have, that it is better to approve banks for approved lender status, a large number, even knowing that a small number of those banks are financial institutions about which you and I would have questions, rather than failing to process the applications whatsoever.

□ 1650

Mr. DE LA GARZA. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas [Mr. DE LA GARZA] is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Chairman, I have the same concerns just expressed by my distinguished colleague from Wisconsin [Mr. GUNDERSON] in that we would, in effect, mandate something be done without any ability to look at the lender. We would say that a lender with a 25-percent agriculture portfolio would automatically qualify. We have not done this in any other areas.

The first part of the amendment I think is good and appropriate—that there should be a 15-day turnaround. But, as to the other part of the amendment, we have to look across the board. This is legislation of national significance and import, and I get a feeling that our distinguished colleague is looking at a smaller area than the whole spectrum of the 50 States.

We have not had the benefit of his expertise and knowledge in this area at the hearings. Although we went rather fast, we were available at the hearings. We met with members of banking institutions; we met with members of the farm credit system; we met with both lenders, borrowers, and prospective lenders. The expertise and

knowledge of the gentleman could have helped us to make a decision.

So at this point I would oppose the gentleman's proposal. We did not have sufficient time to dedicate and to digest possible implications.

Mr. BEREUTER. Will the chairman yield? I think I might be able to expedite the matter.

Mr. DE LA GARZA. I yield to the gentleman.

Mr. BEREUTER. I thank the chairman for yielding to me.

Mr. Chairman, this is the only one of the amendments that is not coming from a source that I think the chairman would respect, and that is the Agriculture Banking Division of the American Banking Association. This is the only part, and it is my own.

The gentlemen who have spoken weigh the situation and arrive at a different conclusion than I do, perhaps because of the gravity of the situation in my own State. I would be willing to settle, in this amendment, for simply a 15-day expedited arrangements for approved lender status, just as we have in a 15-day process.

So therefore I would say to the chairman, I would be willing to strike the last sentence, which would grant automatic approved lender status to the agricultural banks.

I would ask the chairman if he would respond to that compromise.

Mr. DE LA GARZA. Let me yield at this time to the gentleman from Kansas [Mr. GLICKMAN] who has a similar amendment.

Mr. GLICKMAN. I think the gentleman makes a good suggestion, but in lieu of that language on the 25 percent, which troubles me because it gives any bank with a 25-percent ag loan portfolio automatic status in the approved lender program regardless of its stability, I would like to add some language which would say the following:

Such administrative action should include a determination by the Secretary that, for purposes of the approved lender program, the federal land banks and production credit associations chartered under the Farm Credit Act of 1971 are eligible lenders if the Governor of the Farm Credit Administration informs the Secretary that they have adequate reserves against losses.

That is, I would like to in a sense plug in the farm credit banks if the Secretary gets assurance from the farm credit system that they are solid banks.

Mr. BEREUTER. Would the chairman yield?

Mr. DE LA GARZA. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I would say to the gentleman, I have no opposition to what he is suggesting, but it does not address the concerns that I have, and that is to expedite the approval——

Mr. GLICKMAN. No, I keep your 15-day period in there.

Mr. BEREUTER. But do you deal with the commercial banks as well as the——

Mr. GLICKMAN. No.

Mr. BEREUTER. Well, I am trying to address the problem of expediting the approved lender status for commercial banks by simply giving the FHA 15 days to say yea or nay, and then I would be pleased to support the gentleman's approach as well.

Mr. GLICKMAN. What I would do is offer an amendment to your amendment which keeps the 15-day provision in there, which strikes the last sentence of yours and adds the language that I just read to you.

Mr. BEREUTER. I think that would be an excellent compromise.

Mr. DE LA GARZA. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. GLICKMAN TO THE AMENDMENT OFFERED BY MR. BEREUTER

Mr. GLICKMAN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN to the amendment offered by Mr. BEREUTER: Strike out the last sentence and insert in lieu thereof: "Such administrative action should include a determination by the Secretary that, for purposes of the approved lender program, the federal land banks and production credit associations chartered under the Farm Credit Act of 1971 are eligible lenders if the Governor of the Farm Credit Administration informs the Secretary that they have adequate reserves against losses.".

Mr. GLICKMAN (during the reading). Mr. Chairman, I ask unanimous consent the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GLICKMAN. Mr. Chairman, the purpose of the amendment is to do what I just explained; that is, to keep the Bereuter language on the 15-day period, to strike the last sentence of his amendment dealing with the 25-percent ag loan portfolio, and replace it with the farm credit language.

Mr. DE LA GARZA. Would the gentleman yield?

Mr. GLICKMAN. I would be glad to yield.

Mr. DE LA GARZA. Mr. Chairman, we would have no objections to the amendment of the gentleman, as amended by the gentleman from Kansas.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. GLICKMAN] to the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment, to the amendment, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER], as amended.

The amendment, to the amendment, was agreed to.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER:

Amend "section 349(a)(5) as found in section 2 of H.R. 1035 by:

Deleting the phrase "establishing the" and replacing it with the phrase "making a loan available to an existing borrower of the lender, a borrower from the Farmers Home Administration, or a borrower from a failed, closed or liquidated financial institution at an";

Delete the phrase "for the loan at a level . . .";

Delete the phrase ". . . that will ensure that" and replacing it with the phrase "if: (a)"; and

After the last word in subsection (5) insert the following: "(b) if the lenders agree to enter into agreements with borrowers to provide sufficient credit under this program for 5 years to borrowers who continue to operate farms and ranches.".

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the gentleman from Texas.

Mr. DE LA GARZA. I am sorry, I was distracted. Which amendment is this?

Mr. BEREUTER. This is amendment No. 1.

Mr. DE LA GARZA. I thank the gentleman.

Mr. BEREUTER. Mr. Chairman, my colleagues, I feel this is the most important amendment that I am offering, and I would say to the gentleman from South Dakota [Mr. DASCHLE] that pursuant to our conversation last night, I have amended the amendment which was printed in the CONGRESSIONAL RECORD to include the phrase, "the Farmers Home Administration" so that the possibility that he raised for a Farmers Home Administration borrower being in fact picked up by a commerical bank would indeed be possible.

What I am quite concerned about, my colleagues, is this: I am concerned that we may be attracting borrowers away from the PCA's and Federal Land Banks in this country.

All you have to do today is look at the situation that has developed in the Spokane district, where the interest rates available from the commercial lending institutions are now more advantageous than those offered by the Federal farm credit system. We have other districts that are having similar

problems, although they are not, at this point quite as acute as the Spokane district.

So I think it is important that we limit the loan guarantees to three classifications: Those of existing borrowers at commercial lending institutions or PCA's, or second, a borrower from the Farmers Home Administration. Certainly we ought to encourage any borrower that could move from the Farmers Home Administration to a commercial lending institution, although I think the number will be minuscule. And third, to provide loan guarantee availability to those borrowers that are being spun out of failed financial institutions.

The second part of this amendment provides just what the Agricultural Banking Division of the American Banking Association asked for, and that is, a 5-year commitment for a 90-percent loan guarantee program, reviewable on an annual basis by both the lending institution and by the Farmers Home Administration.

A 5-year commitment is necessary so that we are not faced with this same problem again next year, so that we have some assurance that there is time, indeed, for debt restructuring; so that we are doing more than simply putting the term "debt restructuring" in the bill; and so that in fact we are giving them 5 years of time to restructure if there is 100 percent cash-flow, as your bill now calls for.

This amendment provides for such a commitment. I would be pleased to yield to any of my colleagues from the Agriculture Committee or others who have concerns or questions for me.

I would be pleased to yield to my colleague, my neighbor from Iowa [Mr. BEDELL].

Mr. BEDELL. First of all, I commend the gentleman for his work on this effort, and I know he is trying to do everything he can to help with this problem.

Mr. Chairman, in my reading the amendment, I do not see where it says "annual review." Is there something I am missing in the amendment?

Mr. BEREUTER. No, that is in the second amendment, the amendment that will follow.

Mr. BEDELL. Does the gentleman expect us to pass this amendment and then see whether or not we pass the second amendment, that there is annual review? Because that thing alone I think would just absolutely wreck our whole program on this.

I have talked to the American bankers. I have had them on the phone just this afternoon, in Iowa, and I was not able to get ahold of the gentleman that is the chairman of their ag committee; but I talked to the people there.

□ 1700

I read them what it is in this amendment and understandably they do not agree at all with the 5-year provision as it is in this amendment.

Mr. BEREUTER. But they do agree with the annual review process?

Mr. BEDELL. Well, they also did not understand, as I told them, because if I understand the gentleman's amendment correctly, it says that if you are turned down by your normal lender, this then would preclude you from going to anybody else and trying to get a loan guarantee; is that correct?

Mr. BEREUTER. It does mitigate directly against bank shopping and thereby flooding the Farmers Home Administration with additional applications. But, most importantly, it is aimed at avoiding the attraction of borrowers from PCA's and from the Federal land banks that already have great difficulties, as shown in the Spokane district.

Mr. BEDELL. Well, I know we are trying to work together and work things out. This gentleman would be completely uncomfortable with the amendment and would have to try to oppose it. We have worked real hard to try to get a program that we think would work, would think would be beneficial and at least with the concerns that this gentleman would have both in whether or not we are precluding people from having an opportunity to go to other lenders. And secondly with the fact that the 5-year in this amendment does not provide for any review so that the banks in order to accept would have to commit for a full 5 years. This gentleman would have to strongly oppose this.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 3 additional minutes.)

Mr. BEREUTER. I would respond briefly to the gentleman from Iowa and say if the only problem is the lack of the annual review provision in this specific amendment instead of its placement in the next amendment. I would say to the gentleman from Iowa that I can handle that by considering the amendments en bloc.

But I would have to say to the gentleman that unless we are very careful here we will be creating a tremendous problem for the Federal Farm Credit System in the United States. There is only one way to avoid that and that is in my judgment, to preclude the opportunity for borrowers to abandon the Federal Farm Credit System in massive numbers.

Mr. DASCHLE. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from South Dakota.

Mr. DASCHLE. I thank the gentleman for yielding.

Mr. Chairman, I would ask the gentleman to yield just for a clarification. In that first part of the gentleman's amendment, is it the intent of the author to preclude a borrower from going to another lender if his current lender does not want to participate in the program?

Mr. BEREUTER. That is the effect of it. That is the unfortunate effect of it in an attempt not to permit the PCA customers to leave the PCA.

Mr. DASCHLE. The gentleman concedes that that would be the effect of his amendment.

Mr. BEREUTER. That is the effect.

Mr. DASCHLE. Under those conditions I have to oppose the amendment. I do not think it ought to be our intent to preclude a borrower from getting into the program if his lender decides to en bloc not participate. We may be eliminating quite a large number of borrowers here that may desperately need the help because you have one ornery banker out there that just decides that he is not going to participate. I do not think that that is the intent of the bill and I would hope that if the gentleman recognizes the implications of this amendment that he would withdraw the amendment.

Mr. BEREUTER. I would say to the gentleman that I think the problem that he raises a manageable situation for us here. We can simply draft an amendment which precludes people from leaving the PCA's and Federal land banks and simply not preclude commercial bank shopping.

But I happen to think that we are also creating an additional problem by generating a great many people moving from bank to bank and therefore generating applications. Now, there are very few banks that are willing to take on lending customers who are not now a part of that bank's loan portfolio.

Mr. DASCHLE. In my opening remarks, if the gentleman will yield further—and I applaud his effort. I appreciate his interest in trying to improve the bill. But I ensured everyone that this was not a bank bailout bill. It was not a PCA bailout bill.

We are trying to help the borrowers, the people who desperately need the help. That is who we are aiming this whole legislation at, the borrower who is in trouble. If we are precluding him in our bill from doing that, I think it works totally against the grain of the bill.

Mr. BEREUTER. I would ask the gentleman if he wants to have Spokane recreated around the whole United States as a result of the passage of the bill. If not, we ought to work here in the next few minutes to act on that problem without causing the concerns that the gentleman has for shopping around at commercial banks.

Mr. DASCHLE. If the gentleman will yield further, I would say that the whole bill deals with our concern in

Spokane. We are going to be providing the PCA with guaranteed loans at 90 percent in order for them to have the confidence and to provide the services that private lenders will amass.

So I think that we are doing that. We are addressing the Spokane situation very ably in this bill.

I am also concerned with the requirement that we provide a 5-year line of credit. No one knows down the road what kind of a situation we are going to have. A borrower cannot guarantee that his crops are going to be there. He cannot guarantee what kind of a cash-flow he is going to have beyond 1 year.

So I think we are asking a great deal here and we are giving an opportunity, I think, to lenders that really is unwarranted.

I understand certainly the importance of the intent of the amendment, but I think that under the conditions that we have described here that it just is not a very workable one.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has again expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. I thank my neighbor for his comments.

I would say to my colleague that I am sure he shares this with me. He shares the commitment to pass a bill from this body that is more than rhetoric or one that the administration will put into practice by their own administrative action and which really addresses the problem.

Unless you get the commercial banks of this country motivated to act as approved lenders on a 90-percent loan guarantee program, all we are doing is passing a bill that has no effect. We are about to recreate the same difficulty that the administration got into last September when they polled a few bankers around the country and got semifavorable or favorable remarks, but did not get the commitment from the American Bankers Association or the Independent Bankers Organization, or more importantly, their members around the country to do something with the administrative opportunities for a loan guarantee program that was given them.

Now, if we do not have the cooperation and assistance on the approved lender program this is not going to work.

I would say to the gentleman that just 10 days ago the Agricultural Banking Division of the ABA said these are the points under which we think we can participate. Generally all of those points are taken care of except for the 5-year commitment with an annual review. Without it, I suggest that we are not going to have the kind of dramatically accelerated action or the necessary debt restructuring and spring planting loans that we really need.

Mr. DASCHLE. If the gentleman will yield further, No. 1, I believe that the ABA and the IBA share the view that all of us have had as we have drafted this legislation. It is not what we would like to have, it is what we can get.

They said if you can craft a bill that is designed in large measure to address these concerns, we will support it. I believe an honest interpretation of what we have done is exactly what we have accomplished this afternoon.

But we are doing more than providing rhetoric. I think we jeopardize our concern with rhetoric when we say to our borrowers out there, to our producers, "Yes, we will provide you with a guaranteed loan program, but now we are telling you that unless your banker is going to go along with it, we are going to cut you out entirely. That you do not have recourse to go to a PCA or another private lender."

That is not the intent of this bill. We want to give him the option to get the guarantee, to get the advance EC. We only will provide that if we can insure that we do not adopt this kind of language.

The CHAIRMAN. The time of the gentleman for Nebraska [Mr. BEREUTER] has again expired.

(At the request of Mr. DASCHLE and unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. DASCHLE. One final thing, I think we have addressed the approved lender situation in two very significant ways. No. 1, we require that they expedite the approved lender with the gentleman's amendment to 15 days. No. 2, once they are an approved lender they also have to approve the loan application within 15 days.

So, we have done all that we can, I think, to expedite this process. And as well intended as the gentleman's amendment is, I just think it falls short of the mark. I certainly urge our colleagues to reject it.

Mr. BEREUTER. Reclaiming my time, the first matter that the gentleman brought up is addressable right here if we decide to do that and that is to preclude the exodus of borrowers from the PCA's and the Federal land banks.

The second point is the 5-year commitment which is important and I think the gentleman is wrong if he thinks its absence is not going to have a dramatic reduction in the number of bankers who are going to participate.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has again expired.

(At the request of Mr. DE LA GARZA and by unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I thank the gentleman for yielding.

As I stated earlier to the gentleman this afternoon, I would express that it was not our intent and never our intent to any way prejudice PCA's or the farm credit system and everything within reason be done to discourage that result.

But the gentleman's amendment, again I repeat, as well intentioned as it is, has the possibility of doing more damage than what the gentleman is concerned with because we may load this too terribly much, so that it will not have sufficient enticement for the private banking institutions to participate.

□ 1710

We have no assurance they are going to participate, to begin with. They did not on the prior principal buydown. So what I would tell the gentleman is what I have stated before, that we always appreciate his expertise, his knowledge in this area, and we would give him as promptly as possible the necessary forum to address this issue either independently or within the context of the farm bill, and I pray that the gentleman would see that our intent is to work with him, not prejudice existing institutions. But loading the bill beyond the weight that it can carry might endanger both his proposal and our proposal, and I would hope that the gentleman, with that assurance, would withdraw the amendment and let us continue working, address that issue in the proper forum and manner.

Mr. BEREUTER. I appreciate the chairman's suggestion. I feel very strongly about the importance of this amendment. I can see I am going to lose, but I would rather have a loss of my conscience than withdraw it. So I am prepared to proceed to a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was rejected.

The CHAIRMAN. Are there further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WRIGHT] having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1035) to provide

emergency credit and debt adjustment relief to financially stressed farmers and ranchers, pursuant to House Resolution 79, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DASCHLE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 318, noes 103, not voting 11, as follows:

[Roll No. 18]

AYES—318

Akaka	Coleman (TX)	Fowler
Alexander	Collins	Frank
Anderson	Combest	Franklin
Andrews	Conyers	Frenzel
Annunzio	Cooper	Frost
Anthony	Coyne	Fuqua
Applegate	Crockett	Garcia
Aspin	Daniel	Gaydos
Atkins	Darden	Gejdenson
AuCoin	Daschle	Gephardt
Barnard	Daub	Gilman
Barnes	Davis	Gingrich
Bedell	de la Garza	Glickman
Beilenson	Dellums	Gonzalez
Bennett	Derrick	Gordon
Bentley	DeWine	Gray (IL)
Bereuter	Dickinson	Gray (PA)
Berman	Dicks	Grotberg
Bevill	Dingell	Guarini
Biaggi	Dixon	Gunderson
Bliley	Donnelly	Hall (OH)
Boehlert	Dorgan (ND)	Hall, Ralph
Boggs	Dowdy	Hall, Sam
Boland	Downey	Hamilton
Boner (TN)	Durbin	Hammerschmidt
Bonior (MI)	Dwyer	Hatcher
Bonker	Dymally	Hawkins
Borski	Dyson	Hayes
Boucher	Early	Hefner
Boulter	Eckart (OH)	Heftel
Boxer	Edgar	Hendon
Breaux	Edwards (CA)	Henry
Brooks	Edwards (OK)	Hertel
Brown (CA)	Emerson	Hopkins
Bruce	English	Horton
Bryant	Erdreich	Howard
Burton (CA)	Evans (IA)	Hoyer
Bustamante	Evans (IL)	Hubbard
Byron	Fascell	Huckaby
Campbell	Fazio	Hughes
Carr	Feighan	Hutto
Chappell	Fish	Jacobs
Chappie	Flippo	Jeffords
Clay	Florio	Jenkins
Clinger	Foglietta	Jones (NC)
Coats	Foley	Jones (OK)
Coelho	Ford (MI)	Jones (TN)
Coleman (MO)	Ford (TN)	Kanjorski
Kaptur	Nowak	Smith (NE)
Kasich	O'Brien	Smith (NJ)
Kastenmeier	Oakar	Snowe
Kennelly	Oberstar	Snyder
Kildee	Obey	Solarz
Kindness	Olin	Spence
Kleczka	Ortiz	Spratt
Kolter	Owens	St Germain
Kostmayer	Oxley	Staggers
LaFalce	Packard	Stallings
Lantos	Panetta	Stangeland
Latta	Parris	Stark
Leach (IA)	Pashayan	Stenholm
Leath (TX)	Pease	Stokes
Lehman (CA)	Penny	Stratton
Lehman (FL)	Pepper	Studds
Leland	Perkins	Sundquist
Levin (MI)	Petri	Sweeney
Levine (CA)	Pickle	Swift
Lewis (FL)	Price	Synar
Lightfoot	Pursell	Tallon
Lipinski	Rahall	Tauke
Lowry (WA)	Rangel	Tauzin
Lundine	Ray	Taylor
MacKay	Regula	Thomas (CA)
Markey	Reid	Thomas (GA)
Marlenee	Richardson	Torres
Martin (NY)	Ridge	Towns
Martinez	Roberts	Traficant
Matsui	Robinson	Traxler
Mavroules	Rodino	Udall
McCain	Roe	Valentine
McCurdy	Rogers	Vento
McEwen	Rose	Visclosky
McHugh	Rostenkowski	Volkmer
McKernan	Roth	Walgren
McKinney	Rowland (GA)	Watkins
Meyers	Roybal	Waxman
Mica	Russo	Weaver
Mikulski	Sabo	Weber
Miller (CA)	Savage	Weiss
Miller (OH)	Scheuer	Wheat
Mineta	Schuette	Whitehurst
Mitchell	Schumer	Whitley
Moakley	Sensenbrenner	Whittaker
Mollohan	Sharp	Whitten
Monson	Shaw	Williams
Montgomery	Shelby	Wilson
Moody	Shuster	Wirth
Moore	Sikorski	Wise
Morrison (CT)	Siljander	Wolf
Morrison (WA)	Sisisky	Wolpe
Murphy	Skeen	Wortley
Murtha	Skelton	Wright
Myers	Slattery	Wyden
Natcher	Slaughter	Yates
Neal	Smith (FL)	Yatron
Nichols	Smith (IA)	Young (MO)

NOES—103

Archer	Gekas	Molinari
Armey	Gibbons	Moorhead
Bartlett	Goodling	Mrazek
Barton	Gradison	Nelson
Bateman	Green	Nielson
Bates	Gregg	Porter
Bilirakis	Hansen	Quillen
Bosco	Hartnett	Rinaldo
Broomfield	Hiler	Ritter
Brown (CO)	Hillis	Roemer
Broyhill	Holt	Roukema
Burton (IN)	Hyde	Rowland (CT)
Callahan	Ireland	Rudd
Carney	Johnson	Saxton
Carper	Kemp	Schaefer
Chandler	Kolbe	Schneider
Cheney	Kramer	Schroeder
Cobey	Lagomarsino	Schulze
Coble	Lent	Shumway
Conte	Lewis (CA)	Smith (NH)
Coughlin	Livingston	Smith, Denny
Courter	Loeffler	Smith, Robert
Craig	Lott	Solomon
Crane	Lowery (CA)	Strang
Dannemeyer	Lujan	Stump
DeLay	Luken	Swindall
DioGuardi	Lungren	Vander Jagt
Dornan (CA)	Mack	Vucanovich
Dreier	Mazzoli	Walker
Duncan	McCandless	Wylie
Eckert (NY)	McCollum	Young (AK)
Fawell	McDade	Young (FL)
Fiedler	McMillan	Zschau
Fields	Michel	
Gallo	Miller (WA)	

NOT VOTING—11

Ackerman	Lloyd	McGrath
Addabbo	Madigan	Seiberling
Badham	Manton	Torricelli
Hunter	Martin (IL)	

□ 1720

Messrs. DUNCAN, LEWIS of California, and McDADE changed their votes from "aye" to "no."

Mr. PASHAYAN and Mr. McCAIN changed their votes from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, and for other purposes."

A motion to reconsider was laid on the table.

□ 1730

AUTHORIZING THE CLERK TO MAKE CERTAIN SUBSTANTIVE CHANGES IN ENGROSSMENT OF H.R. 1035, FARM EMERGENCY CREDIT ACT OF 1985

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 1035) to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, the Clerk be authorized to make certain substantive changes which I submit for the RECORD.

The SPEAKER pro tempore. The Clerk will report the changes.

The Clerk read as follows:

At the end of section 4, insert the following new subsection:

(d) It is the sense of Congress that—

(1) current and future interest rates facing borrowers affect the cost of producing farm and ranch commodities, the demand for these commodities, and the costs of related family farm needs;

(2) current and future interest rates paid by borrowers under this Act are directly related to credit market conditions, particularly the availability of credit;

(3) borrowers under this Act need timely information about the current and future availability of credit in order to decide when and whether to apply for loan and debt adjustment guarantees and insured operating loans;

(4) to these ends, the Secretary of Agriculture should consult with those government agencies, including the Federal Reserve System, who supply credit, to indicate the current and future availability of credit;

On page 18, after line 16 add a new section as follows:

"Sec. 7. Section 221 of the Biomass Energy and Alcohol Fuels Act of 1980 is amended by adding before the period at the end thereof the following: ': *Provided*, That all conditional commitments for loan guarantees under this Act which were in existence on September 30, 1984 are hereby extended through September 30, 1985.' "

H.R. 1035 is amended on page 18, line 4 by adding at the end thereof the following new paragraph (c):

"(c) Notwithstanding any other provisions of law, in carrying out any acreage limitation, use of the set-aside, or land diversion program for the 1985 crops of wheat, feed grains, upland cotton, or rice, the Secretary shall permit participating producers in any State to devote all or any part of the acreage diverted from production under any such program to haying and grazing until June 1, 1985, when requested by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act for such State."

Mr. DE LA GARZA (during the reading). Mr. Speaker, I ask unanimous consent that the changes be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas to dispense with reading?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Texas?

There was no objection.

● Mr. BEDELL. Mr. Speaker, at this time I would like to join with my colleague from Nebraska, Mr. DAUB, in offering an amendment to clarify the intent of Congress with regard to the treatment of the few remaining conditional commitments for grain-to-ethanol projects under review at the Office of Alcohol Fuels. The amendment would simply assure that the four ethanol projects that remain have until the end of the current fiscal year to complete their submissions before the program terminates on September 30, 1985.

Mr. Speaker, it was the Committee on Agriculture which first passed the authorizing legislation in the 96th Congress that ultimately led to Federal financing of ethanol projects. Since that time, the fuel ethanol industry has overcome numerous challenges to become a major new outlet for U.S. farm commodities.

Today we are considering farm credit legislation, but if we do not do something to increase commodity prices, then our efforts here today will not solve agriculture's predicament. Last year, grain-to-ethanol utilization equaled approximately 200 million bushels, or roughly the equivalent of this year's level of U.S. corn exports to the Soviet Union. Indeed, it has been one of the brightest "market oriented" outlets for our grain production. The increased corn utilization resulting from ethanol production has increased corn prices by one dime over what they otherwise would have been.

If we want to see further improvement in grain prices—and we must if agriculture is to get back on its feet—then our ethanol program must be encouraged as an additional outlet for our grain.

The amendment we are offering could contribute to the continued expansion of grain use simply by allowing the four projects that are pending to complete their efforts. As my colleague can explain in greater detail, the substantial commitments these projects have made over the past several years to bring their projects to their current state of readiness amount to literally millions of dollars per project.

Mr. Speaker, I believe it is only reasonable and proper that we provide clear authority for these applicants to complete their negotiations through the remainder of this fiscal year, if necessary. Such an extension involves no new outlays or authorities.

I urge support for the amendment.●

● Mr. DAUB. Mr. Speaker, I rise to join the gentleman from Iowa in offering this technical amendment to allow the four remaining fuel ethanol projects under the Office of Alcohol Fuels to finalize their conditional commitments. As my colleague has pointed out, this involves no new commitments, but simply the extension of several commitments first made in 1981 authorized by a program initiated by legislation first passed by the House Agriculture Committee during the 96th Congress.

In response to Government solicitations and requirements, these four projects have in good faith committed nearly 4 years of effort and millions of their own dollars to finalization of their conditional commitment. I believe it is only right that they now be provided the opportuntiy to see those efforts through, and that in the process we establish a definite termination date for the program of September 30, 1985.

My colleague has pointed out many of the very positive agricultural impacts that an expanded fuel ethanol industry brings with it. I firmly believe that the primary objective of U.S. agricultural policy should be the stimulation of stable new domestic outlets for its agricultural producers sufficient to allow our farmers to realize a fair return in the marketplace. The U.S. fuel ethanol industry has clearly demonstrated its ability to provide such an outlet, and the additional time granted to these four projects would alone result in the equivalent of 40 million bushels a year of increased grain utilization.

The amendment, while simple, is absolutely necessary to allow the continued progress toward finalization of the conditional commitments. This is due to an unintended technicality in the original law that failed to distinguish between existing conditional commitments—entered into well before the statutory expiration date of September 30, 1984—and new commitments after that date. The amendment will not open the process to new commitments, but simple allow the four remaining projects until the end of this fiscal year to finalize. So far, only 2 of the original 11 projects have been finalized, while 5 have dropped out.

I believe that an excerpt from a recent letter from Senator WILLIAM S. COHEN and a number of his colleagues to Senate Majority Leader ROBERT DOLE in support of this proposed change does a good job of summing up its merits. He wrote:

We believe this simple extension, which would involve no taxpayer outlays, is entirely consistent with, and germane to, the farm credit provisions under consideration by the Senate. These four projects from Nebraska, Minnesota, Maine, and Louisiana would utilize the equivalent of 40 million bushels of grain per year. These facilities would help expand critically needed domestic outlets for U.S. farm commodities. In addition, fuel ethanol is a proven octane enhancer and a leading replacement for lead additives which the EPA is rapidly phasing out of gasoline. Finally, these projects have spent millions of dollars each in a good faith response to the solicitation and deserve the opportunity to finalize those efforts.

Mr. Speaker, I strongly urge the passage of this simple amendment.●

● Mr. ENGLISH. Mr. Speaker, the chairman of our committee, Mr. DE LA GARZA, has offered these changes to the legislation on behalf of Mr. GLICKMAN, Mr. ROBERTS, and myself to allow farmers to hay and graze set-aside acres until June 1 as they have been allowed the previous 2 years.

This change complements this short-term credit relief package because it is simple and cost-effective. It allows farmers to use their own resources and provides out-of-pocket savings that are just as important to farmers in the Southwest as financing for spring planting is in other areas.

The change allows the State ASCS committees to request that haying and grazing be allowed and then requires the Secretary to implement the request.

The administration acknowledged during a discussion in the Agriculture Committee that this provision would encourage participation in the 1985 farm program. That would be good news. Increased participation might just help us reduce our excess carryover of grain and put farmers on the road to making a profit in the marketplace rather than taking out another loan at the credit window.●

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1035, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE CERTAIN REPORTS

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file certain reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

UNLESS MR. McINTYRE IS SEATED IMMEDIATELY, OUR DEMOCRATIC SYSTEM IS IN JEOPARDY

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. WOLF. Mr. Speaker, the 99th Congress has been in session since January 3, and 434 congressional districts in our Nation are being represented in this House. But the 550,000 people of the Eighth District of Indiana have been, and continue to be, disenfranchised by this House which has refused, in unprecedented action, to seat the duly elected and certified representative from Indiana's Eighth District, Rick McIntyre.

This case is not just an Indiana problem or even a House of Representatives problem. This case is a national issue which strikes at the very heart of our democratic form of government. The precedent set by the 99th Congress in the McIntyre case could very well be the basis for the majority party in the House of Representatives to veto the will of the people in any congressional district in this Nation, in your district or mine.

I would like to insert a recent Washington Post editorial and urge my Members to remember that we are talking here about an individual who has gone through a lot, fought hard, worked hard to get to this office—who deserves it. I think the fair and honest and decent thing to do is at the next opportunity to seat him.

[From the Washington Post, Feb. 11, 1985]

A SEAT FOR MR. MCINTYRE

On the day the 99th Congress convened, a cloud remained over the election results in Indiana's 8th District. Incumbent Democrat Frank McCloskey appeared to be the victor on election night. He was ahead by 72 votes. But after a correction had been made in the count in one county, Republican challenger Richard McIntyre pulled ahead by 34 votes.

Indiana's secretary of state certified Mr. McIntyre as the winner, but the Democrats demanded a full recount in each of the district's 15 counties. That recount had not been completed by the first week in January, and both men showed up to be sworn in when the House met. Because the earlier count had been so close and the recount was still in progress, the House, on a party-line vote, refused to seat either man that day, though both have been on the payroll temporarily. The postponement was reasonable at that time.

Last week a recount of all counties in the 8th District was completed, and the final figures show Mr. McIntyre to be the winner by a comfortable 418 votes. There are no allegations of fraud, and even though thousands of ballots were disqualified during the recount, the action was taken, in 90 percent of the cases, by election commissions dominated by Democrats. Nevertheless, the House on Thursday refused once again to seat Mr. McIntyre—even conditionally—because the Committee on House Administration is reviewing the returns. This process is expected to take another 45 days.

Mr. McCloskey has every right to challenge the result of the election in court, as former Rep. George Hansen has done in his tight Idaho contest. But there is no need for the House to wait for a judicial determination to seat the winner. Nor is it necessary to leave the people of Indiana's 8th District without a voting representative in Congress until April. The votes are in. They have been counted twice. The margin of victory is comfortable, and Indiana election officials have twice certified the winner. The House is the final judge of the qualifications of its members, but until and unless the Committee on Administration finds otherwise, Mr. McIntyre ought to be seated.

CANCER PATIENTS EMPLOYMENT RIGHTS ACT OF 1985

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BIAGGI. Mr. Speaker, today I am introducing the Cancer Patients Employment Rights Act of 1985. It is legislation to amend title VII of the Civil Rights Act to prohibit employment discrimination against persons with a cancer history.

I author this legislation on behalf of the more than 5 million Americans in our Nation who have a cancer history. I especially commit myself with this bill, to the estimated 1 million of these Americans who have survived cancer only to encounter the scandal of discrimination in the workplace. This discrimination can and does take various overt and subtle forms ranging from outright job denial to wage reduction, exclusion from and reduction in benefits, promotion denial and in some cases outright dismissal.

Today, thanks in large measure to exemplary research work, one out of every two persons who are diagnosed with cancer are cured. That is a figure that we can be proud of. However—unless we wipe out discrimination against some of these cancer survivors—we have done only part of the job of making the person whole again.

It is time to dispel the so-called death sentence myth associated with cancer. I offer my legislation as one way to do this and call on my colleagues to join me in this crusade of conscience.

Mr. Speaker, on this the day I reintroduce this legislation I wish to pay tribute to the work of two organizations who have been so supportive and helpful. The first is an organization in my congressional district, Cancer Hopefuls United for Mutual Support [CHUMS]. Their executive director Dr. Sarah Splaver first brought this issue to my attention more than 1 year ago. Her advocacy as a cancer survivor is an inspiration to us all. I was proud in the 98th Congress to have sponsored a virtually identical bill H.R. 5849 on behalf of cancer survivors and know that Dr. Splaver and the entire leadership of CHUMS will be working hard for the passage of this new legislation.

The other group I wish to recognize and thank for their support is the American Cancer Society. Their new president Dr. McKenna has pledged his and the society's full support of my bill for which I am grateful. In addition the distinguished former Senator from Indiana Birch Bayh through his work with the ACS has provided invaluable assistance to me in this legislation endeavor.

In the ensuing weeks I will be presenting specific information on cases of employment discrimination against cancer victims as well as newspaper artices on the subject.

At this point in the RECORD I wish to insert the full text of my bill.

H.R. 1294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cancer Patients Employment Rights Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) more than 800,000 individuals in the United States are diagnosed annually as having cancer, and of this number approximately 400,000 will be cured;

(2) as both the number of individuals in the United States who are diagnosed as having cancer and the percentage who are cured increases, the number of living individuals with a cancer history increases to the extent that the American Cancer Society estimates that 5,000,000 people in the United States have a cancer history with approximately 3,000,000 with a history of 5 or more years since diagnosis; and

(3) approximately 25 percent of all individuals with a cancer history are victims of cancer-related employment discrimination, including job denial, wage reduction, exclusion from and reduction in benefits, dismissal, and promotion denial.

(b) PURPOSES.—The purpose of this Act is to—

(1) discourage employment discrimination against an individual based on such individual's cancer history;

(2) encourage employers to make reasonable accommodations which assist the employment of an individual with a cancer history;

(3) increase public recognition of the employability of individuals having a cancer history; and

(4) encourage further legislation designed to prohibit discrimination against individuals with cancer histories in areas other than employment discrimination.

SEC. 3. AMENDMENTS TO TITLE VII OF CIVIL RIGHTS ACT OF 1964.

(a) DEFINITION OF CANCER HISTORY.—Section 701 of title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end thereof the following new subsection:

"(1) The term 'cancer history' means the status of any individual who has, or has had cancer, or who is diagnosed as having, or having had cancer. For the purposes of this subsection the term 'cancer' means any disease characterized by uncontrolled growth and spread of abnormal cells.".

(b) OTHER UNLAWFUL EMPLOYMENT PRACTICES.—Section 704 of title VII of the Civil Rights Act of 1964 is amended by adding at the end thereof the following new subsection—

"(c)(1) It shall be an unlawful employment practice for an employer, employment agency, or labor organization to—

"(A) require, as a condition of employment, an employee or prospective employee with a cancer history to meet medical standards which are unrelated to job requirements, or to require such employee or prospective employee to submit to a medical examination or reveal any medical information unless such examination or information is necessary to reveal qualifications essential to job performance; or

"(B) reveal any confidential medical information concerning such an employee or prospective employee without the express written consent of such employee or prospective employee.

"(2) It shall be an unlawful employment practice for a labor organization to require a member or potential member with a cancer history to submit to a medical examination or reveal any medical information relating to cancer history without the express written consent of such member or potential member unless such examination or information is necessary to reveal qualifications essential to membership in such labor organization.

"(3) It shall be an unlawful employment practice for an employer to fail to make a good faith effort to explore whether reasonable accommodations may be made for an employee or prospective employee with a cancer history which would enable the employee or prospective employee to fulfill the job requirements. Whether an accommodation is reasonable shall be determined according to the facts and circumstances of the particular case. Factors relevant to the determination of reasonableness include administrative costs, cost of the physical accommodations, the cost of disruption of existing work practices, the size of the employer's business, and the safety of existing and potential employees.

"(4) Notwithstanding any other provision of this title, it shall not be an unlawful employment practice for an employer to fail or refuse to hire, or to discharge or classify, an employee or prospective employee with a cancer history if—

"(A) the employer demonstrates that such employer is unable to reasonably accommodate an employee or prospective employee to enable such employee or prospective employee to fulfill the job requirements without undue hardship to the employer; or

"'(B) the employee or prospective employee is unable to perform the job requirements in a manner which would not endanger the safety of such employee, prospective employee, or others, regardless of the availability of reasonable accommodations.".

(c) PROVISIONS OF TITLE VII OF CIVIL RIGHTS ACT OF 1964 EXTENDED TO INDIVIDUALS WITH CANCER HISTORY.—(1) Sections 703(a)(1), 703(a)(2), 703(b), 703(c)(1), 703(c)(2), 703(d), and 703(e)(1) of title VII of the Civil Rights Act of 1964 are each amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or cancer history".

(2) The sentence beginning "Notwithstanding any" in section 703(h) of such title is amended—

(A) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or cancer history"; and

(B) by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or cancer history".

(3) Section 703(j) of such title is amended—

(A) by striking out "or national origin" the first place it appears and inserting in lieu thereof "national origin, or cancer history";

(B) by inserting after "national origin" the second place it appears the following: ", or persons with any cancer history,"; and

(C) by inserting after "national origin" the third place it appears the following: ", or persons with such cancer history,".

(4) Section 704(b) of such title is amended by striking out "or national origin" each place it appears and inserting in lieu thereof "national origin, or cancer history".

(5) The sentence beginning "No order of the court" in section 706(g) of such title is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or cancer history".

(6) Section 717(a) of such title is amended by striking out "or national origin" and inserting in lieu thereof "national origin, or cancer history".

(7) Section 717(c) of such title is amended by striking out "sex or national origin" and inserting in lieu thereof "sex, national origin, or cancer history".

(8) The center heading of section 703 of such title is amended by striking out "OR NATIONAL ORIGIN" and inserting in lieu thereof "NATIONAL ORIGIN, OR CANCER HISTORY".

SEC. 4. EFFECT OF AMENDMENTS MADE BY THIS ACT ON THE REHABILITATION ACT OF 1973.

The amendments made by this Act do not affect any right, remedy, obligation, or responsibility under the Rehabilitation Act of 1973.

SEC. 5. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect at the beginning of the sixth month after the month in which this Act is enacted.

□ 1740

SEAT RICK McINTYRE OF EIGHTH DISTRICT OF INDIANA

The SPEAKER pro tempore (Mr. ROBINSON). UNDER A PREVIOUS ORDER OF THE HOUSE, THE GENTLEMAN FROM MICHIGAN [Mr. SCHUETTE] is recognized for 5 minutes.

Mr. SCHUETTE. Mr. Speaker, I rise before this body today to petition the House to seat Rick McIntyre. He has been certified the winner of Indiana's secretary of state and is the only certified winner in the history of this body not to be seated. I trust that the House of Representatives will do what is right and fair and just, and grant representation to Indiana's Eighth District.

Abraham Lincoln once said that he would do nothing through malice because his concerns were too vast for malice. Where are the statesmen of that caliber today?

Mr. Speaker, I challenge this body to do the right thing. The law requires it, history expects it, and Indiana deserved it. Seat Rick McIntyre.

KEITH F. MAINLAND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, I would like to say a few words relative to Keith Mainland, who is retiring from the Appropriations Committee.

It is no secret around this august institution that key staff members perform an invaluable service to the Members and to the country.

All too often they are unknown to the public, which is as it should be.

I was once a staff member and I know there has to be that passion for anonymity among staffers. There has to be the desire to get the work done and avoid the spotlight. That is a noble point of view; but there come times when it is in the interest of the Members and this institution that public recognition be given to truly outstanding work by a key staff member. Today is one of those rare occasions.

Today I speak in honor of Keith Mainland, who has been clerk of the Appropriations Committee since 1972. I served on that committee for many, many years, and one picture that remains in my mind is of Keith Mainland seated at the big table during one of those nerve-wracking, end-of-the-session marathons in the Appropriations Committee just off the floor of this House.

He is there like a skilled surgeon, sewing together a bill from the various subcommittees, making the thing work in a way that is as mysterious as it is successful, and I use that analogy of a surgeon advisedly. The clerk of the Appropriations Committee has to have the surgeon's skill, deep and wide-ranging knowledge, coolness under pressure, the desire to help others and a professional commitment to excellence, plus the ability to wield a scalpel if necessary.

I will not go into Keith's biographical details because I know others have; but I do know that he is a fellow Illi-

noisan, which just adds to the esteem in which I hold him.

One final word, Mr. Speaker. There are many State secrets around this town, but the one I would like to have uncovered is exactly what happens during those so-called lost weekends spent by Keith at his cabin by the lake. I am told that deep philosophical discussions take place during these moments of rest and recuperation. Whatever occurs, I can only say that it must do the participants a world of good, because Keith has been invaluable to the appropriations process for many years.

My best wishes go to Sandy, his wife, and Kirk and Marlene, his children, and my condolences go to all those poor fish who are going to become his victims in the years ahead.

Keith, you have reminded us what service means: dedication, ability, and pride in getting the job done. For that, and for so much else, you have all of our thanks and our very best wishes for the future.

R.D. HUBBARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 5 minutes.

● Mr. QUILLEN. Mr. Speaker, I am honored to bring to the attention of this Congress the achievements of Mr. R.D. Hubbard, chairman of the board of AFG Industries, Inc., and a fine American whose unselfish efforts have contributed greatly to the welfare of the tricities area of upper east Tennessee.

Mr. Hubbard's keen business sense has been demonstrated by his rapid and steady progression within private industry to his present position within AFG Industries, Inc., a firm with a major portion of its manufacturing facilities in upper east Tennessee. These facilities were expanded in 1983 with the installation of a new $32 million float glass line at AFG's plant in Greenland, TN, and in 1984 with the installation of a Mini-Float glass line at the Kingsport-Blue Ridge, TN, plant. The Mini-Float glass line developed by AFG Industries is the first of its kind in the world.

Mr. Hubbard's abilities are further demonstrated by a significant i[illegible]ease in productivity for AFG I[illegible]ies under Mr. Hubbard's managemen[illegible]—an improvement which contributed to a higher standard of living for AFG employees and the citizens of upper east Tennessee.

A native of Smith Center, KS, and a graduate of Butler County Community College, Mr. Hubbard is a shining example of what this great Nation has to offer capable citizens who are willing to work hard. Prior to taking a position within the glass industry, Mr. Hubbard was a basketball coach at Kansas Junior High School, Towanda, and then loan manager at MFC Finance, Wichita, KS. In 1959, Mr. Hubbard entered the industry within which he would make his mark, becoming a retail glass salesman for Safelite Industries.

Within only 3 years, in 1962, Mr. Hubbard became vice president and part owner of Safelite. In 1968, he was named president of Safelite, the same year Safelite was acquired by Royal Industries. Under Mr. Hubbard's management, Safelite became the largest manufacturer and retailer of replacement automobile glass in the United States. Safelite's sales were $7 million in 1968, and expanded to $100 million at the time of Mr. Hubbard's resignation in December 1978.

In 1977, Mr. Hubbard became chairman of the board of Fourco Glass Co., Clarksburg, WV. Within 6 months, Mr. Hubbard moved Fourco out of the red to breaking even. Within 10 months, it had amassed $6.8 million in profits. In December 1978, Fourco and ASG Industries merged, and Mr. Hubbard was named chairman of the board of the newly formed AFG Industries, with corporate headquarters in Kingsport, TN. AFG Industries continued the profitable trend which had come to be expected of companies run by this man. Since the merger, AFG's sales have increased 24 percent annually and earnings per share have risen at an annual rate of 33 percent. The company has also continued to gain market shares until it is now the fourth largest producer of flat glass in the Nation.

Mr. Hubbard's extraordinary abilities as a businessman have been recognized by the International Association of Businessmen and Professionals Foundation, which has designated him as a lifetime member for "Outstanding Achievement." Wichita State University has honored Mr. Hubbard as an outstanding business leader through the March 21, 1981, dedication of R. Dee Hubbard Hall on the university campus.

In addition, Mr. Hubbard has held directorships in banks in Kingsport, TN; Clarksburg, WV; and Wichita, KS.

As free enterprise is a cornerstone of the freedoms and high standards of living enjoyed by all Americans, Mr. Hubbard has contributed much to the strength of this Nation through his efforts. However, Mr. Speaker, this man has gone beyond passive assistance. His concern for the welfare of his fellowman has been demonstrated by activities of considerable magnitude and of great importance to upper east Tennessee. For example, he pledged $1 million toward construction of a new civic auditorium in Kingsport. AFG Industries has also played a major role in the development of Funfest, an annual festival in Kingsport that has attracted thousands of people to the area. AFG Industries paid the salary for an executive to work full time with the Funfest committee.

Mr. Hubbard also has made large commitments of time and funds to higher education, providing education, providing generous support to both Wichita State University, East Tennessee University in Johnson City, TN, and the University of Tennessee in Knoxville, TN. Although not an alumnus or native of Tennessee, Mr. Hubbard took a deep interest in the future of ETSU upon moving to Kingsport. He has supported a variety of programs at the university, providing valuable assistance to scholarly and athletic activities.

In the words of those who know him, Mr. Hubbard is a "civic doer." His compassion and clear-headed approach to civic needs has been recognized by Tennessee Governor Lamar Alexander, who selected Mr. Hubbard as an "Ambassador for Tennessee," and by Kingsport Mayor Norman Spencer, who appointed him to the "Mayor's Task Force."

Mr. Hubbard moved this year to Irvine, CA, now the site of AFG Industries' corporate headquarters. With this move, my district lost a great man. But rather than mourn the loss, I offer this praise to a man whose influence in upper east Tennessee continues to this day. The economic benefits of AFG Industries remain in my district, as do the public projects his generosity made possible, but perhaps more important is the example Mr. Hubbard set for business people and others dedicated to helping upper east Tennessee. For here is a man who demonstrated to us what can be accomplished through hard work and dedication. I express the appreciation of the citizens of my district by honoring this man today.●

NATIONAL SELF-HELP HOUSING DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I am today introducing a resolution to designate the day of May 24 as National Self-Help Housing Day. Federally sponsored self-help housing programs have been in operation for 20 years in our country and have allowed many Americans to personally experience the reality of home ownership. I think it is important that we recognize the benefits that self-help housing programs have provided and the need for the continuation of such programs to help in increasing the housing supply of our Nation.

For 20 years, self-help housing programs have utilized the personal contributions of low-income families in

constructing their own homes. Such contributions have allowed housing to become affordable for many low-income families who would otherwise not be able to purchase a home. Moreover, the self-help concept offers a great sense of satisfaction and accomplishment to the home owner that plays a significant role in the construction of their home.

Self-help housing programs are currently in operation in 43 States and Puerto Rico and more than 16,000 families have successfully participated in these programs. A number of homes have been constructed in my congressional district under the self-help program and have added valuable housing to the area market.

In many areas throughout the country, there is a large demand for additional housing, particularly for those living on low incomes. One solution to this complex problem is the use of self-help housing. As federally sponsored self-help programs begin a second decade, let us recognize the many benefits of this housing concept and support further use of this approach. I trust my colleagues will join me in support of this resolution.

Following is the text of this resolution:

H.J. RES. 174

Joint resolution to designate May 24, 1985, as "National Self-Help Housing Day"

Whereas homeownership and self-reliance have become the embodiment of the American dream and spirit;

Whereas the participation of families of lower income in the construction of their homes increases the affordability of the homes;

Whereas families of lower income can construct their homes when provided with appropriate technical assistance;

Whereas the Farmers Home Administration provides funding to 64 local self-help housing corporations throughout the Nation;

Whereas such nonprofit corporations supervise participating families of lower income through the entire process of home construction, from financing to completion;

Whereas, during the past 20 years in 43 States and Puerto Rico, more than 16,000 American families have participated as owner-builders in the federally sponsored self-help housing program; and

Whereas the pride created through participation in the process of home construction and the reality of homeownership leads to improved family stability and civic responsibility: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 24, 1985, hereby is designated "National Self-Help Housing Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

● Mr. LUNDINE. Mr. Speaker, I rise today to voice my support for House Joint Resolution 174, which proclaims May 24, 1985, as National Self-Help Housing Day. This year marks the 20th anniversary of the Farmers Home Administration Self-Help Housing Program.

The Self-Help Housing Program is a unique partnership between the Federal Government and rural people. Under this program, rural families are able to build their own houses, utilizing mortgage funds from the FmHA and technical assistance and supervision from local nonprofit sponsors.

The success of this program is clear. Over 16,000 rural families in 43 States and Puerto Rico have participated in the Self-Help Housing Program. Their hard work or "sweat equity" has made home ownership possible. Self-help housing has improved our rural communities.

Home ownership is the American dream. Helping ourselves and others to achieve goals is an American tradition. The Self-Help Housing Program which we honor today enables those who are willing to work hard to achieve the dream of owning a home. I am proud of the Self-Help Housing Program's record over the last 20 years, and hope that my colleagues will recognize these achievements by supporting this measure.

RESOLUTION—NATIONAL SELF-HELP HOUSING DAY

Whereas homeownership and self-reliance have become the embodiment of the American dream and spirit; and

Whereas lower-income American families can construct their own homes, made affordable through the contribution of their labor, when provided with appropriate technical assistance; and

Whereas Farmers Home Administration provides funding nationally to 64 local, self-help housing corporations; and

Whereas these not-for-profit corporations supervise participating low-income families through the entire house construction process, from financing through completion; and

Whereas over the past 20 years in 43 states and Puerto Rico, more that 16,000 American families have participated as owner-builders in this federally sponsored program; and

Whereas the pride engendered by participating in the process of construction and the reality of homeownership leads to improve family stability and civic responsibility: Now, Therefore, in honor of the owner-builders, the local self-help housing corporations, and Farmers Home Administration, be it

Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled, That May 24, 1985, is designated "National Self-Help Housing Day". The President is requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.●

INTRODUCTION OF H.R. 1200, TO MAINTAIN CIGARETTE TAX AT 16 CENTS A PACK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 5 minutes.

Mr. BOEHLERT. Mr. Speaker, our top priority in this Congress is getting the Federal budget deficit under control. It is our responsibility to make the tough decisions that ignore the special interests and serve the national interest. That is why I introduced H.R. 1200, a simple measure that would maintain the cigarette tax at 16 cents a pack after October 1, 1985.

Under current law, the cigarette tax will drop from 16 cents a pack to 8 cents a pack on October 1. Now, I'm a smoker and I am not very proud of it, but I ask you—does it make sense to give smokers a special tax break when we are facing $180 billion deficits as far as the eye can see?

The Federal Government pays nearly $38 million annually to conduct research and educate the public on the health risks of smoking. On top of that, the Government pays countless millions more for health care for various smoking-related illnesses. Given those expenditures, dropping the excise tax on cigarettes sounds like a case of one hand not knowing what the other is doing.

Each cent of cigarette tax brings in about $212 million a year. Keeping the tax where it is would raise nearly $5 billion over the next 3 years, and more than $8 billion through the end of the decade. And remember, this is not a tax hike. My bill would simply keep the cigarette tax right where it has been for the past 3 years.

Last year, many members of the Ways and Means Committee considered maintaining the tax at 16 cents, but eventually the committee compromised and produced a bill which dropped the tax to 12 cents a pack. In the end, the proposal was dropped altogether. In other words, the interests of a few prevailed over the national interest, and today we still have the same deficit crisis.

Mr. Speaker, we will be considering many deficit reduction proposals this year, but the one I am advocating, and it is one part of an overall package, is very simple. I also think it is very necessary. If people like me and many of my colleagues are going to tell the American people that we do not think that the budget and the Congress should approve reduction in spending for very vital programs, student loan programs, the programs of the Economic Development Association, which are designed to create jobs, the programs under the urban development action grant effort, if we say we have to have these programs to serve legitimate national interests, we had better darn well be able to say and stand up and have the courage and guts to say how we are going to finance them.

Here is a simple effort. This one little action which would be a footnote in the overall budget process would make us able to pay for UDAG, for EDA, for operating mass transit subsi-

dies, and still have $200 million left over to use for some other worthwhile purpose or to apply to deficit reduction.

I think it makes sense. I would call this to the attention of my colleagues. I urge them to join me in this very simple, but necessary effort, to retain in the U.S. Treasury some money that we urgently need to help finance vital programs and also to meet our obligation to the American people to pay for programs that we vote for so that we do not continue to have a deficit crisis for my children and your children to inherit.

I thank the Chairman.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Tennessee [Mrs. LLOYD] is recognized for 5 minutes.

● Mrs. LLOYD. Mr. Speaker, due to a death in my family I was unable to be present for the vote on H.R. 1035, the Emergency Farm Credit Act. I would like to take this opportunity to register my strong support for the bill. Should I have been present I would have voted for it and urged my colleagues to do the same.

As a Representative of the Third District of Tennessee I am fully aware that widespread bankruptcies of farmers threaten the rural economy that depend on their prosperity. Financially strapped farmers do not do much business with their seed, chemical, equipment, and fuel suppliers, nor do their families have spare cash for local merchants. By some estimates, some 10 to 15 percent of the Nation's farmers now owe so much money, with so little hope of repayment, that they cannot borrow more to plant and pay family living expenses until harvests.

The Emergency Farm Credit Act would provide substantive relief to hard-pressed farmers. It authorizes an additional $3 billion for the Farmers Home Administration's [FmHA] existing farm credit assistance pragram, currently funded at $650 million. The loan guarantees could be used either to restructure existing farm loans or to guarantee new loans for this spring's operating expenses. In addition to increasing loan guarantee authority, the bill modifies the existing emergency credit program in order to make it easier for farmers to qualify. It also modifies the current emergency credit assistance program which authorizes the FmHA to defer repayment of FmHA loans. The bill also establishes a temporary, low-interest loan program for farmers hit by natural disasters in at least 3 of the last 5 years. These farmers would be eligible for FmHA direct operating loans with interest rates 3 percent lower than the agency's normal direct operating loan rates.

It is clear to me that the magnitude of this problem requires immediate action and I strongly believe that this bill offers a realistic, workable program to keep thousands of families on their farms. By working together we can make the rest of the Nation aware of the problems faced by rural America and end the current economic crisis in agriculture.●

NEED TO MAKE DRUG CONTROL A TOP PRIORITY ON U.S. FOREIGN POLICY AGENDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 5 minutes.

● Mr. RODINO. Mr. Speaker, recently we learned the very disturbing news that despite our efforts to reduce the supply of narcotic drugs, the production to those drugs in Latin America and the Caribbean is, in fact, on the increase.

A recent Washington Post editorial, entitled "Thinking About Drugs," correctly states that "Nothing else in the world damages this country and its citizens more—in lives lost and blighted and in other economic and social costs."

It is time that we take action and put the issue of international narcotics control where it rightly belongs—on the top of our foreign policy agenda. As the original author of the 1972 amendment authorizing the President to suspend economic and military assistance to countries that do not live up to their international drug control responsibilities, I have long been concerned about the reluctance of the State Department to exert firm diplomatic pressure on producing countries to curb narcotics production.

In this regard, the Post editorial, which I am including in the RECORD, properly notes that "The drug trade seems to ebb and flow as a law enforcement priority. Until very recently, it was not regarded as a crucial consideration for American diplomacy."

For this reason and because of my deep concern that the State Department has for to long viewed international drug control as a foreign policy irritant, I addressed a letter to the President last week expressing my concern and calling his attention to the statutory requirement contained in my 1972 legislation which I have mentioned. In this letter, I urged the President to consider the possible suspension of aid to countries that do not cooperate with us in our drug control efforts or which do not meet their responsibilities under international law.

I am hopeful that the President will become personally involved in addressing that urgent issue so that all available resources can be committed to the "War on drug abuse." I am including in the RECORD at this point a copy of my letter to the President.

I am also submitting for the RECORD a letter I wrote last week to Judge Irving Kaufman, Chairman of the President's Commission on Organized Crime, requesting that the Commission hold formal hearings on this issue and secure the testimony of the Secretary of State on the State Department's international narcotics control efforts. I would hope that such a hearing would address the question of why the Department of State has not made international drug enforcement and control a top priority on our foreign policy agenda.

[From the Washington Post, Feb. 24, 1985]

THINKING ABOUT DRUGS

As a society, we have some curious notions of what foreign enemies to concentrate on keeping from the gates. We spend tens of billions of dollars a year to prevent nuclear war: a terrible peril, necessarily of compelling priority, but a very abstract peril all the same. The president can spend what is, in a political sense, an even more precious commodity—his claim on the public's attention—to point up the perceived dangers of Marxism in Central America. Meanwhile, though it is not ignored, another international matter whose menace is far more immediate, real, costly, terrifying and pervasive is treated as almost routine.

We refer to drugs, most of which are produced abroad. Nothing else in the world damages this country and its citizens more—in lives lost and blighted and in other economic and social costs. Yet our official and national attention to it is fitful and compartmentalized. The drug trade seems to ebb and flow as a law-enforcement priority. Until very recently, it was not regarded as a crucial consideration for American diplomacy. It is still possible to read whole books and learned articles on Latin America and other drug sources without seeing a mention of the dread flow. Cobalt engages the strategic thinkers, not cocaine.

Suppose the Mexicans were sending guerrillas across the border to raid ranches in Texas, occasionally killing an American. Suppose the Russians were sending frogmen on a like mission to isolated Aleutian islands. It is not hard to imagine the adrenalin that would flow as the country contemplated these affronts to American sovereignty and tranquillity. Yet thousandfold multiples of these effects arise from the drug trade with no remotely similar political or emotional swell.

True, the "raiders" now crossing the border have not been dispatched or, presumably, winked at by their governments—although Reagan officials question whether Cuba and Nicaragua are as innocently detached as they claim to be. Especially in Latin America, the source and conduit countries are themselves increasingly ravaged by drugs. Drug use grows within their borders. The drug business has created centers of wealth and power challenging the integrity and, as the United Nations recently put it, "the very security" of some countries. It becomes increasingly necessary to define drug abuse not just as an overwhelming health and social issue but as a revolutionary political force of global dimensions.

We have no inclination to dump all the blame on the producing countries—friendly countries, after all. They are in the grips of

a monster created in the first instance by the immense demand generated by the American market. We are certain, however, that a basic condition of wise policy is for the problem to be given a measure of attention and respect no less than that accorded nuclear war and Central American guerrillas. Even at this late date, the first requirement is thinking about drugs, urgently, comprehensively, correctly.

COMMITTEE ON THE JUDICIARY,
Washington, DC, February 21, 1985.

Hon. RONALD REAGAN,
The President,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I have just reviewed the Department of State's 1985 International Narcotics Control Strategy Report. It is a most distressing document, which validates many of the recent findings of the Select Committee on Narcotics Abuse and Control and clearly indicates that coca production in Latin America is increasing.

Unless prompt and decisive action is taken in response to the tragic situation described in this Report, I am totally convinced that drug-producing nations will not take seriously United States' expressions of concern about the drug problem.

First of all, I would request your personal involvement and leadership to make drug enforcement a top priority issue on our foreign policy agenda and to commit all available resources in combatting the drug problem at its source.

Further, as the author of the original 1972 law, authorizing the President to suspend aid to countries that disregard their drug control responsibilities, I have long been concerned by the State Department's reluctance to recommend economic sanctions. By enacting Public Law 98-164 Congress reaffirmed the need for sanctions and clearly stated that countries receiving U.S. aid should be required to take concrete steps to curb drug production and trafficking.

Despite these Congressional initiatives, I am not aware of any instance during the past decade when the Department of State recommended—or even threatened, for diplomatic purposes, to recommend to you—the use of sanctions against uncooperative countries. This timid approach has done little to persuade drug-producing countries that we view their anti-drug efforts as an essential element in our relationship with them.

With the passage of Public Law 98-164, Congress sent a clear message—the American people are no longer willing to tolerate inaction on the part of drug-producing countries, nor diplomatically-induced caution on the part of the State Department.

As you know, the 1983 law specifically requires the President to suspend U.S. assistance to a country upon a determination: "the major illicit drug producing country has failed to take adequate steps to prevent narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being smuggled into the United States."

In addition, that same law requires the President, in determining whether adequate steps have been taken, to consider whether such country "has taken the legal and law enforcement measures to enforce in its territory, to the maximum extent possible, the elimination of illicit cultivation and the suppression of illicit manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances."

In my judgment, based upon the State Department Report, sanctions should be applied immediately against countries which have not cooperated with us in controlling the illicit production and distribution of drugs or have not lived up to their responsibilities under international law. I, therefore, respectfully request you to consider whether sanctions should be applied under the provisions of the aforementioned legislation.

In this regard, I strongly believe—and the State Department Report clearly demonstrates—that Bolivia has done nothing to curtail coca production. In fact, the Report notes that no coca was eradicated last year and that our Government "is disappointed by Bolivia's faltering efforts and commitment to narcotics control." Failure to suspend U.S. aid to Bolivia, under these circumstances, could very well call into question our commitment to the War Against Drug Abuse.

The situation in Peru is equally disturbing, where coca production also increased in 1984. Furthermore, allegations continue to be made that there is widespread corruption among law enforcement officials in some countries, notably the Bahamas. This situation, coupled with the recent kidnapping of a Drug Enforcement Administration (DEA) agent in Mexico and the obstruction of drug eradication efforts in some countries is a clear signal that a great deal more needs to be done to address the drug supply problem in this hemisphere.

The suspension of U.S. assistance to Bolivia and the close scrutiny (including extensive bilateral discussions on the problem) of the actions of other drug-producing countries in Latin America and the Caribbean would be a meaningful start. Such actions would surely convince those countries which supply illicit drugs to the United States that the Administration, and particularly the State Department, have finally made drug control a high priority item on our foreign policy agenda.

Sincerely,

PETER W. RODINO, Jr.,
Chairman.

COMMITTEE ON THE JUDICIARY,
Washington, DC, February 19, 1985.

Hon. IRVING R. KAUFMAN,
Chairman, President's Commission on Organized Crime, U.S. Courthouse, Foley Square, New York, NY.

DEAR JUDGE KAUFMAN: I have raised with the Commission in the past my strong belief that there is no real chance for success in the war on drugs and organized crime, unless effective measures are taken to prevent drug production and trafficking at its source. The 1985 International Narcotics Control Strategy Report on worldwide narcotics production recently issued by the Department of State confirms that last year foreign drug production again increased dramatically. Among many other findings, the Report states that no coca crops were eradicated in Bolivia. Other countries receiving foreign aid also demonstrated little or no commitment to narcotics control.

I was the author of the original 1972 law that authorized the President to suspend economic and military assistance to countries that disregard their international drug control responsibilities. In enacting Public Law 98-164 (the Foreign Assistance Act of 1961, as amended, section 481), Congress reaffirmed the need for economic sanctions and clearly stated that countries receiving U.S. aid must take affirmative measures to eliminate drug production and trafficking. Effective actions to reach and eliminate drug production at its source are critically important to any overall effort to eliminate high-level drug trafficking and organized crime. I have long considered that this must be a matter of the highest priority on our nation's foreign policy agenda, but I do not believe that, to date, the State Department has even begun to commit the resources or attention necessary to address this problem.

I am writing to request that the Commission conduct a formal hearing on international drug trafficking and enforcement of the narcotics control provisions of the Foreign Assistance Act. I also suggest that the Secretary of State be invited to testify concerning what priority this matter has on our foreign policy agenda, the specific activities being pursued or planned by the State Department to promote increased intergovernmental cooperation to limit illicit drug production in foreign countries, and whether economic sanctions will be imposed in appropriate cases.

At executive sessions in both Washington and New York, I have raised this critical issue as a topic for Commission hearings and believe that it was also a matter of keen interest to the other Commissioners in attendance. I hope that the Commission will address this area in detail to underscore its importance to any comprehensive approach to drug and crime control.

Sincerely,

PETER W. RODINO, Jr.,
Chairman.●

RESOLUTION ON CONGRESSMAN-ELECT McINTYRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. COBEY] is recognized for 5 minutes.

Mr. COBEY. Mr. Speaker, I rise to bring to the attention of the House a resolution that was passed unanimously this morning in the Republican Conference, and I will read it as stated:

RESOLUTION ON CONGRESSMAN-ELECT MCINTYRE, NO. 3, FEBRUARY 27, 1985

Whereas, the House's highly partisan and unprecedented refusal to seat Congressman-elect Richard D. McIntyre has called into question the fairness of House procedures, and

Whereas, the Election's Task Force working on House Resolution 1 is composed of two Democrat Members and one Republican Member;

Whereas, the Federal Election Commission is composed of equal numbers of Democrats and Republicans; and the Standards of Official Conduct Committee is equally divided between Republicans and Democrats;

Whereas, all questions of partisan elections should be decided by fair and non-partisan procedures in which all citizens can place their confidence and trust; now therefore be it further

Resolved, That the House Republican Conference calls on the House Administration Committee to appoint equal numbers of Republicans and Democrats to it's Contested Elections Task Force; and be it further

Resolved, That the Rules of the House of Representatives be amended to provide for ratios of equal partisan representation in all situations where a disputed election contest is referred to a specifically created task force or other such body.

□ 1750

REPUBLICAN RESOLUTION CONCERNING CONGRESSMAN-ELECT McINTYRE

The SPEAKER pro tempore (Mr. ROBINSON). Under a previous order of the House, the gentleman from New Hampshire [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of New Hampshire. Mr. Speaker, I rise to read into the RECORD a resolution passed unanimously by the Republican Conference this morning, February 27, 1985:

Whereas, on November 6, 1984, Richard D. McIntyre was duly elected to the House of Representatives from the 8th District of Indiana; and his election was duly certified by the State of Indiana; and that certification was reinforced by the results of a district-wide recount of the votes conducted in accordance with the laws of Indiana; and

Whereas, the House Democratic Majority, on January 3, 1985, by a party-line vote, refused to allow Congressman-elect McIntyre to be sworn; and the Democratic Majority on February 7, 1985, again voted to deny Richard D. McIntyre his seat; and

Whereas, Congressman-elect McIntyre is the first and only certified winner to be denied a seat in the House in the history of this Congress; now therefore be it

Resolved, That the Republican Conference demands that the House promptly administer the oath of office to Congressman-elect McIntyre and that he be seated in the House.

Resolved, That the Conference directs the Republican Leader, and those members in other positions of Leadership, to use every resource to carry out the will of the people of the 8th District of Indiana, including, at his discretion, and in a manner he deems appropriate, additional attempts to seat Congressman-elect McIntyre and give the people of the 8th District of Indiana the representation they have every right to expect.

I yield back the balance of my time.

SEATING OF REPRESENTATIVE RICHARD D. McINTYRE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I wanted to take a few minutes this evening to talk about the case of the people of the Eighth District of Indiana who currently are being taxed without representation in the House and the failure of the Democratic Party to accede to the seating of Mr. McIntyre of Indiana who won the election and has won the recount and has the certificate from the secretary of state.

But I wanted to begin by noting that several days ago we had a dialog on this floor in which a Democratic Member got up and was talking about how fair the procedures of the House are for counting election cases, and that having two Democrats and one Republican was fair on the task forces, and that clearly, in fact, I was challenged to cite a case where there had been an unfair task force on elections.

So I can report to the House this evening that I consulted with the gentleman from California, Congressman BADHAM, a Republican who served last term on an election contest, and he said that I had his permission to use his name and to state flatly that he would be glad to testify at any time that it was an unfair process, that the 2-to-1 Democratic majority was a partisan majority and that in fact it was clearly not the right behavior.

I went back, though, with the help of our fine staff on House Administration and I checked several cases. I went back to 1977 on dismissing the election contest against Richard Kelly in which the separate views of the Republicans said, "We do not agree with the rationale for the present decision relied upon by the majority."

This is a case where in fact we agreed on the decision; we just disagreed on the rationale.

Then a case of May 4, 1977, dismissing the election contest against Bob Gammage, and this is some of the things the dissenting views of the Republican side said:

A three-man panel of the House Administration Committee voted 2-to-1 to dismiss the election contest of Paul versus Gammage on the merits and with prejudice to the contestant, Paul. The majority decision was patently in error and should have been rejected by the committee. Unfortunately, however, the committee affirmed the panel's decision on a straight party line vote.

In other words, in this case the 2-to-1 partisan majority then led to a straight party line vote in which the Democrats of the majority imposed their will. It was not a question of fairness at all. It was a question of which side had more votes.

Then recently, in 1980, dismissing the election contest of Anthony Claude Leach, Jr., the report says again in the minority views, "It is our view that we have not lived up to those responsibilities in our dismissal of the contest."

This is, again, the Republicans saying it is the Democrat control of the task force and the Democrat control of the process which led to the belief, and I repeat: "It is our view that we have not lived up to those responsibilities."

Finally, in the case which was cited to me by Congressman BADHAM of California, which he served on from November 1983, dismissing the election contest against James McClure Clarke, the Republicans dissented: "We dissent from the recommendation of this three-man task force. The 2-to-1 decision is along straight party lines and is in error."

They go on to say, "We also have the benefit of a U.S. Court of Appeals decision, Hendon versus North Carolina Board of Elections. The ruling provides a fair and impartial analysis that we cannot ignore. The court found unconstitutional the law under which the Hendon-Clarke ballots were counted. In addition to the ruling on the methods of vote tabulation, Mr. Hendon presented this task force with sufficient evidence to show that he would have won the election if the ballots had been counted in a constitutional manner. As a result, this committee must recognize that the intent of the voters in the 11th Congressional District in the November 1982 election has not been recognized. The precedents of the House allow us to examine the ballots. Equity and our duties under the Constitution require we recount these ballots."

I want to make this point: in this case we are not talking about a handful. We are not talking about a few ballots. It was the estimate in this case that we were talking about literally thousands of ballots. In this case there was some evidence that voter after voter had intended for their vote to count for Mr. Hendon who was the Republican incumbent, who lost by a very narrow margin. In fact, he lost by 1,325 votes out of 171,000 votes that were cast.

Given that difference, the Republicans were saying that it was clear how they wanted to vote. But the fact was that on a party line vote the task force decided in favor of the Democrats.

Interestingly, in 1983, looking at the case of a Republican incumbent defeated in which there were thousands of votes involved, far more than there were in the case currently in question in Indiana, even though the court had thrown out the law, it was the decision of the Democrats to stay with the North Carolina election law. This year, when there is a Democrat incumbent involved, and far fewer votes questioned, in fact the Democrats are trying to work out a procedure to throw out Indiana's laws. So the ground rules are we follow State law if it hurts Republicans, and we throw out State law if it hurts Democrats.

This is done by two Democrats to one Republican on a straight party line basis.

My point is simple. There is inherent structural unfairness in a system in which on something as important as an election recount we are involved directly with a partisan majority engaged in partisan activities.

Let us bring it back to where we are today. Today, once again, the people of the Eighth District of Indiana do not have a Representative in Congress.

And note, in every single case I just cited, while the task force was meeting, while the House Administration Committee was meeting, the Member under challenge was serving in the U.S. Congress. In every single case in which the Democrat the other day cited fairness, the person was sitting in the Congress while they were being challenged, because on the day we were sworn in they were sworn in, too.

In other words, even in past cases where there was a partisan majority, even in past cases where there was some recount or there was some question, every single time the fact is that the Member who had the certificate and had won the election according to the State government was being seated.

However, this time we have a much more dangerous and much more tragic situation, and we are, I think, in very grave danger of setting a precedent which will have very, very grievous risks for the future of this country, because once we establish the precedent that any 218 Members on the opening day of the session can refuse to seat someone, for whatever reasons are given that day by the leader of that faction, then we run the possibility that in the future a peculiarly ruthless faction might decide not to seat 10, 20, 30 people, and argue flatly that, "After all, we have the votes not to seat you; what are you going to do about it."

□ 1800

Now we are watching, unfortunately, a slow decay of the comity of the House. As was noted the other day we are now in a situation in which for example it is very unlikely we will be ever able to take the official portrait of the House until Mr. McIntyre is seated or rather, I should say, if we do have an official portrait of the House the 180-some Republicans will not be in the picture; it will be a picture only of the Democrats, because I believe there is a firm feeling on the Republican side that it would be totally wrong to take a picture of everyone who won the election on election day except Mr. McIntyre, who won the election on election day. It would be totally wrong for us to stand here and pretend that the full House is meeting and getting its picture taken when one of the 435 Members of the House is not being allowed to be seated and to have his vote count.

Furthermore, it was peculiarly sad today to be in a situation where we were talking about agriculture, we were talking about the farm crisis, we were talking about the Midwest and recognize that the farmers of the Eighth District of Indiana had no voice and no vote; that the man that the people of the eighth district of Indiana had elected, the man who had won on election day and who had won the recount, that man was not allowed to speak in this well and was not allowed to tell the rest of this House what the farmers of Indiana felt. So from our standpoint we think that a very grave injustice is being done and we would ask our friends on the Democratic side by what right do they demand that the people of the eighth district pay their taxes? By what right are they living up to the charge that you have taxation in America only with representation when clearly in this case now for 2 full months there has been no representation?

I yield to my colleague from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

The gentleman has made some excellent points. I think what we are really concerned about is that there appears to be an effort on the Democratic side of the aisle not only to deny Mr. McIntyre the seat that he has rightfully won in the Congress but to specifically seat his opponent, Mr. McCloskey, who has not won the election, on no official count has won the election, and in the recount has not won the election and who has never been certified.

I offer as some evidence a press release that I now have obtained from the 98th Democratic New Members Caucus, in which they are announcing that they have elected Frank McCloskey as the chairman, the chairman, I should say, of their caucus, and he was elected to that position by unanimous vote. It is interesting to read the language that is in this press release. The press release says down here, quoting one of the members of the caucus, "McCloskey is truly being missed here in Congress. We anticipate that within weeks McCloskey will be back with us after a thorough and fair recount."

Well, it is a thorough and fair recount, evidently, based upon what the gentleman has just outlined, of what the Democrats say is a thorough and fair recount. In other words, by 2 to 1 margins they make that determination and then are telling us flatly they expect Mr. McCloskey to be back in the Congress with us within several weeks.

Now that raises some real questions about how fair this process is going to be. I mean it really tells us that there is an intent here to bring Mr. McCloskey back despite the wishes of the voters in Indiana. It also says something else that is rather disturbing and that is that this I understand is an official service organization of the House of Representatives, an official recognized service operation of the House of Representatives that has now elected as its president a nonmember of this body, which I understand under the rules of the House is not permitted.

So that in order to make this case they have actually taken what appears to be an illegal action. That tells you something even a little bit more disturbing about what we are now beginning to learn about where the intentions of the Democrats lie on the issue of seating Rick McIntyre.

Mr. GINGRICH. Does it strike the gentleman from Pennsylvania as a little bit unusual that the very people who tell us that they want to, by a 2 to 1 majority, to head up an unfair and impartial recount, that a significant number of their colleagues have already voted to elect the guy who they claim they do not know yet if he has won the election?

Mr. WALKER. Well, I will tell the gentleman that in this press release they describe themselves as 60 Members. Now that is a fairly considerable portion of the Democratic Caucus that has specifically stated now that they think Mr. McCloskey is coming back. And I would assume that they are acting not in ignorance.

Mr. GINGRICH. So the gentleman is suggesting if I understand correctly that at least 60 of the Democrats have decided that however close the election was and however the recounts went in Indiana, that the recount they want to have has already been decided in terms of who is going to win?

Mr. WALKER. Well, I would say to the gentleman here that the language is very specific. It says flatly: "We anticipate within several weeks McCloskey will be back with us."

That leaves very little to the imagination within their own press release.

Mr. GINGRICH. Well, it is fascinating because one of the things which I think has led to considerable confusion among some of our friends who are Democrats in this House is the assertion that there was a time when McCloskey was ahead. This was a technical error because two precincts were double-counted. That is, in a Democratic county the Democratic election clerk happened to count two precincts twice. And so on election night on the news service story McCloskey was ahead only because of an error in mathematics in adding up these two precincts twice; that in fact when you actually count the number of ballots on election night, when you count all of the ballots, McIntyre won by 34 votes and at the end of a very rigorous, very carefully done recount under Indiana law in which 11 of the 15 counties were Democratic in the recount commission by 2 to 1 and only 4 were Republican, at the end of that time McIntyre's lead had extended to 418 votes. So the fact is there has never been under any count, either the total count of every vote that was available or the very narrower count of the very careful recount there has never been a recount at any time in

which McCloskey won. Yet there seem to be some people on the Democratic side who have a passionate belief that magically somehow if only they can recount it——

Mr. WALKER. Well, if the gentleman will yield.

Mr. GINGRICH. I will be glad to yield.

Mr. WALKER. I saw on TV Mr. McCloskey quoted one night when this story was being discussed. He says the reason he deserves a seat here is because he won the election on election night.

Well, the only way that that can be true is, as the gentleman has just stated, is if you double-count two precincts.

I would suggest that those who want to stand for the integrity of the electoral process are not likely to suggest we ought to be double-counting precincts, that that somehow would leave no integrity in the process whatsoever. And yet that is his claim as to the reason why this case should be considered by the House Administration Committee. In other words it is no case. And one has to feel that that is the reason why he did not file under Federal law which was available to him to file, if in fact he wants to challenge this act. He has never filed under that law. And the reason it seems to me is clear that under that law there is no case.

Mr. GINGRICH. Well, if I could pursue that for a second further because I think people, particularly our Democratic colleagues, need to confront this reality: The only reason the certificate was in any sense delayed and was not issued immediately after the election was because the Democratic clerk of the county who had counted two precincts twice apparently did not want to admit he had made a mistake. The secretary of state went to the Democratically elected judge and got a court order which required the clerk to file an amended report which is not a recount, it is an accurate report because it is clear a mathematical error had been made. At the end of that time when the first honest count had been certified, the only time there had been an honest count, the minute it was certified the Governor and secretary of state certified that Mr. McIntyre had won.

□ 1810

So there has never, except in the press releases of the Democratic Congressional Campaign Committee, there has never been any doubt about who mathematically won that election once those two precincts were not counted. And those two precincts have been miscounted twice, by human error.

Mr. WALKER. If the gentleman would yield, we have heard a lot, it seems to me, from our Democratic colleagues also about the fact that they want to make certain that no one has been disenfranchised here; that there were ballots thrown out in the course of the recount process and as a result, the vote margin widened; and that they want to make certain that there is entire integrity of the process, that the votes are counted.

I think that I am correct, and the gentleman can certainly correct me if I am wrong, if all the ballots were counted as they were on election night, if all, every ballot was counted that was cast, Mr. McIntyre still wins the election, does he not?

Mr. GINGRICH. That is right. If you count every vote that was counted on election night, McIntyre wins by 34 votes.

Mr. WALKER. And so the only way that you could get to a point where Mr. McCloskey wins the election is if you simply throw out selected ballots; that if you select certain ballots to be thrown out, that then you can develop a scenario that gives Mr. McCloskey the election; but that is the only way that Mr. McCloskey wins. He cannot win based upon counting all of the ballots that were cast.

Mr. GINGRICH. That is correct.

Mr. WALKER. It seems to me, then, that that makes this statement that we are talking about even more disturbing because it says, that we anticipate within several weeks McCloskey will be back with us; in other words, we have to begin to assume that maybe there is a plan for selectively throwing out ballots in such a way as you give McCloskey a victory that he never achieved in the electoral process or in the recount process at any point.

Is that an interpretation that is out of line?

Mr. GINGRICH. Well, I think certainly it would be fair for people to ask the 60 Democrats who just elected as their chairman a man who has not won the election, why they are so certain he will win the election? Maybe they know something about how this is going to work out more than we do?

I do think it certainly raises a question about why you would have 60 Democrats offering to do that.

I would be delighted to yield to the distinguished gentleman from Connecticut.

Mr. ROWLAND of Connecticut. I thank the gentleman for yielding to me.

Mr. Speaker, what I would like to do is talk about the third resolution; one of the three, and the last one that was passed unanimously by the Republican Conference earlier today.

I would like to read this into the RECORD, as follows:

RESOLUTION ON CONGRESSMAN-ELECT MCINTYRE, NO. 2, FEBRUARY 27, 1985

Whereas, the House Administration Committee's Task Force on the disputed Congressional election in the Eighth District of Indiana is considering partisan suggestions that would trample upon the Laws of the State of Indiana and instead impose an arbitrary standard of vote tabulation;

Whereas, the precedents of the House, especially those created by the Kyros-Emery contest in 1976 and the Hendon-Clarke case in 1982, speak clearly to the House precedent of giving primary weight to the election laws of the various states. As the House Report in Kyros-Emery stated:

"It is elementary that in ruling on disputed ballots in a Maine election contest, the best guidelines available to the Committee are the election laws of the State of Maine as enacted by the State legislature pursuant to its constitutional power to prescribe 'the Times, Places and Manner of holding Elections for Senators and Representatives', and as interpreted by the State's highest court. House precedents point in the direction of the application of Maine election laws including their construction by the Maine Supreme Judicial Court . . .

Although the House has the power to disregard Maine law, it should, as it did in the last Maine election contest, Oliver v. Hale, apply the State election statutes and follow the decisions and opinions of the Supreme Judicial Court. To the fullest extent consistent with its constitutional role in judging this contest, the Committee should reaffirm, rather than reject, the election system established by the people of Maine through their elected state legislators and interpreted by their highest court. Confidence in the fairness of the Committee's proceedings as well as acceptance of its decision on the part of the citizens of the First District of Maine will be enhanced if there is reasonable adherence to Maine law in reaching the decision. Conversely, a Committee decision involving repudiation of State law may find little support among the residents of the district.

Finally, it seems altogether appropriate, if not compelling, that Contestant's challenge be judged within the framework of the Maine election law since his previous elections to the House were achieved under those very laws."

Whereas, any recount by the House after a state recount has been conducted under appropriate state law is of questionable intent and should be undertaken with extreme care so as not to disenfranchise the people of Indiana or demonstrate partisan and callous disrespect for their laws;

Whereas, every one of the 50 states' election laws are threatened by this potential precedent; and every Member of the House who holds minority, or unpopular views and who won election by 4,808 votes or less, could be denied his or her seat on this unusual basis; now therefore be it

Resolved, That the Republican Conference believes that the House Administration Committee's Task Force in the process of conducting a recount or making any decisions affecting the seating of the Member from the Eighth District, must uphold the purpose, intent and integrity of the Laws of the State of Indiana.

And I would like to just introduce that as the third resolution, passed unanimously by the Republican Conference earlier today.

Mr. GINGRICH. I thank the gentleman from Connecticut. I believe you served in the State legislature, did you not?

Mr. ROWLAND of Connecticut. I did.

Mr. GINGRICH. And did the State Legislature of Connecticut pass laws that involved elections and did you have rules for counting votes and for having recounts?

Mr. ROWLAND of Connecticut. It is quite ironic. We in the State of Connecticut have passed laws; I served for four terms. As a matter of fact, the house seat that I left, there was a contested election. The seat was won by two votes. We had a recount, and that member, that member that succeded me, who happened to be a Democrat, won by two votes; there was a recount, but we seated that member. She was certified by the secretary of state; she sat, and as the committee—we have the GAE Committee, the General Administration and Elections Committee—sat down and made a decision on the recount; investigated the absentee ballots; brought the absentee ballots before them and looked at the absentee ballots and found that indeed she was the lawful person to hold that seat.

It is important to note that she sat in the chamber; was sworn in and was duly certified by the secretary of state.

Mr. GINGRICH. Let me ask you a question further, if I might, because I was only a college teacher; I never served in my State legislature. My impression is that every State, the legislature works very hard and the entire legislature tries to work on the election laws and the recount laws and how you set up the precincts and how you set up the voting procedures.

Now is that correct, the whole legislature would have voted on what kind of rules you had for elections in Connecticut?

Mr. ROWLAND of Connecticut. We in Connecticut are very concerned with holding the elections process close to our hearts; we decide the laws; we decide the procedures; we decide the recount procedures; the secretary of state indeed makes the decision, and you are absolutely right.

Mr. GINGRICH. Let me carry that a stage further. What stunned me as I looked at the proposal was that the Democrats on the task force would decide themselves the rules of recount, in effect, since they would outvote the Republican by 2 to 1 because of their partisan advantage—two people would be writing a new election law for the 8th District of Indiana.

Now, in a sense, setting up the recount provision, the precedent for recount for the entire Nation. How many legislators were there in your body in Connecticut?

Mr. ROWLAND of Connecticut. In the State house, we have 151.

I think it is also important to point out one more thing. The woman that succeeded me in my house seat was a Democrat; but we in the house back in Connecticut, in the State legislature and in the senate, the Republicans control both houses.

Indeed, the numbers were stacked against this particular person, who happened to be a Democrat, and she was sitting in a position where, if there was partisan politics being played, she would have lost.

But we respected the system, we respected the laws that we have in the State of Connecticut, we respected the laws that we have with recount procedures. She was elected and certified by the secretary of state. We also found that as we went through the recount procedure, we had Democrats and Republicans looking at the numbers.

The bottom line is that if indeed we wanted to play partisan politics we probably could have kept the seat away from her; however, it did not occur.

Mr. GINGRICH. Her margin was 2 votes?

Mr. ROWLAND of Connecticut. Her margin was 2 votes.

Mr. GINGRICH. But you seated her the opening day anyway?

Mr. ROWLAND of Connecticut. She was seated during the opening day; she was certified by the secretary of state; there were questions of the application. The General Administrations and Elections Committee observed and looked into the procedures in voting and the procedures in the absentees, analyzed the voting machines—the committee members went and looked at the voting machines in the particular precincts.

Through all that, that member was representing the 20,000 people in that State representative district.

□ 1620

Mr. GINGRICH. That is impression. I guess I would say two things here for anyone who is looking at this case. One is that in Connecticut they seat the person who has the presumption of having won. In the House of Representatives the Democrats stop the person in Indiana who had the presumption of winning.

The second is that there are 50 States that have legislatures that have Governors and those 50 States write election law. And the idea that two Members of the House, two Democrats, would rewrite in effect the election law for the House of Representatives for the whole country, if you think about that, that is an unbelievable assertion of power to suggest that by virtue of their majority of 2 to 1 they can go ahead and decide what rules they would have applied and in effect they are replacing Indiana legislature.

Is that, from a State legislator's standpoint, is that a fair summary of that?

Mr. ROWLAND of Connecticut. It certainly is.

The scary thing about it, as a person who served in the legislature for 4 years, and as a person who happens to be sitting as the youngest Member of Congress, I find it difficult that the first situation that we run into in this House, the first class project as we may call it, is trying to retain a seat that has been—from the Republican side of the aisle and I think it is rather frustrating.

I have many opportunities to speak to people across this country, young people in my district, young people in the State of Connecticut and even the many young people that come down here, right on the floor of the House. And just yesterday afternoon I had the opportunity to speak to about 150 young people interested in our process. And yes, I was frustrated, a little bit ashamed of what has happended here in the last month.

Mr. JACOBS. Mr. Speaker, I demand the gentleman's words be taken down in that he said "stolen."

The CHAIRMAN. Words will be taken down.

□ 1830

The SPEAKER pro tempore. The Clerk will read the words taken down.

The Clerk read as follows:

The scary thing about it, as a person who served in the legislature for 4 years, and as a person who happens to be sitting as the youngest Member of Congress, I find it difficult that the first situation that we run into in this House, the first class project, as we may call it, is trying to retain a seat that has been stolen from the Republican side of the aisle, and I think it is rather frustrating.

The SPEAKER pro tempore. Would the gentleman care to modify his remarks before the Chair rules?

Mr. ROWLAND of Connecticut. Yes, I would, Mr. Speaker.

The SPEAKER pro tempore. In what way does the gentleman care to modify?

Mr. ROWLAND of Connecticut. I would like to ask unanimous consent that the words objected to be withdrawn.

The SPEAKER pro tempore. That what word be withdrawn?

Mr. ROWLAND of Connecticut. The word "stolen," Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. ROWLAND of Connecticut. I thank the Chair.

Will the gentleman continue to yield?

The SPEAKER pro tempore. The gentleman from Georgia is recognized.

Mr. GINGRICH. I would yield in just a moment, after asking the Chair

if in fact Members were convinced an action were being taken which involved a word which was ruled by the Chair to be inappropriate, how could a Member report to the House on that action? Should we substitute the word "banana"? What is it one should say if in fact—not just as a joke, but if in fact—Members of the Republican side honestly believed strongly something is being done? In other words, is "unconstitutional" an acceptable term but "illegal" not acceptable?

The SPEAKER pro tempore. Is the gentleman asking the Chair?

Mr. GINGRICH. I am asking the Chair.

The SPEAKER pro tempore. Simply put, Members should not accuse other Members of committing a crime. When the majority is accused of "stealing," that may suggest illegality. Other words could be used but not those accusing Members of committing a crime.

Mr. GINGRICH. What if one honestly believes, for a moment, that a crime is being committed? Would it in fact be against the rules——

The SPEAKER pro tempore. Members may not engage in personalities.

Mr. GINGRICH. But he did not talk in personalities.

Mr. ROWLAND of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield to the gentleman.

Mr. ROWLAND of Connecticut. I thank the gentleman for yielding.

Mr. Speaker, I would simply point out that I did not refer to anybody stealing an election. I just referred to the frustration that we as freshmen are exhibiting and fearing as we go through the deliberations. I did not refer to anybody.

The SPEAKER pro tempore. The gentleman seemed to refer to the majority of the House, that it had stolen the election.

Mr. GINGRICH. No, no. Read the words carefully, Mr. Speaker.

Mr. ROWLAND of Connecticut. I do not believe so.

Mr. GINGRICH. I think he said the seat was "bananaed' from the Republican side of the aisle. I do not think he in fact said who had "bananaed" it.

Mr. WALKER. If the gentleman will yield to me, rather than use the word "banana," I do not think the word "borrow" is outside the perimeters of the House——

Mr. GINGRICH. But that would imply an intention to return it. And you have already read in a press release that implies the intention not to return it.

Mr. WALKER. Well, that is true, but I think that right now we can probably assume that what they think they are doing is simply borrowing the seat for a while.

Mr. GINGRICH. What is the term? "Using"?

Mr. WALKER. "Using" is evidently another term that might be acceptable under parliamentary procedure.

Mr. GINGRICH. Is that an Oklahoma term? I thought I heard an Oklahoma term in the background. But, anyway, would the gentleman like to continue?

Mr. ROWLAND of Connecticut. I would simply like to point out that, as a freshman, as I was saying in my earlier remarks, as a new Member of Congress, it is quite frustrating, as we talk to the young people who visit this Capitol, as we talk to them about the process of government, and we have to look upon the situation that has occurred in this House over the last few months. And I hope that it will be rectified soon and that the borrowed seat will be taken care of very, very soon.

Mr. GINGRICH. I think it is important for those Democrats who feel uncomfortable and who want to rise to take down words and who are concerned about language to note that it is just not Republicans, that the Atlanta Journal Constitution, on Sunday, had an editorial by Dick Williams so strong that, literally, paragraphs could not be entered into the RECORD because they made assertions so strong that it would have been inappropriate to put them in the RECORD.

Now, that is not a Republican charge. And that is in, I think, 500,000 copies of the Sunday Atlanta newspaper.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I would be glad to yield to the gentleman.

Mr. WALKER. I was watching the proceedings the other day, when I heard the Chair make that ruling, and that struck me as being a rather interesting ruling for this body to take, too.

What the gentleman had before him was a newspaper article that has been run in—the gentleman just said half a million newspapers?

Mr. GINGRICH. Approximately half a million.

Mr. WALKER. And what we were told was that that newspaper article cannot be read in full into the RECORD in the House of Representatives. That was my understanding of what we were told.

Mr. GINGRICH. My understanding is that, in effect, we censor ourselves from bad news about how the outside world might view us, if the bad news is sufficiently strong that it will be inappropriate.

Mr. WALKER. This is a body where some Members have stood up and suggested that the freedom of the press extends to even things like child pornography, and yet within our own body we are suggesting that there are legitimate newspaper articles that cannot be read in full into the House of Representatives' official document; is that the gentleman's understanding?

Mr. GINGRICH. My understanding is that that was the Chair's ruling the other day.

I want to carry it a stage further, if the gentleman will follow me, for a second.

The thing which I think Democratic Members of this body need to recognize is that even if we self-censor certain words, even if we censor newspaper articles, the country at large, as it watches the McIntyre case, is drawing an increasingly discouraging attitude toward how this House is being run. And it is in the Washington Post, the New York Post, the Atlanta Journal Constitution, the Wall Street Journal, it is in the Detroit News. There is a slow, steady increase of the number of newspapers and publications around this country, which, looking at the McIntyre case, in which the man who won the seat and won the recount and was certified is not being seated, and no matter what self-censorship we have on the floor of the House, in fact in the country at large the view is beginning to build that here is a seat which should be filled so that the people of Indiana's Eighth District have a Representative, even while the task force is meeting.

And there is something a little silly about Members jumping up to strike words when in fact it is the action which is causing the problem.

But there are Members who seem more concerned about how the act is described than the act itself. But the fact is, I think, at a minimum it is fair to say that this is unprecedented, and one could argue unconstitutional, and that it is clearly a major problem for this country if we allow the precedent to be set that a Member can win an election and not be seated because it changes the presumption.

Up until the McIntyre case, the presumption has always been that if the secretary of state certifies, you won, it is your seat until overwhelming evidence is brought to bear, and the burden of proof has always been against the challenger.

Now, we have the very real danger of the Democratic majority imposing a new rule in which the burden of proof is upon the part of the winner and he or she cannot take their seat until in fact they are given an opportunity.

I think it is a very grave danger, and I think it is an example of the arrogance of power.

I would be glad to yield to my friend from Ohio.

Mr. MCEWEN. I thank the gentleman for yielding.

I have made an effort to come to the floor very quickly from my office, having observed what I see as an increasing parliamentary maneuver to destroy and steal the time of people who are trying to present their position on the floor of this House.

51-059 O—86——33 (Pt. 3)

I was an employee of my predecessor some years ago, and I spent all my free time observing the actions of this House. And I have seen a significant deterioration over recent years of the privilege and courtesy of Members to yield time. When a debate is progressing in a direction which which they disagree, they take upon themselves the courtesy that is usually extended another Member, that of yielding, grab the microphone and continue to shout, "Will the gentleman yield"? until such time as his train of thought is destroyed or his point has been stopped.

When that is unsuccessful, I have observed on more recent occasions an effort to request that words be taken down which, upon their repetition by the Clerk, are obviously not offensive to anyone, and yet the debate has been destroyed and an effort has been made to prevent the point that the speaker was attempting to present from going forward.

I have seen it directed specifically at freshmen Members of the minority party. I can name several of the previous sophomore class with whom the majority party took great liberty to interject themselves in the course of their presentation.

I was disappointed to observe it happen moments ago by a freshman Member who was attempting during special orders to state his concern about an important issue before this House. I believe it is not in the best interest of decorum nor in relationship among the Members that we presume upon the privilege of yielding time or upon the privilege of points of order that disrupt the capacity of a Member to express his position.

I regret that the gentleman has chosen to have his words unanimously agreed be removed from the RECORD. I did not find them offensive, and I believe that in the future we should be more forceful if we are going to have any say in this House at all. If we are going to be outnumbered 2 to 1 on committees and by 10 to 1 in staff and by 1,000 to zero on bills that pass this House, then I think the Members should be allowed to express themselves during special orders without this kind of unfair stealing of time.

I thank the gentleman.

Mr. JACOBS. Mr. Speaker, I demand the words be taken down.

The SPEAKER pro tempore. The Clerk will report the words taken down.

□ 1840

The Clerk read as follows:

• • • I think the Members should be allowed to express themselves during special orders without this kind of unfair stealing of time.

The SPEAKER pro tempore. The Chair thinks in the connotation that the words were used, there is no allegation of illegality. The words are not unparliamentary, in the opinion of the Chair.

Mr. GINGRICH. If I may, I will be glad to yield to the distinguished gentleman from Ohio.

Mr. McEWEN. Mr. Speaker, I wish to make it abundantly clear that at no time in my presentation did I accuse anyone or intend to imply that anyone was stealing anything.

Mr. JACOBS. Mr. Speaker, I withdraw my point of order.

Mr. GINGRICH. I just want to say that it is intriguing, and I do not know if the gentleman from Indiana wishes to engage in a colloquy on this, but I just find it intriguing that the gentleman from Indiana is more concerned, apparently, over the words, and I say apparently, and he has every right, of course, to state his own position, than he is over the fact that the State of Indiana has 10 percent less representation than it is constitutionally allowed. That today, when we voted on the agricultural bill, the people of Indiana had 10 percent less vote than they were legally allowed by the Constitution.

I find it fascinating that there are apparently a considerable number of Democrats who are very uncertain and very insecure about strong language, but who are not nearly as concerned, apparently, about 500,000 people who currently do not have a Representative. I think that it is interesting, and anyone who studies this cycle of dialog about the McIntyre case will find that again and again, Democrats get up and say, "But of course we are fair," and then we point out that it is a 2-to-1 task force, and I do not think that anyone in America would argue that 2 to 1 is in any sense equal or fair. We point out that that is a worse percentage than there is in the House at large; that is a worse percentage than there was of votes in the 1984 election; that we do not think that is fair.

Furthermore, that we the minority are reporting to the country, "It ain't fair." Now, you would think that they would stop and say, "Gosh, do you really think it is not fair?" But instead, they try to blandly go ahead and try to assert that it is fair. I just find it intriguing that there are apparently Democratic Members who are more agitated and more upset and more concerned about procedural votes, for example, when in fact there have now been, I believe, 17 or 18 votes this year, and only in 1, only in the very first vote, did the people of the Eighth District of Indiana have representation. In every other vote since then they were not allowed to vote; they did not have a voice in this House of Representatives. They were not able to make their case to the Nation and to the House of Representatives.

I find it fascinating that there has not been, apparently, any significant outcry on the part of the Democrats saying, "Why do we not represent the people of Indiana while the task force is underway? Why do we not provisionally seat Mr. McIntyre, who seems to have won, until we finish the recount?" So the people who jump up and have been very concerned about taking words down and have been very concerned aobut language on the floor, are somehow not concerned about the fact that the people of Indiana are infact mute. That the people of the Eighth District of Indiana have no voice on this floor.

I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman from Georgia for yielding.

Mr. Speaker, I am somewhat hesitant to get up and speak because I am somewhat intimidated. Maybe my words will be taken down. On the other hand, I think it is only appropriate that we raise some of these issues.

The gentleman in the well is a historian, and a man who has studied a great deal of psychology, and the gentleman brings up the psychological issue of what is taking place here at times. I personally rather like the gentleman on the other side of the aisle, but I think that when we take a look at what is happening to the philosophy on the other side of the aisle, that it is passing out of existence really. It is taking a back seat. Whenever you have a lost cause, people are going to hang on tighter to that cause.

Now, I am sure there are better examples; it is the only one I can think of now and I apologize to the gentleman in the well for it. The example is during our own Civil War. The gentleman in the well has studied our Civil War, and we know that after the Battle of Gettysburg, no one ever thought of how other than the North was going to win the war. Yet, more men were killed after the Battle of Gettysburg than in all the battles before. That is the case in one lost cause after the other.

I think the reason the other side of the aisle, quite frankly, is hanging on so tough, even after the battle has been lost is because they are not going to say "uncle."

Mr. GINGRICH. There is an amazing sense of desperation on the other side, and, as I said, I am intrigued by the fact that they are more desperate about the words being used than about the action. They seem to be more desperately concerned about what we say about what they are doing than about what they are doing. I am intrigued that it is the people of Indiana who are the losers. Not the Republicans. We are here; we are getting paid. It is not even, frankly, McCloskey and McIntyre; they are both being paid. It

is the people of the Eighth District who currently have no voice.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because it seems to me we sketched a rather interesting scenario here earlier that does in fact imply that the only way that Mr. McCloskey could end up being seated in this body would be for some kind of a seemingly nefarious action to take place.

As we pointed out, if you count all of the ballots, Mr. McIntyre wins. If you count the ballots that the various election boards out there say are the legal ballots, Mr. McIntyre wins.

□ 1850

That raises the question how does Mr. McCloskey win if those are the scenarios. Yet, we have about one-quarter of the entire Democratic caucus who, in a press release, is now saying that they think Mr. McCloskey is going to be back with us.

That is the reason why some of us feel as though there might be something happening that will not exactly match what the law says needs to happen. We have some concerns on our side and we have some questions on our side about how you would get to the place that fully a quarter of the Democratic caucus thinks he is going to happen, because if you count all of the ballots, Mr. McIntyre wins, if you count the ballots that the election boards say are illegal Mr. McIntyre wins. Mr. McCloskey under none of those scenarios wins, so someone here would have to figure out a way to get around Indiana law in such a way as to seat Mr. McCloskey if this holds up.

That is why some of us really think that perhaps some strong language is in fact very much in order as we describe the situation happening in Indiana.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. May I just make one comment, and then I will be glad to yield.

There is a famous quotation I believe in a W.C. Fields movie in which he was asked, "Is poker a game of chance?" and he said, "Not the way I play it." I think there are those occasions when one wonders if W.C. Fields would not feel very comfortable in some recounts.

Mr. Speaker, I would be delighted to yield to the very distinguished majority whip.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, I would like to say that I think House Administration Committee's announcement makes clear its expectation of issuing a report last week in March and of bringing the matter to the floor for determination before the end of March. In fact, in about 30 days or so this matter is going to be decided.

I do not know that there is a case in the history of the Congress in which the work of the House Administration Committee under any party control or influence has ever been claimed to have been other than appropriate in deciding a case involving election returns. Maybe the gentleman believes there is one. I, on the other hand, know of none and can assure him that those on this side of the aisle are determined that the appropriate decision will be made according to the law and according to the facts. The gentleman from Pennsylvania may know what the facts are in his own judgment, but the matter is yet to be decided.

I think it should be noted here that we have in the case of the election from the Eighth District of Indiana the second closest congressional election in half a century.

The newspapers that have been cited here are entitled, of course, to their opinion; but newspapers in Indiana, the State in which this contest occurs, including those which are generally not particularly favorable to the Democractic position, have taken expressed support of the actions that have been taken by the House.

I appreciate the gentleman's generosity in yielding to me. I wonder if I could just recall the attention of the House comments made by the gentleman from Pennsylvania in colloquy with the gentleman from Georgia in which they expressed jointly their surprise at a ruling that a newspaper could not be read because it contained material that was too strong, even though it had been printed.

If there is one thing that I believe the gentleman from Pennsylvania as well as the gentleman from Georgia possess it is knowledge of the rules of the House. I think it is surprising that they should be surprised by this, since the gentleman from Georgia [Mr. GINGRICH] only the other day made the point that the President of the United States was entitled, under the rules of the House, to the same decorum and courtesy that we extend to the other body.

It is obvious, I think, that newspaper articles which might inveigh against the present occupant of the White House would be against the rules of the House if they were read into the RECORD from a newspaper article, and quite properly they would be excluded from debate for that purpose.

The rules suggest that the President should not be subjected to personal abuse, opprobrium or other inappropriate comments, just as we recognize that rule with respect to the Members of the other body. Irrespective of the fact that the newspaper article in question might have been circulated to millions of people, it would not, and the gentleman knows it would not, be appropriate to read it into the RECORD here, in order to do indirectly what a Member could not directly do in debate.

Because the gentleman from Georgia made that comment on the floor the other day with respect to the President, I think the surprise that has been expressed that we would respect the rules of the House, traditional and long in character, comes rather strangely to my hearing.

Mr. GINGRICH. First, if I might, just because I think it will be of some interest to the very distinguished majority whip, I would like to point out three examples of cases where we felt that, in fact, the House Administration Committee did not act appropriately:

In 1977, the minority report said, and I quote:

"The majority decision was patently in error and should have been rejected".

In 1980, the minority report said:

"It is our view that we have not lived up to those responsibilities."

In 1983, the dissenting view said:

"The 2-to-1 decision was along straight party lines and is in error."

So there are at least three cases cited in the last three Congresses in which the Republicans felt very clearly that by the 2-to-1 Democratic majority in a House task force panel made the wrong decision. I know that the very distinguished whip would want to know that.

Second, I would say to the whip, because I know that you believe as passionately as we do in the power of representation and in the genius of this House as a place where people really can come, when you talk about 30 days and you think about issues as important as we have brought up this week on saving human beings' lives in Africa and saving family farms in Indiana, I am confident that the distinguished majority whip could not assure us that there would be no issues in the next 30 days that are not of significant import to have some voice from Indiana.

Even if we were to seat the wrong person, precisely because it is to close an election, the worst we would do is guarantee that 49.97 percent of that district was represented. Right now zero percent of that district is represented. So the very worst we could do, even if we made a mistake for 30 days, is allow approximately 245,000 or 250,000 of those people to have their choice sitting here.

So, I would simply say to the distinguished whip, since he knows full well that the House can always unseat a Member if it determines that he did not win the election, what harm would there be tomorrow, prior to taking up other important business, if we provisionally seated McIntyre who is, on the face of it by the Secretary of State

and by the election and the recount the winner, what harm would there be if we seated him for 30 days while we finished?

Mr. FOLEY. Mr. Speaker, will the gentleman yield to me?

Mr. GINGRICH. I would be delighted to yield.

Mr. FOLEY. While I do not think that the facts have been determined that way, the gentleman seems to believe that Mr. McIntyre won the election and Mr. McCloskey did not. His comment that he would favor, or it would be better, to seat the loser in the race, rather than have the seat unrepresented, appears to imply that it would be preferable from his standpoint if we sat Mr. McCloskey.

Mr. GINGRICH. No, no. What I said was, even if you ultimately determined that McIntyre had lost, even if in the end you recounted, it is so close a race, that under a worst case, either guy is going to——

Mr. FOLEY. I gather the gentleman thinks that the fact that we have seated neither is worse than seating either.

Mr. GINGRICH. That is correct.

Mr. FOLEY. I would be surprised if the gentleman or his colleagues on the other side would take the attitude if the House had decided to seat Frank McCloskey, that it was better than seating neither.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. In one second, but let me——

Mr. FOLEY. If the gentleman would bear with me one moment longer, the reason I came to the floor is to just suggest that it is important that we have a balanced opportunity to discuss these issues. There is no intention on this side to disrupt the trains of thought. I do not think the attention of the other side is that fragile. I simply think it is important that we observe the rules of the House in the course of debate, and I think the two gentlemen, Mr. WALKER and Mr. GINGRICH, know that it is not permissible under long-standing rules of the House and interpretations of the Parliamentarians of both parties, to read into the RECORD statements that would be inappropriate if made by a Member directly. They should not be surprised about that, and I find their shock and horror rather surprising in itself.

The point I was making about the election contest is that the House Administration Committee intends to decide this question and to report whatever their determination is, within less than 30 days. We always have a tragedy when we do not have seats filled. They go unfilled sometimes because of death. The great colleague just departed, Gillis Long, is not here with us because of death. The succession has not been decided yet. It requires a special election. For the moment there is no Representative from Louisiana just as there is none from Indiana.

□ 1900

But we intend on this side to bring this matter to the judgment of the House as soon as possible and I insist that it will be decided by the rules and precedents straightforwardly and fairly, so that whatever the facts and the votes indicate will be reflected here in the final determination.

I thank the gentleman for yielding.

Mr. GINGRICH. Well, one second. I just want to make the very strong point to the distinguished gentleman from Washington that he cited precedent. It is precisely because the failure to seat Mr. McIntyre is so totally unprecedented, it is precisely because all of the burden of proof is on not seating him. He has a certificate. He won the election. He won the recount. There are no valid grounds for avoiding seating him. There is every ground for recounting, but there is no valid ground to avoid seating him, and I will be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. Well, I thank the gentleman for yielding, because I think that is an important point to make here.

Mr. McIntyre has a certificate. That is the reason why Mr. McCloskey should never be seated in the body.

Mr. McIntyre possesses the certificate. All precedents are that when a Member has a certificate of election, he should be seated here. That is the reason why we are making the case we are.

I would say also with regard to the gentleman's point about the language that is entered into the RECORD of the House, we do feel on the minority side that there are times when the kinds of protections that the gentleman talks about have not been extended, for instance, to the President of the United States or even to Members on this side.

For example, there was at least one instance in the last Congress where a Member of the leadership on the other side went to the well and called the President a liar on about 12 occasions in a 1-minute speech.

Now, it seems to me that if we were going to apply the rules fairly and if that is the kind of thing that is not supposed to be done, the Chair should have ruled against that language at that point and called it unparliamentary language.

Mr. FOLEY. I would suggest that the gentleman refer to that text again for the exact language that was used; but in any event, if the gentleman will yield, I am presuming on his generosity.

Mr. GINGRICH. I yield briefly, because we are about out of time.

Mr. FOLEY. Every Member of Congress has the right to object to words stated in the House with respect to a Member of this body, the other body or the President, and to ensure that those traditions of decorum and appropriate conduct and comment are observed, and if there was no objection made then the matter, of course, does not come up for ruling; but I personally believe that the President of the United States, whoever the incumbent is, should always be extended the courtesies of the traditions of the House, and I would support the gentleman in that event; but I must say I have been here now about 21 years and I have heard in my judgment more comments during administrations headed by Democratic Members which I thought violated the rules of the House than any that I have heard in the incumbency of the present President of the United States; but be that as it may, I just wanted to make the point that these gentlemen in the well and the gentleman from Pennsylvania [Mr. WALKER] know the rules very well. They are very skilled at them and they know that it is inappropriate to use a newspaper article, however widely published, to violate the rules of the House.

Mr. GINGRICH. Let me in closing, because we only have a few minutes left, say this to the distinguished majority whip.

There are two things building which I hope the gentleman's side will note. The first is that on our side we really regard the McIntyre case as so thoroughly unprecedented and not at all like Rousch Chambers and the other red herrings, that in fact we feel we are constrained to respond to an unprecedented challenge to the protection of the minority.

Second, there was a great crisis in this country about 10 to 11 years ago in which words like illegal were applied to the President. There is a very deep and a very strong feeling on our side about this particular case that it is of unprecedented long-term danger by establishing a precedent which we think requires very vigorous reaction and I fear that the longer this goes on that the more difficult and the more complex it will probably become.

I simply hope that as one of the Members who represents best the good spirit and the comity which at its best characterizes the House, that the distinguished majority whip will carry back to his leadership and his side the sense that our side is virtually unanimous now in the intensity of its concern on things starting with such small items as the official photograph and beginning to extend upward and outward to far more dangerous and I think complicated things.

I yield back the balance of my time.

"ICE" LEGISLATION NEEDED NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ROTH] is recognized for 30 minutes.

Mr. ROTH. Mr. Speaker, I am taking this time today to again urge the enactment of an interstate cost estimate bill. We need an ICE bill now, and every day we delay we do a disservice to the American people.

The interstate cost estimate is a laundry list of highway projects put forth by each State. These projects are funded through the highway trust fund, which gets its revenue from the 9-cents-a-gallon gas tax. Under the 1982 Surface Transportation Act, Congress must enact an interstate cost estimate every other year before funds are released to the States. Apparently Congress isn't living up to its own rules.

It really is not necessary to go into detailed history of the interstate cost estimate legislation of last year. The bottom line is that, primarily because of a fundamental disagreement between this body and the other one over the issue of demonstration projects, we failed to approve last year about $7 billion in highway project funding to cover an 18-month period.

The consequence of our failure to act is that some 42 States, including my own State of Wisconsin, are effectively out of highway construction money. The American people are paying 9 cents in Federal taxes for every gallon of gasoline they buy. But they are not getting a return on this investment, because the money is gathering dust in Washington.

The cost of this delay is enormous in terms of jobs, infrastructure deterioration, inflation, and total chaos within the highway industry.

In all, some 200 highway projects have been shelved. A quarter million highway construction jobs have been put on hold. Each day we delay brings us closer to another highway construction season. Problems of highway safety and traffic congestion, which could be eased by the release of highway funds, continue to get worse.

Mr. Speaker, last December I wrote to all 50 Governors to request their help in pushing the congressional leadership for quick passage of an ICE bill in the 99th Congress. Their responses to me indicate just how serious is the problem the States are facing. I include their letters, as follows:

OFFICE OF THE GOVERNOR,
STATE CAPITOL,
Austin, TX, January 15, 1985.

Hon. TOBY ROTH,
U.S. Representative, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you for your letter concerning the need for Congress to act quickly in approving the Interstate Cost Estimate so that federal highway funds can be released to the states.

I wrote to Speaker Tip O'Neill in early December urging him to resolve the deadlock surrounding this issue. I have also been in contact with the Texas Congressional delegation concerning these funds.

These federal funds are crucial to the timely completion of the Interstate Highway System in Texas and I will continue to push for a speedy resolution. I appreciate your writing me and I hope you will do so again if I can be of additional help.

Yours truly,

MARK WHITE,
Governor of Texas.

STATE OF CONNECTICUT,
EXECUTIVE CHAMBERS,
Hartford, CT, December 28, 1984.

Hon. TOBY ROTH,
Member of Congress, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE ROTH: I am writing in response to your letter requesting my support in urging Congress to enact the Interstate Cost Infrastructure measure.

As a Governor, I am extremely concerned with the failure of Congress to approve the ICE and the Interstate Substitute Cost Estimate which were submitted by the United States Department of Transportation in March 1983. Because of this impasse, Connecticut has been unable to spend approximately $114 million of Interstate Funds and $138 million of Interstate Substitution Funds. Further delays in authorization could jeopardize over $200 million in badly needed Infrastructure renewal projects.

I have been in constant contact with our Congressional delegation requesting their support in obtaining the necessary approval for these funds. Please be assured that I will continue to work towards passage of this measure.

Sincerely,

WILLIAM A. O'NEILL,
Governor.

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, VA, December 27, 1984.

Hon. TOBY ROTH,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you for your letter of December 4, 1984, regarding the problems created by the failure of Congress to approve the Interstate Cost Estimate.

As I am sure you are aware, Virginia's congressional delegation has been active in protesting delay in the release of interstate construction funds. To date, Virginia has been able to award some $66 million in interstate contracts under the ACI provisions of federal statute. However, contracts and modifications to work already under way estimated to cost over $40 million are being delayed. Further, if Congress does not act on the ICE before May 1985, almost $190 million in interstate contracts and modifications will need to be deferred. In my view, Congress must act responsibly and pass a "clean ICE" at the earliest possible opportunity in the new Congress. I trust that all members are very much aware of this need, and that responsible action will be forthcoming.

I appreciate your keeping me advised of your efforts in reaching a solution to this problem.

Sincerely,

CHARLES S. ROBB.

OFFICE OF THE GOVERNOR,
STATE CAPITOL,
Des Moines, IA, January 3, 1985.

Hon. TOBY ROTH,
U.S. Representative, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you for your December 4 letter expressing concern about Congressional inaction on the Interstate Cost Estimate (ICE).

I share your concern and any delay will cost the snowbelt states dearly since we have a limited construction season. In addition to talking with Iowa's Congressional delegation, I am actively involved in the National Governors' Association work to develop a "signable" ICE.

Governor Orr chairs the NGA's Transportation, Commerce and Communications Committee and has taken a lead role in directing efforts to settle disputes relating to this cost estimate. As a member of this committee, I assure you we are deeply concerned and will work with Congress for an acceptable solution.

Thank you for writing. It is encouraging to hear from members of Congress who recognize the problem and who will press for action.

Sincerely,

TERRY E. BRANSTAD,
Governor.

STATE OF NEW MEXICO,
OFFICE OF THE GOVERNOR,
Santa Fe, NM, January 2, 1985.

Hon. TOBY ROTH,
Member of Congress, House of Representatives, Cannon House Office, Washington, DC.

DEAR REPRESENTATIVE ROTH: We are pleased to acknowledge receipt of your letter of December 4, 1984 and, of course, share your concern for the failure of Congress to pass legislation releasing withheld Highway Interstate Funds. Fortunately, due to the foresight of the executive and legislative branches of state government in providing sufficient state funding to underwrite interstate projects, the interstate system is virtually complete in New Mexico. A release of withheld highway funding will be applied to converting ACI Projects (advance construction interstate) projects to federal funds intended to reimburse a state revolving account established by the State Legislature.

Therefore, the problem is not as acute in New Mexico as in other states. Nevertheless, we are concerned by the fact that state funding should be reimbursed by federal funds as soon as possible, to maintain the ability of the State of New Mexico to continue to provide funding for matching available federal aid.

We will continue to address the problem through our congressional delegation to appeal to House Speaker Tip O'Neill and others regarding the necessity of breaking the log jam which has prevented passage of a bill to release withheld interstate funding.

We are attaching a copy of the resolution adopted by the American Association of State Highway and Transportation Officials (AASHTO) which the New Mexico State Highway Department supported.

Sincerely,

TONEY ANAYA,
Governor.

STATE OF COLORADO,
EXECUTIVE CHAMBERS,
Denver, CO, January 3, 1985.

Hon. TOBY ROTH,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ROTH: Colorado has had more than $116 million of Interstate and Interstate Transfer funds held up because the 98th Congress failed to pass the Interstate Cost Estimate (I.C.E.). Without prompt action by the 99th Congress, our state will have to delay summer 1985 construction of Interstate 70 in Glenwood Canyon and DeBeque Canyon, along with important Interstate 76 completion projects in the Denver metropolitan area. I agree the money provided by the Surface Transportation Assistance Act of 1982 should be made available to the 43 states involved so that needed construction may proceed. Congress should not trifle with the I.C.E. when the public safety and welfare could benefit by spending money derived from the federal motor fuel taxes.

Colorado joined other states December 9, in a resolution approved by the American Association of State Highway and Transportation Officials (AASHTO) in New Orleans. The resolution, spawned by the association's annual meeting, urges Congress to pass a "clean" I.C.E. free of pet projects.

The Colorado State Highway Commission also adopted a resolution at its regular monthly meeting held in Denver on December 20. Copies of both the AASHTO and highway commission resolutions are attached to this letter.

I very much appreciate your initiative and efforts in untying the "Gordian knot" holding up I.C.E. passage.

Sincerely,

RICHARD D. LAMM,
Governor.

STATE OF ILLINOIS,
WASHINGTON OFFICE,
Washington, DC, January 8, 1985.

Hon. TOBY ROTH,
Member of Congress, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you for sharing the concerns of all governors over the failure of Congress to approve an Interstate Cost Estimate (ICE) and Interstate Substitution Cost Estimate (ISCE). This action is necessary to release funds to complete important highway and transit construction projects. I commend your efforts to secure expeditious consideration of the ICE and ISCE in the Congress and will continue to do everything possible to assist the process.

By early spring, 1985, Illinois will join most of the other states who have exhausted interstate construction and interstate transfer grants. The formula funds withheld from Illinois for fiscal years 1984 and 1985 is $260 million. That sum represents several hundred jobs and many miles of highway improvements.

Last year, I made a special trip to Washington in an attempt to resolve problems with House and Senate ICE/ISCE legislation. I will not hestitate to dedicate additional time to move this issue towards quick resolution. We cannot afford further delays. You can be assured that I will work closely with my Congressional Delegation as this matter progresses.

Kindest regards.

Sincerely,

JAMES R. THOMPSON,
Governor.

EXECUTIVE OFFICE,
STATE OF MISSOURI,
Jefferson City, January 2, 1985.

Hon. TOBY ROTH,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you very much for your letter of December 4 regarding the power play which Speaker of the House Tip O'Neill is using to hold the $7.5 billion in highway construction funds hostage for a $1 billion project in his own district. I have previously contacted our Congressional delegation about this matter and share your dismay at the actions of the Speaker.

Since I am leaving office on January 14 I am passing along your letter to my successor and the current Attorney General of Missouri John Ashcroft. I am sure that he will want to continue the strong position of the Missouri Governor's Office to encourage Congress to enact an Interstate Cost Estimate without the O'Neill project.

Thank you for your continuing efforts on this vital issue.

Sincerely,

CHRISTOPHER S. BOND,
Governor.

STATE OF WASHINGTON,
Olympia, WA, January 3, 1985.

Hon. TOBY ROTH,
U.S. Representative, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you for your December 4, 1984, letter in which you expressed your extreme concern over the delay in releasing badly needed Federal interstate construction funds. I agree that approval of the Interstate Cost Estimate (ICE) is one of the most important matters that the U.S. Congress must address when it convenes in January.

I also agree that Congressional action on the ICE will require strong support from all states, as well as active communication with Congressional members to convey the ever-increasing urgency of resolving this issue.

The state of Washington, through correspondence from my office and the Washington State Department of Transportation, has continually advised our Congressional delegation of the impact of this delay on our state's interstate program. We have also participated in appeals to Congress coordinated by the National Governors' Association, the American Association of State Highway and Transportation Officials, and various highway interest groups.

We will continue to take appropriate steps to urge Congressional leadership to break the deadlock over the Boston central artery and the many special demonstration projects, and to approve a revised ICE as soon as possible.

Thank you again for your interest and support.

Sincerely,

JOHN SPELLMAN,
Governor.

THE BETTER ROADS &
TRANSPORTATION COUNCIL,
Austin, TX, February 12, 1985.

Congressman TOBY ROTH,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN ROTH: We are enclosing a resolution adopted on February 5, 1985 by the Better Roads & Transportation Council urging Congress to act at the earliest possible date to approve an unencumbered long-term Interstate Cost Estimate. We are also enclosing a table showing the amount of funds that would be available to each state when the ICE is approved.

Failure of Congress to approve the ICE has caused a crisis in the federal aid highway program. Many states say they will lose an entire construction season if the funds are not released soon.

The Better Roads & Transportation Council is a national affiliation of state good roads and transportation betterment organizations.

We respectfully suggest that the controversies that have delayed approval of the ICE be deferred for consideration when the highway authorization bill is taken up.

We will sincerely appreciate your best efforts toward early approval of the ICE.

Sincerely,

EUGENE W. ROBBINS.

HIGHWAY USERS FEDERATION
FOR SAFETY AND MOBILITY,
Washington, DC, January 31, 1985.

Hon. TOBY ROTH,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN ROTH: Thank you very much for your encouraging letter of January 14, in which you highlighted your consistent support for a passage of a "clean" ICE early in the session. It is of utmost importance, as you point out, that the Interstate be completed as soon as possible at the lowest possible cost. There is no question that the continued delays occasioned by argument over the ICE are going to exacerbate that process.

It is heartening to know that responsible statesmen like yourself are continuing to put their faith in the highway professionals of this country.

Again, thank you for your letter. If there is anything we can do to help you, Governor Earl or Secretary Jackson in your pursuit of a "clean" ICE that we are not already doing, I hope that you or your excellent staff will keep us advised.

Sincerely yours,

JOHN A. CLEMENTS.

AMERICAN AUTOMOBILE ASSOCIATION,
Madison, WI, January 10, 1985.

Hon. TOBY ROTH,
U.S. Representative, Washington, DC.

DEAR REPRESENTATIVE ROTH: The American Automobile Association, with 354,000 members throughout Wisconsin, urges your support for the prompt approval of the Interstate Cost Estimate (ICE), which Congress failed to authorize before adjourning last October 12.

Further delay in approving this important piece of legislation will continue to hold up apportionment of more than $7 billion in Interstate construction money, including more than $80 million for Wisconsin. Continued delay would also force a halt to projects now under way, delay bid letting and could substantially increase the cost of completing Interstate projects.

On behalf of AAA Wisconsin members, I urge your strong support of ICE in a form that will be acceptable to the Administration, which means a bill unencumbered by special interest projects. Failure to pass ICE during the next month or two would penalize highway user-taxpayers and erode their support for the federal-aid highway program.

Thank you for your attention and cooperation.

Sincerely,

JOHN M. STEARNS,
General Manager.

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA,
Washington, DC, January 7, 1985.

Hon. TOBY ROTH,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ROTH: The Associated General Contractors of America strongly urges early consideration and passage of an "18 month" Interstate Cost Estimate (ICE) bill in the 99th Session of Congress. Expeditious action is essential to prevent a drastic reduction in highway and bridge construction during FY 1985 in your state.

During the final days of the 98th Congress, a House-Senate Conference Committee on highway legislation containing an "18 month" ICE failed to reach agreement on the funding of special highway projects and the ability of a Massachusetts proposed Interstate project to qualify for Interstate funding. Thus, a Congressional stalemate over these issues that began in 1983 continues to withhold over $7 billion in authorized highway construction funds from the states. It is imperative that the 99th Congress act quickly to approve an "18 month" ICE and release these funds to the states.

Already 42 states have virtually exhausted the Interstate construction funds provided by Congress in March, 1984 through a stopgap "six month" ICE, and the remaining states will soon be in the same predicament. Without an ICE, the states will not even have sufficient funds to reach the FY 1985 obligation level set in the 1982 Surface Transportation Assistance Act (STAA).

Failure by the Congress to enact an ICE bill early in this session will effectively negate the passage of the 1982 STAA and its commitment to improved roads and bridges. Just two short years after the celebrated enactment of the STAA, highway users are paying $5 billion per year in increased highway user fees, but the Congress is holding $7.2 billion in highway construction funds hostage to its consideration of other highway issues.

Again, we urge your support for the early consideration and passage of an "18 month" ICE bill.

Sincerely,

DOUG PITCOCK,
President.

In Georgia, for example, the delay is jeopardizing a $270 million downtown freeway system, not to mention the State's 10-year road construction plan.

In Connecticut, further delays in the ICE authorization could jeopardize $200 million in infrastructure renewal projects.

Virginia faces the deferral of $190 million worth of projects.

Colorado had $116 million in funds held up because the 98th Congress failed to pass an ICE bill.

In Illinois, $260 million has been held up.

In my own State of Wisconsin, some 57 projects are on the shelf because the State has not received the $82 million to which it is entitled.

Most States are in the same boat as those to which I just referred.

State highway officials have said that if we do not approve the ICE by April 1, more than 500 projects, with an estimated cost of $1.8 billion, will be delayed. This pushes the completion of other projects behind schedule, and in some cases jeopardizes the completion of States' long-term highway improvement programs. At the very least, delays will inflate the cost of existing projects.

In Northern States, the problem is even more acute. Unless we approve the ICE—and soon—the entire 1985 construction season will be lost. The solvency of many smaller contractors will be jeopardized.

We should all be concerned about the cost of the delay. But we should be more concerned—not to mention embarrassed about the cause of it. Purely and simply the delay has been caused by our inability to put special interest aside and do what is in the national interest.

We have weighed down the ICE authorization with dozens of demonstration projects. I am not going to argue the merits or demerits of the Boston central artery or other special projects. Suffice it to say that the entire country is suffering because the House cannot bring itself to let these projects stand or fall on their own merits.

Mr. Speaker, I introduced a clean interstate cost estimate bill, H.R. 429, almost 2 months ago. That bill now has about 40 cosponsors. The Public Works Committee of the other body has already approved a clean ICE bill. It is time for this body to act as well.

The suggestion has been made that we may consider a 6-month clean ICE. While that would be better than nothing, it certainly doesn't solve our problem. It just means more uncertainty for the States and a delay in resolving our basic problem. And I doubt if we will be better able to cope with that problem in 6 months.

Mr. Speaker, we cannot afford a national traffic jam over several dozen demonstration projects. It is time to break the legislative gridlock and do what is best for the future of our entire highway system.

● Mr. LOWERY of California. Mr. Speaker, for the second year in a row Congress has failed to apportion the bulk of the Federal funds for highway construction. Currently, $7 billion in Federal highway construction funds are being held up. Legislation required to release the money for fiscal 1984–85 died last year when Congress failed to approve the interstate cost estimate-interstate substitute cost estimate [ICE-ISCE].

There is an urgent need not only for immediate approval of the interstate cost estimate but also for reforms to ensure that the logjams we have seen the last 2 years are not repeated. Therefore, on February 7, I introduced legislation (H.R. 1059) which reforms the congressional interstate cost estimate-interstate substitute cost estimate approval process.

A 6-month extension covering the first half of fiscal 1984 was passed last spring, but State highway departments now are 18 months behind in receiving payments from the trust fund, and officials say the 1985 construction season may be in jeopardy. According to a survey conducted by the American Association of State Highway and Transportation officials, there are some 239 projects worth approximately $1,262.5 billion not underway at the present time due to lack of an approved ICE-ISCE bill.

The money, which comes from the highway trust fund, is supposed to be passed on to the States every 2 years. But before it can be released, Congress must approve an interstate cost estimate [ICE] of the funding needed for interstate work and an interstate substitute cost estimate [ISCE] of funding for highway projects the States have chosen to replace proposed interstate construction.

At first the approval was routine, but the ICE and ISCE bills have become vehicles for pork-barrel "demonstration projects." The pork proposals get 100-percent Federal financing, compared with 90 percent for regular interstate construction, and are additions to the work proposed by State highway departments. There were 3 such projects in 1973–74, 6 in 1978, 12 in 1982, and last year there were 77, costing more than $2 billion and to be paid for entirely from the highway trust fund.

To illustrate see the impact of a failure to approve the funds for your State. I am including figures which detail the financial impact on each State.

STATE HIGHWAY FUNDS

Following are the Department of Transportation's revised estimates of the federal funds states would receive for the last half of fiscal 1984 and for fiscal 1985 for Interstate construction and for projects state officials have substituted for previously approved Interstate work (in thousands of dollars). Congress must enact legislation to allocate the money.

Alabama	$144,138
Alaska	26,402
Arizona	91,550
Arkansas	39,411
California	597,053
Colorado	111,267
Connecticut	245,644
Delaware	26,402
District of Columbia	53,022
Florida	405,615
Georgia	188,171
Hawaii	135,416
Idaho	42,491
Illinois	194,311
Indiana	130,468
Iowa	68,751
Kansas	26,402
Kentucky	118,312
Louisiana	275,413

Maine	26,402
Maryland	250,423
Massachusetts	215,798
Michigan	154,675
Minnesota	146,890
Mississippi	26,402
Missouri	63,835
Montana	26,402
Nebraska	30,550
Nevada	26,402
New Hampshire	26,402
New Jersey	237,185
New Mexico	26,402
New York	472,079
North Carolina	146,559
North Dakota	26,402
Ohio	230,310
Oklahoma	93,049
Oregon	62,248
Pennsylvania	267,980
Rhode Island	114,118
South Carolina	73,673
South Dakota	26,402
Tennessee	89,913
Texas	526,046
Utah	101,501
Vermont	26,402
Virginia	223,766
Washington	237,161
West Virginia	32,843
Wisconsin	80,133
Wyoming	26,402
Puerto Rico	0
Total	7,034,994

Source: Department of Transportation.

Mr. Speaker, legislation I have introduced (H.R. 1059) reforms the congressional approval process. My legislation is not a so-called clean ICE bill. It is designed to prevent these congressional logjams from recurring. It would allow the Congress from January to October 1, of each year to review and revise the ICE-ISCE submitted by the Department of Transportation. However, if the Congress has not acted to release the funds by October 1, the bill authorizes the Secretary of Transportation to release the moneys administratively. This legislation will go a long way toward preventing interruptions in highway construction funding.

Again, H.R. 1059 does not deny the Congress the right to review and revise the ICE-ISCE, it only releases the funds if the Congress has not acted by October 1, of each year. I encourage my colleagues to join me in supporting this urgently needed measure.●

GENERAL LEAVE

Mr. ROTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TRIBUTE TO HON. EDWIN D. ESHLEMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] is recognized for 10 minutes.

● Mr. HAMMERSCHMIDT. Mr. Speaker, Edwin Eshleman entered Congress with me, back in 1967, and in the 10 years that we served in the House together, I came to know and respect him as a colleague who was dedicated to serving the people of his Pennsylvania district. I was deeply saddened to learn of his passing on January 12.

Some of my colleagues may not have had the privilege of working with this fine man, who used his skill as an educator to make an imprint on vocational and higher education legislation through his position as ranking member of the Education and Labor Subcommittee on Postsecondary Education. Ed often was a leader in working to improve educational programs, but always kept a realistic view of the financial capabilities of our Nation. He also had a quick wit and a wonderful sense of humor that made serving in Congress with him a true pleasure.

After leaving the House of Representatives in 1976, Ed returned to his Lancaster, PA, home, where he continued his education career, serving as a circuit teacher at area high schools and colleges. In this capacity, he passed along his views on government to many students who will continue to benefit from this generous sharing of his extensive experience for years to come. Through this contribution, a part of Ed is still with us.

My sympathies are extended to his widow, Kathryn, his sons, E. Bruce, and R. Lee, and the other members of his family.●

PREVENTION OF LOW BIRTHWEIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 30 minutes.

Mr. MILLER of California. Mr. Speaker, every Member of Congress shares a commitment to preventing unhealthy babies and unhealthy families. We all know that infants in particular, need a healthy beginning if they are to thrive as children and later as adults.

Today, I will highlight the best and most recent evidence we have concerning the prevention of low birthweight, which remains a major problem for American infants. Low birthweight is one of the major determinants of infant mortality in the United States. For the infants who survive low birthweight, it remains the greatest predictor of increased health risks and developmental handicaps such as cerebral palsy and mental retardation. Yet, the low birthweight incidence in the United State is greater than the rate in at least 12 other developed countries.

Even more striking is that for the first time in 20 years, the positive trend in the improvement of the infant mortality rate among American infants is taking a turn for the worse.

Yet, Mr. Speaker, we have the knowledge to reduce low birthweight, which means we have the knowledge to reduce infant mortality. We have the knowledge to launch healthy babies and healthy families. The information is in the public sector if we desire to use it. The primary policy issue now is a commitment to put this knowledge to work.

These findings are reiterated by the Southern Governors' Association in their report on infant mortality released just this week. Clearly State governments are growing alarmed as well.

Despite what we know, by the Department of Health and Human Services' admission, the rate of decline in the infant mortality rate is coming to a virtual halt.

Fewer women are seeking prenatal care in the critical first trimester. More women are forgoing prenatal care completely, even though we know that prenatal care is one of the least expensive and most effective ways to decrease the rate of infant mortality. The resultant slowdown in the infant mortality rate is the first real evidence that elimination of services since 1981, as a result of budget cutbacks, is having tragic consequences.

Many Members of Congress are alarmed by this phenomenon, and have begun to look for more answers.

Yesterday, I was privileged to participate in an Energy and Commerce hearing chaired by my esteemed colleague, HENRY WAXMAN, concerning the prevention of low birthweight. At this hearing, the distinguished Institute of Medicine of the National Academy of Sciences, released a new report "Preventing Low Birthweight."

This distinguished panel concluded that we have the capability to reduce considerably the incidence of low birthweight babies in this country. They call for a "shift in emphasis from treating the effects of low birthweight to treating the causes * * * from simple acceptance of the problem to 'preventive medicine'." And based on their own cost analysis the panel concludes that investing in these preventive strategies will save more than $3 for every dollar invested.

This report, developed by the most well-respected members of the medical profession, reflects the most extensive examination, to date, of the precursors to low birthweight. The report assesses as well the value of current interventions to ameliorate or eliminate the risks.

I find particularly interesting and edifying the similarities between their work and conclusions and that of the

evidence brought by experts to the Select Committee on Children, Youth, and Families.

In general, the Institute study asserts that, "Teenagers, unmarried women, the poor, black women, and those with less than a high school education are much more likely than other women to have a low-birthweight baby." In addition, while low birthweight infants are born to women of all ages and all social groups, the study identified specific factors that occur before pregnancy that put women at greater risk: Certain maternal chronic illnesses, smoking, moderate-to-heavy alcohol use, poor nutritional status, susceptibility to rubella and other infectious agents, poor obstetric histories, and age.

In order to prevent low birthweight, the Institute recommends five specific strategies. I'd like to review these for my colleagues.

1. PLANNING FOR PREGNANCY

For some of the risk factors—poor nutritional status, hypertension and diabetes, and heavy alcohol use or smoking—reducing the risk before conception is likely to offer more protection than doing so once pregnancy has been established.

For example:

Famine studies conducted during World War II demonstrated the importance of adequate nutritional status during the period immediately preceding conception.

If hypertension and diabetes are adequately controlled before pregnancy, the risks are greatly reduced.

A protective effect against low birthweight may be exerted by reducing high levels of alcohol and tobacco consumption prior to pregnancy.

Prepregnancy counseling by health care professionals has been identified as an entirely positive intervention which could easily be offered in a variety of settings. Enlarging the content of health education to include information about risk factors and how to reduce them has already been proven successful in many programs. The optimal health education program should include the importance of prenatal care; the importance of immunization against rubella; and the importance of avoiding x rays, alcohol and drugs, and selected toxic substances even before pregnancy is suspected.

The Institute strongly recommends that family planning services be an integral part of any strategy to reduce the incidence of low birthweight. Making family planning services available contributes to a reduction in low birthweight by allowing women at highest risk of poor pregnancy outcomes to plan their pregnancies more carefully or delay them until the risks are fewer. This is particularly important for women with a large number of previous births. Certain high-risk medical conditions, and for teenagers. Moreover, wanting to be pregnant is strongly related to increasing the likelihood of seeking prenatal care.

2. ACCESS TO PRENATAL CARE

According to the Institute report, the overwhelming weight of the evidence is that prenatal care reduces low birthweight, especially for high-risk women. Certain risk factors arising from medical or social demographic factors can be effectively monitored during pregnancy. These include nutritional intake, stress levels, and preexisting medical conditions.

A cost analysis conducted by the Institute shows that expanded use of prenatal care also saves money. The Institute estimates the cost of comprehensive early prenatal care at $500 to $800 for the entire pregnancy, less than the average cost of a single day in a neonatal intensive care unit.

If the expanded use of prenatal care reduced the low birthweight rate in a high-risk group from 11.5 percent to only 10.8 percent, the increased expenditures for prenatal services would save an entire year's direct medical expenditures for the low birthweight infants. If the rate were reduced to 9 percent, every additional dollar spent for prenatal care would save $3.38 in the total cost of caring for low birthweight infants requiring expensive medical care. These are clearly conservative estimates, not taking into account any cost which may be incurred for disability insurance or special education or institutionalization after the babies' first year of life.

Universal access to prenatal care, however, remains an unattained goal, according to the Institute's study. The study identified several barriers: One, financial constraints, brought about by inadequate insurance or lack of Medicaid funds; two, limited availability of maternity care providers, particularly providers willing to serve socially disadvantaged or high-risk pregnant women; three, insufficient prenatal services in some sites routinely used by high-risk groups such as community health centers, hospital outpatient clinics, and health departments; four, experiences, attitudes, and beliefs among women that make them disinclined to seek prenatal care; five, poor or absent transportation and child care services; and six, inadequate systems to recruit hard-to-reach women into care.

Medicaid has played a crucial role in reducing the occurrence of low birthweight by reduing financial barriers to prenatal care for low-income women. Since Medicaid-eligible women are typically poor, often single, and have other risk factors that contribute to the incidence of low-birthweight, Medicaid availability is essential.

There have been some tremendous successes among a limited number of community health centers, maternity and infant care projects, hospital outpatient departments, and particularly health departments because they provide prenatal care to groups that have been shut out of the private care system. Also, the report shows how some populations are better served in public facilities because they get a range of services in addition to medical care, such as social work and nutritional counseling. Several other research studies show how women served by nurse-midwives are more likely to keep appointments for prenatal care and to follow specified treatment regimens.

3. CONTENT OF CARE

Assuring high-quality prenatal care with several specific components significantly affects the impact of prenatal care on a woman's pregnancy and the birthweight of her infant. Prenatal care which includes early or first trimester screening, diagnosis and treatment, early detection and management of smoking or poor nutritional status, and continuous risk assessments throughout the pregnancy is the most successful at reducing low birthweight. However, we need to know more about which components of the prenatal care package are directly responsible for positive birth outcomes.

The Institute of Medicine's findings agree with earlier evaluations that show participation in the Special Supplemental Food Program for Women, Infants, and Children [WIC] is strongly associated with improved pregnancy outcomes, including increased birthweight among babies born to participating women. According to the Institute, the results also indicate that the longer a woman participates in the WIC program during her pregnancy, the greater the infant weight gain.

WIC not only plays a vital role in reducing nutritional risk during pregnancy, but the program helps to bring hard-to-reach women into prenatal care. WIC clinics are often located in, or adjacent to, neighborhood or county health centers that offer prenatal services, and WIC personnel actively encourage prenatal care during nutritional counseling.

Other behavioral risk reduction programs serve as important adjuncts to more routine prenatal services and help improve the likelihood of better pregnancy outcomes. For example, the study revealed that counseling by a women's physician or other primary care clinician appears to be among the most effective strategies for modifying the behavior of the pregnant smoker.

Another successful approach involves a prematurity prevention program in France which emphasized reduction in physical stress for women who are high risk. These women may be advised to take a leave of absence from their jobs or seek additional supports at home.

A similar program at the University of California at San Francisco addresses psychosocial and physical stresses by offering psychological support during pregnancy by other women who have experienced preterm labor.

The Institute also suggested that a revision of maternity leave policies could contribute to a reduction in low birthweight by reducing stress associated with concern about job security and loss of pay by mothers in the labor force.

4. PUBLIC INFORMATION EFFORTS

Americans need to learn through expanded public information efforts why low birthweight is such a serious problem and what can be done about it. The Institute's report recommended a two-pronged approach: One, planning for pregnancy; and two, adopting good health practices in the childbearing years, especially during pregnancy, and urged that the leadership responsibility be assumed by the Healthy Mothers, Healthy Babies Coalition, a 4-year-old consortium of voluntary, professional, and governmental groups.

5. INCREASING KNOWLEDGE

Although the Institute stated explicitly that we have enough information to act on the knowledge that prenatal care and other supports reduce the incidence of low birthweight, too much still remains unknown about the specific causes of low birthweight. Consequently, the Institute calls for continued scientific research into the nature of different risk factors, and the practical steps needed to improve prenatal care for both normal and high-risk pregnancies.

CONFIRMING AND EXPANDING OTHER STUDIES

The Southern Governors' Association released an interim report on infant mortality this week. In 1982, 10 of the 11 States with the highest infant mortality rates were in the South. Their timely report insists that it does not have to be this way. Extensive documentation of successful programs are testimony to the positive results brought about by prenatal care. The SGA calls for a reconsideration of national priorities and asks that Federal programs which affect maternal and child health care be preserved.

The indepth exploration into the precursors of low birthweight by members of the well-respected Institute of Medicine, confirms and expands what the Select Committee on Children, Youth, and Families learned last year. Clearly, continued emphasis on promoting proven approaches and programs is both possible and in the public interest.

The select committee learned during its early hearings that prenatal care is one of the least expensive and most effective ways to decrease the rate of infant mortality and morbidity. A striking statement from one expert witness suggested that there was little more that could be done for improving birth outcomes through technological improvements, and that the greatest hope for further success lay in prevention. Testimony from the Institute of Medicine panel at yesterday's hearing reiterated this point.

Many other witnesses at subsequent select committee hearings identified other prevention programs that succeed at reducing significantly the incidence of low birthweight infants.

One, at a St. Paul, MN, high school, was visited by the select committee as part of the Midwest regional hearing. Their program provides comprehensive prenatal care to teenagers at the school itself. The program dramatically reduced the rate of low birthweight babies from 13.9 percent to 5.5 percent—a more than 50 percent decrease—in just a few years.

Another prenatal program, in rural Georgia, built upon the talents of nurse midwives, halved the incidence of low birthweight in that region from 24 percent to 13.8 percent. At Lincoln Hospital in the Bronx (New York), comprehensive prenatal care reduced the low birthweight rate by two-thirds, from 18.1 percent to 6.3 percent. A California project designed especially to reach women living in 13 medically underserved counties cut the low birthweight rate from 7.3 percent down to 3.9 percent.

But the select committee also learned that these programs are too few in number and are unable to serve all the women in need.

The committee also identified the importance of the content of prenatal care. We learned that comprehensive prenatal care should include clinical checks and laboratory tests to detect, treat, and monitor the health and well-being of the pregnant woman and fetus, health education, childbirth preparation, counseling, and education in breastfeeding and family planning. The particular importance of nutritional assessment, counseling and food supplementation was also noted as an invaluable adjunct to comprehensive prenatal care.

As we heard from more than one witness during our first year-long assessment, WIC has been successful in contributing to a decrease in the numbers of low birthweight infants. Eileen Kennedy, national consultant for the International Food Policy Research Institute, reported that recent assessments of the effectiveness of the WIC program in Oklahoma, Massachusetts, Tennessee, and Louisiana showed a 30- to 40-percent decrease in the incidence of low birthweight and/or small-for-gestational-age infants among WIC participants.

In a large-scale 1980 study in Massachusetts, significantly fewer neonatal deaths were found in infants born to WIC mothers when compared to a non-WIC population. Using similar research methods, Kennedy found that WIC participation was associated with increased birthweight—averaging 107 grams—and a significant decrease in the incidence of low birthweight.

Witnesses at regional hearings supported these findings with data from their own States. In Wyoming, between 1981-82, among 935 infants and children participating in the WIC Program, but whose mothers were not in the program when pregnant, the incidence of low birthweight was 15.6 percent. However, the incidence of low birthweight among 431 infants whose mothers had participated in WIC since the first trimester was only 5.8 percent.

Completely consonant with the premise set forth in the Institute's study, five witnesses reported that in addition to providing necessary food supplements, women served by WIC also receive earlier prenatal care.

Prenatal care and nutritional supplements not only improve survival rates for high risk infants, they have proven to be less costly. Several impressive analyses of the cost-effectiveness of prenatal care and nutritional supplementation were brought before the select committee:

In Massachusetts, for every dollar spent on WIC for prenatal care and nutrition, $3 is saved in immediate hospital costs.

According to Angela Blackwell and Lois Salisbury of Public Advocates, current estimated neonatal intensive care and rehospitalization costs for low birthweight infants in the United States are $638.4 million. By providing comprehensive prenatal care to all low-income women, the Federal Government could achieve savings in excess of $350 million in just 1 year. This analysis excludes other costs such as those for institutionalization, physical handicaps, or rehospitalization after the first year.

At a maternal and infant care project in New York City, approximately $2 million have been saved in hospital costs alone by providing prenatal care to low-income women. The incidence of low birthweight was substantially reduced, assuring long term savings as well.

PROGRESS SLOWS IN IMPROVING INFANT MORTALITY

The U.S. Surgeon General has set the goal of reducing the nationwide incidence of low birthweight in the United States from the current 6.8 percent to 5 percent by 1990 and of reducing incidence levels for high-risk groups to no more than 9 percent.

But in the past two decades, we have made most of our gains in lowering infant mortality through better scientific understanding and new life-support technologies that have allowed ever-smaller infants to survive. At the

same time, neonatal intensive care costs have escalated rapidly and show no signs of abating. As the Institute's study reaffirmed: "It is apparent that significant further declines in infant mortality will require a reduction in the Nation's rate of low birthweight."

In fact, the trend in low birthweight rates declined slowly during the 1970's but has remained stagnant since 1979. Even more troublesome is that Federal officials from Health and Human Services are saying for the first time that they are concerned about a slowdown in the decline of the Nation's infant mortality rate. The provisional 1983 rate of 10.9 per 1,000 was only 2.7 percent lower than the provisional 1982 rate of 11.2, far below the 4.6-percent average decline of the past decade, and the second lowest decline since 1971. There has virtually been no decline in the infant mortality rate for the first half of 1984. As former Assistant Secretary Brandt told the New York Times, "Slowing to this degree has not been observed since the plateau in infant mortality between 1955 and 1965."

In light of these worrisome statistics, there is no justification for the administration's proposed cuts or freezes in maternal and child health programs. There is more than enough evidence to suggest that we can reduce the incidence of low birthweight, and ultimately reduce the infant mortality rate. The Surgeon Generals must have believed this as well. They set a goal of reaching 9 deaths per 1,000 live births for white infants, and 12 deaths per 1,000 for black infants by 1990. The prospects for attaining this goal now seem bleak.

Although prenatal care helps greatly reduce the incidence of low birthweight, the numbers of women receiving early prenatal care virtually stopped growing in 1979, and actually reversed in 1981 and 1982. Instead, there has been an increase in the percent of women who received late or no prenatal care between 1981 and 1982.

The administration moved in 1981 to cut these vitally important programs, and has again proposed further cuts in programs that emphasize prevention and are cost-saving. The administration has proposed that family planning programs, community health centers, and migrant health centers be consolidated into one primary health care block grant at the same or lower funding levels than for fiscal year 1985. These are the very same programs the Institute of Medicine cites as contributing tremendously to positive pregnancy outcomes.

The proposed funding level for the maternal and child health block grant, which in part provides funds for comprehensive prenatal care for low-income women in most States, was frozen at the fiscal year 1985 level of $478 million.

We know that uninsured pregnant women are less likely to seek early prenatal care, but Medicaid, the largest single source of health coverage for low-income women, and perhaps the most important, faces a proposed cut of $1.1 billion for fiscal year 1986.

Proposed changes in AFDC eligibility could result in loss of Medicaid coverage as well. This is particularly acute for pregnant teens, who are at greatest risk for poor pregnancy outcomes.

Congress appropriated $1.5 billion for WIC for fiscal year 1985. The administration proposes to allow $76 million to remain in the Treasury at the end of this fiscal year, and proposes to cut the program by an additional $20 million for fiscal year 1986. Less than one-third of those eligible are able to participate at the current level of funding. If the administration succeeds in withholding funds this year or cutting funds for next year, thousands more high-risk pregnant women will be dropped from the program.

Mr. Speaker, there are so many ways we can help launch a healthy child and a healthy family. There is no partisanship in this issue. Our commitment to them should be total. We have the knowledge to prevent low birthweight, to once again begin reducing the infant mortality rate. If we move ahead, and succeed as I know we can, we will have put good government at the service of our children and families—a goal I know we all strive to achieve.

SEATING THE REPRESENTATIVE FROM THE EIGHTH CONGRESSIONAL DISTRICT OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. JACOBS] is recognized for 60 minutes.

Mr. JACOBS. Mr. Speaker, I have served in the House of Representatives for 18 years and a fraction of this year. In all that time I believe I have taken out a special order one time before now.

At the beginning of my remarks I would like to say of the new Member from Connecticut and the Member from Ohio to whose words I objected previously that I wish no harm. In the words of Sir Thomas More, "I do none harm, I say none harm, I think none harm."

I have no disaffection for either of them and I would like to count them as my friends.

But my father years ago, when he served in this body in the 81st Congress, said once that there are too many people making history who have never read history.

History tells us, when we study it carefully, that in the entire years and centuries of parliamentary government of one kind or another, one principle, one thread of principle seems to have run through them all and that is scrupulous objectivity in the discourse of legislators in debate. That mace, the symbol of the authority of the Chair, has quite a history to it. In the French Parliament in the 17th century fist fights were not unusual among the Deputies. and it was said then that when the official symbol of the authority of the Chair, the mace, was presented to those engaged in fisticuffs, it brought them to their senses.

□ 1920

It reminded them of the propriety of forensic rather than physical exchange. That is part of the reason for the rule in the House of Representatives that we address one another in the third person.

The casual observer of our proceedings would consider that stilted, would consider it out of date, but there is a reason for that as well. It is thought that if I say "the gentleman from such-and-such a State" and that person says "the gentleman from such-and-such a State," we are still one step further back from physical violence, that we are one step back from stepping across the line and calling into question the patriotism, calling into question the integrity, calling into question the honesty of one another.

My mother has said that "there is so much good in the worst of us, and so much bad in the best of us, that it hardly becomes any of us to say very much about the rest of us."

So there is good reason for that. My father also said a good thing, I believe, when he said to me, "You should never become angry with anyone for what he says about you or against you in a 24-hour period," meaning that if the person repeats the epithet beyond 24 hours, perhaps he or she means it, but anything said in anger or said in haste probably should not be taken very seriously.

A few months ago when the Grenadan invasion took place, I took exception to the policy of that invasion. No need to go into my reasons now. I think I had good reason to take exception, and I think as history is written, my exceptions will be vindicated. The point is that I was expressing an honest point of view. That is the way I saw it.

When I concluded my remarks on the floor, a group of Members started chanting the word "sick, sick, sick." Perhaps I was in error, perhaps I was not. I do not think that they really meant to question my mental capacity or the health of my mind. Indeed, the following day one of them approached me on the floor and apologized. I was very touched by the apology because I know lesser people would not have been capable of expressing that apology.

So I take up the subject, the controversial subject of the election in Indiana with no hatred in my heart for anybody and questioning nobody's honesty.

I will make the point, Mr. Speaker, that when I was told a few moments ago that the Republican Conference adopted a resolution unanimously saying that their candidate had won the election, I could not help remembering the news conference with the late President John F. Kennedy when one of the reporters arose and said, "Mr. President, the Republican National Committee has adopted a resolution stating that your administration is a failure."

And Mr. Kennedy replied, "I assume it passed by unanimous vote."

That is to be expected as well.

A few days ago, Mr. Speaker, I suppose about 2 weeks ago, I was approached back home again in Indiana by some of my Democratic political friends and asked to sign an editorial, rather sign a fundraising letter for Frank McCloskey in the Eighth District to raise money and to pay for his court battles over who had won the election.

I was submitted a prewritten letter. I read it through and I thought it was rather abusive in its language and I said, "No, I won't sign a letter. I won't sign that letter that says those things about the Republican participants in this controversy."

The young man who submitted the letter to me said, "Well, we assumed you would not, actually, and so we have prepared another one for you as well." The other one simply said, "Frank McCloskey is in an election contest and litigation is involved which is expensive. If you can help, financially, we would be grateful for your contribution."

Not 5 days later I was handed a letter which apparently had been distributed widely in the State of Indiana signed by our colleague, GUY VANDER JAGT, my colleague on the Ways and Means Committee. It begins by saying Dear whoever the person is, "I urgently want to ask for your help to stop a crime which is being committed against you and all residents of Indiana."

Later in the letter a card is enclosed which simply says, "Three Democrats fighting to steal Rick McIntyre's seat."

They name Hon. LEE HAMILTON, and I use the appellation more than in the formal sense; he is my friend, I know him well, he is a good, God-fearing, loyal American citizen who certainly is no criminal, Hon. LEE HAMILTON. They name PHILIP SHARP, and they name me as well.

In other words, it is suggested in this letter that this late in my career I have turned to crime.

Well, I got a copy of the letter which was sent back to Mr. VANDER JAGT from a strong Republican partisan in the city of Indianapolis, a person who, by the terms of his letter, a businessman, has been a strong supporter of President Reagan, has been a contributor to President Reagan's campaign. The letter in essence says, "If these men have committed a crime, why are you notifying me? Why don't you call the sheriff?"

And it goes on to the next paragraph to say:

> I suspect that they have committed no crime except the crime of disagreeing with you. I will continue to contribute to the Republican Party, but I will not contribute to a solicitation such as this.

Naturally, I was somewhat offended at first, taken aback, that my colleagues should distribute such a letter to my fellow Hoosiers in the State of Indiana. But as I read further in the letter, I saw something at the end that made me understand, and consequently I do not take offense at the letter, because I think it was done for a very deeply held religious principle, the almighty dollar. It is a solicitation for money.

Now, at the time of the Grenadan invasion, Mr. Speaker, a similar letter and news releases were distributed in Indiana saying that my opposition to the invasion was done for partisan reasons. Think about that for a moment. In other words, I was not honest in my opposition. I simply was engaged in who was right rather than what was right as I saw it.

Mr. Speaker, at the beginning of each Congress, when rules are presented for a vote, there is a motion for the previous question, and a majority of my colleagues—and I would not be surprised if it were a majority of the Republican Members of the Congress, if the majority were reversed—a majority of my colleagues have thought it was proper to adopt a previous question so that the Republican Members of the House would effectively be prevented from offering amendments to the proposed rules and debating on those amendments.

I have consistently cast my district's vote against that motion, believing as I do that, even in extreme situations like that, where strong feelings run high, every person should be entitled to his or her say and every person should be entitled to propose such amendments as that person thought proper.

□ 1930

It got so bad one time that one of my Democratic colleagues moved in the leadership meeting that I be stripped of all my seniority, taken off the Ways and Means Committee, and put on the House District of Columbia Committee, on which I served as a rookie Member of the Congress, lo those many years ago.

It is to the credit of every one of the leaders of my party except the one who made the proposal that the proposal was rejected. The Democratic vote was that democratic principles do not violate democratic principles.

I say that because it is rare, in my service in the House, to have been accused of being partisan, or having alternative motives.

Now I just want to say a few things about the Indiana contest. There is an old saying that if you have the facts, you pound the facts; and if you have the law, you pound the law; and if you have neither, you pound the table.

Let me not necessarily dispute any allegation of fact which has been stated in the well of this House, but let me add some facts which ought to be known by the American people, particularly those writing editorials across the country.

The Lord works in strange ways, Mr. Speaker, and by chance or by divine humor, in this very election of 1984 to the General Assembly of Indiana, to the House of Representatives of Indiana, there has been an election contest.

An incumbent member of the Indiana State House of Representatives, Representative Janet Hibner, Honorable Representative Janet Hibner, who by chance has served as the chairperson of the Indiana House of Representatives Election Committee, was in a very, very tight election result.

It went, as all such contests have always gone, to the House of Representatives, the constitution of Indiana being similar to that of the United States of America.

In their deliberations, the Select Committee was faced with precisely the same question with which the U.S. House is faced with in this contest. What to do about an Indiana statute, conspicuously unfair, conspicuously un-American; namely, the Indiana statute which says: That if you pay your taxes, and if you served in the Armed Forces, and if you are disabled in the service and if you buy war bonds, and if you bother to register to vote and if you get up early and go down and stand in line and vote and then go ahead on to work to earn the money to pay your Federal income taxes, your vote is not worth a plugged nickel.

The principle which we revere in this country, the principle which we exalt, that every vote counts will not apply to you. For that day you will not be a citizen of the United States; for that day you will be disenfranchised if an election official, even a precinct, one of six precinct officials who perhaps is inexperienced, has a job that is performed 1 day out of 2 years, on election day, 12 hours, worn out at the end of 12 hours working all day, fails to initial—I do not care if the other

five have initialed it—fails to initial one sheet of the tally of the votes cast; if that happens, the Indiana statute says all of the votes cast, and on that tally sheet, might as well not have been cast; those people might as well not have been citizens; the votes are thrown effectively into the wastebasket.

Now faced with that choice, the Select Committee in the Indiana State House of Representatives, controlled as it was, by a 2-to-1 majority of the Republican Party, overruled the statute, and did exactly what has been done here. They overruled the statute, said, "the statute is unfair, we will not apply it in this case, we will count all the votes; if the individual ballots are determined to have been cast properly, the error by the election official will not vitiate the citizenship of that person who cast that vote in a proper and legal manner."

By that decision and by counting all the votes, they seated Representative Hibner. I am told but cannot confirm what I am about to say, and, therefore, do not assert it as fact, but it is something worthy of investigation.

I am told that if the Indiana statute had been followed in that recount, Ms. Hibner would not have been seated, but her Democratic opponent instead would have been seated.

Now, what would the Democrats do in that case? What would the Republicans do in this case? That is a matter of speculation, and difficult to determine.

The fact is, though, that in this year of our Lord 1985, exactly the same case, or as nearly as could possibly be conceived, came up before the Indiana State House of Representatives, and it was resolved by a Republican majority precisely in the way that the Democratic majority proposes to resolve this McIntyre and McCloskey case in the U.S. House of Representatives.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I will be happy to yield.

Mr. WALKER. I thank the gentleman for yielding to me, and I appreciate his special order, and putting some of these facts into the RECORD.

The question I have for the gentleman is, one of the questions we have is about the timeliness of the situation, however. It is obvious in this case Representative Hibner was seated. Mr. McIntyre is still awaiting a decision, and it may well be, from what the majority whip was telling us, that it could be as much as another 30 days that that would take.

Now, does it not disturb the gentleman, as a Member from Indiana, that the process that we are undertaking here has denied his State that seat for it sounds like at least a quarter of the year?

Mr. JACOBS. Yes, it disturbs me. It is the better of two alternatives, both of which disturb me, the first alternative being, as has been mentioned, the seating of the wrong person; and I do not presume the outcome. I spoke about the rules of the House and the importance to me of the rules of the House being enforced, and I am only talking about the procedure. That is important to me.

I might add to the gentleman that Ms. Hibner was not seated until the Select Committee had done its work. Now, I would be happy, I would be happier if the U.S. House committee had just hopped on out there as soon as the vote was taken, and got to work on it. That would be my preference. I lament the fact that it has not.

The fact that it has not is not a serious enough transgression against my own hopes and principles, however, to risk seating a candidate who later proved not to have been elected. I do not presume who that would be.

Let me add just one thing: The House did have the authority; that is to say, a majority voting in the House did have the authority, by a plain reading of Powell *versus* McCormick and by a plain reading of article I, section 5 of the Constitution, to have seated Mr. McCloskey on the first day of the Congress.

I would have been outraged if that had been done, and obviously—I just simply assert that just as has been the case on other occasions, if that had been the position of my party, I would have parted company. That was not the position of my party.

Mr. WALKER. Thanking the gentleman I ask if he would yield further for two questions. Is it not true, as the gentleman asserts, that in this case, as in the Hibner case, as I understand his citation, if all the votes were counted, Mr. McIntyre would still be the victor, that all the votes were counted and in fact he wins by 34 votes in that kind of a scenario.

Mr. JACOBS. No person can say that, and I will explain to you why.

First of all, does the gentleman want an answer?

Mr. WALKER. Well, yes.

Mr. JACOBS. I wish the gentleman would laugh at my answer after I make it and not before; it may enlighten the gentleman.

Mr. WALKER. No, no, I was very much listening to the gentleman.

□ 1940

Mr. JACOBS. The reason that cannot be said is the same reason that when all the wire services reported Mr. McCloskey as the winner by 72 votes, and of the official reports from the counties to the secretary of state of Indiana added up to a 72-vote margin for Mr. McCloskey and there was a long hiatus in certification before the secretary of state asked for, in essence, a canvass, or a recertification from one of the counties where, in fact, to my satisfaction, one precinct had been counted twice and apparently to the advantage of Mr. McCloskey.

When the process of the recount took place, the 5,000 votes, which were thrown out by reason of the procedure we have alluded to already, none of those ballots, none of those 5,000 ballots was examined to determine whether it was cast by a registered voter, to determine whether it was cast properly. There are technicalities of determining the intent of the voter if you look and the "X" is somewhere between the two boxes and so forth. None of those was examined. So it is not possible to say now that Mr. McIntyre would win by 34 votes if (a) it were determined that those 5,000 people would not be a force you or I excluded from the American process of voting simply because of the error of the official, no error of their own, so far as we know.

But we do not know, among those 5,000 yet. Nobody has recounted those ballots. Nobody has examined those ballots to see if there is any imperfection in 35 of them or 10 of them or what. That is the reason why——

Mr. WALKER. But if all 5,000 of the ballots were counted——

Mr. JACOBS. Wait. Punch line. That is the reason why it is not possible now for any fair person who is familiar with the facts who accepts the same procedure that the Indiana General Assembly followed in including—or not excluding votes because of errors by election officials, that is why no fair person in examining the situation can say who has won or who has lost until those 5,000 are put back into the ballot box and examined to see if the intent of each voter can be reasonably determined.

Mr. WALKER. Well, my point is, however, that if all 5,000 of the votes end up being counted, Mr. McIntyre wins by 34 votes.

Mr. JACOBS. If they end up by being counted. But if 50 of them are found not to be valid by reason of lack of registration of those who cast, by reason of inability to determine intent, if could be quite another thing.

You are saying if all 5,000 are after the fact determined to be properly cast then, I assume, that there is a good chance, assuming that the recount was done properly in other counties—which we also do not assume until the committee looks over it—then anything is possible. Either side could win. That is my point.

Mr. WALKER. If the gentleman would yield further, if that is the case, then what the gentleman is saying is that in order for Mr. McCloskey to win, you would have to selectively take voters out of that 5,000 mix.

Mr. JACOBS. No. Not in order for Mr. McCloskey to win. You would selectively take the ballots out which clearly, to the satisfaction of everybody on the committee, to the reasonable satisfaction of any onlooker, lack validity for lack of registration, because the "X" fell between two boxes or whatever. Not in order to elect anybody, any more than the secretary of state certified, in a very strange way at 11:30 at night, with what must be characterized as a partial recount, in order to get a certificate here before the first day of Congress, that was done in order to elect Mr. McIntyre.

Mr. WALKER. Well, if the gentleman would yield further, it is our understanding that there was not a partial recount, that, in fact, there was a certification of the official count that took place at the point where it was decided that in fact that double counting had taken place to which the gentleman referred; and that the only reason why it took a long time is because a clerk in that particular county did not wish to acknowledge that he or she had made a mistake.

Mr. JACOBS. We do not know that a clerk in another county made a mistake. We do not know that yet. We who have the constitutional plenary authority to determine it do not know yet whether any other clerk made a mistake.

Mr. WALKER. But I am somewhat disturbed by the gentleman's statement a few minutes ago that the House had the power to seat Mr. McCloskey.

Mr. JACOBS. No, no, no. The responsibility and the authority on the motion. I think power is an obscene word in a free society.

The House has the authority, that is the proper word. Not the power, but the authority. And the House has the responsibility once it is laid before the House by appropriate motions. That is how the House proceeded. That is exactly what was done in the Indiana General Assembly.

Mr. WALKER. If the gentleman will yield further, if I understand correctly, the gentleman is saying that this House has the authority to overrule the people of Indiana if that be the judgment——

Mr. JACOBS. Excuse me. What do you mean the people of Indiana?

Mr. WALKER. Well, the people of Indiana have certified——

Mr. JACOBS. What people?

Mr. WALKER. Well, the people who voted for Mr. McIntyre and then the government that certified him.

Mr. JACOBS. Wait a minute. You are talking about the 5,000 whose votes were thrown out because of technical errors by election officials?

Mr. WALKER. No, I am talking about——

Mr. JACOBS. Well, they are people, too.

Mr. WALKER. All of the people.

Mr. JACOBS. They are entitled to representation.

Mr. WALKER. I am talking about all of the people who voted when Mr. McIntyre won by 34 votes. Therefore, he was certified early on, and then we went through a recount procedure and that is when the gentleman is contending that ballots were arbitrarily taken out of the mix and that resulted in a 419 vote victory. Or 415, or something in the 400's.

Mr. JACOBS. I am sorry. But I detect a certain amount of redundancy in this discussion.

The gentleman has said that it is the responsibility now of the U.S. House of Representatives to examine the ballots which were cast. Included in responsibility is to determine whether other clerks in other places may have made errors in reporting the votes.

Mr. WALKER. I do not contend otherwise.

Mr. JACOBS. We do not know that Mr. McIntyre won by 34 or that Mr. McCloskey won by 26. We simply do not know that until the process is carried out.

The point I am making here is that I have heard a lot of discussion this evening about what temerity must be involved for the U.S. House of Representatives, charged as it is by the U.S. Constitution to be the judge of the elections, the temerity of the U.S. House to question a statute in Indiana, which everybody, any fair person, including the Republican majority in the House of Representatives of Indiana, would say is silly, unworkable, and above all, unfair.

Mr. WALKER. If the gentleman would yield, I do not think that is what we were saying. What we were saying was that when those challenges have gone forward before we have had a different situation than we have had in this case, and that is the State which was fully represented in the House, and that in fact a gentleman in the situation of Mr. McIntyre would have that kind of examination ongoing by this House to judge whether or not that election was fairly conducted. But he would be seated in the body during the time that that election was ongoing, and that is the precedent to which we are referring; that is the seating that we think is very, very important.

All this gentleman is saying is that the people of Indiana have so certified him. That certification may end up having been wrong and that may be what the House finds. We do not think so, but that is a possibility.

But in previous cases then the Member steps aside. It is far better for the State to have been represented and for the people of that district to have been represented during that period of time and have the Member step aside——

Mr. JACOBS. Not so.

Mr. WALKER. At the appropriate time than it is to have a vacant seat. Well, I guess the gentleman and I part company.

Mr. JACOBS. As the gentleman knows, the precedents are mixed. There have been instances in which both stood aside until a determination was made.

Mr. WALKER. Could the gentleman tell me which instance that was?

Mr. JACOBS. Well, the Roush case, obviously.

Mr. WALKER. There two different people were certified. Is that not correct? So that the precedent is not the same as here where you only have one certified?

Can the gentleman name for me one case where only one person has been certified from the State and not seated in this body?

Mr. JACOBS. Yes.

Mr. WALKER. I would appreciate knowing that please.

Mr. JACOBS. Adam Clayton Powell. And many Members of this body voted—many who are still here hollering today—voted not to seat Mr. Powell

Mr. WALKER. If the gentleman would yield, but the court overturned that decision.

Mr. JACOBS. Oh, great.

Mr. WALKER. That means that we should not certainly follow that precedent that the Supreme Court has ruled was an unconstitutional exercise by this body.

Mr. JACOBS. All right. Now listen closely to this.

Put the case of the disputed election, the razor-thin-edge election, which I believe the gentleman would agree with me under the scenario he prefers, the 34-vote margin. Obviously I prefer that our man win, but I might say parenthetically I am not prepared to compromise my principles or my integrity to seat a person in this House who I think is not elected.

□ 1950

I would refrain from doing so for the sake of my own safety and that of my descendents.

But put the case where the person is seated and later found not to have been the elected Representative. Then put the case of the bill which is passed in the House by one vote. Put the case that that bill is a controversial one and further put the case that the one erroneously seated cast one vote for that legislation.

It strikes me that it is not so simple as later to say, "We seated the wrong person and now we shall unseat him." Would not fairness to the Republic require that we go back and redo all the legislation that might have passed by that one vote and, therefore, "Many an error," in the words of Portia, "* * * will rush into the state"?

I have an editorial from the Indianapolis News which I believe has not yet been read thoroughly into the RECORD, and I would like to do that at this time. It is from the Indianapolis News of February 11, 1985. I hasten to say that the Indianapolis News I believe is proud to say generally it is a Republican newspaper, generally supports Republican candidates when it supports anybody, and I also hasten to say that the Indianapolis News, as well as its sister morning paper, in the past more than a decade has, I think, been among the fairest newspapers in the United States. Naturally, I think they are very fair when they write this editorial with which I agree—and maybe the gentleman will disagree with it. But here is what the Indianapolis News, stationed as it is in the State's capital, has to say:

Will the real winner of Indiana's 8th Congressional District please stand up?

And, while he's at it, will he reveal how many votes he won by?

By the way, that is not sexist, because the only candidates are male.

Despite vote counts and recounts, certifications and recertifications, Indiana is still without an 8th District congressman some three months after the voters have gone to the polls to choose between incumbent Democrat Francis McCloskey and his Republican challenger, Richard McIntyre.

Last week Indiana Secretary of State Edwin Simcox, a Republican, submitted offical recount figures to the U.S. House of Representatives indicating that McIntyre won the election by 418 votes—114,278 to 113,860.

Simcox said that Democrats have "already played the game by their rules" and lost. Thus, McIntyre should be seated.

The House Administration Committee, controlled by Democrats, rejected Simcox's argument. Now, the committee plans to look into the election and recount precedures. Ultimately the House may conduct its own recount.

On principle, Hoosiers should get indignant and say that the House is playing politics—which could prove to be the case—and that it should accept Indiana's Eighth District election figures and get about the business of seating the district's duly elected congressman.

But, sadly, the House has some justification for being skeptical of Indiana's ability to declare a winner in this close congressional race.

Initially, McCloskey was adjudged the winner by 72 votes on the basis of a vote canvass. Then, on the basis of a partial recount. Simcox declared McIntyre the winner by 34 votes. Now Simcox says McIntyre won by 418 votes. Which is it?

During the recount, thousands of ballots were tossed out on the basis of technicalities, even though neither side has charged that there was vote fraud. Furthermore, differing standards were used for determining which ballots to accept or reject throughout the district.

By the way, those differing standards did not just relate to whether machines cast the vote or paper ballots. They went to the ultimate question of errors in the tally sheets.

Now, these two paragraphs are key, I think:

If Indiana wants to control the certification of its congressional representatives—as it should—the vote it certifies must be credible.

In the presence of an elastic vote count, and absent timely and uniform recount standards, it is understandable that the House wants to know what on earth is going on out in the Hoosier state before declaring anyone a winner.

Unfortunately, not much is happening in the Indiana General Assembly by way of election reform.

For the second time in eight days the Legislature recently rejected an effort by state Rep. Jerry Bales, R-Bloomington, to force a major rewrite of Indiana's election code before the 1986 elections.

Bales' proposal would have repealed the state election code effective July 1, 1986. It would have created a 12-member, bi-partisan legislative commission to rewrite the election laws and report to the General Assembly by Nov. 1.

"There's two people in the state of Indiana who know what's in the election code," Bales remarked. "And they can't fly in the same airplane. If they were killed, nobody would know what's going on in the state of Indiana."

His colleagues rejected the proposed amendment, 52-42.

And so, once again complaining about the evils of federal intervention, the state Legislature winks and hands another problem over to the federal government to deal with. And that is a tune, whether the lyrics are inadequate prison facilities or legislative gerrymandering, that is wearing a little thin these days.

Now 8th District voters can only hope—and it's a slim hope at best—that the U.S. House of Representatives can put politics aside and conduct its investigation in a fair, impartial and timely manner.

Now, Mr. Speaker, the assertion has been made that it is improper for the same procedure used throughout the history of this Republic to be used in this case in the determination of what ballots are valid and what the vote actually was.

It is said that such a thing is conspicuously unfair because one party exercises a majority of votes on such a select committee. That was true of the Indiana House of Representatives Select Committee, where a majority were Republicans. It is true of decisions taken throughout legislative bodies all over the country and all over the history of Anglo-Saxon jurisprudence and legislative procedure. Indeed, it was Teddy Roosevelt who said, "Whether an act of Congress is constitutional or unconstitutional depends on whether the fifth Justice comes down heads or tails."

In the best of all worlds, perhaps angels could make these decisions. But throughout the history of our own Republic, the decisions have been taken in that manner. And to depart from that procedure now would not be a very conservative thing to do. It would not be a strict interpretation of the U.S. Constitution.

Now, Mr. Speaker, several years back, when President Nixon was in the White House, some people were pretty angry with Justice William O. Douglas, the Associate Justice of the Supreme Court. Oddly enough, I was one of them. I thought Justice Douglas' views on the first amendment were unworkable and pretty far out, his view being that no matter what was said about anybody in any publication, libel laws were unconstitutional. A newspaper could ruin your reputation and smile and walk on with impunity. That was Justice Douglas' view.

I disagreed strongly with that view, as I think most Americans would. But it was decided that the administration would take on William O. Douglas and see what might be done toward getting him off the Supreme Court. So, as historians later told us and as acknowledged by reliable witnesses, the White House speech writers put together a speech for a Member of the House, one Gerald R. Ford, to read one night in a special order. The gravamen of the speech was that a select committee should be appointed to study whether impeachment proceedings should be initiated against Associate Justice William O. Douglas.

I got to thinking about that a little bit, and I listened to the statement by our colleague, our former colleague, Mr. Ford, and I thought, well, now, if everything in that speech is something that Mr. Ford believes, as I am sure it was, then it would seem to me that Mr. Ford had the responsibility to offer an impeachment resolution. Why is he not offering an impeachment resolution?

Well, as the debate went on, I found out why. Because if an impeachment resolution were offered, it would be referred to the House Judiciary Committee.

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It was thought by its advocates that the House Judiciary Committee had too many Democrats on it and it might not be approved.

Again, a procedure that had been followed, not since the beginning of the Republic, because the House Judiciary Committee had not existed since the beginning of the Republic, but since the creation of the House Judiciary Committee, no impeachment resolution had ever been referred anywhere but there unless, as a privileged resolution, it was called down by its author to be voted on immediately without consideration through a committee.

Tear up the history of the country to get at this fellow. Create a select committee to study whether impeachment proceedings should be filed. Well, after I thought that thing through a little bit, I decided this is not good. So I asked Mr. Ford to yield,

which, as I recall, he would not, but later Mr. Wynn, I think it was, from up in New England some place, did yield, he being the follow-on person, and I said, "I think if the gentleman in the well believes what is being said, the gentleman has the responsibility to file the Resolution of Impeachment and let the Congress investigate the question. Since he has not done that, I will file it myself," which I did.

I filed the Resolution of Impeachment against William O. Douglas. I said, "I do not know the answer to these questions; I do not know whether he was down in Las Vegas gambling or what." That was all in the speech.

It was referred to the Judiciary Committee, and I do not recall that anybody questioned whether sufficient facts were submitted to the committee to warrant the impeachment of William O. Douglas.

The next day the Washington Post ran a story and said one of Douglas' friends filed the resolution for impeachment to refer to the Judiciary Committee. Well, they were right; I did file the resolution to refer it to the Judiciary Committee, but they were awfully wrong when they said I was one of his friends. They printed a correction the next day in the Washington Post.

The rhetoric gets strong, and people say, let us not be so partisan, and to this Member, it would seem as traditional a part of the proceedings as for a fight manager to yell, "We was robbed." The procedure has been followed; it is going to be followed now. If somebody in that committee, our little select committee, tries to throw out a ballot which clearly is a ballot for one candidate or another, with all the notoriety of this case, the press looking over their shoulders, I think that that will be an unsuccessful attempt.

I yield to the gentleman from Colorado.

Mr. STRANG. I thank the gentleman for yielding.

Mr. Speaker, I have been watching this performance in my office, and I confess to being mesmerized by the oratory of the gentleman from Indiana, and I must say that his sense of history is impressive, as is his personal history of integrity in this body.

The arguments are marvelous and they are reasoned, as were reasoned the arguments from the distinguished majority whip. In fact, I find it impressive that the Democratic Party has seen fit to dispatch two of its most important Members to discuss this matter.

Mr. JACOBS. If I may interrupt the gentleman for a correction: I have not been dispatched by anybody; I speak on my own hook.

Mr. STRANG. I retract the "dispatched."

It is a fact, however, Mr. Speaker, that two very distinguished and very important Members of this body have come forth to speak 2 months after this question came forth.

The arguments simply do not fit the facts, Mr. Speaker. This body has the right to seat the certified Member from Indiana's Eighth District pending the resolution of an investigation. There is such a person. He is certified by the State of Indiana, and it is a fact that he should be seated pending this resolution.

It reminds me a little bit of some of the arguments we used to get into on how many angels can dance on the head of a pin. I would express my personal dismay that this body has not seated Mr. McINTYRE and that we are indulging in the kind of arguments I have heard here tonight, which belie the fact that basically there is a certified Congressman from Indiana's Eighth District who should be seated pending the results of this inquiry.

I thank the gentleman for yielding.

Mr. JACOBS. I am only too happy to do so, and I will be happy also to answer the gentleman's query about why it is 2 months after the Congress convened. By the way, I do not think it is quite, is it? Two months after the Congress convened? But why at this time do I rise to raise the question? It is because it is very seldom during the 18 years I have served in Congress—as a matter of fact, this is the first time any of my colleagues have sent out a mass mailing questioning my honesty questioning my integrity, and accusing me of having committed a crime by voting to do exactly what the Republican majority in the Indiana State House of Representatives has done within these 2 months. I believe if the gentleman had such things said of him, he might be animated to come to this well too.

The gentleman may not have heard my preface, but I said that in 18 years I have been in this well only one time before; this makes No. 2. I guess that is one every 9 years; I do not know whether I will be here that long. But in any case, I think when we finish our work at night, it might be good to go home and have dinner. That is the reason that I have never prolonged the House session except on that one occasion. That happened to be on the subject of Vietnam.

By the way, it would come as startling news to Lyndon Johnson to think that I had opposed the Grenada invasion out of partisanship, since I was one of five in the House of Representatives in 1965 who opposed the escalation of the Vietnam war. It was what I consider to be one of the more serious follies in the history of our Republic.

That is the reason I only arise now. Otherwise, I enjoy my ticket to watch the show. I watched the debate go back and forth.

Let me say just one other thing, Mr. Speaker, about the sacredness of the certification by the secretary of state. Let the record show that the decision taken by the secretary of state was by an entity of government which was unanimously, not even, but unanimously of one party, one individual. By the very nature of the office, it would have to be, of course. I would not put such sacredness in that determination. Now, the Secretary of State of Indiana, as far as I am concerned, is one of the finest fellows I know. I number myself among his personal friends, and I am a sincere admirer of his. The facts in this case can be interpreted either way. It is not unusual for facts to be interpreted different ways up the ladder of appeal, as we all know. A trial court can make one determination, the circuit court of appeals another, and the Supreme Court yet another, and maybe by the time we all go to the beyond, the Good Lord will make another one yet. But that is the only person who can overrule the U.S. Supreme Court other than the people of the country through their constitutional processes to amend the document.

I guess what I would really like to close on, unless other Members would like me to yield, the thing I would like to close on and emphasize once again is whether you agree or whether you do not with what the majority of the House has voted to do, whether you would or whether you would not, if you were in the majority, vote just as the majority in this House has done, and as the Republican majority in the Indiana State House of Representatives has done, I think we would all be happier in the long run if we, at the very least, would desist from questioning one another's motives. That is the very least I think we can ask of one another.

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Mr. KOLBE. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Speaker, I also had the opportunity to listen to the gentleman from Indiana this evening and I appreciate the fact that he is a very distinguished historian, but what puzzles me in listening to all of this is the question of how we are to settle this kind of an issue.

I think of my own case of having had a very close election in Arizona, and I am wondering. We have a person here in this case who brought from Indiana a certificate of election which has not been challenged by any of the other elected officials, those that are duly in process of certifying for these elections.

I had a very close election. What if somebody had said, "Gee, I think

maybe JIM KOLBE should not be seated in the House of Representatives"? What is the process by which we decide not to certify, not to seat an individual here, pending the outcome of this contested election? Contested elections have been going on for years and years and we have always seated the person who bears the certificate, carries the certificate.

Mr. JACOBS. With the exception of the Roush and Chambers case.

Mr. KOLBE. Mr. Speaker, if I might, as we know, that was a very unusual case, and in that you had on the one side the secretary of state who said that he had a certificate and the Governor who said he did not have a valid certificate. So it really is not exactly the case. I do not think it applies in this case.

But my point is, if somebody had written a letter to you or to the leadership in this House and said, "Do not seat JIM KOLBE. I do not think he ought to be seated in the House of Representatives," would that have been a reason to ask me to stand aside on January 3?

Mr. JACOBS. I do not know what the gentleman's margin of success was in the contest, but I should think that if, in the absence of throwing out the 5,000 ballots in this case, it were as narrow as barely double-digit one way or another, that the House would have to take the question rather seriously and might do it and might not do it. The precedents are all over the lot. They are back and forth.

I once wrote a book in which I described, with all due respect to our Parliamentarian, the present Parliamentarian—and every one I have ever known has never made a mistake, God knows—but I remember saying in that manuscript that my reading of the House precedents on the questions of seating looked like a series of mob actions to me. Whoever was unpopular was not seated.

Take, for example, the Mormon from down in Utah, obviously Brigham, but Brigham who? I cannot remember the last name. But in any case, one Representative, and for charity's sake, I will not call the name of that Representative, although it is well known in the annals of American history, arose and said—and by the way, it is said he had an eye for the ladies, the Representative who was objecting to the Mormons being seated—said that if this Mormon were seated in the U.S House of Representatives, no woman would be safe on the streets of Washington, DC.

Now, mind you, this Mormon was a monogamist, had one wife, and the fellow who was making that statement was known to get around a little bit.

So when I say that the precedents of the House are a series of what I thought were mob actions, that if you were popular, you were all right, and if you were unpopular, then maybe you were not all right, I was crying out for some set of guidelines in the House rules, which we really ought to have. We ought to have those included in the rules to clarify matters of this kind, rather than doing it when a case comes up.

I remember writing then what power—and again I use the word in the pejorative—what an unfortunate power it was that, on the opening day of Congress, any one of us, with or without a letter objecting to another Member, any one of us could object to the seating of any other, and under the precedents of the House, that other one would be required to stand aside, and that that could be a very dangerous thing, like all dangerous medicine.

I believe that ultimately in that debate in the Powell case, the best speech was given by our recent colleague Chuck Wiggins of California. He rose and supported the select committee's recommendation, which you may recall failed by 22 votes on the floor, and he said simply, "Mr. Speaker, as a member of the minority party, I have good reason to question the notion that my seat in this Congress is at the whim of the majority." I believe I cited Mr. Wiggins in the manuscript I wrote as having given what I considered to be the most eloquent, if brevity is a contribution to eloquence—they say, generally speaking, we politicians are generally speaking—had made about the most eloquent statement in that debate.

But when the dime lands on the edge, as my colleague, LEE HAMILTON, whose integrity I shall always be happy I can vouch for, said in the debate earlier, it is simply too close to call. That is an entirely different situation, from a margin of 1,000 votes or whatever, 500 or 800 votes or something like that.

Mr. KOLBE. If the gentleman would yield further, I appreciate that. I appreciate the vignette about Utah and a Mormon, a former colleague, I guess.

Mr. JACOBS. Not of mine. It was in another century. It was really not part of this century.

Mr. KOLBE. A colleague from days gone past.

Mr. JACOBS. I came in, in 1965, not 1865, although I sometimes wonder.

Mr. KOLBE. I do appreciate the fact that he suggests that we ought to look at any contest seriously, or any challenge, and I agree that we should, and I think that is a responsibility that the House of Representatives has, and we have the House Administration Committee to do that.

What I find disturbing in this, and I do believe it is clearly a precedent here, is that we have at this time chosen, during the time we are examining this situation, to decide not to seat the individual who has the certificate. If somebody chooses to challenge me, I would hope during the time that the House Administration Committee was looking at the case to see whether there was any substance to the challenge, that the House would seat me, since I clearly brought a certificate from the secretary of state of the State of Arizona with me.

Since you said the difficulty is clarifying these things, we also have to remember that we do have a Federal contested elections law, and to this date—I believe I am correct—the other individual in Indiana, Mr. McCloskey, has not yet filed any challenge under that.

So my question still is: Why, in view of the fact that Mr. McIntyre does carry a certificate from the secretary of state, why are we not seating him pending the outcome of this investigation by the House Administration Committee?

Mr. JACOBS. Again, I can only say that the contested election this year in the Indiana House of Representatives was approximately the same situation. Neither was seated until the investigation was completed and the vote was taken in the House of Representatives.

I might add for the record that this select committee has no constitutional authority to make a determination. It is appointed by the House to make a recommendation, and any assertion that two Members of this House are going to change the law of the land is erroneous. The ultimate decision, then, and the only decision which has the force of law, is taken by the House of Representatives.

You ask, why did McCloskey not go by way of the Federal contested election law? I do not know the answer to that, but I do see a parallel in courts of concurrent jurisdiction where a person might file, for example, a claim in a small claims court or might file a claim in a municipal court.

Mr. Speaker, I thank the House for its indulgence. I will be back in 9 years.

THE ECONOMIC GROWTH ZONE ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 10 minutes.

● Mr. COYNE. Mr. Speaker, I am today introducing the Economic Growth Zone Act of 1985. This legislation is identical to legislation I introduced in the 98th Congress. It would target Federal assistance to locally designated zones of economic distress.

The Economic Growth Zone Act resembles the administration proposal for enterprise zones in that both use similar criteria for zone eligibility. In each measure, the local government must propose to redevelop an area of

pervasive poverty, unemployment, and economic distress.

My legislation differs from the administration approach in that it does not rely on the Tax Code to stimulate an admittedly socially desirable goal. Instead, the Economic Growth Zone Act proposes a modest amount of upfront funds to stimulate the creation or expansion of businesses in an area targeted for economic growth. In addition, the bill would modify slightly, certain existing Federal programs to meet the special needs of the zones, which could total up to 250 over a period of 5 years.

Even though this legislation would authorize only a relatively small amount of direct outlays, those who suggest that the key to urban development in the 1980's lies with Tax Code incentives may question the need for economic growth zones. The administration generally holds this view and has made the tax-based urban enterprise zones the flagship of its urban development effort. At the same time the administration proposes to alter the Tax Code to establish enterprise zones, it also proposes to eliminate urban development action grants, the Small Business Administration, and the Economic Development Administration. In addition, the President's budget would cut back sharply on community development block grants and mass transit assistance. In place of these programs it proposes an experiment with enterprise zones.

I would suggest that if we are to engage in a truly bold experiment, we have to do more than create a few new loopholes in the Tax Code. If we allow urban enterprise zones, as now proposed, to become the flagship of Federal urban policy, we risk failure just as surely as when we counted on another Federal flagship, urban renewal.

Decades of experience with Federal urban programs have taught us one thing for certain: successful urban development often requires a little of this and a little of that. Too heavy a reliance on a single approach, whether it be the bulldozer of urban renewal or the tax haven of enterprise zones, is unwise.

Urban enterprise zones, with their grab bag of tax breaks for businesses which locate in designated zones of distress, emphasize tax avoidance as a primary factor in business location decisions. While taxation is certainly a factor when businesses decide where to locate, so is the condition of streets and lights in the proposed location, the quality of police and fire protection and, for newer and smaller businesses especially, access to low-cost capital for startup and expansion.

The Economic Growth Zone Act of 1985, which includes no tax incentives, was drafted with an eye toward a comprehensive Federal, State, and local government approach to redevelopment of a designated zone. Consultation with a wide variety of labor, business, neighborhood, and Government experts helped me to determine exactly what type of assistance is needed to aid very depressed areas.

The bill, as a result, provides seed capital to promote the startup and expansion of businesses which locate in the zone.

Loan guarantees to cities would enable repair of infrastructure in a zone, a prerequisite, in my mind, to any effort aimed at business retention or attraction.

In addition, the legislation provides for broad citizen participation in decisionmaking and includes a protection against relocation of a facility from one area to another solely to take advantage of zone benefits.

Among the most important tools included in the Economic Growth Zone Act is the seed capital fund for business startup and expansion. As most small businesspersons are aware, cash flow is often more of a problem than taxes in the critical early years of a business. This is especially true for those fledgling enterprises now located, or likely to locate, in zones designated for development. My legislation would establish a locally administered fund, a combination of Federal and local dollars, which would provide loans to businesses which seek to locate or expand in a zone. The decision on where to put the money would be made at the local level, not in Washington, based in part on the prospect that new jobs will be created for zone residents as a result of the loan.

Cities which become involved in the economic growth zone effort would be required by the legislation to plan and carry out a comprehensive rehabilitation of public streets, lights, water system, and other facilities in a designated area. Working in tandem with State agencies, cities would qualify for a long-term, low-interest loan from HUD for the repair of public infrastructure. The repair of public infrastructure, under the Economic Growth Zone Act, is a condition for development, not the spinoff result, somewhere down the line, of development activity.

The Economic Growth Zone Act also builds on existing urban development programs by requiring that preference be given in several HUD programs for projects initiated within a zone. It requires, for example, that 5 percent of urban development action grant funds be earmarked for zone projects.

To increase the involvement of private lenders in zone activities, the legislation authorizes additional funds to the Neighborhood Reinvestment Corporation for projects with the designated areas. This federally backed initiative, as I am sure many Members are aware, brings together private lenders, community groups, and local government leaders in cooperative efforts to construct and rehabilitate low-cost housing.

The Economic Growth Zone Act builds on the old but breaks new ground as well. Section 307 of the act provides grants to local governments for the development of business incubator facilities within the zones. These facilities enable small, growing businesses to keep costs down by sharing expenses for such things as office space and management services with similar enterprises housed in a shared structure. Innovative businesses are thus allowed to incubate in the critical early years of operation.

The revitalization of neighborhood commercial strips is essential for an improved business climate in any distressed area. Recognizing this need, the Economic Growth Zone Act provides for low-interest loans for concentrated physical development, including facade improvement, in zone commercial strips.

This legislation, a combination of the old and the new, a mix of Washington resources with local initiative, stresses planning, citizen participation, and economic growth as factors which will produce positive economic change.

I would hope that this House will consider this approach to urban development as it reviews tax-based proposals for urban enterprise zones. As one among many tools, tax incentives can contribute to urban development. But to assure success, they should be used in a coordinated effort to improve the physical appearance, and thereby the business environment, of a distressed area. Without such a community-based effort to make a neighborhood vital, a lot of enterprise may yield minimal results.

At this point, I would like to include in the RECORD a section-by-section description of the legislation:

A SECTION-BY-SECTION DESCRIPTION OF THE ECONOMIC GROWTH ZONE ACT OF 1985

TITLE I: DESIGNATION OF ECONOMIC GROWTH ZONES

Section 101: Designation by the Secretary

Would require the Department of Housing and Urban Development (HUD), within two months after the Economic Growth Zone Act of 1985 (EGZA) is enacted, to issue regulations detailing the procedures for State and local government nomination of an area as a Federal Economic Growth Zone (zone). HUD must designate at least 200, but no more than 250, areas as zones. As a prerequisite for designation, a State must pass enabling legislation granting the State and local government the authority to make federally prescribed State and local commitments required under Section 102 of EGZA. Designation of an area as a zone would be for a period of 5 years. HUD may terminate designation as a result of State or local government noncompliance with Section 102 of EGZA. In such instance, HUD will specify the termination date.

Section 102: Eligibility requirements

States that HUD may designate an area as a zone only if: (1) the area designated has a population of 4,000, as determined by the most recent available census data; (2) such area is one of pervasive poverty, unemployment and general distress; (3) such area is within a metropolitan city or urban county eligible for Urban Development Action Grants, and (4) such area meets any one of the following criteria; (a) the area has an unemployment rate of 1.5 times the national unemployment rate; or (b) at least 20 percent of the population of the area have incomes at or below the poverty level; or (c) 70 percent of the households in the area have incomes that are at or below the median of the local jurisdiction; or (d) the population of the area declined by 20 percent or more during the period 1970 to 1980.

To qualify an area for designation as a zone, the State and local governments must agree to follow a specific course of action which would address the infrastructure repair needs of the proposed zone and provide incentives that would create permanent private sector jobs and stimulate economic development. The course of action shall include: (1) a commitment by the State and local government to conduct a comprehensive review of the infrastructure needs of the proposed zones; (2) a commitment by the local government to finance infrastructure repairs through a guaranteed loan, as provided in Sec. 302; (3) a commitment by the State of such funds as may be necessary to assist in the repair of infrastructure in the area and (4) a commitment by the State to coordinate existing economic development plans in the area proposed for designation, and to list components of a plan to encourage acquisition by the State from firms located, or which intend to locate, in the proposed zone. The course of action may also include, but is not limited to, an increase in the level of such services as crime prevention with the area proposed for designation, and may involve private entities, such as neighborhood development organizations.

Section 103: Preliminary approval of designation

Provides that HUD may give preliminary approval for designation of an area as a zone only if the local government, in cooperation with the State government, and in consultation with area businesses, residents and neighborhood development organizations, prepares an Economic Growth Zone Development Plan. The plan must be consistent with the overall economic development plan of the unit of general local government, and shall include: (1) an analysis of the economic and social conditions of the proposed zone; (2) specific development objectives for the zone; (3) advisory guidelines for making investment and development decisions in the area, and for monitoring the effectiveness of the economic growth zone plan; (4) evaluations of employment opportunities, job skills and training needs of area residents; (5) assessments of existing job training, business development and management assistance resources available to zone residents and businesses including any commitments for training assistance from neighborhood development organizations or educational institutions; (6) an evaluation of energy conservation efforts within the zone; (7) a strategy to incorporate the Job Training and Partnership Act in activities within the zone. Zone approval may be granted by HUD only when the local government, in cooperation with the State, prepares a preliminary plan for infrastructure improvement in the zone.

Section 104: Approval of designation

In accordance with this section, HUD's approval of zone designation requires that: (1) HUD must have given preliminary approval of the area for zone designation; and (2) the unit of general local government involved must pledge to set aside for two consecutive years 5 per cent of its annual community development block grant allocation, or $1 million, whichever is the lesser for an Economic Growth Zone Development Fund (fund), as authorized under Section 301 of EGZA. Further, the local government must apply for an infrastructure repair loan guarantee and pledge to use local manpower agencies as the first source in employment for repairs.

This section further states that when a local government designates an area as a proposed zone, that local government shall file an application to HUD which shall include a map of the area and a certification by the local government that public hearings have been held on the proposed designation and that a plan has been developed to minimize displacement of low and moderate income residents of the area. The local government must also assess the infrastructure condition in the area and prepare a preliminary repair and maintenance schedule for such infrastructure, including cost estimates. In addition, the local government must agree to offer various incentives to create permanent private sector jobs and stimulate economic development. Such incentives may include, but are not limited to: (1) an increase in the level of local government services, such as police protection, transportation or road improvement; (2) a business and industrial development program which provides for payment of property liability and property loss insurance premiums, and for payment of payroll taxes, if participating businesses agree; (a) to locate or expand in the zone; and (b) to comply with federal fair labor, safety and health, environmental and other laws; and (c) to allow employees to organize unions and to bargain collectively.

In addition, the local government must agree to commit to nonprofit entities engaged in zone activities local planning and other resources, at no cost.

Business incentives are available only to those businesses certified under Section 301(f).

Section 105: Final approval of designation

States that when an application is submitted by a State and local government for a zone designation, HUD shall consider the following: 1) the extent of poverty, unemployment and general distress in the proposed zone; 2) the extent of State and local government financial commitment to promote community and economic development activities within the zone; 3) the extent of resident, business and private organization support for the development of the zone; 4) the need for widespread geographical distribution of zones throughout the nation; and 5) the extent to which State and local government can provide guarantees that commitments made in the economic growth zone development plan can be enforced.

Section 106: Data used

Specifies that HUD may use data supplied by federal agencies or data supplied by the State and local government when determining eligibility of an area for zone designation.

TITLE II: ADVISORY NEIGHBORHOOD COUNCILS

Section 201: Establishment

Requires the establishment by the State and the unit of general local government of an advisory neighborhood council in the zone within 90 days after zone designation under Title I.

Section 202: Membership

Provides that members of the council, who shall be representative of business, labor, neighborhood residents and local government, shall be appointed by the chief executive office of the local government in which the zone is located.

Section 203: Duties

Requires the advisory neighborhood council to act in an advisory capacity to the local government in which the zone is located on economic activities relating to the zone. In addition, the council shall: (1) prepare analyses of economic changes taking place within the zone; (2) act as an advocate for the promotion and development of businesses in the zones; (3) consult with the local government and appropriate departments of the State involved on the incentives offered for business development in the zone. The council shall coordinate the local needs of employers and assist, on the request of an employer, in the recruitment of employees for existing or future jobs.

Section 204: Meetings and records

Provides for procedures for meetings of the council and sets a policy of public access to records of the decisionmaking of the council.

Section 205: General provisions

Requires that the local government shall provide the council with such offices and staff as shall be necessary. The council is required to make a detailed report of its activities to the State and local government each year, with such report being forwarded to the Secretary, together with additional comments by the units of government involved.

TITLE III: ASSISTANCE FOR ECONOMIC GROWTH ZONES

Section 301: Economic growth zone development funds

Requires each unit of general local government in which there is a designated zone to establish an economic growth zone development fund. The fund shall provide loans and loan guarantees to small businesses for working capital or equipment and facilities expansion.

Loans may be used to fund business and industrial development programs if the participating businesses agree in writing to: (1) locate or expand operations in the zone, (2) strictly obey Federal fair labor, safety and heath, labor relations, environmental and pollution, equal employment opportunity, sex and age discrimination and child labor laws; and (3) allow employees to organize and bargain collectively.

The local government would set aside for each of not less than 2 consecutive years 5 per cent of each annual Community Development Block Grant allocation, or $1 million each year, whichever is the lesser amount, to the Economic Growth Zone Development Fund. For fiscal years 1986–1990, HUD is authorized $70 million each year to match the setasides. At least one Federal dollar for every community development block grant dollar, and not more than three dollars, shall be matched by HUD. A fund

may also include amounts from any other source, including grants, gifts and loans.

The fund shall make or guarantee loans for intitial or working capital to small businesses for the purchase, rehabilitation or expansion of facilites and equipment and shall make grants to neighborhood development organizations within the zone for activities designed to promote jobs and economic development.

An existing business located in the zone may qualify for assistance under this section if 50 per cent of its present workforce are residents of the local jurisdiction, and if the business pledges that 75 per cent of newly hired employees shall be residents of the local jurisdiction, with special preference given to hiring residents of the zone.

A business seeking to locate in the zone would qualify for assistance under this section if it pledges that 75 per cent of its workforce will be residents of the local jurisdiction, with special preference given to hiring residents of the zone.

In addition, both classes of business must be willing to agree to set aside 25 per cent of the new jobs for one or more of the following: (1) persons unemployed 6 months or longer; or (2) recipients of general assistance or aid to families with dependent children (3) heads of households with family incomes at or below the statewide poverty level; or (4) residents of the zone.

Furthermore, in order to receive assistance, a business cannot be found by the local government to have been assessed civil penalties for, or convicted of, substantial violations of the Occupational Safety and Health Act of 1970.

HUD may waive one or more of the business qualification requirements if it determines that, despite a good faith effort, a business is unable to hire employees who meet conditions described in EGZA.

The local government shall enter into a written agreement with the business receiving assistance which shall explain how the business will meet the conditions for certification described in this section.

In administering the Economic Growth Zone Development Fund, the local government shall review periodically employer records to ensure that a business continues to qualify for assistance.

Section 302: Economic growth zone infrastructure loan guarantees

Under this provision, notes and other public obligations issued by local governments and guaranteed by HUD would be used to finance public works and site improvement in the zone. The aggregate amount of loans guaranteed by HUD may not exceed 5 percent of the amount appropriated by the Community Development Block Grant program for each of the fiscal years 1986 through 1990, or approximately $175 million in loan guarantees per year. Loan terms shall be for not less than 20 years, and not more than 40 years, and may not exceed 3 times the local government's CDBG allocation for one year. The local government shall pledge to repay the note with increments of local tax receipts generated by the activities under EGZA, or from the local government's CDBG allocation or by proceeds from the sale of real property. The rate and maturity of notes shall be determined by the Secretary of the Treasury.

Section 303: Economic growth zone urban development action grants

Provides that HUD set aside 5 percent of the amount appropriated for Urban Development Action Grants for allocation to zone areas in each of the fiscal years 1986 through 1990. Based on fiscal year 1985 appropriations for the UDAG program, this would create a setaside of approximately $22 million per year. Applications for grants shall compete only with applications involving other zone projects. The leveraging ratio may be as low as 2 private dollars for every UDAG dollar.

Section 304: Preference in Department of Housing and Urban Development programs

Directs HUD to give preferential treatment to projects in designated zones for other HUD programs, including Section 312 Rehabilitation Loans, Section 810 Urban Homesteading, Section 202 Handicapped and Elderly Housing and the Solar Energy and Energy Conservation Bank.

Section 305: Rehabilitation and neighborhood conservation housing insurance in economic growth zones

Directs HUD to make available Section 220 mortgage insurance in designated zones.

Section 306: Use of Department of Housing and Urban Development property in economic growth zones

Under this provision, HUD is directed to offer for sale to the local government such vacant and underdeveloped property within the zone owned by HUD, if the local government has a detailed plan for use of the property. Such land or property shall be sold for nominal consideration.

Section 307: Development of facilities for new businesses

Provides $10 million for each of the fiscal years 1986 through 1990 for grants by HUD to local governments and nonprofit organizations for the development shared facilities within the zone designed to promote the creation of new businesses. The grants may be used to acquire, rehabilitate or pay for certain expenses of structures located within the zone which are designed to lower costs for start up businesses through sharing several fixed and management expenses, and which promote access by the new businesses to local educational resources.

Section 308: Neighborhood reinvestment

Authorizes $7 million for each of the fiscal years 1986 through 1990, in addition to the current authorization for the Neighborhood Reinvestment Corporation, to attempt where feasible, to replicate successful Corporation projects in designated zones. To the extent practicable, the Corporation shall attempt to establish Neighborhood Housing Services in the zones, drawing together local residents, businesses, and lenders to increase the number of housing-related loans made in the zone. In addition, the Corporation shall develop such programs for the zones which emphasize the improvement of low and moderate income housing, promote homeownership by persons of low and moderate income, and generally improve the climate for private lending within the zone.

Section 309: Neighborhood commercial revitalization

Provides $13 million for each of the fiscal years 1986 through 1990 in addition to the current authorization for the Sec. 312 Rehabilitation Loan Fund, for loans to local governments to rehabilitate commercial strips located within designated zones. Such activities as facade improvement, as part of an effort to upgrade the commercial areas of a zone, would be eligible for the low interest loans.

Section 310: Prohibition of assistance for facility relocation

This section would forbid any activity under EGZA which would promote the relocation of any industrial or commercial plant or facility from one location to the other, unless it is determined by HUD that such relocation will not be harmful to the employment or economic base of the location from which the plant or facility is to be relocated.

TITLE IV: GENERAL PROVISION

Section 401: Coordination with other Federal programs

Directs HUD to coordinate existing federal housing, community and economic development, small business, banking, financial assistance and employment training programs carried out within the zone, and to expedite application for programs through the consolidation of forms and periodic reports.

Section 402: Regulations

Requires HUD, within 120 days of passage of EGZA, to issue program regulations which include application deadlines and which prescribe the form and manner in which applications are to be submitted.

Section 403: Annual Report of the Secretary

Requires HUD to submit to Congress an annual report detailing the impact of zone designation.●

□ 2020

THE DISPUTED ELECTION IN THE EIGHTH DISTRICT OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, I was somewhat confused by the procedure simply because the gentleman from Indiana [Mr. JACOBS] I know had signed up for this special order earlier and he was on the list in our cloakroom. I did not sign up until today, so I was a little confused about the procedure, but I appreciate the fact the gentleman is still here, because I just did want to discuss a couple things that still arise in my mind with regard to some of the statements the gentleman made.

We are, of course, concerned about the Indiana case and I would say that our concern with regard to two people changing the law of the land stems from the fact that those two people in that subcommittee, the majority of that task force, are going to make the determination as to how the votes are counted. That is not a matter that will be brought to the House of Representatives. That will be determined by the task force itself. In determining how the votes are counted, they will in fact decide how election law will be run in Indiana and ultimately across the country by the standards they set. That is the concern we have got and we do think that has been a major factor.

I would like to also compliment the gentleman on his beginning phraseology when he talked about pounding the facts if you have the facts, pounding the law if you have the law, and if you have neither, pound the table. He is absolutely right.

One of the reasons we have been out here talking is because we have both the facts and the law on our side.

First of all, the facts I think we have established in instance after instance here on the House floor, the main one being that by any count, either by counting all the votes or counting the votes that Indiana law has said are the justifiable votes, Rick McIntyre wins the election. I mean, that is the fact and that is the reason Rick McIntyre ought to be seated in this body.

With regard to the law, that is also important and the gentleman from Arizona raised an extremely good point here. We have a way of settling questions with regard to all of the flaws that the gentleman from Indiana has mentioned about Indiana law. He said that the Indiana State Legislature has a particular way of settling that. So do we at the Federal level. We have a Federal Contested Elections Act. If in fact the gentleman from Indiana [Mr. McCLOSKEY], feels there is something in Indiana law which unfairly denied him appropriate ballot counting or whatever, he can file under that law and have his case heard with regard to that unfairness. He has not filed any such request. He has not done any filing whatsoever with regard to the Federal Contested Elections Act. That is the reason why we also contend that any case that is made that suggests that somehow Indiana law is at fault should have been resolved that way and not resolved by denying the certified Member his seat and then having the House go through some procedure stacked against the minority side.

The gentleman from Indiana I think also raised the point, how would we vote if we were in the majority? We might be considered to do the same thing. I would suggest that our side of the aisle was consistent when it came to questions of close calls on this floor. We voted to seat Mr. McIntyre. We also voted on opening day to seat Mr. STALLINGS, who also had a contested election involving a very close count.

The minority side here voted in both instances to seat. The majority voted two different ways. They voted not to seat Mr. McIntyre. They voted to seat Mr. STALLINGS, despite the fact that there is a contested race in the case of Mr. STALLINGS. So I think that we on the minority side have been consistent.

I would also point out that the precedents are on the side of seating Mr. McIntyre. The Roush versus Chambers case is the only precedent cited thus far by the Democrats to carry the weight of the argument that they are using for not seating Mr. McIntyre. The Roush versus Chambers case involved two Members, both of who had a certificate. The House had to decide between two certificated Members and they chose to seat neither of them until they could figure out whose certificate was real.

Now, that is an entirely different case than when you have one Member carrying a certificate from his State certified as the winner of an election, and the most basic precedent that we have in Deschler's Precedents is the Roy versus Jenks situation in 1937, where in fact a Member, Mr. Jenks, came in with a certificate of election, later on the House determined that Mr. Jenks had not won the election, but in fact Mr. Roy had won the election. Mr. Jenks was removed from the seat and Mr. Roy was given the seat at that point. That is a far more basic precedent for the case that we are now facing than the Roush versus Chambers case, which is entirely different from what we face in the McIntyre situation.

It also needs to be pointed out that we have had 82 other elections contested through the years and in each case the House has allowed the certified winner to serve while the dispute was being settled.

The precedents are clearly on the side of seating Mr. McIntyre.

I think that the gentleman is absolutely correct that, of course, facts can be interpreted any way. You can take facts and interpret them in the way you want to. The problem for this House is that in having interpreted the facts the way we did here, we are denying 500,000 people their legitimate representation in this House for a period of time that is too long by anybody's estimation.

If the majority whip is correct, they will have been denied a seat at the earliest of nearly a quarter of this year. That disturbs us.

Finally I would say to the gentleman from Indiana, he did in fact quote one Indianapolis paper. I have here another Indianapolis paper, the Indianapolis Star. I do not know much about the papers in Indiana, but I do know that the Indianapolis Star which also serves that capital city, has editorialized that they believe Mr. McIntyre should be seated. In an editorial written the 13th of this month they say:

> The best outcome would be for the House to recognize that it has made an unfortunate exception in McIntyre's case and permit him to be seated conditionally. If that were done quickly the suit would be moot and the court would not have to determine if it has jurisdiction. An in-house settlement would be eminently preferable to a possible testy confrontation between the two branches of Government.

I think that it is clear that the Indianapolis Star feels that the best action for the House to do would be to clear up this matter with Mr. McIntyre seated among us.

I would be very glad to yield to the gentleman from Indiana, since he was kind enough to yield to me.

Mr. JACOBS. Mr. Speaker, I thank the gentleman for yielding. I just would make the observation if two newspapers from the same breast can have an honest disagreement, I would hope that all Members of the House would recognize that Members of the House as well can have an honest disagreement. You could interpret it either way, I think.

Mr. WALKER. Well, I thank the gentleman. I think that is the point we are making. Yes; we can have an honest disagreement and we have many honest disagreements within this body, but this is the first time that the honest disagreement has spilled over and denied the people of the country representation in this body.

I think what we need to have is an honest disagreement among us that we settle through the appropriate procedures, but not at the expense of 500,000 Indiana residents who are denied representation.

I would be glad to yield further to the gentleman.

Mr. JACOBS. I wish the gentleman would at least concede that the gentleman has an honest disagreement with the Republican majority of the Indiana State House of Representatives, which chose to follow exactly the procedure that we are following here.

Mr. WALKER. Well, as I pointed out to the gentleman earlier, that is not quite the case, because the procedure used by the Indiana Legislature has obviously resulted in somebody being seated. We still have a vacancy in this body. The people being represented by Representative Hibner obviously now have a representative as a result of what the Indiana Legislature has done. The people who would like to be represented by Mr. McIntyre do not have a representative at this point, so it does make it a little bit different situation.

I yield to the gentleman.

Mr. JACOBS. I would assert for the record that the disparity is not in the procedures chosen, but the rapidity with which they are applied.

Mr. WALKER. The rapidity is in fact a very important part of the situation here because it makes all the difference in the world as to how long somebody is denied the chance to have their representative serving in a particular body.

The issue, as the gentleman well knows, having been here a longer time than I have been, the issue becomes more complicated and more controversial the further into the legislative year we get. Up until this year we have had virtually no major business on the

floor. This week we have lots of major business on the floor and each week that is ahead we will probably have the likelihood of having major legislation on the floor.

To deny the voters in Indiana their opportunity to be represented as we get to those controversial matters, I think is a serious case.

I would be glad to yield to the gentleman.

Mr. KOLBE. Would the gentleman from Pennsylvania agree that regardless of what happened in the Indiana Legislature, that is really irrelevant to this case. What we are talking about is the dangerous precedent that we are establishing in this body here of treating this case differently than any other case that we have treated before in the course of our history.

□ 2030

Mr. WALKER. I think the gentleman makes a good point, because the fact is that there may be 50 different procedures for handling contested elections in the various States, and we obviously cannot adopt all of those procedures in this body. And so what we have is we have our own procedure established by precedent and also established by law.

Precedent suggests you seat the Member and then make the determination that the House Administration Committee has to make. The law suggests that if a Member has reason to believe that he has been unfairly treated by the laws of his State, that he can file under the Federal Contested Elections Act such a suit.

In this case we have only the precedent being violated and the law not being used. Now, that is indeed a problem and one which has no clear partner in what was done in the Indiana Legislature.

Mr. KOLBE. Would the gentleman yield further on that point?

Mr. WALKER. I will be glad to yield to the gentleman from Arizona.

Mr. KOLBE. I think your point is well taken. I know there are other cases in State legislative bodies during this current session where there were contested elections. And as pointed out, each of them handles it in a very different fashion. And the fact that the one that was cited by the gentleman from Indiana happened to the Indiana Legislature really has no relevance any more than if it were a case in Alaska.

Indiana State law does not apply to what we do in the House of Representatives here in this body.

I think that is the concern that many of us have, that we are following a precedent or establishing a precedent that is completely different than anything that has been done before.

Mr. WALKER. And the gentleman I think, though, would say, however, that the election laws of the various States are what we follow and the way in which we assure that those election laws in fact have some validity for this body is when a Member comes in here carrying a certificate of election.

Mr. KOBLE. If the gentleman would yield further, my point was to the rules of a State legislative body, as to how they handle the seating of a Member, not as to the State election laws.

Yes; I think we have certainly a commitment to abide by, to follow the election laws of any State, to work our way through the process. At least we begin with the presumption that the State election laws ought to apply here.

Mr. WALKER. If the State election laws somehow would treat an election of a Member of Congress unfairly, that that is precisely what we were supposed to use the Federal Contested Elections Act for; is that not the case?

Mr. KOLBE. That is precisely the point. That is why we have the Federal election law.

I thank the gentleman for yielding.

Mr. JACOBS. Will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. JACOBS. I merely point out that the Federal election statute is not superior to the U.S. Constitution, which in the first instance gives plenary authority to the House of Representatives to determine this question. I am sure the gentleman is not questioning that.

Mr. WALKER. I agree that the House of Representatives is the judge of its own Members. However, I would say to the gentleman that what is unprecedented about this case is that every other time we have made that decision we have done so with the Member having been seated, where we now have moved away from what our constitutional mandate is.

We have decided in this case that the Member shall not be seated, that in fact we shall pay two people to sit on the outside and wait until the House makes its determination. That strikes many people as questionable in terms of pay, and the gentleman has been one of the leaders in the House in terms of leading the fight against irresponsible congressional pay increases. I am sure that he is concerned about the fact that we are paying two people to do no job.

So that this is the unprecedented action that we are concerned about and we do not doubt the House's ability to make its judgments. We simply say as the House goes about that business of making its judgments we ought to seat the Member who carries the certificate.

I will be glad to yield to the gentleman.

Mr. JACOBS. The gentleman may be happy to know we have reached a point of agreement. I think that the procedures of this House are far too lethargic. I think that we could and should act with the rapidity that the Indiana General Assembly acted with and that is something I lament as the gentleman does.

I do not know. I suppose it is like the Australian bushman who wanted to get a new boomerang but he could not figure out how to throw away his old one. How to get there from here I do not know.

But I join with the gentleman fervently in lamenting the time wasted, as the poet Day said.

Mr. WALKER. I agree. I suppose our contention would be we could solve this pretty quickly simply by approving the resolution to seat Mr. McIntyre, conditionally, and simply say that we are seating him on the condition that he would obviously have to give up the seat if the House Administration Committee would find that he is not the rightful possessor of that seat and that that would solve a good deal of that situation. And we would have no problem on our side of the aisle, I am certain, with the House Administration Committee proceeding to what we certainly hope to be a fair judgment, after having seated the certificated Member.

Mr. JACOBS. I am sure the gentleman will agree with me that the creaky machinery of the House procedures is not unique in this situation. There is no discrimination in this particular case. It happens almost all of the time; right?

Mr. WALKER. Well, yes, except that in the case of Mr. McIntyre it means that his constituents are denied services of a Congressman. And that in fact we made the decision with great rapidity on the opening day with regard to Mr. STALLINGS, but made a different decision with regard to Mr. McIntyre. That is one of the issues that we have.

Two Members were asked to stand aside on opening day because of contested seats and in one case we seated the Member with great rapidity and in the other case we are still dragging on in terms of making a decision in that case.

I will be glad to yield to the gentleman.

Mr. JACOBS. In terms of percentages, was there not a vast disparity in the asserted margin by the States' reports?

Mr. WALKER. I guess I would have a great deal of difficulty suggesting that if you only win by one vote that you are going to be challenged in the House and denied your seat. If you win by five votes, that is the criteria? If you win by 34 votes, that is the criteria? If you win by 500 votes, that is the criteria? If you win by 1,500 votes, that

is the criteria? I do not know where you stop that process.

The American people, as I understand it, have always believed that if you win the election by one vote that you have won the election. And you know, as a matter of fact, in most cases I have been part of the political sideshows that go on telling people that your one vote counts and demonstrating how many elections during our history have been decided by one vote.

I think the American people have a right to believe that, and the fact that it is a close election should not be the determination as to whether or not that district has representation here.

I will be glad to yield to the gentleman.

Mr. JACOBS. Would the gentleman not agree, however, that if the asserted vote margin is substantial, there is less chance that any errors which were created or any errors which did occur would change the outcome of the election? That is probably why we have recounts in close elections and not when there is a wide margin.

Mr. WALKER. That is the reason for the Contested Elections Act. If somebody believes they were unfairly treated in a close election, they have the Elections Act to go to.

One of our concerns is the fact that Mr. McCloskey never used that vehicle, and that we in fact believe that if the close election was one where he believes that he was unfairly treated by Indiana law, he should have taken advantage of that route because that is the route that we set out so that we would avoid this kind of situation within this body.

Mr. KOLBE. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman.

It is interesting that the gentleman from Indiana raised the question of the margin of victory. Two points I think need to be made here.

One, I believe in the case of the gentleman from Idaho who was seated that we actually do have now, I cannot remember the exact margin, but I believe it is less than the margin that Mr. McIntyre has under the recount, and I think it is actually smaller.

Mr. WALKER. I think it is 350 votes, but I am not certain of that.

Mr. KOLBE. And that would be less than the margin that Mr. McIntyre now has, so on that basis I would say there is no question if we are going to follow the same criteria we should take the gentleman from Idaho and not have seated him.

The second point, and I think you addressed it very well, and the gentleman from Indiana did talk about it, but I think the question is where is the critical mass in this. How many votes do you have to have before this body decides that it does not seat an individual?

Mr. JACOBS. Will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Indiana, and then I will yield to the gentleman from New Jersey.

Mr. JACOBS. I merely make the point that at the time that whatever margin it was, 350 votes or whatever it might have been was asserted in the Idaho case, was it, there was together with that no assertion that 5,000 qualified voters had been discharged by a questionable statute also. So there really was not the same question that occurred by the time that the alleged margin for Mr. McIntyre had come into the hundreds.

□ 2040

Mr. WALKER. I am not entirely familiar with the case in Idaho, but I will say to the gentleman that it is my understanding that there are several thousand votes in Idaho that are under some contest and that there are a couple of counties where evidently the whole counties are being contested there. So that in fact, the margin is not really the case there, because in fact the election outcome could be changed very easily with the number of ballots in contention in Idaho.

I yield to the gentleman from New Jersey.

Mr. GALLO. Thank you. I wanted to reiterate when we talk about the numbers, the numbers were definitely lower than the figures on the recount in the McIntyre election itself. Furthermore when we look back, I do not know whether this was covered, but BILLY HENDON 2 years ago, when that election was contested, the courts adjudicated it in favor of BILLY HENDON and said that the State laws were inadequate, unconstitutional, and yet this body seated his opponent. So there are precedents for following through on what is ratified by the State, even though in this particular case or that particular case there was adjudication by the court that it was unconstitutional. Yet this body seated that individual. So I think there is a parallel here.

I think the best way we can get out of this situation is do what is right, do what is expected by the people of this country, and that is seat Rick McIntyre.

Mr. WALKER. I thank the gentleman. He makes a good point with regard to the Hendon case. What was decided by this House then was that because of the nature of State election laws that the State should be the controller of its own elections, and despite the fact that the court rules that an unconstitutional election had been conducted, we accepted the State's determination and the State's outcome in that case and seated Mr. HENDON's opponent.

Now, what we are saying in this case is the gentleman may be right that there may be flaws in Indiana law, I do not know Indiana law, there may be some flaws there. We hope if there are, they would be corrected. But the presumption has to be on the side of the State laws in the case of elections, particularly the assumption has to be on the side of the State law when that State law results in certification of a Member to this body. To have another assumption, to say that we are going to be the final judge of all State laws that relate to elections is to abrogate to ourselves considerable, and I will use the pejorative term that the gentleman does not like, the term "power." I mean that is a real, raw exercise of power if we begin to make determinations about how the States shall conduct their elections as it relates to Members of Congress. That would be a considerable shift of power away from the States and toward the Federal Government, and a shift which the gentleman as a historian knows would not be something that our forefathers would have felt very comfortable with.

I yield to the gentleman.

Mr. GALLO. As a former legislator and my colleague from Arizona as a former legislator, we very well know that the State legislators and legislative bodies set their own laws as far as the election procedure, whether it be the issuing of a writ, the timeframe that that would take, and if in fact this body is going to delve into each State and start standardizing or attempting to standardize elections, then I think we are in serious trouble, because then we are encroaching on some very sacred ground. I do not think that is what is being suggested, at least I hope that is not what is being suggested.

Mr. WALKER. I thank the gentleman.

I yield to the gentleman from Indiana.

Mr. JACOBS. I point out to the gentleman that that authority was nothing I thought up. It is clearly written in the U.S. Constitution. Just as the Indiana Legislature by our Constitution was authorized to overrule the Indiana statute in a case of contest within the body, of course, the U.S. House of Representatives has plenary authority to go to the rescue of 5,000 citizens who have been deprived of the right to vote by a statute which is clearly unfair. That is the reason, as I understand it, that the founders put that authority in the case of Federal elections, you understand, put that authority in the U.S. House of Representatives.

What if the States said if you were so tall you could not vote, that would be a State statute. What if the State statute said if you were a black, or a

Jew, or some other minority group you could not vote, would that be so outrageous that the founders put in the U.S. Constitution that we shall protect the right of every U.S. citizen who has to live in a State or a territory someplace to cast his ballot and have his or her ballot counted. That is why it is in the Constitution. That is not very radical. It is about 200 years old.

Mr. WALKER. The gentleman, of course, makes a valid point, but I think a couple of things need to be said. We have interpreted that power that rests in the hands of the House as a result of the Constitution on at least 82 occasions. And on those 82 occasions we have seated the Member in this body as we made those determinations. This is different. We made a different decision here. That is the concern that we are raising, that is the unprecedented action.

It seems to me that the forefathers did not envision us making arbitrary determinations of that kind. And the courts, as the gentleman earlier mentioned the Adam Clayton Powell case, the courts very clearly determined that that was an arbitrary decision on the part of this body and in fact reinstated Adam Clayton Powell with his pay. That is a concern.

The other concern I would point out to the gentleman is, if in fact we are concerned about the disenfranchisement of 5,000 voters, if that is the chief concern here, then why has Mr. McCloskey not filed under the Contested Elections Act? Why has there not been a filing under the law that speaks to those kinds of concerns? That law is clearly constitutional, it is clearly in line with our responsibilities as a body. And the question arises why is he depending only on the political outcome within this body rather than applying the law, the statute which speaks to that particular issue?

I would be glad to yield to the gentleman.

Mr. JACOBS. I guess the answer is the same as Ms. Hibner. There are procedures in Indiana statutes in Indiana for recount also, but that question was decided in the House of Representatives also. By the way, on the Powell case, let the record show again the question of who got the most votes was not at issue in the Powell case. The question of other qualifications, the only question at issue was whether the U.S. House of Representatives, ultra vires of the Constitution provision, itself, could take unto itself by simple majority vote the question of whether Mr. Powell had sufficient morals to serve in the House of Representatives. On that point the Wilkes case in the United Kingdom and the Powell case held the people would decide or the House of Representatives would decide by a two-thirds vote rather than a simple majority after the seating occurred.

Mr. WALKER. The gentleman well knows that in the same clause of the Constitution to which he refers we judge the qualifications of our Members. The House believed in taking that action, even though the Court ruled it arbitrary, that it was judging on the qualifications of Mr. Powell. The Court has ruled that that is not a proper exercise of authority, that in fact that is an arbitrary exercise of authority by this body.

Mr. JACOBS. No; the gentleman is mistaken about that, with all due respect. The Court held that the House does have plenary authority to determine the enumerated qualifications of 25 years of age, 7 years a citizen, an inhabitant, not a resident, but an inhabitant of a State, not the district, from which that individual was declared to have been elected. That authority was clarified in the Powell case as was the authority ultimately to determine who got the most votes. Of course in that case everybody agreed Mr. Powell had 97 percent of the vote.

□ 2050

Mr. WALKER. Well, there I disagree with the gentleman. I agree with him that those are the qualifications that the Court decided that we could judge. Mr. McIntyre meets all of those qualifications. There is no question there.

Now the question comes down to the question of who got the most votes. I am not certain that we have through the Powell decision any indication that this House can deny the Member his seat while it is making a determination of who got the most votes.

That is the question here. We certainly have the power, within the House Administration Committee, to determine whether or not that election was conducted fairly. No one contests that.

Mr. JACOBS. And who won?

Mr. WALKER. Well, ultimately that would be a decision. But in 82 previous cases, it has been done while that Member is seated in the body, and representing their constituents. That is the difference here. That is what makes this entirely different from all the other cases that we have before us.

And I will be glad to yield again to the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. I thank the gentleman for yielding to me.

I heard the 5,000 disenfranchised voters mentioned; we have heard that a number of times, and we have answered that question that, even if all the 5,000 votes were tallied, McIntyre still wins.

Now when you want to do it selectively, that is different. Plus the fact, the contention is that something was done that was not proper; and yet at each one of those polling areas you had representation there of both parties for the most part in those contested counties that you are referring to, there was a 2-to-1 Democratic review.

So that it was not done by an arbitrary system; there was a systematically checked ballot by three individuals.

Mr. JACOBS. Would the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Indiana.

Mr. JACOBS. The gentleman, I believe, was not in the Chamber when I responded to that earlier.

The point is that those 5,000 ballots were not examined individually. The fact that the tally sheet was judged afoul of the Indiana statute, but a mistake had been made by the election official, threw those ballots out—we do not know how many of those ballots would be judged valid and how many would not; we do not know how many were eligible voters and how many were not; we do not know how many intentions can be determined from the individual ballot. They were disqualified en mass, or in the macro not in the micro.

So we do not know how those break; how those 5,000 would break until they are first made eligible to be counted and then when the counting takes place, you look at each ballot to determine whether it clearly expresses the intent and was the intent of a registered voter.

Mr. WALKER. I would be glad to yield to the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. I thank the gentleman for yielding to me.

Mr. Speaker, has Mr. McCloskey, has he filed suit with the courts?

Mr. WALKER. Not that I am aware of, and has not filed under the Contested Elections Act.

Mr. GALLO. And if that is not the case, at least if you feel you have been injured or as the result of an election that took place where there is a question as to the constitutionality of eliminating ballots, I would think very strongly that that individual would move forward in trying to correct a situation.

In this case there has been no movement by Mr. McCloskey. I question whether or not we are going to sit here, as a body making determinations on things, whether or not the law is in fact constitutional or not. I think that the Indiana courts will make that determination.

I get a little leery when we start meddling in State business and State policy, especially one in this particular case, Mr. McCloskey has not.

We have gone through a recount. The recount system is something that has been established by Indiana law. The recount only came up with a further vote tally, I believe somewhere in the neighborhood of 415 or 418 votes in favor of McIntyre.

So unless we are figuring here that we are going to throw out the Indiana law, I think our course is very clear as to what we should be doing; that is, seating Rick McIntyre.

Mr. JACOBS. Would the gentleman yield for a response?

Mr. WALKER. I yield to the gentleman.

Mr. JACOBS. I have it on information and belief which is to say I have just been told that two of the disenfranchised citizens, in precincts where the votes were wholesale thrown out, have filed under the act for their own rights to cast their votes and have their votes counted.

As for the mere State business, I would remind the gentleman we are talking about a Federal election. And even though a Federal election may be coterminous with a State election, in the instance of the Federal candiates, the authority of the Federal Bureau of Investigation, the authority of the entire Federal apparatus could not be more clear as stated by the Constitution; that is not merely a State matter.

We are talking about whether U.S. citizens wherever they live will be disenfranchised; whether they were or whether they are not, it is not proper to say it is merely a State matter.

Mr. WALKER. I would say to the gentleman that I think we all run under the obligations of State law as well, and that we depend upon State law to assure the fairness of the election; the integrity of the elections; we have in fact utilized the Federal Bureau of Investigation from time to time to implement the laws.

We are very dependent upon State laws in this instance. I think what our concern is, we begin to hear the gentleman saying that there ought to be a Federal election code. That somehow the House of Representatives ought to have its own election code, and that that ought to be what we run on nationwide.

That I think would be a very, very definite usurption of things which the States had believed were their prerogatives for a considerable period of time, and while I certainly do not regard myself as an eminent historian, the history I have read is, the forefathers distinctly did not want this body to become a body apart from the States; and the membership of this body to be a body apart from the people; that it very much wanted a representative body that in fact did have direct relationships with its district and direct relationships with the States, and felt so strongly about that that in the initial decisions about the representation in the Congress as a whole, had the Members of the other body selected by the State legislatures.

Now, you know, those forefathers were certainly not people who wanted Washington to make the determinations as to who would serve in Washington. That indeed would end up being a major change in our constitutional system, were we to allow that to happen.

I will be glad to yield to the gentleman.

Mr. KOLBE. I thank the gentleman for yielding to me.

Mr. Speaker, we have heard a great deal about the question of the fairness and the applicability of the counting procedures in Indiana, and why some were thrown out and others were disallowed and not disallowed.

During the recount, Mr. McCloskey lost 2,596 votes net, during that recount. I think it is of interest to point out to this body that of that number, 2,524—all but 72 of that net loss, were thrown out in counties that were controlled by a Democrat majority on the elections board. Only 72 votes were thrown out by Republicans—in fact, the Republicans added in 4 votes, and the Democrats threw out, in every case, threw people out: 2,524 of them.

So the question about whether or not this has been done in Indiana somehow by the Republicans to Mr. McCloskey is specious on the face of it. It is very obvious that the Democrat majority controlling those counties found a number of disallowed votes.

We know, anyhow, that that is an argument that means nothing in the end, because whether you count them all or you do not count them all, either way Mr. McIntrye wins the race.

Mr. WALKER. In fairness to the gentleman from Indiana, I think that he has made it quite clear that most of his problem is with the law itself, if I understand what he has said in the course of the evening, and evidently the problem of the Indianapolis News from which he quoted, has a problem with the law itself.

The one problem I have got with that, I must say to you, is that that law is also the law under which the rest of the delegation, including yourself, were elected; and in fact if the certification that you have also were based upon that law, then if Mr. McIntyre has a problem it seems to me that most of the Indiana delegation has a problem with regard to certifications.

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Then I become disturbed at some point the House of Represenatives can simply declare an entire State delegation null and void in terms of their certification. We would have a serious constitutional crisis, I think at that point.

Mr. JACOBS. I could not agree with the gentleman more.

The gentleman understands the Indiana statute only comes into play in the case of a contested election. If for example the election by which I am privileged to serve in the House of Representatives were contested that statute would come into play and I would hope that my opponent, as well as I, would question its fairness just as they did in the Indiana General Assembly and ignored it.

Mr. WALKER. But the gentleman does understand that depending upon how authority is used in the House of Representatives, as he has pointed out earlier in his remarks, one Member of Congress can stand up and challenge another Member of Congress. That therefore results in a contest that the House has to resolve. If we were to take the power of the majority at some point and deny numbers of Members their seats based upon that contest and then begin the process of determinations across the country, we could end up with very serious constitutional crises that develop within this body. That is our concern that the one way we have of protecting ourselves against that is to accept as prima facie evidence that somebody has won an election the certificate from the State.

Mr. KOLBE. If the gentleman will yield further, I would point out that the obvious way to rectify the problem in Indiana, which heaven knows appears that there is a problem with the way their election laws are written, at least with regard to contests and recounts, the obvious way is to go to the Indiana Legislature and get them to change that law.

I would suggest that the gentleman from Indiana is a lot closer to that than either the gentleman in the well or I would be.

Mr. WALKER. Well, I thank the gentleman.

What we would hope is that while that procedure is taking place, if in fact it does, and while we are making determinations in the House of Representatives, we would hope that our colleague, Rick McIntyre, would be given his seat in this Chamber so that all these various questions can be raised, can be settled, but that the timeframe in which that is done will not be a timeframe in which some people are denied their representation in the House.

Mr. KOLBE. I would agree. I think the time has come to seat Mr. McIntyre. Let the process work its course, just as we have done in at least 82 other cases that are exactly on target with this precedent, that we ought to seat the gentleman and then deal with the contest. But the people of Indiana ought not to be denied their seat during this interim period.

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

RELIEF OF MARSHA CHRISTOPHER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. FORD] is recognized for 5 minutes.

● Mr. FORD of Michigan. Mr. Speaker, today, with mixed feelings of sadness, anger, and hope, I am reintroducing legislation for the relief of Mrs. Marsha Christopher, a constituent of mine who has suffered an injustice at the hands of the Federal Government and who deserves to have that injustice righted.

Mrs. Christopher, the mother of five children, was a temporary letter carrier who, through the contributory negligence of the U.S. Postal Service, was mauled by a vicious dog and horribly disfigured. Mrs. Christopher was awarded worker's compensation by the Labor Department, but because she received a settlement from the dog's owner, the Labor Department later reduced her award by nearly $40,000. This reduction left Mrs. Christopher with totally inadequate compensation for her pain and suffering, disfigurement, loss of work, future psychological and employment problems, and the trauma of 18 surgical repair operations.

The bill I have introduced would suspend the operation of 5 U.S.C. 8132, which compels the reduction of Federal worker's compensation awards where a settlement is obtained from a third-party tortfeasor. The Treasury would be directed to repay to Mrs. Christopher the portion of her worker's compensation award which she returned to the Labor Department as well as the amount by which her compensation payments were reduced.

My feelings of sadness and anger are caused by the unfortunate history of this legislation, which was approved by the Judiciary Committees of both the Senate and the House without a dissenting vote, was passed by the House in May 1983 without a dissenting vote, and was passed by the Senate in October of last year without a dissenting vote. Despite the bipartisan approval of the Congress, this legislation fell prey to a Presidential veto, a pocket veto that was not even accompanied by an explanation.

The President's veto was not a complete surprise, however, since the Labor Department has consistently opposed legislation for the relief of Mrs. Christopher. In a letter to Chairman RODINO written in November 1982, Secretary Donovan raised two objections to this bill: that relief for Mrs. Christopher would constitute preferential treatment and that it would set an undesirable and costly precedent.

At first blush, Secretary Donovan's concerns seem reasonable. If the subrogation provisions of the law are waived for Mrs. Christopher, what is to prevent other similar situated individuals from seeking a similar waiver? The answer is obvious: There are no such individuals or, at least, none who have made themselves known to the Judiciary Committees of the Congress. And if any such individuals do exist, they are few in number and deserving of the same relief Congress voted to provide to Mrs. Christopher. The Government's negligence in Mrs. Christopher's case was egregious, her injuries and suffering have been excruciating and horrible, and the compensation she received was pitifully inadequate because she misunderstood her rights and the Government's liability. The combination of these factors in one case is so unusal that the House Judiciary Committee waived its own rules against consideration of private relief bills relating to the Federal Employee Compensation Act. The committee was confident that no precedent was being created:

> The committee is not persuaded that the passage of this bill will create an undesirable precedent. While the committee remains strongly opposed to private bills which attempt to make piecemeal exceptions to the uniform scheme of compensation provided in the Federal Employees Compensation Act, the cruel nature of the injury and the demonstrated egregious negligence on the part of the claimant's superiors justify the limited relief provided in this bill. It should be noted that this bill does not change the provisions of the Act which govern benefits or entitlement in this instance. Rather it relieves an individual of a requirement to reimburse the Government from the settlement payment and restores her right to further medical treatment which would otherwise be limited due to that settlement.
>
> In view of the unique circumstances of the case and its clear equities, it is recommended that the bill be considered favorably.—H.R. Rep. No. 55, 98th Congress, 1st Sess. 2 (1983).

Mr. Speaker, the Judiciary Committee was right: The equities in this case are clear. Mrs. Christopher deserves full compensation from the Government for her injuries and suffering.

I urge my colleagues to act favorably and expeditiously on this legislation. It is my hope that Congress can put this bill before the President again before Mrs. Christopher undergoes her 19th operation.●

RULES OF THE JOINT ECONOMIC COMMITTEE FOR THE 99TH CONGRESS

(Mr. OBEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. OBEY. Mr. Speaker, as chairman of the Joint Economic Committee, I submit herewith for printing in the CONGRESSIONAL RECORD the rules of the Joint Economic Committee in accordance with clause 2(a) of House rule XI (reaffirmed, February 4, 1985):

RULES OF THE JOINT ECONOMIC COMMITTEE [1]

Rule 1. The rules of the Senate and House, insofar as they are applicable, shall govern the committee and its subcommittees. The rules of the committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

Rule 2. The meetings of the committee shall be held at such times and in such places as the chairman may designate, or at such times as a quorum of the committee may request in writing, with adequate advance notice provided to all members of the committee. Subcommittee meetings shall not be held when the full committee is meeting. Where these rules require a vote of the members of the committee, polling of members either in writing or by telephone shall not be permitted to substitute for a vote taken at a committee meeting, unless the ranking minority member assents to waiver of this requirement.

Rule 3. Ten members of the committee shall constitute a quorum. A majority of the members of a subcommittee shall constitute a quorum of such subcommittee.

Rule 4. Written or telegraphic proxies of committee members will be received and recorded on any vote taken by the committee, except at the organization meeting at the beginning of each Congress, or for the purpose of creating a quorum.

Rule 5. The chairman may name standing or special subcommittees. Any member of the committee shall have the privilege of sitting with any subcommittee during its hearings or deliberations, and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

Rule 6. The chairmanship and vice chairmanship of the committee shall alternate between the House and the Senate by Congresses. The senior member of the minority party in the House of Congress opposite to that of the chairman shall be the ranking minority member of the committee. In the event the House and Senate are under different party control, the chairman and vice chairman shall represent the majority party in their respective Houses.

Rule 7. Questions as to the order of business and the procedure of the committee shall in the first instance be decided by the chairman, subject always to an appeal to the committee.

Rule 8. All hearings conducted by the committee or its subcommittees shall be open to the public except where the committee or subcommittee, as the case may be, by a majority vote orders an executive session. Whenever possible, all public hearings shall include some sessions held on the Senate side and some on the House side. House and Senate Members shall alternate in order of seating and interrogation.

Rule 9. So far as practicable all witnesses appearing before the committee shall file advance written statements of their proposed testimony, and their oral testimony shall be limited to brief summaries. Brief insertions of additional germane material will be received for the record, subject to the approval of the chairman.

Rule 10. An accurate stenographic record shall be kept of all testimony and each witness provided with a copy thereof. Witnesses may make changes in testimony for the purpose of correcting grammatical errors, obvious errors of fact, and errors of

[1] As amended; originally approved Dec. 6, 1955.

transcription. Brief supplemental materials when required to clarify the transcript may be inserted in the record subject to the approval of the chairman. Witnesses shall be allowed 3 days within which to correct and return the transcript of their testimony. If not so returned, the clerk may close the record whenever necessary.

Rule 11. Each member of the committee shall be provided with a copy of the hearings transcript for the purpose of correcting errors of transcription and grammar, and clarifying questions or remarks. If another person is authorized by a committee member to make his corrections, the clerk shall be so notified.

Members who have received unanimous consent to submit written questions to witnesses shall be allowed 2 days within which to submit these to the executive director for transmission to the witnesses. The record may be held open for a period not to exceed 1 week awaiting responses by witnesses.

Rule 12. Testimony received in executive hearings shall not be released or included in any report without the approval of a majority of the committee.

Rule 13. The chairman shall provide adequate time for questioning of witnesses by all members, and the rule of germaneness shall be enforced in all hearings.

Rule 14. None of the hearings of the committee shall be telecast or broadcast, whether directly or through such devices as wire recordings, wire tapes, motion pictures, or other mechanical means, if in conflict with a rule or practice of the House on the side of the Capitol where hearings are being held. If no general rule or practice prevails in regard to such telecast or broadcast, none of the hearings of the committee shall be telecast or broadcast unless approved by a majority of the members of the committee.

Telecasts or broadcasts of any such portion of hearings of the committee as may include testimony of a witness, shall not be authorized if such witness objects to such telecast or broadcast: *Provided*, That such witness shall be afforded the opportunity to make such objection, if any, to the committee at a time when the proceedings are not being telecast or broadcast.

Rule 15. No committee report shall be made public or transmitted to the Congress without the approval of a majority of the committee except that when the Congress has adjourned, subcommittees may by majority vote and with the express permission of the full committee submit reports to the full committee and simultaneously release same to the public: *Provided*, That any member of the committee may make a report supplementary to or dissenting from the majority report. Such supplementary or dissenting reports should be as brief as possible. Factual reports by the committee staff may be printed for the distribution to committee members and the public only upon authorization of the chairman of the full committee either with the approval of a majority of the committee or with the consent of the ranking minority member.

Rule 16. No summary of a committee report, prediction of the contents of a report, or statement of conclusions concerning any investigation shall be made by a member of the committee or of the committee staff prior to the issuance of a report of the committee.

Rule 17. There shall be kept a complete record of all committee proceedings and action. The clerk of the committee, or a designated member of the committee staff, shall act as recording secretary of all proceedings before the committee and shall prepare and circulate to all members of the committee the minutes of such proceedings. Minutes circulated will be considered approved unless objection is registered prior to the next committee meeting. The records of the committee shall be open to all members of the committee.

Rule 18. The committee shall have a professional and clerical staff under the supervision of an executive director. The committee shall appoint and remove the executive director with the approval of not less than ten members of the committee. Staff operating procedures shall be determined by the executive director, with the approval of the chairman of the committee, and after notification to the ranking minority member with respect to basic revisions. The executive director, under the general supervision of the chairman, is authorized to deal directly with agencies of the Government and with non-Government groups and individuals on behalf of the committee.

The professional members of the committee staff shall be appointed and removed on the recommendation of the executive director with approval by majority vote of the committee. The professional staff members, including the executive director, shall be persons selected without regard to political affiliations who, as a result of training, experience, and attainments, are exceptionally qualified to analyze and interpret economic developments and programs. The clerical and temporary staff shall be appointed and removed by the executive director with the approval of the chairman, and after notification to the ranking minority member. The committee staff shall serve all members of the committee in an objective, nonpartisan manner. From time to time, upon request, the executive director shall designate individual members of the staff to assist subcommittees, individual committee members, and the minority members. The staff, to the extent possible, shall be organized along functional lines to permit specialization.

Rule 19. Attendance at executive sessions shall be limited to members of the committee and of the committee staff. Other persons whose presence is requested or consented to by the committee may be admitted to such sessions.

Rule 20. Selection of witnesses for committee hearings shall be made by the committee staff under the direction of the chairman. A list of proposed witnesses shall be submitted to the members of the committee for review sufficiently in advance of the hearings to permit suggestions by the committee members to receive appropriate consideration.

Rule 21. The chairman of the committee shall have the overall responsibility for preparing and carrying out the committee's program, including staff studies, subject to prior approval of each item on the program by a majority of the committee or, alternatively, by the ranking minority member. Prior to and during the transition from one Congress to another, the outgoing committee shall prepare and have ready a plan for the consideration of the President's Economic Report and the preparation of the committee's report thereon in order to meet the March 1 deadline established by Public Law 304 (79th Cong.), as amended. (See historical note, p. 13.)

Rule 22. Proposals for amending committee rules shall be sent to all members at least 1 week before final action is taken thereon, unless the amendment is made by unanimous consent. Approval by at least 11 members of the committee shall be required to amend these rules.

Rule 23. The information contained in any books, papers, or documents furnished to the committee by any individual, partnership, corporation, or other legal entity shall, upon the request of the individual, partnership, corporation, or entity furnishing the same, be maintained in strict confidence by the members and staff of the committee, except that any such information may be released outside of executive session of the committee if the release thereof is effected in a manner which will not reveal the identity of such individual, partnership, corporation, or entity: *Provided*, That the committee by majority vote may authorize the disclosure of the identity of any such individual, partnership, corporation, or entity in connection with any pending hearing or as a part of a duly authorized report of the committee if such release is deemed essential to the performance of the functions of the committee and is in the public interest.●

RULES OF THE COMMITTEE ON EDUCATION AND LABOR FOR THE 99TH CONGRESS

(Mr. HAWKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HAWKINS. Mr. Speaker, I submit for publishing in the CONGRESSIONAL RECORD the rules of the Committee on Education and Labor for the 99th Congress, adopted by the committee in open session on February 20, 1985, in compliance with rule XI, clause 2 of the Rules of the U.S. House of Representatives:

RULES OF THE COMMITTEE ON EDUCATION AND LABOR

RULE 1. REGULAR AND SPECIAL MEETINGS.—(a) Regular meetings of the committee shall be held on the second and fourth Tuesdays of each month at 9:45 a.m., while the Congress is in session. When the Chairman believes that the committee will not be considering any bill or resolution before the committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice to that effect; and no committee meeting shall be held on that day.

(b) The Chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purposes pursuant to that call of the Chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the Chairman, those members may file in the offices of the committee their written request to the Chairman for that special meeting. Immediately upon the filing of the request, the staff director of the committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within seven calendar days after the filing of the request, a majority of the members of

the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the staff director of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(*d*) All legislative meetings of the committee and its subcommittees shall be open. No business meeting of the committee, other than regularly scheduled meetings, may be held without each member being given reasonable notice. Such meeting shall be called to order and presided over by the Chairman, or in the absence of the Chairman, by the ranking majority party member of the committee present.

RULE 2. QUESTIONING OF WITNESSES.—Committee members may question witnesses only when they have been recognized by the Chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both committee and subcommittee hearings shall be initiated by the Chairman, followed by the ranking minority party member and all other members alternating between the majority and minority party. In recognizing members to question witnesses in this fashion, the Chairman shall take into consideration the ratio of the majority to minority party members present and shall establish the order of recognition for questioning in such a manner as not to place the members of the majority party in a disadvantageous position. The Chairman may accomplish this by recognizing two majority party members of each minority party member recognized.

RULE 3. RECORDS AND ROLLCALLS.—Written records shall be kept of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a rollcall is demanded. The result of each such rollcall vote shall be made available by the committee or subcommittee for inspection by the public at reasonable times in the offices of the committee or subcommittee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting aginst such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member.

RULE 4. STANDING SUBCOMMITTEES: SIZE, RATIO, AND JURISDICTION.—(*a*) There shall be eight standing subcommittee with the following jurisdictions:

Subcommittee on Elementary, Secondary, and Vocational Education.—Education through the high school level and vocational eduction, including but not limited to elementary and secondary education generally, vocational education, school lunch and child nutrition, adult basic education, migrant and agricultural labor education, and overseas dependent schools.

The Subcommittee on Elementary, Secondary, and Vocational Education shall consist of 16 members, 10 from the majority and 6 from the minority. This ratio includes ex officio members.

Subcommittee on Postsecondary Education.—Education beyond the high school level, including but not limited to higher education generally, education professions development, postsecondary student assistance, arts and humanities, museums, and library services and construction.

The Subcommittee on Postsecondary Education shall consist of 23 members, 14 from the majority and 9 from the minority. This ratio includes ex officio members.

Subcommittee on Health and Safety.—Workers' health and safety, including but not limited to, occupational safety and health, mine health and safety, youth camp safety, and migrant and agricultural labor health and safety.

The Subcommittee on Health and Safety shall consist of 8 members, 5 from the majority and 3 from the minority. This ratio includes ex officio members.

Subcommittee on Labor-Management Relations.—Relationship between employer and employee and their representatives, including but not limited to labor-management relations generally, Bureau of Labor Statistics, and pension benefits including Employee Retirement Income Security act (ERISA).

The Subcommittee on Labor-Management Relations shall consist of 15 members, 9 from the majority and 6 from the minority. This ratio includes ex officio members.

Subcommittee on Labor Standards.—Wages and hours of labor, including but not limited to Davis-Bacon Act, Walsh-Healey Act, Fair Labor Standards Act (including child labor), workers' compensation generally, Longshore and Harbor Workers' Compensation Act, Federal employees' compensation, Migrant and Seasonal Agricultural Worker Protection Act, and Service Contract Act.

The Subcommittee on Labor Standards shall consist of 8 members, 5 from the majority and 3 from the minority. This ratio includes ex officio members.

Subcommittee on Human Resources.—All matters dealing with program and services for the elderly, for the elimination of poverty, and for the care and treatment of children, including preschool programs but otherwise exclusive of education programs, including but not limited to Economic Opportunity and Community Services programs (Head Start Act, Community Services Block Grant Act, etc.), Juvenile Justice and Delinquency Prevention, Runaway Youth Act, early childhood services, nutrition programs for the elderly, and other Americans.

The Subcommittee on Human Resources shall consist of 10 members, 6 from the majority and 4 from the minority. This ratio incudes ex officio members.

Subcommittee on Select Education.—Special education programs, including but not limited to alcohol and drug abuse, education of the handicapped, rehabilitation, environmental education, National Institute of Education, migrant and agricultural labor, day care, child adoption, child abuse, domestic violence, and domestic volunteers, ACTION (excluding volunteer older American programs).

The Subcommittee on Select Education shall consist of 10 members, 6 from the majority and 4 from the minority. This ratio includes ex officio members.

Subcommittee on Employment Opportunities.—Comprehensive employment and training, work incentive and equal employment opportunities, including but not limited to Comprehensive Employment and Training Act and Job Training Partnership Act, equal employment opportunities, Full Employment and Balanced Growth Act (Humphrey Hawkins Act), displaced homemakers, employment services (Wagner-Peyser Act), youth and young adult conservation corps programs (including Youth Conservation Corps and American Conservation Corps), import trade impacts, plant relocation impact, and Work Incentive Program (WIN).

The Subcommittee on Employment Opportunities shall consist of 8 members, 5 from the majority and 3 from the minority. This ratio includes ex officio members.

(*b*) The majority party members of the committee may provide for such special and select subcommittees as determined to be appropriate.

RULE 5. EX OFFICIO MEMBERSHIP.—The Chairman of the committee and the ranking minority party member of the committee shall have the right to be ex officio members of each subcommittee established pursuant to Rule 4. Ex officio members shall be counted for purposes of determining a quorum and shall have the right to vote on all measures and matters considered in each subcommittee.

RULE 6. SPECIAL ASSIGNMENT OF MEMBERS.—To facilitate the oversight and other legislative and investigative activities of the committee, the Chairman of the committee may, at the request of a subcommittee chairman, make a temporary assignment of any member of the committee to such subcommittee for the purpose of enabling such member to participate in any public hearing, investigation, or study by such subcommittee to be held outside of Washington, D.C. Any member of the committee may attend public hearings of any subcommittee and shall be afforded an opportunity by the subcommittee chairman to question witnesses.

RULE 7. SUBCOMMITTEE CHAIRMANSHIPS.—The majority party members of the committee shall have the right, in order of full committee seniority, to bid for subcommittee chairmanships. Any such request shall be subject to approval by a majority of those present and voting in the majority party caucus of the committee. Members so elected shall be chairmen of their respective subcommittees.

RULE 8. SUBCOMMITTEE SCHEDULING.—Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings, wherever possible. Available dates for subcommittee meetings during the session shall be assigned by the Chairman to the subcommittees as nearly as practicable in rotation and in accordance with their workloads. As far as practicable, the Chairman of the committee shall seek to assure that subcommittees are not scheduled to meet for markup or approval of any measure or matter when the committee is meeting to consider any measure or matter for markup or approval.

RULE 9. SUBCOMMITTEE RULES.—The rules of the committee shall be the rules of its subcommittees.

RULE 10. COMMITTEE STAFFS.—Except as provided in Rule XI, clause 5(d) of the Rules of the House of Representatives, the staff of the House Committee on Education and Labor shall be appointed as follows:

(1) The subcommittee staff shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of the majority party members of the subcommittee within the budget approved for the subcommittee by the full committee;

(2) The staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority party members of the committee shall determine within the budget approved for such purposes by the committee;

(3) The employees of the committee not assigned to a standing subcommittee or to the minority under the above provisions shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority party members of the committee within the budget approved for such purposes by the committee.

RULE 11. SUPERVISION AND DUTIES OF COMMITTEE STAFFS.—The staff of a subcommittee shall be under the general supervision and direction of the chairman of that subcommittee. The staff assigned to the minority shall be under the general supervision and direction of the minority party members of the committee who may delegate such authority as they determine appropriate. The staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the Chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as he determines appropriate. Staff members shall be assigned to committee business and no other duties may be assigned to them.

RULE 12. HEARINGS PROCEDURE.—(*a*) The Chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee or subcommittee determines that there is good cause to begin such hearing at an earlier date. In the latter event, the Chairman or the subcommittee chairman, as the case may be, shall make such public announcement at the earliest possible date. The staff director of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(*b*) So far as practicable, each witness who is to appear before the committee or a subcommittee, shall file with the staff director of the committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony, together with a brief summary thereof, and shall limit his oral presentation to a summary of his statement. The staff director of the committee or the subcommittee, as the case may be, shall promptly furnish to the staff director of the minority a copy of such testimony submitted to the committee pursuant to this rule.

(*c*) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairman by a majority of those minority party members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

RULE 13. MEETINGS—HEARINGS—QUORUMS.—(*a*) Subcommittees are authorized to hold hearings, receive exhibits, hear witnesses, and report to the committee for final action, together with such recommendations as may be agreed upon by the subcommittee. No such meetings or hearings, however, shall be held outside of Washington, D.C. or during a recess or adjournment of the House without the prior authorization of the committee Chairman or a majority of a quorum of the subcommittee: *Provided*, That, where feasible and practicable, 14 days notice will be given of such meeting or hearing.

(*b*) One-third of the members of the committee or subcommittee shall constitute a quorum for taking any action other than amending committee rules, closing a meeting from the public, reporting a measure or recommendation, or in the case of the committee authorizing a subpena. for the enumerated actions, a majority of the committee or subcommittee shall constitute a quorum. Any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

(*c*) In the absence of the chairman of the committee or a subcommittee, the ranking majority party member present shall preside.

(*d*) As far as practicable, when a bill or resolution is being considered by the committee or a subcommittee, members shall provide the clerk in a timely manner a sufficient number of written copies of any amendment offered, so as to enable each member present to receive a copy thereof prior to taking action. A copy of each such amendment shall be maintained in the public records of the committee or subcommittee, as the case may be.

RULE 14. SUBPENAS.—A subpena may be authorized and issued by the committee or subcommittee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of members fo the full committee voting, a majority being present. Authorized subpenas shall be signed by the Chairman of the committee or by any member designated by the committee.

RULE 15. REPORTS OF SUBCOMMITTEES.—(*a*) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(*b*) In any event, the report, described in the proviso in paragraph (*d*) of this rule, of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the staff director of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any such request, the staff director of the committee shall transmit immediately to the chairman of the subcommittee a notice of the filing of that request.

(*c*) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on Education and Labor (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(*d*) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the committee shall be majority vote otherwise direct: *Provided*, That no bill reported by a subcommittee shall be considered by the full committee unless it has been in the hands of all members at least 48 hours prior to such consideration. Any resolution or other matter reported by a subcommittee shall be in the hands of all members at least 24 hours prior to consideration thereof by the full committee. When a bill is reported from subcommittee, such measure shall be accompanied by a comparison of the proposed changes with existing law and a section-by-section analysis.

(*e*) To the extent practicable, any report prepared pursuant to a committee or subcommittee study or investigation shall be available to members no later than 48 hours prior to consideration of any such report by the committee or subcommittee, as the case may be.

RULE 16. PROXIES.—(*a*) A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing and in the hands of the staff director of the committee or the subcommittee, as the case may be, during each rollcall in which they are to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy to be effective shall be signed by the member assigned his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(*b*) Proxies shall be in the following form:

Hon. ————,
House of Representatives,
Washington, DC.

DEAR ———: Anticipating that I will be absent on official business or otherwise unable to be present, I hereby authorize you to vote in my place and stead in the consideration of —— and any amendments or motions pertaining thereto.

————,
Member of Congress.

Executed this the —— day of ———, 19—, at the time of —— P.M./A.M.

RULE 17. AUTHORIZATION FOR TRAVEL.—(*a*) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be paid from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the Chairman. Travel may be authorized by the Chairman for any member and any staff member in connection with the attendance

of hearings conducted by the committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given, there shall be submitted to the Chairman in writing the following:

(1) the purpose of the travel;

(2) the dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) the location of the event for which the travel is to be made; and

(4) the names of members and staff seeking authorization.

(*b*) In the case of expenses for travel of members and staff of a subcommittee to hearings, meetings, conferences, or investigations involving activities or subject matter under the legislative assignment of such subcommittee, including the expenses of witnesses at hearings, subject to the limitations contained in Rule 22, to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the appropriate chairman of the subcommittee in writing setting forth those items enumerated in clauses (1), (2), (3), and (4) of paragraph (*a*) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule 12 of the committee.

(*c*)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittees, prior authorization must be obtained from the Chairman, or, in the case of a subcommittee, from the subcommittee chairman and the Chairman. Before such authorization is given, there shall be submitted to the Chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the Chairman or the chairman of a subcommittee (except that individuals may submit a request to the Chairman for the purpose of attending a conference or meeting) and shall be limited to members and permanent employees of the committee.

(3) The Chairman shall not approve a request involving travel outside the United States while the House is in session (except in the case of attendance at meetings and conferences or where circumstances warrant an exception).

(4) At the conclusion of any hearing, investigation, study, meeting, or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the Chairman covering the activities of the subcommittee and containing the results of these activities and other pertinent observations or information gained as a result of such travel.

(*d*) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and of the Committee on House Administration pertaining to such travel, including rules, procedures, and limitations prescribed by the Committee on House Administration with respect to domestic and foreign expense allowances.

(*e*) Prior to the Chairman's authorization for any travel, the ranking minority party member shall be given a copy of the written request therefor.

RULE 18. OVERSIGHT.—(*a*) In order to enable the committee to carry out its responsibilities under Rule X, clause 2 of the Rules of the House of Representatives, each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(*b*) The Chairman of the committee, consistent with Rule 4, from time to time in order to fulfill the committee's responsibility under rule X, clause 3(c) of the Rules of the House of Representatives shall assign matters to subcommittees for reviewing, studying, and coordinating, on a continuing basis, all laws, programs, and government activities dealing with or involving domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees.

(*c*) The Chairman of the committee, consistent with Rule X, clause 2(d) of the Rules of the House of Representatives, shall from time to time assign matters to subcommittees for reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

(*d*) Upon the request of the chairman of any subcommittee of the committee (after consulting with the ranking minority member of such subcommittee), and in order to enable the committee to carry out its responsibilities under section 431 of the General Education Provisions Act with respect to the consideration of final regulations, the Chairman of the committee shall transmit to the appropriate department or agency head a formal statement of objection to any final regulation identified in such request for the purpose of suspending the effective date of such regulation until not less than twenty days after the end of any adjournment described in the first sentence of subsection (d)(2) of such section. Any such objection shall be deemed to have been directed by the committee on the date of the request of such subcommittee chairman.

RULE 19. REFERRAL OF BILLS, RESOLUTIONS, AND OTHER MATTERS.—(*a*) Each bill, resolution, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule 4 referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within two weeks, unless, by majority vote of the majority party members of the committee, consideration is to be by the full committee.

(*b*) In carrying out paragraph (*a*) with respect to any matter, the Chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule 4, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter, pursuant to Rule 4, to a special ad hoc subcommittee, appointed by the Chairman (from the members of the subcommittees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the committee thereon, or make such other provisions as may be considered appropriate.

(*c*) Referral to a subcommittee shall not be made until three days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(*d*) All members of the committee shall be given at least 24 hours' notice prior to the direct consideration of any bill, resolution, or other matter by the committee; but this requirement may be waived upon determination by a majority of the members voting that emergency or urgent circumstances require immediate consideration thereof.

RULE 20. COMMITTEE REPORTS.—(*a*) All committee reports on bills or resolutions shall comply with the provisions of clause 2 of Rule XI and clauses 3 and 7(a) of Rule XIII of the Rules of the House of Representatives.

(*b*) No such report shall be filed until copies of the proposed report have been available to all members at least 36 hours

prior. No material change shall be made in the report distributed to members unless agreed to by a majority vote: *Provided*, That any member or members of the committee may file, as part of the printed report, individual, minority, or dissenting views, without reference to the preceding provisions of this rule.

RULE 21. MEASURES TO BE CONSIDERED UNDER SUSPENSION.—A member of the committee may not seek to suspend the Rules of the House on any bill, resolution, or other matter which has been modified after such measure is ordered reported, unless notice of such action has been given to the Chairman and ranking minority member of the full committee.

RULE 22. BUDGET AND EXPENSES.—(*a*) The Chairman in consultation with the majority party members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the committee; and, after consultation with the minority party membership, the Chairman shall include amounts budgeted to the minority party members for staff personnel to be under the direction and supervision of the minority party, travel expenses of minority members and staff, and minority party office expenses. All travel expenses of minority party members and staff shall be paid for out of the amounts so set aside and budgeted. The chairman of each standing subcommittee, in consultation with the majority party members thereof, shall prepare a supplemental budget to include funds for such additional staff, and for such travel, investigations, etc., as may be required for the work of such subcommittee. Thereafter, the Chairman shall combine such proposals into a consolidated committee budget, and shall present the same to the committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the committee duly authorized by the House. After such budget shall have been adopted, no change shall be made in such budget unless approved by the committee. The Chairman or the chairman of any standing subcommittee may initiate necessary travel requests as provided in Rule 17 within the limits of their portion of the consolidated budget as approved by the House, and the Chairman may execute necessary vouchers therefor.

(*b*) Subject to the rules of the House of Representatives and procedures prescribed by the Committee on House Administration, and with the prior authorization of the Chairman of the committee in each case, there may be expended in any one session of Congress for necessary travel expenses of witnesses attending hearings in Washington, D.C.:

(1) out of funds budgeted and set aside for each subcommittee, not to exceed $2,000 for expenses of witnesses attending hearings of each such subcommittee;

(2) out of funds budgeted for the full committee majority, not to exceed $2,000 for expenses of witnesses attending full committee hearings; and

(3) out of funds set aside to the minority party members,

(A) not to exceed, for each of the subcommittees, $2,000 for expenses of witnesses attending subcommittee hearings, and

(B) not to exceed $2,000 for expenses of witnesses attending full committee hearings.

(*c*) A full and detailed monthly report accounting for all expenditures of committee funds shall be maintained in the committee office, where it shall be available to each member of the committee. Such report shall show the amount and purpose of each expenditure, and the budget to which such expenditure is attributed.

RULE 23. APPOINTMENT OF CONFEREES.—Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in the order of their seniority upon such subcommittee and such other committee members as the Chairman may designate with the approval of the majority party members. Recommendations of the Chairman to the Speaker shall provide a ratio of majority party members to minority party members no less favorable to the majority party than the ratio of majority members to minority party members on the full committee. In making assignments of minority party members as conferees, the Chairman shall consult with the ranking minority party member of the committee.

RULE 24. BROADCASTING OF COMMITTEE HEARINGS.—(*a*) When any hearing or meeting of the committee or a subcommittee is open to the public, that hearing or meeting may be covered in whole or in part by television broadcast, radio broadcast, and still photography, or by other such methods of coverage. Such coverage of hearings and meetings is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of clause 3 of Rule XI of the Rules of the House of Representatives.

(*b*) The general conduct of each hearing or meeting covered under authority of this clause and the personal behavior of committee members, staff, other government officials and personnel, witnesses, television, radio and press media personnel, and the general public at the hearing or other meeting, shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House.

(*c*) Persons undertaking to cover committee hearings or meetings under authority of this rule shall be governed by the following limitations:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplemental to clause 2(k)(5) of Rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(3) The number of television and still cameras permitted in the hearing or meeting room shall be determined in the discretion of the chairman of the committee or subcommittee holding such hearing or meeting. The allocation among the television media of the positions of the number of television cameras permitted by the chairman of the committee or subcommittee in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room without cost to the government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) In the allocation of the number of still photographers permitted by the committee or subcommittee chairman in a hearing or meeting room preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by the committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

RULE 25. CHANGES IN COMMITTEE RULES.—A proposed change in these rules shall not be considered by the committee unless the text of such change has been in the hands of all members at least 48 hours prior to the meeting in which the matter is considered.●

RULES OF THE COMMITTEE ON SMALL BUSINESS FOR THE 99TH CONGRESS

(Mr. MITCHELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MITCHELL. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD the rules of the Committee on Small Business for the 99th Congress. These rules were adopted by the committee in open session on February 27, 1985:

RULES OF PROCEDURE OF THE COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, 99TH CONGRESS

1. GENERAL PROVISIONS

The Rules of the House, and in particular the committee rules enumerated in clause 2 of rule XI, are the rules of the Committee on Small Business to the extent applicable and by this reference are incorporated, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committees and subcommittees. Each subcommittee of the Committee on Small Business (hereinafter referred to as the "Committee") is a part of the committee and is subject to the authority and direction of the committee, and to its rules to the extent applicable.

2. REFERRAL OF BILLS BY CHAIRMAN

Unless retained for consideration by the full committee, all legislation and other matters referred to the committee shall be referred by the chairman to the subcommittee of appropriate jurisdiction within 2 weeks. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdictions, the chairman shall refer the matter as he may deem advisable. Bills, resolutions, and other matters referred to subcommittees may be reassigned by the chairman when, in his judgment, the subcommittee is not able to complete its work or cannot reach agreement thereon.

3. DATE OF MEETING

The regular meeting date of the Committee on Small Business shall be the first Tuesday of every month when the House is in session. Additional meetings may be called by the chairman as he may deem necessary or at the request of a majority of the members of the committee in accordance with clause 2(c) of rule XI of the House of Representatives.

At least three days notice of such additional meetings shall be given unless the chairman determines that there is good cause to call the meeting on less notice.

The determination of the business to be considered at each meeting shall be made by the chairman subject to clause 2(c) of rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered or, upon at least three days notice, it may be set for a different date.

4. ANNOUNCEMENT OF HEARINGS

Unless the chairman, or the committee by majority vote, determines that there is good cause to begin a hearing at an earlier date, public announcement shall be made of the date, place, and subject matter of any hearing to be conducted by the committee at least one week before the commencement of that hearing.

5. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(A) Meetings

Each meeting for the transaction of business, including the markup of legislation, of the committee or its subcommitees, shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business or markup session which has been closed to the public.

This provision does not apply to any meeting that relates solely to internal budget or personnel matters.

(B) Hearings

Each hearing conducted by the committee or its subcommittees shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearings.

No member may be excluded from nonparticipatory attendance at any hearing of the committee or any subcommittee, unless the House of Representatives shall by majority vote authorize the committee or subcommitte, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to members by the same procedures designated for closing hearings to the public.

6. WITNESSES

(A) Interrogation of witnesses

The right to interrogate witnesses before the committee or any of its subcommittees shall alternate between the majority members and the minority members. In recognizing members to question witnesses, the chairman may take into consideration the ratio of majority and minority party members present and may recognize two majority party members for each minority party member recognized. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member of the committee who so desires has had an opportunity to question the witness.

(B) Statement of witnesses

Each witness shall file with the committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. SUBPENAS

A subpena may be authorized and issued by the chairman of the committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers and documents as he deems necessary. The ranking minority member shall be promptly notified of the issuance of such a subpena.

Such a subpena may be authorized and issued by the chairman of a subcommittee with the approval of a majority of the members of the subcommittee and the approval of the chairman of the committee or a majority of the members of the committee.

8. QUORUM

No measure or recommendation shall be reported unless a majority of the committee is actually present; for purposes of taking testimony or receiving evidence, two members shall constitute a quorum; and for all other purposes one-third of the members shall constitute a quorum.

9. AMENDMENTS DURING COMMITTEE MARKUP

Any amendment offered to any pending legislation before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the chairman shall allow an appropriate period of time for the provision thereof.

10. PROXIES

A vote by any member of the committee or any of its subcommittees by proxy is permitted, provided that such proxy shall be in writing, and delivered to the clerk of the committee, shall assert that the member so voting by proxy is absent on official business or is otherwise unable to be present at the meeting of the committee or its subcommittee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

11. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There shall be six standing subcommittees as follows:

1. SBA and SBIC Authority, Minority Enterprise and General Small Business Problems.

2. General Oversight.

3. Antitrust and Restraint of Trade Activities Affecting Small Business.

4. Energy, Environment, and Safety Issues Affecting Small Business.

5. Tax, Access to Equity Capital and Business Opportunities.

6. Export Opportunities and Special Small Business Problems.

During the 99th Congress, the chairman and ranking minority member shall be *ex officio* members of all subcommittees, without vote, and the full committee and each of its subcommittees is authorized to examine problems of small business in Government contracting. In addition, the number of members assigned to subcommittees shall be as follows:

Subcommittee No. 1: 8 Democrats, 5 Republicans.

Subcommittee No. 2: 6 Democrats, 4 Republicans.

Subcommittee No. 3: 3 Democrats, 2 Republicans.

Subcommittee No. 4: 5 Democrats, 3 Republicans.

Subcommittee No. 5: 6 Democrats, 4 Republicans.

Subcommittee No. 6: 6 Democrats, 4 Republicans.

The jurisdiction of such subcommittees shall include the following:

I. SBA and SBIC authority, minority enterprise and general small business problems

Access to SBA services.
Illegal activities affecting small business.
Minority enterprise.
SBA and SBIC authorizations.

II. General oversight and the economy

General economic problems affecting small business.
General oversight of activities of Government agencies and legislation affecting small business.
Postal Service.
Procurement.
Small Business Innovation Development Act.

III. Antitrust and restraint of trade activities affecting small business

Anticompetitive activities affecting small business.
Federal Trade Commission and antitrust activities.
Robinson-Patman Act.
Sherman and Clayton Acts.
Unassigned regulatory agency activities.

IV. Energy, environment, and safety issues affecting small business

Department of Energy and related agencies.
Energy allocations, marketing, etc.
Energy research and development contracts.
Impact of pollution laws and EPA rules.
Marketing of petroleum products.
Occupational Safety and Health Administration.
Science boards and commissions.
Tennessee Valley Authority.

V. Tax, access to equity capital and business opportunities

Access to equity capital.
Banking practices.
EDA.
Franchising practices.
HUD policies affecting small business.
Impact of tax policies on small business.
Job creation.
SEC handling of ventures.

VI. Export opportunities and special small business problems

Export opportunities for small business.
Reduction of unnecessary paperwork.
Regulatory Flexibility Act.
Various communications matters affecting small business.
Various Federal regulatory policies and programs affecting small business.
Various transportation matters affecting small business.

12. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the full committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the chairman of the full committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible. Meetings of subcommittees shall not be scheduled to occur simultaneously with meetings of the full committee.

13. SUBCOMMITTEE REPORTS ON INVESTIGATIVE HEARINGS

The report of any subcommittee on a matter which was the topic of a study or investigation shall include a statement concerning the subject of the study or investigation, the findings and conclusions, and recommendations for corrective action, if any, together with such other materials as the subcommittee deems appropriate.

Such proposed report shall first be approved by a majority of the subcommittee members. After such approval has been secured, the proposed report shall be sent to each member of the full committee for his supplemental, minority or additional views.

Any such views shall be in writing and signed by the member and filed with the clerk of the committee within 5 calendar days (excluding Saturdays, Sundays, and legal holidays) from the date of the transmittal of the proposed report to the members.

After the expiration of such 5 calendar days, the report may be filed as a House report.

14. COMMITTEE STAFF

The staff of the Committee on Small Business shall be as follows:

(A) The professional and clerical employees of the committee, except those assigned to the minority or to a subcommittee chairman or ranking minority members as provided below, shall be appointed and assigned, and may be removed, by the chairman. Their remuneration shall be fixed by the chairman and they shall be under general supervision and direction of the chairman.

(B) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority members of the committee shall determine; *Provided, however,* That no minority staff person shall be compensated at a rate which exceeds that paid his or her majority staff counterpart. Such staff shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they deem appropriate.

(C) Each subcommittee chairperson and each ranking minority member on not more than six subcommittees shall have the right to appoint and assign one person to work on subcommittee business at a salary commensurate with the responsibilities prescribed but at a rate not to exceed 75 percent of the maximum established rate for the employees on the professional staff of the committee. Such staff members shall perform services in facilities assigned to the committee and to the extent that they are not occupied during regular working hours with tasks assigned by the subcommittee chairperson or ranking minority member who appointed them, they shall perform other tasks as assigned by the chairman or the staff director.

15. RECORDS

The committee shall keep a complete record of all actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each subcommittee rollcall vote, together with a description of the matter voted upon, shall be promptly made available to the full committee and such votes shall be available for inspection by the public at reasonable times in the offices of the committee.

16. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

Access to classified information supplied to the committee and attendance at closed sessions of the committee or its subcommittees shall be limited to members, and to members of the committee staff and stenographic reporters who have appropriate security clearance when the chairman determines that such access or such attendance is essential to the functioning of the committee.

The procedure to be followed in granting access to those hearings, records, data, charts, and files of the committee which involve classified intelligence information or information deemed by a subcommittee to be sensitive shall be as follows:

(a) Only Members of the House of Representatives may have access to such information.

(b) Members who desire to read materials that are in the possession of the committee should notify the clerk of the committee or the subcommittee possessing the materials.

(c) The clerk will maintain an accurate access log which identifies without revealing the material examined, the staff member involved, and the time of arrival and departure of all members having access to the information.

(d) If the material desired is material which the committee or subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, Members of the House will be required to identify the information they desire to read and sign an access information sheet acknowledging such access and that the Member has read these procedures.

(e) Such material shall not be removed from the room.

(f) A staff representative shall insure that the documents used by the Member are returned to the proper custodian or to original safekeeping as appropriate.

(g) No notes, reproductions or recordings may be made of any portion of such information.

(h) The contents of such information shall not be divulged to any person in any way, form, shape, or manner and shall not be discussed with any person who has not received the information in an authorized manner either under these rules or the laws or rules in effect for officials and employees of the executive branch.

(i) When not being examined in the manner described herein, such information will be kept in secure safes in the committee rooms.

(j) These procedures only address access to information the committee or a subcommittee deems to be sensitive enough to require special treatment.

(k) If a Member believes the material should not be classified or considered restricted as to dissemination or use, the Member may ask the committee or subcommittee to so rule; however, as far as materials and information in the custody of the Small Business Committee is concerned, the classification of materials as determined by the executive branch shall prevail unless affirmatively changed by the committee or the subcommittee involved, after consultation with the appropriate executive agencies.

(l) Other materials in the possession of the committee are to be handled in accordance with the normal practices and traditions of the committee and its subcommittees.

17. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Upon approval by the committee or its subcommittees, all committee and subcommittee hearings which are open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and

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still photography or by any such methods of coverage.

The chairman of the full committee or the chairmen of the subcommittees are authorized to determine on behalf of the full committee or its subcommittees, respectively, whether hearings which are open may be broadcast, unless the committee or its subcommittees respectively by majority vote determine otherwise.

Permission for such coverage shall be granted only under the following conditions:

(1) Live coverage by radio or television shall be without commercial sponsorship.

(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Each committee or subcommittee chairman shall determine, in his discretion, the number of television and still cameras to be permitted in the room. The allocation among the television media of the positions of television cameras permitted by a committee or subcommittee chairman in the room shall be in accordance with fair and equitable procedures as devised by the Executive Committee of the Radio and Television Correspondent's Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Television and radio media equipment shall not be installed in, or removed from, the room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used, except that the television media may install additional lighting in the room, without cost to the Government, in order to raise the ambient lighting level to the lowest level necessary to provide adequate television coverage at the then current state of the art.

(8) In the allocation of the number of still photographers permitted by a committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by a committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage by the other media.

(11) Television and radio media personnel shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Still photography personnel shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

18. OTHER PROCEDURES AND REGULATIONS

The chairman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

The committee may not be committed to any expense whatever without the prior approval of the chairman of the full committee.

19. AMENDMENTS TO COMMITTEE RULES

The rules of the committee may be modified, amended, or repealed by a majority vote of its members, but only if written notice of the proposed change has been provided to each such member at least 48 hours before the time of the meeting at which the vote on the change occurs.

RULES OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE FOR THE 99TH CONGRESS

(Mr. FORD of Michigan asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. FORD of Michigan. Mr. Speaker, pursuant to clause 2(a) of House rule XI, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on Post Office and Civil Service for the 99th Congress, adopted at the committee's organizational meeting on February 27, 1985:

RULES OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE—ADOPTED FEBRUARY 27, 1985

RULE 1. RULES OF THE HOUSE

The Rules of the House are the rules of the committee and the subcommittees so far as applicable, except that a motion to recess from day to day and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege.

RULE 2. CHAIRMAN

(a) The chairman of the committee or of a subcommittee, as appropriate, shall preside at meetings or hearings or, in his absence, the next ranking majority member present shall preside.

(b) In the temporary absense of the chairman of the committee or of a subcommittee, as appropriate, the next ranking majority member of the committee or subcommittee, as appropriate, and so on, as often as the case shall happen, shall act as chairman.

RULE 3. COMMITTEE MEETINGS

(a) A regular meeting of the committee shall be held on the second and fourth Wednesdays of each month. The usual time of a regular meeting shall be 9:45 a.m. A regular meeting may be canceled by the chairman of the committee after consultation with the ranking majority member and the ranking minority member.

(b) Additional meetings of the committee may be called by the chairman as he considers necessary.

(c) A special meeting of the committee shall be held in accordance with the provisions of House Rule XI, Clause 2(c)(2).

(d) Regular, additional, and special meetings of the committee for the transaction of business shall be open to the public, except when the committee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public in accordance with House Rule XI, Clause 2(g)(1).

RULE 4. RECORD OF ACTION

(a) A complete record of all committee or subcommittee action shall be kept which shall include a record of the votes on any question on which a record vote is demanded.

(b) There shall be made available for inspection by the public, at reasonable times in the offices of the committee, a record of the votes on any question on which a record vote is demanded, a description of the amendment, motion, order or other proposition on which a record vote is demanded, and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting.

(c) A committee or subcommittee report on a bill or resolution of a public character ordered reported by a record vote shall include the number of votes cast for, and the number of votes cast against, the motion to report.

RULE 5. COMMITTEE QUORUM

(a) Except as provided under paragraphs (b) and (c) of this rule, or under House Rule XI, Clause 2(g)(2), one-third of the total membership of the committee shall constitute a quorum for the purpose of transacting committee business.

(b) A majority of the total membership of the committee shall constitute a quorum for the purpose of—

(1) reporting a measure or recommendation in accordance with rule 13(a);

(2) voting to close a meeting under rule 3(d);

(3) authorizing the issuance of a subpena under rule 12(c); and

(4) recalling a bill, resolution, or other matter under rule 9(c).

(c) Not less than two members of the committee shall constitute a quorum for the purpose of taking testimony and receiving evidence.

(d) The presence of a quorum shall be determined and announced by the chairman before the committee shall proceed to the transaction of business and shall be recorded in the records of committee action.

RULE 6. ROLLCALL VOTE

A rollcall vote on any question may be demanded by any member of the committee or of a subcommittee, as appropriate.

RULE 7. PROXIES

A member may vote on any matter before the committee or a subcommittee by proxy. A proxy shall (1) be in writing, signed by the member authorizing the proxy, and show the date and time of day that the proxy is signed; (2) assert that the member is absent on official business or is otherwise unable to be present at the meeting; (3) designate the member who is to execute the proxy authorization; and (4) be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy for

motions to recess, adjourn, or other procedural matters. A proxy may not be used unless a quorum is present, cannot be used to make a quorum, and shall be presented to the chairman at the time the proxy is voted.

RULE 8. ADDRESSING COMMITTEE OR SUBCOMMITTEES

(a) Recognition by the chairman shall first be obtained by any member addressing the committee or subcommittee, as appropriate, proposing a motion, or interrogating a witness.

(b) The 5-minute rule shall apply in the markup of a bill. The 5-minute rule shall apply in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question the witness.

(c) The regular order shall be observed in all proceedings, and all questions and statements in the interrogation of witnesses shall be germane to the legislation or other matters then being considered.

RULE 9. REFERENCE OF LEGISLATION

(a) Each bill, resolution, or other matter referred to the committee, subject to the provisions of this rule, shall be re-referred to the subcommittee having jurisdiction over its principal subject within 2 weeks from the date of its referral to the committee unless the chairman of the committee orders that it be held for the committee's direct consideration. If the chairman so orders, he shall inform the members of the committee of his decision and it shall not become final until 1 week after he has so informed them and then only if a majority vote of the members of the committee have not, in the meantime, advised him in writing of their disagreement therewith.

(b) A bill, resolution, or other matter referred by the chairman of the committee to a subcommittee may be recalled by him for the committee's direct consideration or for referral to another subcommittee. If recalled, the chairman shall inform the members of the committee of his decision and it shall not become final until 1 week after he has so informed them and then only if a majority of the members of the committee have not, in the meantime, advised him in writing of their disagreement with his decision.

(c) A bill, resolution, or other matter referred to a subcommittee may be recalled by a majority vote of the committee, a majority being present, for its direct consideration or for reference to another subcommittee.

(d) A bill, resolution, or other matter referred to the committee may be referred simultaneously by the chairman of the committee to two or more subcommittees for concurrent consideration, for consideration in sequence, or for consideration of particular parts, or the matter may be referred by the chairman to a special ad hoc subcommittee or task force established under rule 21.

RULE 10. STATEMENTS; DEPOSITIONS

Statements, depositions, letters, and such other pertinent matter in appropriate form as may be timely submitted may be accepted for inclusion in printed hearings, records, or documents, or in the permanent files of the committee, by the chairman of the committee or subcommittee, as appropriate, without objection or upon motion duly adopted.

RULE 11. HEARINGS; WITNESSES

(a) Public announcement of the date, place, and subject matter of each hearing to be conducted by the committee, or by a subcommittee, shall be made at least 1 week before the commencement of a hearing, unless the chairman of the committee or subcommittee, as appropriate, determines that there is good cause to begin a hearing at an earlier date in which event such public announcement shall be made at the earliest possible date.

(b) Hearings shall be open to the public except when the committee, or subcommittee, as appropriate, votes to close a hearing in accordance with House Rule XI, Clause 2(g)(2).

(c) Except as otherwise provided in these rules, the scheduling of witnesses and the time allowed for the presentation of testimony and interrogation shall be at the sole discretion of the chairman, unless otherwise ordered by a majority vote of the committee or subcommittee, as appropriate, a quorum being present.

(d) When any hearing is conducted upon any measure or matter, the minority party members of the committee, or subcommittee, as appropriate, upon request to the chairman by a majority of the minority party members before completion of the hearings, shall be entitled to call witnesses to testify on at least 1 day of such hearings.

(e) Each witness who is to appear before the committee, or subcommittee, as appropriate, and who has had appropriate and timely notice of such appearance shall file with the committee, or subcommittee, as appropriate, at least 48 hours in advance of his appearance, at least 100 copies of the statement of his proposed testimony and limit his oral presentation at his appearance to a brief summary of his argument. The requirement of this rule may be waived, in whole or in part, by the chairman, without objection, or pursuant to a motion duly adopted.

(f) A witness may obtain a transcript of his testimony given at a public session or, if given at an executive session, when authorized by the committee or subcommittee, as appropriate.

RULE 12. POWER TO SIT AND ACT; SUBPENA POWER; OATHS

(a) The committee and each subcommittee is authorized—

(1) to sit and act at such times and places, whether the House is in session, has recessed, or has adjourned, and to hold hearings; and

(2) subject to paragraph (c), to require by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary.

(b) The chairman of the committee or of a subcommittee, as appropriate, or any member designated by the chairman, may administer oaths to witnesses.

(c) A subpena may be authorized and issued by the committee or by a subcommittee in the conduct of its functions and duties under House Rules X and XI or under the committee rules when authorized by a majority vote of the committee or subcommittee, as appropriate, a majority being pesent, or when authorized by the chairman of the committee.

(d) Authorized subpenas shall be signed by the chairman of the committee or, in his absence, by a member designated by the chairman.

RULE 13. FILING REPORTS; SUPPLEMENTAL, MINORITY, OR ADDITIONAL VIEWS

(a) No measure or recommendation, including any report or submission required to be made to the House or to the Committee on the Budget by the committee under paragraphs (g), (h), and (i) of Clause 4 of Rule X of the Rules of the House, shall be reported unless a majority of the committee or subcommittee, as appropriate, was actually present.

(b) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(c) It shall be the duty of the chairman of a subcommittee to promptly request consideration in the committee of any measure approved by the subcommittee, and it shall be the duty of the chairman of the committee to schedule such measure for consideration by the committee as promptly as possible.

(d) In the event the report of the committee on a measure which has been approved by the committee has not been filed as prescribed by paragraph (b) of this rule, such report shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the general counsel of the committee a written request, signed by a majority of the members of the committee, for reporting of that measure.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views with the general counsel of the committee. Such views shall be in writing and signed by the member.

(f) All committee, subcommittee, or staff reports printed pursuant to legislative or oversight investigations and not approved by a majority of the members of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report: (This report has not been officially approved by the (subcommittee/committee) and, therefore, may not necessarily reflect the views of all of its members.)

RULE 14. LEGISLATIVE OVERSIGHT

The committee, together with its subcommittees, shall review and study, on a continuing basis, the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee.

RULE 15. INVESTIGATIVE STAFF

Except as provided in Rule XI, clause 5(d) of the Rules of the House of Representatives, the investigative staff of the Committee on Post Office and Civil Service shall be appointed as follows:

(1) The subcommittee staff shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman within the budget approved for the subcommittee by the committee;

(2) The staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority party members of the committee shall determine within the budget approved for such purposes by the committee; and

(3) The staff of the committee not assigned to a standing subcommittee or to the minority under the above provisions shall be appointed, and may be removed, and their remuneration determined by the chairman within the budget approved for such purposes by the committee.

RULE 16. SPECIAL FUNDS, BUDGET, EXPENSES, AND ACCOUNTS

(a) The chairman of each standing subcommittee shall propose and present to the chairman of the committee, for each session of the Congress, a subcommittee budget of the estimated amount of special funds necessary to carry out the anticipated activities and programs of the subcommittee for that particular session of the Congress.

(b) The chairman of the committee shall review each proposed subcommittee budget and, after consultation with the ranking minority member, shall propose and present to the committee, for each session of the Congress, a committee budget of the estimated total amount of special funds to be requested under a primary expense resolution required under House Rule XI, clause 5, for use by the committee, both the majority and the minority, for such session of the Congress for all anticipated activities and programs of the committee and of the standing subcommittees.

(c) The staff director shall establish and maintain records and accounts, consistent with sound accounting practices, of committee and subcommittee special funds and of expenses incurred and paid as obligations of such funds. He shall prepare and submit to each member of the committee, not later than 10 days after the end of each quarter of the calendar year, an itemized report of the amounts of such funds expended and on hand at the end of the quarter. Such quarterly reports shall be made a part of the permanent official records of the committee.

(d) Vouchers for payment of obligations of special funds shall be prepared by the staff director for signature by the chairman of the committee, except as otherwise authorized by the House, and shall be supported by receipts or other documentation consistent with the requirements of the Committee on House Administration. Signed vouchers shall be returned to the staff director for entry in the committee accounts and final processing.

RULE 17. BROADCASTING HEARINGS

A hearing conducted by the committee, upon approval by a majority vote of the committee, a quorum being present, or a hearing conducted by a subcommittee, upon approval by a majority vote of the subcommittee, a quorum being present, may be covered in whole, or in part, by television broadcast, radio broadcast, and still photography, in accordance with House Rule XI, Clause 3, subject to the following:

(1) live coverage is to be broadcast without commercial sponsorship;

(2) no subpenaed witness may be photographed, televised, or broadcast against his will;

(3) television cameras shall operate from fixed positions which shall not obstruct committee or subcommittee proceedings or other media;

(4) equipment must be installed prior to the hearing;

(5) lighting shall be at the lowest adequate level;

(6) still photographers shall not come between the witnesses and committee members or obstruct the other media during the hearing; and

(7) broadcast and photography personnel shall be orderly and unobtrusive and shall be currently accredited to the Radio, Television Correspondents', or the Press Photographers' Galleries, as appropriate.

RULE 18. AVAILABILITY OF SUBCOMMITTEE REPORTS

A summary and explanation of each measure or matter reported by a subcommittee shall be furnished to each member of the committee in advance of the committee meeting at which such measure or matter is to be considered.

RULE 19. TRAVEL

(a) All members of the committee shall have adequate notice prior to the date or dates fixed for investigations or hearings at locations other than Washington, D.C.

(b) Travel of members and staff of the committee or of a subcommittee to hearings, meetings, conferences, and investigations must be authorized by the chairman of the committee prior to any public notice thereof or the actual travel. Before such authorization is given, there shall be submitted to the chairman of the committee a statement in writing which includes the following:

(1) the purpose of the travel;

(2) the dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) the location of the event for which the travel is to be made; and

(4) the names of members and staff seeking authorization.

(c) A report on the travel (except travel in connection with hearings) of each member or staff member shall be submitted to the chairman of the committee as soon as possible after the trip is completed.

(d) Not later than 60 days after the completion of foreign travel, each member or staff member shall submit to the chairman of the committee an itemized report showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, and funds expended for any other official purpose, and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. Such reports shall be made available for inspection by the public, as required by House Rule XI, Clause 2(n).

(e) To facilitate the oversight and other legislative and investigative activities of the committee, the chairman of the committee may, at the request of a subcommittee chairman, make a temporary assignment of any member of the committee to such subcommittee for the purpose of enabling such member to participate in any public hearing, investigation, or study by such subcommittee to be held outside of Washington, D.C.

RULE 20. CLASSIFIED MATERIAL

(a) All classified material received by the committee or by a subcommittee shall be deemed to have been received in executive session and shall be given appropriate safekeeping.

(b) The chairman of the committee shall establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any such classified material. Such procedures shall, however, insure access to this information at the committee offices by any member of the committee or any other Member of the House of Representatives who has requested the opportunity to review such material.

RULE 21. STANDING AND SPECIAL SUBCOMMITTEES

There shall be seven standing subcommittees of the committee. The Subcommittee on Investigations shall have investigative jurisdiction over all matters within the jurisdiction of the committee, and the other six subcommittees shall have legislative and investigative jurisdiction as provided under paragraphs (2) through (7) of rule 22. In addition to the standing subcommittees, the chairman of the committee may establish such special ad hoc subcommittees and task forces and assign to them such jurisdiction as the chairman deems necessary.

RULE 22. JURISDICTION OF SUBCOMMITTEES

The titles and jurisdiction of the standing subcommittees shall be as follows:

(1) Subcommittee on Investigations.—The investigation, review, and study, on a continuing basis, of the application, administration, and execution of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee.

(2) Subcommittee on Compensation and Employee Benefits.—Compensation, including pay rates and pay systems; the merit pay system; dual compensation; classification of positions; leave; allowances; retirement; insurance; health benefits; and other benefits of Federal officers and employees.

(3) Subcommittee on Human Resources.—Federal, civilian personnel requirements and ceilings, including the establishment of supergrade and executive level positions; effect of Government reorganizations on Federal personnel; employee utilization; reductions in force; contracting out; rights of privacy; code of ethics, including financial disclosure and conflicts of interest; alternative work schedules; White House personnel authorization; and intergovernmental personnel programs.

(4) Subcommittee on the Civil Service.—Federal civil service matters, generally, except those matters specifically within the jurisdiction of other subcommittees; Federal labor management relations (excluding the Postal Service); the Senior Executive Service; productivity of Federal employees; and employee political activities.

(5) Subcommittee on Postal Operations and Services.—The United States Postal Service and the Postal Rate Commission, generally, including operation and administration thereof; postal finances and expenditures (except those relating to matters within the jurisdiction of the Subcommittee on Postal Personnel and Modernization); public service aspects, requirements, and reimbursements; and the United States mails (except those matters specifically within the jurisdiction of the Subcommittee on Postal Personnel and Modernization).

(6) Subcommittee on Postal Personnel and Modernization.—Postal officers and employees, generally, including their status and appointment; postal management and other personnel requirements and practices; employee utilization; postal labor management relations; postal facilities and mechanization, including modernization and research and development; mailability of matter; mail transportation; and military mail.

(7) Subcommittee on Census and Population.—The Bureau of the Census, generally; population and demography; statistics collection; reporting and data processing activities of the Government, generally; and holidays and celebrations.

RULE 23. MEMBERSHIP OF SUBCOMMITTEES

(a) Except as provided in paragraph (b), each subcommittee shall have five members, divided between the majority and minority members in the ratio of three to two.

(b) The Subcommittee on Postal Operations and Services shall have seven members, divided between the majority and minority members in the ratio of four to three.

(c) The chairman and ranking minority member of the committee shall be ex officio voting members of each subcommittee on which they do not serve.

(d) Each member of the committee may sit with any subcommittee during its hearings, but no member who is not a member of a subcommittee shall vote on any matter before that subcommittee.

RULE 24. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, conduct investigations, receive evidence, and report to the committee on all matters referred to it. Subcommittee chairmen shall set meeting and hearing dates after consultation with the chairman of the committee and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings whenever possible. A subcommittee may exercise none of the powers or authorities hereinbefore provided with respect to any investigation or other activity which is not within the jurisdiction of the subcommittee or which requires the expenditure of funds in excess of the subcommittee's budget as approved by the committee, except upon authorization by a majority vote of the committee, a quorum being present.

RULE 25. REQUIRED MEETING

Each standing subcommittee, as referred to in rule 22, shall meet for the transaction of subcommittee business from time to time while Congress is in session, at a time and on a day determined by the subcommittee with due regard to the time and dates of the regular meetings of the committee and other subcommittees. All meetings of each subcommittee shall be open to the public except when the subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public in accordance with House Rule XI, Clause 2(g)(1).

RULE 26. SUBCOMMITTEE QUORUM

(a) Except as provided under paragraphs (b) and (c) of this rule, or under House Rule XI, Clause 2(g)(2), one-third of the total membership of a subcommittee shall constitute a quorum for the purpose of transacting subcommittee business.

(b) A majority of the total membership of a subcommittee shall constitute a quorum for the purpose of—

(1) reporting a measure or recommendation to the committee;

(2) voting to close a meeting under rule 25; and

(3) authorizing the issuance of a subpena under rule 12(c).

(c) Not less than two members of a subcommittee shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE 27. AMENDMENTS

Any amendment offered to any pending legislation before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the chairman shall allow an appropriate period of time for the provision thereof.

RULE 28. OTHER ACTIONS; STAFF SUPERVISION

The chairman of the committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee, including the general supervision of the statutory and investigative staffs of the committee.●

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS FOR THE 99TH CONGRESS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. FASCELL. Mr. Speaker, pursuant to rule XI, clause 2(a) of the House of Representatives, I present the rules of the Committee on Foreign Affairs for the 99th Congress, as follows:

RULES OF THE COMMITTEE ON FOREIGN AFFAIRS, 99TH CONGRESS

(Adopted February 7, 1985)

1. GENERAL PROVISIONS

The Rules of the House, and in particular, the committee rules enumerated in Clause 2 of Rule XI, are the rules of the Committee on Foreign Affairs, to the extent applicable. Each subcommittee of the Committee on Foreign Affairs (hereinafter referred to as the "Committee") is a part of the Committee and is subject to the authority and direction of the Committee, and to its rules to the extent applicable.

2. DATE OF MEETING

The regular meeting date of the Committee shall be the first Tuesday of every month when the House is in session pursuant to Clause 2(b) of Rule XI of the House. Additional meetings may be called by the Chairman as he may deem necessary or at the request of a majority of the Members of the Committee in accordance with Clause 2(c) of Rule XI of the House of Representatives.

The determination of the business to be considered at each meeting shall be made by the Chairman subject to Clause 2(c) of Rule XI of the House of Representatives.

A regularly scheduled meeting need not be held if there is no business to be considered.

3. QUORUM

For purposes of taking testimony and receiving evidence, two Members shall constitute a quorum.

One-third of the Members of the Committee shall constitute a quorum for taking any action, with the following exceptions: (1) Reporting a measure or recommendation, (2) closing Committee meetings and hearings to the public, and (3) authorizing the issuance of subpoenas.

No measure or recommendation shall be reported to the House unless a majority of the Committee is actually present.

4. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) Each meeting for the transaction of business, including the markup of legislation, of the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This subsection does not apply to open Committee hearings which are provided for by subsection (b) of this rule or any meeting that relates solely to internal budget or personnel matters.

(b)(1) Each hearing conducted by the Committee or a subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony—

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate paragraph (2) of this subsection; or

(B) may vote to close the hearing, as provided in paragraph (2) of this subsection.

(2) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person—

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of paragraph (1) of this subsection, if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee or subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the Committee or subcommittee shall proceed to receive such testimony in open session only if a majority of the Members, a majority being present, determines that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

(3) No Member of the House may be excluded from nonparticipatory attendance at any hearing of the Committee or a subcommittee unless the House of Representatives has by majority vote authorized the Committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subsection for closing hearings to the public.

(4) The Committee or a subcommittee may by the procedure designated in this subsection vote to close 1 subsequent day of hearing.

5. ANNOUNCEMENT OF HEARINGS AND MARKUPS

Public announcement shall be made of the date, place, and subject matter of any hearing or markup to be conducted by the Committee or a subcommittee at least 1 week before the commencement of that hearing or markup unless the Committee or subcommittee determines that there is good cause to begin meeting at an earlier date. Such determination may be made with respect to any hearing or markup by the Chairman or subcommittee chairman, as appropriate.

Public announcement of all hearings and markups shall be made at the earliest possible date and shall be published in the Daily Digest portion of the Congressional Record, and promptly entered into the committee scheduling service of the House Information Systems.

Members shall be notified by the Chief of Staff, whenever it is practicable, 1 week in advance of all meetings (including markups and hearings) and briefings of subcommittees and of the full Committee.

The agenda for each Committee and subcommittee meeting, setting out all items of business to be considered, including a copy of any bill or other document scheduled for markup, shall be furnished to each Committee or subcommittee Member by delivery to the Member's office at least 2 full calendar days (excluding Saturdays, Sundays, and legal holidays) before the meeting, whenever possible.

6. Witnesses

A. Interrogation of Witnesses

Insofar as practicable, witnesses shall be permitted to present their oral statements without interruption, questioning by the Committee Members taking place afterward. After completing his questioning, the Chairman shall recognize the ranking majority and then the ranking minority Member, and thereafter in recognizing Members present, he may give preference to the Members on the basis of their arrival at the hearing, taking into consideration the majority and minority ratio of the Members actually present. A Member desiring to speak or ask a question shall address the Chairman and not the witness in order to insure orderly procedure.

Each Member may interrogate the witness for 5 minutes, the reply of the witness being included in the 5-minute period. After all Members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

The Chairman shall take note of Members who are in their chairs when each day's hearing begins and, insofar as practicable, when the time occurs for interrogation, shall recognize each such Member ahead of all others.

B. Statements of Witnesses

So far as practicable, each witness shall file with the Committee, 48 hours in advance of his appearance, a written statement of his proposed testimony and shall make a brief oral summary of his views.

7. Preparation and Maintenance of Committee Records

An accurate stenographic record shall be made of all hearings and markup sessions. Members of the Committee and any witness may examine the transcript of his or her own remarks and may make any grammatical or technical changes that do not substantially alter the record. Any such Member or witness shall return the transcript to the Committee offices within 5 calendar days (not including Saturdays, Sundays, and legal holidays) after receipt of the transcript, or as soon thereafter as is practicable.

Any information supplied for the record at the request of a Member of the Committee shall be provided to the Member when received by the Committee.

Transcripts of hearings and markup sessions (except for the record of a meeting or hearing which is closed to the public) shall be printed as soon as is practicable after receipt of the corrected versions, except that the Chairman may order the transcript of a hearing to be printed without the corrections of a Member or witness if the Chairman determines that such Member or witness has been afforded a reasonable time to correct such transcript and such transcript has been returned within such time.

8. Extraneous Material in Committee Hearings

No extraneous material shall be printed in either body or appendixes to any Committee or subcommittee hearing, except matter which has been accepted for inclusion in the record during the hearing. Copies of bills and other legislation under consideration and responses to written questions submitted by Members shall not be considered extraneous material.

Extraneous material in either the body or appendixes to any hearing to be printed which would be in excess of eight printed pages (for any one submission) shall be accompanied by a written request to the Chairman, such written request to contain an estimate in writing from the Public Printer of the probable cost of publishing such material.

9. Public Announcement of Committee Votes

The result of each rollcall vote in any meeting of the Committee shall be made available for inspection by the public at reasonable times at the Committee offices—including a description of the amendment, motion, order, or other proposition; the name of each Member voting for and against and whether by proxy or in person; and the Members present but not voting.

A rollcall vote shall be ordered on any question at the request of 20 percent of those present.

10. Proxies

Proxy voting is permitted in the Committee and in subcommittees only under the following conditions:

The proxy authorization—

(a) Shall be in writing;

(b) Shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting; and

(c) Shall be limited to a motion to report a bill or a resolution.

Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies are not counted for a quorum.

11. Prior Approval of Reports

No Committee, subcommittee, or staff report, study, or other document which purports to express publicly the views, findings, conclusions, or recommendations of the Committee or the subcommittee may be released to the public or filed with the Clerk of the House unless approved by a majority of the Members of the Committee or subcommittee, as appropriate. In any case in which Clause 2(l)(5) of House Rule XI does not apply, each Member of the Committee or subcommittee shall be given an opportunity to have views or a disclaimer included as part of the material filed or released, as the case may be.

12. Reporting Bills and Resolutions

Except in unusual circumstances, bills and resolutions will not be considered by the Committee unless and until the appropriate subcommittee has recommended the bill or resolution for Committee action, and will not be taken to the House for action unless and until the Committee has ordered reported such bill or resolution, a quorum being present. Unusual circumstances will be determined by the Chairman of the Committee, after consultation with the appropriate subcommittee chairman or chairmen.

13. Staff Services

The Committee staff shall be selected and organized so that it can provide a comprehensive range of professional services in the field of foreign affairs to the Committee, the subcommittees, and all its Members.

The staff shall include persons with training and experience in foreign affairs who have a variety of backgrounds and skills so as to make available to the Committee services of individuals who have a first-hand acquaintance with major countries and areas and with major aspects of U.S. overseas programs and operations.

It is intended that the skills and experience of all members of the Committee staff shall be available to all Members of the Committee.

(a) The professional and clerical employees of the Committee, except those assigned to the minority or to a subcommittee as provided below, shall be appointed, and may be removed, by the Chairman with the approval of the majority of the Members of the Committee. Their remuneration shall be fixed by the Chairman within the ceilings set in Clause 6(c) of Rule XI, and they shall be under the general supervision and direction of the Chairman. Staff assignments are to be authorized by the Chairman or by the Chief of Staff under the direction of the Chairman.

(b) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined as the minority Members of the Committee shall determine within the general ceiling in Clause 6(c) of Rule XI: *Provided, however,* That no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart. Such staff shall be under the general supervision and direction of the ranking minority Member with the approval or consultation of the minority Members of the Committee.

(c) In the matter of subcommittee staffing:

(1) The chairman of each standing subcommittee of this Committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority Member of each of six standing subcommittees on this Committee is authorized to appoint one staff person who shall serve at the pleasure of said ranking minority Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in Paragraph (c) of Clause 6 of Rule XI of the Rules of the House or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

(4) No Member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the ranking minority party Members pursuant to subparagraph (2) of this paragraph shall be made available from the staff positions provided under Clause 6 of Rule XI of the Rules of the House.

14. Number and Jurisdiction of Subcommittees

(a) The full Committee will handle the markup and reporting of general legislation relating to foreign assistance (including development assistance, security-related aid, and Public Law 480 programs abroad) or relating to the Peace Corps. Regional subcommittees will have responsibility with respect to foreign assistance as follows:

(1) The annual legislative programs of foreign assistance for each region shall be referred to the appropriate subcommittee for review and legislative recommendations, within a time frame to be set by the Committee.

(2) Those subcommittees shall be responsible for ongoing oversight of all foreign assistance activities affecting their region.

(3) Those subcommittees shall have the responsibility of annually reporting to the full Committee, on a timely basis, the findings and conclusions of their oversight, including specific recommendations for legislation relating to foreign assistance.

(b) There shall be eight standing subcommittees. The names and jurisdiction of those subcommittees shall be as follows:

A. FUNCTIONAL SUBCOMMITTEES

There shall be four subcommittees with functional jurisdiction:

SUBCOMMITTEE ON ARMS CONTROL, INTERNATIONAL SECURITY AND SCIENCE.—To deal with national security and scientific developments affecting foreign policy; strategic planning and agreements; war powers and executive agreements legislation; Arms Control and Disarmament Agency and all aspects of arms control and disarmament with particular emphasis on the investigation and evaluation of arms control and disarmament proposals and concepts; security aspects of nuclear technology and materials; international terrorism with special focus on the U.S. Government's policies and programs for combatting international terrorist movements and actions; oversight of military aspects of foreign policy and foreign intelligence; and oversight of State and Defense Department activities involving arms transfers, arms export licenses, administration of security assistance, arms sales, foreign military training and advisory programs, and conventional arms control.

SUBCOMMITTEE ON INTERNATIONAL OPERATIONS.—To deal with Department of State and U.S. Information Agency operations and legislation; the diplomatic service; international education and cultural affairs; foreign buildings; international terrorism with special emphasis on policies and programs relating to the enhancement of embassy security and the protection of U.S. personnel and institutions abroad; parliamentary conferences and exchanges; protection of American citizens abroad; and international broadcasting and international communication and information policy.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY AND TRADE.—To deal with measures relating to international economic and trade policy; measures to foster commercial intercourse with foreign countries; export administration; international investment policy; trade and economic aspects of nuclear technology and materials and international communication and information policy; legislation pertaining to and oversight of the Overseas Private Investment Corporation; commodity agreements; and special oversight of international financial and monetary institutions, the Export-Import Bank, and customs.

SUBCOMMITTEE ON HUMAN RIGHTS AND INTERNATIONAL ORGANIZATIONS.—To deal with oversight of, and legislation pertaining to, the United Nations, its related agencies, and other international organizations; international law; implementation of the Universal Declaration of Human Rights and other matters relating to internationally recognized human rights generally; the American Red Cross; international environmental policy; and oversight of international fishing agreements.

B. REGIONAL SUBCOMMITTEES

There shall be four subcommittees with regional jurisdiction: Subcommittee on Europe and the Middle East; Subcommittee on Asian and Pacific Affairs (including South Asia); Subcommittee on Western Hemisphere Affairs; and the Subcommittee on Africa.

In addition to the responsibilities provided by subsection (a) of this rule, the regional subcommittees shall have jurisdiction over the following:

(1) Matters affecting the political relations between the United States and other countries and regions, including resolutions or other legislative measures directed to such relations.

(2) Legislation with respect to disaster assistance outside the Foreign Assistance Act, boundary issues, and international claims.

(3) Legislation with respect to region- or country-specific loans or other financial relations outside the Foreign Assistance Act.

(4) Resolutions of disapproval under section 36(b) of the Arms Export Control Act, with respect to foreign military sales.

(5) Oversight of regional lending institutions.

(6) Identification and development of options for meeting future problems and issues relating to U.S. interests in the region.

(7) Environmental, population, and energy affairs affecting the region.

(8) Base agreements and regional security pacts.

(9) Oversight of matters relating to parliamentary conferences and exchanges involving the region.

(10) Concurrent oversight jurisdiction with respect to matters assigned to the functional subcommittees insofar as they may affect the region.

15. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the Chairman of the full Committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of Committee or subcommittee meetings or hearings whenever possible. It shall be the practice of the Committee that meetings of subcommittees not be scheduled to occur simultaneously with meetings of the full Committee.

In order to insure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the Chairman through the Chief of Staff of the Committee.

The Chairman and the ranking minority Member of the full Committee may attend the meetings and participate in the activities of all subcommittees, except for voting and being counted for a quorum.

16. REFERRAL OF BILLS BY CHAIRMAN

All legislation and other matters referred to the Committee shall be referred by the Chairman to all subcommittees of appropriate jurisdiction within 2 weeks, unless by majority vote of the majority party Members of the full Committee, consideration is to be otherwise effected. Any subcommittee chairman who believes that the subcommittee has jurisdiction over the legislation or other matter may so notify the Chairman within the 2-week period.

The Chairman may designate a subcommittee chairman or other Member to take responsibility as "floor manager" of a bill during its consideration in the House.

17. PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

The majority party caucus of the Committee shall determine an appropriate ratio of majority to minority party Members for each subcommittee: *Provided, however,* That party representation on each subcommittee or conference committee shall be no less favorable to the majority party than the ratio for the full Committee. The Chairman of the full Committee and the ranking minority Member are authorized to negotiate matters affecting such ratios including the size of subcommittees and conference committees.

18. SUBCOMMITTEE BUDGETS AND RECORDS

(a) Each subcommittee shall have an adequate budget to discharge its responsibility for legislation and oversight.

(b) In order to facilitate Committee compliance with Paragraph (e)(1) of Clause 2, Rule XI, each subcommittee shall keep a complete record of all subcommittee actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be promptly made available to the full Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

All subcommittee hearings, records, data, charts, and files shall be kept distinct from the congressional office records of the Member serving as chairman of the subcommittee. Such records shall be coordinated with the records of the full Committee, shall be the property of the House, and all Members of the House shall have access thereto.

19. MEETINGS OF SUBCOMMITTEE CHAIRMEN

The subcommittee chairmen shall meet on a regularly scheduled basis to be determined by the subcommittee chairmen, but in any event not less frequently than once a month. Such a meeting need not be held if there is no business to conduct. It shall be the practice at such meetings to review the current agenda and activities of each of the subcommittees. Each majority party Member of the Committee shall have the right to attend such meetings.

20. ACCESS TO CLASSIFIED INFORMATION

It shall be the policy of the Committee to afford access to classified information under its control for its own Members and other Members of the House of Representatives.

AUTHORIZED PERSONS.—In accordance with the stipulations of the House Rules, all Members of the House shall be construed to be persons authorized to have access to classified information within the possession of the Committee.

Members of the Committee staff shall be construed to be authorized access to classified information within the possession of the Committee (1) when they have the proper clearances, and (2) when they have a demonstrable "need to know". The decision on whether a given staff member has a

"need to know" will be made on the following basis:

(a) In the case of the full Committee majority staff, by the Chairman, acting through the Chief of Staff;

(b) In the case of the full Committee minority staff, by the ranking minority Member of the Committee, acting through the Minority Staff Director;

(c) In the case of subcommittee majority staff, by the Chairman of the subcommittee;

(d) In the case of the subcommittee minority staff, by the ranking minority Member of the subcommittee.

No other individuals shall be considered authorized persons, unless so designated by the Committee Chairman.

DESIGNATED PERSONS.—Each Committee Member is permitted to designate one member of his or her staff as having the right of access to classified information in the "confidential" category. Such designated persons must have the proper security clearance and a "need to know" as determined by his or her principal. Upon request of a Committee Member in specific instances, a designated person also shall be permitted access to information classified "secret" which has been furnished to the Committee pursuant to section 36(b) of the Arms Export Control Act, as amended. Designation of a staff person shall be by letter from the Committee Member to the Committee Chairman.

LOCATION.—Classified information will be kept in secure safes in the Committee rooms. All materials bearing the designation "top secret" must be kept in secured safes located in the main Committee offices, 2170 Rayburn House Office Building. "Top Secret" materials may not be taken from that location for any purpose.

Materials bearing designations "confidential" or "secret" may be taken from Committee offices to other Committee offices and hearing rooms by Members of the Committee and authorized Committee staff in connection with hearings and briefings of the Committee or its subunits for which such information is deemed to be essential. Removal of such information from the Committee offices shall be only with the permission of the Chairman of the full Committee, under procedures designed to insure the safe handling and storage of such information at all times.

NOTICE.—Notice of the receipt of classified documents received by the Committee from the Executive will be sent promptly to Committee Members. The notice will contain information on the level of classification.

ACCESS.—Except as provided for above, access to classified materials held by the Committee will be in the main Committee offices in a designated "reading room". The following procedures will be observed:

(a) Authorized or designated persons will be admitted to the reading room after inquiring of the Chief of Staff or an assigned staff member. The reading room will be open during regular Committee hours.

(b) Authorized or designated persons will be required to identify themselves, to identify the documents or information they wish to view, and to sign the Classified Materials Log, which is kept with the classified information.

(c) No photocopying or other exact reproduction, oral recording, or reading by telephone, of such classified information is permitted.

(d) The assigned staff member will be present in the reading room at the option of the authorized person. Such staff member will be responsible for maintaining a log which identifies (1) authorized and designated persons seeking access, (2) the classified information requested, and (3) the time of arrival and departure of such persons. The assigned staff member will also assure that the classified materials are returned to the proper location.

(e) The Classified Materials Log will contain a statement acknowledged by the signature of the authorized or designated person that he or she has read the Committee rules and will abide by them.

DIVULGENCE.—Any classified information to which access has been gained through the Committee may not be divulged to any unauthorized person in any way, shape, form, or manner. Apparent violations of this rule should be reported to the Chairman of the full Committee at once, and by him to the full Committee as promptly as possible.

OTHER REGULATIONS.—So long as they do not conflict with any of the rules herein set down, the Chairman of the full Committee may establish other regulations and procedures as in his judgment may be necessary to safeguard classified information under the control of the Committee. Members of the Committee will be given notice of any such regulations and procedures promptly. They may be modified or waived in any or all particulars by a majority vote of the full Committee. Furthermore, any additional regulations and procedures should be incorporated into the written rules of the Committee at the earliest opportunity.

21. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

When requested by the Superintendent of the House Radio and Television Gallery and upon approval by the Committee or its subcommittees, all Committee and subcommittee hearings which are open to the public may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any such methods of coverage: *Provided,* That such request is submitted to the Committee or its subcommittees not later than 4 p.m. of the day preceding such hearings.

The Chairman of the full Committee or the chairmen of the subcommittees are authorized to determine on behalf of the full Committee or its subcommittees respectively whether hearings which are open may be broadcast, unless the Committee or its subcommittees respectively by majority vote determine otherwise. The Committee or subcommittee chairman shall determine, in his discretion, the number of television and still cameras permitted in a hearing or meeting room.

Such coverage shall be in accordance with the following requirements (Section 116(b) of the Legislative Reorganization Act of 1970; Clause 3(f) of Rule XI of the Rules of the House of Representatives):

(a) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(b) No witness served with a subpoena by the Committee shall be required against his will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to Clause 2(k)(5) of Rule XI of the Rules of the House of Representatives relating to the protection of the rights of witnesses.

(c) The allocation among cameras permitted by the Committee or subcommittee chairman in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(d) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or its subcommittees or the visibility of that witness and that Member to each other.

(e) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(f) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee or subcommittee is in session.

(g) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage to the hearing or meeting at the then current state of the art of television coverage.

(h) In the allocation of the number of still photographers permitted by the Committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by the Committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(i) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee or its subcommittees.

(j) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(k) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(l) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery Committee of Press Photographers.

(m) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

22. SUBPOENA POWERS

A subpoena may be authorized and issued by the Committee or its subcommittees, in accord with House Rule XI, Clause 2(m), in the conduct of any investigation or series of investigations, only when authorized by a majority of the Members voting, a majority of the Committee or subcommittee being present. Pursuant to House Rules and under

such limitations as the Committee may prescribe, the Chairman may be delegated the power to authorize and issue subpoenas in the conduct of any investigation or series of investigations. Authorized subpoenas shall be signed by the Chairman of the Committee or by any Member designated by the Committee.

23. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever the Speaker is to appoint a conference committee, the Chairman shall recommend to the Speaker as conferees those Members of the Committee who are primarily responsible for the legislation (including to the fullest extent feasible the principal proponents of the major provisions of the bill as it passed the House), who have actively participated in the Committee or subcommittee consideration of the legislation, and who agree to attend the meetings of the conference.

24. OTHER PROCEDURES AND REGULATIONS

The Chairman of the full Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee. Any additional procedures or regulations may be modified or rescinded in any or all particulars by a majority vote of the full Committee.●

RULES OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE FOR THE 99TH CONGRESS

(Mr. HAMILTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HAMILTON. Mr. Speaker, pursuant to clause 2(a) of rule XI of the Rules of the House of Representatives, I submit for publication in the CONGRESSIONAL RECORD a copy of the rules of the Permanent Select Committee on Intelligence for the 99th Congress so approved by the committee on February 20, 1985:

RULES OF PROCEDURE FOR THE
HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

1. CONVENING OF MEETINGS

The regular meeting day of the Permanent Select Committee on Intelligence for the transaction of committee business shall be on the first Wednesday of each month, unless otherwise directed by the chairman.

In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, D.C., and at least 48 hours in the case of any meeting held outside Washington, D.C.

2. PREPARATIONS FOR COMMITTEE MEETINGS

Under direction of the chairman, designated committee staff members shall brief members of the committee at a time sufficiently prior to any committee or subcommittee meeting to assist the committee members in preparation for such meeting and to determine any matter which the committee members might wish considered during the meeting. Such briefing shall, at the request of a member, include a list of all pertinent papers and other materials that have been obtained by the committee that bear on matters to be considered at the meeting.

The staff director shall recommend to the chairman the testimony, papers, and other materials to be presented to the committee or subcommittee at any meeting. The determination whether such testimony, papers, and other materials shall be presented in open or executive session shall be made pursuant to the Rules of the House and these rules.

3. MEETING PROCEDURES

Meetings of the committee and its subcommittees shall be open to the public except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote in open session and with a majority present that the matters to be discussed or the testimony to be taken at such portion or portions:

1. Will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

2. Will relate solely to matters of committee staff personnel or internal staff management or procedure;

3. Will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual except that, at a hearing which may tend to defame, degrade or incriminate any person, the hearing may be closed to the public consistent with clause 2(g)(2) and clause 2(k)(5) of Rule XI of the Rules of the House;

4. Will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

5. Will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

6. Will violate any other law of the United States or any rule of the House of Representatives.

Except for purposes of taking testimony or receiving evidence, for which purposes a quorum shall consist of two committee members, a quorum for the transaction of any other committee business shall consist of nine committee members. Decisions of the committee shall be by majority vote of the members present and voting.

Whenever the committee by rollcall vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter.

4. PROCEDURES RELATED TO THE TAKING OF TESTIMONY

Notice.—Witnesses required to appear before the committee shall be given reasonable notice and all witnesses shall be furnished a copy of these rules.

Oath or Affirmation.—Testimony of witnesses shall be given under oath or affirmation which may be administered by any member of the committee, except that the chairman of the committee or of any subcommittee shall not require an oath or affirmation where the chairman determines that it would not be appropriate under the circumstances.

Interrogation.—Committee or subcommittee interrogation shall be conducted by members of the committee and such committee staff as are authorized by the chairman or the presiding member.

Counsel for the Witness.—(A) Any witness may be accompanied by counsel. A witness who is unable to obtain counsel may inform the committee of such fact. If the witness informs the committee of this fact at least 24 hours prior to the witness' appearance before the committee, the committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain such counsel will not excuse the witness from appearing and testifying.

(B) Counsel shall conduct themselves in an ethical and professional manner. Failure to do so shall, upon a finding to that effect by a majority of the members of the committee, a majority being present, subject such counsel to disciplinary action which may include censure, removal, or a recommendation of contempt proceedings, except that the chairman of the committee or of a subcommittee may temporarily remove counsel during proceedings before the committee or subcommittee unless a majority of the members of the committee or subcommittee, a majority being present, vote to reverse the ruling of the chair.

(C) There shall be no direct or cross-examination by counsel. However, counsel may submit in writing any question counsel wishes propounded to a client or to any other witness and may, at the conclusion of such testimony, suggest the presentation of other evidence or the calling of other witnesses. The committee or subcommittee may use such questions and dispose of such suggestions as it deems appropriate.

Statements by Witnesses.—A witness may make a statement, which shall be brief and relevant, at the beginning and conclusion of the witness' testimony. Such statements shall not exceed a reasonable period of time as determined by the chairman, or other presiding member. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy with the clerk of the committee, and insofar as practicable and consistent with the notice given, shall do so at least 72 hours in advance of the witness' appearance before the committee.

Objections and Ruling.—Any objection raised by a witness or counsel shall be ruled upon by the chairman or other presiding member, and such ruling shall be the ruling of the committee unless a majority of the committee present overrules the ruling of the chair. A transcript shall be made of the testimony of each witness appearing before the committee or any subcommittee during a committee or subcommittee hearing or briefing.

Inspection and Correction.—All witnesses testifying before the committee or any sub-

committee shall be given a reasonable opportunity to inspect the transcript of their testimony to determine whether such testimony was correctly transcribed. The witness may be accompanied by counsel. Any corrections the witness desires to make in the transcript shall be submitted in writing to the committee within 5 days from the date when the transcript was made available to the witness. Corrections shall be limited to grammar and minor editing, and may not be made to change the substance of the testimony. Any questions arising with respect to such corrections shall be decided by the chairman. Upon request, those parts of testimony given by a witness in executive session which are subsequently quoted or made part of a public record shall be made available to that witness at the witness' expense.

Requests to Testify.—The committee or any subcommittee will consider requests to testify on any matter or measure pending before the committee or subcommittee. A person who believes that testimony or other evidence presented at a public hearing, or any comment made by a committee member or a member of the committee staff may tend to affect adversely that person's reputation, may request to appear personally before the committee to testify on his or her own behalf, or may file a sworn statement of facts relevant to the testimony, evidence, or comment, or may submit to the chairman proposed questions in writing for the cross-examination of other witnesses. The committee shall take such actions as it deems appropriate.

Contempt Procedures.—No recommendation that a person be cited for contempt of Congress shall be forwarded to the House unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, afforded the person an opportunity to state in writing or in person why he or she should not be held in contempt, and agreed, by majority vote of the committee to forward such recommendation to the House.

Release of Name of Witness.—At the request of any witness, the name of that witness scheduled to be heard by the committee shall not be released prior to, or after, the witness' appearance before the committee, unless otherwise authorized by the chairman.

Closing hearings.—A vote to close a committee or subcommittee hearing may not be taken by less than a majority of the committee or the subcommittee pursuant to clause 4 of House Rule XLVIII unless at least one member of the minority is present to vote upon a motion to close the hearing.

5. Subcommittees

Creation of subcommittees shall be by majority vote of the committee. Subcommittees shall deal with such legislation and oversight of programs and policies as the committee may direct. The subcommittees shall be governed by the rules of the committee.

Except for purposes of taking testimony or receiving evidence, for which purposes a quorum shall consist of two subcommittee members, a quorum for the transaction of any other subcommittee business shall consist of five subcommittee members.

There are hereby established the following subcommittees:

(1) Program and Budget Authorization.
(2) Legislation.
(3) Oversight and Evaluation.

6. Investigations

No investigation shall be conducted by the committee unless approved by the full committee, a majority being present; provided, however, that an investigation may be initiated—

(1) at the direction of the chairman of the full committee, with notice to the ranking minority member of the full committee; or

(2) at the written request to the chairman of the full committee of at least five members of the committee,

except that any investigation initiated under (1) or (2) must be brought to the attention of the full committee for approval at the next regular meeting of the full committee following initiation of the investigation. Authorized investigations may be conducted by members of the committee and/or by designated committee staff members.

7. Subpoenas

Subpoenas authorized by the committee for the attendance of witnesses or the production of memoranda, documents, records or any other material may be issued by the chairman, or any member of the committee designated by the chairman, and may be served by any person designated by the chairman or member issuing the subpoenas. Each subpoena shall have attached thereto to copy of these rules.

8. Staff

For the purpose of these rules, committee staff means employees of the committee, consultants to the committee, employees of other Government agencies detailed to the committee, or any other person engaged by contract or otherwise to perform services for or at the request of the committee.

The appointment of committee staff shall be by the chairman in consultation with the ranking minority member. After confirmation, the chairman shall certify committee staff appointments to the Clerk of the House in writing.

The committee staff works for the committee as a whole, under the supervision of the chairman of the committee. Except as otherwise provided by the committee, the duties of committee staff shall be performed and committee staff personnel affairs and day-to-day operations, including security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director.

The committee staff shall assist the minority as fully as the majority in all matters of committee business and in the preparation and filing of additional, separate and minority views, to the end that all points of view may be fully considered by the committee and the House.

The members of the committee staff shall not discuss either the classifed substance or procedure of the work of the committee with any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, either during that person's tenure as a member of the committee staff or at any time thereafter except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or, in the event of the termination of the committee, in such a manner as may be determined by the House.

No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, not to divulge any classified information which comes into such person's possession while a member of the committee staff or any classified information which comes into such person's possession by virtue of his or her position as a member of the committee staff to any person not a member of the committee or the committee staff, either while a member of the committee staff or at any time thereafter except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the House.

No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, to notify the committee, or, in the event of the committee's termination, the House, of any request for testimony, either while a member of the committee staff or at any time thereafter with respect to classified information which came into the staff member's possession by virtue of his or her position as a member of the committee staff. Such classified information shall not be disclosed in response to such requests except as directed by the committee in accordance with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the House.

The committee shall immediately consider disciplinary action to be taken in case any member of the committee staff fails to conform to any of these rules. Such disciplinary action may include, but shall not be limited to, immediate dismissal from the committee staff.

9. Receipt of Classified Material

In the case of any information classified under established security procedures and submitted to the committee by the executive or legislative branch, the committee's acceptance of such information shall constitute a decision by the committee that it is executive session material and shall not be disclosed publicly or released unless the committee, by rollcall vote, determines, in a manner consistent with clause 7 of House Rule XLVIII, that it should be disclosed publicly or otherwise released. For purposes of receiving information from either the executive or legislative branch, the committee staff may accept information on behalf of the committee.

10. Procedures Related to Classified or Sensitive Material

(a) Committee staff offices shall operate under strict security precautions. At least one security officer shall be on duty at all times by the entrance to control entry. Before entering the office all persons shall identify themselves.

Sensitive or classified documents and material shall be segregated in a security storage area. They may be examined only at secure reading facilities. Copying, duplicating, or removal from the committee offices of such documents and other materials are prohibited except as is necessary for use in, or preparation for, interviews or committee meetings, including the taking of testimony in conformity with these rules.

Each member of the committee shall at all times have access to all papers and other material received from any source. The staff director shall be responsible for the maintenance, under appropriate security procedures, of a registry which will number and identify all classified papers and other classified materials in the possession of the committee and such registry shall be available to any member of the committee.

(b) Pursuant to clause (7)(c)(2) of House Rule XLVIII and to clause (2)(e)(2) and clause 2(g)(2) of House Rule XI, members who are not members of the committee shall be granted access to such hearings, records, data, charts and files of the committee and be admitted on a nonparticipatory basis to hearings of the committee which involve classified material, on the basis of the following provisions:

(1) Members who desire to examine materials in the possession of the committee or to attend committee hearings on a non-participatory basis should notify the clerk of the committee in writing.

(2) Each such request by a member must be considered by the committee, a quorum being present, at the earliest practicable opportunity. The committee must determine by record vote whatever action it deems necessary in light of all the circumstances of each individual request. The committee shall take into account, in its deliberations, such considerations as the sensitivity of the information sought to the national defense or the confidential conduct of the foreign relations of the United States, the likelihood of its being directly or indirectly disclosed, the jurisdictional interest of the member making the request and such other concerns—constitutional or otherwise—as affect the public interest of the United States. Such actions as the committee may take include, but are not limited to: (i) approving the request, in whole or part; (ii) denying the request; (iii) providing in different form than requested information or material which is the subject of the request.

(3) In matters touching on such requests, the committee may, in its discretion, consult the Director of Central Intelligence and such other officials as it may deem necessary.

(4) In the event that the member making the request in question does not accede to the determination or any part thereof of the committee as regards the request, that member should notify the committee in writing of the grounds for such disagreement. The committee shall subsequently consider the matter and decide, by record vote, what further action or recommendation, if any, it will take.

(c) Pursuant to Section 501 of the National Security Act of 1947 (50 U.S.C. 413) and to clauses 3(a) and 7(c)(2) of House Rule XLVIII, the committee shall call to the attention of the House or to any other appropriate committee or committees of the House any matters requiring the attention of the House or such other committee or committees of the House on the basis of the following provisions:

(1) At the request of any member of the committee, the committee shall meet at the earliest practicable opportunity to consider a suggestion that the committee call to the attention of the House or any other committee or committees of the House executive session material.

(2) In determining whether any matter requires the attention of the House or any other committee or committees of the House, the committee shall consider, among such other matters it deems appropriate—

(A) the effect of the matter in question upon the national defense or the foreign relations of the United States;

(B) whether the matter in question involves sensitive intelligence sources and methods;

(C) whether the matter in question otherwise raises serious questions about the national interest; and

(D) whether the matter in question affects matters within the jurisdiction of another committee or committees of the House.

(3) In examining the considerations described in paragraph (2), the committee may seek the opinion of members of the committee appointed from standing committees of the House with jurisdiction over the matter in question or to submissions from such other committees. Further, the committee may seek the advice in its deliberations of any executive branch official.

(4) If the committee, with a quorum present, by record vote decides that a matter requires the attention of the House or a committee or committees of the House which the committee deems appropriate, it shall make arrangements to notify the House or committee or committees promptly.

(5) In bringing a matter to the attention of another committee or committees of the House, the committee, with due regard for the protection of intelligence sources and methods, shall take all necessary steps to safeguard materials or information relating to the matter in question.

(6) The method of communicating matters to other committees of the House shall insure that information or material designated by the committee is promptly made available to the chairman and ranking minority member of such other committees.

(7) The committee may bring a matter to the attention of the House when it considers the matter in question so grave that it requires the attention of all members of the House, if time is of the essence, or for any other reason which the committee finds compelling. In such case, the committee shall consider whether to request an immediate secret session of the House (with time equally divided between the majority and the minority) or to publicly disclose the matter in question pursuant to clause 7 of House Rule XLVIII.

(d) Whenever the select committee makes classified material available to any other committee of the House or to any member of the House not a member of the committee, the clerk of the committee shall be notified. The clerk shall at that time provide a copy of the applicable portions of these rules and of House Rule XLVIII and other pertinent Rules of the House to such members or such committee and insure that the conditions contained therein under which the classified materials provided are clearly presented to the recipient. The clerk of the committee shall also maintain a written record identifying the particular information transmitted, the reasons agreed upon by the committee for approving such transmission and the committee or members of the House receiving such information. The staff director of the committee is further empowered to provide for such additional measures as he or she deems necessary in providing material which the committee has determined to make available to a member of the House or a committee of the House.

(e) Access to classified information supplied to the committee shall be limited to those committee staff members with appropriate security clearance and a need-to-know, as determined by the committee, and under the committee's direction, the staff director.

No member of the committee or of the committee staff shall disclose, in whole or in part or by way of summary, to any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, any testimony given before the committee in executive session, or the contents of any classified papers or other classified materials or other classified information received by the committee except as authorized by the committee in a manner consistent with clause 7 of House Rule XLVIII and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the House.

Before the committee makes any decision regarding a request for access to any testimony, papers or other materials in its possession or a proposal to bring any matter to the attention of the House or a committee or committees of the House, committee members shall have a reasonable opportunity to examine all pertinent testimony, papers, and other materials that have been obtained by the committee.

11. Legislative Calendar

The clerk of the committee shall maintain a printed calendar for the information of each committee member showing the measures introduced and referred to the committee and the status of such measures—and such other matters as the committee determines shall be included. The calendar shall be revised from time to time to show pertinent changes. A copy of each such revision shall be furnished to each member of the committee.

Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

12. Committee Travel

No member of the committee or committee staff shall travel on committee business unless specifically authorized by the chairman. Requests for authorization of such travel shall state the purpose and extent of the trip. A full report shall be filed with the committee when travel is completed.

When the chairman approves the foreign travel of a member of the committee staff not accompanying a member of the committee, all members of the committee are to be advised, prior to the commencement of such travel of its extent, nature and purpose. The report referred to in the previous paragraph shall be furnished to all members of the committee and shall not be otherwise disseminated without the express authorization of the committee pursuant to the rules of the committee.

13. Broadcasting Committee Meetings

Whenever any hearing or meeting conducted by the committee or any subcommittee is open to the public, a majority of the committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions and in accordance with the spirit of the purposes enumerated in clause 3 of Rule XI of the Rules of the House.

14. Changes in Rules

These rules may be modified, amended, or repealed by the committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken.●

RULES OF THE COMMITTEE ON ENERGY AND COMMERCE FOR THE 99TH CONGRESS

(Mr. DINGELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DINGELL. Mr. Speaker, pursuant to rule XI, clause 2(a) of the House of Representatives, I present the rules of the Committee on Energy and Commerce for the 99th Congress and ask that they be printed in the RECORD at this point. These rules were adopted in an open session of the Committee on February 26, 1985.

RULES FOR THE COMMITTEE ON ENERGY AND COMMERCE, HOUSE OF REPRESENTATIVES, 99TH CONGRESS

Rule 1, Rules of the House. The Rules of the House are the rules of its committees and its subcommittees so far as is applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittees. Written rules adopted by the committee, not inconsistent with the Rules of the House, shall be binding on each subcommittee of the committee. Each subcommittee of the committee is part of the committee and is subject to the authority and direction of the committee. Rule XI of the Rules of the House, which pertains entirely to committee procedure, is incorporated and made a part of the rules of this committee, which are supplementary to the Rules of the House.

Rule 2. Time, Place of Meetings. (a) The committee shall meet on the forth Tuesday of each month and at such other times as determined by the chairman, or pursuant to subparagraph (b), in Room 2123 of the Rayburn House Office Building, at 9:45 a.m. for the consideration of bills, resolutions, and other business, if the House is in session on that day. If the House is not in session on that day and the committee has not met during such month, the committee shall meet at such time and place on the first day thereafter when the House is in session.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purposes pursuant to that call of the chairman.

(c) If at least three members of the committee or subcommittee (whichever is applicable) desire that a special meeting of the committee or subcommittee (whichever is applicable) be called by the chairman or subcommittee chairman, those members may file in the offices of the committee their written request to the chairman or subcommittee chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman or subcommittee chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman or subcommittee chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee or subcommittee (whichever is applicable) may file in the offices of the committee their written notice that a special meeting of the committee or subcommittee (whichever is applicable) will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee or subcommittee (whichever is applicable) shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee or subcommittee (whichever is applicable) that such meeting will be held and inform them of its date and hour and the measure or matter to be considered and only the measure or matter specified in that notice may be considered at that specified meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) Each meeting of the committee or any of its subcommittees for the transaction of business, including hearings and the markup of legislation, shall be open to the public except when the committee or subcommittee in open session and with a quorum present determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. This paragraph does not apply to those special cases provided in the Rules of the House where closed sessions are otherwise provided.

(f) At least once a month, the chairman shall convene a meeting of the chairmen of the subcommittees. The purpose of the meeting will be to discuss issues pending before the committee and the procedures for committee consideration of such matters. The discussion may include, among other items, the scheduling of hearings and meetings, questions of subcommittee jurisdiction and the conduct of joint subcommittee hearings.

Rule 3. Agenda. The agenda for each committee or subcommittee meeting (other than a hearing), setting out the date, time, place, and all items of business to be considered, shall be provided to each member of the committee by delivery to his office at least 36 hours in advance of such meeting.

Rule 4. Procedure. (a)(1) The date, time, place, and subject matter of any hearing of the committee or any of its subcommittees shall be announced at least 1 week in advance of the commencement of such hearing, unless the committee or subcommittee determines in accordance with such procedure as it may prescribe, that there is good cause to begin the hearing sooner.

(2)(A) The date, time, place, and subject matter of any meeting (other than a hearing) scheduled on a Tuesday, Wednesday, or Thursday when the House will be in session, shall be announced at least 36 hours in advance of the commencement of such meeting.

(B) The time, place, and subject matter of a meeting (other than a hearing or a meeting to which subparagraph (A) applies) shall be announced at least 72 hours in advance of the commencement of such meeting.

(b) Each witness who is to appear before the committee or subcommittee shall file with the clerk of the committee, at least two working days in advance of his appearance, fifty (50) copies of a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement, or any part thereof, is waived by the committee or subcommittee chairman presiding.

(c) The right to interrogate the witnesses before the committee or any of its subcommittees shall alternate between majority and minority members. Each member shall be limited to 5 minutes in the interrogation of witnesses until such time as each member who so desires has had an opportunity to question witnesses. No member shall be recognized for a second period of 5 minutes to interrogate a witness until each member of the committee present has been recognized once for that purpose. While the committee or subcommittee is operating under the 5-minute rule for the interrogation of witnesses, the chairman shall recognize in order of appearance members who were not present when the meeting was called to order after all members who were present when the meeting was called to order have been recognized in the order of seniority on the committee of subcommittee, as the case may be.

(d) No bill, recommendation, or other matter reported by a subcommittee shall be considered by the full committee unless the text of the matter reported, together with an explanation, has been available to members of the committee for at least 36 hours. Such explanation shall include a summary of the major provisions of the legislation, an explanation of the relationship of the matter to present law, and a summary of the need for the legislation. All subcommittee actions shall be reported promptly by the clerk of the committee to all members of the committee.

Rule 5. Waiver of Notice, Agenda, and Layover Requirements. Requirements of Rules 3, 4(a)(2) and 4(d) may be waived by a majority of those present and voting (a majority being present) of the committee or subcommittee, as the case may be.

Rule 6. Quorum. Testimony may be taken and evidence received at any hearing at which there are present not fewer than two members of the committee or subcommittee in question. In the case of a meeting other than a hearing, the number of members constituting a quorum shall be one-third of the members of the committee or subcommittee, except that a matter may not be reported by the committee or a subcommittee unless a majority of the members thereof is actually present.

Rule 7. Proxies. No vote by any member of the committee or any of its subcommittees with respect to any measure or matter may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

Rule 8. Journal, Rollcalls. The proceedings of the committee shall be recorded in a journal which shall, among other things, show those present at each meeting, and include a record of the votes on any question on which a record vote is demanded and a description of the amendment, motion, order or other proposition voted. A copy of the journal shall be furnished to the ranking minority member. A record vote may be

demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member. No demand for a rollcall shall be made or obtained except for the purpose of procuring a record vote or in the apparent absence of a quorum. The result of each rollcall vote in any meeting of the committee shall be made available in the committee office for inspection by the public, as provided in Rule IX, clause 2(e) of the Rules of the House.

Rule 9. Filing of Committee Reports. If, at the time of approval of any measure or matter by this committee, any member or members of the committee should give notice of an intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three (3) calendar days (exclusive of Saturdays, Sundays, and legal holidays) in which to file such views in writing and signed by that member or members with the committee. All such views so filed shall be included within and shall be a part of the report filed by the committee with respect to that measure or matter.

Rule 10. Subcommittees. There shall be such standing subcommittees with such jurisdiction and size as determined by the majority party caucus of the committee and, in addition, a Subcommittee on Oversight and Investigations. The jurisdiction, number, and size of the subcommittee shall be determined by the majority party caucus prior to the start of the bidding process for subcommittee chairmanships and assignments. Such subcommittees shall, to the maximum extent practicable, be of equal size. The Subcommittee on Oversight and Investigations shall coordinate its work with the work of other standing subcommittees and shall maintain regular communication with the standing subcommittees and the chairman of the full committee in order to obtain advice on subjects for investigation. The standing subcommittees shall maintain regular communication with the Subcommittee on Oversight and Investigations to advise the Subcommittee on Oversight and Investigation of subjects for investigation.

Rule 11. Powers and Duties of Subcommittees. Each subcommittee is authorized to meet, hold hearings, receive testimony, mark up legislation, and report to the committee on all matters referred to it. Subcommittee chairmen shall set hearing and meeting dates only with the approval of the chairman of the full committee with a view toward assuring availability of meeting rooms and avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

Rule 12. Reference of Legislation and Other Matters. All legislation and other matters referred to the committee shall be referred to the subcommittee of appropriate jurisdiction immediately unless, by majority vote of the members of the full committee within five (5) legislative days, consideration is to be by the full committee. In the case of legislation or other matter within the jurisdiction of more than one subcommittee, the chairman of the committee shall have the same authority to refer such legislation or other matter to one or more subcommittees as the Speaker has under clause 5(c) of Rule X of the House of Representatives to refer a matter to one or more committees of the House. Such authority shall include the authority to refer such legislation or matter to an ad hoc subcommittee appointed by the chairman, with the approval of the committee, from the members of the subcommittees having legislative or oversight jurisdiction.

Rule 13. Ratio of Subcommittees. The majority caucus of the committee shall determine an appropriate ratio of majority to minority party members for each subcommittee and the chairman shall negotiate that ratio with the minority party, provided that the ratio of party members on each subcommittee shall be no less favorable to the majority than that of the full committee, nor shall such ratio provide for a majority of less than two majority members.

Rule 14. Subcommittee Membership. (a) Subject to the requirements of the Manual of the Democratic Caucus of the House of Representatives, each majority member other than the chairman of the full committee or the chairman of a subcommittee shall in order of committee seniority be entitled to membership on two subcommittees of that member's choice. A member (other than an ex officio member) may serve on more than two subcommittees only if such service is necessary in order to comply with Rule 13. Proceeding in order of seniority on the committee, each majority member, other than the chairman of the full committee and the chairmen of the several subcommittees, shall be entitled to select one subcommittee position each. The subcommittee selection process shall then continue in sequence of committee seniority, including the chairman of the several subcommittees, for succeeding rounds of selection until all subcommittee positions are filled. The subcommittee selection process shall be conducted at a meeting of the majority party caucus of the committee held prior to any organizational meeting of the full committee. Subcommittee selections of each member shall be recorded by the clerk as made and shall be available for examination by the members.

(b) Minority subcommittee membership shall be selected as determined by the minority.

(c) The chairman and ranking minority member of the committee shall be ex officio members with voting privileges of each legislative subcommittee of the committee of which they are not assigned members. The ex officio members shall not be counted in determining a subcommittee quorum other than a quorum for the purpose of taking testimony.

Rule 15. Subcommittee Chairmen. (a)(1) Majority members of the committee shall have the right, in order of full committee seniority, to bid for subcommittee chairmanships. Any request for a subcommittee chairmanship shall be subject to approval by a majority of those present and voting, by secret ballot, in the majority party caucus of the committee. If the caucus rejects a subcommittee chairmanship bid, the next senior majority member may bid for the position as in the first instance. The subcommittee chairmen shall be elected by the full committee from nominations submitted by the majority party caucus of the committee.

(2) If the majority members of the committee shall determine to change the size of any subcommittee after the start of the bidding process, they may do so, but in that event, all previous action on the bidding process shall be expunged and the bidding process shall start anew.

(b) Subcommittee chairmen shall manage legislation reported from their subcommittees on the House floor.

(c) The chairman of the committee may make available to the chairman of any subcommittee office equipment and facilities which have been provided to him and for which he is personally responsible, subject to such terms and conditions as the chairman deems appropriate.

Rule 16. Committee Professional and Clerical Staff Appointments. (a) Whenever the chairman of the committee determines that any professional staff member appointed pursuant to the provisions of clause 6 of Rule XI of the House of Representatives, who is assigned to such chairman and not to the ranking minority member, by reason of such professional staff member's expertise or qualifications will be of assistance to one or more subcommittees in carrying out their assigned responsibilities, he may delegate such member to such subcommittees for such purpose. A delegation of a member of the professional staff pursuant to this subsection shall be made after consultation with the subcommittee chairmen and with the approval of the subcommittee chairman or chairmen involved.

(b) Professional staff members appointed pursuant to clause 6 of Rule XI of the House of Representatives, who are assigned to the ranking minority party member of the committee and not to the chairman of the committee, shall be assigned to such committee business as the minority party members of the committee consider advisable.

(c) In addition to the professional staff appointed pursuant to clause 6 of Rule XI of the House of Representatives, the chairman of the committee shall be entitled, subject to the approval of the majority party members of the committee, to make such appointments to the professional and clerical staff of the committee as may be provided within the budget approved for such purposes by the committee. Such appointee shall be assigned to such business of the full committee as the chairman of the committee considers advisable.

(d) Subcommittee chairmen, subject to the approval of the majority party members of the committee, shall be entitled to make such appointments to the professional and clerical staff of the committee as may be provided in the committee budget as provided for in rule 18 of these rules. Such professional and clerical appointees shall be delegated to the appropriate subcommittee for the purposes of assisting such subcommittee in the discharge of it assigned responsibilities and may be removed and their compensation fixed by the subcommittee chairman subject to the approval of the majority members of the committee.

(e) In addition to appointments made pursuant to other subsections of this rule, (1) the subcommittee chairman of each of the committee's subcommittees is authorized to appoint, in accordance with such rules as the majority party caucus may prescribe, one staff person who shall serve at the pleasure of such subcommittee chairman, and (2) the ranking minority member of each such subcommittee is authorized to appoint it, in accordance with such rules as the minority party caucus may prescribe, one staff person who shall serve at the pleasure of such ranking minority member. Remuneration of any staff person appointed under this subsection shall be governed by paragraph (d) of clause 5 of Rule XI of the House of Representatives.

(f) Any contract for the temporary services or intermittent services of individual consultants or organizations to make studies or advise the committee or its subcommittees with respect to any matter within their jurisdiction shall be deemed to have been approved by a majority of the members of

the committee if approved by the chairman and ranking minority member of the committee and, if funded by a subcommittee, by the chairman and ranking minority member of that subcommittee. Such approval shall not be deemed to have been given if at least one-third of the members of the committee request in writing that the committee formally act on such a contract, if the request is made within 10 days after the latest date on which such chairman or chairmen, and such ranking minority member or members, approve such contract.

Rule 17. Supervision, Duties of Staff. (a) The professional and clerical staff of the committee delegated to subcommittees of the committee pursuant to rule 16 shall be subject to the supervision and direction of the chairman of the subcommittee to which they are assigned with respect to matters before the subcommittee, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate. The professional and clerical staff assigned to the minority shall be under the supervision and direction of the minority members of the committee, who may delegate such authority as they determine appropriate. Subject to subsection (b), the professional and clerical staff of the committee not delegated to a subcommittee pursuant to rule 16(d) or to the minority shall be under the supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(b) The professional staff member who is assigned principal responsibility by a subcommittee chairman with respect to a matter before such subcommittee chairman's subcommittee shall continue to assume principal staff responsibility during any consideration before the full committee, the Rules Committee, the House, and Conference Committees of any matter which is reported by such subcommittee.

Rule 18. Committee and Subcommittee Budgets. (a) The chairman of the full committee and the chairmen of each standing subcommittee, after consultation with their respective ranking minority members, shall for each session of the Congress prepare a preliminary budget for the committee and each standing subcommittee respectively, with such budgets including necessary amounts for professional and clerical staff, travel, investigations, and miscellaneous expenses, and which shall be adequate to fully discharge their responsibilities for legislation and oversight. Thereafter, the chairman of the full committee, meeting with the chairmen of the subcommittees, shall combine such proposals into a committee budget, which shall state separately the budgeted amounts for the committee and for each of the subcommittees. Such budget shall be presented by the chairman to the majority party caucus of the committee and thereafter to the full committee for its approval.

(b) The chairman shall take whatever action is necessary to have the budget as finally approved by the committee duly authorized by the House. No proposed committee budget may be submitted to the House Administration Committee unless it has been presented to and approved by the majority party caucus and thereafter by the full committee. The chairman of the full committee or the chairmen of the standing subcommittees may authorize all necessary expenses in accordance with these rules and within the limits of their portion of the budget as approved by the House, but the chairman of the full committee shall permit no subcommittee to make an expenditure beyond its portion of the budget (as established in paragraph (a)) unless the chairman determines that such expenditure can be made without exceeding the amount authorized to the full committee by the House.

(c) Committee members shall be furnished a copy of each monthly report, prepared by the chairman for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year by committee and subcommittees, anticipated expenditures for the projected committee program, and detailed information on travel.

Rule 19. Broadcasting of Committee Hearings. Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of Rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the committee, the subcommittee chairman, or other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him.

Rule 20. Comptroller General Audits. The chairman of the committee is authorized to request verification examinations by the Comptroller General of the United States pursuant to Title V, Part A of the Energy Policy and Conservation Act (Public Law 94-163), after consultation with the members of the committee.

Rule 21. Subpenas. The full committee, or any subcommittee, may authorize and issue a subpena under clause 2(m)(2)(A) of Rule XI of the House of Representatives, if authorized by a majority of the members voting of the committee or subcommittee (as the case may be), a quorum being present. In addition, the chairman of the full committee may authorize and issue subpenas under such clause during any period for which the House has adjourned for a period in excess of three days. Subpenas may be issued over the signature of the chairman of the full committee, or any member of the committee authorized by such chairman, and may be served by any person designated by such chairman or member.

Rule 22. Travel of Members and Staff. (a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee or any subcommittee thereof and meetings, conferences and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following: (1) The purpose of the travel; (2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made; (3) The location of the event for which the travel is to be made; (4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the chairman. Such prior authorization shall be given by the chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).

(c) In the case of travel by minority party members and minority party professional staff for the purpose set out in (a) or (b), the prior approval, not only of the chairman but also of the ranking minority party member, shall be required. Such prior authorization shall be given by the chairman only upon the representation by the ranking minority party member in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a).●

RULES OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY FOR THE 99TH CONGRESS

(Mr. FUQUA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. FUQUA. Mr. Speaker, in accordance with rule XI, clause 2(a) of the Rules of the House of Representatives, I am transmitting to you the Rules Governing Procedure of the Committee on Science and Technology for the 99th Congress:

GENERAL

1. The Rules of the House of Representatives, as applicable, shall govern the committee and its subcommittees. The rules of the committee, as applicable, shall be the rules of its subcommittees except that a motion to recess from day to day and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in the Committee.

COMMITTEE MEETINGS

Time and Place

2. Unless dispensed with by the Chairman, the meetings of the committee shall be held on the 1st and 3rd Tuesday of each month the House is in session at 10:00 a.m. and at such other times and in such places as the Chairman may designate.

3. The Chairman of the committee may convene as necessary additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business.

*4. The committee shall make public announcement of the date, time, place and

*Indicates rules applicable to subcommittees.

subject matter of any of its hearings at least one week before the commencement of the hearing. If the Chairman determines that there is good cause to begin the hearing sooner, he shall make the announcement at the earliest possible date. Any announcement made under this subparagraph shall be promptly published in the Daily Digest, and promptly entered into the scheduling service of the House Information Systems.

*5. The committee may sit while the House is reading a measure for amendment under the 5-minute rule, provided 10 or more Members on the House floor do not object when special leave for such committee or subcommittee to sit is requested.

Ranking Majority Member to Preside in Absence of Chairman

*6. If the Chairman of the committee is not present at any meeting of the committee, the ranking Member of the Majority Party on the committee who is present shall preside.

Order of Business

*7. The order of business and procedure of the committee and the subjects of inquiries or investigations will be decided by the Chairman, subject always to an appeal to the committee.

Membership

8. A majority of the Majority Members of the committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize the Chairman to negotiate that ratio with the Minority Party; *Provided, however,* that party representation on each subcommittee (including any ex-officio Members) shall be no less favorable to the Majority Party than the ratio for the full committee. *Provided, further* that recommendations of conferees to the Speaker shall provide a ratio of Majority Party Members to Minority Party Members which shall be no less favorable to the Majority Party than the ratio for the full committee.

Special Meetings

9. Rule XI 2(c)(2) of the Rules of the House of Representatives is hereby incorporated by reference (Special Meetings).

COMMITTEE PROCEDURES

Quorum

*10. One-third of the Members of the committee shall constitute a quorum for all purposes except that a majority must be present in order to: (1) report or table any legislation, measure or matter; (2) close committee meetings or hearings; or (3) authorize the issuance of subpenas.

*11. The number of Members to constitute a quorum for taking testimony and receiving evidence shall not be less than two.

Proxies

*12. Any Member may authorize a vote by proxy with respect to any measure or matter before the committee. Such proxy authorization shall be in writing, shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote, filed with the committee clerk, and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Witnesses

*13. The committee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a summary of his or her statement.

*14. Whenever any hearing is conducted by the committee on any measure or matter, the Minority Members of the committee shall be entitled, upon request to the Chairman by a majority of them, before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to the measure or matter during at least one day of hearing thereon.

Investigative Hearing Procedures

*15. Rule XI 2(k) of the Rules of the House of Representatives is hereby incorporated by reference (rights of witnesses under subpena).

Subject Matter

*16. Bills and other substantive matters may be taken up for hearing only when called by the Chairman of the committee or by a majority vote of a quorum of the committee, except those matters which are the subject of special-call meetings outlined in Rule 9.

17. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the committee.

*18. (a) It shall not be in order for the committee to consider any new or original measure or matter unless written notice of the date, place and subject matter of consideration and to the extent practicable, a written copy of the measure or matter to be considered, has been available in the office of each Member of the committee for at least three calendar days in advance of consideration, excluding Saturdays, Sundays and legal holidays.

(b) Notwithstanding the foregoing sections of this rule, consideration of any legislative measure or matter by the committee shall be in order by vote of two-thirds of the Members present, provided that a majority of the committee is present.

Open Meetings

*19. Each meeting for the transaction of business, including the markup of legislation, of the committee shall be open to the public except when the committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than Members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by Rule 20 contained herein, or to any meeting that relates solely to internal budget or personnel matters.

*20. Each hearing conducted by the committee shall be open to the public except when the committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, and Rule 10, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony:

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Rule XI 2(k)(5) of the Rules of the House of Representatives; or

(B) may vote to close the hearing, as provided in Rule XI 2(k)(5) of the Rules of the House of Representatives. No Member may be excluded from nonparticipatory attendance at any hearing of any committee or subcommittee, unless the House of Representatives shall by majority vote authorize a particular committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subparagraph for closing hearings to the public: *Provided, however,* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

Requests for Roll Call Votes

21. A roll call of the Members may be had at the request of three or more Members.

Committee Records

*22. The committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a roll call vote is demanded. The result of each roll call shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order or proposition, and the names of those Members present but not voting.

Publication of Committee Hearings

*23. The transcripts of those hearings conducted by the Committee which are decided to be printed will be published in verbatim form, with the material requested for the record inserted at that place requested, or at the end of the record, as appropriate.

Any requests by those Members, staff or witnesses to correct any errors, other than errors in transcription, or disputed errors in transcription, will be appended to the record, and the appropriate place where the change is requested will be footnoted.

Prior to approval by the Chairman of hearings conducted jointly with another Congressional committee, a memorandum of understanding will be prepared which incorporates an agreement for the publication of the verbatim transcript.

5-Minute Rule During Committee Proceedings

*24. The time any one Member may address the committee on any bill, motion or other matter under consideration by the committee or the time allowed for the questioning of a witness at hearings before the committee will be limited to five minutes, and then only when the Member has been recognized by the Chairman, except that

this time limit may be waived by the Chairman or acting Chairman. The rule of germaneness will be enforced by the Chairman.

Requests for Written Motions

*25. Any legislative or non-procedural motion made at a regular or special meeting of the committee and which is entertained by the chairman shall be presented in writing upon the demand of any Member present and a copy made available to each Member present.

SUBCOMMITTEES

Structure and Jurisdiction

26. The committee shall have the following standing subcommittees with the jurisdiction indicted.

(a) Subcommittee on Energy Development and Application. Legislation, general and special oversight and all other matters relating to research, development and demonstration programs in fossil energy R&D; solar applications; solar technology; advanced energy technology; energy conservation; biomass; basic energy sciences; high energy and nuclear physics; geothermal energy; international cooperation in non-nuclear energy; and policy and management programs of the Department of Energy.

(b) Subcommittee on Natural Resources, Agriculture Research and Environment. Legislation, general and special oversight and all other matters relating to natural resources, including, but not limited to, water research, and, to the extent appropriate, agriculture R&D; legislation, risk assessment and other matters relating to environmental research and development generally—including, but not limited to, research and development activities of the Environmental Protection Agency; environmental health, safety, life sciences, pharmaceutical and medical activities of Executive departments and agencies, as appropriate; operational and research and development activities related to the atmosphere (including meteorology, aeronomy, climate, weather modification); those ocean R&D activities related to the quality and management of the environment of the National Oceanic and Atmospheric Administration; and earth observing systems.

(c) Subcommittee on Energy Research and Production. Legislation, general and special oversight and all other matters relating to research, development and demonstration involving nuclear fission and the nuclear fuel cycle; nuclear fusion, electric energy systems; energy storage systems; hydroelectric energy systems; international cooperation in nuclear matters (except for exports of nuclear technology and hardware); and policy and management programs of the Department of Energy.

(d) Subcommittee on Science, Research and Technology. Legislation, general and special oversight and all other matters relating to the National Science Foundation; the National Bureau of Standards; the Office of Science and Technology Policy; the Office of Technology Assessment; scientific research and development and applications; science policy; scientific resources (including manpower); science education; science information and information sciences; technology transfer; technology assessment; innovation, productivity, and industrial R&D; standards (weights, measures, etc.); patent policies as they relate to Federal research and development programs; R&D involving governmental health, nutritional and handicapped programs; biotechnology; intergovernmental mechanisms for R&D; and international cooperation in science and technology.

(e) Subcommittee on Transportation, Aviation and Materials. Legislation, general and special oversight and all other matters relating to civil aviation research and development (includes aeronautical research and technology programs of the National Aeronautics and Space Administration and research and development programs of the Federal Aviation Administration); transportation programs of the Department of Energy; aviation-weather services; materials R&D and national materials policies, both domestic and international; oversight of surface transportation research and development programs of the Department of Transportation, Urban Mass Transportation Administration, Federal Railroad Administration, Federal Highway Administration, National Highway Traffic Safety Administration, and Coast Guard and the Maritime Administration; oversight of research and development in communications other than that for which the Subcommittee on Space Sciences and Applications is responsible.

(f) Subcommittee on Investigations and Oversight. Review and study, on a continuing basis, of the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee and the organization and operation of the Federal and private agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress. In addition, the Subcommittee on Investigations and Oversight and the appropriate subcommittee with legislative authority may cooperatively review and study any conditions or circumstances which indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee, and may undertake future research and forecasting on matters within the jurisdiction of the committee. The Subcommittee on Investigations and Oversight shall in no way limit the responsibility of other subcommittees from carrying out their oversight responsibilities, nor shall any investigation be undertaken by the Subcommittee on Investigations and Oversight without (a) consultation with the Chairman of the appropriate subcommittee with legislative authority and (b) approval of the Chairman of the committee.

(g) Subcommittee on Space Science and Applications. Legislation, general and special oversight and all other matters relating to the National Aeronautics and Space Administration (except aeronautical research and technology); national programs of research and development in space exploration and control, space applications, space commercialization, space communications and related matters; and earth observing systems.

Referral of Legislation

27. All legislation and other matters referred to the committee shall be referred to all subcommittees of appropriate jurisdiction within two weeks unless, by a majority vote of the Majority Members of the full committee, consideration is to be by the full committee. Subcommittee chairmen may make requests for referral of specific matters to their subcommittee within the two-week period if they believe subcommittee jurisdictions so warrant.

Ex Officio Members

28. The Chairman and Ranking Minority Member shall serve as ex officio Members of all subcommittees and shall have the right to vote and be counted as part of the quorum on all matters before the subcommittee.

Procedures

29. No subcommittee shall meet for markup or approval when any other subcommittee of the committee is meeting to consider any measure or matter for markup or approval.

30. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the committee on all matters referred to it. Each subcommittee shall conduct legislative and general oversight, inquiries for the future and forecasting, and budget impact studies on matters within their respective jurisdictions. Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

31. Any Member of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings of deliberations, but no such Member who is not a member of the subcommittee shall vote on any matter before such subcommittee, except as provided in Rule 28.

32. During any subcommittee proceeding for markup or approval, a roll call vote may be had at the request of one or more Members of that subcommittee.

Power to Sit and Act; Subpena Power

33. Rule XI 2(m) of the Rules of the House of Representatives is hereby incorporated by reference (power to sit and act; subpena power).

National Security Information

*34. All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee shall be deemed to have been received in Executive Session and shall be given appropriate safekeeping. The Chairman of the full committee may establish such regulations and procedures as in his judgment are necessary to safeguard classified information under the control of the committee. Such procedures shall, however, ensure access to this information by any Member of the committee, or any other Member of the House of Representatives who has requested the opportunity to review such material.

Sensitive or Confidential Information Received Pursuant to Subpoena

*35. Unless otherwise determined by the committee or subcommittee, certain information received by the committee or subcommittee pursuant to a subpoena not made part of the record at an open hearing shall be deemed to have been received in Executive Session when the Chairman of the full committee, in his judgment, deems that in view of all the circumstances, such as the sensitivity of the information or the confidential nature of the information, such action is appropriate.

REPORTS

Substance of Legislative Reports

36. The report of the committee on a measure which has been approved by the committee shall include the following, to be provided by the committee:

(A) the oversight findings and recommendations required pursuant to Rule X 2(b)(1) of the Rules of the House of Representa-

tives, separately set out and identified [Rule XI 2 (l)(3)(A)];

(B) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and identified, if the measure provides new budget authority or new or increased tax expenditures [Rule XI 2(l)(3)(B)];

(C) a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on the national economy, [Rule XI 2(l)(4)];

(D) with respect to each roll call vote on a motion to report such bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or resolution, [Rule XI 2(l)(2)(B)];

(E) the estimate and comparison prepared by the committee under Rule XIII 7(a) of the Rules of the House of Representatives, unless the estimate and comparison prepared by the Director of the Congressional Budget Office prepared under subdivision (A) of Rule 34 has been timely submitted prior to the filing of the report and included in the report [Rule XIII 7]; and

(F) in the case of a bill or joint resolution which repeals or amends any statute or part thereof, the text of the statute or part thereof which is proposed to be repealed, and a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, [Rule XIII 3].

37. (a) The report of the committee on a measure which has been approved by the committee shall further include the following, to be provided by sources other than the committee:

(A) the estimate and comparison prepared by the Director of the Congressional Budget Office required under section 403 of the Congressional Budget Act of 1974, separately set out and identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison of the committee, [Rule XI 2(l)(3)(C)];

(B) a summary of the oversight findings and recommendations made by the Committee on Government Operations under Rule X 2(b)(2) of the Rules of the House of Representatives, separately set out and identified [Rule XI 2(l)(3)(D)].

(b) Notwithstanding the foregoing sections of this rule, if the committee has not received prior to the filing of the report the material required under subdivisions (A) and (B) of this rule, then it shall include a statement to that effect in the report on the measure.

Minority and Additional Views

38. If, at the time of approval of any measure or matter by the committee, any Member of the committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member, with the clerk of the committee. All such views so filed by one or more Members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (A) and (B) of Rule 34) are included as part of the report. However, this rule does not preclude (1) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph or (2) the filing by the committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

39. The Chairman of the committee or subcommittee, as appropriate, shall advise Members of the day and hour when the time for submitting views relative to any given report elapses. No supplemental, minority, or additional views shall be accepted for inclusion in the report if submitted after the announced time has elapsed unless the Chairman of the committee or subcommittee, as appropriate, decides to extend the time for submission of views beyond 3 days, in which case he shall communicate such fact to Members, including the revised day and hour for submissions to be received, without delay.

Consideration of Subcommittee Reports

40. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days, excluding Saturdays, Sundays and legal holidays, from the time the report is submitted and printed hearings thereon shall be made available, if feasible, to the Members, except that this rule may be waived at the discretion of the Chairman.

Timing and Filing of Committee Reports

41. It shall be the duty of the Chairman to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken the necessary steps to bring the matter to a vote.

42. The report of the committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the Members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the Chairman of the committee notice of the filing of that request.

43. Any committee or subcommittee report published by the committee shall follow the same procedures for its approval, including the opportunity to submit views, as is followed in the case of a report accompanying a bill or resolution which has been approved by the committee.

MEDIA COVERAGE

*44. The committee may permit, by majority vote, hearings or meetings which are open to the public to be covered in whole or in part by television, radio and still photography—or by any such methods of coverage—in accordance with Rule XI 3 of the Rules of the House of Representatives, provided, that the Chairman shall determine, in his or her discretion, the number of television and still cameras permitted in a hearing or meeting room.

LEGISLATIVE AND OVERSIGHT JURISDICTION OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY

"RULE X. ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES

"The Committees and Their Jurisdiction.

"1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3, and 4; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 5) be referred to such committees, as follows:

* * * * *

(r) Committee on Science and Technology.

(1) Astronautical research and development, including resources, personnel, equipment, and facilities.

(2) Bureau of Standards, standardization of weights and measures and the metric system.

(3) National Aeronautics and Space Administration.

(4) National Aeronautics and Space Council.

(5) National Science Foundation.

(6) Outer space, including exploration and control thereof.

(7) Science Scholarships.

(8) Scientific research, development, and demonstration, and projects therefor, and all federally owned or operated nonmilitary energy laboratories.

(9) Civil aviation research, and development.

(10) Environmental research and development.

(11) All energy research, development, and demonstration, and projects therefor, and all federally owned or operated nonmilitary energy laboratories.

(12) National Weather Service.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(f) with respect to all nonmilitary research and development.

* * * * *

"SPECIAL OVERSIGHT FUNCTIONS

"3. (f) The Committee on Science and Technology shall have the function of reviewing and studying on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development."

(f) The Committee on Science and Technology shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LLOYD (at the request of Mr. WRIGHT), for today, on account of a death in the family.

Mr. BADHAM (at the request of Mr. MICHEL), from 3:30 p.m. today and for the balance of the week, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COMBEST) to revise and extend their remarks and include extraneous material:)

Mr. ROTH, for 30 minutes, today.
Mr. BROYHILL, for 60 minutes, March 5.
Mr. LENT, for 60 minutes, March 5.
Mr. BROYHILL, for 60 minutes, March 6.
Mr. LENT, for 60 minutes, March 6.
Mr. HAMMERSCHMIDT, for 10 minutes, today.
Mr. WALKER, for 60 minutes, today.
Mr. JEFFORDS, for 60 minutes, today.
Mr. QUILLEN, for 5 minutes, today.
Mr. BOEHLERT, for 5 minutes, today.
Mr. MICHEL, for 5 minutes, today.
Mr. COBEY, for 5 minutes, today.
Mr. ROBERT F. SMITH, for 5 minutes, today.
Mr. ROWLAND of Connecticut, for 5 minutes, today.

(The following Members (at the request of Mr. MILLER of California) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mrs. LLOYD, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. COYNE, for 10 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.
Mr. HAYES, for 5 minutes, February 28.
Mr. HAYES, for 30 minutes, March 5.

(The following Members (at the request of Mr. JACOBS) to revise and extend their remarks and include extraneous material:)

Mr. DICKS, for 5 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. LELAND, for 60 minutes, March 6.
Mr. ALEXANDER, for 60 minutes, March 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL, for 5 minutes following the remarks of Mr. SCHUETTE, today.
Mr. ENGLISH, after the vote on H.R. 1035.
Mr. DAUB, to revise and extend his remarks at the point after the last motion was made on engrossment.
Mr. BEDELL, to revise and extend his remarks in the same case as the gentleman from Nebraska [Mr. DAUB].

(The following Members (at the request of Mr. COMBEST) and to include extraneous matter:)

Mr. MCDADE in two instances.
Mr. PETRI.
Mr. DREIER of California.
Mr. OXLEY.
Mr. CHAPPIE.
Mr. GILMAN in five instances.
Mr. BEREUTER.
Mr. HARTNETT.
Mr. MCCAIN.
Mr. GREEN.
Ms. SNOWE.

(The following Members (at the request of Mr. MILLER of California) and to include extraneous matter:)

Mr. ORTIZ.
Mr. WHEAT.
Mr. STOKES in three instances.
Mr. BERMAN.
Mr. TRAFICANT in three instances.
Mr. ADDABBO.
Mr. HAMILTON.
Mr. MURTHA.
Mr. FOWLER.
Mr. GARCIA.
Mr. PEASE in four instances.
Mr. TORRICELLI.
Mr. APPLEGATE.
Mr. MOODY.
Mr. VENTO in two instances.
Mr. MITCHELL.
Mr. DYMALLY.
Mr. SCHUMER.
Mr. OBEY in five instances.
Mr. LEHMAN of California.
Mr. LEHMAN of Florida.
Mr. FEIGHAN.
Mr. HEFTEL of Hawaii.
Mr. DONNELLY.
Mr. STARK.
Mr. RANGEL.
Mr. MARKEY.
Mr. ANTHONY.
Mr. BARNES.
Mr. CONYERS.
Mr. SKELTON.
Mr. WAXMAN.
Mr. SHELBY.

ADJOURNMENT

Mr. JACOBS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 2 minutes p.m.) the House adjourned until tomorrow, Thursday, February 28, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

627. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during January of 1985 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

628. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a draft of proposed legislation to amend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

629. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the patent laws implementing the Patent Cooperation Treaty; to the Committee on the Judiciary.

630. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize certain actions with regard to foreign fishing vessel permits for unsafe conditions, and for other purposes; to the Committee on Merchant Marine and Fisheries.

631. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title 44, United States Code, to authorize the Secretary of Commerce to establish prices charged for charts, tide and tidal current tables, tidal current charts, coast pilots, water level products, and associated data bases published or produced by the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Merchant Marine and Fisheries.

632. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend titles 5 and 10, United States Code, to authorize the U.S. Air Force Institute of Technology to adopt personnel classification and pay practices for civilian faculty members similar to those used at comparable Federal educational institutions; jointly, to the Committees on Armed Services and Post Office and Civil Service.

633. A letter from the Chairman, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, transmitting a report of the Advisory Committee on Reactor Safeguards on the Nuclear Regulatory Commission Safety Research Program for fiscal years 1986 and 1987, pursuant to AEA, section 29 (91 Stat. 1483); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

634. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for the operation and maintenance of certain fish propagation facilities constructed in the Columbia River basin, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. House Resolution 85. Resolution providing for the consideration of H.R. 1189, a bill to provide additional emergency credit to farm producers; to provide funds to forgo foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes (Rept. No. 99-8). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 86. Resolution waiving certain points of order against H.R. 1239, a bill making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recov-

ery in Africa, and for other purposes (Rept. No. 99-9). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 14. A bill to designate the Federal Building and United States Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse" (Rept. No. 99-10). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1251. A bill to apportion one-half of the funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986 and substitute highway and transit projects for fiscal years 1984 and 1985; with amendments (Rept. No. 99-11). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY (for himself and Mr. ALEXANDER):

H.R. 1292. A bill to amend section 144 of title 23, United States Code, to authorize the construction of bridges to replace ferryboat service; to the Committee on Public Works and Transportation.

By Mr. APPLEGATE:

H.R. 1293. A bill to amend title 4 of the United States Code to make it clear that a State, other than the State from which a Member of Congress was elected, may not impose a personal property tax on the automobile used by a Member of Congress for attending sessions of Congress; to the Committee on the Judiciary.

By Mr. BIAGGI:

H.R. 1294. A bill to amend title VII of the Civil Rights Act of 1964 to prohibit employment discrimination on the basis of a cancer history; to the Committee on Education and Labor.

By Mrs. BOXER (for herself, Mrs. COLLINS, Ms. KAPTUR, Mrs. BURTON of California, Mr. LELAND, Mr. SAVAGE, Mr. LEVINE of California, Mr. FAUNTROY, Mr. MITCHELL, Mr. STOKES, Mr. BLAZ, Mr. MOODY, Mr. FRANK, Mr. SUNIA, Mr. WOLPE, Mr. BERMAN, Mr. FROST, Mr. DELLUMS, Mr. PANETTA, Mr. WAXMAN, and Mr. ORTIZ):

H.R. 1295. A bill entitled: "The Ocean Incineration Research Act of 1985"; jointly, to the Committees on Merchant Marine and Fisheries and Science and Technology.

By Mr. CARR:

H.R. 1296. A bill to amend the Internal Revenue Code of 1954 to provide that the total amount paid by a self-employed taxpayer for his or her health insurance premiums will be allowed as a business deduction; to the Committee on Ways and Means.

By Mr. COYNE (for himself, Ms. KAPTUR, Mr. MAVROULES, Mr. PRICE, Mr. WISE, and Mr. HAWKINS):

H.R. 1297. A bill to provide for the designation of, and provision of assistance to, economic growth zones for purposes of promoting economic growth within economically distressed communities; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DELLUMS (for himself, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DE LUGO, Mr. DYMALLY, Mr. FAUNTROY, Mr. FRANK, Mr. GARCIA, Mr. HAYES, Mr. LELAND, Mr. MITCHELL, Mr. OWENS, Mr. STOKES, Mr. SAVAGE, Mr. TOWNS, Mr. WEISS, and Mr. KASTENMEIER):

H.R. 1298. A bill to prohibit U.S. persons from making or holding any investment in South Africa; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. DONNELLY:

H.R. 1299. A bill to provide a survivor annuity to surviving spouses of members of the Reserve components of the Armed Forces who died without having attained age 60 before October 1, 1978, but after they became eligible for retired pay for nonregular service; to the Committee on Armed Services.

By Mr. MICHEL:

H.R. 1300. A bill to provide that individuals who live in the Eighth Congressional District of Indiana shall not be required to pay Federal income tax for any period during which they are without representation in the House of Representatives; to the Committee on Ways and Means.

By Mr. DONNELLY:

H.R. 1301. A bill to promote orderly and efficient ocean transportation of dry bulk commodities in the foreign commerce of the United States, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Rules.

By Mr. DYMALLY (for himself, Mr. BLAZ, Mr. SOLOMON, Mr. FAUNTROY, Mr. JEFFORDS, Mrs. BOXER, Mr. OWENS, Mr. LAGOMARSINO, Mr. ANDERSON, Ms. FIEDLER, Mr. FAZIO, Mr. MATSUI, Mr. MARTINEZ, Mr. PANETTA, Mr. LELAND, Mr. HEFTEL of Hawaii, Mr. ROSE, Mr. WILSON, Mr. MILLER of California, Mr. SUNIA, Mr. WHITEHURST, and Mr. AKAKA):

H.R. 1302. A bill to permit the naturalization of certain Filipino war veterans; to the Committee on the Judiciary.

By Mr. EDGAR (by request):

H.R. 1303. A bill to permit the Administrator of Veterans' Affairs to proceed with a certain transfer of functions within the Department of Medicine and Surgery of the Veterans' Administration without regard to the congressional notice-and-wait requirements of section 210 of title 38, United States Code; to the Committee on Veterans' Affairs.

By Mr. EDWARDS of California (for himself, Mr. ACKERMAN, Mr. BATES, Mr. BEDELL, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. BROWN of California, Mrs. BURTON of California, Mr. COELHO, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DIXON, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. ECKART of Ohio, Mr. EDGAR, Mr. FAUNTROY, Mr. FAZIO, Mr. FORD of Tennessee, Mr. FORD of Michigan, Mr. FRANK, Mr. FUSTER, Mr. GARCIA, Mr. HAYES, Mr. HAWKINS, Mr. KASTENMEIER, Mr. KLECZKA, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. LOWRY of Washington, Mr. LUNDINE, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL, Mr. MORRISON of Connecticut, Mr. PANETTA, Mr. OBERSTAR, Mr. OWENS, Mr. RODINO, Mr. ROYBAL, Mr. RUSSO, Mr. SABO, Mr. SAVAGE, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. STARK, Mr. STOKES, Mr. TORRES, Mr. TOWNS, Mr. VENTO, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, and Mr. WHEAT):

H.R. 1304. A bill to amend the War Powers Resolution to make rules governing certain uses of the Armed Forces of the United States in the absence of a declaration of war by the Congress; jointly, to the Committees on Foreign Affairs and Rules.

By Mr. EDWARDS of Oklahoma:

H.R. 1305. A bill to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements enacted by the Tax Reform Act of 1984 and to exclude the use of Government-owned vehicles from the fringe benefit rules enacted by such act; to the Committee on Ways and Means.

H.R. 1306. A bill to amend the Internal Revenue Code of 1954 to provide that no amount shall be included in gross income by reason of the use of any Government-owned vehicle; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 1307. A bill to authorize the appropriation of funds for the operation and maintenance of a Special Operations Wing of the Air Force Reserve, to authorize the appropriation of funds for the operation and maintenance of the Directorate of the Department of Defense Task Force on Drug Law Enforcement, and to require certain reports; to the Committee on Armed Services.

By Mr. EVANS of Illinois (for himself, Mr. ANNUNZIO, Mr. BRUCE, Mrs. COLLINS, Mr. CRANE, Mr. DURBIN, Mr. FAWELL, Mr. GRAY of Illinois, Mr. GROTBERG, Mr. HAYES, Mr. HYDE, Mr. LIPINSKI, Mr. MADIGAN, Mrs. MARTIN of Illinois, Mr. MICHEL, Mr. O'BRIEN, Mr. PORTER, Mr. PRICE, Mr. ROSTENKOWSKI, Mr. RUSSO, Mr. SAVAGE, and Mr. YATES):

H.R. 1308. A bill to establish the Hennepin Canal National Heritage Corridor in the State of Illinois, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GAYDOS (for himself and Mr. HAWKINS):

H.R. 1309. A bill to establish a system for identifying, notifying, and preventing illness and death among workers who are at increased or high risk of occupational disease, and for other purposes; to the Committee on Education and Labor.

By Mr. GEKAS:

H.R. 1310. A bill to amend the Internal Revenue Code of 1954 to provide that the $10,000,000 exclusion of capital expenditures where there is an urban development action grant shall apply whether the grant was made before or after the issuance of bonds; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 1311. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to provide additional farm service building loans; to the Committee on Agriculture.

H.R. 1312. A bill to protect the rights of firearms owners; to the Committee on the Judiciary.

By Mr. HUCKABY:

H.R. 1313. A bill entitled: the "Food for Progress Act"; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. JEFFORDS:

H.R. 1314. A bill to amend the Federal Power Act to provide certain authority to States regarding permits and licenses for small hydroelectric power projects; to the Committee on Energy and Commerce.

By Mr. LATTA:

H.R. 1315. A bill to amend the Internal Revenue Code of 1954 to clarify the definition of geothermal energy, and for other purposes; to the Committee on Ways and Means.

By Mr. LEHMAN of Florida:

H.R. 1316. A bill to amend title XVIII of the Social Security Act to extend hospice benefits under the Medicare program for an additional 2 years; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 1317. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. LOWERY of California:

H.R. 1318. A bill to amend title 18, United States Code, to modify the penalities for certain kidnapings of children; to the Committee on the Judiciary.

By Mr. MOODY (for himself, Mr. FLORIO, Mr. SEIBERLING, Mr. FAZIO, Mr. ROYBAL, Mr. FAUNTROY, Mr. SPRATT, Mr. FRANK, Mr. JEFFORDS, Mr. AKAKA, Mr. MATSUI, Ms. KAPTUR, Mr. MORRISON of Connecticut, Mr. BATES, Mr. MARTINEZ, and Mr. OWENS):

H.R. 1319. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to establish certain requirements with respect to hazardous substances released from Federal facilities, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. NEAL (by request):

H.R. 1320. A bill to amend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Finance and Urban Affairs.

By Mr. NOWAK:

H.R. 1321. A bill to direct the Chief of Engineers to disclose to certain State officials certain information concerning motor fuel transported by water carriers, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. OWENS:

H.R. 1322. A bill to require the Bureau of Labor Statistics to collect and report unemployment and related statistics by congressional districts; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 1323. A bill to amend the Black Lung Benefits Act of 1969 to prohibit the reduction of disability benefits under the Social Security Act; to the Committee on Education and Labor.

By Mr. PETRI (for himself, Mr. LUNGREN, Mrs. ROUKEMA, Mrs. Schroeder, Mr. JACOBS, Mr. LEHMAN of Florida, Mr. CARPER, Mr. LEACH of Iowa Mr. HANSEN, Mr. CHANDLER, Mr. FRANK, Mr. MRAZIK, Mr. KILDEE, Mr. REGULA, Mr. Eckart of Ohio, Mr. WAXMAN, Mr. Armey, Mr. SEIBERLING, and Mr. SHUMWAY,):

H.R. 1324. A bill to repeal provisions of law concerning price support for, and marketing of, tobacco; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. TORRES:

H.R. 1325. A bill to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements enacted by the Tax Reform Act of 1984; to the Committee on Ways and Means.

By Mr. TORRICELLI (for himself and Mr. PANETTA):

H.R. 1326. A bill to establish a select commission to examine the issues associated with national service; to the Committee on Education and Labor.

By Mr. TRAFICANT:

H.R. 1327. A bill to provide for proceedings by the Federal Communications Commission regarding the assignment of a particular channel in the citizen band radio service for use by neighborhood watch programs; to the Committee on Energy and Commerce.

H.R. 1328. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to make necessary repairs to the Milton Dam in Mahoning County, OH; to the Committee on Public Works and Transportation.

By Mr. VANDER JAGT:

H.R. 1329. A bill to direct the Administrator of General Services to convey certain real property in Muskegon County, MI, to the Muskegon County Soil Conservation District; to the Committee on Government Operations.

By Mr. CONTE:

H.J. Res. 171. Joint resolution to designate 1985 as the "Oil Heat Centennial Year"; to the Committee on Post Office and Civil Service.

By Mr. GILMAN (for himself, Mr. DOWNEY of New York, Mr. FASCELL, Mr. VANDER JAGT, Mr. CONTE, Mr. LELAND, Mr. DASCHLE, Mr. DORGAN of North Dakota, Mr. HALL of Ohio, Mr. JEFFORDS, Mr. WEISS, Mr. WOLPE, and Mrs. ROUKEMA):

H.J. Res. 172. Joint resolution to designate October 16, 1985, as "World Food Day"; to the Committee on Post Office and Civil Service.

By Mr. OLIN:

H.J. Res. 173. Joint resolution to designate the week of August 9 through August 15, 1985, as "National Certified Registered Nurse Anesthetist Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA (for himself, Mr. LUNDINE, Mr. COELHO, Mr. MCCOLLUM, and Mr. PASHAYAN):

H.J. Res. 174. Joint resolution to designate May 24, 1985, as "National Self-Help Housing Day"; to the Committee on Post Office and Civil Service.

By Mr. MARLENEE:

H. Con. Res. 71. Concurrent resolution expressing the sense of the Congress that Federal financial support for essential air service to small communities should not be eliminated; to the Committee on Public Works and Transportation.

By Mr. GEPHARDT:

H. Res. 83. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. LEWIS of California:

H. Res. 84. Resolution electing Representative McKernan of Maine to the Committee on Education and Labor, and Representative Nielson of Utah to the Committee on Government Operations; considered and agreed to.

By Mr. ASPIN (for himself and Mr. DICKINSON):

H. Res. 87. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Armed Services in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. DE LA GARZA (for himself and Mr. MADIGAN):

H. Res. 88. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Agriculture in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. RODINO:

H. Res. 89. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on the Judiciary in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. ROYBAL (for himself and Mr. RINALDO):

H. Res. 90. Resolution authorizing the printing as a House document of the committee print entitled "1985 Tax Guide for Older Americans"; to the Committee on House Administration.

By Mr. WAXMAN (for himself, Mr. FRENZEL, and Mr. TAUZIN):

H. Res. 91. Resolution expressing the opposition of the House of Representatives to proposed changes in the Federal tax laws pertaining to deductions for charitable contributions; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII,

18. The SPEAKER presented a memorial of the Senate of the Commonwealth of Virginia, relative to Americans still missing in Southeast Asia; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FORD of Michigan:

H.R. 1330. A bill for the relief of Marsha D. Christopher; to the Committee on the Judiciary.

By Mr. LIPINSKI:

H.R. 1331. A bill for the relief of Anthony Stanley Orloff; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

H.R. 1332. A bill for the relief of Chu Pei Yun (Zhu Bei Yun); to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 1333. A bill for the relief of Rabbi Satyal and Kamala Satyal, husband and wife; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 7: Mr. LOWRY of Washington, Mr. EVANS of Illinois, Mr. CROCKETT, Mr. FORD of Michigan, and Mr. BONER of Tennessee.

H.R. 11: Mr. BEDELL, Mr. BOUCHER, Mr. EDWARDS of Oklahoma, Mr. GEKAS, Mr. GINGRICH, Mr. HUCKABY, Mr. JONES of North Carolina, Mr. LEATH of Texas, Mr. MCKERNAN, Mr. MONTGOMERY, Mr. MURTHA, Mr. NATCHER, Mr. ROBERTS, Mr. SIKORSKI, Mr. SILJANDER, Mr. TALLON, Mr. WATKINS, Mr. WOLPE, Mr. YATRON, and Mr. CARR.

H.R. 21: Mr. DASCHLE, Mr. BERMAN, Mr. SEIBERLING, Mr. FUQUA, Mr. WEAVER, Mr. PERKINS, and Mr. WALGREN.

H.R. 44: Mr. HENDON, Mr. MONTGOMERY, Mr. HILLIS, Mr. LEWIS of Florida, Mr. COATS, Mr. SCHUETTE, Mr. YOUNG of Florida,

Mr. MILLER of Washington, Mr. NOWAK, Mr. MCCOLLUM, Mr. LOTT, and Mr. PANETTA.

H.R. 148: Mr. HENRY.

H.R. 153: Mr. MANTON.

H.R. 232: Mrs. BURTON of California.

H.R. 236: Mr. WHITEHURST and Mr. WAXMAN.

H.R. 343: Mr. HARTNETT, Mr. HANSEN, and Mr. KOLTER.

H.R. 427: Mrs. BURTON of California.

H.R. 428: Mr. DARDEN, Mr. WISE, Mr. ECKART of Ohio, Mr. ROBERT F. SMITH, and Mr. EDWARDS of Oklahoma.

H.R. 442: Mr. HEFTEL of Hawaii, Mr. CLAY, and Mr. SIKORSKI.

H.R. 467: Mr. HEFTEL of Hawaii, Mrs. ROUKEMA, Mrs. BOXER, Mr. MARTINEZ, Mrs. Burton of California, and Mr. WAXMAN.

H.R. 468: Mr. HUGHES, Mrs. BOXER, Mr. TRAXLER, Mr. MARTINEZ, Mr. CHANDLER, Mr. FORD of Tennessee, and Mr. HEFTEL of Hawaii.

H.R. 479: Mr. EDWARDS of California.

H.R. 480: Mr. NEAL.

H.R. 509: Ms. MIKULSKI.

H.R. 531: Mr. DONNELLY, Mr. CHANDLER, Mr. FORD of Tennessee, and Mr. SMITH of New Hampshire.

H.R. 542: Mr. FRENZEL, Mr. ROBERTS, and Mr. EVANS of Iowa.

H.R. 544: Mr. LIGHTFOOT, Mr. ENGLISH, Mr. EVANS of Iowa, Mr. DAVIS, Mr. WEBER, Mr. SOLOMON, and Mr. THOMAS of Georgia.

H.R. 600: Mr. COOPER, Mr. PACKARD, Mr. ROBINSON, Ms. FIEDLER, Mr. SKELTON, Mr. SHUMWAY, Mr. HATCHER, Mr. DENNY SMITH, Mr. WYDEN, Mr. COBLE, Mr. RALPH M. HALL, Mr. PETRI, Mr. BEDELL, Mr. MCCOLLUM, Mr. DYSON, Mr. EVANS of Iowa, Mr. BORSKI, Mr. DELAY, Mr. MITCHELL, Mr. KRAMER, Mr. WRIGHT, Mr. RITTER, Mr. PERKINS, Mr. MILLER of Ohio, Mr. MURPHY, Mr. MADIGAN, Mr. WISE, Mrs. BOXER, Mr. WOLF, Mr. DWYER of New Jersey, Mr. MANTON, Mr. MCDADE, Mr. HOPKINS, Mr. OLIN, and Mrs. SMITH of Nebraska.

H.R. 606: Mr. RANGEL, Mr. MCEWEN, Mr. ROWLAND of Connecticut, Mr. CLINGER, Mr. MITCHELL, Mr. BOLAND, Mr. MILLER of Washington, and Mr. BOEHLERT.

H.R. 650: Mr. MOODY.

H.R. 661: Mr. MINETA.

H.R. 700: Mr. KOSTMAYER, Mr. LUKEN, and Mr. EVANS of Illinois.

H.R. 749: Mr. DURBIN.

H.R. 787: Mr. JEFFORDS and Mr. TRAFICANT.

H.R. 800: Mr. BONIOR of Michigan, Mr. WALGREN, Mr. BIAGGI, Mr. ROSE, Mr. CARR, Mr. APPLEGATE, and Mr. STALLINGS.

H.R. 814: Mr. TRAFICANT, Mr. EDWARDS of Oklahoma, and Mr. STENHOLM.

H.R. 877: Mr. KINDNESS.

H.R. 887: Mr. CHAPPIE, Mr. LEHMAN of Florida, Ms. OAKAR, Mr. MARTINEZ, Mrs. BOXER, and Mr. GREEN.

H.R. 994: Mr. BENNETT, Mr. DORNAN of California, Mr. BLAZ, Mr. FAZIO, Mr. DARDEN, Mr. SUNIA, Mr. STRANG, Mr. GALLO, Mr. MCGRATH, and Mr. NIELSON of Utah.

H.R. 997: Mr. GARCIA, Mr. DE LUGO, Mr. CLAY, and Mr. TOWNS.

H.R. 1036: Mrs. BOXER, Mr. ADDABBO, Mr. CROCKETT, Mr. HEFTEL of Hawaii, and Mr. FISH.

H.R. 1059: Mr. FIELDS, Mr. YOUNG of Florida, Mr. WYLIE, Mr. CHANDLER, and Mr. SKEEN.

H.R. 1145: Ms. KAPTUR, Mr. FLORIO, Mr. MANTON, Mr. DWYER of New Jersey, Ms. SNOWE, Mr. STARK, Mr. MARTINEZ, Mr. HYDE, Mr. YOUNG of Missouri, Ms. MIKULSKI, Mr. JACOBS, Mrs. BOXER, and Mr. WEISS.

H.R. 1251: Mr. SNYDER, Mr. HAMMERSCHMIDT, Mr. SHUSTER, Mr. STANGELAND, Mr. GINGRICH, Mr. MOLINARI, Mr. SHAW, Mr. MCEWEN, Mr. PETRI, Mr. SUNDQUIST, Mrs. JOHNSON, Mr. PACKARD, Mr. BOEHLERT, Mr. GALLO, Mrs. BENTLEY, Mr. LIGHTFOOT, Mr. GRAY of Illinois, Mr. WISE, Mr. CLINGER, Mr. ROWLAND of Georgia, Mr. VISCLOSKY, Mr. PERKINS, Mr. DELAY, Mr. ANDERSON, Mr. ATKINS, Mr. ROE, Mr. MINETA, Mr. OBERSTAR, Mr. NOWAK, Mr. YOUNG of Missouri, Mr. EDGAR, Mr. APPLEGATE, Mr. DE LUGO, Mr. SUNIA, Mr. BOSCO, Mr. MOODY, Mr. BORSKI, Mr. KOLTER, Mr. VALENTINE, Mr. TOWNS, Mr. LIPINSKI, Mr. ANDREWS, Mr. ERDREICH, Mr. CALLAHAN, Mr. BARNES, and Mr. RAHALL.

H.R. 1272: Mr. MOORHEAD, Mr. SEIBERLING, Mr. ROE, Mr. QUILLEN, Mr. KOSTMAYER, Mr. BEREUTER, Mr. FLORIO, Mr. DYMALLY, Mr. MAVROULES, Mrs. BOXER, Mr. ROWLAND of Georgia, Mr. HARTNETT, Mrs. SCHROEDER, Mr. SWINDALL, Mr. NEAL, Mr. MCKINNEY, Mr. BEVILL, Mr. LEWIS of Florida, and Mr. HUGHES.

H.J. Res. 21: Mr. ADDABBO, Mr. ANDREWS, Mr. CONYERS, Mr. BEDELL, Mr. BARNES, Mr. BONER of Tennessee, Mr. BOLAND, Mr. MITCHELL, Mrs. BURTON of California, Mr. CLAY, Mr. CARR, Mr. DASCHLE, Mr. BUSTAMANTE, Mr. DIXON, Mr. DYMALLY, Mr. DE LUGO, Mr. FAZIO, Mr. FLIPPO, Mr. FOWLER, Mr. COOPER, Mr. GORDON, Mrs. BOGGS, Mr. DE LA GARZA, Mr. ENGLISH, Mr. EDGAR, Mr. BRYANT, Mr. EVANS of Illinois, Mr. FOGLIETTA, Mr. CROCKETT, Mr. ERDREICH, Mr. HAWKINS, Mr. HEFNER, Mr. JACOBS, Ms. KAPTUR, Mr. GRAY of Pennsylvania, Mr. LEVIN of Michigan, Mr. LELAND, Mr. MARKEY, Mr. MARTINEZ, Mr. DYSON, Mr. MANTON, Mr. LEVINE of California, Mr. ASPIN, Mr. HOYER, Mr. MACKAY, Mr. HAYES, Mr. KOSTMAYER, Mr. MOODY, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. FAUNTROY, Mr. ORTIZ, Mr. OWENS, Mr. MOAKLEY, Mr. RODINO, Mr. ROSE, Mr. SAVAGE, Mr. SISISKY, Mr. SOLARZ, Mr. SABO, Mr. MAVROULES, Mr. PANETTA, Mr. ROEMER, Mr. NATCHER, Mr. LEHMAN of Florida, Mr. RAHALL, Mr. SUNIA, Mr. TALLON, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. TOWNS, Mr. WALGREN, Mr. STENHOLM, Mr. WYDEN, Mr. OLIN, Mr. GUARINI, Mr. WEISS, Mr. ROWLAND of Georgia, Mr. MURPHY, Mr. STOKES, Mr. FUQUA, Mr. WHEAT, Mr. STRATTON, Mr. RAY, Mrs. KENNELLY, Mr. WAXMAN, Mr. GONZALEZ, Mr. YATES, Mrs. LLOYD, Mr. NICHOLS, Mr. YATRON, Mr. RANGEL, Mr. BEVILL, Mr. ROE, Mr. BROOKS, Mr. WIRTH, Mr. UDALL, Mr. FASCELL, Mr. WORTLEY, Mr. DUNCAN, Mr. SMITH of Florida, Mr. LEACH of Iowa, Mr. BEILENSON, Mr. DWYER of New Jersey, Mr. GEJDENSON, Mr. HENRY, Mr. DERRICK, Mr. REGULA, Mr. HORTON, Mr. ACKERMAN, Mr. FROST, Mr. FRANK, Mr. LEHMAN of California, Mr. MCGRATH, Mr. BERMAN, Mr. CARPER, Mr. HUGHES, Mrs. JOHNSON, Mr. KILDEE, Mr. LANTOS, Mr. FISH, Mr. VOLKMER, Mr. DURBIN, Mr. SMITH of New Jersey, Mr. DAUB, Mr. MINETA, Mrs. BOXER, and Ms. MIKULSKI.

H.J. Res. 46: Mr. EMERSON, Mr. KASICH, Mr. WYLIE, Mr. DARDEN.

H.J. Res. 78: Mr. TRAFICANT, Mr. NEAL, and Mr. STALLINGS.

H.J. Res. 85: Mr. SYNAR, Mr. COBLE, Mr. COBEY, Mr. JONES of North Carolina, Mr. RUSSO, Mr. BLILEY, Ms. OAKAR, Mr. COMBEST, Mr. DIOGUARDI, Mr. DASCHLE, Mr. EDGAR, Mr. SOLOMON, Mr. BROWN of California, Mr. ROYBAL, Mr. BUSTAMANTE, Mr. OWENS, Mr. GRAY of Illinois, Mr. SAVAGE, Mr. RINALDO, Mr. MANTON, Mr. GEKAS, Mr. CHANDLER, Mr. CRANE, Mr. ALEXANDER, Mr. RALPH M. HALL, Mr. BRYANT, Mr. WYDEN, Mr. HUCKABY, Mr. ANTHONY, Mr. SABO, Mr. LUNGREN, Mr. CHAPPIE, Mr. MRAZEK, Mr. GEJDENSON, Mr. QUILLEN, Mr. WORTLEY, Mr. MCEWEN, Mr. BEREUTER, Mr. GILMAN, Mr. HALL of Ohio, Mr. RITTER, Mr. HAMILTON, Mr. IRELAND, Mrs. ROUKEMA, Mr. STRATTON, Mr. STUDDS, Mr. WALGREN, Mr. FROST, Mr. SKELTON, Mr. CARR, Mr. EVANS of Illinois, Mr. EDWARDS of Oklahoma, Mr. SCHAEFER, and Mr. MOODY.

H.J. Res. 124: Ms. MIKULSKI.

H.J. Res. 146: Mr. DAUB, Mr. GINGRICH, Mr. HEFTEL of Hawaii, Mr. HEFNER, Mr. SAXTON, Mr. YOUNG of Missouri, Mr. FUSTER, Mr. LEWIS of Florida, Mr. HAYES, Mr. BOUCHER, Mr. JACOBS, Mr. BONER of Tennessee, Mr. EDGAR, Mr. WIRTH, Mr. BLAZ, Mr. MACK, Mr. STOKES, Mr. STANGELAND, Mr. OWENS, Mr. DEWINE, Mrs. COLLINS, Mr. BERMAN, Mr. SAVAGE, Mr. MANTON, Mr. EMERSON, Mr. MCGRATH, Mr. SCHEUER, Mr. STRANG, Mr. BEVILL, Mrs. BOXER, Mr. QUILLEN, Mr. STARK, Mr. DURBIN, Mr. ROE, Mr. FUQUA, Mr. RAHALL, Mr. DWYER of New Jersey, Mr. HUGHES, Mr. CROCKETT, Mr. MRAZEK, Ms. MIKULSKI, Mr. FEIGHAN, Mrs. KENNELLY, Mr. MADIGAN, Mr. VENTO, Mr. MONTGOMERY, Mr. SOLARZ, Mr. PERKINS, Mr. SKELTON, Mr. CHAPPIE, Mr. WORTLEY, Mr. EDWARDS of Oklahoma, and Mr. DYSON.

H.J. Res. 150: Mr. LANTOS.

H.J. Res. 161: Mr. RITTER, Mr. COBEY, Mrs. SCHNEIDER, Mrs. MEYERS of Kansas, Mr. FAWELL, Mr. BARTON of Texas, Mr. ANDREWS, Mr. BRUCE, Mr. NELSON of Florida, and Mr. TRAFICANT.

H.J. Res. 166: Mr. DENNY SMITH, VUCANOVICH, Mr. WHITEHURST, Mr. LIGHTFOOT, and Mr. NEAL.

H. Con. Res. 37: Mr. ANDREWS, Mr. BOLAND, Mr. BROOMFIELD, Mr. EDGAR, Mr. ROWLAND of Georgia, Mr. SMITH of New Jersey, Mr. WOLPE, Mr. WISE, Mrs. HOLT, and Mr. DONNELLY.

H. Con. Res. 40: Mr. YOUNG of Florida, Mr. YOUNG of Alaska, Mr. WOLPE, Mr. DAVIS, Mr. WHITLEY, Mr. GRAY of Illinois, Mrs. BOGGS, Mr. WORTLEY, Mr. SPRATT, and Mr. KOLBE.

H. Con. Res. 45: Mrs. COLLINS.

H. Con. Res. 46: Mr. TALLON.

H. Con. Res. 56: Mr. ASPIN.

H. Con. Res. 57: Mr. DYMALLY, Mr. FAUNTROY, Mr. LAGOMARSINO, Mr. LEWIS of California, Mr. STOKES, and Mr. WOLF.

H. Res. 37: Mrs. BURTON of California.

EXTENSIONS OF REMARKS

IMPROVEMENT OF THE VETERANS' ADMINISTRATION'S CAPACITY TO SERVE VETERANS WITH ALZHEIMER'S DISEASE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Ms. SNOWE. Mr. Speaker, on Tuesday, February 19, I introduced four bills, H.R. 1101, 1102, 1103, and 1104, which, when passed, will help the Veterans' Administration better serve the growing population of veterans who need long-term care and, specifically, that large group of these veterans which suffers from Alzheimer's disease.

We have made some progress in recent years toward unraveling the mystery of Alzheimer's disease. The last Congress, in response to the concerns of many Members, appropriated additional moneys for research on the disease by the National Institutes of Health. More money has also been directed to the Veterans' Administration for such research. Although the scientific community could certainly profitably use additional funds to pursue a better understanding of the disease, we at least have the satisfaction of knowing that a meaningful research program has begun.

The four bills I introduced on February 19, Mr. Speaker, address a different aspect of the Alzheimer's problem, one which is more immediate and one on which we have not made a sufficient beginning; that is, the problem of treating and caring for people who today suffer from the disease.

ALZHEIMER'S DISEASE

Alzheimer's disease is one of the major afflictions which threaten old people, and it is certain to become more important as our population ages. It is the fourth leading cause of death among older persons, after heart attacks, cancer, and strokes. It will claim one in six of us in our later years unless the cause and a cure are found. Presently, 3 to 4 million Americans suffer from Alzheimer's disease, including tens of thousands of veterans. The illness runs from 3 to 20 years before the victim's inevitable death and is characterized by progressively debilitating memory loss, personality changes, and finally, total loss of control over bodily functions.

SIGNIFICANCE FOR THE VETERANS' ADMINISTRATION

These statistics carry a grim significance for the Veterans' Administration. In 40 years, there will be 43 million Americans 65 and over—almost double today's elderly population. This is the age group most vulnerable to Alzheimer's disease, although many in their forties and fifties become victims.

A large portion of this aging population is now, and will be later, veterans. Today, there are nearly 4 million veterans age 65 and over. By 1990, there will be almost twice that number—7.3 million. And in the year 2000, about two out of every three American males 65 and over will be veterans. A substantial portion of this veterans' population will suffer from Alzheimer's disease or related dementias. Clearly, the Veterans' Administration will have to assume a major responsibility for the care of these veterans.

NEED FOR CHANGES AT THE VETERANS' ADMINISTRATION

Unfortunately, the Veterans' Administration does not appear to be adequately prepared to deal with what will be a growing veterans' population in need of long-term care and, within that population, a substantial number of veterans with Alzheimer's disease. Under current law, first priority for admission into the Veterans' Administration health care system is given to those veterans with service-connected disabilities or conditions. Veterans with non-service-connected disabilities, including those with Alzheimer's, are admitted to "the extent that VA resources remain available," and if (1) they are 65 or over, or (2) they are indigent. This priority scheme is reasonable given that resources are now, and probably will remain, limited. Unfortunately, this priority scheme also can mean that some veterans with Alzheimer's or other chronic disabilities may not be accorded a high enough priority to receive care.

More importantly, the Veterans' Administration's ability to serve veterans with long-term care needs is hampered by several key features of its health care system.

LACK OF CONSISTENT POLICY AT THE VETERANS' ADMINISTRATION

I shall return to this, the most important dimension of the problem, in a moment. Before I do, however, I want to stress that it is certainly not the case that the Veterans' Administration provides no care for Alzheimer's disease victims. In fact, I understand that some veterans with the disease are being treated—and treated well—in certain VA hospitals and nursing homes. However, taking the key features of the VA health care system as a given for the moment, it seems to be the case that there is no consistent VA policy concerning veterans suffering from Alzheimer's disease.

In a series of hearings conducted by various House committees, including one I conducted in my own State of Maine, we have been told about experiences of families of Alzheimer's patients which highlight this lack of consistent policy. Apparently, some VA hospitals do accept Alzheimer's patients while others do not, with no obvious reasons for the differences in policy. We have also been told that some Alzheimer's patients who have been admitted to VA facilities have been asked to leave after only a short stay, or have been transferred to nursing homes where the families must bear the cost. Neither Medicare nor private insurance provide any significant amount of financial assistance to Alzheimer's victims. Under Medicaid, nursing home care is covered, but usually not until the patient's family has been reduced to poverty. The VA's failure to implement a consistent and fair admission policy for veterans with Alzheimer's disease only exacerbates the severe financial and emotional strains associated with this disease.

NEED FOR CHANGES IN KEY FEATURES OF THE VA'S HEALTH CARE SYSTEM

Inconsistencies such as this can probably be corrected. The most serious problem, to which I alluded above, is created by certain key features of the VA's health care system.

Once a veteran has been admitted into this system, with whatever degree of priority—service-connected or otherwise, care management continues throughout all varieties of care (acute and long term) and through all care settings (hospitals, nursing homes, adult day care centers, and so on) until discharge. While inside the system, that is, while on active status, a veteran may be referred to all levels and varieties of care.

Once discharged, however, non-service-connected veterans are outside the system on inactive status and the Veterans' Administration may not track them in any fashion. I understand, however, that the VA has already begun a computerized register of veterans on inactive status who have service-connected disabilities or conditions. Furthermore, once a veteran with a non-service-connected disability is discharged and enters inactive status, he or she must reapply for admission into the VA's health care system, competing with all other veterans seeking admission, including those with higher priority claims to service. Needless to say, these features of the system

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

greatly inhibit the Veterans' Administration's ability to keep track of what happens to non-service-connected veterans on inactive status, and also greatly hinders the VA's ability to provide necessary continuity of care, which is obviously very important, not to say essential, for individuals with chronic disability or recurring acute episodes.

FOUR BILLS DESIGNED TO ENABLE THE VA TO IMPROVE ITS SERVICES TO ALZHEIMER'S VICTIMS AND THEIR FAMILIES

The four bills I introduced on February 19 will help to establish the consistent policy the Veterans' Administration needs in order to effectively meet its obligations to veterans with Alzheimer's disease.

H.R. 1101 would provide the Administrator of the Veterans' Administration with the authority to provide treatment for Alzheimer's disease victims regardless of the age of the veteran. Such a grant of authority to the Administrator would permit the VA to respond to the needs of veterans who experience relatively early onset of the disease.

H.R. 1102 would require the Administrator to set aside 10 percent of the number of intermediate care hospital beds in Veterans' Administration medical facilities for the care of veterans suffering from Alzheimer's disease and related brain disorders. This requirement would replace uneven and capricious availability of care for Alzheimer's victims in VA facilities with more uniform and reliable care.

H.R. 1103 would direct the Administrator to submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report concerning treatment provided by the VA to veterans suffering from Alzheimer's disease and related organic brain disorders. This requirement will have the effect of focusing the VA's attention in a systematic way on the treatment it provides to veterans with Alzheimer's disease. It will have the added benefit of providing the Congress with systematic information about the VA's efforts in this area, thereby providing a basis for further administrative and legislative initiatives.

H.R. 1104 would provide an enrollment and tracking system in the VA which will help the agency coordinate the VA and community-based care for veterans who require long-term care. This bill would enable the VA to overcome the problems inherent in being unable to track veterans discharged from the Veterans' Administration care into inactive status. Essentially, the bill would create a new status in the VA health care system, that of enrollment. Under terms of this bill, any veteran who is furnished health or medical care by the VA would become enrolled in the VA health care system. Subsequently, a veteran may have active or inactive status, but whichever obtains, the veteran remains enrolled. The practical import of enrolled status is twofold: First, the Veterans' Administration must track all enrollees, and second, any veteran who is enrolled shall be given priority for treatment over nonenrolled veterans unless that nonenrolled veteran is applying for care for a service-connected condition. This new status of enrollment would enable the VA to provide greatly improved continuity of care.

H.R. 1101

A bill to amend title 38, United States Code, to provide for the improved treatment by the Veterans' Administration of veterans suffering from Alzheimer's disease and related organic brain disorders

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 610 of title 38, United States Code, is amended—

(1) by inserting "or (f)" in subsection (a)(5) after "subsection (e)";

(2) by inserting "to a veteran to whom this subsection applies" in paragraphs (2) and (3) of subsection (e) after "may not be provided"; and

(3) by adding at the end thereof the following new subsection:

"(f) In the case of a veteran suffering (or who may be suffering) from Alzheimer's disease or a related organic brain disorder, the Administrator may provide treatment for such disease under this chapter regardless of the age of the veteran.".

(b) The amendments made by subsection (a) shall take effect on October 1, 1985.

H.R. 1102

A bill to amend title 38, United States Code, to direct the Administrator of Veterans' Affairs to set aside 10 percent of the intermediate-care hospital beds of the Veterans' Administration for the care of veterans suffering from Alzheimer's disease and related organic brain disorders

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 610 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(f) The Administrator shall provide that 10 percent of the number of intermediate-care hospital beds in Veterans' Administration medical facilities shall be set aside for the care of veterans suffering from Alzheimer's disease and related organic brain disorders.".

H.R. 1103

A bill to direct the Administrator of Veterans' Affairs to report to Congress on treatment by the Veterans' Administration of veterans suffering from Alzheimer's disease and related organic brain disorders

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That not later than 180 days after the date of the enactment of this Act, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report concerning treatment provided by the Veterans' Administration of veterans suffering from Alzheimer's disease and related organic brain disorders. The report shall include—

(1) a description of Veterans' Administration policy regarding the provision of information relating to such disease and related disorders, the diagnosis of such disease and related disorders in veterans eligible for health-care services under chapter 17 of title 38, United States Code, and the provision of outpatient services, hospital care, and nursing home care for such disease and related disorders to such veterans;

(2) a description of any plans the Administrator has for the improvement of services relating to such disease and related disorders;

(3) recommended levels of funding for Veterans' Administration medical programs for the treatment of such disease and related disorders, shown for the fiscal year beginning after the fiscal year during which the report is submitted and for each of the four succeeding fiscal years; and

(4) any recommendations the Administrator may have for administrative or legislative action relating to the provision of services for such disease and related disorders.

H.R. 1104

A bill to amend title 38, United States Code, to provide for the use by the Veterans' Administration health-care system of an enrollment system and for the use of a tracking system for the coordination of community-based care provided veterans requiring long-term care

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 17 of title 38, United States Code, is amended by inserting after section 602 the following section:

"§ 603. Enrollment and tracking system

"(a)(1) The Administrator shall maintain an enrollment system for veterans furnished health and medical care by the Veterans' Administration.

"(2) A veteran who is furnished health or medical care by the Veterans' Administration shall be enrolled in the Veterans' Administration health-care system. Once a veteran is enrolled, the veteran shall remain enrolled for so long as the veteran is eligible for health and medical care from the Veterans' Administration.

"(3) A veteran who is enrolled shall be carried in either an active status or an inactive status. When a veteran is admitted to the Veterans' Administration health-care system for the furnishing of medical and health care, the veteran shall be placed in an active status and shall continue in an active status for so long as treatment of the veteran continues. Upon discharge from treatment, the veteran shall be placed in an inactive status.

"(4) A veteran who is enrolled in the Veterans' Administration health-care system and is in an inactive status who applies to the Veterans' Administration for health or medical care shall be given priority in treatment over another veteran applying for care who is not already enrolled in the system unless the other veteran is applying for care for a service-connected condition.

"(b) The Administrator shall maintain a tracking system for veterans who are enrolled in the Veterans' Administration health-care system. The tracking system shall be used to follow and coordinate the provision of health-related services to veterans who require long-term care and receive care from entities other than the Veterans' Administration, including services from community-based organizations.

"(c) The Administrator shall prescribe regulations for the manner in which this section is to be carried out.".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 602 the following new item:

"603. Enrollment and tracking system.".

SEC. 2. Section 603 of title 38, United States Code, as added by the first section of this Act, shall take effect on October 1, 1985.●

MISTREATMENT OF SOVIET JEWS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. OWENS. Mr. Speaker, it is unfortunate that Soviet Jews remain trapped in a situation where it is difficult for them to practice their religion, a right which we so frequently take for granted, and yet they cannot leave the Soviet Union to emigrate to other lands where they may practice their religion freely. We pay tribute to their continuing courage and determination in the face of oppression.

The recent conviction of Aleksandr Kholmiansky, a Hebrew teacher from Moscow, on charges of "possessing ammunition" and "hooligan" activities is but one more example of the repression of the practice of their religion by Soviet Jews. In this case, however, the Soviets may well have a point. Mr. Kholmiansky did possess a form of ammunition—knowledge. He was undoubtedly guilty of using it. His activities as a teacher, the dissemination of knowledge about the history, teachings, and practice of Judaism, were undoubtedly as threatening to some as the use of weapons.

However, a religious idea is only dangerous when one chooses to fear it. Left alone, such ideas wither and die or flourish and enrich a society. Our Nation has certainly seen its share of religious ideas that have passed away. Those that have remained have been beneficial to all, not just the believers. It took our society quite a while to come to this understanding. Let us hope that the Soviet Government will soon come to the same conclusion. Until that time comes, however, it is important that we take every opportunity to stand in solidarity with those who suffer for their religious beliefs and practices.●

OUTLOOK FOR TAX REFORM

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. PEASE. Mr. Speaker, I rise today to include in the public record the text of the speech given February 25 before the Economic Club of New York on the subject of the outlook for tax reform in the House Ways and Means Committee. It certainly is a welcome opportunity to hear the comments of Chairman DAN ROSTENKOWSKI—with his vast expertise in formulating tax policy—on this subject which is so closely tied to the national interest.

Chairman ROSTENKOWSKI correctly perceives the public's demand for reform and is taking a big step forward in ridding the Tax Code of numerous distortions built into it over the years.

In his speech, the chairman states,

The paradox presented by tax reform is that free enterprise has a substantial price—especially for business. Getting Government off your back, in the last analysis, means doing it yourself—whether it's selling airplanes abroad, salvaging a steel mill, or developing an advanced micro chip. That's a simple truth that some find painful, even those who cry loudest for freedom of choice. The alternative is continued Government intervention—and more layers of special exceptions, exemptions, transition rules, credits, and deductions that erratically guide economic decisions.

I am a strong supporter of efforts to broaden the tax base and to reduce individual and corporate income tax rates and am very pleased to submit this speech for the record. I hope that it will serve to focus the discussion by Members of the House on this critical subject.

SPEECH BY REPRESENTATIVE DAN ROSTENKOWSKI

Tax reform is a noble cause. Like anti-genocide treaties and flag day proclamations, everybody's for tax reform. But choosing the individual parts of a sweeping reform plan is no easier than grabbing quicksilver.

The question I put to you tonight is not so much whether we need tax reform, or want tax reform, but whether we can enact tax reform.

Some link tax reform with lower rates. Some fear it will end up costing them money. Others dread the fiscal uncertainty. To most, perfect tax reform is to have someone else's shelter torn down to pay for their tax cut.

Building a national consensus around tax reform—or more bluntly, twisting enough arms on the floor of the House and Senate—is a considerable challenge. Not just for Ronald Reagan or Bob Packwood or Dan Rostenkowski—but for all of us who worry that the inequities and inadequacies and excesses in the tax code will slow—and perhaps halt—the progress of recovery—like riding in a car with one soft tire.

Tax reform ought to be done. Tax reform can be done. All it takes is a lot of education, a lot of pushing and a lot of negotiating—all against the clock.

As the President put it: "If not us, who? If not now, when?"

So far, most tax reform proposals have been written in quiet, thoughtful chambers beyond the clamor of politics. Most are expansive and provocative, though at times they seem to complicate—rather than simplify. Parts of each plan defy administration. Others beg fights that shouldn't be fought—or can't be won. (But then, scholars and technicians tend to be far more courageous than politicians.) But, taken together, they contain most of the concepts that will guide us.

When Secretary Baker sits down before the Committee in two days, the campaign for massive reform will enter a new and more combative phase. From that moment on, tax reform moves from the cloisters into the coliseum.

Without question, the stakes are high. The Treasury plan would pick up an estimated 80 billion dollars by 1990 and move it to other columns. Some groups and industries would be forced to give up a substantial number of tax breaks. Others would gain enormously through rate cuts. But for most, the gain is a freer, simpler tax system.

In a more perfect world, we could all agree to a series of guiding principles—and then move quickly toward a balance that assures all parties long-term gains. But this is a free-wheeling democracy, not a perfect world.

So instead of gathering for a common cause, corporations, trade groups and unions have already begun to mass under battle flags. Extend the research and development credit. Save the investment tax credit. Head off the assault on capital gains treatment. Stop all taxes on fringe benefits.

Powerful coalitions are a reality in Washington—where campaign contributions, direct mail appeals and grass roots pressure have dramatically altered the "deliberative process." As the intramural competition for tax benefits intensifies, the code naturally becomes more convoluted as politicians seek to accommodate often contradictory interests.

To most, the words "tax reform" suggest a benign campaign for fairness and simplicity. But to a relative few, "tax reform" is a call to arms to protect lucrative tax breaks, no matter how unproductive, obsolete or excessive—or what's offered in trade. The last decade has provided ample evidence of a small number of people with a large amount at risk outflanking a larger number of people each with a small amount to gain.

The making of tax policy is always done with good intentions—stepping up capital formation, encouraging more public housing, promoting research and development. Often, tax policy is born of crisis: energy credits to cushion another embargo, safe harbor leasing to preserve basic industry, the all-savers certificate for teetering "S and Ls." The tax code reads like an American history book chronicling our uneven economic and social demands. Most were worthy in their time. Many are now outdated and unproductive—sluicing cash from one sector to another with little concern for the ultimate economic consequence.

To those who are preparing to stand against change—I have a warning—don't underestimate the public demand for reform. Not just in think tanks and among liberal tax lawyers, but in the great belt of middle-income earners whose taxes are automatically withheld and sent off to Washington. Poll after poll reveals that far more than half the nation's taxpayers feel they're paying more than their fair share—that they're footing the bill left behind by those wealthy and facile enough to front-load deductions, defer income and turn ordinary income into capital gains. In essence, a few get to play pinball—the rest put up the quarters.

This growing bitterness hasn't escaped Ronald Reagan. He has bent it to his own political advantage for years. And now he's riding a new spirit of populism that suddenly puts him on the side of the poor and middle income taxpayer—at the expense of big business and big personal wealth—particularly those who pay an extremely low rate of tax. After all, it is not to big business or the wealthy that he owes his wide margin of victory—but to America's middle who so readily answer the call to protect traditional values like "fairness." Those who are gathering to derail tax reform should recall his knack for dividing complex issues into two simple parts—good and bad, fair and unfair, givers and takers—and asking, "Which side are you on?" It's not beyond the President to ask television viewers across the nation why the most powerful special interests should stand between the least powerful and tax cuts they long deserve? It's a devastating question that could unleash a potent backlash.

Taken one at a time, proposals to limit or eliminate tax expenditures would all be defeated. The only chance for tax reform is its promise for simplicity and rate reduction. If we give up that tension—that trade off—we are lost. Our success in the months to come will depend largely on four factors:

First, we need a visible and vocal presidential commitment. It isn't enough to recite tax reform's litany in the State of the Union address. He's got to bang the drum loudly—keeping pressure on interest groups and Congress alike.

Second, we can't make side deals that remove certain tax breaks from play. I understand the anxieties of labor leaders, governors, churches, business and others who stand to lose benefits under current reform proposals. But we can't rule out any change in the beginning—even the most popular and the least rational. We've got to start negotiations with everything on the table.

Third, we've got to begin the process where we're going to end—and that's in Congress. No ad hoc group, no matter how august or powerful, can replace the often rough and tumble legislative forum.

And fourth, if we're ever to reach a balanced reform plan, we've got to hew to a set of principles as we embark.

We ought to agree to revenue neutrality. If we raise a dollar in reform—then we owe that dollar back in rate reduction, whether for individuals or corporations. If budget cutting falters—and the deficit becomes a national dread—then revenue may have to be raised in the future. But that's the President's call—not ours.

We must not make the system less progressive—or more progressive. That means maintaining the proportional share that each income class in our society pays. This is no time to shift the burden upward or downward.

We've got to pay for income tax cuts with income tax increases. This must be a zero sum game. To pay for income tax cuts with the proceeds of another form of tax discounts, the dollar-for-dollar tradeoff between tax reform and tax cuts.

The paradox presented by tax reform is that free enterprise has a substantial price—especially for business. Getting government off your back, in the last analysis, means doing it yourself—whether it's selling airplanes abroad, salvaging a steel mill or developing an advanced micro chip. That's a simple truth that some find painful—even those who cry loudest for intervention—and more layers of special exceptions, exemptions, transition rules, credits and deductions that erratically guide economic decisions.

We can't have it both ways. We can't ask government to get off our backs—and still extend a helping hand whenever times get a bit difficult. Nor can we expect tax cuts without paying the price of reform.

The price of reform must be affordable. No one sector should be crippled by the elimination of present breaks. No person should be penalized tomorrow for doing something that's perfectly permissible today.

The transition from the old code to the new code must be without abrupt and arbitrary changes. Transition rules will be a major concern in drafting.

The price of tax reform should also include a reprieve from massive, annual shifts in taxation. Business has good reason to gripe about continued uncertainty. As chairman, I hate to lead the Committee back into a section of the code that we just finished rebuilding the last time around. Tax reform can't be a game with endless overtimes. If we successfully conclude a major tax overhaul this Congress, I would be thr first to oppose any further significant restructuring for the foreseeable future.

Tax reform must be a bipartisan mission. We can't have one side promising tax cuts and the other side left to raise the money to pay for them. In the end, the measure of success will not be the weight of reform—but the balance of votes.

While tax reform will be one of the central focuses of the Ways and Means Committee in the coming days and weeks, we cannot lose sight of the urgent need to reduce the budget deficit and eliminate one of the most serious threats to our medium and long-term economic health. By the end of 1984, federal debt was equal to nearly 40 percent of our gross national product, and that figure could climb to 50 percent by the end of the decade if we don't take steps immediately to reduce the budget deficit. Already we see that the cost of servicing our burgeoning debt is the fastest growing component of the budget.

This means that as the federal government takes an increasing share of the private savings generated here at home, we must import capital from abroad to satisfy the growing credit demands of business and government. Last year, the capital sent here by foreigners was enough to finance about half the federal budget deficit.

Clearly we need that capital to avoid even higher interest rates and a damper on economic growth. But this situation cannot continue indefinitely, and it already is harming some important sectors of our economy—primarily those sectors that must export or compete with imports. The enormous inflows of foreign capital to the United States are keeping the dollar at astronomical levels. While the budget deficit is not the only reason for a strong dollar—the strong U.S. economy and this country's political stability also are important factors—the budget deficit is the one factor which we can alter.

Our trade deficit has doubled in size for each of the past three years: last year it reached an unprecedented $123 billion. Most analysts—including the Reagan Administration—blame the strong dollar for most of this drain. In essence, economic recovery is bypassing our trading sector, with serious implications for the future. If we fail to reduce the budget deficit, and thereby help bring the dollar to more reasonable levels, we will be ensuring the steady erosion of our manufacturing base as firms realize they must build plants overseas to escape the disastrous effects of a strong dollar on their international competitiveness. In short, the federal government can't go on running up its current spending on our exporters' tab.

Gathered in this room tonight is the force for reform. To most of us, tax reform and deficit reduction are just causes. It makes sense to simplify the code and lower tax rates. Despite public testimony from business groups, few decisions in your world hang on any one provision in the tax code. For all the promise of the 1981 investment incentives, their impact is not clear. Clearly, certain industries—like real estate development—benefited greatly (just measure the overhang of unused office space in Houston.) But given the cost, the complexity and the bias—is more better than less? Or should we all begin the long task of rethinking and rebalancing federal tax incentives?

If you agree with me that everyone must pay a certain price for reform, then you must also accept my invitation to work with us in Congress—not against us. Too often I talk to heads of businesses who declare their support for reform—only to be attacked by their Washington lobby pursuing the firm's special interest with a vengeance. Too often, the falconer never talks to his falcon. The cost? Confusion, ill will and delay.

We only get a chance at profound reform every decade or so. Our Republican president seems prepared to back the struggle—if not lead the charge. Secretary Baker seems ready to ride. Congressional leaders—while rarely enthusiastic about projects which demand such painful choices—appear ready for (or resigned to) the long march. Taxpayers are slowly, but surely, warming to the rewards of reform. (And woe unto the politician who disappoints them.)

But without you—leaders in the corporate and financial world—the prospect for success is very tentative. If you can see beyond the battle flags of your own special interests, if you can reason beyond the hysteria of the moment, I am convinced that tax reform and tax freedom is within our grasp. It may be the last chance we all have for a long time.●

THE INDIGNATION INDUSTRY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. OXLEY. Mr. Speaker, I was struck by the clarity and truthfulness of the recent article by George F. Will that appeared in the Washington Post on Thursday, February 21, 1985. Mr. Will points out much better than I the obvious inconsistency followed by the president of the University of the Pacific. It appears that Mr. Stanley McCaffrey, while talking platitudes about academic freedom and opportunity in the field of higher education, at the same time denies the new Secretary of Education the opportunity to speak at this institution.

This inconsistency and hypocrisy have not gone unnoticed in the Halls

of Congress, and I recommend to all my colleagues the following column.

THE INDIGNATION INDUSTRY

(By George F. Will)

Stanley McCaffrey, a cop in the ranks of the thought police, saw his duty and did not flinch. McCaffrey, president of California's University of the Pacific, saw what William Bennett said and withdrew an invitation for Bennett to receive an honorary degree: "We simply cannot honor a person holding these views."

I know little about the University of the Pacific, but I will wager that it resembles most universities and therefore is broad-minded about the expression, and even the teaching, of the view that America is racist, sexist, imperialist, militarist, etc. So what did Bennett, the new secretary of education, say that caused McCaffrey to recoil and become the toast of the faculty club?

Among other things, Bennett said that, for budgetary reasons, subsidies to middle-class students should be cut. Specifically, families with incomes above $32,500 should not be eligible for federally guaranteed loans (that would mean they would have to pay perhaps 12 rather than 8 percent interest).

There are many Americans—including, I suspect, McCaffrey—in whom the flame of thought flickers so weakly that they only feel vital and engaged with history when they are indignant. America's indignation industry makes neither shoes nor butter nor poetry. Rather, it makes mandatory blandness by practicing moral intimidation. Its intimidation works on people who can be intimidated by the denial of the honor, such as it is, of a degree from the hands of the likes of McCaffrey.

Blandness in public utterance is encouraged by television journalism, which, because of the tyranny of the clock, specializes in what are known as "sound bites." It defines, and distorts, individuals with brief, telegenic "bites." A nation that knew nothing of Secretary Bennett got its first glimpse of him in "a sound bite." He was saying that for some students the cut in subsidies might mean having to forgo a stereo or car or spring vacation at the beach.

A typical viewer probably got this glimpse on television at dinner time. The baby was crying and so was the Cuisinart, the phone was ringing and so was the viewer's head because Billy, 14, had his cassette player blasting out Madonna's "Like a Virgin." It was all background music for the 15-second sound bite that introduced Bennett to the nation.

Sound bites are more than adequate to present all the thoughts of some people. But Bennett is not one of them. He is the only member of the Cabinet who has spent his life taking serious ideas seriously. That is what makes him dangerous to the academic division of the indignation industry.

Bennett says that there can be no "right" for every student to attend the university of his or her choice. Anyone who disagrees with that has a peculiar understanding of the allocation of public goods, especially goods such as university admissions that are valued in part because of the various forms of status they can confer.

Bennett says (well, he said it once, he probably will not say it again because departures from blandness cause too much turmoil) this: He can imagine not being dismayed if his son someday wants the money saved for university tuition to be used instead to start a business.

Bennett is not expressing a Philistine preference for money over mind; he is expressing dismay that so many universities serve the mind poorly. This point, which he has been making forcefully for three years as head of the National Endowment for the Humanities, has been missed by persons eager to strike a pose of indignation. Which brings us back to McCaffrey, who has disinvited Bennett. Why? "Because I find your views to be directly contrary to those held by me and our University of the Pacific. . . ."

The aid plan Bennett defends will preserve all aid for the least affluent students who, without aid, could not go to any college. It would make less-expensive public institutions better able to compete with private institutions, such as the University of the Pacific, for middle-class students. The aid plan is debatable. But dishonorable?

The hysterical condemnation of Bennett illustrates the moral exhibitionism of people like McCaffrey. It also reveals that the academic lobby—like, say, the tobacco lobby, but with more moral pretenses—has become an organized appetite. Bennett has interrupted its concentration on the social pork barrel by raising disturbing questions about academic purposes and competence.

McCaffrey's approach to controversy is not new. "Why should we bother to reply to Kautsky?" Lenin asked. "He would reply to us, and we would have to reply to his reply. There's no end to that. It will be quite enough for us to announce that Kautsky is a traitor to the working class, and everyone will understand everything." McCaffrey should know that everyone understands him.●

THE JOB CORPS: A WORTHY PROGRAM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. RANGEL. Mr. Speaker, I rise to bring attention to the plight of the Job Corps, which is under attack from the Reagan administration.

The Job Corps has been one of the most cost effective Great Society programs. It has trained tens of thousands of disadvantaged young people in useful job skills. In this age when the poor and minorities need training more than ever before, we should be lending a hand for their benefit.

I would like to submit the following New York Times editorial for the use of my colleagues. It presents an excellent view of the administration's attempts to gut this fine program.

[From the New York Times, Feb. 26, 1985]

KEEP THE JOB CORPS: IT WORKS

The Reagan Administration is a relentless critic of Great Society programs that don't work. Why, then, is it so eager to eliminate the Job Corps, which does?

The Administration says programs created under the Job Training Partnership Act, enacted in 1982, serve the same disadvantaged groups as the Job Corps, but far more efficiently and at substantially lower cost. There's only one problem with this claim: It can't be proven and actually appears to be false.

The Labor Department so far has issued data on the first nine months of Partnership Act programs, ending last June 30. They show "positive terminations"—jobs, additional schooling or military enlistments—for 63 percent of the 153,400 young people who passed through the programs during that time. The average cost was $3,287.

By comparison, the Job Corps' numbers seem unimpressive. Only 35 percent of those who enroll in the corps complete a training program, although three-fourths of these graduates have "positive terminations." And the average annual cost for each of the corps' 40,500 training slots is almost $15,000.

But the disparity in success rates seems to reflect less what takes place in the programs than what they start out with. Not every disadvantaged person is equally disadvantaged. And independent studies suggest that most of the young people in the Job Training Partnership programs could not be called hard-core.

The Job Corps, however, has a well-documented 20-year record of taking the toughest cases, youngster already well down the road to perpetual joblessness, dependency or criminality. A recent study found only 15 percent had high school diplomas; 38 percent had arrest records. In such cases, the investment must necessarily be greater. But for each success, the payoff—both for the individual and society—also is greater.

Senator Orrin G. Hatch of Utah, a Republican and a conservative, understands this and is leading the fight in Congress to save the Job Corps. That fight should not even be necessary. And it wouldn't be, if the Administration would appreciate the value of things as well as their price.●

PUBLICATION OF "SILENT SPRING"

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. PEASE. Mr. Speaker, in 1962, the publication of "Silent Spring" by Rachel Carson gave rise to new concern for our natural environment. Now it is time to add a new dimension to that concern by banning the importation of the cancer-causing chemical benzidine into the United States.

Benzidine and its derivatives continue to be produced and used in many parts of the world, despite overwhelming scientific evidence that this chemical is a deadly carcinogen. Some industrialized nations, including the United States, have acted to limit the exposure of their own workers to benzidine. But thousands of workers, especially those in many Third World countries, are being exposed to this cancer-causing agent because they are completely unaware of the danger or they are powerless to do anything about it. That is why I have introduced legislation, along with Congressmen OBEY, BONIOR, and FLORIO, to counteract what amounts to a slow motion, Bhopal-type health hazard that

threatens the lives of many unsuspecting people.

My bill—the Benzidine Protection and Control Act of 1985—has three purposes:

First, to encourage the world community to take immediate steps to end all worker exposure to benzidine and benzidine-based products;

Second, to protect workers exposed to benzidine and benzidine-based products; and

Third, to prohibit the importation of benzidine and benzidine-based products into the United States.

For more than 75 years, a growing volume of scientific evidence has been compiled to substantiate that benzidine and its derivatives should be regarded as strong human carcinogens. The cancer-causing effect is further confirmed by animal data and supported by studies on bacteria and mammalian cells, as well as by in vivo and in vitro data on the DNA-binding and DNA-damaging capacity of benzidine.

In the United States, the Occupational Safety and Health Administration [OSHA] enforces regulations designed to hold worker exposure to benzidine to the lowest feasible amount. In addition, OSHA and the National Institute for Occupational Safety and Health [NIOSH] in 1980 issued a health hazard alert, warning of the danger of exposure to benzidine-based dyes. That was followed in 1983 with a NIOSH report on steps to be taken to limit exposure to benzidine-based dyes. On an international level, the International Agency for Research on Cancer in 1982 published a monograph on the carcinogenic risks associated with exposure to certain benzidine-based dyes.

Why single out benzidine for an import ban? First, it is a well-identified carcinogen for which there are readily available, inexpensive alternatives. An import ban would have virtually no effect on U.S. industry since there are domestically manufactured substitutes for benzidine already in widespread use. Second, it would discourage the shifting of production of this deadly chemical from developed to less-developed countries.

Enactment of this bill would demonstrate our country's willingness to renounce continued trade in a chemical known to bring immense suffering and death to workers exposed to it. At the same time, we can step up the pressure for an international compact to discourage any production and commerce in benzidine—a necessary first step in protecting workers throughout the world from carcinogens.●

LACK OF WISDOM IN DEFENSE SPENDING

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. GARCIA. Mr. Speaker, perhaps no single issue has captured the attention of the Congress, the President, the media, or the public more than the ever-growing U.S. defense expenditures relative to national security commitments. Americans have historically favored a strong national defense at home and reliable commitments to our own interest, as well as our allies' interests, abroad. However, it has become increasingly clear that many Americans are somewhat skeptical and concerned as to the effectiveness, rationality, and, most importantly, the costs, which are stemming from such defense policies and objectives.

Consequently, I would like to commend to my colleagues the remarks of Mr. Bill Moyers, as broadcast on January 16, 1985, on the CBS television network news. What Mr. Moyers offers in regard to analysing American defense budgetary commitments is not only logical, it is practical, feasible, and, most importantly, necessary to understand and control, our spiraling defense expenditures and national security commitments.

I hope that the recommendations offered below will be carefully considered during the upcoming budget deliberations.

The remarks follow:

CBS MORNING NEWS

(As broadcast over the CBS Television Network, January 16, 1985, with CBS news correspondents Bill Kurtis and Phyllis George.)

KURTIS: In this pre-inauguration week, Bill Moyers is sharing his thoughts with us on some of the challenges that face the nation, and today the subject is defense. So often the defense question is one of weaponry. Do we need an MX? How many American subs against how many Soviet subs? Where do we put our cruise missiles? Do we need a new generation of bombers to launch them? But Bill Moyers says there's an entirely different way of looking at defense.

BILL MOYERS: Bill, the beginning of wisdom is to become clear about our situation. I wish I'd said that first, but I didn't. The author of this little pamphlet said it. His name is Earl Ravenal. He's a scholar, former official of the Pentagon and a key man at the Cato Institute in Washington. That's a libertarian research foundation which asks questions conventional politicians can't.

Sometimes the answers are slipped over the public transom to plop unexpectedly into the general conversation, and I think that'll be true of Mr. Ravenal's ideas. Whether you agree with him or not, you'll see the coming debate on defense spending in a different light if at least you entertain his analysis. There's no fog around his opinions, and the clarity of his language would please George Orwell. You'll recall that Orwell believed, "Whoever writes English is involved in a struggle that never lets up for a sentence. He's struggling against vagueness, against obscurity, against the worn-out phrases and dead metaphors with which the language is cluttered up."

No clutter here. Ravenal takes just 46 pages to argue a basic reappraisal of America's role in the world. Defense budgets, he says, are not for nothing. They're for something. The dollars buy forces, the forces have missions, the missions are in regions where the United States has defensive commitments or supposed strategic interests. These, in sum, are practically equivalent to the nation's foreign policy, and they're expensive. Consider the Nimitz-class nuclear carrier. The carrier and its battle group are servants of our foreign policy, the means we project our power to distant shores and seas. Ravenal reckons the lifetime costs for one of the battle groups to be approximately $400 billion over 30 years. Four hundred billion, he says, to increase our greatness as a nation by the capability to wage 35 attack sorties a day, or to be fair, to patrol a few of the world's sea lanes.

This ratio between cost and pay off leads him to ask if our foreign policy isn't being priced out of reach, and to conclude that large cuts in the defense budget can be made only if there is a significant change in foreign policy. You don't need all the carrier groups if you don't attempt all the missions. But you can't retain the same foreign policies, and simply trim the means to carry them out. The so-called defense reform won't save much money, the idea that leaner is tougher, or eliminating waste, fraud and mismanagement, or killing this or that weapon.

These, he says, are at best transient savings. Solvency, our ability to do what we're obliged to do in full faith and credit, requires something more, including being honest with ourselves. Ravenal thinks we have reached the predicament, through a long string of Administrations Democratic and Republican, of living beyond our means. But our ambitions somehow have to be paid for, and they will be—through higher taxes or further cuts in domestic programs, or printing money, or borrowing in the ordinary credit markets. Any of these can be costly in other ways, including the frayed quality of private and public life.

Or, says Ravenal, we can find a foreign policy, a national strategy, appropriate to our economy, appropriate to our liberties, and appropriate to the character of American society. This will mean hard choices about what we want to do in the world, the alliances we make, the adversaries we challenge. His own bias is to reduce our defensive commitments and design a nuclear program to protect a far smaller perimeter shielding our core values. We should not just draw lines in the sand, he says. We'll always need a strategy that discourages direct nuclear attacks or the threat of nuclear blackmail. But enough is enough, says Earl Ravenal. An extensive, engaged foreign policy and a large active military require big, intrusive demanding government, the kind, he reminds us, that President Reagan told us in the first inaugural address is the problem.

There's no free lunch and no free lease on the world. That's the trouble with dangerous ideas in little books. They first make you uncomfortable, then they make you think.●

SCIENCE TALENT SEARCH

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. OWENS. Mr. Speaker, the Science Service recently announced the names of 300 outstanding young American men and women who have been chosen to receive honors in the annual Westinghouse Science Talent Search. Established in 1941, the Science Talent Search was founded to identify and honor high school seniors who demonstrate the potential to become promising research scientists and engineers of the future.

I am proud to note in the CONGRESSIONAL RECORD today that two young people from my congressional district were selected by the Science Service to receive honors among this prestigious group of students. Ms. Peggy Delinois, a student at the Bronx High School of Science and a resident of the Brooklyn College area, was honored for her research project "Search for the Relationship Between the Location of Fibronectin and of Platelets in Narrow Spaces." Mr. Michael Alleyne Baird, a student at Prospect Heights High School and a resident of the Prospect-Lefferts Gardens neighborhood, was honored for his research project "Coenzyme Q Is Linked to a Peptide: Purification and Characterization."

It is with great pleasure that I join the family, friends, and teachers of these young people in congratulating them for their early scholarly distinction. For both their present achievements and the many valuable contributions sure to come, Ms. Delinois and Mr. Baird are a source of great pride for our entire community.●

DUCKING THE WORLD COURT

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. GREEN. Mr. Speaker, I would like to bring to the attention of my colleagues an excellent oped piece which appeared in the Wall Street Journal on February 22, 1985, concerning the World Court controversy.

The author is Richard Gardner, professor of law and international organization at Columbia University, a former U.S. Ambassador to Italy and Deputy Assistant Secretary of State for International Organization Affairs under Presidents Kennedy and Johnson. Mr. Gardner makes two points which are key to the issue.

First, that by refusing to accept the jurisdiction of the World Court in this instance, a jurisdiction which we had sought and accepted in the past, the United States has undermined the World Court as a "useful vehicle for developing sensible rules of international behavior."

Second, that the reputation of the United States as a law-abiding nation has been seriously damaged.

I enter this into the RECORD in the hope that the United States may attempt to undue this damage in any future instances involving the World Court and might learn from it in our current dealings in Central America.

IT WAS WRONG TO DUCK THE WORLD COURT

(By Richard N. Gardner)

"Realists" as well as "jurisprudes" have reason to question the Reagan administration's refusal to participate further in the case Nicaragua has brought against us in the International Court of Justice. Our national security is best served by strengthening, not weakening, those few international institutions that can promote stability and order in international relations.

Walking out of a proceeding before an international tribunal that finds it has valid jurisdiction over us is also profoundly un-American behavior. Our founding fathers and leading statesmen throughout our history have believed the U.S. has had moral as well as practical reasons for advancing the rule of law among nations.

In 1946, with the overwhelming support of both political parties, including such conservative Republicans as Arthur Vandenberg and John Foster Dulles, we accepted the compulsory jurisdiction of the World Court. Since then, every Republican and Democratic administration until this one has seen a strengthened World Court as a useful vehicle for developing sensible rules of international behavior.

The "covert" aid to the Nicaraguan insurgents that the Reagan administration began in 1981 was a questionable operation on both legal and practical grounds. Having started down this road, however, the administration might have limited its international liability by terminating our acceptance of the World Court's compulsory jurisdiction or adding a reservation to it for cases involving armed conflict or national security. Whether by design or by inadvertence, it failed to do so.

It was thus in the awkward position of filing a modification of our acceptance of compulsory jurisdiction just three days before Nicaragua brought its case against us last spring. It did this in the face of a requirement of six months' notice, which the Senate approved in 1946 in order, as it said, to ensure that we would not change the nature of our obligation "in the face of a threatened legal proceeding."

The U.S. did raise some legally significant objections to the court's jurisdiction. But the fact is that every one of the court's judges except the American judge found some basis for jurisdiction. Among them were distinguished jurists from Britain, West Germany, France, Italy, Japan, Brazil and Argentina, none of whom can by any stretch of the imagination be regarded as politically biased against us.

It is therefore both unconvincing and unfortunate for the administration to impugn the integrity of the court by charging that it was "determined to find in favor of Nicaragua" and that it is in danger of becoming "more and more politicized against the interests of the Western democracies." While the political independence of some of the court's judges is open to question, the court's composition is essentially the same today as it was in 1962 and 1980 when our country successfully invoked its support in the peacekeeping-expenses dispute with the Soviet Union and the hostage case with Iran.

Nor is it convincing for the administration to argue that the court overstepped its powers because our controversy with Nicaragua is "political," involves armed conflict, and touches the inherent right of self-defense. Article 33 of the United Nations Charter clearly specifies that the court may deal with the legal aspects of political controversies, as it did in the hostage and peacekeeping-expenses case. The U.S. has brought seven cases before the court involving armed attacks on American military aircraft. And our country has repeatedly and properly argued that national claims of self-defense raise issues of international law that can be reviewed by international bodies.

If we have a really convincing factual and legal basis for our support of the Nicaraguan insurgents on the ground of collective self-defense, as the administration believes, we should have been prepared to present it to the court, and our failure to do so cannot be justified on the ground that our evidence is "of a highly sensitive intelligence character." We did, after all, show satellite photographs of Soviet missile sites to the Security Council in 1962 when it was necessary to mobilize world support for the Cuban quarantine.

In short, we should have proceeded to argue the merits of our case, joined by El Salvador and Honduras, which have the right to intervene now and be heard, as the court itself has confirmed. The factual and legal complexities would have been so great as to delay a final court judgment for many months, perhaps a year or more. We could have used that time to negotiate through the Contadora process an end to both our intervention in Nicaragua and Nicaragua's intervention in El Salvador and Honduras.

The administration's walkout from the court signals, instead, a determination to continue our support for the Nicaraguan insurgents despite the formidable legal and political consequences. In the process we will have undermined both the World Court and the reputation of the U.S. as a lawabiding nation.●

NO MORE FUNDING FOR THE ANIMAL WELFARE ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BROWN of California. Mr. Speaker, I would like to bring to your attention and to the attention of my colleagues the Reagan fiscal year 1986 budget proposal to eliminate funds for the enforcement of the Animal Welfare Act. This is the fifth year that the Reagan administration has proposed to cut this program; this is the fifth time Congress will be called upon to restore these funds.

Mr. Speaker, the original Animal Welfare Act was passed in 1966 by a vote of 352 to 10 in the House and 85

to 0 in the Senate and strengthened in 1970 and 1976. This law was developed out of strong sentiment that animals should not be subjected to unnecessary pain or suffering. It enjoys the strong support of the American public. The act sets standards for humane care and treatment of certain warm-blooded animals used for biomedical research, exhibition purposes or sale through pet stores. Standards cover housing, sanitation, shelter, ventilation, feeding, watering, veterinary care, transportation, and separation of incompatible animals.

Last September, as chairman of the Subcommittee on Department Operations, Research and Foreign Agriculture, I held hearings on H.R. 5725, the Improved Standards for Laboratory Animal Act. This legislation would again strengthen the Animal Welfare Act. The message from all nonadministration witnesses was the clear: The Animal and Plant Health Inspection Service's [APHIS] enforcement of the Animal Welfare Act could be improved. Members of both the science community and the animal welfare community agreed that APHIS should receive more funds for this program, and that APHIS inspectors should receive more training, not less training.

While the Animal Welfare Act currently restricts cock and dog fighting, the sale of stolen dogs and cats to research facilities, and inhumane handling and care of animals, these events still occur. In fiscal year 1984, APHIS reported 200 alleged violations of the Animal Welfare Act. Of these incidents, there were 23 prosecuted, 5 dismissals, 26 civil penalties, and 8 license suspensions. In a February 19, 1985, press statement, APHIS reported settling eight cases of violations of the Animal Welfare Act in January.

APHIS also inspects research facilities with regard to animal care and housing. In testimony at the September hearings, an analysis of recent APHIS inspection reports gained from freedom of information requests was presented. The report noted that APHIS had found deficiencies in several laboratories throughout our country. While many of the deficiencies were corrected, they may not have been without the APHIS inspections. There is no reason to believe that violations of the Animal Welfare Act will stop if the enforcement program is eliminated.

Mr. Speaker, Members of this House are well aware of the growing public concern regarding animal care. Groups concerned about animal welfare are springing up around the country, with close to 2,000 humane societies in the United States, and membership in these organizations is increasing. The recent article regarding animals in Parade magazine, titled "Should They Have Rights"? received more mail that any other article run by Parade.

It is quite clear that a large portion of Americans feel strongly that the animal care laws are important and should be enforced. Eliminating funding for the enforcement of the Animal Welfare Act would make the law moot. Stopping enforcement of a law which has been on the books for close to 20 years, and one which has the support of a large sector of society, is an affront to our legislative system.

I recognize the need for fiscal restraint, but the elimination of these funds, only $4.8 million, will hardly make a dent in our national deficit. On the other hand, elimination of these funds would take our country a large step backward in insuring humane treatment of animals.

As one woman put it: "David Stockman has finally done the unthinkable. He has kicked the family dog."

Mr. Speaker, how much longer must we put up with this?●

NEIGHBORHOOD WATCH PROGRAM

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation which could provide valuable communications assistance to our Nation's neighborhood watch and crime watch programs. Neighborhood watch programs involve members of the community in patroling their own neighborhoods and reporting crimes or other unusual behavior.

This legislation directs the Federal Communications Commission [FCC] to review the feasibility of establishing a CB station for these crime prevention groups and issue recommendations within 1 year.

In conducting this study, the Federal Communications Commission would examine four important areas:

First, it would examine the benefits of assigning channel 11 for the exclusive use by neighborhood watch programs.

Second, it would address its effective use in densely populated areas which may have several neighborhood watch programs.

Third, it would review the current ability of neighborhood watch programs to use the general use channels, including the emergency frequency, channel 9.

Finally, it would review the adequacy of the present emergency channel, channel 9, if channel 11 is not established for exclusive use by these groups.

Since the inception of these crime-prevention groups, their ability to communicate effectively with each other and law enforcement agencies has been restricted. I believe the passage of this legislation would allow neighborhood watch groups to perform their duties more effectively, while at the same time use the CB communications system to its fullest extent. Research and statistics show that neighborhood watch groups have proven to be a positive crime deterrent. I want to enhance this valuable crime prevention program by improving the communications network. I urge my colleagues to support this legislation.

H.R. 1327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) not later than 1 year after the date of the enactment of this Act, the Federal Communications Commission shall conduct, and take final action in, a proceeding for the assignment of a particular channel in the citizen band radio service for use by neighborhood watch programs.

(b) In conducting the proceeding under this Act, the Federal Communications Commission shall consider—

(1) the benefits of assigning the frequency of 27.085 megahertz (channel 11) for the exclusive use of neighborhood watch programs and the likely extent of such use, both in the short-term and the long-term;

(2) any administrative problems which may arise, including enforcing the exclusivity of its use;

(3) the monitoring of the channel by State and local law enforcement agencies, including means to facilitate such monitoring;

(4) means of ensuring its effective use in densely populated areas with numerous neighborhood watch programs;

(5) the extent of use of the general use channels (including the emergency and traveler assistance channel, channel 9) and their capacity to be used on a regular basis for neighborhood watch programs;

(6) the adequacy of the existing emergency communication channel (channel 9) for emergency and traveler assistance if channel 11 is not assigned for such programs; and

(7) such other matters as it considers appropriate.

(c) The Federal Communications Commission shall provide opportunity for public comment in the proceeding under this Act.

SEC. 2. As used in this Act, the term "neighborhood watch program" means a crime prevention program—

(1) which is established for the purpose of assisting in the reporting to law enforcement officers of suspicious persons or circumstances in urban, suburban, and rural residential areas; and

(2) which is established by or affiliated with a State or local law enforcement agency.●

RELEVANT FACTS FOR DAVID STOCKMAN

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BEREUTER. Mr. Speaker, I invite my colleagues to read the fol-

lowing editorial by Bob Bishop in the February 16, 1985, edition of the Nebraska Farmer. He explains why the Director of the Office of Management and Budget, David Stockman, is wrong, wrong, wrong in some of his views about American agriculture and the responsibilities of the U.S. Government in assisting our farm, ranch, and agribusiness families:

RELEVANT FACTS FOR DAVID STOCKMAN

Budget Director David Stockman obviously has a rough job. One of the roughest in government. In a city of spenders, being one of the few defenders of a balanced budget has to make him one of the loneliest men in town. Obviously, he's tough, talented and smart.

That's why it comes as no surprise to hear Stockman lambast agriculture the way he has in recent days. What is surprising is the ignorance Stockman displays about agriculture when he supposedly grew up on a dairy farm.

"Why (do) the taxpayers of this country have the responsibility to go in and finance debt that was willingly incurred by consenting adults?" asked Stockman.

Why indeed?

At the risk of sounding very basic about the nation's overall farm situation, Stockman's question deserves an answer: Because agriculture is different from virtually any other business in this country.

Agriculture is different because it does not have the ability to price its own products as it passes them into the food chain. Any other business has that ability to monitor its cost of production, add a fair profit and make its own price within the framework of competition from other businesses.

Secondly, agriculture is different because it is weather dependent. The whims of nature have as much to do with final production figures as the best laid plans of individual farmers.

And thirdly, agriculture is different because the heavy hand of government is involved in its decisions—economic and otherwise. And because the government is involved, virtually every decision comes down on the side of plenty to insure a ready supply of cheap food for its people the majority of which are not involved in producing that food.

Agriculture's current dilemma stems as much from government decisions and policy making as it does from the collective individual decisions of millions of "consenting adult" producers. It was official U.S. government policy that this nation's farmers were going to produce all-out to feed the world. And the payoffs would be a use of agricultural exports to industrialized nations who could afford to pay to help decrease a balance of trade deficit that was getting dangerously out of hand. And those countries that could not afford to pay would be kept within the American sphere of influence by being provided food at reasonable cost to keep down agitation and unsettling of governments.

That was the mood of government in the seventies. It was an ambitious, expansionistic foreign policy decision to use this country's comparative advantage in food production to its utmost. Maybe we couldn't build cars and cameras and computers competitively anymore. One thing we could do, though, was farm and that we could do with the best.

Selling grain to Russia was more than just a way to earn cash to pay a highly inflated OPEC oil bill. It was a way to demonstrate to the Russians and the rest of the world that their system wasn't working and ours was. Helping feed starving Ethiopians with the largesse of American farms would show the world that we are still a capable, compassionate people and that it is wise to stay on our good side.

The trap, of course, is that nothing stands still. Something is bound to change. As OPEC gouged the industrialized nations with higher and higher oil prices that ricocheted through economies, inflation then recession [illegible] the ultimate results. Again it was [illegible]e that was the shining light. The dollar, once weak, became strong again. Now agriculture and its people suffer even though the general economy strengthens daily.

Those are some of the reasons why Washington owes farmers more than a quick switch to a totally market-oriented system that will devastate family farms across the country.●

WHY DEFICITS MATTER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 27, 1985, into the CONGRESSIONAL RECORD:

WHY DEFICITS MATTER

For some time I had been expecting the question, and at a recent public meeting it came. "You talk all the time about getting the deficit down. Why does it matter? We have an annual deficit of $220 billion and a national debt of $1.68 trillion. But things have gone well the past few years and they are going well now."

It's a fair question, and one that is on the minds of many Hoosiers. Many argue that the big deficits really do not matter. After all, the deficits of recent years have not led to economic disaster. The economy has boomed. The deficits mean that government is putting more money into the hands of people than it is taking away in taxes. Increased federal spending meant higher production and more jobs. Inflation dropped. Signs of confidence in the economy still abound.

Nonetheless, these debts pose a serious, if unapparent, danger. They inhibit capital formation, lead to higher interest rates, and put us at a disadvantage in world markets. These threats may not be visible to the average person, and they will not prevent the economy from doing well in the short term. But the damage is, in my view, long term and cumulative. The fact that the dangers are intangible at the moment is part of the problem in making people aware of the risks.

The deficits are already causing problems in the economy. The current economic recovery, now in its third year, is beginning to show weaknesses. Government borrowing to finance the deficit reduces the amount of credit available for private borrowing and drives interest rates up. Interest rates today are more than three times higher than they were in the 1970's. Industries sensitive to interest rates, such as housing, have suffered as a result. Unemployment is still higher than it was prior to the recession, and some sectors of the economy, such as agriculture, have not shared in the growth of the economy. Many bank loans do not meet quality standards and the debt burden of developing countries has not been solved. If the economy begins to slow down, the budget deficit, and the problems associated with it, will get worse.

The deficits are also harming our trade efforts. High interest rates increase the value of the dollar, now at a record high against most foreign currencies. The appreciation of the dollar makes our exports expensive in foreign countries while imports are cheap at home. The result is a massive trade deficit and serious problems in industries with foreign competitors, including agriculture. The flood of cheap imports, combined with sluggish exports by American industries, has devastated many industries, causing the loss of hundreds of thousands, if not millions, of jobs. New trouble spots are emerging. Goods other than high technology have suffered trade deficits for several years. The overvalued dollar is now causing exports of capital equipment and high technology products to drop while imports are increasing dramatically. Pressure is increasing to protect vulnerable domestic industries from foreign competition. In the long run, however, protectionism rewards inefficient domestic industries, incites retaliation against U.S. goods in foreign markets and threatens trade critical to economic development. These problems will grow if the deficit is not reduced.

The deficits also make our economy dependent on foreign investment. High interest rates and the strength and stability of the U.S. economy attract foreign investment. Foreign assets in the United States have increased 50 percent since 1980. This year, the United States will become an international debtor for the first time in 100 years, as foreign investments in this country overtake U.S. assets abroad. Since 1983, over half of the budget deficit has been financed directly or indirectly by foreign investors. An increasing proportion of U.S. productive capacity is owned by foreign investors and an increasing share of our national income goes to pay interest and dividends to foreigners, causing a decline in growth and living standards at home. Worse yet, foreign investors might decide to withdraw from U.S. markets. Under the best circumstances, foreign investors would withdraw gradually, causing a modest decline in economic growth. But they could pull out suddenly. Rapid flight would cause a sharp drop in the value of the dollar and in interest rates, seriously threatening our economic stability.

In the longer term, the end of foreign investment in the United States would mean that the huge U.S. deficits will have to be financed from savings here. Private U.S. investment would then have to compete with federal deficits for that savings. The U.S. Government will crowd private borrowers out of the market, leading to a sharp decline in capital formation, productivity and ultimately in our standards of living.

Finally, the growing burden of the federal debt increases the share of the federal budget that must be devoted to interest payments. Our interest burden is exploding, jumping under current policies from $69 billion in 1981 to an anticipated $231 billion in 1990. The interest the government pays on the national debt has soared from less than $131 per person in 1960 to more than $500 per person this year. At the current rate, it will go to almost $1,000 by 1990. If current practices continue, the government will

have to abandon many normal operations simply to pay interest on the debt. Reducing the deficit becomes more difficult each year and the risk grows that the United States will try to "solve" the problem by increasing the money supply. Already there are calls for easier money to stimulate growth. A flood of money would increase growth, but at the cost of increased inflation.

We may succeed for a while in deferring the remedy, as we are now doing, but in the end we will have to pay for the deficits with draconian spending cuts, higher taxes, or inflation. The deficit is like a long-term cancer, slow-acting but potentially lethal. We have avoided disaster so far, but it is dangerous to say that no action is needed now. We may be lucky for another year or so but the odds worsen with each passing month.●

PEER COUNSELING FOR MS VICTIMS

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BARNES. Mr. Speaker, I would like to share with my colleagues a recent Judy Mann column from the Washington Post regarding a peer counseling program for multiple sclerosis sufferers conducted by the National Multiple Sclerosis Society's National Capital Chapter, which serves Montgomery and Prince George's County, MD, northern Virginia, and the District of Columbia. The program has produced extraordinary results, with all of the 300 individual who have completed the program since 1980 now either employed, in school, doing volunteer work or involved in physical rehabilitation programs. The success of the program is especially significant considering that it costs the taxpayers only $150,000 per year. Indeed, it is an excellent example of how Government programs can be effective if efficiently run and targeted. The peer counseling program of the national chapter of the National MS Society should be used as a model for future efforts.

The column follows:

[From the Washington Post, Feb. 13, 1985]

THE BATTLE AGAINST MS

(By Judy Mann)

Multiple sclerosis is a disease of the central nervous system in which the covering around the nerves is damaged, interrupting the flow of messages to parts of the body. Young white women are afflicted with the disease more than any other group. Its symptoms include visual problems, lack of coordination, weakness or stiffness of limbs, fatigue and partial paralysis. It affects each victim differently and episodes occur unpredictably and with varying degrees of severity.

In 1978, the National Capital Chapter of the National Multiple Sclerosis Society began training 16 afflicted women to help newly diagnosed patients cope with their illness. "We had an unanticipated result," recalls Marianne Rose. "People started going back to work or school." The experience in peer counseling led to a three-year grant from the Education Department's Rehabilitation Services Administration for the chapter to set up a job bank, which would be a pilot project for the entire country.

It began in 1980 and has produced extraordinary results: Of the 300 people who completed the program—people who were not employed, some of whom had suffered extreme paralysis and psychological devastation—61 percent are now employed full or part time. The others are in school, doing volunteer work, in physical rehabilitation programs or trying out jobs.

"MS is a disease of loss and fear of more loss," says Diane Afes, director of chapter services. "Most agencies have counseling, but they don't think about employment. We had the typical agency view of this." About 20 percent of the victims, she explains, progressively deteriorate to a point where they are paralyzed or legally blind or both. Another 20 percent suffer symptoms such as blurred vision and stumbling while they are in their 20s and then have more severe attacks that lead to a diagnosis, but the disease goes into remission for long periods of time. The other 60 percent of the victims "fall in between," she says. "They have ups and downs, but over the years it is still a descending staircase. It's unpredictable and it's difficult to plan one's life." Stress and fatigue can exacerbate the condition.

One of the graduates of Operation Job Match was a 29-year-old woman who had an MBA. Three weeks after the birth of her baby, she was paralyzed from the neck down. The diagnosis was MS. She recovered from the paralysis, but "she thought her work and career life was over," says Rose.

The woman began the two-month back-to-work training program, which is conducted in sessions of about a dozen people that are led by other MS patients who have already completed the program and are working. The group meets in two-hour sessions one day a week, building a support system at first, and then learning techniques of stress management. This particular young woman, says Rose, "was worrying so much she was making herself sicker. She studied biofeedback and turned it into a method for controlling her symptoms."

In subsequent sessions, the groups learn assertiveness training and what abilities they have in light of the disease and evaluate whether they can work full or part time and what work accommodations each would need. Later, they work on resumes and practice job interviews, particularly how to tell a prospective employer that they have MS. The job match program supplies names of potential employers. The young woman in point, who thought her career was over, now works full time for the government.

MS affects about 250,000 people nationally and about 2,000 in the Washington area. Since it usually strikes young adults, its victims are often skilled, educated people who have no experience with disabilities. Often they quit work or school long before they have to, says Rose. In many cases they become so fatigued in their work that they decide to quit, when minor accommodations in their work patterns would enable them to remain employed.

"It's amazing how clients change," says Karen Franklin, job developer for the program. "They just blossom."

Hundreds of people who were ready to give up have gotten work, hope, reasons to get up in the morning. Others who were getting disability stipends are now self-supporting. They have learned—and taught others—that a disability is not inability. The local chapter is looking for funding from private industry to expand its services and to set up internships in jobs that are particularly well-suited for MS patients.

The program's stunning rate of success—at the relatively low cost of $150,000 a year—should make it a model for similar efforts throughout the country. This is federal money well spent, indeed.●

HARSHER PENALTIES FOR DRUG TRAFFICKERS ARE NECESSARY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. TRAFICANT. Mr. Speaker, earlier this month I introduced legislation, H.R 994, the Controlled Substances Penalties Act of 1985, that would increase the penalties for those convicted of drug trafficking or smuggling in large amounts. My bill would also deny bond in cases involving larger amounts of narcotic drugs. Recent events clearly underline the need for tougher legislation to combat the growing problem of domestic and international drug trafficking.

Earlier this month in Warren, OH—which is my home district—local police officials seized more than 2 pounds—slightly over 1 kilogram—of cocaine and arrested one man. The man was charged with drug trafficking and bond was set at $100,000. Later that same day the bond was posted and the suspect was free to go. Although the suspect was listed by the State as unemployed for over 1 year, he owns five houses worth $152,000, seven cars, a boat and airplane, in addition to other assets. It is clear that the suspect probably makes a lucrative living off illicit drug activity and that he most likely has access to the financial resources and international connections to easily transport him out of the country. The fact that the suspect was able to post bond so easily and the very nature of his financial assets and connections makes him a high flight risk.

Because my bill would specifically deny bond in cases involving a kilogram or more of cocaine, it would ensure that these powerful drug traffickers remain in this country to stand trial for their crimes. The recent case in Warren, OH is typical—invariably those charged with drug trafficking or smuggling easily post bond and have the financial resources to leave the country—if they so desire. The very nature of international drug trafficking makes it imperative that action be taken at the Federal level to ensure that the big-time operator and "mastermind" does not post bond and leave the country. Not only would my bill

prevent this from happening, it would also provide the judge with the option of imposing stiffer penalties on those convicted of drug trafficking or smuggling. First offenders could receive up to 30 years in prison and/or up to $500,000 in fines. Second offenders could receive a maximum penalty of life imprisonment, or if they resist arrest, kill or injure a law enforcement officer or civilian, or are armed with a dangerous weapon, they would be subject to the death penalty option.

The need to get tough on drug traffickers has always been great, and this body has led the way in forging tougher laws. But we need to go one step further. The big-time operators need to be isolated from the small-time dealer and the common drug addict. My bill, by clearly delineating the higher levels of narcotic drug trafficking that would require stiffer penalties and the no-bond clause, would affect only those cases involving bulk amounts or shipments of narcotic drugs. My bill would provide the courts with the option of imposing stiff sentences. As a former sheriff I recognize that cases do vary—my bill would give the courts leeway to decide upon appropriate punishment. My bill would provide judges with the option of imposing very stiff sentences to serious offenders and dangerous drug dealers—who are not only poisoning our youth with deadly drugs—but who are also endangering the lives of this Nation's law enforcement officers trying to combat illicit drug activity.

The recent kidnaping of DEA agent Enrique Salazar Camarena in Guadalajara, Mexico, is a clear example that international drug trafficking is a widespread problem and a very real threat to our society. Passage of my bill would send a strong message to the entire world that America has had enough and that we will no longer tolerate the poisoning of our youth and that those who choose to confront our law enforcement officers and endanger their lives will pay dearly for their crimes. Drug trafficking and smuggling has become both a national and global problem. As a former sheriff I have had firsthand experience with this problem and I can attest to the grave threat big-time drug traffickers and smugglers pose to the law enforcement community and the general public. As former director of the Mahoning County Drug Program in Ohio, I can also attest to the tragic proportions the problem of drug abuse has reached in this country. Everyday young men and women—even unborn babies—fall victim to drug abuse. Those ultimately responsible for poisoning our youth with these dangerous drugs are the "masterminds" who coordinate and supervise hugh drug transactions both at a national and international level. The time has come to declare all-out war on those who are destroying our youth and the very fabric of our society.

H.R. 994 is but one more step in the fight against drugs—but it is a very important step and one that must be taken. I urge all of my colleagues to support this legislation.●

WHAT AMERICANISM MEANS TO ME CONTEST

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. PEASE. Mr. Speaker, I ask that you and the rest of the Members of the House of Representatives take a moment to read the following essay on Americanism which was written by a student at Norwalk High School in my Ohio district. He was the third-place winner in the "What Americanism Means to Me" essay contest held annually by the Americanism Foundation.

WHAT AMERICANISM MEANS TO ME

(By John Kompa, Norwalk High School)

When asked what Americanism means to me, I find it hard to say in just a few words what it actually means but instead I feel that it can be expressed as a feeling of belonging and pride, plus a sense of duty and responsibility to the United States of America that can only be acquired through living and learning about the development of this great country. If one thinks of all the men who have died to preserve America for their families and for posterity one realizes just how unique this land is.

There are so many different freedoms in this country that exist exclusively here. Where else can one do what he wants when he wants? Where else can one print what he wants, worship whatever he chooses and vote for our nation's leaders. All these privileges must be observed and performed with moderation but still this is so special that we can truly call America "The home of the free and the brave." One must realize how important and valuable these values are; one must realize how essential they are to continuing our present society. By observing these values one must willingly and wholeheartedly accept his role in making certain that they endure. No matter how minute the role the average citizen plays, it is still important. Without the citizen of the United States, which is the backbone of the country, the whole idea of equal opportunity could be tragically lost.

The responsibilities are numerous but the most important one is to be informed so one can see what is occurring in the diplomatic scene. How can one be proud to be an American and have a great sense of Americanism if he does not notice the developments and everyday actions of his government. After seeing how the process of government and everyday law one can truly appreciate the specialty of the situation. This provides an essential picture of how the government is run and how it must remain for a healthy America.

When you begin to criticize the government and its actions just ask yourself if you really know the ignorance of your bickering. Would you rather be a pauper in a Soviet block country or be one of the dirt-poor natives of IndoChina and Asia. This often helps one to see how fortunate he actually is. You can only draw one statement: No matter how wrong a law or action might seem that it is, it is still better than the laws of the other countries that have no set constitution or guidelines. After you consider all these things and you still have a valid argument, then it is your duty and privilege to speak out.

Even though a citizen might disagree over an issue, he should still have faith and believe in America. It is only obvious that this is one of the main facets of Americanism; faith in the government that has proven time after time that the United States is a country that has no rivals and that in many ways we are an ideal society but not perfect. America is the standard that other countries are compared to, often they try to duplicate various aspects of our culture and government but it is unsuccessful because of one reason: the people. The people of America are like no other in the world and they are what Americanism is all about. As long as the citizen of today remains true to his duty, which is a certain true statement, then America will remain the great land that it is today.

In conclusion, I feel that Americanism is a sense of love, duty, and responsibility for the United States of America. It is also a sense of belonging to the greatest nation known to man today.●

REAGAN'S FOREIGN AID PROPOSALS EMPHASIZE "SECURITY ASSISTANCE"

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. OWENS. Mr. Speaker, a review of the President's proposed budget can be upsetting for those who do not necessarily agree with his priorities. Although I am distressed by his domestic policies, as reflected in the budget, his foreign policies must concern all Americans who do not wish to be dragged into an increasing number of conflicts throughout the world.

The article below, which appeared in the February 7, 1985 Christian Science Monitor, points out the continuing shift toward foreign aid in the form of "security assistance." The idea of spreading weapons around the world in this manner has got to give us all pause. The costs of these weapons to the intended victims or the costs of the ill will that will be focused on our country are staggering. It is my hope that all of my colleagues will consider any foreign aid carefully and recognize that the river of so much death and destruction is bound to create more enemies than friends.

[From the Christian Science Monitor, Feb. 7, 1985]

REAGAN'S FOREIGN AID PROPOSALS EMPHASIZE "SECURITY ASSISTANCE"

(By George D. Moffett III)

President Reagan's foreign aid proposals for fiscal year 1986 signal a continuing

trend toward higher levels of military assistance, gradual reductions in traditional economic aid, and a greater concentration of U.S. aid in regions the administration says are critical to U.S. security—especially the Middle East and Central America.

In budget announcements this week, the White House left unclear its short-term plans for economic assistance to Israel, pending confirmation by the Israelis that adequate measures have been taken to respond to the nation's worst economic crisis. The administration did not clarify its long-term plans for future United States funding of the International Development Association, a branch of the World Bank that is the largest single source of interest-free aid to the poorest countries.

Details provided by administration spokesmen indicate that "security assistance"—that is, military aid combined with economic support earmarked for key U.S. allies around the world—will increase by more than $1 billion this year and could go higher if the President consents to aid increases proposed by Israel for next year.

At the same time, levels of "development assistance"—that is, aid for agricultural development, health clinics, nutrition programs, and the like in poor countries—will decline by close to $500 million. Those cuts will come principally at the expense of health care, population planning, food-aid programs, UNICEF (the UN Children's Emergency Fund), and the UN Development Program.

According to a recent Overseas Development Council study, the shift in U.S. aid away from develoment assistance began in the late 1970s with pledges made in the Camp David Accords. The trend was accelerated by successive crises in Afghanistan and Iran. Since then, U.S. security assistance has been used increasingly to bolster stability in regions like Central America and the Middle East. If the Reagan administration has its way, close to two-thirds of all U.S. aid next year will be in the form of security assistance. The trend is underscored in Africa where, over the past three years, food aid has risen by 40 percent while military assistance has gone up 150 percent.

The principal beneficiaries of the shift toward security assistance are Israel and Egypt together with Spain, Portugal, Greece, Turkey, and the Philippines, which provide the United States with military base rights. These seven nations will receive almost three-fourths of all U.S. security assistance.

Another beneficiary has been Central America. This year marks the third of a five-year, $8 billion aid program pledged by the Reagan administration in response to the recommendations of the 1983 Kissinger Commission. The 1986 budget provides for a big increase for Honduras, which has provided a home base for rebel forces, the so-called Contras, fighting to overthrow the Sandinista regime in Nicaragua and Guatemala. Honduras will get its first transfusion of U.S. military aid since 1977. Aid to Guatemala will jump in 1986 from $300,000 to $35 million. The administration's new aid budget also provides increased funding to three South American nations—Equador, Peru, and Bolivia—where fragile new democratic governments are facing economic and political threats.

In a related development, the administration this week announced changes in a program administered by the Export/Import Bank to help foreign purchasers buy U.S. products. The plan is to replace the current program of direct loans with private loan guarantees. This has produced angry reactions from the U.S. business community. Treasury Department spokesmen say direct loans are no longer needed, since other major exporting nations have cut back on levels of export subsidies. Business sources say that at a time of massive U.S. trade imbalances, the shift away from direct loans will hurt. The change "signals our competitors that we're withdrawing from competition in the world market," says Willard Berry, president of the Coalition for Employment Through Export, an organization representing some 14 industrial unions in the United States. He says business, labor, and state governors will "devote a lot of energy" to repealing the proposed changes.

Congressional sources say the new aid budget will raise again the perennial question of whether military spending is the best way to shore up U.S. security interests around the world. Proponents of development aid say the new budget perpetuates a trend that, over the past year, has reduced, on a per capita basis the amount of that type of aid going to those in the second-lowest level among developing countries. They say that, in addition to humanitarian consequences, the policy ignores the national-security threat posed by the contribution poverty makes to political instability and regional tensions in strategically important areas.

The last time Congress passed a foreign aid authorization bill was in 1981, and congressional aides say that with no consensus on the security-vs.-development issue, plus other controversies, finding a working majority to pass and aid bill could be difficult again this year.●

THE SCHOOL LUNCH PROGRAM

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. ADDABBO. Mr. Speaker, as my colleagues are aware the administration's budget request for fiscal year 1986 recommends the elimination of the subsidy for lunches served to school children from families with incomes above 185 percent of the poverty level. In actuality, however, since school's receive lump sums for lunches, the proposal will reach many children who will be eligible for the program, but who will not receive the benefits when schools drop out en masse for lack of sufficient funds.

To help my colleagues fully evaluate the harsh effects of the administration's plan I insert here testimony given by Mr. Charles Hughes, chairperson of the AFSCME School Employee Advisory Committee and president of local 372, Board of Education Employees, District Council 37, New York City, before the House Education and Labor Committee this week. Mr. Hughes calls this proposal a potential "national disaster" and after reading his remarks. I am sure many will agree.

Good morning Mr. Chairman and members of the Committee.

My name is Charles Hughes. I would like to thank you for the opportunity of again testifying before this Committee.

I am the Chairperson of the America Federation of State, County and Municipal Employees' School Employees Advisory Committee, representing 150,000 members.

I am also the President of Local 372, Board of Education Employees, District Council 37, in New York City. We are the largest union working in the nation's largest school lunch program. On an average day, our members serve about 500,000 lunches to children participating in the National School Lunch Program.

As one who has been around for sometime, I have grown to understand the value of this program to the strength and vitality of our nation. It is a program which invests in the future of our nation by investing in its children. I am proud to be a member and an official in a union that has supported it since its inception in 1946 and of a union whose members have contributed greatly to its growth and effectiveness.

It is, indeed, a sad and distressing fact that we are confronted today with the very real possibility of seeing this program destroyed.

I am not a doomsayer in making this statement. This is precisely what lies ahead if the President's Fiscal Year 1986 proposals are approved by the Congress. This national disaster must be averted.

Four short years ago, the Administration spearheaded a major assault on the program. Many school districts have yet to recover from it. Federal funding was cut by $1.0 billion largely by reducing Federal reimbursement for school lunches, raising the price charged to the child, and tightening eligibility and verification requirements. The direct result of these actions has been that nearly 3,000 schools and three and one half million children were forced out of the program. As we look back on all of this, we have to ask ourselves several questions. Did the end results justify the means? Is the condition of our nation's children stronger and the national deficit lower today because of this harsh action? I believe the answers are self-evident.

We are warned, Mr. Chairman, that those who forget the lessons of history are condemned to repeat them. This Administration, I submit, apparently forgets too easily. Why else would they not leave well enough alone?

Sure, we face the largest deficit in our nation's history. And, sure enough, we've got to attack and eliminate the causes that got us in the box we're in. But, for gracious sake, how far can we tamper with truth and fairness by implying that the cost to the Federal government in feeding the nation's school children is one of them!

The Administration's fiscal year 1986 budget proposes to reduce expenditures in Child Nutrition programs by $648 million in fiscal year 1986, $906 million in fiscal year 1987 and $1 billion in fiscal year 1988.

Its major recommendation is to eliminate the present subsidy, as provided in Section 4 of the National School Lunch Act, for lunches served to children with family income above 185 percent of poverty. I say to you, Mr. Chairman, and to the members of the Committee, that the approval of this proposal will seal the coffin on this program in school districts across the country.

The National School Lunch program is not tailored for children from any one income level. It is designed—as it should be—for all children, including the poor and

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near poor. Generally speaking, the program is financed by three sources: cash and commodities from the Federal Government (50-55 percent); state and local matching funds (20 percent); and student payments (20-25 percent). In order for the program to survive and to include all children regardless of their families economic condition, participation by all children is essential. This is particularly vital in schools in which there are substantial numbers of full pay students.

These are the children the Administration is targetting. Its proposal to eliminate the Section 4 subsidy on their school lunches will force school districts to raise the price they will have to pay. The consequences of this action are not difficult to predict. Hordes of full pay students will abandon the program. As this happens, schools will find it economically unfeasible to continue to operate them. And when they are compelled to close operations, the needy children receiving free lunches and those students who are reduced priced pay students will no longer have access to the program.

A recent report by the Congressional Research Service which was submitted to your Subcommittee on Elementary, Secondary and Vocational Education supports these conclusions. The report indicates that the elimination of the projected 24.75 cents in cash and commodity subsidies for full paid lunches that the Administration is proposing would translate to a 19.8 percent reduction in participation. Using Fiscal Year 1984 participation data, this would translate to 2.31 million paid lunch children dropping out of the program if paid subsidies were eliminated. The report further states that those schools with the highest proportion of paid lunches (or the lowest proportion of free and reduced price lunches) will be most dramatically affected by the elimination of the paid subsidy and in greatest possible risk of dropping from the program entirely. It concludes that if such school drop-out occurs, all of the children in the school would lose access to the program, an estimated 7.3 million children.

In my own State of New York, it has been estimated that the termination of the full pay subsidy would result in over 240,000 children being dropped from the program. Furthermore, it is estimated that 413, or 38 percent of New York's 1,097 food authorities, would be forced to drop their School Lunch Programs if this proposal is enacted.

But as devastating as this proposal is, the Administration does not stop here. It also proposes to end the cost of living, or inflation, adjustment on child nutrition meal reimbursement rates, including school lunch and the special milk program. This reduction would have a devastating effect on urban and poor school districts, where over 90% of their lunches are served to students who qualify for free or reduced priced meals. In New York State alone, we estimate that this measure would reduce Federal outlays by $35 million and would cost institutions in the State approximately $3 million.

Mr. Chairman, we cannot turn our backs on the children of our land. I am profoundly aware of your personal commitment to them. Were it not for the work and dedication of this Committee over many years, we would not have a National School Lunch Program.

On behalf of our members in AFSCME, I urge you to continue to act to preserve this program by rejecting these proposals.

Briefly, may I turn to other matters of extreme importance not only to the School Lunch Program but also to vital programs affecting the well-being of children.

AFSCME commends you for re-introducing H.R. 7. It is unfortunate that this legislation was not acted upon by the Senate after it has been approved by the House during the last session. This legislation reauthorizes five crucial programs: the Women, Infant, and Children Program (WIC), the Summer Food Service Program; the Commodity Distribution Program; the Nutrition Education and Training Program; and State Administration Expenses. Further, it sets realistic authorization levels for these programs and proposes other positive revisions which we fully support.

AFSCME urges the early enactment of this legislation into law.

We would also recommend that your Committee take two other actions which AFSCME believes are essential.

As you know, in 1981 Federal funds were eliminated for the Food Service Equipment Assistance Program in the National School Lunch Program. The damage that this has caused school districts in not being able to properly maintain their food service equipment must be corrected. H.R. 610, which was introduced by Congressman Solarz from my City, is intended to do exactly this. It would restore the $15 million previously authorized for this purpose.

AFCME urges the Committee to expedite action on, and to approve, this legislation.

Finally, we would recommend that your Committee give serious consideration to increasing the $5 million authorization level for Nutrition, Education, and Training services in the School Lunch Program. Since its inception in 1977, this provision has shown clearly that these services strengthen quality of the programs. In order to achieve greater progress, we would recommend that the authorization level be increased to $10 million.

I thank you, Mr. Chairman. It has always been a pleasure for me to testify before your Committee. I would be happy to respond to any questions.●

G. RAY ARNETT TO HEAD NATIONAL RIFLE ASSOCIATION

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BREAUX. Mr. Speaker, last week the National Rifle Association, by a unanimous vote of its board of directors, elected G. Ray Arnett as their executive vice president. It is hard to imagine a more fitting selection. In every aspect in life, including physical size, Ray towers above the field.

As chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment and as someone who has often hunted with Ray, I know that he is both a great shot and a great conservationist. His knowledge of weapons is extensive, and he handles them well in the activity that is of prime interest to American sportsmen, the pursuit of game. Ray has hunted all over the world, always with a sense of adventure as well as a love for the hunt and a respect for the outdoors. He is someone who is at home in both the posh hunting clubs of the eastern shore or the ramshackle duck camps of the Louisiana marshes.

Combined with his love of hunting is a love of wildlife and the natural world it inhabits. Ray has served as director of the California Department of Fish and Game, and Assistant Secretary for Fish, Wildlife and Parks as well as president of the National Wildlife Federation. In all of these positions, Ray has been a tireless advocate of the wise use of our natural resources and a spokesman for the American sportsmen.

We must also acknowledge that the National Rifle Association is quite often involved in controversy relating to the rights of Americans to bear arms. Ray brings to the job a thorough knowledge of the political process and the formation of Government policy as well as a strong commitment to second amendment rights. Ray will be an effective and rational spokesman on the key issues that affect NRA's membership.

Mr. Speaker, it is with great personal pleasure that I congratulate both the NRA and my good friend and duck blind partner on the beginning of what I believe will be a long and strong period of leadership by one of America's foremost advocates of the shooting sports, G. Ray Arnett.●

TRIBUTE TO RAY "BOOM BOOM" MANCINI

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. TRAFICANT. Mr. Speaker, at this time I would like to pay tribute to a constituent of mine who has made a lasting mark on the hearts and minds of all Americans—especially those from his hometown of Youngstown, OH—Mr. Speaker, I am speaking of Ray "Boom Boom" Mancini, former WBA lightweight boxing champion, who recently attempted a comeback in the ring.

Last June, Ray lost his title to Livingstone Bramble. Last week Ray attempted to win back his title. In what has been described by many as one of the greatest lightweight fights ever, Ray went the full 15 rounds and lost a close decision. Even though he lost the fight Ray's performance was truly magnificent. Although he was cut badly over both eyes Ray fought on and refused to quit. At times Ray could barely see, yet he stood toe to toe with Bramble and continued to pound away.

Ray Mancini's guts and determination needs to be applauded by all who truly admire human spirit and courage. Throughout his career Ray fought with a single-minded intensity

and raw courage that catapulted him to the title. Ray's recent loss and his failure to regain his title in no way diminishes the magnitude of his accomplishments or the measure of his immense character and courage. Whether or not Ray ever enters the ring again he will always be remembered as a champion—a battler and a fighter who never gave up. Ray is a man who pursued a lifelong dream and made that dream a reality. Through his exploits in the ring Ray has inspired not only the people of his hometown—Youngstown—but also the people of this Nation, who always seem to reach out to and identify with a fighter and a battler.

Mr. Speaker, I am honored today, not only to pay tribute to Ray Mancini, but also that a person of Ray's character has joined my task force back in Youngstown to attract General Motors' new Saturn project to Youngstown. I can't think of anyone I'd more like to represent this massive community effort than Ray Mancini. Like "Boom Boom," the people in my district have experienced great adversity—but that have not given up. Despite having one of the highest unemployment rates in the country the people in my district have adopted Ray's fighting spirit. The people in the Mahoning Valley have pulled together in an unprecedented community effort to attract Saturn. This effort has resulted in the development of a progressive financial and economic package designed to attract—not only Saturn—but other new and expanding industries. By working together to develop this package the people in my district have taken their future into their own hands. Like Ray "Boom Boom" Mancini we have not given up; we are fighting back against economic adversity.

Ray Mancini was one of the first to pledge his full support for this historic effort. I am confident that with the help and inspiration of people like Ray Mancini the people in my district can overcome their problems and can mold themselves a bright future. I am confident also that Ray Mancini will succeed in whatever he chooses to do. In the hearts and minds of all Americans Ray will always be the champ.●

FILIPINO WORLD WAR II VETERANS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. DYMALLY. Mr. Speaker, today I am introducing a bill that would provide relief to Filipino World War II veterans facing possible deportation from this country. My bill would simply extend the date which these veterans should petition the Immigration and Naturalization Service [INS] for naturalization. It restricts this opportunity to those veterans already in the United States. These applicants would have been otherwise eligible for citizenship pursuant to the provisions contained in the Nationality Act of 1940 which were in effect before December 24, 1952.

In March 1942, Congress amended the Nationality Act of 1940 to allow for the naturalization of noncitizens who served honorably in our armed services during World War II. The Filipino soldiers, however, were unable to take advantage of this opportunity for 9 months due to the absence of an INS officer in the Philippines. This was a result of a decision by the Attorney General to remove the naturalization examiner from the Philippines.

On January 10, 1984, these veterans suffered another setback in their pursuit of U.S. citizenship. The high court ruled in United States against Mendoza that the Justice Department is not prohibited by a previous decision from challenging the citizenship applications of these Filipino veterans. This implies that the INS may proceed to deport these individuals upon denial of their citizenship applications.

Mr. Speaker, I am referring to some 1,660 residents in the State of California and an unknown number scattered throughout the United States. These are law-abiding individuals who have spent their lives since World War II contributing to our societies, and establishing their families in this country. We, as a country, failed to implement the full extent of our own law, and now we are contemplating deportation. That is unconscionable.

I do not believe that this problem is for the courts or the INS to decide. On the contrary, I believe that a simple act of Congress can resolve this matter. It is clear that if the INS officer was present for the entire duration of the eligibility period in the Philippines as was legislated, there would not be a problem. Therefore, resinstating the 9 months would be the fairest action to take. My bill, however, provides an extension short of 9 months, but nevertheless the opportunity is provided to fulfill a promise and prevent deportation. This is the least we could do to repay these honorable veterans. Mr. Speaker, I urge expedient consideration of this measure.●

A BLACK HISTORY MONTH TRIBUTE TO CHESTER HIMES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. STOKES. Mr. Speaker, February is Black History Month. During the month-long celebration, it is important for each of us to reflect upon the contributions of black Americans to the history and culture of this Nation. The sciences, education, politics, technology, and the arts are a few areas in which black Americans have helped make America great.

Mr. Speaker, today, to take one area, literature, and talk about the contributions of black Americans. Countless black Americans have distinguished themselves as poets, writers, and essayists. Many of them are well-known in America and abroad.

Phyllis Wheatly, a black woman born in the 18th century, was among the first poets in America. During the exciting period known as the Harlem Renaissance, the names Countee Cullen, Langston Hughes, Arna Bontemps, and Ralph Ellison became synonymous with literary genius. Today, James Baldwin, Maya Angelou, Toni Morrison, and Alex Haley are a few of America's celebrated writers.

Mr. Speaker, these are a few of the names that many Americans know. However, there are a number of black writers and poets who are not as well known. The late Chester Himes is one of them.

A former resident of Cleveland, Himes died last November in Spain at the age of 75. During his lifetime, Himes received only marginal recognition in America. However, in Europe, the novels of Chester Himes won critical acclaim.

Since his death, there has been a renewed interest in this country in the books of Chester Himes. However, because of the limited number of available copies of his books in America, many people have not had an opportunity to read his novels.

Therefore, at this time, I would like to share the work of the late Chester Himes with my colleagues. Reporter Joe Frolik wrote an exceptional article on the life and work of Chester Himes which appeared in the February 25, 1985, Cleveland Plain Dealer. Mr. Speaker, at this time, I ask that it be included in the CONGRESSIONAL RECORD.

CHESTER HIMES: HE BEGAN WRITING IN THE OHIO PEN

(By Joe Frolik)

Calvin C. Hernton, distinguished essayist and professor of black studies at Oberlin College, counts himself among the fans of novelist Chester Himes, who died in Spain last November at age 75.

"He's a master craftsmen," Hernton said of Himes, a former Cleveland resident who began writing while in the old Ohio Penitentiary. "His dialog is superb. His character development, his plotting, the way he organizes the material, all are unmistakably indicative of a master literary craftsman.

"And when it comes to treatment or perspective, the same is true. He has an impeccable moral character running through his writing. . . . No one is spared. There is a

rather stark portrayal of the frailty and immensity of human nature."

With such strong feelings, it's no wonder Hernton always tries to include a book by Himes when he teaches a seminar on the black American novel. Yet, he is often unable to because bookstores cannot dig up even the handful of copies required.

Literature professors at other colleges and universities report the same problem. Some, like Howard University's Eugenia Collier, say that while they respect Himes and would like to devote more attention to him, they pass over him in their survey classes to focus on such Himes contemporaries as Richard Wright and Ralph Ellison.

"I consider him an important writer. He's in the textbook we use and on the syllabus," said Collier. "But we spent so much time on (Wright's classic) 'Native Son,' we had to skip someone."

It has been that way almost from the moment Himes published his first novel, "If He Hollers Let Him Go," in 1945. There always has been a loyal core of enthusiastic admirers like Hernton. But in general, Himes' critical reputation has ridden a roller-coaster, and his books always have been hard to come by—in the United States, that is.

Overseas, especially in Western Europe, it is another story. There, Himes long enjoyed wide popularity and respect. When he died after years of declining health, Le Monde, the Paris newspaper, devoted an entire page to his obituary.

In Alicante, Spain, where Himes spent his later years, a street was named after him. English publishers made plans to reissue the series of Harlem-based detective novels that inspired two popular movies of the early 1970s, "Cotton Comes to Harlem" and "Run, Charleston, Run."

A smaller-scale revival of interest in Himes may be brewing on these shores, too. Schocken Books of New York, in conjunction with a London publishing house, will distribute the detective novels. Movie producers have expressed interest in at least two of his books.

This month, Howard University Press published "A Case of Rape," a short novel set in Paris about four black men accused of raping a white woman. The book was written in the mid-1950s, and previously was available here only in a 1979 limited edition (*very* limited, actually—350 copies).

Howard has ordered a first printing of 5,000 copies and has distributed review copies in hopes of sparking interest in the book and in Himes himself. Howard Press executives, who agreed before Himes died to bring out the book, hope his death will focus special attention on the publication.

"We're treating it as an original publication," said Howard Press director Charles F. Harris. "That is one of the appeals it had to us. It's the kind of book people knew Chester Himes had written, but it's not been available."

New York literary agent Roslyn Targ, who represented Himes for 19 years, has been trying to persuade other publishers to reissue such novels as "Lonely Crusade" (1947), "The Third Generation" (1954), "The Primitive" (1955) and "Pinktoes" (1961).

"I have gone to every publisher in this city to reissue his books," Targ said, "and I've found nothing but deaf ears. Everywhere."

Targ's husband, William, former editor-in-chief of G.P. Putnam's Sons, brought out the 1979 edition of "A Case of Rape." She doubts the book will make Himes the hot property in death that he never quite was in life.

"It's a very, very bitter book," said Targ. "I don't think it's representative, really, of the other books."

Instead, Targ is pinning her hopes on the reissued detective novels. She thinks if they do well, someone might be willing to bring out the other novels.

The struggle to get into print was a constant in Chester Bomar Himes' life. In various interviews and in his autobiography, he described in bitter details his run-ins with publishers.

He complained of puny advances and pirating, of the mysterious stop-print order issued as "If He Hollers" was entering the best-seller lists, of the weak support he received when a critical storm erupted around "The Lonely Crusade."

Himes attributed those problems and his poor sales record in this country to racism. Many of those who admire him agree, though some point out that by living abroad the last three decades of his life, Himes may have undermined whatever bargaining position he had with the publishing industry.

"I think most black writers or Indian writers or Hispanic writers do do badly in this country," said novelist John A. Williams. "Basically, it's a question of literature done by minorities not being considered part of the mainstream."

Another black writer, Ishmael Reed, thinks Himes' style was difficult for critics to accept and understand, especially in the decades he was most prolific. Himes, Reed, said, was a product of the black oral tradition, and did not always adhere to standard literary techniques.

"Chester Himes wrote out of his experiences and the stories and tales he heard. He was not tied to any acceptable trend," Reed said. "It was raunchy and loud. It wasn't polite and genteel."

W. Maurice, Shipley, professor of black studies at Ohio State University, thinks Himes also was a victim of poor timing. He emerged in the post-World War II years, just as Wright, Ellison and James Baldwin were preempting the small audience for black literature. Critics of the time kept comparing Himes to those giants, even though, Shipley said, they were doing very different things.

"They kept trying to find parallels between all of them," Shipley said, "and you can't do that."

There was a revival of interest in Himes in the early '60s, after "Pinktoes" enjoyed considerable success. But that, too, cooled as young, militant black writers captured the attention of readers anxious to get a pulse on America's racial unrest.

By then, Himes was writing his detective novels, and the adventures of Grave Digger Jones and Coffin Ed Johnson seemed irrelevant, especially since the Harlem they roamed was being created by an expatriate.

Yet, when two of those crime stories were turned into movies in the early '70s, Himes again was the subject of attention. His two-volume autobiography was published and several of his early novels reissued. That boomlet, too, passed as quickly as it had begun.

For most of his early life, Himes seemed an unlikely candidate for even momentary literary attention. He was born in 1909 in Jefferson City, Mo., where his father was teaching blacksmithing and wheelwrighting at a black college. The family traveled through several states before moving to Cleveland, where young Chester entered East High School in 1925.

By the time he arrived here, Himes already had felt heavy doses of the racism that would figure so prominently in many of his books. In his autobiography, he remembered his mother sitting with a pistol as the family drove its touring car through rural Tennessee.

After an accident blinded his brother, Joseph, now a professor emeritus of sociology at the University of North Carolina at Greensboro, the boy was turned away from the closest hospital, a whites-only facility. Even Himes' own family was racked by the growing animosity between his light-skinned mother and dark-skinned father.

Himes graduated from East High in January 1926; school records indicate he was a good pupil, but Himes later wrote that he got his 80 average in part by cheating. He planned to attend Ohio State that fall and took a job at Wade Park Manor, then a ritzy hotel, to earn money for school. While there, he tumbled down an elevator shaft and suffered a permanent back injury.

The state granted him a disability pension, and he used that to enroll at OSU. His career in Columbus was undistinguished. He wrote that he was more interested in the college lifestyle—he joined a fraternity, wore a coonskin coat, smoked a pipe and drove a Model-T—than in classwork. His freshman year had not ended when he was forced out of school after an off-campus incident at a whorehouse.

More trouble awaited him when he returned to Cleveland. He became a regular at gambling parlors on the near East Side. He worked as a bellhop at a downtown hotel, fetching bootleg liquor and prostitutes for conventioneers. He had two minor run-ins with the law and was on probation in November 1928, when he robbed a Cleveland Heights couple at gunpoint of about $5,500 in cash and jewlery.

Unfortunately for Himes, he was, by his own admission, an inept criminal. Within days, he was apprehended in Chicago, where he had hoped to fence the jewels and head for Mexico. Common Pleas Judge Walter McMahon sentenced him to 20 to 25 years in prison.

While at the Columbus penitentiary, Himes got involved in gambling and carried a knife. He barely escaped incineration in the Easter 1930 fire that killed 332 inmates. And he began to write.

His work appeared first in black newspapers and magazines, but his big break came in 1934, when Esquire magazine carried two of his stories. Himes was released in 1936 and, through dry spells and difficult times, he continued to consider himself a writer.

He left the U.S. in 1953, partly to escape racial discrimination. He also, he later admitted, was frightened by what he had become: Just before leaving, he had severely beaten the woman with whom he was living. Most of his 22 books were written abroad.

"He had a fantastic memory for detail," said Hernton, "You read the things he wrote after he had been gone from the United States for 20 years and you would think the guy still lives on the corner in Harlem, or wherever the story takes place."

"His books certainly stand up over time, they certainly record a period of time," said Williams, who knew Himes well and interviewed him at length in 1970. "And, unfortunately enough, there's a couple of generations now that have no idea how bad racism was . . . And Chester's covering it in many

areas—politics, the police force and daily life.

"They're not period pieces so much as pieces of history we don't know or perhaps don't even care to know."●

TOWNS APPLAUDS PASSAGE OF FAMINE RELIEF BILL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. TOWNS. Mr. Speaker, the House's successful passage of the African Famine Relief Aid Act is an important step in ending the tragedy of hunger and starvation in Africa. Two dozen African countries are suffering from severe drought, deforestation, and massive movements of starving populations. H.R. 1096 combines both immediate humanitarian assistance with important development support which will assist these African countries in developing their agriculture to forestall future drought situations.

I was particularly pleased that this legislation provided a waiver of the Hickenlooper amendment which prohibits aid to countries that have expropriated U.S. property without adequate compensation. Without this waiver, Ethiopia would have been severly restricted in the type of aid that it could have received. We should use this waiver to encourage the Ethiopian Government to act responsibly in the distribution of food and humanitarian assistance to all the impacted areas without the country. I joined many of my colleagues in a letter to President Mengistu urging him to allow relief convoys into the provinces of Eritrea and Tigre. The Ethiopian Government should be encouraged to provide aid to all the impacted areas regardless of their ethnic or political affiliations. I do not feel, however, that attacks against the Ethiopian Goverment because of their alliance with the Soviet Union is helpful to the process of feeding starving women and children.

The United States can hopefully move forward with a full aid package to Africa in the next 2 weeks. I urge my colleagues to support a full appropriation for H.R. 1096 on Thursday.●

FARMERS SUBMIT OPINION SURVEY TO SKELTON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. SKELTON. Mr. Speaker, on Sunday, February 17, 1985, I attended a farm forum sponsored by the Lafayette County Young Farmers in Higginsville, MO. Over 700 farmers, agribusiness people, and their families packed the Higginsville High School gymnasium to discuss the worsening crisis in our Nation's agricultural economy, and to offer their views on what can be done about it.

Mr. Speaker, I commend the Lafayette County Young Farmers for organizing and sponsoring this useful and informative meeting. The comments made during the open floor discussion were extremely valuable to me in assessing the depth of the financial stress currently being experienced by Missouri farmers and in formulating a proper Government response to this crisis.

In addition to the floor discussion, those in attendance were asked to fill out opinion surveys in order to express their views on various policy questions which will be before Congress when we consider the 1985 farm bill. These opinion surveys have now been tabulated, Mr. Speaker, and I insert the results in the CONGRESSIONAL RECORD at this point. All of our colleagues here in the House will benefit from knowing the views of these farmers from Missouri's Fourth Congressional District when we consider vital farm legislation this year.

The material follows:

FARM FORUM OPINION SURVEY

1. Substantial revisions in the tax code should be made—including severe limitations on farm tax shelters, deduction of farm losses from non-farm income, investment credit, and changes in depreciation schedule. Strongly Favor: 39.0%, Moderately Favor: 25.8%, No Opinion: 13.6%, Moderately Oppose: 8.4%, Strongly Oppose: 13.2%.

2. Federal farm program benefits should be denied to land newly plowed out and to highly-erodible grassland. Strongly Favor: 59.0%, Moderately Favor: 24.5%, No Opinion: 3.6%, Moderately Oppose: 6.3%, Strongly Oppose: 6.65%.

3. Some type of acreage restriction/reduction program on a voluntary basis should be included in the 1985 Farm Bill. Strongly Favor: 39.1%, Moderately Favor: 40.6%, No Opinion: 9.5%, Moderately Oppose: 4.4%, Strongly Oppose: 6.4%.

4. Soybean acreage restriction-reduction program should be included with wheat and feed grain programs. Strongly Favor: 29.6%, Moderately Favor: 35.3%, No Opinion: 13.4%, Moderately Oppose: 13.4%, Strongly Oppose: 8.4%.

5. USDA price supports should be continued. Strongly Favor: 51.6%, Moderately Favor: 30.5%, No Opinion: 7.0%, Moderately Oppose: 5.5%, Strongly Oppose: 5.5%.

6. Price support rates should be determined by cost-of-production or moving average of market price, rather than by Congress or the Secretary of Agriculture. Strongly Favor: 59.4%, Moderately Favor: 30.9%, No Opinion: 5.6%, Moderately Oppose: 2.5%, Strongly Oppose: 1.6%.

7. The farmer owned reserve program should be continued. Strongly Favor: 32.9%, Moderately Favor: 31.7%, No Opinion: 23.7%, Moderately Oppose: 6.7%, Strongly Oppose: 5.1%.

8. The current $50,000 payment limitation per person policy should be: Lowered: 44.5%, Unchanged: 43.9%, Increased: 11.6%.

9. Crop insurance programs should be handled exclusively by private insurance agents/companies, rather than by USDA. Strongly Favor: 39.4%, Moderately Favor: 21.9%, No Opinion: 22.2%, Moderately Oppose: 8.8%, Strongly Oppose: 7.8%.

10. Current USDA crop insurance costs should be subsidized at higher levels so premiums are lower. Strongly Favor: 31.8%, Moderately Favor: 24.5%, No Opinion: 23.5%, Moderately Oppose: 9.3%, Strongly Oppose: 10.9%.

11. FmHA foreclosure actions should be postponed until the economic conditions in agriculture improve. Strongly Favor: 41.3%, Moderately Favor: 27.2%, No Opinion: 10.3%, Moderately Oppose: 13.4%, Stongly Oppose: 7.8%.

12. Funding for USDA soil conservation cost-share assistance programs should be: Discontinued: 3.9%, Unchanged: 38.7%, Increased: 57.5%.

13. Soil erosion control technical assistance from USDA's Soil Conservation Service should be discontinued. Strongly Favor: 5.5%, Moderately Favor: 5.2%, No Opinion: 3.5%, Moderately Oppose: 18.3%, Strongly Oppose: 67.5%.

14. CCC loan rates should be 75% of the commodity's average market price during the three previous years, not a fixed rate established by the Secretary of Agriculture or Congress. Strongly Favor: 32.3%, Moderately Favor: 31.2%, No Opinion: 17.8%, Moderately Oppose: 10.1%, Strongly Oppose: 8.7%.

15. Target prices should be at 100% of the commodity's average market price during the three previous years, not at a fixed rate established by the Secretary of Agriculture or Congress. Strongly Favor: 38.2%, Moderately Favor: 33.1%, No Opinion: 13.6%, Moderately Oppose: 7.4%, Strongly Oppose: 7.7%.

16. CCC Commodity Loans should be recourse loans—meaning that they would have to be repaid, with interest, at maturity. Strongly Favor: 21.9%, Moderately Favor: 25.7%, No Opinion: 20.1%, Moderately Oppose: 14.1%, Strongly Oppose: 18.2%.

17. Producers should continue to be allowed to forfeit the grain to CCC to satisfy the loan, and interest should be waived. Strongly Favor: 34.6%, Moderately Favor: 30.9%, No Opinion: 15.2%, Moderately Oppose: 11.9%, Strongly Oppose: 7.4%.

18. Dairy price supports should not be linked to parity and should start out at $11.60 per cwt. Strongly Favor: 8.8%, Moderately Favor: 12.6%, No Opinion: 62.1%, Moderately Oppose: 6.9%, Strongly Oppose: 9.6%.

19. The milk diversion program should be continued. Strongly Favor: 11.5%, Moderately Favor: 18.4%, No Opinion: 50.2%, Moderately Oppose: 10.3%, Strongly Oppose: 9.6%.

20. Dairy prices should be supported with government purchases of butter, cheese, and non-fat dry milk. Strongly Favor: 7.0%, Moderately Favor: 18.3%, No Opinion: 39.7%, Moderately Oppose: 18.3%, Strongly Oppose: 16.7%.

21. Land owners should be paid a price per acre to retire land from production which is less productive or erosion-prone, in a program similar to the Land Bank Program. Strongly Favor: 33.0%, Moderately Favor: 39.6%, No Opinion: 10.6%, Moderately Oppose: 9.2%, Strongly Oppose: 7.7%.

22. The land retirement program mentioned in item 21 should be granted to owners on a bid system. Strongly Favor: 13.2%, Moderately Favor: 34.3%, No Opinion: 23.2%, Moderately Oppose: 13.5%, Strongly Oppose: 15.9%.

23. Loans to assist producers develop more on-the-farm grain storage facilities should be re-activated. Strongly Favor: 24.3%, Moderately Favor: 37.8%, No Opinion: 18.4%, Moderately Oppose: 11.5%, Strongly Oppose: 7.9%.

24. USDA should set loan rates at the prevailing world market prices. Strongly Favor: 13.2%, Moderately Favor: 33.2%, No Opinion: 17.0%, Moderately Oppose: 20.3%, Strongly Oppose: 16.3%.

25. The highest deficiency payment rate should be applied to the first 100.0 acres, then reduced as acreages increase. Strongly Favor: 23.4%, Moderately Favor: 38.3%, No Opinion: 10.1%, Moderately Oppose: 16.9%, Strongly Oppose: 11.4%.

26. Farmers above a certain size should not qualify for target price protection. Strongly Favor: 22.1%, Moderately Favor: 25.9%, No Opinion: 13.3%, Moderately Oppose: 16.7%, Strongly Oppose: 22.1%.

27. The commodity loan rate for wheat should be lowered so that it is in relationship with corn rates. Strongly Favor: 4.7%, Moderately Favor: 17.7%, No Opinion: 25.3%, Moderately Oppose: 26.4%, Strongly Oppose: 26.0%.

28. CCC commodity loan programs should be dropped. Strongly Favor: 4.6%, Moderately Favor: 10.0%, No Opinion: 13.2%, Moderately Oppose: 26.1%, Strongly Oppose: 46.1%.

29. Interest reductions and principal reductions, larger than the present 25% should be made available through FmHA. Strongly Favor: 22.8%, Moderately Favor: 18.5%, No Opinion: 27.4%, Moderately Oppose: 17.2%, Strongly Oppose: 14.2%.

30. Government loan guarantees through private lenders should be offered at a lower interest rate, with the lenders having to reduce the principal as a qualifying requirement. Strongly Favor: 22.1%, Moderately Favor: 32.5%, No Opinion: 21.8%, Moderately Oppose: 12.5%, Strongly Oppose: 11.1%.

31. There should be an aggressive export program utilizing blended credit and other incentives. Strongly Favor: 65.1%, Moderately Favor: 23.9%, No Opinion: 8.3%, Moderately Oppose: 0.7%, Strongly Oppose: 2.1%.

32. Participants in Federal Farm Programs should pay a "user fee" to offset the costs of administering the programs. Strongly Favor: 9.1%, Moderately Favor: 16.7%, No Opinion: 21.6%, Moderately Oppose: 17.8%, Strongly Oppose: 34.8%.

(Due to rounding, not all percentages add up to 100.)●

SOVIET JEWRY

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 21, 1985

● Mr. MRAZEK. Mr. Speaker, it is often said that for every dark cloud, there is a silver lining. For Jewish people in the Soviet Union today, the opposite seems to be the case; for every silver cloud—the dream of emigrating to Israel—there is a dark lining—the Soviet Government. In the last 6 years, the world has seen the number of Jews allowed to leave Russia rapidly dwindle from a high in 1979 of 51,320 people to an abysmal 896 in 1984. Recently, and apparently in concert with the policy of meager emigration, the Soviet Union has intensified its propaganda campaign to discredit the refusenik population.

In November 1984, a 27-minute documentary aired on Leningrad television. Titled "Hirelings and Accomplices," the show sought to equate Soviet Jews who seek to emigrate to Israel with anti-Soviet behavior. Accompanied by strains of Jewish music and footage of the Israeli-Arab military confrontation, the film attempted to unfold a Zionist conspiracy operating together with the Central Intelligence Agency and influential powerbrokers of the American Jewish community. Its commentators allege that Jews in the U.S.S.R. have been targeted for mass emigration, specifically designed to provide "cannon fodder for Israel's continuing offense against the Arab world."

It is ironic that at the most promising time in U.S.-U.S.S.R. relations in over 4 years, that the Soviet Union has chosen this time to manifest its anti-Semitic policy agenda.

Today, 3 million Jews are caught in a catch-22 of the highest order, trapped in a country that is impossible to live in—and impossible to leave. Jews who try to leave the Soviet Union face years of living in limbo. Once a Jew applies for an exit visa he is dismissed from his job, and then arrested for not having one. Even if it is possible to avoid arrest, it is impossible to avoid becoming a social outcast, and impossible to avoid the harassment and watchful eye of the KGB. Families who apply for visas together can expect cruel separation. If the Soviet Government does grant a visa, it may be only for a husband but not a wife, or only a mother but not a child.

The grim reality of Soviet life today for its Jewish citizens evokes the worst in Orwellian prophecy—1984 represented the worst year in terms of allowable emigration from the Soviet Union in nearly two decades. Coupled with the increased propaganda effort by the U.S.S.R. to discredit Jews, life in Russia has sunk to an unprecedented horrendous level. These two factors make it exceedingly clear that 1985 is not the time to relax the vigilance on these issues.

I encourage my colleagues on both sides of the aisle to join in working for the freedom of all Soviet Jews. In the days and months ahead, as the United States and Soviet Union once again join in peaceful dialog, the issue of freedom for Soviet Jews must be high on the agenda. Soviet Jews ask for nothing but the opportunity to be free. As the leaders of the greatest democracy in the history of the human race, it is essential to do everything within our powers to grant them this wish. We must provide the silver lining of freedom around this ever darkening cloud of oppression.●

CREDIT CARD SURCHARGE BAN

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. DREIER of California. Mr. Speaker, in the year ahead, the House is almost certain to debate a ban on credit card surcharges. The previous ban expired over a year ago. In the quiet before the impending lobbying blitzkrieg in favor of a new temporary, or possibly permanent ban, the following article from the Los Angeles Times is well worth reading. Its conclusion is especially noteworthy:

The whole debate is almost academic, although it keeps surfacing. In the year since the surcharge expired, virtually nobody has started the practice. And apart from gas stations, fewer than 6 percent of retailers (one estimate says 0.2 percent offer discounts. And why should they, since its entirely their choice.

I believe a credit card surcharge ban is anticonsumer. More to the point, its probably unnecessary.

I ask that the Los Angeles Times article be submitted to the RECORD for the benefit of my colleagues.

[From the Los Angeles Times, Feb. 4, 1985]

WHY DON'T CASH PAYERS GET CREDIT THEY'RE DUE?

(By S.J. Diamond)

The trouble with knowing how charge cards work—what the credit costs consumers, what the processing costs merchants—is that one senses what such systems must add to the price of goods. "Credit card services obviously cost something," complains one California shopper, "and it's obviously built into everybody's price. If I don't use that service, I should pay less than people who do."

As it happens, people, have been urging two-tiered pricing for years. Most retailers, however, see no advantage in making the change, and "third party" card issuers—banks, MasterCard, American Express, among others—actively lobby against it, given the possible decrease in card use. Unfortunately, both sides approach the issue mostly with rhetoric, with no definitive accounting of the costs of charge sales or the likely effect of changing the system.

It seems generally agreed that charge sales cost more, given both handling costs and the processing fees that merchants pay banks or card companies. Checks, too, involve both handling and risk, of course, and even "taking cash is not free," says American Express Vice President Adrienne Cleere at its Western headquarters in Torrance, what with higher security, pilferage, bookkeeping. But all things considered, says Joanna Logsdon, general credit manager for Bullock's stores in California, "the cash customer is less expensive."

How much less is another question. A 1983 report from the Federal Reserve System's board of governors gave the added cost of credit card use as 2 percent or 3 percent of the purchase—an estimate seemingly confirmed by gasoline dealers, who alone have widely adopted two-tiered pricing: Many give people who pay cash a few cents off the posted price of a gallon because distributors

like Chevron charge them a 3 percent "service fee" on all credit card sales. While not claiming to be a definitive or in-depth survey, the Fed study estimated that if a third of all retail sales are charged, and the added cost of charge sales is 3 percent, one could say cash customers are subsidizing 2 cents of the extra 3 cents, or that everyone is paying 1 percent more for retail goods.

DISCOUNTS LEGAL SINCE 1974

Some argue with specific cost estimate but offer no better accounting. More argue that, whatever the cost, it is not subsidized by cash customers. The finance charges levied on a merchant's own credit-card customers mostly offset the cost of carrying house accounts, they say, and the fees given outside card-issuers are probably (but not probably) covered by the increased sales volume from card holders.

Actually, the greater debate is over how to correct the putative imbalance. Discounts for cash have been encouraged since a 1974 amendment permitting them was added to the federal truth-in-lending laws, ("Obviously, Congress bought the subsidy idea," says a government lawyer.) Another possibility is surcharges for card customers, but Congress banned surcharges in another amendment—a ban renewed twice before it expired last February.

The basic problem with surcharges is legal. "If one person buys something with cash for $10," says a staff attorney at the Federal Reserve, "and someone else buys it with a credit card for $12, the latter is paying $2 for credit, and that's a finance charge." As such, it's subject to federal and state laws on disclosure and state usury laws. (A surcharge could put the total finance charge over state limits.)

Both discounts and surcharges pose practical problems, including the question of how to advertise prices at all when some people would be asked to pay more at the counter. Some say discounts could be inflationary, because merchants could raise prices in advance to diminish the effect of subsequent discounts. So could surcharges, says Meredith Fernstrom, senior vice president at American Express, because "some retailers . . . might simply add to the price for card customers without lowering that for cash customers."

Still, except for the psychological effect on consumers of paying "more than something" or paying "less," the ultimate problem is semantic. There's no real difference between adding a surcharge and offering a discount: The result is two prices, whichever is defined as "regular price," so that one can say "X cents off for cash" or "X cents more for credit."

It may be that, even if there is an imbalance in cost per customer, the imbalance doesn't really warrant righting. The cost of attracting any particular group of customers is built into prices. Doesn't everyone pay for advertising even if they don't buy the advertised goods? "Should a customer who comes to the store by bus or on foot," asked Fernstrom, "be charged a different price than one who drives and used parking facilities maintained by the stores?"

What's more, the whole debate is almost academic, although it keeps surfacing. In the year since the surcharge ban expired, virtually nobody has started the practice. And apart from gas stations, fewer that 6 percent of retailers (one estimate says 0.2 percent) offer discounts. And why should they, since it's entirely their choice?●

H.R. 1271, SMALL CENTRAL CITIES

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. ORTIZ. Mr. Speaker, I am pleased to join my colleagues, the distinguished gentleman from New York [Mr. FISH] and the distinguished gentleman from New York [Mr. GILMAN] in sponsoring legislation to retain designation of Small Central Cities until the 1990 census. This designation is available to communities under the Department of Housing and Urban Development's Small Cities Community Development Programs. One of the 17 cities in danger of losing this important designation is San Benito, TX, which is in my congressional district.

I believe it is imperative that Congress pass H.R. 1271 to allow these 17 cities to retain their designation as small central cities. This means that they would continue to receive entitlement funding until the new census is completed in 1990. However, if this legislation is not enacted, the cities will lose their designation effective October 1, 1985.

Federal assistance is essential to many small communities, but especially to cities such as San Benito, TX. The economic crises of the past several years have devastated the economy and made it extremely difficult for many people to survive. The Mexican peso devaluation, the 1983 December freeze, and the 1984 floods have created severe economic repercussions for people throughout the Rio Grande Valley. San Benito Mayor Cesar Gonzalez will testify before Congress today to share with members of the Housing and Community Development Subcommittee how important these Federal funds are to small cities.

The cost of this program is quite small, but the impact is tremendous. We are talking about a mere $8 million in a program of over $3.4 billion. The continuation of funding for these cities has no budget impact, does not increase the Federal deficit, and provides essential services to a large population of low- and moderate-income people.

I hope that my colleagues recognize the importance of these funds to small communities around the country, but particularly to cities such as San Benito, where climactic and financial catastrophes have made it extremely difficult for the city to provide services and for the poor and low-income people to afford housing. The request for an extension of this designation until 1990 is reasonable and justifiable. I urge my colleagues to support this legislation.●

BLACK WINGS: THE AMERICAN BLACK IN AVIATION

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. WHEAT. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues an event taking place in Kansas City this weekend sponsored by the Federal Aviation Administration in conjunction with Black Archives of Mid-America, Inc., and the Kansas City Museum. "Black Wings: The American Black in Aviation" will open as a special exhibit at the Kansas City Museum and will honor those black men and women who have made so many important contributions to the development of this country's rich aviation history.

The time is long overdue for recognition and appreciation of the triumphs and tribulations of American black aviators. The sponsors of this prestigious event recognized the significant involvement of black Americans in the field of aviation and have made a commendable effort to acknowledge their accomplishments with the exhibit, "Black Wings: The American Black in Aviation."

Perhaps the history of the American black in aviation begins with Eugene Jacques Bullard, who fled the bitter segregation of the turn-of-the-century South as a very young man to the perceived equality of life in France. Gene Bullard epitomized the adventurous spirit of our American heritage, gaining acclaim as a prizefighter, bandleader, French Foreign Legion infantryman, and French underground fighter. However, the greatest accolades were reserved for his accomplishments as a fighter pilot—the first black fighter pilot, though in service to a nation other than his own. Gene Bullard received a great many honors from his adopted country of France, yet eventually returned to the United States in his later years to live with his proud memories in Harlem.

Black aviators continued to make their mark on history during World War II. The 99th Fighter Squadron, later to become the 332d Fighter Group, was one of the most decorated units for bravery in combat to serve this country during that great conflict. Flying missions from Italy and North Africa, this courageous group of black pilots received 865 awards, including 95 Distinguished Crosses, and completed 1,575 missions. Among the heroes produced from this distinguished unit was its commander, Benjamin O. Davis, who would later be honored as the first black major general in the Armed Forces.

Today, pioneers such as Col. Guion S. "Guy" Bluford, who became the first black astronaut in space on August 30, 1983, and who will graciously honor us with his presence at this event, carry on with the proud tradition established by their predecessors. My sincere gratitude and that of the citizens of Kansas City are offered to the Kansas City Museum, Black Archives of Mid-America, Inc., and the Federal Aviation Administration for their efforts in bringing to us a realistic awareness of the historical presence of American blacks in yet another area vital to our Nation.●

SPEAKER ALBERT'S REMARKS

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. WATKINS. Mr. Speaker, although former Speaker Carl Albert is no longer in this body, he is certainly of this body. Last Independence Day, he was principal speaker in his hometown of McAlester in the First Baptist Church, and, as always, he had wisdom to share with us. I ask leave to have his extemporaneous remarks on that occasion reprinted in the CONGRESSIONAL RECORD.

His words follow:

Thank you, Mayor, for your introduction and thanks to all of you [the choir] who have performed so brilliantly this morning. It inspires me to see this outpouring of patriotism here in my home community. I have a feeling and have had one for some time that there is a growing resurgence of patriotism in America. We've got the troublesome and dividing years of Vietnam and the hectic years of Watergate behind us. Both of these events divided our people, but now I think across the country we see a reuniting of Americans proud of their heritage and glad that they are Americans.

On this day in 1976 I had the honor to head a large delegation of Congressmen who went to London to see the Queen, and we saw the Queen; but we went mainly to go to the Houses of Parliament and have the leading British statesmen all welcome us as brothers and friends and all saluting us as the sons of the men who in 1776, two hundred years before, has signed the Declaration of Independence.

That document has meant a lot to me in my career over the years. I well remember in the fourth grade I learned the Preamble to the Constitution of the United States and I have never forgotten it. In that same year, I learned those stirring words that Jefferson wrote that tell us what our democracy was meant to be. "We hold these truths to be self evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness; and that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

That, of course, is the best definition of democratic government that was ever written in the history of the world, and it is so recognized through free nations around the world. We believe that human beings have certain rights. We believe the principal excuse for government is the preservation and the protection of those rights. We believe the only way the government will ever do that is to have the power of government vested in the hands of the people—the people take care of their own.

I have studied many times over the years the story of those men who wrote the Declaration of Independence and the Constitution. They were the more elite group of government scholars ever representing any country at any time in the history of the world, and they are so recognized. A great British Prime Minister said, "they struck off in the Constitution the finest piece of work ever devised in a given time." They did it. They were a very elite group.

It is hard to believe but it is true that back then when the country was struggling, when we had little but frontiers and frontier justice, that we had probably the most intelligent group of men assembled at one time, in one place, the world has ever seen anywhere or at anytime. I am sure that this is true. They were great men. They loved their country, and of course when they signed the Declaration of Independence, they told us what we were and what we ought to be in their immortal words; but let me tell you something—and now I am harkening back to the resurgence of patriotism—let me tell you something; they didn't end the Declaration of Independence with those words. They ended it with something equally important. They ended it with the pledge that "to these ends of government we pledge our lives, our fortunes and our sacred honor."

People that are not willing to work for their government and their liberty, that are not willing if need be to fight for their government and liberty are not long going to have either of them. It seems to me this is the message today: we are proud that we are Americans; We are happy that we enjoy the freedoms that are ours. This meeting today is, after two hundred and eight years, evidence of what they accomplished. It is evidence because we are here met in a peaceable assembly. This place where we meet is evidence that we still have what they are taking about and what they put in the Bill of Rights—the right to worship God according to the dicates of our own conscience and the right to freedom of speech. These are the things that make Americans what they are. They are the things that differentiate Americans from the subject races of the world. They are the things that make of America a land where all are kings, but no man dares to wear a crown.

Thank you, Mr. Speaker.●

FORT VALLEY STATE COLLEGE

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. RAY. Mr. Speaker, this month we have been observing Black History Month around our Nation, in celebration of the contributions made by black Americans to this country.

I want to add to this commemoration, Mr. Speaker, by telling this Congress about an institution in my district that has helped to mold and to encourage excellence among blacks. Since it was founded in 1890, the school now known as Fort Valley State College has produced men and women with a quality education and a genuine commitment to helping their local communities.

Fort Valley State College is located in the heart of Georgia, in a town that has grown up in the midst of our State's finest farmland. From the first days of its operation, it has been geared toward meeting the needs of a rural area and has given special emphasis to expanding the role of blacks in central Georgia.

Fort Valley is the only black land grant college in Georgia and received its charter in 1895 as a private elementary and secondary school. The first decade for the school was rough, since the only funding came through private contributions. But through the leadership of Henry Alexander Hunt, who served as principal from 1904 to 1938, the college quickly grew to be a junior college and then a 4-year college with special emphasis in training teachers. From its beginning days, the college aimed to educate black students for positions which would make them integral parts of the community.

By the 1950's, however, Fort Valley had assumed its rightful position as a member of the university system of Georgia. Although the school had been receiving State funds since the late 1930's, it was in the fifties that the amounts grew to levels large enough to finance new buildings on the campus.

Throughout my district and throughout the South, graduates of Fort Valley State College are expanding the reputation of the college. In almost every community in my district, there are graduates in prominent leadership roles, fulfilling one of the goals that the college instills in its graduates—community service.

The future for the college looks bright, just as its history has been impressive. Although agriculture and agricultural research is still a fundamental part of the college's curriculum, the majority of the students are receiving excellent training in the fields of business and computer science, and the college is continuing to structure its curriculum to meet the needs of tomorrow's citizens.

Since 1983, Dr. Luther Burse has served as president of Fort Valley State, and it is his goal to continue the tradition of commitment to the community that his predecessors followed. Academic excellence is the keyword for Dr. Burse, and under his leadership, I am sure it will be the hallmark of Fort Valley State College.

Mr. Speaker, I am very proud of Fort Valley State College and of its graduates. I can speak of their at-

tributes with a great deal of authority, for one of my staff assistants is a graduate of the school. The college has given her a genuine desire to share her talents and her abilities with her community, and it is these qualities that make her invaluable as she works with me.

Fort Valley State College is a part of the history of the Third District of Georgia and it has been a positive influence on the people and communities of my district. For that reason, I felt that this Black History Month was the appropriate time to pay tribute to the institution and to the people who have built and represent that institution. Without the contributions of Georgia's only land grant black college, our district and our State would be poorer, indeed.●

SOLAR TAX CREDIT PHASEOUT ACT OF 1985

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. FOWLER. Mr. Speaker, yesterday, I, along with Representatives GIBBONS, PICKLE, VANDER JAGT, CAMPBELL, JACOBS, HEFTEL, MATSUI, DELLUMS, MARTINEZ, WIRTH, GARCIA, and LUJAN, introduced legislation to extend the business and residential tax credit for solar energy installations, now scheduled to expire December 31, 1985.

Substantively, my bill would extend the residential solar credits through 1990. In order to reduce the cost to the Treasury and to provide for a gradual end to the subsidy, it provides for an annual 5-percent reduction in the credit level beginning in 1986. Because of special needs, the credit for photovoltaics would remain at 40 percent through 1990, but since over 95 percent of the solar residential applications are for heating and cooling equipment, the cost to the Treasury will be minimized. In another attempt to reduce the revenue loss, I have set a $6,000 credit limitation on domestic hot water systems. This last provision also reflects the increasing cost competitiveness of these solar hot water systems.

Under my legislation, the solar investment tax credits would be extended at their current level of 15 percent through 1990. Because of their newness and hence need for special incentives, photovoltaics and high temperature solar industrial process heat and electricity systems would receive a 25-percent credit through 1990.

I recently received a preliminary revenue estimate from the Joint Committee on Taxation on the impact of my bill and I believe the cost-benefit ratio is a good one relative to the value we receive as a society from solar use. In fiscal year 1986, the revenue loss would be $25 million; in fiscal year 1987—$255 million; in fiscal year 1988—$270 million; in fiscal year 1989—$230 million; and in fiscal year 1990—$195 million. These figures all represent a substantial reduction in the cost of the credit compared to the current program.

What I am attempting to do with my legislation is to bring some stability and predictability to solar investments while at the same time providing for an orderly transition to the discipline of the marketplace. In the long run, I believe that passage of the tax credit extension will enhance our national security, create a more competitive and hence less costly energy market for cusumers, and generate new revenues for the U.S. Treasury from a healthy and growing solar industry.

I hope my colleagues will join me in cosponsoring and actively supporting the extension of these solar energy credits.●

RESTORE NIH GRANT AWARDS TO AUTHORIZED LEVEL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BROWN of California. Mr. Speaker, I am deeply disturbed by the actions of the administration to defer funds from the 1985 National Institutes of Health [NIH] budget. Congress approved 6,500 grants for biomedical research which can be awarded in 1985. At their discretion, the administration has arbitrarily reduced the number to 5,000. This deferral of NIH authorized funds blatantly violates the intention of Congress. I urge my colleagues to oppose the administration on this untimely action by cosponsoring House Joint Resolution 136, introduced by Mr. WAXMAN, to restore full funding for NIH 1986 grants.

The administration's irresponsible action will have serious short- and long-term consequences for basic biomedical research. Research laboratories and programs are making significant gains in the study of cancer, heart disease, arthritis, immunology, cell biology, molecular genetics, and neurological disorders. Research teams are painstakingly formed over a period of years. If grant money is suddenly pulled out from under them, these scientists will be forced to disband—probably never to be reassembled. Research findings would be incomplete and research continuity would be lost forever.

It is difficult enough to attract and keep medical scientists at universities to conduct basic research under NIH grant programs. Researchers and trained technicians will leave basic science research, discouraged by declining Government support for their work. Disillusionment with Federal commitment could cause a severe "brain-drain" of competent scientists from the field of biomedical research. Future breakthroughs in lifegiving medical treatments will be severely stunted, prolonging the period in which mankind must endure terminal diseases.

This Nation has always prided itself as being in the forefront of research and development in many fields of science. This abrupt, ill-conceived action by the administration deviates from this commitment and establishes a grave precedent for future research programs.

Mr. Speaker, I rise in support of House Joint Resolution 136. I urge all my colleagues to swiftly join in this effort. This legislative measure will send a strong message to the administration that we are not satisfied with the way it has disregarded the intention of the congressionally passed National Institutes of Health authorization bill.●

CHESTER MUCKER, LABOR LEADER OF THE YEAR

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. LEHMAN of California. Mr. Speaker, on Friday, March 15, 1985, Chester Mucker will be honored as Labor Leader of the Year by the Central Labor Council of Fresno and Madera Counties, for his nearly 40 years of service and support to the labor movement.

Chester was born in Oklahoma in 1928. He came to Fresno, CA in 1944 and lived with his older sister, working to support his two brothers and sisters still living with his father back in Oklahoma. His father, though on an old age pension, was not able to fully support his family.

Chester spent his first year doing field work and then joined the Laborer's Local Union 294 at the age of 17. His first construction job was at the Italian Swiss Colony Winery, which is still located on Clovis Avenue. He became active in the union during the next few years, and in 1950 was elected vice president of Laborer's Local 294. He was elected its president in 1956.

While holding this position, he became a full-time representative of the union in 1958. In 1960 he was elected as a delegate to the California District Council of Laborers. He was appointed to the executive board and the negotiating committee of the northern 46 counties in 1970.

In 1978, Chester was elected to the position of business manager and secretary-treasurer of the Laborers Local 294. While holding this position, he was also elected to serve as vice president of the California Northern District Council of Laborers in 1979, and in 1983 became its president.

He is also a trustee of the Laborers Pension, Vacation, Training and Re-Training, and Health and Welfare Trust Funds for northern California. As a trustee of the fund, Chester has been instrumental in securing finances for several large construction projects in the Frenso area.

Chester has also been a delegate to various local labor groups since 1950, and takes an active interest in their activities.

Mr. Mucker was the motivating force behind the drive to build new offices for the Laborers Local 294, which are presently located at 5431 East Hedges in Fresno. Local 294 has been responsible for thousands of hours of labor being donated to many public projects in Fresno including Storyland, the Boy's Club, the Hinton Center, and Meux Home.

Chester has been married for 34 years to his wife Ella, and has five children and six grandchildren. He is an active member of the Church of the Living God.

Mr. Speaker, I am very pleased to join with the Fresno-Madera Central Labor Council in honoring my good friend Chester Mucker for his years of dedication to his fellow workers, his family, and his community.●

OUTSTANDING ATHLETE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. McDADE. Mr. Speaker, I rise to bring to the attention of our colleagues the athletic achievements of a young man from my congressional district of Pennsylvania who has amassed an outstanding record in the ranks of collegiate wrestlers.

He is 22-year-old Rick Petersen of Lock Haven University who one day may be representing our Nation in the Olympic games.

Rick was honored at Lock Haven University on February 23, prior to the start of his final collegiate meet against Cleveland State University. He has a career record of over 113 wins against only 29 losses and over half of those wins came as he pinned his opponent which is no mean feat to say the least.

This outstanding young athlete is the son of James and Janice Petersen of Renovo, PA, a small town in the north-central part of our Commonwealth where his neighbors are justifiably proud of him. He twice took the championship of the Eastern Wrestling League's heavyweight division and he is a two-time Pennsylvania Conference title holder.

Rick has his sights set on the 1988 Olympic games. He stands 6 feet, 5 inches tall and weighs about 265 pounds and he would be a splendid addition to our team.

Remember his name. I'm sure will be hearing more from this outstanding young man when the Olympic trials begin.●

OPPOSITION TO ADDITIONAL ASSISTANCE FOR THE "CONTRAS"

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. ADDABBO. Mr. Speaker, I rise in opposition to the renewal of funding for the "Contras" fighting in Nicaragua. The national interests of the United States in Central America have been discussed and debated in simplistic terms: communism versus freedom; right versus wrong; and good versus evil. In reality, the national interests of this country are tied to the complex issues of ensuring political freedom from the yoke of dictatorships of the right or left; of eliminating economic deprivation; lowering extremely high infant mortality rates, and other catastrophic health conditions; and establishing social justice.

Mr. Speaker, I too am concerned about the growing Soviet and Cuban adventurism in the Central American region. The Soviets and their surrogates have a long history of fishing in troubled waters. In the past, our response has been to utilize the arsenal of democracy to build up an infrastructure capable of rejecting the seductive appeals of Marxism.

To counter earlier Soviet fishing expeditions, the United States expended her riches on such initiatives as the Marshall Plan, the Truman Doctrine, and the Alliance for Progress. We took the high moral road and drove the Soviet fishermen out. The nations of the world applauded us.

Mr. Speaker, for some reason we have abandoned this tradition in our dealings with Nicaragua. Instead of pursuing the high moral ground, we have chosen to conduct a covert war to overthrow a government with which we have diplomatic relations. I know, our Government has stated that is not our intention. But does anyone in this Chamber really believe that our goal is other than the overthrow of the Sandinistas? If so, reread the text of the President's news conference of last Thursday.

Mr. Speaker, the peoples' body should not ratify such a rejection of America's tradition. I call upon the administration to develop a policy which stays the course of America's heritage.●

TRIBUTE TO VICTOR POOLE

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. SHELBY. Mr. Speaker, when individuals rise to certain levels of achievement within a community, they spark inspiration and respect in all who know them. Such a person lives in the seventh district of Alabama—Victor Poole of Moundville—a man of quiet determination, purpose, and generosity. Victor Poole inspires in his family, friends, business associates, and neighbors a sense of pride in their community and an appreciation of his many contributions to the State. For this I would like to thank him in a special tribute.

Victor's father, a farmer and merchant in Moundville, weathered the Depression and supported his family in one of the few jobs available. His mother devoted her working life to education—teaching school. Victor drew carefully from his parents' industrious examples and excelled in school and extracurricular endeavors as a young man.

After serving in the military with the admired 82d Airborne Infantry in the Korean war, Victor completed his formal education at the University of Alabama—graduating with a degree in commerce and business. He began his career as a young banker in the newly established Bank of Moundville and strove persistently for higher ranks within the bank. He has held the positions of vice president, executive vice president, and now chairman of the board. That once small bank boasts assets over $23 million.

Victor's contributions to the Moundville community are many and include service as Little League president, and leadership involvement in Boy Scouts, the Black Warrior Council, town council, and the Moundville Methodist Church. He is a member of the national American Legion, the Shriners, and the Masons.

Influenced by his mother's devotion to learning, Victor has distinguished himself as a leader in efforts to upgrade the quality of education in Alabama. Victor was appointed by three different Governors to the Alabama State Board of Education and subsequently has won election to the board five consecutive times—establishing a record of 21 years of service unrivaled by only one other in the history of the board. His goals centered on upgrading the level of teacher training and enhancing students' national test scores.

It is due in great part to his efforts that Alabama now holds a greater competitive position in public education nationwide.

Victor and his wife, Madie, have three sons, all of whom have enjoyed their own measure of Poole success. Phil, the eldest, a graduate of the University of Alabama Law School and a practicing attorney in Moundville, is serving his freshman term in the Alabama House of Representatives. The Poole's second son, Howell, also graduated from the University of Alabama and now works with his father at the Bank of Moundville. Ross, the youngest, is a student at Shelton State Community College in Tuscaloosa.

Always giving of his talents, his energies, and himself, Victor Poole is a pillar of his community and a motivator in the State of Alabama. With talent and grace he has emerged as a business and education leader—respected as a model of integrity for all Alabamians to follow. I am proud to give tribute to Victor Poole and wish him and his family continued success and good health in the years ahead.●

UNIFORM GRANDPARENTS VISITATION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BIAGGI. Mr. Speaker, yesterday, I introduced House Concurrent Resolution 67 calling on all 50 States to adopt a Uniform Grandparents Visitation Act. It is on behalf of those grandparents in this Nation who are unable to maintain visitation privileges with their grandchildren following a divorce or other form of marital dissolution between the parents of the grandchildren.

This represents a reintroduction of a virtually identical resolution which passed the House unanimously on April 19, 1983. Yet for me, it is far more than a mere reintroduction of a resolution—it is in fact the renewal of a commitment to a cause which I believe to be one of the most important issues in modern family law—preserving the important relationship between grandparents and grandchildren.

It has been said that when a child is born, a grandparent is created. Today, in this Nation, more than 75 percent of our Nation's more than 25 million people 65 and over are grandparents. We know that women become grandmothers at approximately 50 years of age while men become grandfathers at about the age of 52. Based on ever-increasing life expectancy in this Nation, this can mean that one can be a grandparent for as many as 20 to 30 years.

That is the positive side of the issue. On the downside is the fact that over 1 million children a year experience the divorce of their parents. A startling 48 percent of those who married in 1970 will eventually divorce. In 1978, 10 million children lived in a household with one natural and one stepparent.

The issue before us and the main subject of this resolution is—what rights do grandparents have to visit their grandchildren following marital dissolution due to divorce and or the death of a parent?

When I first undertook this effort in late 1982, we knew that a total of 42 States in the Nation had laws on the books providing grandparents with basic rights to petition a court when seeking visitation. Today, that number has increased to 49 States—an important development and a reflection of progress.

Yet the underlying problems that first brought this issue to my attention and which warrant my reintroduction of this resolution today still exist. My interest in this issue was sparked by a single letter from grandparents in New Jersey who advised me—notwithstanding the existence of a law in their State—of some monumental problems they were encountering with the court system in trying to gain visitation privileges with their grandchildren. As chairman of the House Select Committee on Aging's Subcommittee on Human Services; I began an investigation of this issue and discovered that this was not just a local problem, but rather one with national significance. At a hearing I conducted on December 16, 1982, I learned firsthand of cases involving grandparents who were forced to spend as much as $60,000 to gain visitation privileges in one State only to have the children moved to another State.

Following this hearing, I introduced in the 98th Congress House Concurrent Resolution 45 which did pass the House unanimously on April 19. A similar Senate resolution failed to gain final action before adjournment and thus we are forced to start the issue again.

My resolution expresses the sense of the Congress that a uniform State act should be developed and adopted "which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution (because of divorce, separation or death) of the marriage of such grandchildren's parents."

The critical issue involved in this resolution is its call for a uniform State act to be developed and passed by all 50 States relative to grandparent visitation. Traditionally, under common law and until recently under the laws of nearly every State, a grandparent had no greater right of access to his or her grandchild that did a nonrelative. This right of access was controlled by the natural parent even to the extent that following a martial dissolution, the right to grant or prohibit grandparent visitation passed to the custodial or sole living parent.

In recent years, States have developed laws providing basic rights of grandparents to petition State courts for visitation. However in an analysis prepared for me by Rita Ann Reimer, legislative attorney at the American Law Division of the Library of Congress, we find the conditions under which a grandparent can petition a court vary from State law to State law. As she observes,

> Statutes covering the same general categories may also differ among themselves. For example, certain States limit the right to petition for visitation rights following a marriage dissolution to the parents of the noncustodial parent while others refer generally to grandparents without further elaboration.

My resolution seeks to build upon the foundation of the 49 existing State laws and develop a structure of uniformity for all State laws on behalf of grandparent visitation. Let me quote directly from the text of the resolution:

> That (a) it is the sense of the Congress that the States should develop and adopt a model act which—
>
> (1) provides grandparents with adequate rights to petition State court for, and to be fully heard in such courts with respect to the granting of, privileges to visit such grandparents' grandchildren after the dissolution (because of divorce, separation or death) of the marriage of such grandchildren's parents
>
> (2) ensures that such rights extend to cases in which, after such dissolution, such parents remarry and stepparents adopt such grandchildren; and
>
> (3) establishes procedures for the interstate recognition and enforcement of State court orders granting such visitation privileges.

The resolution calls upon the Secretary of Health and Human Services through the National Center for Child Abuse and Neglect and the Administration on Aging to provide "technical assistance to States, in developing publishing and disseminating guidelines" which can be used in the development of the uniform State law.

The resolution reiterates and stresses that grandparent visitation should be granted by States only when it is in the best interest of the child. That is the prevailing sentiment in the existing State laws, and I see that any Federal position on grandparent visitation should respect that important principle. Further, the resolution calls for proper recognition to be accorded to the ability of grandparents to help satisfy such child's need for continuity of care after the dissolution of a marriage.

As I did when I first developed this resolutin in 1983, I offer it with full recognition that, according to Ms. Reimer,

Congress has no general authority to legislate on family law questions. * * * However, there are some indirect approaches which might be utilized to obtain the desired result. There have been occasional "sense of the Congress" resolutions introduced on domestic relations topics. These have no legally binding force or effect but are introduced in the hope that if Congress goes on record as favoring a certain policy, the individual States will be encouraged to adopt legislation advancing that policy.

I offer this resolution under a slightly different context. State laws do exist—there is only the need to make them more uniform. That is the sentiment expressed in this resolution.

Throughout my 2½-year-long effort on this, I have been assisted by a small but very effective network of advocates for grandparents' rights—including those who themselves are grandparents. The most consistent and effective advocates for grandparent visitation rights in this Nation are a wonderful couple from the small town of Haslett, MI, Lee and Lucille Sumpter, founders and leaders of Grandparents Children's Rights Inc. In addition, the work of Dr. Arthur Kornhaber, of the Foundation for Grandparenting in New York, I would like to note at this point. His work, including his book, "Grandparents—Grandchildren—the Vital Connection," has proven to be most helpful in my work. Finally but not least is the work of Ms. Gerrie Highto of Baltimore, MD, who has also served to provide me with important assistance in this endeavor.

I believe the issues involved in the resolution have many dimensions, but in my mind the one issue is the personal one. I happen to be a grandparent six times over and that is a great source of joy to me. I am fortunate enough to have full visitation privileges with my grandchildren and realize how painful it would be if I were to lose it. Yet for many grandparents, that is the trauma they face and from my perspective, this issue should be addressed.

I urge my colleagues to join with me in this effort to preserve the important relationship between grandparents and grandchildren. This is a resolution that is a product of extensive and careful research including two hearings that I conducted. Its support was already registered by the House in 1983 which, in my mind, demonstrates that the cause is just. Yet we approach this issue from the standpoint of what is in the best interests of both the grandchildren and the grandparent, with proper emphasis placed on the grandchild.

At this point in the RECORD, I wish to insert the full text of my resolution and urge my colleagues to join as cosponsors. In the ensuing days and weeks, I will be placing into the RECORD, letters from grandparents dramatizing the situation which this reolution seeks to address.

H. CON. RES. 67

Concurrent resolution expressing the sense of the Congress that a uniform State act should be developed and adopted which provides grandparents with adequate rights to petition State courts for privileges to visit their grandchildren following the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents, and for other purposes

Whereas approximately 75 per centum of all older Americans are grandparents;

Whereas grandparents play a vital role in millions of American families;

Whereas an estimated one million children a year experience the divorce of their parents;

Whereas the laws of forty-nine States (1) provide grandparents with certain rights to petition State courts for privileges to visit their grandchildren after the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents, and (2) allow such courts to grant such visitation privileges if such courts consider it in the best interests of such grandchildren;

Whereas such procedural rights to petition State courts often do not provide grandparents with adequate opportunities to be fully heard with respect to the granting of such visitation privileges;

Whereas the factors considered by State courts in determining whether the granting of such visitation privileges is in the best interests of the children involved varies widely among such States;

Whereas the ability of grandparents who have meaningful relationships with their grandchildren before the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents to help satisfy such grandchildren's needs for continuity of care and familial ties after such dissolution is often not fully taken into account in determining the best interests of such grandchildren;

Whereas the lack of uniformity among the laws of States with respect to such visitation privileges adversely affects the ability of grandparents to enforce and exercise such visitation privileges once granted by a court because of the interstate movement of the parties involved; and

Whereas national grandparents' rights organizations have been established for the purpose of focusing national, State, and local attention on the issue of grandparents' visitation rights: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) it is the sense of the Congress that the States should develop and adopt a model act which—

(1) provides grandparents with adequate rights to petition State courts for, and to be fully heard in such courts with respect to the granting of, privileges to visit such grandparents' grandchildren after the dissolution (because of divorce, separation, or death) of the marriage of such grandchildren's parents;

(2) ensures that such rights extend to cases in which, after such dissolution, such parents remarry and stepparents adopt such grandchildren; and

(3) establishes procedures for the interstate recognition and enforcement of State court orders granting such visitation privileges.

(b) It is the sense of the Congress that the Secretary of Health and Human Services, through the National Center for Child Abuse and Neglect and the Administration on Aging, should provide technical assistance to States in developing, publishing, and disseminating guidelines which—

(1) may be used in determining the "best interest of the child" in cases in which the grandparents of such child seek privileges to visit such child after the dissolution (because of divorce, separation, or death) of the marriage of such child's parents, including cases in which such privileges are sought in situations described in subsection (a)(2); and

(2) take into account the ability of grandparents to help satisfy such child's need for continuity of care after such dissolution.●

RESOLUTION ON DEDUCTIONS FOR CHARITABLE CONTRIBUTIONS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. WAXMAN. Mr. Speaker, I am pleased to be joined by Mr. FRENZEL and Mr. TAUZIN in introducing a resolution which calls for the preservation of the current tax incentives for charitable contributions.

The Department of Treasury's tax reform plan proposes three changes in the Tax Code which could destroy the funding base of charitable organizations. First, above the line deductions for taxpayers who do not itemize their returns would be abolished. This change would affect almost 64 percent of all taxpayers.

Second, the proposal would abolish deductions for all charitable contributions below 2 percent of adjusted gross income. A family with an income of $25,000 a year, for example, could only deduct the amount of charitable contributions which exceed $500 per year. Currently, the average deduction for charity taken by those who itemize their returns is 1.97 percent of adjusted gross income.

Finally, contributors of real estate, stocks, or merchandise could not deduct more than the original purchase price indexed for inflation of the item donated.

These changes in our laws would cost charities an estimated $10 to $12 billion a year. They would have a devastating effect on the ability of charities to operate, particularly as they are burdened with increasingly heavy responsibilities to compensate for drastic reductions in Federal funds for social programs.

The Treasury Department's proposed changes for deductions in charitable contributions would not diminish the generosity of Americans, whose spirit of good will and human compas-

sion is deeply rooted in our values. The tremendous outpouring of private charitable contributions demonstrates the fervor with which Americans support the activities of the American Red Cross, the American Cancer Society, the National Association of Independent Colleges and Universities, the United Way, and the thousands of other philanthropic organizations to which they give. The changes would, however, hamper their ability to give. And, ironically, they would force charities to rely greater on the Federal Government for the resources they need to properly function.

I urge all my colleagues to join with me in supporting this resolution.●

TOBACCO DEREGULATION ACT

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. PETRI. Mr. Speaker, today, I am introducing the Tobacco Deregulation Act of 1985. It is time to put the tobacco program out of its misery. In the first place, it makes no sense to warn people about the hazards of smoking on one hand and subsidize tobacco on the other. But beyond that, the program is slowly strangling our domestic tobacco industry and ruining hard working family tobacco farmers. While taxpayer subsidies persist on the order of $100 million per year, and tobacco loan stocks mount, our imports of tobacco are zooming, exports are dropping, total domestic production has plummeted, and farmers' profits are soaked up by a largely absentee class of landlords who own the Government granted rights to market this crop. Here today we have a group of farmers who want nothing from the Government except to get it off their backs. In this year of concern over the budget deficit, the trade deficit, and the farm crisis, there can be no better place to start putting our house in order than right here. One is led to ask, "If not here, where? If not now, when?"

Very simply, the benefits of the tobacco program do not go to the actual farmers. They go to allotment owners, most of whom lease or rent their tobacco rights to farmers at rates which absorb all the profit. The situation is worst in Flue-cured tobacco, which is 55 percent of all domestic tobacco, but it is similar in burley, which is 37 percent of the crop. About 83 percent of Flue-cured allotment owners grow no tobacco at all, and nationwide allotment rents total $800 million per year according to one recent study. The system is feudalistic. This is a free country. No farmer should have to pay some investor for the right to grow a crop.

Some of you may wonder why health groups and tobacco farmers are on the same side in this fight. I think I can explain it quite easily. Health groups want a consistent Government policy and elimination of the huge financial interest of the allotment owners, who number over half a million and provide the main political constituency for prosmoking efforts. Tobacco farmers would like to produce as much tobacco as possible and receive all the profit from their production. To the extent that antismoking efforts succeed, U.S. cigarette consumption may gradually decline, but there is clearly going to be a large world market for tobacco for many years. The farmers' overwhelming interest is to reclaim their historic share of that world market and to get the allotment owners off their backs. In other words, whatever tobacco is produced we want to produce here. We have got to free our farmers to compete in the world market. A recent study at North Carolina State University concluded that tobacco deregulation would result in a doubling of our tobacco exports, a virtual elimination of imports, and an increase in the total demand for U.S. tobacco of 50 to 100 percent or more.

Some of you may also be under the impression that the tobacco program has been operating at "no net cost" to the taxpayers since 1982. I am afraid that is just not true. Besides the small administrative costs of $15 million per year, the program does not compound interest on the money used to finance tobacco under loan. This procedure understates the true cost to the taxpayers of providing that money. The most recent GAO report on tobacco gave two estimates of the amount of this understated interest on just the 1982 Flue-cured crop. The lower estimate, from the people who run the program, the ASCS Tobacco and Peanuts Division, was $50 million over the life of that crop. The higher estimate, from the Department of Agriculture Inspector General's Office, was $164 million. Since there are similar costs for the burley tobacco under loan, it is clear that the annual costs for understated interest are at least on the order of $100 million. Besides that, the assessments on growers have never come close to covering even the costs that are officially ascribed to the program, so assessments are constantly being raised in an effort to catch up. This year the Flue-cured assessment may well rise from 7 cents to 25 cents per pound, but even with that it is not clear that we will ever recover all the official costs. It seems to me we've been gambling and consistently losing, and it's time to cut our losses and get out.

I know there are some organizations that would prefer a phaseout of the program rather than an abrupt termination. I am sympathetic to their concerns and more than willing to work with them and consider any proposal. Of course, any such proposal has to be germane as an amendment to the 1985 farm bill on the House floor: that is, it can't involve changing or using cigarette excise taxes. In addition, it has to be fair to family tobacco farmers, and I don't think it's fair to continue their bondage to allotment holders any longer. When all is said and done, I personally feel that immediate deregulation will appear as the best, and long overdue, solution.

ESTONIAN INDEPENDENCE DAY

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. DONNELLY. Mr. Speaker, this past Sunday, February 24, marked the 67th anniversary of Estonian Independence Day. The Estonian people enjoyed freedom, cultural growth, and economic prosperity until 1940 when their independence was crushed by a brutal invasion and occupation by Soviet troops. That occupation continues to this day, almost half a century later. To this day, we can be extremely proud that the United States has refused to recognize the Soviet claim to once-free Estonia and her neighboring Baltic States of Lithuania and Latvia. The Soviet occupation is illegal. No matter how oppressive their tyranny by force may be, they will not be able to break the national will of the Estonian people to determine their own future. Until the day comes when Estonia can reassume her rightful place in the community of free nations, the brave people of Estonia can be confident that we will not rest in our efforts to support their sacred struggle to be free. We will never be silent, but will protest vehemently every Soviet abuse of Estonian national and human rights.●

TRIBUTE TO TRUMAN J. NEWHART

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. McDADE. Mr. Speaker, I rise to pay tribute to Mr. Truman J. Newhart, a resident of northeastern Pennsylvania, who is retiring after more than 42 years of service to our Nation, both as a soldier and a civilian and both here and abroad.

Mr. Newhart is leaving his post as personnel officer at Tobyhanna Army Depot, a job he has held since 1959

with the exception of a 3-year assignment in Europe.

Prior to 1959, Mr. Newhart held many important personnel management positions in Europe, including service as a civilian personnel officer in Germany for a number of years. During his active and reserve military career, Mr. Newhart attained the rank of colonel.

Mr. Newhart has been very active in his community and has worked for many years with the Boy Scouts and Rotary International. He has also served on a number of boards and committees of professional organizations and community service groups.

He has been recognized on a number of occasions for his contributions to the Federal Government. His latest honor was receipt of a Commander's Award for Exceptional Civilian Service and a Significant Accomplishment Merit Pay Award.

Mr. Newhart's fellow workers, officials of Tobyhanna Army Depot and his many friends will gather to honor him March 9 with a testimonial dinner at Pocono Manor, PA.

He and his wife, Nina, are the parents to two sons and a daughter. The couple met in Europe following World War II after Mrs. Newhart had escaped the clutches of the Nazis in her native Poland.

Over the years, Mr. Newhart has often worked with my office for the benefit of Tobyhanna Army Depot and the people of northeastern Pennsylvania. We owe him a debt of gratitude.●

TRIBUTE TO JAMES P. MADDEN

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. FEIGHAN. Mr. Speaker, I ask that my colleagues join with me in paying tribute to James P. Madden, a fine public official who is being honored today by the Cuyahoga County, OH, Bar Association at its 39th Annual Public Servants Merit Awards Luncheon.

Over 34 years of experience in Cuyahoga County's court system is but one of the achievements that Mr. Madden can boast of to qualify him as a recipient of the Bar Association's Certificate of Merit. Mr. Madden has excelled in a variety of positions in the public realm beginning as a deputy clerk of courts in 1951. Today, he serves as jury commissioner of Cuyahoga County, overseeing the jury selection process and its administration for our courts.

Throughout the years, Mr. Madden has become somewhat of a "goodwill ambassador" for the courts and their functions. He has proven to be a valuable resource to citizens, young attorneys, and even fellow employees who find that the halls of the justice center are not the most hospitable locale to conduct their business. In addition, many groups in the community are made aware of the process of jury service through Mr. Madden's rigorous lecture schedule.

In previous years, Mr. Madden has maintained a high level of interest in local Democratic Party politics. He is a former vice-chairman of the Cuyahoga County Democratic Executive Committee and still holds a membership on that body. For years he led the Democratic Party in the city of Lakewood, OH. Lifelong residents of the Greater Cleveland area, both Mr. Madden and his wife Margaret have raised four children, two of whom have chosen public service careers.

It is not every day that members of the frequently maligned public sector are singled out for recognition of a job well done. Today, it is my honor to join with my colleagues and the Cuyahoga County Bar Association in saluting James P. Madden, an individual who personifies the ideals of public service.●

114TH ANNIVERSARY OF BIRTH OF PRINCE KALANIANAOLE

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, March 26, 1985, marks the 114th anniversary of the birth of Prince Johah Kuhio Kalanianaole, Hawaii's delegate to Congress from 1903 until his death in 1922. I am pleased to recognize this great Hawaiian leader and his lasting accomplishments.

Prince Kuhio was a full-blooded Hawaiian of royal lineage. Were it not for the overthrow of the Hawaiian monarchy in 1893, he might have become king. For a time, he refused to recognize the newly formed Republic of Hawaii. However, his deep commitment to the people of Hawaii, coupled with his recognition that their interests could best be served by accepting the new political order, led Kuhio to take his part in public affairs as a loyal American citizen.

Within the local political parties, he fought for democratic practices. Within the community, he reminded islanders of their good fortune in being citizens of the United States. In 1902, he ran for delegate to Congress. In this and nine subsequent elections, the people of Hawaii elected him as their representative.

During his 19 years in this body, Prince Kuhio's determined efforts produced lasting accomplishments for all the people of Hawaii, particularly those of native blood. Years of foreign immigration and domination had a telling effect on Hawaii's original inhabitants. To his colleagues in Congress, Kuhio expressed his anxiety over the diminishing population of the Hawaiian race and the loss of their lands. The result was the establishment in 1921 of the Hawaiian Homes Commission, which continues to lease certain lands as homesteads to native Hawaiians at a nominal fee.

Kuhio formed the Hawaiian Civic Clubs in 1917 to encourage involvement in community affairs among his people. These clubs, like the Hawaiian Homes Commission, are still active today, keeping the memory of Hawaii's beloved Prince alive.

Prince Kuhio lived during a period of monumental change in Hawaiian society from monarchy to territory. His pragmatic leadership helped the people of Hawaii move forward successfully as proud American citizens.

I am honored to pay tribute to this great man. As the 114th anniversary of his birth nears, let us remember the statesmanship and dedication to his constituents exemplified by Hawaii's second delegate to Congress, Prince Johah Kuhio Kalanianaole.●

CLOSING A DANGEROUS LOOPHOLE IN SUPERFUND

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. MOODY. Mr. Speaker, today I am reintroducing my bill which would handle a glaring omission in present practice of Superfund implementation by EPA. There are 519 uncontrolled hazardous waste sites in this country which are not monitored by the EPA. These sites are located in every State and in 275 congressional districts.

What makes these sites different from other hazardous waste sites? All of these sites are owned or operated by the Federal Government. Although Superfund and other pollution control laws require uniform compliance by federally and privately owned facilities, it is a little known fact that procedural noncompliance by Federal sites is rampant—the rule rather than the exception. In effect, Federal facilities are omitted from compliance.

Federal agencies knowingly disregard the intent of Superfund through their use of Memoranda of Understanding. The Department of Justice and EPA have a longstanding blanket policy of never taking court action against noncomplying Federal agencies. Agencies maintaining polluting facilities have no incentive to rectify deficiencies or to negotiate seriously because regulatory authorities have rendered themselves powerless to compel compliance by administrative

or judicial action. For example, EPA and the Department of Defense have a Memorandum of Understanding releasing EPA from cleanup responsibility for hazardous releases on DOD sites.

The danger potential of these Federal hazardous waste sites is mounting as delays in cleanup continue. In 1982, a contractor—Risk Science International [RSI]—for the U.S. Chamber of Commerce attempted to compare the hazard potentials of certain DOD sites to those of the most hazardous private sites on the national priorities list. RSI calibrated the Air Force's site scoring protocol against the MITRE protocol—the hazard ranking system used by EPA for private sites—and then estimated the scores and ranks that the Air Force's top 100 sites of concern might get under the MITRE scoring. This analysis concluded that all 100 of the Air Force's top 100 sites would have scored above the NPL cutoff score and thus would have merited inclusion on the NPL. Thirty-three of the Air Force's top 100 sites, located at 9 separate Air Force installations in 8 States, would have been included among the top NPL sites.

While the level of danger at these Federal facilities has been established, the enormity of this fact is compounded by the sheer number of Federal hazardous waste sites. As previously mentioned, there are 519 Federal installations. However, there are probably at least 1,100 to 1,400 individual Federal facility hazardous waste sites at the 519 Federal installations. These numbers are derived as follows: There is an average of 2.5 to 3 hazardous waste sites per DOD installation, at best, a conservative estimate by the DOD; DOD installations constitute 80 percent of those Federal installations; and assume 1 site per non-DOD Federal installation.

In conclusion, the goal of this legislation is to treat Federal hazardous waste sites equally with privately owned sites and to establish a process to ensure effective compliance by Federal sites with Superfund.

My bill will complement and enhance the reauthorization of Superfund by specifically closing a dangerous loophole that allows the exemption of federally owned or operated hazardous waste sites from compliance under the same standards experienced by private industry.●

DEAN McKEE HONORED

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. McCAIN. Mr. Speaker, many Americans have served nobly in defense of our Nation, receiving little praise but deriving great satisfaction from having done something for their fellow Americans. Today I would like to ask my colleagues to join me in paying tribute to such a person, a man who has upheld the highest standards in his efforts in the military and on behalf of veterans nationwide.

Dean McKee, currently the Regional Manager of the Veterans Center Program in Providence, RI, has an exemplary military career. A veteran of over 15 years, he has 244 combat sorties and has received 14 decorations, including the Distinguished Flying Cross.

A medical disability forced Dean to retire from the Air Force, but it did not slow his accomplishments. He was the team technician in the Phoenix, AZ Vet Center from its inception in 1979 to 1981. He then accepted the position as team leader of the Vet Center in Tucson, thus improving both the extent and quality of veterans service available statewide.

Dean's life has been characterized by his compassion for others, most notably the many men and women who have served in our Armed Forces. His hard work and integrity make him an example for us all.

De Toqueville once said that the only thing necessary for the triumph of evil is for good men and women to do nothing. I have no fear for the future of America as long as there are outstanding people like Dean McKee in our midst.●

IN HONOR OF JUDGE JOHN R. SPON

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. APPLEGATE. Mr. Speaker, recently, Judge John R. Spon retired from the probate and juvenile court of Jefferson County, OH, after many years of dedicated and outstanding service to his community.

Judge Spon, a life-long resident of Steubenville, graduated from Ohio Northern University in 1942, followed immediately by his service in World War II with the U.S. Navy, serving for nearly 3½ years and achieving the rank of lieutenant commander. John returned to his native Steubenville after the war and went on to serve in the office of the prosecuting attorney in Jefferson County, working for nearly a decade under attorneys Bernard T. McCann and Joseph Loha. In August of 1961, John was appointed by then Ohio Gov. Michael DiSalle to fill the unexpired term of the late Emmett M. Morrow as judge of the probate and juvenile courts. It has been in this position that Judge John R. Spon has served his community, bringing the utmost in distinguished judgment and leadership throughout this time that has spanned nearly a quarter century.

Judge Spon and his gracious wife Dorothy, both personal friends, have contributed immensely to Steubenville and Jefferson County.

John has served as a member of the Jefferson County Children Services Board, the Jefferson County Drug and Alcohol Abuse Center, the Jefferson County Mental Health Center, and the Young Men's Christian Association. Along with these distinctions, John has also served as president of the Jefferson County Humane Society, the Steubenville Little League, the Babe Ruth League, and the Steubenville High School Parent Teachers Association. He is also one of the directors of the local chapter of the Full Gospel Businessman's Fellowship International. As well, I might also add that John is an avid ham radio enthusiast.

Mr. Speaker, on behalf of the people of the 18th District of Ohio, I would like to convey to Judge John R. Spon our highest regards and respect for the service that he has rendered to our community. John has given to us through his experience on the court the ideals of fairness and understanding that will be sorely missed in Steubenville and Jefferson County following his retirement. I wish Judge John R. Spon and Dorothy the very best as he departs the bench and starts his journey into a well-deserved and wonderful retirement.●

AMERICA'S TRADE SITUATION WITH JAPAN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. MURTHA. Mr. Speaker, I wanted to share with my colleagues a copy of my weekly column dealing with America's trade situation with Japan because of the seriousness of this problem.

HEY TOKYO, WE'RE FRIENDS

We should have seen the upcoming trouble with the softball bat incident.

For many years the Japanese Government refused to allow import of the new U.S. metal softball bats. From that point a pattern developed of disregard for the American economy that has placed Japanese-American relations on the brink of a major showdown.

We confront a fierce trade war with Japan:

Japanese steel imports to the U.S. were up 72.2 percent in December from a month earlier, 12.6 percent over a year earlier; and up 39.5 percent for the year.

Recent decisions by the Japanese Government effectively froze U.S. telephone and telecommunications equipment out of a Jap-

anese market that could be worth $10 billion to the United States,

An American cabinet level council recommended to the President that the voluntary limit of 1.85 million Japanese cars sold in the United States be removed, a step the United Auto Workers say would threaten 200,000 American jobs, and

Japan decided recently to require new testing of American vitamin E face cream and other vitamin E products, testing not required of Japanese products, and a move which effectively puts the United States out of this $40 million-a-year Japanese business.

Let me make a few observations about the impact of these consistent decisions ranging from large to small trade items.

First, they indicate an American trade deficit problem almost as serious as our budget deficit. We spent $120 billion more for foreign goods last year than we sold to foreigners. For the first time in our history we owe more abroad than foreigners owe us. The trade gap has closed American factories, displaced an estimated 2 million workers from their jobs, and kept interest rates high. The trade gap with Japan alone is $37 billion.

Second, this has gone beyond any type of "free-trade" debate. I join virtually every American in philosophically supporting "free trade" with the market going to the best and the most economical. But in a world practicing barriers like the Japanese, the U.S. faces a choice of joining the war and requiring fairness or seeing more of its jobs and industries slip away.

Third, it is an extremely ironic situation: our economy is being attacked not by our Communist military enemies, but by our military allies, our friends. The entire Western/free world alliance is tied together economically as well as militarily. We gain nothing if one of those countries becomes indefensible militarily; equally we lose ground if the partners are damaging one another so severely economically as to undermine economic strength.

If we were to erect a system of trade barriers, fees, tests, etc. that undermined Japan's economy, we would be equally at fault. The United States must take the lead in forcing a new era of modern trade among the U.S. allies to bring some order, reasonableness and fairness to everybody's trade policies.

We are friends. Let's start acting like it.●

OPPOSITION TO DEREGIONALIZATION OF FEDERAL REGIONAL OFFICES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. MARKEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

STATEMENT OF HON. EDWARD J. MARKEY

Mr. Chairman, thank you very much for holding a hearing concerning President Reagan's proposed consolidation of the regional Federal offices from the present number of 10 to a total number of 7. This proposal would include the consolidation of the Boston regional office that serves the people and States of the New England area with the New York office. That this consolidation is meant to take place in the interest of cutting costs from the Federal budget is laudable. That it is meant to take place without serious ramifications to the quality and availability of the services these offices provide to the people and States of the New England region is ludicrous.

There are two equally important issues at stake here. Services to citizens are going to be reduced due to fewer and more inaccessible Federal office field representatives. The consolidation of the two offices in New York will mean a net loss of several hundred jobs to people in the greater Boston area. These effects would cause significant hardship on the people of New England.

No one can dispute the fact that Boston is the geographic, economic, and governmental center of New England. To eliminate these jobs from the New England job market would be devastating for a number of reasons. The proposal eliminates approximately one-third of the Boston jobs with the remaining jobs being transferred to the office in New York. Consequently, the President is asking New York office personnel to serve and aid the people in New England. I cast no aspersions on the quality of service offered by the people of New York, but I feel very strongly that the people of New England would be better served by a local office.

The New York Regional Office now serves approximately 10 million people. The Boston Regional Office serves approximately 6 million people. The proposed consolidation of these offices would cause two distinct problems. The combined pool of 16 million people would be served by a regional office staff that would be cut by 11 percent. Six million of these people would be served by an office that would no longer be readily accessible. People who require the services of the regional federal offices are best served by swift action and easy access. People in need should not have to travel long distances to stand in line for government services.

Apparently, this administration feels that a reduction in services that will result in budgetary savings in 3 to 5 years is the way to solve the deficit problem that plagues us right now. This proposed deregionalization of federal offices is indicative of the wrong emphasis this administration is placing in its efforts to balance the burgeoning Federal budget.

This questionable logic brings us to yet another problem with the proposed consolidation of regional federal offices. Would this effort really save money? The merger of the Boston office to the New York office would result in greatly increased costs to examine program implementation and travel within the region. What was once a 3- to 5-hour drive, would become 1- to 2-day trip. These increased expenditures could easily equal or outweigh any potential gains.

Clearly, the costs of consolidating the Boston and New York federal offices would be extremely high in terms of dollars spent and services surrendered. The proposed deregionalization of the federal regional offices would increase government expenditures with reduced access and efficiency, and the public interest would not be served. We must think very seriously before we approve such an ill-considered proposal. Historically, emotionally, geographically, and economically, Boston has served as the center of New England. To close the federal offices in Boston that serve the New England region would do Boston and the region a grave disservice. I must go on record as wholly opposing this initiative.

Thank you for including this statement as part of the hearing record.●

IRS COMMISSIONER MAKES GREAT CASE FOR MASSIVE TAX REFORM

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. STARK. Mr. Speaker, every time he gives an interview, the President backs further away from the Treasury Department's outstanding work on tax reform. The concrete work of the Treasury's experts is rapidly turning to jello in the President's mouth.

Still, the people who really know taxes—such as IRS Commissioner Egger—continue to make the good fight as to why, without tax reform, our tax system could collapse. I would like to include at this point in the RECORD an excellent article by Commissioner Egger from the Washington Post of February 10, 1985:

WITHOUT REAL REFORM, OUR TAX SYSTEM COULD COLLAPSE

(By Roscoe L. Egger, Jr.)

In his State of the Union address President Reagan made a persuasive case for tax reform to achieve "fairness, simplification and growth." In addition, there is a factor that is of particular concern in my business of tax collecting: if we fail to make our tax code simpler and fairer in the near future, we could jeopardize a great American tradition—voluntary compliance with the tax laws.

Fundamental tax reform is now not a luxury. It is a stark necessity if we are to preserve that tradition of voluntary compliance. The latest figures we have are for 1981, when Americans failed to pay $90 billion in taxes they owed to the government. The size of this "tax gap" has probably grown in the last four years, and it is part of our deficit problem.

Now all tax avoidance can be described as cheating, because—unfortunately—a lot of it is legal. In the last few years there has been a staggering growth in the ways taxpayers have attempted to avoid taxes by investing in so-called shelters. Tax shelters are "exhibit A" when it comes to demonstrating the unfairness of our current tax system. They are also evidence of the tax lengths to which some taxpayers will go to avoid paying taxes—a sign, perhaps, of how close we are getting to a society in which dodging taxes becomes not only fashionable, but acceptable.

Some recent data on tax returns of selected partnerships is instructive, since partnerships are a common vehicle used for tax shelters. Between 1963 and 1982 the number of taxpayers who claimed partnership losses on their individual returns increased from 412,000 to about 2.1 million. At the same time there has been a significant erosion in the base of the federal income tax—that is, the amount of taxable, reported income—particularly among taxpayers in the higher income groups.

In 1983, partnership losses that were claimed by individual taxpayers sheltered as much as $35 billion dollars of income that would otherwise have been taxed. A sampling of 88 Form 1040 returns gives an illus-

tration of how this works in individual cases.

These taxpayers held interests in certain tax shelters that are not being challenged by the Internal Revenue Service as abusive. The average income of this group was $193,000, and their total income before losses was $17 million. But their taxable income was just $1.9 million, because they deducted losses of $6.4 million from partnerships, and other losses totaling $8.7 million.

Of these 88 returns, 19 with average gross income before losses of more than $240,000 reported total income tax payments of less than $500. Thirty-seven with average gross income before loss of more than $170,000 reported total tax payments of $6,000 or less.

To compare, a typical family of four with income of $45,000 and no tax shelter losses would pay $6,272 in taxes. The current tax system in this country supports this kind of gross unfairness. It reinforces the notion that there are special privileges—but only for the few that somehow find ways to take advantage of the system.

Last year, the IRS commissioned a detailed study of public attitudes to the tax laws. The firm of Yankelovich, Skelly and White interviewed more than 2,000 people, and confirmed that most taxpayers consider the system unfair.

At least 75 percent of taxpayers believe their taxes are too high for what they get, and about two out of three believe they have to pay more than their fair share. A whopping 80 percent of the taxpayers in this country believe the present system benefits the rich and is unfair to the ordinary working man or woman.

Can we afford any longer a system whose very unfairness and complexity literally invites tax cheating? Can we support a system where special interests get a variety of tax breaks but the great majority of the people are squeezed just a bit harder each year to make up the difference?

The answer is obvious. Our survey of 2,000 taxpayers produced strong evidence of increasing public cynicism about taxes. Half the population thinks that 25 percent or more of all Americans cheat on taxes; a quarter of the population thinks more than half of us cheat. A majority said tax cheating is increasing. Nineteen percent of those we surveyed admitted cheating on their own taxes. What is the reason for this cheating? The answer given most often in our survey was that the existing system is unfair.

In our sample 38 percent of those questioned agreed with this statement: "Since a lot of rich people pay no taxes at all, if someone like me underpays a little, it's no big deal."

The reaction to the Treasury Department's new and admirable tax simplification package was a case study in what's wrong with our current system. One after another, the special interests have come forward to attack the Treasury plan.

Why? Because regardless of a general lowering of the rate structure to the benefit of the many, the few that have benefited in the past want their special tax breaks to continue. Never mind that they would receive the overall benefits of the reforms. The few also want to continue to receive their preferential treatments. But the very existence of all those special privileges is exactly why we need to reform the system—not later, but now.

For a quarter century we have been using the tax code to provide incentives for social and economic objectives deemed desirable by Congress. As a result we have a system piled high with patchwork complexities resulting from one so-called reform after another. For example, last year's "reform" effort amounted to more than 1,000 pages of legislative language and was designed to "fix" some of the difficulties of the system.

One of the greatest potential benefits of the Treasury Department's new proposals has gotten too little attention: the prospect of abolishing tax returns for most American taxpayers.

This isn't a pipe dream. About 90 percent of the wage earners in Japan don't have to file tax forms. In Britain, too, most wage earners are usually spared the need to file any forms. We could also develop a return-free program if we had a simplified tax code.

Beginning with the 1987 tax year, we could help 14 million people earning less than $50,000 a year pay their taxes without filing any forms. These taxpayers now file our shortest and simplest tax form, the 1040EZ. By 1990, we believe the program could reach as many as two-thirds of all individual taxpayers. We could determine their tax liabilities by processing information given to the IRS by employers, financial institutions, etc.

Think of the benefits this would bring: By 1990, taxpayers could be spared 97 million hours in return preparation and untold amounts in preparer fees. (Today we are the only country in the world where more than 40 percent of the people pay someone else to do their tax returns.) We would save reams of paper, eliminate much record-keeping, and add millions of smiles to Americans' faces.

What's the alternative? Continued reliance on a patchwork tax code built around tax breaks for special purposes and special interests. But we simply cannot rely on tax breaks to drive our economy, to prop up our businesses or to be the deciding factor for personal investment decisions. If tax breaks are going to make the critical difference between whether one industry makes it or does not make it in the marketplace, then something is very wrong with the tax system and undoubtedly with that industry.

Whatever happened to the free-enterprise system? Since when does it require tax subsidies to make each industry function properly? Or must *everyone* get some sort of tax break? In that case we have chaos. Perhaps we should reserve tax breaks only for those with the more successful lobbyists. That sounds like the present system.

Today we are preoccupied with adjusting personal and corporate lives to fit the tax code. How much tax you pay is not governed any longer by how much money you earn. It reminds me somewhat of a family where one child is clearly the favorite. The child learns early on to expect special treatment, to know that whatever mistakes he or she makes, his or her interests will be protected. Healthy family relationships become impossible, and the reaction over time from less-favored childen is deep and abiding resentment.

We have that resentment today. We also have strong public support for fundamental tax reform, as reflected in several recent opinion polls.

Perhaps it seems unusual that the commissioner of Internal Revenue is becoming an advocate for the American taxpayer. Think about that for a moment. We in the business of tax administration see the returns of the rich and the poor, the partnerships, the corporations, the families and the single people. We have seen it all. In the final analysis I am not sure there is any group of people more sensitive to the need for basic change than tax administrators.

Despite protests to the contrary, time is not on our side. The tax system cannot hold on indefinitely while we fumble around with so-called tax reform or, worse yet, continue meaningless debate over details of a system that cries out for reform. Let's work together now for ourselves as well as for future generations of taxpayers.●

EDUCATION IN AMERICA

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. LUNDINE. Mr. Speaker, I commend our colleague, PAT WILLIAMS, for providing this opportunity to discuss America's commitment to education. Such a discussion has once again taken on special significance in light of the Reagan administration's assault on higher education in his fiscal year 1986 budget proposal.

President Reagan has proposed limiting student loans to students with family incomes of less than $32,500 a year, imposing a cap of $4,000 per year on the total Federal aid a student could receive, eliminating national direct student loans, and abolishing supplemental educational opportunity grants. In addition, according to the budget proposal, the administration is planning on proposing the replacement of all student aid except guaranteed student loans with a single grant program to be administered by the States.

Reviewing these proposals, I am reminded of the debate 4 years ago when President Reagan proposed cuts of approximately 25 percent in most major education programs. While much of what the President proposed was rejected, we were unable to reject all of these cuts and funding was reduced for many important education programs.

How ironic to learn 2 years later from the President's National Commission on Excellence in Education that "the educational foundations of our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a nation and a people."

The report of the National Commission went on to assert that quality education for all members of the society is essential for maintaining the Nation's competitive edge in international economic markets and succeeding in the so-called information age. A well-educated citizenry, the Commission counsels, is the underpinning of a free and democratic society and important for fulfilling this country's promise that all of its people will have their talents developed to the fullest.

I fully agree with these statements and believe that it is time for the President to reacquaint himself with his Commission's work. Certainly, the deficiencies noted throughout the report have not all been addressed.

At the same time, I recognize that we must address our deficit crisis. However, we must do so in a sensible and fair way. The President's 1986 budget has a projected deficit of $180 billion, cuts spending for many needed domestic programs, including education, and substantially increases defense expenditures. I believe this is inappropriate. A more equitable distribution of the necessary sacrifices is in order.

For these reasons, I believe that we must oppose the President's efforts to weaken Federal support for student financial assistance. Again this year, the President's proposal is excessive and does not recognize the need to continue our investment in our Nation's human resources. Educational opportunity, which these programs help to provide, is essential if we are to preserve the American dream of a better life for tomorrow's generations and improve our Nation's standing in the world. These goals can only be attained if we continue our commitment to education.●

A SALUTE TO FRANKLIN A. POLK

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. STOKES. Mr. Speaker, it is an honor and a pleasure for me to salute my good friend, Mr. Franklin A. Polk, of Cleveland, OH. On April 12, 1985, Mr. Polk will be honored by the Cleveland Marshall University Law School Alumni Association as its Outstanding Alumnus of the Year. I take this opportunity to join in that salute to Franklin A. Polk.

Mr. Speaker, Franklin Polk is a highly respected attorney in Cleveland. He has practiced law in that city for over 44 years. As a result of the quality of the service he has rendered to his clients and the community, Franklin Polk has been the recipient of numerous citations and awards.

In 1984, Franklin Polk received the American Judicature Society Herbert J. Harley Award for lifetime efforts toward improving the Nation's legal system. In 1983, Mr. Polk was the recipient of the Ohio State Bar Association Medal.

For 12 years, he represented the Cuyahoga County Bar Association in the American Bar House of Delegates. For 35 years, he has served as a delegate to the Ohio State Bar Association House of Delegates.

In the late 1940's, Polk was elected president of the Cuyahoga County Bar Association. For the last 39 years, Franklin Polk has chaired the association's annual Public Servants Merits Awards Luncheon Committee.

Mr. Speaker, Franklin Polk is the founder and past president of the Cleveland Academy of Trial Attorneys. He also is a supporting member of the Association of American Trial Attorneys, the Ohio Academy of Trial Attorneys, and the National Association of Criminal Defense Lawyers.

Mr. Speaker, Franklin Polk has distinguished himself in the legal community in Cleveland and across America. I am proud to salute him as the recipient of the Outstanding Alumnus Award from the Cleveland Marshall Law School. I ask my colleagues to join with me in this salute to Mr. Franklin A. Polk of Cleveland, OH.●

JAZZ WORLD MOURNS LOSS OF KENNY CLARKE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. CONYERS. Mr. Speaker, I rise to call my colleagues' attention to the recent passing of jazz great Kenny "Klook" Clarke, who died January 25, 1985, in his home near Paris where he had been living since 1956. Mr. Clarke, age 71, was the original drummer and a founder of the Modern Jazz Quartet in 1952. During his career, he performed on more than 300 records, playing with great artists as Thelonious Monk, Charlie Parker, Billy Eckstine, Dizzy Gillespie, and Louis Armstrong.

Clarke is considered by many of his peers to be the father of be-bop music. He developed this innovative style of musical expression by breaking with the traditional 4-4 rhythms and moving into a more complex scheme, integrating cymbals, and brush with his drum beat. He introduced this technique at jam sessions in New York City during the early forties.

Among Clarke's most memorable recordings are "One O'Clock Jump," "Stomping at the Savoy," and "Venus de Milo."

Kenny Clarke's contributions to the development of jazz have won him recognition around the world. The entire jazz community is, therefore, deeply saddened by his loss. I intend to do all that I can to make sure that the importance of Clarke's musical legacy is not forgotten. It is a legacy that, indeed, we should always treasure.●

THE THREAT OF NUCLEAR ANNIHILATION

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. AuCOIN. Mr. Speaker, as the 99th session of the U.S. Congress progresses, one issue surpasses all others in its urgency and its importance to all mankind. I am speaking of the threat of nuclear annihilation. While negotiations between our Government and the Soviet Union have begun again, we in the Congress must not lose sight of our goals in arms control.

I recently received a letter from Michael Warren, the city manager in Newberg, OR. Mike's comments are filled with wisdom and put the arms control debate in its proper perspective. I would like to share his letter with my colleagues in the House.

DEAR CONGRESSMAN: On October 19, 1984, my son, Kristopher, was born. It was also my 36th birthday. I've waited a relatively long time to have my first child because the decision was not an easy one. Unfortunately, parents today must weigh the miracle of life and excitement that can only come with a family against events occurring throughout the world. It is unfortunate and sad that a man and woman must consider world politics before starting a family.

I'm writing you today to tell you the thoughts of one parent and how much your action or lack thereof is affecting the lives of this generation and the next. I am talking about the threat of nuclear war or annihilation. The terms that are being used by various public officials disguise it as something less, but you know it for what it is and that is nothing less than the elminating of life on this planet.

Keep in mind that the person writing this letter is not an extremist nor do I write congressmen and senators on a regular basis. I'm a person that has just had a child and would like to see him lead a happy and full life. It's a sad statement to make, but I firmly believe that the odds are against Kristopher dying of natural causes. With politics and the world being what it is, there is bound to be some nuclear catastrophe. It could be by accident, through terrorists group actions or even one of the super powers claiming that there was no other alternative. How ever it is done, people feel it will happen and most likely before the turn of the century.

Each congressman or senator that I have written this letter to will probably agree with most, if not all, of this letter. No one is for nuclear war. But how to prevent it is the question that continues to be discussed. I ask you, for Kristopher's sake, and for all the parents that are apprehensive about their children's lives, to stop discussing this issue and begin eliminating nuclear warheads throughout the world. This will require saying no to Army Generals who "have more experience than you, in these matters" and to the lobbyists and various defense companies that are in this business. However, if you truly represent your constituency you will know that the people of the United States (and the world) would like nothing better than to live in a world

that does not have an annihilation cloud hanging over it.

Sincerely,

MICHAEL WARREN.●

FEDERALLY FUNDED RESEARCH PROGRAMS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BROWN of California. Mr. Speaker, federally funded research programs at U.S. universities demonstrate the versatility and strength inherent in the conduct of basic scientific research in this country. I point to an example of this in my own congressional district through the Department of Physics at University of California in Riverside. I had the pleasure of seeing the physics programs first hand as a Regent's Lecturer for the 1984–85 academic year. I am very familiar with the activities of Prof. A. Kernan and her team studying proton-antiproton interactions at very high energies, Prof. B. Shen and his team studying electron-positron interactions at high energies, and Prof. S. Fung and his team studying the interactions of relativistic heavy-nuclei.

I speak with particular pride about our support of such basic research in the high energy physics and nuclear physics which enabled, for example, Professor Kernan and her team to make important contributions to the experiment at CERN which led to the discovery of the long-sought-after intermediate vector bosons—the W and Z particles. These particles are believed to be the carriers of one of nature's four basic forces, the so-called weak force, which is known to be responsible for, among other things, radioactivity. Moreover, scientists believe that the discovery of these intermediate vector particles become the strongest experimental support so far for the unification of two of these forces, the weak force and the electromagnetic force. Therefore it is believed to be the first and the most crucial step toward validating the so-called grand unification theories, which bind together all of the four basic forces, from the force governing nuclear interactions, to the force responsible for the motions of planets and galaxies.

Federal funding for basic scientific research at the universities has, of course, made all this possible. In the past years, the Reagan administration has supported research for particle accelerators and other nuclear physics facilities. This year, however, the level of funding has declined. Operating funds for high energy physics facilities are scheduled to drop from $546 million to $510 million, and as a result utilization of the accelerators will fall to between 55 and 45 percent of capacity. Similarly, nuclear physics funding is slated to decline. This is particularly alarming if the universities are slated to take the brunt of the cuts.

Mr. Speaker, the backbone of our scientific and technological preeminence is our commitment to basic scientific research conducted by universities. This is no less true of our commitment to high energy physics research. I urge my colleagues to consider this as we examine the Department of Energy's basic research budget.

Thank you, Mr. Speaker.●

DR. KENNETH S. CONTE HONORED

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. TORRICELLI. Mr. Speaker, I am honored to call to the attention of the Congress the recognition being extended to Dr. Kenneth S. Conte of Saddle Brook, NJ, for his outstanding community service. On March 3, 1985, Dr. Conte will be the recipient of the "Citizen of the Year" award presented by the Saddle Brook Chapter of UNICO.

Dr. Conte is the son of Mrs. Josephine "Pep" Conte and the late Daniel P. Conte. He and his brother, Dr. Daniel P. Conte have fulfilled the lifelong dream of their father by practicing medicine in their home community of Garfield, NJ, in a building designed by him.

Dr. Conte is a graduate of Villanova University where he received his baccalaureate degree. His medical degree was obtained in 1970 from the University of Health Science, College of Osteopathic Medicine in Kansas City, MO. He is presently board certified in general practice and chief of the medical staff at Saddle Brook General Hospital. Dr. Conte is also the attending physician at the Bergen County jail.

Throughout his many years of civic involvement, Dr. Conte has been active and supportive to many organizations. He is a past examining physician of the Garfield Junior Boilermakers and has long been the organizer of the first free medical clinic for senior citizens for the past 10 years. Dr. Conte is a past member of the Garfield City Council, serving two terms of office, during which time he served in the capacity of deputy mayor, councilman, member of the planning board and member of the board of school estimates.

Dr. Conte is respected by his friends and family as a compassionate and understanding individual. He exemplifies the UNICO motto, "Service Above Self." He is truly deserving of the honor being bestowed upon him.●

A SALUTE TO VIC McCLELLAND

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. CHAPPIE. Mr. Speaker, I would like to pay tribute today to an outstanding gentleman named Vic McClelland. This March Vic will retire from the California Department of Forestry after 30 years of service. I speak for all northern Californians when I say that Vic's presence will be sorely missed.

For the past 30 years Vic McClelland has dedicated his services as a State forest ranger. Those of us who know Vic are fully aware that he has earned the respect and affection of the entire forest service community through his leadership, dedication, and deep concern for people and the environment we live in.

Mr. Speaker, I wish to honor the work that Vic McCelland has done for the State of California, and join the many others in wishing Vic and his lovely wife, Janet, the very best.●

PATRIOTISM DAY AT MOULTRIE MIDDLE SCHOOL

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. HARTNETT. Mr. Speaker, today, February 22, 1985, I was vividly reminded that love of this great country is not dying, nor is it restricted to the older segment of our population.

This morning, in a moving culmination of its celebration of National Patriotism Week, Moultrie Middle School, located in my district, presented one of the most enjoyable programs I have ever attended. In an hour long celebration, these young people praised America in music, song, dance, poetry, and a most impressive display of love and respect for our country.

In my 21 years of public service, I have never been more impressed by any assembly.

The continued greatness of America is guaranteed by the obvious devotion of young people such as those who attend Moultrie Middle School in Mount Pleasant, SC. They are truly America's patriots of today and tomorrow.●

AUTHORIZE USE OF BRIDGE REPLACEMENT FUNDS

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. ANTHONY. Mr. Speaker, I am introducing legislation to authorize the use of bridge replacement funds for ferry replacement, as well as bridge replacement. This is not provided for under current law, and it is basically an oversight which needs to be corrected.

In Arkansas, there are four autoferries still in operation which have not been replaced by bridges or where bridges are not now under construction. These are: First, Moro Bay ferry on the Ouachita River in my district; second, Spring Bank ferry on the Red River in my district; third, Guion ferry on the White River in Representative BILL ALEXANDER'S district; fourth, Peel ferry on Bull Shoals Lake in Representative JOHN PAUL HAMMERSCHMIDT'S district.

This legislation would not involve additional outlays above what would otherwise be made available for bridge replacement. It would only give to the States the option to utilize part of their bridge replacement funds to replace ferries.

Passage of the legislation is a high priority of the Arkansas State Highway Commission and would enable more modern transportation services in Arkansas and in other States where ferries now exist.●

TRIBUTE TO MARION MARSHALL

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to one of the San Fernando Valley's most distinguished senior citizens, Marion Marshall.

She is being honored today by the San Fernando Valley Interfaith Council Aging Services Committee for her dedication to the needs of our community.

Marion has been involved in the education field with special emphasis on gerontology and intergenerational programs both as a professional and as a volunteer. Her most recent honor was accorded by the Western Gerontological Association for her leadership in the education of older adults and professionals in the field of gerontology. She is also a senior member of the WGS board of directors.

I am especially pleased to ask the Members to join the interfaith council in expressing its admiration for Marion Marshall since I have had the honor of her valuable counsel as both a senior intern in my Washington office and as a member of my senior advisory committee.●

THE BRUNSWICK BLUE DEVILS TRAVEL TO WASHINGTON

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. PEASE. Mr. Speaker, I wish to pay tribute to the Brunswick Marching Blue Devils. On less than 3 weeks notice, this 200-member organization raised over $40,000 from a community with less than 25,000 people in order to make their trip to the 50th inaugural possible. While the weather stopped paraders, it did not stop the Marching Blue Devils from marching through the streets of Washington. As the only band to march on Monday morning, they even appeared on national television. On Friday night, they performed on the Elipse behind the White House in concert formation at the inaugural festivities.

Their drive and ambition has led them to a long record of winning achievements in State competitions. The support of parents, administrators, and the spirit of these young people is to be admired.●

KIDNAPING REFORM ACT

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. LOWERY of California. Mr. Speaker, each year hundreds of thousands of children disappear. Many of these innocent children are kidnaped. Legislation, which I am introducing today will address this growing national epidemic.

While many return home safely, thousands are exposed to serious danger, exploitation, and even death. The criminal and sexual exploitation of children is a growing epidemic confronting families, communities, and the agencies of our criminal justice system.

Mr. Speaker, no one is certain of the exact magnitude of the problem, but the National Center for Missing and Exploited Children estimates that at least 1,500,000 children are missing from their homes each year. Additional estimates of the number of children who are the victims of noncustodial parental kidnaping vary from 25,000 to 500,000. The estimated number of children abducted by unknown individuals ranges from 4,000 to 20,000. Finally, between 20,000 and 50,000 children disappear each year whose cases remain unsolved.

Unbelievably, although the number of kidnapers convicted in U.S. courts increased 57 percent from 1983 to 1984, the percentage of those imprisoned actually decreased from 100 percent to 64 percent. Furthermore, the average sentence in 1984 was only 14 years.

Legislation I am introducing, the Kidnaping Reform Act, addresses this grave and incredible situation by substantially reforming the Federal statutes with respect to the kidnaping of minors.

This measure makes two major changes in Federal criminal kidnaping statutes. First, it requires mandatory minimum 10 year sentences without probation for those adults convicted of kidnaping children that are not related to them or who are not in their legal custody. The convicted kidnaper must serve at least 5 years before being considered for parole.

Second, the bill requires a mandatory life sentence for those who kidnap and seriously abuse the child-victim. According to the measure, if the convicted kidnaper in any way sells the child, sexually abuses the child, uses the child for pornography, intentionally denies the child food or medical care to a life-threatening extent, intentionally harms the child to a life-threatening extent, or causes the child to be subjected to any of these activities by another person, then the bill will require a mandatory life sentence without probation. The convicted kidnaper must serve at least 20 years before any parole can be considered.

Again, any parent, grandparent, brother, sister, aunt, uncle, or anyone having legal custody of the victim will not be affected by these mandatory minimum sentences. If any of these individuals should be convicted of kidnaping in a U.S. court, current law will apply—providing for any sentence of years up to and including life.

Clearly, Mr. Speaker, this legislation is only a small first step toward addressing America's growing epidemic of child abduction. However, I am sure you will agree that it is a necessary first step to restore justice. I am sure my colleagues agree that those who sexually abuse or otherwise harm children should not go free. I encourage my colleagues to join me in supporting the Kidnaping Reform Act.●

A SALUTE TO JOHN C. COLSON

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. STOKES. Mr. Speaker, thank you for providing me with this opportunity to salute Mr. John C. Colson,

the recipient of the "Good Joe of 1985" and the "Cleveland Society Heritage" awards. Mr. Speaker, these awards are the highest honors bestowed upon individuals by the Cleveland Society, Inc. The awards are given for fostering the cultural heritage of Poland and promoting the principles of American citizenship. Mr. Colson will receive his awards at the society's 23d annual banquet on Saturday, March 16, 1985, in Cleveland.

At this time, Mr. Speaker, I would like to share some of the details about Mr. Colson's involvement in the community through the years.

A native of Cleveland, John Colson attended both Western Reserve University and the University of Cincinnati. After a 3-year stint in the U.S. Army Air Corps, Mr. Colson returned to Cleveland. Until he retired 4 years ago, John Colson was employed with the McNeil Corp.

In addition to his managerial position with that corporation, Mr. Colson was an active member of the following professional organizations: Cleveland Engineering Society, the American Society of Tool Engineers, the society of Manufacturing Engineers and the American Institute of Management.

Mr. Speaker, John Colson has amassed numerous achievements not only in his association with the McNeil Co. but also through various civic organizations. He has served as the president, vice-president and recording secretary of the Cleveland Society of Poles. Currently, he is the chairman of the membership committee.

Additionally, John Colson has served as the board chairman and trustee of the Marymount School of Practical Nursing.

Mr. Speaker, John Colson has made an indelible mark on not only the Polish community in Cleveland but also on people from all walks of life. For his numerous contributions to civic, religious, and community groups, it is a pleasure to join with the Cleveland Society, Inc., in saluting Mr. John C. Colson.●

SAVE THE JOB CORPS

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. ADDABBO. Mr. Speaker, the unemployment rate among our youth is over 20 percent in every area of the country. Many of these are disadvantaged youth who have specialized employment problems. For the last 20 years the needs of these young adults have been met, in part, through the operation of the Job Corps. As my colleagues are aware, the Job Corps, now a part of the Job Training Partnership Act, provides intensive training for this "at-risk" population by contracting with private organizations. In many cases youth are housed in residential training centers around the country. At any one time 43,000 youths are served, with many more thousands helped in a year, and hundreds of thousands placed since the program's inception.

These statistics alone, however, do not tell the whole success story of the Job Corps. According to the Department of Labor over 82 percent of those leaving the Corps found jobs in the private sector, were admitted to an educational institution for further study, or successfully entered the armed forces. Other independent studies have shown that in some areas of the country as many as 98 percent of the graduates have found permanent jobs after graduation.

All this has been accomplished with little actual cost to the Government. It has been held, for instance, that $1.40 is returned to society for every Federal dollar spent in the program. In addition, graduates earn, on the average, 15 percent more per year than those who did not have the advantage of participating in the corps.

With all this in mind, how can we possibly justify the administration's proposed elimination of the program? We are told that the Job Corp will be cut simply because it costs too much per participant. I wonder if anyone in the executive branch has bothered to figure out what it would have cost the Government if the estimated 1.2 million disadvantaged youth who formed the Job Corps over the last 20 years, and are now productive members of society had wound up on our welfare rolls instead. I wonder if the executive branch has been bothered to consider the costs to the Nation's future and to individual morale if these youths were not given the opportunities provided them by the program. I think not.

We who know better, well recognize that you don't get something for nothing in this world. Over the last 20 years the Job Corps has given American youth something and we owe it to them and to ourselves to see that the administration's request for nothing does not stand. I urge my colleagues to talk to corps graduates in their districts, visit ongoing corps centers, and investigate for themselves the true value of the Jobs Corps. I think they will find, as I did, that it's worth more than money can buy.●

HIGH-TECHNOLOGY GROWTH

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. AuCOIN. Mr. Speaker, High-technology growth has been the road to recovery in many States still climbing out of the recession. For my State, Oregon, this has been particularly true. The first seedlings planted along the Sunset Highway west of Portland have now thickened to a silicon forest, providing new jobs and payrolls in a State whose traditional industries, timber, agriculture, and fishing, are still on wobbly legs.

Our educational system has now expanded to include a high-tech curriculum. Computer science has become one of the most desirable majors in the State colleges. Courses are so popular that students are often forced to wait a number of terms before they are accepted into the classes they need to fulfill graduation requirements.

I've seen firsthand the positive impact of high-technology growth. This industry provides a wide-open job market for those students educated in math, engineering, and related sciences.

This is one reason why I have jointly introduced the High-Technology Research and Scientific Education Act. Among other things, this bill offers tax credit incentives to corporations for their donations of cash and equipment to colleges and universities. For schools, this means more money and better equipment for basic research and classroom instruction. For the corporations, it means a skilled and educated work force to meet their needs. I can't think of a better situation for either party.

I'm submitting for the RECORD an article by David Broder that appeared in the Washington Post. I hope that my colleagues will keep this success story in mind as they reach a decision on the High-Technology Research and Scientific Education Act.

[From the Washington Post, Feb. 24, 1985]

OREGON'S TRAIL: TIMBER TO HIGH TECH

(By David S. Broder)

DALLAS, OR—Robert L. Praegitzer, a burly, middle-aged manufacturer, is an unlikely symbol of a revolution.

But Praegitzer stands at the leading edge of a movement that is transforming this forest state, reordering its economy and politics in ways that will echo here and nationally for years.

A former sawmill owner who produces electronic circuit boards, he has moved in four year from timber to high tech, heavy industry to light, wood chips to microchips. So has the state.

And what is happening here in Oregon is, in turn, a tiny part of a national upheaval, as dozens of states and communities find their politics shaken by fundamental changes in their economic bases.

Last Friday the Oregon House of Representatives voted to institute a state sales tax. The votes had rejected a sales tax six times before, but the growing high-tech industry badly wanted one. That is only one of dozens of examples around the nation of the dramatic ways in which the changing economy is altering governmental policies and shifting political power.

From the booming Dallas-Fort Worth Metroplex, where newly arrived young Republicans are unseating established Democratic officeholders, to the small college towns of once safely Republican Vermont, where a new Democratic Party is taking root, the forces of change are visible.

They can be seen at the plant Praegitzer has built on the outskirts of this tiny Willamette Valley town.

Praegitzer, 53, started working in a sawmill at 14 and had his own portable mill by 21. But in the late 1970s, with inflation leading to "crazy bidding" for timber rights and soaring interest rates crippling the construction market, Praegitzer got out of the business.

In 1981, two years after he closed his mill, he and a California partner opened a plant here to manufacture electronic circuit boards. He now employs 105 people—almost as many as he had working for him at the height of his lumber operations. Not one is a carry-over.

The change in Praegitzer's business is directly related to the events Friday in nearby Salem, where the state house passed a bill to give Oregon a 5 percent sales tax as part of a massive restructuring of the revenue system designed to attract new jobs and industry. The sales tax, which has been rejected six times in the past by the voters, passed the Democratic-controlled house 39 to 21, with the endorsement of Republican Gov. Victor G. Atiyeh, who in the past had been as adamantly opposed to it as most Democrats were.

A key to its passage was pressure from the high-tech industry, which wanted relief from high income tax rates and sought a more stable source of school financing than the property tax provides.

It is another sign of the new era in Oregon. In the late 1960s and early 1970s, this state was riding an economic boom. Population jumped by one-sixth between 1965 and 1975. Gov. Tom McCall (R), in office during most of that decade, epitomized Oregon's efforts to slow its growth. McCall went on national television to say, "Come visit, but for God's sake, don't stay."

But even then, technological advances in the timber industry and the shift of its operations to the Southeast were reducing employment in the forests and mills. The severe economic cycles that climaxed in the 1981–82 recession knocked out any complacency in Oregon. Between 1979 and 1982, 26,000 lumber and wood-products jobs were lost. In 1982 and 1983, Oregon's population fell 65,000.

That trend turned around in 1984, but the comeback in lumbering has been spotty. A study in mid-1984 found that fewer than half the lumber and wood-products jobs lost during the recession had been restored. Praegitzer says that "a lot of the woods and mill jobs we've lost, we'll never get back."

Fortunately for Oregon, the decline in the lumber industry has coincided with the rise of a high-tech industry, centered largely in Washington County, just outside Portland, where in 1946 Howard Vollum and Jack Murdock started a garage operation that has grown into Tektronix, an electronics giant employing 15,000 in Oregon.

Tektronix has spawned dozens of offshoots, run by former "Tekkies," and these firms have filled the flanks of the Sunset Highway and the "Silicon Forest" and are spreading down the I-5 corridor running south to Eugene. Overall employment in the industry is estimated at 40,000 jobs (compared to 63,000 in lumber and wood-products). The Oregon Employment Division has estimated that three major segments of high-tech electronics will add more than 24,000 jobs in the 1980s. Some consider that estimate modest.

There are concerns that the state may be split into two sectors, one expanding and the other declining. "The unemployment rate in the Portland area's three counties is 7.5 percent and stabilizing," Julie Tripp of the Portland Oregonian wrote. "The rate in Oregon's other economy is 4 points higher, and in many counties, climbing." In some lumber-dependent areas, year-end unemployment topped 20 percent.

A parallel concern is that the shifting economic base may force many people from high-wage to low-wage jobs. A mid-1984 legislative report warned that "the declining numbers of 'family wage' jobs" constitute "a threat to Oregon's economic health." It said "60,000 of the 75,000 jobs Oregon lost to the recession were in industries paying an average wage of more than $10 an hour . . . [But] Oregon's recovery has been fueled primarily by growth in services and retailing industries with average wages between $5 and $6.50."

There is debate about how serious these economic threats are. Praegitzer, for example, says he starts his circuit-board employes at $3.50 an hour "but within a couple years, they're making $15,000 a year. My sawmill people made more an hour, but not in a year, because these people are working regular."

As for the "two economies" fear, such high-tech executives as C. Norman Winningstad, president of Floating Point Systems, a Tektronix spinoff, say they think that in time the high-tech industry will spread into more of the state.

Part of Oregon's high-tech growth comes from people and companies moving out of California's high-priced, densely packed Silicon Valley. Both Winningstad and Thomas H. Bruggere, president of four-year-old Mentor Graphics, are Californians who worked for Tek before starting their own firms. Both have emerged as spokesmen for the high-tech industry in reshaping Oregon's economic policy toward expanding the electronic job pool.

The impact can be seen clearly in the related areas of taxation and education policy. High-tech lives off education facilities; Stanford University's engineering school virtually spawned Silicon Valley. Tek's birthplace in Washington County was in that sense an anomaly, for there was no first-class university nearby. But the industry is forcing the state to fill the vacuum. Although Oregon State University in Corvallis, 80 miles south of the main high-tech center, traditionally has been the locus of engineering studies, Portland State has been adding courses. The high-tech firms have organized a privately financed graduate center in computer sciences to allow a handful of their people to work for advanced degrees.

This year Portland Community College President John Anthony took the lead in creating a "higher-education shopping center" on his Washington County campus—where 13 public and private colleges are offering regular courses in business, computer sciences, technology and education. Started five months ago, it has some 420 students in about 20 undergraduate and graduate courses.

Anthony said high-tech industry enthusiasts envision it developing into a major education center, offering doctoral degrees and sponsoring research.

Meanwhile, the more pressing concern of maintaining and improving the quality of basic education in the state puts the high-tech people into the middle of the legislature's tax fight. They got their feet wet last summer, in a special session that repealed the state's unitary tax—a tax on worldwide operations of multinational companies. The reward for Oregon from that action was a rush of Japanese investment—some designed to send a message to neighboring California, which has a unitary tax.

Many high-tech leaders were also active in the fight that narrowly defeated a Proposition 13-type property tax rollback on the ballot in November. Bruggere of Mentor Graphics flew around the state warning that "if we cut the property tax, we will decimate education, and education is essential for expanding our business." Winningstad says, "When we are recruiting people, the best thing we can tell them is that we have excellent schools from kindergarten through the 12th grade and their kids won't have to knife-fight their way through the halls."

This year, the Oregon council of the American Electronic Association, representing 88 major high-tech firms, played a lead role in lobbying for Friday's house passage of a sales tax. Much of the revenue gained from the 5 percent tax would be devoted to property tax abatement, thus providing a more stable financial base for public schools. Another chunk would go toward reducing the state income tax, one of the stiffest in the nation. And that, too, Bruggere and Winningstad said, would attract high-tech entrepreneurs.

The sales tax vote displayed not just the growing influence of the high-tech industry but the relative power loss of the timber industry and organized labor. Timber officials helped block a sales tax from getting to a referendum vote in 1983. This year, seeing the way the cards were stacked, they agreed to back it in return for a reduction in their severance tax.

Organized labor faced a tougher situation: Irv Fletcher, president of the Oregon AFL-CIO, said his organization has "opposed the sales tax since 1933" as being regressive. But labor is reeling in the state, its membership down almost one-third in the past five years, as unionized lumber and construction jobs have been replaced by nonunion high-tech manufacturing and service jobs.

While complaining that "all these legislators want to do is give tax breaks to nonunion employers," Fletcher fought with his executive board and gained permission to negotiate on the terms of the sales tax proposal. If the sales tax passes the state senate, there will be a public referendum on it. The labor federation plans to hold a convention to decide its final stand on the issue if it reaches the referendum stage.

But there is no question that the strong trend in the Democratic Party is to accommodate the perceived needs of the fastest-growing industry, high-tech. As Winningstad, an active Democrat, said, "The Democratic Party here has traditionally been dominated by labor; it was the major source of funds. But the old-line Democratic politicians who represent the labor position have lost their voice in the state legislature."

The high-tech industry's political action committee gave its biggest contribution in 1984 to Vera Katza, a Portland legislator who won a 101-ballot battle to become speaker of the house and who stacked the house Ways and Means Committee to assure passage of the sales tax.

The industry was also persuasive, Salem observers say, in getting Gov. Atiyeh to drop his long opposition to the sales tax and become a major proponent.

On other issues, however, high-tech has reinforced progressive and even liberal tendencies that came to dominate Oregon politics in the McCall era. Unlike the timber industry, high-tech prizes the state's tough environmental and land-use controls. Easy access to unpolluted beaches and unscarred ski slopes is a major lure to high-tech executives and workers.

While the timber companies have often sought protection against foreign competition and, in many cases, been slow to adapt to export markets, the high-tech people are a major force behind the state's increasing interest in developing trade, particularly with Japan and China.

They also support the flurry of local economic-development plans spurred by last year's passage of a state lottery, which will funnel an estimated $40 million a year into attracting new jobs.

Some cities, like McMinnville, which saw the lumber mills pull out as long ago as the 1950s, are ahead of the game in economic development, with a Hewlett-Packard plant in town and diverse small industries in two industrial parks. But most are only now getting into a serious search for replacement of the diminishing lumber jobs.

Praegitzer, who has made the transition, said, "I don't see any reason the state can't make this kind of shift. I know a lot of high-tech people in California who want to come here to get out of the rat race. The ones that move here really like it. They even like the rain."●

SARAH CANGIALOSI NAMED "WOMAN OF THE YEAR"

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 27, 1985

● Mr. TORRICELLI. Mr. Speaker, I am honored to call to the attention of the Congress the recognition being extended to Ms. Sarah Cangialosi for her outstanding community service. On March 2, 1985, Sarah Cangialosi will be the recipient of the "Woman of the Year" award presented by the Italian-American Forum of Lodi, New Jersey.

Sarah Cangialosi is a dedicated and hard-working member of the Italian-American Forum of Lodi. Although she is only 20 years old, Sarah has become a respected member of the community and one whom other young people can look to for guidance.

Sarah's hard work and fundraising activities have enabled the Italian-American Forum of Lodi to prosper and grow. Fortunately, Sarah's fundraising activity does not end there. She recently raised $2,000 for the needy people of Ethiopia.

Sarah Cangialosi is respected by her friends and family as a compassionate and understanding individual. She is truly deserving of the honor being bestowed upon her and I am proud to join her friends and family in recognizing her many accomplishments.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 28, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 1

9:00 a.m.

Armed Services

To resume hearings on the status of the unified commands.

SR-222

Commerce, Science, and Transportation

To hold hearings in conjunction with the national ocean policy study on the Pacific Salmon Treaty implementing legislation.

SD-562

Energy and Natural Resources

To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Forest Service (Department of Agriculture), U.S. Synthetic Fuels Corporation, and the Federal Energy Regulatory Commission (Department of Energy).

SD-366

10:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, and Departmental Management, all of the Department of Labor, and the President's Committee on Employment of the Handicapped.

SD-116

Environment and Public Works

Business meeting, to continue markup of S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (Public Law 96-510).

SD-406

2:00 p.m.

Armed Services

Strategic and Theater Nuclear Forces Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the Department of Defense, focusing on strategic defense initiatives.

SR-222

MARCH 4

10:00 a.m.

Energy and Natural Resources

To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of Energy.

SD-366

MARCH 5

9:30 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Agriculture.

SD-124

*Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Secretary of Health and Human Services.

SD-116

*Judiciary

Immigration and Refugee Policy Subcommittee

To hold hearings on proposed legislation authorizing funds for the Immigration and Naturalization Service, and to review those programs administered by the INS.

SD-226

Select on Intelligence

To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.

SH-219

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Army.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Highway Administration, Department of Transportation, and the Panama Canal Commission.

SD-138

10:30 a.m.

Finance

Business meeting, to review those items in the President's budget for fiscal year 1986 which fall within its legislative jurisdiction in preparation for making its recommendations to the Committee on the Budget.

SD-215

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

Commerce, Science, and Transportation
To hold hearings on the nominations of Carol G. Dawson, of Virginia, to be a Commissioner of the Consumer Product Safety Commission, and Mary L. Azcuenaga, of the District of Columbia, to be a Federal Trade Commissioner.
SR-253

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SR-219

MARCH 6

9:00 a.m.
Veterans' Affairs
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the Veterans' Administration.
SR-418

Office of Technology Assessment
To hold a general business meeting.
H-227, Capitol

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Commerce, Justice, State, the Judiciary and related agencies.
S-146, Capitol

Foreign Relations
To resume hearings to review U.S. policy in a global economy.
SD-419

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Edward J. Philbin, of California, to be a Federal Maritime Commissioner.
SR-253

Judiciary
To resume hearings on S. 172, to provide a cause of action to cities to prevent professional football teams from abandoning them for more profitable locations, and to provide limited antitrust immunity to joint action of those teams engaged in professional football, and S. 298, to clarify congressional intent regarding the application of antitrust laws to certain types of major sports leagues practices and decisions.
SD-226

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

11:00 a.m.
Select on Indian Affairs.
To hold hearings on S. 277, authorizing funds through fiscal year 1989 for Indian health care programs.
SD-106

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings to review proposed regulations that require individuals to maintain certain records for business vehicles if they want to deduct the business expenses associated with the use of a vehicle from their taxes.
SD-138

Judiciary
To hold hearings on pending nominations.
SD-226

MARCH 7

9:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on foreign assistance programs.
SD-138

Small Business
To resume hearings on S. 408, authorizing funds for fiscal years 1986, 1987, and 1988 for the Small Business Administration.
SR-428A

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on proposals to revise American farm policy.
SD-G50

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navy.
SD-628

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of Energy.
SD-192

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings to review a recent report on international narcotics.
SD-430

2:00 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings on proposals to revise American farm policy.
SD-G50

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the strategic petroleum reserve, and the Office of Emergency Preparedness.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Transportation Safety Board, and the St. Lawrence Seaway Development Corporation, Department of Transportation
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Labor Relations Authority, Administrative Conference of the United States, Advisory Committee on Federal Pay, U.S. Tax Court, and the Committee for Purchase from the Blind.
SD-116

MARCH 8

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Environment and Public Works
To resume hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Army Corps of Engineers.
SD-406

Judiciary
To hold hearings on proposed interstate compacts allowing for the regional disposal of low-level radioactive waste.
SD-226

MARCH 12

9:30 a.m.
Judiciary
Administrative Practice and Procedure Subcommittee
To hold oversight hearings on the farm credit crisis.
SD-226

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Veterans of Foreign Wars.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agricultural Research Service, Cooperative State Research Service, Extension

Service, and the National Agricultural Library, Department of Agriculture.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the United Nations, focusing on voluntary contributions to international organizations and programs.
SD-192

10:30 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on solar and renewable and energy research.
SD-192

MARCH 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Bureau of Standards.
SR-253

Judiciary
Constitution Subcommittee
To hold hearings on certain issues promoting affirmative integration.
SD-226

10:00 a.m.
Commerce, Science, and Transportation
Business, Trade, and Tourism Subcommittee
To hold hearings on S. 374 and S. 193, bills authorizing funds for the U.S. Travel and Tourism Administration, Department of Commerce.
SD-G50

Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international security assistance programs.
S-126, Capitol

MARCH 14

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration, and to hold oversight hearings on the Department of Transportation's Office of Commercial Space Transportation.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the U.S. Trade Representative, Japan-United States Friendship Commission, Federal Trade Commission, and the Civil Rights Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Crop Insurance Corporation, and the Rural Electrification Administration, Department of Agriculture.
SD-124

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Aeronautics and Space Administration.
SD-192

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on nuclear fission, commercial waste management, and uranium enrichment.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury.
SD-116

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

MARCH 19

9:00 a.m.
Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on the aviation computer reservation system.
SR-253

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the Earthquake Hazard Reduction Act (P.L. 98-241).
SD-G50

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on proposed asbestos claims facilities.
SD-430

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Peace Corps, the Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the land and water conservation fund.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Elections Commission, Advisory Commission on Intergovernmental Relations, Merit Systems Protection Board, Office of Special Counsel, and the National Archives and Records Service.
SD-116

MARCH 20

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
334 Cannon Building

9:30 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Commerce, and the International Trade Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the American Battle Monuments Commission, Army cemeterial expenses, Office of Consumer Affairs (Department of Commerce), and the Consumer Information Center.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on media efforts to deglamorize drug abuse.
SD-342

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Export-Import Bank of the United States.
S-126, Capitol

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

MARCH 21

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SR-428A

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 100, to provide for a uniform product liability law.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Neighborhood Reinvestment Corporation, National Credit Union Administration, Office of Revenue Sharing and the New York City loan program (Department of the Treasury), Federal Home Loan Bank Board, and the National Institute of Building Sciences.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Washington Metropolitan Area Transit Authority, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Personnel Management.
SD-116

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the maritime administration, and S. 102, authorizing funds for fiscal year 1986 for the maritime construction differential subsidy.
SD-628

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
SD-192

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy conservation programs.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 25

9:30 a.m.
Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on a proposal to reform the current system of Federal funding for graduate medical education.
SD-430

MARCH 26

9:30 a.m
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the implementation of the Stevenson/Wydler Technology Innovation Act (P.L. 96-480).
SR-253

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Farmers Home Administration, Department of Agriculture, and the Farm Credit Administration.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary, Financial Management Service, Bureau of the Public Debt, U.S. Mint, U.S. Savings Bonds Division, all of the Department of Treasury, and the U.S. Postal Service.
SD-116

MARCH 27

9:00 a.m.
Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, and refugee programs.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Board for International Broadcasting, Arms Control and Disarmament Agency, and the Federal Communications Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for foreign assistance programs.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Selective System, Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

MARCH 28

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the National Science Foundation.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Executive Office of the President, and the Internal Revenue Service, Department of the Treasury.
SD-116

APRIL 1

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 2

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office of Civil Rights, Office of Inspector General, National Institute of Education, and Bilingual Education, all of the Department of Education.
SD-116

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food for Peace Program (P.L. 480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

9:00 a.m.
Appropriations
*Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including vocational and adult education, education for the handicapped, rehabilitation services and handicapped research, special institutions (including Howard University), and education statistics.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Secret Service, Bureau of Alcohol, Tobacco and Firearms, and the Federal Law Enforcement Training Center, all of the Department of the Treasury.
SD-124

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 16

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Customs Service, Department of the Treasury.
SD-124

APRIL 18

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, U.S. Postal Service, and General Government programs.
SD-138

APRIL 24

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, educational research and training, and libraries.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

APRIL 25

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

10:00 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Management and Budget, including the Office of Federal Procurement Policy.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Mediation Board, OSHA Review Commission,

and the Federal Mediation and Conciliation Service.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

MAY 1

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the General Services Administration.
SD-138

MAY 2

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:30 a.m.
*Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

SENATE—*Thursday, February 28, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of peace, tension is never pleasant, but we realize there could never be music without it. Strings must be taut if the instrument is to make music. We thank You for the tension which our forebearers built into the Constitution with its three branches of government, its checks and balances which protect against unilateral domination. We are grateful, also, our Father, for the tension that is inescapable in two-party politics, and we are grateful for the strength and protection which it provides.

But we know, also, Father, that too much tension produces discord and ultimately breaks that which produces the music. Please God, do not allow that to happen here. Do not allow the specter of 1986 to impose tension to the breaking point. Dispel any pressure which is not endemic and healthy for our political system. Dear God, help us to make music together—the music of truth and justice and peace. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders will have 10 minutes each. Following that, there are special orders, not to exceed 15 minutes each, for the Senator from Wisconsin [Mr. PROXMIRE] and the Senator from Colorado [Mr. HART], to be followed by routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following morning business, the Senate will turn to any legislative or executive calendar item cleared for action. Therefore, there is a possibility of rollcall votes. I have not checked to see what the practical possibilities are.

I do not believe—in fact, I think it is safe to say—there will be a session of the Senate tomorrow, unless something is reported that we need to address. It is my understanding that the nominations of the arms control representatives have been reported by the Senate Foreign Relations Committee and may be before the Senate next Tuesday.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. DENTON). Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 457, AFRICAN RELIEF BILL, PLACED ON CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent that S. 457, the African relief bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM CREDIT

Mr. DOLE. Mr. President, I wish to take a minute or two to thank all Senators. We have had some fairly active debate and active sessions in the past several days. In my view, the debate generally has been good.

Obviously, there are differences of opinion on what we should do to assist the American farmer. I happen to believe that, with the changes and clarifications reflected by our bipartisan efforts, as contained in the resolution adopted by the Senate last Saturday by a vote of 92 to 0, we have fairly addressed the concerns of the American farmer so far as the so-called credit crisis is concerned.

Now that the battle is over, I again state, so that nobody will misunderstand, that there is no cap on debt restructuring. It is not $650 million. It is whatever it takes to get the job done for the American farmer

There will be adequate resources for direct operating loans from the Farmers Home Administration. The administration, notwithstanding the Senate action on amendments last evening, will implement the program. It does cause some problems for any administration because of the uncertainly in case the amendments adopted will finally become law; but, in my view, I think that is highly unlikely.

In any event, the programs are in place. I certainly urge all Senators and others in public policy positions pertaining to agriculture that the American farmer be notified that we have a good program in place.

I assume that if, by some remote chance, the amendments adopted in the Africa relief bill last evening were to become law, they could somehow be implemented. But I say, very honestly, that notwithstanding the sincere intentions of most Senators, there is no likelihood that the advance loan payment, even if it were passed and signed by the President in the next few days, could be implemented in time to help the American farmer so far as spring planting is concerned.

I hope the farmer will understand that we have an effective program in place. I urge him to contact his local or State Farmer Home Administration office, an approved lender, or his private banker, because many farmers are in need of credit. However, I must refer again to an article I placed in the RECORD last night, from Sunday's Omaha World Herald, which reported that a survey conducted by the staff of that newspaper shows that only a very small percentage of farmers did not expect to obtain credit if they needed it. So it may be that this entire matter is a bit overstated.

Obviously, there is a problem, and it should be addressed. But as I indicated yesterday, we should also address the Federal deficit. It is my view that the biggest problems facing farmers are the threat of the deficit, exports abroad, interest rates, and inflation. We can pass all the credit legislation we feel we should, but if the farmer does not get a price for his product, he will be in much worse condition after this year's harvest.

Mr. President, I reserve the remainder of my time.

Mr. BYRD. Mr. President, I want to compliment the Members of the Senate on both sides of the aisle who fought for the passage of the farm legislation which was adopted last evening.

I think it has to be said that the Democratic filibuster on the Meese nomination was responsible for the administration's making any moves at all, to help the farmers who need relief quickly, and I gather that that is not a secret downtown, inasmuch as Mr. Speakes, himself, conceded that,

but for the filibuster, the administration would not have taken the administrative actions that it reluctantly took.

There was a majority in the Senate who felt that even those administrative actions were not sufficient, and that viewpoint prevailed throughout the voting on the various amendments and on the passage of the bill itself.

As to the need for action on the budget deficits, I would be interested in knowing what the situation is in that regard. The administration said that it would send up its budget on February 4, which it did, and we had understood that the majority party in the Senate would develop a budget by February 1 which would put the budget deficits on a downward trend. I have not seen that budget presented as yet, and I am led only to suppose that the majority party is still working to produce a budget that would enable us to begin to see the deficits brought under control.

We on this side of the aisle will be very eager to see that deficit reduction package if and when it is unveiled.

I do not know what the status is, at the moment, of that package, but we are all interested in bringing the budget deficits down and I wait with great interest the presentation of a budget package by the majority whenever it is forthcoming.

Mr. President, I have nothing else at this point.

I ask unanimous consent that I may reserve the remainder of my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

WHY THE FARM CREDIT ASSISTANCE PASSED BY THE SENATE WAS A MISTAKE

Mr. PROXMIRE. Mr. President, the votes yesterday on proposals to ease the cruel credit squeeze on the Nation's farmers were the most difficult votes I can remember casting in this body in many years. I voted against all of these measures. But I congratulate Senators DAVID BOREN, JIM EXON, ED ZORINSKY, JOHN MELCHER, ALAN DIXON, and the others who worked so fervently with them on their victories. These Senators did a remarkable job in pleading the case for the farmer. They deserve a world of credit for success under very tough circumstances. And certainly the Democratic leader, Senator ROBERT BYRD, showed dramatically effective leadership in holding every single Democratic Senator, except this renegade, on every critical vote. Democratic leader BYRD demonstrated, as he has so often in the past what an extraordinary party leader he is.

In view of all this enthusiasm I have for the success of my Democratic colleagues, why did I abandon ship and vote against them? I did so, Mr. President, because I believe they were wrong, seriously and tragically wrong. Here is why:

The most serious problem facing this country today is the massive Federal deficit. If we do not begin to bring the deficit under control this year, this mighty economy of ours will be headed for serious trouble. Already the deficits have had a painful, if erratic, effect on some sectors of the economy. The deficits have kept interest rates higher than they otherwise would be. It has also hurt farmers who are necessarily big borrowers. The overwhelming majority of farmers have to borrow heavily to buy the tractors and corn planters and barn cleaners and milking machines they need to produce their crops while holding their costs down. Credit is their lifeblood. The deficit is sure to squeeze down harder and harder on the supply of that lifeblood as the years go on. Today's credit shortage is a serious problem for farmers. In some cases, it will be fatal for hard-working, highly competent farmers. But the Federal deficit will, over the years, be a much more serious catastrophe and not just because of the high interest rates they will perpetuate.

The deficits have also severely penalized both our export industry and those industries that compete with imports. How? Here is how: The deficits have attracted hundreds of billions of dollars in foreign investments because they have kept American interest rates higher than interest rates in other countries. The Japanese sell their yen and buy the dollar. The Germans sell the mark and buy the dollar. The British the pound, the French the franc. The result: a hugely overvalued dollar. Federal Reserve and Treasury polices of selling the dollar can temporarily restrain its rise in value. But as long as the deficits continue, we can expect a bloated dollar in relation to other currencies.

That, of course, is just plain murder for our exporters. A rise in the dollar by 50 percent—the approximate rise versus Common Market currencies in the past few years—means what? It means that everything we sell abroad suffers a 50-percent markup in price. It means everything we buy from abroad enjoys a 50-percent markdown. Is it any wonder that our trade deficit of $123 billion in 1984 broke all records by almost 100 percent? Isn't it obvious why the Department of Commerce predicts the trade deficit will be even worse next year?

Mr. President, the No. 1 victim of this dramatic currency change is not the steel industry or the auto industry, although they have suffered. It is the agricultural industry. Farm products represent far and away our biggest export. The high dollar is literally killing them. We have lost much of our farm export market to Canada, Argentina, Australia, and even to Western Europe. This is not a catastrophe that struck a few weeks or months ago. This is a problem the farmer has suffered for several years now, ever since our massive Federal deficits became a way of life in 1982.

So the best thing we can do for the farmer is to bring the deficit under control. Until and unless we do that, any kind of temporary credit assistance will simply be a Band-Aid. Yes, indeed, any of us can cite farmers we know, who would be able to stay in business because of emergency Federal credit assistance. I am sure there are thousands. But there are far more farmers who will be crushed in the next several years by the high interest rates and the disappearance of export markets both brought about by the Federal deficits.

So you ask, why can't we bring the deficit under control and help the farmer with his credit problems, too? Why are these problems not independent? Why not do them both? Mr. President, we cannot do them both for the farmer, the homebuilder, the exporter. Members of Congress can either decide to cut Federal spending and bring the deficit under control or they can ignore the deficit and spend whatever Federal money it takes to rescue farmers, home builders, exporters and others. We cannot do both.

How can we expect to hold down Federal spending if the very groups that suffer the most from the deficit call for more Federal spending to help them out. If we say "Yes" right off the bat as the first order of business to the farm credit package, and then say yes to the homebuilders who tell us they want the Federal housing programs continued, and yes to the exporters who are pleading for continuation of direct loans from the Export-Import Bank, how can we then say "No" to any economic group that pleads for congressional relief from recommended budget reductions? After all, the farmers, the home builders, the exporters would be the prime beneficiaries of our bringing the mammoth Federal deficits under control. If we cannot even hold their support, what prospect is there that we can deny other worthy applicants for spending for health, education, job programs, and elsewhere? Of course, we can reduce the rate of increase in military spending. We could cut that request by $13 billion or so. We can hold down foreign aid by perhaps $2

billion. We might bring the space program below the administration's request and $1 billion below the budget. We might succeed in persuading the President to go to the "last resort"—a tax increase. But we will need all of this, if we are to begin to get the real burden off the back of the farmer—the Federal deficit. And we will not get much of it, if we start out with the kind of program that passed the Senate yesterday, a credit bailout that could cost the Federal Government billions. By itself, it will increase the deficit. Far worse, it sets the worst kind of example in giving the green light to the kind of spending for other economic groups, all worthy, all very tough to deny, all having a just and meritorious case, but in aggregate, spelling a deficit that will sink us all.

Mr. President, I ask unamimous consent to have printed in the RECORD an analysis that I have made of each of the measures that were before us and the votes that we cast yesterday.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANALYSIS

Here are the key votes and the reasons for my position.

I. ZORINSKY AMENDMENT—EMERGENCY FARM CREDIT ASSISTANCE

A. Senate approved: 54 to 45 (Proxmire voted "No").

B. Reasons for Proxmire position:

1. legislation would create weeks of delay: regulations and instructions to the local offices would have to be issued to implement the new program (therefore, it would not realistically be operational until April—too late for many farmers);

2. the $100 million of new federal spending for interest buydown is unwarranted: lending institutions, not the farmers, would be the major beneficiaries; and

3. the 110 percent (reduced to 100 percent by this amendment) cash-flow requirement on existing FmHA loans is sound policy and should be continued because it protects the FmHA borrower against unforeseen circumstances such as a poor crop.

II. MELCHER 2ND DEGREE AMENDMENT—SLIGHTLY MODIFIED ZORINSKY

A. Melcher amendment, amending Zorinsky (above), was approved by Senate: 54 to 45 (Proxmire voted "No.").

B. Melcher amendment was identical to Zorinsky, with one exception: under Melcher, FmHA would retain the discretionary authority to require lenders to write off principal or interest on loans that are guaranteed under the debt adjustment program.

C. Why Proxmire opposes amendment: Under Melcher, the bank buys down principal or interest to qualify for federal loan guarantee on restructured FmHA loan, but the government could help in the buydown (thereby opening government to further exposure). Example: if the lender, as a condition of the guarantee, says that it will reduce the interest rate either 1 or 1.5 percent, or 2 percent, then available from USDA would be a matching amount of either 1, 1.5, or 2 percent. (Zorinsky amendment, as originally introduced, had a provision eliminating the administrative requirement that a lender must write off principal or interest as a prerequisite to securing the FmHA loan guarantee).

III. GRAMM AMENDMENT—ANTIDEFICIT INCREASE AMENDMENT

A. Gramm Amendment defeated by Senate: 43 for Gramm but 55 opposed (Proxmire voted for Gramm Amendment).

B. What Gramm Amendment proposed: no officer of the federal government shall take action to implement this Act if it results in an increase in the deficit except for Sections 1 through 5 (the African relief portion of the bill).

C. Reasons for Proxmire position:

1. cut the budget deficit, or, at least, do not vote to add to it: key here.

2. budget deficit is biggest enemy of the farmer because it leads to the high interest rates that are killing the farmer; and

3. under the terms of the unanimous consent agreement governing the debate on this bill, amending the part of the bill dealing with African relief was not permitted: so, Gramm not able to make his amendment apply to African relief portion (even though it also adds to deficit).

IV. DIXON AMENDMENT—ADVANCED GOVERNMENT PRICE SUPPORT LOANS

A. Dixon Amendment approved by Senate: 50 to 48 (Proxmire voted "No").

B. What Dixon Amendment provides:

1. applies only to 1985 crop;

2. permits advance to farmer in the spring from the CCC of one-half of what farmer could get from ASCS in the fall after harvest (but with a cap of $50,000 per farmer);

3. Interest rate: 9¾ percent;

4. revenue neutral (Dixon claimed); and

5. farmer must put up security as provided for by USDA Secretary.

C. Reason for Proxmire vote:

1. this is a give-away to farmers who do not need it: it is estimated that only 6 to 8 percent of farmers actually need this assistance yet it is available to all;

2. subsidized loan program is akin to that for student loans: those, at one time, went to all families, regardless of need—same situation applies here;

3. estimated cost: Domenici, Chairman of Budget Committee, estimated that cost would be $4.5 billion at the very least, and more likely, $8 billion;

4. administrative nightmare: a new program, with new regulations and complicated loan processing—doubtful it could be in place in time to help the farmers;

5. this amount to 7.5 months of subsidized loans to farmers, only a small percentage of whom (again, the number is estimated to be 6 to 8 percent of eligible farmers) are in need;

6. could lead to overproduction because farmers will be tempted to plant because of the $50,000 subsidized loan they can get (these are farmers who otherwise would not be planting); and

7. would use up a lot of what is left in CCC fund: $18 billion now in there and this Dixon amendment would account for $4.5 to 8 billion of that sum.

V. FINAL PASSAGE

A. Senate approved bill, as amended: 62 to 35 (Proxmire voted "No.").

B. Reasons for Proxmire "No" vote: because the bill contained the amendments Proxmire had opposed and did not contain the one Proxmire supported (Gramm Amendment).

(Mr. HELMS assumed the Chair.)

HOW CAN THE PROSPECT OF A NUCLEAR WINTER HELP DETER NUCLEAR WAR

Mr. PROXMIRE. Mr. President, would the "clear possibility" of nuclear winter help deter nuclear war? It certainly should. The prospect of nuclear winter should significantly reduce the ranks of those who still believe that a major nuclear war would only differ from a major conventional war in degree. They believe it would be bigger, more deadly, but still a war that would come and go, leave heart breaking casualties. But then the war would end. The United States and other nations would rebuild. Life would go on. Some argue that the superpowers could fight a nuclear war without targeting cities. And indeed the principle deterring effect of nuclear winter would be to help spare the cities as nuclear winter targets, because it is precisely the fires in the cities that would trigger the devastating world wide environmental calamity of darkness and bitter cold with the ensuing catastrophic destruction of the world's food supply. But realists will recognize that the stakes would be so high and rapid-fire decisions so imperative in a superpower nuclear war that no risk, including the risk of all the horrors of nuclear winter would be enough to deter the destruction, including demolition of cities once the war starts. Furthermore, military targets are so close to population centers that millions of civilian casualties would be a certainty and once either superpower suffered urban destruction, it would be likely to retaliate in kind.

So the prime deterrence would have to come at the very beginning before the first nuclear weapons ignited all-out war. And here is where the 85 percent of the world's population living outside either superpower would have the most intense interest. The two superpowers between them have more than 95 percent of the world's total nuclear weapons arsenal. That means that under present circumstances only the superpowers could initiate a war that would be destructive enough to trigger a nuclear winter. So seven out of eight human beings on Earth would be innocent bystanders, condemned through no fault of their own to suffer weeks of darkness, months of cold and years of starvation and death. If the nuclear winter thesis is correct, and our highest scientific authority calls it a "clear possibility," that any superpower initiation of nuclear war for whatever reason would mean a declaration of war on mankind everywhere. Nuclear winter not only would end any hope of saving lives in Russia and the United States through such civil defense techniques as urban evacuation, it means that people innocently living in Switzerland and Norway, in

China and India would perish by the hundreds of millions. They would not die in a few seconds in a spectacular explosion or in a city turned into a blazing furnace. They would slowly starve to death in a prolonged agony as much of the world's food supply perished in the cold and darkness that would encircle so much of the productive Earth.

As the people of the world discover this grim fact, as they begin to understand the direct effect a superpower nuclear war would have on their prospects for life and survival, they—who live in foreign lands—can and will and should make it clear to the leaders of the superpowers that they have a particular interest in preventing nuclear war. The world's population lives or dies depending on the effectiveness of deterrence and arms control. And exactly because these other countries outside the superpowers have this life and death interest in arms control discussions, the United States and Russia should invite countries outside the Warsaw Pact and NATO to play a much bigger part than they have in the past in arms control negotiations. From time to time other nations have called on the superpowers to stop the arms race and to come together to negotiate mutual, verifiable reductions. Too many Russians and too many Americans have ignored such pleas as the caterwauling of international busy-bodies. Some have asked what business is it of nations that would not be a party to the super power arms control agreement to stick their nose in. What business is it of Switzerland or India if our leaders have effective deterrence that are fully understood and respected on both sides? Well, now we have the answer. If a superpower nuclear war develops, there is a clear possibility that most of the people living in India and Switzerland would perish. They would die in complete innocence. They would die without they or their country giving the slightest provocation to either superpower. So yes they have a stake and Americans and Russians have an absolute moral obligation to respect and listen to and do our very best to prevent a nuclear war and save those innocent lives.

THE CHILDREN OF IZIEU: A JEWISH TRAGEDY

Mr. PROXMIRE. Mr. President, Serge Klarfeld, a Paris lawyer, has just released a new book on the children of the Holocaust called "The Children of Izieu: A Jewish Tragedy." This book, which took 12 years to compile, adds a richness of detail to a subject which is sometimes only a distant tragedy.

The book tells the story of 44 Jewish children, ages 3-13, who lived in a children's home in the village of Lyon in France. On April 6, 1944, the Gestapo found and arrested them and took them away to the death camps. Eventually all the children died brutally in the gas chambers of Auschwitz. The only non-Jewish child in the group was released immediately after the others' arrest. This book recreates their lives before their senseless deaths using photographs of the children, letters, birth certificates and accounts of their daily life. The lives of all the children are well documented and therefore the tragedy moves away "from the realm of the abstract evil to that of the wrenchingly particular."

The children's home in Izieu is just one example of the effort made by Jews and non-Jews to save the children during the Nazi occupation of France. This includes the creation of houses in remote French villages that would escape the attention of the Gestapo. Even though the children led close to normal lives, their letters reveal an awareness of the enormous tradegy that could engulf them.

This fascinating book ends with a copy of the telex to the Gestapo headquarters in Paris. It describes coldly and callously the events on the morning of April 6, 1944, when 44 innocent children were prepared for their journey to the death chambers.

This morning, the Jewish children's home, 'children's colony,' at Izieu has been removed. 44 children in all, aged 3 to 13, have been captured. Beyond that the arrest of all the Jewish personnel has taken place, namely 10 individuals, among them 5 women. It was not possible to secure any money or other valuables. Transportation to Drancy will take place on 4/7/44.

This book is just another example of the heinous crime of genocide. A madman robbed 44 innocent children of their childhoods and later their lives simply because they were Jewish. This book is especially significant because it gives these children documented identities. They are not abstract images or simply numbers in a death toll. They are children with personalities, homes, and families.

We must ratify the Genocide Convention this session because it makes genocide illegal and punishable. We must never permit the murder of an entire religious or ethnic group because a madman like Hitler desires its eradication.

There is nothing more sacred than human life and the right to live. I urge the Senate to join me in denouncing the barbaric crime of genocide and helping guarantee the sanctity of human life. I urge the Senate to ratify this important treaty now.

Mr. President, I yield whatever time I have remaining to the Senator from Kentucky.

Mr. FORD. I thank the Senator.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

FARM CREDIT VOTES REBUTTAL

Mr. FORD. Mr. President, I wish to disagree a little bit with the distinguished Senator from Wisconsin, and I appreciate him giving me 5 minutes to disagree with him some.

Mr. President, you know the short term as it relates to helping the farmer is something more than long-term improvement in our deficit as it relates to the Federal Government.

Two or three things happened yesterday as it related to the budget, but funds were already appropriated under the present budget that we are operating. The ability to secure some money in advance for the farmer was somewhat limited to what he could secure in the fall because there is no limit on the amount of money that that farmer could receive if he was under the Federal program. And so we have capped it, $50,000 would be the maximum, at somewhat more than the Federal Government's cost for the money. So the farmer is going to pay that back.

There is human need that I think most of the economists look at as it relates to the farm. I have heard economists say now is the time to go into farm business because land is so low and equipment is selling so cheap at the sales. And you see men in their fifties, sixties, and seventies, breaking down and crying as they watch their life go out over the auction block.

One of the things that disturbed me a little bit is that we talk about defense and yet this is the only country in the world that will not have to import food. I think it is a tremendous defense item that the breadbasket of America is able to produce so much food. Not only can we feed ourselves but we can feed other parts of the world. We could feed our allies and that would become a tremendous military weapon.

The funding in the so-called Dixon amendment is in a revolving fund. It was only a piece of what would be available in the fall and that amount is deducted from the amount that would be available to the farmer after the crop rather than prior to the crop. And paying substantially a smidgen more than it costs the Federal Government to borrow the money indicates that the farmer is paying it back.

The distinguished Senator from Wisconsin amazes me by his physical stamina. I see him jogging and he admonishes me for not doing that and for smoking cigarettes and enjoying life. I hope that I live as long as he does, maybe longer.

I watched him stand on this floor for over 16 hours here a couple 3 years ago so that the farmers and the dairymen of Wisconsin would get more money. It is all right if his people are taken care of, but he does not worry too much about the tobacco farmer in

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Kentucky or the soybean man in Kentucky and other places.

We have to be in a position to help all farmers. And when I vote, I do not always see that that money trickles to Kentucky and not Alabama or some other State or to Colorado or to Arkansas. It goes across the spectrum as it relates to the farmers.

I think what we did yesterday was right. I laid down last night and went to sleep happy because not only had Democrats but also Republicans come together in order to put a package together that in most instances people say will not damage the deficit.

Oh, they are going to talk about billions of dollars, but it is already there. It is already in the fund. You have to sign up in the Federal program before you get the money. And do not say anything about tobacco. We signed up 3 years ago. We are curtailed, we are paying our own way.

The PRESIDING OFFICER (Mr. DENTON). The Chair is obliged to inform the Senator from Kentucky that his time, having been yielded by the Senator from Wisconsin, has expired.

Mr. FORD. I ask unanimous consent to have 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I thank the Chair.

So there is no blockbuster here. There is no budget buster here. We bailed out a lot of folks. It has worked out very well. We did several things in the past that have worked well.

If we do not take care of the farmer, we have got a lot more problems than we would have if Chrysler had not been helped or Boeing had not been helped or New York had not been helped. And we bailed out Continental Bank and we bailed out uninsured deposits, and most of them were foreign and they were in the millions, and I have heard no one stand on this floor and object to that.

Mr. PROXMIRE. May I say to my good friend from Kentucky that I appreciate what he says. I appreciate his contrast in our lifestyles.

May I say by not smoking or drinking, I may not live longer, but it will seem like it.

Mr. FORD. I did not mention any of those.

Mr. PROXMIRE. I know he did not. Let me repeat what I said.

Mr. FORD. Mr. President, who has the floor?

The PRESIDING OFFICER. All time has expired.

RECOGNITION OF SENATOR HART

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized for not to exceed 15 minutes.

SELECT COMMISSION ON NATIONAL SERVICE OPPORTUNITIES ACT OF 1985

Mr. HART. Mr. President, I am today introducing legislation to create a Select Commission on National Service Opportunities. I do so with the hope of generating a debate which will culminate in the adoption by this Congress of a system of national youth service.

In about 3 months, millions of students from high schools and college campuses will be entering adulthood, facing some of the greatest challenges of their young lives. And that is not to include those other young Americans who themselves will not be graduating but will be entering, one way or another, the job market. From schoolyards to student unions to employment offices, they will be asking searching questions about their place in our society.

Will they find fulfilling work, or will they experience prolonged periods of forced idleness? Will they attain social and economic independence, or feel locked out of America's promise of prosperity? Will they be welcomed in the communities where they live, or feel cast adrift in this important time of passage?

I care deeply about this new generation coming of age in America. My son and my daughter are among them. The young people of Colorado, indeed all of America's young people, have a vital stake in how these questions are answered. So does our society. So does our Government.

If these young graduates are seeing a future filled with uncertainty, can any one among us be surprised? In stark statistical terms, we know that official teenage unemployment is about 20 percent and minority youth unemployment is over 42 percent. Economists are describing much of youth unemployment as structural rather than cyclical. Improved economic conditions—even if this recovery lasts—will do little to reduce joblessness.

But the problem they are confronting is larger than diminished job opportunities. It is grounded in the abandonment of values, the abdication of leadership. We once did better by our young men and women in this country.

When young adults came of age in America, our leaders tried to instill bedrock values that united us as a culture. These included: A belief in history and the achievements of the past as a basis for future progress; concern for our families, our fellow citizens, and our fellow human beings; respect for the environment and educational systems; and a belief in deferred gratification, not materialism.

As a society, we transmitted these values because of a fundamental belief in them as keys to our survival. The great educator, Horace Mann, captured this truth when he said:

> Republics, one after another * * * have perished from a want of intelligence and virtue in the masses of people * * * If we do not prepare children to become good citizens; if we do not develop their capacities, if we do not enrich their minds with knowledge, imbue their hearts with love of truth and duty * * * then our Republic must go down to destruction.

Contrast, if you will, those words with the values which are promoted by some current leaders. In a society which believes in delayed gratification, they exalt selfishness and worship the moment. Instead of investments in human talent and our social fabric, they undermine our commitment to educational excellence. Instead of productivity and investment to rebuild our national economic base, they offer consumption and materialism.

These are values which provide neither a compelling vision nor a noble course for the Nation. They suggest a standard for citizenship based on self-interest, materialism and selfishness, and summon forth in our young people no desire to reach for greater goals. They present a primitive picture of citizenship based exclusively on rights instead of a more detailed portrait of duties, obligations, and responsibilities toward the welfare of the American community at large.

I believe that a genuine sense of community and citizenship, which must instill in this next generation, must begin with service to the Nation.

In this century, our leaders have done more than rely on laisez economics to reach out to the young.

Within 1 month of President Roosevelt's inauguration, this proposal for a Civilian Conservation Corps was enacted into law. From 1933 to 1942, a total of 3 million young people transformed the American landscape into more beautiful and productive lands.

Hearing the call of President Kennedy, more than 85,000 volunteers joined the Peace Corps and brought change to the developing world in villages in Africa, Latin America, and Asia.

When President Johnson beckoned the Nation to "search for ways" through which "every young American will have the opportunity—and feel the obligation—to give at least a few years of his or her life to the service of others in the Nation and the world," thousands joined the Job Corps and VISTA.

The young people of this country are waiting for a higher call. The time has come to create a new definition of service for all young men and women—national service.

A program of national service would be based on a series of premises both compelling and essential: That public service will stimulate a national consciousness of our rights and obligations as citizens in this country; that

participants in a program of national service, by drawing on their talents and creative energies, would provide important and needed services to the Nation which would otherwise not be performed; that public service is critical for the educational and personal development of young people; and that public service would help us achieve a measure of integration among young people who come from different backgrounds, different neighborhoods, and income levels than we presently have in this Nation.

To begin anew the debate on national service, I am introducing legislation to appoint a Select Commission on National Service Opportunities. The activities of this Commission—which is empowered by this legislation to hold hearings on national service—will focus the attention of the citizens of this country on the need for national service. The Commission will examine how we can establish incentives and opportunities for our young people to provide useful service to the Nation. The Commission will help educate the administration, the Congress, and our people about the role of national service in helping us meet and deal with the diverse challenges we face—youth unemployment, environmental hazards, the problems of the inner cities, and the like.

I am convinced that some system of national service is vital. But there are a variety of outstanding policy questions that must be resolved before we implement a proposal. Should the program be voluntary or compulsory? How will a civilian service program affect the All-Volunteer Army? How can we solve the massive unmet needs of the country by matching national service program participants to jobs in regions throughout the Nation in a cost-effective manner? What educational or cash benefits should be provided the participants?

During the course of its inquiry, the Commission will be examining these policy questions and recommending solutions to them.

Mr. President, the legislation calls for the appointment of 21 Commission members. It authorizes 11 Presidential appointments, and 5 each at the recommendation of the Senate and House leaders. The Commission will be empowered to conduct hearings and conferences, take testimony and receive evidence. Seventeen months after enactment of the bill, the Commission is directed to report its findings to the Congress. Three months after the Commission report is filed, the President is directed to report to Congress as well, discussing the feasibility of impiementing a system of national service as recommended by the Commission in its report. The legislation authorizes $3.1 million for the Commission's work.

States and localities have already recognized the value of youth service to the community. In Seattle, San Francisco, New York, and Minnesota, programs have been initiated to draw youth volunteers to social and community service. We can build on their success at the national level.

To those who say that Government has no place in teaching a large sense of values to our young people, or helping them find their roles in our economy and as citizens, let me close by quoting Adlai Stevenson. He said of Woodrow Wilson:

He taught us to distinguish between government action that takes over functions formerly discharged by individuals and government action that restores opportunity for individual action.

National service is fully consistent with the finest traditions of our Government, our society, and our selves as a people.

Mr. President, I ask unanimous consent that the text of the bill which I am introducing appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 536

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Select Commission on National Service Opportunities Act of 1985".

PURPOSE

SEC. 2. It is the purpose of this Act to establish a select commission to examine the issues associated with national service and—

(1) to focus national attention on the need for national service, on opportunities which exist for such service, and on alternative types of national service programs which may help the United States to meet a broad range of national and local needs;

(2) to explore and assess alternative methods for providing the people of the United States with the incentives and the opportunities to provide useful service to the community and the United States; and

(3) to provide the President, the Congress, and the people of the United States with an overview and assessment of existing opportunities for national service (including Federal Government, State government, and local government programs) and a series of options for alternative types of national service programs designed to help the United States deal with a number of serious challenges in the areas of youth unemployment, conservation or natural resources, protection of the environment, reconstruction of the inner cities, education, services for older Americans and handicapped individuals, and personnel requirements for a wide variety of Federal, State, and local programs and agencies.

FINDINGS

SEC. 3. The Congress finds that—

(1) national service in a variety of areas represents a vast and essentially untapped resource which can and should be utilized to meet national and local needs;

(2) greater leadership is needed on the part of the Federal Government to encourage the people of the United States to serve and to encourage State and local authorities to provide opportunities for meaningful service;

(3) useful public service is very important for the educational and personal development of young people;

(4) the United States faces numerous challenges which can be better met if we draw upon the creative energies of young people and other individuals through a program of national service; and

(5) a high-level commission is needed to make recommendations to the President and the Congress about the effectiveness of existing national service programs and the costs and benefits of alternative types of national service programs.

ESTABLISHMENT

SEC. 4. There is established a select commission to be known as the Select Commission on National Service Opportunities (hereafter in this Act referred to as the "Commission").

DUTIES

SEC. 5. The Commission shall—

(1) identify existing service opportunities in the public and private sectors of the United States and assess the effectiveness of these opportunities in meeting national and local needs, in building a sense of commitment to the community and the United States, and in instilling in the participants a sense of accomplishment and pride;

(2) identify incentives which encourage, or which are needed to encourage, service in the public and private sectors of the United States;

(3) examine and assess the need for and the desirability, feasibility, and cost of expanding existing service opportunities and incentives and establishing any of the alternative types of national service programs;

(4) identify and examine alternative types of national service programs and assess the relative costs and benefits of such national service programs;

(5) examine the impact of potential changes in the incentives for service, and of various alternative types of national service programs, on existing institutions (including educational institutions, labor organizations, private and public service programs, and Federal youth, jobs, and training programs);

(6) assess the cost effectiveness of both alternative and existing voluntary service programs and the feasibility and desirability of incorporating these programs into a comprehensive national service program;

(7) examine and assess the need for and the desirability, feasibility, and cost of establishing and carrying out a program of mandatory national service;

(8) examine the role of all individuals (regardless of age, sex, income, and education) in existing service programs and in the alternative types national service programs;

(9) identify the ways in which existing service programs and alternative types of national service programs will provide young individuals and other participants with a sense of accomplishment and pride and an opportunity to contribute to the welfare of the society by responding to unmet needs of the community and the United States;

(10) examine alternative ways to furnish educational assistance to participants in national service programs and assess the cost of furnishing assistance in each such way; and

(11) conduct meetings, hearings, and conferences in various regions and localities in the United States to gather the opinions of a wide variety of individuals, particularly young individuals and those individuals and groups most likely to be affected by any changes in existing service programs or the establishment of a program of national service.

MEMBERSHIP, APPOINTMENT, PAY, AND MEETINGS

SEC. 6. (a) The Commission shall be composed of twenty-one members as follows:

(1) Eleven members appointed by the President from among individuals who are broadly representative of private volunteer organizations, secondary and higher education, business, organized labor, the military, social service and civil liberty organizations, Federal, State, and local governments, and groups with a primary interest in service opportunities for youth, handicapped individuals, and older Americans, of which not fewer than three of the members appointed by the President shall be individuals who are not less than seventeen years of age and not more than twenty-five years of age on the date of their appointment to the Commission.

(2) Five members appointed by the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives, of which two shall be Members of the House of Representatives and one shall be an individual who is not less than seventeen years of age and not more than twenty-five years of age on the date of the individual's appointment to the Commission.

(3) Five members appointed by the majority leader of the Senate, in consultation with the minority leader of the Senate, of which two shall be Senators and one shall be an individual who is not less than seventeen years of age and not more than twenty-five years of age on the date of the individual's appointment to the Commission.

(b) If any member of the Commission who was appointed to the Commission as a Member of the Congress leaves that office, he may continue as a member of the Commission until his successor is appointed.

(c) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(d) Members of the Commission shall be appointed for the life of the Commission.

(e)(1) Except as provided in paragraph (2), members of the Commission shall each be paid at a rate equal to the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of the duties of the Commission.

(2) Members of the Commission shall be paid per diem and reimbursed for travel and transportation expenses in connection with the performance of the functions and duties of the Commission as provided in sections 5702 and 5703 of title 5, United States Code.

(3) Members of the Commission who are officers or employees of the United States or Members of the Congress shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(f) Eleven members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(g) Not later than forty-five days after the effective date of this Act, the President shall designate the Chairman of the Commission from among those individuals appointed by the President under subsection (a)(1).

(h) The first meeting of the Commission shall be held not later than sixty days after the designation of the Chairman pursuant to subsection (g). The Commission shall meet at least once each three months after its first meeting. The date and time of all meetings of the Commission shall be at the call of the Chairman or a majority of its members.

EXECUTIVE DIRECTOR AND STAFF

SEC. 7. (a) The Commission shall have an Executive Director who shall be appointed by the Chairman of the Commission and who shall be paid at a rate determined by the Chairman. The rate of pay may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(b) Subject to such rules as may be prescribed by the Commission, the Chairman of the Commission may appoint and fix the pay of such additional personnel as the Chairman considers appropriate. A rate of pay fixed pursuant to the first sentence may not exceed the annual rate of basic pay payable for GS-18 of the General Schedule.

(c) The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) Subject to such rules as may be prescribed by the Commission, the Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for GS-18 of the General Schedule.

(e) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act.

POWERS

SEC. 8. (a) The Commission may, for the purpose of carrying out this Act, hold such hearings and conferences, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(b) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) The Commission may accept, use, and dispose of gifts or donations of services or property.

(e) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) The Administrator of General Services shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(g) The Commission, through its Chairman, may enter into any contract which the Commission considers necessary to carry out this Act.

REPORTS

SEC. 9. (a) The Commission may transmit to the President and to each House of the Congress such interim reports as it considers appropriate and shall transmit a final report to the President and to each House of the Congress not later than fifteen months after the first meeting of the Commission is held pursuant to section 6(h). The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(b) After the final report is transmitted to the President and each House of the Congress pursuant to subsection (a), each executive department and agency affected by the final report, as determined by the President, shall submit to the President recommendations for implementing the final report.

(c)(1) Not later than ninety days after the final report is transmitted by the Commission to each House of the Congress pursuant to subsection (a), the President shall transmit to each House of the Congress an interim report containing a detailed statement on—

(A) the desirability, feasibility, and cost of implementing each of the Commission's recommendations, and the actions taken or planned with respect to the implementation; and

(B) recommendations with respect to any legislation proposed by the Commission and the need for any alternative or additional legislation to implement the Commission's recommendations.

(2) Not later than ninety days after the interim report is transmitted to each House of the Congress pursuant to paragraph (1), the President shall transmit to each House of the Congress a final report containing a detailed statement on any actions taken to implement the recommendations of the Commission, together with any further recommendations for legislation or administrative actions.

TERMINATION

SEC. 10. The Commission shall terminate one hundred and eighty days after its final report is transmitted to the President and each House of the Congress pursuant to section 9(a).

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There is authorized to be appropriated for the fiscal year ending on September 30, 1986, the sum of $3,100,000 to carry out this Act. Any sums appropriated under the authorization contained in this section shall remain available until expended.

EFFECTIVE DATE

SEC. 12. This Act shall take effect on October 1, 1985.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes.

URBAN DEVELOPMENT ACTION GRANT PROGRAM

Mr. THURMOND. Mr. President, I rise today to bring to the attention of

the Senate the gross inequities currently existing in the Urban Development Action Grant [UDAG] Program administered by the Department of Housing and Urban Development. In the past, I have supported this program, which has benefited many cities all across the Nation. However, I have now come to the conclusion that, absent significant modification in the criteria being utilized today to select eligible projects, I will be compelled to end my support and instead work toward terminating the UDAG Program.

The Urban Development Action Grant Program has been in existence for almost 7 years, and competition for available funds has increased dramatically. In fact, the demand for these grants recently exceeded the funds available by at least three times. Responding to this increased demand, in December 1983, the Department of Housing and Urban Development instituted an evaluation system under which grant applications are ranked for funding consideration based on points assigned to each of the three following categories: One, impaction; two, distress; and three, project merits. Available grant moneys are then allocated among competing applications based upon the aggregate number of points assigned individual applications.

The inequities I refer to occur due to the relative weights attached to the three selection criteria categories. The first two categories—impaction and distress—which are predetermined according to the standing of the applicant city in relation to all other UDAG-eligible communities, represent 70 percent of the total points assigned to each application. Only 30 percent of the total points assignable to a particular project are determined by the actual merits of the project. Thus, 70 percent of the total score assigned to each application is based not on the jobs created, nor on the private investment leveraged, but rather on predetermined impaction and distress rankings. Given the inherently biased nature of this funding selection method, some cities, because of their economic problems, need only submit applications in proper technical form in order to obtain funding.

The resulting effect of these selection criteria is a geographically biased, blatantly unfair and inefficient allocation of scarce Federal resources. As an example, of the 36 projects approved for funding in the most recently announced round of awards, 33 were located in only 8 States; 84 percent of the $83 million awarded went to those 8 States. Illustrative of the gross economic inefficiency resulting from the present selection formula is the fact that one project approved for funding in this last group would create only one new job for each $190,000 in Federal funds provided.

Mr. President, given the difficult financial situation facing the Federal Government today, it is essential that we closely review and scrutinize every federally funded program in order to ascertain which have proven themselves cost-effective and worthy of continued funding, and which have not. Only those programs that are a cost-effective expenditure of the limited resources available should continue to be funded. Unfortunately, the current UDAG Program is not such a program, and moreover, it does not allocate available funds in a fair manner. Therefore, I am of the opinion that this program should not continue to be funded unless it is substantially altered. The inequitable selection criteria, coupled with the resulting inefficiencies, makes this program totally unacceptable and a waste of taxpayers money.

FAREWELL TO MARTIN CAHILL

Mr. THURMOND. Mr. President, I want to call attention to the fact that Mr. Martin J. Cahill is going to retire today. Mr. Cahill was detailed by the metropolitan police to serve here on Capitol Hill in 1964, and he served from then until 1976, at which time he completed 30 years with the metropolitan police and retired.

Mr. Cahill has been a very dedicated and capable floor assistant and has the admiration and respect of the Members of this body and the staff of the Senate.

I just want to take this opportunity to express appreciation on behalf of the Senate to Mr. Cahill for the fine job he has done and to wish him good health and success in all future undertakings after he leaves us.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

FARM CREDIT

Mr. EXON. Mr. President, I wish to thank the Members of the Senate for their consideration, courtesies, and hard work.

Sometimes, after some rather hectic argument and debate, which is typical in the U.S. Senate, we pride ourselves as being the most deliberative body in the world. While from time to time we are accused of breaking faith with that fundamental commitment to the Founding Fathers of the country, in the end, after all the rancorous debate and sometimes the hard feelings, I am always pleased to notice, as a Member of this body, that temporary personal animosities are quickly put behind us as we finally—laboriously at times—come to a vote on a very important matter.

The activities of the last 10 days, since we returned from the brief recess on Monday a week ago, when the filibuster began on the Ed Meese nomination for the specific purpose of forcing the Senate to come to grips with emergency farm credit legislation, which obviously the majority of the United States felt was necessary, were a further exercise in the legitimate deliberations and determinations of the U.S. Senate.

What has come of that, Mr. President? Well, out of that, after a few days' delay, has come the confirmation of the nomination of Mr. Ed Meese, whom the President had requested to be the new Attorney General. Those of us who instigated and led the filibuster on the Meese nomination made it very clear from the beginning that we were not quarreling with the confirmation of the President's nomination. Indeed, we just used that as the only legitimate vehicle at our command—the only option, if you will—to make certain that we had not only a debate but also a vote up or down on the matters that we thought were critically important, to come to the aid of the extremely hard-pressed family farmers and ranchers, who were in that situation through essentially no fault of their own. They are not going to be able to get their 1985 crops in the ground.

So, I am pleased and I thank the Senate once again for its consideration. The rules and procedures of the Senate are indeed complicated and sometimes misused but in this case they were not misused. There was no unnecessary or untimely delay in any fashion, and had it not been for the filibuster of a week ago, and the negotiations that were worked on until some time the wee hours of the morning and the understandings that came out of that filibuster, I think any rational or reasonable person would have had to agree that the debate and the eventual vote that we had last evening in the Senate simply would not have come to pass.

Once again I am proud to be a Member of this body that in the end worked the will of each and every one of its Members and then collectively as a group finally came forth with what they think is the proper resolution of the matter.

Therefore, I salute my colleagues who led this effort. We worked very hard and we accomplished what we set out to accomplish, regardless of whether or not the emergency legislation that we fashioned is eventually vetoed by the President. The President has the responsibility to do his duties as he sees them. Likewise, those of us who have the honor to serve our constituents in this body have the ob-

ligation to use every legitimate means at our command to bring forth things that we think are of vital importance not only to our section of the country but to the Nation as a whole.

I very much appreciate those on the other side of the aisle principally who were very violently opposed to what we were attempting to do and thought they very ably presented their opposition to our initiative. But in the end the will of the Senate worked its way.

I only hope, Mr. President, that after all of those efforts the President will change course on what presently is predicted and that indeed he will, as the White House said, not go ahead with the veto but come to the realization that some minimal help is needed.

Having said that, I want to clear up once again a theme that I have tried to bring out time and time again during this debate. We have not solved the farm crisis. I am quite concerned that there are some who believe with the positive votes that they cast in behalf of emergency credit action to help farmers that now that problem has been solved and is out of the way. I simply emphasize the fact once again, Mr. President, that all that we did last night if that bill becomes law was to expand the Band-Aid that we sent out to accomplish which was a short-track approach, short-term approach to arrange for credit to get the crops in the ground for those farmers who can qualify.

I emphasize once again that not all farmers are going to qualify unfortunately and some more are going to fall through the crack.

I cite attention once again, Mr. President, to the fact that the long track approach and the beginning to solve the ongoing critical situation in agriculture, especially family sized agriculture, will confront the Senate in the months ahead when we write the new farm bill which eventually will not take over until the 1986 crop. So I simply say that we have expanded the Band-Aid approach, provided some additional relief and help, first, through the negotiations which were carried on with those on the other side of the aisle during the filibuster of last week, and then as a result of that filibuster, as I said previously, we were able to get the up or down vote on two important pieces of legislation that we passed last night.

But the real battle is to bring stability to agriculture and to ensure that our food plant which is the envy of the world will have a chance to survive, and if we are not going to rip apart the basic fabric of society in rural America, we are going to have to have, Mr. President, something far, far different than that envisioned by the President with regard to the new farm bill that he sent over with his recommendation on Friday last.

I can only hope that those of us who speak out strong for agriculture will have the attention, the interest if not always the votes, of our colleagues who do not see eye to eye with us, and while I am afraid there is always a temptation on both sides of the aisle to make everything a partisan measure, I hope that we could remove ourselves from that temptation as we face the future, the future of family-sized agriculture which is something once gone that will never come back.

With that, Mr. President, I thank my colleagues for their consideration and appeal to them for further consideration as we move forward on a logical basis to come up with workable farm programs over a period of years that will indeed cost less money, and I agree that the dollar amount has been getting too high. If we recraft our policy, if we could target those policies to the true family-sized farmers and ranchers, then we are not only going to help them but we are going to bring about a return to stability to the businessmen up and down Main Street U.S.A. The two are suffering from the present depression, and I use that word not advisedly, but specifically the true depression that is rampant in large sectors of rural America today.

Yes; while we hear all of the good news about the economy in general and we all for the most part applaud that, I simply remind the Senate once again that the good times are not rolling in rural America today. The opposite is true.

Let us keep those not so fortunate in mind as we continue our deliberations in this body for the good of the United States of America and all of the citizens thereof.

Mr. President, I yield the floor.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate proceed to morning business to extend not beyond 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF HENRY CABOT LODGE

Mr. MATHIAS. Mr. President, I learned today with great regret of the death in Massachusetts of a distinguished former Member of the Senate, Henry Cabot Lodge. He not only served as a Member of the Senate, but he served the United States as Ambassador to the United Nations, as Ambassador to Vietnam, and as Ambassador to the Holy See.

He was the nominee of the Republican Party for Vice President of the United States in 1960. That was the year in which I first came to know him well.

Although the Republican ticket did not prevail in 1960, Henry Cabot Lodge worked very hard to carry the campaign and the message of the Republican Party to the country.

He visited Maryland on several occasions, campaigning in western Maryland and in the suburbs of Washington. It was my great pleasure and honor to accompany him during those visits.

He had a remarkable combination of dignity and camaraderie. He was the spirit of optimism on the campaign trail. And yet, he always gave the impression of one who has rational, informed, and intelligent views of the world and of the Nation.

He made an enormous contribution to that campaign because he brought to it his position as a former Member of the Senate, as one of the best informed politicians on the American scene.

I particularly remember when he came to Maryland he was accompanied by Mrs. Lodge, who was supportive, helpful, gracious, and charming. My thoughts turn to her in this moment.

Mrs. Mathias would want to join with me in extending our sympathy to Mrs. Lodge and to their family, and in remembering the contribution that a great American made not merely to the country—because all Americans would like to contribute something to their country—but a contribution that a great American made in particular to the functioning of the American political system, which is important and significant and particularly appropriate to be remembered in this place.

THE DENIAL OF RELIGIOUS EXPESSION IN THE SOVIET UNION

Mr. THURMOND. Mr. President, in years past, I have spoken on the floor of this body condemning the oppressive acts which Soviet officials inflict upon Jews residing in Russia. Unfortunately, yet not surprisingly, this unfair and cruel behavior continues to persist in that Communist bastion.

In its ninth annual report on international human rights, the State Department confirmed such treatment: "The regime's common response to efforts to exercise freedom of expression is to incarcerate those concerned in

prison, labor camp or psychiatric hospital." Needless to say, the situation is getting worse, not better.

It is no secret that communism is a godless philosophy which not only condemns religious freedom, but actively seeks to stamp out religious practice altogether. Even those orthodox and long-established churches and synagogues in the Soviet Union function under the careful scrutiny of government authorities.

Mr. President, many of those who long to worship without interference—whether they be Jews, Christians, or of other faiths—are denied the opportunity to leave the Soviet Union in search of religious freedom. Tragically, they must struggle to survive in a system which seeks to suffocate what little spiritual breath remains.

I know many of my colleagues in Congress share my convictions about this atrocity, and it is my hope that we can help increase awareness about religious persecution in the Soviet Union.

Mr. President, I am pleased to recognize and commend the Student Coalition for Soviet Jewry [SCSJ], which, for the past 9 years, has sponsored Student Solidarity Day for Soviet Jewry. We again celebrate that occasion today with hundreds of concerned students who have traveled to Capitol Hill from colleges and universities across America.

It is my privilege to join with SCSJ and other involved Americans to challenge the Soviet Union to loosen its grip on those religious citizens who desire nothing more than to know and love the God who created all mankind. I know of no more fundamental right, or a more necessary exercise, than to allow man to worship his own God, in his own way, in the fellowship of like-minded people. May God hasten the day when this need is satisfied in the Soviet Union. Perhaps that day will be the dawning of true peace on Earth.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A FITTING TRIBUTE TO THE LIFE OF HENRY CABOT LODGE

Mr. KERRY. Mr. President, Henry Cabot Lodge, a former U.S. Senator and Ambassador, a distinguished public servant, a soldier, and a statesman, passed away yesterday after leaving what can only be considered a most significant mark on history.

Mr. Lodge was a unique man, a man recognized for his brilliance and for his courage, who particularly loved his country and his State dearly. All of the citizens of Massachusetts and the country will miss him and the kind of ideals that he displayed.

I would like to read from an article in today's Boston Globe by Tom Oliphant, the headline of which reads "When Duty Called, He Always Went."

When John F. Kennedy, inching his way into the quagmire of Indochina, needed a granite-hard symbol of bipartisanship to be his ambassador to Saigon, he called on the man he had twice opposed and twice beaten. Henry Cabot Lodge went.

When Ricard M. Nixon needed a granite-hard symbol of bipartisanship to be Vietnam negotiator in Paris, he called on his 1960 running mate, whose campaigning style he had publicly disparaged.

Henry Cabot Lodge went then, too. He always went, a model of the public servant with a concept of nation over party and personal comfort that has become fuzzy in a more politically divided modern time.

When the ambassador came of age in the 1920s—as a newspaper man—his family's name was the symbol of a national impulse that carried the day politically in the period following World War I—isolationism.

His grandfather's unyielding and successful leadership of the Senate's opposition to Woodrow Wilson's dream of American participation in the League of Nations is a fact of history.

DEFEAT OF ISOLATIONISM

But so, too, was the grandson's huge contribution to the defeat of the isolationist spirit that followed World War II. In the same United States Senate, he put his real and symbolic weight behind the Marshall Plan's provision of American aid to a devastated Europe, and to the North Atlantic Treaty Organization's formation in the early days of what became known as the Cold War.

Even before that, he had put his own life on the line by resigning his Senate seat to fight in World War II, something no senator had done since the Civil War.

I might depart from the article for a moment to say that, as a result of that resignation, the two Senators from Massachusetts today now hold seats that were held by Henry Cabot Lodge.

I return to the article:

And in the most direct symbol imaginable of the change that had occurred within his family and his country, he took his place in 1953 as the US ambassador to the United Nations.

The most vivid memories of his service there for the rest of that decade are of harsh diplomatic confrontations with the Soviet Union in times of tension over crises like the uprising in Hungary in 1956. He was so good in his role that tourists in New York City lined up when the General Assembly or Security Council was in session to watch him at work.

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"To many of these questions, there is no basic solution under present conditions. In many of them the choice is talk or fight. The fact that the talk may be boring or turgid or uninspiring should not cause us to forget the fact that it is preferable to war."

"VERY DISTINGUISHED MAN"

The ambassador died in the evening, but it did not take long for the praise to issue forth, led by President Ronald Reagan's succinct comment, "He was a very distinguished man," and expression of sympathy to the family.

"He was a close personal friend," added the first modern Democratic Speaker of the Massachusetts House of onetime State Rep. Lodge. Added House Speaker Thomas P. O'Neill Jr.: "His death is a great loss, not only to those of us who knew and loved him, but to the world as well."

Especially poignant were the comments of Elliot Richardson, himself an embodiment of Lodge's concept of public service. In an interview last night from his home in the Washington suburbs. Richardson said that beneath Lodge's "dignified and starchy exterior" there was in fact something "irrepressibly boyish."

He recalled another historic Lodge mission, this one political, but also to Paris as a senator to persuade Dwight Eisenhower to return home and run for President in 1952. Lodge devoted so much time to aiding Eisenhower's nomination and general election campaign that he neglected his own re-election effort in Massachusetts, giving a three-term Democratic congressman named John Kennedy the opportunity of a lifetime.

In one of the ironies of politics, Lodge's son, George, would lose a contest for that same Senate seat 10 years later to Edward M. Kennedy.

Richardson, though, said he thinks it more important that people remember Lodge's contribution to his country than his experiences in politics.

"ALWAYS YOUNG AT HEART"

"Always young at heart," he said, "Henry Cabot Lodge was a practical idealist, unafraid to take on tough assignments. The distinction and integrity with which he fulfilled them will, I hope, long be remembered by succeeding generations."

Also from Washington last night, Sen. Kennedy said of his family's occasional rival: "Henry Cabot Lodge was one of the greatest statesmen from one of the greatest political families in the history of the commonwealth.

"I remember Jack saying after a difficult day in the 1952 campaign, 'It's almost like running against a founding father.'

"He will be honored and remembered both for his extraordinary achievements as a senator and a diplomat. But he is also remembered by all of us in the Kennedy family for his warmth and friendship that endured despite our political rivalry."

Mr. President, I recall personally when I returned from Vietnam in 1969-70 that I had occasion to visit Ambassador Lodge at his home in Beverly. I remember a very special warmth, a very special patience, wisdom, and a gentleness that were part of that man's life. He will be missed, and the standard that he set in public service will be missed although it will be remembered clearly by all of those of us who are lucky enough to serve in this distinguished body.

I join with my colleagues in expressing our deepest, and sincerest condolences to his family, and especially in expressing on behalf of the citizens of Massachusetts and of the United

States our expression of gratitude for his service to his country and to his State.

Mr. MATSUNAGA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

WOMEN'S HISTORY WEEK

Mr. MATSUNAGA. Mr. President, next week is designated as Women's History Week.

Mr. President, Sunday, March 3, 1985, marks the beginning of Women's History Week. First observed in 1980, Women's History Week has become a highly popular event in Hawaii and throughout the country.

In Hawaii, the Hawaii Women's History Foundation, Inc., was established to coordinate observance of Women's History Week, and I am very proud to be the first honorary member of that organization. To raise funds for the various events, the foundation has two books, one of which details the important role which women have played in the islands going back to the time of Queen Kaahumanu who served as kuhina nui, or prime minister, of Hawaii after the death of her husband, King Kamehameha the Great, and during the reign of her son, Kamehameha II, Liholiho. The other foundation publication is a bibliography of sources of information about women in Hawaii.

It is indeed most appropriate to take a week to salute the achievements, past and present, of women in the United States and to tell her story. I am looking forward to another successful celebration of Women's History Week in Hawaii.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. NICKLES]. Without objection, it is so ordered.

SENATE RESOLUTION (S. RES. 83)—RELATIVE TO DEATH OF HENRY CABOT LODGE, JR. OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, I send to the desk a resolution on behalf of myself and Senator KERRY and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

A resolution (S. Res. 83) relative to the death of Henry Cabot Lodge, Jr. of Massachusetts, late a Senator from the State of Massachusetts.

S. RES. 83

Whereas Henry Cabot Lodge, Jr. of Massachusetts died yesterday at the age of 82;

Whereas Henry Cabot Lodge, Jr. served Massachusetts and the nation with extraordinary ability and dedication for half a century;

Whereas Henry Cabot Lodge, Jr. earned special distinction as a member of the Armed Forces, State Representative, United States Senator, Candidate for Vice President and Ambassador.

Resolved, That the Senate of the United States of America joins with the citizens of Massachusetts and the nation in honoring and remembering Henry Cabot Lodge, Jr. Soldier, Senator, and Statesman, for his outstanding contributions to the country and its people.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the majority leader, Mr. DOLE, and the minority leader, Mr. BYRD, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask unanimous consent that the chairman of the Foreign Relations Committee, Mr. LUGAR, and the ranking minority member of the Foreign Relations Committee, Mr. PELL, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the people of Massachusetts and Americans across the country today are mourning the loss of Henry Cabot Lodge, who died yesterday at the age of 82.

Henry Cabot Lodge was one of the greatest statesmen from one of the greatest political families in the history of Massachusetts and the Nation.

He dedicated his life to the service of our country and he achieved extraordinary distinction as soldier, Senator, and statesman.

For a generation, he was an institution in Massachusetts. I remember my brother Jack saying, after a difficult day in the famous 1952 campaign, "It's almost like running against a Founding Father."

Henry Cabot Lodge will be honored and remembered for his outstanding achievements in public life, but he will also be remembered by all of us in the Kennedy family for the warmth and friendship that endured despite our political rivalry. Our hearts go out at this sad time to all the members of his family.

Mr. President, I ask unanimous consent that articles by Thomas Oliphant and Edgar U. Driscoll, Jr., from today's Boston Globe on Henry Cabot Lodge, and an article from the National Cyclopaedia of America Biography on his early career, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Feb. 28, 1985]

WHEN DUTY CALLED, HE ALWAYS WENT

(By Thomas Oliphant)

WASHINGTON.—When John F. Kennedy, inching his way into the quagmire of Indochina, needed a granite-hard symbol of bipartisanship to be his ambassador to Saigon, he called on the man he had twice opposed and twice beaten.

Henry Cabot Lodge went.

When Richard M. Nixon needed a granite-hard symbol of bipartisanship to be Vietnam negotiator in Paris, he called on his 1960 running mate, whose campaigning style he had publicly disparaged.

Henry Cabot Lodge went then, too. He always went, a model of the public servant with a concept of nation over party and personal comfort that has become fuzzy in a more politically divided modern time.

When the ambassador came of age in the 1920s—as a newspaper man—has family's name was the symbol of a national impulse that carried the day politically in the period following World War I—isolationsim.

His grandfather's unyielding and successful leadership of the Senate's opposition to Woodrow Wilson's dream of American participation in the League of Nations is a fact of history.

DEFEAT OF ISOLATIONISM

But so, too, was the grandson's huge contribution to the defeat of the isolationist spirit that followed World War II. In the same United States Senate, he put his real and symbolic weight behind the Marshall Plan's provision of American aid to a devastated Europe, and to the North Atlantic Treaty Organization's formation in the early days of what became known as the Cold War.

Even before that, he had put his own life on the line by resigning his Senate seat to fight in World War II, something no senator had done since the Civil War.

And in the most direct symbol imaginable of the change that had occurred within his family and his country, he took his place in 1953 as the U.S. ambassador to the United Nations.

The most vivid memories of his service there for the rest of that decade are of harsh diplomatic confrontations with the Soviet Union in times of tension over crises like the uprising in Hungary in 1956. He was so good in his role that tourists in New York City lined up when the General Assembly or Security Council was in session to watch him at work.

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[From the Boston Globe, Feb. 28, 1985]

HENRY CABOT LODGE, EX-ENVOY, DIES AT 82

(By Edgar J. Driscoll, Jr.)

Henry Cabot Lodge of Beverly, former United States ambassador, senator, soldier and statesman, died yesterday at 5:10 p.m. in his home. He was 82.

Mr. Lodge, bearer of a famous name in American history, had served as ambassador to the United Nations, 1953-60; ambassador to South Vietnam, 1963-64 and 1965-67; ambasssasor-at-large, 1967-68; ambassador to Germany, 1968-69; head of the United States Delegation to the Vietnam Peace Talks, 1969; and, as special envoy to the Vatican, 1970-77.

In addition, Mr. Lodge was thrice elected in the 1930s and 1940s to the U.S. Senate from Massachusetts. Before that he had served two terms in the state Legislature as representative from the 15th Essex District.

He also was the unsuccessful candidate for Vice President in the 1960 elections in which John F. Kennedy defeated Richard M. Nixon for the presidency.

A handsome, broad-shouldered man who stood just under 6 feet 3, the aristocratic diplomat has been variously described as brilliant, warm, friendly, supremely self-confident, tough with a touch of arrogance, entertaining, witty, insensitive, business-like, reserved, diligent and dedicated.

Whatever his friends or political foes thought of him, none would deny that he was a master politician who threw himself tirelessly into whatever job or cause he tackled. A lifelong Republican ("by inheritance and conviction," he once said), he was long the leader of the GOP's liberal forces.

He also was the person primarily responsible for getting Gen. Dwight D. Eisenhower to successfully run for President in 1952. Not only did he initiate Ike's candidacy, he directed the campaign in its early stages and shepherded the nomination through the Republican National Convention.

While Eisenhower's election was a great political victory, the campaign ironically marked Mr. Lodge's greatest political defeat. He lost his own Senate seat to U.S. Representative John F. Kennedy.

He had devoted so much time to Ike's bid for the White House that he had neglected mending his own political fences. Another aspect was the fact that he had earned the enmity of Massachusetts conservatives and isolationists by turning back the conservative forces within the GOP who favored the nomination of their own chieftain, Sen. Robert A. Taft of Ohio.

The newly sworn-in President leaned heavily on Henry Cabot Lodge to help shape foreign policy and promptly named him to the U.N. post, with Cabinet rank.

The diplomat resigned from his U.N. post in 1960 to run for Vice President on the Nixon-Lodge ticket. When the Kennedy-Lyndon B. Johnson team won by the narrowest popular vote margin in 76 years, Mr. Lodge became general consultant in international relations to Time, Life and Fortune magazines.

Three years later, his old political foe, President Kennedy, named him U.S. ambassador to South Vietnam. The ambassador arrived in South Vietnam in August 1963.

Two months later he resigned to return home to take part in the national GOP convention of 1964. There he led the liberal wing of the party in opposition to the nomination of Senator Barry Goldwater of Arizona for President. The conservative Goldwater won.

The following April President Johnson again called on him to be his personal representative on a special mission to six friendly governments in Asia and the South Pacific to consult with their leaders on the Vietnam situation. In July 1965 he was renamed ambassador to South Vietnam to replace Gen. Maxwell D. Taylor.

His second tour in Vietnam was marked by intense communist fighting and greatly increased U.S. participation in the war.

In April 1968, President Johnson named him ambassador to West Germany. In January 1969 President Nixon appointed him chief negotiator at the Vietnam peace talks in Paris, replacing W. Averell Harriman. He spent 10 months negotiating in the French capital, finally quitting in frustration over what he termed North Vietnam's "flat refusal" to engage in meaningful negotiations and the lack of success in the talks.

In 1970, he was made special envoy to the Vatican by President Nixon. He served until 1977.

Mr. Lodge first saw the world in Nahant where he narrowly missed becoming a "Fourth of July baby." He was born at the Lodge summer house on July 5, 1902, the son of a poet, George Cabot Lodge, and Matilda Elizabeth Frelinghuysen (Davis) Lodge. His father died when he was only seven and he was brought up by his mother and grandfather, the bearded patriach of the clan, U.S. Senator Henry Cabot Lodge.

Young Cabot, as he was called all his life by relatives and friends, was educated along with a younger brother and sister at home in Washington, D.C., by his mother, governesses and tutors.

Later schooled in Washington, Maryland and France, where he learned to speak French like a native, Mr. Lodge prepared for Harvard College at the Middlesex School, Concord. In college he concentrated on political science. A member of the Class of 1924, he was graduated cum laude in three years, instead of the usual four.

After college he joined the staff of the old Boston Transcript, where he swung his weight around to get the most instructive political assignments, according to resentful regular staffers at the time. He covered Boston City Hall and the State House. After transferring to the old New York Herald Tribune in 1926, he covered the Washington scene as a Trib correspondent.

In November 1932, Mr. Lodge answered the call to public service that had characterized his family for generations. He ran for the state legislature, winning handily as representative from his home district of Beverly.

As House chairman of the Legislative Committee on Labor and Industries, he won the enthusiastic support of many union leaders. This served him in good stead when, in 1936, he ran for the U.S. Senate against a most formidable Democratic opponent, the veteran and consummate politician, James Michael Curley. Curley's campaign slogan that time around was: "Don't send a boy on a man's errand."

Mr. Lodge never replied to the belittlement and won a stunning victory. He was the only Republican in the country to capture a Democratic-held seat during a Franklin D. Roosevelt avalanche for re-election to the presidency.

Blue-stockinged though he was, Mr. Lodge learned early in his political career that no Republican candidate could win in the Bay State without breaking into the then great bloc of Boston's traditionally Democratic Irish Catholic votes. This he did, cultivating a following of Democrats and Independents as well as Republicans.

When Mr. Lodge entered the Senate as crown prince of the GOP, he was branded an isolationist, cut from the same cloth as his famous grandfather, the redoubtable archfoe of internationalism.

In 1942, during World War II, he served a short hitch as a major in the 1st American Tank Detachment with the British 8th Army in Libya. He was in operations near El Adem and in the retreat from Tobruk to El Alamein. In 1944, he became the first U.S. senator since the Civil War to resign to join the U.S. Armed Forces. He went on active duty first as deputy chief of staff in the IV Corps in Italy, then as a lieutenant colonel with the Chief Liaison Section, Southern Group of Armies, in France and Germany.

When he returned from the front with six battle stars and four decorations (he later rose to the rank of major general in the Reserves), he successfully ran for re-election to the Senate and became one of his party's leading internationalists.

He was re-elected to the Senate by a whopping margin in 1946.

Services for Mr. Lodge will be private and there will be no memorial service, a family spokesman said.

Mr. Lodge, who made his home on Hale street, Beverly, for more than 50 years, leaves his wife, Emily (Sears); two sons, George G. Lodge of Beverly, former assist-

ant secretary of commerce, and Henry Sears Lodge of Beverly; a brother, John Davis Lodge of Bern, Switzerland, former governor of Connecticut, congressman and U.S. ambassador to Switzerland; a sister, Helena deStreel of Brussels; 10 grandchildren and seven great-grandchildren.

(From "The National Cyclopaedia of American Biography Being the History of the United States as Illustrated in the Lives of the Founders, Builders, and Defenders of the Republic, and of the Men and Women Who are Doing the Work and Molding the Thought of the Present Time," Current Volume G, 1943-46, pp. 97-98)

Lodge, Henry Cabot, Jr., U.S. senator, was born at Nahant, Mass., July 5, 1902, son of George Cabot and Matilda Elizabeth Frelinghuysen (Davis) Lodge, and grandson of Henry Cabot and Anna Cabot Mills (Davis) Lodge. His grandfather was the eminent U.S. senator and his father was the noted poet. Henry Cabot Lodge, Jr., was graduated A.B., cum laude, at Harvard University in 1924. For a year following graduation, he was a staff reporter on the Boston Evening Transcript, covering the Massachusetts state house, and during 1925-31 was a correspondent and editor with the New York Herald Tribune. For the latter, he acted as Washington correspondent, was a member of the house and senate press galleries, and covered the White House, the executive departments and independent establishments. As a member of the press, he covered the national political conventions of 1924, 1928 and 1932. He also did correspondence from the Philippines and the far eastern tropics in 1929, covered the election in Nicaragua in 1928 and the London naval conference in 1930 and interviewed a number of foreign political leaders, including Benito Mussolini in 1924.

In 1932, he entered the field of politics and during the next four years was a representative in the Massachusetts legislature, serving on the municipal finance and public health committees and as house chairman of the committee on labor and industries. During his chairmanship of the latter, representatives of both labor and management for the first time concluded agreements on principal topics of dispute before the legislature. He was also vice chairman of the commission on interstate compacts affecting labor and industry.

In 1936, he was elected U.S. senator from Massachusetts, being one of the few Republican senatorial candidates in the country to survive the Democratic landslide of that year and the only Republican elected to replace a Democrat in the United States senate. Mr. Lodge was reelected in 1942 for the term ending January 1949, but resigned his seat in February 1944 to go on active duty in the U.S. army. At the time of his resignation, he was a member of the senate committees on appropriations, finance, interoceanic canals, military affairs and territories and insular affairs.

In 1946, he again entered the senatorial campaign in Massachusetts and was elected for the term ending in 1953. On legislation international in character he followed, prior to the entry of the United States into the second World war, a policy designed to keep the country out of the conflict, voting to limit the use of American armed forces to the western hemisphere, to restrict the transfer of naval craft to other nations, to grant loans in place of lend-lease and to retain the neutrality act in its original form.

He had been one of six senators to vote against the passage of the neutrality act when it was first before the senate in 1937, on the grounds that it tied the hands of the United States in advance of unpredictable events and might, due to the fact that the country would probably want to repeal its provisions, compel the United States to commit an overtly unneutral act. He was among the first to urge selective service and other measures to increase and strengthen the armed forces and, when convinced that war was in evitable, voted for the amended lend-lease act.

In 1943, he made a speech on the senate floor in which he advocated an American foreign policy of internationalism based on realistic national self-interest guided by justice, and later in the year was a member of a five-man senate committee which made a 42,000-mile trip to the various fighting fronts. Upon his return Mr. Lodge made what was generally considered the best of the various reports for its plain facts, bluntly stated.

As a senator, he also proposed a bill for spending old age funds, which were being partially diverted to other purposes, for the sole benefit of the aged, thereby increasing the amount of the old age pension; sponsored measures providing free distribution of certain expensive and essential medicines to the needy, and made an exhaustive demonstration that the waning of our natural resources was making the United States a "have not" nation. An active member of the army's organized reserve since 1925, he had reached the grade of captain, armored force, when on Aug. 1, 1941, he went on extended active duty with leave of absence from the senate.

In the Spring of 1942 he accompanied the first of a series of tank detachments sent by the war department to obtain combat experience in Libya as part of the British 8th army and saw service in May and June during the operations near El Adem as well as in the retreat from Tobruk to El Alamein. He performed regular troop duty and acted as an observer, making reports of his findings to the war department and armored force headquarters on his return. Secretary of War Stimson in July 1942 denied his urgent request for further field service, stating that "at this critical juncture, skilled legislators who fully comprehend the requirements of the military service are as important to the Army as soldiers in combat."

On Feb. 5, 1944, Mr. Lodge resigned from the senate in order again to go on combat duty in the army, being the first U.S. senator since the Civil war to leave the senate in order to go to war. He served in the Mediterranean and European theaters and took part in the following campaigns: Egypt-Libya, Rome-Arno, southern France, the Rhineland and central Europe. At war's end he held the rank of lieutenant colonel and was serving as chief of the liaison section, southern group of armies. For his services he was awarded the Legion of Merit, Bronze Star and the French Legion of Honor and Croix de Guerre with palm.

In 1931, he received the chevalier's cross of the Order of Polonia Restituta and in 1938 was awarded the honorary LL.D. degree by Northeastern University. He is the author of numerous newspaper and magazine articles and of one book, "The Cult of Weakness" (1932).

He was married at Beverly, Mass., July 1, 1926, to Emily, daughter of Henry F. Sears of that place, and has two sons, George Cabot and Henry Sears Lodge.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 83) was agreed to.

The preamble was agreed to.

THE JANUARY TRADE DEFICIT

Mr. BAUCUS. Mr. President, Lester Thurow is one of America's most eminent economists. He is also a Montana native son.

About 2 years ago, Thurow warned a Kalispell group that the United States would soon experience a potentially disasterous decline in our balance of trade.

Right he was.

Last year, the trade deficit was our highest in history—$123 billion. To put it another way, for every $1 worth of U.S. products going out, there were about $1.57 worth of products coming in.

And today, we've learned that we started out the new year even worse than we ended the old. The noose is a little tighter around the necks of our farmers, timbermen, miners, and manufacturers.

The Commerce Department just announced the trade figures for January:

The good news is that our exports increased by 1.4 percent over December.

But the bad news is that our imports increased by 9.2 percent over December, and our overall trade deficit increased by 24 percent, or $2 billion, to $10.2 billion.

THE TRADE CRISIS

Mr. President, these astonishing deficits are not abstract statistics for economists to debate. They have a tangible effect on every American.

Sure, there's a bright side to the trade deficit: Americans taking foreign vacations, Americans enjoying a buying spree for foreign goods, and low inflation.

But what about the dark side?

First of all, there's the lost sales and lost jobs. For example:

In Butte, MT, the mines have all shut down. Thirteen thousand workers have lost their jobs.

Since 1980, our share of wheat sales to Asia has declined by 15 percent. What's more, like the people who "carry coal to Newcastle," the Cargill Grain Co., recently contemplated importing wheat into the United States.

And the Ford Motor Co. recently announced that it will move the production of some of its tractors offshore, to plants in Europe.

Second, there's protectionist pressure. In the abstract, we all believe in free trade. But, with so many industries being undermined by imports, there's more and more pressure to roll up the drawbridge and isolate ourselves.

The last time this happened, with President Hoover's so-called Smoot-Hawley tariff bill, the results were swift and disastrous.

Within about a year, 26 other countries had retaliated with import restrictions of their own. And, in a very short period, U.S. exports fell by 75 percent and U.S. GNP fell by 46 percent.

We can't afford to let the situation deteriorate into another Smoot-Hawley.

Third, there's the long-term damage to our economy.

Some economists say that the trade deficit is not a big problem. They say that we're simply exporting dollars and importing goods, to our advantage.

But, they're overlooking the fact that we're losing core industries, which are vital to the overall performance of our economy. As Lester Thurow says, "if your manufacturing industry goes down the drain, most of the services will go down with them."

What's more, we're losing critical export markets abroad.

The Russian grain embargo taught us how hard it is to recapture lost markets. Last year, Federal Reserve Board Member Henry Wallich told the Finance Committee that "The longer exports remain depressed, the more difficult it becomes to maintain marketing networks, and the more costly and difficult it becomes to recover foreign sales."

SOLUTIONS

So what should we do?

First of all, we must reduce the international value of the dollar, which has the effect of giving foreign importers more than a 35-percent subsidy and U.S. exporters over a 35-percent tax.

To bring the dollar down, we must reduce the Federal deficit

And, as yesterday's actions by European governments suggest, we can intervene more in international currency markets.

We also need a tougher trade policy. As President Reagan himself recently said, "we cannot play innocents abroad in a world that is not innocent."

This is as true for trade policy as for anything else. Too often, we've tried to set a free trade by example, in the quixotic hope that everybody else would follow along.

Well, they haven't. Instead, they've invaded our markets and protected their own.

So we have to make some changes.

We must adopt a tougher negotiating stance with the EC, the Japanese, and others. We must demand concrete results, not cosmetic concessions. If they will not negotiate on that basis, we should push back the table and walk away, as Secretary Baldrige instructed our telecommunications negotiators to do Monday.

We must overhaul our trade laws, to update the escape clause, subsidy, and other provisions.

And we must insist on comprehensive changes in the GATT, to tighten the rules for agriculture, establish rules for services, improve the dispute resolution procedure, and otherwise bring that ramshackle organization into line with our own economic interests and with current world practices.

CONCLUSION

Mr. President, in the sweep of history, nations rise and fall. There's no guarantee of continued success. That's as true for the United States as for any other nation.

In international trade, America faces a great challenge.

We can meet the challenge, for America is a great nation.

But it will take a rational economic policy and a tough trade policy. I look forward to working with every Member of this body to get us back on track.

COCAINE TASK FORCE

Mrs. HAWKINS. Mr. President, recently an organization known as the Florida Cocaine Task Force met at the Palm Beach Institute Foundation, Inc., in West Palm, Beach, FL. The results of this impressive gathering are formidable.

A joint effort of the Palm Beach Institute, ADAMHA, HRS, NIDA, and the AMA, the Florida Cocaine Task Force formed to meet the very special needs of the cocaine problem in my home State. Using the task force concept, it was felt, would allow private as well as public groups to converge in an attempt to deal with this escalating problem. The recommendations that come out of this most recent meeting indicate that this group can be very effective in the joint effort against cocaine use and trafficking.

At the present time, it was initially determined, Florida trend data indicate that cocaine use is as high—or perhaps higher—than in other parts of the Nation because south Florida is a major entry point for cocaine. Florida is, in fact, nearing a crisis state vis-a-vis cocaine that could overwhelm its own treatment system. For this reason, the Cocaine Task Force made the following recommendations: That all available data on the public health and economic impact of cocaine abuse be gathered for analysis; that the National Institute on Drug Abuse be asked for any data it has which would reflect on the Florida situation, and that its help be requested in developing a more comprehensible survey; that financial support be sought from Federal, State, and local government agencies, as well as businesses, and charitable groups, to carry out an initial study; that a long-term grant proposal be pursued for ongoing studies with the idea that this study would be coordinated by a Florida university; and that the support of schools, churches, community groups, law enforcement and the courts be sought so that these data can be gathered in an effective, uniform, and ongoing process.

This group determined that cocainism, their name for the addictive illness, is treatable, as well as preventable. Because of the rapidly progressive nature of the illness, however, it is most effectively treated at the earliest possible stage. Early intervention, therefore, is a critical factor in successful recovery. Prevention efforts are also emphasized, and it was reported that these efforts should be geared not only to nonusers, but also to those already using or abusing cocaine. Current treatment resources are inadequate, according to the Cocaine Task Force, and significant increases need to be made immediately.

Finally, legal and legislative recommendations were made by the task force. The first was that adequate funds must be made available to provide effective treatment for cocaine addiction. Then, it was recommended that a statewide legislative mandate requiring Florida's Public School System to establish substance abuse education, prevention, detection, intervention, and referral to treatment systems, be made. Also, the Florida Treatment Alternatives to Street Crime Organization is to be directed to more effectively address the cocaine issue concerning the court disposition of cocaine offenders. And lastly, a serious review must be made of all Florida drug laws followed by a composite that is consolidated and updated.

Mr. President, it is snowing cocaine in Florida. And we are all in for some tough sledding. But action is being taken, and we are fighting back.

That is why I am particularly grateful to the Florida Cocaine Task Force for its outstanding effort to grapple with this problem that is crippling my home State. I commend them for their worthy and necessary efforts, and offer them my unequivocal support.

JACK WALSH RETIRES FROM THE SECRET SERVICE

Mr. KENNEDY. Mr. President, after 22 years of an exceptional career, John F. Walsh of South Boston is retiring from the U.S. Secret Service. Throughout that period Jack has been a loyal and dedicated public servant. Six Presidents knew him as a skilled and trusted friend who always gave a little extra of himself.

My family has been privileged to know Jack well for over two decades. We first met when he was assigned to President Kennedy's children during that difficult time in November 1963,

and he made our burden easier to bear. From that day on, he devoted the next 15 years of his life to faithfully and skillfully watching over Jacqueline Kennedy, Caroline, and John Jr., and after over Robert Kennedy and his family as well. It was always reassuring for us to know that Jack was with them. His concern for their safety and their private lives went far beyond the call of duty in his assignment. We are deeply grateful for the way he gave so generously to us, at great personal sacrifice to his own wonderful family, and we shall never forget his unselfish commitment and his special friendship.

No assignment was ever too difficult for Jack Walsh. In recent years, his specialty with the Secret Service was in the world of international diplomacy. When Pope John Paul II came to the United States in 1979, it was Jack Walsh who presided over his visit to Boston and ensured that it was successful and safe.

It is typical of Jack, and so many others I have known in the Secret Service, that he always made the tough jobs look easy. Fortunately for our family, Jack Walsh took his job seriously and performed it with a superb degree of professionalism. But even more fortunately for us, Jack was from South Boston and he never took himself too seriously. At a reception honoring him in Boston the other day, John Kennedy, Jr. reminded Jack of their trip together to Guatemala, when John was doubled over with dysentery and Jack was conspicuously eating Hershey bars. And Jacqueline Onassis sent a telegram announcing that she knew all along that Jack Walsh always had two agendas for the children—what the children did, and what he told their mother they did.

I join Jack's many friends now in congratulating him on his brilliant career. He is one of Southies finest and one of the Secret Service's finest, and I wish him a long and happy retirement with his wife Ann and his children Maura, John, David, and Matthew.

Mr. President, in his column last week, Mike Barnicle of the Boston Globe wrote perceptively and eloquently of Jack Walsh and the common Southie touch he never lost in a quarter century of public service. I ask unanimous consent that Mike Barnicle's column, "Still a Guy from I & 8th," may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Boston Globe, Feburary 20, 1985]

STILL A GUY FROM I & 8TH

At 18, he walked across Korea with the 1st Marines as they tried to shut the back door on the Chinese who came in hordes and caused the snow to turn red with the blood of soldiers killed in battle. He was a kid who knew his name, the serial number on his rifle and exactly who he was.

"Where you from, kid?" the other guys would ask.

"Gate of Heaven," Jack Walsh would tell them.

"No, no," they'd say. "Not what parish. What part of the country you from?"

"Oh," he'd answer. "I and 8th."

He came home, lucky to be alive and knowing it. The one thing he was not clear about was what to do with himself, so Jack Walsh went to Suffolk University and hung around the fringes of politics, working in a City Council job for a bit before deciding to take a run at a state rep's seat out of South Boston.

It seemed like a fine way to go, but someone named Billy Bulger from down on Broadway beat Jack Walsh in a primary. Bulger went to the State House. Jackie Walsh went to the Cape.

Bored, he took the test for the US Secret Service. He was assigned first to a bureau in Texas and then New York and on the afternoon of Nov. 22, 1963, he got on a government plane filled with agents who were flying to Andrews Air Force Base in order to guard the family of a President who had just been murdered in Dallas.

Across all the years, traveling with presidents, popes and royalty, Jack Walsh has remained, always, a guy from the corner of I and 8th. His head was never turned by people in three-piece suits or by the faces and names of men and women whose reputations or resumes pushed at the second hand of history's clock.

And that is why they will be there tomorrow night—all the boys from the corner and just as many big shots—when they hold a time at Anthony's for Jack Walsh, the Silver Fox. At 52 and a long, long way from Korea, Washington and all the stops in between, Jack Walsh is putting in his papers, retiring after 25 years of service to his country and to those who have run it.

The room upstairs at the restaurant will be jammed with walking relics of "The Aces" and the "The Strandway" gangs. Great care will be taken to make sure that a few Buds in the belly will not mean tables overturning during a rematch of some fight lost or won on a street corner four decades ago.

It will be a night of war stories and lies and marvelous tales told by people who come out of a snapshot of life lived at an earlier, easier time. But they won't show for the drinks, the food, the free pass or even to hear all the tales woven like silk through the evening hours: They'll come for Jack Walsh.

Harry Wallace, a middleweight, and Bob Casey, a heavyweight, from the concrete ring at I and 7th, will be there. Harry McDonough could never not attend. Deputy Eddie Walsh of the Boston Police, the man they love to hate in the North End, will come to referee any dispute about who had a better right hand.

Jack Walsh might tell them about the time he was guarding Bob Kennedy at a Notre Dame-Navy game when the senator from New York gave him two tickets. Walsh, at the gate, handed the two passes to a man who had his son with him.

"He looked just like a longshoreman from Southie," Walsh said. "That's why I gave them to him."

The stranger and his boy were seated alongside Robert Kennedy, who never blinked an eye or asked him how he got there. By the end of the first quarter, the guy was buying beers for Bob Kennedy, his new pal, and years later he was still sending a Christmas card to Jack Walsh.

From I and 8th Jackie Walsh traveled the world at government expense, a gun in his holster and his tongue in his mouth. He never talked about the people he was assigned to guard; never breathed a word about what they were like in private, whom they yelled at or whom they slept with. Their secrets became his and they will remain exactly that; secrets.

Oh, there are indeed plenty of stories to be told about Jack Walsh. Make no mistake about that. Yet, from Prince Sihanouk of Cambodia to Lady Bird Johnson of Johnson City, Texas, from Arab sheiks to Aristotle Onassis, from the Rose Garden in the White House to the sidewalk in front of the L St. Bath House, Jackie Walsh has never changed.

He kept his own private vigil of diplomacy, discretion and lockjaw when it came to what he did and whom he guarded. And whenever they showed up with offers of money for the secrets he could whisper in the pages of books or magazines, Jack Walsh, Gate of Heaven, I and 8th, 25 years' service behind him, would always tell them the same thing:

"All you have in this life is your word," he says. "You open your mouth like that, and you become a bum like everyone else."

PERSECUTION OF LABOR IN NICARAGUA

Mr. DURENBERGER. Mr. President, one aspect of the ongoing conflict between the Sandinista regime and the Nicaraguan people which is not widely known is the Government-directed repression of free labor unions.

A recent report by William Doherty, the executive director of the American Institute for Free Labor Development [AIFLD] documents in stark detail the Sandinistas' efforts to destroy the independent labor organizations within Nicaragua. The AIFLD, which is part of the AFL-CIO's Department of International Affairs, assists the development of free trade unions throughout the Americas and catalogs antilabor abuses by various governments in the Western Hemisphere. Mr. Doherty has just completed an update of his March 1984 report, "A Revolution Betrayed; Free Labor Persecuted." His research resulted in the adoption by the 15th Constitutional Convention of the AFL-CIO of a resolution which expressed the AFL-CIO's condemnation of the betrayal of the Nicaraguan revolution by the Sandinistas and its opposition to U.S. economic assistance to the Sandinista regime.

Perhaps the best assessment of the deterioration in the freedom of working people in Nicaragua was made by a Nicaraguan labor leader who is now in exile. He states:

For twenty years we had fought against the Somoza nightmare. Our resistance, bent at times, was never broken. We denounced the harassments, tortures and human and trade union rights violations. The price we

paid was more torture, jailings, dismissal from jobs, and death. Finally, our struggle was over and the Somoza dictatorship overthrown and we thought that everything that we fought for would now become a reality.

Four and one-half years after the takeover by the Frente Sandinista de Liberacion Nacional [FSLN], the democratic labor movement finds itself in a very serious predicament. We never dreamed that our labor leaders and workers would be put in jail again in great numbers; we never dreamed that the campaign by the government against our movement would be so vicious; we never dreamed that our workers and their families would be brought to ridicule by some long-time friends and neighbors, who now serve on block committees for the defense of the revolution, and it was beyond our wildest dreams that we would be asking once again about the "desaparecidos" (the missing).

In recent months, we see that the pressure being exerted on free labor organizations has, if anything, intensified. The targets of this violence and repression have been leaders and members of the Confederacion de Unificacion Sindical [CUS] which is affiliated with the International Confederation of Free Trade Unions [ICFTU], and the Central de Trabajadores de Nicaragua [CTN] which is associated with the Nicaraguan Christian Democratic Party and the World Confederation of Labor [WCL].

Several recent incidents involving labor unions are worth noting. In May of 1984, the CUS opened a vocational school in the Maria Auxiliadora district of Managua to train unemployed young people in various skills. Sandinista-organized mobs attacked the vocational center. CUS officials were threatened with death and were continually harassed by Sandinista officials. When the vocational course was announced, 162 students signed up in April. When the course was completed some 6 months later, only 35 students managed to withstand the pressures being exerted against them to end their participation.

In August of 1984, workers at the state-owned Victoria Brewery in Managua exercised their newly granted right to strike, only to discover that the Government had no intention of allowing them that right. Five days into the strike, the Sandinista Minister of Labor warned the Victoria workers that their strike was illegal and that they could be prosecuted if it was continued. In the face of various threats and pressure from Sandinista labor officials, the Victoria workers returned to their jobs, but initiated a work slowdown.

Most serious, perhaps, was the forcible occupation of CUS headquarters in Managua during August and September of 1984. To quote from Mr. Doherty's report:

On August 7, 1984, Tomas Borge, the Sandinista Minister of Interior, called to his office representatives of the various labor, business and political groups making up the Democratic Coordinator, including the CUS, and warned them that if the "Coordinadora" continued its refusal to run candidates in the national elections set for November, the Sandinista police and the "organized population" would prevent the Coordinadora's constituent groups from operating, because all their headquarters and property would be confiscated or destroyed. Subsequently, the headquarters of all the other groups in the Coordinadora were taken by force by "dissident" elements. The CUS was next.

CUS headquarters in Managua was occupied at Minister Borge's orders from August 25 until September 7. Upon reassuming control of the headquarters, CUS officials found that the property had been largely destroyed, the files ransacked, and the membership lists confiscated.

After the November election campaign in Nicaragua, Sandinista officials prohibited Nicaraguan labor leaders from traveling abroad. This ban was applied as well to other members of the Democratic Coordinator. This action of the Sandinistas was in direct violation of article 22 of the Organization of American States' Human Rights Convention which states: "Every person has the right to depart freely from any country, including his own." International labor organizations voiced their support for the right of the Nicaraguan labor leaders to travel freely. As a result of this international pressure, four Nicaraguan labor officials received exit visas from the Sandinista regime.

Mr. President, I ask unanimous consent that both of Mr. Doherty's articles on labor repression in Nicaragua as well as the 1983-84 annual summary of Nicaraguan labor activities by the Comision Permanente de Derechos Humanos de Nicaragua be printed in the RECORD. Finally, I request unanimous consent that a chronological report on the events associated with the seizure of CUS headquarters in Managua be entered into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SANDINISTAS AND THE WORKERS—THE BETRAYAL CONTINUES

(By William C. Doherty, Jr.)

Sandinista repression of trade-union rights and harassment of non-Sandinista labor leaders continued unabated throughout 1984, despite the "Comandantes" promises that civil liberties would be expanded during the fall 1984 "election" campaign. The same pattern that prevailed from the first days of Sandinista power in 1979 is still being applied: pressure on all workers and local officers of unions which remain affiliated to the Christian Democratic confederation (CTN) or the ICFTU affiliate in Nicaragua (CUS). The various forms of threats, arrests, beatings, interrogations, slanders, and economic reprisals used in this campaign of repression have been described in a number of articles.[1] Some of the most egregious examples of Sandinista repression of the workers in the last nine months of 1984 can provide an idea of what it is like to be a free trade unionist in Nicaragua today:

Sandinista goons attack CUS vocational school inauguration (May 1984):

With the help of Canada's foreign assistance program, Nicaragua's democratic Confederation of Trade Union Unification (CUS) has been able to open a Worker Vocational Training Center in the Maria Auxiliadora district of Managua. The Center serves an area of high unemployment by providing young people with skills.

In April, 1984, the CUS used a soundtruck to spread the word that registration was open for courses at the new Center. In two days 162 prospective students had signed up for classes, and opening ceremonies were scheduled for May Day. As the students gathered the Center was attacked by a mob organized by Sandinista Defense Committees and armed with rocks and clubs. The Sandinistas broke up the meeting and forced the CUS members out of the Center.

When the CUS persisted in its intention to open the Center even after this violent incident, its leaders received death threats and were publicly accused of being traitors, CIA agents, and employers' stooges. The CUS leadership protested the violation of the workers rights to Sandinista leader Daniel Ortega. The only response came not from the Comandante himself, but from local Sandinista officials who suddenly decided that the training center could not open, because the government had already planned to open a sewing school in the same neighborhood. The CUS replied that even two vocational schools in the area could not begin to fill the needs of the people there.

Despite the violence, the threats, and the bureaucratic harassment, the CUS went ahead and opened its school and began its first six-month course. Of the 162 who originally had signed up, 75 began the course. Sandinista hostility continued, but 35 students withstood the pressures and completed the course. (The Sandinistas' sewing school never materialized). Speaking at the graduation ceremony on November 12, 1984, CUS Secretary General Alvin Guthrie praised the graduates for their "bravery and sacrifices, and their determination to improve themselves". He also praised the women who served as instructors for "keeping their morale high and never bending in spite of the threats they received".[2]

Wildcat Strike of Victoria Brewery Workers (August, 1984):

The brewery is owned by the Nicaraguan government, having been taken over shortly after the 1979 revolution. The union in the plant is affiliated to the official CTS confederation. During the five years of soaring inflation under the Sandinistas, the Victoria workers' wages were subjected to a general wage freeze applied to most Nicaraguan workers. When their CTS leaders did noth-

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[1] See also: Sam Leiken, "Labor Under Siege", *The New Republic*, October 8, 1984; Ronald Radosh, "Darkening Nicaragua", *The New Republic*, October 24, 1983; William C. Doherty, Jr., "The Decline of Free Trade Unionism in Nicaragua", *AFL-CIO Free Trade Union News*, June 1983. The Permanent Commission on Human Rights of Nicaragua (CPDHN), *Informe Sindical*, Managua, 1984. Edgard Macia, "Labor Relations in the Sandinista Regime", *Alternative*, Washington, DC, February 11, 1983.

[2] This account is reprinted from *The AIFLD Report*, November-December, 1984.

ing on their behalf, the workers took advantage of a July, 1984 easing of restrictions on the right to strike and walked off their jobs, occupied the plant in a sit-in, and refused to leave the premises until their wage demands were met.

The officers of the Victoria union opposed the strike, but drivers for other breweries and soft-drink plants in Managua paraded over 100 trucks past the occupied Victoria plant, shouting slogans of solidarity with the strikers and honking the horns of their trucks.

After five days the Sandinista Minister of Labor came to the plant and warned the workers that their strike was illegal and they could be prosecuted if they continued it. Leaders of the CTS were quoted in the government newspaper as urging the strikers to go back to work. Faced with this pressure, after five days the workers went back to their jobs, pending a report by a mediation panel, but kept up the pressure by engaging in a work slow-down. This impertinence led one CTS leader to characterize the workers he obstensibly represented as "backward and disobedient." [3]

Forcible Sandinista Occupation of CUS Headquarters (August–September, 1984):

On August 7, 1984, Tomas Borge, the Sandinista Minister of Interior, called to his office representatives of the various labor, business, and political groups making up the Democratic Coordinator, including the CUS, and warned them that if the "Coordinadora" continued its refusal to run candidates in the national elections set for November, the Sandinista police and the "organized population" would prevent the Coordinadora's constituent groups from operating, because all their headquarters and property would be confiscated or destroyed. Subsequently, the headquarters of all the other groups in the Coordinadora were taken by force by "dissident" elements. The CUS was next.

On August 16th, the two representatives from Chinandega on CUS's thirteen-member Executive Committee requested and obtained a special meeting of the Committee and called for an end to the CUS's participation in the Coordinadora. The Committee resolved that only a full Congress of the CUS could reverse the decisions of prior Congresses to join the Coordinadora, and proposed that a special Congress be convened for early September.

On August 18th, when the two top CUS leaders were out of the country, the two dissidents arrived again at CUS headquarters, together with a group of twenty persons whom they had brought to Managua from Chinandega in a truck owned by the government telephone company.

The next morning CUS officers discovered that during the night the dissidents had broken into the CUS offices, and were occupying them, sleeping on mattresses provided by the Sandinista party and receiving meals thrice daily which were brought to them in government trucks. On subsequent nights, ten armed Sandinista soldiers joined the group each night in the offices.

In an effort to defuse the situation, the CUS Executive Committee convoked an "Extraordinary Assembly" of the CUS. On August 25 the various delegates arrived at the CUS headquarters, along with members of the Executive Committee. The latter were admitted to the offices by the dissident group occupying them, and a Council meeting was held, at which it was decided that only a full Congress, not just an Assembly, could take a decision to reverse the previous Congresses' decisions to participate in the Coordinadora. A special Congress was convoked for late September.

When the CUS officers emerged from the building to announce this decision to the assembled delegates, a Sandinista mob, armed with sticks and stones, attacked the delegates. During the ensuing 25-minute melee, fifteen Sandinista policemen present in the area looked on, taking no action. Twenty-two persons were injured in the fighting, five of them requiring hospitalization.

Subsequently, that evening the Ministry of the Interior, using the Sandinista Police, took over control of the offices from the dissident group, and occupied the building from August 25th through September 6th, citing the "dispute" within the CUS as necessitating this action.

The Sandinista mob action and the police take-over were immediately and vigorously protested by international labor. Lane Kirkland, President of the AFL-CIO, sent a cable to Nicaraguan Interior Minister Tomas Borge demanding that his government "cease and desist its occupation of CUS headquarters and intervention in its internal affairs. This anti-union conduct is a direct violation of ILO Convention 87, which guarantees freedom of association, and which Nicaragua has ratified." The Director General of the International Labor Organization immediately contacted the Sandinista government and other protests were sent by national labor centers in Canada, Costa Rica, Norway, Spain, Panama, Mexico and Italy, as well as by the ORIT and the ICFTU.

Subsequent to the international protests, on September 7th the police returned control of the offices to CUS officers. Upon entering the offices they found a scene of destruction—desks and files had been looted, doors and windows broken, and membership files, financial accounts, proceedings of Congresses, photographs, and some money had been stolen. As Interior Minister Borge had warned the CUS on August 7th, its headquarters had indeed been taken over and its property destroyed.[4]

Sandinista Denial of Travel Rights to Democratic Labor Leaders (November, 1984):

Once the Sandinistas' carefully-controlled national election campaign was over on November 4, 1984, the Nicaraguan regime began a campaign of harassment against opposition groups which involved, among other actions, denials of exit permits and confiscating of passports when opposition leaders wished to travel abroad. In some cases Nicaraguan officials deliberately ripped out pages from would-be travelers' passports at the airport, and then forbade their departure because the passport was damaged.[5]

This campaign violated Article 22 of the OAS American Human Rights Convention which states: "Every person has the right to depart freely from any country, including his own." [6] The denials of travel rights were aimed primarily at officers of groups belonging to the Democratic Coordinator, which had boycotted the elections because of the absence of adequate freedom to campaign. The two labor confederations affiliated with the Coordinator suffered their share of harassment, including the Confederation of Trade Union Unification (CUS), which like the AFL-CIO is affiliated with the ICFTU.

In a protest released to the press on November 30th, 1984 in Brussels, the ICFTU stated:

"The Nicaraguan authorities are preventing four top trade union leaders from leaving the country to attend union meetings abroad. Since November 19th, the authorities have withheld their passports and refused to provide them with exist visas."

Noting that the anti-travel actions were in line with the authorities' "constant pressure aimed at forcing union members and federations to join the government-sponsored CTS", the ICFTU said that it had "denounced these latest incidents" in a cable to Nicaraguan President Daniel Ortega in which the ICFTU stated:

"This attitude contradicts repeated promises to the effect that civil liberties will be fully respected in the country."

The ICFTU's Western hemispheric grouping, ORIT, called on its affiliates to protest the travel bans on the CUS leaders. President Lane Kirkland of the AFL-CIO then cabled the following statement to the Nicaraguan government:

"We deplore the retention of passports and the refusal of exit visas for trade union brothers Alvin Guthrie Rivers, Jose Espinosa Nava, Omar Baca and Santos Tijerino of the Confederation de Unification Sindical (CUS), affiliate of the ORIT, ICFTU. The continued violation of trade union rights and human rights against democratic trade union leaders in Nicaragua should cease."

Subsequent to these international protests, the four labor leaders finally received exit permits, and were able to travel.

Events in the labor sector in Nicaragua during 1984, as shown by the above examples, confirmed the betrayal by the Sandinista regime of its initial promise to the Nicaraguan people regarding respect for democratic pluralism. Every effort of the regime has been in the direction of a totalitarian-style, government-controlled labor movement. The holding of carefully-managed elections in November did not lead to any improvement, but merely to further harassment and repression. The disillusionment felt by all who had hoped for a positive change in Nicaragua was expressed by former Venezuelan President Carlos Andres Perez in a letter to President-elect Ortega of Nicaragua, responding to an invitation to attend Ortega's inaugural ceremony. Mr. Perez, who is currently Vice President of the Socialist International, stated:

"Those of us who believe we have done so much for the Sandinista revolution feel cheated, because sufficient guarantees were not provided to assure the participation of all political forces. Sadly, the limiting in this way of true political pluralism weakened the credibility of the elections.

These are the considerations that lead me today to decline your cordial invitation to attend the ceremonies on Jan. 10, 1985." [7]

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[3] See Sam Leiken, *op-cit.*, p. 18; *New York Times*, August 27, 1984, p. A-2.

[4] This account is excerpted from *The AIFLD Report*, September-October 1984, and is based on the official report on the incident by Juan Marval of the ORIT staff, which was forwarded to the ICFTU in September 1984.

[5] See the *New York Times* November 25, 1984, p. A-16; *The Washington Post*, December 3, 1984, p. A-1; and *The Miami Herald*, December 5, 1984, p. 4-A.

[6] See *Manual de Normas Vigentes en Materia de Derechos Humanos*, Commission Interamericana de Derechos Humanos, OAS, Washington, DC, 1979, p. 56.

[7] See *The Wall Street Journal*, January 11, 1985, p. 19.

Despite disillusionment, and facing a dictatorial regime determined to stamp out pluralism, the democratic labor movements of Nicaragua are continuing to stand their ground. Both the ICFTU-affiliated CUS and the Christian Democratic CTN remain active in the Democratic Coordinator grouping. In mid-December 1984, in fact, Jose Espinosa of the CUS was elected first Vice President of the Democratic Coordinator. Given the determination of Nicaraguan workers to defend their trade-union rights, they deserve all the solidarity and support which free trade unions throughout the world can give them. We cannot leave them to face this challenge alone, for the principle which they defend, and which the Sandinistas assault is our principle also: freedom of association.

A REVOLUTION BETRAYED; FREE LABOR PERSECUTED

(By William C. Doherty, Jr.)

For decades the AFL-CIO extended solidarity to the workers of Nicaragua in their struggle against the vicious dictatorship of Anastasio Somoza. Ours was the only organization to respond to the request of the "Confederacion de Unificacion Sindical (CUS) for a boycott against Somoza's merchant shipping.

The hopes raised by the July 1979 victory of the Sandinista revolution against Somoza have been shattered. The Carter Administration, backed by the AFL-CIO, had demonstrated its support of the revolution by granting substantial economic assistance to the new government. But that government has become dominated by totalitarian elements which have established a dictatorship that all but destroyed the right to strike, to organize or to bargain collectively without interference.

The Nicaraguan government has jailed seven dock-worker union leaders for recommending that their union in Corinto rejoin the CUS. The AFL-CIO fully supports the ICFTU protest to the ILO against this violation of trade union rights.

Cuban-style block committees requiring brother to spy on brother have been established under the new Sandinista police state. The last remaining independent newspaper, La Prensa, has been repeatedly shut down. The right of habeas corpus is nonexistent.

The Nicaraguan defense minister, Comandante Humberto Ortega, has publicly stated that if elections are to be held at all, they will be to "consolidate revolutionary power, not to call it into question."

The AFL-CIO condemns the betrayal of the Nicaraguan revolution by the Sandinista government and opposes economic aid to the regime.

Upon coming to power in July 1979, the Sandinista Front for National Liberation (FSLN) immediately began its campaign to destroy the two democratic trade union centers in Nicaragua, the "Confederacion de Unificacion Sindical" (CUS), affiliated to the International Confederation of Free Trade Unions (ICFTU), and the Christian-oriented "Central de Trabajadores de Nicaragua" (CTN), affiliated to the World Confederation of Labor (WCL). Both international organizations have their headquarters in Brussels. The AFL-CIO is an affiliate of the ICFTU.

Within hours of taking control, the Sandinista leadership formed the "Central Sandinista de Trabajadores" (CST), and insisted that all unions should belong to one trade union central. When the CUS and CNT declined, stating that they already represented democratic unions affiliated regionally with the free and democratic hemispheric organizations of the ICFTU and the WCL, the FSLN embarked on a unification plan that violated every concept of human and trade union rights.

The FSLN strategy was revealed almost immediately after they assumed power. Scarcely a month had gone by when it was brought to the attention of the Minister of Labor that on August 24, 1979, an election of the Union of Carpenters and Masons was convoked by the International Brigade "Simon Bolivar." The election was held in the presence of uniformed and heavily armed guards and without the participation of the previously elected executive committee. The election was permitted to stand.

August 28, 1979.—In a letter to the Government Junta for National Reconstruction, a copy of which was published in the newspaper *La Prensa*, the CUS complained that armed members of the FSLN were harassing their trade union leaders and disrupting their activities, and that "comandantes" in Corinto and Chinandega were accusing the CUS leaders of being thieves, sell-outs, imperialists and counter-revolutionaries. The CUS reminded the Junta of its participation in the battle against Somoza and that their Secretary General Luis Medrano Flores was killed by the Somoza forces on January 9, 1979.

December 1979.—The CNT's headquarters in Managua was shot up by Sandinista troops.

January 1980.—The CNT's regional office was forcibly occupied by Sandinista troops.

Also in January, the port union of Corinto was terrorized into affiliating to the Sandinista confederation after the union's Secretary General was arrested and held without charges; the home of the CUS's secretary for cultural affairs was bombed in Leon; and four other CUS leaders in the area, including the president of the CUS Manisa Federation, were arrested.

March 1980.—Comandante Thomas Borge personally intervened in the affairs of the Hotel Intercontinental union, a CUS affiliate, and demanded that new officers be elected. When the election didn't turn out to his liking, he demanded a second election.

October 1980.—The Sandinista Confederation (CTS), affiliated to the World Federation of Trade Unions (WFTU), the Marxist labor international with headquarters in Prague, Czechoslovakia.

October 22, 1980.—Luis Malma, a Peruvian union representative of the International Federation of Commercial, Clerical and Technical Employees (FIET), an international trade secretariat which had supported their affiliates in Nicaragua during the oppressive years of Somoza, was arrested by five armed members of the state security department. He was taken to the Ministry of the Interior and was interrogated for two days at El Chepote, which was formerly called the Bunker. After his two-day ordeal, the security forces took him to his home, picked up his wife, advising her that she could take only two personal items with her. They were driven under armed guard to the Costa Rican border and released. All of their personal belongings, such as linens, tableware, china, radios, etc., were confiscated by the guards. Brother Malma was never told the reasons for his expulsion.

February 12, 1981.—Three leaders of the "Javier Guerra' trade union, and three CTN leaders in the Mandaime area were arrested by state security forces.

February 13, 1981.—The Secretary General of the CTN, Carlos Huembes, was attacked and brutally beaten by Sandinista thugs at the Managua airport in the presence of government troops. He was taken to a hospital where it was found that he had a broken nose and deep lacerations about the body. He was constantly followed by state secret agents and was publicly attacked as a traitor by government officials. The words "Always Watched. Death to the Traitors of the FSLN." were painted in bold letters on the outside walls of his home.

February 16, 1981.—Two CTN trade union leaders were arrested in the Matagalpa province and released only after being threatened with death if they remained in the CTN.

January 1982.—The Chinandega Tranport Union, with approximately 2,000 members, which was affiliated to the Sandinista Confederation (CST), became dissatisfied with the services given to the union by the Sandinistas. The union called a general assembly and invited representatives of the CST and the country's two other trade union centers, the CNT and the CUS. The object of the general assembly was to enable workers to decide with which national center they wanted their union to be affiliated. The 480 delegates who attended voted as follows: CST, 11 votes; CTN, 69 votes; CUS, 400 votes. The visiting representatives of the three national trade union centers signed an agreement by which they pledged to respect the democratic vote of the workers. However, the very next day reprisals began, and the Secretary General of the union had his driver's license confiscated by the authorities. It was made abundantly clear that the union could expect a period of harassment until the vote was reversed. They stated that "a disaffiliation from the CST was tantamount to counter-revolutionary activities."

March 15, 1982.—The Sandinista government declared a "State of National Emergency" during which the regime is to have extraordinary powers, including the right to detain and jail persons indefinitely without having proved that they committed any crime. The right of habeas corpus is suspended. Under this decree, strikes continue to be banned, no collective contracts may be signed, and no trade union demonstrations or public meetings are allowed. However, these restrictions are not enforced against unions affiliated with the Sandinista Confederation (CST).

March-April 1982.—Forty CTN activists were detained by police and interrogated for days at a time. Three members of the CTN Executive Committee receive death threats.

May 17, 1982.—Armed men invade the headquarters of the CTN labor confederation and rifle the archives containing mailing lists and accounting records.

August 17, 1982.—Peasant leaders of Jalapa are arrested and remain imprisoned through the Spring of 1983.

In the first week of November 1982, an ICFTU mission composed of the following members visited Nicaragua:

Tulio Cuevas, ORIT Secretary General and head of the delegation

Enzo Friso, Director, Inter-American Affairs, ICFTU

Claudio Artavia Artavia, General Secretary, Central American Confederation of Workers

Frank Drozak, Vice-President, AFL-CIO (U.S.A.)

William C. Doherty, Jr., Director, AIFLD/AFL-CIO

Richard Mercier, Vice-President, CLC, Canada

John Harker, Director, International Affairs Department, CLC Canada

Emilio Gabaglio, Director, International Affairs Department, CISL, Italy

Per Carlsen, representing the Nordic Council of Trade Unions

The mission held talks with the Minister of Labor, Mr. Virgilio Godoy, and with members of the Committee on Human Rights, the "Coordinadora Democratica" (representative of political parties and professional associations); Mr. Rafael Cordova, a member of the governing Junta; Victor Tirado Lopez. Commander of the Revolution; the leaders of the "Coordinadora Sindical de Nicaragua" and, finally, the leaders of CUS, the ICFTU affiliate.

In the course of these various interviews, and particularly with the Minister of Labor, the delegation stressed the desire and commitment of the international free trade union movement to support in Nicaragua—just as in any other country in the world—the respect for ILO Conventions on trade union rights, within the framework of free, democratic and pluralistic society, which is the only way in which real trade union rights may be guaranteed. The mission also emphasized that the trade union unity of the working class, which is the goal of every authentic trade unionist, must not, however, be imposed by any authority, but must emerge as the result of the will of the workers themselves.

The mission furthermore pointed out that the international free trade union movement enthusiastically supported the people of Nicaragua in their victorious battle against the cruel Somoza regime and also the Sandinista Revolutionary Government which was set up after the liberation of the country.

The mission complained about the very repressive acts, including imprisonment, committed against CUS—an ICFTU affiliate—and its leaders, and, since acts of this nature were continually occurring, the ICFTU had been forced to lodge complaints with the ILO in the hope that the government would review its attitude and respect the international conventions.

In very frank and cordial talks, the Minister of Labor assured the delegation that the Government of Nicaragua intended to fulfill the obligations deriving from the ILO conventions.

Unfortunately, the Sandinista government continued to interpret freedom of association as the "Freedom" of workers to affiliate to the Sandinista Confederation (CST) . . . or else.

After the ICFTU visit, the repressions were of a more serious nature and began to occur more often.

November 20-21, 1982.—The National Confederation of Workers (CTN) convened in the city of Managua in order to discuss the turn of events in the country. The congress made public its deep concern about the deterioration of the freedoms in the country, denouncing "before our citizens and before the world all the abuses that have been heaped upon us by the military in power, such as the case of our trade union brothers Eugenio Membreno, Numan Caideron, Miguel Salcedo, Victoriano Ramos, Nicolas Gonzalez, Ramon Gonzalez, Saturnino Lopez Centeno, his daughter, Heriberto Rodriguez, Santos Jimenez, Bernabe Larios Morga, Santos Larios Cornejo, Evelio Larios Cornejo, Jose Moreno Davila, Monico Fuentes, Abel Lopez, Jose Moreno, Agustin Canales, Santos Guerrero, and Santos Ponce Santacruz, who had been arrested without justifiable cause."

The AFL-CIO has just received notification that, as of February 20, 1984, the following labor leaders remain in jail:

Anastasio Jimenez Maldonado arrested October 1982.

Gabriel Jimenez Maldonado arrested October 1982.

Saturnino Lopez Centeno arrested October 1982.

Alejo Flores Castillo arrested December 1982.

Candido Arbigu Ocon arrested December 1982.

Candelario Jarquin Miranda arrested December 1982.

Ricardo Mejia Salgado arrested December 1982.

Esteban Orozco Martinez arrested December 1982.

Anacleto Razo Torres arrested December 1982.

Nicolas Orozco Martinez arrested December 1982.

Stanislao Cano Mayorga arrested December 1982.

February 1983.—Three more CNT leaders are arrested in Matagalpa and were held for four months without being charged.

March 21, 1983.—The Port Workers Union of Corinto, representing 1800 workers, formally announced that it was leaving the Sandinista Confederation (CST) and affiliating to the ICFTU affiliate CUS.

On March 22, a Sandinista security force arrived at union headquarters and assaulted the members and took many to jail. The following message was sent to Dr. Edmundo Vargas, Director of the Human Rights Department of the Organization of American States, and Martin Ennols of Amnesty International:

We denounce the trade union related repression against members of the dock workers union of Corinto. A score of armed mobs backed by governmental authorities engaged in a violent physical confrontation with defenseless workers to prevent them from disaffiliating from the official trade union central organization and to affiliate to the Confederation of Trade Union Unity (CUS). Alejandro Arnuero Martinez, Julio Solis Samayoa, Jorge Gutierrez Medramo, Jose Gomez Novoa, Francisco Davila Mendoza, Guillermo Salmeron Jimenez and Crescencio Carranza, dock workers and leaders of their union have been arrested; seven others had their dock workers cards destroyed, which resulted in their unjustified dismissal for absenteeism, and some two hundred and sixty workers are on the black list, being threatened with dismissal by the company that runs the dock operations in Corinto.

We would appreciate your good offices before the Nicaraguan Government to ensure that further and serious reprisals of this kind do not take place.

MARTHA P. BALTODANO,
National Coordinator, Permanent Commission on Human Rights, Nicaragua.

June 1983.—The ICFTU Congress in Oslo confirmed its protest to the ILO regarding the violation of Convention No. 87 by the Sandinista regime because of its repeated infringement of workers' rights. The Sandinista repression of the Corinto Port Workers Union, an ICFTU affiliate, was cited as a particularly flagrant example.

July 18, 1983.—Estela Palaviccini, the "secretary of Vigilancia" of the Checkers' Union of Corinto was arrested and then released. She was arrested for a second time on October 10 and tortured. She was then found innocent and released only to be informed that she no longer had a job; one more person added to the black list of dissenting democratic trade unionists.

July 1983.—Jose Miranda Wilford, secretary general of the Radio Workers union, is imprisoned when he opposes the forced affiliation of his union to the CST. He remains in jail.

December 1983.—The house of Carlos Huembes, Secretary General of the CTN, was besieged by members of the Sandinista Popular Militia for several days during the month of December. During their routine military exercises, more than one hundred "milicianos" (militia men) would pause in front of the house for a period of approximately three hours shouting slogans such as "Counter Revolutionary, go to Miami!" On one occasion, while the troops were demonstrating in front of the house, one of Brother Huembe's daughters suffered a nervous breakdown that required the services of a doctor.

1984.—The beginning of the new year saw no change in the tactics of the Sandinista Junta and all of its related organizations. While its leaders were on a public relations program for peace throughout the U.S. and the world, the parade of democratic trade unionists going to the jails of the country continued and the job black list kept growing longer.

January 25, 1984.—Aristides Morales Martinez, former secretary general of the SITRAVOCHI union in Chinandega was arrested in the middle of the night, reminiscent of the tactics of the Somoza Security Force. His crime? He dared to defend the free trade union precepts of CUS.

January 28, 1984.—Alfonso Davila, a member of the Faustino Martinez union in the San Antonio Sugar Mill, was arrested for distributing the CUS monthly labor information bulletin, "Solidaridad." He was taken to a jail in Chinandega and held incommunicado.

In mid-February 1984, five thousand (5,000) sugar cane workers at the San Antonio Sugar Mill complex went on strike for three days to protest the government-imposed labor agreement. The sugar estates and refinery are the largest privately-owned enterprise in Nicaragua, yielding over half of the country's sugar production and most of its rum ("Flor de Cana"). A spokesman for the Pellas family, which owns San Antonio, said that they could have given larger raises, but the Labor Ministry imposed a ceiling.

The workers who belonged to the Ronaldo Altamiro Revolutionary Union affiliated to the Sandinista Confederation (CST), turned their backs on the CST leadership and demanded higher wage increases. The strike was successful, the workers received a higher increase and, as Luis Francisco Pena, a cane cutter who has been in the fields 35 years put it, "This was a work stoppage because of hunger. We have to insist on our rights as workers. This isn't a political affair; this is a work affair. Our life is very difficult." As a consequence of this strike, the leadership of the refinery workers union (a CUS affiliate) were set upon as agitators. The FSLN regards the San Antonio operation as very important and has been angry that the workers are represented by a CUS union. It has shown its displeasure by refusing to confer legal status ("personeria juridica") on the union for the last three years. Normally, legal status is conferred in weeks.

The union leaders have again been detained and at least one has been threatened

with death if he does not sever his contacts with the CUS.

March 1, 1984.—The CTN distributed a pamphlet titled "Information of Union violations, 1983—A Reality behind the Barbed Wire of the FSLN." The pamphlet lists names, places, and describes incidents that transpired in 1983. There are over one hundred violations of human and trade union rights.

March 15, 1984.—A telegram was received from the ORIT offices in Mexico City. It said that Brother German Saul Solis, recording secretary of the Port Workers of Corinto, arrived in Mexico City March 13 after buying his way across the border, and is in dire straits. He was one of the leaders jailed in March 1983, dismissed from his job and eventually blacklisted. No one would hire him, and he barely survived by doing odd jobs wherever he went. He finally had to leave, and is now in Mexico asking for assistance.

The above documentation can best be summarized by the words of a Nicaraguan labor leader in exile: "For twenty years we had fought against the Somoza nightmare. Our resistance, bent at times, was never broken. We denounced the harassments, tortures and human and trade union rights violations. The price we paid was more torture, jailings, dismissal from jobs, and death. Finally our struggle was over and the Somoza dictatorship overthrown and we thought that everything we fought for would now become a reality.

"Four and one-half years after the takeover by the Frente Sandinista de Liberación Nacional (FSLN), the democratic labor movement finds itself in a very serious predicament. We never dreamed that our labor leaders and workers would be put in jail again in great numbers; we never dreamed that the campaign by the government against our movement would be so vicious; we never dreamed that our workers and their families would be brought to ridicule by some long-time friends and neighbors, who now serve on block committees for the defense of the revolution, and it was beyond our wildest dreams that we would be asking once again about the 'desaparecidos' (the missing)."

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA—1983-84

CASES OF UNIONISTS

January 1983

1. Guibaldo Artola Tellez and Juan Agustin Reyes, of the Colony El Verdun, Nueva Guinea. Members of the CTN Executive Committee, a peasant organization in the community of El Verdun, they were attacked on December 25, 1982 at 8:30 p.m. by a group of men who under the influence of alcohol showed up armed with machetes, rods and sticks at the house of Mr. Artola Tellez, and finding it shut, said group entered violently and in a criminal manner they quarreled with both, leaving them on the floor with serious wounds. According to testimony of the neighbors, the main attackers were militiamen: Juan Sanchez, Felix Sanchez, Toribio Sanchez, Emilio Agueda and Ramon Arroliga.

2. Jose Altamirano Rojas and Alfredo Woo Escobar, Secretary General and the one in charge of information for CTN, were summoned by Lt. Elear Rodriguez in Palo Alto and interrogated for publishing the CTN Manifesto. They made them sign several statements at the police headquarters and threatened to arrest them if they published new bulletins.

3. Benito Gomez Centeno, 37, mechanic, from Managua, Union Advisor of the Western Zone for the CTN. On Wednesday, January 12, 1983, when he was leaving the facilities of the INA textile company of Chinandega, they threatened to arrest him and warned him that his life was in danger if he continued to advise the western unions, in this way violating free union organization.

4. Victor Manuel Flores Martinez, 34, painter with domicile in Managua. On January 28, 1983 at 6:00 p.m. a patrol of the Police Prosecution Department (PALO ALTO) showed up at his house of residence, apprehending him and searching his house; when he opposed this he was beaten in the forehead and taken to Km 7, Carretera Sur/ South Hwy/, where they decided to take him to substation #2 of the Sandinista Police, in the barrio Monsenor Lezcano. On reaching there members of the CDS of the neighborhood where he lives met and they pointed out Mr. Flores as a member of the CTN. He was taken to a cell, at 10:00 p.m., he was released, claiming that he had been detained due to a mixup. This is the third time that Mr. Flores has been detained, without any motive whatsoever and at the insistence of the CDS Coordinator, Saturnino Gomez.

5. Jose Castillo, 20, peasant from the District Las Mojarras, jurisdiction of La Paz Centro, department of Leon, was detained December 31, 1982, brutally whipped for not knowing how to tell where his father was at the moment of his apprehension. He was in El Chipote, is now in the Zona Franca, under the orders of the prosecutor Dr. Boris Vega. The prisoner belongs to a union of workers of Rio Grande that the CTN advised. Pardoned 9/1/84.

6. Heriberto Mayorga, peasant from the district of Las Mojarras, jurisdiction of La Paz Centro, department of Leon, detained December 21, 1982, was whipped, being taken to Chipote, he is currently in Zona Franca, under the orders of the office of the prosecutor under Dr. Boris Vega. The prisoner belonged to a union of workers of Rio Grande that the CTN advised. Pardoned 9/1/84.

February 1983

1. Fidel Lopez Martinez, apprehended November 13, 1982 in Puerto Atlanta, for belonging to the CTN, beaten and threatened with death and being sentenced to 30 years in prison if they again found him in "counterrevolutionary union activities." Being in prison, his food was suspended, which was twice a day. He is free. Efforts were made before State Security and the MINT Delegate in Chontales.

2. Nicolas Masis Gonzalez, 27, farmer from the agricultural colony "Jose Benito Escobar." He belonged to a battalion of militiamen and as of October 1982 was affiliated with CTN. On December 10, 1982, he was detained by members of the Sandinista Popular Militias established in the Nuevo Leon colony, accused of not having attended the mass for Ahmed Campos, a Sandinista leader killed last November, remaining detained for four days.

On February 6, 1983 he was forced to sign a document under threat that "anything could happen to him."

3. Jose Mayorga Altamirano, peasant. February 22, 1983, at 9 p.m. he was apprehended in his house of residence by soldiers located on the Padronica Hacienda, before Rio Grande, where he worked until it passed into the hands of the State, then the personnel was reduced and since he was a member of the CTN he was fired. At the moment of his apprehension they took as a hostage Mr. Prudencio Rios, threatening him that if Mr. Mayorga did not show up he would be jailed. Found in Quinta YE August 14, 1983.

March 1983

1. Domingo Rios Solano, apprehended in La Esperanza, March 2, 1983, for belonging to the CTN. At the time of his apprehension the prisoner asked for the detention order, it being claimed that since they were from Security they didn't need one.

2. Carlos Huembes, unionist of the CTN, has been being harassed by individuals with a peasant appearance, who try to involve him in counterrevolutionary activities.

3. Estanislao Obregon Sequeira, 31, Sebastian Aguilar Ortega, 27, both of the San Jeronimo district, Zelaya, were recruited into a battalion without knowing how to use weapons. They are being pressured again, it being claimed that since they belong to the CTN they are counterrevolutionaries and that they are the first who have to go, because if they don't they will grab them dead or alive.

4. Diego Munoz and Adan Ticay, were harassed and threatened by persons belonging to the Association of Workers of the Countryside (ATC) on March 24, 1983 at the El Progreso Hacienda of Granada, after gaining the decision from the Labor Judge that they be reintegrated in their jobs. The mobs made up of members of the ATA appeared with bombs and rifles, proceeding to threaten them and expell them from the hacienda together with workers Higinio Ticay, Angel Ticay, Andres Samuria and Rito Perez, considering them fired.

5. Alfredo and Faulso Tercero, belonging to the CTN, were apprehended in the community of Castilla, Rancho Grande, Matagalpa, in the month of November 1982, accused of being counterrevolutionaries. From Rancho Grande they were transferred to Waslala, then to Chile, later their mother was told that they had been killed and buried along the banks of a river.

April 1983

1. Saturnino Mendoza Aguirre, member of the CTN, has been harassed, other times investigated for several hours and on other occasions summoned by the Chief of Secruity of Nueva Guinea, who has told them through pressure that he has to turn into an informer on the activities of the CTN for State Security.

2. Alfredo Woo Wesobar and Agustin Rodriguez Lopez, CTN members, were detained April 10, 1983 by the police, at the "Maestro Gabriel" Institute, when they were on their way to advising and participatiang in the General Assembly of the Union of Workers of Gasoline Stations (SITEGMA). They took them to substation #4 of Ciudad Jardin, they were detained for four hours. They were accused of a bad traffic maneuver that that vehicle had committed "a year ago."

3. Constantino Peitien Vargas and Salomon Diaz Fernandez, 46 and 34 years old respectively, both of the community of Yolaina, Nueva Guinea. They are members of the Executive Committee of CTN. They were apprehended on April 17, 1983. Accused of being counterrevolutionaries, they are in Juigalpa. Constantino Pettien Vargas was released May 13, 1983.

4. Hermogenes Aguirre Laragaespada, with domicile in Mateare, member of CTN, has been harassed and interrogated by members of Security, who have threatened him and his family. They have tried to pres-

sure him in order to turn him into an informer for Security. On April 24 a member of the Sandinista Popular Army fired against his house of residence.

5. Larry Lee Shoures, with donicile in Mateare, member of CTN. On April 25 21 persons showed up at his house of residence, threatening to kill him and set fire to his house. Among the persons who threatened him were members of EPS, the FSLN persons responsible for policy, the member of the municipal junta, the Coordinator of CDS and Cubanos Internacionalistas; they were supported by the authorities.

6. Ignacio Ticay Martinez, Rito Perez Rubio and Andres Lopez, members of CTN. They were discharged from their job at the hacienda "El Progreso" on January 26, 1983, due to pressures from the police, the ATC and CST. They went to the Judge of Granada and he ordered they be returned to their labors. The mass organizations have threatened them with death if they go back to their jobs.

7. Francisco Rodriguex Sotelo, Roberto Otero Gonzalez, Gabriel Medina Largaespada, Ernesto Aguirre Gomez, Gerardo Rostran D. Santiago Jimenez Mejia and Reynaldo Lopez Solis, members of CTN, were fired from Enabus on January 21, 1983. They went to the Second Labor Court and it orderd their reintegration in the company. There was an appeal by Enabus went to the Ministry of Labor, ignoring the two higher instances and in a trial full of invalidities the Departmental Inspector of Labor gave into the pressures of the company, coming out for the firing of the workers. They were reintegrated by order of the Office of the Departmental Labor Inspector on May 25, 1983.

May 1983

1. Julio Orozco Jimenez, left the Don Bosco Church on May 1, after the mass for International Labor Day. He approached to help a person who was being attacked by the "mobs"; he was beaten by them and then was handcuffed by a policeman and taken to the substation of Bello Horizonte. He was interrogated with respect to his membership in CTN. They threatened to send him to Zona Franca. He was released on May 2, 1983.

2. CTN, May 1, 1983, at the Don Bosco Church, where mass was being given for International Labor Day, the "divine mobs" showed up to attack the faithful, trying to identify the members of CTN. The police observed the events without protecting the victims.

3. Agustin Rodriguez, union members of CTN, on May 26, 1983, near Telcor, Villa Panama, had a truck he owned taken from him, and he was accused of having carried out a robbery in that vehicle. This truck was used by CTN and previously had been seized by the police, who had it in their possession for several months.

June 1983

1. CTN, the peasants who are members of CTN, domicile in Wasaca, Matagalpa, are constantly harassed. They come to get them at their houses in the early morning and they are subjected to intense interrogations, being threatened with jail; they are: Ernesto Picado Hernandez, Roberto Tercero Gonzalez..

2. Guillermo Gonzalez Tercero, member of CTN, was apprehended on May 9, 1983 in Rancho Grande. Accused of being a counterrevolutionary, he is being detained at Rancho Grande but it has not been possible to see him. Free June 7, 1983.

3. Ricardo Cervantez Rizo, Roger Antonio Medina Ruiz and Santiago Ubeda Cano, members of CTN, were fired from their jobs at Enabus of April 29, 1983, due to a claim filed with the Ministry of Labor for the seventh day withheld.

4. German Arellano and Joel Espinoza, union members of CTN. They were apprehended on May 26, 1983 in Enabus. They were taken to the Bello Horizonte jail, they were threatened with death, the police pressured them to give up the claim filed against Enabus for lack of payment of the seventh day since 1979. Free May 28, 1983.

5. Sergio Roa Gutierrez, union member of CTN, domicile in Managua. He was apprehended on June 7, 1983 by members of the CDS and the Sandinista Police. Initially they told him that there was a denunciation against his vehicle in which he got around, then they accused him of attacking two individuals and later with having insulted the CDS. He was transferred to substation #1 of Ciudad Sandino. Free June 8, 1983.

6. Confederation of Union Unification (CUS). A group of union leaders of CUS were attacked by mass organizations of the FSLN on May 21, 1983 when they were headed for the Assembly of the Union of Longshoremen, Employees and Office Workers of the Port of Corinto, where they were going to discuss possible affiliation with CUS.

7. Crescencio Carranza, Guillermo Salmeron Jimenez, Jose Gomez Novoa, Jorge Gutierrez Medrano, Julio Solis Samayoa, Alejandro Arnuero Martinez and Francisco Davila Mendoza, all members of the Union of Longshoremen, Employees and Office Workers of the Port of Corinto, of that domicile, were apprehended on June 9, 1983, except Mr. Francisco Davila Mendoza, who lives in Chinandega and he was detained on May 31, 1983. The latter is on parole due to illness. The others were released on July 3, 1983.

July 1983

1. Juan Jose Rivas Sanchez, 33 years of age, electrical assistant with domicile in Managua. He is Press and Advertising Secretary of the union SITRIAM, member of CTN. He was apprehended on July 29, 1983 at his house of residence by members of State Security, accused of boycotting production.

He remained incommunicado in State Security for 45 days, after which he was released, but he was fired.

2. Jose Miranda Perez, 25 years of age, Radio Technician with domicile in Managua. He is president of the Union of Radio Workers [SITRA], member of CTN. Apprehended in his house of residence on July 18, 1983. He remained in El Chipote for three months, subjected to intense interrogations. He was transferred to the Zona Franca jail, being released on January 31, 1984.

August 1983

1. Miguel Salgado Baez, member of the National Executive Committee of the CTN and founder of the union of Aceitera Corona/Corona Oil Can Co. He was summoned on August 5 to appear at House #50 of State Security; upon arriving there he was accused of ideological diversion and was invited to desist from his union struggle, On August 19 he was looked for in his house of residence by State Security; when they did not find him they left him a summons to appear at House #50 in El Chipote the next day, On arriving for the appointment and after a five-minute interview, a Security Jeep arrived and took him away, without it being known to this day why he was detained. He was released September 10, 1983. During his imprisonment he was never brought before any court. He was subjected to interrogations and pressures of all kinds. When he tried to return to his job he was fired.

September 1983

1. Napoleon Molina Aguilera, adult, driver, with domicile in Managua, was summoned to State Security at House No. 50 of El Chipote, where he was told that the main reason for the summons was his membership in CTN which has as an affiliate the union called SIMOTUR of the National Bus Company, of which he is a member; the soldier who interrogated him threatened to take away not only his house, but also his children and hand them over to a CDI (Child Development Center), threatening him that if he continued in CTN he could be tried by the Anti-Somocist People's Courts.

October 1983

1. Manuel Urbina Aleman, adult, with domicile in Granada. He is secretary of the union of workers called EL Mombacho, of La Luz Hacienda, in the department of Granada, affiliate of the CTN. On October 8. 1983, the union facilities were partially destroyed by some 2000 armed subjects, who were led by Justino Diaz. They threatened the board members of the union, among which is Francisco Balladares Chavez. They destroyed the union seal, they burned papers and the accounting books, carrying off the union funds, which amounted to more than $1,000,000 cordobas.

2. CTN. It denounces the unfair dismissal of workers Miguel A. Slagado and Juan Rivas: after State Security had them prisoner in El Chipote in order to intestigate them for supposed sabotage of the national economy since both on different dates were implicated in unvoluntary oil spills.

November 1983

1. Manuel Antonio Zeledon Cano, 28 years of age, of this domicile, Board Member of the CDN, who advised the union Simotur De Enabus, which has had a claim filed since March of this year for failure to pay for the seventh day. At the time of his apprehension five patrols of the General Headquarters of State Security surrounded his house, located on Km. 6 of the north highway, five blocks to the south being transferred to the jails of State Security in El Chipote, where they are investigating him. Mr. Zeledon CanO is a board member of the Latin American Federation of Transportation Workers. Free Dec. 5, 1983.

2. Ernesto Castillo Davila, adult, Union Advisor to CTN, was apprehended on October 25, 1983 in the hacienda La Argentina in the department of Jinotega, where heavily aimed soldiers appeared while a union assembly was being held; they told the workers that they did not have to hold assemblies, proceeding to apprehend those present, who were taken to a military base known as La Colonia, located in the El Sardinal District. They were detained for three days, being kept on their feet 24 hours a day, subjected to intense interrogations in which they were urged to abandon the ranks of CTN. The workers who were detained were: Santos Mora Hurtado, Isabel Sanchez Garcia, Mario Rizo Gonzalez, Juan Rizo Gonzalez, Teodoro Rizo Gonzales, Vincente Rizo Gonzalez, Rene Rodriguez.

3. Luis Manuel Mora Sanchez, adult, secretary general of the union of workers of

Diario La Prensa, member of CTN, was apprehended October 28 of this year, while he was traveling in the capital; he was later accused of a crime that the police was not able to prove. He was released November 11, 1983.

4. Salvador Ruiz Hernandez and Oscar Cardoza Zambrano, adults, and of this domicile, members of the Nabisco Cristal union of workers, on November 11 in the early morning hours were attacked by mass organizations who blamed them for the discharge of Evenor Lindo. Both union members were hit with clubs and chains, suffering visible and permanent wounds.

5. Orlando Mendoza Laguna, 27 years of age, driver on Route 109, previously had been summoned to House #50, on November 12, was apprehended by members of State Security. Both belong to the CTN. He was presented to the Anti-Somocist People's Courts on July 25, 1984, sentenced to five years in prison.

6. On November 8, the National Bus Company (ENABUS) fired six workers who were members of the union Simotur, member of CTN, who since March had asked for the payment of the seventh day. The company maintains as a reason for firing them the Labor Insubordination of the workers. From the moment in which they were fired they have been the object of threats by members of State Security. The workers are: German Ernesto Reyes Arevalo, Cesar Dolmus Martinez, Rafael Caldero Mejia, Jose Murillo Orozco, Jose Guadamuz, Jose Luis Rocha.

7. Santos Sanchez Cortedano, 30 years of age, and Jacinto Sanchez Corte Dano, 22 years of age, with domicile in San Ramon, department of Matagalpa, member of the CTN, were apprehended by the police on October 22 of this year. They are currently prisoners in the penitentiary system of Matagalpa, since they were arrested their family members have not been able to see them. Sentenced to two years in prison by the Police for rustling. Pardoned and released on September 1, 1984.

8. Juan Pablo Martinez Rios, adult, bus driver, with this domicile, member of the Union of Urban Transit Drivers (SIMOTUR), affiliate of CTN. On November 12 he was apprehended at his house of residence by members of State Security and was taken to El Chipote and later to the Zona Franca jails. Free January 12, 1984.

9. Jose Eugenio Membreno Moreno, adult, Executive Secretary of CTN, of this domicile. Unknown elements helped in the darkness of night stoned his house on November 22, 23 and 24.

10 Arcadio Ortiz Espinoza, driver for the National Bus Company and member of the Union of Urban Transit Drivers, affiliate of the CTN, was detained by State Security on November 7, 1983 and taken to El Chipote jails and later transferred to Zona Franca. He was turned over the Anti-Somocist People's Courts on July 25, 1984 and sentenced to eight years in prison.

11. Napoleon Molina Aguilera, 38 years of age, and Eduardo Aburto Gutierrez, 30 years of age, are urban route drivers in Managua, who work for the National Bus Company, belonging to the union of Urban Transit Drivers (SIMOTUR), affiliate of CTN, were detained on November 7, 1983, being taken to the Chipote jails, and being transferred later to Zona Franca, where they are currently locked up. They were handed over to the Anti-Somocist People's Courts on July 25, 1984, and sentenced to five years in prison.

January 1984

1. Benito Gomez Centeno, 38 years of age, union leader of the CTN. On January 6, 1984, the Migration authorities stopped him from leaving the country when he was headed for Honduras via airplane, on a trip for health reasons. The cause given by the Migration authorities is that "he has a traffic fine pending for $30,000 cordobas" which is false. He was summoned to appear before the Migration and Aliens Office on January 9 of this year.

2. Ivonne Izaguirre Blanco, adult, secretary of CTN and with this domicile, on January 12, 1984, her house was stoned by unknown persons. On the 15th of the same month they managed to identify Roger Ivan Solis Espinoza soldier, who tried to physically attack her son, since he had discovered him throwing the rocks.

February 1984

1. Alfonso Davila Perez, adult, unionist, member of the Faustino Martinez Union, member of CUS. On January 28, 1984, he was detained by the police authorities of Chichigalpa, department of Chinandega; while he was distributing the newspaper "Solidarity", organ of the CUS, at the San Antonio Sugar Mill. He was taken to the city of Chinandega, where he remained under arrest for 48 hours.

Rito Vivas Amador, Jose Amador and Timoteo Urbina, all adults, with domicile in the community of Verdun, Nueva Guinea, Zalaya Sur. Members of UTC/CTN, they were apprehended by members of State Security on February 4, 1984, taken to the Nueva Guinea jails. The first two were freed on March 28, 1984 and the third on March 29, 1984.

3. Carlos Jose Acevedo Sirias, 39 years of age, of this domicile. Secretary General of the Federation of Workers Distributing Medicines and of Laboratories of Nicaragua (FETDIMFALM), member of CTN. On November 23, 1983, he was apprehended by members of State Security remaining in El Chipote for 12 days, where he was investigated on the whereabouts and activities of his brother Alejandro Acevedo Sirias, who they relate to FDN. On February 10, 1984, he was reapprehended and taken again to El Chipote, where he was forced to put on overalls. He was subjected to intense interrogations, during which he was urged to implicate CTN leaders with organizations such as the FDN and CIA. They threatened to make his wife disappear and hand his children over to a Center for Minors.

For 48 consecutive hours they deprived him of water, sleep and food. He was released on February 24, 1984, after signing a statement in which he said that he had not been subjected to torture, his future activities being under the supervision of State Security .

March 1984

1. Cruz Taisigue Jimenez and Jose Dolores Rodriguez. Peasant unionists affiliated with the CTN with domicile in Nueva Guinea, Department of Zelaya. On February 21, 1984, they were arbitrarily arrested by members of the Sandinista Popular [People's] Army in the community of El Letrero.

2. Daniel Narvaez, in charge of the union of the Zone; Jose Santos Matamoros, Leonardo Mayorga and Erasmo Matamoros, members of the Fatima Hacienda Union, in Mojarras, department of Leon, affiliates of the CTN, denounce repression and constant harassment by Mr. Jose Aguilar, in charge of the FSLN for the zone, who accuses them of being counterrevolutionaries, threatening to deprive them of their freedom.

May 1984

1. The Executive Committee of The Confederation of Union Unification (CUS) protested before Comandante Daniel Ortega Saavedra, Coordinator of the National Reconstruction Government Junta, the continuous attacks against the Industrial Training School of CUS, located in the Maria Auxiliadora district of this captital, which was searched on May 1, 1984 by members of the Sandinista Defense Committees (CDS), who painted on the walls and took objects of value that were in the building.

2. Juan Dionisio Mercado Samuria, adult, Union Advisor of the CTN for the region of Mombacho, department of Granada; on May 8 of this year, near La Luz Hacienda, he was threatened by three soldiers who respond to the names of; Jose Aguirre, Arturo Gomez and Dora Sandoval, who threatened him so that he would leave the sector where he carries out his union activities.

3. Ramon Torres Palma, 42 years of age, Industrial Technician, with domicile in Managua, affiliate of the Union of Workers of the Oil Industry of Managua (SITRIAM), member of CTN. On April 25 of this year, two members of State Security showed up at his workplace to hand over to him a summons to appear at House #50. On the 26th he was attended by an official who accused him of boycotting production and stealing spare parts and tools. He was photographed while he was being interrogated on his activities, both union and personal, in virture of which he was forced to submit his resignation. Again on the 14th, 19th and 22nd of May he was summoned, being urged at those meetings to offer information on companions who according to State Security are opposed to the union operating in Aceitera Corona joining the CTS [the Sandinista Workers' Federation]

4. Andres Olivas Olivares, adult, unionist of the CUS, Secretary of Proceedings and Agreements of the Federation of Peasant Workers of Chinandega. He is currently being the object of harassments and unjustified jailings due to accusations of members of the Sandinista Defense Committee of the housing development "Federal Germany" [Alemania Federal] in the City of Chinandega.

5. On May 24, 1984, the central headquarters of the CTN was militarily occupied by members of the Sandinista Police stationed in Substation #2, who insisted on seizing a letter written by a unionist in prison in Zona Franca and a poster referring to it, which were on display in the window of the reception office of that union headquarters. The policemen interrogated those present on the affiliation of integration of theirs in the Sandinista Popular Militias and other organizations of the FSLN Party.

June 1984

1. Benito Gomez Centeno, 33, in charge of the CTN for the northern region of the country. On June 2, 1984, he was apprehended in his house of residence by military troops of State Security, who informed his family members that the arrest was due to counterrevolutionary activities against the Law on Law and Order and Public Safety.

On a visit granted to his brother on June 11, he was able to verify: signs of intravenous injections on his left arm, incoherence in talking, inability to remember known persons, difficulty in motor coordination as a result of poor treatment and the worsening of his old illness in the lumbar region of the spinal column. On June 20, 18 days after his arrest, he was presented by State Security

together with the prisoner Pedro Hernan Espinoza Sanchez (The Fish), who involved him in his statements as a member of the Internal Front of the Counterrevolution. The Appeals Court of Managua declared Inadmissible a writ for personal appearance filed because of his health situation, adducing that no right of his is being violated and that under the state of emergency collective rights have priority over individual rights; in this way his right to be attended by a doctor was denied. Freed by pardon on September 1, 1984.

2. Numan Calderon Arauz, 35, union leader of the CTN. On June 2 of this year he was apprehended in his house of residence by members of State Security. Mr. Calderon Arauz since 1980 had been the victim of harassments by military authorities of the Sandinista government and its related organizations. According to the official communique of the Ministry of the Interior, his arrest was due to "counterrevolutionary" activities against the Law on the Maintenance of Law and Order and Public Safety. On June 20 he was mentioned by a prisoner as a member of the Internal Front of the Counterrevolution. Since the date of his detention he has been in a state without defense and without appearing before a judge. Freed by pardon on September 1, 1984.

3. Humberto Ramon Lopez Lopez, adult, with domicile in Corinto, department of Chinandega and Secretary of Labor Affairs of the Union of Nicaraguan Sailors (SUMANIC), member of the SCT. On June 15, 1984, he filed a formal denunciation for the harassments that have been suffered by the members of SUMANIC since May 10 of this year, the date on which they reported to State Security the disappearance of Mr. Luis Ramirez Guevara, 60 years of age, work companion, who they were giving lodging at the union headquarters. During the first week of June the military authorities apprehended as implicated in the disappearance of Mr. Ramirez Guevara unionists Henston Garth Mitchel, Alonso Estrada Gomez and Armando Soza Palacios, their families not knowing the place of their detention. Through efforts of the CPDH it was possible to establish that the detained are in jails of State Security of Leon, known as Quinta "YE" and versions have been obtained that Mr. Luis Ramirez Guevara was found dead on a boat on which he worked. Leaders of the union have informed CPDH that their members have been pressured by members of State Security so that they will drop out of the International Transportation Federation, of which the union is a member.

July 1984

1. Sergio Antonio Castellon Gonzalez, adult, driver on Route 114, member of the Union of Urban Transit Drivers (SIMOTUR), member of the CTN. He was arrested in the central plant of the National Bus Company (ENABUS) on July 14, 1984, by two of his work colleagues who are militiamen. The event occurred while he was distributing flyers in which SIMOTUR was calling a meeting of its members to inform them of the state of the labor claim filed in March of 1983 for failure to pay the seventh day. He was taken to the "Command Post," where he was interrogated by Mr. Guillermo Zapata, Director of Operations of the Company, after which he was released.

2. Isidro Arbizu Ocon, 40 years of age, and Daniel Leiva, 42, unionists of the CTN, with domicile in the Mojarras District, department of Leon. On July 18, of this year, they were apprehended by military troops of State Security, being released the same day after having been threatened and intimidated to abandon their union activities in the Mojarras zone.

3. Jose Altamirano Rojas, adult, with domicile in Managua, Asst. Secretary General of the CTN. He was recently mentioned in the public and televised statements of the prisoners Luis Mora Sanchez and Pedro Hernan Espinoza, who implicated him in supposed counterrevolutionary activities. As Altamirano Rojas states, those accusations are a virtual threat of arrest with which an effort is being made to put an end to his union activities and terrorize the political leaders of the opposition so that they will abandon the country.

August 1984

1. #84-08-037. Juan Mercado Samuria, adult, Union Advisor of the CTN, with domicile in Granada, is being harassed by members of mass organizations of the Sandinista Front, who, headed by Justino Diaz, in charge of the zone, and two leaders of the Association of Workers of the Countryside of the Region of Mombacho in the department of Granada. On July 25 and August 14 of this year, these individuals arrived to seek him at the San Emilio Hacienda, located at the foot of Mombacho Volcano, terrorizing the workers with shots in the air and hurling insults at the CTN. Military troops of the Sandinista Police had dedicated themselves to investigating their union activities in the community of Guanacasta, with the evident intention of terrorizing the workers affiliated with the CTN.

The CPDH has sent a communication to the Delegate of the Ministry of the Interior in Region IV, asking for guarantees for the worker leader and respect for his union activities.

CHRONOLOGICAL SUMMARY OF THE LATEST PROBLEM BROUGHT ABOUT AGAINST THE CONFEDERATION OF UNION UNIFICATION [CUS] BY THE SANDINISTA NATIONAL LIBERATION FRONT [FSLN]

IMMEDIATE BACKGROUND

On August 5 of this year, through very reliable sources, our National Executive Committee learned of the existence of a vast plan, fostered by the FSLN, to destroy our union organization of workers and their leaders, or at least to divide it artifically through repressive and destructive actions, at the same time that the destruction of the political and union image of comrades Alvin Guthrie Rivers and Jose Espinoza Navas, Secretary General and Political Secretary of the Executive Committee of the CUS was contemplated, through a publicity campaign through the daily paper "Barricada," official organ of communication of the FSLN and the newspaper "El Nuevo Diario," a pro-government newspaper, as well as through the state radios and the Sandinista Television System, which being State property in practice is used to its taste and whim by the FSLN for its own benefit, within the State-party-army confusion currently reigning in Nicaragua.

The FSLN, according to our first information, planned to use as a point of attack, in order to end free and democratic unionism promoted and professed by the International Confederation of Free Union Organizations [CIOSL] and the Inter-American Regional Organization of Workers [ORIT], the individuals German Reyes Monjarretz and Victoria Garcia de Castillo, Secretary of Conflicts and Secretary of Feminine Action, of our National Executive Committee, and the individual Luis Felipe Duarte, Secretary of Culture of the Union of Longshoremen, Employees and Office Workers of the Port of Corinto, an affiliate of the Sandinista Federation of Workers [CST], which is as its name indicates together with the Association of Workers of the Countryside [ATC], a union arm of the FSLN.

POINTS OF VIEW OF REYES MONJARRETZ, GARCIA DE CASTILLO AND DUARTE

On Thursday, August 16 of this year, at a meeting of our National Executive Committee, the individual Reyes Monjarretz stated that he lived in a population district controlled by the current government, or what is the same, by the FSLN, and that the Sandinista defense Committees and the Sandinista police had threatened to suppress supplies to a small grocery store that he has in his house, in addition to threatening to take away his ration card, a card through which we Nicaraguans can buy the scarce and expensive basic products for subsistence, in the centers of mass outlay, indicated in advance by the Ministry of Domestic Trade [MICOIN]. In addition both the CDS, which are a faithful copy of the Defense Committees of the Revolution [CDR] that exist in Cuba, as well as Sandinista policy, are functional organisms of the FSLN party and obviously they have as their fundamental mission the implantation by means of deed and sometimes by law of a police state, in the style of those countries with a pro-Soviet totalitarian economic-political system. In turn Mrs. Garcia de Castillo said that although her husband was an ex-official of the Sandinista Popular [1] Army [EPS] and current member of the Sandinista Popular Militias [MPS], military organizations controlled totally by the FSLN, both the CDS and the Sandinista Police had threatened her that they would remove her "space" which she earned her living and which is located in the municipal market of Chinandega. According to what the individuals Reyes Monjarretz and Garcia de Castillo said, all threats, the constant harassment, etc, of which they were victims, because the CUS was participating actively in the Nicaraguan Democratic Coordinator "Doctor Ramiro Sacasa Guerrero" [CDN] and therefore, our organization should withdraw from said political group, which in Nicaragua constitutes the genuine civic and democratic opposition to the misguided and disastrous direction of the Nicaraguan revolutionary process by the current regime of the FSLN.

On that occasion, the remaining members of our National Executive Committee, which is made up of a total of 15 comrades, explained to the individuals Reyes Monjarretz and Garcia de Castillo that they should remember that the CDN was a democratic organization, currently made up of four democratic political parties, by the Higher Council of Private Enterprise of Nicaragua [COSEP], as well as by the Confederation of Workers of Nicaragua [CTN], with a Social-Christian orientation, and the CUS, of a Social-Democrat orientation, and that therefore, within the civic struggle for democracy currently being waged in Nicaragua we felt that the CDN was the most suitable group in which we could struggle civicly for a better Nicaragua, where our youth will not continue to be sacrificed in the war fronts, by the political interests of the military-political party in power, which is trying

[1] Throughout these documents Popular=People.

to perpetuate itself in our country, that we were struggling for a State in which ration cards will not exist, through which our people are manipulated, where our children will not continue to be educated in hatred and violence, but rather in love and human solidarity toward others, etc. In addition, it was stated that they should not become cowardly now that also almost all the other members of our National Executive Council had also been threatened and even beaten and jailed, by the so-called mass organizations of the FSLN, such as for example, comrades Alvin Guthrie Rivers and Jose Espinoza Navas, our Secretary General and Political Secretary respectively, whose houses are full of threatening "painted slogans," full of disdain and hatred, and with a sinister cross that explains the intentions of those who made them, in addition to having been physically attacked on one occasion in the port city of Corinto, and that in spite of those threats and that aggression, comrades Guthrie Rivers and Espinoza Navas had taken them as the risk or natural price to be run or paid by union leaders or of any other nature, who struggle for the cause of a better Nicaragua, and that therefore, the decision could not be made to separate from CDN only on the basis of the supposed threats that the two of them were receiving.

On the other hand, it was made clear to them, that in conformity with our union statutes, the Ordinary and Extraordinary Congress of the CUS constituted the maximum authority within our union organization and that it had been precisely the V and VI Ordinary General Congress "Luis Medrano Flores" and "For the Unity and Autonomy of the Nicaraguan Working Class" who had decided and ratified the participation and active and belligerant continuation of our organization within the CDN and that later, at the first CUS Symposium "On the Situation of Nicaragua," which had gathered again our General Congress, and even with wide participation of unions that did not belong to any of our union federations but that had been founded and promoted by the CUS and that in fact were considered in favor of our organization, the participation of CUS in CDN had been ratified, and it was recalled that at both events they themselves had stated that they were totally in agreement with the democratic position of the CDN already indicated and that in addition they two were signers of numerous documents of the National Executive committee of the CUS where our active participation in CDN was clearly written down.

In spite of all of the reasons given and argued before with many details before Reyes Monjarretz and Garcia de Castillo, in view of their attitude of intransigence and of threats, in an effort to reconcile their positions with ours, aiming at the unity of our organization, it was agreed with said subjects that during Thursday and Friday September 6 and 7 of this year, an Extraordinary General Congress of the CUS would be convened in order that definitively our highest authority would be the one to decide if we continued or not participating in CDN. Of course, we were and continue to be totally sure that our Extraordinary General Congress would ratify once again our union-political position of participation in the CDN.

"TAKING" OF THE UNION OFFICE OF THE CUS BY REYES MONJARRETZ AND THE REST OF THE FOLLOWERS

On Saturday, August 18 of this year, in a surprise and in spite of the agreement mentioned above, the individuals Reyes Monjarretz and Garcia de Castillo appeared at the office of our union, in the company of the individual Luis Felipe Duarte and a small group of persons, totally unknown in our union organization, among which there were some members of the CST, from the department of Chinandega, in addition to known CDS members and members of the Sandinista Popular Milicias [MPS], etc., all with the purpose of demanding that our National Executive Committee immediately make the decision to withdraw without due warning from CDN. After talking from 4 p.m. until 11 p.m. on that same day with individuals Reyes Monjarretz and Garcia de Castillo, as well as with her husband Alberto Castillo, a TELCOR worker, a state communications company and who drove the vehicle lic. MAKW206 No. 35 in which he deceitfully by night went to recruit people; apparently they were convinced that they should respect the agreement mentioned above and on the other hand, they were told that comrades Alvin Guthrie Rivers and Jose Espinoza Navas had to leave urgently for Cuernavaca Mexico in order to attend the organized meeting of CIOSL, called "New Focuses of the Economic Crisis in Latin America and the Caribbean," and that therefore he could not give them any more time, above all because it was a matter that had already been discussed enough and on which, as was said before, a satisfactory agreement had been reached. It was at the inauguration of the CIOSL meeting, referred to above, when he, the President of Mexico, Lic. Miguel de la Madrid, was speaking that comrades Guthrie Rivers and Espinoza Navas received a cablegram from the rest of the members of our National Executive Committee in which they were told that Reyes Monjarretz, Garcia de Castillo and Felipe Duarte with their small group of people who were sympathizers of the FSLN had violently "taken" the office of our union, after breaking the doors and windows of the same. It is good to remember that at the CIOSL event, which we already mentioned, union representatives of more than 100 union organizations members of CIOSL had come, from more than 90 countries of the world, and that said representatives almost unanimously suggested to comrades Guthrie Rivers and Espinoza Navas that they fully explain to the entirety of that group the situation that the CUS was experiencing at that sad moment. Effectively and by heeding the suggestions of the brother union representatives present at that event, it was up to Guthrie Rivers to denounce the union repression of the FSLN against the CUS, since July 19, 1979, even though one of the most eminent martyrs in the struggle for the liberation of Nicaragua against the Somoza family dynasty was precisely one of the general secretaries of CUS, comrade Luis Medrano Flores. In other things, comrade Guthrie Rivers explained the initial effort of the Sandinista government to impose one workers' federation, obviously of Marxist Leninist tendency, and that logically had as its goal the eradication from the supposed new Nicaragua, of the Social-Christian union ideological tendencies as well as the Social-Democratic ones also; comrade Guthrie Rivers also mentioned the searching of which the union centers of our federations have been the object, such as for example, the office of the Federation of Workers of Esteli, etc., and in addition he emphasized the constant imprisonments of our union affiliates and leaders, only for the "crime of lesa magestad" of being from CUS, as well as the constant difficulties that exist in the Ministry of Labor and with the legal authorities when it is a matter of individual or collective cases advised by CUS; in short, comrade Guthrie Rivers described clearly to the assembly of CIOSL, mentioned so many times, that in NIcaragua currently union freedom is highly restricted and mortally threatened. Later and making use of a meeting of the ORIT Executive Committee, again comrade Jose Espinoza Navas explained the problem that unfortunately CUS experiencing at that time, due to the vast plan for the destruction or division of CUS, led shamefully by the FSLN, which curiously exports the idea, especially for the countries of Western Europe that in Nicaragua currently the workers and peasants are in power (?). It is appropriate to remember that ORIT, in view of the explanation of comrade Jose Espinoza, named comrade Juan Rafael Marval Under Secretary General of that group so that he would deal with the provisional government of Nicaragua in order to try and find a satisfactory solution to the problem concerning us.

RETURN TO NICARAGUA OF COMRADES GUTHRIE RIVERS AND ESPINOZA NAVAS, AND BRUTAL ATTACK BY THE FSLN MOBS

On Friday, August 24 of this year, comrades Guthrie Rivers and Espinoza Navas left Mexico for Managua, in order to appear as quickly as possible in the office of our union, in order to discuss and again solve the problem doubtlessly caused by the FSLN; however, they had problems with the flight in El Salvador, but with all of that they left El Salvador for Managua in the morning of Saturday the 25th, arriving at 8:30 a.m. at the city of Managua, showing up at approximately 9:15 a.m. at the office of our union, the basic interest of the members of our National Executive Committee being to conserve the traditional unity of the CUS. Comrades Guthrie Rivers and Espinoza Navas were received with enthusiastic applause by the true union bases of CUS present there and even some of the peasants who supposedly had come to the city of Managua to support the individuals Reyes Monjarretz and Garcia de Castillo told comrade Guthrie Rivers that State Security had threatened them and had taken them by force so that they would support the individuals in question, but that they were with the legitimate national leadership of CUS, although they feared for their lives and those of their family. Concerned that things not worsen, our National Executive Committee proposed to the individuals Reyes Monjarretz and Garcia de Castillo that during the days Saturday and Sunday, September 29 and 30 of this year, the Extraordinary General Congress of the CUS be held and that it decide definitively the remaining in or withdrawal of CUS from CDN, since our National Executive Committee did not have the legal powers to decide on remaining in or withdrawing. This proposed seemed reasonable to Reyes Monjarretz and Garcia de Castillo, but they left the meeting of the National Executive Committee and consulted on that agreement with three persons totally unknown to the national leaders and base affiliates of CUS present there, returning to state their lack of agreement with the accord and loudly demanding, again, that the National Executive Committee of CUS decide by itself on the withdrawal from CDN. In view of so much inconsistency by the above individuals and since obviously it was a matter of persons

from the FSLN who had infiltrated our National Executive Committee, comrade Guthrie Rivers, with the total support of the rest of the members of our National Executive Committee left to read to them the proposal to hold an Extraordinary General Congress, on the dates already indicated, in order to decide once and for all on the unfortunate situation that our union organization was experiencing, but immediately subject Reyes Monjarretz demagogically harangued those present, telling them among other things, that he repudiated said proposal, completely, and that minutes before he had been in favor of it. It should be pointed out that after he spoke (Reyes Manjarretz) came the attack of the so-called "mobs" armed with fists, rocks and clubs, against the CUS members and sympathizerss and that later, at the peak of the situation, the Sandinista police appeared to take as prisoners those wounded and beaten of the CUS and to momentaneously introduce the group of Reyes Monjarretz, Garcia de Castillo and Duarte so that they would make propaganda of their cause, through the Sandinista Television System, the state radios of the pro-Sandinista international news agencies and of course the newspapers "Barricada" and "El Nuevo Diario". The case of comrade Sara Mendez should be mentioned; along with her son Mario Mendez, only 15 years of age, she bravely defended herself from the attack of the mobs but in the end she was wounded and savagely beaten in the presence of her son by said group, made up of CDS persons, militiamen and police in civilian dress, public employees of lesser rank of the central administration of the Sandinista Government, etc. In spite of the unjustifiable attack described, we should mention that about 120 comrades, members of CUS, many of whom had been wounded and beaten but who had managed to escape the clutches of the police, went to the Augusto C Sandino International Airport to receive comrade Juan Rafael Marval, and in a brave civic act a demonstration was held opposite said airport, where the national leaders of the CUS energetically denounced the schemes of the Sandinista government. Some curious details exist that we wish to be noted by the readers of this document, and that occurred during the passage of these disagreeable events; for example, after the traitors to the cause of free unionism, Reyes Monjarretz and Garcia de Castillo, and the Sandinista union leader Luis Felipe Duarte, made propaganda as we mentioned previously, through the official media, they proceeded to vilely hand over the office of our union, to the Sandinista Police and State Security, so that they would take notes or photocopy our files, our registration books of members, etc; it should also be mentioned that the slogans with which they made propaganda according to trustworthy sources were created at the CST and CDS, who in addition supplied them with mattresses and daily food, towels, etc, while the illegal occupation that concerns us existed; in addition, it should be remembered with great sadness that the members of the National Executive Committee, while the police occupation of our union office lasted by the Sandinista Police, found themselves forced to receive on the sidewalks opposite the street numerous delegations, both national and international, such as the one of the International Democratic Union [UDI], headed by Mr. Andreas Kohl, etc; however, we now think that that same situation served so that all the Nicaraguan people and other peoples of the world could see our situation and at the same time note the complicity and responsibility of the traitors to CUS and of the Sandinista government.

DENUNCIATION OF PEASANT COMRADES OF THE FEDERATION OF WORKERS OF CARAZO (FETRACAMCA)

On August 27 of this year, when the house of residence of comrade Guthrie Rivers was serving as our union headquarters, a delegation of peasants members of the Federation of Peasant Workers of Carazo [FETRACAMCA] arrived, headed by their Secretary General, comrade Jose Agustin Tellez and comrade Jose Maria Chavez, in order to tell us that the members of State Security, Freddy Pavon and Francisco Lanuza, had coerced them and threatened them so that they would come to the city of Managua and they had even brought them by night in a police car so that they would support Reyes Monjarretz and Mrs. Garcia de Castillo, threatening reprisals against them or their closest family members if they did not come. The brave denunciation of these peasant comrades shows us without room for doubt the disgraceful complicity that we have already pointed out among the infiltrated elements in question and the Sandinista provisional government. Also, of course at that time CUS had received numerous telexes and cablegrams of international classist solidarity from its higher union organizations, such as CIOSL and ORIT, as well as also numerous fraternal international union organizations such as the AFL-CIO of the United States, the CTRP from the Republic of Panama, the LO of Norway, etc. and if we do not continue mentioning all the other national and international workers' organizations that joined in our cause, it is to not bore the reader and due to lack of space. Of course, all of these organizations, along with joining with CUS asked of the Sandinista government the immediate and unconditional return by the Sandinista police and State Security of our union headquarters to its legitimate representatives.

FIRST MEETING WITH REYES MONJARRETZ, AFTER THE EVENTS OF AUGUST 25

On Tuesday, September 4 of this year, the subject Reyes Monjarretz and managed an interview with comrades Guthrie Rivers and Espinoza Navas, at noon of that same day and at a known restaurant of the city of Managua, J.R. At that meeting, Reyes Monjarretz, with an arrogance and prepotency without limits, told comrades Guthrie Rivers and Espinoza Navas that their lives and those of their closest family members were running a grave risk, since within the spheres of the Sandinista government strong accusations had been formulated against them, but that supposedly thanks to him (Reyes Monjarretz) said accusations and attacks had not led anywhere. Among other things, Reyes Monjarretz told them, confidentially and in supposed good faith, that the Sandinista Front was trying to involve them in actions pre-fabricated by the Sandinista Front itself, in order to destroy the image and leadership, both at the national and international level, of comrades Guthrie Rivers and Espinoza Navas, but above all within the Nicaraguan working class; in addition, Reyes Monjarretz boastingly told that he currently had a great deal of power, especially within the Ministry of Labor, so that he could get the Department of Union Associations of that Ministry to issue to him the corresponding certificate with which in Nicaragua the legal person or body is granted, to our union organizations of workers, who up to the present have been illegally denied it.

SECOND MEETING WITH REYES MONJARRETZ AND GARCIA DE CASTILLO

On Friday, September 7 of this year, again subject Reyes Monjarretz had a second meeting with comrades Guthrie Rivers and Espinoza Navas, in the same restaurant as the first meeting, but on this occasion he was accompanied by Garica de Castillo. On this occasion, Reyes Monjarretz proposed to comrades Guthrie Rivers and Espinoza Navas that if the CUS left the CDN, he would make sure that the Sandinista Police restored to us the office of our union headquarters. Again comrades Guthrie Rivers and Espinoza Navas told Reyes Monjarretz and Garcia de Castillo that their arguments in the sense that only by the fact that CUS would leave CDN was the union repression going to cease, repression that originally they said was being fomented against them, did not have any validity, since long before the CDN was founded the CUS leaders and base affiliates of it had suffered the loss of their employees, the searching of their union headquarters, jailings, torture, etc, etc., so that even in the hypothetical case where the CUS General Congress agreed to their cowardly and unworthy claims, as long as the CUS maintained and defended its principles of free unionism and trying for the economic, social and cultural improvement of its members, although it had to face the greatest employer of Nicaragua, the State, which in turn is confused with the political-military party in power; the truth was that while all the above was happening, the Sandinista Front was always going to persecute the leaders and base members of CUS. In spite of the reasoning of comrades Guthrie Rivers and Espinoza Navas, Reyes Monjarretz continued insisting on his absurd claims and again bragged of the power that he had acquired within the elite spheres of the Sandinista government.

HANDING OVER OF THE UNION OFFICE OF THE CUS BY THE SANDINISTA POLICE TO REYES MONJARRETZ AND THE REST OF HIS COMPANIONS IN ADVENTURE

This same day, September 7 of this year, undoubtedly due to the international pressure of the higher and fraternal union organizations of the CUS, of everyone, that practically overwhelmed the Sandinista government, approximately at 5 p.m. of that same day the Sandinista Police called comrade Guthrie Rivers and Espinoza Navas, telling them, according to them, that due to his efforts and those of Espinoza Navas and also supposed efforts by Reyes Monjarretz and Garcia de Castillo, they had resolved to return the office of our union headquarters. Immediately comrade Guthrie Rivers tried to find the rest of the members of our legitimate National Executive Committee but since the majority of us don't have telephones, and in addition our houses of residence are totally distant from one another, comrade Guthrie Rivers, at about 6:30 that evening advised the Sandinista Police that due to circumstances already pointed out that we would not appear until the next day. On the other hand the subject Reyes Monjarretz and Mrs. Garcia de Castillo came to our union office, leaving it abandoned to its fate, after signing for the Sandinista Police documents whose contents we do not know even today.

DEFINITIVE MEETING OF THE LEGITIMATE EXECUTIVE COMMITTEE IN THE UNION OFFICE

On Saturday, September 8 of this year, a total of nine of us members of our National Executive Committee appeared, who verified the looting and material destruction of which our headquarters had been the object, among other things several doors were totally destroyed, chairs of our small conference room had disappeared, our desks and files totally broken into, with numerous folders and documents entirely private missing, sheets of our minutes registrations of members, finances, pulled out, practically all the office articles, such as paper, clamps, hole punches, etc. missing and in short, all members of the National Executive Committee who were present were able to verify the lack of respect and the vandalism to which our union office had been subjected. Of course, that same day, we all got to work to put in order the disorder, in order to immediately take up our union activities which, due to the "taking" by Reyes Monjarretz, Garcia de Castillo, Duarte and the other individuals and the Sandinista Police, who from the first should have returned our union office to us, since we are the legitimate representatives or our workers' union organization; more than a month of irregularities had already passed to the direct detriment of the Nicaraguan working class, free and independent. That same afternoon in the department of Carazo, the good news on the return of our union office was given to peasants of that department who again denounced to us the brutal police persecution that exists in that zone, against the peasant leaders and peasant affiliates of the CUS.

From the day that Reyes Monjarretz and Garcia de Castillo left our unon office abandoned, until now, they have dedicated themselves to visiting, list in hand, our delegates to the VI Ordinary General Congress, which we mentioned previously, in order to organize a supposed Extraordinary Congress of the CUS which according to Reyes Monjarretz and the rest of his band, would take the resolution to remove CUS from CDN and disband our legitimate National Executive Committee, whose term expires in August of 1985; however, lately the extra-official news confirmed is that they want to make up a new Confederation of Union Unification—i.e. a new CUS in spite of the urging and threats of Reyes Monjarretz, since on his visits to our delegates he arrives in a vehicle LADA brand, ostensibly one of those used by State Security, in addition to being accompanied by armed men, and our union delegates remain firm and have verbally and in writing stated their adherence and militant solidarity with our cause, which is the cause of CUS, and of the free and democratic unionism that still exists in Nicaragua. With all of this we have alerted ORIT and CIOSL so that they remain alert to the efforts of Reyes Monjarretz, Carcia de Castillo, Duarte and the rest of their hirelings, who every day become bolder in their status of sad peons on duty in the Sandinista government.

SOME REFLECTIONS

The events already described summarily impose on us some thoughts, among others, the following:

A. The Nicaraguan Democratic Coordinator is born in Nicaragua of the need of the democratic sectors of the country to face the abuses and the indiscriminate repression of the Sandinista government, which a few months after the victory of all the Nicaraguan people over the abominable dictatorship of Somoza, July 19, 1979, had already usurped political power and was preparing its plan for a totalitarian society. Congruent with the above, we feel that CUS should continue participating within the CDN, because we are convinced that the unity of the democratic and civic sectors of the country is an effective way to counterarrest the abuses and arbitrarities that we have suffered in the flesh, and in addition we feel that the CDN is a viable alternative for obtaining a true democratization of Nicaragua. Of course we know that the civic struggle is hard and that it entails risks to our lives and those of our families, but we are willing to face them, whatever it costs.

B. Although it is already known, both at the national and international level, we should mention that the CDN is currently made up of four democratic political parties of the country, by progressive private entrepreneurs, and by unions of workers, free and independent, such as the organization of workers of Nicaragua, the CTN and the CUS, and in addition it has the sympathy of the Nicaraguan Catholic Church, represented by our Archbishop of Managua, Mons. Miguel Obando y Bravo, and in short by all Nicaraguans who are not resigned to losing their freedom, who do not want to be slaves of the totalitarian State that an effort is being made to impose on them and who desire a free and democratic Nicaragua.

C. In the political aspect, one of the things that according to Reyes Monjarretz and his followers hurts the Sandinista government most is that the workers and peasants who are members of CUS, especially those peasants who are the most impoverished, who certainly are never the subject of credit from the Sandinista National Financial System, resolutely support the nine points of the Nicaragua Democratic Coordinator mentioned, to go to some truly free elections that the Sandinista government intransigently refuses to permit. Said conditions, which we support, are the following:

1. State—Party separation
2. Repeal of the laws in violation of human rights,
3. Suspension of the state of emergency
4. Amnesty law
5. Respect for freedom of worship
6. Union freedom
7. Autonomy for the judiciary
9. Law of assistance with the dimension of writs of unconstitutionality
9. National dialogue

Democratic persons of the Latin American continent, among others, President Luis Alberto Monge of Costa Rica, President Jorge Illueca of Panama, President Belisario Betancourt of Colombia, President Jaime Lusinchi of Venezuela, Leon Febres Cordero of Ecuador, etc., etc., have found it completely logical, reasonable and indispensable that the general elections planned by the Sandinista government for November 4 of this year by free, democratic and credible at the world level and above all in compliance with the nine conditions demanded civicly by the CDN.

From the present, it becomes clear that in the conflict created directly by the FSLN against the CUS, through its agents Reyes Monjarretz and Garcia de Castillo, Article No. 8 of our fundamental Statute has been violated flagrantly and what is more serious, agreement No. 85 of the International Labor Organization, relating to Union Freedom and the Protection of the Right of Unionism has been violated with an unbounded cynicism, specifically its Article No. 3, which establishes that governments should abstain from all intervention that tends among other things to limit or hinder union activities, etc.

In spite of everything, we can state to our members and sympathizers of our suffering worthy homeland, to our brother workers and friends of the free world, that our National Executive Committee, apart from the cowardly desertions of Reyes Monjarretz and Garcia de Castillo, remains more than ever willing to continue struggling for a true free and democratic unionism in Nicaragua that revolves around the true interests of the Nicaraguan working class and not a totalitarian political party and around Human Rights and union rights of all Nicaraguans.

We know that because of denouncing all of the previous, we may lose our humble lives or that of our family members, or go to jail, but as we have already stated, we are willing for everything, it will be our most beautiful cause to the cause of the oppressed, the cause of those who struggle for their freedom without the ideological sign of the one oppressing them mattering, perhaps our sacrifice will serve so that the skeptics will become truly interested in our situation, we do not doubt that the challenge and risk are ours, right assists us and we accept it with decision, in search of Bread, Peace and Liberty.

Fraternally,

EXECUTIVE COMMITTEE, CONFEDERATION OF UNION UNIFICATION (CUS).

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COHEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. DURENBERGER]. Without objection it is so ordered.

NEW ZEALAND'S ACTION TO BAR U.S. NAVY SHIPS

Mr. COHEN. Mr. President, several weeks ago, the Government of New Zealand unfortunately acted to bar U.S. Navy ships from New Zealand ports.

This matter has attracted a good deal of attention in this country and this body. Fifty-three Senators have cosponsored a resolution I introduced which I sincerely hope will be helpful in promoting a satisfactory resolution of this situation.

This matter has also attracted much attention in New Zealand. I have been sent by New Zealand citizens three newspaper editorials which have appeared in the New Zealand Herald.

Mr. President, I ask for unanimous consent that these three editorials be printed in the RECORD.

There being no objection, the three editorials were ordered to be printed in the RECORD, as follows:

[From the New Zealand Herald, Feb. 6, 1985]

NZ REBUFFS AMERICANS

Many New Zealanders may scarcely believe they have lived to see the day when their country would shut out a United

States warship. The move sets the scene for a period of cooled relations with a treaty ally and, more, a friend of long standing.

The first response has come quickly. The Anzus Sea Eagle exercise has been called off, and that is probably only the beginning. Mr. Lange can pour all the soothing syrup he likes on the matter, but Wellington's ship ban marks a turning point in New Zealand-American relations, and whether the present Government can heal the breach—or even wants to—would be hard to say.

The Americans, although they discreetly let Australia break the news of the cancellation, have shown that they meant what they said about the acceptance of visits by their ships under Anzus. They recognised Mr. Lange's political difficulty and gave him six months to see whether he could solve it. But in the end the United States had to discover where it stood.

Washington rightly saw no point in a charade which would allow New Zealand to fudge the issue and also, in effect, to dictate what arms American warships could carry to New Zealand. Washington must, indeed, look bleakly at a Prime Minister whose words speak of working in close co-operation with the United States but whose actions say something quite different.

New Zealand has reached this position on a wave of genuine anti-nuclear sentiment egged on, as some would see it, by a minority mixture of those who espouse pacifism, neutralism, communism and anti-Americanism, and turned to electoral advantage by politicians who correctly read the sentiment without much caring about the wide and complex issues involved.

Nothing divides nuclear abolitionists and strategic balancers in their wish to avoid nuclear warfare; the difference lies in their perceptions of how to achieve it. Without question there would be no nuclear war if there were no nuclear weapons, but if wishes were horses, beggars would ride.

For 40 years, with the spread of nuclear capability and the development of delivery systems, the world has lived in a horrible balance, but a balance nonetheless in which no one has fought a war with nuclear weapons. The balance is not solely nuclear. It is a balance of alliances, of mutual advantages, of shared opinions.

New Zealand, however small, has been a part of it with its friends and natural allies the United States and Australia, allies with whom this country has stood firm. Suddenly, incredibly, New Zealand seems ready to throw it away and upset the Pacific balance for some hazy principle which will achieve nothing in the prevention of nuclear warfare and may, by some small degree, promote the opposite.

There is no need to name the beneficiaries of New Zealand's action. They are those who delight in, and profit from, a divided and weakened West.

[From the New Zealand Herald, Feb. 8, 1985]

HELP IS A TWO-WAY DEAL

Mr. Lange and other prominent Labour figures have made much play of their belief that their ban on American nuclear-armed ships will not lead to trade sanctions against New Zealand by the United States. They could well be right. What is likely to happen would be more subtle but would still carry a potential for economic harm.

The Labour Government has turned the name of New Zealand to mud in official Washington and also, almost certainly, in the generally conservative trading community. American self-confidence and patriotic sentiment have shown a great resurgence in recent months.

In such a climate, it may not be hard—both in official agencies and also in the super-competitive American marketplace—to make life difficult for New Zealand exporters. This country can now fully expect to be tipped out of a category of American friends receiving official support and preferred treatment and to be shoved back among the many other countries that beat a path to the American door. The "welcome" mat will be put in storage.

New Zealanders should realise that such a likely American attitude, if it comes to pass, will not constitute sanctions or even discrimination. It will simply be the removal of privilege.

New Zealand has been courted and helped by United States administrations because it was regarded as a valuable and reliable treaty ally in the Pacific. But if New Zealand will not help the United States, why should the United States help New Zealand?

The next time an American lobby seeks either legal or legislative protection from or exclusion of New Zealand products, the Administration may not go out of its way to lend its customary hand. In the past six months or so the United States has seemed to show special helpfulness to the Lange Government. In return it has received a warship shutout and a spate of words on how co-operative New Zealand wants to be. Who is kidding whom?

In a week or 10 days the United States will pull out of the International Dairy Agreement and has reserved the right to sell dairy products around the world from its huge stockpiles. The effects on New Zealand will now be much less of a consideration for the Americans than they would have been before last Monday.

New Zealand may be reminded of what it should never have forgotten: co-operation is a two-way street.

[From the New Zealand Herald, Feb. 14, 1985]

DAVID VERSUS GOLIATH

Having broken his country's defence links with the United States, Mr. Lange sets out to minimise the political damage. And damage there must surely be, because reliable polls show that New Zealanders, even while they do not want nuclear weapons to come here, apparently want visits by American warships and categorically wish to remain in a defence alliance with the United States.

Mr. Lange argues that Anzus was viewed as a conventional alliance when it was signed more than 30 years ago, but nuclear weapons have changed its operational character. This, he concedes, has led to a serious disagreement, although he says it is not a break. It is the result of the fact that the interests of New Zealand, Australia and the United States are not always identical.

The last point is true enough. For example, while appalled at Iran's holding of American hostages, New Zealanders saw no need to disrupt relations with Iran over the issue. But the Pacific interests of the United States, Australia and New Zealand are as close to identical as scarcely matters. And the Pacific is what Anzus is about.

The Americans are the senior operational partners; the power and the muscle are theirs; the burden of action, were there to be any, would fall on them. And yet New Zealand, which still professes to want the alliance, presumes to dictate operational decisions to the partner which does most of the work.

If New Zealand gave a year's notice of quitting Anzus, the situation would at least lose the two-faced look it has now acquired. But the country seems to be asking for Uncle Sam's protection and talking about how co-operative it really is while, at the same time, setting conditions for naval visits which would shut out most of the senior partner's warships.

As for Anzus being a conventional alliance that has changed to a nuclear one, the United States had been a nuclear power for six years when the treaty was signed, and the Soviet Union for two. It is idle to suppose that the diplomats of 1951, with Hiroshima and Nagasaki fresh in mind, would have rejected a treaty because nuclear defence might have been part of the deal.

What has changed is not the nuclear issue, but the development of ban-the-bomb tactics regardless of whether they can have any practical effect or whether they may weaken the nuclear balance, horrible as it is, to the point of even greater danger. The Americans know when someone wants to have things both ways, and this country's attitude must look no better to them than it does to those New Zealanders who have not yet drifted off on cloud nine.

SALT II WAS NOT IN THE NATIONAL SECURITY INTEREST OF THE UNITED STATES

Mr. SYMMS. Mr. President, I ask unanimous consent that two letters, one signed by myself and one by myself and my distinguished colleague, Senator JOHN P. EAST, of North Carolina, be printed in the RECORD.

The first letter, dated February 24, 1985, and addressed to the President, states in my name and that of Senator EAST:

It is our intention to release our letter to the Senate and to the public on March 1, 1985, and we will do so at that time unless there are any specific objections from the Executive Branch.

Mr. President, we have waited until the close of business today, February 28, 1985, to hear from the executive branch. We have received no communication in writing and no specific objections from the executive branch.

In fact, we are not aware of any executive branch objections at all. We believe we have given the executive branch ample time to review our letter.

Accordingly, we are releasing our letters in the knowledge that they are wholly unclassified, have been carefully researched in open sources, that all data given can be supported from open sources and are necessary for Senate and public debate on the unratified SALT II Treaty.

In addition, Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from Alerting America: The Papers of the Committee on the Present Danger. This excerpt is a series of unclassified estimates of United States and Soviet

strategic forces first published in 1979 during the SALT II debate. They were done by Mr. Paul Nitze, our most eminent and distinguished arms control expert, and former Director of Policy Studies for the committee.

These estimates demonstrate that our own estimates are unclassified, because our own estimates and data are in fact derived from Paul Nitze's. We have great respect for Mr. Nitze, who is now the Chief Adviser on Arms Control to our distinguished Secretary of State, George Shultz.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, February 24, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I believe that our attached letter is completely unclassified. It contains only data already in the public domain, and it analyzes this data to make judgments which are bounded by already unclassified and authoritative estimates.

Our letter does make reference to data originating in the Defense Department, the Defense Intelligence Agency, the Joint Chiefs of Staff, and the Central Intelligence Agency. Accordingly, as a courtesy to the Executive Branch, we request that our unclassified letter be reviewed by the above agencies.

It is our intention to release our letter to the Senate and to the public on March 1, 1985, and we will do so at that time unless there are any specific objections from the Executive Branch.

With warmest personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.

U.S. SENATE,
Washington, DC, January 24, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: This is a sanitized, unclassified version of an important letter we sent to you on January 18, 1985, classified Top Secret Sensitive.

A crucial decision point approaches involving whether or not the United States should continue to comply precisely with the unratified SALT II Treaty, which last year you certified to Congress that the Soviets were violating in multiple ways. We believe that there needs to be a historical evaluation of the negative effects on American national security of U.S. unilateral compliance with the unratified SALT II Treaty. We have carefully conducted such an evaluation, and we wish to make it public. In sum, we have found that there is now historical evidence that the Senate Armed Services Committee was correct in December 1979, when it concluded by overwhelming majority vote that the proposed, unequal, destabilizing SALT II Treaty "was not in the national security interest of the United States."

I. OVERALL SUMMARY

In fact, Mr. President, our analysis confirms that the Soviet Union has built up its strategic forces during the period of the 1979 SALT II Treaty through the year of 1985 to a level much higher than the Joint Chiefs of Staff predicted in 1978 that the Soviets would have by the end of 1985, even if no SALT II Treaty had been signed by the U.S. and the Soviet Union. Since 1979, Soviet Strategic Nuclear Delivery Vehicles increased by about one fourth, and Soviet nuclear warheads more than tripled by the end of 1985. In contrast, the U.S. will have strategic forces by the end of 1985 even lower than the Joint Chiefs of Staff predicted in 1978 that the U.S. would have by the end of 1985, even within SALT II constraints. In fact, U.S. forces are lower today than they were in 1979.

II. SOURCES AND ANALYTIC ASSUMPTIONS

These significant conclusions about the adverse impact on American national security resulting from U.S. unilateral compliance with the unratified SALT II Treaty are two of five conclusions we have derived from our analysis of authoritative, official, classified documents. We have carefully sanitized and declassified our analysis and conclusions. Our data is bounded by unclassified and authoritative data. Our unclassified conclusions confirm your own statement on August 18, 1980: "I cannot, however, agree to any treaty, including the SALT II Treaty, which in effect legitimizes the continuation of a one-sided arms build-up."

We have long had in our possession a classified document written by the Joint Chiefs of Staff on January 4, 1978 describing illustrative U.S. and Soviet strategic forces through 1985, with and without a SALT II Treaty. This is an important historical document, because it was used in 1978 and 1979 in the U.S. decision-making and negotiating on SALT II. Using the sanitized general conclusions of this document, we can now in 1985 evaluate retrospectively how accurate U.S. intelligence and planning assumptions were in 1978, and make an overall assessment of the actual national security effects of SALT II from a historical perspective. A sanitized extract of general conclusions from this JCS document is Attachment A.

We also have various classified Defense Intelligence Agency estimates of Soviet strategic force structures, and classified Defense Department tabulations of U.S. strategic force programs. Our sanitized and declassified chart based upon our classified DIA and DoD sources are Attachment B.

We recognize that our estimate of Soviet forces at the end of 1985 is somewhat higher than agreed Executive Branch National Intelligence Estimates. This is largely because we have tried to take account of certain of the military effects of some of the Soviet SALT II violations. Regrettably, we have still not received the Executive Branch's assessment of the military implications of Soviet SALT II violations which we requested last March 1, 1984. Accordingly, we have done our own assessment, which we believe to be reasonable, and while soundly based on classified sources, wholly sanitized and unclassified.

Several assumptions underlying our estimate chart should be specified at the outset. First and most significantly, we are counting up to about 400 Backfire bombers and their weapons in the Soviet force totals for the end of 1985. We believe this is completely reasonable. In 1979, General Rowny testified that the Soviets would have about 400 Backfire bombers by the end of 1985, and you yourself stated in the nationally televised debate on October 30, 1980:

"SALT II is illegal, because the law of the land, passed by Congress, says we cannot accept a treaty in which we are not equal, and we're not equal in this treaty for one reason alone: our B-52 bombers are considered to be strategic weapons; their Backfire bombers are not."

This is a strong indication that the Reagan Administration should count the Soviet Backfire bomber in its SALT II force estimates, as well as in our START and "umbrella talks" proposals. The reason that you wanted to count Backfire as an intercontinental bomber in 1980 is that U.S. Intelligence agreed that it had intercontinental range and refueling capabilities. The 1981 first edition of Soviet Military Power states on page 63 that the range of the Backfire bomber is in excess of 8,900 kilometers, and on page 62 it states that the range of the Bison bomber is only 8,000 kilometers. The Bison counts as an intercontinental bomber in SALT II, and the longer ranged Backfire should therefore also count. (Backfire also has longer range than some variants of the U.S. B-52 bomber, all of which count in SALT II.) Further, the Soviets tried to deceive the U.S. on whether the Backfire was an intercontinental bomber, despite its intercontinental range and refueling capabilities, another reason for counting it in SALT II. The strategic significance of counting Backfire in SALT II is that this force alone can deliver about 30 per cent of the huge Soviet megatonnage advantage, making Backfire a formidable second strike force.

Second, we are counting in Soviet forces at the end of 1985 at least 100 SS-16 mobile ICBM launchers, because on January 23, 1984, you informed Congress that the mobile SS-16 ICBM is "probably deployed" operationally. Open sources indicate that the Soviets have probably deployed over 100 SS-16s.

Third, as required by Article VI 1 of the SALT II Treaty itself, we are counting at the end of 1985 those Soviet Strategic Nuclear Delivery Vehicles (SNDVs) "in the final stage of construction" and "undergoing overhaul, repair, modernization or conversion." There are press reports of impending silo and mobile deployment of the Soviet SS-24 and SS-25 ICBMs. And there are authoritative unclassified reports that the SS-24 and SS-25 are in pre-series production (*Soviet Military Power*, 1984, p. 98). We have estimated a modest force of about 100 of these by late 1985.

Finally, we have used the maximum reported warhead capacities demonstrated for MIRVed Soviet ICBMs and SLBMs, because we believe that this is the only rational way to measure the real Soviet threat.

It should be noted, however, that we are not counting large numbers of refire and stockpiled ICBMs and SLBMs, additional strategic submarines under construction, and many additional long range bombers not functionally distinguishable from SALT-accountable Soviet bombers. We are also ignoring Soviet strategic SLCMs, where they hold a huge advantage, and GLCMs. Hence, our estimates do in fact significantly underestimate the full Soviet threat.

Comparing the sanitized JCS chart with the sanitized DIA/DoD chart (attached), we have reached the following summary conclusions expressed in tabular and in percentage statement format:

III. SUMMARY OF THE EFFECTS OF SALT II ON UNITED STATES AND SOVIET STRATEGIC FORCES AS PREDICTED BY THE JCS IN 1978

Note on declassification: These estimates are rounded off. Using reasonable assumptions and available unclassified data, Paul Nitze's unclassified 1979 estimates published in 1984 (See Attachment C) provide both

lower and upper bounds on Soviet force levels. U.S. force levels for 1985 have been officially published without classification.

	SNDVs [1]	Warheads
1973–1979:		
U.S. Forces	2,053	9,200.
Soviet Forces (Paul Nitze's estimates, as adjusted for improper MRV counting).	2,504	4,500.
Maximum estimated in 1978 for 1985, within SALT II:		
U.S. Forces	about 2,000	About 14,000.
Soviet Forces	2,500	About 8,500.
Maximum estimated in 1978 for 1985, no SALT II:		
U.S. Forces	About 2,500	About 18,000.
Soviet Forces	About 3,000	About 11,000.
Estimated end of 1985:		
U.S. Forces	About 2,000	9,300.
Soviet Forces	About 3,200	About 13,200.
Paul Nitze's 1979 estimate of Soviet Forces in 1985 assuming SALT II compliance.	(SNDV's 2,246)	(Warheads 11,728).
Include 400 intercontinental Backfire bombers with 3 ALCM's each.	2,646	12,928.
Include 300 new ICBM launchers, new bomber, proper and maximum MIRV loadings.	3,292	17,188.

[1] SNDV=Strategic Nuclear Delivery Vehicle.

SUMMARY STATEMENTS

(Note.—These calculations are approximate.)

1. In 1978, the JCS estimated that Soviet SNDVs would decrease by over about 10% with SALT II, and increase by about 15% without SALT II by the end of 1985. In actuality, Soviet SNDVs probably increased by about 25% by the end of 1985.

2. In 1978, the JCS estimated that Soviet warheads would increase by roughly over 90% with SALT II, and increase by over 150% without SALT II by the end of 1985. In actuality, Soviet warheads probably increased by over 200% by the end of 1985. This is our most important conclusion.

3. In 1978, the JCS estimated that U.S. SNDVs would increase by 2% with SALT II, and increase by about 18% without SALT II by the end of 1985. In actuality, U.S. SNDVs decreased by about 9% by the end of 1985.

4. In 1978, the JCS estimated that U.S. warheads would increase by 51% with SALT II, and increase by about 95% without SALT II by the end of 1985. In actuality, U.S. warheads remained almost constant, rising by only about 2%.

In sum, during the 1979–1985 period of SALT II, Soviet SNDVs increased by about one fourth, but the warheads carried tripled through Soviet exploitation of their huge throw-weight advantage by MIRVing and ALCM loading. Our summary conclusions are fully consistent with Defense Secretary Weinberger's statement in the Washington Times on December 20, 1984:

"Improvements and additions to the Soviet missile force continue at a frightening pace, even though we have added SALT II restraints on top of SALT I agreements. The Soviet Union has built more of the big nuclear warheads capable of destroying U.S. missiles in their concrete silos than we had initially predicted they would build, even without any SALT agreement. We now confront precisely the situation that the SALT process was intended to prevent."

IV. DETAILED CONCLUSIONS

We would now present five more detailed conclusions derived from a careful comparison of the sanitized 1978 JCS chart and our sanitized DIA/DoD chart for late 1985. First, we estimate that by the end of 1985, when the unratified SALT II Treaty is due to expire, the Soviets will have about 3,200 Strategic Nuclear Delivery Vehicles, carrying about 13,200 warheads. But the 1978 JCS chart reveals that the JCS estimated that the highest force levels that the Soviets could achieve by the end of 1985, in the absence of the SALT II Treaty, was about 3,000 SNDVs carrying about 11,000 warheads.

The JCS in 1978 were evidently relying upon CIA estimates of Soviet forces for 1985 unconstrained by SALT II. These CIA estimates, however, will turn out to significantly underestimate the force levels the Soviet will probably have achieved by late 1985. As we know, the CIA significantly underestimated Soviet strategic forces throughout the 1960s and early 1970s.

Comparing the sanitized JCS chart to our sanitized 1985 estimate chart, we find that the Soviets will probably be about 200 SNDVs and about 2,000 warheads above the highest levels that the JCS in 1978 estimated for the Soviets at the end of 1985 without a SALT II Treaty. We believe a new Team B critique of CIA estimates is needed, because the 1976 competitive estimates evidently did not improve the accuracy of CIA estimates.

This is the clearest evidence yet that the Soviets did not allow their strategic programs to be affected in any way by SALT II, and that since 1979 they have been "Breaking Out" of SALT II. We recall that there is strong classified evidence that the SALT I interim Agreement of 1972 similarly did not affect the Soviet ICBM and SLBM deployment plans throughout the 1970s. But some of this evidence was long suppressed within the Intelligence Community, and the analysis is not widely known. We call your attention to the June, 1978 CIA study entitled The Soviet Strategic Planning Process And SALT (title unclassified, study classified Top Secret Codeword Sensitive). This document has been made available to us, and should be studied by the entire Senate. We urge you to become familiar with it as well.

This study also indicates that the late Soviet President Brezhnev himself negotiated deceptively in order to protect Soviet programs from constraint, while at the same time misleading the U.S. into believing that SALT I would constrain Soviet programs. We have been informed that there is testimony to the Senate to the effect that the Joint Chiefs of Staff and the Congress were not aware in 1972 of this evidence of Soviet intentions to deploy prohibited systems fully in the face of SALT I constraints. The Senate Intelligence Committee confirmed in late 1979 that key evidence on Soviet compliance intentions had in fact been suppressed. Consequently, we believe it reasonable to conclude that the SALT I Anti-Ballistic Missile Treaty and the SALT I Interim Offensive Agreement were ratified and approved in August and September 1972 under the false pretense that SALT I would actually constrain Soviet programs.

Second, on the basis of our sanitized JCS and DIA/DoD charts, we have compared the U.S. aggregate of 2,000/9,300 at the end of 1985 to the maximum force level predicted by the JCS in 1978 for the U.S. in 1985 in the absence of SALT II. This U.S. 1985 non-SALT II aggregate is 2,500/18,000.

By complying unilaterally with an unratified SALT II Treaty which you have certified the Soviets have violated in four ways, the U.S. therefore forfeited potential deployment over the six years of SALT II of about 500 SNDVs carrying about 8,700 warheads. This is a measure of the security costs of our unilateral compliance and de facto unilateral disarmament and appeasement. These 500 SNDVs carrying 8,700 warheads could have bolstered deterrence and mitigated the Soviet buildup.

Third, it is interesting to compare these U.S. forfeitures through SALT II compliance with the force levels the Soviets will probably achieve by the end of 1985 by SALT II Breakout. Considering the highest SNDV/warhead aggregate that the JCS projected in 1978 for the Soviets by the end of 1985 within SALT II constraints, the Soviets have added about 950 SNDVs and about 4,700 warheads above those levels. Thus the Soviets are much higher than estimated even if they were adhering to SALT II. Moreover, the Soviet increment above SALT II ceilings is comparable to the increment the U.S. forfeited by agreeing to comply unilaterally with the unratified SALT II Treaty.

Fourth, considering SNDV/warhead levels estimated for the Soviets by the JCS as of 1978, the Soviets will have added about 700 SNDVs carrying about 8,700 warheads during the 1978–79—1985 period of SALT II. This is a very significant increase in the threat to America. To repeat, the Soviets increased their SNDVs by a fourth, and tripled their warheads. As you stated in your January 9, 1985 press conference, "SALT II is nothing but a limitation on how fast you increase weapons."

Fifth, the Carter era JCS under General Davy Jones planned to retain all U.S. Titan II ICBMs and B-52D bombers in the U.S. SNDV aggregate through 1985 under SALT II. But in addition to the above noted U.S. forfeiture under SALT II of 500 SNDVs carrying 8,700 warheads, the JCS under the Reagan Administration will have unilaterally scrapped almost all of the Titan II and B-52D systems by the end of 1985, and in addition, all 160 Polaris SLBMs, for a total of 292/500 SNDVs/warheads the U.S. has unilaterally deactivated during U.S. unilateral SALT II compliance. Moreover, the Carter JCS planned 250 MX ICBMs which were to be survivable, and you plan only 100 vulnerable MX. In total, 672 SNDVs existing or planned carrying 6,800 warheads have been unilaterally scrapped under the Reagan Administration.

V. RESTATEMENT

In sum, the Soviet strategic build-up from 1978 through 1985 occurred ostensibly within SALT II, but was in fact much greater than that projected for the Soviets without SALT II. Our conclusion confirms Secretary of Defense Weinberger's statement in the FY 1985 Defense Posture Statement: "The SALT II Agreement would have codified that unilateral Soviet buildup and allowed additional growth in Soviet forces, thereby permitting even further deterioration of the military balance."

The Soviets seem to believe that SALT is a zero sum game, with them as the winners and the U.S. as the losers. A Soviet foreign policy expert, speaking for the Kremlin leadership, wrote in 1979:

"Signing the (SALT I) Interim Agreement (was a) victory of the Soviet Union in the arms race . . . (the) 1972 Moscow Agreement, like the Vladivostok Agreement, noted the defeat of the American strategic arms race policy." (Stanislav Tumkovsky Problems of History, Moscow, 1979)

Because the 1974 Vladivostok Agreement was the basis for the SALT II Treaty and was incorporated into SALT II, the Soviets evidently believe that both SALT I and SALT II were victories for the Soviet Union and defeats for the United States.

Finally, although we recognize and fully support the need to protect intelligence sources and methods and defense information about our own forces, we also believe that it is imperative for the American people to have a general understanding of the massive increase in Soviet nuclear arms that has occurred during the period of alleged Soviet adherence to SALT II, and that they know also the enormous advantages which the U.S. has denied itself through a policy of vacillation based on strict unilateral compliance with an unratified treaty our opponents are known to be violating at will. Continued silence on these matters is intolerable. That is why we have sanitized and declassified our analysis and conclusions. The adverse strategic balance entails both political and military risks. As relative Soviet power continues to increase, the Soviets fully expect the U.S. and its allies to move increasingly toward accommodation and appeasement.

VI. REQUESTS

In conclusion, we have several questions and requests. First, we ask whether you and your national security departments and agencies are as concerned about our analysis and conclusions as we are? We request their comments. Second, we request that you consider our analysis, conclusions and attached charts and amendments in your forthcoming decision about whether to continue U.S. unilateral compliance with the unratified SALT II Treaty. Third, we request that your Administration prepare witnesses to send to hearings on the Constitutional aspects of the treaty-making powers as applied to arms control. We are considering holding such hearings. Finally, we also intend to seek another Senate vote on the merits of continued U.S. unilateral compliance with the unratified SALT II Treaty (See Attachments).

We want to support your defense budget request and your strategic modernization program, including MX, but but only in the context of U.S. disavowal of unilateral compliance with the unratified SALT II Treaty which you have already confirmed the Soviets are violating in multiple ways. We are extemely concerned that the Soviets have built up their strategic forces during the period of SALT II through late 1985 to a much higher level than we though they would even without SALT II.

With warmest personal regards,

Sincerely,

STEVE SYMMS,
U.S. Senator.
JOHN EAST,
U.S. Senator.

A. Maximum U.S.-Soviet Strategic Forces, 1985, Within And Outside SALT II Treaty Ceilings, as predicted by JCS in January 1978:

	U.S. Forces within SALT II	Soviet Forces within SALT II, 1985	U.S. Forces outside SALT II	Soviet Forces outside SALT II, 1985
SNDV's	about 2,000	2,250	about 2,500	about 3,000
Warheads	about 14,000	about 8,500	about 18,000	about 11,000

Note: All numbers are rounded off for sanitization of classified data. All Soviet forces are within the bounds of Paul Nitze's published estimates, with Backfire, non-deactivated forces, and proper force loading assumed.

B. U.S.—Soviet Strategic Forces, Estimated for Late 1985:

	U.S. Forces	Soviet Forces[1]
SNDV's	about 2,000	about [2] 3,200
Warheads	about 9,300	about [2] 13,200

[1] These totals understate the true Soviet threat, because reload, refire and stockpiled ICBM's are not counted, additional SLBM's are under construction but not confirmed, and bombers without FRODS are ignored.

[2] Counts up to 400 intercontinental Backfire bombers with 3 ALCM's each, 100 mobile SS–16 ICBM's, final stages of construction, conversion and modernization, 100 silo and mobile SS–24 and SS–25 ICBM's, maximum demonstrated ICBM and SLBM MIRV loadings.

Note: All numbers are rounded off for sanitization of classified data. Estimated Soviet 1985 warheads are below Paul Nitze's 1985 warhead estimates, if Backfire and non-deactivated forces are added and properly loaded.

C. U.S.-Soviet Strategic Forces, 1979 and 1985, within SALT II Treaty Ceilings, Committee on the Present Danger, 8 November 1979, as prepared by Paul Nitze.

	June 18, 1979		End of 1985	
	U.S. strategic Forces	Soviet strategic forces	U.S. strategic forces	Soviet strategic forces
Total SNDV's	2,053	[1] 2,504	2,130	[1] 2,246
Total warheads	9,514	[1] 8,226	12,504	[1] 11,728

[1] Excludes Backfire and its weapons. Counts MRVs incorrectly as independent warheads.

Source: Alerting America, The Papers of the Committee on the Present Danger, Ed. by Charles Tyroler, Pergamon-Brassey's, Washington, 1984, pp. 143–158.

	Total Soviet SNDV's/ warheads
Non-SALT II Compliance Forces:	
Include 400 Backfire bombers with 2 ALCM's each	2,646/12,928
Include 254 missiles and bombers not deactivated	2,800/13,542
Include 300 new ICBM launchers, proper and maximum MIRV loadings, new bomber	3,292/17,188

FURTHER UNCLASSIFIED DATA SUPPORTING OUR CONCLUSIONS

1. Robert McFarlane stated in a recent public speech at the Commonwealth Club in San Francisco that since 1975 the Soviets had constructed "more than 10,800 additional nuclear weapons." This would give the Soviets 13,540 warheads in 1985, which is above our estimate.

2. As Paul Nitze accurately predicted publicly on March 14, 1979: "During the span of the (SALT II) agreement, numbers of nuclear warheads can be expected to rise by 300 percent on the Soviet side, in comparison to about 50 percent for the U.S."

This is above our estimates.

3. As Paul Nitze accurately predicted publicly on October 1, 1979: "If the SALT II Treaty were to approach expiration in 1985 without replacement and without a survivable and durable U.S. ICBM component, the U.S. could face unprecedented dangers. We would then have to take seriously both the then-existing degree of Soviet nuclear strategic superiority, and Soviet superiority in break-out potential."

4. Further, Paul Nitze again accurately predicted Soviet forces publicly on May 16, 1979: "From the beginning of 1978 to the end of 1985, the number of Soviet warheads will have doubled; ours will have increased by half . . . the capability of their weapons to knock out hardened targets, such as missile silos, will have increased tenfold . . . by the end of 1985, under the limits of SALT II, (U.S. prompt counter force hard target capability) will be an eighth of that of the Soviet Union. . . . This will be compounded by the fact that they will have twice as many hard targets as we, and their targets will be, on average, twice as hard as ours."

This is the same as our estimate.

Nitze added ominously: "A more sober evaluation of the balance, at a time when it is too late to reverse trends, could result in forced accommodation to the Soviet Union leading to a situation of global retreat and Finlandization."

5. As Nitze again accurately predicted publicly on May 16, 1979: "Under SALT II . . . the capability of Soviet missiles to destroy hardened military targets is expected to rise by 1,000 percent."

AMENDMENT —

Add at the end of the bill the following new section:

"SEC. —. Notwithstanding any other provision of law or of this Act, no national security program of the United States shall be terminated, impeded, or delayed in order to comply with any provision of the unratified SALT II Treaty, unless and until the President shall have certified to Congress that the Soviet Union is in full compliance with SALT II.".

AMENDMENT —

Add at the end of the bill the following new section:

"SEC. —. Notwithstanding any other provision of law or of this Act, no funds authorized or appropriated by this or any other Act may be obligated or expended to deactivate or remove from operational service any Minuteman ICBM or any Poseidon missile or missile submarine for any purpose including specifically that of complying with any provision of the unratified SALT II Treaty, unless the President shall have certified to Congress prior to any such deactivation or removal from service that the Soviet Union is in full compliance with SALT II.".

ALERTING AMERICA

(Edited by Charles Tyroler II, Introduction by Max M. Kampelman)

APPENDIX

The following charts and graphs were prepared by Paul H. Nitze and distributed as appendices to the above statement.

APPENDIX TO CHAPTER 12

(Prepared by Paul H. Nitze, 1 November 1977–8 November 1979)

THE BALANCE IN NUMBERS OF STRATEGIC NUCLEAR LAUNCH VEHICLES (SNLV'S)

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S	S.U.[1]	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	550	82	550	608	550	820	536	820
Non-MIRV	504	1,474	504	790	504	390	504	360
Total	1,054	1,556	1,054	1,398	1,054	1,210	1,040	1,180
SLBM's:								
MIRV	496	16	496	144	640	296	664	356
Non-MIRV	160	776	160	806	160	680	80	620
Total	656	792	656	950	800	976	744	976
Heavy bombers:								
Non-ALCM	[2] 346	160	[2] 340	156	331	64	226	90
ALCM Carriers	0	0	3	0	15	0	120	0
Total	[2] 346	[2] 160	[2] 343	[2] 156	346	[2] 64	346	[2] 90
Total SNDV's	[2] 2,056	[2] 2,508	[2] 2,053	[2] 2,504	2,200	[2] 2,250	2,130	[2] 2,246

[1] Figures are those given by Soviet Union in their data base for that date; not all of these systems are as yet operational.
[2] Excludes 230 mothballed B–52's U.S. plans to scrap.
[3] Excludes Soviet Backfire bombers and succeeding tables exclude their armaments.

THE BALANCE IN NUMBERS OF WARHEADS

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	1,650	560	1,650	4,120	1,650	5,752	1,608	5,752
Non-MIRV	504	2,584	504	1,700	504	970	504	480
Total	2,154	3,144	2,154	5,820	2,154	6,722	2,112	6,232
SLBM's:								
MIRV	4,368	48	4,320	432	5,456	2,912	5,648	3,752
Non-MIRV	480	1,320	480	1,350	480	1,080	240	1,324
Total	4,848	1,368	4,800	1,782	5,936	3,992	5,888	5,076
Heavy bombers (ALCM's, SRAM's, Gravity bombs) total	2,584	640	2,560	624	2,824	260	4,504	420
Total warheads	9,586	5,152	9,514	8,226	10,914	10,974	12,504	11,728

THE BALANCE IN AREA DESTRUCTION POTENTIAL—EMT ($nY^{2/3}$)

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	507	462	507	3,040	664	4,751	651	4,751
Non-MIRV	741	4,115	741	1,956	741	1,155	741	1,934
Total	1,248	4,587	1,248	4,997	1,406	5,906	1,393	6,686
SLBM's:								
MIRV	586	30	645	272	878	995	920	1,282
Non-MIRV	174	1,015	174	997	174	855	87	933
Total	760	1,046	820	1,269	1,053	1,851	1,007	2,216
Heavy bombers (ALCM's, SRAM's, Gravity bombs) total	1,795	640	1,771	624	1,837	260	2,137	420
Total area destruction	3,370	6,160	3,839	6,890	4,297	8,018	4,538	9,322

Note: Decimal points not rounded off.

THE BALANCE IN HARD TARGET KILL POTENTIAL—CMP ($nY^{2/3}/CEP^{2}$)

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	22,539	10,464	22,539	105,194	46,175	211,169	45,279	211,169
Non-MIRV	13,188	24,036	13,188	7,182	13,188	29,170	13,188	126,912
Total	35,727	34,501	35,727	112,376	59,364	240,340	58,467	338,082
SLBM's:								
MIRV	9,377	336	9,899	3,024	14,059	13,871	14,723	18,469
Non-MIRV	697	3,040	697	2,968	697	2,702	348	2,254
Total	10,074	3,376	10,597	5,992	14,757	16,574	15,072	20,724
Total prompt CMP	45,801	37,877	46,324	118,368	74,121	256,914	73,539	358,806
Heavy bombers (ALCMs, SRAMs, Gravity Bombs) [1] total delayed CMP	148,675	16,000	146,275	15,600	158,729	8,000	229,112	33,000

THE BALANCE IN HARD TARGET KILL POTENTIAL—CMP (nY [2/3] / CEP [2])—Continued

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
Total CMP	194,477	53,877	192,599	133,968	232,851	264,914	302,652	391,806

[1] It should be noted that bomber CMP differs from missile CMP in that the former arrives in 6 to 10 hours in comparison to 10 to 40 minutes for the latter.

Note: Decimal points not rounded off.

THE BALANCE IN MEGATONNAGE

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	280	420	280	2,760	430	4,314	423	4,314
Non-MIRV	1,026	7,326	1,026	3,297	1,026	1,935	1,026	4,590
Total	1,306	7,746	1,306	6,057	1,456	6,249	1,449	8,904
SLBM's:								
MIRV	220	24	241	216	364	582	383	750
Non-MIRV	105	909	105	939	105	777	80	796
Total	326	933	347	1,155	469	1,359	464	1,546
Heavy bombers (ALCMs, SRAMs, Gravity Bombs) Total	1,624	640	1,600	624	1,624	260	1,624	420
Total Megatonnage	3,256	9,319	3,253	7,836	3,550	7,868	3,537	10,870

Note: Decimal points not rounded off.

THE BALANCE IN THROW-WEIGHT (M/lbs)

	1977		June 18, 1979		Consistent with SALT II			
					1982		1985	
	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.	U.S.	S.U.
ICBM's:								
MIRV	1.32	2.82	1.32	6.23	1.32	8.82	1.29	8.82
Non-MIRV	1.17	6.90	1.17	2.96	1.17	1.38	1.17	2.52
Total	2.49	9.72	2.49	9.19	2.49	10.20	2.46	11.34
SLBM's:								
MIRV	1.60	.04	1.58	.36	1.99	1.04	2.06	1.34
Non-MIRV	.18	1.29	.18	1.35	.18	1.15	.09	1.05
Total	1.78	1.33	1.76	1.71	2.17	2.19	2.15	2.39
Heavy bombers	3.32	1.23	3.26	1.25	3.32	.51	3.32	.72
Total TW (M/lbs)	7.59	12.28	7.51	12.15	7.98	12.90	7.93	14.45

U.S. SYSTEMS

	MT/Warhead (y)	Nos/Warhead (n)	Total MT (yt)	EMT (ny.^{666})	CEP (nmi)	CMP (ny.^{666}/CEP^{3})	TW (K/lbs)
Minuteman	1.2	1	1.2	1.13	.2	28.25	1.6
Minuteman III (NS–20/MK12)	.17	3	0.51	0.922	.15	40.98	2.4
Minuteman III (INS–20/MK12)	.17	3	0.51	0.922	.12	64.03	2.4
Minuteman III (INS–20/MK12A)	.335	3	1.0	1.448	.12	100.56	2.4
Titan II	9.0	1	9.0	4.32	.7	8.82	8.3
Polaris A–3	.22	3	.66	1.09	.5	4.36	1.1
Poseidon C–3	.04	Avg.9	.36	1.05	.25	16.80	3.3
Poseidon C–4	.1	8	.8	1.73	.25	27.68	2.9
Trident	.1	8	.8	1.73	.25	27.68	2.9
B–52 (w/Gravity Bombs)	1	4	4	4	.1	400	9.6
B–52 (w/ALCMs)	.2	20	4	6.85	.08	1,070.31	9.6
B–52 (w/SRAM + Gravity Bombs)	.2+1	8+4=12	5.6	2.74+4=6.74	.2/.1	68.5+400=468.5	9.6

USSR SYSTEMS

System	MT/Warhead (y)	Nos/Warhead (n)	Total MT (yt)	EMT (ny.^{666})	CEP (nmi)	CMP (ny.^{666}/CEP^{3})	TW (K/lbs)
SS–7/SS–8	3	1	3	2.08	1.0	2.08	4.0
SS–9	20	1	20	7.35	.5	29.4	13.5
SS–9 MRV	3.5	3	10.5	6.91	1	6.91	13.5
SS–11	1.0	1	1	1.0	1	1.0	2.0
SS–13	.75	1	.75	.826	1	.826	1.0
SS–18 Single	20	1	20	7.35	.2	183.75	16.0
SS–18 (1977)	.75	10	7.5	8.26	.2	206.5	16.0
SS–18 6/18/79)	.75	10	7.5	8.26	.17	285.81	16.0
SS–18 (1982)	.75	10	7.5	8.26	.15	367.1	16.0
SS–18 (1985)	.75	10	7.5	8.26	.12	573.61	16.0
SS–19 (1977)	.75	6	4.5	4.96	.2	124.0	8.0
SS–19 (6/18/79)	.75	6	4.5	4.96	.17	171.62	8.0
SS–19 (1982)	.75	6	4.5	4.96	.15	220.4	8.0
SS–19 (1985)	.75	6	4.5	4.96	.12	344.4	8.0

USSR SYSTEMS—Continued

System	MT/Warhead (y)	Nos/Warhead (n)	Total MT (yt)	EMT ($ny^{.666}$)	CEP (nmi)	CMP ($ny^{.666}/CEP^2$)	TW (K/lbs)
SS–19/SS–17	15	1	15	6.07	.2	151.75	7.0
SS–17 (1977)	.75	4	3.0	3.3	.2	82.5	7.0
SS–17 (6/18/79)	.75	4	3.0	3.3	.17	114.18	7.0
SS–17 (1982)	.75	4	3.0	3.3	.15	146.67	7.0
SS–17 (1982)	.75	4	3.0	3.3	.12	229.17	7.0
New Missile (1982)	15	1	15	6.07	.15	269.78	8.0
New Missile (1985)	15	1	15	6.07	.12	421.53	8.0
SS–N–6	1.0	1	1.0	1.0	.5	4.0	1.6
SS–N–6 MRV	.5	3	1.5	1.89	.75	3.36	1.6
SS–N–8	1.0	1	1.0	1.0	.5	4.00	1.8
SS–NX–17	.75	1	.75	.826	.25	13.22	2.0
SS–N–18 MIRV	.5	3	1.5	1.89	.3	21.0	2.5
SS–N–18 MIRV	.2	7	1.4	2.39	.3	26.56	2.5
New MIRV	.2	14	2.8	4.79	.25	76.64	5.0
BEAR/BISON	1	4	4	4	.2	100.00	8.0
New Bomber	1	5	5	5	.1	500.00	8.0

1977—U.S./U.S.S.R. ICBM's

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. ICBM's:						
Titan	54	54	486.0	233.3	476.3	448.2
MM II	450	450	540.0	508.5	12,712.5	720.0
MM III (NS–20/MK12)	550	1,650	280.5	507.1	22,539	1,320.0
MIRV total	550	1,650	280.5	507.1	22,539	1,320.0
Non-MIRV total	504	504	1,026.0	741.8	13,188.8	1,168.2
Total	1,054	2,154	1,306.5	1,248.9	35,727.8	2,488.2
U.S.S.R. ICBM's:						
SS–7	139	139	417.0	289.12	289.12	556.0
SS–8	19	19	57.0	39.52	39.52	76.0
SS–9 (Single)	164	164	3,280.0	1,205.4	4,821.6	2,214.0
SS–9 (MRV)	100	300	1,050.0	691	691	1,350.0
SS–18 (Single)	22	22	440.0	161.7	4,042.5	352.0
SS–18 (MIRV)	22	220	165.0	181.72	4,543	352.0
SS–11 (Single)	455	455	455.0	455	455	910.0
SS–11 (MRV)	455	1,365	682.5	859.95	3,439.8	910.0
SS–17 (Single)	10	10	150.0	60.7	1,517.5	70.0
SS–17 (MIRV)	10	40	30.0	33	825	70.0
SS–19 (Single)	50	50	750.0	303.5	7,587.5	400.0
SS–19 (MIRV)	50	300	225.0	248	6,200	400.0
SS–13	60	60	45.0	49.56	49.56	60.0
MIRV total	82	560	420.0	462.72	10,464.8	822.0
Non-MIRV total	1,474	2,584	7,326.5	4,115.45	24,036.3	6,898.0
Total	1,556	3,144	7,746.5	4,578.17	34,501.1	7,720.0

1977—U.S./U.S.S.R. BOMBERS

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. bombers:						
B–52 (SRAMS Gravity Bombs)	150	1,800	840	1,011	70,275	1,440.0
B–52 (Gravity Bombs)	196	784	784	784	78,400	1,881.6
Total	346	2,584	1,624	1,795	148,675	3,321.6
U.S.S.R. bombers Bear and Bison	160	640	640	640	16,000	1,280.0

1977—U.S./U.S.S.R SLBM'S

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. SLBM's:						
Polaris A–3	160	480	105.6	174.4	697.6	176.0
Poseidon C–3	400	3,600	144.0	420.8	6,720	1,320.0
Poseidon C–4	96	768	76.8	166.08	2,657.28	278.4
MIRV total	496	4,368	220.8	586.08	9,377.28	1,598.4
Non-MIRV total	160	480	105.6	174.4	697.6	176.0
Total	656	4,848	326.4	760.48	10,074.88	1,774.4
U.S.S.R. SLBM's:						
SS–N–6 (Single)	272	272	272.0	272	1,088	435.2
SS–N–6 (MRV)	272	816	408.0	514.08	913.92	435.2
SS–NX–17	12	12	9.0	9.91	158.64	24.0
SS–N–8	220	220	220.0	220	880	396.0
SS–N–18 (MIRV)	16	48	24.0	30.24	336	40.0
MIRV total	16	48	24.0	30.24	336	40.0
Non-MIRV total	776	1,320	909.0	1,015.99	3,040.56	1,290.4
Total	792	1,368	933.0	1,046.23	3,376.56	1,330.4

JUNE 18, 1979—U.S./U.S.S.R. ICBM's

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. ICBM's:						
Titan	54	54	486.0	233.3	476.3	448.2
MM II	450	450	540.0	508.5	12,712.5	720.0
MM III (NS–20/MK12)	550	1,650	280.5	507.1	22,539.0	1,320.0
MIRV total	550	1,650	280.5	507.1	22,539.0	1,320.0
Non-MIRV total	504	504	1,026.0	741.8	13,188.8	1,168.2
Total	1,054	2,154	1,306.5	1,248.9	35,727.8	2,488.2
U.S.S.R. ICBM's:						
SS–9 (Single)	120	120	2,400.0	882	3,528.0	1,620.0
SS–18 (MIRV)	188	1,880	1,080.0	1,189.44	41,155.2	3,008.0
SS–11 (Single)	215	215	215.0	215	215.0	430.0
SS–11 (MRV)	455	1,365	682.5	859.95	3,439.8	910.0
SS–17 (MIRV)	140	560	420.0	462	15,985.2	980.0
SS–19 (MIRV)	280	1,680	1,260.0	1,388.8	48,053.6	2,240.0
MIRV total	608	4,120	2,760.0	3,040.24	105,194.0	6,228.0
Non-MIRV total	790	1,700	3,297.5	1,956.95	7,182.8	2,960.0
Total	1,398	5,820	6,057.5	4,997.19	112,376.8	9,188.0

JUNE 18, 1979—U.S./U.S.S.R. SLBM'S

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. SLBM's:						
Polaris A–3	160	480	105.6	174.4	697.6	176.0
Poseidon C–3	352	3,168	126.72	396.6	5,913.6	1,161.6
Poseidon C–4	144	1,152	115.2	249.12	3,985.92	417.6
MIRV total	496	4,320	241.92	645.72	9,899.52	1,579.2
Non-MIRV total	160	480	105.6	174.4	697.6	176.0
Total	656	4,800	347.52	820.12	10,597.12	1,755.2
U.S.S.R. SLBM's:						
SS–N–6 (Single)	254	254	254	254	1,016	406.4
SS–N–6 (MRV)	272	816	408	514.08	913.92	435.2
SS–NX–17	12	12	9	9.91	158.64	24.0
SS–N–8	268	268	268	220	880	482.4
SS–N–18	144	432	216	272.16	3,024	360.0
MIRV total	144	432	216	272.16	3,024	360.0
Non-MIRV total	806	1,350	939	997.99	2,968.56	1,348.0
Total	950	1,782	1,155	1,270.16	5,592.56	1,708.0

JUNE 18, 1979—U.S./U.S.S.R. BOMBERS

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. Bombers:						
B–52 (SRAMS Gravity Bombs)	150	1,800	840	1,011	70,275	1,440
B–52 (Gravity Bombs)	190	760	760	760	76,000	1,824
ALCM Carriers	3	0	0	0	0	0
Total	[1] 343	2,560	1,600	1,771	146,275	3,264
U.S.S.R. Bombers Bear and Bison	156	624	624	624	15,600	1,248

[1] Excludes 230 mothballed B–52's U.S. plans to scrap

1982—U.S./U.S.S.R. ICBM'S

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. ICBM's:						
Titan	54	54	486.0	233.3	476.3	448.2
MM II	450	450	540.0	508.5	12,712.5	720.0
MM III (INS–20/MK12A)	300	900	303.0	434.4	30,168.0	720.0
MM III (INS–20/MK12)	250	750	127.5	230.5	16,007.5	600.0
MIRV total	550	1,650	430.5	664.9	46,175.5	1,320.0
Non-MIRV total	504	504	1,026.0	741.8	13,188.8	1,168.2
Total	1,054	2,154	1,456.5	1,406.7	59,364.3	2,488.2
U.S.S.R. ICBM's:						
SS–11 (MRV)	290	870	435.0	548.1	2,192.4	580.0
SS–18 (MIRV)	308	3,080	2,310.0	2,544.08	113,066.8	4,928.0
SS–17 (MIRV)	200	800	600.0	660	29,334.0	1,400.0
SS–19 (MIRV)	312	1,872	1,404.0	1,547.52	68,768.8	2,496.0
New Missile (Single)	100	100	1,500.0	607	26,978.0	800.0
MIRV total	820	5,752	4,314.0	4,751.6	211,169.6	8,824.0
Non-MIRV total	390	970	1,935.0	1,155.1	29,170.4	1,380.0
Total	1,210	6,722	6,249.0	5,906.7	240,340.0	10,204.0

1982—U.S./U.S.S.R. SLBM's

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. SLBM's:						
Polaris A–3	160	480	105.6	174.4	697.6	176.0
Poseidon C–3	336	3,024	120.96	352.8	5,644.8	1,108.8
Poseidon C–4	160	1,280	128	276.8	4,428.8	464.0
Trident C–4	144	1,152	115.2	249.12	3,985.92	417.6
MIRV total	640	5,456	364.16	878.72	14,059.52	1,990.4
Non-MIRV total	160	480	105.6	174.4	697.6	176.0
Total	800	5,936	469.76	1,053.12	14,757.12	2,166.4
U.S.S.R. SLBM's:						
SS–N–6 (Single)	200	200	200	200	800	320.0
SS–N–6 (MRV)	200	600	300	378	672	320.0
SS–NX–17	12	12	9	9.91	158.64	24.0
SS–N–8	268	268	268	268	1,072	482.4
SS–N–18	176	1,232	246.4	420.64	4,674.56	440.0
New MIRV	120	1,680	336	574.8	9,196.8	600.0
MIRV total	296	2,912	582.4	995.44	13,871.36	1,040.0
Non-MIRV total	680	1,080	777	855.91	2,702.64	1,146.4
Total	976	3,992	1,359.4	1,851.35	16,574	2,186.4

1982—U.S./U.S.S.R. BOMBERS

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. Bombers:						
B–52 (SRAMS Gravity Bombs)	150	1,800	840	1,011	70,275	1,440.0
B–52 (w/ALCM's)	15	300	60	102.75	16,054.65	144.0
B–52 (Gravity Bombs)	181	724	724	724	72,400	1,737.6
MIRV total	15	300	60	102.75	16,054.65	144.0
Non-MIRV total	331	2,524	1,564	1,735	142,675	3,177.6
Total	346	2,824	1,624	1,837.75	158,729.65	3,321.6
U.S.S.R. Bombers:						
Bear	60	240	240	240	6,000	480.0
New Bomber	4	20	20	20	2,000	32.0
Total	64	260	260	260	8,000	512.0

1985—U.S./U.S.S.R. ICBM'S

	Number of Launchers	Number of Warheads	Total MT	EMT	CMP	TW
U.S. ICBM's:						
Titan	54	54	486	233.3	476.3	448.2
MM II	450	450	540	508.5	12,712.5	720.0
MM III (INS–20/MK12A)	300	900	303	434.4	30,168	720.0
MM III (INS–20/MK12)	236	708	120.36	217.59	15,111.08	566.4
MIRV total	536	1,608	423.36	651.99	45,279.08	1,286.4
Non-MIRV total	504	504	1,026	741.8	13,188.8	1,168.2
Total	1,040	2,112	1,449.36	1,393.79	58,467.88	2,454.6
U.S.S.R. ICBM's:						
SS–11 (MIRV)	60	180	90	113.4	453.6	120.0
SS–18 (MIRV)	308	3,080	2,310	2,544.08	113,066.8	4,928.0
SS–17 (MIRV)	200	800	600	660	29,334	1,400.0
SS–19 (MIRV)	312	1,872	1,404	1,547.52	68,768.8	2,496.0
New Missile (Single)	300	300	4,500	1,821	126,459	2,400.0
MIRV total	820	5,752	4,314	4,751.60	211,169.6	8,824.0
Non-MIRV total	360	480	4,590	1,934.4	126,912.6	2,520.0
Total	1,180	6,232	8,904	6,686	338,082.2	11,344.0

1985—U.S./U.S.S.R. SLBM's

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
U.S. SLMB's:						
Polaris A–3	80	240	80.66	87.2	348.8	88.0
Poseidon C–3	336	3,024	120.96	352.8	5,644.8	1,108.8
Poseidon C–4	160	1,280	128	276.8	4,428.8	464.0
Trident C–4	168	1,344	134.4	290.64	4,650.24	487.2
MIRV total	664	5,648	383.36	920.24	14,723.84	2,060.0
Non-MIRV total	80	240	80.66	87.2	348.8	88.0
Total	774	5,888	464.02	1,007.44	15,072.64	2,148.0
U.S.S.R. SLBM's:						
SS-N-6 (MRV)	352	1,056	528	665.28	1,182.72	563.2
SS-N-8	268	268	268	268	1,072	482.4
SS-N-18	176	1,232	246.4	420.64	4,674.56	440.0
New MIRV	180	2,520	504	862.2	13,795.2	900.0
MIRV total	356	3,752	750.4	1,282.84	18,469.76	1,340.0
Non-MIRV total	620	1,324	796	933.28	2,254.72	1,045.6

1985—U.S./U.S.S.R. SLBM's—Continued

	Number of launchers	Number of warheads	Total MT	EMT	CMP	TW
Total	976	5,076	1,546.4	2,216.12	20,724.48	2,385.6

1985—U.S./U.S.S.R. BOMBERS

	Numbers launchers	Numbers warheads	Total MT	EMT	CMP	TW
U.S. Bombers:						
B-52 (SRAM Gravity Bombs)	150	1,800	840	1,011	70,275.0	1,440.0
B-52 (w/ALCMs)	120	2,400	480	822	128,437.2	1,152.0
B-52 (Gravity Bombs)	76	304	304	304	30,400.0	729.6
MIRV total	120	2,400	480	822	128,437.2	1,152.0
Non-MIRV total	226	2,104	1,144	1,315	100,675.0	2,169.6
Total	346	4,504	1,624	2,137	229,112.2	3,321.6
U.S.S.R. Bombers:						
BEAR	30	120	120	120	3,000.0	240.0
New Bomber	60	300	300	300	30,000.0	480.0
Total	90	420	420	420	33,000.0	720.0

JACK WILLIAMS: A REAL PRO

Mr. HELMS. Mr. President, today marks the retirement of an old and dear friend, Jack Williams, one of the finest reporters ever to cover the U.S. Congress. He was an outstanding newsman in Raleigh and later served as news director at WTVD television in Durham.

Jack's success in Durham undoubtedly was the result, in large measure, of his having there, there he met and married his wife, Lena, who has shared his life for nearly 45 years.

He served with honor during World War II, as a Navy volunteer. In addition to being a fine news reporter, Jack is also an excellent photographer.

He has served 31 years in the broadcast industry, the past 19 as a reporter on Capitol Hill. During this time, Jack reported for several television stations in North Carolina.

He is a hard-working reporter and a fair one. He has been energetic in his work and has set an example for fairness that others in the business would be well advised to follow.

Mr. President, we're going to miss Jack Williams around this place. I extend to him and his wife sincere best wishes for a happy retirement. Jack Williams is, indeed, a credit to broadcast journalism.

RETIREMENT OF JACK WILLIAMS OF WASHINGTON NEWS SERVICE

Mr. EAST. Mr. President, I would like to congratulate a former North Carolinian, Jack Williams, of the Washington News Service, who is retiring this week after 31 years in broadcasting, 19 of which were spent here on Capitol Hill. I want to congratulate him not for just completing a lengthy career, but for having done it so well. Jack will be missed by his friends and colleagues in broadcasting, and by those of us in the Senate like myself who have often been the subject of Jack's reporting. Jack will be 75 this year, and I want to wish him continued good luck and offer my thanks for all the fine work he has done.

CLIFF HANSEN: STILL WISE, STILL ARTICULATE, STILL ADMIRED IN WASHINGTON

Mr. HELMS. Mr. President, back in January I received a letter from our dear friend and former colleague, Cliff Hansen, who served in the Senate with such distinction and effectiveness until his retirement as Senator from Wyoming.

Cliff is one of the most delightful men I have ever known, and he is missed here. Saying that takes nothing away from the two present Wyoming Senators, who themselves are remarkably able and effective Senators.

Mr. President, when Cliff Hansen wrote to me in January, he enclosed for my information a copy of a letter he had written to President Reagan. The more I thought about the wisdom of Cliff's recommendations to the President, the more convinced I became that I should share that letter with my colleagues. So I asked Cliff if I might do so, by including it in the RECORD.

He consented, and I hope all Senators will read the Hansen letter to the President. I believe they will profit from it, as I did. Therefore, Mr. President, I ask unanimous consent that Senator Hansen's letter, written on January 14, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. HELMS. In conclusion, Mr. President, I know that all Senators—especially those who had the privilege of serving with Cliff Hansen in the Senate—will join in sending our affectionate best wishes to Cliff and Martha.

EXHIBIT 1

JANUARY 14, 1985.

The President
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: Long ago I learned, both in private enterprise and when serving as Governor and United States Senator, that we often forget to compliment and thank others who have made significant contributions in their field of endeavor. I am not going to be guilty of such an omission with you. I know that most Americans enthusiastically join with me in saying: Thank you Mr. President, for reducing inflation from the disastrous double digits which you inherited to today's low level; for stimulating the economy to the extent that the number of Americans employed today are far more than when you took office; for your determined efforts to reduce our national deficit; for starting and continuing the correction of our deficit international trade balance; and for your drive for tax simplification.

Since you have not yet endorsed any particular tax proposal, I would like to offer some thoughts on this subject. I do not offer these thoughts to be in any way critical of any person, plan or industry. Rather, I offer my thoughts in the spirit that you, your Administration, the Congress and all Americans want a tax simplification bill that is the best possible bill that can be written and that is a bill which helps—not hurts—our Country.

Mr. President, I am alarmed at certain provisons which are in some of these tax proposals. Alarmed, but not surprised. After thousands of hours of hearings and discussions as a member of the Senate Finance Committee, I learned long ago that some proposed legislative ideas, which might sound fine when first presented, are revealed to be severely adverse to our national interest when thoroughly dissected from a

practical, working point of view. Of course, neither you nor the Congress nor the American public wants any such provisons in any final bill.

I refer, Mr. President, to the provisons in some of these proposed tax bills which would cripple America's ability to become self-sufficient in our energy needs—which would leave us dependent on foreigners for the energy to heat our homes, cook our food, drive our cars and power our places of employment. All at whatever price those foreigners dictated to us.

Years ago a wise friend said, "Everything starts with energy—and nothing starts without it." Unfortunately, his words were forced into every nook and cranny of the daily lives and pocketbooks of all American citizens when the Arabs decided to embargo oil shipments to us in 1973. How soon, and how foolishly, we often forget even our own recent history. All Americans, other than the very young, remember the scarcity of gasoline and the long lines at the pumps to get it when their service station finally got a new supply. I hope they also remember that the Arabs quickly guadrupled the price of crude oil, which significantly increased the cost of gasoline and of every other product that Americans buy since "Everything starts with energy . . .". (Further, they almost tripled those prices again in 1979 at the time of the revolution in Iran.) I hope they also remember that our government was rightfully so concerned about our sudden lack of an adequate fuel supply that gasoline rationing stamps were ordered printed and prepared for distribution. I hope they also remember some factories being curtailed or shut down completely and people being out of work because of the fuel situation. I hope they also remember the air of near hysteria over the known crises that would develop in our economy and in our daily lives if the embargo lasted much longer. I'll not forget President Carter's declaration that America has "vital interests" in the oil producing area of the Middle East and "whatever force may be required to protect it would be committed". Insofar as its objective of changing America's foreign policy is concerned, the embargo failed. But its damage to our economy and to the free world is still evident. Had the embargo lasted more than just a few months, the results could have been far more severe.

The only reason that these dictated prices, disruptions and near disasters could be forced upon us at that time was because the United States was then importing about 50 percent of its crude oil from abroad. The foreign oil cartel knew that, since we were only about 50 percent self-sufficient, they could effectively threaten our way of life, our economic stability and our national security and they were right. Surely we have learned that we must never again allow our foreign dependency to get anywhere near the 50 percent mark. Surely, after so recent an example, no responsible American would do anything other than encourage our own energy self-sufficiency.

Mr. President, we do not have to approach that highly dangerous 50 percent dependency level ever again. Today we are only about 33 percent foreign dependent. Recent studies by the National Petroleum Council, American Association of Petroleum Geologist, U.S. Geological Survey, American Petroleum Institute and the Petroleum Information Corporation conclude that most of America's oil and gas may still be untapped. According to these authorities, with a 20 percent growth per year in drilling until it is two and one half times today's drilling, 210 billion barrels equivalent of oil can be discovered by the year 2000. Will we run out? Yes. Theoretically, as finite resources, they will someday be exhausted. We must proceed with coal conversion, solar research and other sources of energy. But it is not wasteful to use our oil and gas now. By decreasing our expenditures to foreign nations and investing that money in developing new energy sources there is no reason the United States must ever again experience the trauma of an energy shortage.

Also, conservative estimates of our energy requirements for the next ten years indicate that we must move from our 8.8 million b/p/d to 11.2 million b/p/d by 1994. This will require the drilling of one million new wells in the lower 48 states at an investment of $620 billion over the next decade. This is a herculean effort on the part of the oil industry, but it can and must be done for the sake of our whole Country. The effort must be encouraged—not discouraged—and successful accomplishment will require the efforts of the entire oil industry.

Mr. President, I am convinced that this issue is so vital to our Country that it is a national issue—not a tax issue. For those who might like to argue the point of taxes, however, the petroleum industry is the most heavily taxed major U.S. industry. When the so-called "windfall profits tax" is included, as it rightfully should be, the industry tax rate is almost 44 percent.

Today the domestic petroleum industry is attempting to recover from the deepest drilling slump in U.S. history. The working rig count dropped from 4,531 in 1981 to 2,686 in late 1984. Crude oil well-head revenues fell about 20 percent during that same period. We cannot put further roadblocks in their way. In fact, we must reverse that trend so we can move toward self-sufficiency to insure our national well-being.

Mr. President, our move toward self-sufficiency begins, of course, with the exploration for and discovery of new reserves. While we need greatly increased exploration efforts from all sources, it is our domestic independent producers, who have historically done most of U.S. wildcat drilling. Over the last several years they drilled about 90 percent of U.S. exploratory wells and about 80 percent of all U.S. wells. Our move toward greater self-sufficency would collapse without them.

If I read the transcript of Secretary Hodel's recent appearance before the National Petroleum Council correctly, he noted that ". . . we found very little effect from the majors" but a substantial impact upon the independents with reference to the Treasury proposals. The two principal Treasury proposals are the elimination of percentage depletion and the requirement that intangible development costs be capitalized rather than expensed as under present law.

Mr. President, while we must have all energy producers, there are distinct differences and needs between majors and independents. One difference is that, by law, independents are effectively defined as having only one principal source of oil and gas income—production—whereas most majors have income from production, pipelines, refineries, service stations, cargo ships, petrochemical plants, etc. Some of the recent corporate oil mergers reflect the conviction that it is cheaper to buy reserves than to discover them.

Another significant difference is that most independents are unincorporated individuals who have neither boards of directors nor public stockholders. Since their oil and gas income is from their extremely high risk business of wildcatting, they must—and can—react instantly to economic changes. The changes proposed by Treasury would bring about an immediate reduction in drilling activity.

Secretary Hodel's reactions were accurate. The proposal to disallow percentage depletion would have no impact on the majors, since they are not allowed percentage depletion under current law. To the independent, however, percentage depletion is vital, since it is his only source of capital to complete wells, production facilities and develop his newly discovered field. He cannot float a bond issue nor does he have other sources of income to use. Were the independent denied percentage depletion, he would be in the business of making a new discovery and then having to sell it because he did not have the capital to develop the entire field. Few would stay in the business under those circumstances. The Congress long ago took any "abuses" out of percentage depletion by imposing several limitations such as those on property net income, percent of individual taxable income, minimum tax, quantity, and property transfer. Furthermore, it has already reduced the rate from 27½ percent to 15 percent. Today, about 100 other minerals have percentage depletion, some in excess of 15 percent.

The proposal to disallow expensing of intangibles would have adverse impact on all producers. I have not seen any studies on the effect on majors, but I am confident that it would be substantial in spite of their income from sources other than production. To the independent, however, the expensing of intangibles is essential. Since he has only one source of income, he must be able to deduct his intangibles against that one source. Otherwise, he must severely curtail his operations or go out of the oil business altogether which he can do immediately as previously noted. Again, the Congress took any "abuses" out of the expensing of intangibles for individuals by subjecting the intangibles to the minimum tax provision and by also subjecting them to the "at risk" limitation.

Mr. President, we need everyone in our drive toward self-sufficiency. We certainly need the independents who spearhead that drive, but who can be taken out of business very easily. We must not lose any producers who take these high risks every day. To do so would make our nation more dependent on foreign oil, increase our trade deficit, weaken our national defense, raise prices for all Americans and actually reduce tax revenues to the federal government. We must not let it happen.

Most respectfully and sincerely,

CLIFFORD P. HANSEN.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of

the United States submitting sundry nominations which were referred to the Committee on the Judiciary.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:44 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate.

H.R. 1035. An act to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, and for other purposes.

The message also announced that pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Speaker appoints Mr. Patrick L. O'Malley of Chicago, IL, as a member of the Congressional Award Board; and the minority leader appoints Mr. W. Clement Stone of Chicago, IL, as a member of the aforesaid board.

MEASURE REFERRED

The following bill was read the first and second time by unanimous consent, and referred as indicated:

H.R. 1035. An act to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HEINZ, from the Special Committee on Aging:

Special Report entitled "Developments in Aging, 1984—Volumes I and II (Rept. 99-5).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Foreign Relations:

Max M. Kampelman, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the U.S. Office for Arms Reduction Negotiations in Geneva:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Max M. Kampelman.

Post: Ambassador Extraordinary and Plenipotentiary of the United States of America to the U.S. Office for Arms Reduction Negotiations in Geneva.

Contributions, amount, date, donee: 1. Self, $300, April 24, 1981, Moynihan 1982; $500, April 24, 1981, People for Jackson; $500, April 9, 1982, Fenwick for Senate; $100, April 9, 1982, Tom Lantos for Congress; $200, May 4, 1982, Citizens for Gilman; $250, May 4, 1982, Moynihan 1982; $250, May 4, 1982, Solarz for Congress; $150, May 4, 1982, Committee to Reelect LaFalce; $200, May 4, 1982, Scheuer for Congress; $100, May 4, 1982, Stevens for Congress; $250, June 1, 1982, Dante Fascell Campaign Committee; $150, June 1, 1982, Thomas E. Foley Committee; $500, June 2, 1982, Frank Lautenberg Committee; $250, July 5, 1982, Metzenbaum for Senate; $100, July 5, 1982, Committee to Reelect Senator Zorinsky; $250, October 16, 1982, Dante Fascell; $100, November 6, 1982, Arnie Miller for Congress; $250, February 16, 1983, Mitchell for Senate Committee; $250, July 13, 1983, Dante Fascell Campaign Committee.

2. Spouse, $200 August 15, 1984, Simon for Senate; $50, October 10, 1984, Tom Lantos for Congress; $150, October 10, 1984, Thomas E. Foley Committee; $150, October 10, 1984, Hunt for Senate Election Committee; $100, October 10, 1984, Carl Levin Reelection Committee; $50, October 10, 1984, Friends for Les Aspin.

3. Children and spouses names: None for Sarah, Julie, Anne (or her spouse) and David; for Jeffrey, $5, March 1984, Mondale Campaign; $25, October 1984, Bruce Morrison Campaign.

4. Parents names: deceased.

5. Grandparents names: deceased.

6. Brothers and spouses names: none.

7. Sisters and spouses names: none.

John Goodwin Tower, of Texas, for the rank of Ambassador during his tenure of service as U.S. Negotiator on Strategic Nuclear Arms:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Goodwin Tower.

Post: Ambassador, START Negotiator.

Contributions, amount, date, donee:

1. Self-Contributions made from personal campaign fund, Tower Senate Club, is on file with the FEC.

2. Spouse: Yes, but amounts and donees are unavailable.

3. Children and spouses names: Penny Tower Wiesley, none; Marian Tower, none; Jeanne Tower Cox, $1,000 to Jim Collins.

Information on file with the FEC.

4. Parents, names: none.

5. Grandparents names: NA.

6. Brothers and spouses names: NA.

7. Sisters and spouses names: none.

Maynard W. Glitman, of Vermont, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as U.S. Negotiator on Intermediate Range Nuclear Arms:

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Maynard W. Glitman.

Post: U.S. Representative to the Intermediate Range Nuclear Force Negotiations.

Contributions, amount, date, donee:

1. Self: Maynard W. Glitman, none.

2. Spouse: G. Christine Glitman, none.

3. Children and spouses names: Karen, $25, October 1984, Howard Pollina; Russell, Erik, Matthew, Rebecca, none.

4. Parents names: Ben Glitman, none.

5. Grandparents names: Mrs. Max Kutok, none.

Brothers and spouses names: Joseph S. Glitman, none; Geraldine Glitman, none.

7. Sisters and spouses names: Paula Glitman, none.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HART:

S. 536. A bill to establish a select commission to examine the issues associated with national service; to the Committee on Governmental Affairs.

By Mr. THURMOND (for himself and Mr. BINGAMAN) (by request):

S. 537. A bill to authorize certain construction at military installations for fiscal year 1986, and for other purposes; to the Committee on Armed Services.

By Mr. METZENBAUM:

S. 538. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for warnings concerning the use by children of drugs containing aspirin, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. EXON (for himself and Mr. ZORINSKY):

S. 539. A bill to provide for the establishment of a demonstration program in the State of Nebraska to prevent and control streambank erosion; to the Committee on Environment and Public Works.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 540. A bill to amend the Internal Revenue Code of 1954 to permit elections under section 2032A to be made on amended returns; to the Committee on Finance.

By Mrs. HAWKINS:

S. 541. A bill to amend the Internal Revenue Code of 1954 to repeal the earned income limitation on the deduction of retirement savings; to the Committee on Finance.

By Mr. MATHIAS (for himself, Mr. DOLE, Mr. LUGAR, Mr. PELL, Mr. BINGAMAN, Mr. INOUYE, Mr. DURENBERGER, Mr. KASTEN, Mr. HOLLINGS, Mr. DANFORTH, Mr. MOYNIHAN, Mr. MATSUNAGA, Mr. BOSCHWITZ, Mr. KENNEDY, Mr. RIEGLE, Mr. ZORINSKY, Mr. PRYOR, Mr. WEICKER, and Mr. CRANSTON):

S. 542. A bill to provide for the education at U.S. institutions of higher education of certain students of limited financial means from developing countries; to the Committee on Foreign Relations.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 543. A bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness; to the Committee on Energy and Natural Resources.

By Mrs. HAWKINS:

S. 544. A bill to amend the Higher Education Act of 1965 to establish clinical training programs for graduate students to provide experience in the areas of child abuse and neglect, sexual exploitation of children, and child abduction; to the Committee on Labor and Human Resources.

By Mr. RIEGLE:

S. 545. A bill to amend title II of the Social Security Act to provide that an individual's "years of coverage" for purpose of computing the special minimum benefit may include up to 10 additional years (not

otherwise includible for that purpose) in which such individual had a child age 6 or under in his or her care; to the Committee on Finance.

S. 546. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and assure that each spouse will have social security protection in his or her own right; to the Committee on Finance.

S. 547. A bill to amend title II of the Social Security Act to provide that upon the death of one member of a married couple the surviving spouse or surviving divorced spouse shall automatically inherit the deceased spouse's earnings credits to the extent that such credits were earned during the period of their marriage; to the Committee on Finance.

S. 548. A bill to amend title II of the Social Security Act to extend the benefits of the delayed retirement credit to surviving spouses and surviving divorced spouses who work and whose widow's or widower's insurance benefits are higher than their old-age insurance benefits; to the Committee on Finance.

S. 549. A bill to amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers, and to provide in turn that the months of a widow's or widower's entitlement to SSI benefits on the basis of disability may be used in establishing his or her entitlement to medicare benefits on that basis; to the Committee on Finance.

S. 550. A bill to amend the National Apprenticeship Act to prevent age discrimination, to require minimum funding for certain outreach recruitment and training programs, to restore a national information collection system, and to limit the authority to conduct reductions in force within the Bureau of Apprenticeship and Training of the Department of Labor, and for other purposes; to the Committee on Labor and Human Resources.

S. 551. A bill to provide for the establishment of a registry to identify and aid individuals who have been exposed to the drug diethylstilbestrol (DES), and for other purposes; to the Committee on Labor and Human Resources.

S. 552. A bill to require the Secretary of Health and Human Services to establish a Lupus Erythematosus Coordinating Committee; to the Committee on Labor and Human Resources.

By Mr. DOMENICI:

S. 553. A bill to reauthorize the mathematics, science, computer learning and foreign language programs under the Education for Economic Security Act, and for other purposes.

By Mr. ROTH (for himself, Mr. NUNN and Mr. CHILES):

S. 554. A bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 555. A bill to amend the Food Stamp Act of 1977 to authorize federally insured credit unions to redeem coupons issued under such Act; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHAFEE:

S. 556. A bill to amend the Internal Revenue Code of 1954 to provide for temporary across-the-board reductions in tax expenditures.

By Mr. DECONCINI:

S. 557. A bill to authorize a project for bank erosion control on the Rillito River in the vicinity of Tucson, AZ; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. MATSUNAGA, Mr. BOREN, Mr. HEINZ, Mr. GRASSLEY, Mr. LEVIN, Mr. DIXON, Mr. HEFLIN, Mr. RIEGLE, Mr. JOHNSTON, Mr. BURDICK, and Mrs. HAWKINS):

S. 558. A bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes; to the Committee on Finance.

By Mr. QUAYLE (for himself, Mrs. HAWKINS, and Mr. CRANSTON):

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

By Mr. DODD (for himself, Mr. WEICKER, Mr. CHAFEE, Mr. LEAHY, and Mr. PELL):

S.J. Res. 68. Joint resolution to designate November 21, 1985, as "William Beaumont Day"; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S.J. Res. 69. Joint resolution directing that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants; to the Committee on Appropriations.

By Mr. HELMS (for himself, Mr. ZORINSKY, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. D'AMATO, Mr. DIXON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. FORD, Mr. EXON, Mr. HATCH, Mr. HATFIELD, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. KASTEN, Mr. KERRY, Mr. LEVIN, Mr. LUGAR, Mr. MATSUNAGA, Mr. MCCLURE, Mr. MCCONNELL, Mr. NICKLES, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. SARBANES, Mr. STENNIS, Mr. SYMMS, Mr. WARNER, and Mr. WILSON):

S.J. Res. 70. Joint resolution to proclaim March 20, 1985, as "National Agriculture Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO (for himself, Mr. MOYNIHAN, Mr. WILSON, Mr. CRANSTON, and Mrs. HAWKINS):

S. Res. 82. Resolution to preserve the deduction for State and local taxes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. KERRY, Mr. DOLE, Mr. BYRD, Mr. LUGAR, Mr. PELL, and Mr. THURMOND):

S. Res. 83. Resolution relative to the death of Henry Cabot Lodge, Jr. of Massachusetts, late a Senator of the State of Massachusetts; considered and agreed to.

By Mr. HEINZ:

S. Res. 84. Resolution authorizing expenditures by the Special Committee on Aging; to the Committee on Rules and Administration.

By Mr. DOLE (for Mr. MATHIAS):

S. Res. 85. Resolution authorizing expenditures by the committees of the Senate; considered, amended, and agreed to.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 86. Resolution relating to the bipartisan group of Senators designated pursuant to Senate Resolution 19, 99th Congress, to act as observers at Arms Reduction or Control Negotiations; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HART:

S. 536. A bill to establish a select commission to examine the issues associated with national service; to the Committee on Governmental Affairs.

(The remarks of Mr. HART and the text of the legislation appear earlier in today's RECORD.)

By Mr. THURMOND (for himself and Mr. BINGAMAN) (by request):

S. 537. A bill to authorize certain construction at military installations for fiscal year 1986, and for other purposes; to the Committee on Armed Services.

MILITARY CONSTRUCTION AUTHORIZATION ACT, 1986

Mr. THURMOND. Mr. President, by request, for myself and the junior Senator from New Mexico [Mr. BINGAMAN], I introduce for appropriate reference a bill to authorize certain construction at military installations for fiscal year 1986, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining the purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Military Construction Authorization Act, 1986".

TITLE I-ARMY

AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 101. The Secretary of the Army may acquire real property, carry out military construction projects, and construct or acquire family housing units and facilities in the amounts shown for each of the following installations and locations:

ASSISTANT CHIEF OF ENGINEERS

Various, United States, $3,000,000.

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, $64,317,000, including 50 mobile home spaces, and acquisition of 2 family housing units by reconfiguration.

Fort Campbell, Kentucky, $33,219,000, including 50 mobile home spaces.
Fort Carson, Colorado, $56,162,000, including 50 mobile home spaces.
Fort Devens, Massachusetts, $927,000, including 20 mobile home spaces.
Fort Drum, New York, $70,490,000, including 800 family housing units.
Fort Greely, Alaska, $2,500,000.
Fort Hood, Texas, $66,650,000.
Fort Hunter-Liggett, California, $11,100,000.
Fort Indiantown Gap, Pennsylvania, $5,300,000.
Fort Irwin, California, $30,050,000.
Fort Lewis, Washington, $144,330,000.
Fort McCoy, Wisconsin, $940,000.
Fort Meade, Maryland, $18,930,000.
Fort Ord, California, $76,460,000, including 600 family housing units, and 70 mobile home spaces.
Fort Polk, Louisiana, $38,430,000.
Fort Richardson, Alaska, $3,600,000.
Fort Riley, Kansas, $59,490,000, including 50 mobile home spaces.
Fort Sam Houston, Texas, $1,440,000.
Fort Sheridan, Illinois, $3,500,000.
Fort Stewart, Georgia, $35,953,000, including 20 mobile home spaces.
Fort Wainwright, Alaska, $14,000,000.
Presidio of Monterey, California, $2,650,000.
Yakima Firing Center, Washington, $16,430,000.

UNITED STATES ARMY WESTERN COMMAND

Fort Shafter, Hawaii, $6,300,000.
Hawaii, Various, $510,000.
Pohakuloa Training Area, Hawaii, $2,150,000.
Schofield Barracks, Hawaii, $31,950,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort A.P. Hill, Virginia, $6,450,000.
Fort Belvoir, Virginia, $31,000,000.
Fort Benjamin Harrison, Indiana, $5,300,000.
Fort Benning, Georgia, $39,650,000.
Fort Bliss, Texas, $31,050,000.
Fort Dix, New Jersey, $6,100,000.
Fort Gordon, Georgia, $46,040,000.
Fort Jackson, South Carolina, $6,600,000.
Fort Knox, Kentucky, $20,770,000.
Fort Leavenworth, Kansas, $6,900,000.
Fort Lee, Virginia, $12,050,000.
Fort Leonard Wood, Missouri, $3,950,000.
Fort McClellan, Alabama, $39,350,000.
Fort Pickett, Virginia, $420,000.
Fort Rucker, Alabama, $9,450,000.
Fort Sill, Oklahoma, $52,000,000.
Fort Story, Virginia, $1,950,000

MILITARY DISTRICT OF WASHINGTON

Fort Myer, Virginia, $8,896,000, including six family housing units.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $4,670,000.
Anniston Army Depot, Alabama, $8,960,000.
Army Material and Mechanics Research Center, Massachusetts, $924,000, including one family housing unit.
Corpus Christi Army Depot, Texas, $4,400,000.
Detroit Arsenal, Michigan, $320,000.
Dugway Proving Ground, Utah, $17,324,000, including 104 family housing units and 24 mobile home spaces.
Fort Wingate, New Mexico, $490,000.
Lake City Army Ammunition Plant, Missouri, $19,000,000.
Letterkenny Army Depot, Pennsylvania, $1,550,000.
Navajo Depot Activity, Arizona, $240,000.
New Cumberland Army Depot, Pennsylvania, $88,000,000.
Picatinny Arsenal, New Jersey, $1,000,000.
Pine Bluff Arsenal, Arkansas, $19,000,000.
Pueblo Depot Activity, Colorado, $200,000.
Red River Army Depot, Texas, $820,000.
Redstone Arsenal, Alabama, $25,750,000.
Rock Island Arsenal, Illinois, $29,000,000.
Sacramento Army Depot, California, $4,550,000.
Savanna Army Depot, Illinois, $510,000.
Senaca Army Depot, New York, $1,410,000.
Sierra Army Depot, California, $2,970,000.
Tooele Army Depot, Utah, $11,490,000.
Umatilla Depot Activity, Oregon, $260,000.
Yuma Proving Ground, Arizona, $240,000.

AMMUNITION FACILITIES

Hoston Army Ammunition Plant, Tennessee, $1,670,000.
Indiana Army Ammunition Plant, Indiana, $210,000.
Iowa Army Ammunition Plant, Iowa, $810,000.
Kansas Army Ammunition Plant, Kansas, $570,000.
Lake City Army Ammunition Plant, Missouri, $930,000.
Louisiana Army Ammunition Plant, Louisiana, $640,000.
Newport Army Ammunition Plant, Indiana, $39,000,000.
Radford Army Ammunition Plant, Virginia, $2,910,000.
Sunflower Army Ammunition Plant, Kansas, $210,000.

UNITED STATES ARMY INTELLIGENCE AND SECURITY COMMAND

Vint Hill Farms Station, Virginia, $6,850,000.

UNITED STATES ARMY INFORMATION SYSTEMS COMMAND

Fort Huachuca, Arizona, $2,780,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, New York, $31,000,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fitzsimons Army Medical Center, Colorado, $2,550,000.
Fort Detrick, Maryland, $7,600,000.
Tripler Army Medical Center, Hawaii, $970,000.
Walter Reed Army Medical Center, Washington, District of Columbia, $1,150,000.

MILITARY TRAFFIC MANAGEMENT COMMAND

Bayonne Military Ocean Terminal, New Jersey, $3,200,000.
Oakland Army Base, California, $330,000.
Sunny Point Military Ocean Terminal, North Carolina, $1,200,000.

UNITED STATES ARMY CORPS OF ENGINEERS

Humphreys Engineer Center, Supt. Activity, Virginia, $17,100,000.

UNITED STATES ARMY, JAPAN

Japan, $1,050,000.

EIGHTH UNITED STATES ARMY

Camp Carroll, Korea, $44,880,000.
Camp Casey, Korea, $12,920,000.
Camp Castle, Korea, $1,100,000.
Camp Colbern, Korea, $550,000.
Camp Edwards, Korea, $1,090,000.
Camp Gray Owen, Korea, $580,000.
Camp Giant, Korea, $1,050,000.
Camp Greaves, Korea, $420,000.
Camp Hovey, Korea, $8,300,000.
Camp Howze, Korea, $1,980,000.
Camp Humphreys, Korea, $11,600,000.
Camp Kittyhawk, Korea, $1,600,000.
Camp Kyle, Korea, $3,580,000.
Camp Liberty Bell, Korea, $800,000.
Camp Market, Korea, $710,000.
Camp Page, Korea, $32,650,000.
Camp Pelham, Korea, $2,400,000.
Camp Red Cloud, Korea, $1,730,000.
Camp Stanley, Korea, $5,500,000.
K-16 Army Airfield, Korea, $4,050,000.
Location 177, Korea, $2,290,000.
Yongin, Korea, $2,550,000.
Yongson, Korea, $9,800,000.

BALLISTIC MISSILE DEFENSE SYSTEMS COMMAND

Kwajalein, $14,600,000.

UNITED STATES ARMY FORCES COMMAND OVERSEAS

Panama, $7,680,000.

UNITED STATES ARMY, EUROPE AND SEVENTH ARMY

Amberg, Germany, $850,000.
Ansbach, Germany, $14,390,000.
Aschaffenburg, Germany, $750,000.
Bad Kreuznach, Germany, $1,100,000.
Bad Toelz, Germany, $1,850,000.
Bamberg, Germany, $13,699,000, including 106 family housing units.
Baumholder, Germany, $900,000.
Darmstadt, Germany, $29,200,000.
Frankfurt, Germany, $18,680,000.
Fulda, Germany, $7,200,000.
Giessen, Germany, $12,050,000.
Goeppingen, Germany, $10,250,000.
Grafenwoehr, Germany, $2,450,000.
Haingruen, Germany, $680,000.
Hanau, Germany, $48,140,000.
Heidelberg, Germany, $8,800,000.
Heilbronn, Germany, $2,200,000.
Hohenfels, Germany, $6,300,000.
Kaiserslautern, Germany, $3,450,000.
Karlsruhe, Germany, $4,020,000.
Mainz, Germany, $820,000.
Neu Ulm, Germany, $110,000.
Nuernberg, Germany, $9,360,000.
Pirmasens, Germany, $14,000,000.
Schweinfurt, Germany, $17,840,000.
Stuttgart, Germany, $4,500,000.
Vilseck, Germany, $37,120,000, including 370 family housing units.
Wiesbaden, Germany, $2,900,000.
Wildflecken, Germany, $20,000,000.
Wobeck, Germany, $700,000.
Wuerzburg, Germany, $48,070,000.
Various Locations, Germany, 138 family housing units, $6,120,000.
Various Locations, Greece, $1,440,000.
Various Locations, Italy, $1,850,000.
Various Locations, Turkey, $7,440,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 102. (a) Subject to section 2825 of title 10, United States Code, the Secretary of the Army may make expenditures to improve existing military family housing units in an amount not to exceed $166,000,000 of which $10,950,000 is available only for energy conservation projects.

(b) The Secretary of the Army may, notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, carry out projects to improve existing military family housing units at the following installations, in the number of units shown, and in the amount shown, for each installation:

Walter Reed Army Medical Center, Washington, District of Columbia, one unit, $99,000.

Fort Bragg, North Carolina, one hundred sixty-four units, $4,712,000.

Aberdeen Proving Ground, Maryland, eighty-one units, $2,762,000.

TITLE II—NAVY

AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 201. The Secretary of the Navy may acquire real property, carry out military construction projects, and construct or acquire family housing units and facilities in the amounts shown for each of the following installations and locations.

UNITED STATES MARINE CORPS

Marine Corps Logistics Base, Barstow, California, $530,000.

Marine Corps Air Station, Beaufort, South Carolina, $7,805,000.

Marine Corps Mountain Warfare Training Center, Bridgeport, California, $1,470,000.

Marine Corps Camp Detachment, Camp Elmore, Norfolk, Virginia, $3,995,000.

Marine Corps Base, Camp Lejeune, North Carolina, $24,140,000.

Marine Corps Base, Camp Pendleton, California, $173,175,000.

Marine Corps Air Facility, Camp Pendleton, California, $14,310,000.

Marine Corps Air Station, Cherry Point, North Carolina, $37,940,000.

Marine Corps Air Station, El Toro, California, $60,175,000, including 282 family housing units.

Marine Corps Air Station Kaneohe Bay, Hawaii, $17,420,000.

Marine Corps Air Station, New River, North Carolina, $10,780,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, $3,610,000.

Marine Corps Air Station, Tustin, California, $17,970,000.

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, $32,560,000, including 100 family housing units.

Marine Corps Development and Education Command, Quantico, Virginia, $7,060,000.

Marine Corps Air Station, Yuma, Arizona, $16,750,000.

Marine Corps Air Station, Iwakuni, Japan, $1,775,000.

Marine Corps Air Station, Futenma, Okinawa, Japan, $2,990,000.

Marine Corps Base Camp Smedley D. Butler, Okinawa, Japan, $2,250,000.

CHIEF OF NAVAL RESEARCH

Naval Research Laboratory, Washington, District of Columbia, $28,900,000.

OFFICE OF THE COMPTROLLER OF THE NAVY

Navy Finance Center, Cleveland, Ohio, $2,940,000.

CHIEF OF NAVAL OPERATIONS

Naval Academy, Annapolis, Maryland, $23,480,000.

Naval Space Command, Dahlgren, Virginia, $4,700,000.

Navy Regional Data Automation Center, Jacksonville, Florida, $10,300,000.

Naval Space Surveillance Field Station, Lewisville, Arkansas, $675,000.

Navy Tactical Interoperability Support Activity, Mayport, Florida, $470,000.

Naval Postgraduate School, Monterey, California, $13,000,000.

Navy Tactical Interoperability Support Activity, North Island, California, $585,000.

Navy Regional Data Automation Center, Norfolk, Virginia, $10,880,000.

Intelligence Center, Pacific, Pearl Harbor, Hawaii, $2,900,000.

Naval Space Surveillance Field Station, San Diego, California, $600,000.

Commandant Naval District Washington, District of Columbia, $6,300,000.

COMMANDER IN CHIEF, ATLANTIC FLEET

Naval Air Station, Brunswick, Maine, $3,040,000.

Naval Air Station, Cecil Field, Florida, $29,835,000.

Naval Station, Charleston, South Carolina, $9,960,000.

Naval Air Station, Jacksonville, Florida, $12,270,000.

Naval Amphibious Base, Little Creek, Virginia, $16,370,000.

Naval Station, Mayport, Florida, $13,060,000.

Naval Submarine Base, New London, Connecticut, $365,000.

Naval Station, New York, New York, $18,560,000.

Naval Air Station, Norfolk, Virginia, $10,675,000.

Naval Station, Norfolk, Virginia, $800,000.

Naval Air Station, Oceana, Virginia, $16,940,000.

Naval Facility, Radio Island, North Carolina, $17,640,000.

Naval Facility Argentia, Newfoundland, Canada, $700,000.

Naval Facility Antigua, West Indies, $2,410,000.

Naval Station, Guantanamo Bay, Cuba, $22,410,000.

Naval Station, Keflavik, Iceland, $21,780,000.

Atlantic Fleet Weapons Training Facility, Roosevelt Roads, Puerto Rico, $7,100,000.

Naval Station, Roosevelt Roads, Puerto Rico, $14,700,000.

COMMANDER IN CHIEF, PACIFIC FLEET

Naval Air Station, Adak, Alaska, $15,500,000, including 100 family housings units.

Naval Facility, Adak, Alaska, $2,650,000.

Naval Air Station, Alameda, California, $8,650,000.

Naval Submarine Base, Bangor, Washington, $5,200,000.

Amphibious Task Force, Camp Pendleton, California, $9,020,000.

Naval Amphibious Base, Coronado, California, $16,150,000.

Naval Station, Everett, Washington, $17,640,000.

Naval Air Station, Fallon, Nevada, $36,500,000.

Naval Air Station, Lemoore, California, $2,300,000.

Naval Station, Long Beach, California, $17,230,000.

Naval Air Station, Miramar, California, $385,000.

Naval Air Station, North Island, California, $18,593,000.

Commander, Oceanographic System, Pacific, Pearl Harbor, Hawaii, $1,180,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $2,900,000.

Naval Station, San Diego, California, $17,042,000.

Naval Submarine Base, San Diego, California, $14,120,000.

Naval Station, Seattle, Washington, $3,480,000.

Naval Station, Mare Island, Vallejo, California, $735,000.

Naval Air Station, Whidbey Island, Washington, $2,650,000.

Naval Air Station, Cubi Point, Republic of the Philippines, $19,200,000.

Naval Support Facility, Diego Garcia, Indian Ocean, $16,530,000

Naval Air Facility, Diego Garcia, Indian Ocean, $22,450,000.

Naval Magazine, Guam, $11,270,000.

Naval Supply Depot, Guam, $6,550,000.

Naval Station, Guam, $10,200,000.

Naval Ship Repair Facility, Guam, $990,000.

Naval Magazine, Subic Bay, Republic of the Philippines, $250,000.

Naval Ship Repair Facility, Subic Bay, Republic of the Philippines, $13,270,000.

CHIEF OF NAVAL EDUCATION AND TRAINING

Fleet and Mine Warfare Training Center, Charleston, South Carolina, $1,180,000.

Naval Amphibious School, Coronado, California, $9,330,000.

Surface Warfare Officers School Command Detachment, Coronado, California, $5,200,000.

Naval Air Station, Corpus Christi, Texas, $4,360,000.

Fleet Combat Training Center, Atlantic, Dam Neck, Virginia, $9,640,000.

Naval Explosive Ordnance Disposal School, Eglin, Florida, $13,700,000.

Naval Training Center, Great Lakes, Illinois, $20,740,000.

Naval Construction Training Center, Gulfport, Mississippi, $2,460,000.

Naval Amphibious School, Little Creek, Virginia, $420,000.

Naval Air Station, Memphis, Tennessee, $14,875,000.

Naval Air Station, Meridian, Mississippi, $450,000.

Naval Submarine School, New London, Connecticut, $13,300,000.

Naval Education and Training Center, Newport, Rhode Island, $28,280,000.

Naval Training Center, Orlando Florida, $9,400,000.

Naval Air Station, Pensacola, Florida, $225,000.

Naval Technical Training Center, Pensacola, Florida, $5,670,000.

Naval Construction Training Center, Port Hueneme, California, $4,800,000.

Fleet Anti-Submarine Warfare Training Center, Pacific, San Diego, California, $7,850,000.

Fleet Combat Training Center, Pacific, San Diego, California, $305,000.

Fleet Training Center, San Diego, California, $4,750,000.

Naval Training Center, San Diego, California, $2,900,000.

Naval Technical Training Center, San Francisco, California, $1,570,000.

Fleet Training Group Pacific, Warner Springs, California, 44 family housing units, $4,400,000.

Naval Air Station, Whiting Field, Florida, $810,000.

NAVAL MILITARY PERSONNEL COMMAND

Navy Band, Washington, District of Columbia, $1,900,000.

NAVAL MEDICAL COMMAND

Naval Medical Clinic, Annapolis, Maryland, $12,540,000.

Naval Hospital, Groton, Connecticut, $8,720,000.

Naval Hospital, Jacksonville, Florida, $18,600,000.

Naval Hospital, Long Beach, California, $6,300,000.

Naval Hospital, Oak Harbor, Washington, $13,900,000.

Naval Hospital, Pensacola, Florida, $7,250,000.

Naval Hospital, San Diego, California, $450,000.

CHIEF OF NAVAL MATERIAL

Naval Air Rework Facility, Alameda, California, $24,980,000.

Puget Sound Naval Shipyard, Bremerton, Washington, $30,945,000.

Naval Supply Center, Bremerton, Washington, $1,520,000.

Naval Weapons Station, Charleston, South Carolina, $4,070,000.

Polaris Missile Facility, Atlantic, Charleston, South Carolina, $1,620,000.
Naval Air Rework Facility, Cherry Point, North Carolina, $1,720,000.
Naval Weapons Center, China Lake, California, $9,315,000.
Naval Weapons Station, Earle, New Jersey, $19,120,000, including 200 family housing units.
Naval Construction Battalion Center, Gulfport, Mississippi, $2,550,000.
Naval Ordnance Station, Indian Head, Maryland, $1,570,000.
Naval Supply Center, Jacksonville, Florida, $1,555,000.
Naval Undersea Warfare Engineering Station, Keyport, Washington, $2,440,000.
Naval Submarine Base, Kings Bay, Georgia, $404,060,000.
Naval Air Engineering Center, Lakehurst, New Jersey, $600,000.
Long Beach Naval Shipyard, Long Beach, California, $7,160,000.
Naval Ordnance Station, Louisville, Kentucky, $16,950,000.
Naval Air Rework Facility, Norfolk, Virginia, $13,080,000.
Naval Supply Center, Norfolk, Virginia, $2,350,000.
Naval Air Rework Facility, North Island, California, $9,465,000.
Naval Supply Center, Oakland, California, $7,890,000.
Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, $1,860,000.
Navy Public Works Center, Pearl Harbor, Hawaii, 413,700,000.
Navy Public Works Center, Pensacola, Florida, $8,430,000.
Naval Supply Office, Philadelphia, Pennsylvania, one family housing unit, $170,000.
Pacific Missile Test Center, Point Mugu, California, $10,200,000.
Naval Construction Battalion Center, Port Hueneme, California, $23,650,000.
Naval Ship Weapon Systems Engineering Station, Port Hueneme, California, $10,780,000.
Naval Electronic Systems Engineering Center, Portsmouth, Virginia, $3,255,000.
Norfolk Naval Shipyard, Portsmouth, Virginia, $6,690,000.
Naval Electronic Systems Engineering Center, San Diego, California, $27,450,000.
Navy Public Works Center, San Diego, California, 200 family housing units, $15,200,000.
Naval Supply Center, San Diego, California, $7,100,000.
Naval Electronic Systems Engineering Activity, St. Inigoes, Maryland, $15,550,000.
Mare Island Naval Shipyard, Vallejo, California, $815,000.
Naval Air Development Center, Warminster, Pennsylvania, $4,220,000.
Naval Mine Warfare Engineering Activity, Yorktown, Virginia, $4,120,000.
Navy Public Works Center, Guam, $1,080,000.
Navy Public Works Center, Subic Bay, Republic of the Philippines, 300 family housing units, $24,180,000.
Navy Public Works Center, Yokosuka, Japan, $4,400,000.

NAVAL OCEANOGRAPHY COMMAND

Naval Oceanography Command Facility, Jacksonville, Florida, $390,000.
Naval Western Oceanography Center, Pearl Harbor, Hawaii, $4,500,000.

NAVAL TELECOMMUNICATIONS COMMAND

Naval Radio Station, Sugar Grove, West Virginia, $785,000.
Naval Communication Area Master Station Western Pacific, Guam, $8,945,000.
Naval Communication Station, Harold E. Holt, Exmouth, Australia, $2,690,000.
Naval Communication Station, Rota, Spain, $395,000.
Naval Communication Station, Yokosuka, Japan, $21,490,000.

NAVAL SECURITY GROUP COMMAND

Naval Security Group Activity, Adak, Alaska, $980,000.
Naval Security Group Activity, Northwest, Chesapeake, Virginia, $1,385,000.
Naval Security Group Activity, Skaggs Island, California, $395,000.
Naval Security Group Activity, Winter Harbor, Maine, $3,280,000.
Naval Security Group Detachment, Diego Garcia, Indian Ocean, $3,700,000.

COMMANDER IN CHIEF, U.S. NAVAL FORCES EUROPE

Naval Activities, London, United Kingdom, $7,635,000.
Naval Support Activity, Naples, Italy, $7,750,000.
Naval Station, Rota, Spain, $1,030,000.
Naval Air Station, Sigonella, Italy, $5,930,000.
Personnel Support Activity, London, United Kingdom, $450,000.

HOST NATION INFRASTRUCTURE SUPPORT

Various Locations, $980,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 202. (a) Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may make expenditures to improve existing military family housing units in an amount not to exceed $34,020,000.

(b) The Secretary of the Navy may, notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, carry out a project to improve three hundred and seventy-two existing military family housing units at the Navy Public Works Center, San Diego, California, in the amount of $17,610,000.

TRANSIENT HOUSING UNITS, CHINHAE, KOREA

SEC. 203. The Secretary of the Navy may convert the four existing transient housing units contained in Building 706 in Chinhae, Korea to family housing units.

TITLE III—AIR FORCE

AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS

SEC. 301. The Secretary of the Air Force may acquire real property, carry out military construction projects, and construct or acquire family housing units and facilities in the amounts shown for each of the following installations and locations:

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Utah, $28,280,000.
Kelly Air Force Base, Texas, $41,699,000.
McClellan Air Force Base, California, $53,829,000.
Robins Air Force Base, Georgia, $7,350,000.
Tinker Air Force Base, Oklahoma, $33,100,000.
Wright-Patterson Air Force Base, Ohio, $21,890,000.

AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tennessee, $16,900,000.
Brooks Air Force Base, Texas, $2,500,000.
Edwards Air Force Base, California, $7,250,000.
Eglin Air Force Base, Florida, $12,260,000.
Hanscom Air Force Base, Massachusetts, $27,150,000.
Sunnyvale Air Force Station, California, $2,700,000.
Fort MacArthur, White Point, California, $1,800,000.

AIR FORCE RESERVE

Billy Mitchell Field, Wisconsin, $500,000.

AIR NATIONAL GUARD

Buckley Air National Guard Base, Colorado, $12,370,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Illinois, $1,730,000.
Goodfellow Air Force Base, Texas, $29,950,000.
Keesler Air Force Base, Mississippi, $10,500,000.
Lackland Air Force Base, Texas, $22,750,000.
Laughlin Air Force Base, Texas, $1,900,000.
Lowry Air Force Base, Colorado, $6,850,000.
Mather Air Force Base, California, $2,700,000.
Randolph Air Force Base, Texas, $3,200,000.
Reese Air Force Base, Texas, $3,250,000.
Sheppard Air Force Base, Texas, $16,150,000.
Vance Air Force Base, Oklahoma, $660,000.
Williams Air Force Base, Arizona, $660,000.

AIR UNIVERSITY

Gunter Air Force Station, Alabama, $6,000,000.
Maxwell Air Force Base, Alabama, $8,000,000.

ALASKAN AIR COMMAND

Attu Research Site, Alaska, $910,000.
Eielson Air Force Base, Alaska, $44,950,000.
Elmendorf Air Force Base, Alaska, $5,000,000.
King Salmon Airport, Alaska, $8,600,000.
Shemya Air Force Base, Alaska, $45,900,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Oklahoma, $13,160,000.
Andrews Air Force Base, Maryland, $10,120,000.
Base 24, Classified Location, $6,170,000.
Bolling Air Force Base, District of Columbia, $12,250,000.
Charleston Air Force Base, South Carolina, $1,620,000.
Dover Air Force Base, Delaware, $19,190,000.
Eglin Auxiliary Field 9, Florida, $1,700,000.
Kirtland Air Force Base, New Mexico, $60,330,000.
McChord Air Force Base, Washington, $2,240,000.
McGuire Air Force Base, New Jersey, $16,100,000.
Norton Air Force Base, California, $4,570,000.
Pope Air Force Base, North Carolina, $440,000.
Scott Air Force Base, Illinois, $9,350,000.
Travis Air Force Base, California, $10,300,000.
Lajes Field, Portugal, $25,285,000.
Rhein-Main Air Base, Germany, $13,600,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Hawaii, $480,000.

Wheeler Air Force Base, Hawaii, $5,050,000.
Camp Zama, Japan, $1,500,000.
Kadena Air Base, Japan, $27,650,000.
Misawa Air Base, Japan, $9,500,000.
Yokota Air Base, Japan, $13,750,000.
Kimhae Air Base, Korea, $10,400,000.
Kunsan Air Base, Korea, $9,000,000.
Kwang-Ju Air Base, Korea, $16,310,000.
Osan Air Base, Korea, $25,710,000.
Sachon Air Base, Korea, $310,000.
Diego Garcia Air Base, Indian Ocean, $5,300,000.
Clark Air Base, Republic of the Philippines, $52,950,000, including 450 family housing units.

SPACE COMMAND

Cape Cod Air Force Station, Massachusetts, $600,000.
Cavalier Air Force Station, North Dakota, $950,000.
Clear Air Force Station, Alaska, $4,500,000.
Peterson Air Force Base, Colorado, $5,200,000.
Thule Air Base, Greenland, $12,350,000.
Sondrestrom Air Base, Greenland, $5,750,000.
GEODSS Site 5, Portugal, $14,650,000.
Pirinclik Air Station, Turkey, $2,600,000.
BMEWS Site III, Fylingdales, United Kingdom, $3,100,000.

SPECIAL PROJECT

Various Locations, $55,000,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Louisiana, $1,400,000.
Base 34, Classified Location, $8,920,000.
Beale Air Force Base, California, $6,950,000.
Belle Fourche Air Force Station, South Dakota, $8,080,000, including 50 family housing units.
Blytheville Air Force Base, Arkansas, $3,750,000.
Carswell Air Force Base, Texas, $3,150,000.
Castle Air Force Base, California, $3,300,000.
Dyess Air Force Base, Texas, $16,950,000.
Ellsworth Air Force Base, South Dakota, $72,064,000.
F. E. Warren Air Force Base, Wyoming, $15,310,000.
Grand Forks Air Force Base, North Dakota, $62,730,000.
Griffiss Air Force Base, New York, $2,740,000.
Grissom Air Force Base, Indiana, $1,700,000.
K. I. Sawyer Air Force Base, Michigan, $22,580,000.
Malmstrom Air Force Base, Montana, $1,300,000.
March Air Force Base, California, $9,000,000.
McConnell Air Force Base, Kansas, $71,490,000.
Minot Air Force Base, North Dakota, $5,000,000.
Offutt Air Force Base, Nebraska, $10,440,000.
Pease Air Force Base, New Hampshire, $1,200,000.
Plattsburgh Air Force Base, New York, $1,050,000.
Vandenberg Air Force Base, California, $1,960,000.
Whiteman Air Force Base, Missouri, $4,650,000.
Wurtsmith Air Force Base, Michigan, $5,300,000.

TACTICAL AIR COMMAND

Bergstrom Air Force Base, Texas, $770,000.
Cannon Air Force Base, New Mexico, $12,500,000.
Davis-Monthan Air Force Base, Arizona, $8,230,000.
England Air Force Base, Louisiana, $4,900,000.
George Air Force Base, California, $20,240,000.
Holloman Air Force Base, New Mexico, $16,850,000.
Homestead Air Force Base, Florida, $7,015,000.
Langley Air Force Base, Virginia, $8,680,000.
Luke Air Force Base, Arizona, $14,780,000.
MacDill Air Force Base, Florida, $10,150,000.
Moody Air Force Base, Georgia, $24,030,000.
Mountain Home Air Force Base, Idaho, $14,600,000.
Myrtle Beach Air Force Base, South Carolina, $430,000.
Nellis Air Force Base, Nevada, $23,860,000.
Seymour-Johnson Air Force Base, North Carolina, $2,320,000.
Shaw Air Force Base, South Carolina, $13,300,000.
Tyndall Air Force Base, Florida, $8,780,000.
Howard Air Force Base, Panama, $23,172,000.

UNITED STATES AIR FORCE ACADEMY

Air Force Academy, Colorado, $10,310,000.

UNITED STATES AIR FORCES IN EUROPE

Florennes Air Force Base, Belgium, $35,060,000 including 400 family housing units.
Ahlhorn Air Base, Germany, $350,000.
Bitburg Air Base, Germany, $9,050,000.
Einsiedlerhof, Germany, $2,900,000.
Hahn Air Base, Germany, $41,160,000 including 440 family housing units.
Hessisch Oldendorf Air Station, Germany, $1,230,000.
Kapaun Air Station, Germany, $900,000.
Leipheim Air Base, Germany, $350,000.
Marienfelde Communications Station, Germany, $2,550,000.
Norvenich Air Base, Germany, $350,000.
Pruem Air Station, Germany, $1,250,000.
Ramstein Air Base, Germany, $47,470,000, including 400 family housing units.
Sembach Air Base, Germany, $6,460,000.
Spangdahlem Air Base, Germany, $14,860,000.
Various Locations, Germany, $940,000.
Vogelweh Air Station, Germany, $1,250,000.
Wenigerath Storage Site, Germany, $1,700,000.
Zweibrucken Air Base, Germany, $5,700,000.
Aviano Air Base, Italy, $5,070,000.
Comiso Air Station, Italy, $6,280,000.
Decimomannu Air Base, Italy, $2,800,000.
San Vito Air Station, Italy, $1,590,000.
Morocco, $3,100,000.
Camp New Amsterdam, The Netherlands, $13,710,000, including 140 family housing units.
Keizerveer Air Base, The Netherlands, $270,000.
Vught, The Netherlands, $310,000.
Woensdrecht Air Base, The Netherlands, $22,700,000.
Torrejon Air Base, Spain, $12,187,000.
Zaragoza Air Base, Spain, $2,750,000.
Ankara Air Station, Turkey, $950,000.
Incirlik Air Base, Turkey, $11,570,000.
Karatas, Turkey, $2,330,000.
RAF Alconbury, United Kingdom, $20,910,000.
RAF Bentwaters, United Kingdom, $12,050,000.
RAF Chicksands, United Kingdom, $1,630,000.
RAF Fairford, United Kingdom, $7,400,000.
RAF Greenham Common, United Kingdom, $2,840,000.
RAF Lakenheath, United Kingdom, $10,320,000.
RAF Mildenhall, United Kingdom, $8,230,000.
RAF Molesworth, United Kingdom, $21,063,000.
RAF Sculthorpe, United Kingdom, $2,350,000.
RAF Upper Heyford, United Kingdom, $4,640,000.
Various Locations, United Kingdom, $3,600,000.
Base 25, Classified Location, $4,500,000.
Base 29, Classified Location, $3,500,000.
Base 30, Classified Location, $4,830,000.
Base 33, Classified Location, $9,450,000.
Various Locations, Europe, $4,450,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 3.02. (a) Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may make expenditures to improve existing military family housing units in an amount not to exceed $61,300,000, of which $19,939,000 is available only for energy conservation projects.

(b) The Secretary of the Air Force may, notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, carry out projects to improve existing military family housing units at the following installations, in the number of units shown, and in the amount shown, for each installation:

Bolling Air Force Base, District of Columbia, twenty-four units, $1,200,000.
Scott Air Force Base, Illinois, eighty units, $4,006,000.
Offutt Air Force Base, Nebraska, thirty-two units, $3,009,000.
Kirtland Air Force Base, New Mexico, one hundred and ten units, $3,724,000.
Ramstein Air Base, Germany, two hundred and eighty units, $10,279,000.
Andersen Air Force Base, Guam, one hundred units, $6,605,000.
Kadena Air Base, Japan, two hundred and thirty-five units, $12,163,000.
Clark Air Base, Philippines, twenty-nine units, $1,042,000.

TITLE IV—DEFENSE AGENCIES

AUTHORIZED CONSTRUCTION PROJECTS AND LAND ACQUISITION FOR THE DEFENSE AGENCIES

SEC. 401. The Secretary of Defense may acquire real property, carry out military construction projects, and construct or acquire family housing units and facilities in the amounts shown for each of the following installations and locations:

DEFENSE LOGISTICS AGENCY

Defense Property Disposal Office, Anchorage, Alaska, $1,390,000.
Defense Property Disposal Office, Alameda, California, $1,320,000.
Defense Property Disposal Office, Barstow, California, $825,000.
Defense Fuel Support Point, San Diego, California, $600,000.

Defense Fuel Support Point, San Pedro, California, $700,000.
Defense Property Disposal Office, Groton, Connecticut, $625,000.
Defense Fuel Support Point, Port Tampa, Florida, $595,000.
Defense Property Disposal Office, Fort Riley, Kansas, $965,000.
Defense Fuel Support Point, Newington, New Hampshire, $1,040,000.
Defense Fuel Support Point, Verona, New York, $1,395,000.
Defense Depot, Mechanicsburg, Pennsylvania, $470,000.
Defense Depot, Memphis, Tennessee $8,085,000.
Defense Property Disposal Office, Texarkana, Texas, $2,635,000.
Defense Depot, Ogden, Utah, $3,825,000.
Defense Property Disposal Office, Hill Air Force Base, Ogden, Utah, $750,000.
Defense General Supply Center, Richmond, Virginia, $5,355,000.
Defense Property Disposal Office, Richmond, Virginia, $650,000.
Defense Fuel Support Point, Manchester, Washington, $565,000.
Defense Property Disposal Office, F.E. Warren Air Force Base, Cheyenne, Wyoming, $1,020,000.
Defense Property Disposal Office, Kaiserslautern, Germany, $360,000.
Defense Fuel Support Point, Chimu Wan, Okinawa, Japan, $8,160,000.
Defense Fuel Support Point, Tsurumi, Japan, $2,800,000.
Defense Fuel Support Point, Pyongtaek, Korea, $5,820,000.
Defense Fuel Support Point, Uijongbu, Korea, $6,200,000.

DEFENSE MAPPING AGENCY

Repromat Secure Storage Facility, Mineral Wells, Texas, $900,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $82,142,000.
Classified Locations, $8,950,000, including 20 family housing units.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $12,000,000.
Fort McNair, Washington, District of Columbia, $29,200,000.
Classified Location, $3,142,000.

DEPARTMENT OF DEFENSE SECTION 6 SCHOOLS

Fort Benning, Georgia, $1,693,000.
Fort Bragg, North Carolina, $5,660,000.
Camp Lejeune, North Carolina, $8,400,000.
Myrtle Beach Air Force Base, South Carolina, $1,400,000.
Quantico, Virginia, $3,500,000.
Fort Buchanan, Puerto Rico, $9,753,000.
Roosevelt Roads Naval Station, Puerto Rico, $1,200,000.

DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS

Florennes, Belgium, $7,420,000.
Naval Air Station, Bermuda, $2,290,000.
Babenhausen, Germany, $760,000.
Bamberg, Germany, $5,800,000.
Butzbach, Germany, $3,420,000.
Hanau, Germany, $7,480,000.
Heidelberg, Germany, $1,910,000.
Heilbronn, Germany, $2,520,000.
Pirmasens, Germany, $1,630,000.
Schweinfurt, Germany, $3,930,000.
Sembach Air Base, Germany, $2,170,000.
Vilseck, Germany, $6,680,000.
Sigonella, Italy, $5,360,000.
Misawa Air Base, Japan, $4,780,000.
Okinawa, Japan, $745,000.
Osan Air Base, Korea $2,780,000.
Pusan, Korea, $1,540,000.
Taegu, Korea, $730,000.
Soesterberg Air Base, Netherlands, $4,460,000.
Clark Air Base, Republic of the Philippines, $7,190,000.
Rota, Spain, $2,870,000.
Bicester, United Kingdom, $4,570,000.
Upwoold, United Kingdom, $3,240,000.
Woodbridge RAF Station, United Kingdom, $1,060,000.

IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

SEC. 402. Subject to section 2825 of title 10, United States Code, the Secretary of Defense may make expenditures to improve exising military family housing units in an amount not to exceed $110,000.

TITLE V—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

AUTHORITY OF THE SECRETARY OF DEFENSE TO MAKE CONTRIBUTIONS

SEC. 501. The Secretary of Defense may make contributions for the North Atlantic Treaty Organization infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the amount authorized to be appropriated in section 605.

TITLE VI—AUTHORIZATION OF APPROPRIATIONS AND RECURRING ADMINISTRATIVE PROVISIONS

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 601. (a) Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $3,649,674,000 as follows:

(1) For military construction projects and for construction and acquisition of military family housing and facilities authorized by section 101, $2,026,760,000.

(2) For improvements to existing family housing units authorized by section 102 and section 2825 of title 10, United States Code, $166,000,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $31,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $155,120,000.

(5) For support of military family housing, $1,270,794,000.

(b) Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 101 may not exceed the total amount authorized to be appropriated under paragraphs (1) of subsection (a).

AUTHORIZATION OF APPROPRIATIONS, NAVY

SEC. 602. (a) Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,886,249,000 as follows:

(1) For military construction projects and for construction and acquisition of military family housing and facilities authorized by section 201, $2,096,780,000.

(2) For improvements to existing family housing units authorized by section 202 and section 2825 of title 10, United States Code, $34,020,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $21,560,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $146,190,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $2,960,000.

(6) For support of military family housing, $584,739,000.

(b) Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 201 may not exceed the total amount authorized to be appropriated under paragraphs (1) of subsection (a).

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 603. (a) Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,917,048,000 as follows:

(1) For military construction projects and for construction and acquisition of military family housing and facilities authorized by section 301, $1,925,114,000.

(2) For improvements to existing family housing units authorized by section 302 and section 2825 of title 10, United States Code, $61,300,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $149,096,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $30,240,000.

(6) For support of military family housing, $729,298,000.

(b) Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 301 may not exceed the total amount authorized to be appropriated under paragraphs (1) of subsection (a).

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 604. (a) Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $329,900,000 as follows:

(1) For military construction projects and for construction and acquisition of military family housing and facilities authorized by section 401, $272,400,000.

(2) For improvements to existing family housing units authorized by section 402 and section 2825 of title 10, United States Code, $110,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $4,000,000.

(4) For construction projects under the contingency construction authority of the Secretary of Defense under section 2804 of title 10, United States Code, $5,000,000.

(5) For architectural and engineering services and construction design under section

2807 of title 10, United States Code, $30,000,000.

(6) For support of military family housing, $18,390,000.

(b) Funds appropriated to the Department of Defense for fiscal years before fiscal year 1986 for military construction functions of the Defense Agencies that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 401 in the amount of $37,025,000.

(c) Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other variations authorized by law, the total cost of all projects carried out under section 401 may not exceed the total amount authorized to be appropriated under paragraph (1) of subsection (a) and the amount specified in subsection (b).

AUTHORIZATION OF APPROPRIATIONS, NATO

SEC. 605. Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1985, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of construction projects for the North Atlantic Treaty Organization Infrastructure program, as authorized by section 501, in the amount of $98,000,000.

EXPIRATION OF AUTHORIZATIONS: EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

SEC. 606. (a)(1) Except as provided in paragraph (2), all authorizations contained in title I, II, III, IV, and V for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure program, (and authorizations of appropriations therefor contained in sections 601 through 605) shall expire on October 1, 1987, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later.

(2) The provisions of paragraph (1) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure program, (and authorizations of appropriations therefore), for which appropriated funds have been obligated before October 1, 1987, or the date of the enactment of the Military Construction Authorization Act for fiscal year 1988, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure program.

(b) Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1984 (Public Law 98-115, 97 Stat. 780), authorizations for the following projects authorized in sections 101, 201, and 301 of that Act shall remain in effect until October 1, 1986 or the date of enactment of the Military Construction Authorization Act for fiscal year 1987, whichever is later:

(1) Consolidated heating system in the amount of $1,850,000 at Stuttgart, Germany.

(2) Consolidated heating system in the amount of $1,750,000 at Stuttgart, Germany.

(3) Range modernization in the amount of $2,450,000 at Wildflecken, Germany.

(4) Unaccompanied personnel housing in the amount of $1,400,000 at Argyroupolis, Greece.

(5) Operations building in the amount of $370,000 at Argyroupolis, Greece.

(6) Multi-purpose recreation facility in the amount of $480,000 at Argyroupolis, Greece.

(7) Unaccompanied Officer housing in the amount of $600,000 at Perivolaki, Greece.

(8) Operations building in the amount of $410,000 at Perivolaki, Greece.

(9) Multipurpose recreation facility in the amount of $620,000 at Perivolaki, Greece.

(10) Physical fitness training center in the amount of $1,000,000 at Elefsis, Greece.

(11) Operations control center in the amount of $7,800,000 at the Naval Air Station, Brunswick, Maine.

(12) Engine test cell modifications in the amount of $1,180,000 at the Naval Air Station, Cecil Field, Florida.

(13) Land acquisition in the amount of $830,000 at the Naval Weapons Station, Concord, California.

(14) Standby generator plant in the amount of $4,500,000 at the Naval Communications Area Master Station Eastern Pacific, Honolulu, Hawaii.

(15) Air freight terminal in the amount of $10,200,000 at Elmendorf, Alaska.

ESTABLISHMENT OF CERTAIN AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

SEC. 607. For projects or contracts initiated during the period beginning on the date of the enactment of this Act or October 1, 1985, whichever is later, and ending on the date of the enactment of the Military Construction Authorization Act for fiscal year 1987 or October 1, 1986, whichever is later, the following amounts apply:

(1) The maximum amount for an unspecified minor military construction project under section 2805 of title 10, United States Code, is $1,000,000.

(2) The amount of a contract for architectural and engineering services or construction design that makes such a contract subject to the reporting requirement under section 2807 of title 10 United States Code, is $300,000.

(3) The maximum amount per unit for an improvement project for family housing units under section 2825 of title 10, United States Code, is $30,000.

(4) The maximum annual rental for a family housing unit leased in the United States, Puerto Rico, or Guam under section 2828(b) of title 10, United States Code, is $10,000.

(5) (A) The maximum annual rental for a family housing unit leased in a foreign country under section 2828(c) of title 10, United States Code, is $16,800.

(B) The maximum number of family housing units that may be leased at any one time in foreign countries under section 2828(c) of title 10, United States Code, is 32,000.

(6) The maximum rental per year for family housing facilities, or for real property related to family housing facilities, leased in a foreign country under section 2828(f) of title 10, United States Code, is $250,000.

EFFECTIVE DATE FOR PROJECT AUTHORIZATIONS

SEC. 608. Titles I, II, III, IV, and V of this Act shall take effect on October 1, 1985.

TITLE VII—GUARD AND RESERVE FORCES FACILITIES

AUTHORIZATION FOR FACILITIES

SEC. 701. There are authorized to be appropriated for fiscal years beginning after September 30, 1985, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States $102,100,000 and

(B) for the Army Reserve, $70,700,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $51,800,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States $137,200,000 and

(B) for the Air Force Reserve, $66,800,000.

TITLE VIII

SEC. 801. There are authorized to be appropriated for fiscal year 1987 such sums as may be necessary for the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force to establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment.

Repeal of Requirement to Transmit Military Construction Authorization Request

SEC. 802. Section 2859 of title 10, United States Code, is hereby repealed.

GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
Washington, D.C., February 14, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington DC.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To authorize certain construction at military installations for Fiscal Year 1986, and for other purposes." This legislation is consistent with the Budget of the United States for Fiscal Year 1986. Appropriations in support of Titles I through IX of this legislation are discussed in that Budget.

This proposal would authorize appropriations for new construction and family housing support for the Active Forces as follows: $3,649,674,000 for the Department of the Army, $2,886,249,000 for the Department of the Navy, $2,917,048,000 for the Department of the Air Force, and $329,900,000 for the Defense Agencies. Included in Title I is authorization for construction of production base support at Army Ammunition Facilities. Title V would authorize $98,000,000 for the United States' share of the NATO Infrastructure Program. Title VII, totaling $428,600,000 would authorize appropriations for construction for the Guard and Reserve Forces.

In addition to the authorizations for appropriations, title VI contains recurring administrative provisions applicable to the Military Construction Program in accordance with chapter 169 of title 10, United States Code. Title VIII provides authorization for Fiscal Year 1987 to meet the basic requirements of the Congressional Budget and Impoundment Control Act of 1974 (Public Law No. 93-344) and a provision to repeal Section 2859 of title 10, United States Code.

The projects that would be authorized by this proposal have been reviewed to determine if environmental impact statements are required by Public Law No. 91-190; required environmental statements will be submitted to the Congress by the Military Departments.

Sincerely,

L. NIEDERLEHNER,
Acting.

By Mr. METZENBAUM:

S. 538. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for warnings concerning the use by children of drugs containing aspirin, and for other purposes; to the Committee on Labor and Human Resources.

EMERGENCY REYE'S SYNDROME PREVENTION ACT

● Mr. METZENBAUM. Mr. President, today I am introducing a piece of legislation which I consider to be of the highest priority. Joining me in introducing the Emergency Reye's Syndrome Prevention Act of 1985 is Congressman HENRY WAXMAN, chairman of the House Energy and Commerce Committee's Subcommittee on Health and the Environment.

This measure will require all aspirin products to carry this statement: "Warning: This product should not be given to individuals under the age of 21 years who have chicken pox, influenza, or flu symptoms. This product contains aspirin or another salicylate which has been strongly associated with the development of Reye's syndrome, a serious and often fatal childhood disease."

Reye's syndrome is a rare disease that we know very little about. We do not know exactly what causes it. We do not have a cure.

What we do know is this:

Reye's syndrome strikes children.

It causes their brains to swell and their livers to accumulate massive amounts of fat.

It is a killer. Some estimates say that as many as 40 percent of all cases are fatal.

Reye's syndrome develops usually when a child is recovering from the flu, chicken pox, or an upper respiratory infection.

Most importantly, we know Reye's syndrome is linked with the use of aspirin.

Much attention has been paid to negotiations between Health and Human Services Secretary Heckler and the Aspirin Foundation to produce voluntary measures to warn the public on the link between aspirin and Reye's. I applaud those efforts. Unfortunately, I am disappointed with the result.

First, only a little over half of the aspirin products marketed are estimated to be included in the Aspirin Foundation.

Second, the warning that the Aspirin Foundation has agreed to does not go far enough. Their label would simply suggest that the consumer consult a physician before giving the product to a child. In addition, the Aspirin Foundation has refused to acknowledge the relationship between Reye's syndrome and aspirin.

Lastly, I have become extremely wary of voluntary cooperation between industry and Government in these matters. As author of the Infant Formula Act of 1980, I was certain that quality control problems in that industry were a thing of the past.

Unfortunately, FDA saw fit to allow infant formula manufacturers to develop their own quality control methods. As a result, 3 million cans of defective formula have made it to grocery stores.

Last year, Secretary Heckler asked the processed food industry to voluntarily cut back on the amount of salt in the foods they sell. A study just released shows that there had been no such change.

Although I held out hope that this problem could be dealt with swiftly by voluntary means, I am afraid that is not the case.

We can no longer delay meaningful action. This year, six children have died and a seventh is in a coma with a poor prognosis. We are now in the midst of a flu season that threatens to claim many more victims.

Public awareness of the dangers aspirin poses to our Nation's children is on the rise. We must seize the opportunity to make every parent aware of that danger.

This mandatory labeling legislation can go a long way toward reaching that goal. I urge my colleagues to support this bill and to work for its quick passage.●

By Mr. EXON (for himself and Mr. ZORINSKY):

S. 539. A bill to provide for the establishment of a demonstration program in the State of Nebraska to prevent and control streambank erosion; to the Committee on Environment and Public Works.

NEBRASKA STREAMBANK EROSION PREVENTION AND CONTROL DEMONSTRATION ACT

Mr. EXON. Mr. President, the bill which I am introducing today provides for a 5-year program demonstrating low-cost, environmentally sound bank protection projects in the State of Nebraska. The bill authorizes up to $25 million over 5 years for this important program. Streambank losses have been astronomical over the last several years and Federal assistance is desperately needed to mitigate future losses of valuable farmland.

Nineteen counties in the State of Nebraska were declared eligible for Federal disaster aid by President Reagan in 1984. At least 20 tons per acre of topsoil from nearly 3.6 million acres were lost to flooding in the State. Nearly 72 million tons of precious topsoil was lost to erosion this last spring alone. The Soil Conservation Service estimates that the cost of this erosion in Nebraska was up to $360 million for 1984 alone.

That figure of $360 million only represents a conservative estimate of the topsoil replacement cost. It does not account for reductions in yield. It does not account for the cleaning and repairing of structures such as waterways and ditches. At least $12 million in damages have occurred to public roads, bridges, culverts, and other facilities.

Mr. President, the last 3 years have been unusually wet in Nebraska's farm belt. Erosion control is a primary need which must be met if we are going to reverse the trend of escalating soil losses which undermine the productive capability of agriculture. If these wet years continue, we will continue to witness greater losses of irreplaceable topsoil.

The bill which I am introducing along with my colleague, Senator ZORINSKY, would establish a program of bank stabilization and flood control projects in Nebraska which would have basinwide applicability. A limited program similar to what I am proposing here was established in the Water Resources Act of 1974 under the so-called section 32 authority. This important program expired at the close of the 1982 fiscal year. Certainly, valuable lessons were learned from that limited program conducted on reaches of the Misssouri River.

Needs have changed since that time and the goal to develop and demonstrate economical and less harmful bank protection and flood control measures continues to be a viable and important quest. With soil erosion losses escalating on rivers which drain into the Missouri River, further demonstration and development of such a program on these tributaries is vital. As I noted, this program would directly preserve tons of valuable farmland, and indirectly reduce the costs of damage to other structures in need of cleaning or repair as a result of erosion.

The Governor of the State of Nebraska has personally urged the support of the Senate for this program. To date, the State has expended nearly $3 million in State funds for one bank protection project alone and is considering another project of nearly $3 million. Nebraska's taxpayers are making a significant contribution to the flood control and bank stabilization efforts in the face of diminishing Federal support.

The Omaha District of the Corps of Engineers has noted to me that at least 11 requests for assistance in providing erosion control protection for public facilities are pending and that 37 requests for flood control repair are under consideration in Nebraska. In addition, another seven requests for technical assistance for streambank erosion problems was being reviewed.

The overwhelming need is there. The State is meeting a significant part of this need with its own funding. As I noted, nearly $6 million in Nebraska State taxpayer assistance will be used to address two areas of need in the State this year.

My bill simply authorized the Corps of Engineers to develop a program demonstrating low-cost erosion and flood control designed to mitigate further soil losses. Local sponsors of the projects would be required to bear the full cost of operation and maintenance upon completion of the 5-year demonstration. Prior to building the projects, local sponsors are required to provide without cost to the corps, all lands, easements, and rights of way needed for the demonstration. This contribution by the locals can amount to anywhere between 10 and 20 percent of the project's cost.

Not only are landowners benefited from such erosion control programs, but as I noted earlier many others directly benefit in reduced costs for cleaning and repairing waterways and ditches which are damaged or filled with eroded soil. In addition, erosion control benefits the productive capacity of farmland and reduces the need for disaster assistance and crop loss mitigation by the Federal Government.

Five million dollars a year for 5 years is a worthy investment in agriculture's future. The Corps of Engineers is entertaining multiple requests for erosion assistance in Nebraska. The State's taxpayers are putting up as much as $6 million for bank protection in Nebraska this year.

No new corps projects have been authorized for Nebraska in several years. Last year, the House-passed version of the continuing resolution as well as the Water Resources Development Act, contained language similar to the bill which I am offering. The State of Nebraska and the Corps of Engineers have suggested changes in the House language which makes the proposal more cost effective and efficient. My bill incorporates those changes.

The Senate's support of this amendment will establish a worthy program which, through low-cost erosion control demonstrations, will offer benefits for the Nation.

Mr. ZORINSKY. Mr. President, today Senator EXON and I are introducing a bill to alleviate the effects of widespread flooding along major rivers in the State of Nebraska. This bill may be referred to as the Nebraska Streambank and Erosion Prevention and Control Demonstration Act of 1985.

This bill is similar to a bill we introduced in the 98th Congress, S. 2885, to address the repetitive flooding problems in Nebraska. Similar language was introduced in the House and was eventually incorporated into H.R. 3678, which passed the House on June 29, 1984. After further consultation with local water experts in the State later in the session, Senator EXON and I, in concert with members of the Nebraska delegation in the House, were able to arrive at a final, comprehensive version of this legislation, which is substantially the same language that we are introducing today. We attempted to have this language added to House Joint Resolution 648, the continuing resolution, but the administration's extreme reluctance to accept spending on any new water programs caused our program to be struck in conference along with the rest of the new project money. It is apparent that the threat of the President's veto over a broad class of funding proposals is all that prevented our program from receiving funding in the 98th Congress.

Mr. President, the need for the Nebraska Streambank Erosion Prevention and Control Act is substantial. Through written correspondence and testimony before congressional committees, many representatives of Nebraska's interests have told us of the severe flooding that has become one of the rites of spring in our State, especially in recent years. Our geographical location between the eastern slope of the Rocky Mountains and the Missouri River is a double-edged sword. It has provided our State with an excellent river system running the length of the State in the form of the Platte River and its branches. However, this also means that Nebraska is a primary path for massive spring thaw runoffs from the Rockies, gushes of water that far exceed the normal capacities of our streams. The result is devastating streambank erosion along the Platte and other rivers, as well as flooding that destroys homes and some of the best croplands on the face of the planet. I anticipate that State and local officials will be arriving in Washington in the near future to testify in favor of this bill and will give us accounts of the latest projections for damage this year.

Our bill would provide a means for alleviating this recurring problem by setting up a program patterned after the section 32 authority in the Water Resources Development Act of 1974.

Section 32 was designed to provide a national program to demonstrate low-cost ways of reducing or preventing streambank erosion. Although the original program expired at the end of fiscal year 1982, it was very successful during its 5-year term, resulting in six low-cost demonstration projects along the Missouri River in Nebraska alone.

Mr. President, the program we are proposing today would set up a statewide section 32 authority for Nebraska to meet our pressing needs for bank stabilization and flood control. The bill would provide $25 million over a 5-year period to demonstrate low-cost streambank erosion reduction and control measures in the particularly hard-hit areas in our State. The bill designated three particular regions in Nebraska for project consideration, but allows flexibility to State officials in choosing other areas of special need as they deem necessary, and it leaves discretion in the Corps of Engineers in determining which measures to use according to local factors.

The program would be carried out by the Army Corps of Engineers in consultation with a group of State and local officials, the Nebraska Streambank Erosion Advisory Board, to be established under this act. The board will provide the valuable and necessary local expertise and input regarding the preferential needs for erosion control in the State.

The board will play an important role in advising the corps on the locations for the demonstration sites. Although the corps will have discretion as to the composition of the board, it should include officials with the Nebraska Department of Water Resources, the Nebraska Natural Resources Commission, representatives of the affected State natural resources districts, and other key resource experts in the State. The corps will consult with the board on all phases in carrying out this program, and will review progress on the program with the board periodically.

Once again, our program would be funded at $25 million over 5 years. As with the original section 32 program, full Federal financing for the projects will be in place during the 5-year term. At the end of the 5-year demonstration period, responsibility for operation and maintenance costs revert to non-Federal interests. Our original cost estimate will be adjusted for inflation periodically.

In closing, I would like to pay particular thanks to Kent Miller, general manager of the Twin Platte Natural Resources District, and Dale Wahlgren, president of the Platte River Flood Control Association, for providing valuable information on the erosion problems in central Nebraska. Also, I would like to thank Dale Williamson, executive director of the Nebraska Natural Resources Commission, Mike Jess, director of the Nebraska Department of Water Resources, and numerous representatives of the Army Corps of Engineers for helping define the problems we face and search for ways to alleviate those problems.

Mr. President, I urge my colleagues in the Senate to take notice of the need for this legislation and to give it expedient, favorable consideration.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 540. A bill to amend the Internal Revenue Code of 1954 to permit elections under section 2032A to be made on amended returns; to the Committee on Finance.

TAX CLARIFICATION ON CERTAIN ESTATES

● Mr. LAXALT. Mr. President, today I would like to reintroduce legislation

amending the Internal Revenue Code of 1954 permitting elections under section 2032A to be made on amended returns.

This legislation will allow the decedents of an estate to elect to alter the tax clarification of an estate as long as the estate tax file has not been closed with the IRS. It will alleviate part of the severe tax burden which has been placed on an estate whose decedents are making every effort to maintain as a working farm.

Specifically, I am aware of a case where the current law has worked a severe hardship on one family. They were not aware of changes in the tax laws, and did not alter their status alleviating them from paying taxes in one lump sum. Now, the children are left with these tax payments. They are trying to keep the estate in working order; however, they will be forced to sell it unless the election date of the estate is pushed back.

In order to pay their taxes according to the applicable law and lessen the huge sums of money they are paying, they must alter their current tax status. They should not be penalized for not knowing of a change in tax laws. Rather, they should be allowed to pay their taxes in accordance with the current law.

I urge my colleagues to support this measure.●

By Mrs. HAWKINS:

S. 541. A bill to amend the Internal Revenue Code of 1954 to repeal the earned income limitation on the deduction for retirement savings; to the Committee on Finance.

REPEAL OF EARNED INCOME LIMITATION ON DEDUCTION FOR RETIREMENT SAVINGS

● Mrs. HAWKINS. Mr. President, today I am introducing legislation to repeal the earned income limitation placed upon individual tax deductions for individual retirement savings.

As part of the Economic Recovery Tax Act of 1981, the use of individual retirement accounts [IRA's] was greatly expanded to stimulate savings for individuals to make adequate provisions for their retirement security, and the savings for this purpose also contribute to the formation of investment capital needed for growth. Therefore, the use of IRA's should not only be encouraged, but made available on a broad and consistent basis. There are, however, a number of inequities and restrictions in the current law preventing some women from taking full advantage of this innovative idea.

Under current law, if an individual receives no compensation during a year, the individual generally is not allowed to make a deductible IRA contribution for the year. Special "spousal IRA" limits, however, provide that if a married individual's spouse earns no compensation during a year and if the married couple files jointly, a person may deduct annual IRA contributions up to the lessor of $2,250 or 100 percent of the individual's annual compensation. The money may be allocated in any fashion between the two accounts, but no more than $2,000 may be contributed to either IRA.

This spousal IRA limit is not available if the married individual's spouse has any compensation income during the year. If a husband and wife each have compensation income, each is subject separately to the limits of $2,000 and 100 percent of compensation on deductible contributions.

The problem with this law, Mr. President, is that it penalizes both the homemakers and the spouse earning less than $250 per year. The IRA limit allowed for the spouse with no compensation is illogical and clearly inequitable. The relatively minor amount allowed fails to recognize the important economic contributions made by married homemakers. Even though the role of women working in the home is not a new concept, this relatively recent IRA law does not give justice to this vital and necessary role. Mr. President, no woman in this country should be penalized for choosing homemaking as a full-time career, but our current IRA laws do exactly that. They discriminate against homemakers. The irony is that while the homemaker does not receive compensation for her work, she makes a major contribution to the operation of the family and is as valuable to that unit as the working spouse.

It is my intention to bring appropriate recognition to the work of those individuals who have chosen this lifestyle by repealing the earned income requirement for the contribution to an IRA. In some ways, the woman working at home needs an IRA more than anyone else since she hasn't got the chance to build up a pension or other supplement to Social Security. Since elderly women are the fastest growing poverty group in America, it is time that we allowed them to make the necessary provisions for their well-being during the retirement years. These women deserve to be treated fairly.

As I mentioned, another inequity in current law, which will also be corrected by the bill I am introducing today, has to do with the spouse earning less than $250 per year. Normally, this would apply to an individual donating extensive time and effort to a charitable organization for only a nominal fee. The law as it is currently written, actually encourages the person to either not collect the money or cheat on their taxes. For example, if the spouse received $150 for charitable work, the maximum interspousal IRA can be no higher than $2,150. That is $50 less than if the spouse received no income. There is no logic to this inconsistent treatment of spouses who, for the most part are both homemakers. And, while it is obviously a minor difference, it is worthy of our attention and needs to be corrected.

Mr. President, there is even another important group of women that have been ignored by the current law long enough, but they, too, will find equity if this bill is passed. Since alimony and spouse support is not considered earned income, separated or divorced women whose sole source of income may be alimony or spouse support are prevented from taking advantage of this method of retirement savings. Mr. President, the expanded use of the IRA encourages capital formation rather than consumption and should not be off limits to anyone. These women, just as those who are married homemakers, should not be denied the benefits of the tax deduction as well as security of knowing that they will enjoy the peace of mind of financial security in their retirement.

The bill that I am introducing today only seeks to provide equity for all women in this Nation. I am pleased that the working women of our country have found adequate recognition and face no inequities, with regard to IRA's. I now believe it is time we afforded the homemakers, who are also working women, the same recognition and rights.●

By Mr. MATHIAS (for himself, Mr. DOLE, Mr. LUGAR, Mr. PELL, Mr. BINGAMAN, Mr. INOUYE, Mr. DURENBERGER, Mr. KASTEN, Mr. HOLLINGS, Mr. DANFORTH, Mr. MOYNIHAN, Mr. MATSUNAGA, Mr. BOSCHWITZ, Mr. KENNEDY, Mr. RIEGLE, Mr. ZORINSKY, Mr. PRYOR, Mr. WEICKER, and Mr. CRANSTON):

S. 542. A bill to provide for the education at U.S. institutions of higher education of certain students of limited financial means from developing countries; to the Committee on Foreign Relations.

UNITED STATES SCHOLARSHIP FOR DEVELOPING COUNTRIES ACT

Mr. MATHIAS. Mr. President, many of my colleagues will recall that in the last months of the 98th Congress, the U.S. Senate went on record in support of the U.S. Scholarship Program for Developing Countries Act (S. 2768). That cumbersome title disguised a simple concept: bringing students of all economic classes from developing countries to study in the United States is in our national interest.

Currently, students coming to the United States from the developing countries tend to represent only a small, privileged sector of society. According to USIA, the vast majority of them are from "affluent backgrounds, identified with ruling elites and not necessarily representative of the forces of change in their native countries." Last year the Bipartisan Com-

mission on Central America made a similar point when it observed that the distinguishing feature between Soviet and American educational strategy in the region was the targeting of students from lower income families by the Soviets. In addition, the Commission noted the wide disparity between the United States and the Soviet Union in the number of scholarships offered to these students.

This year the administration's request for USIA funding includes several million dollars for a scholarship program along the lines recommended by the Bipartisan Commission. But the problems are clearly not unique to Central America. In 1982, approximately 37,000 students from Africa were educated in the Soviet Union and Eastern Europe at Government expense. In the United States, fewer than 3,000 students came from Africa under Government sponsorship. Similar figures are available for Asia and the Middle East, while on a worldwide scale the Soviet bloc educated at least seven times as many students from developing countries as the U.S. Government did.

Numbers alone do not tell the story. The danger of our current scholarship policy is vividly illustrated by the experiences of foreign students seeking to study in the United States. A letter from the chairman of the Russian Department at the University of Iowa, Ray Parrott, describes two noteworthy cases.

He wrote:

As a participant in the 1983 IREX Summer Exchange of Language Teachers to Moscow State, I shared living quarters with a young Columbian studying to become an engineer prior to the returning to his homeland. He already had spent six years in the Soviet Union, and while no disciple of that country's socio-political system, he avowed that he would be eternally grateful to the Soviets for providing him with the education which he had been unable to obtain in his country of first choice, the United States. Denied the opportunity to train in the U.S. due to a restricted number of openings, he readily accepted the fully-paid education which the Soviet Union immediately extended.

Professor Parrot continued:

A colleague recently learned of a similar instance which befell a young Jordanian student. Turned down for a lack of available space in his efforts to pursue undergraduate study in the U.S., he, too, accepted a scholarship in the Soviet Union. Although now pursuing graduate training in our country, he forthrightly acknowledges that he will never forget the Soviets' support of his education; he will never 'be against them if forced to choose,' notwithstanding his happiness at now studying in the U.S.

Professor Parrott concluded:

If you can persuade your colleagues to take the long-term view, I too am certain that the United States can only gain from the lasting links and mutual understanding fostered by Third World learning.

Professor Parrott's call to action has been echoed by numerous voices, from the Senate Foreign Relations Committee to the Secretary of State's Commission on Security and Economic Assistance. Their message is clear: the United States must do more to bring foreign students of all economic classes from developing countries to the United States. It is in this spirit that I am introducing once again the U.S. Scholarship Program for Developing Countries Act, along with Senators DOLE, LUGAR, PELL, BINGAMAN, INOUYE, DURENBERGER, KASTEN, HOLLINGS, DANFORTH, MOYNIHAN, MATSUNAGA, BOSCHWITZ, KENNEDY, RIEGLE, ZORINSKY, PRIOR, and WEICKER. And I am pleased to report that an identical bill will be introduced today in the other body.

Given the extensive legislative history already behind this bill, it is unnecessary to enumerate once again its various provisions. I do want to emphasize, however, certain features.

The bill follows the example of the Fulbright-Hays Act and does not specify the level of funding or number of scholarships. Different countries have different educational needs. Policy choices will need to be made about the appropriate balance between technical training and academic training provided by these scholarships, and between undergraduate and postgraduate education. This legislation recognizes the need for flexibility by providing USIA with maximum discretion in administering these scholarships.

The bill also attempts to perform a task which the Fulbright Program cannot. Since it is devoted exclusively to bringing postgraduates, lecturers, and researchers to the United States, the Fulbright cannot reach those in the developing countries who cannot afford the luxury of postgraduate study. In Africa, for example, barely 2 percent of young people go to college, and only 15 percent even finish high school.

The Agency for International Development provides some academic training for developing countries. But it, too, concentrates on graduate-level programs thereby excluding students from families of limited means. The legislation I am introducing today will begin to address the situation by creating an undergraduate program, in which financial need would be one criterion for admission.

Many will ask why we should expand our commitment to foreign students at a time when the educational opportunities available to our own children may be reduced. The simple answer is that this legislation does not require any new expenditure, other than that which the President determines is necessary. Since the administration has allocated fiscal year 1986 funds for undergraduate scholarships in Central America, this bill incorporates their budget request. As funds become available for scholarships in other countries, these would also be administered according to the guidelines laid down by Congress in this bill.

It is now widely recognized that international exchange programs are an essential component of our foreign policy, and that they serve the security interest of the United States. In 1983, the President's Advisory Commission on Public Diplomacy endorsed this view when it said that the Fulbright Program is not a national luxury. It is a national imperative.

Yet we have been falling behind in our commitment to this principle. In May 1983, the House Foreign Affairs Committee reviewed U.S. exchange programs, and concluded: "This Nation has virtually ignored the need for development of strong exchange progams with the lesser developed nations, while America's ideological rivals are increasing their efforts in these areas." This legislation is an essential first step toward filling this serious gap in our existing network of scholarship programs.

When this bill went to conference with the House last year, there were no objections on the part of the administration. The legislation was crafted in close consultation with USIA, AID, and with numerous educational organizations around the country. More than 20 Members of the Senate cosponsored it, and numerous U.S. diplomats serving abroad have encouraged me to reintroduce it this session.

This broad base of support is recognition not only of the need for such a program but also of the fact that the benefits to our own students are as compelling as the benefits to foreign countries. The vast majority of funds spent on this program would come back to American universities, where declining enrollments are driving up university fees. In addition, our campuses would be enriched by exposure to a variety and diversity of cultures, each with its own perspective of looking at political, economic, and social problems.

Far too few students are able to come to this country and experience our society—both the good and the bad. They fail to see what the free enterprise system can produce, not only in material terms but in terms of freedom of choice, freedom of opportunity, and freedom of expression. It is in our interest that more young people from the Third World come to the United States and find out what we are like. Not everything they see will please them, but I believe they cannot fail to experience the strength of our system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Scholarship Program for Developing Countries Act".

SEC. 2. STATEMENT OF PURPOSE.

The purpose of this Act is to establish an undergraduate scholarship program designed to bring students of limited financial means from developing countries to the United States for study at United States institutions of higher education.

SEC. 3. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares that—

(1) it is in the national interest for the United States Government to provide a stable source of financial support to give students in developing countries the opportunity to study in the United States, in order to improve the range and quality of educational alternatives, increase mutual understanding, and build lasting links between those countries and the United States;

(2) providing scholarships to foreign students to study in the United States has proven over time to be an effective means of creating strong bonds between the United States and the future leadership of developing countries and, at the same time, assists countries substantially in their development efforts;

(3) study in United States institutions by foreign students enhances trade and economic relationships by providing strong English language skills and establishing professional and business contacts;

(4) students from families of limited financial means have, in the past, largely not had the opportunity to study in the United States, and scholarship programs sponsored by the United States have made no provision for identifying, preparing, or supporting such students for study in the United States;

(5) it is essential that the United States citizenry develop its knowledge and understanding of the developing countries and their languages, cultures, and socioeconomic composition as these areas assume an ever larger role in the world community;

(6) the number of United States Government-sponsored scholarships for students in developing countries has been exceeded as much as twelve times in a given year by the number of scholarships offered by Soviet-bloc governments to students in developing countries, and this disparity entails the serious long-run cost of having so many of the potential future leaders of the developing world educated in Soviet-bloc countries;

(7) an undergraduate scholarship program for students of limited financial means from developing countries to study in the United States would complement current assistance efforts in the areas of advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities; and

(8) the National Bipartisan Commission on Central America has recommended a program of 10,000 United States Government-sponsored scholarships to bring Central American students to the United States, which program would involve careful targeting to encourage participation by young people from all social and economic classes, would maintain existing admission standards by providing intensive English and other training, and would encourage graduates to return to their home countries after completing their education.

SEC. 4. SCHOLARSHIP PROGRAM AUTHORITY.

(a) IN GENERAL.—The President, acting through the United States Information Agency, shall provide scholarships including partial assistance for undergraduate study at United States institutions of higher education by citizens and nationals of developing countries who have completed their secondary education and who would not otherwise have an opportunity to study in the United States due to financial limitations.

(b) FORM OF SCHOLARSHIP; FORGIVENESS OF LOAN REPAYMENT.—Scholarships pursuant to this section shall be in the form of grants and loans. To encourage students to use their training in their countries of origin, half of each payment to a student shall be in the form of a loan with repayment to be forgiven upon the student's prompt return to his or her country of origin for a period of no less than the equivalent of the years spent studying in the United States plus one.

(c) CONSULTATION.—Before allocating any of the funds made available to carry out this Act, the President shall consult with United States institutions of higher education, educational exchange organizations, United States missions in developing countries, and the governments of participating countries on how to implement the guidelines specified in section 5.

(d) DEFINITION.—For purposes of this Act, the term "institution of higher education" has the same meaning as given to such term by section 1201(a) of the Higher Education Act of 1965.

SEC. 5. GUIDELINES.

The scholarship program under section 4 shall be carried out in accordance with the following guidelines:

(1) Consistent with section 112(b) of the Mutual Educational and Cultural Exchange Act of 1961, all programs created pursuant to this Act shall be nonpolitical and balanced, and shall be administered in keeping with the highest standards of academic integrity.

(2) United States missions shall design ways to identify promising students who are on secondary educational institutions, or who have completed their secondary education, for study in the United States. In carrying out this paragraph, the United States mission in a country shall consult with Peace Corps volunteers and staff assigned to that country and with private and voluntary organizations with a proven record of providing development assistance to developing countries.

(3) United States missions shall develop and strictly implement specific economic need criteria. Scholarships under this Act may only be provided to students who meet the economic need criteria.

(4) The program shall utilize educational institutions in the United States and in developing countries to help participants in the program acquire necessary skills in English and other appropriate education training.

(5) Each participant from a developing country shall be selected on the basis of academic and leadership potential and the economic, political, and social development needs of such country. Such needs shall be determined by each United States mission in consultation with the government of the respective country. Scholarship opportunities shall emphasize fields that are critical to the development of the participant's country, including agriculture, civil engineering, communications, social science, education, public and business administration, health, nutrition, environmental studies, population and family planning, and energy.

(6) The program shall be flexible in order to take advantage of different training and educational opportunities offered by universities, postsecondary vocational training schools, and community colleges in the United States.

(7) The program shall be flexible with respect to the number of years of undergraduate education financed but in no case shall students be brought to the United States for a period less than one year.

(8) Adequate allowance shall be made in the scholarship for the purchase of books and related educational material relevant to the program of study.

(9) Further allowance shall be made to provide adequate opportunities for professional, academic, and cultural enrichment of scholarship recipients.

(10) The program shall, to the maximum extent practicable, offer equal opportunities for both male and female students to study in the United States.

SEC. 6. AUTHORITY TO ENTER INTO AGREEMENTS.

The President may enter into agreements with foreign governments in furtherance of the purposes of this Act. Such agreements may provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purposes of administering programs under this Act.

SEC. 7. POLICY REGARDING OTHER INTERNATIONAL EDUCATIONAL PROGRAMS.

(a) AID-FUNDED PROGRAMS.—The Congress urges the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961, in implementing programs authorized under that part, to increase assistance for undergraduate scholarships for students of limited financial means from developing countries to study in the United States at United States institutions of higher education. To the maximum extent practicable, such scholarship assistance shall be furnished in accordance with the guidelines contained in section 5 of this Act.

(b) USIA-FUNDED POSTGRADUATE STUDY IN THE UNITED STATES.—The Congress urges the Director of the United States Information Agency to expand opportunities for students of limited financial means from developing countries to receive financial assistance for postgraduate study at United States institution of higher education.

(c) STUDY BY AMERICANS IN DEVELOPING COUNTRIES.—The Congress urges the President to take such steps as are necessary to expand the opportunities for Americans from all economic classes to study in developing countries.

SEC. 8. ESTABLISHMENT AND MAINTENANCE OF COUNSELING SERVICES.

(a) COUNSELING SERVICES ABROAD.—For the purpose of assisting foreign students in choosing fields of study, selecting appropriate institutions of higher education, and preparing for their stay in the United States, the President may make suitable arrangements for counseling and orientation services abroad.

(b) COUNSELING SERVICES IN THE UNITED STATES.—For the purposes of assisting foreign students in making the best use of their opportunities while attending United States institutions of higher education, and

assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements (by contract or otherwise) for the establishment and maintenance of adequate counseling services at United States institutions of higher education which are attended by foreign students.

SEC. 9. BOARD OF FOREIGN SCHOLARSHIPS.

The Board of Foreign Scholarships shall advise and assist the President in the discharge of the scholarship program carried out pursuant to this Act, in accordance with the guidelines set forth in section 5. The President may provide for such additional secretarial and staff assistance for the Board as may be required to carry out this Act.

SEC. 10. GENERAL AUTHORITIES.

(a) PUBLIC AND PRIVATE SECTOR CONTRIBUTIONS.—The public and private sectors in the United States and in the developing countries shall be encouraged to contribute to the costs of the scholarship program financed under this Act.

(b) UTILIZATION OF RETURNING PROGRAM PARTICIPANTS.—The President shall seek to engage the public and private sectors of developing countries in programs to maximize the utilization of recipients of scholarships under this Act upon their return to their own countries.

(c) PROMOTION ABROAD OF SCHOLARSHIP PROGRAM.—The President may provide for publicity and promotion abroad of the scholarship program provided for in this Act.

(d) INCREASING UNITED STATES UNDERSTANDING OF DEVELOPING COUNTRIES.—The President shall encourage United States institutions of higher education, which are attended by students from developing countries who receive scholarships under this Act, to provide opportunities for United States citizens attending those institutions to develop their knowledge and understanding of the developing countries, and their languages and cultures, represented by those foreign students.

SEC. 11. ENGLISH TEACHING, TEXBOOKS, AND OTHER TEACHING MATERIALS.

Wherever adequate facilities or materials are not available to carry out the purposes of paragraph (4) of section 5 in the participant's country and the President determines that the purposes of this Act are best served by providing the preliminary training in the participant's country, the President may (by purchase, contract, or other appropriate means) provide the necessary materials and instructors to achieve such purpose.

SEC. 12. REPORTING REQUIREMENT.

Not later than one year after the date of enactment of this Act, and at intervals of one year thereafter, the President shall submit to the Congress a report on activities carried on and expenditures made pursuant to this Act.

SEC. 13. FUNDING OF SCHOLARSHIPS DURING FISCAL YEARS 1986 AND 1987.

(a) CENTRAL AMERICAN UNDERGRADUATE SCHOLARSHIP PROGRAM.—The undergraduate scholarship program financed by the United States Information Agency for students from Central America for fiscal year 1986 and fiscal year 1987 shall be conducted in accordance with this Act.

(b) SCHOLARSHIPS FOR STUDENTS FROM OTHER DEVELOPING COUNTRIES.—Any funds appropriated to the United States Information Agency for fiscal year 1986 or fiscal year 1987 for any purpose (other than funds appropriated for educational exchange programs under section 102(a)(1) of the Mutual Educational and Cultural Exchange Act of 1961) may be used to carry out this Act with respect to students from developing countries outside Central America.

SEC. 14. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT.

Any authority provided by this Act to enter into contracts shall be effective only—

(1) to the extent that the budget authority for the obligation to make outlays, which is created by the contract, has been provided in advance by an appropriation Act; or

(2) to the extent or in such amounts as are provided in advance in appropriation Acts.

Mr. BINGAMAN. Mr. President, I am delighted to join Senator MATHIAS and several other of my distinguished colleagues in reintroducing the U.S. Scholarship Program for Developing Countries Act. This legislation was initially introduced last June and subsequently considered as an amendment to the Supplemental Appropriations Act. It is intended to establish a scholarship program which, in contrast to existing educational programs sponsored by the U.S. Government, will permit students of limited financial means from developing countries to study in U.S. universities colleges, and technical schools.

I particularly wish to commend the efforts of my distinguished colleague from Maryland, Senator MATHIAS, whose staff has worked closely with my own in developing and refining this bill. I should add that both of our staffs benefited considerably from the expertise and the courteous assistance of the U.S. Information Agency, the Agency for International Development, the Institute of International Education, and other educational institutions.

Several factors argue persuasively for the favorable consideration of this bill by my Senate colleagues. First, the United States stands to benefit from this scholarship program. By contributing to the educational development of the lower social strata of Third World countries, we will be making an investment in the human capital of those societies and thus helping to further their productive capabilities. As their economies progress, they will provide new or expanded markets for American exports.

Importantly, Mr. President, incentives have been provided in this legislation to encourage those foreign students who participate in this scholarship program to apply their newly acquired skills in their country of origin. Half of each payment to a student will be forgiven on condition that the student return to his or her country for a period equal to the time spent studying in the United States, plus 1 year.

In addition to promoting economic exchange between the United States and the Third World, the scholarship program will permit youth in developing countries to broaden their understanding of American culture. And it will help us increase our knowledge of societies whose values and institutions differ from our own. The scholarship program will not only teach young people from developing countries new skills, it will expose them to values and a world view that, in the long run, may have an even higher payoff. It is not unrealistic to expect such a process, which would be replicated with each successive group of students, to foster improved political relations between our country and the Third World.

In supporting this bill, Mr. President, we will also be saying implicitly that we are not leaving the field of "scholarship diplomacy" to the Soviet Union. The disparity between the United States and Soviet bloc educational programs in the Third World has increasingly widened. The U.S. scholarship program worldwide declined 52 percent during the decade from 1972 to 1982. Soviet bloc programs, which concentrate on students from disadvantaged backgrounds, tripled during this period. In 1982, seven Soviet bloc scholarships were offered for every one offered by the United States. In the Caribbean and Latin American countries alone, the ratio of Soviet bloc to U.S. scholarships was on the Order of 11 to 1 in 1982.

As Americans, we have great confidence in the values that have provided the moral capital of our own growth. And we all want to play a constructive role in the political evolution of the developing world—rather than the role of a gendarme who wages a rearguard struggle to reverse the processes of change. That means we must actively and effectively compete with the Soviet Union in educating the youth of the Third World to rise above their social stations and aspire to be tomorrow's decisionmakers. In the end, this course is likely to prove more effective in responding to Soviet challenges and less costly in terms of the image we wish to project abroad.

While this bill is designed to assist students from developing countries throughout the world, I urge the President to give first priority to the Caribbean and Latin America. The Kissinger Commission Report called for the establishment of a program to generate 10,000 U.S. Government-sponsored scholarships for Central American students. The persistent political turbulence and socioeconomic backwardness in Central America and their impact on our relations with the region call on us initially to give priority to helping those countries improve their conditions. I believe that educators in New Mexico, as well as my Senate colleagues, who have cosponsored this legislation share this view.

Finally, Mr. President, allow me to say that my support for this scholarship program conforms with my position as an advocate of quality education in our own country. I have vigorously endorsed increased Federal funding for education as a supplement to local programs because I believe that a more informed, knowledgeable, technically sophisticated citizenry is essential to our economic competitiveness and to our political well-being.

Moreover, Mr. President, this legislation does not call for any increase in Federal spending, since some $9 million out of a total scholarship budget of $144 million has already been appropriated as part of last year's continuing resolution. These funds, which have not been obligated, were appropriated to finance the scholarship program recommended by the Kissinger Commission for Central America. For fiscal year 1986, the allocation proposed for Central American scholarships is $14 million. This legislation simply authorizes the expenditure of funds already appropriated.

I believe that the intrinsic merit of this legislation, the economic and political benefits that we will derive, and the existing availability of funds commend its passage. This scholarship program will not only fill a gap in our current assistance efforts in the areas of advanced education and technical training of people from the developing world, it will also enhance the effectiveness of our foreign policies.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 543. A bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness; to the Committee on Energy and Natural Resources.

PHILLIP BURTON WILDERNESS

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to designate the wilderness in the Point Reyes National Seashore in California as the Phillip Burton Wilderness. I'm pleased to note that an identical bill is being introduced in the House today by Congressman JOHN SEIBERLING and others.

As many of my colleagues will recall, the late Congressman Phillip Burton of San Francisco was one of the Nation's greatest champions of parks and wilderness. As a member of the House Interior Committee and chairman of the Parks Subcommittee, he helped preserve many outstanding natural, scenic, and cultural areas throughout the United States. In California, his tireless efforts brought about the expansion of the Redwood National Park, the establishment of the Golden Gate National Recreation Area, the Santa Monica Mountains National Recreation Area and Channel Islands National Park, and protection for the Lake Tahoe Basin. Three times—in 1974, 1978, and 1980—he successfully enlarged the Point Reyes National Seashore.

Phil also is noted for his work to protect our Nation's wilderness. He laid the groundwork for passage of the California Wilderness Act of 1984 and helped more than double the wilderness acreage in the National Park System. This includes the designation of the 25,370-acre wilderness area within the Point Reyes National Seashore in 1976.

Mr. President, in recognition of Phil Burton's dedication and leadership on park and wilderness issues and his long association with Point Reyes, I believe it most appropriate to designate the wilderness in the Point Reyes National Seashore as the Phillip Burton Wilderness. I hope that my colleagues will join me in early action on this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Phillip Burton Wilderness:

(a) In recognition of Congressman Phillip Burton's dedication to the protection of the Nation's outstanding natural, scenic, and cultural resources and his leadership in establishing units of the National Park System and preserving their integrity against threats to those resources and specifically his tireless efforts which led to the enactment of the California Wilderness Act of 1984, the designated wilderness area of Point Reyes National Seashore, California, (established pursuant to P.L. 94-544) is hereby designated as the "Phillip Burton Wilderness."

(b) In order to carry out the provisions of this Act, the Secretary of the Interior is authorized and directed to provide such identification by signs, including, but not limited to changes in existing signs, materials, maps, markers, interpretive programs or other means as will adequately inform the public of the designation of the wilderness and the reasons therefore.

(c) REFERENCES.—Nothing in this Act shall affect the management of (or the application of any rule, regulation, or provision of law to) any area within the Point Reyes National Seashore, except that all references to the "Point Reyes Wilderness" or to "the wilderness in the Point Reyes National Seashore" which appear in any rule, regulation, provision of law or other official document shall hereafter be deemed to be references to the Phillip Burton Wilderness Area.

(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mrs. HAWKINS:

S. 544. A bill to amend the Higher Education Act of 1965 to establish clinical training programs for graduate students to provide experience in the areas of child abuse and neglect, sexual exploitation of children, and child abduction; to the Committee on Labor and Human Resources.

CHILD ABUSE PROFESSIONAL CLINICAL EXPERIENCE PROGRAM ACT

● Mrs. HAWKINS. Mr. President, today I am introducing the Child Abuse Professional Clinical Experience Program Act. This legislation is an important component of the current efforts to deal effectively with the problems of abuse and sexual exploitation of children. This act authorizes grants to institutions of higher education for interdisciplinary clinical training programs to prepare graduate students to work toward the prevention and treatment of child abuse and exploitation. This bill will foster the development of graduate programs that place student interns in the fields of mental health, medicine, law, and criminal justice in settings where they can gain direct experience in dealing with all aspects of this serious problem.

As my colleagues are aware, the subject of sexual exploitation and abuse of children has reached the forefront of public conern. A topic that was once taboo is finally being openly discussed. Elected officials, career professionals, teachers, parents, law enforcement officers, and mental health professionals are grappling with the appropriate means of handling this sensitive subject. Finding those means has not been easy.

Over the past months, the events of the McMartin trial in California and the attempted prosecutions in Minnesota have received national media attention. As these stories have unfolded, they have revealed many serious difficulties including the need to reduce trauma to the child victim while protecting the constitutional rights of the accused. But we must not be deterred from our task.

The abuse of children and their sexual exploitation is an unfortunate reality in our society. It has been with us for years. And it will not go away. Nor will it go back into the closet of the national consciousness. To meet this challenge I believe the Government can play a role in training the professionals that work in this area. Attorneys, doctors, mental health professionals, teachers, law enforcement officers, are well intentioned in their attempts to prosecute those that victimize children. But as the cases in the public eye amply demonstrate, effective handling of these cases is not easy.

This legislation is modeled after an existing program for law students that provides hands-on experience in the courts. This bill goes a step further by requiring that clinical programs be interdisciplinary in nature. Hopefully, this will provide an avenue for communication among the professionals that work in this area.

Child abuse and sexual exploitation cases are very complex. Effectively identifying these cases, prosecuting offenders, and treating the victims is a relatively new emphasis. By fostering communication among the prosecuting attorneys, mental health professionals, and police officials of the future, we can develop effective strategies for coping with this problem. I ask my colleagues for support in this effort. Further, I ask unanimous consent that a number of newspaper articles be included in the RECORD following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 6, 1984]

STUDIES OF CHILDREN AS WITNESSES FIND SURPRISING ACCURACY

(By Daniel Goleman)

The wave of prosecutions against adults who abuse children has brought with it a vexing issue: the child as courtroom witness.

Take the case of 3-year-old Lori Poland. One summer day a man in an orange Datsun pulled up in front of the neighbor's yard where Lori was playing and told her to get in. She did. Three days later the police found Lori, crying and bruised, in the pit of a deserted outhouse. Lori told the police that the "bad man" had hit her and left her there. The next day, when the police showed her a set of 12 photographs, she gasped and identified one man as her abductor. The man Lori identified was arrested, and a week before the case was scheduled to come to trial, he confessed.

Lori's case, and many others like it, are being re-evaluated in light of new, and sometimes surprising research on children's abilities to testify. Questions such as whether the testimony of a child like Lori would or should be believed are among those studied.

Among the more significant findings is one showing that very young children may, in fact, have recall ability superior to that of adults for some details of events.

Because young children do not organize their attention as systematically as do adults, they may notice and remember what adults ignore. For example, in a study by Ulric Neisser, a psychologist at Emory University, adults and children watched a videotaped basketball game, paying special attention to when the ball was passed between players. At one point in the videotape, a woman carrying an umbrella walked through the game. When asked later about the woman, virtually no adults remembered seeing her. But 22 percent of fourth-graders, and 75 percent of first-graders, remembered seeing her.

Such seemingly irrelevant details, experts note, can be important in the courtroom.

"It is no longer clear how much worse child witnesses are than adults," said Gail Goodman, director of the program in psychology and law at the University of Denver. Dr. Goodman is one of those leading a reconsideration of children as witnesses.

Of course, there remains reason to be cautious about the testimony of children. In Lori's case, her testimony appears to have been on the mark; the man's confession bore out her account of what had happened.

But might not the experience of testifying have been traumatic for her, reopening psychological wounds?

"The law is more concerned with protecting the legal rights of defendants than with protecting the mental health of children who testify," said Spencer Eth, a child psychiatrist at the University of California School of Medicine who has studied more than 50 children who were victims of or witnesses to criminal violence. He believes that there are many occasions when a child should testify but that the legal system ought to do more than it does to guard against any resulting trauma.

Though laws vary from state to state, children as old as 14 years are subject to a competency test before they can testify. Judges have final disgression in whether to allow their testimony.

A growing body of research suggests that those directly involved with children who testify could take several specific steps to make that testimony more accurate, believable and less traumatizing than is now generally the case.

MORE BIAS THAN FACT

The psychological research on children as witnesses dates to the turn of the century. It is largely predicated on the assumption that children's memories are more malleable and less trustworthy than that of adults. The new findings, however, suggest that the memories of adults suffer from many of these same limitations.

A review of research comparing children and adults finds that many common beliefs about the frailty of children's memory are more bias than fact. The review appears in the current volume of The Journal of Social Issues, which is devoted to recent studies of children as witnesses.

The review, as well as some key research on the question, was done by Marcia Johnson, a psychologist at the State University of New York at Stony Brook and Mary Ann Foley, a psychologist at Nazareth College in Rochester. Children, they observe, compared with adults, "are thought to notice less, omit more, forget faster, be more susceptible to suggestion, and especially to intermingle imagination and perception in remembering."

Many of those beliefs, the psychologists find, are overdrawn and others are dead wrong, while a few seem to hold up, especially among younger children.

The main drawback to children as witnesses, researchers have found, is that they tend to remember fewer details about past events than adults do. The paucity of children's memories is strongest for events they do not understand or follow well, such as adult conversation. This seems to be particularly true of younger children. It diminishes as a factor by the age of 12, apparently because by that age children have achieved enough cognitive sophistication to encode events in memory in as much detail as do adults.

That fact alone need not negate children's value as witnesses, according to Dr. Johnson and Dr. Foley. They point out that the strongest objection to child witnesses seems to be not their errors of omission, but rather of commission: people fear children will mix imagination with memory.

Of course, children do sometimes let imagination masquerade as memory, a fact ingrained in the public mind at least since the Salem witch trials. That issue has most recently been raised in the charges of sexual abuse made by the children against a group of adults in Jordan, Minn. But adults, too, sometimes let imagination color memory. The crucial question is whether children are aware of the difference between an imagined memory and a real one.

PIAGET'S FINDINGS ARE CHALLENGED

Jean Piaget, the Swiss developmental psychologist, contended that children do not discriminate reliably between fact and fancy until about the age of 11. Piaget's view has now been challenged by a series of experiments reported last year in the journal Child Development, in which Dr. Johnson and Dr. Foley found that children as young as 6 years old were no worse than adults at knowing the difference between an imagined event and a real, remembered one.

The single exception was in the case of 6-year-olds who confused what they had done with what they had only thought of doing.

Nevertheless, "There is no reason to rule out children's testimony any more than anyone else's," Dr. Johnson said in an interview. "I'd be cautious about such things as leading questions with children. But, like the rest of us, they're quite accurate on remembering some things, and not so good on others."

New research on the ability of children to recognize faces—often a crucial part of testimony—has completely revised the past view that children were much poorer at the task than adults. That view, it turns out, was based on experiments in psychology laboratories that took place under artificial circumstances.

However, a more lifelike study in which a confederate of the experimenter burst into a room and gave an 15-second harangue, found that 5- and 6-year-olds were as accurate later in identifying a picture of the culprit as were college students.

Nevertheless, a study done at the University of Denver found that jurors often view children as less credible witnesses than adults.

TRAUMA OF RELIVING EVENTS

Another question of concern is whether a child who has already been the witness to or victim of a crime might suffer even more by appearing in court as a witness. There are no specific records kept of how many children testify nor how often they have to appear in court. But one study of cases of sexual assault against children found that about 60 percent went to court. Those court cases required the childen involved to make, on average, close to seven court appearances.

"Children who have undergone extreme trauma, such as watching the murder or rape of a parent, can be retraumatized by having to act as a witness in court months or years later," Dr. Eth said in an interview. "The courtoom exposes him to a psychological threat by virtue of the physical presence of the defendant a few feet away, and the defense lawyer who does his best to make the child look like a liar or otherwise discredit him. Judges, in my experience, hesitate to intervene to protect the child because they are afraid it will open the way for a defense appeal or even a reversal of his decision."

"Testifying in court can be damaging to a child under these circumstances," Dr. Eth added. "On the other hand, it can sometimes be a psychologically beneficial experience for a child, particularly one who had to stand by helplessly and watch a parent being murdered or brutalized, or be himself the victim. In court he can feel able to have some control over events and gain some measure of revenge if the defendant is found guilty. That can be healing for the traumatized child."

Dr. Eth recommends several steps courts could take to make testifying less traumatic

for children. Having the child testify over a closed-circuit, two-way television, he says, can minimize the terror of reconfronting an assailant, while protecting the defendant's rights. If children must testify in the courtroom, he recommends having them visit the courtroom first, and meet the judge and the bailiff—whose uniform can frighten small children—and become familiar with what the procedure will be.

Judges, in Dr. Eth's view, should intervene more actively, meeting privately with the child in the judicial chambers to reassure him that the judge is there to protect him, that nothing bad will happen to him and that it is not the child who is on trial.

The judge should also be alert for lawyers' questions that are too advanced for the child's level of cognitive development. For example, a 4-year-old may not count well or know the days of the week, and so the rest of his testimony may seem less sound in the eyes of the jury than it actually is.

Indeed, Lori Poland, the 3-year-old who was abducted, was one of those fortunate child witnesses who had the benefit of an understanding judge. In pretrial hearings, the judge decided it would be too traumatic for Lori to testify in the presence of her assailant.

Instead, he ordered an unusual form of testimony, in which Lori would talk directly only to a psychiatrist, while the judge and the prosecuting and defending attorneys watched from behind a one-way window. The attorneys could direct questions to her by speaking to the psychiatrist by way of an earphone, and having him repeat the question to Lori in the terms she could understand.

SUGGESTIONS TO LESSEN THE ORDEAL

Psychologists who have dealt with child witnesses offer other suggestions that also might lessen the ordeal of testifying.

For the child who is truly terrified to take the witness stand, the problem might be alleviated by having a child sit on the lap of a trusted adult while testifying. While the procedure is unusual, there is no rule that forbids it, provided that the adult did not prompt the child in any way.

The testimony of young children can seem self-contradictory when it is simply concrete. For example when a lawyer asked one young boy if he had gone to a defendant's home the boy seemed to contradict the parts of his own testimony by saying 'No.' What the boy meant, that was that he had gone to the defendant's apartment, not to a house. Police and lawyers need to be alert to such adult-child misunderstanding.

While police lore holds that the witnesses give less guarded answers that approach fails badly with children. Psychologists recommend that a traumatized child be given time to rest and be comforted by a familiar person after an ordeal, and only then be contacted by the police

Police interviews are highly structured, beginning with getting identifying information, which young children sometimes misinterpret as meaning they are themselves suspects. Psychologists recommend that the child be allowed to recount everything in his own way and at his own pace.

"Investigators often fail to question children properly or, due to a lack of understanding of children's cognizant abilities, elicit what appears to be inconsistent testimony," Dr. Goodman writes. "Many district attorneys are hesitant to pursue cases which rely on children's testimony for fear that noone will believe children."

"Even if a case is pursued," she adds, "attorneys are reluctant to put a child on the stand out of concern for his or her emotional well-being and for fear that the child will not be able to withstand cross-examination."

Such judgments, however, are likely to be based on biases and beliefs rather than solid grounds. "In time," she notes, "these institutions were replaced with solid evidence and deeper understanding."

[From the New York Times, Jan. 23, 1985]

BOY, 7, IS WITNESS IN CALIFORNIA CHILD ABUSE CASE

(By Robert Lindsey)

LOS ANGELES, Jan. 22.—A 7-year-old boy testified today that he had played "naked games" at the Virginia McMartin Preschool near here and that in at least one of the games teachers at the school had touched his genital organs.

The boy, a small sandy-haired child who wore a blue shirt and spoke very softly, was the first of at least five former pupils at the school in suburban Manhattan Beach whose testimony the Los Angeles County District Attorney's office has said will be presented as evidence in a preliminary hearing.

Virginia McMartin, the 77-year-old founder of the nursery school; her grandson, Raymond Buckey, 26, and five other teachers of the now-closed school are charged with 208 counts of child molestation involving 41 students.

Prosecutors have asserted that more than 100 children were abused at the school in the past decade. All the defendants have denied the charges, which date from 1978.

COURTROOM CLEARED OF SPECTATORS

The boy testified under unusual circumstances. The courtroom was cleared of spectators, reporters and others except lawyers, bailiffs and others concerned with the case.

In a courtroom next door, more than 60 reporters and others watched the boy's testimony over two 25-inch television sets. The television sets went blank whenever the full name of the child was spoken and at other times when Judge Aviva K. Bobb of Municipal Court concluded that such information or other factual material should not be made public.

The McMartin Preschool investigation, which set off a nationwide concern over possible child abuse at thousands of nurseries and preschool centers throughout the country, has been regarded in legal circles as a test case of how the rights of defendants, the community and the sensibilities and mental health of victims of child abuse can be balanced in the courtroom.

In the case here, Judge Bobb agreed to defendants' demands that they be given a chance to challenge children testifying against adults accused of child abuse, but ordered that reporters view such testimony only on closed-circuit television outside the courtroom. The judge also asked reporters not to use the names of children or make public any other distinctive features that would allow them to be identified by the playmates.

LEGISLATIVE PROPOSAL CONSIDERED

A proposed law is pending in the California Legislature that would allow the videotaping of testimony of children in child abuse cases and thus avoid a confrontation with people accused of molesting them, but it has not yet passed.

In today's testimony the child, despite the pressure that adults in the courtroom seemed to be under, handled the first portion of the direct examination without apparent stress.

After pointing out his former teachers in the courtroom, the boy said he had played "naked games" at the school.

Describing a game called "Cowboys and Indians" under questioning by Glenn Stevens, a deputy district attorney, the boy said the children playing the game were taken into a room. "They'd put us in jail; they'd touch us in jail," he said.

"How did the teachers touch you?" Mr. Stevens asked.

"In the penis," the boy replied.

Besides Mrs. McMartin and Mr. Buckey, the defendants are Peggy Buckey, 58, Mr. Buckey's mother and Mrs. McMartin's daughter; Peggy Ann Buckey, 28; Betty Raidor, 65; Mary Ann Jackson, 57, and Babette Spitler, 66.

While Mr. Stevens appeared satisfied with the answers regarding the first game the child mentioned, he was less successful when questioning the child about two other games, called "the Alligator Game" and "Naked Movie Star." In both games, the boy said, children were asked by other children to remove their clothes, but he seemed to draw a blank whenever he was asked to give details. "I don't remember," the boy said repeatedly.

[From the New York Times, Jan. 27, 1985]

BOY'S RESPONSES AT SEX ABUSE TRIAL UNDERSCORE LEGAL CONFLICT

(By Robert Lindsey)

LOS ANGELES, Jan. 26.—He is a small, sandy-haired child named Willie. Matter-of-factly, he answers yes, he was sexually molested by his teachers at the Virginia McMartin Pre-School. A moment later he seems to contradict himself. At other times, he repreatedly says, "Don't remember," when asked about experiences he described to psychologists months ago.

The 7-year-old first grader is the first of dozens of children 6 to 10 years old who are scheduled to testify at a preliminary hearing involving sexual abuse charges against the school's founder and six of its teachers.

When charges in the McMartin case were first filed almost a year ago, they led to a new national examination of problems of child sexual abuse. Now the case is demonstrating how difficult it is for the judicial system to deal with serious charges brought by small children while still assuring defendants of their rights to a fair trial.

Several legal experts have questioned whether a proposal pending in California would constitutionally deprive defendants of their right to confront their accusers. That proposal calls for allowing video-taped accounts from children who say they were abused to be used in court.

UNPREDICTABLE ON THE STAND

Willie, who became hoarse and appeared to tire in his fourth day on the witness stand Friday, seemed, to reporters watching on television in an adjoining courtroom, to be intelligent, relaxed and possessed of all the sweetness and good nature of most boys his age.

But the unpredictability of his testimony has proved a minefield for prosecutors and defense attorneys alike, with Willie often appearing to give answers they do not expect.

He has described events that purportedly occurred at the nursery in suburban Manhattan Beach over a period lasting more than a year, when he was 4 to 5 years old.

The defendants are charged with 208 counts of molestation involving 41 children.

The incidents involve allegations of sodomy and other abuse that were made against both male and female teachers.

"NAKED GAMES" REPORTED

Sometimes after Willie describes events that seem horrific to many of the adults hearing the testimony, he yawns or sighs or stretches his arms.

As he testifies, Virginia McMartin, the 77-year-old founder of the school, and six other teachers watch from a few feet away. In the adjoining courtroom, the images on the television screens are too small to determine it conclusively, but it appears that Willie keeps his eyes directed away from his former teachers except when Judge Aviva K. Bobb of Municipal Court asks him to point out one of them.

In direct testimony earlier, Willie said he had been sodomized and otherwise sexually molested, had played a variety of "naked games" and had been told by his teachers that his parents would be harmed if he told them about these incidents. The ears of a pet rabbit, he said, were snipped off by one defendant, Ray Buckey, Mrs. McMartin's grandson, to demonstrate the seriousness of the threat.

Since then, Willie has been cross-examined by attorneys for six of the seven defendants and has sometimes contradicted his earlier testimony. At one point Thursday, for example, the child appeared to say that the only adults he had ever seen "naked" were his parents, seeming to contradict his earlier testimony that several of his teachers had been unclothed when they played what he called the "naked games" at the school.

To the prosecutor's surprise, Willie responded, "Don't remember," when asked whether Mrs. McMartin had photographed him during the "naked games." It was clear from his remarks, that he had earlier told prosecutors she had.

MADE YOU SAY THAT

At another point, a defense attorney asked the child if a psychologist who had questioned him about the alleged abuse had said, "She thought Ray was a mean guy?"

A. Yeah.

Q. She said she thought Ray had touched you on the penis?

A. Yeah.

Q. She kind of made you say that, didn't she?

A. Yeah.

Prosecutors from the Los Angeles County District Attorney's staff were obviously disappointed and flustered by defense efforts to impeach their witness. He was considered one of the most likely to be able to withstand defense challenges to his accounts.

But they said the child had not recanted the essence of his story and maintained that defense attorneys, sometimes with offhand jokes, had led the child into the seeming contradictions. They asserted that other children would substantiate the allegations of abuse and noted that a physician testified she had found physical evidence of abuse of Willie and others who attended the school.

COURT IMPOSED RESTRICTIONS

At the preliminary hearing, now in its seventh month, prosecutors seek to persuade Judge Bobb there is reasonable cause to believe the defendants committed abuse and should be ordered to stand trial in Superior Court.

Steps have been taken to make it easier for the children to testify and to shield their identity. Reporters and casual spectators are barred, and only children's first names are used in the testimony reporters are allowed to monitor.

For the most part, defense attorneys have treated the young witness gently. But, under rapid questioning, the child has appeared confused or bewildered.

A few days ago a panel of legal experts called it essential to reduce the burden the courts place on child abuse victims. But the panel at a hearing here conducted by the California Attorney General, John Van De Kamp, offered no solution.

Kenneth Freeman, a Deputy District Attorney for Los Angeles, asserted that, with a rise in the number of child abuse cases being prosecuted, there was new breed of defense attorney who know "how frail children's egos are."

"We have a crisis now that attorneys have an understanding of what it takes to win a case and attorneys willing to do it," he said.

Yet others at the hearings emphasized that any changes had to protect defendants' rights.

In the McMartin case the defense is trying to establish that no crimes occurred at the nursery and that the children invented stories of abuse to please adults who asked about it.

He asserted that "every psychological expert will tell you children fantasize about sex," including, he maintained, fantasies about sex involving adults.

Once the children told of abuse, Mr. Latiner said, they were afraid to recant. Referring to Willie, he said that an adult could get him "to say anything you wanted him to say."

[From the Washington Post, Jan. 28, 1985]

CHILD-MOLESTATION TESTIMONY REVEALS INHERENT PROBLEMS: YOUNG WITNESSES POSE SPECIAL DIFFICULTIES

(By Katharine Macdonald)

LOS ANGELES.—Four days of testimony last week by the first child to testify in the McMartin Pre-School molestation case illuminated problems that experts say are inherent in prosecuting such cases: The key witnesses are young children who are easily confused, tire quickly and, if the alleged molestations occurred, are deeply troubled.

Some of the child's answers on the witness stand appeared contradictory, and defense attorneys say the testimony proves their contention that the alleged incidents never took place. One psychiatrist who specializes in the treatment of sexually assaulted children, however, said the boy on the stand is being "tricked."

The youngster, 7, who is to resume his testimony in the pretrial hearing today, has testified that teachers at the McMartin school made the children play "naked games" and "touched" their genitals.

But later, the boy, called John Doe No. 7, seemed to retract those statements, and some news accounts reported that he said he had never been afraid at the school. In fact, the child says very little in response to questions from adults. His replies, more often than not, are "Yes," "No," or "Don't remember."

After a long series of questions about "games," including such childhood games as ring-around-the-rosy and hide-and-seek, defense attorney Daniel Davis asked the boy, "You weren't ever afraid when you went to the preschool, were you?"

"No," the boy said.

Dr. Roland Summit, a psychiatrist at Harbor-UCLA Medical Center and specialist in the psychology of sexually assaulted children, said in an interview, "It isn't fair to trip a child up with leading questions where the outcome is obvious. When you say, 'You weren't scared, were you?' it appeals to both the child's wish to please and the child's wish to be strong, and to his desire to come across well."

Summit said children who have been molested feel "shamefully complicit, and sure they're going to get in trouble." Therefore, "the most universal characteristic among these children is denial. Getting a child to tell you about sexual assault is very difficult . . . and, having told, the child may feel so anxious and guilty and fearful that he'll immediately take it back. Retraction is just about as universal as denial."

"She kind of made you say that, didn't she?" Brunon then asked.

"Yeah," the child agreed.

Defense attorney Forrest Latiner said this proves that the alleged molestations were nothing more than "children's imaginations running wild," after "bizarre adventures" had been suggested to them by psychologists.

But Summit contends that a child on the witness stand has "a thoughtless wish to please the questioner. It's very hard to argue with an adult, and relatively easy to accede to what he wants you to say." He added, "If you ask leading questions, the answers to which have pleasant connotations, you get the child more into denial, more into a boy's natural macho. Then you say, 'You weren't scared, were you?' And then you've got him. You've tricked him."

Pediatricians have testified that they found physical evidence of molestation in 37 of the 41 children who are complaining witnesses in the McMartin case. One doctor said she had found scars indicative of sodomy in John Doe No. 7.

[From the New York Times, Feb. 13, 1985]

MINNESOTA SAYS ABUSE CASE WAS IMPROPERLY CONDUCTED

ST. PAUL, Feb. 12.—Minnesota will not refile criminal charges against 21 adults once accused of sexually abusing children, the State Attorney General said today. He called the original investigation "a tragedy," saying it had been improperly conducted.

The decision ended a four-month review of the criminal investigation, the subsequent charges and their dismissal. Of the 27 children removed from their homes when the charges were filed, 11 have been returned home by Family Court judges and the other cases are pending.

In a 29-page report, State Attorney General Hubert H. Humphrey 3d and 12 investigators from the Federal Bureau of Investigation and the Minnesota Bureau of Criminal Apprehension criticized the sexual abuse investigation conducted in Jordan, about 35 miles southwest of here.

The Scott County Attorney, R. Kathleen Morris, had drawn considerable publicity for her prosecution of adults charged with sexually abusing children. Starting with the 1983 arrest of James J. Rud, Miss Morris filed a series of charges against 23 adults. The charges accused them of being part of a ring of adults who abused their own children and others'.

ONE PLEA OF GUILTY

Mr. Rud pleaded guilty to sexual abuse of children, but the only couple to have been brought to trial was acquitted in September. Miss Morris dismissed the charges against the remaining defendants Oct. 15. She said she did not want to release confidential documents involving a murder investigation

and that she did not want to submit the children to the emotional stress of testifying in the remaining trials.

The murder investigations, Mr. Humphrey reported today, centered on allegations from children in the sexual abuse cases that other children had been used in pornography and then murdered.

Interviews with the children who made the murder accusations resulted in three recanting their accusations and four saying they had never witnessed any killings.

With the murder allegations dismissed, investigators tried to determine whether the original charges of sexual abuse of children should be refiled. But their review convinced them that there was insufficient evidence to win convictions. "The criminal charges were filed in haste, without benefit of thorough investigatons," Mr. Humphrey concluded.

Investigators said they were unable to find any evidence that could corroborate the children's testimony of sexual abuse.

The report went on to say that the "haste with which charges were brought" meant that Scott County authorities had not had time to use surveillance. They "rarely" made searches for evidence, the report said.

"A major problem with the Scott County cases is that a thorough search for corroboration was generally not completed prior to the arrests," the report said. "As a result, the cases rested almost exclusively upon the credibility of the children, credibility which has been severely compromised."

Without physical evidence, the report said, Miss Morris tried to induce defendants to testify against one another. Mr. Rud agreed to testify against other adults but later recanted his story. He was sentenced in January to serve 40 years in prison.

The report also questioned the techniques used by Miss Morris and others in lining up testimony from the children. Many children were removed from their homes and subjected to repeated questioning and discussions about sexual abuse, which the report said could confuse children and even suggest abuse.

"In the most extreme cases, these children were also told that reunification with their families would be facilitated by admissions of sex abuse by their parents and other adults," the report said.

"The Scott County experience has been a tragedy from many perspectives,"Mr. Humphrey said. "The children have clearly suffered. They have been subjected to a process which undermined their credibility and, as a result, individuals who may have committed sexual abuse will not be prosecuted.

"We must also recognize the possibility that some citizens in Scott County may have been unjustly accused, not because of any improper motives on the part of authorities or accusers, but because of a process which encouraged accusation."

Miss Morris was in court today and could not be reached for comment. Complaints are pending against her and other Scott County officials in Federal District Court here.

[From the New York Times, Feb. 13, 1985]

REPORTER'S NOTEBOOK: 6 MONTHS OF SEX ABUSE CASE

(By Robert Lindsey)

LOS ANGELES, Feb. 12.—Each weekday for more than six months, a curious ritual has been occurring in a courthouse here.

A white-haired, frail-looking 77-year-old woman is pushed down a hallway in a wheelchair, leading a procession of five other women.

Each time the cortege approaches or leaves a courtroom on the seventh floor, brilliant lights flash on.

Television crews, lying in wait like hunters, lunge forward and aim their cameras at the group.

And, just as instinctively, it seems, the woman in the wheelchair, Virginia McMartin, hunches forward, folds her head into her lap, and clamps both hands around her face, hiding from the cameras.

Their work completed for a while, the photographers resume gossiping and talking shop until the group appears again.

Meanwhile, in the courtroom, talk resumes about what prosecutors say were "santanic rituals" and about allegations that a brown pony was slaughtered to intimidate children into silence about sexual abuse.

A preliminary hearing to determine if Mrs. McMartin; her daughter, Peggy McMartin Buckey, 58 years old; two of her grandchildren, Peggy Ann Buckey, 28, and Raymond Buckey, 26, along with three other teachers at her now-defunct private nursery school in suburban Manhattan Beach should stand trial on 208 counts of child abuse is in its seventh month.

Their arrest a year ago and prosecutors' allegations that as many as 150 children were molested at the Virginia McMartin Preschool in the last decade touched off a national surge of concern over child abuse, especially at nursery schools.

The wave of publicity set off a counterreaction. Some lawyers have argued that in such an atmosphere innocent adults might be prosecuted and their lives ruined as a result of mistakes or fantasies by children and overly zealous prosecutors.

The McMartin case is viewed as a test of the judicial system's ability to deal effectively and fairly with the emotionally charged issue of allegations of sexual abuse of children.

Already one of the longest pretrial court proceedings in the history of Los Angeles County, the hearing has generated more than 650 volumes of transcript and has cost county taxpayers more than $1 million.

On one side, prosecutors and their witnesses paint a picture of alleged events at the school that at times are so horrifying they seem a Gothic catalogue of evil.

On the other side, lawyers for the seven defendants call the allegations "absurd," "impossible," and "fantasy" and compare the situation to the Salem witch trials of three centuries ago, saying that their clients and the people convicted in Salem of being witches are innocent victims falsely accused on the basis of testimony by youths and children.

The hearing is expected to last at least six more months before the case is transferred, as both sides expect, to the Superior Court for trial.

Prosecutors say they intend to present as witnesses 41 former pupils of the school, almost all of whom, physicians testified at the hearing, showed physical evidence of having been sexually abused.

The second of the children to testify at the hearing, a 10-year old boy who attended the McMartin-Preschool almost five years ago, has now been on the witness stand for nine days, including eight days under intense cross examination by defense lawyers who have been trying to find inconsistencies in his story.

So far, often under rapid-fire questioning that might wither some adult witnesses, the child has stuck to his story with only minor contradictions.

He described being sodomized or otherwise sexually molested by all seven of the defendants and asserted that children had been made to pose for pornographic pictures.

The 10-year old boy repeated under cross examination an account of how he and other children were taken to a church where he said adults wearing masks and black robes danced and moaned while Mr. Buckey went to the alter and killed pet rabbits, turtles and birds and threatened to kill the children's parents the same way if the children told of the alleged abuse. On a trip to a farm, the boy said, Mr. Buckey "chopped" to death a pony with a long knife.

While the boy testifies, the defendants sit nearby under orders from Judge Aviva K. Bobb not to glare or otherwise visually intimidate him.

The six women among the defendants usually eat lunch in the courthouse cafeteria. Unlike the women, Mr. Buckey has not been released on bail; he does not join them for lunch.

Each defense lawyer makes the 10-year-old boy go over his story again and again in great detail, bringing angry protests from the prosecutors, who say the defense lawyers are "badgering" the boy, and, occasionally, from Judge Bobb, who asks the defense lawyers, usually without success, to avoid repetitious questioning.

Noting that the children's testimony is being videotaped for possible use at a later trial, and that they may have no other chance to cross-examine the children, the defense lawyers press on.

Today the child said that he had seen Mr. Buckey kill a pony on more than one occasion, contradicting earlier testimony that only one pony had been slaughtered.

Triumphant, one defense lawyer, Eliseo Gauna, told reporters that the apparent contradiction showed the boy's entire testimony had been "imagination exploded."

The defense lawyers have said that the accounts of sexual abuse at the McMartin school were fabricated by the children, their parents, psychologists and prosecutors. Today the prosecutors refused to agree that the reference to the pony constituted a major setback for their case.

Outside the courtroom, the defense team has faced other problems. The other day, a technician on a television crew had a run-in with one defense lawyer in an elevator in which a punch or two was reported thrown and the lawyer was accused of "defending the devil."●

By Mr. RIEGLE:

S. 545. A bill to amend title II of the Social Security Act to provide that an individual's "years of coverage" for purpose of computing the special minimum benefit may include up to 10 additional years—not otherwise includible for that purpose—in which such individual had a child age 6 or under in his or her care; to the Committee on Finance.

S. 546. A bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit pur-

poses, so as to recognize the economic contribution of each spouse to the marriage and assure that each spouse will have social security protection in his or her own right; to the Committee on Finance.

S. 547. A bill to amend title II of the Social Security Act to provide that upon the death of one member of a married couple the surviving spouse or surviving divorced spouse shall automatically inherit the deceased spouse's earnings credits to the extent that such credits were earned during the period of their marriage; to the Committee on Finance.

S. 548. A bill to amend title II of the Social Security Act to extend the benefits of the delayed retirement credit to surviving spouses and surviving divorced spouses who work and whose widow's or widower's insurance benefits are higher than their old-age insurance benefits; to the Committee on Finance.

S. 549. A bill to amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers, and to provide in turn that the months of a widow's or widower's entitlement to SSI benefits on the basis of disability may be used in establishing his or her entitlement to medicare benefits on that basis; to the Committee on Finance.

S. 550. A bill to amend the National Apprenticeship Act to prevent age discrimination, to require minimum funding for certain outreach recruitment and training programs, to restore a national information collection system, and to limit the authority to conduct reductions in force within the Bureau of Apprenticeship and Training of the Department of Labor, and for other purposes; to the Committee on Labor and Human Resources.

S. 551. A bill to provide for the establishment of a registry to identify and aid individuals who have been exposed to the drug diethylstilbestrol [DES], and for other purposes; to the Committee on Labor and Human Resources.

S. 552. A bill to require the Secretary of Health and Human Services to establish a Lupus Eryuthematosus Coordinating Committee; to the Committee on Labor and Human Resources.

WOMEN'S EQUITY PACKAGE

Mr. RIEGLE. Mr. President, over the last several decades we have witnessed a social revolution in our country with respect to the rights and freedom of women. Increasingly less restricted by narrow and self-limiting proscriptions on behavior, women have shattered stereotypes and are slowly taking their rightful place as full and equal partners in all facets of our society. One of the major impediments against this inevitable and just course of history has been the slow and often callous pace at which legislatures—both at the State and Federal levels—have acted in modifying legal statutes to reflect this changing role of women.

As a result of this transformation in our society and the failure of law to keep pace, I am today introducing a series of bills as a first installment in a whole package of bills designed to update Federal statutes to the new realities facing both men and women today. Clearly, the eight bills I am introducing today do not exhaust all of the changes that are required to adjust Federal law to secure the just rights of women in our society today. Nevertheless, this initial package represents an important step in what must be a continuing effort to secure equal rights for women.

I will be introducing legislation, in addition to the bills I am submitting today, throughout this session of Congress to address vital concerns on other issues relating to women—ranging from job training and employment opportunities, to education and child care.

More specifically, on the issue of child care, in the next few weeks, I will be introducing, along with several of my colleagues, a series of bills we have developed to address the need for comprehensive child care reform. This child care reform package will complement and expand upon the successful enactment of the "Latchkey" children's legislation during the 98th Congress.

Mr. President, as we all know, recent efforts to add an equal rights amendment to the Constitution have been stymied by those who claim that such a course of action is unnecessary. These individuals argue that injustices in law should be rectified statute by statute and that a comprehensive amendment to the Constitution is not needed. Even though I disagree with that analysis, and even though I remain an active and vigorous supporter of the ERA, I nonetheless invite those who fought against its enactment to join with me in supporting the series of bills I am introducing today—and those I will be submitting throughout the year—designed to correct a few of many inequities still present in current law that fail to recognize women as active and equal members of society.

Mr. President, the bills I am introducing today fall into the major categories of health, Social Security, and employment. Below is a brief summary of these bills and a short explanation of why I think these legislative actions are required.

SOCIAL SECURITY EQUITY PROPOSALS

With passage of the Retirement Equity Act in 1984, Congress made the first substantial move toward equity for women in retirement programs. Nearly a decade has passed since initial efforts began to understand and seek solutions to the financial problems women often face in later years. Many of these difficulties are due to a retirement system based on an earlier social structure that has changed dramatically. No longer can we assume that men will be the sole supporters of families, or sadly that the family will remain intact. Demographic changes reflecting new roles that women are assuming mean that the Social Security system must change as well, if it is to maintain its original purpose of providing equitable and adequate protection for all participants.

We here in Congress began work in the mid-1970's to define the problem with regard to Social Security and women and to suggest solutions. The 1977 Social Security amendments mandated a study of the inadequacy of retirement income programs for women. That report "Changing Roles of Men and Women" was issued in 1979. What became clear from that report was that the system was in need of reform; but basic questions remain concerning the best way to accomplish the needed reforms.

In the long term, it seems clear that some form of earnings sharing concept will be needed to provide equitable treatment of women in Social Security. The 1983 Social Security amendments required the Department of Health and Human Services to submit to Congress a legislative proposal based on earnings sharing. Although already somewhat overdue, a report was submitted to Congress in January.

However, since such a proposal is intended, and by its nature must be, a long-term solution phased in over a number of years, I feel it is imperative that we not lose track of immediate problems that need our attention now. The following bills are meant to address some of the most crucial and short-term difficulties with the current system. Before briefly describing each bill I would like to thank Congresswoman MARY ROSE OAKAR of Ohio for her efforts in this area. Congresswoman OAKAR has been a major force in the House toward securing equitable treatment for women under Social Security. Several of the bills I am offering today are companions to legislation introduced by Congresswoman OAKAR in the House.

CHILDCARE CREDIT

The first bill, S. 545 would amend the special minimum benefit for long-term low-wage earners to allow childcare credits to be counted in the determination of benefits. This change would address the needs of those who currently are penalized by their decision to remain in the home and care for children during some portion of their working years. Unlike those individuals who are able to establish an uninterrupted employment record, many women have punctuated work

histories due to absences created as a result of maternity and child care. These absences create years of zero dollar earnings which when utilized to compute the retirement benefit result in lower benefits than if those child care years were not counted at all. Under the new legislation I am introducing today, a worker would be credited with up to 10 years for the care of any children 6 years old or younger with the stipulation that such care lasted at least 6 months out of each year counted. The number of years that could be counted toward special minimum benefits would be increased from 30 to 36.

CREDIT SPLITTING AT DIVORCE

The second bill, S. 546 would make earnings sharing for the length of the marriage mandatory upon application by either the husband or wife following a divorce, if the marriage lasted at least 3 years. Under current law, a spouse who does not participate in the paid work force loses all retirement credit for marriages that last less than 10 years regardless of the shared contribution of each partner within the context of the marriage. The bill I am introducing today would correct this inequity and recognize the nonpaid spouse's contribution toward the retirement, survivors, and disability benefits. Under this new approach, Social Security earnings credits received in the years of marriage by both spouses would be added together and each spouse would be credited with half of the combined total. Earnings from years before or after the marriage would be unaffected. In cases where combined benefits of both spouses would be higher under present law, credit splitting would not apply.

INHERITANCE OF CREDITS BY SURVIVING SPOUSES OR SURVIVING DIVORCED SPOUSES

The third bill, S. 547 would provide for the inheritance of earnings credits in cases where a couple had been married for 3 continuous years prior to death or divorce. Like the earlier bill I introduced on credit splitting at divorce, this legislation would recognize the shared contribution toward Social Security earning credits of the nonpaid spouse. Under this new approach, the surviving spouse would automatically inherit the Social Security earnings credits received during the years of marriage. Disabled worker benefits would be paid at any age to disabled survivors based on their own records as altered by inheritance. Disabled widow(er)s who gain disability through inheritance would need only to meet the survivor disability test. If the benefits of a widow(er) would be greater without the inherited credit, it would not apply until 2010. Children's benefits would be based on the work record of the deceased.

DELAYED RETIREMENT CREDIT

Under current law, a surviving spouse or a surviving divorced spouse who continues to work after retirement age are only eligible to earn delayed retirement credits on their own work record. In situations where spousal benefits would be more generous than those earned under their own earning record, a spouse could continue to accrue delayed retirement credits based on his or her spousal benefit. This fourth Social Security bill, S. 548 would remove this inequity and work disincentive contained under current law and provide for the full sharing of retirement benefits earned within the context of a marriage. In other words this legislation would allow a surviving or surviving divorced spouse who works, and whose widow(er)'s insurance benefit is higher than their old-age insurance benefit, to earn delayed retirement credits on their widow(er)s benefits.

REPEAL SEPARATE DEFINITION OF DISABILITY

Mr. President, the fifth Social Security bill I am introducing today deals exclusively with the Social Security Disability Insurance [SSDI] Program and repeals the separate definition of disability for widows and widowers that is now the practice under current law. This legislation is a companion to H.R. 556, introduced in the House on January 22, 1985, by Congressman OBERSTAR. Congressman OBERSTAR has been fighting for this change in the Social Security Disability Program for some time and I am pleased to join him in this effort.

This bill, S. 549, accomplishes two objectives. First, S. 549 would repeal the separate definition of disability that currently applies only to widows and widowers. Unlike other individuals who are applying for SSDI benefits, survivors of disability beneficiaries must meet a separate and more strict definition of disability in order to be eligible for benefits. The current definition of disability is based on the criteria of an individual being unable to engage in substantial gainful activity. While this criteria applies to all other SSDI applicants, disabled widows and widowers must have an impairment sufficiently sever to prevent that individual from engaging in any gainful activity. This was originally done in 1967, when survivor's benefits were instituted in the SSDI Program as a way of protecting the Social Security trust funds against massive obligation. In addition, it was then believed that it would be difficult to evaluate the work potential of an individual who was never in the work force. We now know more about this population and have experience in the SSI Program in evaluating the work potential of individuals previously not in the work force. With regard to the concern that this would severely tax the Social Security trust funds, last year we received cost estimates from the Office of the Social Security Actuary. At that time the Office of Actuary estimaed that in the first year after enactment, this change in law would increase Social Security outlays by $15 million, trending up to $85 million by the third year. The total 5-year cost, last year estimated from 1984 through 1988, was $450 million. Since the Social Security Administration pays out about $22 million an hour in benefits, the cost of the change in the program is quite small given the overall size of the Social Security Program.

In addition to extending the same definition of disability to disabled widows and widowers, this bill will also count the months of eligibility under the SSI Program against the 24 month waiting period for Medicare eligibility in the SSDI Program.

EMPLOYMENT PROPOSALS

JOB TRAINING PARTNERSHIP ACT

I have several concerns within the area of employment. Specifically with regard to the Job Training Partnership Act [JTPA], I am currently examining the degree to which that legislation is providing adequate assistance to women. With regard to displaced homemakers, AFDC mothers, older women, and pregnant women, I am currently exploring whether there is adequate targeting and the proper utilization of funds under the act. Other areas in JTPA that need further examination are the need for support services, such as child care, the proper emphasis on nontraditional jobs for women, and the extend of participation of women in the JTPA Private Industry Councils. In attempting to address these important concerns, I will be studying these issues very carefully and working very closely with my colleagues to fashion adequate reforms in JTPA during its reauthorization in this session of Congress.

APPRENTICESHIP TRAINING

S. 550, the last bill I am introducing today, will address a number of problems that have come to light in recent months with respect to the involvement of women and other underrepresented groups in Apprenticeship Training Act programs. Clearly women still must grapple with major impediments to their participation in skilled crafts and trades. Apprenticeships provide women, and other underrepresented groups with the opportunity to learn a trade while earning wages at a higher rate than many traditionally held women's jobs, even after years of experience. Unfortunately, programs which were designed to remove obstacles to employment in the trades through apprenticeship training are being systematically dismantled. The administration's commitment to outreach and training services, that are vital to the participation of not only women but minorities, the handicapped and disadvantaged as well, has all but disappeared. Currently, in the entire Nation, only one outreach pro-

gram is still functioning through the Bureau of Apprenticeship and Training. Efforts to track training programs and compile data on them have ceased. In addition, the entire apprenticeship training program has been dealt a severe blow through substantial cuts in personnel and equal opportunity enforcement activities. The legislation I am introducing would:

Limit the authority to conduct reductions in force within the Bureau of Apprenticeship and Training by disallowing such a reduction if the reduction in force would reduce the number of civilian employees within the Bureau and/or the total number of full time equivalent employees would be less than 276 employees.

Require a set aside of 1 percent of the funds for outreach, recruitment, and training programs to increase the participation of women and minorities, handicapped, displaced workers, and the disadvantaged.

Require the Secretary to submit to Congress within 6 months of the date of enactment a detailed report concerning the Department of Labor's directive to determine whether apprenticeship programs comply with regulations governing equal opportunity. The report will include at a minimum a detailed description of activities underway within the Department of Labor to ensure such compliance, a list of compliance reviews undertaken, and a report on sanctions imposed as a result of compliance reviews.

Prohibit maximum age limits for admission to apprenticeship programs.

Require the Secretary of Labor to establish a national information collection system for apprenticeships and apprenticeship programs.

WOMEN'S HEALTH PROPOSALS

DES INITIATIVES

Mr. President, part of the legislative package I am introducing today is legislation which will hopefully bring to the forefront the plight of those women and their children who have been exposed to the hormone Diethylstibestrol [DES] in our recent past.

The hormone DES was first synthesized in 1938. During the time period from 1941 to 1971, this hormone was prescribed to women to help reduce the risk of miscarriages. Despite studies in the early 1950's demonstrating that the drug was ineffective, the distribution and use continued for another 20 years. It was not until 1971, with the establishment of the definitive link between the development of a rare form of cancer of the cervix and vagina in young women and the exposure to DES of their mothers during pregnancy, that its use was finally discontinued. In this 30-year span of time, some estimate that 3 to 6 million sons and daughters were exposed in utero. Since 1971, a stream of reports related to the medical side effects of DES exposure have become known. For the record, I will briefly summarize these findings and will describe them as they relate to DES mothers, daughters, and sons, respectively.

Mr. President, with regard to DES mothers, a recent study by the Dartmouth Medical School has demonstrated an increased risk of breast cancer in women exposed during pregnancy. A significant aspect of this discovery was the finding that this increased risk did not become clinically evident until 20 years after the actual exposure. As these women age, this risk may become even more pronounced.

With regard to DES daughters, association between DES exposure during pregnancy and the rare clear-cell adenocarcinoma of the cervix and vagina has been well documented and studied. Over 400 cases have been reported and approximately 1 out of every 1,000 DES daughters will develop this rare cancer before age 32. Twenty-five percent of these cancer victims may die as a result of their exposure.

In addition, a second type of cancer has recently been reported in the Journal of the American Medical Association. The study demonstrated an increased incidence of cervical and vaginal dysplasia—precancerous—and carcinoma in situ [CIS]. These conditions may affect more than 80,000 women over the coming years, with as many as 5,000 developing the actual cancer. It should be noted that additional obstetrical and gynecological problems have surfaced with reports of an increased risk of such adverse pregnancy outcomes as ectopic pregnancy, miscarriages, and premature delivery.

The status of DES sons is less well studied. However, an increased incidence of maldescent of the testes has been established. This condition is a known risk factor for testicular cancer. In addition, there have been reports of abnormal sperm and other genitourinary abnormalities.

S. 551, although slightly different in design, it is being introduced as a companion bill to H.R. 508, introduced by Congressman GUARINI on January 7 of this year. It consists of two parts. The first is the establishment of a national registry to further identify those women and children who have been exposed to this hormone. The registry would be used for the dissemination of information to the general public and to health care providers who provide care to these individuals. The second part of the bill provides for the creation of State programs to help in the establishment of screening and diagnostic services. It is clear that those exposed will require regular and periodic evaluations for the rest of their lives. It is my belief that this bill is needed for the full deleterious effects of this public exposure to be identified, further risks ascertained, and the delivery of adequate health services for those in need.

In addition, on February 22, 1985, I introduced Senate Joint Resolution 63, calling upon Congress and the President to proclaim the week beginning April 21, 1985, as "National DES Awareness Week." This week corresponds to the third annual DES Awareness Week sponsored by DES Action, a national organization devoted to helping those exposed to DES. This volunteer group should be commended for their efforts and we support them with this action today. It is only through a greater public awareness of the DES problem will we be able to ascertain the extent and scope of the problem and implement the appropriate care.

LUPUS ERYTHEMATOSUS COORDINATING COMMITTEE

Mr. President, as another part of the legislative package for women, I am introducing a bill today which will call for the establishment of a Lupus Erythematosus Coordinating Committee within the National Institutes of Health. Nearly identical provisions were passed with bipartisan support in both Houses at the end of the 98th Congress, as part of the Health Research Extension Act of 1984. However, President Reagan refused to sign this important legislation, thus effectively derailing what had taken many months of work and preparations. He specifically stated in his statement of disapproval that he felt such a committee was unnecessary.

Over half a million individuals suffer from this insidious disease and the substantial majority of them are women. It is a disease process that affects more people than leukemia, Hodgkin's disease, muscular dystrophy, cystic fibrosis, and rheumatic fever. The Lupus Foundation of America, Inc., estimates that new cases occur at an annual rate of 75 million in the United States. It has been estimated that lupus erythematosus claimed the lives of 5,500 persons in 1983 with 90 percent of the lupus patients being women in the childbearing years.

Lupus is a chronic auto-immune inflammatory disease which can affect virtually any organ of the body. The disease can attack the skin, joints, kidney, brain, lung, heart, and blood system. The signs and symptoms can vary considerably from individual to individual, making its diagnosis and detection difficult. Yet with the appropriate medical evaluation its diagnosis can be made with the prompt initiation of appropriate medical intervention.

The legislation I am introducing today, S. 552, would establish a Lupus Erythematosus Coordinating Committee within NIH, to develop, coordinate, and implement comprehensive Federal

initiatives in the research of lupus erythematosus. Current research is underway in several of the Institutes at the NIH on vast subjects of interest to lupus researchers. There is unfortunately no mechanism in place to assure that the various research efforts are coordinated in such a fashion to be of assistance to research exclusively on lupus erythematosus. The establishment of a coordinating committee within the NIH will greatly enhance our efforts toward the eventual elimination of this disease.

CONCLUSION

Mr. President, I urge my colleagues to join with me in supporting this package of legislation. We must not lose sight of the important work which needs to be done to ensure both equal opportunity and equal protection under law for the women of our Nation. Those who fear for the continuance of the family tradition in our Nation must recognize the need to change laws which fail to recognize the new realities of today's families. Social Security laws which penalize families because women work, ignore the economic realities of today's society.

We must do all we can to help those women who have been adversely affected by past medical practices that have failed to recognize the unique health needs of women. If families are to be stable and children to have basic necessities, women must have equal employment opportunity, including equal access to the full range of job training services. We must be constantly vigilant in our search for other areas where changes in law are necessary to remove remaining roadblocks.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 545

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 215(a)(1)(C)(ii) of the Social Security Act is amended.—

(1) by striking out "in each of which he is credited" in clause (II) and inserting in lieu thereof "in each of which (a) such individual is credited"; and

(2) by inserting before the period at the end thereof the following: ", or (b) such individual is not so credited but had a child (of such individual or his or her spouse), 6 years of age or less, in his or her care for more than 6 months".

SEC. 2. Section 215(a)(1)(C)(ii) of the Social Security Act is further amended by striking out "not exceeding 30)" in the matter preceding clause (I) and inserting in lieu thereof "(not exceeding 30, increased by one (up to a combined total not exceeding 35) for each child-care year which is included under subclause (II)(b))".

SEC. 3. (a) The amendments made by the firtst section of this Act shall apply with respect to periods of child care occuring before or after the date of enactment of this Act, but only in the case of benefits payable for months after December 1985. The amendment made by section 2 shall apply with respect to benefits payable for months after December 1985.

(b) The Secretary of Health and Human Services shall by regulation establish and publish procedures to assure that—

(1) future applicants for monthly benefits under section 202(a) or 223 of the Social Security Act, and current recipients of such benefits, are fully informed of the amendments made by this Act;

(2) future applicants for such benefits are given the opportunity, at the time of their application, to indicate and verify any child-care years to which they might be entitled under subclause (II)(b) of section 215(a)(1)(C)(ii) of the Social Security Act (as added by such amendments); and

(3) current recipients of such benefits are invited and given the opportunity, within 60 days after the date of the enactment of this Act, to notify the Secretary of (and verify) any such years to which they might be so entitled.

Upon receiving notification and verification from a current recipient of benefits under paragraph (3), the Secretary shall redetermine the amount of such benefits to take into account the amendments made by this Act (and if such redetermination results in an increase in such amount the increase shall be effective as provided in subsection (a)).

S. 546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Social Security Act is amended by adding at the end thereof the following new section:

"SHARING OF EARNINGS BY MARRIED COUPLES

"SEC. 234. (a) This section shall not apply with respect to any individual or spouse for any month, and any benefits payable under this title for any month on the basis of the wages and self-employment income of either shall be determined as though this section had not been enacted, if—

"(1) the total of the combined benefits to which such individual and spouse would be entitled for such month under this title as a result of the application of this section is less than the total of the combined benefits to which they would be so entitled without regard to this section, or

"(2) such individual is decreased and the amount of the widow's, widower's, or mother's insurance benefit to which such spouse would be entitled for such month (on the basis of such individual's wages and self-employment income) as a result of the application of this section is less than the amount of the widow's, widower's, or mother's insurance benefit to which such spouse would be so entitled without regard to this section.

"(b)(1) The combined earnings of an individual and his or her spouse, to the extent that such earnings are attributable to the period of their marriage (as determined under paragraph (2)), shall be divided equally between them and shared in accordance with this section for purposes of determining their eligibility for old-age or disability insurance benefits and the amount of the old-age or disability insurance benefits to which each of them is or may become separately entitled.

"(2) For purposes of this section with respect to any two individuals who are married to each other, the 'period of their marriage' is the period-

"(A) beginning with the first day of the calendar year in which their marriage occurred, and

"(B) ending with the last day of the calendar year preceding the earliest calendar year in which one of them dies, they are divorced, or one of them files application for old-age or disability insurance benefits, whichever first occurs;

except that (i) no such period shall begin for any two individuals whose marriage to each other occurs after one of them has filed application for old-age insurance benefits, (ii) no such period shall begin for any two individuals whose marriage to each other occurs after one of them has filed application for disability insurance benefits unless his or her period of disability (and entitlement to such benefits) has theretofore ended or, if it has not theretofore ended, until such period (and such entitlement) ends, and (iii) such period shall include the 'earliest calendar year' referred to in subparagraph (B) for purposes of recomputations for that year under section 215(f)(2), in any case where one of them dies or they are divorced, unless the survivor (where one of them dies) or either of them (where they are divorced) is remarried later in the same year.

"(c)(1) Except to the extent otherwise provided in subsections (a), (d), (e), and (f), whenever two individuals are married to each other they shall each be credited for all of the purposes of this title with wages and self-employment income, for each calendar year for which either of them is credited with any wages and self-employment income without regard to this section during the period of their marriage, in an amount equal to (A) 50 percent of the combined total of the wages and self-employment income otherwise credited to both of them for that year if (at the close of the month for which the benefit determinations involved are being made) they are both still living, or (B) 100 percent of such combined total, up to but not exceeding the maximum amount that may be counted for that year without exceeding the ceiling imposed for that year under section 215(e), if (at the close of such month) one of them has died.

"(2) Nothing in this section shall have any effect upon the crediting of wages and self-employment income to any individual for any calendar year not included in the period of such individual's marriage; but to the extent that wages and self-employment income are credited pursuant to this section the other provisions of this title specifying the manner in which wages and self-employment income are to be credited shall (to the extent inconsistent with this section) be inapplicable.

"(3) As used in this section, the term 'spouse' includes a divorced spouse, a surviving spouse, and a surviving divorced spouse except where the context requires otherwise.

"(d) Subsections (b) and (c) shall not apply with respect to the crediting of wages and self-employment income for any calendar year, in the case of any individual and his or her spouse, if (1) as a result of the application of such subsections with respect to that year either of them would cease to be a fully insured individual (as defined in section 214(a)), or (2) one of them is applying for disability insurance benefits (or for the establishment of a period of disability) and as a result of the application of such subsec-

tions with respect to that year would cease to be insured for such benefits under section 223(c)(1) (or for such a period under section 216(i)(3)).

"(e) Subsections (b) and (c) shall not apply for purposes of determining the amount of the benefit payable to any individual for any month if (1) the total amount of the wages and self-employment income credited to such individual for the period of his or her marriage, as determined without regard to this section, is higher than the total amount of the wages and self-employment income credited to such individual's spouse for that period, as so determined, and (2) such individual's spouse (taking subsections (b) and (c) into account) has not filed application for old-age or disability insurance benefits by the close of such month.

"(f) Notwithstanding any of the preceding provisions of this section—

"(1) benefits payable under subsection (d) or (h) of section 202 on the basis of the wages and self-employment income of any individual, and benefits payable under subsection (b), (c), (e), (f), or (g) of such section 202 (on the basis of such wages and self-employment income) to any person other than a spouse who has shared in or been credited with a part of such individual's earnings under subsections (b) and (c) of this section, shall be determined as though this section had not been enacted if (A) the application of this section has changed such individual's primary insurance amount from what it would otherwise have been, and (B) the crediting of wages and self-employment income to such individual and his or her spouse without regard to this section would increase the amount of such benefits; and

"(2) in the application of section 203(a) (relating to maximum family benefits) with respect to benefits payable on the basis of the wages and self-employment income of any individual, where all or any part of the wages and self-employment income of such individual and his or her spouse was credited to them in accordance with this section, the primary insurance amount of such individual (and the crediting of his or her wages and self-employment income) shall be determined in accordance with this section but the benefits payable to any other person on the basis of the wages and self-employment income of such individual shall be determined as though this section had not been enacted and as though such person had made application for any benefit or benefits to which he or she would (upon such application) be entitled.

"(g) Notwithstanding any other provision of this title, no wife's, husband's, widow's, or widower's insurance benefit shall be paid to any individual for any month under subsection (b), (c), (e), or (f) of section 202, and no individual shall be entitled to any such benefit, unless—

"(1) the period of such individual's marriage (to the spouse or former spouse on the basis of whose wages and self-employment income such benefit is payable) ended before the effective date of this section;

"(2) such individual is under the age of 62 (and is otherwise entitled to such benefit);

"(3) such benefit is payable without regard to age and solely by reason of such individual's having a child in his or her care; or

"(4) the application of this section to such individual is prevented by subsection (a), (d), or (e) (or by clause (i) or (ii) of subsection (b)(2)).

"(h) For purposes of subsection (h)(2) and (e), an individual's application for old-age or disability insurance benefits shall be deemed to have been filed on the first day of the first month for which (by reason of the operation of section 202(j) or 223(b)) such individual is entitled to such benefits.".

SEC. 2. (a) Section 202(b)(1) of the Social Security Act is amended by striking out "The wife" and inserting in lieu thereof "To the extent permitted by section 234(g), the wife".

(b) Section 202(c)(1) of such Act is amended by striking out "The husband" and inserting in lieu thereof "To the extent permitted by section 234(g), the husband".

(c) Section 202(e)(1) of such Act is amended by striking out "The widow" and inserting in lieu thereof "To the extent permitted by section 234(g), the widow".

(d) Section 202(f)(1) of such Act is amended by striking out "The widower" and inserting in lieu thereof "To the extent permitted by section 234(g), the widower".

(e) Section 205(c)(5) of such Act is amended—

(1) by striking out "or" at the end of subparagraph (I);

(2) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new subparagraph:

"(K) to reflect any changes in the crediting of wages and self-employment income which may be necessitated by section 234.".

(f) Section 215(b) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) The determination of the wages and self-employment income to be credited to an individual under this subsection shall in all cases be made after the application of section 234.".

SEC. 3. (a) Except as provided in subsection (b), the amendments made by this Act shall apply only with respect to the crediting of wages and self-employment income to years in periods of marriage (as defined in section 234(b)(2) of the Social Security Act, as added by the first section of this Act) ending after the date of the enactment of this Act, and with respect to the payment of benefits for months after December 1985.

(b)(1) Subsection (a) of section 234 of the Social Security Act, as added by the first section of this Act, shall terminate on December 31, 2011, and shall apply only with respect to benefits payable for months ending on or before that date.

(2) The appropriate committees of the House of Representatives and the Senate shall conduct a study, in 1987 and in each fifth year thereafter occurring prior to the date specified in paragraph (1), in order to determine the probable impact upon beneficiaries of the termination of section 234(a) of the Social Security Act on such date, giving particular attention to the numbers and types of beneficiaries who are likely to be harmed by such termination and the extent to which their benefits are likely to be adversely affected. Such committees shall promptly report the results of each such study to their respective Houses, together with their recommendations with respect to such termination.

S. 547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Social Security Act is amended by adding at the end thereof the following new section:

"TRANSFER OF DECEASED SPOUSE'S EARNINGS CREDITS TO SURVIVING SPOUSE OR SURVIVING DIVORCED SPOUSE

"SEC. 234. (a) If an individual dies leaving a surviving husband or wife, a surviving divorced husband or wife, or a surviving divorced father or mother and they had been married to each other for a continuous period of at least 3 years immediately prior to the date of such individual's death or the date when the divorce became final, all of the wages and self-employment income credited to such individual for any calendar year beginning on or after the first day of the calendar year in which their marriage occurred and prior to the date of such death or divorce shall (subject to subsections (c) and (e)) be transferred to the surviving spouse or former spouse and thereafter treated as provided in subsection (b).

"(b) Wages and self-employment income credited to an individual for any calendar year and transferred to such individual's surviving spouse or former spouse under subsection (a) shall be credited to such spouse and treated as having been received or derived by such spouse (in such calendar year)—

"(1) for purposes of determining such spouse's eligibility for old-age insurance benefits under the insured status requirements of sections 202(a)(1) and 214(a), and for disability insurance benefits under the insured status requirements of sections 223(a)(1)(A) and 223(c)(1), from and after the first day of the month in which the individual's death occurred or the divorce became final,

"(2) for purposes of computing such spouse's primary insurance amount under section 215 and the amount of any old-age or disability insurance benefit for which he or she may be eligible from and after such first day, and

"(3) for all the other purposes of this title; except that such wages and self-employment income shall continue to be credited to the deceased individual, as well as being credited to the surviving spouse or former spouse, for purposes of determining any survivor benefits which may be payable under this title without regard to this section (including any such benefits payable to the spouse) on the basis of such individual's wages and self-employment income.

"(c) In no event shall the total amount of wages and self-employment income transferred and credited to an individual as a surviving spouse or former spouse under subsection (a) for any year, when added to the wages and self-employment income credited to such individual for that year under this title without regard to this section, exceed the maximum amount of wages and self-employment income that can be counted in that year pursuant to section 215(e).

"(d) In any case where wages and self-employment income have been transferred and credited to an individual as a surviving spouse or former spouse under subsection (a), the Secretary (without requiring any application therefor) shall promptly make such computations or recomputations (notwithstanding section 215(f)(1)) as may be necessary to reflect the crediting of such wages or self-employment income to that individual.

"(e) Notwithstanding any other provision of this section, no wages and self-employment income for any year shall be transferred and credited to an individual as a surviving spouse or former spouse under subsection (a) if the total amount of the

monthly benefits which are payable to such individual under this title for any period (or which would be so payable if such individual made timely application therefor) would be greater were such wages and self-employment income credited without regard to this section.".

SEC. 2. (a) Subject to subsection (b), the amendment made by the first section of this Act shall apply in the case of deaths occurring before, on, or after the date of the enactment of this Act, but shall apply only with respect to benefits payable for months after December 1985.

(b)(1) Subsection (e) of section 234 of the Social Security Act, as added by the first section of this Act, shall terminate on December 31, 2010, and shall apply only with respect to deaths occurrring on or before that date.

(2) The appropriate committees of the House of Representatives and the Senate shall conduct a study, in 1986 and in each fifth year thereafter occurring prior to the date specified in paragraph (1), in order to determine the probable impact upon beneficiaries of the termination of section 234(e) of the Social Security Act on such date, giving particular attention to the numbers and types of beneficiaries who are likely to be harmed by such termination and the extent to which their benefits are likely to be adversely affected. Such committees shall promptly report the results of each such study to their respective Houses, together with their recommendations with respect to such termination.

SEC. 3. Within one year after the date of the enactment of this Act—

(1) the Secretary of Health and Human Services shall complete the computations and recomputations required by section 234 of the Social Security Act in all cases where (A) the deaths or divorces involved occurred before the month in which this Act is enacted, and (B) the Secretary's records under section 205(c) of the Social Security Act indicate that there is a surviving spouse or former spouse who is or may become entitled to monthly benefits under title II of such Act either with or without the application of such section 234; and

(2) the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury, shall prepare and submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming changes in the Social Security Act or other laws which may be necessary to reflect the substantive changes made by this Act.

S. 548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202(w) of the Social Security Act is amended—

(1) by striking out "The amount" in paragraph (1) and inserting in lieu thereof "Subject to paragraph (7), the amount"; and

(2) by adding at the end thereof the following new paragraph:

"(7) If for any month an individual is entitled (prior to the application of this subsection) both to an old-age insurance benefit subject to increase under paragraph (1) and to a widow's or widower's insurance benefit—

"(A) this subsection shall be applied to such widow's or widower's insurance benefit as though—

"(i) the term 'old-age' in paragraphs (1), (2)(B)(ii), (3), and (6) read 'widow's or widower's', and

"(ii) the phrase 'was a fully insured individual (as defined in section 214(a))' in paragraph (2)(B)(1) read 'satisfied subparagraphs (A), (B), and (D) of subsection (e)(1) or (f)(1)'; and

"(B) the resulting increase (if any) in the amount of the widow's or widower's insurance benefit under paragraph (1) shall be made (prior to the application of subsection (k)(3)(A)) in lieu of any increase in the amount of the old-age insurance benefit under such paragraph, unless—

"(i) the amount of such old-age insurance benefit would be greater than the amount of such widow's or widower's insurance benefit after the application of paragraph (1) to each such benefit, or

"(ii) the increase which would otherwise be made under such paragraph in the amount of such old-age insurance benefit would result (under the language following subparagraph (F) in the first sentence of subsection (e)(1) or (f)(1)) in the termination of the individual's entitlement to widow's or widower's insurance benefits.".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to widow's and widower's insurance benefits (under section 202 (e) and (f) of the Social Security Act) for months after the month in which this Act is enacted. The total number of an individual's increment months (as defined in section 202(w)(2) of the Social Security Act, as modified under the amendments made by the first section of this Act) shall be determined through the end of 1984 for purposes of any such benefits payable for months prior to January 1986 (and shall be determined as provided in section 202(w)(3) of such Act, as so modified, for purposes of any such benefits payable for months thereafter).

S. 549

Be it enacted by the Senate and House of Represenatatives of the United States of America in Congress assembled, That (a) section 223(d)(2) of the Social Security Act is amended—

(1) by striking out "(except a widow, surviving divorced wife, widower, or surviving divorced husband for purposes of section 202(e) or (f))" in subparagraph (A);

(2) by striking out subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) The third sentence of section 216(i)(1) of such Act is amended by striking out "(2)(C)" and inserting in lieu thereof "(2)(B)".

SEC. 2. (a) Section 226(e) of the Social Security Act is amended by adding at the end of the following new paragraph:

"(5) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of an individual described in clause (iii) of subsection (b)(2)(A), any month which concurred before the date of the enactment of this paragraph, and for which such individual—

"(A) was paid a supplemental security income benefit under title XVI on the basis of disability, and

"(B) met all of the requirements for entitlement to widow's insurance benefits under section 202(e) or widower's insurance benefits under section 202(f) on the basis of disability except the requirment of a disability determined under the separate definition contained in section 223(d)(2)(B) (as in effect on the day before the date of the enactment of this paragraph) and the requirement of application.

may at such individual's election (made in such manner and form as the Secretary shall prescribe) be include as one of the 24 months for which such individual must have been entitled to widow's or widower's insurance benefits on the basis of disability in order to become entitled to hospital insurance benefits on that basis.".

(b) Section 223(f) of such Act is amended by inserting after "shall not include any month" in the matter following paragraph (2) the following: "(other than a month described in subsection (e)(5))".

SEC. 3. (a) The amendments made by the first section of this Act shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months after the month in which this Act is enacted.

(b) The amendments made by section 2 of this Act shall apply with respect to entitlement to hospital insurance benefits under part A of title XVIII of the Social Security Act for months after the month in which this Act is enacted.

S. 550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Apprenticeship Improvement Act of 1985".

SEC. 2. The first section of the Act of August 16, 1937 (50 Stat. 664; 29 U.S.C. 50), popularly known as the National Apprenticeship Act (hereafter in sections 3 and 4 of this Act referred to as the "Act"), is amended by inserting "(a)" after the section designation and by adding at the end thereof the following new subsections:

"(b) In promoting labor standards for the welfare of apprentices under subsection (a) of this section, the Secretary shall ensure that no program of apprenticeship discriminates against any individual, because of the age of such individual, in admission to, or employment in, any such program.".

SEC. 3. Section 2 of the Act is amended by inserting "(a)" after the section designation and by adding at the end thereof the following new subsection:

"(b) The Secretary shall establish and maintain a national information collection system for apprenticeships and apprenticeship programs.".

SEC. 4. The Act is amended by redesignating section 4 as section 5 and by inserting after section 3 the following new section:

"SEC. 4. The Secretary shall ensure that from the amounts appropriated to carry out the provisions of this Act in each fiscal year not less than 1 percent of such amounts shall be available to establish outreach recruitment activities to increase the participation of women and minorities, handicapped individuals, displaced workers, and disadvantged individuals in the apprenticeship programs authorized by this Act.".

SEC. 5. (a) A reduction in force may not be conducted within the Bureau of Apprenticeship and Training of the Department of Labor if—

(1) the reduction in force would reduce the total number of civilian employees within such Bureau; and

(2) such total number, after the reduction in force, would be less than the equivalent of 276 full-time employees.

(b) In the administration of subsection (a)—

(1) a part-time employee shall be counted as a fraction, the numerator of which is the number corresponding to the average number of hours in such employees' regularly scheduled workweek and the denominator of which is 40; and

(2) an individual employed on a temporary or intermittent basis shall not be considered.

SEC. 6. The Secretary of Labor shall prepare and submit to the Congress not later than six months after the date of enactment of this Act a detailed report concerning whether the apprenticeship program conducted by the Department of Labor under the Act of August 16, 1937, popularly known as the National Apprenticeship Act, complies with regulations governing equal opportunity. The report required by this section shall include, at a minimum, a detailed description of activities carried out by the Department of Labor to ensure compliance, a list of compliance reviews undertaken by the Department of Labor, and a description of the sanctions imposed as a result of the compliance reviews.

S. 551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services (hereafter in this Act referred to as the "Secretary") shall establish a national registry to facilitate—

(1) the identification of women who took diethylstilbestrol while pregnant;

(2) the identification of the children of such women who were exposed to diethylstilbestrol in utero;

(3) informing the women and children discribed in paragraphs (1) and (2) of new developments related to diethylstilbestrol;

(4) the dissemination of public education regarding the health effects associated with diethylstilbestrol and the importance of medical care to detect and treat such effects;

(5) the dissemination of information to health professions personnel on the necessity of identifying individuals exposed to diethylstilbestrol, the health effects associated with diethylstilbestrol, and the provision of medical care for the detection and treatment of such health effects; and

(6) the dissemination of information available in the registry to State who elect to establish programs described in section 2.

(b) In establishing the national registry under paragraph (1), the Secretary shall insure that no individual will be listed in the registry without the consent of the individual or, in the case of a minor, without the consent of the parent or guardian of such minor.

SEC. 2. (a)(1) The Secretary shall make grants to States to assist States in establishing programs to provide screening and diagnostic services for individuals exposed to diethylstilbestrol.

(2) Any State receiving a grant to operate programs under paragraph (1) may operate such programs directly or make grants to public or private organizations within such State to operate such programs.

(b) No grant may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such an application shall—

(1) contain such information and be submitted in such form and manner as the Secretary shall prescribe; and

(2) demonstrate to the Secretary's satisfaction that in each year of participation in the grant program the applicant will obtain the following percentages of its projected budget from non-Federal sources of funding:

(A) At least 25 percent in the first and second year.

(B) At least 50 percent in the third year.

(C) At least 65 percent in the fourth and fifth years.

(c) No State shall be eligible for more than five years of funding under this section.

(d) For each fiscal year beginning after September 30, 1985, there are authorized to be appropriated $6,000,000 to carry out this section. Amounts appropriated under this section shall remain available until expended.

S. 552

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services shall establish a Lupus Erythematosus Coordinating Committee (hereinafter referred to as the "Committee") to plan, develop, coordinate, and implement comprehensive Federal initiatives in research on Lupus Erythematosus.

(b)(1) The Committee shall be composed of—

(A) the Director of the National Institute of Neurological and Communicative Disorders and Stroke;

(B) the Director of the National Institute of Allergy and Infectious Diseases;

(C) the Director of the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases;

(D) the Director of the National Institute of Child Health and Human Development;

(E) the Director of the National Institute of General Medical Sciences;

(F) the Director of the National Heart, Lung, and Blood Institute; and

(G) the Director of the Centers for Disease Control.

(2) The Committee shall meet at least four times a year. The Secretary shall designate as chairman of the Committee the Director of the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases.

(c) The Committee shall prepare a report for Congress on its activities. The report shall include a description of research projects on Lupus Erythematosus conducted or supported by Federal agencies in the fiscal year for which the report is made, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project. Such report shall be submitted not later than 18 months after the date of the enactment of this Act. The Committee shall terminate one month after the date on which the report is submitted.

By Mr. DOMENICI:

S. 553. A bill to reauthorize the mathematics, science, computer learning and foreign language programs under the Education for Economic Security Act, and for other purposes; to the Committee on Labor and Human Resources.

EDUCATION FOR ECONOMIC SECURITY REAUTHORIZATION ACT

● Mr. DOMENICI. Mr. President, today I am most pleased to introduce a bill to extend the life of Public Law 98-377, the Education for Economic Security Act. My bill would reauthorize Public Law 98-377 for fiscal years 1986, 1987, and 1988. Authorization for appropriations would be at the fiscal year 1985 levels for each year as follows:

Title I, National Science Foundation Programs	$58,000,000
Title II, Department of Education Programs	400,000,000
Title III, Partnerships in Education	60,000,000
Title IV, Presidential Awards	1,000,000
Total	519,000,000

The Senate passed H.R. 1310 as amended on June 27, 1984. The House acted on July 25, 1984, and the President signed H.R. 1310 on August 11, 1984.

Given the fundamental importance of this act to our educational system and our world leadership in technological innovation, early enactment of this extension will be seen as a true commitment to the principles and programs of the act. I am offering no changes to the act, only its reauthorization at the funding levels stated above.

Because we debated and enacted this law in the recent past, I see no need to rehash the details in this statement. We have simply taken a critical step forward in committing our Nation to the values of education in mathematics, physical, and life sciences, computer learning, and foreign languages. We did this to shore up our current advantages and strengthen our future potential both in the classroom and in the marketplace.

Under title I, the National Science Foundation will be giving grants to for the enhancement of the subject matter skills * * * of teachers of mathematics and physical and life sciences. Title II, permits the Department of Education to make financial assistance available to State and local educational agencies, and to institutions of higher education, to improve the skills of teachers and instruction in mathematics, science, computer learning, and foreign languages, and to increase the access of all students to such instruction * * *. In the National Science Foundation Program for Partnerships in Education for Mathematics, Science, and Engineering, title III, we intend to supplement State and local resources to improve the quality of instruction, encourage research, student scholarships, faculty exchanges and involve the business community to meet our economic competitive edge objectives. In title IV, we give the President the means to recognize outstanding teachers of mathematics and science in the elementary and secondary schools of each State.

I hope my colleagues will agree that early reauthorization for 3 years will

give parents, teachers, employers, and students the strong signal that we are serious about our long-term commitment to these vital educational initiatives.●

By Mr. ROTH (for himself, Mr. NUNN, and Mr. CHILES):

S. 554. A bill to amend title 18, United States Code, to include the transportation of males under the Mann Act, to eliminate the lewd and commercial requirements in the prosecution of child pornography cases, and for other purposes; to the Committee on the Judiciary.

CHILD SEXUAL ABUSE AND PORNOGRAPHY ACT

● Mr. ROTH. Mr. President, for the past year the Subcommittee on Investigations has examined one of the most horrible aspects of our society, child pornography, and its indisputable link to child molestation. Our investigation revealed a dark underground of widespread, insidious exploitation. The shameless marketing of our children's sexual innocence through pornographic advertising and commercial sex rings almost went beyond one's imagination. It is with a sense of outrage over this inhumanity toward our society's most defenseless members, that I introduce today the Child Sexual Abuse and Pornography Act of 1985.

This bill will address three specific aspects of the total child sexual abuse picture: child pornography, child prostitution, and commercial exploitation through advertising.

During our hearings last November and those just concluded on February 21, I listened as child sex crimes specialists, molestation victims, and a 50-year-old convicted child molester described the brazenness with which commercial child pornography is advertised, traded, and sold within the United States. In a Chicago-based pedophile newsletter, for example, scores of pedophiles advertise their willingness to buy, sell, or trade films, photos, and videotapes featuring children either nude or in sexually explicit poses. They read like this: "Family nudist material, wanted, buy or trade. Prefer homemade with unspoiled preteens." Or: "VHS videos wanted, trying to find preteen males and females in videos and photos." Other ads, sometimes appearing in homosexual guidebooks to various cities here and abroad, discreetly let the reader know where the young crowd can be found. To the sizable network of pedophiles and pornographers throughout America these advertisements are quite clear in what they offer. Other advertisements, some of which have been published and distributed in Europe as well, actually advertise, I understand, travel tours to countries such as Sri Lanka and the Philippines for the purpose of contacting child prostitutes. These tours offer hotel accommodations, transportation, interpreters, and by implication, police protection, in certain foreign cities.

By the addition of paragraphs (c) (1) and (2) to section 2251 of title 18 of the United States Code, this bill will prohibit any advertisement offering the opportunity to participate in the sexual abuse of minors such as the child sex tours and also prohibit offering to exchange or sell a depiction of a minor engaging in sexual conduct. It is my expectation that the overall effect of this law will be to so thoroughly discourage the advertising of any sexually explicit material involving children that anyone attempting to do so, even under the vaguest descriptions, would be assuming an enormous risk. This is an important step we must take to help stop the marketing of our children as sexual objects.

This bill will also provide guidelines to assist the courts in determining the age of children appearing in pornographic materials, and will eliminate any requirement that the Government identify a minor in a sexually explicit act in order to obtain a conviction. This last provision is quite important because often the young children featured in child pornography are so removed from parents, schools, and a stable world that few people actually know their true names. We have also learned during this investigation that many children from undeveloped countries have been smuggled into the United States for purposes of prostitution and pornography. This provision would help remove the burden on law enforcement of having to identify some of these children before obtaining indictments. Finally, this act will make two important modifications to the Mann Act. As it now reads it only applies to the transportation of females for the purpose of prostitution. My bill will make this law, one of our country's first in this area, sex neutral, so that it will apply equally to young boys. It will also strike the requirements of lewd and commercial from a prosecution for child sexual abuse under 18 U.S.C. 2423. By this modification we will align that particular provision of the Mann Act more closely with the 1982 U.S. Supreme Court's decision in New York versus Ferber. This small but significant change is greatly needed because of our knowlege now that many children are traded among pedophiles for the purpose of prostitution without there having actually been an exchange of money.

It is a shame we need these laws. That is the tragedy. To think we must be so vigilant and legally precise to cover every conceivable avenue of escape for the exploiter of our children gives eloquent testimony to how dedicated the pedophile is in his pursuit of victims. We have passed some excellent legislation in the last few years concerning child sexual abuse. But let us not think the job is finished. There may be other areas in our criminal statutes where gaps in the law can be accommodated in the day-to-day court system so that no real harm occurs, but we cannot take that chance here. How could we face the parents of a child whose attacker was not able to be prosecuted because of our failure to make our laws as airtight as possible?

We need these provisions and I urge swift passage of the bill.●

By Mr. CRANSTON:

S. 555. A bill to amend the Food Stamp Act of 1977 to authorize federally insured credit unions to redeem coupons issued under such act; to the Committee on Agriculture, Nutrition, and Forestry.

AUTHORIZING FEDERALLY INSURED CREDIT UNIONS TO REDEEM FOOD STAMPS

Mr. CRANSTON. Mr. President, today I am introducing a bill which I consider to have implications on the provision of lifeline financial services for consumers in certain areas of this country. This legislation would authorize federally insured credit unions to redeem food stamps. I would urge my colleagues to consider carefully this measure and support its adoption.

At present, food stamps can only be redeemed by federally insured banks and savings and loan associations. Yet in many areas of this country credit unions stand as the only providers of financial services. Therefore, the present redemption system discourages merchants who lack convenient access to federally insured banks and savings and loans from accepting food stamps from customers who depend upon the coupons. This legislation I am introducing today would rectify this situation by enabling grocers who belong to federally insured credit unions to redeem food stamps through their credit union.

The concept of food stamp redemption through credit unions is not novel. Prior to a ruling in 1978, by the General Counsel of the Department of Agriculture, credit unions and savings and loans associations were permitted to redeem food stamps for merchants. This permission was based upon a broad reading of the Food Stamp Act which, at that time, stated that food stamps could be redeemed through approved wholesale food outlets or through banks. The 1978 ruling by the General Counsel of the Department of Agriculture limited food stamp redemption to banks alone.

In 1981, Congress passed the food stamp and commodity distribution amendments—Public Law 97-98, which amended the Food Stamp Act by striking the word "bank" every time it appeared in section 10, and inserting in its place "financial institutions which

are insured by the Federal Deposit Insurance Corporation [FDIC] or the Federal Savings and Loan Insurance Corporation [FSLIC]." As a result of this amendment, federally insured banks and savings and loan associations may now redeem food stamps for their customers, while federally insured credit unions are precluded from performing a similar function for their members.

I have been contacted by the National Association of Federal Credit Unions [NAFCU], the only national organization exclusively representing the interests of credit unions chartered by the Federal Government, in support of this legislation. NAFCU has been in contact with the National Credit Union Administration [NCUA] and has received a letter supporting food stamp redemption by federally insured credit unions from E.F. Callahan, the chairman of NCUA. For the benefit of my colleagues I will insert copies of both letters in the RECORD. I also ask unanimous consent the bill be reprinted at this place in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended by inserting "or insured under the Federal Credit Union Act" after "Federal Savings and Loan Insurance Corporation" each place it appears.

NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS,
Washington, DC, February 28, 1985.

Hon. ALAN CRANSTON,
U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: The National Association of Federal Credit Unions (NAFCU), the only national organization exclusively representing the interests of credit unions chartered by the federal government, strongly supports efforts to restore credit union authority to redeem food stamps. Such legislation would restore an authority once construed to be granted to credit unions which would enable them to better meet the needs of their members, particularly those credit unions situated in urban areas serving members with low to moderate incomes.

Under its present formulation, the Food Stamp Act only allows redemption of food coupons through financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC). While NAFCU wholeheartedly agrees with the view that credit unions are quite different than banks or savings and loans, we do not believe that the difference necessarily requires that federally insured credit unions be prohibited from redeeming food stamps. This anomoly would be rectified by amending the Food Stamp Act in such a way as to include in the category of institutions permitted to redeem food stamps those insured by the National Credit Union Share Insurance Fund.

NAFCU believes that the authority to redeem food coupons in necessary and consistent with the traditions of the credit union movement. Founded as cooperatives to provide members with an opportunity to borrow at reasonable rates, credit unions have consistently striven to provide fundamental financial services to their members. In areas where credit unions stand as the only providers of lifeline financial services to their community, the authorization to redeem food coupons would enable credit unions to offer a service that is directly related to the fundamental needs of their members.

Seeking the opinion of E.F. Callahan, Chairman of the National Credit Union Administration Board, on authorizing federally insured credit unions to redeem food stamps, NAFCU has received correspondence indicating his willingness to support such an initiative. A copy of that letter is attached.

NAFCU appreciates your efforts to enable credit unions to redeem food stamps and would be willing to do whatever we can to assist you.

Sincerely,
JOHN J. HUTCHINSON,
President.

NATIONAL CREDIT UNION ADMINISTRATION,
Washington, DC., February 4, 1985.

Mr. KENNETH L. ROBINSON,
Executive Vice President, National Association of Federal Credit Unions, 1111 North Arlington Street, Arlington, VA.

DEAR KEN: This is in response to your request for my views on legislation to permit food stamp redemption at credit unions.

Presently, only institutions insured by the FDIC and the FSLIC may redeem food stamps. I can think of no reason why credit unions should not be able to contribute to the efficiency of the Federal food stamp program. Therefore, I will be pleased to lend my support to legislation authorizing credit unions insured by the National Credit Union Share Insurance Fund to redeem food stamps.

Please keep me informed of your efforts on this issue.

Sincerely,
E.F. CALLAHAN,
Chairman.

By Mr. CHAFEE:

S. 556. A bill to amend the Internal Revenue Code of 1954 to provide for temporary across-the-board reductions in tax expenditures; to the Committee on Finance.

BASE-BROADENING TAX ACT

Mr. CHAFEE. Mr. President, I am today reintroducing the Base Broadening Tax Act of 1985, a temporary across-the-board reduction in all existing tax expenditures. Over the next 5 fiscal years, this measure would raise $168 billion. This legislation is not intended to be a comprehensive tax reform measure, but rather a method to raise revenue fairly if we cannot enact enough spending cuts to sufficiently reduce the mammoth Federal budget deficits. Congressman FORTNEY (PETE) STARK of California is introducing similar legislation in the House.

Since the Base Broadening Act was first introduced last year, the Treasury Department has released a comprehensive proposal for simplifying the Internal Revenue Code. The President requested the Treasury Department to submit this proposal to him, and he is now studying it to decide on a plan for tax reform which he will submit to the Congress this spring.

I think the President should be commended for leading the charge on tax reform by requesting the Treasury Department recommendations, and I think the Treasury Department proposal is an excellent beginning in our quest to achieve tax fairness. The bill I am introducing today is not designed to divert or supplant efforts for true tax equity. It is merely a temporary measure that may prove necessary to deal with the Federal budget deficit and to give the Congress more time to complete the difficult job of tax reform.

The current Tax Code is a maze of innumerable and often contradictory tax incentives and subsidies. It will be difficult to change or eliminate many of these provisions overnight without doing irreparable harm to some industries. The process of working out transition rules and compromises to get from our current Tax Code to a simpler and fairer tax system may take quite a while. Nonetheless, I strongly support the President's efforts to do this, and I think in the long run, tax reform will bring more economic efficiency to the marketplace and more respect for our tax system and our Government in general.

My bill proposes a temporary across-the-board reduction in tax expenditures. It has been called a reverse surtax. Individual itemized deductions and other tax preferences would be reduced by 15 percent. The legislation attempts to be as broad as possible. It reduces the investment tax credit by 15 percent, stretches out the depreciation periods by 15 percent, and carries this 15-percent reduction through to all of the myriad other exemptions, deductions, and credits in the code, such as incentive stock options, FSC benefits, deferral of tax on income of controlled foreign corporations, disallowance of certain shipping income, the caps on IDB's and mortgage subsidy bonds, intangible drilling costs, percentage depletion, rehabilitation tax credits, special life insurance company deductions, and the possessions tax credits, just to name a few.

The legislation is intended to be temporary and would be in effect for what I call the revenue enhancement years of 1986 to 1990. The proposal would have almost no impact on the over 60 percent of the American people who do not itemize, but file the so-called short form, because it would not reduce the personal exemptions or the zero bracket amount. Rather it would have the greatest effect on those who are currently taking the most advantage of all the special de-

ductions, credits, and exemptions to reduce or shelter their income under current law. In short, it raises revenue from those who now escape taxation through tax shelters, rather than from those who cannot avail themselves of loopholes and pay at the maximum rate for their income.

The proposal generates its revenue in the following manner:

FISCAL YEARS 1986–1990

[In billions of dollars]

Item	1986	1987	1988	1989	1990
Basic preference cutback proposal:					
Individual	3	24	27	29	32
Corporate	4	8	11	14	16
Total	7	32	38	43	48

The following table indicates that the tax burden of my proposal is distributed in a highly progressive manner.

DISTRIBUTIONAL EFFECTS OF SENATOR CHAFEE'S BROAD BASE TAX PLAN

Expanded income classes actual	Tax increase			Percent of total distribution	Percentage change in tax liability
	Returns (thousand)	Amount (million)	Average (actual dollars)		
Less than $10,000	2,762	$64	$23	0.4	1.8
$10,000 to $20,000	7,846	657	84	4.3	2.3
$20,000 to $30,000	9,913	1,625	164	10.6	3.6
$30,000 to $40,000	7,982	2,134	267	13.9	5.1
$40,000 to $50,000	5,007	1,963	392	12.8	5.8
$50,000 to $75,000	3,409	2,308	677	15.0	7.0
$75,000 to $100,000	814	1,033	1,269	6.7	7.6
$100,000 to $200,000	699	1,780	2,547	11.6	8.3
$200,000	210	3,776	17,959	24.6	12.2
Total	38,643	15,341	397	100	6.1

Table reflects major items affecting individuals: the alternative minimum tax, the capital gains exclusion, itemized deductions (charitable contributions, interest paid, taxes paid, medical expenses, casualty and theft losses, etc.), the dependent care credit, and the dividend exclusion.

Table represents effects of proposal under 1986 tax law at 1983 income levels (i.e., the table indicates what the distributional impact of the proposal would have been if implemented in 1983 on a calendar year basis). The percentage change in tax liability for an income class equals the increase in tax liability for the class (as a result of the proposal) divided by the total tax liability for all the returns in the class under present law.

Source: Joint Committee on Taxation.

This legislation is clearly not a solution to the complexity of the Tax Code, but it does raise revenue in a most equitable, simple, and broad-based manner. It may be that we will need such a proposal as a last resort in our efforts to reduce the Federal deficit.

In the meantime, I hope that we will get on with the urgent matter of cutting spending, at the same time find time to give the President's forthcoming tax reform proposal the energy and attention it deserves.

I request that a copy of the bill be inserted in the RECORD immediately following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Base-Broadening Tax Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. TEMPORARY ACROSS-THE-BOARD REDUCTIONS IN TAX EXPENDITURES.

(a) GENERAL RULE.—Subtitle A (relating to income taxes) is amended by adding at the end thereof the following new chapter:

"CHAPTER 7—TEMPORARY REDUCTIONS IN TAX EXPENDITURES

"Subchapter A. Reductions in tax expenditures.

"Subchapter B. Definitions and special rules.

"SUBCHAPTER A—REDUCTIONS IN TAX EXPENDITURES

"Sec. 1601. 15-percent reduction in itemized deductions.

"Sec. 1602. 15-percent reduction in certain other tax expenditures.

"Sec. 1603. 15-percent reduction in certain limitations.

"Sec. 1604. Increase in rate of alternative minimum tax.

"SEC. 1601. 15-PERCENT REDUCTION IN ITEMIZED DEDUCTIONS.

"In the case of any revenue enhancement year, 15 percent of the amount of the itemized deductions of an individual shall be disallowed.

"SEC. 1602. 15-PERCENT REDUCTION IN CERTAIN OTHER TAX EXPENDITURES.

"(a) GENERAL RULE.—In the case of any revenue enhancement year, 15 percent of each of the following shall be disallowed:

"(1) CREDITS.—

"(A) IN GENERAL.—The credits allowable under part IV of chapter 1 other than—

"(i) the credit allowable under section 22 (relating to credit for the elderly and the permanently and totally disabled),

"(ii) the credit allowable under section 25 (relating to interest on certain home mortgages),

"(iii) the credit allowable under section 27(a) (relating to foreign tax credit),

"(iv) the credit allowable under section 31 (relating to tax withheld on wages),

"(v) the credit allowable under section 32 (relating to earned income credit),

"(vi) the credit allowable under section 33 (relating to tax withheld at source on nonresident aliens and foreign corporations), and

"(vii) the credit allowable under section 34 (relating to certain uses of gasoline and special fuels).

"(B) Puerto Rico and possession tax credit.—The credit allowable under section 936.

"(2) Deductions.—

"(A) ACCELERATED COST RECOVERY PROVISIONS.—The benefits of—

"(i) section 167(k) (relating to depreciation of expenditures to rehabilitate low-income housing),

"(ii) section 168 (relating to accelerated cost recovery system), and

"(iii) section 169 (relating to amortization of pollution control facilities).

"(B) AMORTIZATION OF RAILROAD GRADING AND TUNNEL BORES.—The benefits of section 185.

"(C) CERTAIN EXPENSING PROVISIONS.—The amount allowable as a deduction under—

"(i) section 173 (relating to circulation expenditures),

"(ii) section 174(a) (relating to research and experimental expenditures), or

"(iii) section 193 (relating to tertiary injectants).

"(D) EXCLUSION FROM SECTION 189 FOR LOW-INCOME HOUSING.—The deduction allowable under chapter 1 for real property construction period interest and taxes attributable to low-income housing.

"(E) PERCENTAGE DEPLETION IN EXCESS OF BASIS.—The excess of the deduction for depletion allowable under section 611 with respect to any property over the adjusted basis of such property at the close of the taxable year (determined without regard to the depletion deduction for the taxable year).

"(F) INTANGIBLE DRILLING COSTS AND MINERAL EXPLORATION AND DEVELOPMENT COSTS.—The amount allowable as a deduction—

"(i) under section 263(c), or

"(ii) under section 616(a) or 617.

"(G) CERTAIN DEDUCTIONS RELATED TO BUSINESS ENTERTAINMENT, ETC.—

"(i) Any business entertainment deduction (as defined in section 1612(f)).

"(ii) Any foreign convention attendance deduction (as defined in section 1612(f)).

"(iii) Any excessive travel expenses (as defined in section 1612(f)).

"(H) CERTAIN FINANCIAL INSTITUTION PREFERENCE ITEMS.—The amount allowable as a deduction under chapter 1 with respect to any financial institution preference item (as defined in section 291(e)(1)).

"(I) SPECIAL LIFE INSURANCE COMPANY DEDUCTIONS.—

"(i) The special life insurance company deduction determined under section 806(a).

"(ii) The small life insurance company deduction determined under section 806(b).

"(3) CAPITAL GAINS TREATMENT.—

"(A) CAPITAL GAINS DEDUCTION.—The deduction allowable under section 1202.

"(B) SPECIAL RATE FOR CORPORATIONS.—The benefits of section 1201.

"(C) SECTION 1250 CAPITAL GAIN TREATMENT.—The benefits of section 1250 capital gain treatment.

"(D) CAPITAL GAIN TREATMENT FOR DISPOSITIONS OF OIL, GAS, OR GEOTHERMAL PROPERTIES.—The benefits of section 1254 capital gain treatment.

"(E) NONRECOGNITION OF GAIN ON STOCK SOLD TO STOCK OWNERSHIP PLANS OR CERTAIN COOPERATIVES.—The nonrecognition of gain under section 1042.

"(4) OTHER TAX EXPENDITURES.—

"(A) INCENTIVE STOCK OPTIONS.—The benefits of the incentive stock option provisions.

"(B) FOREIGN SALES CORPORATIONS.—The benefits of the FSC provisions.

"(C) DEFERRAL OF TAX ON INCOME OF CONTROLLED FOREIGN CORPORATIONS.—Deferral of tax on income of controlled foreign corporations.

"(D) CORPORATE LIQUIDATION NONRECOGNITION PROVISIONS.—The benefits of—

"(i) section 336 (relating to nonrecognition of gain or loss in case of distributions in complete liquidation), and

"(ii) section 337 (relating to nonrecognition of gain or loss of sales in connection with certain liquidations).

"(E) TAX EXEMPTION FOR CREDIT UNIONS.—The benefits of section 501(c)(14)(A).

"(F) EXCLUSION FOR INTEREST ON CERTAIN LOANS USED TO ACQUIRE EMPLOYER SECURITIES.—The exclusion provided by section 133.

"(G) 10-YEAR AVERAGING FOR LUMP SUM DISTRIBUTIONS.—The benefits of section 402(e)(1).

"(H) DEFERRAL OF CERTAIN SHIPPING INCOME.—The benefits of section 607 of the Merchant Marine Act, 1936.

"(I) AMORTIZATION OF PRE-1981 FROZEN ASSET BASE OF CERTAIN RAILROADS.—The amount allowable is depreciation by reason of section 203(c)(3) of the Economic Recovery Tax Act of 1981.

"(b) CROSS REFERENCE.—

"For special rules as to how certain reductions under subsection (a) are to be made, see section 1612.

"SEC. 1603. 15-PERCENT REDUCTION IN CERTAIN LIMITATIONS.

"(a) GENERAL RULE.—In the case of any revenue enhancement year, each dollar limitation otherwise in effect under the following provisions shall be reduced by 15 percent:

"(1) USED PROPERTY LIMITATION FOR PURPOSES OF INVESTMENT TAX CREDIT.—Section 48(c)(2).

"(2) EXCLUSIONS.—

"(A) PARTIAL EXCLUSION OF DIVIDENDS RECEIVED BY INDIVIDUALS.—Section 116(a)(2).

"(B) 1-TIME EXCLUSION OF GAIN ON SALE OF RESIDENCE.—Section 121(b)(1).

"(C) EXCLUSION OF EARNED INCOME OF CITIZENS OR RESIDENTS OF THE UNITED STATES LIVING ABROAD.—Section 911(b)(2)(A).

"(3) DEDUCTIONS.—

"(A) ELECTION TO EXPENSE CERTAIN DEPRECIABLE ASSETS.—Section 179(b).

"(B) AMORTIZATION OF REFORESTATION EXPENDITURES.—Section 194(b)(1).

"(C) DEDUCTION FOR RETIREMENT SAVINGS.—Subsections (b) and (c) of section 219.

"(D) DEDUCTION FOR CERTAIN EMPLOYEE GIFTS.—Paragraphs (1)(C) and (3) of section 274(b).

"(E) LIMITATIONS ON DEDUCTION FOR LUXURY CARS.—Section 280F(a).

(F) BENEFITS AND CONTRIBUTIONS UNDER QUALIFIED PLANS.—Subsections (b) and (c) of section 415.

"(b) REDUCTION IN LIMITATIONS ON AMOUNT OF PRIVATE ACTIVITY BONDS AND MORTGAGE SUBSIDY BONDS WHICH MAY BE ISSUED DURING REVENUE ENHANCEMENT PERIOD.—The State ceiling which would otherwise be in effect under—

"(1) section 103(n), or

"(2) section 103A(g),

with respect to any State for any calendar year in the revenue enhancement period shall b(reduced by 15 percent.

"(c) REDUCTION IN CERTAIN OTHER LIMITATIONS.—In the case of any revenue enhancement year, each limitation otherwise in effect under the following provisions shall be reduced by 15 percent:

"(1) SOIL AND WATER CONSERVATION EXPENDITURES.—Section 175(b).

"(2) EXPENDITURES BY FARMERS FOR CLEARING LAND.—Section 182(b).

"SEC. 1604. INCREASE IN RATE OF ALTERNATIVE MINIMUM TAX.

"In the case of any revenue enhancement year, section 55(a) shall be applied by substitution for '20 percent' an amount equal to the sum of—

"(1) 20 percent, plus

"(2) 15 percent of the excess of the highest rate of tax specified in section 1 over 20 percent.

"SUBCHAPTER B—DEFINITIONS AND SPECIAL RULES

"Sec. 1611. Definition of itemized deductions.
"Sec. 1612. Special rules for certain disallowances under section 1602.
"Sec. 1613. Other special rules.
"Sec. 1614. Years to which chapter applies.
"Sec. 1615. Regulations.

"SEC. 1611. DEFINITION OF ITEMIZED DEDUCTIONS.

"(a) GENERAL RULE.—For purposes of this chapter—

"(1) IN GENERAL.—The term 'itemized deduction' has the meaning given such term by section 63(f); except that—

"(A) such term shall include the direct charitable deduction, and

"(B) such term shall not include any deduction described in section 1602.

"(2) TREATMENT OF ESTATES AND TRUSTS.—In the case of an estate or trust, the amount of the itemized deductions shall be determined in the same manner as in the case of an individual, except that the deductions for costs paid or incurred in connection with the administration of the estate or trust shall not be treated as itemized deductions.

"(b) DISALLOWANCE ALLOCATED PROPORTIONATELY.—The amount disallowed under section 1601 shall be allocated proportionately among the itemized deductions.

"(c) DISALLOWANCE TO APPLY TO CHARITABLE DEDUCTION OF CORPORATIONS.—The disallowance under section 1601 shall also apply to the deduction allowable under section 170 to a corporation.

"SEC. 1612. SPECIAL RULES FOR CERTAIN DISALLOWANCES UNDER SECTION 1602.

"(a) DISALLOWANCE OF CREDITS.—In the case of any credit to which section 1602(a)(1) applies—

"(1) the disallowance under such section shall be applied before the application of any limitation on the amount of such credit based on tax liability.

"(2) for purposes of determining the amount of such disallowance, the amount of such credit shall be determined without regard to any amount carried to the taxable year from another taxable year, and

"(3) such disallowance shall apply for purposes of determining whether any portion of such credit can be carried to another taxable year.

"(b) DISALLOWANCE OF BENEFITS OF ACCELERATED COST RECOVERY PROVISIONS.—

"(1) IN GENERAL.—The disallowance under section 1602(a)(2)(A)—

"(A) shall apply to property placed in service during the revenue enhancement period, and

"(B) shall be made in the manner provided in paragraph (2).

"(2) MANNER OF DISALLOWANCE.—In the case of any property described in paragraph (1)(A)—

"(A) 15 percent of the applicable depreciable basis shall not be taken into account under section 167(k), 168, or 169 (as the case may be), and

"(B) the deduction allowable under chapter 1 for depreciation with respect to such portion of the applicable depreciable basis shall be determined under the tax-exempt use property rules.

"(3) APPLICABLE DEPRECIABLE BASIS.—For purposes of this subsection, the term 'applicable depreciable basis' means the amount which (but for this subsection) would have been taken into account as—

"(A) rehabilitation expenditures under section 167(k),

"(B) unadjusted basis under section 168, or

"(C) amortizable basis under section 169.

"(4) TAX-EXEMPT USE PROPERTY-RULES.—For purposes of paragraph (2), the term 'tax-exempt use property rules' means the rules contained in paragraph (1) of section 168(j) and in subparagraphs (B), (C), (D), and (F) of paragraph (2) of such section.

"(c) AMORTIZATION OF RAILROAD GRADING AND TUNNEL BORES.—The disallowance under section 1602(a)(2)(B)—

"(1) shall apply to railroad grading and tunnel bores (as defined in section 185(f)(1)) placed in service (within the meaning of section 185) during the revenue enhancement period, and

"(2) shall be made by not taking into account under section 185 15 percent of the adjusted basis of any railroad grading and tunnel bore described in paragraph (1).

"(d) AMORTIZATION OF AMOUNTS DISALLOWED UNDER SECTION 1602 (a)(2)(C).—Any amount disallowed under section 1602(a)(2)(C) shall be allowed as a deduction ratably over the 3-year period (10-year period in the case of research and experimental expenditures described in section 174) beginning with the taxable year in which the expenditure was made.

"(e) EXCLUSION FROM SECTION 189 FOR LOW-INCOME HOUSING.—

"(1) IN GENERAL.—Terms used in section 1602(a)(2)(D) shall have the same meaning as when used in section 189.

"(2) AMORTIZATION OF DISALLOWED DEDUCTION.—Any amount disallowed under section 1602(a)(2)(D) shall be allowed as a deduc-

tion under the rules of subsections (b) and (c) of section 189 (using 10 percent for purposes of section 189(b)).

"(f) BUSINESS ENTERTAINMENT DEDUCTIONS, ETC.—

"(1) BUSINESS ENTERTAINMENT DEDUCTION.—

"(A) IN GENERAL.—For purposes of section 1602(a)(2)(G), the term 'business entertainment deduction' means any deduction allowable under chapter 1 (determined after the application of section 274) for an item with respect to—

"(i) an activity which is of a type generally considered to constitute entertainment, amusement, or recreation (including the furnishing of food and beverages), or

"(ii) a facility used in connection with an activity referred to in clause (i).

"(B) EXCEPTIONS.—The disallowance under section 1602(a)(2)G)(i) shall not apply to expenses described in paragraphs (2), (3), (4), (8), (9), and (10) of section 274(e).

"(2) FOREIGN CONVENTION ATTENDANCE DEDUCTION.—For purposes of section 1602(a)(2)(G), the term 'foreign convention attendance deduction' means any deduction allowable under chapter 1 (determined after the application of section 274) for expenses allocable to the attendance of an individual at a convention, seminar, or similar meeting held outside the United States.

"(3) EXCESSIVE TRAVEL EXPENSES.—

"(A) IN GENERAL.—For purposes of section 1602(a)(2)(G), the term 'excessive travel expenses' means the amount of any deductable subsistence expenses allocable to any day to the extent such expenses exceed 200 percent of the standard Federal per diem. Such term shall not include any amount which is a foreign convention attendance deduction.

"(B) DEDUCTIBLE SUBSISTENCE EXPENSES.—For purposes of subparagraph (A), the term 'deductible subsistence expenses' means any expenses—

"(i) which are allowable as a deduction under section 162 or 212 for travel expenses of an individual while away from home, and

"(ii) which are for lodging, meals, local transportation, or other necessary expenses for personal subsistence and comfort (including tips).

"(C) STANDARD FEDERAL PER DIEM.—For purposes of subparagraph (A), the term 'standard Federal per diem' means the dollar per diem rate which is established under section 5702(a) of title 5, United States Code, and which applies generally to travel inside the continental United States.

"(4) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of section 274(h)(4) shall apply for purposes of the disallowance under section 1602(a)(2)(G).

"(g) CAPITAL GAINS TREATMENT.—

"(1) SPECIAL RATE FOR CORPORATIONS.—The disallowance under section 1602(a)(3)(B) shall be made by substituting for '28 percent' in section 1201(a)(2) a percentage equal to the sum of—

"(A) 28 percent, plus

"(B) 15 percent of the excess of the highest rate of tax specified in section 11(b) over 28 percent.

"(2) SECTION 1250 CAPITAL GAIN TREATMENT.—

"(A) IN GENERAL.—The disallowance under section 1602(a)(3)(C)—

"(i) shall apply to dispositions of section 1250 property during the revenue enhancement period, and

"(ii) shall be made in the manner provided by subparagraph (B).

"(B) MANNER OF COMPUTING DISALLOWANCE.—In the case of any disposition described in subparagraph (A)(i), 15 percent of the excess (if any) of—

"(i) the amount which would be treated as ordinary income if such property were section 1245 property or section 1245 recovery property, over

"(ii) the amount treated as ordinary income under section 1250 (determined without regard to this chapter but with regard to section 291),

shall be treated as gain which is ordinary income under section 1250 and shall be recognized notwithstanding any other provision of this title. Under regulations prescribed by the Secretary, this subsection shall not apply to the disposition of any property to the extent section 1250(a) does not apply to such disposition by reason of section 1250(d).

"(3) CAPITAL GAIN TREATMENT FOR SALES OF OIL, GAS, OR GEOTHERMAL PROPERTIES.—

"(A) IN GENERAL.—The disallowance under section 1602(a)(3)(D)—

"(i) shall apply to dispositions of oil, gas, or geothermal properties during the revenue enhancement period, and

"(ii) shall be made in the manner provided in subparagraph (B).

"(B) MANNER OF COMPUTING DISALLOWANCE.—In the case of any disposition described in subparagraph (A)(i), 15 percent of the lesser of—

"(i) the aggregate amount of the depletion deductions allocable to such property, or

"(ii) the excess described in section 1254(a)(1)(B) reduced by any amount treated as ordinary income under section 1254,

shall be treated as gain which is ordinary income under section 1254 and shall be recognized notwithstanding any other provisions of this title. Under regulations prescribed by the Secretary, this paragraph shall not apply to the disposition of any property to the extent section 1254(a) does not apply to such disposition by reason of the rules made applicable by section 1254(b)(1).

"(C) DEPLETION DEDUCTIONS.—For purposes of subparagraph (B), the term 'depletion deductions' means the deductions for depletion with respect to the property (or any other property) which were allowable to the taxpayer (or any other person) to the extent adjustments to the adjusted basis of the property were made on account of such deductions (or would have been made but for the fact that they would have reduced the adjusted basis below zero).

"(h) INCENTIVE STOCK OPTIONS.—The disallowance under section 1602(a)(4)(A)—

"(1) shall apply to any transfer of stock pursuant to the exercise during the revenue enhancement period of an incentive stock option, and

"(2) shall be made—

"(A) by including 15 percent of the excess of the fair market value of the stock (determined without regard to any restriction other than a restriction which, by its terms, will never lapse) at the time of the exercise over the option price in the gross income of the individual exercising the option, and

"(B) by allowing the employer a deduction for the amount determined under subparagraph (A).

for the taxable year of the individual or employer (as the case may be) in which the exercise occurs.

"(i) FSC BENEFITS.—

"(1) IN GENERAL.—The disallowance under section 1602(a)(4)(B) shall be made by applying section 923 with the following substitutions:

"(A) In the case of a corporation—

"(i) '25.5 percent' shall be substituted for '32 percent' in paragraph (2) of section 923(a), and

"(ii) '13/23' shall be substituted for '$^{16}/_{23}$' in paragraph (3) of section 923(a).

"(B) In the case of a taxpayer other than a corporation—

"(i) '27.2 percent' shall be substituted for '32 percent' in paragraph (2) of section 923(a), and

"(ii) '14/23' shall be substituted for '$^{16}/_{23}$' in paragraph (3) of section 923(a).

"(2) SUBSTITUTION IN LIEU OF APPLICATION OF SECTION 291.—SECTION 291(A)(4) SHALL NOT APPLY TO ANY REVENUE ENHANCEMENT YEAR.

"(j) DEFERRAL OF TAX ON INCOME OF CONTROLLED FOREIGN CORPORATIONS.—The disallowance under section 1602(a)(4)(C) shall be made by increasing the amount of the subpart F income of a controlled foreign corporation for any revenue enhancement year by an amount equal to 15 percent of the excess (if any) of—

"(1) the earnings and profits of such controlled foreign corporation for such taxable year, over

"(2) the amount of the subpart F income of such corporation for such taxable year (determined without regard to this subsection).

"(k) CORPORATE LIQUIDATION NONRECOGNITION PROVISIONS.—

"(1) SECTION 336.—The disallowance under section 1602(a)(4)(D)(i)—

"(A) shall apply to distributions made during the revenue enhancement period, and

"(B) shall be made by recognizing 15 percent of the gain which is not recognized under section 336 but would have been recognized had the distributed property been sold to the distributee.

"(2) SECTION 337.—The disallowance under section 1602(a)(4)(D)(ii)—

"(A) shall apply to sales or exchanges during the revenue enhancement period, and

"(B) shall be made by recognizing 15 percent of any gain to which section 337(a) applies.

"(l) TAX EXEMPTIONS FOR CREDIT UNIONS.—

"(1) IN GENERAL.—The disallowance under section 1602(a)(4)(E) shall be made by imposing a tax (computed at the rates set forth in section 11(b)) on 15 percent of the taxable income of each credit union described in section 501(c)(14)(A).

"(2) TAXABLE INCOME.—For purposes of paragraph (1), taxable income shall be computed in the same manner as in the case of a corporation subject to the taxes imposed by chapter 1.

"(3) COORDINATION WITH TAX ON UNRELATED BUSINESS INCOME.—If a tax is imposed by section 511(a) on the unrelated business taxable income of any credit union for any revenue enhancement year, for purposes of paragraph (1), the taxable income of such credit union shall not include the amount of such unrelated business taxable income, but the tax imposed by paragraph (1) shall be computed at the rates which would apply under section 11(b) to taxable incomes in excess of the amount of such unrelated business taxable income.

"(m) 10-YEAR AVERAGING FOR LUMP SUM DISTRIBUTIONS.—The disallowance under section 1602(a)(4)(G)—

"(1) shall apply to lump sum distributions received during the revenue enhancement period, and

"(2) shall be made by reducing by 15 percent the amount treated as the ordinary income portion of the lump sum distribution for purposes of paragraphs (1) and (3) of section 402(e).

"(n) DEFERRAL OF CERTAIN SHIPPING INCOME.—The disallowance under section 1602(a)(4)(H) shall be made—

"(1) by disallowing 15 percent of the amount of the reduction in taxable income which would otherwise be allowed under section 607(d)(1)(A) of the Merchant Marine Act, 1937,

"(2) by disallowing 15 percent of the nonrecognition of gain which would otherwise be allowed under section 607(d)(1)(B) of such Act, and

"(3) by including in gross income 15 percent of the earnings (including gains and losses) from the investment and reinvestment of amounts held in the capital construction fund established under section 607 of such Act.

Proper adjustments shall be made in the accounts of any capital construction fund to take into account the provisions of this subsection.

"SEC. 1613. OTHER SPECIAL RULES.

"(a) COORDINATION WITH SECTION 291.—Except as otherwise provided in this chapter, this chapter shall be applied before the application of section 291.

"(b) SECTION 15 NOT TO APPLY.—No provision of this chapter shall be treated as a change in a rate of tax for purposes of section 15.

"SEC. 1614. YEARS TO WHICH CHAPTER APPLIES.

"(a) REVENUE ENHANCEMENT YEAR.—For purposes of this chapter, the term 'revenue enhancement year' means any taxable year any portion of which is within the revenue enhancement period.

"(b) REVENUE ENHANCEMENT PERIOD.—The term 'revenue enhancement period' means the period which—

"(1) begins on January 1, 1986, and

"(2) ends on December 31, 1989.

"(c) SPECIAL RULE FOR FISCAL YEAR TAXPAYERS.—

"(1) IN GENERAL.—In the case of any revenue enhancement year—

"(A) which is not a calendar year, and

"(B) all of which is not within the revenue enhancement period,

sections 1601, 1602, and 1603 (and subsections (b), (c), (g), (h), (j), (k), (l), (m), and (n) of section 1612) shall be applied by substituting for '15 percent' each place it appears the percentage determined under paragraph (2).

"(2) DETERMINATION OF PERCENTAGE.—For purposes of paragraph (1), the percentage determined under this paragraph is an amount which bears the same ratio to 15 percent as—

"(A) the number of days during the taxable year described in paragraph (1) which are within the revenue enhancement period, bears to

"(B) the number of days in the entire taxable year.

"(3) COMPARABLE ADJUSTMENTS IN OTHER PROVISIONS.—Under regulations prescribed by the Secretary, adjustments equivalent to the adjustments provided by paragraph (1) shall be made to the provisions of sections 1604 and 1612(i).

"SEC. 1615. REGULATIONS.

"The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this chapter."

(b) CLERICAL AMENDMENT.—The table of chapters for subtitle A is amended by adding at the end thereof the following new item:

"Chapter 7. Temporary reductions in tax expenditures."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1985.

By Mr. DECONCINI:

S. 557. A bill to authorize a project for bank erosion control on the Rillito River in the vicinity of Tucson, AZ; to the Committee on Environment and Public Works.

RILLITO RIVER EROSION CONTROL PROJECT

● Mr. DECONCINI. Mr. President, today, I am introducing legislation which will authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake a bank erosion control project on the Rillito River in Tucson, AZ. The purpose of the project is to provide protection against the level of flooding that occurred in this area in October 1983.

Approximately 40 river miles are included within the Rillito River system. This system encompasses the Rillito River, Pantano Wash, Tanque Verde Creek, Sabino Creek and Aqua Caliente Wash. Major portions of Tanque Verde Creek, Sabino Creek and Aqua Caliente Wash are presently considered natural and consist of braided shallow water courses with significant amounts of riparian vegetation. In contrast, a majority of the Rillito River and Pantano Wash have been subjected to urban encroachment over the past 40 years. Increasing urbanization, encroachment into the floodplain, gravel mining, and localized channel improvements all have disrupted the equilibrium of the river system, and have resulted in serious flooding and erosion hazards for existing development and public facilities within or near the river environment.

The flooding that occurred in 1983 clearly illustrates the degree of damage that can be created by acts of nature. As you know, Mr. President, the desert environment and climatic conditions in Arizona leave our communities open to flash flooding. We do not have the luxury of advanced flood warnings where mitigating action can be accomplished over several days. Our reaction time is measured in hours and many times in minutes. We must act now to insure that the Rillito River system can adequately carry the runoff of a 100-year storm event. Statistical data and flood occurrence predictions are fine tools for long-range planning but our communities live with the reality that major flooding could occur in any given year. We have an obligation to insure the protection of public facilities and private property from flood inundation and erosion hazards. The flooding of 1983 clearly illustrates the need for a positive, unified solution to future flood control on the Rillito River system.

Mr. President, the legislation I introduce today provides that unified approach for present and future flood control on the Rillito River system. The Pima County Department of Transportation and Flood Control District has passed a bond issue and will participate with the Federal Government to finance a portion of the total costs for the completion of this important project. Pima County, together with the Army Corps of Engineers, have developed a plan concept to manage the river system as a resource rather than a liability. The momentum for decisive action is underway, and we must not allow this opportunity to move the project forward pass. It is my hope that the Senate can review this legislation and take appropriate action before we have another flooding situation.●

By Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. MATSUNAGA, Mr. BOREN, Mr. HEINZ, Mr. GRASSLEY, Mr. LEVIN, Mr. DIXON, Mr. HEFLIN, Mr. RIEGLE, Mr. JOHNSTON, Mr. BURDICK, and Mrs. HAWKINS):

S. 558. A bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes; to the Committee on Finance.

EMPLOYEE EDUCATIONAL ASSISTANCE ACT

● Mr. MOYNIHAN. Mr. President, I rise today with 12 of my colleagues to introduce worthy and necessary legislation: the Employee Educational Assistance Act of 1985.

Since 1978, section 127 of the Internal Revenue Code has made the benefits of educational advancement more readily available to working Americans. Section 127 permits an employee to exclude from gross income educational assistance provided by his or her employer, whether or not for education directly related to the employee's current job. It works, because it is good business for an employer to contribute to an employee's education. Better educated employees make for better business.

Between 1978 and 1984, more than 7 million American workers furthered their education with employer-provided, tax-free educational assistance. The legislation I am introducing today would ensure that millions more working Americans will be able to benefit from this most worthy tax provision, which otherwise will expire on December 31, 1985.

The provisions of this legislation are straightforward. First, the bill would make section 127 a permanent part of the Tax Code, and retain the current $5,000 per employee cap on the amount of educational assistance that will be treated as tax free. This cap, however, would be indexed annually

for inflation. As before, contributions above the cap would be considered taxable for income and employment tax purposes. The legislation also would retain current reporting requirements for employee educational assistance plans.

The $5,000 cap for tuition assistance provided under section 127 would not apply to such assistance provided to research and teaching positions provided by colleges and universities to their graduate students. The cap would inhibit our colleges and universities from attracting the most gifted graduate students, and interfere with the traditional practice of offering able students teaching and research assistantships in return for tuition assistance. In this context the legislation also amends section 117(d) of the Internal Revenue Code to make permanent the current exclusion from gross income of tuition remission provided by universities to their graduate research and teaching assistants. While some institutions provide direct financial assistance to graduate teaching and research assistants under section 127, many others simply reduce tuition for their graduate teaching and research assistants, and this is considered tax free under section 117(d).

Mr. President, Thomas Jefferson wrote in 1786 that "By far the most important bill in our whole code, is that for the diffusion of knowledge among the people. No other sure foundation can be devised for the preservation of freedom and happiness." Sections 127 and 117 are the provisions of the "code"—the Tax Code—that provide for the education of working Americans, and thus contribute to the enlightenment of our citizens and the improvement of our Nation's commercial capacities.

Section 127 has enabled working men and women who otherwise might not be able to afford a better education, to further their studies whether or not these studies are directly related to their occupations. This section of the Tax Code encourages American workers to keep up to date with new developments in their fields, and permits thousands of lower level workers to advance themselves through undergraduate and graduate degree programs.

Section 127 has also been responsible for retraining millions of American industrial workers whose jobs were threatened by rapidly changing technology. Without section 127, many of these workers would have found that the retraining necessary to keep them employable would cause them to incur additional income tax liabilities. In short, without section 127 they might well have found themselves unemployed. American management and labor recognize together that workers should be able to receive educational assistance from their employers to improve their skills and productivity and remain employed, in their current field or another. For this reason, an unusual coalition of management and labor supports the legislation I am introducing today.

Mr. President, I ask unanimous consent that a list of organizations and firms which support this legislation be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS SUPPORTING EMPLOYEE EDUCATION ASSISTANCE

American Bankers Association.
American Electronics Association.
American Hospital Association.
American Society for Training and Development.
American Society of Assocation Executives.
American Society of Engineering Education.
American Society of Mechanical Engineers.
American Society for Personnel Administration.
American Retail Federation.
Association for Counseling and Development.
Association of Data Processing Service Organizations.
U.S. Chamber of Commerce.
Electronics Industries Association.
Institute of Electrical Electronics Engineers.
International City Management Association.
National Alliance of Business.
National Association of Manufacturers.
National Retail Merchants Association.
National Society of Professional Engineers.
National Tooling and Machining Association.
AFL-CIO.
American Federation of State, County and Municipal Employees.
American Federation of Teachers.
Communications Workers of America.
National Education Association.
Printing and Graphic Communications International Union.
Service Employees International Union.
Telecommunications International Union.
United Automobile, Aerospace and Agriculture Implement Workers of America.
United Food and Commercial Workers International Union.
Ameritech.
AT & T.
Baltimore Gas & Electric.
Bell Atlantic.
Bell Communications Research Incorp.
Bell South.
Brunswick Corp.
The Clorox Company.
Control Data Corp.
Data General.
Deere & Co.
Digital Equipment.
Eaton Corp.
Edison Electric Institute.
FMS Corporation.
Ford Motor Co.
General Motors Corp.
General Telephone & Electronics Corp.
Hazeltine Corp.
Intel Corp.
International Business Machines.
Jenred.
Libbey-Owens-Ford Co.
Macom.
Martin Marietta Corp.
McDonnell Douglas Corp.
McGraw Hill.
Mobil Corporation.
Motorola.
New York State Electric & Gas Co.
NYNEX.
Pacific Telesis.
Pepsico.
Pfizer, Inc.
Phillips Petroleum.
Southwestern Bell.
Sperry Corp.
Texas Instruments.
TRW Inc.
Union Carbide Corp.
United Energy Resources Inc.
United Technologies.
USG Corporation.
Whirpool Corporation.
W.R. Grace.
American Assembly of Collegiate Schools of Business.
American Association of Community and Junior Colleges.
American Association of State Colleges and Universities.
American Council on Education.
Association of American Medical Colleges.
Association of American Universities.
Association of Catholic Colleges and Universities.
Association of Jesuit Colleges and Universities.
Association of Urban Universities.
Council of Independent Colleges.
Council of Graduate Schools in the United States.
National Association for Equal Opportunity in Higher Education.
National Association of College and University Business Officers.
National Association of Independent Colleges and Universities.
National Association of Schools and Colleges of the United Methodist Church.
National Association of State Universities and Land-Grant Colleges.
National Association Continuing Education Association.

Mr. MOYNIHAN. Mr. President, this opportunity for firms to help train their employees, is of great value to the American economy as a whole. American private enterprise must continue to advance technologically, if we are to remain competitive in the international economy. Educated employees, from researchers to assembly line workers, enable American business to remain competitive with and surpass the rest of the world.

Section 127 has made it possible not only to retrain workers but also for thousands of American businessmen and scholars to pursue advanced graduate education.

According to the American Electronics Association, there has been a shortage of 20,000 engineers between 1981 and 1985. To counter this troubling trend, almost 50 percent of America's largest electronics firms initiated educational assistance programs to encourage employees to pursue advanced degrees in electronics. Section 127 also has enabled thousands of public school teachers to receive their ad-

vanced degrees, augmenting the quality of instruction in our public schools. A 1984 survey prepared by the National Education Association found that almost 45 percent of all American public school systems provide tuition assistance to teachers seeking graduate credits and degrees.

Mr. President, I know my colleagues will agree with me that any measure to enhance the education of the American people is a step toward a stronger, more secure democracy—one that not only leads, but is led in an enlightened and just manner. Lord Brougham told the House of Commons in 1828, "Education makes a people easy to lead, but difficult to drive; easy to govern, but impossible to enslave." Our national livelihood—our economy—and our most envied form of government—our democracy—depend on an enlightened citizenry.

I urge my colleagues to lend their support to the Employee Educational Assistance Act of 1985 and pass it speedily.

Mr. President, I ask unanimous consent that the text of the legislation and a copy of a letter from the American Society for Training and Development be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employee Educational Assistance Act of 1985".

SEC. 2. AMENDMENTS RELATING TO EDUCATIONAL ASSISTANCE PROGRAMS.

(a) PERMANENT EXCLUSION FROM GROSS INCOME.—Subsection (d) of section 127 of the Internal Revenue Code of 1954 (relating to educational assistance programs) is repealed.

(b) ANNUAL EXCLUSION LIMITED.—Subsection (a) of section 127 of such Code is amended to read as follows:

"(a) EXCLUSION FROM GROSS INCOME.—

"(1) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for educational assistance to the employee if the assistance is furnished pursuant to a program which is described in subsection (b).

"(2) $5,000 MAXIMUM EXCLUSION.—If, but for this paragraph, this section would exclude from gross income more than $5,000 of amounts paid or expenses incurred for educational assistance furnished to an employee during a calendar year, this section shall apply only to the first $5,000 of such amounts paid or expenses incurred."

"(3) INDEXING OF MAXIMUM EXCLUSION.—Beginning in 1987, the dollar amount in paragraph (2) shall be adjusted each calendar year by increasing such amount by the cost-of-living adjustment for such calendar year as determined under section 1(f).

"(4) SPECIAL RULE FOR CERTAIN GRADUATE STUDENTS.—Paragraph (2) shall not apply to educational assistance furnished by an educational organization described in section 170(b)(1)(A)(ii) to any individual who is a graduate student engaged in teaching or research activities for such organization.".

(c) CONFORMING AMENDMENTS.—

(1) Section 117(d) of such Code (relating to qualified tuition reductions) is amended—

(A) by inserting after "graduate level" in paragraph (2), the following: "except for graduate students described in paragraph (3)",

(B) by redesignating paragraph (3) as paragraph (4), and

(C) by inserting after paragraph (2) the following new paragraph:

"(3) CERTAIN GRADUATE STUDENTS.—Graduate students are described in this paragraph if engaged in teaching or research activities for an educational institution described in section 170(b)(1)(A)(ii).".

(2) Section 127(c) of such Code (relating to definitions and special rules) is amended by striking out paragraph (8).

(d) TECHNICAL AMENDMENT TO THE REPORTING AND RECORDKEEPING REQUIREMENTS.—Subsection (d) of section 6039D of such Code (relating to returns and records with respect to certain fringe benefit plans), as added by Public Law 98-611 and Public Law 98-612, is amended to read as follows:

"(d) DEFINITIONS.—For purposes of this section—

"(1) SPECIFIED FRINGE BENEFIT PLAN.—The term 'specified fringe benefit plan' means—

"(A) any qualified group legal services plan (as defined in section 120),

"(B) any cafeteria plan (as defined in section 125), and

"(C) any educational assistance program (as defined in section 127).

"(2) APPLICABLE EXCLUSION.—The term 'applicable exclusion means—

"(A) section 120, in the case of a qualified group legal services plan,

"(B) section 125, in the case of a cafeteria plan, and

"(C) section 127, in the case of an educational assistance program.".

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1985.

(2) SUBSECTION (D).—The amendment made by subsection (d) shall take effect on Janaury 1, 1985.

AMERICAN SOCIETY FOR TRAINING AND DEVELOPMENT, INC.,
Washington, DC, February 21, 1985.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC

DEAR SENATOR MOYNIHAN: Employee Educational Assistance (Internal Revenue Code Section 127) expires this year, and we are extremely pleased that you and Senator Symms are introducing a permanent extension of this vital education provision.

The American Society for Training and Development, representing 50,000 professionals who are responsible for employer-sponsored training, retraining, education and development of the workforce, strongly supports educational aid as an efficient and time-tested means for helping American workers improve their job and career capabilities. Our members represent a broad range of employers who provide work for more than half of the nation's employees. We thus have an ongoing interest in the productive development of the entire work force.

ASTD has gathered data to show that employee participation in educational assistance programs is three times greater when the employer does not have to withhold income tax on the value of the education. In addition, educational aid is offered to a broad cross section of employees and allows low to middle income-level employees achieve upward mobility, acquire new knowledge and skills, and cope with rapidly changing workplace needs. Educational assistance also helps displaced workers who need retraining for new jobs, and demonstrates a positive example of collaboration between educational institutions and the private sector.

We look forward to working with you and the Finance Committee to insure success for the "Employee Educational Assistance Act of 1985".

Sincerely,

CURTIS E. PLOTT,
Executive Vice President.●

By Mr. QUAYLE (for himself, Mrs. HAWKINS, and Mr. CRANSTON):

S.J. Res. 67. Joint resolution to designate the week of October 6, 1985, through, October 12, 1985, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

MENTAL ILLNESS AWARENESS WEEK

● Mr. QUAYLE. Mr. President, I am introducing a joint resolution to authorize the President to issue a proclamation designating the week of October 6-12, 1985, "Mental Illness Awareness Week."

The purpose of this resolution is to focus public attention on concerns surrounding and advances in treating mental illness. Mental illness is a problem of grave concern and consequence in our society, though it is commonly and unnecessarily feared and misunderstood. Currently, 31 to 41 million Americans suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living. Alcohol, drug and mental disorders affect almost 19 percent of American adults in any 6 month period. As many as 12 million children suffer from mental illness, which impairs vital developmental and maturational processes. The elderly are also particularly vulnerable to mental illness. A recent NIMH study concluded that approximately 19 percent of the population will suffer from a mental disorder in their lifetime. All told, mental illness costs our Nation $87 billion annually in health care expenses and lost productivity.

Recently, serious concerns have been raised about the high incidence of suicides, particularly among teenagers. In reality it affects all age groups. It is estimated over 33,000 mental disorder-related deaths occur each year, with at least 29,000 being attributed to suicide.

Regrettably, fear and misunderstanding of mental illness still pervade the Nation. Often the mentally ill are portrayed as being morally weak, and not suffering from a condition accepted as a disease. Those afflicted, because of the dual nature of their pre-

dicament, their illness, and their shame, often do not seek help.

Mental illness is an increasingly curable disability with excellent prospects for amelioration and recovery when properly recognized and treated. Recovery from psychiatric problems is not only impossible, but probable. About two-thirds of all mentally ill patients show significant signs of recovery with their initial treatment. Much of the progress in the treatment can be attributed to research in recent decades. This research has led to a wide array of new and more effective modalities of treatment—pharmacological, behavioral, psychosocial—for some of the most incapacitating forms of mental illnesses—including schizophrenia, major affective disorders, phobias, and panic disorders.

Mental health treatment provides a very effective cost-containment tool because treatment can result in reduced utilization of more costly hospital, medical, and surgical services. A recent study by the National Institute of Mental Health found that utilization of medical and surgical services dropped anywhere from 5 to 85 percent following psychiatric care. A Washington, DC, health maintenance organization found that patients receiving needed mental health counseling reduced their nonpsychiatric physician usage by 31 percent and reduced lab tests and x rays by 30 percent.

This joint resolution is inspired and dedicated to such groups as the American Psychiatric Association [APA] whose members research for the treatment of mental illness and treat those suffering from the disease. Medical specialty societies, like the APA, which itself represents 29,000 psychiatrists nationwide, stand at the center of efforts to bring mental illness under control. The APA and its membership believe that only through the understanding of the causes of mental illness and the knowledge of available treatment and successful cures will the fear and misunderstanding of this disease diminish with people then seeking timely and appropriate care.

Mental illness is an increasingly treatable disease; it is worthy of our attention and concern. I urge support and passage of this important resolution.

I ask unanimous consent that the joint resolution be printed in the CONGRESSIONAL RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 67

Whereas, mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas, thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas, alcohol, drug and mental disorders affect almost 19 percent of American adults in any six month period;

Whereas, mental illness in at least twelve million children interferes with vital development and maturational processes;

Whereas, mental disorder-related deaths are estimated to be 33,000 with combined suicide accounting for at least 29,000, although the real number is thought to be at least three times higher;

Whereas, our growing population of the elderly is particularly vulnerable to mental illness;

Whereas, mental disorders result in staggering costs to society, totaling an estimated $87,000,000,000 in direct treatment and support, and indirect costs to society, including lost productivity;

Whereas, mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas, in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas, research in recent decades has led to a wide array of new and more effective modalities of treatment (pharmacological, behavioral, psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major effective disorders, phobias and panic disorders);

Whereas, appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence;

Whereas, recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems. Now, therefore, be it

Resolved by the Senate and House of Representatiaves of the United States of America in Congress assembled,

That the week beginning on October 6, 1985, is hereby designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

By Mr. GRASSLEY:

S.J. Res. 69. Joint resolution directing that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants; to the Committee on Appropriations.

FULL FUNDING FOR NATIONAL INSTITUTES OF HEALTH

● Mr. GRASSLEY. Mr. President, I rise to introduce today a joint resolution that would reverse the directive from the Office of Management and Budget to reduce current year research support for the National Institutes of Health. Recently, the Office of Management and Budget ordered the National Institutes of Health to inform its grantees that 1,500 fewer research grants will be available in 1985 than orginally provided by the Congress. The OMB directive reduces from an estimated 6,500 to some 5,000 the number of new and competing research grants NIH will be permitted to award this fiscal year. Furthermore, National Institutes of Health have been requested to obligate part of fiscal year 1985's appropriation for multiyear awards.

Clearly, this plan violates the intent of the Congress when both bodies passed appropriations bills for fiscal year 1985 which specifically provided funds to support between 6,200 and 6,850 new and competitive awards. The National Institutes properly responded by announcing availability of approximately 6,500 grants in the current fiscal year.

The decision by OMB to pursue a reduction in NIH research grants thwarts funding priorities clearly established by Congress and sets a foundation for a reduction in funding in future years. As my colleagues are undoubtedly aware, the administration is requesting in its budget proposal for fiscal year 1986 a reduction in the budget for NIH by almost $300 million. Therefore, the administration's policy to reduce awards and defer funds this year is consistent with its desire not to make research commitments in fiscal year 1985 that it would not continue in fiscal year 1986 and beyond.

Reducing the number of new and competing NIH grants this year would seriously disrupt the Nation's research capacity. And such decisions should not be made by administrative fiat.

I feel that Congress has already spoken clearly on its funding decisions for fiscal year 1985 in Public Law 98-619. I also sense that there would be very little support for a reduction in NIH funding such as that proposed by the administration in its fiscal year 1986 budget proposal. That is why I feel that it is necessary to introduce a resolution which reaffirms the Congress' decision that 6,500 NIH awards be made available this year.

This joint resolution, which is identical to a joint resolution offered by Congressman WAXMAN in the House, will assure that Congress' legislative intent is followed and that the laws it writes are properly administered. It also recognizes the vital research mission of the National Institutes of Health in improving the health of the American people. I urge my colleagues to join me in cosponsoring this important joint resolution.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 69

Whereas the National Institutes of Health are among the foremost biomedical research institutions in the world;

Whereas the National Institutes of Health are responsible for supporting basic biomedical and behavioral research critical to improving the health of the American people;

Whereas the National Institutes of Health promote expansion in scientific knowledge vital to understanding the causes and treatment of disease through the award of grants for individual investigator-initiated research;

Whereas the Congress appropriated funds to award approximately 6,500 such grants in fiscal year 1985 in Public Law 98-619, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985;

Whereas the National Institutes of Health, under the direction of the Office of Management and Budget, recently notified researchers that the number of new and competing research grants available for award in fiscal year 1985 will be 5,000, which is 1,500 below that intended by the Congress;

Whereas the Office of Management and Budget's order to reduce NIH grant support was in direct contravention of congressional intent as reflected in the House and Senate Committee Reports accompanying the bills leading to Public Law 98-619;

Whereas the Office of Management and Budget's arbitrary reduction in biomedical research support grants will have a seriously disruptive impact on the nation's research capacity and may result in the closing of numerous research laboratories previously notified by the National Institutes of Health that they were likely candidates for funding;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That from appropriations under the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985, funds shall be made available to enable the National Institutes of Health to award 6,500 new and competing research grants in fiscal year 1985.●

By Mr. HELMS (for himself, Mr. ZORINSKY, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. COHEN, Mr. D'AMATO, Mr. DIXON, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. EAST, Mr. FORD, Mr. EXON, Mr. HATCH, Mr. HATFIELD, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. KASTEN, Mr. KERRY, Mr. LEVIN, Mr. LUGAR, Mr. MATSUNAGA, Mr. MCCLURE, Mr. MCCONNELL, Mr. NICKLES, Mr. NUNN, Mr. PRESSLER, Mr. PRYOR, Mr. SARBANES, Mr. STENNIS, Mr. SYMMS, Mr. WARNER, and Mr. WILSON):

S.J. Res. 70. Joint resolution to proclaim March 20, 1985, as "National Agriculture Day"; to the Committee on the Judiciary.

NATIONAL AGRICULTURE DAY

Mr. HELMS. Mr. President, today I am introducing, along with Senator ZORINSKY and 39 others, a joint resolution designating March 20, 1984, as "National Agriculture Day."

This has become an annual event to honor the tremendous contribution of farmers to our Nation's strength and well-being. Farmers—along with processors, packagers, distributors, and other agribusinesses—comprise 20 percent of America's labor force. Agriculture is the world's largest commercial industry. But, the contribution of our Nation's farmers is far more than economic, because they also provide the American consumer with the most stable and economic supply of food and fiber enjoyed by any other people of the world.

It is especially fitting that we honor the people of our agriculture industry this year, because this is truly a watershed year for agriculture.

Many American farmers are suffering severe hardship—hardship caused by our failed farm policies. This hardship is in part, the result of massive Federal subsidies to agriculture. In the past 4 years, net farm income declined 27 percent compared to the previous 4 years while direct Federal payments to farmers increased over 300 percent.

This farm distress is the result of inflexible Government price supports above market-based levels. This policy has stimulated massive worldwide overproduction and competition that our farmers would not otherwise have had. So, ironically, our Government programs have benefited foreign farmers while causing economic decline of our own farmers. The worldwide overproduction has dried up many of our export markets and caused commodity prices to decline.

The current hardship will continue and probably get worse as long as we continue the present farm policies. I can say with assurance that no one wants the current situation to continue. There is no alternative but to return our price support structure to market orientation if we are to improve the conditions for the family farmer.

The U.S. family farmer represents the best of what this great country has to offer. The family farm is the social basis of a way of life that built this country—rugged individualism and opportunity. Yes, the family farmer is not only the backbone of the country, but also the backbone of thousands of local communities and school districts. The determination, ingenuity, and creativity so important in the formation and prosperity of this country are especially prevalent in the family farmer.

Mr. President, if we do not take advantage of the opportunity afforded us by the expiring farm legislation to set agriculture back on the path of growth and opportunity, we will most certainly see the continued erosion and hardship of this vital industry. So, as we honor our Nation's farmers for their contribution to society, let us also determine to make the changes in farm policy necessary to ensure their long-term growth, opportunity, and prosperity.

ADDITIONAL COSPONSORS

S. 49

At the request of Mr. MCCLURE, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Nevada [Mr. LAXALT], the Senator from Alabama [Mr. HEFLIN], the Senator from Nevada [Mr. HECHT], the Senator from Texas [Mr. GRAMM], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 49, a bill to protect firearm owners' constitutional rights, civil liberties, and rights to privacy.

S. 104

At the request of Mr. THURMOND, the names of the Senator from Missouri [Mr. DANFORTH], the Senator from Connecticut [Mr. DODD], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor-piercing bullets.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax/exempt interest from the calculation determining the taxation of Social Security benefits.

S. 281

At the request of Mr. PRYOR, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 402

At the request of Mr. PRESSLER, the names of the Senator from Hawaii [Mr. MATSUNAGA] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 402, a bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons.

S. 440

At the request of Mr. TRIBLE, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 440, a bill to amend title 18, United States Code, to create an offense for the use, for fraudulent or other illegal purposes, of any computer owned or operated by certain financial institutions and entities affecting interstate commerce.

S. 467

At the request of Mr. ROTH, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 467, a bill to amend title 10,

United States Code, to authorize the President to award prisoner of war medals in appropriate cases.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Ohio [Mr. METZENBAUM], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Texas [Mr. BENTSEN], the Senator from Rhode Island [Mr. PELL], the Senator from Oregon [Mr. HATFIELD], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 13

At the request of Mr. THURMOND, the names of the Senator from Texas [Mr. BENTSEN], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 13, a joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget and tax limitation.

SENATE JOINT RESOLUTION 60

At the request of Mr. NUNN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 60, a bill to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. CRANSTON, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Concurrent Resolution 20, a concurrent resolution expressing the sense of the Congress that payments by the Veterans' Administration to veterans as compensation for service-connected disabilities should remain exempt from Federal income taxation.

SENATE RESOLUTION 82—RELATING TO THE DEDUCTION FOR STATE AND LOCAL TAXES

Mr. D'AMATO (for himself, Mr. MOYNIHAN, Mr. WILSON, Mr. CRANSTON, and Mrs. HAWKINS) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 82

Whereas, the Federal deduction for State and local property, income, and sales taxes is essential to the economic well-being of moderate income Americans;

Whereas, the deduction for State and local taxes has been part of the tax code since 1913 when the first Federal income tax was enacted;

Whereas, the purpose of the deduction for State and local taxes is to protect individuals from double taxation of their incomes;

Whereas, the financial health of many State and local governments would be compromised if State and local taxes were no longer deductible from Federal tax returns;

Whereas, many families would not be able to afford a home without the Federal deduction for local property taxes;

Whereas, many businesses would flee urban metropolitan areas that must raise substantial revenues to support needed government services, contracting the tax base of these State and local governments;

Whereas, as the tax base of State and local governments declines, essential welfare, education, health and infrastructure programs will be cut;

Whereas, repeal of the deduction for State and local taxes would tend to depress property values, penalizing families that purchased homes years ago based on then current tax law;

Therefore, be it resolved, that it is the sense of the Senate:

That the Federal deduction for State and local taxes is essential to the well-being of moderate income Americans, State and local governments, and the housing industry;

That changes in the tax laws should not penalize individuals who made intelligent economic decisions, such as the purchase of a home, relying on existing tax law;

That Americans should not incur double taxation; and

That the Federal deduction for State and local taxes should not be repealed.

● Mr. D'AMATO. Mr. President, I rise today to submit a sense of the Senate resolution that states unequivocally that the deduction for State and local taxes should not be repealed. I am pleased to be joined in this endeavor by my senior colleague from New York, Senator MOYNIHAN, the Senators from California, [Mr. CRANSTON and Mr. WILSON] and the junior Senator from Florida [Mrs. HAWKINS]. This fight begins today. It is my intention to raise this resolution on the Senate floor in the near future.

It is no secret that the Treasury Department has proposed a major overhaul of the Tax Code, which would include repeal of the deduction for State and local taxes. Under current law, taxpayers who itemize are allowed to deduct all State and local sales taxes, real and personal property taxes, and income taxes. These taxes are used to fund some vital Government services including our childrens' education.

I fear, however, that the threat goes beyond the Treasury tax reform proposal. Clearly the bureaucrats at Treasury believe the deduction for State and local taxes should be terminated. It would not surprise me to see Treasury endorse repeal of the deduction for State and local taxes in an effort to raise money to reduce the deficit even without passage of a reform package.

Such a move would devastate New York. Based on IRS data from 1980 tax returns, the Internal Revenue Service [IRS] has estimated the importance of the State and local tax deduction to New Yorkers. According to IRS, over 2.644 million New York residents deducted State and local taxes from their Federal tax returns. Of these people, over 1.26 million had income of between $22,000 and $40,000. So I am not talking about wealthy individuals, but a tremendous number of middle-income families who rely on the deduction for State and local taxes.

New York residents, on average, deduct the largest amount of State and local taxes—$4,091.47 per capita—of any State in the Union. For the family in New York with between $22,000 and $30,000 of income, the average deduction for State and local taxes, is $3,031.99.

Middle-income families rely heavily on the Federal deduction for State and local taxes. Without it, on average, families with between $22,000 and $30,000 of income would pay higher Federal taxes of $617.99, according to the Congressional Research Service. This is a tremendous amount of money for a family trying to make ends meet.

Without the deduction for State and local taxes, middle-class families will be trapped. They will be forced to either leave the region or to pay more taxes. The end result will be destruction of the New York economy and real estate market. Repeal of this vital deduction will force a mass exodus from New York State.

Treasury's proposal to repeal the deduction for State and local taxes would force individuals to incur double taxation. People would pay taxes to State and local governments, and would then have to pay taxes to the Federal Government on income already spent on State and local taxes. In short, taxes will be paid on taxes and not on disposable income. This is wrong and is an unfair burden to place on the American taxpayer.

When the Federal income tax was first enacted in 1913, Congress included the deduction for State and local taxes in calculating income for Federal tax purposes. The expressed purpose was to avoid the burdensome effects of double taxation. Congress believed, correctly, that individuals should not pay taxes on nondisposable income.

The Treasury reform proposal would reverse this and would impose double taxation on individuals. On the other hand, Treasury would allow corporations to continue to offset taxes paid overseas with the foreign tax credit. On top of this, Treasury would further reduce double taxation for corporations by allowing a deduction for half the dividends paid to stockholders.

The Treasury proposal to allow a deduction for dividends paid by corporation would cost $19 billion in fiscal year 1988, according to the Treasury Department. The foreign tax credit costs additional billions. If the dividend deduction proposal were eliminated and the foreign tax credit reduced, the State and local tax deduction could be preserved for individuals.

Equity demands that these changes in the Treasury reform plan be made.

However, while the Treasury Department believes that corporations should not incur double taxation, Treasury thinks that individuals should not be treated as well as corporations. Thus, the infamous Treasury bureaucrats have proclaimed that individuals deserve double taxation and corporations do not.

What is the Treasury Department's official explanation for repealing the reduction for State and local taxes? In volume 1, page 79, of the Treasury tax reform plan, states that the deduction for State and local taxes is an inefficient subsidy and that State and local services "would be better funded * * * in after tax dollars," in other words, direct appropriations. On page 80 of the same volume it is further elaborated that "to the extent that such subsidies are warranted, they could be provided in a much more efficient and cost-effective way through direct Federal outlays."

In a nutshell, Treasury thinks that State and local activities are often worth supporting, but should be assisted through direct appropriations. In all candor, this is a laughable contention by Treasury in light of the fiscal year 1986 budget prepared by OMB.

On the one hand, Treasury proposes a virtual elimination of the tax support of State and local taxpayers, favoring direct Federal appropriations instead. Then on the other hand, OMB proposes to eliminate many of the Federal programs designed to assist State and local services. This is a cruel joke with overtones of catch-22 and George Orwell.

Treasury and OMB should not be allowed to talk out of both sides of their collective mouth. Treasury had a hand in creating the fiscal year 1986 budget and so realized that repeal of the deduction for State and local taxes was not going to be supplemented with added direct appropriations. In fact, I am certain the Treasury bureaucrats knew that many of the programs designed to help State and local services would be cut or eliminated.

The charade is over. The resolution I am submitting today will send a message that the deduction for State and local taxes must be preserved. The middle class will be decimated without this deduction. The middle class needs more than just empty promises from Treasury of direct Federal relief. Furthermore, the Treasury proposal to allow companies to virtually escape double taxation while forcing individuals to incur double taxation is criminal.

Mr. President, I intend to fight any plan to repeal the deduction for State and local taxes. The resolution submitted today is only the first salvo.●

● Mr. MOYNIHAN. Mr. President, I am pleased today to join my colleague from New York [Mr. D'AMATO] in sponsoring a resolution to affirm the importance of the Federal tax deduction for State and local taxes.

On November 27, 1984, the Treasury Department made public its tax reform proposal, which included a provision that would eliminate the Federal deduction for income, property, and sales taxes paid by individuals to State and local governments. One week earlier, I had warned of the devastating impact of the repeal of the deduction on New York State in an article in the New York Times. I have continued to voice my strong opposition to this part of the Treasury plan.

The deduction for State and local taxes was worth an average of $1,133 in 1984 to every New Yorker who itemized his or her Federal tax return. If the deduction were eliminated, the tax burden of these New Yorkers would increase by that amount.

The repeal of the deduction for State and local taxes would have disastrous effects for the entire Nation. The Federal deduction for State and local taxes—which has been part of the Tax Code since its origination—is a key component of our system of federalism. The deduction permits State and local governments to levy taxes for State and local services, such as health and education, without imposing a double tax.

Mr. President, the Federal deduction for State and local taxes is important for New York and important for the Nation. I urge my colleagues to support this resolution in favor of this important provision of the Tax Code.●

SENATE RESOLUTION 83—RELATIVE TO THE DEATH OF HENRY CABOT LODGE, JR.

Mr. KENNEDY (for himself, Mr. KERRY, Mr. DOLE, Mr. BYRD, Mr. LUGAR, Mr. PELL, and Mr. THURMOND) submitted the following resolution; which was considered and agreed to:

S. RES. 83

Whereas Henry Cabot Lodge, Jr. of Massachusetts died yesterday at the age of 82;

Whereas Henry Cabot Lodge, Jr., served Massachusetts and the Nation with extraordinary ability and dedication for half a century;

Whereas Henry Cabot Lodge, Jr., earned special distinction as a member of the Armed Forces, State Representative, United States Senator, Candidate for Vice President and Ambassador.

Resolved, That the Senate of the United States of America joins with the citizens of Massachusetts and the Nation in honoring and remembering Henry Cabot Lodge, Jr., Soldier, Senator, and Statesman, for his outstanding contributions to the country and its people.

SENATE RESOLUTION 84—AUTHORIZING EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

Mr. HEINZ submitted the following resolution; which was referred to the Committee on Rules and Administration.

S. RES. 84

Resolved, That, in carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1985 through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the special Committee under this resolution shall not exceed $1,189,865 of which amount (1) not to exceed $35,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SENATE RESOLUTION 85—OMNIBUS COMMITTEE FUNDING RESOLUTION

Mr. DOLE (for Mr. MATHIAS) submitted the following resolution; which was considered, amended, and agreed to:

S. RES. 85

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1985".

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $8,102,000 (exclusive of agency contributions), in accordance with the provisions of this resolution, for all standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than April 30, 1985.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the committee who are paid at an annual rate, or (2) for the payment of long-distance telephone calls.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administrator, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $231,800, of which amount (1) not to exceed $700 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $700 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $719,600, of which amount (1) not to exceed $15,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,300 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $373,300, of which amount (1) not to exceed $2,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $301,000, of which amount (1) not to exceed $200 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $533,000, of which amount not to exceed $7,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $608,000, of which amount (1) not to exceed $3,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,800 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $420,800, of which amount (1) not to exceed $5,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,100 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $425,000, of which amount (1) not to exceed $1,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act

of 1946, as amended), and (2) not to exceed $300 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $396,500, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $455,400, of which amount (1) not to exceed $3,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $100 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $827,400, of which amount (1) not to exceed $31,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,800 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in, in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1985, through April 30, 1985, is authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investi-

gations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 76 of the Ninety-eighth Congress, first session, are authorized to continue.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $778,500, of which amount (1) not to exceed $6,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $808,700, of which amount not to exceed $13,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $223,400, of which amount (1) not to exceed $2,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $400 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $167,000.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $155,900.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $193,300, of which amount (1) not to exceed $5,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $344,000, of which amount not to exceed $3,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out the duties and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, the Select Committee on Indian Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $139,400, of which amount not to exceed $300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

AGENCY CONTRIBUTION AUTHORIZED

SEC. 22. There are authorized such sums as may be necessary for agency contributions related to the compensation of members of the staff of all standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs from March 1, 1985, through April 30, 1985, to be paid from the appropriations account for "expenses of inquiries and investigations".

ALLOWANCE FOR STAFF TO ASSIST SENATORS IN CONNECTION WITH COMMITTEE WORK

SEC. 23. The provisions of subsection (b) of section 111 of the Legislative Appropriation Act, 1978 (P.L. 95-94; 2 U.S.C. 61-1 note) shall not be effective during the 99th Congress.

SENATE RESOLUTION 86—RELATING TO THE BIPARTISAN GROUP OF SENATORS ATTENDING THE ARMS REDUCTION OR CONTROL NEGOTIATIONS

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 86

Resolved, that the bipartisan group of Senators designated pursuant to clause (5) of the first section of S. Res. 19, 99th Congress (agreed to January 3, 1985), to act as official observers on the United States delegation to formal arms reduction or control negotiations to which the United States is a party (which group shall hereinafter be referred to as the "Senate Observer Group") shall be headed by four Senators serving as Co-Chairmen: two from the Majority party, Ted Stevens of Alaska, and Richard Lugar of Indiana; and two from the Minority party, Sam Nunn of Georgia, and Claiborne Pell of Rhode Island.

SEC. 2(a). The Senate Observer Group is authorized, from funds made available under section 3, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105(e) of the Legislative Branch Appropriation Act, 1968 (2 U.S.C. 61 1(e)), and incur such expenses as may be necessary or appropriate to carry out its duties and functions.

(b). Each Co-Chairman of the Senate Observer Group is authorized to designate a professional staff member. The designated Group staff shall also include, a secretary selected by, and responsible to, the Majority, and a secretary selected by, and responsible to, the Minority. The funds necessary to compensate any such staff member who is an employee of a Senator or of a Senate Committee, who has been designated to perform service for the Senate Observer Group, such staff member shall continue to be paid by such Senator or such Committee, as the case may be, but the account from which such staff member is paid shall be reimbursed for his services (including agency contributions when appropriate) out of funds made available under section 3(a) of this resolution. The four professional staff members, authorized by this subsection, shall serve all of the members of the Senate Observer Group, and carry out such other functions as their respective Co-Chairmen may specify.

(c). The Majority and Minority Leaders may each designate one staff member to serve the Observer Group. Funds necessary to compensate leadership staff shall be transferred from the funds made available under section 3(b) of this Resolution to the respective account from which such designated staff member is paid.

SEC. 3. (a). The expenses of the Senate Observer Group shall be paid from the contingent fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by Senator Ted Stevens of Alaska, Chairman for Administrative purposes (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate). For any fiscal year, not more than $500,000 shall be expended for staff (including consultants) and for expenses (excepting expenses incurred for foreign travel).

(b). In addition to the amount referred to in Sec. 3(a), for any fiscal year, not more than $150,000 shall be expended from the contingent fund of the Senate, out of the account for Miscellaneous Items, for Leadership staff as designated in Section 2(c) for salaries and expenses (excepting expenses incurred for foreign travel).

(c).(1). Of the amount authorized in Section 3(a), an amount not to exceed $50,000 may be spent by the Senate Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, to make studies or advise the Senate Observer Group.

(2). Such services in the cases of individuals or organizations may be procured by contract as independent contractors, or in the case of individuals by employment at daily rates of compensation not in excess of the rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3). Any such consultant shall be selected by Senator Stevens and Senator Nunn, acting jointly. The Senate Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Senate Observer Group and shall be made available for public inspection upon request.

AMENDMENTS SUBMITTED

OMNIBUS COMMITTEE FUNDING RESOLUTION

DOLE (FOR MATHIAS) AMENDMENT NO. 15

Mr. DOLE (for Mr. MATHIAS) proposed an amendment to the resolution (S. Res. 85) authorizing expenditures by committees of the Senate; as follows:

ALLOWANCE FOR STAFF TO ASSIST SENATORS IN CONNECTION WITH COMMITTEE WORK

SEC. . The provisions of subsection (b) of section 111 of the Legislative Appropriation Act, 1978 (Public Law 95-94; 2 U.S.C. 61-1 note) shall not be effective during the 99th Congress.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. THURMOND. I ask unanimous consent that the Subcommittee on Manpower and personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, February 28, 1985, to hold a hearing on manpower and personnel issues in review of the fiscal year 1986 Department of Defense military authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, February 28, 1985, to conduct a business meeting on the reauthorization of Superfund.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, February 28, 1985, to hold a hearing on the Conrail sale proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. THURMOND. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, February 28, 1985, to hold a hearing on Binary Chemical Modernization Program, in review of the fiscal year 1986 DOD authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SOVIET JEWRY CALL TO CONSCIENCE

● Mr. COHEN. Mr. President, I am pleased to join today our many colleagues who have come together in support of the 1985 Congressional Call to Conscience for Soviet Jewry. I should also like to take the opportunity to commend the distinguished Senator from Minnesota, RUDY BOSCHWITZ, who has so ably coordinated the effort this year.

Last March, I reported to this body on two of the poignant human stories which help personalize the grim Soviet emigration statistics. During a trip to the Soviet Union, I met Prof. Naum Maimon and his wife Inna in their modest Moscow apartment. They have been refused permission to emigrate since they first applied in 1975. Professor Maimon, a mathematician, was subsequently dismissed from his post at the Institute for Theoretical and Experimental Physics and, though in his seventies, suffered continued harassment and periods of house arrest. Throughout his ordeal, his resolve has never wavered nor trust in his ultimate success abandoned him.

Ida Nudel, a woman of extraordinary character and compassion, has been denied permission to emigrate since 1971 when she applied to join her

sister, Elena Friedman, who lives in Israel and with whom I have corresponded. Since that time she has endured a 4-year exile to Siberia, deteriorating physical condition without recourse to adequate medical treatment, and further harassment including threats of State prosecution from local officials in Soviet Moldavia for the "crime" of entertaining visitors to her quarters during Jewish holiday periods. Her day-in day-out courage and indomitable spirit is an example for all of us.

Theirs is a triumph of the human will. I only wish that I could tell you today that their situation had improved, but it has not. If anything, matters are even worse today.

Emigration, which has been dropping precipitously since 1979, when 51,000 left, finally dipped below a thousand in 1984, though not from any lack of applicants. In addition, an ominous new trend has surfaced during the last year, with an apparently well coordinated campaign, including public attacks reminiscent of the 1930's Nazi newspaper, Der Stuermer, and criminal prosecutions directed against religion and Hebrew language teachers. These have been well documented by concerned organizations such as the Union of Councils for Soviet Jews and the National Conference on Soviet Jewry.

Yet, though the present situation has bred anguish, it need not breed despair. If signs and portents of change are still lacking, some small beginnings have been made which may ultimately help alleviate the oppressive regimen under which the countless Ida Nudels and Maimon families must function.

The administration and the Soviet Government have embarked, however cautiously and deliberately, upon a new arms control negotiating process in Geneva. Rumors of impending high level leadership changes in the Soviet Union are also not lacking and there is a sense that we are entering a period in which new decisions will be taken and new directions forged. There are few quiet gestures which would have as great an impact on American public opinion with so little real cost to the Soviet Government as a loosening of emigration restrictions in general and relief for the "refuseniks" in particular.

Ecclesiastes tells us that there is a time to speak and a time to refrain from speaking. Now is the time for us to speak, quietly but with resolve and commitment, so that we may be heard.●

RADIO MARTI

● Mr. CHILES. Mr. President, among the accomplishments of the 98th Congress, I include passage of S. 602, the Radio Broadcasting to Cuba Act. This legislation established Radio Marti, the radio station whose purpose is to broadcast news and information to the people of Cuba.

Passage of this legislation did not come easy. But after months of committee deliberation and full Senate debate, both the proponents and opponents of Radio Marti worked out a satisfactory compromise. This compromise quelled the fear that Radio Marti would be used as a biased propaganda tool by incorporating it as part of the Voice of America and making it adhere to VOC standards. This compromise, more importantly, continued to honor the legislation's original intent of providing news and information to the people of Cuba.

At long last the compromise forged agreement in the Congress and the legislation met with final approval. Radio Marti was well on its way to becoming a reality. So we thought. The people of Cuba were one step closer to hearing the truth. So we thought. Our belief in the freedom of information and the common exchange of ideas was upheld. So we thought.

So where is Radio Marti?

Anyone who has followed the development of Radio Marti knows that the official response on when it is going to start airing is "manana." And "manana" nevers comes. It has been over 16 months since the Congress approved Radio Marti. Will it be another 16 months before we begin to hear its broadcasts? I certainly hope not, but judging from the track record this wouldn't surprise me.

Originally there was indication that the broadcasts would begin in the spring of 1984. May 20, Cuban Independence Day was an appropriate starting date, but the voice of Radio Marti remained silent. Then we heard indications that Radio Marti would be airing by Jaunary 28. Again a very appropriate date, for it marked the 132d anniversary of the birth of Jose Marti, the patriot for which this radio station is named. But on January 28, the voice of Radio Marti remained silent. Most recently we hear from the Director of the U.S. Information Agency that late spring-early summer could see the beginning of the broadcasts. I have my doubts. "Manana" is too late for Radio Marti.

I believe that the Cuban people have a right to hear the truth and that there is no better way of conveying the truth to them then through the broadcasts of Radio Marti. The time is now for Radio Marti.●

A TRIBUTE TO VOLUNTEERS OF AMERICA

● Mr. GRASSLEY. Mr. President, March 8, 1985 marks the anniverary of the founding of the Volunteers of America, one of this Nation's largest Christian human services organizations, which has been helping others since 1896.

In that year, Ballington and Maude Booth established a Bower Mission in New York's lower East Side that was dedicated to serve the needy. Newly arrived in this country themselves, the Booth's liked the new republic that lacked the rigid class distinctions of 19th century England and quickly became naturalized citizens. But as so many people fled their homelands to seek sanctuary in this new land, cities soon became crowded, and living and working conditions became deplorable.

Vowing to improve the lot of both the newcomers and their established neighbors, the Booth's faced an exuberant crowd in New York's Cooper Union and announced the birth of Volunteers of America on March 8, 1896.

Volunteers of America soon spread and prospered with the help of many volunteer supporters dedicated to the service of their country. In less than 9 months from the date of the first meeting, posts were operating throughout the United States.

By the turn of the century, Volunteers of America was well established as a human service agency that effectively combined religion and social work. As their anniversary approaches, they are providing social services tailored to the unique needs of over 100 American communities serving as effective and useful auxiliaries to established churches.

This year, volunteers of America has scheduled that week of March 3 through 10 to observe the founding of this great American service organization. During that week and throughout our lives, we should all consider and applaud the Volunteers of America's hope and actions that awaken in all Americans a renewed enthusiasm and confidence in the philanthropic consciousness of this Nation that is so much a part of the American spirit.●

RULES OF THE JOINT ECONOMIC COMMITTEE

● Mr. ABDNOR. Mr. President, as vice chairman of the Joint Economic Committee, I submit herewith for printing in the CONGRESSIONAL RECORD the rules of the Joint Economic Committee in accordance with clause 26.2 of Senate rule XXVI, as reaffirmed, February 4, 1985.

RULES OF THE JOINT ECONOMIC COMMITTEE*

RULE 1. The rules of the Senate and House, insofar as they are applicable, shall govern the committee and its subcommittees. The rules of the committee, insofar as they are applicable, shall be the rules of any subcommittee of the committee.

RULE 2. The meetings of the committee shall be held at such times and in such places as the chairman may designate, or at such times as a quorum of the committee

*As amended; originally approved Dec. 6, 1985.

may request in writing, with adequate advance notice provided to all members of the committee. Subcommittee meetings shall not be held when the full committee is meeting. Where these rules require a vote of the members of the committee, polling of members either in writing or by telephone shall not be permitted to substitute for a vote taken at a committee meeting, unless the ranking minority members assents to waiver of this requirement.

RULE 3. Ten members of the committee shall constitute a quorum. A majority of the members of a subcommittee shall constitute a quorum of such subcommittee.

RULE 4. Written or telegraphic proxies of committee members will be received and recorded on any vote taken by the committee, except at the organization meeting at the beginning of each Congress, or for the purpose of creating a quorum.

RULE 5. The chairman may name standing or special subcommittees. Any member of the committee shall have the privilege of sitting with any subcommittee during its hearings or deliberations, and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

RULE 6. The chairmanship and vice chairmanship of the committee shall alternate between the House and the Senate by Congresses. The senior member of the minority party in the House of Congress opposite to that of the chairman shall be the ranking minority member of the committee. In the event the House and Senate are under different party control, the chairman and vice chairman shall represent the majority party in their respective Houses.

RULE 7. Questions as to the order of business and the procedure of the committee shall in the first instance be decided by the chairman, subject always to an appeal to the committee.

RULE 8. All hearings conducted by the committee or its subcommittees shall be open to the public except where the committee or subcommittee, as the case may be, by a majority vote orders an executive session. Whenever possible, all public hearings shall include some sessions held on the Senate side and some on the House side. House and Senate Members shall alternate in order of seating and interrogation.

RULE 9. So far as practicable all witnesses appearing before the committee shall file advance written statements of their proposed testimony, and their oral testimony shall be limited to brief summaries. Brief insertions of additional germane material will be received for the record, subject to the approval of the chairman.

RULE 10. An accurate stenographic record shall be kept of all testimony and each witness provided with a copy thereof. Witnesses may make changes in testimony for the purpose of correcting grammatical errors, obvious errors of fact, and errors of transcription. Brief supplemental materials when required to clarify the transcript may be inserted in the record subject to the approval of the chairman. Witnesses shall be allowed 3 days within which to correct and return the transcript of their testimony. If not so returned, the clerk may close the record whenever necessary.

RULE 11. Each member of the committee shall be provided with a copy of the hearings transcript for the purpose of correcting errors of transcription and grammar, and clarifying questions or remarks. If another person is authorized by a committee member to make his corrections, the clerk shall be so notified.

Members who have received unanimous consent to submit written questions to witnesses shall be allowed 2 days within which to submit these to the executive director for transmission to the witnesses. The record may be held open for a period not to exceed 1 week awaiting responses by witnesses.

RULE 12. Testimony received in executive hearings shall not be released or included in any report without the approval of a majority of the committee.

RULE 13. The chairman shall provide adequate time for questioning of witnesses by all members, and the rule of germaneness shall be enforced in all hearings.

RULE 14. None of the hearings of the committee shall be telecast or broadcast, whether directly or through such devices as wire recordings, wire tapes, motion pictures, or other mechanical means, if in conflict with a rule or practice of the House on the side of the Capitol where hearings are being held. If no general rule or practice prevails in regard to such telecasts or broadcasts, none of the hearings of the committee shall be telecast or broadcast unless approved by a majority of the members of the committee.

Telecasts or broadcasts of any such portion of hearings of the committee as may include testimony of a witness, shall not be authorized if such witness objects to such telecast or broadcast: *Provided,* That such witness shall be afforded the opportunity to make such objection, if any, to the committee at a time when the proceedings are not being telecast or broadcast.

RULE 15. No committee report shall be made public or transmitted to the Congress without the approval of a majority of the committee except that when the Congress has adjourned, subcommittees may by majority vote and with the express permission of the full committee submit reports to the full committee and simultaneously release same to the public: *Provided,* That any member of the committee may make a report supplementary to or dissenting from the majority report. Such supplementary or dissenting reports should be as brief as possible. Factual reports by the committee staff may be printed for the distribution to committee members and the public only upon authorization of the chairman of the full committee either with the approval of a majority of the committee or with the consent of the ranking minority member.

RULE 16. No summary of a committee report, prediction of the contents of a report, or statement of conclusions concerning any investigation shall be made by a member of the committee or of the committee staff prior to the issuance of a report of the committee.

RULE 17. There shall be kept a complete record of all committee proceedings and action. The clerk of the committee, or a designated member of the committee staff, shall act as recording secretary of all proceedings before the committee and shall prepare and circulate to all members of the committee the minutes of such proceedings. Minutes circulated will be considered approved unless objection is registered prior to the next committee meeting. The records of the committee shall be open to all members of the committee.

RULE 18. The committee shall have a professional and clerical staff under the supervision of an executive director. The committee shall appoint and remove the executive director with the approval of not less than ten members of the committee. Staff operating procedures shall be determined by the executive director, with the approval of the chairman of the committee, and after notification to the ranking minority member with respect to basic revisions. The executive director, under the general supervision of the chairman, is authorized to deal directly with agencies of the Government and with non-Government groups and individuals on behalf of the committee.

The professional members of the committee staff shall be appointed and removed on the recommendation of the executive director with approval by majority vote of the committee. The professional staff members, including the executive director, shall be persons selected without regard to political affiliations who, as a result of training, experience, and attainments, are exceptionally qualified to analyze and interpret economic developments and programs. The clerical and temporary staff shall be appointed and removed by the executive director with the approval of the chairman, and after notification to the ranking minority member. The committee staff shall serve all members of the committee in an objective, nonpartisan manner. From time to time, upon request, the executive director shall designate individual members of the staff to assist subcommittees, individual committee members, and the minority members. The staff, to the extent possible, shall be organized along functional lines to permit specialization.

RULE 19. Attendance at executive sessions shall be limited to members of the committee and of the committee staff. Other persons whose presence is requested or consented to by the committee may be admitted to such sessions.

RULE 20. Selection of witnesses for committee hearings shall be made by the committee staff under the direction of the chairman. A list of proposed witnesses shall be submitted to the members of the committee for review sufficiently in advance of the hearings to permit suggestions by the committee members to receive appropriate consideration.

RULE 21. The chairman of the committee shall have the overall responsibility for preparing and carrying out the committee's program, including staff studies, subject to prior approval of each item on the program by a majority of the committee or, alternatively, by the ranking minority member. Prior to and during the transition from one Congress to another, the outgoing committee shall prepare and have ready a plan for the consideration of the President's Economic Report and the preparation of the committee's report thereon in order to meet the March 1 deadline established by Public Law 304 (79th Cong.), as amended. (See historical note, p. 13.)

RULE 22. Proposals for amending committee rules shall be sent to all members at least 1 week before final action is taken thereon, unless the amendment is made by unanimous consent. Approval by at least 11 members of the committee shall be required to amend these rules.

RULE 23. The information contained in any books, papers, or documents furnished to the committee by an individual, partnership corporation, or other legal entity shall, upon the request of the individual, partnership, corporation, or entity furnishing the same, be maintained in strict confidence by the members and staff of the committee, except that any such information may be released outside of executive session of the committee if the release thereof is effected

in a manner which will not reveal the identity of such individual, partnership, corporation, or entity: *Provided*, That the committee by majority vote may authorize the disclosure of the identity of any such individual, partnership, corporation, or entity in connection with any pending hearing or as a part of a duly authorized report of the committee if such release is deemed essential to the performance of the functions of the committee and is in the public interest.●

RULES OF PROCEDURE OF THE SELECT COMMITTEE ON INTELLIGENCE

● Mr. DURENBERGER. Mr. President, I submit for the RECORD the Rules of Procedure for the Select Committee on Intelligence:

RULES OF PROCEDURE

RULE 1. CONVENING OF MEETINGS

1.1 The regular meeting day of the Select Committee on Intelligence for the transaction of committee business shall be every other Wednesday of each month, unless otherwise directed by the chairman.

1.2 The chairman shall have authority, upon proper notice, to call such additional meetings of the committee as he may deem necessary and may delegate such authority to any other member of the committee.

1.3 A special meeting of the committee may be called at any time upon the written request of five or more members of the committee filed with the clerk of the committee.

1.4 In the case of any meeting of the committee, other than a regularly scheduled meeting, the clerk of the committee shall notify every member of the committee of the time and place of the meeting and shall give reasonable notice which, except in extraordinary circumstances, shall be at least 24 hours in advance of any meeting held in Washington, D.C., and at least 48 hours in the case of any meeting held outside Washington, D.C.

1.5 If five members of the committee have made a request in writing to the chairman to call a meeting of the committee, and the chairman fails to call such a meeting within seven calendar days thereafter, including the day on which the written notice is submitted, these members may call a meeting by filing a written notice with the clerk of the committee who shall promptly notify each member of the committee in writing of the date and time of the meeting.

RULE 2. MEETING PROCEDURES

2.1 Meetings of the committee shall be open to the public except as provided in Senate Resolution 9, 94th Congress, 1st session.

2.2 It shall be the duty of the staff director to keep or cause to be kept a record of all committee proceedings.

2.3 The chairman of the committee, or if the chairman is not present the vice chairman, shall preside over all meetings of the committee. In the absence of the chairman and the vice chairman at any meeting the ranking majority member, or if no majority member is present the ranking minority member present shall preside.

2.4 Except as otherwise provided in these rules, decisions of the committee shall be by majority vote of the members present and voting. A quorum for the transaction of committee business, including the conduct of executive sessions, shall consist of five committee members, except that for the purpose of hearing witnesses, taking sworn testimony, and receiving evidence under oath, a quorum may consist of one Senator.

2.5 A vote by any member of the committee with respect to any measure or matter being considered by the committee may be cast by proxy if the proxy authorization (1) is in writing; (2) designates the member of the committee who is to exercise the proxy; and (3) is limited to a specific measure or matter and any amendments pertaining thereto. Proxies shall not be considered for the establishment of a quorum.

2.6 Whenever the committee by roll call vote reports any measure or matter, the report of the committee upon such measure or matter shall include a tabulation of the votes cast in favor of and the votes cast in opposition to such measure or matter by each member of the committee.

RULE 3. SUBCOMMITTEES

Creation of subcommittees shall be by majority vote of the committee. Subcommittees shall deal with such legislation and oversight of programs and policies as the committee may direct. The subcommittees shall be governed by the rules of the committee and by such other rules they may adopt which are consistent with the rules of the committee.

RULE 4. REPORTING OF MEASURES OR RECOMMENDATIONS

4.1 No measures or recommendations shall be reported, favorably or unfavorably, from the committee unless a majority of the committee is actually present and a majority concur.

4.2 In any case in which the committee is unable to reach a unanimous decision, separate views or reports may be presented by any member or members of the committee.

4.3 A member of the committee who gives notice of his intention to file supplemental, minority, or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than three working days in which to file such views, in writing with the clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusion shall be noted on the cover of the report.

RULE 5. NOMINATIONS

5.1 Unless otherwise ordered by the committee, nominations referred to the committee shall be held for at least 14 days before being voted on by the committee.

5.2 Each member of the committee shall be promptly furnished a copy of all nominations referred to the committee.

5.3 Nominees who are invited to appear before the committee shall be heard in public session, except as provided in rule 2.1.

5.4 No confirmation hearing shall be held sooner than seven days after receipt of the background and financial disclosure statement unless the time limit is waived by a majority vote of the committee.

5.5 The committee vote on the confirmation shall not be sooner than 48 hours after the committee has received transcripts of the confirmation hearing unless the time limit is waived by unanimous consent of the committee.

5.6. No nomination shall be reported to the Senate unless the nominee has filed a background and financial disclosure statement with the committee.

RULE 6. INVESTIGATIONS

No investigation shall be initiated by the committee unless at least five members of the committee have specifically requested the chairman or the vice chairman to authorize such an investigation. Authorized investigations may be conducted by members of the committee and/or by designated committee staff members.

RULE 7. SUBPENAS

Subpenas authorized by the committee for the attendance of witnesses or the production of memoranda, documents, records or any other material may be issued by the chairman, the vice chairman, or any member of the committee designated by the chairman, and may be served by any person designated by the chairman, vice chairman or member issuing the subpenas. Each subpena shall have attached thereto a copy of Senate Resolution 400, 94th Congress, 2d session, and a copy of these rules.

RULE 8. PROCEDURES RELATED TO THE TAKING OF TESTIMONY

8.1 *Notice.*—Witnesses required to appear before the committee shall be given reasonable notice and all witnesses shall be furnished a copy of these Rules.

8.2 *Oath or affirmation.*—Testimony of witnesses shall be given under oath or affirmation which may be administered by any member of the committee.

8.3 *Interrogation.*—Committee interrogation shall be conducted by members of the committee and such committee staff as are authorized by the chairman, vice chairman, or the presiding member.

8.4 *Counsel of the witness.*—(a) Any witness may be accompanied by counsel. A witness who is unable to obtain counsel may inform the committee of such fact. If the witness informs the committee of this fact at least 24 hours prior to his appearance before the committee the committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain such counsel will not excuse the witness from appearing and testifying.

(b) Counsel shall conduct themselves in an ethical and professional manner. Failure to do so shall, upon a finding to that effect by a majority of the members present, subject such counsel to disciplinary action which may include warning, censure, removal, or a recommendation of contempt proceedings.

(c) There shall be no direct or cross-examination by counsel. However, counsel may submit in writing any question he wishes propounded to his client or to any other witness and may, at the conclusion of his client's testimony, suggest the presentation of other evidence or the calling of other witnesses. The committee may use such questions and dispose of such suggestions as it deems appropriate.

8.5 *Statements by Witnesses.*—A witness may make a statement which shall be brief and relevant, at the beginning and conclusion of his testimony. Such statements shall not exceed a reasonable period of time as determined by the chairman, or other presiding member. Any witness desiring to make a prepared or written statement for the record of the proceedings shall file a copy with the clerk of the committee, and insofar as practicable and consistent with the notice given, shall do so at least 72 hours in advance of his appearance before the committee.

8.6 *Objections and Rulings.*—Any objection raised by a witness or counsel shall be ruled upon by the chairman or other presiding member, and such ruling shall be the ruling of the committee unless a majority of the committee present overrules the ruling of the chair.

8.7 *Inspection and Correction.*—All witnesses testifying before the committee shall be given a reasonable opportunity to inspect, in the office of the committee, the transcript of their testimony to determine whether such testimony was correctly transcribed. The witness may be accompanied by counsel. Any corrections the witness desires to make in the transcript shall be submitted in writing to the committee within 5 days from the date when the transcript was made available to the witness. Corrections shall be limited to grammar and minor editing, and may not be made to change the substance of the testimony. Any questions arising with respect to such corrections shall be decided by the chairman. Upon request, those parts of testimony given by a witness in executive session which are subsequently quoted or made part of a public record shall be made available to that witness at his expense.

8.8 *Requests to Testify.*—The committee will consider requests to testify on any matter or measure pending before the committee. A person who believes that testimony or other evidence presented at a public hearing, or any comment made by a committee member or a member of the committee staff may tend to affect adversely his reputation, may request to appear personally before the committee to testify on his own behalf, or may file a sworn statement of facts relevant to the testimony, evidence, or comment, or may submit to the chairman proposed questions in writing for the cross-examination of other witnesses. The committee shall take such action as it deems appropriate.

8.9 *Contempt Procedures.*—No recommendation that a person be cited for contempt of Congress shall be forwarded to the Senate unless and until the committee has, upon notice to all its members, met and considered the alleged contempt, afforded the person an opportunity to state in writing or in person why he should not be held in contempt, and agreed, by majority vote of the committee to forward such recommendation to the Senate.

8.10 *Release of Name of Witness.*—Unless authorized by the chairman, the name of any witness scheduled to be heard by the committee shall not be released prior to, or after, his appearance before the committee.

RULE 9. PROCEDURES FOR HANDLING CLASSIFIED OR SENSITIVE MATERIAL

9.1 Committee staff offices shall operate under strict security precautions. At least one security guard shall be on duty at all times by the entrance to control entry. Before entering the office all persons shall identify themselves.

9.2 Sensitive or classified documents and material shall be segregated in a secure storage area. They may be examined only at secure reading facilities. Copying, duplicating, or removal from the committee offices of such documents and other materials is prohibited except as is necessary for use in, or preparation for, interviews or committee meetings, including the taking of testimony, and in conformity with Section 10.3 hereof.

9.3 Each member of the committee shall at all times have access to all papers and other material received from any source. The staff director shall be responsible for the maintenance, under appropriate security procedures, of a registry which will number and identify all classified papers and other classified materials in the possession of the committee, and such registry shall be available to any member of the committee.

9.4 Whenever the Select Committee on Intelligence makes classified material available to any other committee of the Senate or to any member of the Senate not a member of the committee, the clerk of the committee shall be notified. The clerk of the committee shall maintain a written record identifying the particular information transmitted and the committee or members of the Senate receiving such information.

9.5 Access to classified information supplied to the committee shall be limited to those committee staff members with appropriate security clearances and a need-to-know, as determined by the committee, and under the committee's direction, the staff director and minority staff director.

9.6 No member of the committee or of the committee staff shall disclose, in whole or in part or by way of summary, to any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial or otherwise, any testimony given before the committee in executive session including the name of any witness who appeared or was called to appear before the committee in executive session, or the contents of any papers or other materials or other information received by the committee except as authorized by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

9.7 Before the committee makes any decision regarding the disposition of any testimony, papers, or other materials presented to it, the committee members shall have a reasonable opportunity to examine all pertinent testimony, papers, and other materials that have been obtained by the members of the committee or the committee staff.

RULE 10. STAFF

10.1 For the purpose of these rules, committee staff means employees of the committee, employees of the members of the committee assigned to the committee, consultants to the committee, employees of other government agencies detailed to the committee, or any other person engaged by contract or otherwise to perform services for or at the request of the committee.

10.2 The appointment of committee staff shall be confirmed by a majority vote of the committee. After confirmation, the chairman shall certify committee staff appointments to the financial clerk of the Senate in writing.

10.3 The committee staff works for the committee as a whole, under the general supervision of the chairman and vice chairman of the committee. Except as otherwise provided by the committee, the duties of committee staff shall be performed, and committee staff personnel affairs and day-to-day operations, including security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director. The minority staff director and the minority counsel shall be kept fully informed regarding all matters and shall have access to all material in the files of the committee.

10.4 The committee staff shall assist the minority as fully as the majority in the expression of minority views, including assistance in the preparation and filing of additional, separate and minority views, to the end that all points of view may be fully considered by the committee and the Senate.

10.5 The members of the committee staff shall not discuss either the substance or procedure of the work of the committee with any person not a member of the committee or the committee staff for any purpose or in connection with any proceeding, judicial, or otherwise, either during his tenure as a member of the committee staff or at any time thereafter except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such a manner as may be determined by the Senate.

10.6 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment to abide by the conditions of the nondisclosure agreement promulgated by the Senate Select Committee on Intelligence pursuant to section 5 of Senate Resolution 400 of the 94th Congress, 2d Session.

10.7 No member of the committee staff shall be employed by the committee unless and until such a member of the committee staff agrees in writing, as a condition of employment, to notify the committee or in the event of the committee's termination the Senate of any request for his testimony, either during his tenure as a member of the committee staff or at any time thereafter with respect to information which came into his possession by virtue of his position as a member of the committee staff. Such information shall not be disclosed in response to such requests except as directed by the committee in accordance with section 8 of Senate Resolution 400 of the 94th Congress and the provisions of these rules, or in the event of the termination of the committee, in such manner as may be determined by the Senate.

10.8. The committee shall immediately consider action to be taken in the case of any member of the committee staff who fails to conform to any of these rules. Such disciplinary action may include, but shall not be limited to, immediate dismissal from the committee staff.

RULE 11. PREPARATION FOR COMMITTEE MEETINGS

11.1 Under direction of the chairman and the vice chairman, designated committee staff members shall brief members of the committee at a time sufficiently prior to any committee meeting to assist the committee members in preparation for such meeting and to determine any matter which the committee member might wish considered during the meeting. Such briefing shall, at the request of a member, include a list of all pertinent papers and other materials that have been obtained by the committee that bear on matters to be considered at the meeting.

11.2 The staff director shall recommend to the chairman and the vice chairman the testimony, papers, and other materials to be presented to the committee at any meeting. The determination whether such testimony, papers, and other materials shall be presented in open or executive session shall be made pursuant to the rules of the Senate and rules of the committee.

RULE 12. LEGISLATIVE CALENDAR

12.1 The clerk of the committee shall maintain a printed calendar for the information of each committee member showing the measures introduced and referred to the committee and the status of such measures; nominations referred to the committee and

their status; and such other matters as the committee determines shall be included. The calendar shall be revised from time to time to show pertinent changes. A copy of each such revision shall be furnished to each member of the committee.

12.2 Unless otherwise ordered, measures referred to the committee shall be referred by the clerk of the committee to the appropriate department or agency of the Government for reports thereon.

RULE 13. COMMITTEE TRAVEL

13.1 No member of the committee or committee staff shall travel abroad on committee business unless specifically authorized by the chairman and vice chairman. Requests for authorization of such travel shall state the purpose and extent of the trip. A full report shall be filed with the committee when travel is completed.

13.2 When the chairman and the vice chairman approve the foreign travel of a member of the committee staff not accompanying a member of the committee, all members of the committee are to be advised, prior to the commencement of such travel, of its extent, nature and purpose. The report referred to in rule 13.1 shall be furnished to all members of the committee and shall not be otherwise disseminated without the express authorization of the committee pursuant to the rules of the committee.

13.3 No member of the committee staff shall travel within this country on committee business unless specifically authorized by the staff director as directed by the committee.

RULE 14. CHANGES IN RULES

These rules may be modified, amended, or repealed by the committee, provided that a notice in writing of the proposed change has been given to each member at least 48 hours prior to the meeting at which action thereon is to be taken.

S. RES. 400

MAY 19, 1976

Resolution To establish a Standing Committee of the Senate on Intelligence, and for other purposes

Resolved, That it is the purpose of this resolution to establish a new select committee of the the Senate, to be known as the Select Committee on Intelligence, to oversee and make continuing studies of the intelligence activities and programs of the United States Government, and to submit to the Senate appropriate proposals for legislation and report to the Senate concerning such intelligence activities and programs. In carrying out this purpose, the Select Committee on Intelligence shall make every effort to assure that the appropriate departments and agencies of the United States provide informed and timely intelligence necessary for the executive and legislative branches to make sound decisions affecting the security and vital interests of the Nation. It is further the purpose of this resolution to provide vigilant legislative oversight over the intelligence activities of the United States to assure that such activities are in conformity with the Constitution and laws of the United States.

SEC. 2. (a)(1) There is hereby established a select committee to be known as the Select Committee on Intelligence (hereinafter in this resolution referred to as the "select committee"). The select committee shall be composed of fifteen members appointed as follows:

(A) two members from the Committee on Appropriations;

(B) two members from the Committee on Armed Services;

(C) two members from the Committee on Foreign Relations;

(D) two members from the Committee on the Judiciary; and

(E) seven members to be appointed from the Senate at large.

(2) Members appointed from each committee named in clauses (A) through (D) of paragraph (1) shall be evenly divided between the two major political parties and shall be appointed by the President pro tempore of the Senate upon the recommendations of the majority and minority leaders of the Senate. Four of the members appointed under clause (E) of paragraph (1) shall be appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate and three shall be appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate.

(3) The majority leader of the Senate and the minority leader of the Senate shall be ex officio members of the select committee but shall have no vote in the committee and shall not be counted for purposes of determining a quorum.

(b) No Senator may serve on the select committee for more than eight years of continuous service, exclusive of service by any Senator on such committee during the Ninety-fourth Congress. To the greatest extent praticable, one-third of the Members of the Senate appointed to the select committee at the beginning of the Ninety-seventh Congress and each Congress thereafter shall be Members of the Senate who did not serve on such committee during the preceding Congress.

(c) At the beginning of each Congress, the Members of the Senate who are members of the majority party of the Senate shall elect a chairman for the select committee, and the Members of the Senate who are from the minority party of the Senate shall elect a vice chairman for such committee. The vice chairman shall act in the place and stead of the chairman in the absence of the chairman. Neither the chairman nor the vice chairman of the select committee shall at the same time serve as chairman or ranking minority member of any other committee referred to in paragraph 4(e)(1) of rule XXV of the Standing Rules of the Senate.

SEC. 3. (a) There shall be referred to the select committee all proposed legislation, messages, petitions, memorials, and other matters relating to the following:

(1) The Central Intelligence Agency and the Director of Central Intelligence.

(2) Intelligence activities of all other departments and agencies of the Government, including, but not limited to, the intelligence activities of the Defense Intelligence Agency, the National Security Agency, and other agencies of the Department of Defense; the Department of State; the Department of Justice; and the Department of the Treasury.

(3) The organization or reorganization of any department or agency of the Government to the extent that the organization or reorganization relates to a function or activity involving intelligence activities.

(4) Authorizations for appropriations, both direct and indirect, for the following:

(A) The Central Intelligence Agency and Director of Central Intelligence.

(B) The Defense Intelligence Agency.

(C) The National Security Agency.

(D) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(E) The intelligence activities of the Department of State.

(F) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

(G) Any department, agency, or subdivision which is the successor to any agency named in clause (A), (B), or (C); and the activities of any department, agency, or subdivision which is the successor to any department, agency, bureau, or subdivision named in clause (D), (E), or (F) to the extent that the activities of such successor department, agency, or subdivision are activities described in clause (D), (E), or (F).

(b) Any proposed legislation reported by the select committee, except any legislation involving matters specified in clause (1), or (4)(A) of subsection (a), containing any matter otherwise within the jurisdiction of any standing committee shall, at the request of the chairman of such standing committee, be referred to such standing committee for its consideration of such matter and be reported to the Senate by such standing committee within thirty days after the day on which such proposed legislation is referred to such standing committee; and any proposed legislation reported by any committee, other than the select committee, which contains any matter within the jurisdiction of the select committee shall, at the request of the chairman of the select committee, be referred to the select committee for its consideration of such matter and be reported to the Senate by the select committee within thirty days after the day on which such proposed legislation is referred to such committee. In any case in which a committee fails to report any proposed legislation referred to it within the time limit prescribed herein, such committee shall be automatically discharged from further consideration of such proposed legislation on the thirtieth day following the day on which such proposed legislation is referred to such committee unless the Senate provides otherwise. In computing any thirty-day period under this paragraph there shall be excluded from such computation any days on which the Senate is not in session.

(c) Nothing in this resolution shall be construed as prohibiting or otherwise restricting the authority of any other committee to study and review any intelligence activity to the extent that such activity directly affects a matter otherwise within the jurisdiction of such committee.

(d) Nothing in this resolution shall be construed as amending, limiting, or otherwise changing the authority of any standing committee of the Senate to obtain full and prompt access to the product of the intelligence activities of any department or agency of the Government relevant to a matter otherwise within the jurisdiction of such committee.

SEC. 4. (a) The select committee, for the purposes of accountability to the Senate, shall make regular and periodic reports to the Senate on the nature and extent of the intelligence activities of the various departments and agencies of the United States. Such committee shall promptly call to the attention of the Senate or to any other appropriate committee or committees of the Senate any matters requiring the attention of the Senate or such other committee or committees. In making such report, the select committee shall proceed in a manner

consistent with section 8(c)(2) to protect national security.

(b) The select committee shall obtain an annual report from the director of the Central Intelligence Agency, the Secretary of Defense, the Secretary of State, and the Director of the Federal Bureau of Investigation. Such reports shall review the intelligence activities of the agency or department concerned and the intelligence activities of foreign countries directed at the United States or its interest. An unclassified version of each report may be made available to the public at the discretion of the select committee. Nothing herein shall be construed as requiring the public disclosure in such reports of the names of individuals engaged in intelligence activities for the United States or the divulging of intelligence methods employed or the sources of information on which such reports are based or the amount of funds authorized to be appropriated for intelligence activites.

(c) On or before March 15 of each year, the select committee shall submit to the Committee on the Budget of the Senate the views and estimates described in section 301(c) of the Congressional Budget Act of 1974 regarding matters within the jurisdiction of the select committee.

SEC. 5. (a) For the purposes of this resolution, the select committee is authorized in its discretion (1) to make investigations into any matter within its jurisdiction, (2) to make expenditures from the contingent fund of the Senate, (3) to employ personnel, (4) to hold hearings, (5) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (6) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (7) to take depositions and other testimony, (8) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, and (9) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department of agency.

(b) The chairman of the select committee or any member thereof may administer oaths to witnesses.

(c) Subpenas authorized by the select committee may be issued over the signature of the chairman, the vice chairman or any member of the select committee designated by the chairman, and may be served by any person designated by the chairman or any member signing the subpena.

SEC. 6. No employee of the select committee or any person engaged by contract or otherwise to perform services for or at the request of such committee shall be given access to any classified information by such committee unless such employee or person has (1) agreed in writing and under oath to be bound by the rules of the Senate (including the jurisdiction of the Select Committee on Standards and Conduct [1] and of such committee as to the security of such information during and after the period of his employment or contractual agreement with such committee; and (2) received an appropriate security clearance as determined by such committee in consultation with the Director of Central Intelligence. The type of security clearance to be required in the case of any such employee or person shall, within the determination of such committee in consultation with the Director of Central Intelligence, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by such committee.

SEC. 7. The select committee shall formulate and carry out such rules and procedures as it deems necessary to prevent the disclosure, without the consent of the person or persons concerned, of information in the possession of such committee which unduly infringes upon the privacy or which violates the constitutional rights of such person or persons. Nothing herein shall be construed to prevent such committee from publicly disclosing any such information in any case in which such committee determines the national interest in the disclosure of such information clearly outweighs any infringement on the privacy of any person or persons.

SEC. 8. (a) The select committee may, subject to the provisions of this section, disclose publicly any information in the possession of such committee after a determination by such committee that the public interest would be served by such disclosure. Whenever committee action is required to disclose any information under this section, the committee shall meet to vote on the matter within five days after any member of the committee requests such a vote. No member of the select committee shall disclose any information, the disclosure of which requires a committee vote, prior to a vote by the committee on the question of the disclosure of such information or after such vote except in accordance with this section.

(b)(1) In any case in which the select committee votes to disclose publicly any information which has been classified under established security procedures, which has been submitted to it by the executive branch, and which the executive branch requests be kept secret, such committee shall notify the President of such vote.

(2) The select committee may disclose publicly such information after the expiration of a five-day period following the day on which notice of such vote is transmitted to the President, unless, prior to the expiration of such five-day period, the President, personally in writing, notifies the committee that he objects to the disclosure of such information, provides his reasons therefor, and certifies that the threat to the national interest of the United States posed by such disclosure is of such gravity that it outweighs any public interest in the disclosure.

(3) If the President, personally in writing, notifies the select committee of his objections to the disclosure of such information as provided in paragraph (2), such committee may, by majority vote, refer the question of the disclosure of such information to the Senate for consideration. The committee shall not publicly disclose such information without leave of the Senate.

(4) Whenever the select committee votes to refer the question of disclosure of any information to the Senate under paragraph (3), the chairman shall not later than the first day on which the Senate is in session following the day on which the vote occurs, report the matter to the Senate for its consideration.

(5) One hour after the Senate convenes on the fourth day on which the Senate is in session following the day on which any such matter is reported to the Senate, or at such earlier time as the majority leader and the minority leader of the Senate jointly agree upon in accordance with paragraph 5 of rule XVII of the Standing Rules of the Senate, the Senate shall go into closed session and the matter shall be the pending business. In considering the matter in closed session the Senate may—

(A) approve the public disclosure of all or any portion of the information in question, in which case the committee shall publicly disclose the information ordered to be disclosed,

(B) disapprove the public disclosure of all or any portion of the information in question, in which case the committee shall not publicly disclose the information ordered not to be disclosed, or

(C) refer all or any portion of the matter back to the committee, in which case the committee shall make the final determination with respect to the public disclosure of the information in question.

Upon conclusion of the consideration of such matter in closed session, which may not extend beyond the close of the ninth day on which the Senate is in session following the day on which such matter was reported to the Senate, or the close of the fifth day following the day agreed upon jointly by the majority and minority leaders in accordance with paragraph 5 of rule XVII of the Standing Rules of the Senate (whichever the case may be), the Senate shall immediately vote on the disposition of such matter in open session, without debate, and without divulging the information with respect to which the vote is being taken. The Senate shall vote to dispose of such matter by one or more of the means specified in clauses (A), (B), and (C) of the second sentence of this paragraph. Any vote of the Senate to disclose any information pursuant to this paragraph shall be subject to the right of a Member of the Senate to move for reconsideration of the vote within the time and pursuant to the procedures specified in rule XIII of the Standing Rules of the Senate, and the disclosure of such information shall be made consistent with that right.

(c)(1) No information in the possession of the select committee relating to the lawful intelligence activities of any department or agency of the United States which has been classified under established security procedures and which the select committee, pursuant to subsection (a) or (b) of this section, has determined should not be disclosed shall be made available to any person by a Member, officer, or employee of the Senate except in a closed session of the Senate or as provided in paragraph (2).

(2) The select committee may, under such regulations as the committee shall prescribe to protect the confidentiality of such information, make any information described in paragraph (1) available to any other committee or any other Member of the Senate. Whenever the select committee makes such information available, the committee shall keep a written record showing, in the case of any particular information, which committee or which Member of the Senate received such information. No Member of the Senate who, and no committee which, receives any information under this subsection, shall disclose such information except in a closed session of the Senate.

(d) It shall be the duty of the Select Committee on Standards and Conduct [1] to investigate any unauthorized disclosure of intelligence information by a Member, officer or employee of the Senate in violation of sub-

[1] Name changed to the Select Committee on Ethics by S. Res. 4, 95-1, Feb. 4, 1977.

section (c) and to report to the Senate concerning any allegation which if finds to be substantiated.

(e) Upon the request of any person who is subject to any such investigation, the Select Committee on Standards and Conduct [1] shall release to such individual at the conclusion of its investigation a summary of its investigation together with its findings. If, at the conclusion of its investigation, the Select Committee on Standards and Conduct [1] determines that there has been a significant breach of confidentiality or unauthorized disclosure by a Member, officer, or employee of the Senate, it shall report its findings to the Senate and recommend appropriate action such as censure, removal from committee membership, or expulsion from the Senate, in the case of a Member, or removal from office or employment or punishment for contempt, in the case of an officer of employee.

SEC. 9. The select committee is authorized to permit any personal representative of the President, designated by the President to serve as a liaison to such committee, to attend any closed meeting of such committee.

SEC. 10. Upon expiration of the Select Committee on Governmental Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress, all records, files, documents, and other materials in the possession, custody, or control of such committee, under appropriate conditions established by it, shall be transferred to the select committee.

SEC. 11. (a) It is the sense of the Senate that the head of each department and agency of the United States should keep the select committee fully and currently informed with respect to intelligence activities, including any significant anticipated activities, which are the responsibility of or engaged in by such department or agency: *Provided*, That this does not constitute a condition precedent to the implementation of any such anticipated intelligence activity.

(b) It is the sense of the Senate that the head of any department or agency of the United States involved in any intelligence activities should furnish any information or document in the possession, custody, or control of the department or agency, or person paid by such department or agency, whenever requested by the select committee with respect to any matter within such committee's jurisdiction.

(c) It is the sense of the Senate that each department and agency of the United States should report immediately upon discovery to the select committee any and all intelligence activities which constitute violations of the constitutional rights of any person, violations of law, or violations of Executive orders, Presidential directives, or departmental or agency rules or regulations; each department and agency should further report to such committee what actions have been taken or are expected to be taken by the departments or agencies with respect to such violations.

SEC. 12. Subject to the Standing Rules of the Senate, no funds shall be appropriated for any fiscal year beginning after September 30, 1976, with the exception of a continuing bill or resolution, or amendment thereto, or conference report thereon, to, or for use of, any department or agency of the United States to carry out any of the following activities, unless such funds shall have been previously authorized by a bill or joint resolution passed by the Senate during the same or preceding fiscal year to carry out such activity for such fiscal year:

(1) The activities of the Central Intelligence Agency and the Director of Central Intelligence.

(2) The activities of the Defense Intelligence Agency.

(3) The activities of the National Security Agency.

(4) The intelligence activities of other agencies and subdivisions of the Department of Defense.

(5) The intelligence activities of the Department of State.

(6) The intelligence activities of the Federal Bureau of Investigation, including all activities of the Intelligence Division.

SEC. 13. (a) The select committee shall make a study with respect to the following matters, taking into consideration with respect to each such matter, all relevant aspects of the effectiveness of planning, gathering, use, security, and dissemination of intelligence:

(1) the quality of the analytical capabilities of United States foreign intelligence agencies and means for integrating more closely analytical intelligence and policy formulation;

(2) the extent and nature of the authority of the departments and agencies of the executive branch to engage in intelligence activities and the desirability of developing charters for each intelligence agency or department;

(3) the organization of intelligence activities in the executive branch to maximize the effectiveness of the conduct, oversight, and accountability of intelligence activities; to reduce duplication or overlap; and to improve the morale of the personnel of the foreign intelligence agencies;

(4) the conduct of covert and clandestine activities and the procedures by which Congress is informed of such activities;

(5) the desirability of changing any law, Senate rule or procedure, or any Executive order, rule, or regulation to improve the protection of intelligence secrets and provide for disclosure of information for which there is no compelling reason for secrecy;

(6) the desirability of establishing a standing committee of the Senate on intelligence activities;

(7) the desirability of establishing a joint committee of the Senate and the House of Representatives on intelligence activities in lieu of having separate committees in each House of Congress, or of establishing procedures under which separate committees on intelligence activities of the two Houses of Congress would receive joint briefings from the intelligence agencies and coordinate their policies with respect to the safeguarding of sensitive intelligence information;

(8) the authorization of funds for the intelligence activities of the Government and whether disclosure of any of the amounts of such funds is in the public interest; and

(9) the development of a uniform set of definitions for terms to be used in policies or guidelines which may be adopted by the executive or legislative branches to govern, clarify, and strengthen the operation of intelligence activities.

(b) The select committee may, in its discretion, omit from the special study required by this section any matter it determines has been adequately studied by the Select Committee To Study Governmental Operations With Respect to Intelligence Activities, established by Senate Resolution 21, Ninety-fourth Congress.

(c) The select committee shall report the results of the study provided for by this section to the Senate, together with any recommendations for legislative or other actions it deems appropriate, no later than July 1, 1977, and from time to time thereafter as it deems appropriate.

SEC. 14. (a) As used in this resolution, the term "intelligence activities" includes (1) the collection, analysis, production, dissemination, or use of information which relates to any foreign country, or any government, political group, party, military force, movement, or other association in such foreign country, and which relates to the defense, foreign policy, national security, or related policies of the United States, and other activity which is in support of such activities; (2) activities taken to counter similar activities directed against the United States; (3) covert or clandestine activities affecting the relations of the United States with any foreign government, political group, party, military force, movement or other association; (4) the collection, analysis, production, dissemination, or use of information about activities of persons within the United States, its territories and possessions, or nationals of the United States abroad whose political and related activities pose, or may be considered by any department, agency, bureau, office, division, instrumentality, or employee of the United States to pose, a threat to the internal security of the United States, and covert or clandestine activities directed against such persons. Such term does not include tactical foreign military intelligence serving no national policymaking function.

(b) As used in this resolution, the term "department or agency" includes any organization, committee, council, establishment, or office within the Federal Government.

(c) For purposes of this resolution, reference to any department, agency, bureau, or subdivision shall include a reference to any successor department, agency, bureau, or subdivision to the extent that such successor engage in intelligence activities now conducted by the department, bureau, or subdivision referred to in this resolution.

SEC. 15. (This section authorized funds for the select committee for the period May 19, 1976, through Feb. 28, 1977.)

SEC. 16. Nothing in this resolution shall be construed as constituting acquiescence by the Senate in any practice, or in the conduct of any activity, not otherwise authorized by law.

S. RES. 9

JANUARY 15, 1975

Resolution amending the rules of the Senate relating to open committee meetings

Resolved, That paragraph 7(b) of rule XXV of the Standing Rules of the Senate is amended to read as follows;

"(b) Each meeting of a standing, select, or special committee of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

"(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

"(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

"(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

"(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

Whenever any hearing conducted by any such committee or subcommittee is open to the public, that hearing may be broadcast by radio or television, or both, under such rules as the committee or subcommittee may adopt.".

SEC. 2. Section 133A(b) of the Legislative Reorganization Act of 1946, section 242(a) of the Legislative Reorganization Act of 1970, and sections 102 (d) and (e) of the Congressional Budget Act of 1974 are repealed.

VEHICLE MILEAGE LOGGING REQUIREMENT

● Mr. PRYOR. Mr. President, over the last few weeks, many of my colleagues have joined with me in protesting IRS regulations requiring contemporaneous logging of vehicle mileage to be deducted as business expenses. I've heard a lot of debate on the issue and had hundreds of letters on the subject. But no one seems to have put the problem in better perspective than the Cleburne County Times own Greers Ferry Philosopher. I'd like to share his musings on record-keeping with you at this time.

[From the Cleburne County Times, Feb. 13, 1985]

THE GREERS FERRY PHILOSOPHER

(Editor's Note: The Greers Ferry Philosopher on his bitterweed grass farm wrestles with a new ruling by the IRS.)

DEAR EDITOR: The IRS has a new rule that a merchant or farmer or a rancher using a car or pickup in his business must keep a daily log showing exactly how much mileage is used for business purposes only. You can't count driving to the cafe for coffee or picking up the kids after school. And you can't guess. Got to be accurate.

I took out a notebook on the seat of my pickup and tried this out for a day. My log for the day reads:

6 a.m. Backed out of my garage. Since the odometer doesn't register mileage when you're going backward, but backing is deductible if it's for business purposes, got out and measured the distance I backed. 102 feet.

Drove down to the pasture and stopped. Thought I spotted a new-born calf. Logged the mileage. 2,119½ feet. Got out and walked over to the new calf. Wasn't a calf. Was a newspaper caught on a weed. From a distance, hard to tell the *Gazette* from a calf. Watched the sun come up. No charge.

Drove back to the house. 2,119½ feet. Couldn't decide whether driving back was deductible. Split the difference. 1,059½ feet.

Drove into town for breakfast at the cafe. 5 miles. Wait a minute. Erase that. Not for business purposes. The IRS won't stand for it. Thought a while. Grinned. After breakfast drove to the hardware store. Bought a screwdriver. Need one for my tractor. This is a business trip. Entered 5 miles going to town for screwdriver, 5 miles getting it back home. Total, 10 miles. Screwdriver cost $4. Store didn't have the $600 kind the Pentagon buys.

Drove back down in the pasture. Looking for new-born calf. Newspaper didn't fool me this time. Picked it up. 2,119½ feet. Being fair to the IRS. Will have to get a ruling on this. May be losing money. Read newspaper.

Drove down to the mail box. Found letter from IRS containing forms for Estimated Tax for 1985. If that ain't business, what is? Entered 4,216 feet going and same returning.

Total for day so far: 12 miles, 4,331½ feet.

After lunch heard cow bawling. Woke me up from my nap. Jumped in pickup to check newborn calf. Forgot to check mileage. Found calf. Don't know how far I drove. Can't estimate. Against IRS ruling.

Some ruling. Wrote Congressman.

Yours faithfully,

J.A.●

NATIONAL WOMEN'S HISTORY WEEK

● Mr. PACKWOOD. Mr. President, next Monday, March 4, 1985, marks the beginning of National Women's History Week. It was 4 years ago that the first national attempt was made at proper recognition of the role women have played in American history. I am proud to have been a cosponsor of the original resolution which established a National Women's History Week to honor the significant contributions of the female members of our society. Oregon is proud of the women who courageously crossed a continent to settle in the Oregon territory, and once there, made Oregon a State well known for its lead in notable accomplishments by women.

Women have played such a vital role in shaping our American society that it is only fitting that we pause to recognize and rediscover their achievements. Women have provided the impetus for many important social reforms and have made individual contributions in the fields of science, education, medicine, religion, and Government. They have helped build America as homemakers and pioneers, and they have clearly led the way in establishing the charitable and philanthropic organizations which have greatly improved the quality of American life.

Oregon is again taking a leading role in recognizing the contributions women have made in our history. Activities throughout the State will focus attention on the part women have played in shaping our destiny. "Write Women Back Into History" is the theme of a special county-wide program this week in southern Oregon. Speakers, film, and entertainment are among the activities planned to honor the role of the celebrated and less famous women of our history. A greater understanding of the role of women in our past can only expand our opportunities for the future.

I ask to have printed in the RECORD a statement written by the Jackson County Advisory Committee on the Status of Women, in commemoration of Women's History Week 1985. Their work, in combination with similar efforts around the Nation, will bring us all to a better understanding of women's importance in our history and their contribution to American life.

The statement follows:

MARCH 3-9, 1985—WOMEN'S HISTORY WEEK

"When I found out that women had a part in the history of 1849, I really began to realize that women had a part in the history of this country."

This was one young student's reaction to a Women's History Week program. America's women didn't quite make it into America's history books. And history's loss is our loss.

Over the last 8 years a new aspect of the women's movement has been gathering momentum—the celebration of National Women's History Week, March 3-9. Jackson County Women's Commission members spearheaded the drive to plan and organize a 1985 celebration. The Women's Commission is appointed by the Board of Commissioners to promote the County's policy to eliminate sex discrimination.

The theme for our 1985 Celebration is Write Women Back Into History. No other group has undertaken the task of organizing a county-wide celebration. Our 1985 Women's History Week Celebration is making history.

Honoring the role women have played in history has spread rapidly. It's moved from its origin in Sonoma County, California, all the way to the halls of Congress. A special congressional resolution has placed Women's History Week on the calendar of national events.

We're taking steps to bring about an understanding of how this country has been shaped by all its citizens. Our goal is to understand their lives, their courage, their ambitions, their failures, and their successes.

When boys and girls learn about the lives of women throughout history, they invariable gain a wider sense of our diverse national culture. They also begin to view their own lives within a historic context—they see themselves anew as "makers of history" rather than as its passive subjects. And, most importantly, they increase their awareness of the options open to them as they themselves become adults. This increased awareness inevitably leads to more informed and purposeful involvement in public affairs. This same response happens time after time to adults who participate in National Women's History Week events.

The week containing March 8 is appropriate for designation as National Women's History Week because of that day's internationally accepted significance as International Women's Day—commemorating the involvement of women in every aspect of human endeavor.

We'll still have heroes. We'll just have more of them. We don't undermine the basic good feelings for our country when we tell more of its story.

It's time we opened our minds to all the women in U.S. history. National Women's History Week is one important way to do just that.●

AMBASSADOR OKAWARA'S MANSFIELD LECTURE

● Mr. BAUCUS. Mr. President, Ronald Reagan recently said, accurately, that "there is no relationship more important than that between the United States and Japan."

It follows that there are no more important Ambassadors than those exchanged between the United States and Japan.

In Montana, we know this is true. We have sent Japan our favorite son and greatest statesman, Mike Mansfield.

Fortunately, Japan has followed the principal of reciprocity, by appointing His Excellency Yoshio Okawara to serve as Japan's Ambassador to the United States.

In the 5 years since Mr. Okawara first presented his diplomatic credentials to President Carter, he has served with great distinction, earning the respect and friendship of Americans here in Washington and throughout the country.

A few weeks ago, Mr. Okawara traveled to Missoula, MT, to deliver the prestigious "Mansfield Lecture on International Relations," an annual lecture established to honor Ambassador Mansfield, a former professor of Asian history at the University of Montana.

Ambassador Okawara's address was characteristically eloquent and thought-provoking. I ask that the lecture be printed in the RECORD immediately following my remarks, and I urge my colleagues and others interested in United States-Japanese relations to read it.

The material follows:

ADDRESS BY HIS EXCELLENCY YOSHIO OKAWARA AMBASSADOR OF JAPAN

(Mike Mansfield Lecture in International Relations, University of Montana)

For nearly five eventful years I have had the great privilege of representing my Government in the United States. It has been a time in Japanese-American relations of occasional frictions and often difficult negotiations. It has also been a time of solid and steady progress in clarifying and strengthening our partnership commitments to each other, and moblizing our respective national capabilities to advance our common interests in the world.

Now, as I prepare to leave my post, and return to Japan, I am confident that the foundations of Japanese-American relations have never been stronger, and that the momentum of our cooperation in world affairs has never been more sure. We have not settled all the issues that divide us, nor are we likely to do so in this decade. Because of the scale and complexity of our relationship, our mutual agenda will no doubt always be full. What we have achieved is basic agreement on the directions we must move together in the future.

Many thoughtful and creative men and women, in government and in the private sector, on both sides of the Pacific, have contributed to this progress. Yet one man in particular has earned our respect and gratitude for his sigular success in interpreting our two peoples to each other, and in helping us define and act more precisely on the true purposes of our partnership.

I speak, of course, of Ambassador Mike Mansfield, eminent alumnus of this University; onetime soldier, sailor and marine in the service of his country; engineer, scholar and professor of history and political science; Congressman and Senator from Montana; distinguished Majority Leader for 16 years; and, thanks to the wisdom of two American Presidents of different parties, United States Ambassador to Japan since 1977.

And, I might add, we Japanese are delighted to have the continued presence of Ambassador Mansfield in our midst for as long as it suits his pleasure and the President's!

You have honored me most generously by your invitation to deliver this year's Mansfield Lecture. I am mindful that I am the first non-American to be offered this privilege. I accept this distinction in the spirit of Ambassador Mansfield's declaration that ours is the most important bilateral relationship in the world, bar none. I welcome the opportunity to review with you why this is so, how we have been working together to strengthen our partnership, and some of the more difficult problems we must continue to work on.

The importance of Japan and the United States to each other is based on our shared values and interests, and on our combined capacity, as the free world's first and second-ranking industrial powers, to influence the shape of world events according to our mutual interests.

First and foremost, we are sister democracies, deeply committed to individual freedom, human rights, and the rule of law—in international relations as well as in our own societies. Our two peoples are also devoted to free enterprise and the subordination of government to private initiative. These values, both political and economic, have made our two nations the most dynamic, competitive and progressive societies on earth, generating together about one third of world GNP and more than one fifth of world trade. Acting in close concert, we can be a unique and potent force for good in the world.

Or, as President Reagan put it last January 2, following his summit meeting in Los Angeles with Prime Minister Nakasone: There's no relationship that is more important to peace and prosperity in the world than that between the U.S. and Japan . . . . We value deeply our close friendship with Japan. As economic powers and as democratic nations, we are committed to the search for peace and prosperity for our people and for all people.

Prime Minister Nakasone shares this conviction without reservation, as does a substantial majority of the Japanese people. It has long been customary to describe the relationship with the United States, imbedded in the Japan-U.S. Treaty of Mutual Cooperation and Security, as the "cornerstone" of Japanese foreign policy. Today, I venture to say, the Japanese people and their government hold a more activist sense of the relationship. We Japanese view this partnership, not simply as a static structure to be taken for granted, but as a living and growing process of collaboration.

Our relations have matured dramatically in recent years—partly because of the pressures of world events, and partly because of growth and changes within our own dynamic societies, and the interaction of our two giant economies. Indeed, some of the stresses and strains in our relationship may be the inevitable "growing pains" of a partnership that is becoming more interdependent, more critical to the vital interests of both partners.

Both sides are also subject to human frailties. As Ambassador Mansfield has observed, each side is capable of overestimating its own virtues and underestimating the virtues of the other partner. In the same way, each of us sometimes expects more from the other than it is politically feasible to deliver, or expects changes to happen faster than the decision-making machinery of the other side is capable of functioning. In fact, differences in how we perceive each other across the negotiating table are sometimes the toughest obstacles to overcome.

Problems such as these arose in our difficult but finally successful negotiations last spring on the expansion of Japan's beef and citrus import quotas.

The substance of last year's talks was at what pace Japan could continue to expand its beef and citrus import quotas without causing sudden economic disaster for its uncompetitive domestic beef and mikan orange growers.

As a matter of historical record, in 1960 Japan was close to 80 percent self-sufficient in food; today, as a result of a progressive opening up of its agricultural markets to world trade, Japan imports about 50 percent of the food calories it consumes. No other advanced economy has deliberately relinquished so much control over its own food security as a matter of national policy.

Yet there is a very large gap in the way the two sides have perceived this issue. A common American view has been that it is "unfair" of Japan to maintain any import protection for its very small and very weak beef and citrus industries, but it is perfectly "fair" for the United States to protect its relatively large and highly productive beef, citrus, dairy, sugar, peanut and other agricultural producers. The existence of Japanese agricultural import quotas is seen as proof that the Japanese market is "closed"; comparable U.S. farm protection is ignored.

The Japanese side also finds it hard to accept the "unfairness" argument since Japan is already buying 70 percent of America's beef exports to the world and 40 percent of America's citrus exports. In fact the Japanese market for U.S. agricultural exports has been growing very rapidly—from $1 billion to $7 billion annually in just the last decade. Japan already imports about 18 percent of America's total farm exports, making Japan by far the best customer in the world for the American farmer. The common Japanese view has been, not that Japan is "unfair," but that the United States has sometimes been "unreasonable" in asking too much, too fast.

As I said, the negotiations last April were tough, and I know, because I participated right up to the wire. But we succeeded in coming to the agreement. As a result, Japan will increase its orange imports by 44,000 metric tons annually, for the next four years; imports of concentrated orange juice will also be expanded; and all quotas and licensing on imports of grapefruit juice will be abandoned as from April 1, 1986. Of more interest to the people of this part of the country, Japan will also continue to expand its imports of high-quality beef from 30,000 tons to 58,400 tons in four years.

I have gone into this much detail because the beef and citrus talks demonstrate the kind of perception gap that sometimes makes our negotiations very difficult indeed. Part of the confusion is that agriculture has long been treated, in nearly every country, as a specially vulnerable industry, and has been protected and subsidized accordingly. This is just as true of the United States as it is of Canada, Western Europe and every other advanced economy with a sizable farm sector. Japan, as I suggested earlier, is the only advanced economy that has been steadily opening its market for farm products, despite very strong political resistance from rural constituencies. Now, as part of its debt-management problem, even the United States is looking into the question.

I shall be following with a great deal of interest the debate that is under way in this country on whether it is now time to dismantle the elaborate structure of U.S. agricultural import controls and farm subsidies, and to expose American agriculture to the naked forces of domestic and world markets. I make no predictions about the outcome, but I am sure the debate will be heated and prolonged.

The American perception that Japan is a "closed" market persists also in our nonagricultural trade. I say "persists" because it is quite true that 20 or even 10 years ago Japan was a relatively more protected market than, say, Western Europe. This is no longer true. By any formal measure—tariffs, quotas, nontariff barriers, export subsidies, or so-called "voluntary" export restraints—Japan is a considerably more open market than the European Community. By all these measures, Japan's market access is today much more comparable with the United States.

This is not to say that either the United States or Japan is a completely free and open market. Both nations maintain various import quotas and high tariffs on particularly sensitive imports. The United States also maintains import quotas on textiles and other products, Buy American criteria on certain kinds of government procurement, and has promoted voluntary export restraints on various imports such as televisions and automobiles. Last fall, the United States Government decided to introduce import quotas on steel products and we have been engaged in negotiations on the detailed arrangement in this regard. In other words, when we compare relative access to the American and Japanese markets we cannot do so in black-and-white terms. Both countries are shades of grey in the degree to which they are open to imports.

Yet many Americans seem to have great difficulty with the idea that Japan is, comparatively speaking, an open rather than a closed market. The main evidence they offer is the U.S. deficit in our bilateral trade amounting to $36.8 billion in 1984, which I must admit is too large, and demands our combined efforts to remedy. However, America's growing trade deficits of the past several years have not been just with Japan; American trade balances with Canada, European Community, Mexico and some newly industrialized nation have been deteriorating sizeably. Moreover, the 8.7 percent growth in U.S. exports last year showed Japan to be one of America's fastest-growing markets, especially for manufactured goods. These facts suggest that it is hardly fair to blame solely Japan for America's trade problems with the world.

There is in fact very wide agreement among trade experts, American and foreign, that the chief culprit in America's lacklustre export performance has been the overvalued dollar, which appreciated about 60 percent during the past five years against other major world currencies. An overvalued dollar means that U.S. exports are overpriced and therefore less competitive in world markets. It also means that U.S. imports are attractively cheap. The trade deficit reflects about lagging exports and surging imports.

This dollar problem has very little to do with whether foreign markets are marginally open or closed to U.S. exports. The valuation of the U.S. dollar is primarily a reflection of domestic U.S. fiscal and monetary policies, including Federal budget deficits and high U.S. real interest rates. Nor does it make sense to accuse Japan of manipulating currency markets to maintain an undervalued yen. Several official U.S. Government studies have rejected this theory. Besides, the yen has consistently maintained greater stability against the dollar than any other major trading currency, including the deutschemark, French franc and pound sterling.

Another very important factor contributing to recent record U.S. trade deficits with the world has been the unexpectedly robust U.S. recovery from the recent worldwide recession. The impressive 6.8 percent U.S. economic growth in 1984 expanded American purchasing power, which in turn created a surge in American demand for dollar-cheap imports. This trend has had two very salutary effects. The inflow of inexpensive imports has kept U.S. inflation down, and it has helped stimulate economic recovery among America's trading partners. The negative effect has been to make the U.S. trade deficit even bigger.

As a footnote, I might add that the growth in U.S. exports of high-tech products and other manufactured goods to Japan last year reflects the modest but stable recovery of the Japanese economy, in the wake of the U.S. recovery. It also provides evidence that, despite an overvalued dollar, the Japanese market is open to American exporters, with competitive products, who aggressively go after that extremely competitive and quality-conscious market.

I believe it is also fair to acknowledge that Japan is making other significant contributions to the American economy. I know that the American steel, automobile and robotics industries, among others, have been undertaking major renovation and modernization in order to meet growing international competition. The speed and scale of the modernization efforts now under way in those industries is surely a response, in large measure, to vigorous Japanese competition over the past several years.

Moreover, the rapid growth of Japanese investment in U.S. manufacturing facilities, and in joint ventures with American companies, is not only creating new jobs for American workers; this $11 billion in Japanese investment is also bringing in new technologies that are helping revolutionize American manufacturing methods, improve quality control, and provide new products, made by American workers not only for domestic consumption but also for export. Innovative American companies that are now moving into Japanese markets in growing numbers are making comparable contributions to Japanese technological growth and diversification.

In every field of cooperation, the Japanese-American partnership is and must be a two-way street.

Finally, allow me to share with you a few thoughts about the wider horizons of our partnership—our joint commitment, as President Reagan described it, "to the search for peace and prosperity for our people and for all people."

During the last four or five years, I have sensed a gradual converging of Japanese and American views on the aims and obligations of our alliance with each other. In particular, the Japanese people and their government have come to recognize more clearly than ever before the international burdens and responsibilities that accompany Japan's power and rank among the world's industrial democracies. With the support of a growing national consensus, Japan is gradually redefining its world role. It is in the process of becoming what Prime Minister Nakasone has called "a truly international state."

The internationalizing of the Japanese economy is a vitally important part of this process, and it is well under way. The progressive elimination of trade barriers will continue until Japan will reach the international level in terms of open and accessible markets. Deregulation of Japan's financial markets is already taking place at a rapid pace. Japan and the United States together have taken initiative and have been working closely for a new round of multilateral trade negotiations, under the GATT, with a particular focus on the reduction of nontariff trade barriers and barriers to trade in services. On future directions for international economic policy, Japan and the United States are on course.

We are also on course with each other in the political-security aspects of our partnership. While firmly committing itself to a nonmilitary state, Japan accepts with the greatest seriousness its sovereign right and obligation to defend its people and territory, within the framework of Japan-U.S. security arrangements. Throughout the past decade of the Soviet military build-up, in Europe and the Far East, Japan's defense spending has risen each year at nearly double the growth rate of NATO defense budgets. Japan's defense budget ranks eighth in the world today, third among the non-nuclear powers. Japanese and U.S. planning and training exercises are closely coordinated.

We also recognize that the security of the free world is indivisible. We are therefore expanding our political consultations with the North Atlantic democracies, and in our overall efforts in the field of economic cooperation to developing nations in the various regions of the world, we are targeting special economic assistance to those important frontline states, such as Thailand, Pakistan, Turkey and Egypt.

As an Asian power, and the only advanced industrial state in the region, Japan has long accepted special responsibilities to assist its neighboring states in their pursuit

of economic and social modernization. About 70 percent of Japan's official development assistance is directed to the region, and Japan has become the primary source of private investment, technology transfers and technical training for many Asian countries including in particular the six ASEAN nations. Along with the United States, we have welcomed the new pragmatism in China's economic-modernization efforts, and we are pursuing appropriate ways of cooperating with these efforts. A politically stable and prosperous China could be an important stabilizing force in Asia and the world.

The Japanese people have been keenly sensitized in recent years to the humanitarian needs of whole populations that are being victimized by war, terrorism, drought and famine, and Japan has long supported the refugee programs of the UN High Commissioner.

The terrible famine that imperils millions of people across Africa, and especially in Ethiopia and Chad, has aroused the horror and sympathy of the Japanese people, as it has all civilized peoples. In addition to $115 million in food related assistance to Africa in 1984, Foreign Minister Abe (who visited the continent last November) has pledged approximately $50 million food and agricultural development assistance by the end of next March. In 1984, $3 million in food aid has been channeled to Ethiopia, and Mr. Abe pledged an additional $4.4 million in food and well-drilling equipment. Additional assistance is now being planned for the fiscal year beginning April 1, including farming equipment. Private Japanese citizens are also involved in these relief efforts, especially in a campaign to collect and ship much-needed blankets.

More, I believe, than any previous generation, today's Japanese recognize the need to reach out to the world and to play a vigorous and constructive role in regional and global affairs. I am much impressed with the international outlook and the practical idealism of the rising generation of Japanese, who are more comfortable in English or other language than their elders, and who move easily between cultures. I am also gratified by the more than 10,000 young Americans, Europeans, and especially Asians who are now studying at institutions of higher education in Japan.

The internationalizing of Japan, like the Japanese-American partnership, is also a two-way street, a genuine exchange in which we are all learning from each other.

Our goal is also the same—a more prosperous life for all peoples in an open, more peaceful world. This is what our partnership is about, and why Japan and America together are a unique force for good in the world.●

THE RETIREMENT OF JACK WILLIAMS

● Mr. QUAYLE. Mr. President, along with the senior Senator from Indiana, Senator LUGAR, I rise to bring to the Senate's attention a momentous event taking place here in Washington at the end of this week.

James Edward Williams—"Jack" to his many friends and admirers—is retiring after 31 years in the broadcast news business, including the last 19 years as an independent television news correspondent for his own Washington News Service, which numbered an Indiana station among its many clients.

Born in Wilson, NC, on May 20, 1910, Jack grew up in Richmond, VA. After graduating from the University of Richmond, he moved to New York City, where he worked as an interior decorator and then for a department store photography studio. Jack subsequently worked for several years as a steward on the cruise ships of the Grace Line.

Eventually, Jack returned to photography, working as a freelance photographer in Norfolk, VA, then for a portrait studio in Raleigh, NC, and finally going into business for himself as a portrait and commercial photographer in Durham, NC.

In August 1940, Jack Williams was married to Lena Broadwell.

After the bombing of Pearl Harbor in December 1941, Jack interrupted his career and volunteered for duty in the U.S. Navy, which tapped his experience and expertise as a photographer in assigning him to service as a chief photographer's mate. During his 3 years in the Navy, Jack was an instructor in aircraft surveillance photography at the Navy facilities in Pensacola, FL, and Recife, Brazil.

Following his service in the Navy, Jack returned to his studio in Durham. Before long, he learned that the Durham newspaper, which owned the local radio station, was venturing into a new medium, television. Jack applied for the position of news director at the new station, WTVD-TV, channel 11, landed the job and worked in that capacity for over 10 years.

Eventually, Jack determined he wanted to try his hand as an independent correspondent covering the Congress, which he considered—and still considers—a very significant beat. In 1966, he and his wife moved to Washington, and for the past 19 years he has covered the Hill for some 15 television stations.

One of Jack's first clients when he established his Washington News Service was channel 11 in Durham. He has also worked for two Jefferson pilot stations, WBTV in Charlotte, NC, and WWBT in Richmond.

One of Jack's longest standing clients has been WRTV-TV, channel 6, in Indianapolis, and it was through his work here on the Hill for this station in my State capital that I came to know Jack Williams. His questions during periodic interviews with me have always been informed, pointed but fair, and I will miss the give-and-take of those sessions.

As Jack Williams retires after 31 years in the broadcast news business, including 19 years here on Capitol Hill, the congressional news media are losing one of their most distinguished and respected correspondents. I am certain that Jack looks forward to spending more time with his lovely wife, Lena, and with their daughter, Rebecca Morris Williams, who is pursuing her master's degree in social studies in Michigan, and their two grandsons. But I also suspect that Jack will find his way back to the Hill from time to time, to look in on his many friends in the Senate and House radio-TV galleries, to visit with those he covered so well for so long and to make sure that the Congress he felt so privileged to cover is still doing its best to serve the people back home that Jack reported to so faithfully all these years. I wish him a happy and healthy retirement, godspeed, a happy 75th birthday on May 10 and an even happier 45th anniversary come this August.●

DR. JOHN BRADEMAS' EDUCATIONAL ADDRESS

● Mr. MOYNIHAN. Mr. President, for more than a quarter-century, Dr. John Brademas has been a tireless champion of educational excellence. As a distinguished member of the House of Representatives for 22 years, and latterly as president of New York University, Dr. Brademas has been one of our Nation's most eloquent and persuasive advocates of Federal support for education at all levels.

On February 10, 1985, Dr. Brademas delivered the keynote address at the 71st annual meeting of the Association of American Colleges. His excellent remarks should be reviewed by anyone who shares his concern about the proposed cuts in the Reagan administration's fiscal year 1986 budget; they should be required reading for those who do not share that concern.

As is his custom, Dr. Brademas has provided a comprehensive and eloquent case for maintaining our commitment to education. We ignore his words at some risk to our children, and to our Nation.

Mr. President, I ask that Dr. Brademas' remarks be included in the RECORD.

The remarks follow:

REMARKS OF DR. JOHN BRADEMAS

I am delighted to have been asked to address the 71st annual meeting of the Association of American Colleges.

I am for several reasons glad to be here. At the outset, I want to salute your distinguished chairman, a valued friend of many years, the president of Claremont University and graduate school and a respected voice in American higher education, John Maguire, even as I should like to thank your able and hard-working President, Mark Curtis, for inviting me to join you.

I am pleased as well to have the opportunity to pay tribute to members of the Association of American Colleges as the only national organization whose sole mission is the encouragement of liberal learning at our colleges and universities.

For the past decade, the liberal arts have been in a vulnerable position, and I com-

mend the AAC for helping create a more favorable climate for the arts and sciences on the Nation's campuses. I am sure that the release tomorrow of the AAC report on the baccalaureate degree project will command widespread attention.

I'm also glad to be back in Washington, DC having all this past week sailed up and down the glorious Nile and only yesterday flown here from Egypt, I feel ready to grapple with the hieroglyphic mysteries of the Federal budget.

From what I've been hearing, the process of Federal policymaking is flowing with the same order and ease as the traffic of Cairo.

As you know, I served for 22 years as a Member of Congress and while there, I took part in writing nearly every major piece of legislation passed during that time in support of elementary and secondary education, higher education, education for the disadvantaged and the handicapped, and the arts and humanities, libraries and museums.

Obviously, issues of learning and teaching continue to concern me in my new career. It is 3½ years since I became president of New York University, one of the Nation's largest private universities, with some 46,000 students in 14 schools and divisions.

New York University has a strong commitment to professional and graduate education, but the cornerstone of all our programs is our undergraduate curriculum, with its focus on the liberal arts.

So the final reason I am pleased to be with you is the chance this forum allows me to address you on the two subjects closest to my experience: Education and politics.

First, let me say a few words about the current condition of our schools, colleges and universities and the rising place of education—and especially higher education—on the national agenda.

Then I should like to look at the role of the Federal Government in education and the posture of the Reagan administration on meeting the Nation's educational challenges.

Everybody here has observed how over the last 2 years there has been a dramatic resurgence of interest in education in this country. Indeed, we have been virtually inundated by a wave of studies and reports, most of them calling for reforms in our elementary and secondary schools.

Although some studies addressed the problems of colleges and universities, they did so mainly in terms of their relationship to the public schools. Higher learning, except for teacher education, was not the focus of the proposals for reform. But that picture has begun to change.

Let me note in this respect that in 1983 I chaired the Subcommittee on Graduate Education of the National Commission on Student Financial Assistance. This 12-member bipartisan Commission was created by Congress to study student aid programs and to make recommendations for improving them.

Now, I believe that many of the findings of our Commission concerning graduate education are also true of postsecondary education generally. What were some of our conclusions?

First, we were convinced that the scholarship, skills, trained intelligence and historical perspective that our universities yield are indispensable to our economic growth, our national security and to the quality of American life.

Second, we concluded that graduate programs in the arts and sciences are in trouble. We identified several signs of weakness: Declining enrollments of talented students; the deterioration of laboratories and libraries; and shortages of trained experts in key fields such as foreign area studies.

We noted that many universities find it difficult to maintain first-rate faculties in the sciences and engineering and that in the humanities and social sciences, the Nation risks losing entire fields of scholarship.

And finally, the Commission said there must be urgent action on the part of the Federal Government in support of the graduate enterprise. Federal funds are essential, we said, for research, laboratories and libraries, and for student aid.

In my view, the signs of trouble that our Commission detected in graduate research and training impair the health of undergraduate teaching and learning as well. But it is only in the last few months that the spotlight of national attention has been turned to undergraduate education.

Once again, a Federal study—the first on higher education in 15 years—set the stage for the reports that followed. The document, "Involvement in Learning," written by seven prominent education researchers and sponsored by the National Institute of Education, appeared last October.

The NIE panel concluded, "the realities of student learning, curricular coherence, the quality of facilities, faculty morale and academic standards no longer measure up to our expectations."

The NIE group cited what they called "Warning Signals" of decline:

Half the students who start college never get their degrees;

Scores on 11 of 15 subject areas of the graduate record examination fell between 1964 and 1982;

Physical plant and equipment are deteriorating;

Faculty salaries have not kept up with inflation, while the proportion of freshmen indicating that they hoped to become college professors dropped from 108 percent in 1966 to 0.2 percent in 1982; and

The proportion of bachlors degrees in the arts and sciences, as distinguished from professional and vocational programs, declined from 49 percent in 1971 to 36 percent in 1982.

The NIE Commission called for higher faculty pay and more emphasis on teaching, at least 2 years of liberal education for all undergraduates, stricter graduation requirements, proficiency tests to determine what students have learned and research to improve learning.

Next, there came a study on faculty by the long-time student of higher education, Howard Bowen, and a close colleague of mine from our days together in Washington, Jack Schuster, now of the Claremont Graduate School.

Noting that colleges and universities must replace virtually all their professors over the next 25 years, Bowen and Schuster stressed the need to raise salaries, promote collegiality, pay greater attention to teaching and recruit students who have "a sense of being called to the profession." As you know, professors Bowen and Schuster reported on their study here this afternoon.

In November, William J. Bennett, chairman of the National Endowment for the Humanities and the Secretary-Designate of Education, issued a report prepared by a group he appointed who assailed the state of the humanities on American campuses. This document, entitled, *"To Reclaim a Legacy,"* cites a sharp decline in the number of students majoring in the humanities, and contends that the humanities, and particularly the study of Western civilization, have lost their central place in undergraduates education.

The Bennett report recommends that colleges and universities reshape the undergraduate curriculum based on "a clear vision of what constitutes an educated person" and urges agreement on a core of common studies for all students.

Tomorrow, of course, your association will release the long-awaited report of your own baccalaureate degree project, the culmination of a 3-year study and the centerpiece of this meeting. Although I am not free to reveal the substance of the report, I should like to note some themes that have been made public.

First, the AAC report finds a devaluation of undergraduate degree programs. The curriculum is fragmented and overspecialized. Graduates lack the intellectual skills and breadth of liberal learning to be competent human beings or leaders of our society.

A second theme is the need to define an educated person, with an emphasis on intellectual capacities—like reasoning and thinking historically—rather than factual knowledge.

Third, the study exhorts faculty to rise above narrow departmental concerns and to take responsibility for the entire curriculum.

And finally, the AAC report underlines the need for leadership by trustees, presidents and deans to initiate curricular reform and encourage academic accountability.

In the next year, we can expect more studies of undergraduate education, two from the Carnegie Foundation for the Advancement of Teaching. One of these will look at Federal policy on higher education; the other will be a study of the purposes of undergraduate education.

Well, now that undergraduate education has moved to center stage, what are we to conclude from all these proposals?

First, the studies I have cited seem in remarkable agreement on several basic points.

All call for a more rigorous curriculum, one that reaffirms the central importance of the liberal arts.

All say that administrators and faculty must take greater responsibility for meeting the problems of higher education.

All the studies recommend higher faculty pay and greater faculty commitment to the profession of teaching.

And finally, all assert the need for a curriculum based on a vision of what an educated person should be.

Here I think it important to observe that a number of colleges and universities are already correcting many of the deficiencies described in the reports. Let me give you a few examples.

According to a survey by the American Council on Education, many colleges and universities—including Harvard, the University of Pennsylvania, Emory College, Middlbury and Brooklyn Colleges—have restored to the undergraduate curriculum a broad-based general education component, either through distribution requirements or by introducing core courses.

Allow me to note here that New York University has long required that undergraduates in our professionally oriented programs take courses in the liberal arts and sciences.

Moreover, beginning in the fall of 1981, NYU instituted a new core curriculum for students in our college of arts and science. This program stresses interdisciplinary

learning and includes rigorous courses in skills such as writing and mathematics and in subjects like philosophy and religion, natural sciences, western and non-western civilizations.

Let me say in this respect that I was glad to learn of the recent modern language association study indicating that, in a reversal of a 12-year trend, enrollments in foreign language courses at American colleges and universities are now on the upswing.

The ACE survey I cited earlier also found that two-thirds of our colleges and universities require entering students to take placement tests in English and mathematics, and that 90 percent of the colleges are making curricular or other changes to enhance the quality of their undergraduate programs.

Having said that the reports chart a course for excellence and having cited improvements already underway, I should like now to ask: Will the reformers achieve their agenda?

In evaluating the prospects, I see one overwhelming obstacle, for some reason overlooked by the several study groups, and it is this: Without the necessary resources, we cannot have excellence.

For the capacity of our colleges and universities to achieve excellence depends on adequate support from several sources, chiefly students, business and industry, private individuals, foundations, state governments and the Federal Government.

Because we meet today in Washington, D.C.; because as a Member of Congress I dealt with higher education legislation; because of what I at least believe is the indispensable place of the Federal Government in support of higher education; and because we met in the month following the start of the second term of Ronald Reagan as President, I should like now to look at the Reagan record on education over the past 4 years and ask what we might expect in the next 4.

First, let me say that I believe Mr. Reagan does deserve genuine credit for lifting the level of public awareness about education. The problem is that in his words of support for education, Mr. Reagan has not moved beyond public relations. He stresses stricter discipline in the classroom, more homework, better teaching, and an end to drug abuse. He would raise the status of teachers by launching one into space.

It is indeed anamalous that, on the one hand, President Reagan could have been so effective in his speeches in drawing the Nation's attention to education while, on the other, in his budgets he pursues a course of action that is undermining the schools, colleges and universities of the United States.

What is the basis for my sharp assertion?

Let me speak first of the Reagan Administration's attack on financial aid. These programs—Guaranteed Student Loans, College Work Study, Pell Grants—upon which hundreds of thousands of American young people rely in order to go to college have been among the hardest hit by the Reagan budget cuts, dropping from $10.8 billion in 1981, to $7.9 billion in 1984, a decline in current dollars of more than 25 percent.

What does the administration have in mind for the next 4 years?

A document released last summer by the Office of Management and Budget describes budget goals for a second term. Higher education aid, says the OMB, in bitter tones, "has so far resisted contraction," being only about 3 percent below its peak level, attained in 1981. OMB then calls for such severe reductions that, by 1989, funds for higher education would be fully one-third below their peak level.

That OMB document gave us fair warning of what colleges and universities might expect from a second Reagan term.

Nevertheless, the education budget which the administration announced last week, coupled with the tax proposals, must still shock us. For taken together, the budget and the tax changes represent a renewed and intensified attack on American higher education.

First, the Reagan fiscal year 1986 budget calls for a 25-percent slash below the adjusted fiscal year 1985 level.

The cuts the administration wants to make in Federal aid to students can only be described as colossal.

According to an American Council on Education analysis, here, as we look to the 21st century, are the consequences of Mr. Reagan's latest contribution to the strength of American higher education:

Some 808,000 middle-income students would be dropped from eligibility for Pell grants in academic year 1986-87. This change would mean that nearly half the students at NYU now receiving Federal aid other than GSL's would be ineligible.

Seven other aid programs providing another 2 million awards for undergraduate and graduate students would be abolished.

The budget would reduce entitlements for all Pell grant recipients this fall (Academic year 1985-86) by asking Congress to scale back from $2,100 to $2,000 the increase in the Maximum grant provided in the fiscal year 1985 appropriation.

Almost 1 million current borrowers would be removed from the Guaranteed Student Loan Program by capping eligibility at adjusted gross family incomes of $32,500. At New York University, 25 percent of all current GSL borrowers would become ineligible.

A $4,000 cap would be imposed on the total aid any student would receive from all Federal aid programs. ACE estimates that this "Mega-Cap" would reduce awards by an average of $1,200 for some 430,000 undergraduates, half of whose family incomes are below $12,000.

Sixty percent of those affected by this cap would be needy students attending independent institutions like New York University. The average loss to such students would be $1,400.

In fact, of the approximately 7,200 students at New York University receiving some form of Federal aid, 4,830 students would lose under the Reagan proposal. The total amount of assistance they now receive is $29 million; the Reagan budget would slash nearly $10 million off that figure.

An estimated 200,000 graduate students would be affected by the cap—about one-third of federally aided graduate students, and two-thirds of those attending independent institutions.

Finally, the ACE notes, about a dozen categorical programs, with modest funding totaling nearly $100 million, designed to strengthen academic quality, would be eliminated. These include all programs of Federal aid to libraries and for international education. Mr. Reagan would also kill off graduate fellowships of all kinds within the Department of Education, facilities renovation, and the fund for the improvement of postsecondary education.

I cannot tell you how gratified I am that the chairman of the Senate Subcommittee on Education, Robert T. Stafford, Republican of Vermont, has already declared the proposed caps "absolutely ludicrous." And here I must say a special word of congratulations to both New York State's Senators, Daniel Patrick Moynihan and Alfonse D'Amato, who have already sharply and eloquently criticized the Reagan higher education proposals.

Let me also interject a comment on OMB Director David Stockman's testy statement a few days ago to the effect that college and university presidents are more worried about financing their institutions than the well being of their students.

This, of course, is nonsense, and I agree with the new White House Chief of Staff, Donald Regan, that Mr. Stockman has "lost his cool under pressure."

Of course college and university presidents are interested in financially stable institutions. Without them, where would students study?

And, of course, we are interested in adequate financial assistance for students who need it. Otherwise, what is the point of having institutions?

So Ronald Reagan's proposals for higher education represent, in effect, a declaration of war on our colleges and universities and on middle-income America.

Distressing as these steep cuts are, also alarming are the implications for education of the tax simplification plan devised by the Department of the Treasury.

Here I must observe that the Treasury plan contradicts Mr. Reagan's own philosophy of Government. Much of the Reagan rhetoric justifying reductions in education assumes that private philanthropy and State and local governments can make up the difference. The tax changes now under review fly in the face of this premise. Why do I say this?

First, the Treasury plan would significantly weaken incentives to corporations and individuals to make charitable contributions in the form of cash and appreciated property, and would thereby gravely undermine private support of higher education.

Let me remind you here of two of the recommendations of the Treasury Department. One would allow cash donations to charity to be deducted only to the extent they exceeded 2 percent of a taxpayer's income. Another would allow taxpayers who donated stocks and other assets to charity to deduct only what they originally paid for the asset plus an adjustment for inflation—and not, as at present, deduct the market value of the property.

It is estimated that these Treasury proposals would reduce gifts of cash to colleges and universities in the United States by 28 percent, and gifts of property by 38 percent. Our best estimates, based on total giving to New York University in 1983-84, are that we would lose $10.2 million in cash and $7.5 million in property—annually.

Moreover, the Treasury Department's proposal to eliminate deductions for State and local taxes would do even further harm to the institutions of education in high tax States like New York both by cutting the tax base on which the public school and university systems rest and by creating a greater tax burden for potential donors, who would thus be less likely to contribute to higher education.

The Reagan administration, through these efforts both to slash needed funds for education and to amend the tax laws in the ways I have explained, would, in effect, subject American higher education to a "triple whammy."

At one and the same time, the administration would:

First, reduce Federal funds for student aid and for other educational programs;

Second, undermine the ability of State and local governments to make up for the shortfall; and

Third, cripple efforts on the part of our colleges and universities to raise private funds from individuals and corporations.

Here I must point out that private institutions like New York University are heavily dependent for income on tuition and are, accordingly, especially endangered by cuts in student-financial assistance. Twenty years ago, some 50 percent of the students in our colleges and universities attended private ones while today, you may be surprised to learn, that figure has dropped to less than half that.

If you believe, as I do, that the United States has a deep stake in maintaining a pluralistic system of higher education; that we would be impoverished, intellectually and in other ways if all our colleges and universities were public, then you will be as disturbed as I am about the implications for independent institutions of the proposed cuts in student aid.

Now having said all this, I must add that the shape and direction of higher education in the next 4 years will revolve not only around what Mr. Reagan wants to do but around a series of fiscal and political realities that will determine what can be done—by any President.

I turn now to consider those realities.

The President in his second term faces one overriding economic nightmare: A Federal deficit that will in 1986 approach a staggering $230 billion. Most experts agree that the deficit has come about largely because of Mr. Reagan's policies in his first term: The combination of the huge tax cut of 1981 with the large increase in military spending.

As you all know, President Reagan continues to reject either tax increases or—against the nearly unanimous advice of his top advisers—a slowdown in the rate of growth of defense spending. This position leaves only the domestic budget to cut—and he has effectively ruled out Social Security.

The President has thereby placed two-thirds of the budget off limits. Even to make a dent in the deficit, the remaining one-third of the budget would have to be decimated. As we have seen, higher education has been identified as a prime target.

As we consider the prospects for Mr. Reagan's budget, this much seems clear: The President will attempt to finish as much of his program as possible before 1989, indeed before 1986. But how far he gets will depend on the balance of forces with which he will have to work in the 99th Congress.

So it is important to keep in mind that despite Reagan's massive victory, Democrats gained two seats in the Senate and lost only 14 in the House. This outcome is, of course, a dramatic setback to the President's hopes for reviving the kind of ideological majority in Congress he enjoyed in 1981 and 1982 before the House Democrats gained 26 seats in the mid-term elections.

Beyond the party breakdown, who sits where in Congress can have important policy implications for education. A recent shifting of leaderhip in the House committee with chief responsibility for Federal education programs leaves in key positions some of the staunchest and most experienced friends of education: The new chairman of the House Education and Labor Committee, GUS HAWKINS, Democrat of California; JIM JEFFORTS of Vermont, the top ranking republican on the committee; and the new chairman of the Subcommittee on Postsecondary Education, WILLIAM D. FORD, Democrat of Michigan, a vigorous and knowledgeable defender of higher education programs.

Let me turn to the Senate. With the narrowed margin of Republican control—the ratio is now 53 republicans to 47 Democrats—the influence of GOP moderates like MARK HATFIELD of Oregon. ROBERT STAFFORD of Vermont and LOWELL WEICKER of Connecticut, all strong champions of education, is enhanced.

Party leaders in Congress also affect the politics of education. THOMAS P. O'NEILL, Jr., remains as Speaker of the House and, with majority Leader JIM WRIGHT, will continue to pose a serious obstacle to any plans of President Reagan to eviscerate funds to higher education.

In the Senate, the choice of the able and self-confident ROBERT DOLE of Kansas for the post of majority leader is a further sign that the Senate will not be a rubber stamp for Ronald Reagan.

Indeed, it is already clear that Ronald Reagan will find himself pulled not only by Democrats but by Republicans on his left and right, and in both Chambers.

Let me here take a moment to underscore a significant and longstanding tradition in American politics, and that is that support in Congress for education, including higher education, has always, in this country, been bipartisan.

I served in Congress with six Presidents—three Democrats: Kennedy, Johnson and Carter; and three Republicans: Eisenhower, Nixon and Ford—and every one of them, working with members of both parties in the House and Senate, signed laws for Federal support of education, and in some cases, including the Republicans, initiated them.

Ronald Reagan, therefore, marks a seachange in the attitude of an American President toward the role of the Federal Government in education. It has been heartening, therefore, to see in the last 2 years a renaissance of the bipartisan coalition in support of education that characterized all my time in Congress.

As an old vote-counter, I predict that both Republicans and Democrats in Congress will once more resist the Reagan administration's attacks on education.

Let me turn to one other variable in the shifting political environment. The choice of William J. Bennett to replace Secretary of Education Bell can have a significant impact on the policy agenda for education. Mr. Bennett, an outspoken conservative, has stood firmly for high educational standards. As the chairman of the NEH and the author of the report on the humanities I mentioned earlier, he has focused national attention on the need to strengthen the humanities.

Although President Reagan has abandoned his effort to dismantle the Department of Education, it is still clear from his budget proposals that he is determined to diminish the Federal role in support of teaching and learning. I hope—some of you will say, I know, against hope—that Mr. Bennett will be as strong a champion of education generally as he has been of the humanities and that he will keep our classrooms and campuses at the forefront of national concern.

Let me summarize what I have sought to do here today. First, I have surveyed the current concerns and challenges facing undergraduate education.

I then talked of where President Reagan has been in respect of education, and, as reflected in his budget proposals, where he seems headed, namely, toward cutting Federal support and crippling the capacity of both the States and private philanthropy to make up the difference.

I went on to observe, however, that we will see in the present Congress the rising opposition, on the part of both Republicans and Democrats that we witnessed during the last 2 years to the Reagan administration's attack on education.

But, I must tell you now, there will be a fight!

And so, before concluding my remarks this evening, I should like to make one further point.

It has often been my impatient observation that members of the education community spend so much time and energy discussing the education of the polity that they have nothing left for discussion of the polity of education.

Each of you must enter the battle that will be waged this year in Washington, D.C. For if higher education to survive and, indeed, flourish, it will be up to you. This is war, and we need every one of you in our ranks.

To paraphrase President Reagan: "If not you, then who? And if not now, then when?"

Political decisions are being made at this moment that threaten an entire generation of scholars and the direction and scope of higher education for generations to come. None of us can afford the luxury of disdain for political discourse.

It will be essential that you and all other college presidents, faculty and deans across the land organize and work to help preserve the historic coalition that has supported the Federal role in education, and the students must help, too!

For we need to remind President Reagan that when he attacks education, he is really threatening the security of the United States and our prospects for a growing and competitive American economy, and the qualitiy of American life

You and I know that we cannot achieve any of these goals without trained and educated men and women. But Mr. Reagan doesn't seem to grasp these connections.

The President doesn't seem to understand the implications of his war on education for the future of our country, or to realize that his sweeping cuts in funds for our schools, colleges and universities, for the students who attend them and the scholars who teach and carry on research in them, represent a dagger in the heart of the American national interest.

For only if we bring to their fullest potential the greatest of our national resources, and educated citizenry—only then can we face and master change, chart and define the future, and enjoy the rich blessings of democracy secure in the knowledge that others will not create the future for us.●

MAJORITY OF AMERICANS SUPPORT WOMEN'S CHOICE

● Mr. PACKWOOD. Mr. President, two major polls of the national opinion on the subject of abortion were recently released. I am pleased to report Mr. President, that the majority of the American public continues to sup

port a woman's right to choose to have an abortion.

I ask to have printed in the RECORD immediately following my remarks, the results of an ABC News Washington Post poll conducted between January 18-20, 1985, and the results of a survey by Louis Harris conducted between January 24-27, 1985.

The material follows:

ABC NEWS WASHINGTON POST POLL

(By Peter Begans)

POLL SHOWS HALF NOW FAVOR ABORTION ON DEMAND; MAJORITY OPPOSE PROPOSED CONSTITUTIONAL BAN

More than half the American public now believes a woman has the right to abortion on demand, up sharply from four years ago, according to a special ABC News Poll. And only 11 percent would ban abortion under all circumstances.

And on the twelfth anniversary of the Supreme Court decision to legalize abortion, a majority think the decision was "the right thing to do" and are against a constitutional amendment that would turn that ruling around.

On demand

Fifty-two percent of the American public now think a woman should be able to get an abortion if she decides she wants one no matter what the reason. That is up sharply from 1981 when an ABC News/Washington Post survey found only 40 percent of the public approved of abortion on demand. In our current poll, 32 percent favor abortion on demand strongly and 20 percent favor it somewhat.

On the other hand, 46 percent of the public oppose abortion on demand. Thirty-one percent oppose it strongly and 15 percent oppose it somewhat. Back in 1981, 59 percent of the public opposed abortion on demand.

But not all those who oppose abortion on demand are totally against abortion in all cases. In fact, only 11 percent of Americans say they believe abortion should be illegal under all circumstances. The rest of the public—36 percent—give a myriad of reasons when abortion should be legal without going all the way and approving abortion on demand.

ATTITUDES ON ABORTION

	1985	1981
egal in all circumstances	52	40
egal in certain circumstances	36	49
legal in all circumstances	11	10
o opinion	1	1

Circumstances

Large majorities of those who do not approve abortion on demand still think it hould be legal when the woman's life or hysical health is endangered or when the regnancy is a result of rape or incest. And large share think abortion should be a egal alternative if a woman's mental health s threatened or there is a chance the baby ill be deformed.

But people who might agree that these re acceptable reasons for allowing abortion end to draw the line at abortion because of overty. In fact, only 10 percent of people ho said abortion should be legal under cerain circumstances said that financial probms was one of them.

In addition a majority of the public (51 ercent) is opposed to the government paying for an abortion if the woman is too poor to pay for it herself.

Here is the percentage of the general public approving abortion under different circumstances:

Circumstances in which abortion is approved

Woman's life endangered	86
Woman may suffer severe health damage	84
Result of rape or incest	82
Woman's mental health is endangered	72
Chance baby will be deformed	68
Family cannot afford to have the child	56

Changing attitudes

The poll shows the increase in pro-choice sentiment is due largely to a significant shift among women. Only four years ago 36 percent of American women favored abortion on demand. Now 54 percent do, a huge increase. The percentage of men favoring abortion on demand has risen less, from 45 to 51 percent.

ABC NEWS POLL—PERCENT FAVORING ABORTION ON DEMAND

	1985	1981
Women	54	36
Men	51	45

Women are more likely than men to doubt that anti-abortion laws would work. A majority of women say that making abortion illegal would not substantially reduce the number of abortions, while a majority of men believe it would.

Religion

Catholics are in step with the rest of the nation on abortion. Fifty-three percent of Catholics oppose teachings of their church and support abortion on demand. This compares with 50 percent of Protestants who support abortion on demand.

Since 1981 support for abortion on demand has risen from 41 percent among Catholics and 38 percent among Protestants.

Anniversary

These new findings come on the twelfth anniversary of the U.S. Supreme Court's Roe vs. Wade decision that legalized abortion. More than half the public—54 percent—now say the decision was the "right thing to do." Thirty-nine percent say that time has proved it was the "wrong thing to do."

Amendment

And the public hold nearly the same sentiment on a proposed constitutional amendment to overturn the court's ruling and ban abortions under most circumstances. Forty-two percent are in favor of such an amendment, but a majority of 54 percent are opposed to it.

Advice

But even though support for abortion on demand is increasing, the public remains conservative about advising it for a member of their families. Six in 10 Americans say if their 15-year-old unmarried daughter became pregnant they would advise against having an abortion. That is little changed from four years ago when 66 percent said they would advise against abortion. Only 24 percent would recommend an abortion, virtually the same as four years ago (23 percent).

Still, abortion remains a common occurrance in America. More than half the public (55 percent) knows someone who has had an abortion. Four years ago that number was 54 percent.

Promiscuity

Fewer Americans are blaming legalized abortion for sexual promiscuity than did four years ago. About four in 10 now say legalized abortions have resulted in promiscuity and moral decline in America. Four years ago five in 10 felt that way. One explanation may be that there have been reports of the decline of promiscuity even though abortion is still legal.

Bombings

Finally, more than four out of five Americans (85 percent) call recent bombings of abortion clinics by anti-abortion activists "outright criminal acts," rather than acts of civil disobedience. Ninety percent of the public has heard about the bombings.

ABC NEWS—JANUARY, 1985 POLL

[Number of interviews = 505; Interview dates Jan. 18–20, 1985; #0182]

	Jan. 20	May 20
1. On the whole, do you favor or oppose most of the efforts to strengthen and change the status of women in society today?		
Favor	72	66
Opposed	19	27
No opinion	9	7
2. Do you tend to agree or disagree with this statement: A woman should be able to get an abortion if she decides she wants one no matter what the reason.		
Agree (Net)	52	40
Agree strongly	32	24
Agree somewhat	20	16
Disagree (Net)	46	59
Disagree somewhat	15	16
Disagree strongly	31	43
No opinion	2	1
3. (If disagree, that women should be able to get an abortion no matter what the reason or no opinion in Q. 2) Then do you think abortions should be legal only under certain circumstances or illegal in all circumstances?		
Legal under certain circumstances	76	82
Illegal in all circumstances	23	16
No opinion	2	1
Net Q. 2 & Q. 3.		
Agree, abortion on demand	52	40
Legal under certain circumstances	36	49
Illegal in all circumstances	11	10
No opinion	1	1
4. (If disagree, that women should be able to get an abortion no matter what the reason or no opinion and abortions should be legal under certain circumstances in Q. 3) Thinking about the first three months of pregnancy, under which of the following circumstances do you think abortions should be legal?		
a. Do you think an abortion should be legal when the woman's life is endangered?		
Yes, should be legal	95	95
No, should not be legal	4	3
No opinion	1	1
b. How about when the pregnancy is a result of rape or incest?		
Yes, should be legal	84	84
No, should not be legal	12	12
No opinion	4	4
c. When the women may suffer severe physical health damage?		
Yes, should be legal	88	88
No, should not be legal	12	9
No opinion	1	3
d. When there is a chance the baby will be born deformed?		
Yes, should be legal	45	60
No, should not be legal	48	32
No opinion	7	8
e. When the woman's mental health is endangered?		
Yes, should be legal	56	65
No, should not be legal	40	29
No opinion	5	5
f. If the family cannot afford to have the child?		
Yes, should be legal	10	14
No, should not be legal	87	82
No opinion	2	2

Special Table: Degree of Abortion Support

ABC NEWS—JANUARY, 1985 POLL—Continued

[Number of interviews = 505; Interview dates Jan. 18–20, 1985; #0182]

	Jan. 20	May 20
Percentage of sample who support:		
either abortion on demand in Q. 2 (52%)		
Or under all circumstances in Q. 4 (55%)		
Or under all circumstances in Q. 4, except Q. 4F (family cannot afford to have the child) (64%)		
Or under at least one instance in Q. 4 (88%)		
5. It's been 12 years since the supreme court of the United States legalized abortion. Do you think time has proved that court decision was the right thing to do or do you think time has proved it was the wrong thing to do?		
Right thing to do	54	.....
Wrong thing to do	38	.....
No opinion	9	.....
6. Have you read or heard about the recent bombing of abortion clinics in various parts of the country?		
Yes, heard/read	90	.....
No, have not heard/read	10	.....
Don't know		.....
7. (If yes, heard/read in Q. 6) Would you say those bombings should be described as civil disobedience or should they be called outright criminal acts?		
Civil disobedience	12	.....
Criminal acts	85	.....
Don't know	3	.....
8. Suppose you had a fifteen-year-old, unmarried daughter who told you she had recently become pregnant. Would you advise her to have an abortion or not?		
Yes, would advise abortion	24	23
No, would not advise abortion	61	66
No opinion	16	11
9. Do you know anyone who has had an abortion?		
Yes	52	53
(Vol) Yes, more than one	3	1
No	45	47
Don't know	1	.....
10. Now I'm going to read a few statements, and for each I'd like you to tell me whether you tend to agree or disagree with it, or if, perhaps, you have no opinion about the statement:		
A. Making abortions illegal would substantially reduce the number of abortions.		
Agree	47	45
Disagree	49	51
No opinion	4	4
B. The legalization of abortion has encouraged sexual promiscuity and has caused morals to decline in this country.		
Agree	42	51
Disagree	53	45
No opinion	5	4
C. Abortion is something that government should not pay for even if a woman seeking an abortion is very poor.		
Agree	51	54
Disagree	42	40
No opinion	7	6
E. Regardless of whether abortions are legal or not, almost all women who want abortions are going to get them.		
Agree	73	72
Disagree	24	26
No opinion	3	3
F. There should be a constitutional amendment banning abortion under most circumstances.		
Agree	42	.....
Disagree	54	.....
No opinion	4	.....

Americans Abhor Attacks on Abortion Clinics

(By Louis Harris)

A 77–18 percent majority of Americans feels that the recent bombings and attacks on 31 abortion clinics "amount to a campaign of terrorism." There is evidence that the violence used against the abortion clinics may be hardening opposition to the anti-abortion movement.

Attitudes toward abortion have not changed appreciably since the key U.S. Supreme Court decision on abortion in 1973. Since that time, majorities ranging from 52–41 percent to 60–31 percent have backed the court's view that a decision on whether or not to have an abortion during the first three months of pregnancy should be left up to the woman and her doctor. In this latest Harris Survey taken by telephone between January 24th and 27th among a national cross section of 1,254 adults, a 56–42 percent majority favors legalized abortion, as defined by the U.S. Supreme Court. When the issue in cast in terms of a constitutional amendment to ban abortion—a prime objective of the right-to-life movement—a 58–38 percent majority stands opposed to such an amendment.

The division on the arguments surrounding the abortion issue has not changed much over the past four years. Here are the results in the pro-abortion claims:

By 70–28 percent, a majority agrees with the view that any woman who is three months or less pregnant should have the right to decide, with her doctor's advice, whether or not she wants to have an abortion." In 1981, a comparable 68–30 percent majority felt the same way.

A 61–35 percent majority agrees with the view that "many unwanted children end up being subject to child abuse, and it's a mistake to force unwanted children to be born." Four years ago, an identical 61–35 percent majority felt that way.

It is apparent that there are strong arguments to be made in favor of freedom of choice on the abortion issue—enough to sustain a consistent majority in favor of legalized abortion.

But there are right-to-life arguments that win appreciable backing:

By 52–44 percent, a majority agrees with the highly emotional claim that "to perform an abortion even during the first three months of pregnancy is the equivalent of murder, because a fetus's life has been eliminated." In 1981, a 49–47 percent plurality agreed with this claim.

By 52–44 percent, however, a majority rejects the basic assumption of right-to-life advocates that "the life of a baby is just as important as the life of a mother, so abortions should be banned." Four years ago, a 54–41 percent majority rejected this claim.

While anti-abortion arugments find some agreement, thay do not seem to have the same appeal as the pro-choice arguments. The essential weakness of the anti-abortion cause is the insistence on a total ban on abortion. The key strength of the pro-abortion cause is that it opens up individual options for the mother and her doctor.

When analyzing key groups, results show that those who are part of the white Moral Majority oppose legalized abortion by 59–39 percent, while white Catholics favor it by 53–45 percent.

The recent wave of bombings and violent attacks on abortion clinics have been met with overwhelming abhorrence from Americans. By 81–17 percent, a majority agrees with the charge that "it is not the American way to resort to violence when you disagree with a national policy." By 53–42 percent, a majority also feels that "the people bombing the abortion clinics are turning people like myself against the right-to-life and anti-abortion movement." (A 55–39 percent majority of white Catholics feels this way.) In addition, a 53–41 percent majority rejects the anti-abortion movement claim that "the damage done to the abortion clinics is minor when compared with the fetuses whose lives are taken in abortion clinics."

Mitigating some of the bitterness evoked by the violence wrought on abortion clinics is the 68–28 percent majority that prefers to believe the bombings are the work of "fanatics," not those running the right-to-life movement. Nonetheless, Americans find such violence repugnant.

Between January 24th and 27th, the Harris Survey asked a nationwide cross section of 1,254 adults by telephone:

"Now I'd like to ask you some questions about the abortion issue. Do you favor or oppose a constitutional amendment to ban abortions?"

FAVOR CONSTITUTIONAL AMENDMENT BANNING ABORTIONS?

[In percent]

	Favor	Oppose	Not sure
Total	38	58	4
White Protestant	41	55	4
White Catholic	46	49	5
Jewish	4	91	5
White Moral Majority	56	41	3

"A total of 31 abortion clinics have been bombed or attacked by people opposed to legalized abortion. Do you feel such attacks of violence against abortion clinics amount to a campaign of terrorism, or not?"

VIOLENCE AGAINST ABORTION CLINICS A CAMPAIGN OF TERRORISM?

	Percent
Amount to terrorism	77
Do not amount to terrorism	18
Not sure	5

"Now let me read you some statements about the attacks on abortion clinics. For each, tell me if you agree or disagree."

STATEMENTS ON ATTACKS ON ABORTION CLINICS

[In percent]

	Agree	Disagree	Not sure
It is not the American way to resort to violence when you disagree with a national policy	81	17	2
The attacks on the abortion clinics are probably being conducted by fanatics and not people who are concerned with the right-to-life movement	68	28	4
The opponents of abortions are right when they say the damage done to the abortion clinics is minor compared with the fetuses whose lives are taken in abortion clinics	41	53	6

"In 1973, the U.S. Supreme Court decided that state laws which made it illegal for a woman to have an abortion up to three months of pregnancy were unconstitutional, and that the decision on whether a woman should have an abortion up to three months of pregnancy should be left to the woman and her doctor to decide. In general, do you favor or oppose the U.S. Supreme Court decision making abortions up to three months of pregnancy legal?"

FAVOR 1973 U.S. SUPREME COURT DECISION ON ABORTION?

[In percent]

	Favor	Oppose	Not sure
Total	56	42	
White Protestant	54	44	
White Catholics	53	45	
Jewish	91	9	.....
White Moral Majority	39	59	

"Now let me read you some statement that have been made about abortions. Fo each, tell me if you agree or disagree."

STATEMENTS ABOUT ABORTION

[In percent]

	Agree	Disagree	Not sure
PRO-ABORTION			
Any woman who is three months or less pregnant should have the right to decide, with her doctor's advice, whether or not she wants to have an abortion:			
January 1985	70	28	2
May 1981	68	30	2
Many unwanted children end up being subject to child abuse, and it's a mistake to force unwanted children to be born:			
January 1985	61	35	4
May 1981	61	35	4
ANTI-ABORTION			
To perform an abortion, even during the first three months of pregnancy, is the equivalent of murder, because a fetus's life has been eliminated:			
January 1985	52	44	4
May 1981	49	47	4
The life of a baby is just as important as the life of a mother, so abortions should be banned:			
January 1985	44	52	4
May 1981	41	54	5

METHODOLOGY

This Harris Survey was conducted by telephone within the United States between January 24th and 27th among a cross section of 1,254 adults nationwide. Figures for age, sex, race and education were weighted where necessary to bring them into line with their actual proportions in the population.

In a sample of this size, one can say with 95 percent certainty that the results are within plus or minus three percentage points of what they would be if the entire adult population had been polled.

This statement conforms to the principles of disclosure of the National Council on Public Polls.●

THOSE SIX WORDS

● Mr. KENNEDY. Mr. President, on Sunday, February 17, our new Secretary of Education, William J. Bennett, along with William Friday, president of the University of North Carolina, was interviewed by Roger Mudd on the NBC News program Meet the Press. The program began with a tape of Secretary Bennett's press conference in which he referred to the divestiture to be required of our students—of stereos, automobiles and 3 weeks at the beach—by this administration's student aid proposals. Secretary Bennett stated that "those six words" will follow him through his tenure at the Department of Education. He said, however, that he stands by those words and all that they imply.

As I have stated previously, I was troubled by "those six words" because of the way in which they characterize the students and the families of students who are attending our colleges and universities. Our colleges and universities are not generally made up of students who can afford to spend 3 weeks at the beach. The cars they drive are not likely to be the luxury models, but more likely, the student models.

I was also troubled, Mr. President, by the way in which Secretary Bennett characterized these students and their families in the NBC program. He stated:

We are running a student financial aid system with government support in which we support many students who are at the upper income limits of American income, $80,000, $90,000, $100,000. This is not a sensible way to run a system.

This statement implies that the administration proposals would deny aid only to those who can well afford to pay all the bills for their children's education.

Once again, I believe Mr. Bennett is misleading the press and the public. In fact, the administration's proposals which Mr. Bennett has so vigorously defended, would deny low interest loans to any family making more than $32,500 a year regardless of the size of the family or the number of children in that family who are in college. By almost anyone's definition, an income of $32,500 does not qualify a family as rich or well-to-do or even well off.

Mr. Bennett also implies in his statement that our student aid programs are somehow benefiting the rich rather than those who need the help. Again, the facts just don't support his contention. According to the Congressional Budget Office, less than 1 percent of all dependent students receiving student loans—about 21,000 students—come from families making more than $75,000 a year. In fact, 90 percent of those students who receive loans are from families making less than $50,000. Further, current law requires any student from a family with income above $30,000 to demonstrate financial need in order to qualify for a loan.

I do not mean to suggest that abuse of the program does not exist and that some students and families who can otherwise afford college are instead relying on the CSL Program. I do suggest, however, that such cases are the exception and not the rule and that such cases do not justify the drastic measures being proposed by this administration.

Another issue that troubled me is the way in which Secretary Bennett characterized the effects of the budget proposals. He stated:

We're trying to focus our need where it is needed most. This means that aid will have to be restricted in some cases limiting people's choice. We can no longer provide $10,000 for a student at the upper income levels to go to the most expensive schools in the country.

Secretary Bennett seems to imply that choice will be limited only for upper income students. The fact is that the budget proposals will fall most heavily on the low-income students in terms of limiting choice.

The President proposes to limit total Federal financial assistance to $4,000, that is, the combination of Federal grants, loans and work study assistance available to any student will not exceed this amount. The average cost of attending a public 4-year college or university is about $4,900. The average cost of attending a private 4-year college or university is about $9,000. Thus, the poorest student, the student who cannot rely on his family for a financial contribution, will be limited to a 2- or 4-year public college or university, assuming summer work is available to make up the $900 shortfall. That student, however, is precluded from attending a private college or university. The hope of attending a prestigious college or university, which ranges up to $15,000 will be out of reach.

The result that this proposal will inevitably lead to—private colleges and universities for the wealthy only, public colleges and universities for the rest—is repugnant to our goals of a democratic society. Since the enactment of the Higher Education Act in 1965, we have promoted the goals of access and choice, not just to serve the needs of disadvantaged people, but to promote a more egalitarian and democratic citizenry. This goal will be seriously undermined by a policy that limits lower income students to certain institutions.

Finally, I was troubled by the assertion of Secretary Bennett that our Federal expenditures for student financial assistance contributes to the deficit. We spend $7 billion in total Federal financial assistance to students in higher education. That amounts to seven-tenths of 1 percent of the total Federal budget. Certainly, to the extent that the $7 billion is part of the budget, it contributes to the deficit. I believe however, we should look at this $7 billion as an investment in human capital and in our future productivity and ask ourselves what the cost to the Government might be if we do not make this investment now.

It is sound policy for this Nation to provide the means for every student to obtain the best education possible, provided, of course, that need is demonstrated. This policy should be our guiding theme as we consider this budget and later when we reauthorize the Higher Education Act. There are certainly many improvements and savings that can and should be made in our delivery of financial assistance to students. We should not, however, look to solving our deficit problem by denying hundreds of thousands of students the opportunity for an education.

Finally, I would like to share with my colleagues some to the letters I have received from families in Massachusetts who are deeply troubled by the administration's proposals. These are not the rich Mr. Bennett refers to. These are hardworking Americans who are already making substantial contributions to their children's edu-

cation. I am sure my colleagues will be as impressed and moved by their concerns as I am.

The letters and an article published in the Washington Post follow:

CAROL M. BROWN,
10 Sandy Ridge Circle,
Sharon, MA, February 8, 1985.

Senator EDWARD M. KENNEDY,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: My husband and I wish to express our deep concern over one particular aspect of President Reagan's proposed budget.

Our eldest son financed his college education in great part through federally guaranteed student loans. Without them he would never have been able to complete his education.

Our family income is slightly over $32,000.00 per year and without those loans our second son will be hard pressed to pay for three more years of college. Our youngest son may never have the opportunity to start.

It frightens me to think what kind of country we are becoming when we continue spending billions upon billions of dollars on defense systems which do not provide security—which often threatens that security we are so obsessed with protecting—and yet we cannot find a few million dollars to invest in the brightest of our nation's youth.

Mr. Reagan has his priorities quite backward. If he really wishes to start a "second American Revolution" and "poise our nation for greatness" he would do best to remember what got us this far in the first place it wasn't trillion dollar weapons systems!

Please vote to retain the student loan program. Without it, we are apt to wind up with a new generation of Americans as senseless as Ronald Reagan.

My sincere wishes for continued success in Congress and my deepest gratitude for the work that you have done in the past.

Sincerely,

CAROL M. BROWN.

LABOR/GSL/MS,
New Bedford, MA, January 31, 1985.

MY DEAR SENATOR KENNEDY: I see now that the President wishes to make it even more difficult for students to finance a college education. My wife and I each hold two jobs each and we managed to finance one child with one year's college. Next year we will have to put two through college and we are already working seven days a week for a moderate income. Please do no allow any decreases in student loans or financial aid programs. It is difficult enough at present. Thank you.

Sincerely yours,

STANLEY DARMOFOL.

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7 RUTH DRIVE,
Framingham, MA, January 29, 1985.

President RONALD REAGAN,
White House,
Washington, DC.

DEAR MR. PRESIDENT: Our daughter is a 4.0 student and we are struggling to help her achieve her goal of a college education. We are a low middle income family and I will soon turn 60 years of age, thus it would not be prudent for me to take on any additional loans. My daughter is also contributing toward the cost of her college education by working two jobs in the summer and by the work study program at her college, she also works during the school vacation.

The reported plans to reduce eligibility and availability of college student loans would be most unfortunate and short sighted. Many deserving students would be unable to continue their education. Is this the bright future you have alluded to in your speeches??

We strongly urge you to reconsider any decision to reduce student aid.

Since any student loans incurred by my daughter will be paid back, how will the country benefit by depriving her of loan funds? Will not in fact the country's future be hurt by the loss of a better educated population??

We have been told, in many foreign countries, that students of high academic achievement have their total college education paid for by the government. Is it too much to ask for our very special country to at least assist the students, knowing full well that the country will not only get the money back, but in the not too distant future, these students will by virtue of their education contribute to the growth of our country and to its economic well being, by being taxpayers not tax burdens!

What more meaningful objective can our Government have than the education of its young People?!

Most sincerely,

ROSLYN AND BURTON RICH.

FEBRUARY 6, 1985.

DEAR SENATOR KENNEDY: As a parent of three college students, I urge you not to support the proposed ceiling of $32,000 for eligibility for guaranteed student loans. It is only through such loans and college financial aid that my husband and I can support three children in private colleges at the same time. We are struggling on our $57,000 per year combined income (before taxes) to meet tuition bills now. It would be impossible for us and our children to come up with another $7500 ($2500 × 3) per year for college tuition.

I stayed home with our children during their younger years. Thus we were able to save little toward their college expenses. I am finding it extremely frustrating to have returned to college myself a few years ago to earn a master's degree that would increase my earning power for my children's college years. I value education and have had this dream that each of my children would be educated to their fullest potential. I am now seeing that dream dashed to bits.

One of our children is truly gifted; she graduated first in her high school class of 435 students with a GPA of 99.8. She currently is a freshman at Yale University where the total cost per year is approximately $15,000. Surely the world will be a lesser place if she and others of her ability are unable to receive the finest in education. If this nation is to compete with other world powers, we must educate our youth, and particularly our gifted youth.

Surely the state schools would not be able to meet the demands which would be placed on them if many middle income students were unable to attend private colleges and universities.

Another point not to be lightly regarded is that there certainly is value in a student's shouldering some of the cost of his education.

I beg you to convince your colleagues that cost reductions in this area are out of the question. Surely there is fat to be cut in the federal budget; taxes could be increased; the defense budget could be trimmed. Certainly the defense of this great nation rests partly in the education of our youth. Thank you for your interest.

Yours truly,

ELIZABETH A. CHLUDZINSKI.

ANOTHER WATT?

(By David S. Broder)

As a graduate of Robert Maynard Hutchins' University of Chicago and as an adopted Virginian, there is much I find to admire in the words of William J. Bennett, the new secretary of education.

He has repeatedly argued that a liberal education in the humanities belongs at the center of any college curriculum. He has persistently quoted Jefferson's views on the indispensability of education to democratic citizenship.

On those questions—and on such lesser issues as the crucial role of the principal in establishing the character of a school—Bennett makes admirable sense. Nonetheless, he has to be the early nominee for the dubious award as the James Watt of the second Reagan Cabinet, the man who egregiously and almost joyously outrages the public by what he says.

Bennett has been in office only a few days, but his style is already clear. He takes a questionable policy, attempts to disguise its real purpose, and then demagogues or defames those who are affected by it. That is the essence of Wattism.

The policy in question is the Reagan administration's decision to reduce its projected budget deficit for next year by slightly over 1 percent by knocking more than 1 million students out of the college loan, grant and work-study programs.

In his first press conference, Bennett said he would "actively" support the proposed cuts before Congress, because he thought they were necessary in view of the overall budget situation. Had he stopped there, he might have been forgiven, but Bennett rushed on to argue that these cuts were substantively right and equitably balanced. They plainly are not.

The proposal to cap the eligible family income close to the median national income, regardless of how many children in the family are seeking college educations, violates common sense. Obviously, the squeeze on a $35,000 family with three college students (ineligible under the administration rule) is greater than the family of $25,000 with one student (eligible for everything).

Bennett was forced to concede that, "For those families which are doing everything they can to provide support for one child going to college, with perhaps two or three others [waiting], they're going to have to tighten the belt even further."

But Bennett rationalized that belt-tightening on grounds that limited funds ought to be preserved for the neediest families. Questioning the cost of education at private colleges, he said that forcing some student to leave those schools for less expensive public universities was justified because, above all, "this administration is saying that we want to provide opportunities for students to go to college who might not otherwise be able to go to college . . . at all."

That's a nice populist argument, but it happens to be malarkey. What the Reagan administration is proposing is to require an increased family contribution to the Pell Grant program—18 percent of the first $5,000 of discretionary income, instead of the current 11 percent.

Pell Grants are, to quote Bennett's own department, "Principally designed to pro-

mote access to postsecondary education for low-income students." Under the Reagan proposal, those low-income families would be asked to come up with an extra $350 a year from their $5,000 "discretionary income" to send a child to school. Where are they to find the money? Bennett doesn't say. All he says is that "you cannot make cuts without making cuts."

No, I misspoke. That is not all he said. Like James Watt before him, Bennett could not resist expressing his contempt for those his department is supposed to be serving. The cuts "may require, for some students, divestiture of certain sorts—stereo divestiture, automobile divestiture, three weeks at the beach divestiture," he said.

That statement caused outrage among the students at Oregon State University, when I was there last week. It was the old stereotype of the idle, fun-loving, indolent youth—and it aggravated the hell out of the student bellhop at the motel in Corvallis who was working his way through school with the help of one of those Pell Grants. And it came up constantly in conversations on campus.

That makes me think Bennett is another Jim Watt in a different sense: he is going to become a terrible political burden to the Republican Party, which is trying to make itself the part of middle-class Americans.

Nothing is more important to middle-class families than the opportunity for their kids to go to college, and nothing preoccupies most parents more than the worry about how they will finance those educations.

When Bennett takes his cheap shots at those students and tells their families to tighten their belts, he is taking dead aim at the American dream—and at Republicans' aspirations to speak for the new majority.

If Watt on the environment was bad news for the GOP, this guy has the earmarks of being a disaster. Bring back Terrel Bell—and quick.●

FARM CREDIT AND BUDGET EQUITY

● Mr. LAUTENBERG. Mr. President, yesterday's votes on the farm credit amendments are revealing. They illustrate what this administration's budget policies really mean for American families. The hard fact is that there is almost no room now for the rock bottom legitimate needs of our people.

The issues yesterday concerned hard-pressed farm families. The basic question is whether this, the richest Nation in the world, can afford to extend limited, transitional financing to farm families who through no fault of their own face a temporary cash-flow problem. I emphasize no fault of their own, Mr. President, because agriculture has been one of the first casualties of the fiscal and monetary irresponsibility at the heart of this administration's policy. This perverse combination of tight money and collossal deficits has hit farmers with a double whammy—sky-high interest rates and an overpriced dollar. The former adds enormously to the costs of agricultural production while the latter prices American commodities out of world markets.

The administration and its allies tell us we cannot afford to extend a helping hand to the farm families that need enough credit to get their crops planted. Today it's the farm family. Tomorrow it will be the parents seeking a student loan guarantee to send their children to college and give them the change to fulfill the American dream. Today it is the farm family we cannot afford. Tomorrow it will be an adequate system of mass transit for those who live in the great urban metropolis of this country. Today it is the farm family we cannot afford. Tomorrow it will be the tools of urban redevelopment that have made such a major contribution to the revitalization of communities in every region.

And so it goes, Mr. President. To hear this administration tell it, we cannot afford any programs to meet fundamental domestic needs, but we can afford any item on the Pentagon's wish list. Since 1980, military spending has increased by $118 billion or 88 percent; $77 billion of that represents increases on top of what the last administration had programmed. During the same period, Congress voted reductions in the domestic budget totaling $167 billion.

The administration's budget for fiscal year 1986 continues the same trends. Defense spending would go up another $182 billion by the end of the decade. This is $91 billion more than would be required to offset inflation. The domestic budget gets the axe: $144 billion in reductions in entitlements and $187 billion in nondefense appropriations. All this, Mr. President, and we would still have deficits of over $180 billion through the rest of this decade, according to CBO.

No one disputes the need to get the budget back under control, Mr. President. We cannot continue to flood the financial markets with $200 billion in Federal red ink year after year without doing serious long-term harm to our economy. The real question is not whether to cut the budget, but how. Will we impose reasonable restraint on all sectors our society and in every function of the budget? Or will we use our fiscal problems as a pretext for eviscerating the domestic budget while pursuing the biggest military buildup in peacetime history?

This, in the final analysis, is what yesterday's votes were really about, Mr. President. I joined with my colleagues on both sides of the aisle and from every region of the country to support emergency credit assistance to farm families. I did so, not because of the great numbers of farmers in New Jersey, but because I know we must stand together now if we are going to achieve equity in the tough budget decisions that will have to be made later.

Finally, Mr. President, I want to lay one misconception to rest. Some have tried to label these amendments a bank bailout. This is at best a serious distortion of the truth. Any assistance to a creditor, of course, indirectly benefits lenders. Thus some small banks in rural communities may get a marginal improvement in the quality of their portfolios or some minor degree of regulatory relief as a result of the amendments the Senate passed yesterday. But that is all. The emergency credit assistance the Senate approved will go where it is intended—to the farmer who needs to restructure his loans and finance his spring planting.●

PRENATAL CARE

● Mr. DURENBERGER. Mr. President, on Monday, my colleague from Texas [Mr. BENTSEN] and I introduced the Maternal and Child Health Preventive Care Amendments of 1985 (S. 505). These amendments allow States to target comprehensive Medicaid services to pregnant women in an effort to assure that all babies have a chance to a healthy start on life. It is time we recognize that the best incubator in the world is the mother's womb. And we need to redirect our resources accordingly, to assure that all mothers have access to adequate prenatal care.

Today, I wish to point out some other interesting statistics, the number of babies born out of wedlock and the proportion of these babies born to teenagers; 19 percent of the 3.6 million babies born in the United States in 1982 were born to unmarried women and 37 percent of all out-of-wedlock births were to teenagers. These statistics are particularly important in the discussion of the need for comprehensive prenatal care. Both single status and young age are key variables to identifying women at high risk for complicated pregnancies. In addition, it is the teenage mothers who are the least likely to receive adequate prenatal care. In fact, babies born to teenagers represent 20 percent of all low birthweight infants, a major determinant of infant mortality.

A recent report released by the University of Minnesota brought this issue home for me. Twenty-nine percent of the infants born in Minneapolis in 1983 were born to single women and over 30 percent of these births, or 544 children, were born to single teenage mothers.

Mr. President, I ask to have printed in the RECORD a copy of the article released by the University of Minnesota, Department of Pediatrics, entitled, "Health Care for High Risk Mothers and Children." The article describes the positive impact of a comprehensive prenatal care program targeted to mothers with increased risk for problem pregnancies. The high risk population served by the Minneapolis Department of Health's Maternity and

Infant Care Project includes both teenage and unmarried mothers.

The article also describes two other projects provided by the Minneapolis Department of Health, the Children and Youth Project and the Family Planning Project. The integration of these and other maternal and child health programs provide for continuity of care and have been effective in improving, protecting and promoting the health of women and children in the city of Minneapolis.

The city of Minneapolis has demonstrated that there are benefits to be gained through a direction of our resources on preventative health care. We must continue to work on solving the problems of teen pregnancies in this country and assure every child a chance for the highest quality of life.

The article follows:

HEALTH CARE FOR HIGH RISK MOTHERS AND CHILDREN

(By Edward P. Ehlinger, M.D., M.S.P.H. and Amos S. Deinard, M.D.)

The consolidated Child Health, Maternity and Family Planning Project of the Bureau of Maternal and Child Health, Minneapolis Health Department, was begun in the 1960's to provide health services to underserved populations. Minneapolis was identified as an area in need of comprehensive Maternal and Child Health services because it had large numbers of underserved mothers and children and it had health service agencies with the necessary expertise to operate a program of sufficient size and scope to have an impact of the health status of high-risk populations.

In Table 1, the outcomes for several Maternal and Child Health risk factors are compared for births in Minneapolis and for those in the state as a whole. It is evident that Minneapolis stands out as a high-risk area. As part of an overall consideration of risk factors, one must also examine the contribution which various racial and ethnic groups have made to MCH outcome statistics. From a consideration of the three-year average infant mortality rate by race in Minnesota (Figure 1), it is apparent that urban Blacks and American Indians living in Minneapolis and on the state's reservations are not sharing equally in the benefits of the health care system.

From the above data, it is evident that Minneapolis contains a disproportionate number of high-risk individuals.

However, these high-risk populations are not evenly distributed throughout the city, just as they are not evenly distributed throughout the state. Because of this, the MCH Project in Minneapolis has targeted certain areas of the city for special attention on the basis of specific risk characteristics: low maternal age (18 years); out-of-wedlock status; less than high school education; late or no prenatal care; birthweight 2500 grams; racial minorities.

Since its inception in 1955, the program of the Minneapolis Health Department has had as its mission "to improve the health of mothers and children in the city of Minneapolis through health promotion and disease prevention activities by improving, protecting, and promoting the health of women, children and their families in the city of Minneapolis and by assuring lifelong individual, family and community health." When Title V monies became available in the 1960's, the Minneapolis Health Department developed programs to provide comprehensive health care services to women, infants and children who were at increased risk for poor health status because of financial, physical, psychosocial, or environmental factors. Integration of these services within the broader MCH program in Minneapolis has promoted increased coordination and decreased duplication and fragmentation of health care services to these vulnerable population groups.

The Maternity and Infant Care Project, begun in 1964, provides pregnancy diagnosis, comprehensive prenatal care, postpartum care, and interconceptional care to population groups at increased risk for poor pregnancy outcome. In addition, delivery arrangements are made through the project. That the Minneapolis MIC program focuses on high-risk populations can be appreciated from the data of Table 2 which compares certain maternal risk conditions for the city as a whole and for those patients registered in the MIC Program. It is evident that the MIC Program has targeted its services to an extremely high-risk population. However, despite the high-risk nature of its registrants, the outcome measures of the program clearly demonstrate the benefits of a prevention-oriented, comprehensive approach to health care. Table 3 shows that the outcome measures for MIC patients, despite their high-risk status, are similar to those for the city as a whole.

The Children and Youth Project, begun in 1966, is an extension of the traditional well-baby clinics which the city had run for decades. The original well-baby clinics did not allow for services to children over preschool age or for provision of treatment services, resulting in incomplete and fragmented care. With the advent of this project, episodic and dental care have been included in the services offered; in addition, comprehensive services to children from birth to eighteen years of age are now available. Of importance is the fact that the project not only addresses the physical ailments of the population but also has a strong focus on early detection of developmental defects which permits early intervention for children at-risk for developmental delays.

The Family Planning Project, begun in 1969, meets the needs for subsidized family planning services in the City of Minneapolis. Since its inception, it has been serving an increasingly high-risk population with high quality, comprehensive family planning services.

In addition to these three programs, the Minneapolis Health Department also is responsible for administering the Supplemental Food Program for Women, Infants and Children (WIC), funded by the United States Department of Agriculture. This activity, begun in 1974, provides supplemental foods to a financially eligible and nutritionally at-risk population in Hennepin County.

A common thread throughout all of the programs is the strong emphasis on health promotion and disease prevention. Services available through these programs are provided by a multidisciplinary health care team, including medical, nursing, psychology, nutrition, social services, occupational therapy, dental, nurse-midwife, laboratory, clerical, volunteer, and interpreter (for the recently arrived Southeast Asian refugees) personnel. All of the Minneapolis MCH programs emphasize continuity. Because of deliberate linkages between the programs, there is easy flow from one program to another, leading to planned and prepared parenthood, early and continuous prenatal care, and early and continuous child health care. Evidence of continuity of care can be seen from the following statistics: (1) Less than five percent of maternity patients do not have a postpartum examination; (2) Less than one percent of infants do not have a postnatal examination; (3) Eighty-two percent of women enter the Family Planning Program following delivery; (4) Most children are enrolled in the C-Y Project for over three and one-half years while for teenagers, average enrollment time is over eight years. These are impressive continuity indicators, particularly in light of the fact that the population served is a highly transient one.

School-age children, especially adolescents, are not a forgotten group. It is well recognized that chronic health and emotional difficulties, venereal disease, pregnancy, poor nutrition, and chemical misuse are problems which affect this population, leading to poor performance in school and associated problems with education and vocational preparedness for a productive life. The high-risk nature of Minneapolis' public school students is depicted in Table 4. Because of the problems of availability and accessibility of health care services for these high-risk population groups, the Bureau of Maternal and Child Health, in cooperation with the Adolescent Health Care Program, University of Minnesota, the Community University Health Care Center and Pilot City Health Center, provides services not only at the Minneapolis Health Department but also at the Pregnant Adolescent Continuing Education (PACE) Center and four city high schools.

To enhance the health of high-risk women, infants, children and adolescents and their families has been the goal of the bureau of Maternal and Child Health since its inception. Despite the large proportion of high-risk conditions experienced by the patients served, outcomes among these groups compare favorably with those of lower risk population groups, attesting to the effectiveness of the MCH activities of the Minneapolis Health Department. The MCH projects have consistently delivered high quality, comprehensive health services to special risk populations. This has been done with an emphasis on disease prevention and health promotion. In the process, an expertise in dealing with difficult medical and psychosocial problems among hard-to-reach populations has been developed. In summary, the MCH Program is available to provide health care to all needy women, infants, children and adolescents in the City of Minneapolis.

TABLE 1.—SELECTED MATERNAL AND CHILD HEALTH RISK FACTORS (1980) MINNEAPOLIS AND MINNESOTA

Risk factors	Percent of live births	
	Minneapolis	Minnesota
High risk births	22.2	16.4
Out-of-wedlock births	27.0	11.4
Maternal education less than 12 yrs	19.5	10.9
Low birthweight (less than 2,500 grams)	6.6	5.1

TABLE 2.—SELECTED MATERNAL RISK CONDITIONS (1980)

Risk conditions	Percent of live births	
	Minneapolis	MIC patients
Under 18 yrs of age	4.7	12.3
Out-of-wedlock birth	27.0	44.4
Maternal education less than 12 yrs	19.5	54.9

TABLE 2.—SELECTED MATERNAL RISK CONDITIONS (1980)—Continued

Risk conditions	Percent of live births	
	Minneapolis	MIC patients
Third trimester only or no prenatal care	5.6	11.5

TABLE 3.—SELECTED PREGNANCY OUTCOMES (1980)

Outcome	Minneapolis	MIC patients
Percent of births less than 2,500 grams	6.6	9.7
Perinatal death rate 1978 to 1980	15.7	14.4
Neonatal death rate 1978 to 1980	8.7	7.6

TABLE 4.—CHARACTERISTICS OF STUDENTS MINNEAPOLIS PUBLIC SCHOOLS (1982)

48.2% of students live without both parents.
35.4% of students are non-white.
30.7% of students families receive AFDC.
32.8% of students eligible for free or reduced lunches.
21.7% drop out rate.
51.0% drop out rate—American Indians.
29.0% drop out rate—Blacks.
40.0% average rate of turnover.
9.4% absenteeism rate.●

FIVE MEN HONORED BY UNITED HELLENIC VOTERS

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. DIXON. Mr. President, on March 9, 1985, the United Hellenic Voters of America will honor five men for their outstanding contributions to the Greek American community. It is my privilege to acknowledge these well deserving recipients of the Most Distinguished Greek American Awards for 1985.

Dr. Constantine Tatoolis, born in Chicago, IL, is currently practicing at and is chairman of the Department of Cardio-Thoracic Surgery at St. Mary's of Nazareth Hospital Center in Chicago. Dr. Tatoolis is the author of 38 publications and eight films.

James M. Mezilson, also born in Chicago, has authored an informative column covering the activities and the news of the Greek community in the Greek press of Chicago for nearly 45 years, acquiring the title of "Dean of Hellenic Correspondents." In 1949, he served on the staff of the late U.S. Senator Paul H. Douglas in Washington, DC, and was an officer of the Young Democrats of DC.

Dr. Fotis Litsas, born in Greece, is currently a professor of Greek Studies at the University of Illinois, Chicago Circle. Since 1976, he has directed the radio program of the Greek Orthodox Diocese of Chicago, and has developed various projects including the Greek Studies Program at Northeastern Illinois University and at the University of Illinois, Chicago Circle. He was honored as outstanding citizen of 1979 and received the Circle Silver Award for excellence in teaching from the University of Illinois, Chicago Circle.

Judge James A. Zafiratos, born in Chicago, has sat in a judicial capacity since 1965, and is presently a judge of the Circuit Court of Cook County. He is a frequent lecturer before law enforcement agencies and is the author of numerous legal articles.

Ted Stamison, born in Greece, is a prominent restaurateur and businessman. He presently owns the Diplomat Banquet Hall and numerous other businesses. Mr. Stamison is an active member in his church and has contributed greatly to the Greek community, as well as to the community at large.

The Greek American community now recognizes these men for the continuous and dedicated services they have rendered. I join in congratulating these honorees for this well-deserved distinction.●

WHAT REAGAN DEFENSE SPENDING BUILDUP

● Mr. McCLURE. Mr. President, I ask that an article by Dr. James Schlesinger in the Wall Street Journal on February 20, 1985, entitled "A Requiem for 'Rearmament'" be printed in the RECORD. This article is contrary to the media-driven public perception that there has been a Reagan buildup in defense spending. I ask also to have printed in the RECORD a table on comparative defense proposals in current dollars prepared by the Senate Armed Services Committee.

Defense spending under President Reagan is now $38 billion below the level former President Carter thought necessary for American security.

The article and the table also show that the entire Reagan defense buildup proposed in early 1981 has been entirely eliminated, and that at present we are about $153 billion below President Reagan's original 1981 defense spending request for the next 5 years. Further cuts are even now being proposed by those unfamiliar with these facts.

The media and congressionally inspired cuts in President Reagan's original defense request are occurring against a background in which Soviet defense spending each year is roughly double that of the United States in real terms, and about 70 percent of that doubled amount goes for the development and acquisition of weapons. In contrast, only about 38 percent of American defense spending, which is only about one-half of Soviet defense spending, goes for weapons development and acquisition. If these trends are allowed to persist for another 5 years, then the Soviet Union will have achieved a permanent, overwhelming military supremacy, not only over the United States, but also over our free world allies as well.

The table and article follow:

[From the Wall Street Journal, Feb. 20, 1985]

A REQUIEM FOR "REARMAMENT"

(By James Schlesinger)

The public debate is redolent with charges that the military budget is "bloated"—usually a step preliminary to hacking away at that defense program. Newsweek features on its cover the habitual question for such times: How much is enough?—a prelude to the predictable answer of less than we are currently planning. Observers quite rightly contrast the increased request for defense with the 18% shrinkage of the non-defense, non-Social Security, non-interest payments residual of the government. But they inaccurately imply that the rearmament program announced four years ago is still on track.

In simple truth rearmament has been derailed. To a large extent the buildup of U.S. military forces has been etched more sharply in the minds of Americans than in any shift in the military balance. Consider the following milestones of the steady deceleration of the administration's defense program:

In the one year since the presentation of the fiscal 1985 budget, the administration's request for fiscal 1986 has been cut by $36 billion.

Since the revision of the Carter defense plan in March 1981, fiscal 1986 has been cut by $54 billion.

As an intriguing indicator of growth, the fiscal 1986 request is lower than that previously planned for fiscal 1985.

The story for fiscal 1986 is not yet over. When congressional action is complete, appropriations will be some $75 billion lower than in the original plan. That is scarcely small change.

There will be little doubt this year, as opposed to last, whether we have now slipped below the Carter projections. Fiscal 1986 will be lower by some $20 billion.

Military spending had been projected to be 37.5% of federal outlays by fiscal 1986. That will not occur. In relation to total spending, defense outlays have already peaked and will wind up at 26% of the total—about the usual level.

The best that defense is likely to get from Congress is a "real freeze." Real shrinkage, for the first time in half-a-dozen years, seems not improbable.

To be sure, the sharp declines have been cushioned somewhat by the fall in the inflation rate. Nonetheless, despite the steady hullabaloo regarding the escalating or bloated military budget, what we have been witnessing is a substantial collapse of the administration's defense goals. Save for the widespread image to the contrary, it would hardly seem necessary to point out this reality. The exciting press accounts of the ongoing duel over the defense budget between Secretary Caspar Weinberger and OMB chief David Stockman (plus much of the White House staff and cabinet) invariably report a Weinberger "victory." But the underlying fact remains that Mr. Stockman et al. (with the aid of Congress) have ultimately and unambiguously won. Nonetheless, the press will immediately begin speculating on next year's growth rate, with scarcely a nod toward the truncated base from which the calculations are made.

That these simple, numerical facts are not acknowledged reflects a conspiracy of silence, if not a conspiracy of pretense. The defense budget remains sizable and understandably whets the appetities of all those

seeking cuts. Thus, the baying of the hounds continues to be heard.

In principle, the Bipartisan Coalition of former government officials and chief executives should be satisfied with the outcome, for defense appropriations have now shrunk to the level the coalition advocated in 1982. But with disappointments elsewhere, the defense budget will be looked to for further reductions to compensate for failed hopes regarding taxes or non-defense spending. (It is a matter of historical record that the business community is regularly the first to depart from the defense consensus. Unlike the general public, it recognizes that building defenses actually costs money.)

Both the president and the secretary of state have lent themselves to this mood through their repeated statements regarding the shift in the military balance, the rebuilding of our forces, etc.—to say nothing of the assertion that "America is back" and "standing tall." The secretary of defense, without directly contradicting the commander in chief, quite emphatically does not concur—and continues publicly to fret about continuing Soviet military advantages. No doubt some of the president's statement are designed to rationale a radical shift in our negotiating stance, for earlier we had intended not to negotiate until the balance had been restored. Hence, the damage these erroneous assertions do is significant. After all, if the gap has the already been closed, why spend more?

Needless to say, the Soviet Union itself has scant cause to shatter the standard image. It can go on castigating the U.S. for its aggressive intentions, provocative arms buildup and the like, while gleefully noting that, despite the trumpeting, force ratios since 1981 remain basically unchanged. To their delight—and probable surprise—our rhetoric supports their own.

One can, of course, always spend less—by doing less. The collapse of the administration's defense ambitions is mirrored in the generally unchanged force ratios.

The Supreme Allied Commander/Europe continues to bemoan the deteriorating balance with the Warsaw Pact and reiterates the need to resort early to nuclear weapons. For strategic forces the balance, if anything, has worsened. The MX program, once the centerpiece of the strategic buildup, hangs by a thread. In the president's first term a grand total of 21 MX missiles was funded. Despite earlier denunciations of SALT II's fatal flaws, which presumably doomed us to inferiority, the administration has managed to live within the limits of the agreement. Indeed, the strategic-force ratio remains the same as it was when the president declared our strategic forces to be inferior. If it was essential to reduce the gap with the Soviets before starting negotiations, whatever gap, including the famed window of vulnerability, that existed in 1981 is still there.

The tale could go on. Procurement rates for conventional-forces equipment, still markedly lower than the Soviet rate, are under renewed pressure. The increase in military manpower of some 5% is now likely to erode. Operations money will be squeezed—along with readiness. In the Persian Gulf our forces remain truly modest in relation to our commitments. But few seem any longer to care about such substantive details.

Perhaps all this was inevitable. From the first there have been the "inherent contradictions" between the administration's fiscal policy and its defense policy. This has been, after all, the first defense buildup in our history (or probably that of any other nation) that was preceded by massive tax cuts. Despite the reduction of the revenue base by some 5% of the gross national product, the defense expansion was to be financed (according to the 1981 program for economic recovery) by the shrinkage of non-defense expenditures to 12.5% of the GNP from 17%. At last count non-defense expenditures had instead risen to 18.5% of the GNP.

Given the size and prospective growth of the deficit, Congress has little choice but to hack away at the defense request. That sets up a head-on collision between the defense program and the resources available in the defense budget. The squeeze on manpower, operations, readiness and even expanding procurement outlays is now unavoidable. It is, of course, one thing to wind up with an ill-balanced program when resources are shrinking; it is quite another to wind up in the same place after a substantial initial infusion of money.

It is at least plausible that the administration could salvage its defense request, if it were prepared to propose additional taxes. The administration has argued that any reduction in its defense request will undermine the national security, our negotiating position at Geneva, our moral authority with our North Atlantic Treaty Organization allies, and so on. Nonetheless, it is clearly not going to propose additional taxes—even to avoid such horrendous stated results. That should tell us something regarding the administration's order or relative priorities.

In the past four years the "correlation of forces" has unquestionably improved. That reflects political and psychological factors that are quite important—rather than any shift in the military balance.

Oh well, as they say: Perception may be more important than reality itself. Unfortunately that is not likely to be the case over the long run.

COMPARATIVE DEFENSE PROPOSAL, CURRENT DOLLARS IN BILLIONS

		Fiscal year—								
		1982	1983	1984	1985	1986	1987	1988	1989	1990
President Carter (January 1981)	BA	200	229	258	290	324				
	OL	184	210	238	268	300				
President Reagan (March 1981)	BA	226	260	295	333	374				
	OL	189	226	256	304	343				
President Reagan (February 1982)	BA		263	291	338	375	408			
	OL		221	253	292	332	364			
President Reagan (January 1983)	BA			281	330	365	397	433		
	OL			245	285	323	354	386		
President Reagan (January 1984)	BA				313	359	389	422	456	
	OL				272	311	349	380	409	
President Reagan (February 1985)	BA					322	363	412	449	488
	OL					286	321	358	392	429
Fiscal year 1982 FCBR (May 1981)	BA	226	257	292						
	OL	189	223	251						
Fiscal year 1983 FCBR (June 1982)	BA		254	279	324					
	OL		214	243	279					
Fiscal year 1984 FCBR (June 1983)	BA			269	297	329				
	OL			240	265	295				
Fiscal year 1985 FCBR (September 1984)	BA				293	325	360			
	OL				263	289	321			
Fiscal year 1986 FCBR (1985)	BA									
	OL									
Actual (estimate)	BA	217	245	265	293					
	OL	185	210	227	254					
Total difference from annual requests	BA	−9	−18	−16	−20				−63	
	OL	−4	−11	−18	−18				−51	
Total difference from Reagan 1981 request	BA	−9	−15	−30	−40				−94	
	OL	−4	−16	−29	−50				−99	●

RICHARD ORR—A GREAT AGRICULTURAL JOURNALIST

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. DIXON. Mr. President, I would like to call the Senate's attention to an individual who, after 43 years of dedicated reporting and writing about rural America, is retiring today.

I refer, Mr. President, to Mr. Richard Orr, rural affairs editor for the Chicago Tribune, who is highly respected by his colleagues throughout Illinois and the Nation.

Dick Orr, an outstanding journalist, through his perceptive and insightful reporting, has contributed to the public's understanding of rural Illinois and to the awareness of the Prairie

State's No. 1 industry, farming. He has often been referred to as "Mr. Farm Editor."

This great reporter has also earned the title "Mr. Illinois State Fair." For the last 35 years, Dick Orr has brought the Illinois State Fair into the lives of all Illinoisans. His writings about the "fair people"—from the farmers, to the clowns, to "Old Mossback" the turtle, to the rooster crowing champions—have touched the lives of many.

Dick Orr has been honored by his colleagues by being elected president of both the Chicago Press Club and the Chicago Press Vets Association. He also has the distinction of being a founding member of the Newspaper Farm Editors of America.

Dick Orr, kind, considerate and fair, is a man of both personal and professional integrity. We will, indeed, miss his reporting, but his contributions to the profession of journalism will always serve as an example for all agricultural reporters. I am proud to have Dick Orr as a fellow Illinoisan and a good friend. Millions of his readers join me in wishing him all the best.●

CHINA MAY CHALLENGE U.S. AGRICULTURAL EXPORTS

● Mr. BOSCHWITZ. Mr. President, for years the United States has developed an excellent infrastructure for producing, processing, transporting, and exporting agricultural commodities. Without a doubt, the United States has the largest agricultural exporting capacity of any country in the world.

I suppose we must expect that other countries will take steps to improve their infrastructure. The current uncompetitiveness of many U.S. agricultural commodities in world markets gives other exporters a strong incentive to expand their production and export capacity.

As an illustration, I ask to have printed in the RECORD two articles, one from the February 1 U.S. Wheat Letter (published by U.S. Wheat Associates) and another from the January 25 Focus (a weekly report of the U.S. Feed Grains Council), which discuss China's potential to become a major export competitor.

The articles follow:

[From U.S. Wheat Letter]

China may challenge U.S. agricultural exports within a decade according to observations made by Japanese commodity traders in Japan and reported by Commodity News Service. Although wheat is not expected to become a net export product of China, it was learned earlier this month that Tunisia is importing 150,000 mt of wheat from China (reportedly imported wheat being re-exported) and $10 million of cotton in a barter arrangement for phosphates.

The traders cited corn, raw cotton, and to a lesser extent soybeans as areas where China may eventually compete with the United States. However, Chinese agriculture still remains labor-intensive, and undeveloped infrastructure and inadequate storage facilities remain major obstacles preventing China from shipping on time the high volumes required of a major commodity exporter. As a step in the development direction, the Ministry of Commerce announced last week that US $593 million has been allocated to build granaries and warehouses over the next two years, providing additional storage for 35.0 mmt of grain, 1.5 mmt of cotton and 500,000 mt of fruit and sugar.

However, many analysts doubt China can develop an on-going capability to export high volumes of grain, and believe current infrastructure developments are only a part of the modernization plan, not one of export economics. Additionally, an expanding livestock industry and efforts to broaden the population's diet will require increasing volumes of grain. Presently corn for export moves by rail in 60 to 90 kg. bags which are then cut open by hand and the corn is then poured into vessel holds; grain is often dried on roads, which has resulted in the presence of small stones in cargoes delivered to Japan; cotton for export does not yet have a standard bale size and it is often stored in the open in port areas; and Chinese ports can often load only 3,000 to 6,000 mt cargoes which offers easy access to small near-by Japanese ports and some economic advantages, but is inadequate for high-volume business to other countries.

The mechanization and modernization pace of China remains "incredible" according to one China observer who believes that this pace matches or exceeds that of Japan after World War II. Record successive grain harvests in the 1980's have resulted from the modernization plan's free enterprise feature of individual incentives, and now grain production is being de-emphasized in favor of cash crops.

[From FOCUS—January 25 issue]

Sharply increased production is pushing China's projected corn exports up and its imports down, according to the U.S. agricultural counselor in Beijing. In a recent report, the counselor projected Chinese corn imports, for 1984-85 (May-April) at 150,000 metric tons, compared with an earlier estimate of 1.1 million tons, and a 1983-84 estimate of 230,000 tons. By contrast, Chinese corn exports for 1984-85 are now projected at 2 million tons, with Japan and the Soviet Union being major destinations, the counselor said.●

RETIREMENT OF JACK WILLIAMS

● Mr. LUGAR. Mr. President, I join with my colleague, Senator QUAYLE, today to mark the retirement of longtime congressional television correspondent Jack Williams. When I first came to serve in this body in 1977, I met Jack who was under the employ of WRTV-channel 6 in Indianapolis. Over the years of my service here, Jack has continued to be stalwart in his reportage of the news for my constituents in Indiana. He has been such an institution here, and a major part of my life here, that I will greatly miss him. But I hope for the best of Jack and his wife Lena in the years to come.●

ORDER OF BUSINESS

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING EXPENDITURES BY COMMITTEES OF THE SENATE

Mr. DOLE. Mr. President, on behalf of Senator MATHIAS, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 85) authorizing expenditures by committees of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, and I will not object, I rise simply to state for the record that Senator FORD has given his approval of this resolution.

There being no objection, the Senate proceeded to consider the resolution.

AMENDMENT NO. FIFTEEN

(Purpose: Relating to allowance for staff to assist Senators in connection with their membership on committees)

Mr. DOLE. Mr. President, on behalf of Senator MATHIAS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] on behalf of Mr. MATHIAS proposes an amendment numbered 15.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of the resolution, add the following new section:

ALLOWANCE FOR STAFF TO ASSIST SENATORS IN CONNECTION WITH COMMITTEE WORK

SEC. . The provisions of subsection (b) of section 111 of the Legislative Appropriation Act, 1978 (P.L. 95-94; 2 U.S.C. 61-1 note) shall not be effective during the 99th Congress

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 15) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 85), was agreed to, as follows:

S. RES. 85

Resolved, That this resolution may be cited as the "Omnibus Committee Funding Resolution of 1985".

AGGREGATE AUTHORIZATION

SEC. 2. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, and under the appropriate authorizing resolutions of the Senate, there is authorized in the aggregate $8,102,000 (exclusive of agency contributions), in accordance with the provisions of this resolution, for all standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs.

(b) Each committee referred to in subsection (a) shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than April 30, 1985.

(c) Any expenses of a committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees of the committee who are paid at an annual rate, or (2) for the payment of long-distance telephone calls.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

SEC. 3. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition, and Forestry is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $231,800, of which amount (1) not to exceed $700 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $700 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON APPROPRIATIONS

SEC. 4. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on Appropriations is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $719,600, of which amount (1) not to exceed $15,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,300 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ARMED SERVICES

SEC. 5. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Armed Services is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $373,300, of which amount (1) not to exceed $2,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFARIS

SEC. 6. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Banking, Housing, and Urban Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $301,000, of which amount (1) not to exceed $200 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON THE BUDGET

SEC. 7. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate, the Committee on the Budget is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $533,000, of which amount not to exceed $7,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

SEC. 8. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Commerce, Science, and Transportation is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $608,000, of which amount (1) not to exceed $3,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $2,800 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEC. 9. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Energy and Natural Resources is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $420,800, of which amount (1) not to exceed $5,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,100 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 10. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Environment and Public Works is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $425,000, of which amount (1) not to exceed $1,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $300 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON FINANCE

SEC. 11. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $396,500, of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON FOREIGN RELATIONS

SEC. 12. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Foreign Relations is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $455,400, of which amount (1) not to exceed $3,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $100 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON GOVERNMENTAL AFFAIRS

SEC. 13. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Governmental Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $827,400, of which amount (1) not to exceed $31,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $1,800 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(c)(1) The committee, or any duly authorized subcommittee thereof, is authorized to study or investigate—

(A) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public;

(B) the extent to which criminal or other improper practices or activities are, or have been, engaged in, in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(C) organized criminal activity which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions and the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activity have infiltrated lawful business enterprise, and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against such practices or activities;

(D) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety; including but not limited to investment fraud schemes, commodity and security fraud, computer fraud, and the use of offshore banking and corporate facilities to carry out criminal objectives;

(E) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(i) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(ii) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents;

(iii) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(iv) legislative and other proposals to improve these methods, processes, and relationships;

(F) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(i) the collection and dissemination of accurate statistics on fuel demand and supply;

(ii) the implementation of effective energy conservation measures;

(iii) the pricing of energy in all forms;

(iv) coordination of energy programs with State and local government;

(v) control of exports of scarce fuels;

(vi) the management of tax, import, pricing, and other policies affecting energy supplies;

(vii) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(viii) the allocation of fuels in short supply by public and private entities;

(ix) the management of energy supplies owned or controlled by the Government;

(x) relations with other oil producing and consuming countries;

(xi) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(xii) research into the discovery and development of alternative energy supplies; and

(G) the efficiency and economy of all branches and functions of Government with particular reference to the operations and management of Federal regulatory policies and programs:

Provided, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of any particular branch of the Government; but may extend to the records and activities of any persons, corporation, or other entity.

(2) Nothing contained in this section shall affect or impair the exercise of any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(3) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1985, through April 30, 1985, is authorized, in its, his, or their discretion (A) to require by subpena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (B) to hold hearings, (C) to sit and act at any time or place during the sessions, recess, and adjournment periods of the Senate, (D) to administer oaths, and (E) to take testimony, either orally or by sworn statement, or, in the case of staff members of the Permanent Subcommittee on Investigations specifically authorized by the chairman, by deposition.

(4) All subpenas and related legal processes of the committee and its subcommittees authorized under S. Res. 76 of the Ninety-eighth Congress, first session, are authorized to continue.

COMMITTEE ON THE JUDICIARY

SEC. 14. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on the Judiciary is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $778,500, of which amount (1) not to exceed $6,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 15. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Labor and Human Resources is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $808,700, of which amount not to exceed $13,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

COMMITTEE ON RULES AND ADMINISTRATION

SEC. 16. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Rules and Administration is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $223,400, of which amount (1) not to exceed $2,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $400 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

COMMITTEE ON SMALL BUSINESS

SEC. 17. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Small Business is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $167,000.

COMMITTEE ON VETERANS' AFFAIRS

SEC. 18. (a) In carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $155,900.

SPECIAL COMMITTEE ON AGING

SEC. 19. (a) In carrying out the duties and functions imposed by section 104 of S. Res. 4, Ninety-fifth Congress, agreed to February 4, 1977, and in exercising the authority conferred on it by such section, the Special Committee on Aging is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $193,300, of which amount (1) not to exceed $5,800 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $200 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

SELECT COMMITTEE ON INTELLIGENCE

SEC. 20. (a) In carrying out its powers, duties, and functions under S. Res. 400, agreed to May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings, and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $344,000, of which amount not to exceed $3,300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SELECT COMMITTEE ON INDIAN AFFAIRS

SEC. 21. (a) In carrying out the duties and functions imposed on it by section 105 of S. Res. 4, Ninety-fifth Congress, agreed to February 4 (legislative day, February 1), 1977, as amended, the Select Committee on Indian Affairs is authorized from March 1, 1985, through April 30, 1985, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency con-

cerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $139,400, of which amount not to exceed $300 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

AGENCY CONTRIBUTION AUTHORIZED

SEC. 22. There are authorized such sums as may be necessary for agency contributions related to the compensation of members of the staff of all standing committees of the Senate, the Special Committee on Aging, the Select Committee on Intelligence, and the Select Committee on Indian Affairs from March 1, 1985, through April 30, 1985, to be paid from the appropriations account for "expenses of inquiries and investigations".

ALLOWANCE FOR STAFF TO ASSIST SENATORS IN CONNECTION WITH COMMITTEE WORK

SEC. . The provisions of subsection (b) of section 111 of the Legislative Appropriation Act, 1978 (P.L. 95-94; 2 U.S.C. 61-1 note) shall not be effective during the 99th Congress.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OBSERVERS AT ARMS REDUCTION OR CONTROL NEGOTIATIONS

Mr. DOLE. Mr. President, on behalf of myself and the distinguished minority leader, I send a resolution to the desk and ask for its immediate consideration. I might add that this has been cleared by Senator LUGAR and Senator STEVENS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 86) relating to the bipartisan group of Senators designated pursuant to S. Res. 19, 99th Congress, to act as observers at arms reduction or control negotiations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, any funds transferred under the provisions of this resolution shall be expended at the discretion of the appropriate cochairman to whom the funds have been made available.

Mr. President, I would simply state that the resolution provides limited funding for the observer group. The cochairman of that group are Senators STEVENS, NUNN, LUGAR, and PELL.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 86) was agreed to, as follows:

S. RES. 86

Resolved, That the bipartisan group of senators designated pursuant to clause (5) of the first section of Senate Resolution 19, 99th Congress (agreed to January 3, 1985), to act as official observers on the United States delegation to formal arms reduction or control negotiations to which the United States is a party (which group shall hereinafter be referred to as the "Senate Observer Group") shall be headed by four Senators serving as cochairmen: two from the majority party, TED STEVENS of Alaska and RICHARD LUGAR of Indiana, and two from the minority party, SAM NUNN of Georgia, and CLAIBORNE PELL of Rhode Island.

SEC. 2. (a) The Senate Observer Group is authorized, from funds made available under section 3, to employ such staff (including consultants at a daily rate of pay) in the manner and at a rate not to exceed that allowed for employees of a standing committee of the Senate under paragraph (3) of section 105(e) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61 (1(e)), and incur such expenses as may be necessary or appropriate to carry out its duties and functions.

(b) Each cochairman of the Senate Observe Group is authorized to designate a professional staff member. The designated Group staff shall also include a secretary selected by, and responsible to, the majority, and a secretary selected by, and responsible to, the minority. The funds necessary to compensate any such staff member who is an employee of a Senator or of a Senate committee who has been designated to perform service for the Senate Observer Group, such staff member shall continue to be paid by such Senator or such committee, as the case may be, but the account from which such staff member is paid shall be reimbursed for his services (including agency contributions when appropriate) out of funds made available under section 3(a) of this resolution. The four professional staff members authorized by this subsection shall serve all of the members of the Senate Observer Group, and carry out such other functions as their respective cochairman may specify.

(c) The majority and minority leaders may each designate one staff member to serve the Observer Group. Funds necessary to compensate leadership staff shall be transferred from the funds made available under section 3(b) of this Resolution to the respective account from which such designated staff member is paid.

SEC. 3. (a) The expenses of the Senate Observer Group shall be paid from the contigent fund of the Senate out of the account of Miscellaneous Items, upon vouchers approved by Senator TED STEVENS of Alaska, chairman for administrative purposes (except that vouchers shall not be required for the disbursement of salaries of employees who are paid at an annual rate). For any fiscal year, not more than $500,000 shall be expended for staff (including consultants) and for expenses (exception expenses incurred for foreign travel).

(b) In addition to the amount referred to in section 3(a), for any fiscal year, not more than $150,000 shall be expended from the contingent fund of the Senate out of the account for Miscellaneous Items, for leadership staff as designated in section 2(c) for salaries and expenses (excepting expenses incurred for foreign travel).

(c)(1) Of the amount authorized in section 3(a), an amount not to exceed $50,000 may be spent by the Senate Observer Group, with the prior approval of the Committee on Rules and Administration, to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, to make studies or advise the Senate Observer Group.

(2) Such services in the cases of individuals or organizations may be procured by contract as independent contractors, or in the case of individuals by employment at daily rates of compensation not in excess of the rate of compensation which may be paid to a regular employee of a standing committee of the Senate. Such contracts shall not be subject to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5) or any other provisions of law requiring advertising.

(3) Any such consultant shall be selected by Senator STEVENS and Senator NUNN, acting jointly. The Senate Observer Group shall submit to the Committee on Rules and Administration information bearing on the qualifications of each consultant whose services are procured pursuant to this subsection, including organizations, and such information shall be retained by the Senate Observer Group and shall be made available for public inspection upon request.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPUTY LEGAL COUNSEL OF THE SENATE

Mr. DOLE. Mr. President, I ask unanimous consent that the President pro tempore of the Senate have a period of 90 days after the beginning of the 1st session of the 99th Congress to announce the appointment of the Deputy Legal Counsel of the Senate, pursuant to 2 U.S.C. 288 and Public Law 96-576.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER THAT RECORD REMAIN OPEN UNTIL 5:30 P.M. TODAY

Mr. DOLE. Mr. President, I ask unanimous consent that the Record remain open today until 5:30 p.m. for the introduction of bills, resolutions, and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session to consider all nominations on the Executive Calendar, including nominations placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I would ask the minority leader if that is satisfactory, if he has had a chance to review those.

Mr. BYRD. Mr. President, I have reviewed the calendar and I am prepared to clear all the nominations with the exception of Calendar Order No. 44. The problem with that nomination is that there is no signification on the calendar that the nominee is committed to respond to requests to appear and testify before any duly constituted committee of the Senate. Once we get that assurance, as far as I am concerned, there will be no objection to that one. But all the other nominations are cleared.

Mr. DOLE. Mr. President, I ask unanimous consent that, excluding Calendar No. 44, the other nominations be considered en bloc and confirmed en bloc, with that one exception.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following officer for permanent appointment to the grade indicated in the National Oceanic and Atmospheric Administration:

To be rear admiral

Charles K. Townsend.

IN THE AIR FORCE

The following officer for appointment in the Reserve of the Air Force under the provisions of Section 307, Title 32, United States Code, and Sections 8351 and 8496, Title 10 of the United States Code:

To be brigadier general

Col. John F. McMerty, [redacted] FG, Air National Guard.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 3962:

To be lieutenant general

Lt. Gen. Bernhard T. Mittemeyer, [redacted] (Age 54), Medical Corps, United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 3036, to be assigned as The Surgeon General, United States Army:

Maj. Gen. Quinn H. Becker, [redacted], United States Army.

The following-named Army Medical Department officers for appointment in the United States Army to the grades indicated under the provisions of Title 10, United States Code, sections 611(a) and 624:

To be permanent brigadier general

Col. Frederick N. Bussey, [redacted], Medical Corps, United States Army.

Col. Robert R. Jorgensen, [redacted], Veterinary Corps, United States Army.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE AND MARINE CORPS, MARINE CORPS, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NAVY

Air Force and Marine Corps nominations beginning Lt. Col. Loren J. Shriver, and ending Lt. Col. James F. Buchli, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 19, 1985.

Marine Corps nominations beginning Terrance C. Brady, and ending Mark D. Wriggle, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 19, 1985.

National Oceanic and Atmospheric Administration nominations beginning Michael R. Johnson, and ending Todd C. Sites, which nominations were received by the Senate on January 11, 1985, and appeared in the CONGRESSIONAL RECORD of January 21, 1985.

Navy nominations beginning Hugh Reeves Adair, and ending William John Weisensee, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 19, 1985.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 10 A.M., MONDAY, MARCH 4, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Monday, March 4, for a pro forma session only. No business will be transacted during Monday's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, MARCH 5, 1985

RECESS FROM MONDAY, MARCH 4, 1985, UNTIL 2 P.M., TUESDAY, MARCH 5, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that, when the Senate recesses on Monday, it reconvene at 2 p.m. on Tuesday, March 5, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. DOLE. Mr. President, I ask unanimous consent that, following the recognition of the two leaders under the standing order on Tuesday, there be a special order in favor of the Senator from Wisconsin [Mr. PROXMIRE] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the Proxmire special order, there be a period for the transaction of routine morning business not to extend beyond the hour of 3 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following morning business, it will be the intention of the leadership to go into executive session to consider three Ambassadors reported out of the Foreign Relations Committee: Max M. Kampelman, John Goodwin Tower, and Maynard W. Glitman. Therefore, rollcall votes could occur during the Tuesday session.

Obviously, we will not be in session tomorrow, Friday, March 1.

I would also announce that at this point, it does not appear to the majority leader that the Senate will be in session on Friday, March 8, unless something would come up next week. Also, for the information of all Senators, the Senate will not be in session the week of Monday, March 11, through Friday, March 15. A group of 12 Senators, including both the majority and minority leaders, will be going to Geneva to attend the opening of the arms negotiations. During that week, it is my hope—and I believe the minority leader's hope—that committees will be conducting business, hearings, markups, whatever, but there will not be any sessions of the Senate that week.

On Monday, March 18, we will hopefully be in a position to turn to the consideration of the deficit reduction package, if available. It is my understanding markup on that may start early next week.

MARTY CAHILL AND CAPTAIN DEGGS LEAVE THE SENATE

Mr. DOLE. Mr. President, before we recess, I wanted to take this brief opportunity to recognize, as I did in a statement last night, two stalwarts who will be leaving the Senate. "Puggy" Deggs, on the Democratic side, has been on the Hill since 1961, and Marty Cahill has been on the Hill on the Republican side, at least on the Hill since 1964. This is their last day in the Senate.

They have performed outstanding service. I know they have been a great help to other majority and minority leaders and have been a great help to me in my brief stint as majority leader.

Mr. BYRD. Will the distinguished majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. Mr. President, I wish to associate myself with the remarks of the distinguished majority leader. I am sure that those Senators on our side of the aisle will miss the services of these two very faithful men. I personally will miss them. It is my hope that they will both enjoy a long retirement and that from time to time they will come back to the Capitol and visit with us. In the meantime, may God's richest blessings follow them wherever they go.

RECESS UNTIL MONDAY, MARCH 4, 1985, AT 10 A.M.

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 10 a.m. on Monday, March 4.

The motion was agreed to; and, at 5:08 p.m., the Senate recessed until Monday, March 4, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 28, 1985:

THE JUDICIARY

The following-named persons to the positions indicated:

Joseph H. Rodriguez, of New Jersey, to be U.S. district judge for the district of New Jersey, vice a new position created by Public Law 98-353, approved July 10, 1984.

Alice Batchelder, of Ohio, to be U.S. district judge for the northern district of Ohio, vice a new position created by Public Law 98-353, approved July 10, 1984.

Herman J. Weber, of Ohio, to be U.S. district judge for the southern district of Ohio, vice a new position created by Public Law 98-353, approved July 10, 1984.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 28, 1985:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following officer for permanent appointment to the grade indicated in the National Oceanic and Atmospheric Administration:

To be rear admiral

Charles K. Townsend.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following officer for appointment in the Reserve of the Air Force under the provisions of section 307, title 32, United States Code, and sections 8351 and 8496, title 10 of the United States Code:

To be brigadier general

Col. John F. McMerty, [redacted] FG, Air National Guard.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Bernhard T. Mittemeyer, [redacted], age 54, Medical Corps, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3036, to be assigned as the Surgeon General, U.S. Army:

Maj. Gen. Quinn H. Becker, [redacted] U.S. Army.

The following-named Army Medical Department officers for appointment in the U.S. Army to the grades indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent brigadier general

Col. Frederick N. Bussey, [redacted] Medical Corps, U.S. Army.

Col. Robert R. Jorgensen, [redacted] Veterinary Corps, U.S. Army.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Oceanic and Atmospheric Administration nominations beginning Michael R. Johnson, and ending Todd C. Sites, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 21, 1985.

AIR FORCE AND MARINE CORPS

Air Force and Marine Corps nominations beginning Lt. Col. Loren J. Shriver, and ending Lt. Col. James F. Buchli, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 19, 1985.

IN THE MARINE CORPS

Marine Corps nominations beginning Terrance C. Brady, and ending Mark D. Wriggle, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 19, 1985.

IN THE NAVY

Navy nominations beginning Hugh Reeves Adair, and ending William John Weisensee, Jr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on February 19, 1985.

HOUSE OF REPRESENTATIVES—*Thursday, February 28, 1985*

The House met at 11 a.m.

The Reverend Thomas J. Fleming, St. Brigid's Church, South Boston, MA, offered the following prayer:

Our country was founded by people who came here from lands beyond the sea,
And the one thing they sought beyond all earthly values was the right to be happy and free,
Some were elected and some were selected to govern this good ship of state.
In good times and bad times they worked out their problems through strong and open debate.
Aware of their weakness in the human condition they humbly pursued their career
To put forth the laws which help us to live out our lives without worry or fear.
Whenever they faltered they reached out for guidance from You our good Father above.
This day bless these makers of good legislation in this the land that we love.

May Almighty God love and bless us all. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. WEBER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WEBER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 178, answered "present" 1, not voting 26, as follows:

[Roll No. 19]

YEAS—227

Addabbo	Andrews	Atkins
Akaka	Annunzio	AuCoin
Alexander	Anthony	Barnard
Anderson	Aspin	Barnes
Bates	Guarini	Parris
Bedell	Hall (OH)	Pease
Beilenson	Hall, Ralph	Pepper
Bennett	Hall, Sam	Perkins
Berman	Hamilton	Pickle
Bevill	Hatcher	Price
Boehlert	Hayes	Rahall
Boggs	Hefner	Rangel
Boland	Heftel	Ray
Boner (TN)	Hertel	Reid
Bonior (MI)	Horton	Richardson
Bonker	Howard	Robinson
Borski	Hoyer	Rodino
Bosco	Hubbard	Roe
Boucher	Hughes	Rose
Boxer	Hutto	Rostenkowski
Brooks	Jenkins	Rowland (GA)
Brown (CA)	Johnson	Roybal
Bruce	Jones (TN)	Rudd
Bryant	Kanjorski	Russo
Burton (CA)	Kaptur	Sabo
Bustamante	Kastenmeier	Savage
Byron	Kennelly	Scheuer
Carper	Kildee	Schumer
Chappell	Kolter	Seiberling
Coelho	Kostmayer	Sharp
Coleman (TX)	LaFalce	Shelby
Collins	Lantos	Sisisky
Conyers	Leath (TX)	Skelton
Cooper	Lehman (CA)	Slattery
Coyne	Lehman (FL)	Smith (FL)
Crockett	Leland	Smith (IA)
Daniel	Levin (MI)	Snyder
Darden	Levine (CA)	Solarz
Daschle	Lipinski	Spratt
de la Garza	Lloyd	St Germain
Dellums	Lowry (WA)	Staggers
Dicks	Luken	Stallings
Dingell	Lundine	Stark
Dixon	MacKay	Stenholm
Donnelly	Manton	Stokes
Dorgan (ND)	Markey	Stratton
Dowdy	Matsui	Studds
Downey	Mavroules	Swift
Durbin	Mazzoli	Tauzin
Dwyer	McCurdy	Thomas (GA)
Dyson	McHugh	Torres
Eckart (OH)	Mica	Torricelli
Edgar	Mikulski	Towns
Edwards (CA)	Miller (CA)	Traficant
English	Mineta	Traxler
Erdreich	Moakley	Udall
Evans (IL)	Mollohan	Valentine
Fazio	Montgomery	Vento
Feighan	Moody	Visclosky
Flippo	Moore	Volkmer
Foley	Morrison (CT)	Walgren
Ford (TN)	Mrazek	Watkins
Fowler	Murphy	Weaver
Frank	Murtha	Weiss
Frost	Natcher	Wheat
Fuqua	Neal	Whitley
Garcia	Nelson	Whitten
Gaydos	Nichols	Wilson
Gejdenson	Nowak	Wirth
Gibbons	Oakar	Wise
Glickman	Oberstar	Wright
Gonzalez	Obey	Wyden
Gordon	Olin	Yates
Gradison	Ortiz	Yatron
Gray (IL)	Owens	Young (MO)
Gray (PA)	Panetta	

NAYS—178

Archer	Brown (CO)	Cobey
Armey	Burton (IN)	Coble
Bartlett	Callahan	Coleman (MO)
Barton	Campbell	Combest
Bateman	Carney	Conte
Bentley	Chandler	Coughlin
Bereuter	Chappie	Courter
Bilirakis	Cheney	Craig
Bliley	Clay	Crane
Boulter	Clinger	Dannemeyer
Broomfield	Coats	Daub
Davis	Lent	Rogers
DeLay	Lewis (CA)	Roth
Derrick	Lewis (FL)	Roukema
DeWine	Lightfoot	Rowland (CT)
Dickinson	Livingston	Saxton
Dornan (CA)	Loeffler	Schaefer
Dreier	Lott	Schneider
Duncan	Lowery (CA)	Schroeder
Eckert (NY)	Lujan	Schuette
Edwards (OK)	Lungren	Schulze
Emerson	Mack	Sensenbrenner
Evans (IA)	Marlenee	Shaw
Fawell	Martin (IL)	Shumway
Fiedler	Martin (NY)	Shuster
Fields	McCain	Sikorski
Fish	McCandless	Siljander
Franklin	McCollum	Skeen
Frenzel	McDade	Slaughter
Gallo	McEwen	Smith (NE)
Gekas	McGrath	Smith (NH)
Gilman	McKernan	Smith (NJ)
Goodling	McKinney	Smith, Denny
Green	McMillan	Smith, Robert
Gregg	Meyers	Snowe
Grotberg	Michel	Solomon
Gunderson	Miller (OH)	Spence
Hammerschmidt	Miller (WA)	Stangeland
Hansen	Mitchell	Strang
Hartnett	Molinari	Stump
Hendon	Monson	Sundquist
Henry	Moorhead	Sweeney
Hiler	Morrison (WA)	Swindall
Hillis	Myers	Tauke
Holt	Nielson	Taylor
Hopkins	O'Brien	Thomas (CA)
Huckaby	Oxley	Vander Jagt
Hunter	Packard	Vucanovich
Hyde	Pashayan	Walker
Ireland	Penny	Weber
Jacobs	Petri	Whitehurst
Jones (OK)	Porter	Whittaker
Kasich	Pursell	Wolf
Kemp	Quillen	Wortley
Kindness	Regula	Wylie
Kolbe	Ridge	Young (AK)
Kramer	Rinaldo	Young (FL)
Lagomarsino	Ritter	Zschau
Latta	Roberts	
Leach (IA)	Roemer	

ANSWERED "PRESENT"—1

Dymally

NOT VOTING—26

Ackerman	Fascell	Kleczka
Applegate	Florio	Madigan
Badham	Foglietta	Martinez
Biaggi	Ford (MI)	Synar
Breaux	Gephardt	Tallon
Broyhill	Gingrich	Waxman
Carr	Hawkins	Williams
DioGuardi	Jeffords	Wolpe
Early	Jones (NC)	

□ 1120

So the Journal was approved.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 236

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of the bill H.R. 236.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

REV. THOMAS J. FLEMING

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, it is with great pleasure that I welcome to the Nation's Capitol, Rev. Thomas J. Fleming, pastor of St. Brigid's Church in my hometown of South Boston, MA. Father Fleming was born in Brookline, MA, on October 10, 1931, the son of Thomas J. and Winifred (Hughes) Fleming. He is the brother of Mildred Fleming of Chestnut Hill and the late Capt. Bernard S. Fleming of the Brookline Police Department. Father Fleming attended St. Mary's High School in Brookline and entered Boston College from where he graduated in 1953. He enrolled in St. John's Seminary in Brighton and was ordained on February 2, 1959. His first assignment was as associate pastor of St. Brigid's of Abington and St. Patrick's in Roxbury, where he was very active in community affairs. Father Fleming served as chaplain in the U.S. Army in Korea, Vietnam, and Germany. Upon his discharge, Father Fleming was assigned to St. Bartholomew's in Needham, and in 1981, was chosen pastor of St. Brigid's Church in South Boston. Father Fleming considers himself a native South Bostonian and can be seen daily walking along the beach at City Point. His love of the Irish and Irish music is well known and he has been known to break into a melody without much persuasion. With St. Patrick's Day only a few weeks away and because the House will not be in session on that day, it is only appropriate that Father Fleming be here today. Father Fleming is also chaplain of the Michael J. Perkins Vietnam Veterans' Post in South Boston, and he is easily recognized in the hospital while visiting the sick of the parish and also making the rounds in his parish to visit the shut-ins. I would like to thank Father Fleming for opening the House today with his prayer, and I wish him continued success in his work within the St. Brigid's Parish.

THE LATE HENRY CABOT LODGE

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, it was with profound sorrow that I learned this morning of the death of former Senator, Ambassador, diplomat, and peace negotiator Henry Cabot Lodge—one of the last, great statesmen from Massachusetts.

Cabot—born on Boston's North Shore in 1902—became a journalist after graduating from Harvard in 1924. From there, he moved on to the Massachusetts State House and then was elected to the U.S. Senate in 1936, the only Republican to win a Senate seat away from a Democrat in the year of President Roosevelt's landslide second election.

During World War II, Lodge went on active duty in North Africa in 1942. He was reelected to the Senate in 1942, but in February 1944, he resigned the Senate to go back on active duty with the Army. In 1946, he again ran for the Senate, and won handily.

After leaving the Senate, being defeated by a young Congressman named John Kennedy, his public career turned from politician to diplomat. As the Ambassador to the United Nations for 7 years, Lodge forged a reputation of toughness toward the Soviet Union and its leader, Nikita Khrushchev. In 1963, then-President Kennedy named Cabot Ambassador to Vietnam. During that time, I had the opportunity to visit Vietnam as a young Congressman concerned over the future of Southeast Asia, and I will long remember his graciousness and countenance.

America has lost one of her statesmen of the highest order, and Massachusetts has lost one of her kindliest patrician politicians. Lodge was a man who supported clean government by example, not by rhetoric.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my distinguished friend, the gentleman from Massachusetts.

Mr. BOLAND. Mr. Speaker, the people of the United States suffered a great loss last night with the death of one of our premier statesmen-politicians, and one of Massachusetts' most distinguished sons, Henry Cabot Lodge.

I had the opportunity to serve in the Massachusetts Legislature with Henry Cabot Lodge when he was just starting his extraordinary career. His political popularity was almost instant. He combined a witty, entertaining, and businesslike style, which gained many admirers, with shrewd political instincts to establish a formidable political base throughout the Commonwealth. In 1936, he was elected to the U.S. Senate after a stunning victory over a colorful veteran politician, Gov. James Michael Curley.

As a Senator, he served on the Foreign Relations Committee and over time became one of his party's leading internationalists. He resigned from the Senate to serve in the Armed Forces during World War II and received numerous decorations for his combat experiences. When he returned to the Senate, he was instrumental in the passage of the Marshall Plan's provision of American aid to a wartorn Europe, and to the North Atlantic Treaty Organization's formation. After his Senate career, he served as the U.S. Ambassador to the United Nations, the U.S. Ambassador to such places as Vietnam and West Germany, and ran as the 1960 Republican Vice Presidential candidate.

Mr. Speaker, when his country called, Henry Cabot Lodge never failed to respond. His service on behalf of his fellow Americans was in the best traditions of his magnificent family; a family which has contributed so much to Massachusetts and to the Nation. Those of our young people who aspire to careers in public service could have no better model than the life of Henry Cabot Lodge. We are fortunate that he chose to devote his energy and talents to the needs of his country at home and abroad and all Americans are certainly indebted to him for the things which he accomplished.

I want to express my deepest sympathies to his wife, his sons, and the other members of his family. I hope that, in the days ahead, their sorrow will be lessened by the knowledge that the contributions made by Henry Cabot Lodge to the quality of life in this country will never be forgotten.

RABBI STURM HONORED WITH THE TEKIAH AWARD

(Mr. ADDABBO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADDABBO. Mr. Speaker, I wish to call to the attention of my colleagues to the unique accomplishments of Rabbi Ephraim H. Sturm, who will be honored on March 17 with the Tekiah Award of the National Council of Young Israel.

One of the foremost professionals in the American Jewish community, Rabbi Ephraim H. Sturm, executive vice president of the National Council of Young Israel, has been instrumental in the growth in the size and prestige of the Young Israel Orthodox Synagogue movement throughout the United States and, indeed, throughout the world. Associated with the National Council of Young Israel since 1947, Rabbi Sturm has served it in various capacities through the years, and has been its executive vice president since 1956.

Rabbi Sturm has served on numerous boards and committees which help determine policy for the Jewish community. He is a member of the board of trustees of the Memorial Foundation for Jewish Culture, the kosher advisory board of the New York State Department of Agriculture, and the advisory board of the State Human Rights Commission.

Rabbi Sturm is a former lecturer for Yeshiva University, having taught in its department of philosophy and the

Ferkauf graduate division for adult education. He is a member of the Manpower Planning Commission and the Health Systems Agency of New York City, as well as the executive board of the Health Care Institute. He has served as project director for Young Israel's on the job training and CETA employment programs since 1966. Under his supervision, Young Israel's federally supported employment programs have compiled an admirable record of achievement. He also serves as a high ranking (lieutenant colonel)) chaplain in the New York State Guard.

Rabbi Sturm is involved in every aspect of Young Israel's numerous activities and programs. He has personally visited every major Young Israel community throughout the country, and serves and the movement's unofficial ombudsman for any and every problem. He is known and respected in every major American Jewish organization, and testified before numerous government agencies on issues of vital interest to the Jewish community. He has also taken an intense personal interest in the development of the Young Israel movement in Israel.

Rabbi Sturm has won the respect of his colleagues in the rabbinate, having most recently received the Distinguished Service Award of the Rabbinical Council of America. He is also a member of the Rabbinical Alliance. Most of all, his compassion for those in need is the mark of an individual who has devoted his life entirely to the service of his people and his country.

Mr. Speaker, I am proud and honored to have Rabbi Sturm as a constituent and friend and join his many colleagues and friends on congratulating him on his receiving this prestigious award and recognition and wish him good health.

BILL INTRODUCED TO NAME VETERANS' ADMINISTRATION CLINIC AFTER THE LATE HONORABLE ADAM BENJAMIN, JR.

(Mr. HILLIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HILLIS. Mr. Speaker, I am pleased to come before the House today for the purpose of introducing a bill naming the new Veterans' Administration outpatient clinic in Crown Point, IN, after the late Adam Benjamin, Jr.

In just the last couple of weeks, a new timetable for construction of the clinic was agreed to by the Veterans' Administration. By November 1987 a new clinic serving 42,500 patients a year will be fully operational, cutting the drive time for northwest Indiana veteran outpatients in half.

Convenient medical care will finally become available to hundreds of veterans who, for years, have had to brave Chicago rush hour traffic in order to receive outpatient care, or go without.

The clinic is also good news to the community, providing more than 100 new jobs to an area of Indiana that desperately needs assistance.

Throughout his 5 years as Congressman from Indiana's First Congressional District, Adam Benjamin worked tirelessly to bring this clinic to northwest Indiana.

Sadly, he did not live to see his efforts bear results. But I can tell you that, without Adam's persistence, the VA clinic would be just another dream for northwest Indiana.

I can think of no better tribute to Adam's memory than to dedicate this new medical facility in his name. I am pleased that Congressman PETER VISCLOSKY, who served as Adam's staff assistant, has joined with me in cosponsoring this bill.

Adam thought very highly of PETER and would be proud that he has become the new Member from Indiana's First District.

I urge my colleagues on both sides of the aisle to support this legislation and name the new Crown Point hospital facility the "Adam Benjamin, Jr., Veterans' Administration Outpatient Clinic."

DESIGNATION OF THE ADAM BENJAMIN, JR., VETERANS' ADMINISTRATION OUTPATIENT CLINIC IN INDIANA

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I appreciate this opportunity to address the House and to urge its prompt and positive consideration of the bipartisan measure being introduced today by the gentleman from Indiana [Mr. HILLIS] and myself.

Our measure would designate the Veterans' Administration outpatient clinic to be located in Crown Point, IN, as the "Adam Benjamin, Jr., Veterans' Administration Outpatient Clinic."

Mr. Benjamin, my predecessor, friend and mentor served people and his country every day of his life. He was a U.S. marine. He graduated from the U.S. Military Academy at West Point and was an Army officer. He served in local government and the Indiana General Assembly for a decade. He served with you in this body for nearly 6 years.

During that time, he worked tirelessly on one project of special importance to him, that was to secure the construction of an outpatient clinic in northwest Indiana to serve the more than 120,000 veterans who live there.

Congress heard his message and approved the facility. Construction will be completed in 1987 and it will be opened in November of that year.

Unfortunately Adam will not see the results of his labor and it is fitting that we honor him by designating the clinic in his memory.

I close by thanking Mr. HILLIS for his tireless effort to see the Adam Benjamin, Jr., Veterans' Administration Outpatient Clinic become a reality.

□ 1130

ADMINISTRATION TALK OF WEAKENING ANTITRUST LAWS UNNEEDED AND UNNECESSARY

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, the President's Secretary of Commerce is calling for repeal of section 7 of the Clayton Act which gives the Justice Department authority to prevent mergers which would have anticompetitive impacts. He does so in the name of promoting efficiency to enhance U.S. export opportunities. I'm all for exports, and I agree we need to turn around the growing tide of red ink on our balance-of-trade ledgers. The answer does not lie in cutting the heart out of our antitrust laws as this proposal would do.

The Congress has already acted to provide responsible, sensible flexibility in the antitrust laws in areas where it can help make us more competitive in world markets, cooperative research and development, and establishment of export trading companies. We should not be led to believe that a wholesale undermining of our antitrust laws will be the salvation to our trade deficit woes.

Instead, we need to resist what Secretary Baldrige is suggesting and recognize it for what it is: An attempt to make our antitrust laws little more than a facade, an attempt to let anticompetitive mergers proceed without regard to their implications for consumers and our economy. Section 7 of the Clayton Act has been an important tool in preventing excessive concentration of economic power in this country. Admittedly, this administration has not used it vigorously, but that is no reason for repeal.

LEGISLATION TO ENCOURAGE ALTERNATIVES TO CHEMICAL DUMP SITE

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, today I am introducing legislation that

proposes a method by which this Government can encourage the development of alternatives to the chemical dump site.

We do have recycling and reprocessing technology available, indeed in operation, that can handle, in an economically feasible way 70 percent of all the hazardous waste produced in this Nation. The problem these alternative methods face is simply a lack of incentives that encourage business and industry to use their services. Indeed, our current practices provide a disincentive to recycling technologies by essentially encouraging dumping.

The legislation I am introducing would provide a 2-cent-per-pound tax credit to the generators of hazardous waste if those generators chose to dispose of that waste through recycling instead of dumping. After having this amount run through an econometric model, I am convinced a 2-cent-per-pound tax credit would be sufficient to make existing and new recycling methods competitive with those that now bury waste.

Mr. Speaker, I do not propose this as a panacea, but I feel strongly that the direction is correct. At least it deserves the serious review of the committees with jurisdiction. I urge immediate consideration of this legislation.

GIVE NEEDY CHILDREN A SECOND CHANCE

(Mr. PERKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, today I come to you on behalf of a very special group of young people who need and deserve our help—children who don't have a high school diploma or its equivalent, but want a second chance. Most of these children are from homes afflicted with poverty.

Currently, these children can get financial aid to go on for training under the "ability to benefit" provision. There are literally hundreds of thousands of students who are not productive members of our society due to this provision. The administration is proposing to exclude these young people from financial aid, although they are among the neediest in the Nation.

I ask you: Instead of leaving these youngsters to join the welfare lines, shouldn't we give them the chance to learn a marketable skill which would let them become productive citizens? Or, do we encourage and perpetuate poverty? I ask you, on whom their futures depend, do we give them hope, or sentence them to a life of need and dependence?

GOVERNMENT NEEDS TO COORDINATE EXPORTS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the Washington Post yesterday gave us another glaring example of why our Government needs to coordinate our exports. They found an internal report from the Commerce Department saying U.S. customs agents knew that sophisticated, U.S.-made helicopters were being diverted from a West German company to North Korea for over 16 months without stopping them. This is stupid if not treasonous.

This example along with our sale of war materials to Iran, and bulletproof vests to Syria shows why our Government must start coordinating sensitive exports. What is needed is an Office of Strategic Trade. The problems we've had with exporting our strategic material have involved not only U.S. customs, but the Departments of Commerce and Treasury as well.

We can no longer tolerate this situation. A Strategic Trade Office will not only keep tabs on sensitive U.S. exports, but it should keep strategic materials—like helicopters—from being put in our enemy's hands as well.

TIGUA AND ALABAMA-COUSHATTA INDIAN TRIBES NEED FEDERAL TRUSTEESHIP

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, today I am introducing legislation, along with my colleague from Texas, Congressman CHARLES WILSON, that would restore the Federal trust relationship with the Tigua and Alabama-Coushatta Indian Tribes of Texas.

The Tiguas of El Paso—Pueblo de la Ysleta del Sur—settled in 1680. In 1968, the U.S. Congress approved the transfer of Federal trust responsibility to the State of Texas.

It now appears, by virtue of a formal opinion issued by the Texas attorney general, that the State may be required to renounce its historical relationship with both tribes, duties which it assured Congress it would accept in 1968.

While it is regrettable that the actions of the attorney general have prompted the introduction of this legislation, and despite the fact that the opinion may not be upheld in court, it would appear that the restoration of a Federal trusteeship with both tribes would be the best long-term solution for these tribes. I would point out to my colleagues that this bill has already been endorsed by both tribes, the Native Americans Rights Fund, the National Congress of American Indians, and the tribal council of the Pueblo of Isleta. The Texas Indian Commission is expected to also lend its support.

I hope that this initiative will be considered in a timely fashion by the my colleagues in the House.

EXEMPTION FROM TAXATION OF FRINGE BENEFITS

(Mr. VALENTINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VALENTINE. Mr. Speaker, I have this week introduced legislation to amend the Internal Revenue Code of 1954. My amendment would exempt the use of certain emergency vehicles from taxation as a fringe benefit.

The current regulations of the IRS will tax the drivers of police cars and other emergency vehicles whenever the IRS deems the vehicles to be used in an off-duty capacity. I believe this distinction leads to unfair taxation.

Policemen, for example, are never truly off duty. They are subject to being called to duty 24 hours a day. When they are called to duty, they are required to carry their responsibilities in vehicles equipped for that duty. In addition, many police officials conduct official duties even when they are not formally at work. They serve process papers, assist stranded motorists, and even risk their lives in sudden emergency occurrences.

It is not fair for the IRS to define these situations as appropriate to fringe benefit taxation. It is not fair to tax our police and emergency personnel for using, or being prepared to use, a vehicle required for their duty.

I urge my colleagues to join me in supporting the legislation I propose.

□ 1140

GROVE CITY—1 YEAR LATER

(Mrs. SCHNEIDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHNEIDER. Mr. Speaker, 1 year ago today, the Supreme Court handed down its decision in the case of Grove City College versus Bell—a ruling which set civil rights enforcement in America back by 20 years. By limiting the coverage of title IX, the only Federal law prohibiting sex discrimination in education, the Court closed the doors of opportunity for millions of young women across the Nation. If this were not damage enough, this ruling may have a similarly restrictive effect on three other key civil rights statutes—title VI of the 1964 Civil Rights Act for minorities, section 504 of the Rehabilitation Act for the disabled, and the Age Discrimination Act for the elderly. As title IX now stands, colleges and schools are free to discriminate in pro-

grams or departments which do not directly receive Federal funds; and, for the unlucky students, there is no legal recourse. This is a result which I find appalling.

We have seen terrific progress for women since title IX was enacted in 1972. Female enrollment in medical, dental, law, and veterinary schools have more than doubled. The number of women participating in intercollegiate athletics has jumped from 16,000 to over 250,000. Blatant discriminatory practices, such as requiring girls to have SAT scores 30 to 40 points higher than their male counterparts, have disappeared. Yet, unless Congress takes action these advances will fade before our very eyes. In the 12 short months since the Grove City decision, the Department of Education has dropped investigations of 61 civil rights complaints.

I urge my colleagues to join me in support of the Civil Rights Restoration Act, legislation which will restore broad coverage of these four statutes. We must make clear, once and for all, that where taxpayer dollars go, taxation sanctioned prohibitions on discrimination must follow.

ADMINISTRATION'S PROPOSED PROGRAM THREATENS DOMESTIC SUGAR INDUSTRY

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, yesterday at a hearing of the Appropriations Subcommittee on Agriculture, the subcommittee heard testimony from the Secretary of Agriculture. From his testimony it is clear that the Secretary fails to understand what his Agricultural Adjustment Act would do to the American farmer. By the passage of the farm credit bill by the House yesterday, it is clear to me that the House feels that the Secretary does not understand the plight of the farmers.

I questioned the Secretary at length about the Sugar Loan Program—a program that is important not only to the farmers in my district but also to farmers in States where sugarcane and sugar beets grow. The reality of the program he has proposed for sugar is that simply will not work.

With world sugar prices depressed to 3½ cents per pound due to the price dumping policies of the Common Market, the proposed sugar program would destroy the domestic sugar industry. I have no doubt that if the President's proposals are enacted, there would not be a single acre of sugar cane or sugar beets by the end of this decade.

What is most disturbing is that this administration, which prides itself on reducing the cost of government, is proposing a new program which will cost far more than the current Sugar Loan Program. At our hearing yesterday, Secretary Block admitted to me that since the current Sugar Program was implemented, it has not cost the Federal Government 1 penny to operate. What he is proposing is a new, expensive program which offers deficiency payments to growers. At a time when the Federal Government is looking for ways to cut Federal spending, I can see no reason why Congress should replace a program that operates at no cost with one that will be an expensive burden on the taxpayers.

INTRODUCTION OF THE MONEY LAUNDERING ACT OF 1985

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, the Committee on the Judiciary has approved its subcommittees this morning. I am privileged to serve as the ranking Republican on the Crime Subcommittee, and I look forward to working closely with the subcommittee chairman, Mr. HUGHES, of New Jersey. The Subcommittee on Crime has an active history of producing a large number of important criminal law reforms and I look forward to contributing to this endeavor.

One key issue before this subcommittee, which also falls within the jurisdiction of my other committee, the Committee on Banking, Finance and Urban Affairs, is money laundering. As current events so tragically demonstrate, this multibillion-dollar activity finances organized crime through financial institutions at the expense of the American people. Money laundering is the lifeblood of organized drug-trafficking and the bill that I am introducing today, the Money Laundering Act of 1985 is designed to strike at the heart of these financing operations.

Mr. Speaker, the Money Laundering Act of 1985 creates for the first time, a criminal offense for laundering money from illegal activities and stiffly punishes these acts. Secondly, the act provides summons authority to the Secretary of Treasury for more efficient and effective enforcement of the Bank Secrecy Act. Third, money laundering is made subject to authorized Federal wiretaps, and finally, protection from civil liability is provided for banks which notify the Federal Government of unusual and suspicious money laundering-type activities.

The Money Laundering Act of 1985 completes the law enforcement picture for drug trafficking cases. To be effective, we must take the profit out of crime, and for this reason, I urge your support for this important law enforcement initiative.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1096. "An act to authorize appropriations for famine relief and recovery in Africa."

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1096) "An act to authorize appropriations for famine relief and recovery in Africa," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LUGAR, Mr. HELMS, Mr. MATHIAS, Mr. PELL, and Mr. ZORINSKY to be the conferees on the part of the Senate.

COUNTING ALL THE BALLOTS IN INDIANA

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COELHO. Mr. Speaker, yesterday the Republicans charged that we are rigging the task force investigation so that it does not take into account Indiana law.

Let's look at Indiana law. The Indiana State Legislature, which is controlled by Republicans, has rejected the certified winner of a candidate for their State house. They conducted their own recount, and ruled that ballots thrown out on technicalities should be counted. When those ballots were counted, the other candidate won and was seated. The other candidate happened to be a Republican.

The same issues and the same law are involved in the McCloskey-McIntyre race. When the initial count was completed, McCloskey won by 72 votes. Again, according to Indiana law, he should have been certified. But he wasn't.

The bottom line is this: Either you abide by the initial vote count, or you conduct a fair and complete recount. That hasn't been done.

The Republicans corrected just one alleged mistake of double-counting, and then proceeded to throw out 5,000 ballots on technicalities.

We want to correct all the mistakes in the initial count and count all the ballots—and may the candidate with the most votes be seated.

□ 1150

THE CIVIL RIGHTS RESTORATION ACT OF 1985

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, today, I rise to call attention to the importance of passage of the Civil Rights Restoration Act of 1985. This legislation seeks the same result we in the House of Representatives sought to achieve when we passed the Civil Rights Act of 1984—the full restoration of the four major civil rights statutes to the broad scope of coverage which the Supreme Court unduly narrowed in the Grove City College versus Bell decision last year.

The Supreme Court's decision has limited the Government's ability to enforce civil rights protections in a wide spectrum of federally supported institutions. Many who opposed the Civil Rights Act of 1984 believed that the Grove City decision was specifically applicable only to title IX of the Education Amendments of 1972 and would have no effect on other identically structured civil rights statutes. However, the Grove City case has now been cited in a section 504 employment case, Conrail versus Darrone. In that case, the court included the program specific language limitation and cited the Grove City decision. Consequently, coverage under section 504 of the Rehabilitation Act of 1973, the primary civil rights law for the handicapped, has been expressly limited in the same way the Court restricted title IX in Grove City.

As section 504 guarantees millions of handicapped Americans the opportunity to participate fully in American life, so the Age Discrimination Act of 1975 and title VI of the Civil Rights Act of 1964 hold that same promise for senior citizens and minorities. Those guarantees, however, are in danger of being eroded by the negative effect of the Grove City decision on the enforcement of all four of these statutes. In the year since the Grove City decision, numerous investigations of alleged practices of sex and age discrimination have either been restricted or dismissed entirely.

The need for a comprehensive response to the Grove City decision by the Congress is urgently clear. The freedoms that minorities, women, senior citizens, and the handicapped have fought for and won are being summarily stripped away by this decision and the negative message it sends to the American people.

The Civil Rights Restoration Act of 1985 does not include last year's problematic terms and I urge my colleagues to join me in early passage of this important legislation. The message of the 99th Congress must be clear—no Federal money will be used in any way to subsidize discrimination on the basis of sex, age, race, national origin, or handicap.

HIGH INTEREST RATE MANIA

(Mr. TAUZIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAUZIN. Mr. Speaker, how long can this Nation endure a high interest rate policy which every day deprives Americans of jobs, cripples the American farmer, denies young Americans a share of the American dream of home ownership, compounds our Federal deficit woes, and plays smack dab into the hands of every foreign importer wishing to invade the American marketplace, costing even more American jobs? How long will we endure this high interest rate mania which brings more and more Americans closer to bankruptcy, which invites American businesses to take their plants and the jobs they create to foreign lands and which contributes daily to a growing national dependency on foreign oil, chemicals, and refined products? The Federal Reserve has recently stopped loosening credit. Short-term rates have stopped their recent and oh, too, too brief decline. Mark it down today. Interest rates, will rise again in 1985 and national recovery will be threatened.

We badly need a plan to bring down the cost of money in America, a plan to encourage Americans to save again. There is such a plan. And it too is coming in 1985. It's called the American Passbook Savings Act.

AFRICAN RELIEF

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, today we will be voting on whether to appropriate $1 billion for famine relief in Africa. Although this amount greatly exceeds the amount of aid committed by the administration, no one questions the need for humanitarian assistance to withering countries such as Ethiopia.

However, this aid package does not address the long-term problems of the African nations. The decade-long drought in Africa has been disastrous for countries such as Ethiopia, but there has been a more subtle disease eating away at the country's economic potential. Chairman Mengistu has consolidated his totalitarian regime through total suppression of all human rights and has attempted to suppress pockets of political opposition through intimidation and arbitrary arrest.

Our famine aid will help alleviate the immediate suffering in Ethiopia. But it will also help Mengistu consolidate his totalitarian rule, assuring chronic economic failure.

The United States must make its position on foreign policy clear. We stand for freedom. Marxist-Leninist governments cannot provide for their people. That is a fact we've seen again and again throughout the 20th century.

The United States must support free and democratic governments in all countries, from Ethiopia to Poland, Nicaragua to Afghanistan. Disease and food shortages are presently reaching epidemic proportions in Afghanistan, and the United States ignores this situation because dealing with it might cause discomfort to our ideological rivals. The Soviet Union is prohibiting the Red Cross from entering Afghanistan, leaving less than 30 doctors to treat the thousands of wounded and sick. As a result, minor diseases and nearly all wounds are fatal. The Soviet Union has found themselves in a prolonged conflict in Afghanistan which they have realized can only be won through depopulation. By preventing food and medical assistance from entering the country the Soviet Union is waging a one-sided war of attrition against the Afghan people.

The United States must regain its title as leader of the free world. We must make the commitment to help the brave Afghans fighting for the freedom of their country, as well as reforming the totalitarian governments, such as Ethiopia, and introducing the alternative of free and democratic government to all nations of the world.

THE FIREARMS OWNERS PROTECTION ACT

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, earlier this month I introduced the Firearms Owners' Protection Act (H.R. 945). Some Members have asked why this legislation is needed. H.R. 945 is needed to correct a number of problems which exist in enforcing our current firearm laws. These problems are documented, with actual case studies, in a number of congressional oversight hearings. These hearings presented clear examples of honest citizens being criminally prosecuted for inadvertent paperwork errors. They presented honest citizens who were criminally prosecuted because a key term was not defined, and they presented honest citizens who were forced to sue the Government after they were vindicated of any criminal wrongdoing, in order to have their property returned.

These are the major problems my legislation addresses. I urge my colleagues, who have not yet cosponsored, to review the Firearms Owner's Protection Act. I believe they will find my approach reasonable in view of the faults which currently exist. I will be happy to discuss the provisions of

H.R. 945 with my colleagues at any time.

DEFICITS AND OUR CHILDREN'S FUTURE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, America has lost sight of one of the most basic of our traditional values: the need to pay our bills and pay them on time.

Congresses come and Congresses go. Presidents come and Presidents go. But never in recent history have any of them set fiscal responsibility as their No. 1 priority in Government. Now we see the results: The prospect of a decade-long string of $200 billion plus deficits.

This might be all right if we would pay the price for our lack of responsibility. But who will truly pay the biggest price for this foolishness? Our children. What in the world are we doing to our children?

This is more than unfair. It is shameful. If we are not careful, future historians may look upon our generation in power as the most financially irresponsible in our Nation's history. Do we want this as our legacy?

Mr. Speaker, I will be using this forum again and again to warn the Congress and the American people what we are doing to our Nation's future if deficits are not cured, especially what we are doing to our children's future.

VOTE FOR INTERSTATE COST ESTIMATE LEGISLATION

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, I urge the House today to vote in favor of the Interstate Cost Estimate legislation. This bill is vital to every State in the Union, but especially to our Northern States where the highway construction season extends from April 1 to October 20.

For all too long, some 500 projects have been held hostage, including 57 in my home State of Wisconsin, because of the inaction of this body. Today we can rectify that problem by an affirmative vote. Nine cents of every gallon of gasoline we buy goes to our highway trust fund. The users of the highway trust fund have paid this tax and now it is time for this body to give that money back to the respective States, so we can build and repair the highways that are so desperately needed in our Nation.

NATIONAL ASTHMA AND ALLERGY AWARENESS WEEK

(Mr. O'BRIEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'BRIEN. Mr. Speaker, last year, we passed a joint resolution designating a week early in May 1984, as "National Asthma and Allergy Awareness Week." The President signed the resolution and made a proclamation. During that time, the professional and lay constituency observed this week with advocacy programs, appropriate ceremonies, and other activities. Nonetheless, more still needs to be done.

On February 26, 1985, I introduced a similar resolution (H.J. Res. 170) designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

Because of these efforts, knowledge combining the clinical care and practical measures will dramatically increase the possibilities for better health for over 35 million Americans with asthma and allergic diseases. Our challenge today is to promote the spread of this knowledge throughout medicine and to patients, their families, their employers, and their teachers. The payback of one of every six of us will be significant: Better results at school, fewer workdays lost, and reduced economic hardships.

Additionally, our investments in the science of allergy and immunology have paid remarkable dividends, elevating the base of scientific knowledge, raising standards throughout our Nation in medical diagnosis and treatment.

These are the basic reasons for supporting this joint resolution whereby a special emphasis can be placed at the height of the allergy season, May 5 through May 11. Such an awareness week helps to dispel the many unfortunate myths surrounding asthma and allergies, and helps disseminate better knowledge to millions of Americans. This year, volunteers and professionals across the Nation are poised to begin another extensive program of information and educational events developed to inform the public about the true nature of asthma and allergies.

Mr. Speaker, support for this effort will help millions of Americans create new and better choices leading to more healthy lives, and I hope my colleagues will join me in this effort again.

DEMOCRATIC CAMPAIGN OF DISINFORMATION REGARDING THE McINTYRE-McCLOSKEY ISSUE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, the Democratic campaign of disinformation on the McIntyre situation continues. Today, the chairman of the Democratic Congressional Committee was sent to the floor to help conduct that campaign. In his remarks, we found some very instructive material. For instance, he basically admitted that there is an intent to see the task force throw out Indiana election law despite all the protestations we have heard on this floor about fundamental fairness.

He also claimed that the Republicans threw out 5,000 votes in the course of the recount that took place. Eleven of the fifteen counties where votes were counted in Indiana were in fact controlled by Democratic recount boards by a margin of 2 to 1. It was not the Republicans that made those decisions.

It just seems to me it is increasingly evident that the Democrats want not only to temporarily deny Rick McIntyre his seat in this Congress, his rightful seat in this Congress, but to set up a procedure that this House will have then to award the seat to Mr. McCloskey.

To my way of thinking, that is not only shameless, it is shameful.

UPDATE ON McCLOSKEY-McINTYRE ISSUE

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute.)

Mr. BONIOR of Michigan. Mr. Speaker, I yield to my colleague from Arkansas.

Mr. ALEXANDER. I thank the gentleman for yielding.

I asked the gentleman from Michigan to yield for the purpose of responding to the gentleman from Pennsylvania on the Indiana issue, the McCloskey-McIntyre race.

The other side, the Republicans over the last week have been making a great issue out of this question and there is some confusion that has been caused because of the representations that have emanated from the other side of the Chamber.

I think what is important for the American people to observe is the fact that the Committee on House Administration is hearing now on the subject of the election contest. The effort is accelerated. The expectation of that committee is that a decision will be reached by the end of March to resolve the question one way or the other and there is no attempt to deny Indiana representation, and in fact the House is following precedents in years preceding this time in order to resolve this controversy.

Mr. Speaker, I thank the gentleman from Michigan for yielding.

Mr. BONIOR of Michigan. Mr. Speaker, I yield back the balance of my time.

FURTHER UPDATE ON McCLOSKEY-McINTYRE ISSUE

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. I thank the Speaker.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LOTT. Mr. Speaker, I will be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding because I think it is important to recognize that we are not following precedents from years past. There have been 82 similar instances in the history of the Congress. In all 82 instances, we have seated the Members of Congress and then resolved the situation.

What is happening here is that in fact we have already denied the people of Indiana their representation in this House. Five hundred thousand people do not have a Representative here today to vote on two very important bills. It is obvious from what the gentleman from Arkansas just told us that they will not have a Representative here until at least the end of this month and they have already been denied that amount of time. I think that is the real situation here. Rick McIntyre ought to be seated and then we resolve some of the things that are before that task force at the Committee on House Administration.

Mr. LOTT. If I may reclaim my time, and the gentleman may want to respond further; as I understand it, we are going to be having some very crucial votes both today and later on next month. We are expected to have votes on the MX missile issue; that is certainly an issue of national and international importance at a time when we are having the Geneva arms control talks. I think it is important that the Eighth Congressional District of Indiana be represented as we discuss these important issues dealing with agriculture and defense and national security.

Mr. Speaker, I yield back the balance of my time.

ADDITIONAL FURTHER UPDATE ON McCLOSKEY-McINTYRE ISSUE

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. I thank the Speaker.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I do not want to belabor this point but I think the record needs to be made that the remarks of the gentleman from Pennsylvania are not correct. The House is following precedent and there are many precedents preceding the McCloskey-McIntyre issue whereupon the elected representative from the various districts was not seated for many, many, many months after the votes were cast.

In this instance we are talking about resolving this issue by the end of March. The Committee on House Administration should be commended for its accelerated effort.

The American people should know the facts and the facts have been stated.

I thank the gentleman and appreciate his yielding this time to me.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield back the balance of my time.

CONTINUING UPDATING ON McCLOSKEY-McINTYRE ISSUE

(Mr. MYERS of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MYERS of Indiana. Mr. Speaker, it is regrettable that we see so much misinformation being bantered around this body. The gentleman from California, I do not know what his intentions are or the intentions of the majority party, but I must say I am becoming increasingly more suspicious as time goes on because of some of the things being said.

Mr. Speaker, I am glad the gentleman from California cited the Indiana Hibner case which involved two legislators in the House of Representatives in the State of Indiana. One was a Democrat, one happened to be a Republican, that were both seated.

They were seated pending a further investigation by the Indiana legislature. But in this instance Indiana did go ahead and seat them.

For some reason they forgot there was a Democrat seated and a Republican seated in Indiana even when there was a question.

Again, the precedents, I am sorry to say to the gentleman from Arkansas, he keeps talking about precedents but there is none, no case cited here, just talking about precedents.

A precedent I believe has to be more definite than this, not just saying a precedent does exist for not seating Mr. McIntyre, a vague citing of precedent, because it is absolutely not true.

No one is questioning the right of this body or the Committee on House Administration to investigate any election it cares to investigate, but the problem is the precedents that the Member has always been seated during that time of investigation. There is the wrongdoing.

For some reason the gentleman from California wants to duck that issue and not address it, but instead cloud the true issue by not telling the entire story.

SELECT COMMISSION ON NATIONAL SERVICE OPPORTUNITIES ACT OF 1985

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, America is bearing witness to the steady and certain demise of our national commitment to social progress. From the Peace Corps abroad to the Job Corps in our cities, the great commitments of the past are broken. A national consensus has formed in the belief that America either cannot or should not continue its common effort against the underside of American life.

Those who have presented the choices have forgotten an option. This generation can achieve with its labor what others sought to purchase with their dollars. We can apply our greatest resource to our greatest problems. A National Service Program raises that possibility and it is worth considering.

The possible price is a year of service. A time to select a national program and work with other young Americans. A time when incomes, educations, and neighborhoods are put aside in a common endeavor. It is a price that offers dividends to both those in need and those who serve.

When President Roosevelt challenged the young with the Conservation Corps, he built more than parks. President Kennedy offered more than a new vision of America with the Peace Corps. National service builds community and offers each generation the chance to grow, contribute, and belong. It is a simple concept. There are both opportunities and obligations in American life. Each may be possessed separately, but they can only be valued together.

The question remains less whether the young will respond to the challenge than whether our leaders will have the courage, confidence, and wisdom to offer it. Our perceptions of the future are based on old assumptions. Social progress is considered something that must be purchased rather than earned. National security is measured by what is spent rather than what is provided. Patriotism is seen in symbols and not service.

The commitment of my generation to social progress in America is real. The desire to serve can be felt. This generation has not failed to meet the challenge. America has merely failed to offer the challenge. National service is an answer. It is time to consider the costs, advantages, and needs. The Select Commission on National Service Opportunities Act will provide answers

to the questions that the Congress must consider.

A QUESTION OF FAIRNESS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, as we are discussing the upcoming determination in the McIntyre case I think it might be of interest to my colleagues that on the Judiciary Committee we finally resolved the problems of our subcommittees' seatings.

□ 1210

The reason why that was an issue was that we were initially denied proper representation on most of those subcommittees. I offered an amendment at our initial meeting, an amendment of fundamental fairness, where we would get the representation which we were entitled by our representation on the full committee. That was denied to us.

We resolved the issue today by getting fundamental fairness in five out of seven subcommittees. So I guess that is called quasi-fairness, or semi-fairness, or fairness sometimes, or frequent fairness, but not full fairness.

Interestingly enough, one of the subcommittees on which we were denied fairness is the Subcommittee on Civil and Constitutional Rights. That is right, the subcommittee that is supposed to be involved with protecting the constitutional rights of the citizens of this country.

I just wonder if Members of the majority were treated in that fashion whether they would have some concern that a question of who should be seated in a particular seat in the Eighth District of Indiana might be resolved in a totally fair manner.

Mr. Speaker, we ought not to play partisan politics, but when we see that things such as fundamental fairness are denied on representation of a committee of that importance, one has to wonder what is going to happen with the McCloskey-McIntyre case.

HIGHWAY FUND LEGISLATION

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, I understand that later today the legislation affecting the interstate cost estimate may be considered on the House floor.

I want to say that I commend Chairman HOWARD and the members of the Committee on Public Works and Transportation in both parties for the expeditious way they are bringing this legislation to the House for our consideration.

It is absolutely essential in my own State of Washington where 33 projects are affected at a cost of about $215 million that this legislation be considered and immediately approved.

If funding is not available soon it will delay the completion of the interstate by at least 1 year. Project costs will increase and related economic activity will be stifled.

With release of the ICE funds the State of Washington will have available $226 million for interstate construction. This will allow critical projects such as work on Interstate 90 and the Tacoma Spur to continue on a proper schedule.

Any time-consuming disagreements between the House and the Senate on this measure would be regrettable now that each body has approved a stripped-down version of the highway bill.

I urge that the Members give this legislation positive consideration. I am told that this very day over 36 States in our Union are out of highway funds making it quite critical.

DEMOCRACY WILL SUCCEED

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, it was recently my privilege to go with a group to South America to learn about their agriculture. On that trip we stopped in Panama where we had a briefing from the military people there in Panama. They pointed out, first of all, how South America has seen country after country after country move from dictatorship over into where they have a democratic system of government now.

Then they proceeded to tell us about the great concern they had if we did not adequately challenge Nicaragua.

Mr. Speaker, we did not challenge those countries in South America. The fact of the matter is we let those people see that communism does not work, that dictatorships do not work, and that central planning does not work.

When will we sometime come to learn from what we see so clearly happening in our country and in the world, that what we need to do is learn from what occurs. And the best lesson we can learn is that if we just let things go their way and do not challenge them, as we tried to in Vietnam, that indeed the situation will come our way. People will recognize the advantage of a democratic government and we will see those countries adopt the type of great system we have here that works so well.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5(b) of rule I, the Chair announces that he will postpone further proceedings today on each question of adopting resolutions or on ordering the previous question on resolutions reported from the Committee on Rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

Such rollcall votes, if postponed, will be taken after all debate has been concluded on both resolutions and after each question to be determined by a nonrecord vote has been disposed of, the Chair will then put the question on each resolution or on the previous question thereon, on which further proceedings were postponed.

REPORT ON RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF A SELECT COMMITTEE ON HUNGER

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-12) on the resolution (H. Res. 20) providing for the establishment of a Select Committee on Hunger, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-13) on the resolution (H. Res. 22) providing for the establishment of the Select Committee on Narcotics Abuse and Control, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF THE SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 99-14) on the resolution (H. Res. 25) providing for the establishment of the Select Committee on Children, Youth, and Families, which was referred to the House Calendar and ordered to be printed.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 1239, URGENT SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolu-

tion 86 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 86

Resolved, That during the consideration of the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes, all points of order against the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 86 waives points of orders against provisions of the bill, H.R. 1239, providing urgent supplemental appropriations for emergency famine relief and recovery in Africa. This is a privileged matter from the Committee on Appropriations and will be considered in the Committee of the Whole in accordance with the Standing Rules of the House.

It is expected that the gentleman from Mississippi, the distinguished chairman of the Committee on Appropriations, will request unanimous consent to limit general debate. Following general debate, the bill be considered for amendment under the 5-minute rule.

This is an emergency measure responsive to an evolving crisis. Provisions which are included in the bill to ensure the proper administration of this urgent program constitute legislation in an appropriations bill. A waiver of clause 2 of rule XXI has been granted in this resolution to protect those provisions against a point of order.

While a majority of the funds in the bill have been authorized, the waiver of clause 2 of rule XXI also protects the unauthorized appropriations that are included in the bill against a point of order.

It is important to note, however, that the bill specifically provides that "funds and authority * * * which have not been previously authorized shall not be obligated until authorized." In addition, these appropriations would be authorized upon enactment of the legislation adopted by the House Tuesday, H.R. 1096, the African Disaster Assistance Act.

Mr. Speaker, H.R. 1239 is a bipartisan measure which provides for a comprehensive emergency relief program of $1 billion. Included is $6 million in Public Law 480 (Food for Peace Program) assistance and a $225 million emergency fund; $137 million is provided for relief and recovery activities and $37.5 million is provided for assistance to the refugees created by the famine.

An estimated 7 million people in Africa face imminent starvation. Some 30 million are severely malnourished and a total of 150 million in over 20 countries face famine conditions. I am proud that the House has begun this new Congress by moving with speed to meet this crisis.

I urge adoption of the resolution.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, this is a routine rule for an appropriation bill, and I urge its adoption.

I want to state at the outset that the Committee on Appropriations is to be commended for acting promptly in bringing this emergency bill before the House today. No one questions the need for additional famine relief assistance to the millions of Africans facing starvation. And no one questions that more money to pay for more food is needed at once to respond to the crisis in Africa. Members should be aware, however, that there is a considerable difference between the amount requested by the administration and the amount provided in this appropriations bill.

The total new funding in this bill is $1 billion. The administration, which is managing our massive famine relief program quite well considering the difficulties, believes this amount far exceeds the requirement.

America alone will be providing half of the entire worldwide famine relief assistance to Africa during this fiscal year. I think we are right to do so. I also think we should listen to those actually running our program. They feel that the amounts appropriated in this bill far exceed the need and cannot be used effectively.

To meet the need, the administration asked for an additional $411 million, with $235 million in supplemental funds plus reallocation of $176 million from existing resources.

I hope the differences will be resolved satisfactorily between the two Houses of Congress and administration. The need in Africa is great, and we Americans are going to be providing a massive amount of free food to the victims of this terrible famine. I am proud of our contribution, and do not want to see this effort harmed by overloading it with too much money pumped in too quickly.

Let us move forward with speed. But let us also proceed in the right direction with firm control and proper management of our famine relief effort.

If we have been viewing our television sets recently, we have seen the terrible famine reflected in Ethiopia. We all feel a sincere urge to do what we can, and I know this body will provide assistance.

I also saw on the news that there are some 20 million Americans who go hungry at least 2 days a month, and I think it is a crying shame that we should allow that to happen. Hunger is real. We here do not suffer that, we Members of the House, but there are those not only in America but throughout the world who need help.

I urge speedy action, Mr. Speaker.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 6 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I wish to congratulate the members of the Appropriations Committee for having brought this bill to us in such a timely fashion, this humanitarian bill that represents the finest in our Judeo-Christian ethic and our tradition of compassion in holding out the hand of caring to those unfortunates around the world who urgently need our help. I strongly support the bill. This is an emergency bill and, hopefully, it will help the pitiful millions in sub-Sahara Africa who are faced with misery and starvation, to tide them over this particular episode.

But I very much hope that the Congress will do more than that. We are faced with a systemic endemic problem of imbalance between food and people. It is really very, very simple. Africa is increasing its food production by a little over 1 percent a year—by about 1.1 percent a year, so the experts tell us. However, it has a burgeoning rate of population explosion by which its population is expanding by a little over 3 percent a year. So by the very simple process of arithmetic that is pregnant with incredible human misery and suffering, one can easily deduce that there is a 2-percent decrease in per capita annual food production. It has been going on and it is increasing. The gap between growth of people and growth of food, is increasing. For the last 15 years, there has been a 20-percent decrease in per capita food availability. In the next 15 years, it will be a 50-percent decrease. Imagine that. A 50-percent decrease in the per capita food production in sub-Saharan Africa.

If something radically new and different does not take place, Africa will double its population of about 435 million in about 20 years.

Now, the entire developing world was faced with this problem a generation ago and remarkable progress has been taken in Asia, remarkable progress has been made in Latin America, overcoming all kinds of cultural and religious and political roadblocks.

Just in the last 5 years, the two largest countries of Latin America, Mexico, and Brazil, have done a complete about face and now have established a clear public policy supporting national family planning programs to

address exactly the kinds of problems that are decimating the people of sub-Sahara Africa and causing incredible hardship. Vast progress, impressive progress, heartening progress is being made in Asia, is being made in Latin America. But Africa presents a very different story, a very depressing story. I very much hope that my colleagues will be producing a comprehensive integrated program that goes beyond increasing food production further—and we can do that. The OTA, the Office of Technology Assessment, has just given us a report with a whole laundry list of suggestions on how Africa, with low resource farming, without the availability of vast inputs of capital, with very simple technology transfer, can significantly increase agricultural production.

□ 1230

I hope that we will fund that and support that. I also hope that we will do something about the other end of the equation, without which Africa will never work its way out of this human morass; without which we will be faced with the need, year after year after year, to respond to these repetitive waves of famine which sweep the area causing tragedy and human suffering and death on a scale that is absolutely mind boggling.

We must help them work their way out of their problems of population growth. What does this mean? Essentially, it means making significant improvements in the status of women and in the role of women, if I had to encapsulate the key to what it is all about, the key to what has worked and is working in Asia and Latin America. That means giving young girls access to education. It means when they arrive at 16 or 17 or 18, giving them access to the job market. Giving them access to credit so they can open up a little stall in the market.

When women have access to education, to jobs, to credit, when they are permitted to participate in the wider life of the community along with men, they very quickly change their family size goals. They do not need a lot of information or education or orientation to do it; we have to give them the wherewithal. It means changing some traditional approaches that have inhibited the liberation of women, it also means giving them the wherewithal, mostly in the form of maternal and child health services with a strong family planning component, so that they can control their fertility as they engage in and participate in the life of the wider community.

African women must be shown that appropriate technology can take the place of additional children in handling the family chores.

At the same time, they must be taught that improved health care and nutrition will reduce the infant mortality rate and assure that their children will survive to maturity and will be around to take care of them in their old age.

On a recent visit to Rome, a CoDel consisting of myself, Mr. LUJAN of New Mexico, Mr. ROE of New Jersey, and Mr. BURTON of Indiana, met with officials from the U.S. Food and Agricultural Organization, including FAO Director General Edauard Saouma and our former distinguished colleague from New Jersey, FAO Ambassador Millicent Fenwick. Our mission was to discuss the most effective methods to end the constant, repetitive waves of famine that have swept over sub-Saharan Africa in recent decades.

We were greatly encouraged to learn that FAO shares our conviction that Africa's rapid population growth must be reduced in order to achieve any long-lasting success in overcoming the ravages of famine.

Furthermore, FAO officials also recognize that the introduction of appropriate agricultural technology can be used as a natural starting point to convince African women that such farming aids can be adequate substitutes for additional children.

Mr. Speaker, I urge members of the committee to consider efforts to bring down Africa's explosive rate of population growth as part of any long-term plan to solve the ills that are ravaging sub-Saharan Africa.

Without such population efforts, we will never be successful in ending the suffering and misery that periodically sweeps over the region. Nor will be ended the repeated billion-dollar emergency food appeals to the generosity of the American taxpayer, which can be expected to reoccur with depressing regularity over the years to come—and at larger and larger cost so long as increases in population growth race ahead of food production.

Mr. BONIOR of Michigan. Mr. Speaker, I have two other speakers. I yield 30 seconds to my colleague the gentleman from California [Mr. COELHO].

Mr. COELHO. I thank the gentleman for yielding me this time.

Mr. Speaker, I just want to join in the remarks of my colleague from New York. As one who was just in Africa last year and witnessed some of the concerns there, the problem really is the population growth. We do however, need to take care of this current situation immediately on a short-term basis.

There is a signficant long-term problem that we need to address as well. I applaud the committee for moving forward, but we need to do more things in line with what the gentleman from New York is talking about.

Mr. Speaker, I am sure that few in this body today would argue that we have a moral obligation to help our brothers and sisters in sub-Saharan Africa overcome the current emergency famine conditions, and I am proud of the way the American people and our government have responded.

Emergency food and relief will help to lessen the current impact of famine and drought of the people of sub-Saharan Africa. Indeed, this crisis, like all crisis, will pass. Yet the persistence of hunger, as the backdrop of daily life in Africa, will continue.

For the past two decades, per capita agricultural production in Africa has been declining. Population is growing faster than food production. Today, there is less food per person than there was in 1960. Many countries in Africa that previously exported food to the world are now importing it.

As has been consistently stated here today, we must look beyond the short-term response and seek a long-term solution to Africa's food problems. Without some concrete programs to control Africa's population and to transfer appropriate technology to help African farmers increase their food production, there is no way that Africa will be able to feed itself in the foreseeable future.

But the United States cannot do it alone. What is needed is unprecedented cooperation on the part of all nations in addressing not only hunger and poverty. Cooperation is needed in developing innovative policies relating to population growth resources, environment, trade, investment, and development.

Mr. BONIOR of Michigan. Mr. Speaker, I too, want to commend the gentlemen who have just addressed the House expressing the other side of this equation.

Mr. Speaker, I have one other speaker left, and I believe the other side is finished.

Mr. QUILLEN. Mr. Speaker, will the gentleman yield?

Mr. BONIOR of Michigan. I yield to the gentleman.

Mr. QUILLEN. One additional Member sent word that he wanted 1 minute in support of the rule, but he is not here. Should he arrive, I will yield it. Otherwise, I have no further requests for time.

Mr. BONIOR of Michigan. I thank the gentleman.

Mr. Speaker, I yield 3½ minutes to the chairman of the Agriculture Committee [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to support this rule but I would like to make at least a brief mention of why the situation that we find ourselves in in Africa and in other parts of the world and the things that, some were mentioned by our colleague, Mr. SCHEUER, in his remarks a few minutes ago.

About 16 years ago, the Agriculture Committee, under then chairman, the

distinguished Texan, Mr. W.R. Poage, traveled through the area of Africa that finds itself in drastic trouble. I was among the group that traveled with him and 16 years ago, he said what would happen, exactly his prediction, and he said, "Heaven forbid that it ever come to pass." But it has come to pass. The main reason that it happened was just three things: They did not take care of their soil; they did not take care of their water; and they had the wrong system of government.

Those three things brought them basically to the situation they find themselves in. They let the farmer fall by the wayside. They did not use the technology that was available, as meager as it might have been. The government did not protect the agricultural section. Merely to say now that, well, the desert is moving south, well, the desert did not have to move south. The desert could have been contained; it may be too late now. Hopefully, it can still be contained.

We have to now work in tandem because the nations of the world, including us, cannot sustain for food the countries that are suffering. We have to bring them back to some semblance of productivity at least in the basic areas. The grains, edible beans or the things that they are accustomed to in that particular areas.

How odd that we should be debating about the same time keeping our farmers on the land, and keeping the farmers available to conserve the land and to conserve the water so that we might, hopefully, not that we could be in as drastic a situation, because we are so diversified and the good Lord has given us the geography not to have a famine of that proportion.

For example, recently Mrs. Rupee of the Peace Corps has asked for volunteers to go work in agriculture; the soil conservationists. The people that would work in technology, in irrigation, in agronomy and seeds and the things that are needed. So we cannot put the one aside and only worry about the immediate, because the immediate can become permanent. We, in the rest of the nations, will not be able to provide, in a permanent manner, the needs that they have now.

We have got to get their farmers back on the land; we have to give them the resources. Every time that you give some food, you should also give a plow or a rake or a hoe. Every time that you give some food, you should bring one more farmer that can feed, in our country 80, in that country probably it would be less, but it has to be done in tandem and we should not forget that because our charity, our compassion, our sensitivity all can go for naught if you do not correct the basic problem which is, they did not keep their farmers on the land.

Mr. BONIOR of Michigan. Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 1189, SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FARM CREDIT

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 85 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 85

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 1189) to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes. Debate on the bill shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for the purposes of debate only, to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

□ 1240

Mr. DERRICK. Mr. Speaker, House Resolution 85 provides for consideration of H.R. 1189, urgent supplemental appropriations for emergency agricultural credit. As my colleagues are aware, this is the second of two emergency agricultural measures we have considered on consecutive days. Yesterday we considered a measure reported from the Agricultural Committee. This rule provides for consideration of another approach to this critical problem, reported from the Appropriations Committee.

This rule provides that H.R. 1189 will be considered in the House. Debate on the bill is limited to 1 hour, and the time will be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. At the conclusion of debate on the bill, the previous questions shall be considered as ordered on the bill. And finally, one motion to recommit is provided by this rule.

Mr. Speaker, the effect of this rule is that no amendments will be in order when the bill is considered in the House. As I have already noted, just yesterday we considered a comprehensive emergency agricultural credit bill from the Agriculture Committee, the authorizing committee in the House for these issues. That measure was considered under an open rule and Members had a full opportunity to offer amendments to that bill.

Today, we will be considering a measure reported from the Appropriations Committee. The appropriations contained in this bill pertain to a single department and are primarily provided for one purpose, to provide funds for loan guarantees made by the Farmers Home Administration. The Rules Committee felt, therefore, that in light of the extensive debate and opportunity for amendments on the measure considered yesterday, as well as the single-purpose nature of this bill, that the membership should have an opportunity to consider this measure as expeditiously as possible, with an up or down vote. This rule will accomplish that objective.

Mr. Speaker, much was said yesterday in the debate on the Agriculture Committee bill, and I need not reiterate the concern we all share for the situation our farmers face. Suffice it to say that the situation is critical. Time is of the essence if we are to provide assistance before the planting season. It is imperative that the House have an opportunity to work its will on this emergency legislation.

H.R. 1189's primary objective is to provide assistance through the Farmers Home Administration in a program that has proved very successful over the years. The Appropriations Committee has recommended a supplemental commitment of $1 billion in guaranteed operating loans. I would also like to note, Mr. Speaker, that these guarantees have no immediate impact on the budget or the deficit. The guarantees result in expenditures by the Government only if and when a borrower defaults on a guaranteed loan.

This bill also appropriates $17 million to provide for salaries and expenses of the Farmers Home Administration. This funding will allow this agency to provide the manpower to assess, on a case-by-case basis, which borrowers qualify for a temporary deferral of principal and interest in order to forestall foreclosure.

Funds are also provided in H.R. 1189 for the Economic Research Service to study the causes of losses suffered by agricultural producers over the last 10 years. Finally, the committee directs the Small Business Administration to make available previously appropriated funds in programs designed to make loans, restructure debt and extend loan guarantees.

Mr. Speaker, I urge adoption of the rule.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this rule is the equivalent of a closed rule. It provides for the consideration of this supplemental appropriation for emergency agricultural credit in the House. This means that the bill will be debated for 1 hour and no amendments will be allowed, no amendments to this very important piece of legislation.

Mr. Speaker, in the Committee on Rules, I attempted to amend this rule to allow for one amendment to be offered by the ranking member of the Committee on Appropriations to take the additional loan guarantees over $650 million out of the Synfuels Corporation funds but, unfortunately, my Democratic friends on the committee outnumber us and they did not want to give the House an opportunity to do this. So this amendment was not made in order and we have a closed rule unless by some chance the chairman of the committee might yield for the purpose of an amendment, which I know he will not do.

Let me just point out something that has come to my attention since yesterday.

We had before the Committee on the Budget this morning the Secretary of Agriculture testifying not only on this type legislation but other matters dealing with agriculture, and I asked him specifically about the $650 million that the administration is making available through present ordinary channels of the Farmers Home Administration and how the program was working.

He said it is working fine. As a matter of fact, they have put on over 1,000 individuals on Farmers Home since the program was announced.

Not only that, I was pleased to find that the Secretary took the position that if they needed additional money over and above the $650 million that we have been talking about that it would be made available. That is under existing legislation.

The question I have to ask is: Why are we going to go forward with a program that is going to take a month or 6 weeks longer to implement when we now have an ongoing program that can help the farmers now? I have to ask that question, and I have not gotten any answers. Certainly in view of the fact that the Secretary indicated that additonal moneys over and above the $650 million would be available, I begin to wonder what the purpose of this legislation is.

Certainly, as everybody knows, the President's debt adjustment program was designed to obtain the objectives that people have been talking about here for the last day. The President's programs provides for $650 million in loan guarantees for debt adjustment for substandard or worse loans held by private lenders, and for fiscal year 1985 crop operating expenses. This bill will add principal and interest deferral provisions for certain Farmers Home borrowers which substantially duplicate, but at much greater cost, action already taken by this administration.

Mr. Speaker, I am wondering, then, whether or not the provision in this legislation permitting producers of agricultural products to use the Small Business Administration's Guaranteed Loan Program to restructure existing debt is one of the reasons we are going forward, because the administration says we do not need the Small Business Administration, and now we want to run farm loans through the SBA rather than going though the ongoing program designed especially for farmers. I do not know. These are questions I am certain that should be answered by the people who are advocating that we adopt this legislation.

I happen to be one who wants to help the farmers now. I want to help the taxpayers now. In view of what the Secretary of Agriculture has just said this morning, if we need more than $650 million in loan guarantees it is going to be available; why do we not proceed down that road?

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I would be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I want to tell the gentleman that I appreciate the fact that he pointed out that we are effectively considering a closed rule here. I think that anybody who votes for this rule has to understand that this is simply a new device to give us a closed rule, and I thank the gentleman for that.

Is it the gentleman's understanding, or was there any understanding at the Committee on Rules, regarding the amount that this bill represents over the Budget Act's 311 allocation? It is my understanding that with this particular bill that we will exceed the outlay figure under the budget 311 allocation. Was there any discussion of that at the Committee on Rules?

Mr. LATTA. There was.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield to me?

Mr. LATTA. I would be happy to yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, guarantees do not come within the budget ceiling, and for that reason and others, the amount of money here does not touch the budget at all, the 302 allocation at all.

Mr. LATTA. Yes.

Mr. WALKER. I thank the gentleman.

I have one other question, if the gentleman would yield further. We do have $17 million in here for additional salaries and expenses, which I understand is over and above the 311 outlay. Is that not correct?

Mr. LATTA. That is correct.

Mr. WHITTEN. Funds in this bill do not have a direct bearing on a possible section 311 violation. Section 4 of the budget resolution for 1985 provides that section 311 of the budget act will not apply when a measure would not cause a committee to exceed its appropriate allocation pursuant to section 302(a) of the Budget Act. The Appropriations Committee is currently $5.2 billion below its discretionary budget authority total. Therefore, no section 311 point of order lies against this bill.

Mr. WALKER. But let me state it well, because I think it is important to get this clarified. Is the gentleman from Mississippi telling us that this does not exceed the 311 figure?

Mr. WHITTEN. It is my understanding that within the terms of the budget resolution, no point of order would be under section 311 of the Budget Act because of any funds in this bill.

Mr. WALKER. Mr. Speaker, I must say, if the gentleman will continue to yield, that that is not my understanding of the situation, but that in fact the Appropriations Committee is using its 308 figures or its 302 allocation in order to justify this figure, but in fact we will exceed the 311 figure in the budget if we spend the additional $17 million. I do want to clarify that.

Maybe the gentleman from Ohio will yield to the gentleman from Massachusetts for an answer.

Mr. CONTE. The first budget resolution for fiscal 1985 passed the Senate on September 26 and the House on October 1. By the terms of section 4(a), the totals in that resolution for budget authority and outlays shall be considered ceilings for purposes of enforcement under section 311 of the Budget Act.

However, by the terms of section 4(b), of the budget resolution if a bill or conference report or amendment would cause the ceilings to be exceeded, no point of order would lie under section 311 of the Budget Act if the bill or amendment or conference report would be within the committee's allocation of discretionary budget authority under section 302(a) of the Budget Act.

In a letter dated January 31, 1985, Chairman Gray informed the Speaker that based on action to date, outlays exceeded the ceiling by $781 million. Since the ceiling for outlays has been exceeded, further scorekeeping for the Appropriations Committee will be conducted under section 4(b), which measures discretionary budget authority in our bills against our allocation of dis-

cretionary budget authority under section 302(a).

Discretionary budget authority in our bills to date is under our allocation by $5,281 million.

The total discretionary budget authority in the two bills we will consider today is $898 million, of which $880 million is in the famine relief bill, and $18 million is in the farm credit bill. If these two bills are adopted, without amendment, we will still be within our allocation of discretionary budget authority by $4.4 billion.

Mr. WALKER. The question I would have for the gentleman from Ohio is this: Because there are no waivers in the rule, does a point of order exist against this spending as a result of the failure to comply with 311?

Mr. LATTA. Not at this point, if the gentleman is asking me to answer a parliamentary inquiry.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I appreciate his response.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time.

I am grateful for the explanation that was given by the gentleman from Ohio on the position of the Department of Agriculture. I believe very wholeheartedly that we have not given sufficent consideration on the floor of this House to what already is on the books and what is ready and able to serve our farmers in these dire circumstances. It seems to me that we are budget busting without the need to do so at the moment. Perhaps at some moment in the near future we will have to bust the budget, and if we do have to do it, the Secretary maintains, according to the gentleman from Ohio, that there will be even additional funds besides the ones already existing in the program to meet those additional requirements.

But what makes matters worse is that even if the majority has its way and the extra money should be expended, why not have a rule which would allow us to transfer some of that sum of money from an existing program, thus giving us a sense of pay as you go, if indeed those money have to be expended? That is the bad part of this entire rule that we are contemplating here.

Mr. LATTA. Mr. Speaker, if the gentleman will yield, may I say to my friend, the gentleman from Pennsylvania, that the reason we are not doing that is because we did not have the votes in the Rules Committee.

Mr. GEKAS. I understand that.

Mr. LATTA. I proposed the amendment that was going to be offered by the gentleman from Massachusetts, and we came up short. We just did not have the votes. But I agree with the gentleman, we ought to be tapping some of those particular funds which are not needed in other areas such as synfuels.

Mr. GEKAS. And because we are not, we are simply adding to the deficit. Here we have a chance. No matter what we do, we are going to add to the deficit, but here we could soften the blow, so to speak, and minimize the damages of adding to the deficit.

Mr. LATTA. I thank the gentleman for his contribution.

Mr. CONTE. Mr. Speaker, we could pay that whole bill out of the synfuel money.

Mr. GEKAS. All right. Then we are zeroing out with a minimal damage from the deficit.

Mr. CONTE. But they are not going to give us that opportunity.

Mr. GEKAS. I understand that. So we should vote against the rule.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Let me say, Mr. Speaker, that the issue here, it seems to me, is a question of what happen to the future of American agriculture. Will indeed the guarantees that this bill provides for be able to be repaid or will the loans be able to be repaid?

These guarantees are guaranteed. Whether or not they are going to be repaid depends upon a multitude of factors. One of the critical factors in this equation will be what we do in the 1985 farm bill. The administration or the President calls it the Agricultural Farm Adjustment Act; I call it the Agriculture Annihilation Act of 1985.

If this body and the other body follow the President over the cliff on his farm bill, I want to assure the Members that this proposal will cost money because the farmers will be in default and they are going to lose their farms and rural Americans and smalltown merchants are going down the tube with the farmers.

On the other hand, if the Members will pledge to support the Democratic alternatives to the Republican President's Agriculture Annihilation Act of 1985, we can assure that the farmers will be able to make these credit payments, and it is not going to cost the country a nickle in this bill.

Mr. LATTA. Mr. Speaker, will my friend yield to me for a question?

Mr. TRAXLER. I am always delighted to yield to my friend, the gentleman from Ohio, who has the best interests of the American farmer at heart.

Mr. LATTA. Mr. Speaker, let me ask the gentleman this question: The gentleman mentioned something about a new farm bill. The annihilation bill?

I asked the Secretary this morning whether or not that bill is ready, and the bill is not even ready. Has the gentleman seen it even before it has been prepared?

Mr. TRAXLER. Mr. Speaker, I would say to the gentleman that the Department and the Secretary of Agriculture had a press conference last week, on Friday. I will be pleased to send to the gentleman the information he put out at that time and that was hand delivered to my office. The gentleman will be totally amazed at what they are doing to his agriculture constituents.

Mr. LATTA. Well, I will have to read it first.

Mr. TRAXLER. If I may reclaim my time for a moment, I am happy to have this dialog with the gentleman because I want to answer his question.

Second, the Secretary was before our Agriculture Subcommittee on Appropriations yesterday. I asked him specifically who was accountable and responsible for the provisions that I saw and that had been made public in fairly specific language, and he said it was the President.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. TRAXLER] has expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan [Mr. TRAXLER] so he may continue.

Mr. TRAXLER. Mr. Speaker, I thank the gentleman, and I am delighted to yield to my good friend, the gentleman from Ohio.

Mr. LATTA. I did not hear the last part of the gentleman's comments.

Mr. TRAXLER. Mr. Speaker, I asked him yesterday before our committee, "Who is the author of this? Is the President taking credit for the Farm Act of 1985?"

He said, "Absolutely. This is the President's proposal, and he stands 100 percent behind it."

I will send the gentleman a copy of it.

Mr. LATTA. I would love to see it.

Mr. TRAXLER. And I know the gentleman will join with me in opposing it.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the

point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 260, nays 149, not voting 23, as follows:

[Roll No. 20]

YEAS—260

Addabbo	Garcia	Myers
Akaka	Gaydos	Natcher
Alexander	Gejdenson	Neal
Anderson	Gephardt	Nelson
Andrews	Gibbons	Nowak
Annunzio	Gilman	Oakar
Anthony	Glickman	Oberstar
Applegate	Gonzalez	Obey
Aspin	Gordon	Olin
Atkins	Gray (IL)	Ortiz
Barnes	Guarini	Owens
Bates	Hall (OH)	Panetta
Bedell	Hall, Ralph	Pease
Beilenson	Hall, Sam	Penny
Bennett	Hamilton	Pepper
Bereuter	Hatcher	Perkins
Berman	Hawkins	Pickle
Bevill	Hayes	Price
Boggs	Hefner	Pursell
Boland	Heftel	Rahall
Boner (TN)	Hendon	Rangel
Bonior (MI)	Hertel	Ray
Bonker	Hillis	Reid
Borski	Hopkins	Richardson
Bosco	Horton	Rinaldo
Boucher	Howard	Robinson
Boxer	Hoyer	Rodino
Brooks	Hubbard	Roe
Brown (CA)	Huckaby	Rogers
Bruce	Hughes	Rose
Bryant	Hutto	Rostenkowski
Burton (CA)	Jeffords	Rowland (GA)
Byron	Jones (NC)	Roybal
Callahan	Jones (OK)	Russo
Carper	Jones (TN)	Sabo
Carr	Kanjorski	Savage
Chappell	Kaptur	Scheuer
Clay	Kastenmeier	Schuette
Coelho	Kennelly	Schumer
Coleman (MO)	Kildee	Seiberling
Coleman (TX)	Kolter	Sharp
Collins	Kostmayer	Shelby
Combest	Lantos	Sikorski
Conyers	Leach (IA)	Siljander
Cooper	Lehman (CA)	Sisisky
Coyne	Lehman (FL)	Skeen
Crockett	Leland	Skelton
Darden	Levin (MI)	Slattery
Daschle	Levine (CA)	Smith (FL)
Dellums	Lightfoot	Smith (IA)
Derrick	Lipinski	Smith (NE)
Dicks	Lloyd	Smith (NJ)
Dixon	Lowry (WA)	Snowe
Donnelly	Luken	Solarz
Dorgan (ND)	Lundine	Spratt
Dowdy	MacKay	St Germain
Downey	Manton	Staggers
Duncan	Markey	Stallings
Durbin	Marlenee	Stark
Dwyer	Martinez	Stokes
Dymally	Matsui	Stratton
Dyson	Mavroules	Studds
Early	Mazzoli	Sweeney
Eckart (OH)	McCain	Swift
Edgar	McEwen	Synar
Edwards (CA)	McHugh	Tallon
English	McKernan	Tauke
Evans (IL)	Meyers	Tauzin
Fawell	Mica	Thomas (CA)
Fazio	Mikulski	Thomas (GA)
Feighan	Miller (CA)	Torres
Flippo	Mineta	Torricelli
Florio	Mitchell	Towns
Foley	Moakley	Traficant
Ford (MI)	Mollohan	Traxler
Ford (TN)	Montgomery	Udall
Fowler	Moody	Valentine
Frank	Morrison (CT)	Vento
Frenzel	Mrazek	Visclosky
Frost	Murphy	Volkmer
Fuqua	Murtha	Walgren
Watkins	Whitley	Wright
Waxman	Whitten	Wyden
Weaver	Wilson	Yates
Weber	Wirth	Yatron
Weiss	Wise	Young (MO)
Wheat	Wolpe	

NAYS—149

Archer	Gradison	Nielson
Armey	Green	O'Brien
AuCoin	Gregg	Oxley
Barnard	Grotberg	Packard
Bartlett	Gunderson	Parris
Barton	Hammerschmidt	Pashayan
Bateman	Hansen	Petri
Bentley	Hartnett	Porter
Bilirakis	Henry	Quillen
Bliley	Hiler	Regula
Boehlert	Holt	Ridge
Boulter	Hyde	Ritter
Broomfield	Ireland	Roberts
Brown (CO)	Jacobs	Roemer
Broyhill	Jenkins	Roukema
Burton (IN)	Johnson	Rowland (CT)
Campbell	Kasich	Rudd
Carney	Kemp	Saxton
Chandler	Kindness	Schaefer
Chappie	Kolbe	Schneider
Cheney	Kramer	Schroeder
Clinger	LaFalce	Schulze
Coats	Lagomarsino	Sensenbrenner
Cobey	Latta	Shaw
Coble	Leath (TX)	Shumway
Conte	Lent	Shuster
Coughlin	Lewis (FL)	Slaughter
Courter	Livingston	Smith (NH)
Craig	Loeffler	Smith, Denny
Crane	Lowery (CA)	Smith, Robert
Daniel	Lujan	Snyder
Dannemeyer	Lungren	Solomon
Daub	Mack	Spence
Davis	Martin (IL)	Stenholm
DeLay	Martin (NY)	Strang
DeWine	McCandless	Stump
Dickinson	McCollum	Sundquist
Dornan (CA)	McDade	Swindall
Dreier	McGrath	Taylor
Eckert (NY)	McKinney	Vander Jagt
Emerson	McMillan	Vucanovich
Erdreich	Michel	Walker
Evans (IA)	Miller (OH)	Whitehurst
Fiedler	Miller (WA)	Whittaker
Fields	Molinari	Wolf
Fish	Monson	Wylie
Franklin	Moore	Young (AK)
Gallo	Moorhead	Young (FL)
Gekas	Morrison (WA)	Zschau
Goodling	Nichols	

NOT VOTING—23

Ackerman	Edwards (OK)	Lott
Badham	Fascell	Madigan
Biaggi	Foglietta	McCurdy
Breaux	Gingrich	Roth
Bustamante	Gray (PA)	Stangeland
de la Garza	Hunter	Williams
Dingell	Kleczka	Wortley
DioGuardi	Lewis (CA)	

□ 1310

Messrs. BOULTER, MOORE, NICHOLS, CHANDLER, EMERSON, BATEMAN, EVANS of Iowa, KEMP, and O'BRIEN, and Mrs. BENTLEY changed their votes from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1239, and that I may include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY FAMINE RELIEF AND RECOVERY IN AFRICA

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1239) making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. CONTE] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Michigan [Mr. BONIOR] as Chairman of the Committee of the Whole and requests the gentleman from New York [Mr. STRATTON] to assume the chair temporarily.

□ 1320

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1239, with Mr. STRATTON, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the unanimous consent agreement, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 1239 makes available a level of $1 billion over a 2-year period, for emergency famine relief and recovery in Africa.

The funds in the bill are designed to assist an estimated 14 to 20 million people in some 20 African countries overcome the effects of a prolonged

drought and other conditions that have caused a sharp decline in food production.

Funds are provided in two parts, the first part to be available immediately and the second part when the President determines the money is needed.

The various sections of the bill are as follows: $480 million for donated food aid—Title II of Public Law 480—of which up to $100 million can be used for inland transportation; $120 million in competitives sales or barter to African countries; $137 million in international disaster assistance of which $2.5 million is to be used for operating expenses for monitoring of the food aid by the Agency for International Development; $12.5 million for migration and refugee assistance; and $25 million for replenishment of the Emergency Refugee and Migration Assistance Fund.

The second part of the funding provides $225 million for an emergency reserve for African famine relief which may be used at any time the President certifies that the funds are needed.

In addition provisions are included in the bill which require that before any of the funds may be obligated that the Administrator of the Agency for International Development must certify that a plan, on a country by country basis, has been established which will ensure effective use of the funds and that the food provided will be delivered in a timely and efficient manner and be distributed to those most in need.

Mr. Chairman, as nearly every American knows, the crisis in Africa is real, and it is now. We must respond promptly and in sufficient quantity to help alleviate the terrible famine which so many face. I believe the bill before you provides what is needed and it does this on an urgent basis.

Mr. Chairman, I shall not dwell on the situation which we have seen on television and elsewhere and with which we are all familiar, about the situation in Ethiopia and several other countries in Africa. My colleagues have described the situation in great detail during debate on the rule.

I would like to explain to my colleagues what is involved here and why the bill contains an increase over the request of the President.

In prior years I have given lots of attention to foreign aid and to the dealings with foreign countries. In the first place you have to deal with the existing governments of those countries. You do not accomplish anything by getting headlines here and passing bills here if you cannot get the food inside the countries to the people who need it.

What we have done here is provide funds to meet this problem, primarily to buy American food, but in view of the fact that it takes up to 3 months to get the food where it is needed, we have provided some means where they could go ahead and get some now.

One important thing we have done which results in an increase above the President's request is provide a reserve of $225 million to be used if other funds are exhausted and the Administrator of the Agency for International Development submits a plan and the President certifies the funds are essential. To ensure the effective use of the reserve funds, they may remain available for obligation until September 30, 1986.

Our objective is to give to the President some power to see that the governments of the countries receiving food aid cooperate on the other end so that the food and the assistance can get inside that country and to the people who need it.

We also provide that on the certification of the head of the AID Program that $100 million can be used primarily by people who handle it on a private basis to transport the food inside the countries.

I have been told many things by those who have visited Ethiopia. But it is a sovereign country with a government that differs greatly from our own. We are dependent upon their cooperation to get the food to where it is needed. We may not agree with that government's philosophy, but we shouldn't let that get in the way of providing this most needed humanitarian assistance.

Now I have seen many investigations where we had folks on this side who handled these programs, they took it abroad and piled it out on the sidewalk, you might say, on the wharf, and that was the end of it. So this is a problem not only of providing food, but distributing it and getting it to the place where it is needed.

So the increases above the administration's request are readily supportable. They are tied tightly by having to have certification from the head of the AID Program for distribution and the President himself must certify the need for the reserve funds. He has the right to see whether the funds are used or not, which gives him some authority in working out proper agreements with the governments there.

Now I say again that these funds are greatly needed. I will not describe the need in detail here as my colleagues have seen the reports on television and in the media.

I think that we should support this bill, I do support it, and the additions that I tell the Members about are, I think, necessary to make the program work. Headlines over here do not solve the problem over there or shipping food overseas and not distributing it does not solve it.

We have got to work with that government because you cannot distribute anything in any country without the cooperation of the government.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I commend my chairman for expeditiously moving this most important supplemental.

Mr. Chairman, I rise in strongest support of H.R. 1239, urgent supplemental appropriations bill for emergency famine relief and recovery in Africa. Today we seek to complete needed action on additional assistance to African nations devastated by the decade-long drought. Earlier in the week we provided the necessary authority for additional nonfood and medical assistance; today we provide the moneys required to keep food supplies flowing into the area and to fund this nonfood relief. More specifically, we will be providing a total of $880 million in discretionary budget authority and $289 million in outlays for the highest humanitarian purposes. The bill is well within the Appropriation Committee's target for discretionary spending set by the fiscal year 1985 budget resolution, and there should be no further controversy.

I ask my colleagues to keep in mind that we have reached the bottom of the bucket and that no further food aid to African nations will be forthcoming after today if we do not take positive action now. We are racing against time and I urge no further delay in helping to ensure the survival of those suffering from malnutrition and starvation. We already know that there is a timelag of 7 to 9 weeks between the time that food contracts are signed and the actual delivery of food to African countries. Therefore, it is imperative that we take the swiftest action now, and I am pleased at the cooperation that has made this possible thus far.

I also want to point out that included in this bill is funding provided to ensure that transportation of food and supplies is accomplished in the most efficient manner, and that those who need assistance receive it without delay.

We all recognize that there is much yet to be done if African nations will once again be able to provide for their own. But without these additional steps in humanitarianism a future may not be possible for them at all. It is my hope that my colleagues will see that the foundation must first be laid by restoring the availability of food supplies before the long-term work of renewing African agricultural independence can begin. That is why the action we take today is so vital to the future.

We are indeed lucky that for most of us hunger is not a reality we must face

each day. All the more our responsibility to help those who, at least for now, cannot feed themselves and their families. The American people, acting as individuals and through private organizations nationwide, have shown a tremendous regard for this responsibility. The outpouring of support for what we do today is evident, and I urge my colleagues to follow suit without hesitation.

Mr. WHITTEN. I thank the gentleman from New York and my colleagues in the Congress. You have all been cooperating with us in moving ahead expeditiously on this matter.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to rise in support of H.R. 1239, the bill making urgent supplemental appropriations for emergency famine relief and recovery in Africa. I believe that we have put together a responsible package to address one of the most profound humanitarian crises in the last decade, and urge the support of my colleagues.

The dimensions of the African tragedy boggle the mind and startle every heart—20 countries in sub-Saharan Africa are in desperate need of food, 150 million people affected in some way by the drought, 10 million people in direct danger of starvation. The U.S. response to this crisis, both in Government aid and private contributions, has proven a great compliment to "man's humanity to man." But it is clear that more aid is required. And the Congress must act swiftly if any emergency aid we provide is to be effective. The Director of the U.S. Agency for International Development, Peter McPherson, has advised our committee that supplemental funds are needed by early March to avoid a disruption in the African assistance effort.

Recognizing the need for urgent consideration of an African relief bill, Congresswoman ROUKEMA, Congressmen WEISS, WOLPE, LELAND, and I—the five principal sponsors of the Africa supplementals in the House—met over the February recess in an effort to reach a bipartisan consensus on this pressing issue. The compromise which we agreed to is very close to the package that comes before the House today. It was with that same spirit of bipartisanship that this committee reported H.R. 1239. The distinguished chairman of the committee, Mr. WHITTEN, and the new chairman of the Foreign Operations Subcommittee, Mr. OBEY, are to be commended for their efforts to ensure that bipartisanship was not sacrificed in the rush for approval of a responsible relief package.

The bill before us today has two major components. First, the primary focus of an emergency relief bill, is food aid. In chapter I of the first title, we provide a total of $600 million for the Public Law 480 Food-for-Peace Program. Of this total, $480 million is for commodities to be supplied from the existing Commodity Credit Corporation inventories, or to be purchased by CCC from private stocks. These commodities are to be made available to the Agency for International Development for dispersal to private voluntary organizations and direct donation to the African countries requiring emergency assistance. This figure of $480 million includes not only the costs of ocean transport, but up to $100 million for the necessary inland costs of transportation to ensure timely distribution in the neediest areas.

While we do not yet have a precise figure on the metric tonnage that this $480 million will enable us to deliver, we estimate that this appropriation will provide about 1 million metric tons. This amount, coupled with that which the administration has assured our committee that it will commit under existing authority, will enable us to supply approximately 50 percent of the identified food needs in the most seriously affected countries—Ethiopia, Chad, Mali, Sudan, Mozambique, Niger, Somalia, Tanzania, and Burkina Faso.

In addition to the $480 million donation, we have included $120 million for the direct sale of CCC commodities existing in the inventory or to be purchased from private stocks. This direct sales program will make $120 million worth of commodities available at below world market prices directly to the needy countries or to any country for use in providing emergency assistance to Africa.

The CCC, which has existing authority to undertake this program, was directed last July by the Congress to make $90 million available for competitive sales. The 90 million dollars' worth of commodities have not yet been sold. In this bill, we direct the CCC to sell those commodities as well as another 30 million dollars' worth, for a total sales program of $120 million.

I believe that our estimated need figures reflect the best estimates that we have from the administration, international and private voluntary organizations on the existing food needs. But, as the Administrator of AID testified, in some areas we don't even know how many people there are, much less how many are starving. In order to provide the President with the most flexibility in responding to revised need figures, we have also provided in title two of this bill, an emergency reserve fund of $225 million. These Public Law 480 funds will remain available for donations through September 30, 1986. If the $480 million is exhausted, and the President certifies to Congress that the use of these reserve funds is essential to famine relief, then all or part of the reserve may be obligated in accordance with AID's congressionally approved plan.

The second component of this bill is based upon the recognition that the provision of food aid must be complemented by an appropriate measure of emergency nonfood relief in order to save lives and begin new ones. To this end, we have included $175 million in emergency disaster and refugee assistance.

Of this total, $135 million is made available for relief and recovery projects such as the provision of seeds, farm implements, blankets, clothing, water projects, and other related disaster relief assistance. Under the terms of the authorization bill, as passed by the House earlier this week, approximately $25 million would be earmarked for emergency health care projects to treat the diseases which have spread throughout the drought stricken areas.

In response to reports that the Ethiopian Government has sought to block shipments of food to rebel-controlled regions of that country, $2.5 million is allocated in this bill to AID to increase the Agency's monitoring, and ensure that U.S. relief gets to the starving of Africa regardless of political affiliation. Our aid is not for governments or parties but for starving people.

Finally, $37.5 million is made available to assist countries in meeting the tremendous refugee problem confronting them. These funds are for emergency refugee assistance, including funds for those ICARA II projects that are identified as emergency in nature.

Mr. Chairman, in true bipartisan fashion, I will quote Franklin Roosevelt who once said:

> The test of our progress is not whether we add more to the abundance of those who have too much; it is whether we provide enough for those who have too little.

I believe that this bill provides a lot to those who have too little. But it is difficult to call this progress.

The long-term answer to Africa's problems, and the key to achieving real progress will be finding an equilibrium between agricultural production and population growth, improved technologies and economic policies providing incentives for the farmers. But in the short term with these developmental goals unattained and the problems compounded by severe drought, this emergency aid package is essential. Every dollar is critically needed if lives are to be saved.

Mr. Chairman, this bill strikes a responsible balance between the deficit pressures which we face at home and the humanitarian obligations we face abroad. It is without hesitation that I urge my colleagues to approve this urgent supplemental.

□ 1330

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], chairman of the Subcommittee on Foreign Operations.

Mr. OBEY. Mr. Chairman, I would simply like to devote my remarks to chapter II of the bill, which is really the nonfood assistance portion of the bill.

The bill provides, as has already been indicated, $175 million rather than the $50 million requested by the administration. That adjustment was made because the authorization committee felt, and so did we that the information provided by the administration, in defense of its original estimates, was simply not strong enough to justify limiting the assistance to the amount they requested.

Under "disaster assistance," the administration requested only $25 million, but AID is already having to borrow more than $30 million from other accounts just to meet already known requirements through mid-March. They simply could not defend their estimates as to future demands.

Also, we felt it essential to provide funds for seed and items such as emergency water supplies that could not be accommodated within the original request.

Finally, by providing additional funds in the emergency account, AID will not have to borrow from other long-term development and health programs for Africa which are very important in making the progress just described by the gentleman from Massachusetts.

Under "refugee assistance," the committee recommended $12.5 million above the administration request. The number of people requiring refugee assistance has increased by about 500,000 people in just the past 6 months.

In terms of a comparison with the authorization, we are virtually identical with the authorization bill except for one item. The authorization committee provided $37.5 million for "migration and refugee assistance," including an earmarked fund for ICARA II projects. And we felt that you could not justify proceeding with that full amount for those projects on an emergency supplemental basis. We felt that most of those projects, if they are provided for at all, ought to be provided in the regular appropriation process.

We did provide $12.5 million to be used for those projects that are clearly short term and of an emergency nature. We used the other $25 million instead in a manner originally requested by the administration to provide emergency migration and refugee assistance fund support.

In terms of the Ethiopian situation, the committee is very unsatisfied with the actions of the Ethiopian Government in assuring that aid will get to all sections of the country, including that section dominated by the rebels. So, we included $2.5 million for additional monitoring of food delivery, to make certain that the proposal works the way we want it to work.

Second, we direct AID to assure that, to the best of their ability—and obviously they are limited in what they can do—to try to assure that the aid is being distributed to all people, regardless of political belief, regardless of geographical location or tribual association. We specifically call upon AID to exert every possible effort on Ethiopia to assure that all people impacted by the famine receive the emergency assistance which ought to be provided in a humane way.

I thank the Chair for the time.

Mr. CONTE. Mr. Chairman, I yield 4 minutes to my good friend, the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I understand the need to feed starving people and the ability of the great American agricultural movement to assist in that endeavor.

I would like to point out just a few things about the political situation in Ethiopia which I believe the American people, the underwriters of the assistance, should be aware of. If we listen to people who have spent a great deal of time there, we will find that the Ethiopian Government as a matter of policy is seeking to keep food aid from those ares of the country which are most affected by the famine and that indeed the bulk of the starving people are in the northern provinces, they are in the area of Eritrea and Tigray, where there happens to be a rebellion going on against the Marxist Mengitsu government.

Now, I think that if we are going to give this aid, we have to be absolutely sure that the PVO's, the private voluntary organizations, are indeed capable of bringing the aid to those who are starving. And we are talking about a vast amount of aid going to Ethiopia, out of some 3 million metric tons, we are talking about a million of those metric tons going to Ethiopa. I refer to Dan Connell, of Grassroots International; he states that Ethiopia is keeping the relief supplies from reaching the rebellious provinces and that again the majority of the starving people are there. Perhaps 2 million people will starve there given the policies of the Mengitsu government.

Now, the American people deserve an accounting of not only of how much of their money is going into aid to Ethiopia but how much should yet cannot go to the most severely affected provinces in the country.

□ 1340

I would hope, on behalf of the American people and the Ethiopian people that we are being very careful about this. Otherwise we are not accomplishing our objectives; we are spending American taxpayers' dollars and we are putting food power into the hands of the Ethiopian Government, which then withholds this food power to starve its opposition and to enhance its own totalitarian power base. It should be noted that tens of thousands of Soviet troops keep this repressive governments in power base.

I hope that the American people are aware that the central government of Ethiopia, the Mengistu Marxist regime spent $100 million in celebrating its anniversary, when all signs of famine were visible, and when it was common knowledge that the country was facing deep problems in the area of hunger and famine. I hope the American people are aware that Mengistu continues to arm 500,000 soldiers while people starve.

Mr. Chairman, I include the statement of the Congressional Staff Forum on Food and International Development, the Ethiopian Famine Update, at the end of my remarks.

ETHIOPIAN FAMINE UPDATE, FEBRUARY 13, 1985

Since the Fall of 1984, much of the attention of Congress has been focused on the drought and famine situation in Africa in general and on Ethiopia in particular. As early as 1982, there were signals of an approaching disaster in Ethiopia, and indeed, the current crisis there is little more than a continuation of the drought which struck the Sahel region from 1972–74. It is generally conceded that in Afirca more than 20 million people are "at risk" as far as starvation is concerned, and countless millions have been adversely affected to some degree. The United States has responded by supplying Ethiopia, in FY1985, with 232,000 metric tons of food worth $109 million and $15 million in non-food assistance (i.e., internal transportation, airlifts and medical supplies), for a total of $124 million. In FY1984, the U.S. contributed $22.7 million worth of assistance, including 41,500 metric tons of food. (Soviet contributions over the last two years have totaled 20,000 tons of rice. Over the past three to four years, the Soviets have supplied Ethiopia with over $3 billion in military assistance.)

The House Foreign Affairs Committee is currently debating three approaches to the continued U.S. response. The Administration proposal would require $235 million in new funding. H.R. 100, sponsored by Reps. Howard Wolpe (D-Mich.), Ted Weiss (D-N.Y.), and Mickey Leland (D-Tex.), would require just over $1 billion in new funding. And H.R. 606, sponsored by Reps. Silvio Conte (R-Mass.) and Marge Roukema (R-N.J.), would require $628 million in new funding. But as debate continues over what the real level of need is and whether there is sufficient infrastructure in Ethiopia and elsewhere to transport the necessary amount of food and other supplies, authorities such as Dan Connell of Grassroots International are claiming that, by deliberate policy, the government of Ethiopia is keeping relief supplies from reaching the rebellious provinces of Tigray and Eritrea, which contain the majority of that country's starving people.

Some background on northern Ethiopia will help put this problem in prespective. Eritrea has been a source of trouble for the Ethiopian government ever since its establishment as a separate Italian colony in 1890. The 1947 peace treaty between Italy and the Allied powers liberated the colony, but its destiny was not determined until the Ad Hoc Political Committee of the 5th General Session of the U.N. decided in 1950 that Eritrea should be federated with Ethiopia under the Ethiopian crown. The Eritrean assembly supported this arrangement in 1952 when they chose the leader of the party favoring union with Ethiopia to be their chief executive. In 1962, the former colony was completely federated to Ethiopia. But this loss of federal status was contested as early as 1958 by the Eritrean Liberation Front (ELF), a Marxist secessionist group which received support from the Soviet Union for the next eighteen years. In 1961 the ELF's challenge to the government became one of armed struggle and ten years later it was responsible for killing the military commander of the province. The Government of Emperor Haile Selassie responded by declaring martial law in Eritrea. While the ELF was battling the govenment it was also battling factions within itself. In 1972 the ELF fought the Eritrea People's Liberation Front (EPLF) in a bloody civil war. Nine years later civil war erupted for a second time, and the ELF was effectively eliminated, leaving the EPLF as the sole secessionist group of the province.

While the first civil war was being fought in Eritrea in 1972, the provinces of Tigray and Wollo were battling a disastrous drought and famine which lasted through 1974 and killed over 200,000 people. One year later, the Tigray People's Liberation Front (TPLF), also a Marxist secessionist group, was established. The two-year drought and famine, accompanied by allegations of corruption and an ailing economy, resulted in a coup which ended the forty-year regime of Emperor Haile Selassie. Three months later, on December 20, 1974, Ethiopia was declared a socialist state. Under Haile Selassie, Ethiopia's main ally was the United States. Ethiopia was the largest recipient of U.S. military and non-military aid in Africa in the 1950s and 1960s. In 1974, by agreement, the major U.S. communications base in Eritrea was shut down. And in 1978, the State Department's AID mission office was closed. That same year, Lt. Col. Mengistu Haile Marian signed a twenty-year treaty of friendship and cooperation with the Soviet Union, which had switched its support from the Marxist secessionist groups to the central government. Ethiopia also established close ties with Cuba and the Eastern European countries.

Last September, the central government celebrated its tenth anniversary and, in the midst of the most recent famine, reportedly spent over $100 million on the festivities. Only after the celebrations did the government turn its full attention to the famine situation. Twelve of Ethiopia's fourteen provinces were affected by the drought, with Wollo, Eritrea and Tigray being the most severely afflicted.

Dan Connell and other observers maintain that the Ethiopian government is waging an active campaign against the resistance groups of Eritrea and Tigray and is using the famine as a weapon against them. Connell reports the bombing of convoys carrying food to the area, as well as the bombing of lines of refugees, crops and farm animals. He says that "there are indications that relief assistance donated to the Ethiopian government for famine victims in Eritrea is being diverted for military purposes or sold on the open market. This comes at a time ERA (Eritrean Relief Association) officials say the are receiving less than five percent of estimated needs from the international community" (Boston Globe, Feb. 3). He also claims that many refugees receive poor treatment at government-run refugee centers if they are suspected of being affiliated with the rebels, and that for this reason many refugees prefer the long and arduous walk to Sudan to the shorter trip to the centers.

The rebel groups are continuing their struggle in spite of the famine, but have stated that they are willing to at least conclude a truce with the government for the purpose of food distribution. The government does not want to deal with these groups in any official manner, still referring to them as bandits and terrorists. This political impasse is preventing food from reaching people who need it. For its part, the United States obviously has little or no sympathy with the political plight of the Ethiopian government, yet does not want to be seen as favoring breakaway states in Africa, fearing the precedent of Balkanization could spread to other countries.

The purpose of this Forum is to discuss these and other issues in order to have a better idea of what the reality is in Ethiopia and what constructive role the United States might play there. Media attention may eventually shift away from this issue, but that will not change the fact that millions will die without effective short-term relief, and the cycle will be repeated without honest evaluation of past development strategies for Africa and sound policies for the future.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. I thank the gentleman for yielding me this time.

Mr. Chairman, I support this bill fully, and I am glad to say that upon our return last week from Africa, a number of us found that the pipeline presently filled; that food is being delivered. I am sorry to report that it is going to need to be filled again and again and again. For some time there are going to be millions of people starving in Africa on a scale that the world has never seen.

This appropriation may take us to the end of the fiscal year. But the problems are so deep and so multiple that they will never be solved until the people in these countries themselves do a number of things in their countries. The gentleman before me mentioned the problem in Ethiopia. We were in refugee camps where a part of that problem is being solved. It is being solved by those people walking to the Sudan border and then being transported, in some cases and some are walking, another 60 miles to refugee camps in Sudan at which place they take some water out of their irrigation ditches, they build some straw huts for them, and they are being fed. I have to compliment the Sudanese government for being willing to take in people when they are so hard up themselves and have so many problems.

At the same time, this is not going to be solved just by providing some more food in here; we are going to have the same problem again for some time.

Even though the Sudanese government with 50 million population are unable to feed their own people, they have a lot of irrigated land that would be capable of raising, I am sure, enough food for 100 million people. When the Brits left them and they secured independence 30 years ago, they left them irrigation ditches, a railroad, and improvements and an economy that was working, but it is now deteriorated, not being managed effectively, and producing only a fraction of its capability. It is partly their fault; partly not their fault. In most all those countries, the leader must defend themselves against rebel groups or troops from other countries under leaders who want to take over and would in most cases do the same thing the present government is doing. So they spend whatever money they have trying to protect themselves from a coup. This is not just in Sudan, it is in a good share of these countries. They have a one-party government or a military dictatorship. It is going to be like that for some time to come; I do not see any end to it.

They need to find some way, because their boundaries were drawn so that several tribes with long deep seated animosities are in the same country, to work together or at least not fight one another while they find some way to have local autonomy for those tribes and at the same time establish some kind of limited, very limited, umbrella government overall with rights guaranteed for each tribe.

I support this bill, but I assure you this will not be the last time we will be in here for famine relief for Africa this year or the next year or the year after or until more basic economic and political problems are solved in most of these countries of the sub-Sahara. The current drought has dramatizied the problem but normal rainfall by itself will not solve the problems in the long run.

Mr. CONTE. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this important measure. I think the gentleman from Pennsylvania [Mr. RITTER], has raised an important question. I do believe, however, that the PVO's are doing a good job in insuring that as much food as possible is being delivered to the people of Ethiopia.

We have vested them with that responsibility. As a matter of fact, under this legislation we are providing $2.5 million more in personnel to AID to

insure that the food is going to reach those who need it the most. I trust and fully believe that a good job in distribution is being done. As a matter of fact, I think a better distribution effort is being done now than ever before.

Mr. Chairman, I rise in support of this legislation which will enable the United States to continue its relief program for the millions starving in Africa. This Nation's traditional response has been to contribute 50 percent of the needed resources, and this bill will accomplish that.

The African drought and famine is not a recent development and many have been concerned with the U.S. response for a long time. This year, with an abundance of media attention, the entire country has seen the faces of individuals weak with hunger and the thousands of people flocking to the feeding centers for their small allotments of food.

I commend my colleagues on the Foreign Affairs and Appropriations Committees for their swift action on this legislation. Several months ago we were given a March 1 deadline as the date on which, without additional funding, food aid shipments might be interrupted. It appears now that we will be close to meeting that deadline.

H.R. 1239 contains all of the essential elements of a comprehensive relief bill. It is important to note that up to one-quarter of the amount alloted for food aid will be available for inland transportation, which can be difficult in the remote areas. The reserve to be used at the President's discretion will ensure that we will not be faced with dry accounts in our emergency food aid program again this year. Finally, the disaster and refugee assistance is also an integral part of this package. Not only are people hungry, but they are cold, sick, and in need of blankets, shelter, medical care, and other types of assistance.

I urge my colleagues to join me in supporting this humanitarian bill which will enable the United States to continue to contribute its share to famine relief efforts. The American people have responded to this tragedy and have called upon us in this body to do the same.

Mr. WHITTEN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 1239, the urgent supplemental appropriation for food and other urgent assistance to thousands of needy people in Africa. I do so not only in support of the bill but to extend my deep appreciation and to compliment the distinguished chairman of the House Appropriations Committee and the Subcommittee on Agriculture, Mr. WHITTEN; Mr. WOLPE, the chairman of the House Subcommittee on Africa of the House Foreign Affairs Committee; Mr. LELAND, the chairman of the Select Committee on Hunger; Mrs. ROUKEMA, the ranking member of the Select Committee on Hunger; my good friend SIL CONTE, the very famous agricultural expert from the Berkshires of Massachusetts. He is one of the world's greatest tomato growers in the history of this planet. He makes outstanding pasta.

Mr. Chairman, we are doing the right thing; it is humanitarian and I rise to support it and commend those Members who contributed to its success.

Mr. Chairman, I rise in support of H.R. 1239, an urgent supplemental appropriation for food and other urgent assistance to thousands of needy people in Africa. As a member of the Subcommittee on Agriculture of the House Appropriations Committee, I want to thank our chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN] for his leadership and prompt action in this matter.

I also want to compliment my colleague from Michigan [Mr. WOLPE], the distinguished chairman of the Subcommittee on Africa of the House Foreign Affairs Committee, for his diligent work to bring this important humanitarian aid to innocent and starving people.

Mr. Chairman, while we are working today to share our agricultural abundance with people less fortunate than Americans, I believe that we need to stop to be thankful that we have an abundance to share.

And, Mr. Chairman, I am fearful that we will lose the ability to provide humanitarian assistance if we adopt the administration's farm bill, a measure I call according to its true design and intent: The Agricultural Annihiliation Act of 1985. If that measure were to pass, I doubt that we would ever be in a position to have a supply sufficient to meet these kind of emergencies in the future.

Much worse, I am also fearful that we would for the first time in our Nation's history face food shortages at home. Many farmers have already told me that if the administration's proposal were to pass that they would have to go out of business.

We received disturbing news this week when a study revealed that millions of Americans currently go to bed hungry. Much of the blame for this unfortunate situation rests with the cuts in domestic food assistance programs adopted over the past 4 years which were proposed by the President and supported by many of our colleagues. My conscience can rest because I opposed those cuts.

But after attacking those who cannot get enough food, the administration now wants to attack those who produce it with the net result being that we all lose, farmer and consumer.

I am supporting this urgent supplemental which provide more than the President requested for African assistance because it is the right thing to do. It represents what our Nation truly stands for: sharing our bounty with those less fortunate and recognizing that all of our neighbors are not as well off as we are.

I expect our colleagues, Mr. Chairman, will also do the right thing. They will support this humanitarian relief measure, and they will also support American farmers when the time comes in our efforts to help us remain the best fed nation on Earth.

Mr. CONTE. Mr. Chairman, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], a cosponsor of the bill.

Mrs. ROUKEMA. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in support of H.R. 1239, the Africa Relief and Recovery Act of 1985. Africa's compelling need and America's humanitarian tradition cried out for this bill and it was born in the true spirit of bipartisanship.

I would like to commend the other main architects of this legislation for their efforts in building this compromise. Without the leadership of Mr. WHITTEN, Mr. CONTE, Mr. WEISS, Mr. WOLPE, Mr. LELAND, Mr. BROOMFIELD, and Mr. FASCELL this bill certainly would not be in a position for final floor vote today. This is crucial. Relief officials on the ground in Africa, grappling with the worst famine of this century, warn of serious disruptions in the delivery of life-saving emergency food aid if new resources are not available in the next week. The authorization bill, H.R. 1096, was passed by the House on Tuesday with bipartisan support.

Both H.R. 1096 and H.R. 1239 are based on a consensus reached among the principal cosponsors of African supplementals during the February recess.

Over the past 6 weeks since H.R. 606 was introduced, AID has recalculated the cost per metric ton of food, including ocean transportation. The earlier figure of $315 per metric ton, which was used in the Roukema-Conte bill, has been raised to $360 per metric ton to reflect a higher ration of processed food required by AID from now until the end of this fiscal year. This compromise bill accounts for the $360 per metric ton change.

Today, I ask this House to approve H.R. 1239. This bill provides over $380 in emergency food aid to supplement title II (Public Law 480) and $100 for inland transportation. An additional $225 is included as an emergency reserve to be tapped in the event of increased food aid needs over the next

1½ years. This reserve is to be made available through fiscal year 1986. This funding is sufficient to cover the 1.1 million metric tons of food aid which our compromise bill provided for, including the full cost of the food, ocean transportation and one-half the cost of inland transportation.

This legislation would meet 50 percent of the total food aid need in famine-affected countries, a commitment we continue to believe is commensurate with the need for strong U.S. leadership during this crisis.

This bill, H.R. 1239, provides $175 million for nonfood assistance in 18 African nations. Of this total, $137.5 million is earmarked for disaster assistance to provide seeds, farm implements, emergency health care, et cetera. The balance of $37.5 million will be used for refugee assistance on the continent of Africa where drought and famine have turned millions of residents into unwilling economic nomads.

As the African famine intensifies, the nonfood disaster needs continue to increase. Mr. CONTE and I have agreed to a $42.5 million increase from $132.5 to $175 million in funding for emergency disaster assistance and relief. We are convinced that AID is able to effectively and efficiently program these funds by the end of this fiscal year.

This nonfood aid will assist in medium-term recovery efforts, linking emergency needs with agriculture development, in order to help avoid conditions which could lead to future famines. Let there be no doubt. These two bills are all that stands between the people of sub-Saharan Africa and a human catastrophe of epic proportions.

It is absolutely imperative that we strive to maintain the link between emergency food aid and development assistance. While meeting our moral responsibility to lessen human suffering, we must take care to foster an atmosphere in which the recipient nation can begin to provide for its own basic needs. Continued dependency on such short-term relief promotes a degradation of a nation's economic and agricultural ability to sustain itself, creating a nation that, in the long term, cannot survive without such hand-to-mouth emergency food aid.

As we prepare to vote on this bill, allow me to address myself to those in the House who, like me, are naturally very cautious about supporting this or other supplemental appropriations requests. Given this Nation's budget situation, your caution is well advised. However, in the case of this legislation, there simply is no choice to be made. The fate of an entire generation of Africans hangs in the balance. The price will be paid now on a planned basis, or later in emergency circumstances.

As ranking Republican of the House Select Committee on Hunger, I had the unparalleled opportunity to visit Ethiopia late last year. Despite intensive personal preparation for the trip, I found myself unready for the experience. The sounds, the smells and sights of the mass starvation, deprivation and disease I encountered in the Korem and Makelle refugee camps jolted my sensibilities. I stood helpless in the face of the pleadings of the famished and the emaciated.

It was a soul-searing experience which, for me, gave new meaning to the 17th century words of John Donne "No man is an island * * * any man's death diminishes me because I am involved in mankind; and therefore never send to know for whom the bells tolls; it tolls for thee."

America's deep humanitarian tradition seems to spring from Donne's words. Accordingly, at the President's personal insistence, the U.S. contribution to the African food relief effort has been second to none. However, as we continue to supply at least 50 percent of all humanitarian aid to Africa, significant policy concerns are emerging.

Disturbing reports of food aid diversion continue to reach us. In the specific case of Ethiopia, a long-running secessionist civil war is hampering relief efforts in the areas hardest hit by drought and famine; the Provinces of Eritrea and Tigray in the north. In addition to reports of Government attacks on food convoys and refugees, we are especially concerned about the recent Ethiopian Government seizure of food shipments bound for contested areas.

We do not seek to intervene in the domestic affairs of a sovereign nation, but we must ensure that our food aid is not used as a political weapon. This legislation contains $2.5 million to provide additional U.S. Government monitoring of food and nonfood assistance distribution.

Further, we must press the Government of Ethiopia and opposition groups to ensure safe passage of food aid delivery vehicles and personnel. To this end, all the necessary avenues have not been explored to bring pressure upon the various parties to ensure safe passage. Clearly the United States, the United Nations, and the Soviet Union are in the best position to exert influence over the Ethiopian Government to accept this humanitarian proposal. Thus far, the Soviet Union has been completely recalcitrant and has refused to discuss this important issue with us. I intend to continue working toward this goal with the Department of State and AID.

Humanitarian and moral leadership is the heritage of our great Nation. This African catastrophe is testing our moral fiber. I am proud that we are not turning our backs, nor are we slow in responding. Consideration of this bill today indicates a clear understanding and sensitivity to the need for immediate action.

I urge my colleagues to join with me and bipartisan sponsors of this bill in strong support of it. Survival of a generation of Africans is within our reach.

□ 1350

The CHAIRMAN pro tempore [Mr. BROWN of California]. The time of the gentlewoman from New Jersey [Mrs. ROUKEMA] has expired.

Mr. CONTE. Mr. Chairman, I yield 30 additional seconds to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I thank the gentleman for yielding me this additional time.

Mr. Chairman, I would like to make one comment about this question of whether or not food is being delivered. I think it is a legitimate one and one that we should address ourselves to.

Within this bill, we have provided not only moneys but personnel specifically directed to the problems of food distribution in the African countries. Ethiopia is a problem. We will talk at greater length, perhaps, during the latter part of this debate about the issue of safe passage, but the PVO's, who have the best experience in this area, are the vehicles by which this food is going to be delivered. In the country of Ethiopia, virtually all food embodied in this supplemental will be delivered by private agencies, not through the Ethiopian Government. So we need not be concerned with the diversion problem here.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. I thank the gentleman for yielding time to me.

Mr. Chairman, I want to commend the gentleman from Mississippi and all my colleagues who sponsored this bill for their compassion for our fellow human beings who are suffering in Africa. I support this bill

Mr. Chairman, there is no doubt that we are all sensitively aware of the tragic conditions facing the millions of desperately hungry people in Africa. We are aware that those conditions continue to worsen even as we stand here today.

As horrifying reports of starvation and death reach the eyes and ears of citizens of our country, who can deny that each and every one of us feels some compassion for our fellow humans who must confront that dilemma. It is this crisis, the result of years of drought and famine, which has raised our consciousness about the real woes that exist in our world today. More than 150 million people on the African continent are threat-

ened by starvation today, and countless others may be affected should we choose to stand by and allow the problem to continue without a fight.

Let us not lay back in our luxuries, dropping morsels of relief as we can afford, while others throughout the continent are confronted by the real problem of starvation and death. My fellow colleagues, today, we shall have the opportunity to join hands in providing a solution to the life-threatening prospects of drought victims.

I am pleased and proud to ally myself with H.R. 1239, as reported by the Appropriations Committee, providing up to $1 billion in famine relief for those facing starvation in Africa. Surely, this issue is not new to us here in Congress, for we have deliberated the same concerns in the past. Likewise, we are aware of the budgetary problems which we face in this country which must be addressed. However, we cannot allow that concern to overshadow the needs which are right before our eyes. We must be prepared to offer our assistance, as the people of the United States have historically done, to ease the suffering of those who are truly needy.

I commend all of my colleagues from both sides of the aisle for their tireless efforts in fashioning a bill of which we may all be proud. Let us not, therefore, simply focus our attention on the phenomenon occurring in Africa. Rather, let us focus that attention on how we can effectively assist those countries. For, it is up to us to respond with speed, and it is up to us to respond with adequate life-sustaining provisions.

Let me hasten to mention my concern, however, that we not stop here in our efforts to confront the ongoing and extremely serious famine plaguing the region. It is imperative that we apply foresight in our attempts to successfully battle the problems associated with such famine and drought in sub-Saharan Africa.

We have tried our utmost in the past to respond responsibly to the African situtation. We should now use the same energy to formulate approaches which will solve the long-term problems, that if not corrected, may only bring more famine and death. In the near future, we should take it upon ourselves to devise methods of assistance that are truly needed. For example, small scale programs that conform to the more labor-intensive African society complement that economic system better than large-scale capital intensive ones which rely on expensive and often complex technology.

When we meet to address the issue of long-term solutions to Africa's steadily declining production of food, let us pay close attention to the needs of the small subsistence farmer, who not only produces the majority of sub-Saharan Africa's food, but makes up a majority of the region's population as well.

Mr. Chairman, I join my colleagues and I join the citizens of this great country, as we generously respond to this humanitarian concern. We expect no less of each other. Our constituents expect no less of us.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. I thank the gentleman for yielding this time to me.

Mr. Chairman and my colleagues, I spoke the other day during the debate on the authorization bill about the tremendous bipartisan cooperation that was extended in the development of this legislation. I want to repeat the remarks that I made at that point.

I want to commend the chairman, the gentleman from Mississippi [Mr. WHITTEN]; the ranking minority member, the gentleman from Massachusetts [Mr. CONTE]; and also the chairman and ranking minority members of the Foreign Operations Subcommittee, the gentleman from Wisconsin [Mr. OBEY]; and the gentleman from New York [Mr. KEMP] for moving this legislation so quickly.

I think we can all be proud of the response of this institution to a human crisis that is really without modern precedent. I think we can be equally proud of the response of the administration in the past 4 months, which has been absolutely tremendous, in responding to the crisis that is out there on the African Continent. And the example that has been set by the American people in their individual capacities, generating millions of dollars to private volunteer organizations, is I think, the most beautiful expression of the humanitarian principles and traditions of this country.

There are some who have said that we ought to be doing less, that the numbers in this legislation are too high. The Committee on Appropriations unanimously chose to come in with numbers that all of the international experts claim are the minimum required to meet the crisis. The Committee on Appropriations unanimously understood that the consequences of coming in lower numbers, which we certainly could do, would be horrible to contemplate.

Last year some 400,000 people lost their lives because the entire international community did not understand initially how desperate the situation was on the African Continent. There are today literally millions of people still at risk of starvation and death if somehow this international response is not sustained. My fear, very frankly, is what will happen when the cameras are turned off.

We need to understand that the emergency relief that we are providing in this legislation will be the key to keeping people alive and to generating a similar response by the rest of the international community, with the United States providing the needed leadership.

The point has been made that there is a long-term problem that needs to be addressed in our basic foreign assistance and that is certainly true. But we have to keep people alive in the short term and then turn our energies toward developing, in cooperation with the African governments and European community, the kind of programs and policies that made a difference in India, which not too long ago was faced with a very similar set of circumstances.

The African continent can itself become much more self-sufficient in food, but we must assist the continent in getting through the immediate crisis.

Again, my thanks go to the membership of the Committee on Appropriations on both sides of the aisle, who have responded in an extraordinary fashion.

Mr. CONTE. I want to thank the gentleman.

Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. KASICH], my good friend who has broken Guinness' record on the most stolen bases for the Republican baseball team.

Mr. KASICH. I appreciate the gentleman yielding this time to me.

Mr. Chairman, I want to take a few minutes to tell the membership today that I happened to be in the Israeli city of Ashqelon recently. Many people know that this city was the base to which Ethiopian Jews were taken after being airlifted out of the Sudan.

I went into the receiving center in Ashqelon and was able to observe people who literally were snatched from the jaws of death. From a window, and then out in a courtyard, I could see young children receive, for the first time, the type of decent clothing that we take for granted. Watching these youngsters as they struggled to tie the cords of their new sweatpants or lace up shoes or just put on a sweatshirt, was indeed a touching experience. Imagine—they had never seen this type of clothing before.

I stood there and saw the joy on their faces as mothers and fathers gathered together to take care of their children. I saw one young man who was reunited with his family in Ashqelon, saw the joy on their faces, and can tell you it was just a wonderful, heartening experience. This all happened to a large degree because of cooperation between the nations of the free world, unfortunately not cooperation with the government in Ethiopia, and I hope to address that in a second.

There are many people, including our President, who talk about the fact

that America is a good country, who point out correctly that we go more places in the world to help more starving people, more victims of fire and floods and, of course, victims of famine. But there are some people who, unfortunately, stand on the floor of this House at times—and decry the policy of the United States, and say that the United States ought to constantly apologize.

I stand here today and say we do not have to apologize to anyone. The United States is a good and decent country that cares about the needy from one end of this globe to the other. That is why it is right that we help the Ethiopian people, that we keep them from a torturous death by starvation. We have helped them, and we ought to continue to help them.

But it is most unfortunate to witness the actions of the Ethiopian Government while its people starve. We know that they spent $25 million to celebrate Marxism, money that should have gone for food to feed those starving men, women, and children.

And while the long-term solution to this crisis cries out for policies that encourage increased agricultural productivity, the Ethiopian Government is shifting greater and greater resources away from the private plots in Ethiopia and putting them onto state-owned farms where they do not have the kind of productivity needed to adequately take care of those starving people.

We need to reverse this economic program, and I ask the gentleman from Texas [Mr. LELAND] and the gentleman from Mississippi [Mr. WHITTEN] to work with African leaders and encourage more productive policies in Africa. I know that in light of the Marxist government now in power in Ethiopia, this is a tremendously difficult task. But we have to put pressure on them. We have to force them to feed people in those areas that are presently under, I guess the proper word is, revolt. And we need to get those governments working in a productive manner so they can feed those people themselves and not rely on the other countries of the world. That should be our long-range plan. But for right now, America needs to help, just as we always have, and I hope, always will.

□ 1400

Mr. Chairman, I want to highly commend all the Members of this Congress who have shown that America does not need to apologize but, rather, should feel proud of our reaction to the African crisis.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Chairman, I rise today in support of H.R. 1239 and urge my colleagues to also support this important legislation. This issue is a personal concern to me and having visited Ethiopia, I can tell you firsthand this aid is desperately needed.

In Ethiopia, a drought-stricken country, the enormity of the hunger problem baffles the mind. As I visited the feeding centers where gentle humans are restoring life to some of the starving, I was bewildered as to how to solve this crisis.

The problem of famine in Africa is real. Twenty nations have been affected. Seven are critical. Just in Ethiopia alone, over 7 million people are threatened by starvation.

A severe drought is a major cause. The rains either did not come or were less than is required to germinate the seeds in the fertile soil.

Agriculture techniques are backward. There are few drilled wells, little irrigation, almost no fertilizer used and severe topsoil erosion. If there is to be problem solving, it will be long term and it will be painful. Attitudes will have to be changed to use modern agricultural methods. And in Marxist countries, the collective farm reduces the farmer's incentive to produce for himself and only aggravates the sparse production.

There have been four major droughts in Ethiopia in the last 35 years. People have died of starvation. But this is the worst drought and death is apparent throughout the land.

My visit to Alamata and Korem, two feeding centers 250 miles north of Addis Ababa, was shocking. The emaciated bodies of young and old were overwhelming. One's emotions cannot be controlled as you see the helpless trying to survive. The huge numbers dulled my sense of hope.

Thousands have died and thousands more died in remote villages which statistics will not record. But there is hope—because humankind is responding—and responding well.

The free world is responding, swiftly by sharing its abundance of food, medicine, and blankets. Help from Western nations, from the private sector and from Government, is pouring in. People are acting of their best humanitarian instincts.

The United States is leading the pack. There are not many "ugly Americans" in Africa today. We are responding from our generosity. And America is responding mightily.

Americans are responding as a government. President Reagan has announced his intention to provide one-half of the food assistance needed in Africa this year—a $500 million U.S. contribution. For Ethiopia, a Marxist state, with whom we have strained relations, $130 million in food is already planned. This Government-supplied grain is distributed by many private volunteer agencies, such as Catholic Relief and World Vision, and soon some will be given directly to the Ethiopian Government relief agency. The sacks bear the words: "Donated by the People of the United States of America."

The private sector is also responding. For 1985, food assistance to Ethiopia through private organizations is estimated to be $125 million, with another $22 million spent on Ethiopian refugees elsewhere.

The private sector from Florida responded magnificently. A flight of mercy was organized, funded, loaded, and flown to Addis Ababa, which bespeaks the generosity of Floridians.

The mission was conceived by my wife, Grace Nelson, as a needed response to the problems she had seen in Africa last summer. In Mali, she held a starving child in her arms. She has not been able to forget it. After organizing some fundraising activities, the thought of a flight of mercy came from a discussion with the editor of the Florida Times Union. He suggested that although people wanted to help, they needed a concrete mission to respond to and one which could be tracked to a successful conclusion.

This story is an American success story. A DC-8 was chartered and loaded with 40 tons of food, medicine and blankets, in the midst of ongoing fund drives. WCPX-TV in Orlando collected over $80,000 and two truckloads of blankets. World Vision, a Christian humanitarian organization, provided the mechanism for obtaining the 2 tons of medicine and 38 tons of fortified food, 11 tons of which were donated by a former Ethiopian official in Indiana. This special mixture of oats, powdered milk, and honey, known as ATMIT, is indigenous to Ethiopia. Another $120,000 was raised before the flight departed Chicago on January 12.

The plane was so long you could hardly see from one end of the cargo bay to the other. During the 24-hour journey, our group of "food shepherds" slept on top of the pallets of fortified food using some of the donated blankets for warmth. It was a good feeling to know that our mission was one of trying to help the starving by actually taking food to them.

Our landing was the first of a stretch DC-8 on the Addis Ababa runway. Trans-American Airlines and World Vision soon had the cargo unloaded.

Success does not come easily and indeed we soon had our problems. Food was being delayed to the feeding centers because rebel activity in the region interrupted transportation of supplies. When we finally were cleared for an old DC-3 to fly us to the camps, we found they were running danger-

ously low on food. But our supplies arrived just in time.

I shall never forget the children, also starved for affection, clinging to my hands and arms smiling in spite of their physical deprivation. They were proof that the World Vision feeding center was successful because only a few weeks before they had been lifeless and lethargic. Others were in intensive care, often with their mothers, as nutritional supplements were administered-sometimes through a tube because they were too weak to eat.

The staff was loving and kind, it showed. The nuns at the Missionaries of Charity compound ministered to the dying. These sisters are sponsored by Mother Teresa of Calcutta, who had just paid a vist, greeting and blessing each person in the camp—9,000 of them. What a lesson in love.

There are those who say, "let them die." Their theories of overpopulation and survival of the fittest are practical, they say. Besides "why should we care about a foreign, strange land?" Fortunately, most of America does not think that way. The good will, hopes and prayers of Floridians were obvious in our specific flight of mercy. Many have responded before, others are following.

This mission was successful because of the spirit and character of our people. Perhaps it is best summed up in Matthew chapter 25. "When you did it for the least of these, you were doing it for me."

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. McHUGH].

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. McHUGH. I am happy to yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, I rise in strong support of this supplemental. While we all recognize the many serious domestic concerns facing our country, I believe almost every American has been affected by images in newspapers, magazines, and television news reports of starvation in Africa.

There has been an outpouring of generosity from individuals, churches, and private organizations to help get food and medical aid to Ethiopia and other countries stricken by drought.

This private support is essential, but it is not enough.

It is still estimated that Africa's food deficit in 1985 will amount to 4 million metric tons. Hundreds of thousands of Africans are at risk, and the movement of people to refugee camps seeking food has created a major crisis.

The U.S. Government has been committed to meeting roughly half of this need, and this supplemental appropriations bill is critical if shipments of food and other emergency items are to continue arriving in Africa.

This is a balanced bill. While it represents a greater financial commitment than originally proposed by the administration, it is consistent in that it seeks to provide the same proportion of food and nonfood aid that President Reagan has deemed appropriate. Both majority and minority members of our committee wrestled with projections of the level of food need during the remainder of this year, as well as testimony by witnesses as to the relief and restoration needed to avert another crisis next year. I believe this supplemental has bipartisan support, and it represents our best estimate of what will be needed over the coming months to prevent further losses in life.

There is no question that our Nation is the most effective donor in terms of moving food and relief to those areas most in need. Recovery for Africa will be a long and painful process. This famine will probably be the worst humanitarian crisis facing our world this decade. I am proud that this bill will continue our involvement in feeding and healing those in Africa who have been devastated by drought, and I strongly urge my colleagues to support this measure.

Mr. McHUGH. Mr. Chairman, I rise in strong support of this bill, and at the outset I would like to commend the gentleman from Mississippi [Mr. WHITTEN] and the gentleman from Wisconsin [Mr. OBEY] for the speed with which they have brought this measure to the floor.

Although we only received the President's budget request for emergency supplemental aid for Africa on February 4, hearings were held and a bipartisan consensus achieved expeditiously as a result of their efforts. We can all be proud of their leadership.

This bill is an appropriate response to the dimensions of the immediate food crisis that many Africans face. It would provide $480 million in additional food aid to meet emergency needs in Africa during the next 7 months. In addition, the bill would provide $175 million in related nonfood disaster and refugee assistance. Finally, it establishes a $225 million reserve to meet any additional food needs beyond those already identified. That reserve would remain available for use through September 30, 1986.

Much has been reported about the immediate crisis in Africa, and there is no need for me to elaborate on the desperate circumstances that now confront millions of people on that continent. Our people, and others in the Western World, have responded with compassion to this crisis. This bill is an important part of our response and it should be passed with broad support.

However, as important as our response to the immediate crisis is, the economic and political problems in Africa require a more coherent, long-term strategy. Pressing as the current crisis is, it is not short-term. For example, the 380 million people who live in Africa south of the Sahara have an average life expectancy of 49 years, the lowest in the world. There is only one doctor for every 21,000 people, not surprisingly, both infant mortality and population growth rates are also the highest in the world. Per capita income in sub-Saharan Africa is only $491 per year.

These conditions predated the current drought, the worst in Africa's history, which of course has seriously exacerbated those stark conditions and threatens millions of Africans with starvation and death. We must respond to the immediate crisis, but we must also come to grips with the deeper human and resource development problems which have long plagued Africa.

Burdened with a growing debt-service obligation, declining prices for primary export commodities, a low rate of return on capital investment, and food production that is lagging behind population growth, the prospects for Africa will remain bleak unless African governments undertake fundamental policy reforms.

To encourage and sustain the kind of changes that are needed, Africa desperately requires resources beyond those provided in this emergency to stabilize and reform its teetering economies, as much as $6 billion for the next 3 years according to one recent report.

Unless we and others face up to this larger issue, we will be regularly confronted with dire emergencies in Africa. The longer-term development needs must be addressed. In the past, one of Africa's major sources of concessional financing for development purposes has been the International Development Association [IDA], the soft-loan window of the World Bank. However, even if commitments elsewhere are substantially reduced, IDA cannot increase its activities in Africa during the next 3 years because of a $3 billion reduction in its overall lending program, a reduction forced on IDA by the United States over the objections of every other donor.

To help address the financing gap, the World Bank has created a special facility to push for policy reforms in Africa and has appealed to the world community for $1 billion to support reform efforts. Regrettably, the United States, which has traditionally been the leading proponent and sustainer of IDA, has not responded to this appeal. As a consequence, some other potential donors have also withheld their support.

The Reagan administration argues that the United States does not need to contribute to this special facility, both because it is increasing its bilateral economic aid programs for Africa

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and because the administration has its own program to encourage policy reforms there.

In fact, the administration is requesting less bilateral economic aid for Africa next year than was originally requested for the current year. Moreover, if there should be future increases in bilateral aid, they will be at the expense of our reduced commitment of IDA.

As for the administration's program to support policy reform in Africa, the amount of funds involved is far too small to have a significant effect standing alone. If those funds were provided to the World Bank, they would leverage additional funds from other donors. This would result in a larger pool of funds which, when applied in a coordinated fashion, would more effectively promote the necessary economic reforms which are so essential to meaningful development. Furthermore, African governments are more likely to adopt reforms recommended by an international institution that is not perceived as having ulterior political motives.

What is needed, then, is a coherent U.S. response to the long-term problems that Africa faces. While the bill before us today is a critical response to the immediate emergency, much more needs to be done to address the longer-term problems. As a next step I believe the United States should respond affirmatively to the World Bank's appeal.

The CHAIRMAN pro tempore (Mr. BROWN of California). The Chair wishes to announce that the gentleman from Massachusetts has 9½ minutes remaining, and the gentleman from Mississippi [Mr. WHITTEN] has the same amount of time remaining.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LOWERY].

Mr. LOWERY of California. Mr. Chairman, I would like to take this opportunity during our discussion of supplemental famine relief to address the behavior of the Ethiopian Government toward its suffering population. While I commend my colleagues for their statesmanship and compassion in considering aid for the hundreds of thousands in danger of starvation in Africa, there has been little mention of the Ethiopian Government's failure to effectively anticipate and ameliorate famine conditions in its own countryside.

For months, Colonel Mengistu and the Dergue, Ethiopia's ruling organization, blocked efforts of foreign reporters to bring this tragic story to the attention of the outside world. In September 1984, a large number of journalists were permitted into Ethiopia, but they were confined to the capital city of Addis Ababa. They were invited to cover the glorious celebration of the Communist regime's 10th anniversary, not the mass starvation occurring in the countryside. The celebration was very extravagant and very expensive. Estimates of the cost ranged as high as $200 million. The British press reported that $500,000 worth of whiskey had been imported for the occasion. The celebrants enjoyed a new $5 million bronze statue of Lenin, in addition to color television, another luxury the Government introduced at a cost of millions of dollars.

All this at a time when an Australian envoy who had been sent to deliver food for the starving had to wait 8 days before he could obtain transportation to get the food on its way. Furthermore, three aid ships bound for the Eritrean Province have had their cargoes confiscated, including a drilling rig for water.

As we supply much-needed assistance to Ethiopian famine victims, this body must recognize that the Ethiopian Government has not only failed to assist fully in aiding starvation victims, but has actually hindered relief efforts. Instead of diverting resources toward the reclamation and rehabilitation of its agrarian lands, it has chosen to equip its 500,000-person military organization. To this end, I recently introduced House Concurrent Resolution 43, a measure that criticizes the Ethiopian Government for its negligence and irresponsible behavior in the face of widespread hunger.

Mr. Chairman, I strongly support the efforts of Congress to help the suffering going on in Africa, but the United States cannot solve the problem alone. The Ethiopian Government must not hinder relief efforts.

Mr. Chairman, a clear message must be transmitted to the Government of Ethiopia that the U.S. relief system is not available for its individual and political disposal, and that those who seek to assist famine victims will no longer abide by further restrictions or hindrances.

The CHAIRMAN pro tempore. [Mr. MAZZOLI]. The time of the gentleman from California [Mr. LOWERY] has expired.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I have watched this debate with considerable interest, and I have studied this bill. I voted against the authorization, and I will have to vote against the appropriation. I do so with great reluctance, because I share the compassion and the concern Members have for starvation in the world.

This Nation has always responded, and we reach out with the compassion in our hearts to starving people, but we must temper that with the discipline of the mind. The people of Ethiopia are suffering from an oppressive drought, but they are also suffering from an oppressive regime, a Marxist regime. I am confident that if we extend this aid, it will be used by that regime to solidify its efforts.

We have only limited resources that we can use to relieve suffering in the world, and we can use those resources, in my estimation, better to help those people who are fighting for their freedom in other parts of the world, in places like Afghanistan and Nicaragua and even Cambodia that we have so far not responded to.

Mr. Chairman, I appreciate and I applaud the compassion that is displayed on this floor, and I appreciate and applaud the compassion of this great Nation as it does respond, but let us do so in a way that will make a long-term contribution to the health and safety and the security and freedom of the people of all the world.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Chairman, I rise in support of this critically important piece of legislation to address the Africa famine situation. My colleagues and I have been working for several months to determine what kind of assistance is needed, including food, medicines, blankets, transportation, and other vitally important measures to alleviate the terrible suffering.

I led a delegation sponsored by the Speaker to Ethiopia last November. One of the other principal sponsors of this legislation, the gentlelady from New Jersey [Mrs. ROUKEMA], who is the ranking minority member of the Select Committee on Hunger, joined me on that trip. We witnessed thousands of people who, for lack of food, medicines, shelter, and other basic supplies, were experiencing great suffering. We also saw the great work being carried out by private voluntary organizations and the Agency for International Development in providing food and other necessities. But the need far outstrips even the generous levels of aid already going to Ethiopia and other African nations affected by the drought.

In the past weeks, Mrs. ROUKEMA and I have worked closely with the other principal sponsors of Africa famine legislation, Mr. WEISS, Mr. WOLPE, and Mr. CONTE, on a measure to meet pressing needs. We agreed that legislation was needed to provide at least 1.1 million metric tons of food and transport for that food, and $175 million for disaster and refugee assistance for the remainder of fiscal year 1985. The appropriations committee added $225 million to establish a reserve fund to meet unanticipated food aid needs for the remainder of this fiscal year and for the next fiscal year. That is the legislation before you now.

It is critically important that this funding be approved now. The Agency for International Development has

run out of funding for emergency food aid. The Office of Foreign Disaster Assistance has vital emergency requests for aid pending now. I urge you to approve this package of emergency assistance without delay so that proposals for food, seeds, medicines, transportation, and other vital needs now awaiting funding can be quickly approved. With this legislation, Mr. Chairman, we can save thousands of lives.

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Mr. CONTE. Mr. Chairman, I yield a minute and a half to the distinguished gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Chairman, I represent an intensely efficient agricultural area. Some of the country's most productive wheat growers are found in the panhandle of Texas. The largest pork producer is in the southeastern end of my district. In my home town, the Amarillo Livestock Auction sells anywhere from 6,000 to 12,000 head of cattle per week.

I believe I know what makes agriculture work. I believe it is the profit motive and democratic capitalism.

Mr. Chairman, we should reject any further aid to Ethiopia, not only for the reasons suggested by the gentleman from Pennsylvania [Mr. RITTER] and others this morning, but also because in pouring more food into that country we reward inefficiency and the very inhumanity of their communistic system. Ethiopia's communistic system, its practice of price controls, its collective farms, and they are continuing to collectivize those farms right now, and its suppression of the market system will forever starve their people, Mr. Chairman. Let us not encourage other misguided African nations to emulate the failed Soviet farm system, as Ethiopia has done.

As the gentleman from Ohio [Mr. KASICH] and others here today have pointed out, our efforts to help developing Third World nations must begin by exporting our democratic capitalistic philosophy and teach nations how they can create their own wealth.

I challenge anyone in this Congress, Mr. Chairman, to prove that a healthy economy in Ethiopia can ever stem from Marxism.

We did not give China unlimited food aid and they responded, Mr. Chairman, by accepting incentives. The result has been a 12-percent increase in China's wheat production for the past 2 years.

In the very name of compassion, we should follow the same course in helping Ethiopia.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, let me start out by expressing my deepest appreciation to the distinguished chairman of the Agriculture Subcommittee and the full Appropriations Committee, the gentleman from Mississippi [Mr. WHITTEN], and the Subcommittee on Foreign Operations, the gentleman from Wisconsin [Mr. OBEY] for the magnificent job they did in getting this legislation on the floor with such a sense of urgency.

The fact is that there are people by the hundreds of thousands who have already starved to death in Africa. The Secretary of State appeared before the Foreign Affairs Committee last week and pointed out that there are 14 million people in Africa who are at immediate risk of starvation right now, in countries totaling 150 million people who may ultimately be at risk.

So we are not talking about long-range economic concerns or long-range assistance for development purposes, in this bill. We are talking about saving lives in danger at this very moment.

The American people have been watching the reports of what is happening in the various nations of Africa; in Ethiopia, Mozambique, Chad, Niger, the Sudan, and elsewhere. The American people have had pictures of those suffering and dying people brought into their living rooms. They have indicated where they stand on this issue. They know full well that people who are starving to death ought not to be taxed with the politics of the people who rule them.

The American people have responded in a fashion unparalleled in American history. The Catholic Relief Services reported the other day that, through January, the American people had contributed through all philanthropic agencies over $60 million in individual contributions, mostly in the $5, $10, and $25 contributions. By April, $100 million will have been contributed. Through their actions they have told us that they know what we ought to be doing.

Members of this body also have indicated that they know what should be done. H.R. 100, the foundation legislation introduced by Mr. WOLPE, Mr. LELAND, and myself, and similar legislation introduced by the gentleman from Massachusetts [Mr. CONTE] and the gentlewoman from New Jersey [Mrs. ROUKEMA] together have almost 200 Members of the House of Representatives on both sides of the aisle as cosponsors. It is clear, therefore, that the Members of this body know what the needs are and that those needs ought to be met immediately and urgently.

There are many, many Members of this House who have visited the affected countries in Africa and have witnessed the tremendous job that is being done by Americans and others working with private voluntary organizations such as with Catholic Relief Services, World Vision, CARE, Oxfam, Lutheran World Services, and many others. We have seen people risking their very lives day in and day out to do the work that has to be done and must be done to save lives.

What we do here today will without question save lives by the hundreds of thousands. If we do not act urgently, every day that is delayed means that there is a day delay of food getting to people and medicine getting to people.

Mr. Chairman, I am proud of the role my colleagues in this House have played in responding to this great natural tragedy.

Mr. CONTE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, there are several points that I would like to make to my colleagues in the body.

I am not an African expert at all, although I did have the opportunity to go to Ethiopia, to live for 2 nights in the camp at Alamata operated by World Vision which adjoins Mother Theresa's camp. I would say to my colleagues in this body who are concerned about this situation that I would urge you to support this legislation.

The children that I held and the mothers that I talked to were not Marxists. These were good and decent people who did not like their own government, who quite frankly were very sympathetic to our country and I think that we have an obligation, although I do not like the Ethiopian Government any more than any of you, we have an obligation to help these people. By passing this legislation quickly, we will save thousands of women and children but I think we have to be balanced on what we have to do.

There are two problems that I think we have that have not been discussed very much on the floor of this House. One is the Ethiopian Government has starved the people out in the northern provinces, so we should put the pressures of this Congress and the U.N. Secretary General on the Ethiopian Government to urge that they move the food into the northern provinces.

Second, I heard no one mention the relocation program that the Ethiopian Government has. They are taking people from the northern provinces and putting them on trucks and on airplanes, on Russian planes, and moving them to the southern part of the country and letting them loose in the fields without any malaria prevention or any other preparation. So we should understand that we are not dealing with a very ethical government.

But even with that being the case, we should try to solve this problem by bringing pressure on that government to open up their government and to provide for safe passage for food to reach all needy people.

But to those of my colleagues who are thinking of voting against this bill, I saw fathers and mothers who came up to beg me for help and support, knowing that if they did not get the food that day or the next day, their children would die. By passing this bill, I guarantee that we will be saving thousands and thousands of lives and I strongly urge the support of my colleagues for this legislation.

□ 1420

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Thank you, Mr. Chairman. I would like to express my appreciation to Representatives WHITTEN and OBEY for the leadership they have shown on this issue, as well as to Representatives LELAND, WOLPE, ROUKEMA, CONTE, and the many Members on both sides of the aisle who have indicated their important support.

Mr. Chairman, I rise in support of this measure, H.R. 1239. I recently visited several African countries with the gentlemen from Michigan (Mr. WOLPE and Mr. CONYERS), the gentleman from New York [Mr. WEISS], and the gentleman from Maryland [Mr. MITCHELL] supplementing a more extensive visit made some 18 months ago. I want to add my personal testament to the catastrophic situation in country after country throughout sub-Saharan Africa. The words and pictures seen by the American people in our newspapers and on our televisions are shocking and dramatic. I can tell you that the situation in many parts of Africa is worse than the pictures and our language does not have words to convey properly the misery and tragedy that is engulfing the people of this region.

The need is there, the case is urgent and every day of delay costs thousands of lives. I urge my colleagues to pass this legislation today.

Mr. Chairman, I would also like to associate myself with the remarks by the gentleman from Iowa [Mr. SMITH] and the gentlemen from New York [Mr. MCHUGH and Mr. SCHEUER] that the problem goes far beyond the immediate crisis. There is a direct relationship between population growth and the availability of food. In sub-Saharan Africa that relationship is more and more out of balance with increases in food production growing at a rate of 1 percent per year while the population grows at a rate of over 3 percent per year. In other words, the problem of hunger in Africa is rapidly becoming endemic.

With the growing imbalance of food and people in mind, we must commit ourselves to long-term goals that include not only helping African countries, African villages and African families grow more food but also following their own paths to voluntary restraints on population increases.

We should help African self-help programs which enable families to better space the timing of pregnancies, both for the health and nutritional safety of the mothers and already present children in families. We should continue to be a leader in biomedical research on human reproduction so that safer, healthier, and more acceptable methods can be found for child spacing and family planning.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

There has been voiced some concern on this side of the aisle in regard to the Ethiopian Government and I concur 100 percent with every speaker here. I spent a great deal of time in Ethiopia back 25 years ago when I was a young Congressman and I visited there. I was just talking with the gentleman from Oklahoma [Mr. WATKINS] who was telling me that some of his people from Oklahoma wanted to be remembered to me. Anyway, I know something about Ethiopia and I despise that government, but I hope that you will not use that Marxist government as a reason for voting against this bill.

First of all, there is $2.5 million in this bill for U.S. AID to monitor, to see that that food goes out and that the food and medicine and clothing goes out to those poor, starving and dying people in Ethiopia.

Second, there is no food going to the Ethiopian Government. Let us not draw a red herring over this issue. There is no food going to the Ethiopian Government. The food is going to the private, voluntary organizations who will distribute the food to the starving people of Ethiopia and the other countries that I have mentioned earlier in debate.

So I ask you and I plead with you, do not take this out on the poor people who are flat on their backs, children dying because of malnutrition, starvation. Do not take it out on them because their government is no good.

I despise their government. But I am not going to take food out of the mouths of those poor, dying people. I plead with my colleagues here to vote for this worthwhile piece of legislation.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I would like to associate myself with the remarks of the gentleman of Massachusetts [Mr. CONTE]. These children are not Marxist; they are children who are hungry and need our help.

I think the gentleman expressed it well.

Mr. Chairman, if we concede the wisdom of Ecclesiastes, there is no new thing under the Sun—including recurring famines in Africa. Ethiopia's first recorded famine struck in the 9th century. Ten more major famines between 1540 and 1724 and the Great Ethiopian famine of 1888–89 took their toll on the peasantry.

More recently, we witnessed the starvation of thousands of Africans as drought and death marched through the Sahel in the mid-1970's. In Ethiopia alone, some 250,000 people perished.

But what is new today is the enormous scope of the present food crisis in Africa. True, it has again struck Ethiopia with a vengeance as some 7 million of its people face starvation. Sub-Saharan Africa also reels from the prolonged drought. But this time, virtually the whole continent is hungry as some 150 million people in 25 nations confront critical food shortages.

What is also new today is our ability to anticipate famine and our capacity to respond to it. From the United Nation's Food and Agriculture Organization and private relief groups like the Catholic Relief Services we have received clear warnings that Africa faced another food crisis. Sad to say, bureaucratic wrangling and footdragging by donor nations have compounded problems within Africa and sometimes prevented food and relief supplies from arriving in time.

MEETING HUMAN NEEDS

It goes without saying that the American people have given generously in response to food aid appeals—both through private agencies under the umbrella of INTERACTION and through the official Food for Peace Program. Most Western allies have done likewise. For the most part, the Soviet Government has stood on the sidelines and watched the sick and starving suffer.

But now we must act swiftly to redouble our efforts at humanitarian relief. Funds for emergency food and relief aid have now been exhausted. Unless Congress replenishes the supply immediately, we will not be able to ship the food, medicine, seeds, and clothing in desperate demand across Africa.

So I lend my enthusiastic support for passage of the $1 billion urgent supplemental before us today. It represents a carefully justified, bipartisan, and widely supported relief effort. I would urge our colleagues in the other body and the President to act positively and promptly as well.

The fact is that our granaries overflow with the food Africans require. This bill ensures that we have the funds to acquire, ship, and distribute our abundance to those in need. For most African economies ripped by drought, our aid is their only hope.

For others, this measure responds by offering for sale or barter $120 million

of the USDA's inventory of food stocks. Previously, the administration has not used its barter authority to respond to the African food crisis. I trust that it will with passage of this measure and consider swapping, for example, wheat and nonfat milk with Zaire for cobalt, and corn for Zambian copper. Here is a way to build our strategic stockpile while aiding cash and food-short nations, and our own family farmers.

For still others, this supplemental offers special help for special needs. As some 3,000 refugees stream into Sudan each day, its own resources are stretched to the breaking point. Overcrowded and unsanitary camps breed disease. Desperate farmers must eat the seeds for next season's crop to avoid starvation. The nonfood aid in this bill provide the means to house refugees, to prevent infection, and to make possible planting for a future harvest.

RIGHT KIND OF AID

Providing this assistance is right because hungry people need our help. But we also do ourselves a favor by building partnerships with African governments which can last for decades. Given the extent of Soviet involvement throughout Africa, we can't ignore the superpower dimension of the African food crisis. As David Lamb noted in "The Africans," to be oblivious to the problems of Africa is to promote more international misery, hunger, instability—and to increase the threats to peace in the world."

The Soviets can match us gun for gun in arms aid, but they cannot match us bushel for bushel in food aid, since they have to import grain to feed their own people. Instead of pumping up our military grants by 70 percent in 2 years, as the administration proposes, we ought to be increasing life-giving supplies of food, medicine and shelter.

By channeling help through private groups like CARE and by beefing up monitoring we can also ensure that food and relief really reach the needy. With this assurance, let's not wait for another emergency appeal because people "do not eat in the future, they eat every day."

Mr. WHITTEN. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. I appreciate the chairman yielding to me at this time.

As you known, I was planning on offering an amendment or independent legislation that would require that this food be purchased from the American stocks, that is from the American farmers who grow it.

As I understand it, the bill does provide that there is $7.5 million that comes under the Public Law 480 program which does require this to be American-purchased food and that there is $120 million that comes from the Commodity Credit Corporation inventory or private stocks grown by U.S. farmers. Do I understand this correctly?

Mr. WHITTEN. Will the gentleman yield?

Mr. SKELTON. I yield to the gentleman.

Mr. WHITTEN. The gentleman is correct. The $705 million for Public Law 480 must by used for U.S. commodities under the law.

In addition, we provide $120 million for sale from the CCC. Since the CCC does have the commodities, it will be American food.

Mr. SKELTON. It is with this understanding, and I appreciate your including this within the bill, because we do have a farm crisis in this country and I think we should do everything in this bill as well as otherwise to assist those farmers.

Mr. WHITTEN. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I think the statements here today have clearly shown the wisdom of our committee in providing that the money in the reserve fund be available for 2 years and that the President has to make the determination as to whether the money should be used.

You can see with the Communist government in Ethiopia and with the situation we face that this food so easily could be used by the government in power to stay in power. It is for that reason that we include a provision in the bill where the President of our country and the head of AID must certify that the food will actually go to those who need it.

I yield such time as he may require to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY of Illinois. I thank the gentleman for yielding and want to compliment the committee chairman and members of the Subcommittee on Appropriations for bringing out the African relief bill. I strongly support it.

People are undoubtedly starving in Ethiopia. This legislation will provide immediate steps to alleviate at least some of that suffering.

At this time, I would also like to inform my esteemed colleagues in the House that I will soon introduce legislation to allow the people of the United States to voluntarily check off on their annual income tax returns the amount of $2. The accumulated funds from this humanitarian action would be held in a world hunger fund placed under the discretionary control of the President. The American people often feel frustrated when emergencies such as the Ethiopian crisis arise. The world hunger fund would provide immediate relief in such crisis.

Mr. Chairman, in reference to the farm credit emergency in the United States, I would like to state that I just returned from my district in southern Illinois. While there, I met with hundreds of farmers who are on the verge of financial starvation. They are about to go bankrupt and lose farms into which they have poured a lifetime of effort.

The emergency farm relief bill before us today will definitely help. Like the African relief bill, it is not a complete solution. There will remain price, interest and export market problems that will be addressed later in the session in other legislation. But it is a beginning; it addresses the immediate problem.

Mr. Chairman, I represent a congressional district in southern Illiniois comprised of 21 counties. Mr. Stockman, I call your attention to the fact that there are small farmers in this country. The Agriculture Department currently estimates there are 640,000 full-time, family farmers in this Nation with gross sales ranging from $40,000 to $500,000. There are also 1.7 million farmers with sales under $40,000. But maybe Mr. Stockman is right? Considering the plight of farmers as spelled out in the following statistics I have made available, then maybe we should say there used to be small farmers.

Presently, farm foreclosures are in the thousands nationally. Illinois may have fared better; however, they are up 100 percent since 1982.

As many as 10 to 15 percent of farmers are expected to lose their farms in 1985.

Farm values have decreased in Illinois 21 percent since 1981.

Banks are losing approximately 10 percent of farm loans, compared to 2 percent in the 1970's.

One of every five Illinois bank failures was a farm bank.

Net farm income is down by one-third;

While farm productivity in Illinois is up 15 percent.

As these financial statistics indicate, the farmers and bankers are suffering from a loss of faith. There is a crisis of confidence. For the first time since the depression, we have normally conservative, peaceful farmers demonstrating in the streets. Yet, over 50 were arrested recently for demonstrations in Chicago. And farm organizations in Illinois are threatening a march on Washington in March.

Mr. Chairman, considering these facts, and considering the administration's weak response to the plight of farmers, Mr. Stockman may soon be right. There will be no small farmers unless we act.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding time to me and I

want to commend the gentleman, and the ranking minority Member for bringing this measure to the floor in a very expeditious manner. It is an urgent matter and I urge my colleagues to support it.

Mr. Chairman, I rise in strong support for H.R. 1239, supplemental appropriations for African famine relief. Two days ago H.R. 1096, the African famine and relief bill passed the House by a vote of 391 to 25. H.R. 1096 authorized $175 million in supplemental appropriation in fiscal year 1985 for assistance to those African countries which have suffered food shortages from drought and other calamities. Of that total, $137.5 million is for disaster assistance for famine relief, rehabilitation and recovery in Africa, and $35.5 million is for assistance for refugees and displaced persons in these countries.

Today, when we cast our votes on H.R. 1239, we will be determining not only appropriation levels for the points covered by H.R. 1096 but also for direct, emergency food aid.

I think that most of us here are well aware of why this emergency food supply is needed. But for those of my colleagues who might still be wavering I would like to call to their attention that an estimated 10 million or more people in some 20 African countries are at risk of starvation and hundreds of thousands have already died in the current extended drought.

There are compelling moral, economic and national security reasons for the U.S. Government to make the elimination of hunger the central focus of its relations with the developing world. However, neither current U.S. policies nor prevailing public attitudes demonstrate an accurate understanding of the problem's scope, urgency, or relevance to America's own national well-being.

Cast as the dominant actor within the world's food system, the United States has a unique opportunity and responsibility to exercise its power for the common good. Such purposeful use of U.S. power would also focus and shape the idealism and generosity that is so indigenous to the American spirit.

One of the steps needed to assure that the United States fulfills its proper major role in the worldwide campaign against hunger is H.R. 1239. Accordingly, I urge my colleagues to fully support this bill.

● Mr. PICKLE. Mr. Chairman, the horrors of the decade-long African drought have, through the press, become a vivid reality for every American. Millions of people face starvation in the next 6 to 12 months unless massive food aid reaches them. With the passage of this legislation, the United States is continuing its practice of responding to crises and pleas for its assistance in alleviating the ravages of famine and drought. I applaud Chairman WHITTEN and his committee for its swift and bipartisan action on this issue. No one can contest the necessity of emergency American aid to Africa. At the same time, I feel America should not seek comfort in its ability to provide Africa with short term relief, but American aid should foster recovery and reform as well.

Africa will receive its food aid, but that is only the beginning in solving the long term problem. The history of United States aid to Africa proves this theory well. In 1974, the United States responded to the drought in the Sahel with food and nonfood assistance to the disaster region. Yet, the massive U.S. assistance did not enhance the ability of the people of the Sahel to survive and withstand the cyclical nature and effects of the drought. Today we see Mali, Niger, and Burkina Faso on the casualty list again. There is something very wrong. The majority of the appropriated funds are channeled through private voluntary organizations for the distribution of food and the implementation of long-term development projects. Although in certain small villages improvements have been made, most of the Sahel and other affected regions of Africa remain in their arid environment with nonarable land. We are in desperate need of a long term program to revitalize Africa's ability to subsist on her own. We can no longer continue to treat the symptoms of a worsening disease.

In 1900, Ethiopia consisted of 40 percent forest, while today only 4 percent of Ethiopian land is covered by forest. Along with this rapid depletion of trees, which are essential to maintaining soil productivity, agricultural production has declined 1 percent a year since 1967, and the population has exploded. Even of more concern is that there appear to be no measures in sight for agricultural planning or population control to stop this trend. The facts have not been kept secret. Ten years ago the Agency for International Development published a report mentioning that Ethiopia was losing 1-billion tons of topsoil a year. We paid no attention to Africa's plight at the time, which, if addressed could have prevented the present day crisis. In light of the budget, we can no longer afford to act on the short term and without foresight. Instead, we must look more closely and in-depth at the issue now, so as to prevent disaster in the future.

Mr. Chairman, call on our development assistance community—particularly the Agency for International Development—to spend these dollars wisely, to focus your efforts on the needs of the poorest, to strive for long-term improvements in the quality of life and threshold level of survival in inhospitable climates—to ensure that American foreign aid makes a lasting and positive difference.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 1239, urgent supplemental appropriations for emergency famine relief and recovery in Africa, a measure designed to assist over 14 million people in 20 countries of Africa to escape death or permanent disability due to a lack of food. It is with a sense of alarm that I urge all of my colleagues to support this emergency legislation.

Specifically, this initiative will provide: $480 million for food relief to be expended by September 30, 1985; $225 million for food reserves to be used, if needed, between the date of enactment and fiscal year 1986; $120 million of commodity sales of food to affected countries at discounted prices; $137.5 million in refugee assistance funds.

H.R. 1239 also sagaciously directs the Agency for International Development to utilize as much as possible private voluntary organizations in carrying out the food assistance programs provided for in the bill. The process of emphasizing private voluntary organizations will enhance the likelihood that food assistance reaches those in greatest need in the most timely and efficient fashion.

This legislation is a manifestation of the humanitarian impulse and compassion of the American people, who have a history of helping others once the need is apparent. The passage of H.R. 1239 will permit our Nation to meet its traditional share of the emergency food situation that is not estimated to exist in Africa, approximately 50 percent of the food deficit.

While I join my colleagues in their enthusiasm for this legislation, we all know that there is also an urgent need for a comprehensive program by which our country can join in a partnership with the affected nations of Africa to address the challenge of agricultural production and development. With this in mind, like many of my colleagues, I will be anxious to see a comprehensive program developed and implemented by our Agency for International Development as we consider proposals of fiscal year 1986.

Again, Mr. Chairman, I urge passage of H.R. 1239, urgent supplemental appropriations for emergency famine relief in Africa.●

● Mr. STOKES. Mr. Chairman, I rise in strong support of H.R. 1239, a bill providing a total of $880 million for African relief efforts. I want to express my appreciation to Chairman WHITTEN and to the other Members who have fought for the expeditious consideration of additional appropriations for food and other assistance to Africa.

We are indeed facing a crisis situation in Africa today. At the present time, 18 countries including Ethiopia,

Sudan, Chad and 20 other African countries are in desperate need of food. The unrelenting famine in Africa has created a human tragedy that is simply horrifying. More than 150 million people—one third of the African continent—have been affected by the famine and drought, and more than 10 million people are at risk of starvation.

Mr. Chairman, our Nation, with its wealth and agricultural productivity, can well afford to lead the world in providing the necessary leadership and humanitarian assistance to Africa. Television and American public opinion have galvanized this Nation into doing what it should have done 2 years ago. The American people have acted as the conscious of our Government. Now, the United States Government and private relief agencies are coming together to meet Africa's most immediate needs. In the 2 months since fiscal year 1985 began on October 1, 1984, almost five times the fiscal year 1984 amount of assistance has been committed—215,000 tons of food worth $98 million. Most of this aid is for food assistance, but more than $6 million is being spent on medicine and supplies and nearly $3 million to charter airplanes for inland deliveries.

We are racing against the clock, however, to save lives, and much, much more remains to be done. H.R. 1239 includes $480 million for food and transportation of food to Africa under the Public Law 480 Food for Peace Program along with a $225 million reserve fund to be available upon presidential notification to Congress that it is needed. Additionally, H.R. 1239 provides $175 million for medical supplies, clothing, agricultural implements and other items needed for the relief efforts.

Mr. Chairman, the entire continent of Africa could be decimated within 2 to 5 years if we do not provide the immediate food assistance which is needed and, for the long term, provide the technical assistance needed for building Africa's self-sufficiency. The passage of H.R. 1239 must mark one milestone in a continuing and long-term strategy to help the continent of Africa to help itself.●

● Mr. WIRTH. Mr. Chairman, I am pleased by the House's expeditious treatment of H.R. 1239, providing supplemental appropriations for African famine relief, as well as H.R. 1096, which we dealt with on Tuesday. The unanimous bipartisan endorsement by House committees of this vital legislation indicates to me that America's legislators have fully heeded the public's concern for this ravaged continent. And I think it goes without saying that this legislation deserves the same support on the floors of both the House and the other body.

But Mr. Chairman as we approve H.R. 1239, let's avoid the temptation of self-congratulation, and put our legislative achievement in a proper perspective.

Sub-Saharan Africa has been afflicted by a drought that has lasted for over 6 years. The result has been massive desertification of the region, with the Sahara engulfing arable lands, water reservoirs and even Africa's skeletal road and rail networks. Several years ago, it was clear to the international community what the consequences of desertification would be: famine.

What are the signs that indicate the onset of famine? First of all, the prices of foodstuffs rise dramatically. As many as 2 years ago, prices for cereals in the Sudan, Mali, Ethiopia, Burkina Fasso, and other countries in the Sahelian swath, were tripling and quadrupling. Today, prices of food, mostly food aid diverted to the black market, are astronomical. In the Sudan, for example, food prices have risen approximately 600 percent over the last year.

Second, famine conditions are revealed by a slack livestock market. As food becomes scarce and people resort to cash purchases of food, farmers inundate markets with whatever livestock they have earn cash, and prices plummet. Again in the Sudan, livestock values have deteriorated by twentyfold in the last year.

The final indication of famine is widespread migration. Particularly in rural Africa, where ancestral roots run deep, migration is a last desperate attempt to survive. In the Sudan, it is estimated that at least three million indigents are locked into an endless internal migration. The numbers of these migrants swell on a daily basis, and are checked only by the deadly scourges of starvation and malnutrition that linger on the heels of every nomadic group.

We have had these indicators of famine in our sights for several years now. How have we responded to those signals? We have, of course, given a substantial amount of food aid. But that aid, while well-intended, has been born of shortsighted analysis. On an annual basis, the international community, led by the United States, has donated food aid to alleviate the short-term suffering of the African people. We have provided enough food aid to fill the gaps in Africa's tottering food production and distribution structure.

But as we have moved to reinforce that structure, we have ignored the rapid erosion of the foundation supporting it. Little has been done to reverse the tide of desertification. Little has been done to resettle refugees in an organized manner. And little has been done to instruct farmers in effective agricultural techniques that can cope with the not-insurmountable problems of drought. After all, although we may pin the responsibility for famine on the shortage of rainfall, this reasoning does not explain the ability of Zimbabwe to dramatically increase its annual wheat production during 4 years of drought.

Ultimately, we must live with the knowledge that we have not done a complete job of assisting the African peoples prepare for a drought whose worst consequences could have been averted. And what is the result of our inadequate response to the African drought? The result is indicated by the contents of H.R. 1239—$880 million not only for food aid, but also for long-term development assistance, refugee resettlement and disaster relief.

But what is $880 million in the face of the devastation of an African drought that has continued unabated for 6 years? Let me turn again to the Sudan. And let me also note that my obvious concern about the Sudan stems from my belief that this country's plight is emblematic, in fact a magnification, of the food situations of countries throughout the Sahel.

The Sudan's annual crops of sorghum and millet have been devastated by lack of rain. Almost all food that feeds the Sudanese is imported and paid for by foreigners, because the government possesses no more foreign currency reserves. Fuel costs approximately $40 per gallon—in a country of extraordinary size and distances, this is not a cost to take lightly. Already, millions of Sudanese are wandering between makeshift camps in search of water and food. People are begging the drivers of relief convoy trucks to let them drink from the trucks' radiators. In addition, hundreds of thousands of Ethiopian refugees are pouring across the Sudan's borders from the provinces of Eritera and Tigre, with the same medical and food needs as the starving Sudanese.

As of now, the Sudanese camps are receiving small amounts of relief aid. Filmed reports from the British Broadcasting Corp. show camps of as large as 100,000 people with no food. As one of the presiding docters in the film notes, the Sudanese are being left to die under the careful supervision of workers from the International Red Cross and the U.N. High Commission for Refugees. Even if we choose to send emergency aid to the Sudan, even if we allocate a major share of H.R. 1239's funding for the Sudan, it is unlikely that we will be able to ship food to those who need it most. The Sudanese camps are connected with Khartoum largely through a network of dirt paths that will be washed out by even light rains in the imminent wet season—it will be impossible for heavy vehicles to transport vital food aid and agricultural implements along these paths for at least several months. Costly airlifts will not make a significant dent in the Sudan's food deficit.

Relief workers are conservatively estimating that the result of current

famine conditions will be a 40-percent casualty rate. As the aid impasse is widened by the wet season and other delays in aid transmisison, that rate will likely increase.

This is a horrendous situation. And we have not even begun to deal with the long-term needs of the Sudan. Any aid effort now can do nothing more than attempt to save lives threatened by starvation. Once we have saved those lives and regular rainfall returns, we will still be left with a country that has seen its arable land reduced, its people relocated, its treasury emptied, and its economy destroyed. Other countries in the Sahel will face a similar scenario.

The saddest aspect in this consideration of Africa's plight is that we cannot hope for a better scenario than the one I have outlined. Therefore, it is important that we recognize that H.R. 1239 is but the first step in the very long and costly process of assisting sub-Saharan Africa's resurrection. The commitment required of us and the international community in this regard may be great, but the costs of inaction will most assuredly be greater. The famine we are now witnessing proves beyond the shadow of a doubt the incredible size of those costs.

Today, the House, by approving H.R. 1239, will indicate its allegiance to this commitment. I commend my colleagues for their quick action on this legislation. In particular, I wish to thank Chairman WHITTEN for his foresight in disallowing the mixing of this vital appropriations bill with any other—we have learned from experience that that is not a wise course. To my commendations, I attach an urgent plea that we not let this matter rest after voting for H.R. 1239, but rather that we carefully monitor the needs of all African countries and respond in a timely manner to not only their short-term, but also their long-term requirements. If we do not, we will not be able to brush off the recurrence of famine in this haunted continent as something beyond our control.●

● Mr. ACKERMAN. Mr. Chairman, I rise in strong support of H.R. 1239, urgent supplemental appropriations for emergency famine relief and recovery in Africa. I cannot express in strong enough terms the imperative for expediting passage of this measure, and moving rapidly to conference once the Senate has acted on a companion bill. Any delay will allow the deaths of innocent people who depend on the generosity of the American people for their very survival.

During my most recent trip to Africa, I had the opportunity to witness first-hand the benefits of our aid program. In the area around Efison, in northern Ethiopia, the world-renowned relief and development organization Save the Children is operating a unique program designed to keep people in their homes, so that they may avoid the horrors that accompany life in the dismal feeding centers found throughout Ethiopia.

Mr. Chairman, the efforts of Save the Children, and the work of all the private voluntary agencies operating on the African Continent, deserve our strong support. Not only do the relief workers have to contend with this tragedy on an ongoing basis, but also they must use every ounce of their seemingly endless creativity and determination to implement their programs, which save human lives. After viewing the work of these people, who give of themselves month after month with unrelenting dedication, and under significant emotional strain, I must speak out emphatically in support of this bill.

Probably the most important aspect of this legislation is its comprehensive approach to the relief of famine conditions that afflict more than 20 countries on the African Continent. Food alone does not provide a panacea to this problem. As part of the package we are voting on today, $137.5 million would be provided for nonfood assistance, including funds for rehabilitation and recovery projects, and for inland transport of relief supples. From my discussions with relief organizations, I am fully conviced that the United States contribution to the African food crisis must include means for moving the food from the ports to the distribution sites. There is nothing more frustrating to the voluntary agencies than to have the grain in the country, but not to have the means to transport it to the hungry people who so desperately await its delivery.

Another important section of this legislation would provide $2.5 million to monitor the delivery and distribution of food and disaster assistance. At a time when the American taxpayer is being asked to make great sacrifices, it is incumbent upon the Congress to ensure that our contributions to the famine victims reach their intended recipients. This bill enables the U.S. Agency for International Development to work in cooperation with the voluntary agencies to make absolutely certain that there is no diversion of our food aid.

Finally, I would like to stress that the relief workers on the ground expressed their deep appreciation of the American response to the food crisis. The agencies applauded the American actions so far, but implored our congressional delegation to make sure that the United States uses its leadership position in the world to encourage greater worldwide donor participation in the relief efforts. We must remember that the response of the United States, as demonstrated by the passage of the supplemental appropriations bill, is watched carefully by the other donor nations, and will have a significant impact upon their contributions as well.

Mr. Chairman, the passage of this legislation today will be a clear demonstration to the world that the United States has taken swift and bountiful action in response to the famine. It is now time for others to match American generosity in order to save the lives of human beings who have no choice but to wait for the help that the rest of the world can and must provide.●

● Mr. LEHMAN of Florida. Mr. Chairman, I want to urge all of my colleagues to support this supplemental appropriations bill for African famine relief. I also want to commend the chairman of the Appropriations Committee, Mr. WHITTEN for the swift action he has taken to bring this bill through the process.

These funds for food aid, commodities, and for disaster and refugee assistance are absolutely essential if we are to get the necessary assistance to those suffering before the rainy season threatens spoilage and makes the delivery of these goods more difficult than it is now. Included in this legislation is $2.5 million for the Agency for International Development to use for monitoring to assure the proper use of these funds.

Time is quickly running out for an increasing number of people directly affected by the drought and in immediate life-threatening situations. It is no longer a matter of life or death, but a question of how many will survive.

This bill is both generous and responsible. I urge my colleagues to join me in supporting it today.●

● Mr. PANETTA, Mr. Chairman, I applaud the House's swift action on appropriations for the relief of famine in Africa. Over the past few months, Americans have awakened to the tragedies of desperate Africans starving amidst persistent drought and ineffective humanitarian relief efforts. Each day 100 Ethiopians die from starvation. Another 7 to 8 million Africans wait on the brink of death.

Yesterday, the House passed an authorization bill which will greatly aid the African peoples in their hunger plight. The bill earmarks an additional $175 million in authorization for disaster assistance, AID operating expenses, and refugee shelter and health efforts.

Few can appreciate how far or long the Africans must travel for the smallest morsel of food. Africa has the largest refugee and displaced person population in the world. Millions of its people travel hundreds of miles by foot in search of food. They frequently despair when their pilgrimage leads them to a destination where food supplies have been depleted and new shipments have not arrived.

We must reach the famine-stricken people of Africa. I believe our swift action to appropriate $175 million in disaster and refugee assistance and another $825 million in direct food aid is a beginning. The Agency for International Development will take the lead in arranging for the cross-Atlantic transportation, port monitoring, and inland delivery so necessary for our food resources to reach feeding centers. Equally as important as the food surpluses which we donate to end the hunger crisis, and the reserve we create to avert a future emergency in Africa, is our long-term plan to assist underdeveloped nations in their struggles to till the land. We in America have so much to offer in skills and training. Through cooperation with international relief agencies, and by direct contribution of our talent, we can offer the African nations an opportunity to plan and produce crops which will yield an improved food crop to feed their peoples.

In this hour of crisis, I am pleased that the Congress is willing to appropriate funds to end the suffering of the African people.●

● Mr. FRENZEL. Mr. Chairman, I will vote for this bill. The drought and resulting famine in Africa is appalling. Americans ought to be proud of their efforts so far. We ought to continue to do what we can to help as long as there is need.

Of the spending limits set by the Appropriations Committee itself on February 25, 1985, the allocation to the Foreign Operations Subcommittee is $17.191 billion. The regular appropriations for foreign assistance was included in the continuing resolution in October, and cost $14.325 billion, plus direct loan operations of the Export-Import Bank.

The program level for direct loans by the Export-Import Bank included in the foreign assistance appropriations is $3.865 billion. In constructing their baseline estimate for spending programs, the Congressional Budget Office estimates that a program level for Exim direct loans of $3.865 billion is associated with a true budget authority effect of $2.866 billion. The House Budget Committee used the same estimate. Not surprisingly, the sum of Exim budget authority as estimated by CBO and the other regular appropriations contained in the foreign assistance adds to $17.191 billion—exactly the same as the allocation made by the full Appropriations Committee to its Foreign Operations Subcommittee. That limit is unsurprising since the allocations were made after all spending bills were adopted, and the budget passed.

That means that there is no money left to be spent by the Foreign Operations Subcommitee. Their allocation is exhausted.

The Appropriations Committee, in fact, established as a part of its allocations a reserve fund for supplementals. That reserve fund can accommodate the African Food Relief supplemental. Those interested in maintaining some integrity in the budget process can vote for this bill in good conscience. However, the amount of the supplemental attributable to the Foreign Operations Subcommittee, $175 million, must be subtracted from the supplemental reserve fund. If we are serious at all about our budget, we cannot count allocations twice.

Mr. Chairman, this is a necessary, lifesaving bill. I urge my colleagues to vote for it. I will try to insert some note of caution, however, that we do not spend what we do not have. Future supplementals will have to be accommodated by a slightly smaller reserve fund.●

● Mr. KEMP. Mr. Chairman, I support this bill. I want to compliment Chairmen WHITTEN, CONTE, and OBEY and the members of the Foreign Affairs Committee for their hard work to bring this much needed legislation to the floor of the House. It was a pleasure to be part of the bipartisan effort for humanitarian aid. These members efforts represent the best of America; a concern for those in suffering and in need, and a willingness to make sacrifices for the less fortunate in the world.

There are few Americans who have not been deeply moved by the terrible plight of the starving millions of sub-Saharan Africa. As a people, we have opened our hearts and pocketbooks to them. We hear stories of churches and synagogues who have committed their entire budgets to providing food assistance, and of everyday Americans who have made great financial sacrifices to aid the starving.

The U.S. Government has responded in a similar fashion; we now provide about half of total world aid and will spend $1 billion this year in food aid, disaster, and refugee assistance.

But in meeting the emergency food needs of Africa caused by the acts of nature, we should also insure that the acts of government are those which will help Africa feed itself.

Over the past two decades, per capita food production in Africa has dropped by 20 percent. Agricultural policies across the continent have failed miserably, in large part due to tax policies and state run marketing order systems that give farmers little incentive to grow food. But we in the West are partly to blame as well. For too long our experts have used Africa as a laboratory for economic development schemes that have already proven a failure at home.

We in Congress need to make much needed reforms in our development policies: so that these policies reward initiative and promote production. This means that our aid should encourage governments in the developing world to do away with price controls that tell local farmers not to plant, with tax systems that punish hard work, and with agricultural plans whose only harvest is increased dependency and starving citizens.

But to make these reforms we need to know more about the current state of government agricultural policies in the countries aided under this bill. To that end Chairman OBEY and I will be requesting such a survey from the Administrator of AID. Good policy—the kind that will encourage increased food production—requires good information. Mr. OBEY once told me that we are starting this year's foreign appropriation request at zero dollars; every dollar spent must be accounted for.

By getting a better understanding of the influence of government policies on food production, I think our subcommittee will produce a bill later this year that will head our development policies in the proper direction.

Listening to the floor debate the other day on the authorizing legislation for famine relief, I was struck by how many members on both sides of the aisle expressed concern that the food and disaster assistance reach those truly in need, and not be used as some sort of political weapon. We in the subcommittee addressed this and other concerns about wasteage and fraud by including report language defining the purposes of the $2.5 million monitoring fund provided to AID. To quote from the report.

> The committee wants AID to closely monitor food and disaster assistance to ensure that goods and services are truly being delivered to meet the needs of the people impacted by the famine, and that aid is being distributed to all those in need regardless of political belief, geographic location, or tribal association; and that food supplies are not being diverted by local governments to other than famine relief uses.

During the debate in subcommittee, Members of both parties raised questions about the $137.5 million in disaster assistance. We wanted to be sure that the aid was to be used for emergency needs only, and not to fund programs that should more properly be addressed in the regular appropriations bill. To that end the report also includes language that directs AID to report each month to verify that these funds are being used for emergency purposes.

Our concern for the physical health and well being of the drought victims must also be extended to a concern for their human rights. Where we see the starving we also see oppression, where we see the dying we too often see the death of even the simplest human freedoms; forced resettlement programs, religious persecution, police state tactics, and starvation used as a

political weapon. Congress, the administration, religious groups, and all concerned Americans must be unceasing in our efforts to bring freedom to those oppressed by uncaring and cynical governments.

Today we send food to restore health to starving millions; in the months ahead I hope this and other committees will send policy signals that will restore political and economic health to the governments and economies of the drought region.●

● Mr. LUNDINE. Mr. Chairman, I rise in strong support of the bill before the House today which would provide critical relief to many of the starving people in sub-Saharan Africa. It is a tribute to the Congress that we have been able to act quickly and decisively to bring this legislation to the floor of the House early in the new Congress. I would also note the voluntary efforts which have been made and continue to be made to address this crisis by the people of the United States through our churches and charities.

The bill will provide critically needed food, medical supplies and other necessities to the drought stricken countries of Africa where as many as 150 million human beings have been affected by disastrous weather conditions and where 10 million people are in immediate danger of starvation.

As important as the immediate food aid and disaster relief provided are the funds for seeds, fertilizer, pesticides, livestock, health care, and agricultural projects. We must address the long-term as well as the short-term problems of Africa. The problems created by drought and the overall economic crisis in Africa have not come about only in the last 3 years. They are the result of a long-term deterioration. Annual per capita grain production in the 24 countries most seriously affected by the drought has been falling on the average of 2 percent a year ever since 1970. If this trend continues, per capita grain production will be lower in these countries in 1988 even with adequate rainfall, than it was in the drought year of 1984. Obviously, something must be done to reverse this trend.

A long-term development strategy must include a greater emphasis on human resource development, greater self reliance, greater economic integration, and scientific and technical progress. Changes must be made in education and training to ensure greater relevance to the needs of African economies. Agricultural projects must be oriented toward the small landholders who make up the majority of the African population rather than targeted at large farms as has been the practice of the past. Resources must be used efficiently and the infrastructure necessary to development must be built.

These changes cannot be made successfully if we are not willing to provide the financial and technical support necessary to bring them about. I believe that along with our own bilateral efforts we must continue to support the multilateral development institutions as they take steps to address the long-term crisis in Africa. It is only with the joint endeavors of all that we can succeed. Again, I praise the tireless work of my colleagues who have made this legislation a reality and I urge all the Members of the House to support passage of this bill.●

● Mrs. LLOYD. Mr. Chairman, I oppose foreign aid but the situation in Africa is one of the great tragedies of our time. As my colleague from Michigan [Mr. WOLPE] expressed so eloquently yesterday, "This is not just an African crisis, it is a human crisis."

The need has been well documented—hundreds die daily and as is our tradition, America has risen to the call for help. We must act quickly to get this aid moving to the suffering millions and this bill will go far to relieve the immediate misery.

I have been disturbed by reports that food aid is being diverted and that civil war is hampering relief efforts into Eritrea and Tigray. We must continue to apply pressure to the Ethiopian Government, and to the Soviet Union, to ensure safe passage. The Ethiopian Government has been lax in anticipating this crisis and in responding to its people. Indeed, it has hindered relief efforts and squandered much needed funds on lavishness. I understand that this aid will be distributed through the private volunteer organizations assuring us that it will, in fact, reach its destination.

We must also recognize this is but a short-term response. If we are to prevent reoccurrences, long-term development must be considered in order to provide African farmers with the means to increase food productivity.

But these circumstances should not weaken our determination to relieve the at-hand suffering and I, therefore, urge passage of this bill.●

● Mr. FEIGHAN. Mr. Chairman, our whole country has rallied in recent months to the devastation caused by extended drought in Africa. Since the first showing on a network news program of the thousands of starving people in Ethiopia, there has been an outpouring of help to the African famine victims. Today, the Congress votes on emergency food aid to these troubled nations; this effort deserves unanimous support.

Two dozen African countries are suffering from severe drought, deforestation and massive movements of starving populations. Although Ethiopia has been in the news most often, many other countries including Sudan and Chad in the Sahel region of the continent have also been devastated.

In Sudan, the crisis grows on a daily basis. There are over 3 million Sudanese famine victims throughout the country searching for food and water. In addition, more than 1 million Ethiopian refugees have crossed into the Sudan, fleeing their own ravaged provinces. The refugee camps cannot sustain the numbers flooding to them, and the relief supplies have been routed to more highly visible centers in Ethiopia and elsewhere.

It is essential that this aid reach the starving masses in Africa. Malnutrition and starvation threaten to take the lives of millions of men, women, and children in the next year if additional food supplies are not delivered. Under this bill, Congress will appropriate $880 million through Public Law 480, the Food for Peace Program. That breaks down into $480 million for food and transportation of food to Africa and within Africa through the Food for Peace Program, $225 million as a reserve should additional aid be needed over the next 2 years, and $175 million for disaster relief assistance which includes medical supplies, clothing, shelter, and agricultural assistance. The bill incorporates the measure from the Foreign Affairs Committee introduced by my colleague TED WEISS.

I applaud the work of my colleagues for coming to this expeditious and responsible compromise and urge the House to pass this necessary legislation.●

● Mrs. COLLINS. Mr. Chairman, I rise to join my colleagues in support of H.R. 1239, a bill which will provide desperately needed emergency relief funds. In all, 150 million people in 27 countries are affected by the drough and famine which has overtaken the African Continent.

It is incumbent upon the United States and our allies to act swiftly and generously to overcome the specter of starvation for so many innocent people.

The measure before us would appropriate a total of $880 million for African famine relief efforts. The funds would be used to pay for food, transportation, and disaster assistance. Unless we show compassion and vote for H.R. 1239, millions of people will die from starvation.

Mr. Chairman, the starving, dying faces of millions of Africans continue to receive front page coverage in the media. My heart pours out to the parents of dying children, the homeless refugees, and the pround but suffering people of Ethiopia, Sudan, Mozambique, and other African nations. Our great Nation must continue its commitment to provide relief to save lives and to avert mass starvation.

I hope my colleagues will join me in answering these desperate calls for assistance. We cannot sit by in comfort

while devastion and drough conditions aggravate famine conditions and condemn millions to painful deaths. Vote for the passage of H.R. 1239.●

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 1239

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

TITLE I

CHAPTER I

AFRICAN FAMINE RELIEF

Public Law 480

For an additional amount for "Public Law 480", for agricultural commodities supplied in connection with dispositions abroad, pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, as amended, $600,000,000 of which $480,000,000 is hereby appropriated and made available through September 30, 1985: *Provided,* That not to exceed $120,000,000 of the above program level of $600,000,000 (including $90,000,000 provided by Public Law 98-332) shall be available through September 30, 1985, from Commodity Credit Corporation inventory for sale on a competitive basis or barter to the African countries requiring emergency food assistance, or any country for use in assisting in emergency food assistance to Africa; and in the event Commodity Credit Corporation stocks are not available, the Corporation may purchase commodities to meet emergency requirements: *Provided further,* That not to exceed $100,000,000 of the above appropriated funds shall be available for inland transportation upon certification for each country by the Administrator of the Agency for International Development that without such funds the delivery of the emergency food would not be possible or would not take place in time to prevent starvation or unacceptable levels of loss or spoilage.

CHAPTER II

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", $137,500,000 for emergency relief and recovery assistance for Africa.

OPERATING EXPENSES

Of the amount appropriated in this Act for "International disaster assistance", $2,500,000 shall be transferred to "Operating expenses of the Agency for International Development", to be used for monitoring food and disaster assistance in Africa.

DEPARTMENT OF STATE

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 2601(c)), $25,000,000.

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", $12,500,000 for emergency assistance in Africa.

Mr. WHITTEN (during the reading). Mr. Chairman, I ask unanimous consent that title I of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. Are there any amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II

FUNDS APPROPRIATED TO THE PRESIDENT

EMERGENCY RESERVE FOR AFRICAN FAMINE RELIEF

In addition to funds and authority provided for in chapter I of title I of this Act, $225,000,000 to remain available until September 30, 1986, is provided as an Emergency Reserve for African Famine Relief for title II of Public Law 480, including inland transportation, to be used if funds and authority provided in chapter I of title I are exhausted and the Administrator of the Agency for International Development prepares and submits to the Congress a plan to utilize such additional funds for African famine relief. Before such funds may be obligated or expended, the President shall certify that the use of such funds is essential to famine relief in Africa.

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III

GENERAL PROVISION

Funds and authority made available in this Act which have not previously been authorized shall not be obligated until authorized: *Provided,* That none of the funds in this Act may be used to reimburse the Commodity Credit Corporation for the cost of wheat released from the Food Security Wheat Reserve: *Provided further,* That before funds provided in this Act may be obligated or expended, the Administrator for International Development shall certify that a plan has been established, on a country by country basis, that will ensure effective use of the funds and that the food provided by this Act will be delivered in a timely and efficient manner and be distributed to those most in need.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, without amendments, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HOWARD] having assumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill, H.R. 1239, making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1189, and that I may include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objections.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR EMERGENCY AGRICULTURAL CREDIT

Mr. WHITTEN. Mr. Speaker, pursuant to the rule adopted earlier today, I call up the bill (H.R. 1189) to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes.

The Clerk read the title of the bill.

The text of the bill, H.R. 1189, is as follows:

H.R. 1189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Agricultural Credit Appropriations Act".

DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

AGRICULTURAL CREDIT INSURANCE FUND

For an additional amount for guaranteed loans under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928-1929, $1,000,000,000, which shall be in addition to the $150,000,000 provided in Public Law 98-396 and the $500,000,000 made available by Public Law 98-473. Such funds shall be available in order that farm producers may obtain the necessary financing for calender 1985 operations. Such funds shall be used to prevent foreclosure of farm loans through extending the period of repayment of existing loans and the reduction in rate of interest, or other measures including those authorized by law: *Provided,* That this provision shall apply to loans to farm producers who have been engaged in farming operations for at least five years and

whose total indebtedness exceeds three-forths of the value of the farm and equipment, or equipment if renting the land. Such guaranteed production loans shall not exceed $750,00 in any one case.

SALARIES AND EXPENSES

For an additional amount for salaries and expenses, $17,000,000, to provide for the review of farms loans held by the Farmers Home Administration to determine, on a case-by-case basis, which borrowers are unable to continue making payments of principal and interest due to circumstances beyond their control and, thereby, qualify for temporary deferral of principal and interest and the foregoing of foreclosure as authorized by law. Upon presentation of substantial evidence to the Secretary that a borrower qualifies, payment of principal and interest shall be suspended and the Secretary shall forego foreclosure of loans owed to the Federal Government, as authorized by law. Other creditors shall be requested to postpone payments due.

ECONOMIC RESEARCH SERVICE

For an additional amount for the Economic Research Service to determine the losses suffered by United States farm producers of agricultural products during the last decade as a result of embargoes on the sale of United States agricultural products and the failure to offer for sale in world markets commodities surplus to domestic needs at competitive prices for use in determining what part of existing indebtedness of farmers should be canceled as a result of such foreign policy, $500,000.

SMALL BUSINESS ADMINISTRATION

The Administrator of the Small Businss Administration shall use loan guarantee authority available to the Agency to make loans to restructure existing loans of producers of agricultural products, as authorized by law.

The SPEAKER pro tempore. Without objection, the first reading of the bill is dispensed with.

There were no objections.

The SPEAKER pro tempore. Under the rule, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, yesterday the House and Senate passed farm bills, bills which were considerably different—and most Members from farm areas have different views as to each. Today's news shows the wide differences which must be resolved. Whatever the outcome a settlement will take time, so much time that finances will not be available for many farmers, unless we act quickly.

Anticipating this situation on February 6, 1985, I introduced a bill which was referred to our Committee on Appropriations. On February 21, 1985, my bill was reported by our committee as H.R. 1189.

This bill provides $1,000,000,000 in guaranteed operating loans to meet the immediate credit needs of farmers. These loans will allow credit-squeezed farmers to plant their 1985 crop while the Congress designs new farm legislation directed at remedying the situation.

These loan guarantees have no impact on the budget and no impact on the deficit. The loans will be made by banks or other financial institutions. They will be used to prevent foreclosure through extending the period of repayment of existing loans and the reduction of rate of interest or other measures as authorized by law, in order that farm producers may obtain the necessary financing for calendar 1985 operations.

The bill also recommends an appropriation of $17,000,000 for salaries and expenses of the Farmers Home Administration for that agency to determine, on a case-by-case basis, which borrowers are unable to continue making payment of principal and interest due to circumstances beyond their control and, thereby, qualify for temporary deferral of principal and interest and the foregoing of foreclosure.

We also recommend an appropriation of $500,000 to the Economic Research Service to determine the losses suffered by U.S. farm producers during the last decade as a result of such Government actions. The results of this study will provide a basis for determining what part of existing indebtedness should be canceled as a result of such foreign policy decisions of the U.S. Government.

□ 1430

Mr. Speaker, may I also say that several things were said in the debate on the rule that I would like to clarify. In the first place, I cannot see how anyone could oppose this bill. You cannot opppose this bill if you want the American farmer to have money to plant a crop this year.

Further, the loan guarantee authority exists now under the law. This bill says that the Secretary of Agriculture shall proceed immediately to make available loans in time for the farmers to make a crop this year. I realize there is a whole lot of difference of opinion about the two agricultural bills that passed the House and Senate yesterday. But while the differences in those two bills are being resolved, we make it possible for the Secretary of Agriculture to use existing law so that farmers may have a crop this year.

Personally, Mr. Speaker, I would like to point out that the American farmers were led to produce the overproduction that is claimed at this time by our own Government. Not only were they promoted into doing this, but after they did that, then an embargo was declared which bottled up their production in this country. After the embargo was declared, the middleman who bought American commodities, but was prohibited from delivering it to Russia and other places, we paid them, but the farmer who produced the commodities, we did nothing to relieve him of his loss. His Government encouraged him to produce and then bottled up his production within the country.

Mr. Speaker, American agriculture, as an industry, is the biggest industry and employer in our country. As an industry, it is bigger than the auto, steel, and housing industries combined. It employs one-fifth of our people and accounts for one-fifth of our gross national product.

Yet today, farmers are facing the most severe financial crisis since the 1930's. Net farm income is down and production costs are up. The farmer's share of the consumer dollar continues to decline—from 51 cents in 1946 to 27 cents today. Industry and labor share has increased in the period from 49 to 73 percent.

The original farm bill was to restore the purchasing power of American agriculture; to make it a true partner in the three major factors of our economy, agriculture, industry, and labor. It is industry and labor's biggest customer.

The question we have here is what shall we do?

GOVERNMENT IMPOSED EMBARGOES

The record shows that on five occasions your Government has embargoed the export of American farm production, after encouraging the American farmer to increase his production. Not only do they recognize now that embargoes have caused this damage but in addition to that they have said that no restriction on exports will be imposed in the future.

So the Government has agreed to not do this any more.

Let me repeat again, this bill provides that the Secretary of Agriculture shall use his authority to guarantee loans as he already has the authority to do. It does not effect the budget, but it does say that while we are arguing about the farm bill and about the future that the Secretary shall use existing authority to proceed to make thse loans.

I have here a report which shows that nearly all the high level people in the Department of Agriculture have left the Department or moved on to a new position where they cannot be held accountable. We have provided $17 million so that we can hire the people necessary to handle the paperwork of keeping the farmer in business. Not only that but we have provided $500,000 to find our how much of this debt is caused because the government encouraged him to plant, encouraged him to spend his money to expand his production and then froze his commodities here in this country so that he could not export.

We also want to find out how much it cost the American farmer by the Department of Agriculture failing to offer our surplus production for sale in world markets at competitive prices as we are authorized to do by the charter of the Commodity Credit Corporation. Again this can be viewed as this a message by the Congress, "Mr. Secretary of Agriculture proceed now with the authority you have under law to make available loan guarantees so that the farmer can make this year's crop while the Congress gets together on a farm bill for the coming year."

I hope the Members will support our bill. I do not see how, in view of the bill we just passed, where we are providing emergency food for Africa, and that is the greatest advantage that we have over Russia, that we can fail to keep our own people in business. Especially where we as a Government have contributed largely to the predicament they are in in a financial way.

We had the Secretary before us yesterday and in answer to a number of questions he said he believed that present law is as far as he can go. This does use the present law while the Congress settles the differences in the bills that passed the House and Senate yesterday.

I urge you to vote for this bill. Let the farmer make a crop this year.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I yield such time as she may consume to the distinguished minority leader of the Subcommittee on Agriculture Appropriations, the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. Mr. Speaker, I first want to commend our chairman, the gentleman from Mississippi [Mr. WHITTEN] for his dedicated leadership on behalf of agriculture.

Mr. Speaker, I rise in support of this urgent supplemental appropriation for agricultural credit, H.R. 1189.

Much has been said these past few days on behalf of our productive farmers who today face the dimmest economic conditions experienced in the agricultural sector in the past 50 years.

With the 1985 planting season only a few short weeks away, our expedient action is especially critical. Consider the following facts, which accentuate the magnitude of the problem:

First, the average farmer in the central United States under 45 years of age is leveraged in excess of 60 percent.

Second, the $80 billion Farm Credit System will lose more this year than ever before—an estimated $364 million.

Third, 37 percent of the problem banks in the United States are agricultural banks.

And let's realize what is at stake here. Farming is the Nation's largest industry, employing as many as the combined work forces of the transportation, steel, and automobile industries.

In all, fully 22 percent of our work force, or 23 million individuals, work in agriculture-related industries throughout our country.

Our trillion dollars' worth of farm assets are equal to about 70 percent of the capital assets of all manufacturing corporations in the United States.

Our export surplus of agricultural products, which will total about $18 billion this fiscal year, is one of the few bright spots in our $123 billion balance of trade deficit—this in spite of a record-high dollar.

The significance of agriculture extends to all our cities, to all our States, including the most populous, California and New York.

I urge your support of this package to help lend some stability to this most-important agricultural sector. This measure is not a budget-buster. The $1 billion in additional loan guarantees will have no impact on the current-year budget deficit, and according to our Congressional Budget Office, will result in net outlays of only $50 million over a period of 4 fiscal years.

To help administer this expanded loan guarantee program, this bill provides for an additional $17 million in salaries and expenses for the Farmers Home Administration. These moneys will help to augment the loan personnel that are so badly needed to better expedite this program.

In this Chamber we have discussed the numerous government policies that have contributed to the demise of many farmers and ranchers, not the least of which was the disastrous grain embargo of 1980. This bill appropriates $500,000 to specifically study the negative impacts of grain embargoes and sales suspensions on our agricultural sales, over the past decade.

In total, these provisions can substantially bolster our current loan guarantee effort, at the relatively low amount of $67.5 million, spread over 4 fiscal years.

Fellow Members of the House, I urge your support of this bill H.R. 1189, which is not a bailout for farmers or agricultural bankers, not a budget-buster, but a measure to provide assurance to lending institutions to keep our producers on the land, so they can continue to provide the least expensive and most excellent food known in the world today.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank my chairman for yielding me this time.

Mr. Speaker, I am rising in strong support of this proposed enactment brought from the subcommittee of the gentleman from Mississippi [Mr. WHITTEN].

Mr. Speaker, California has in so many instances in the past been somewhat insulated from our farm crises. But our State is in an acute state of crisis this year just like all others. We are part of the farm depression, perhaps for the first time in many, many years.

We have been hurt by the 40 percent increase in valuation of the dollar, the continued high real interest rates of the last several years and I think a studied neglect of other nations' unfair trading practices which in combination have crippled our State's 250 commodity groups, hitting us just as hard as any of the States dependent on basic grains in the Midwest or South.

□ 1440

We in California are very dependent on exports in agriculture. Thirty-three percent of our cropland was export-related in 1981. Twenty percent of all our production went overseas that year. While exports nationwide, from 1981 to 1984, dropped by some $4 billion, in our State alone they dropped from $4.2 billion to $3 billion in that same timeframe.

Farm income per capita in California as a result during that period dropped by a third, from $3,500 per capita to $2,500.

We cannot simply lay this at the doorstep of overly high price supports because in the fact the same thing has occurred in areas where we do not have price supports.

Cotton and rice have dropped from $500 and $300 per acre net income in 1980 to virtually nothing today, but our specialty crops have also been injured. Almonds and raisins have dropped from $1,600 and $1,000 per acre net to zero during the same timeframe. And, in the case of raisins, to minus $222.

Price supports are clearly not the only issue. Interest rates and the strong dollar are killing agriculture and they are the structural basis of what is wrong with this administration's fiscal policy.

I would like to ask if we could call attention to some other long-term solutions. We have discussed deficit reduction at length, but I think we need to be far more aggressive in trade promotion. We have to adequately prosecute foreign trade violations. My wool growers, my lamb producers, are very interested to see how political the use of our agricultural export tools are in the case, for example, of violations of the ANZUS Treaty that we are currently seeing in the South Pacific.

I would like to urge the Department of Agriculture to sign this bill regardless of what it does with the bill we enacted yesterday, which I strongly sup-

ported as well. This can be used by any Secretary, any administration, that wishes to make voluntary use of their existing administrative authority.

I have seen a plan proposed by the largest agricultural lender in our State that indicates that we could use, with the existing authority available to the Secretary, a new approach, one that would make loan guarantees of perhaps 20 percent rather than the 90 percent that we allowed for yesterday so that we could stretch our guarantee authority far further than has currently been discussed.

For example, if we used a 20-percent guarantee, we could leverage the existing $400,000 limit on any one loan guarantee amount to enable the size of the total loan to as much as $2 million. And that is a far more feasible limit in many instances and certainly one that is vital to the more highly intensively capitalized agriculture in my State of California.

Under this proposal the lender would have to be far more involved. The bank would have to agree to defer to maturity the payment of 2 percent of the interest on each loan, and, in addition, any interest above 15 percent would automatically have to be deferred until the loan was due and payable.

I think that stretching of the loans until payment as required would allow us to do a great deal to make farmers who have adequate cash flow with serious debt problems capable of survival. We cannot save those people who do not have that adequate cash flow. We should not save people who can restructure their debts within their existing assets. But we do have the potential to help many in the middle if we simply will get more involvement from our financial institutions. They can reduce and delay their interest payments and help many more farmers and they want to do it.

They would like to have this kind of flexibility rendered feasible by the Secretary of Agriculture. I spoke to him this morning in the Budget Committee. He said he was not certain he had the authority. Most observers who understand the law that applies think he does. Our delegation from California has asked that he get back to us within a week to tell us whether he can implement such a plan.

I think it is particularly important today, though, that we pass this measure that the chairman has so eloquently authored, discussed and brought to the floor. If we give the tools to the Secretary and we allow him to use in whatever form he wants, this authority, regardless of whether he makes the mistake of urging the veto of the bill we enacted yesterday, then we can place the full responsibility for the future viability of a large segment of California agriculture squarely where it belongs, on the back of the USDA.

Mr. Speaker, Chairman WHITTEN is to be congratulated for his initiative in bringing this appropriations bill to the floor so expeditiously. It will play a key role in congressional resolution of this farm credit crisis. As a member of the Appropriations Committee I am familiar with the chairman's warnings over a period of years that farm policies need to be better implemented, and I know he shares with us all a desire to attack the farm problem on a long-term basis. Nonetheless, we must deal with the compelling problems of immediate survival.

Because California is 3,000 miles away and has a lot of sunshine, people assume it is immune from the agricultural crisis gripping the Nation. That is not true. In the past, because or our diversification—over 250 commodities—disastrous situations with one or several of them tended to get obscured by the relative health of others. Other States more dependent on fewer crops have more dramatic stories when those crops happen to have trouble.

Our diversity and ability to double crop no longer insulates us and California agriculture is in bad trouble now. We suffer as much as if not more than other States from the combination of financial ailments brought on by this administration's fiscal policies: The $200 billion deficits, the continued high interest rates the deficits cause, and the 40-percent increase in the dollar since 1981 also caused by the deficit.

We have suffered also from a persistent and to all appearances calculated failure to properly demand that our trading competitors play by the established rules of international business. We in California note with irony and no surprise the recent unattributed mutterings of our foreign policy establishment to the effect it will no longer seek to protect New Zealand from attempts to curtail some of its current trading policies. These policies very much affect a State with wool growers, kiwi growers, and other farmers in competition with New Zealand. The offense New Zealand has committed is unrelated to agricultural policies—indeed, as far as the State Department is concerned, New Zealand's agricultural policies are not a problem.

To cripple exports is to cripple agriculture, and in a nutshell that has been happening in California as elsewhere. Our exports are down from $4.2 billion in 1981 to $3 billion in 1984, exceeding the national curve dropping from $44 billion in 1981 to $38 billion in 1984. In 1981 exports represented 20 percent of the national production, and consumed 33 percent of our national cropland.

Much of those exports, of course, are in crops covered by the Price-Support Program. The administration likes to pretend that the entirety of this problem can be blamed on the extent to which the Price-Support Program does violence to the sacred if nebulous free market standard.

Adjustments are necessary in the price-support levels. However, California experience tells us that price supports really are not the same factor as the value of the dollar, record real high interest rates, and unfair foreign competition. The records of four California crops—almonds, rice, raisins, and cotton—two under price supports and two not—track each other closely. In 1980, raisins netted about $1,600 per acre, almonds $1,000, rice about $500, and cotton $300. In 1984, they all yielded about $0 profit per acre, with raisins actually going under break even to a minus $222. Little of that can really be laid at the doorstep of the Price-Support Program. These commodities are not unique either; California has been hit across the breadth of its entire range of 250 commodities. Farm income in the State has dropped from $3,500 per capita in 1980 to less than $2,500 in 1984.

Mr. Chairman, assuming that the Government will respond to this structural situation by undoing the things it has done to the farmer—reduce deficits, fight unfair foreign trade practices, promote exports again—we will need to get over this critical immediate period. We need to do more than simply provide loans for this spring's planting. We must help the agricultural community restructure its entire debt load, so the good farmers can bring their debt payments below the level of their cash-flow.

In this regard the Members may be interested in a proposal offered by our largest agricultural lender, the Bank of America. In some parts of the country, particularly where values and costs are particularly high as in California, this plan may serve the agricultural community well. I believe it will help the Federal Government and its fiscal dilemma as well.

The program for credit restructuring would apply to only those farmers whose cash-flow exceeds their current operating costs. It would have the Farmers Home Administration guarantee only 20 percent of a loan, thus allowing loan guarantee authority to be spread over more farms. It would require the lender to defer payment on 2 percent of the interest until maturation of the loan, and require it to defer any interest over 15 percent beyond maturity also. Thus the loan could effectively be stretched over a longer term. This would mean less of a loss to the financial institution and fairer treatment to those other farmers struggling without assistance than would occur if portions of the loan or interest were simply reduced.

The plan would grant regulatory relief, by canceling the requirements that these loans be classified as "nonperforming" and that a larger special reserve be established. This provision would enable farmers and their banks to work out more flexible debt packages, perhaps avoiding the need for any Federal assistance in those instances.

It is my belief that this plan is implementable without any new congressional authority. I believe it may spread relief further, reduce Government exposure, and increase reliance on the banks and farmers to resolve this crisis. This morning I asked Secretary Block during his appearance before the Budget Committee to review the plan and the authorities required to implement it. I would like to encourage this body to remain receptive to any necessity to legislate new authorities so it can be implemented.

Meanwhile I urge my "aye" vote on this legislation today, which will keep the momentum up and assist us in coming to grips with the crisis at hand. Members should also support its attempts to have the longer term problems of agriculture analysed. It's about time that the debate on this issue got off the philosophical biases on which the administration is trying to predicate its weak solutions. The truth is, more than agriculture is failing us, we are overburdening agriculture.

This bill gives the administation tools it needs even if it decides to veto the Emergency Farm Credit Act, H.R. 1035.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Speaker, I would like to ask the gentlewoman from Nebraska [Mrs. SMITH], my good colleague, a couple of questions that I have on the bill.

It appears that we are about to make $1 billion in additional credit guarantees, loan guarantees, available to the people in agriculture and I assume that with the application of good lending practices that we can expect repayment of this money.

Mrs. SMITH of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. I thank the gentleman for yielding.

The CBO has figured the cost on the basis of 5 percent delinquency. That is our Congressional Budget Office. And, yes; the CBO estimates that the cost of it will be $50 million over a 4-year period, the cost of the $1 billion loan guarantee. Of course, we do have $17 million additional for employing additional FHA personnel.

Mr. MARLENEE. Well, we know that there is a credit crisis out there. We foresaw that coming and we had urged the Farm Home Administration to take some steps to alleviate that, to try to moderate that impact when it got here because we knew that when this hit that, farm land values were going to plunge dramatically. It appears to me that that $1 billion would be money well spent rather than seeing a wave of foreclosures if we could in fact restructure some of our farm debt.

I also see that there is $17 million in the bill to provide for review of farm loans. I think that the gentlewoman from Nebraska also probably has experienced a very ineffective bureaucracy within Farm Home Administration simply because they did not and do not have enough personnel to review and service the applications that they already have; is that correct?

Mrs. SMITH of Nebraska. If the gentleman will yield further, those are the facts. The backlog of applications is so serious that this program cannot work unless we get additional help out there. Already help has been transferred by the national office of FHA, some 2,000 people are being put into the areas where the planting time is coming immediately and they must have additional help and this $17 million is to further augment the local personnel that is essential.

Mr. MARLENEE. I thank the gentlewoman.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. Mr. Speaker, I want to commend the chairman and the leaders of the Subcommittees on Agriculture and Appropriations for your fast work to get this particular bill to the floor. I think we all know that time is of essence out there on the farmlands of this country.

This bill basically does three things. One, it provides yes the $1 billion in credit that is necessary for many of our farmers to continue and also for many of our lending institutions to be able to stay with our farmers, because it is that serious out there in the farmland and the country there where many of our farm banks are going under. We have had more bank closures in Oklahoma than since the Great Depression.

The second thing this bill does is allow the $17 million to provide the personnel to review farm loans.

I think this also indicates what many of us know, there has got to be some revamping in the USDA to make it more efficient and more effective in carrying out the programs for the farmer and also for rural development.

But Mr. Speaker, I want to commend the chairman and address the third phase and that is the phase that has $500,000 in it to provide the dollars to review the policies that we have conducted in the past decade that have not allowed us to meet the competitive markets around the world.

The Secretary of Agriculture calls on an agriculture policy and the President has concurred and has endorsed what he calls the free market. Mr. Speaker, I think most of us who are acquainted with the farmers and the agriculture policies of trying to provide international trade of those farm products realize that we do not have a free market system.

□ 1450

But we need to be calling, yes, for that fair market, because you do not have a free market when other governments, other foreign countries, subsidize their products, where other foreign countries actually give metric tonnage bonuses if other countries will purchase their products, and where we have a free market, when other countries will do whatever is necessary to subsidize that export of their product.

Mr. Chairman, I think we all realize that our farmers, basically, have not had a free market when they have followed the advice of the Secretary of Agriculture at a time when we made our last basic good profit on the farm, and that was back in 1972, 1973. When the Secretary of Agriculture said, "Go out and plant fence row to fence row," our farmers responded and did what our Government told them to do. And then the markets were pulled out from under them.

The same thing under the Nixon administration when we had the embargo on soybeans and, yes, under our own administration, when President Jimmy Carter had the embargo against the grain.

A lot of people out there in America said, "Why treat the farmer different?" The farmer has not had a free market. They have been, really, a pawn of whatever Government policy might come down the road. I question our policies, as our chairman has said, a policy that allows us to sell military weaponry to 125 countries that we do sell American surplus food. I question whether that policy is going to lead to the peace that we want around the world if we are not willing to provide the food but if we are willing to actually sell military weapons. I question the policy, yes, that can claim credit for getting inflation down but closes their eyes to the deflation in land values, the loss of land values. In my State of Oklahoma, agricultural land has dropped 30 percent in value 3 years in a row, the first time since the Great Depression, and our farmers have not been able to go in, since they have not made a profit, on one hand, and since they have lost their equity, on the other hand, they cannot go in and refinance those loans and be able to stay in business.

I question the policy that claims credit for dropping interest rates but basically does not claim any responsibility for the largest real interest rates in our history, which has a derogatory or negative impact on the American farmer.

We must move forward with this bill. I think it does a great deal to help solve part of our problem. It is a first step. But we have many other steps to take.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Louisiana [Mr. MOORE].

Mr. MOORE. Mr. Speaker, I rise to support this bill for two reasons. First, to applaud the announcement by FmHA this week of the immediate hiring of 57 temporary additional staff in Louisiana to expedite the processing of farm operating loans. Certainly, this is an important step in getting the current available farm loans to the many farmers who have applied for loans and have been frustrated by the backlog of applications.

As the FmHA has been responsive to the needs of the farmers by stepping up their application processing procedures, so too the legislation we consider today seeks to respond to our farmers' concerns. To further assist in the processing of these vital spring planting loans, the supplemental appropriation which we are considering today will provide $17 million for FmHA salaries and expenses for this additional administrative expense.

Today we are voting on the money bill to pay for the farm financing bill we approved yesterday. I would especially like to point out again the new advanced recourse loan format has a loan rate designed to be cost neutral. The loan rate at slightly more than 9 percent equals the cost of Federal borrowing as represented by the Federal funds rate.

The new advanced recourse loan mechanism is innovative as it provides a draw on funds when vitally needed for spring planting. This equals one-half of the current CCC nonrecourse loan level available at harvest. It is not a giveaway. It is a mortgage on future crops. As it is a recourse loan, it must be repaid in all events. This protects the Federal investment in the farmer.

Again, the advanced recourse loan puts needed funds in farmers' hands at the right time. Our farmers critically need this financial assistance and expedited loan approval process.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may require to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank the gentleman for yielding this time to me.

Mr. Speaker, the family farm, as we in Congress by now well know, is in crisis. Many American farmers are bankrupt, and many more are facing foreclosure. As the spring planting season fast approaches, farm lenders such as the Farmers Home Administration, Production Credit Associations, private banks, and others, are unable to advance sufficient funds to enable farmers to plant this year's crop.

We have been asked this week to support legislation to provide additional funding for loan guarantees to be used to restructure existing farm debt and to guarantee new operating loans for the spring planting. This legislation amounts to billions of dollars in farm credit relief. By some estimates, 10 to 15 percent of the Nation's farmers will otherwise not be extended credit and will face bankruptcy this spring.

As an urban Member, I have routinely supported legislation to provide assistance to the rural areas and to our farmers. My urban colleagues and I have done so again this week.

Present farm law expires this year, and the Congress is preparing new legislation to be enacted at a later date. But the legislative body, unlike the administration, feels that this spring planting season is not the appropriate time to penalize farmers for the unsuccessful programs and failed speculations of the past.

But I must tell all of my colleagues that I am often asked by my constituents, "Why is it that urban Members are concerned about rural people who are drowning economically, while Members representing those urban areas seem to forget that economic crisis hits the cities as well?"

I agree with my constituents that there is often a double standard. I often have the sense that this body grants full consideration to rural people, with economic problems, but that people in the cities who have economic problems do not receive equal consideration. The farmers may now be facing a situation rivaled only by the Great Depression and the Dust Bowl of the thirties, but many people in the cities of this country are continually facing crises of similar proportions.

Bank failures nationwide last year were eight times higher than in 1980. And the number of problem banks increased four times. Business failures tripled between 1980 and 1983. These are problems facing the whole country, not just the rural areas.

In my district, the unemployment levels among young people in the minority communities are running higher than 50 percent. The general unemployment levels for blacks run about 15 percent, and unemployment overall is higher than the national average.

Millions in our Nation's cities are out of work. But, of those unemployed, just slightly more than one-third are receiving any kind of Federal unemployment compensation. And thousands in our cities have no place to live, but current budget proposals would devastate Federal housinig programs. Is it fair that we grant billions of dollars in aid to one of our Nation's populations, and then turn our backs on another?

Many of the people in this country are in desperate need of help. So far, the Congress has refused to follow the administration's proposals aimed at our Nation's farmers. I know that many Members representing rural constituencies regularly support legislation to relieve the suffering of needy people living in the cities. It is my hope that all Members of this body representing rural areas remember our support for their constituencies. All of the needy in this country deserve the attention of this Congress, not just those on the farm. We are after all, in the words of the Pledge of Allegiance, one nation, "indivisible."

Mr. CONTE. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Speaker, I thank my colleague, the gentleman from Massachusetts, for yielding, and I would like to commend the chairman of the committee and the ranking minority member, the gentleman from Massachusetts, for drafting a good piece of legislation. There is one phase in here that is of great interest to me, and that is the one on economic research, where it says studying the impact for "the failure to offer for sale in world markets commodities surplus to domestic needs and competitive prices for use in determining * * *."

It seems to me that that gives us the opportunity to study the impacts of not being competitive in the world market, helping us to develop the tools that we need in a long-range farm program that will take us out of this economic morass that we find ourselves in. The real solution is a long-term farm policy that insures farm income and allows us to be competitive on world markets.

Mr. WHITTEN. If the gentleman will yield, may I say that in hearings before our committee the testimony showed that the farm debt is about $212 billion. It shows that in American agriculture, among those engaged in farming, increased production was promoted by our Government. At that time they envisioned farm sales at a very high level. Subsequently, four different times embargoes were imposed where they could not export. But they had produced for the world market.

Now, if a middle man had brought that commodity and could not deliver it overseas because of the embargo, he was paid. But the farmer did not get anything for his loss.

They also admit they are not going to do it anymore. This will let us find out what the facts are for such use as

we can make in working out the situation.

Mr. MARLENEE. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa. [Mr. SMITH].

Mr. SMITH of Iowa, Mr. Speaker, I support this legislation. Some may say, "Why would a guarantee of a bank loan be necessary at this time?" And that is a good question. One might think that more help than a bank guarantee is necessary. And a guarantee will not solve all of the problems that some farmers have. The fact of the matter is that capital requirements of the American farmer in the last 10 years have perhaps quadrupled. The only place they could secure that kind of capital was to go to the bank to secure a loan. Some of them have had two droughts back to back or had other difficulties. Prices will not support the interest rate that exist now on those loans. And with the higher cost of capital, they simply have not been able to pay the interest, let alone pay off the loans. And so some of them cannot cash flow enough to keep the loan current under the present terms of the loan.

Now, they can reshape the loan, take perhaps a much lower interest rate than they have now, and, in return for that, the Government can give them a guarantee on part of the loan, and in that way the lender can shift in their portfolio what was a nonperforming loan to a Government guarantee. That helps them with the bank examiners, and there is an incentive there for them to do so by reducing the interest rates very substantially on some of these loans. Some of the efficient farmers who cannot pay the rate that is on their present loan, can cash flow these restructured loans, and some of them can then stay in business.

This will not let everyone solve their problems, by any means. Some of them are going to go out of business. A substantial number of them will not be eligible for a Government guarantee under the conditions in the bill, but there are some family-size farms, where the people are making their complete living from the farm or have been trying to, who we think can be saved just by Government guarantees.

Although it will not cost much, we are just using the guarantee authority of the Government that has been used in many, many other ways. We have been guaranteeing $2 to $3 billion a year for small businesses for a number of years, we have guaranteed some big loans that you all know about, so we are just using Government guarantee authority here primarily.

We also add a provision that tells the administration to use a law that has been on the books since 1981 that directs the administration to use the guarantee authority of the Small Business Administration to restructure existing loans.

They have used it in a number of instances for nonfarmers, but small businessmen who happen to be in the business of producing agricultural products have not been the beneficiaries of this legislation.

□ 1500

Normally I would say let FHA do it if they can do it; but the fact of the matter is, there is more work that can be done by SBA in the next 2, 3, or 4 weeks. They should put both agencies to work. They have remaining in the Small Business Administration something like $1.9 billion of guarantee authority for this fiscal year. I am satisfied that if they will let these bankers repackage these loans so that they can make them cash flow and select the right loans, that they can call these loan officers in from the Farmers Home Administration and from the Small Business Administration, and in a few minutes they can look at it and tell them whether or not that loan meets the requirements and approve them. They can meet the time requirements that we are talking about here in this legislation.

So we are giving them the tools to do it, but it is still going to take a commitment by the administration which we have thus far not seen to do this. We granted $650 million of guarantee authority last fall; of that, they have only used $25 million so far. This week they say, they are going to us it. That remains to be seen, but at last with the passage of this legislation, they certainly will have the authority that they need if they are really committed to doing something to meet the problems of these people who can be saved by restructuring their loans. I support the legislation.

Mrs. SMITH of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in strong support of this legislation. It has disturbed me somewhat, what I have heard here on the floor this afternoon. I really had not intended to rise to support this, even though I strongly do support the legislation, but what has disturbed me, I have heard several people say, "I am not going to vote for a bill that just bails out a bunch of bankers." That is not what is happening here. I think the gentleman from Iowa, Mr. SMITH, made it very clear, that what we are really doing is helping some farmers over a very difficult time.

This is not the panacea to the farm problem; this is not going to solve our farm problem in our country. It is an aspirin to relieve the pain until fall. It is a Band-Aid, yes, to get them over the hump. It is just as the gentleman from Iowa said: Unless this is done, there is going to be a lot of farms in the country not producing this year. They are not going to have the capital necessary to plant crops. Ultimately, the American consumer would suffer because there would be fewer crops on the marketplace in the fall to fill the marketbaskets.

Second, the Treasury would suffer because we would not have agricultural products which are still our number one item for export even though it is tough to export today. Balance of trade would suffer also.

So this is not a bill to bail out bankers; the bankers probably have in most cases sufficient security to recover by foreclosing, but that would not solve our basic problem in this country. This bill, hopefully, will not cost the Treasury. If everything turns out, good crops this year, we get a fair price, the guarantee will not have to be exercised, but it is necessary if our farm producers, who often have been put in the posture of today not from their own making but because of farm programs that have not worked. This gives them the opportunity to produce the food that is so necessary to the American consumers and so necessary to us as a country.

One other thing I would like to leave: There is going to be some other failures if we let some farms go down the tube. The failure is not just going to be the farmer; yes, there will be some banks that fail. There will be some agribusiness. There will be implement dealers; petroleum dealers; some fertilizer-seed dealers that will be going out of business who will not be paying taxes this year. So the exposure is the contingent liability to the U.S. Treasury of a billion dollars with this action today. But the exposure might be much greater if we let the American farmer go down the tube this year.

This is very necessary. I hope you will not be misled that we are helping somebody other than the American farmer and the American consumer. Vote for this bill; it is very necessary.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, I yield 4 minutes to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. I thank the gentleman for yielding me this time.

Mr. Speaker, I am going to vote for this bill, but I am wanting to be on record with some degree of mixed emotions with respect to the bill. It is because, Mr. Speaker, I spent my lifetime in farm credit and in agriculture before I was privileged to be elected to the Congress. I want to make a few observations if I might about the credit problems we are facing and that our producers are facing and why I think

that we ought to cast this debate in a larger format than just that which we are completing here today.

We did not get into this mess overnight, and it is going to take us some time to get out of it. Times have changed; we went off the gold standard in 1971; we engaged ourselves in interest rate and bank deregulation in 1979; we have got share drafts and NOW accounts and money markets and passbooks and we had all-savers and money is just moving differently now for our folks engaged in production agriculture than it did 10, 20, and 30 years ago.

We have got some very severe problems with respect to the irregularities that have been produced by some phenomena that we are not talking very much about. For example, we saw the international marketplace pretty much left to ourselves in the 1960's and the 1970's and our grain exports went gangbusters and land values went up right behind them.

Then we saw between 1970 and 1980 a function of a change of diet or other things come about. Agriculture, whether it would be more efficient feed conversion to catfish and poultry or whether it was just jazzercise, slimmersize, and watch what you eat, but red meat consumption declined from well over 100 pounds per capita to somewhere a little over 70 pounds per capita. That meant that about 20 percent of the grain we produced up in the grainbelt that used to go through to produce red meat disappeared as a market. The decline of the export market because we taught so many other countries how to put millions and millions of virgin acres of soil into production, we faced up in our part of the country, in the upper Midwest, in what I call the grainbelt-meatbelt, very geography-specific, crop-specific problems.

So, as we face then the disorderly devaluation of land, high interest rates, the Ford embargo, the Carter embargo, we found agriculture put between a rock and a hard place. I would like to suggest then that there are five things that this body ought to consider. My framework, if you will, of five points for trying to do something about American agriculture.

First, I think we have to keep foremost in our minds that bringing the deficit down, which can cause interest rates to come down and stabilize, will be the first thing and the best thing that we can do for production agriculture.

Second, that if we work on our trade imbalance. For example, with five Pacific Asian rim countries, one-half our trade deficit resides in Japan, Korea, Taiwan, Singapore, and Hong Kong. By declining our generalized system of preferences and, for example, selling them oil, we may not bring the strong value of the dollar down, but we will put the currency levels back in balance and create greater markets for agriculture.

Third, short-term credit. We are making a start on that today, although, for example, I may have some disagreement with my good friend, NEAL SMITH, with respect to the SBA guarantees. I do recognize that FmHA cannot get it all done.

Fourth, a long-term approach, a market-oriented farm bill that declines the target price, the loan rate and some of the other programs that we have because I suggest that since 1971, all our over-specific 4-year farm bills have done is to insulate production agriculture from the opportunity to profit from the marketplace.

Last, I think in tax reform, we can take what used to be very good shelters that brought off farm capital into farming to stabilize our costs, now those same shelters bring off farm profits into agriculture very temporarily to create large confinement hog and cattle operations, then that money leaves after those profits have been sheltered down to no tax due, and we end up with too many hogs and too many cattle on the market.

If we would do those five things, I think we can solve a lot of the problems that our farmers have in agriculture.

The SPEAKER pro tempore. The time of the gentleman from Nebraska [Mr. DAUB] has expired.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska.

Mr. Speaker, will the gentleman yield.

Mr. DAUB. I am glad to yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, may I say that I can agree with just about everything the gentleman has said, and he has made a very excellent argument for the bill here. While you agree with others, and they will agree with you, let us let the farmer farm.

The Secretary of Agriculture was quoted here that he does not have the authority to do all this; he does. He said he would do it, and I hoped he would. We do not have adequate people to get the loans processed so we put $17 million for him to do what he has the authority to do now.

□ 1510

Everything we have here in this bill he has authority for. This is an appropriation bill. What we do is see how much of our present $212 billion farm debt comes because we have bottled up the farmer's production in this country after leading him to expand his production. Not only that, but we have provided for a study to see how much of the debt he owes now results from embargoes.

What we really do, is say, "Mr. Secretary, you have $650 million to do this. You have used about $25 million in about 5½ months." At that rate, in about 10 years, he would meet the problem. We are asking him now to go ahead with the loan guarantees so folks can make a crop this year.

Everybody from farm country has different views from everybody else. We are asking him to do what he says he will do, and we are making sure he has the people to do it.

You know, agriculture as an industry is bigger than the automobile, steel and housing industries combined.

Mr. DAUB. That is right.

Mr. WHITTEN. It is the biggest market that industry and labor has. Let us keep them working so that we can solve this thing.

But again, this is a holding action to let them farm while we get all these things worked out. It was announced here that the Secrtary could do it, but he has not been doing it because he called on the banks to do certain things. He does not realize banks in farm country are right on the ragged edge in many cases themselves. So this just says, "Use your authority that you now have to guarantee these loans so they can farm while we solve all these other problems."

Mr. DAUB. Mr. Chairman, I could not agree with you more. That is why I am supporting the bill. I want you to know that a lot of my friends are going to benefit from this legislation.

I do consider it to be a holding action. It will buy us some time to continue this bipartisan opportunity we have to put a market-oriented farm bill together for agriculture.

Mr. WHITTEN. I thank the gentleman very much. May I say our subcommittee, as far as I know, is unanimous in support of this bill.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas, Mr. BEAU BOULTER.

Mr. BOULTER. I appreciate the gentleman yielding this time to me.

Mr. Speaker, let me just say at the outset that in the last 2 days, as we have debated these farm issues, I have appreciated the broad, bipartisan support shown by both sides of the aisle to help the farmer.

Under the President's budget, when we are talking about spending just 1.1 percent of that $973 billion on payments to producers, and when we are talking about an agriculture budget in total which is only about 4.7 percent of the President's total projected budget, I do not think that we should be looking to agriculture necessarily to reduce the deficit, although I understand that everyone has to share the pain. I am for doing anything that we can do to reduce the deficit. I have a good record on that.

But I am a lot more concerned when we are talking about the farmer about saving the farmer who is there who can be turned into a profitable farmer if we can just get him a profit and get him some market. Anything that I can do or this Congress can do to improve our trade deficit, and I am very concerned about that, and to open up viable export markets to get a free market, which we do not have today, and to move toward that, I want to do it.

But the waste we have in agriculture I find abhorrent. One example of that waste I learned of yesterday was that while we are trying to save existing farmers, FmHA is planning to spend $280 million more this fiscal year to bring in new farmers, not just young, limited-resource farmers, but I am talking about farmers who are financially strapped who cannot establish credit worthiness. That to me is a waste and we are providing competitors against the very farmers that we are trying to save.

I discussed that with as many people as I had time to yesterday, Chairman DE LA GARZA, the gentleman from Texas, CHARLES STENHOLM, over here the gentleman from Missouri, TOM COLEMAN, people like that, and they agreed with me. I hope we will look into that.

This bill today, Mr. Speaker, I think is another example of that kind of waste. It stands alone from what we did yesterday, as I understand it. This bill today, and I want my colleagues to hear this, this bill today authorizes or appropriates $1 billion in loan guarantees.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. BOULTER. Let me just finish, and then I want to hear from the gentleman.

This provides for loan guarantees for farmers whose debt equity ratio is 3 to 1, who owes three times more on farm equipment and land than they have assets.

Mr. WHITTEN. If the gentleman will yield, may I say that the Secretary of Agriculture has authority to do everything in here. This calls on him to keep the farmer farming while we settle our differences here by a permanent farm bill. The appropriation we have here, $500,000, is to find out what caused this damage, and to give him personnel, $17,000,000, to make these loan guarantees to keep the farmer farming while Congress settles all these other problems.

Mr. BOULTER. I thank the chairman, but that is also my point. I voted for this aspirin yesterday, very proudly, a Band-Aid to help the farmer who I think can be a long-term survivor if we can provide him this bridge. This Band-Aid will never get the job done, and I cannot support it.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to make three real quick points, and I am standing today in support of this bill.

No. 1: As has been stated earlier, Farmers Home Administration has absolutely no capability to handle the problems that we have in our part of the country. I think we are seeing the direction they need to go as guarantor rather than as a lender. I think they can be much more efficient in that capacity.

I also concur with my colleague, the gentleman from Iowa [Mr. SMITH] that it will force the SBA to do some things that they have the capabilities of doing, but to this point they have not.

And the third point I submit respectfully, Mr. Speaker, I think for our big-city colleagues that one of the biggest selling points that we have for this legislation that is oftentimes overlooked and why they should support it, the people in this country enjoy a life style that is better than anywhere else in the world and in large part that is due to the fact that they spend less of their disposable income for food than any other nation on the face of this Earth.

Compared with Japan, we are spending some 18 percent less of our total income to eat, and that makes a lot of difference in one's standard of living. I think that is what is at stake here in our part of the country.

If we let this farm thing go down the tubes, we are going to see a life style destroyed that people enjoy every day, and that is one thing that I think, from the second most rural district in the country, we need to make that plea to our city cousins, that we need their help, because their life style is just as much at stake as ours and it is just a matter of time until it reaches them.

Mr. Speaker, I am going to vote in support of this legislation and commend the committee for their work on it.

● Mr. FUQUA. Mr. Speaker, I rise in strong support of H.R. 1189, the supplemental appropriations for emergency farm credit. With foreclosures at levels not seen since the Great Depression of the 1930's, this is a crisis situation and Congress must act, and act swiftly, to come to the aid of the American farmer.

It should be noted that, while the sums of money we are talking about may seem high, most is in the form of loan guarantees and I am confident that, with an upsurge on the farm, the money will be repaid. The worsening farm situation is clearly not of the farmers making and they should not be penalized for a situation far beyond their control.

Farmers throughout America are suffering because of the high value of the dollar. It is making it extremely difficult to export our farm commodities to Japan and Western Europe. The Federal budget deficit is a major factor in increasing the value of the dollar and the farmer is not the cause of the budget deficit.

Additionally, weather conditions have brought floods to some regions and drought to other areas of the country, playing havoc with planting schedules and harvesting as well.

The American farmer has been the backbone of America for 200 years and we cannot permit farm incomes to continue to slide. Some in this Chamber call this a bailout. It is not. It is only reasonable action by Congress to avert what should be a national catastrophe. Some in this Chamber may say we should ignore the plight of the farmer. Yet, many of these same people recognized, as did I, that we needed to extend loan guarantees to Lockheed and Chrysler because of the human suffering closure of those giants of industry would bring to the workers.

The American farmer is a human being too and equally deserving of assistance as the workers in industry.

I am pleased and proud to support H.R. 1189 and urge my colleagues to support it as well. We cannot afford, as a nation, to turn our back on the farmer.●

● Mr. FAUNTROY. I rise in support of H.R. 1189, urgent supplemental appropriations for agricultural credit. This emergency measure is designed to meet the extreme financial crisis afflicting many of our Nation's producers of food and fiber.

The total farm debt of $212 billion is so high that thousands of our agricultural producers are unable to make payments on interest, not to mention principal.

Specifically, H.R. 1189 will provide $1 billion in guaranteed operating loans that will permit credit-deficit farmers to plant their 1985 crops while the Congress considers new omnibus legislation to address in a comprehensive manner the situation facing our agricultural community. It should be pointed out that the loan guarantees provided for in this initiative will have no budgetary impact, nor will they affect the deficit. The loans will be made by the private banking system and used to stave off foreclosures by stretching out the repayment period of existing loans and reducing interest rates as authorized by law. Additionally, the Farmers Home Administration is to receive an appropriation of $17 million for salaries and expenses involved in determining, on a case-by-case basis, which agricultural borrowers lack the capability to make pay-

ments of principal and interest due to circumstances beyond their control. Those borrowers found eligible would then qualify for temporary deferral of loan payments otherwise due and would thus avoid foreclosure.

Mr. Speaker, all of us, including those of us representing urban consumers, have a major stake in the maintenance of an efficient, pluralistic, and competitive system of agricultural production. Such a system offers the best possibility for providing our people with nutritious food at affordable prices. As the Congress moves on to consider omnibus farm legislation, it is imperative that the economic and social implications of the long developing farm crisis be carefully examined and addressed. The results of these deliberations will affect every region and every citizen of our country.

Finally, I would urge my colleagues to exercise vigorous public policy oversight in order to assess the accessibility of the Farmers Home Administration to the remaining 57,000 black farmers of our Nation. In an excellent report entitled, "The Decline of Black Farming in America" (February 1982), the U.S. Commission on Civil Rights found that the Farmers Home Administration, "has not given adequate emphasis or priority to the crisis facing black farmers today * * *. In 1981, blacks received only 2.5 percent of the total dollar amount loaned through FmHA's farm credit programs." My colleagues and I in the Congressional Black Caucus continue to receive complaints regarding the Farmers Home Administration. I would urge my colleagues to look into this matter as omnibus legislation is considered and to ensure that equal credit opportunity is attained in this vital Government credit program.●

● Mr. ROEMER. Mr. Speaker, the following statement by my colleague from Louisiana, Senator JOHNSTON, appeared in the RECORD for February 26. Because it is pertinent to this discussion, I would like to add it to the current debate for the benefit of my colleagues in the House:

THE FARM CREDIT CRISIS

The current condition of the farm economy, as it relates to both the farmers and the rural community banks financing the farmers, is critical. On Friday, February 1, 1985, the Reagan administration and congressional leaders announced that they had pieced together an aid package that includes $650 million in farm loan guarantees. But even Senate Majority Leader ROBERT DOLE, of Kansas, who was a central figure in working out the compromise plan, said it was "a Band-Aid, it's not a solution." As the Reagan administration farm strategy for the future emerges, a chorus of criticism is developing against some of the bareboned views of budget director David A. Stockman, a hearty advocate of market-oriented commodity programs and fewer Government subsidies.

In the January 24, 1985, issue of the Wall Street Journal, the cover story points out that the relentless slump in the farm economy is threatening to plow under scores of the Nation's 4,300 farm banks, so-called because at least 25 percent of their loans are out to farmers. As of June 30, 1984, more than 60 farm banks had more problem loans than capital—a leading indicator of bank failures—and that doesn't reflect other problem loans that banks don't have to disclose. The Federal Deposit Insurance Corporation's June 30, 1984, problem-bank list included 231 farm banks, more than double the year-earlier total. Since then, more than half of the bank failures have involved farm banks. The article quotes Keefe, Bruyette & Woods, a New York bank-securities firm who indicates that they see as much as $12 billion of farm-loan write-offs by banks alone, far above the record $8.4 billion of loan losses for the entire banking system in 1983. The FDIC has a $17 billion insurance fund which could probably absorb the several hundred small farm-bank failures. The article points out that the main problem is deflation, which is ravaging farmland values and therefore farm-bank loan portfolios. During the inflationary 1970's, land values had increased spectacularly on the strengths of a robust farm economy, burgeoning exports, rising crop prices and generous Federal subsidies. But in the 1980's farmland prices have skidded at least 25 percent in most regions and as much as 75 percent in others as exports and commodity prices have slumped. Not even huge Government outlays have been able to forestall the erosion of farmers' income—and their ability to repay debt. In the State of Nebraska, for instance, farmland values fell as much as 7 percent to 8 percent in the third quarter of 1984 alone. Medium-sized farmers are farm banks' most troubled customers. They have neither the off-farm income of small part-time operators nor the efficiencies of large-scale corporate farms.

The shakiest of these mid-size farmers owes nearly a third of the farm debt, or about $73 billion, an amount that dwarfs the troubled Latin American debt held by the Nation's biggest banks, but not by all of them in the aggregate. If banks forgave enough debt to make troubled mid-sized farmers viable again, according to a recent Federal study, the capital of all 4,300 farm-banks would, on an aggregate basis, be wiped out.

In the January 24, 1985, issue of USA Today the cover story deals with the problems facing agriculture today. The article points out that the Nation's breadbasket is facing more farm protest and turmoil than at any time during the 1930's—and a praire fire has spread to rural Main Street. New grassroots activists—not only farmers but also small-town business people, ministers, and homemakers—are packing State legislatures, protesting on the Chicago Board of Trade, and rallying rural America. The cause: saving a lifestyle threatened by farmers' economic woes. The article also points out that what protesting farmers want are higher prices for their commodities, moratoriums on foreclosures, and the ability to refinance their debts longer and at lower interest rates. Farmers are trying to borrow money for 1985's crops, and debate already rages over a new 4-year Federal farm bill. Farm bankrupticies, low prices, high interest rates and proposals to slash farm supports dominate Farm Belt headlines. The article accurately points out that in the small rural communities, if the farmers are not doing well, then the local economy is not doing well. In other words, the local merchants can't sell. They cannot sell cars and they cannot sell shoes. It should also be pointed out here that in many small rural communities, there are only one or two banks serving the community. If there is only one bank and it is forced to close, then the community is left without any source of credit. The closing of a bank in these communities could literally wipe out a town. Even in those communities where there are two or more banks, it should be pointed out that in the event one of the banks is closed, the FDIC becomes only a liquidator of the loans of the failed bank and it will not extend loans or grant any new loans. The FDIC only assumes the responsibility of collecting the loans. The other banks in the community would be reluctant to extend credit to any of the customers of the failed bank because of a fear of having those loans classified at their bank.

At a recent field hearing of the Senate Budget Committee staged during the month of January at the Milan, TN, Experiment Station, Jack W. Robison, vice president of the Commodities Division of First Tennessee Bank, was one of the featured speakers and he pointed out that the American farmer and the Nation's banking industry are caught in the middle of a $215 billion farm-debt crisis, and that unless programs are implemented very quickly to restore the farmer's cash flow, both industries may have even more trouble in store for them. He pointed out that this relief will be needed even before a new farm can go into effect in 1986. He said that the farmers' plight has taken its inevitable toll on the private banking industry.

In response to a question Mr. Robison termed very critical the banking industry's position as a result of the farm debt that has doubled in the last 5 years. Robison also noted that farmers are experiencing the most financial stress since the Great Depression despite the deepest-ever acreage cut and the largest-ever outpouring of money by the PIK Program. He noted that the 1983 farm-program outlays of $21.7 billion exceed the $16 billion net income that year from all agricultural production. He said that borrowers and lenders alike must face the reality that debt must be serviced from income, not from assets or land depreciation. Keeping farmers in business until real income—and therefore improved cash flow—is realized should be top-drawer business for the current session of Congress, he said. He pointed out the immediate debt assistance to the farmers should get priority attention on the legislative agenda of 1985. He indicated the Government and agricultural leaders have to effect some ingenuity to work out this dilemma and that there must be mutual concessions from everyone involved. He stated that the Government is going to have to evolve a procedure to help the cash flow rather than the equity side.

The farmer must be given time and those who have expertise must be given time, to make money. He said that in searching for a cure for the farmer. Congress must not be too hesitant to help the people who are hanging on by their toenails and fingernails today. Congress can worry about exports—as they should that's one of the answers—but precaution needs to be taken not to overemphasize the complete curing process while farmers are going out of business. He said that the banking community is not holding out for solutions that are lucrative to the banking industry and that the lending industry must sooner or later share a part of any costs of the solution. He pointed

out that the banking community helped contribute to the farmers' dilemma—with large loans when land prices were appreciating. But it is important to remember, that at the time the loans were made, they were perfectly sound loans. Bankers had no more knowledge of what was going to happen, with escalating farm costs and leveling-off land values, than the farmer did.

At a meeting in Washington on January 7, 1985, there was a farm-debt roundtable conference sponsored by the Agricultural Banking Institute, a fledgling association of agricultural banks formed last year. The institute in a press release said roundtable participants agree that there is a genuine crisis facing agricultural lenders. More than half of the 40 banks that failed during the second half of 1984 were primarily agricultural lenders, or those with more than 25 percent of their loan portfolios made up on agricultural loans. More than 1,700 banks in the United States had 50 percent or more of their loan portfolios in agricultural loans. There was speculation that 200,000 to 300,000 farmers will go out of business this year without Government intervention. The institute pointed out that the most practical ingredient, time, doesn't cost much. Farmers and banks need time to overcome the stress and strain of the farmers' long-term debts. The rural banks hold only a relatively small portion of the farmers' long-term debt but that debt is becoming critical.

According to the Comptroller of the Currency figures, banks hold about $9 billion of the $112 billion long-term, or real estate, debt. But they hold about $39 billion of the $103 billion operating, or short-term, debt. The institute pointed out that during 1984 approximately one-third of the farmers lost money, another one-third broke even, and another one-third—those with low debt loads and who are better managers—did well.

The Arkansas banking commissioner, Marlin Jackson, who attended the farm debt roundtable conference, pointed out that the problems of the one-third of the farmers who are losing money could spread to the one-third who are just breaking even, and that could have a devastating effect on agricultural banks. He feels that a failure of the initial one-third of the farmers would have a domino effect on the remaining two-thirds. As highly leverage farmers fail, their real estate goes on the market, bringing down farm real estate prices. That, in turn, lowers the value of farmland used for collateral by other farmers who are just breaking even. The continuation of that string of events would lead to a crisis for those farmers in the break-even category who no longer have collateral value in real estate to use as collateral for credit. He points out that the crisis is already beginning to be felt in the banking community. According to the FDIC, 231 or 34.4 percent out of 671 banks on its problem list as of June 1984, were agricultural banks.

For the previous June, 22 percent of the problem banks were primarily agricultural lenders. The Arkansas banking commissioner said that the number of banks on the problem bank list is now more than 800. One of the speakers at the conference noted that the reduced export demand, increased interest rates, and higher operating costs contributed to agricultural problems, and there is no prospect for a heavy export demand or drops in interest rates or operating expenses to resolve the problems that created the farm-debt crisis. The only solution is Government intervention and it is needed immediately.

Recognizing the critical situation facing our farmers and the rural community banks that finance them, it is in my judgment imperative that both Houses of Congress set aside their respective agendas and place on a fast-track legislation providing immediate and meaningful relief to our agricultural banking industry and the vast community it serves.

The purpose of my statement today is to set into motion on a conceptual basis, as I have not placed it into legislative language, some of the ideas I will outline below that if enacted would bring order to chaos now being experienced in my State of Louisiana and in practically every farming hamlet in the United States.

A bill that may be known as the so-called Farm Credit Relief Act of 1985 should address these areas of concern, and they are as follows:

Eligibility. To qualify for relief as an agricultural bank the assets of the bank could not exceed some dollar limit. Rural banks need immediate relief, and we are not talking about international banking or large money-center institutions.

Administration of the act. The authority to determine qualification for relief would rest with State Banking Commissioners or the Comptroller of the Currency depending upon whether a State chartered or national bank is involved.

Accounting procedures. Qualified banks would be allowed to use methods of accounting currently available to the Thrift Industry known as Regulatory Accounting Practices [RAP].

Asset reappraisal. A qualified bank would be allowed to reappraise its buildings, fixed assets and equipment to fair market value and book any increase between the current book value and the fair market value into the capital accounts of the bank.

Problem loans. In the case of a qualified bank, where a regulatory authority determines that a farm or farm credit related loan is a problem loan, classified loan, two options should be available:

First, provide for a write-off of the loan over a given period—perhaps 30 years—instead of the requirement under existing law that the full debt be written-off against current income or loan loss reserve. This proposal must be made retroactive to farming, 1980. By allowing the banks to recover loans previously charged off, the capital of the banks would be significantly increased.

Second, provide for a sale of the farm and or farm related loans—deemed uncollectable—at fair market value of the underlying collateral without recourse to the FDIC or other third party purchaser, and any loss to be written off over a given period rather than currently. Any money derived from the sale of the loans must be used for agriculturally related loans.

Extended powers for qualifying banks. Qualified banks should be allowed to concede debt and own, operate or lease farm real estate, equipment, or other similar collateral. The farmer—owner of the collateral—should be permitted to leaseback property at a fair rental with a right of first refusal to purchase the property from the bank within a given period of years.

Other real estate expenses. Qualified banks should be granted authority to write-off over a period of years—perhaps 20 years—other real estate related expenses—i.e. taxes on land, insurance, payments to prior lienholders and similarly related expenses.

Below market rate financing. Qualified banks should be allowed to sell and finance the real estate or chattels taken back in exchange for cancellation of the debt at below market rates without the FDIC or Office of Comptroller of the Currency requiring the bank to charge off the difference between the market rate and the below market rate.

Sale of investment portfolio. Qualified banks should be allowed to mark all of the securities in their investments portfolio to market and sell the securities at fair market value and write-off any loss over a given period—perhaps 20 years.

Capital contributions. Qualified banks should be allowed to accept a contribution of real estate as capital for the bank.

There is ample historical authority to support the enactment of legislation providing for the measures I have set forth in this statement. In 1982, Congress passed the Garn-St Germain Depository Institutions Act which created significant new powers for thrift institutions. The savings and loan industry now has the ability to reappraise its fixed assets and to increase its capital by the difference of the depreciated book value and the fair market value of the fixed assets. It also has the ability under RAP accounting to sell loans in which it has a loss and write off the loss over the average life of the loans sold. The savings and loan industry is also allowed to employ purchase method accounting or push-down accounting which is not available to banks. Under this method of accounting, basically the price paid for the common stock is available as capital for the institution.

Any losses in the loan portfolio or security portfolio can be written off over varying terms ranging up to 40 years. Real estate as opposed to cash may be contributed as capital to a savings and loan association. Of course, the savings and loan industry has liberal branching provisions so that it is not limited to lending in any particular trade area and it also has the ability to create and operate service corporations which can acquire and develop real estate. It has the ability to take back other real estate serving as security for loans and book the real estate as an investment at fair market value. It is not required to write off any portion of the other real estate so long as it can continue to show that the fair market value is not less than the value of the real estate carried on its books.

The relief given to the thrift industry was needed and well founded. The agricultural section is equally important to the country and the proposals outlined in this statement could provide the necessary relief. Unless some help is immediately given to the farmers and the rural banks financing them as many as 200,000 to 300,000 farmers will go out of business this year. Government intervention is inevitable and is needed immediately. These proposals provide a market oriented solution to the problem facing agriculture today.

I think my colleagues are fully aware of the plight of agricultural banks. There are 4,300 banks, I understand, that have 25 percent or more agricultural loans; 1,700 of these banks have 50 percent or more of agricultural loans. Of the Nation's 1,441 farm banks, they account for only 29 percent of all banks. Yet in the fourth quarter of 1984, they accounted for 61 percent of all bank failures.

Not only did they account for 61 percent of all bank failures, but that percentage is escalating rapidly. It was 13 percent for all of 1983; 19 percent for the first half of 1984; 35 percent in the fourth quarter; and 61 percent of all bank failures in the fourth quar-

ter of 1984. There seems to be an escalation upward rather than the reverse.

I do not believe that rural America or agricultural America can survive as it is without the survival of the small banks.●

● Mr. FOWLER. Mr. Speaker, the administration has turned a deaf ear on the cries for help emanating from rural America. Fortunately, the Congress has heard, and heeded, these calls, and stands ready to lend our family farmers a hand to tide them through this present crisis.

The legislation before us today truly represents a bipartisan approach to the farm credit crisis. I congratulate the members of the House Agriculture Committee—on both sides of the aisle—for their cooperation in quickly producing an effective response to this emergency, and I join them today in support of this important initiative.

We are all familiar with the underlying causes of the current farm credit crisis—falling food prices, declining land values, decreasing exports, and high interest rates—and the Federal Government cannot be absolved of responsibility for some of these problems. Government policy has certainly contributed to the difficulties our Nation's farmers now face, and we cannot turn our back on them in their time of need.

This well-designed legislation recognizes that some farmers do not need our help—and others are beyond help—and targets assistance to those good farmers who teeter on the brink of bankruptcy. Without our help, they will go under, and our rural communities will suffer.

But not only rural communities. And that is why I, as an urban Representative, rise in support of this measure. My district is almost 100-percent urban and suburban, yet I can think of few issues which have a greater effect on my constituents than our Nation's agricultural policy and the health of our rural communities. Without a vital farm economy, consumers will eventually have neither adequate supplies of food nor stable prices. Without substantial agricultural exports, our balance-of-trade deficit will grow to even more intolerable levels and the whole economy will suffer substantial disruptions. Without strong farming and rural communities, the exodus to urban areas will continue and will further complicate the efforts to solve the problems of our cities. It is clear that agricultural issues, and the current farm credit crisis, are of vital importance not only to the farmer and rural resident but to all Americans.

This moderate, low-cost proposal offers an opportunity to avoid financial disaster for farmers, and economic disruptions for urban residents. I lend my full support to this vital measure, and I urge my colleagues to join me in passing it.●

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before us now, we have an urgent supplemental for emergency agricultural credit, providing $17.5 million in new budget authority and $1 billion in guarantees for farm operating loans.

H.R. 1189 provides $17 million in new budget authority for salaries and expenses at the Farmers Home Administration. This amount, similar to a fiscal year 1985 supplemental request which we have received from Farmers Home, is considered necessary to process farm operating loan applications related to 1985 crops in a more expeditious manner; $500,000 in new budget authority is also provided to the Economic Research Service to conduct a study on the impact which U.S. embargoes have had on U.S. farm producers during the last decade.

This bill also contains $1 billion in new guarantees for operating loans to be made by banks and other financial institutions to certain eligible farmers. These loan guarantees are intended to be used to prevent foreclosures by extending the period of repayment on existing loans, reducing interest rates, or through other measures—including the suspension of payments on principal and interest as authorized by law.

Language is also included directing the Administrator of the Small Business Administration to use its existing guaranteed loan authority to make loans to restructure existing farm production loans.

In contrast to the authorization bill passed by the House yesterday, this supplemental makes no provision for advance recourse Commodity Credit Corporation loans, special loans to farmers in disaster areas, fee waivers for participating lending institutions or crop insurance requirements. And again, it provides $1 billion as opposed to $3 billion in guarantees.

Mr. Speaker, I think we all agree that there is a crisis in certain sectors of our agricultural and related economies today. Our 3 million farmers are faced with declining farmland values, high interest rates, increased production costs, low returns for their products, and the inability to secure operating credit. As many as 260,000 farmers are facing severe financial crises and may not be able to secure operating credit for this spring's planting.

Despite this period of record Federal outlays to support the incomes of agricultural producers and commodity prices, we see a staggering growth in farm debt: $212 billion right now.

Yes, there is a crisis. Ask our new Attorney General about it. Ask any of the thousands of farmers and their State representatives who spent hundreds of thousands of dollars to come to Washington to tell us in great detail how bad it is.

I share the concerns that have been expressed by the distinguished chairman of the committee, Mr. WHITTEN, and our distinguished ranking minority member of the Agriculture subcommittee, Mrs. SMITH. The picture of gloom which has been so soberly shared with our committee brings back memories of the Great Depression and all of the hardship and suffering we experienced.

I am sympathetic to the farmer's situation. I am also sympathetic to the Federal deficit. I do not question the need for a Federal role in agriculture, although I know that many of my colleagues will be skeptical on hearing this. You have heard me scream about cotton subsidies and dead bees for years. But I just want you to know that I am a farmer too. As a young man I worked on a farm. I own a 220-acre farm in Massachusetts. And while I have never asked for Federal assistance, some of the farmers that I represent in my district do.

Yes, I recognize that there is a serious crisis, I am concerned and I want to find a way to help our good, legitimate and productive farmers work their way out of debt. But I have some grave misgivings about this billion dollar guarantee program. I haven't heard anyone from Farmers Home at USDA tell us that guarantees in excess of the $650 million already available in fiscal year 1985 will help farmers out of this short-term crisis. I have to wonder if these guarantees aren't only going to make our longer term solutions more difficult. I have to wonder if we're not devoting too many of our resources to those who are hopelessly in debt. Because, if we continue at this rate, no treasury will be big enough. We'll have to build an annex to the Bureau of Engraving and Printing so that they can print money faster.

President Reagan and Secretary Block have proposed to us their plan for addressing the short- and long-term crises in agriculture. Their plan for the short-term involves utilizing existing resources and authority to focus on the credit crisis, and calling upon the communities, the lending institutions and all related industries to pitch in and resolve this situation. I have to wonder if this isn't the right approach. It is the approach that we have used in my district when paper and tool companies can't pack their industrial bags fast enough to relocate or surrender to foreign or other domestic competition.

□ 1520

So, therefore, Mr. Speaker, I come to a very difficult decision to be made here, because I have compassion for the farmers who are in trouble.

Yesterday morning we had our Governor in from Massachusetts, and he was telling us that "we can't cut revenue sharing, we can't do this and we can't do that," that it is going to ruin

the Commonwealth of Massachusetts, and I asked him, "How are we going to get out of this dilemma we are in with a $200 billion deficit?"

We are all going to have to take our lumps, and if one segment of society does not take its lumps, then we are going to be in trouble because then the other segments of society are going to say, "Hey, you got away with it, and we didn't."

So therefore, I think, Mr. Speaker, because of my misgivings over the long-term impact of these guarantees on the farmers themselves and on our Federal deficit, because of what the administration says—at least I have to believe the expert, Mr. Block, who says that he already has an adequate program in place—and finally, because we have not offered this type of assistance to any other struggling sector of our economy, I guess I will have to come up and vote against the bill.

Mr. WHITTEN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I take this time because I think this is probably one of the most serious things that we have faced in a long time. All we ask is to let the farmer farm while Congress straightens out all these other various matters. We tell the Secretary to use the authority he already has. We do not say to use money; we say, "Use your guarantee so people can farm while Congress argues this question."

I would like to call your attention to this: Many of you are old enough to remember back when the difference between farmers and other people was quite evident. American agriculture is the base of our prosperity. It is the biggest industry and the biggest customer that industry and labor has. As I said earlier, it is bigger than automobile, steel, and housing put together. If you let American agriculture go bankrupt where they cannot buy, then industry cannot sell, and labor cannot work.

Everybody agrees, including the Department of Agriculture, that a part of the cause of the present $212 billion debt is because the Government, after promoting the production of commodities, put an embargo on exporting them. They let the farmers pay for our foreign policy. They did it under the last three or four administrations. Farmers who were led to believe that everything was rosy and planted up to the fencerows woke up and found out that the President of the United States under both administrations slapped an embargo against Russia or to keep things cheap at home.

But I say again that we have this $212 billion debt now, and as you saw yesterday and you will see next week and you will see next month, farmers and those representing farmers argue about what to do. I know that, and you know it. If you read history, there is no telling how long we will argue. But we had better let them plant their crop while we argue.

I say that the Secretary of Agriculture acted in the best interests as he saw it. He started requiring that local banks contribute so much. He did not realize that we had the FDIC, and that the banks may be on the ragged edge themselves. If they are, they cannot help because of the Secretary's regulations.

The Farm Credit Administration now says to our friend who works with them that they lost 40 percent as much last year as they did in the 50 years of their existence. This year they asked us to pick up the tab on some of their investments. They wanted the Congress to do it.

May I repeat again that we ask to do three things. We ask that the Secretary go ahead and do what he has the authority to do and what somebody says he is going to do, but he has not been doing it. I think we need to show him that he has our support while he tries to go ahead and keep folks in business today.

Again he does not loan money directly. He does guarantee private interests if they will keep the farmers in business, and he is the one who decides who. Then we will see if we can work out a farm bill where everybody can agree or hopefully a majority can agree.

So I beg you to go along with the committee because this is clearly a holding action.

May I say that in 1981 I told our President at the White House, "Mr. President, American agriculture is financing your foreign policy, and they are broke and can't do it anymore." That was in 1981. I wrote out four handwritten pages and handed it to him, and soon after that he made a speech in Texas along those lines.

But somewhere along the line the foot has slipped. I urge all of you, in the interest of industry and labor, let us not destroy the greatest market they have. Let us not let the American farmer go down just because we are unwilling to stretch it out for 12 more months while we try to find a solution.

I hope that we may have your support for this bill. It is highly important.

Mr. CONTE. Mr. Speaker, I yield such time as he may require to the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, let us give credit where credit is due. I will vote for this bill but, I think most of us recognize that this bill does not address the root cause of the current farm disaster; nor will it solve the farm problem. The problem facing farmers today is not insufficient credit from the Federal Government; it is the inability of farmers to pay the outstanding credit which has already been extended. As Dean Kleckner, head of the Iowa Farm Bureau Federation, said here in Washington yesterday: "The main problem facing agriculture is not a lack of credit; it is a lack of net farm income," and Mr. Speaker he's right.

I believe the real cause is a failure of monetary, not fiscal policy. It is sometimes said that farmers are to blame for their own problems, because they bet on inflation in the 1970's, an inflation that did not continue. This might be the case if commodity and farm prices had simply stabilized after the inflationary 1970's. But that is not what has happened, they fell drastically.

The inflationary Federal Reserve policy and the falling dollar of the 1970's has been replaced with the deflationary Federal Reserve policy and the rising dollar of the 1980's. The dollar has not stabilized against strong foreign currencies; it has risen to new highs. Prices have not stabilized, they have fallen sharply. The prices received for crops have fallen 14 percent since last May.

It's as if, having run over someone with a car, the Federal Reserve tried to fix things by backing up over the victim.

Farmers are being punished, not for betting on inflation, but merely for betting on price stability. To this extent, farmers are not to blame for their financial problems: The problem is caused by monetary policy and can only be addressed by monetary policy.

And I would remind my friends who say they are unmoved by the plight of the family farmer that faulty monetary policy not only has a negative effect on farmers; it has a negative impact on the budget as well. Spending on farm price supports has mushroomed in the past few years because overly tight monetary policy has caused the dollar to rise, priced American producers out of world markets, forced prices downward, and automatically increasing the size of Federal subsidies.

Federal Reserve Board Chairman Paul Volcker recently stated that budget cuts of $50 billion would allow interest rates to fall by 2 percentage points. But if Mr. Volcker would allow interest rates to come down 2 percentage points, we could cut the deficit by more than $50 billion. There would be less spending on farm price supports, export subsidies, bank bailouts, unemployment, debt service, and a host of other results of monetary policy.

Adding insult to injury, farmers are not even able to protect themselves minimally from the damage of Federal Reserve policy, because policy decisions are not announced until long after they are made—6 weeks to 2 months. In the past several years, immediate notification of Federal Re-

serve policy changes made or decided at planting time would have allowed farmers to borrow at interest rates which were several hundred basis points lower than actually was the case. Instead, the information was withheld from the public, and farmers had to pay interest rates which were even higher than otherwise.

Let me give you just one example. In early 1981 the Fed decided to tighten monetary policy. In February the prime rate averaged 15¾ percent; but by April, when the Fed informed us of its tightening, the prime had risen to 19¾ percent. A farmer making his spring planting decisions on the available information found himself clobbered by the failure of the Fed to announce what it was doing, and by the way the Fed did about the same thing in 1984.

Leaving aside the question of whether the policy itself was justified, why on Earth shouldn't the farmer be told when the Fed has decided to tighten and raise interests rates so that he can at least have a chance to protect himself and his family, by planting less, borrowing less money, or spending less on his family? Markets need information, and withholding it hurts people.

I would like to call the attention of my colleagues to an amendment we have attached to the farm bill, which at least begins to address this problem. The amendment reads:

It is the sense of the Congress that—

(1) Current and future interest rates facing borrowers affect the cost of producing farm and ranch commodities, and the cost of related family farm needs;

(2) Current and future interest rates paid by borrowers under this act are directly related to credit market conditions, particulary the availability of credit;

(3) Borrowers under this act need timely information about the current and future availability of credit in order to decide when and whether to apply for loan and debt adjustment guarantees and insured operating loans;

(4) To these ends, the Secretary of Agriculture should consult with those Government agencies, including the Federal Reserve System, who supply credit, to indicate the current and future availability of credit.

Mr. Speaker, I am sensitive to the plight of our farmers. I am also sensitive to the concerns expressed in the White House and in the Senate about the effect of any proposed legislation on the budget deficit. I plan to vote for this particular bill, because I think that we will be able to do better through the legislative process, and I hope we can develop legislation which will both relieve our distressed farmers and ranchers, and help us achieve our targets for spending restraint and monetary policy reform that can lower interest rates and stabilize the dollar.

However, I am heartened that Congress has at last begun to examine the crucial role of monetary policy in the plight of America's farmers. I urge my colleagues to devote increasing attention to the polices of the Federal Reserve. Let's give credit where credit is due and really help the farmers of America as well as all the American people.

□ 1530

The SPEAKER pro tempore. Pursuant to House Resolution 85, the previous question is ordered on the bill.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CONTE. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONTE moves to recommit the bill, H.R. 1189, to the Committee on Appropriations, with instructions to that committee to report the bill back to the House forthwith, with the following amendment.

On page 2, in line 10, after "$1,000,000,000," insert "to be derived by transfer from unobligated balances in the Energy Security Reserve,".

POINT OF ORDER

Mr. WHITTEN. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WHITTEN. Mr. Speaker, I make a point of order against the motion to recommit with instructions in that it attempts to propose as instructions, language which would not have been in order directly as an amendment during the reading of the bill. The instructions include what is in effect a rescission which was not considered by the House and which would have violated clause 7 of rule XVI if there had been a reading of the bill for amendment.

The bill under consideration provides supplemental appropriations for fiscal year 1985. The gentleman's instructions would rescind funds appropriated in fiscal year 1980 for the Synthetic Fuels Corporation, a matter clearly not related to this bill.

Mr. Speaker, because the motion contains language not in order during consideration of the bill in the House, I believe it violates the germaneness rule of the House. I ask for a ruling of the Chair.

The SPEAKER pro tempore. Does the gentleman from Massachusetts desire to be heard?

Mr. CONTE. I certainly do, Mr. Speaker.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. CONTE. Mr. Speaker, the point of order should be overruled. An amendment in a motion to recommit with instructions must be germane to the bill as a whole. Although the amendment does affect previously appropriated funds, so do several provisions of the bill itself.

On page 2, in lines 15 through 18, there is language that provides that funds in the bill "shall be used to prevent foreclosure of farm loans through extending the period of repayment of existing loans." This language directly affects loans guaranteed with funds under existing law.

On page 3, in lines 2 through 14, there is language which provides for "review of FATM loans," and "deferral of principal and interest and the foregoing of foreclosure." This language directly affects loans held by the Farmers Home Administration.

On page 4, in lines 2 through 5, there is language directing the administrator of the Small Business Administration to use loan guarantee authority to restructure existing loans.

Taken as a whole, the bill clearly affects the use of previously appropriated funds and authority. My amendment, which also affects previously appropriated funds, is germane, and therefore I ask the Chair to overrule the point of order.

The SPEAKER pro tempore (Mr. WHEAT). The Chair is prepared to rule.

The gentleman from Mississippi makes the point of order that the motion to recommit offered by the gentleman from Massachusetts [Mr. CONTE] is not germane to the bill H.R. 1189. The bill reported from the Committee on Appropriations provides only new budget authority for emergency agricultural credit. The bill does not directly transfer or reappropriate any unexpended balances of appropriations nor does it rescind previously appropriated funds.

In the opinion of the Chair, the effect of the motion to recommit is to decrease sums already appropriated for a program—Synfuels payments for future defaults on loans guaranteed pursuant to the Energy Security Act—totally unrelated to the program under consideration—farm credit—and to convert into immediate budget outlays obligational authority which was not intended to represent any outlays except in the event of a future default. The amendment in the motion to recommit has the effect of transferring the original appropriation for Synfuels loan guarantees, a proposition not contemplated in the bill reported from the Committee on Appropriations. The Chair sustains the point of order.

● Mr. CONTE. Mr. Speaker, I offer this motion to recommit in an effort to responsibly address the deplorable financial situation facing American farmers throughout the Midwest, South and Far West. Similarly, I offer this motion to address an equally deplorable situation which has plagued

the United States since 1979 at the Synthetic Fuels Corporation.

My intent here is to have the $1 billion in guarantee authority transferred from the Synthetic Fuels Corporation, the most wasteful of our Federal agencies.

Mr. Speaker, I will not take a lot of time to explain this; it's very straightforward. To each of my colleagues who have expressed concern over the farm credit crisis, I say here is the perfect opportunity to demonstrate your commitment to alleviating present farm debt burdens and to be responsive to the $200 billion Federal deficit. To each of my colleagues interested in relieving the Synfuels Corporation of another $1 billion in unobligated loan guarantee authority, I say "Let's do it."

To any of my colleagues who may not recall the debate over the fiscal year 1985 Interior appropriations bill, and my efforts to rescind $10 billion, I would like to point out that I am not the biggest fan of the Synthetic Fuels Corporation. I do not happen to believe in the use of loan guarantees for environmentally unsound programs or for the pet projects of fat cat oil barons. Despite the new faces and plans at the Corporation today, Synfuels is still a corporate welfare program. I have seen nothing but waste and abuse, and have called for nothing but taxpayer relief.

If our intent in this urgent supplemental is to provide relief for some of our hardest working taxpayers, then I say let's give them the billion. Let's take the billion out of Synfuels and give it to Farmers Home. Let's take the sin out of Synfuels and put the cuts into corn.●

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 294, nays 115, not voting 23, as follows:

[Roll No. 21]

YEAS—294

Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Barnes
Bateman
Bedell
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Burton (CA)
Byron
Campbell
Carr
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conyers
Cooper
Coyne
Crockett
Darden
Daschle
Daub
Davis
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart (OH)
Edgar
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans (IA)
Evans (IL)
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frenzel
Frost
Fuqua
Garcia
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Grotberg
Guarini
Gunderson
Hall (OH)
Hall, Ralph
Hall, Sam
Hamilton
Hartnett
Hatcher
Hawkins
Hayes
Hefner
Heftel
Hendon
Henry
Hertel
Hillis
Hopkins
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kolbe
Kolter
Kostmayer
Kramer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Lundine
MacKay
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
McCurdy
McDade
McHugh
McKernan
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Mitchell
Moakley
Mollohan
Moody
Moore
Morrison (CT)
Murphy
Murtha
Myers
Natcher
Neal
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Owens
Oxley
Panetta
Parris
Pashayan
Pease
Penny
Pepper
Perkins
Petri
Pickle
Price
Rahall
Rangel
Ray
Richardson
Ridge
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Sabo
Savage
Scheuer
Schuette
Seiberling
Sensenbrenner
Sharp
Shelby
Sikorski
Siljander
Sisisky
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
Snowe
Snyder
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Strang
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whitten
Williams
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wright
Wylie
Yates
Yatron
Young (MO)

NAYS—115

Archer
Armey
AuCoin
Bartlett
Barton
Bates
Bilirakis
Bosco
Boulter
Broomfield
Broyhill
Burton (IN)
Callahan
Carney
Carper
Chandler
Chappie
Cheney
Coats
Cobey
Conte
Coughlin
Craig
Crane
Daniel
Dannemeyer
DeLay
DeWine
Dornan (CA)
Dreier
Eckert (NY)
Fawell
Fiedler
Fields
Franklin
Gallo
Gekas
Gibbons
Goodling
Gradison
Green
Gregg
Hammerschmidt
Hansen
Hiler
Holt
Lagomarsino
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Livingston
Loeffler
Lott
Lowery (CA)
Lujan
Luken
Lungren
Mack
Mazzoli
McCain
McCandless
McCollum
McGrath
McKinney
McMillan
Meyers
Miller (WA)
Molinari
Monson
Montgomery
Moorhead
Morrison (WA)
Nelson
Nielson
Packard
Porter
Pursell
Quillen
Regula
Reid
Rinaldo
Ritter
Roberts
Roemer
Roukema
Rowland (CT)
Rudd
Russo
Saxton
Schaefer
Schneider
Schroeder
Schulze
Schumer
Shaw
Shumway
Shuster
Skeen
Smith (NH)
Smith, Denny
Solomon
Stallings
Stenholm
Stump
Swindall
Tauzin
Vucanovich
Walker
Whittaker
Wyden
Young (AK)
Young (FL)
Zschau

NOT VOTING—23

Ackerman
Addabbo
Andrews
Badham
Biaggi
Breaux
Bustamante
Coble
Coleman (MO)
Courter
de la Garza
DioGuardi
Fascell
Foglietta
Gingrich
Hyde
Madigan
McEwen
Mrazek
Nichols
Ortiz
Thomas (CA)
Towns

□ 1550

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Hyde against.

Mr. Breaux for, with Mr. Gingrich against.

Messrs. RUSSO, LOTT, LEWIS of Florida, and SCHUMER changed their votes from "yea" to "nay."

Mr. KRAMER changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR AGREEING TO THE SENATE AMENDMENT TO H.R. 1096, AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 99-15) on the resolution (H. Res. 92) providing for agreeing to the Senate amendment to the bill (H.R. 1096) to authorize appropriations for famine relief and recovery in Africa, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. PACKARD. Mr. Speaker, I would like the record to show that had I had an opportunity to change my

vote from aye to no yesterday on H.R. 1035, I would have done so.

INTERSTATE HIGHWAY COST ESTIMATE APPROVAL, 1985-1986

Mr. HOWARD. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 1251) to apportion one-half of the funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986 and substitute highway and transit projects for fiscal years 1984 and 1985.

The Clerk read the title of the bill.

The SPEAKER pro tempore [Mr. MURTHA]. Is there objection to the request of the gentleman from New Jersey?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I do so simply to inquire whether or not the motion is for consideration and that will mean that we will have the question put on the final passage of the bill.

The SPEAKER pro tempore. The gentleman is correct.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. WEISS. Mr. Speaker, reserving the right to object, I do so to inquire of the distinguished chairman of the Committee on Public Works if my understanding is correct, that is that the interstate cost estimate legislation in no way affects any particular interstate project either by way of changing its status or adding or detracting from its status.

□ 1600

Mr. HOWARD. Will the gentleman yield?

Mr. WEISS. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

I would like to state that the passage of this legislation, the approval of this interstate cost estimate, will in no way enhance or detract from any specific project anywhere in the Nation.

Mr. WEISS. I thank the gentleman for his response.

Further reserving the right to object, the reason I asked that question is that there is an interstate project proposed within my district, the West Way project, which I oppose as it is and would want to support as a trade-in proposal. By voting for this legislation we are in no way affecting the status of that project.

Mr. HOWARD. The status of that would be exactly the same following passage of this as it is at this moment.

Mr. WEISS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. HOWARD]?

There was no objection.

The Clerk read the bill, as follows:

H.R. 1251

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. APPROVAL OF INTERSTATE COST ESTIMATE FOR FISCAL YEARS 1985 AND 1986.

(a) FISCAL YEAR 1985.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1985, the remaining sums authorized to be appropriated for such year by section 108(b) of the Federal Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 99-2 of the Committee on Public Works and Transportation of the House of Representatives.

(b) FISCAL YEAR 1986.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1986, one-half of the sums authorized to be appropriated for such year by section 108(b) of the Federal Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 99-2 of the Committee on Public Works and Transportation of the House of Representatives.

SEC. 2. APPROVAL OF INTERSTATE SUBSTITUTE COST ESTIMATE FOR FISCAL YEARS 1984 AND 1985.

(a) FISCAL YEAR 1984.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1984, the remaining sums to be appropriated for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 99-3 of the Committee on Public Works and Transportation of the House of Representatives.

(b) FISCAL YEAR 1985.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1985, one-half of the sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 99-3 of the Committee on Public Works and Transportation of the House of Representatives.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike all after the enacting clause and insert in lieu thereof:

SECTION 1. APPROVAL OF INTERSTATE COST ESTIMATE FOR FISCAL YEARS 1985 AND 1986.

(a) FISCAL YEAR 1985.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1985, the remaining sums authorized to be appropriated for such year by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 99-2 of the Committee on Public Works and Transportation of the House of Representatives.

(b) FISCAL YEAR 1986.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1986, the sums authorized to be appropriated for such year by section 108(b) of the Federal-Aid Highway Act of 1956, as amended, for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 99-2 of the Committee on Public Works and Transportation of the House of Representatives.

SEC. 2. APPROVAL OF INTERSTATE SUBSTITUTE COST ESTIMATE FOR FISCAL YEARS 1984 AND 1985.

(b) FISCAL YEAR 1986.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1984, the remaining sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in committee print numbered numbered 99-3 of the Committee on Public Works and Transportation of the House of Representatives.

(b) FISCAL YEAR 1985.—The Secretary of Transportation shall apportion for the fiscal year ending September 30, 1985, the sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 99-3 of the Committee on Public Works and Transportation of the House of Representatives.

Mr. HOWARD (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. HOWARD] is recognized for 1 hour.

Mr. HOWARD. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], pending which I yield myself such time as I may consume.

Mr. Speaker, the Committee on Public Works and Transportation brings to the House the bill, H.R. 1251, to apportion the remaining interstate construction and interstate substitute funds available for obligation in fiscal year 1984, and all of the funds available in fiscal year 1985 for interstate construction and interstate substitute projects.

During the 98th Congress, the House overwhelmingly passed legislation, H.R. 5504, the Surface Transportation and Uniform Relocation Assistance Act of 1984, that provided for the release of interstate and interstate

substitute funds. However, the Senate conferees to the three titles of the House-passed bill were not appointed until October 9, 1984. With only 2 days remaining in the 98th Congress, the conferees met but were unable to adopt a conference agreement. Therefore, further consideration of important highway, mass transit, and uniform relocation amendments were forced to be deferred to the 99th Congress.

Mr. Speaker, the urgent need for adoption of this legislation should not be underestimated by the Congress. The Committee on Public Works and Transportation has acted as expeditiously as possible to report this legislation and bring it to the House for immediate consideration.

This bill, H.R. 1251, is vital to States in order to release interstate and interstate substitute project funds. House passage of this legislation would release to the States a total of $7.2 billion. The release of the 18 months of backlogged funds would provide $5.28 billion for interstate construction funds, $960 million in 85 percent minimum allocation funds, and $979 million for interstate transfer funds. Presently, there are 42 States unable to advance interstate highway projects due to the delay in Congressional approval of the interstate cost estimate [ICE]. The bill, H.R. 1251, would provide for the immediate release of interstate construction and interstate substitute project funds in time for the spring construction season.

Although this legislation does not contain many of the meritorious provisions that were agreed to and supported by Members during consideration of H.R. 5504 in the last Congress, H.R. 1251 is a simple clean ICE bill that assures prompt apportionment of the interstate construction and interstate substitute funds to the States. The committee will consider highway, mass transit, and uniform relocation legislation during this Congress. I look forward to working with Members in advancing legislation during the 99th Congress that addresses many of their legislative proposals.

Mr. Speaker, I urge my colleagues to act on this critically needed highway legislation to release funding to the States without any further delay.

Mr. Speaker, we do have dated February 27 from the Congressional Budget Office letters sent to us stating that this being trust fund money, that this legislation does not have any budgetary impact.

Second, we have a statement of administration policy from the Executive office of the President saying that the administration supports enactment of H.R. 1251 to approve this interstate cost estimate. It says, however, the administration would oppose any changes that add to the cost of the interstate system, revise existing programs, create new spending authorizations, or to earmark funds.

This legislation does none of these, Mr. Speaker.

I hope that we can quickly pass this, have it sent over to the other body, hope they will pass it so that the States may get on with their interstate work.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. ANDERSON], the chairman of the Subcommittee on Surface Transportation.

Mr. ANDERSON. Mr. Speaker, I rise in support of H.R. 1251 and want to commend the efforts of Chairman HOWARD and Congressmen SNYDER and SHUSTER in cooperating so splendidly to report this bill from committee and onto the House floor in a period of just 24 hours since the committee organized for the 99th Congress. We have moved just as quickly as is possible.

Of course, the reason for the expeditious handling of this legislation should be apparent. By approving the interstate cost estimate and interstate substitute cost estimate, we are making possible the release of $7.2 billion; $5.28 billion in interstate construction funds, $870 million in interstate substitute/highway money, $199 million in Interstate Substitute/Transit funding, and $960 million in 85 percent minimum apportionment funds. The legislation before us utilizes the factors which were contained in H.R. 5504 which passed the House by a 4-to-1 margin last year, updated to reflect allocations and withdrawals.

In approving a clean ICE, with no special interest provisions attached, we are hoping the Senate will pick it up and pass it in their body, dropping various items that mar their bill and threaten to hold up the release of this money which has been raised by taxes on our Nation's highway users, and which are needed to improve and expand the country's highway system. Just yesterday, I received a letter from 13 major businesses and organizations, including the U.S. Chamber of Commerce, the Construction Industry Manufacturers Association and others, requesting an ICE without legislative amendments. This is what we are doing.

Senator STAFFORD said on the Senate floor the other day that it was inappropriate at this time to authorize any new spending when the entire program is being cut back. We are not cutting the program today. But I believe the Senator's sense of propriety should still govern. We ought not add a nickel of new budget authority at this time, and H.R. 1251 meets this test. Senator SYMMS cited data on the floor that approval of the ICE will generate 417,000 jobs across the Nation. I am sure not one of us here, or in the other body, doesn't want to assist in that endeavor.

I am equally certain that many of us are interested in passing another highway/transit bill in this Congress. That will be done, and we will be seeking the input of the House as we move in that direction. But passing a major highway/transit bill will not be quick or easy going. It would be unfair to the highway users of this country, and those who depend on the highway users for the delivery of goods, to postpone the passage of an ICE. And it should be abundantly clear that is what will happen unless the House and Senate move quickly on H.R. 1251 as it is before us today.

If the Senate varies from this course of action, fails to pick up our ICE and insists upon a conference, I believe the Public Works and Transportation Committee would be derelict in its responsibility to the House if we didn't go back and pass highway/transit legislation similar to H.R. 5504 from the 98th Congress, and use that as our conference vehicle. I regret that we would be put in that position, but there would simply be no reasonable alternative. And let me reiterate, even that alternative is a poor one. Because it is one that is guaranteed to take months, wiping out the construction season in many States.

Mr. Speaker, I believe each of our colleagues can support H.R. 1251 confident in the knowledge that we are doing the right thing; allowing the release of $7.2 billion and not permitting that release to be tied down by major and minor policy considerations.

□ 1610

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is important for the House to recognize that this House acted responsibly on transportation legislation last year on June 7, when we passed our transportation legislation, including this ICE, the interstate cost estimate. However, the other body, for reasons best known to them, did not act in June, did not act in July, did not act in August or September or October, until the last week of the 98th Congress. And with only 2 days left, we were faced with the situation where we essentially were told, "Take it or leave it, accept the Senate version or let the transportation legislation die."

On that basis, we felt we could not capitulate and not stand firm in support of the House's position, a position which passed overwhelmingly last June.

So we find ourselves in a situation today where the interstate highway money is running out. We find ourselves in a situation where there has been great pressure to pass a so-called clean ICE, a clean interstate cost esti-

mate. The Governors have overwhelmingly passed a resolution supporting this, the administration supports this legislation, and so we come here today to support a clean ICE.

Now, the other body rather than passing a clean ICE in this Congress just recently passed what might be called, in most charitable terms, a dirty ICE, which is to say that there are 36 specific additional significant provisions in the Senate version, one provision alone which would increase highway expenditures by $378 million over 2 years.

It is for that reason that we acted in committee yesterday to pass a clean ICE with the clear understanding that we would send this clean ICE, which everybody has been clamoring for, to the Senate for their action, and we would not go to conference with them to consider the so-called dirty ICE which the other body recently passed.

I would ask our distinguished chairman if he would engage in a colloquy with me on this particular issue.

Mr. HOWARD. I would be happy to.

Mr. SHUSTER. It is my understanding, and I would like to clarify for the record with respect to the House position, assuming we are successful in obtaining the passage of this bill today, that it is absolutely clear to everyone that we are totally committed to the enactment of this clean 18-month ICE with no extraneous provisions and that this position of the House is not negotiable with the other body. Is that the gentleman's understanding?

Mr. HOWARD. If the gentleman will yield, I think the gentleman is absolutely correct.

As the gentleman knows, the Members in this House, based on the major legislation we passed last year, must have 75 or 80 needed projects. If we get into a conference with the other body, it is going to be months. The construction season will be over, we will not have the roads built, the people will not get the jobs. I agree with the gentleman. This is it. We hope the other body will accede to what they have been talking about, what the administration has been talking about, a clean ICE bill. Let us get it past the other body, down to the White House, the money can be released, and we can start to get to work. The gentleman is correct. Not negotiable at all.

Mr. SHUSTER. I thank the gentleman for his affirmation of this position.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Ohio.

Mr. LATTA. I want to take this opportunity to thank the gentleman from Pennsylvania for his hard work not only on this bill but on the Surface Transportation Act that we did not pass last time. The same with the chairman, Chairman HOWARD, who has been very, very receptive to the needs of the Members of this House. I just want to spread upon the record the fact that we have got the assurance from both sides, from the chairman and also from the ranking minority Member, that you are going to proceed very expeditiously on the Surface Transportation Act that we did not pass last year, put those demonstration projects in there, including the Route 2 bypass.

Mr. SHUSTER. I would respond to my friend that the transportation authorization legislation for both the highways and transit expires in this Congress. Therefore, we must bring to the floor of this House major transportation authorizing legislation, and it would be my full expectation that it would be patterned after the bill which passed overwhelmingly last June in this House and would include those much needed projects, which includes the one that the gentleman is referring to in Ohio. It is long overdue.

Mr. LATTA. Let me ask one second question, and that is: About when can we expect that legislation on the floor?

Mr. HOWARD. If the gentleman will yield, I would like to say that, in talking with the gentleman from Pennsylvania and the gentleman from California, I would say within a matter of just a couple of months, because basically we are talking about the same bill that the House overwhelmingly passed last June, and those projects are just as important this year as they were last year. The only additional thing we have to do is provide for the extension of the authorization for several years. But the hearings have been held, the House has worked its will. So it will not take very long at all, and I believe on March 7 there will be a brief hearing on this specific legislation the gentleman refers to, next week.

Mr. LATTA. I thank the gentleman. Mr. Speaker, the bill before us today provides this body with the opportunity to halt the shutdown of interstate highway construction now occurring throughout the Nation.

H.R. 1251 releases 18 months of important funding for interstate construction, substitute highway and transit projects, and minimum allocation fund apportionments. It has the support of the administration, which proposed similar legislation, and indeed, I feel certain that most if not all Members of this and the other body understand the pressing need to approve both the interstate cost estimate and the interstate substitute cost estimate.

But perhaps the most important characteristic of H.R. 1251 is that it does not contain a laundry list of program changes and project authorizations. It is truly a "clean" ICE bill and as such, it is, in my judgment, the surest means of getting the long-overdue enactment of these critically important cost estimates.

There will be another time for consideration of what are unquestionably meritorious highway and transit projects. The Public Works and Transportation Committee expects to take up a major highway and transit bill in this Congress, so the opportunity to consider projects and program changes will certainly be available to the Members of this body.

Drawing on the unfortunate experience of the last Congress in combining ICE approval with comprehensive highway legislation, it seems only prudent that we choose the legislative vehicle that will get the ICE and ISCE approved at the earliest possible date.

That vehicle is H.R. 1251. Its enactment will enable the Federal Highway Administration to release some $7 billion in Interstate Highway System money now being withheld from the States. In short, it will once again put State highway construction programs back in operation, and surely that is what we all want. Ohio will receive a total of $238,015,000 from this legislation. Of this total, $110,099,000 will come through the 85-percent minimum allocation provision and a part or all of this sum could be made available for Ohio projects such as the much-needed bypass on Route 2 near Huron, OH, and for the completion of work on this Route 2 in Ottawa County, OH.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Pennsylvania.

Mr. WALKER, I thank the gentleman for yielding.

Both the gentleman from Pennsylvania [Mr. SHUSTER] and the chairman have discussed the clean ICE bill that you bring to us.

Some of us are troubled by an article that appeared in this morning's Washington Post that was labeled, "$7 Billion Highway Bill Freed by House Panel." The subhead was, "Measure Guards Speaker's Project."

Down in the article it makes it clear that it is the feeling of at least this reporter that what we have before us today is a bill that does protect one particular project as a part of the clean ICE proposal, and that causes some concern, and I wonder if we could get an explanation as to why this one project seems to have survived.

Mr. SHUSTER. I would be happy to respond to my friend that this bill simply includes a portion of the estimated cost of that Massachusetts project if it is approved. That project, in order to proceed, must have specific affirmative approval, either of the Secretary of Transportation or of this Congress. That approval is not includ-

ed in this interstate cost estimate. I would expect that we will have a battle over this issue when we come to the floor with the transportation reauthorization legislation. That battle should not take place today but rather when we deal with the major transportation.

Let me add that if we did not indicate an estimated cost of that Massachusetts project in here, we could be in the incongruous position of it being approved either by the Secretary or the courts or this Congress but Massachusetts could not proceed because it was not included in the interstate cost estimate for completion of the interstate system.

Mr. WALKER. If the gentleman will yield, what I understand the gentleman is telling me is that, while the money is there as provisional money, there is nothing in this bill which mandates any decision on the part of the Secretary of Transportation, on the part of Massachusetts, on the part of the courts or anything else.

Mr. SHUSTER. That is correct.

Mr. WALKER. There is a set-aside in the bill but no mandate for construction; is that correct?

Mr. SHUSTER. That is correct.

I would yield to the chairman.

Mr. HOWARD. I thank the gentleman for yielding to me.

The gentleman is absolutely correct. The only thing that was reported in the newspaper today is that this legislation does not specifically throw out an eligible project in Boston, as it does not throw out any other project anywhere in the country, but projects that were not thrown out in Pennsylvania or New Jersey do not get the headlines as the project in the Speaker's area.

Mr. WALKER. One additional question, if I may, please: Is there any additional money added to the Massachusetts pot in order to cover this project in this bill?

Mr. SHUSTER. There is only the funding for the interstate cost estimate.

Mr. HOWARD. If the gentleman will yield, not for that specific program. We have taken figures and updated them for inflation for the entire program, but not for any one specific project.

Mr. WALKER. So that this particular cost estimate for Massachusetts is strictly a cost estimate that reflects inflationary increases?

Mr. SHUSTER. I believe that is correct; yes.

Mr. WALKER. I thank the gentleman.

Mr. SHUSTER. Mr. Speaker, I yield 3 minutes to the distinguished ranking minority member of the full committee, the gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I rise in strong support of H.R. 1251, the Interstate Cost Estimate bill, and urge my colleagues in both Houses to join in moving it through to enactment, so that more than $7 billion in transportation funds can be released. In its support, I want to emphasize a few points:

First, this is a full 18-month bill. It was introduced as a 12-month ICE, but an amendment was adopted extending it by another 6 months, an amendment which I strongly supported. By enacting it, the Congress will at long last be up to date in terms of releasing all of the funds authorized to become available for obligation during fiscal years 1984 and 1985 in certain key categories. They are interstate construction, interstate substitute highway and transit projects, and the 85-percent minimum allocation.

Second, this is a clean bill. It contains no changes in policy, no changes in authorization levels, no changes in distribution formulas, and no individual demonstration projects or other projects of whatever description. It, therefore, should be immune from the sort of attacks—some justified and some not—which inevitably seem to focus on provisons in multipurpose legislation. It thus should offer neither the occasion nor the excuse to oppose the bill, or to load it up with amendments. This is exactly why we moved a clean ICE in committee and why we are here today under unanimous consent.

Finally, it is a greatly needed bill. I won't go into a recitation of the many ways you can measure the backlog beyond pointing out that at least 40 States are virtually out of sufficient funds necessary to initiate an interstate project. When you recall that the Interstate Program is the highest priority system of any in the Federal-Aid Highway Program—when you recall that we increased the scope of that program by roughly 50 percent along with a tax increase for the Highway Trust Fund 3 years ago—when you recall that roughly a third of the interstate funds which we are releasing now should have gone out on October 1, 1983, and the remainder on October 1, 1984—that ought to tell the tale.

The interstate apportionment triggered by enactment of this bill will be almost $5.3 billion, supplemented by $779.6 million in interstate highway substitute funds, $199.9 million in interstate transit substitute funds and $959.9 million in 85-percent minimum allocation funds.

I mentioned, Mr. Speaker, that this bill contains no projects. I would not wish to have this fact misinterpreted as reflecting any abandonment or repudiation of the various provisions which we approved in the last Congress in passing H.R. 5504 here in the House. That, most emphatically, is not the case. We are simply putting a number of things on hold to do what we have to do about the ICE. This is the responsible course and one which does great credit to my colleagues on the Committee on Public Works and Transportation who have chosen to pursue it. My colleague from Ohio, [Mr. MCEWEN], for example, introduced his own 18-month ICE, H.R. 694 late last month. And, as a result of the 18-month ICE we are acting upon today, the State of Ohio can expect to receive $238 million, including $110 million in 85-percent minimum allocation funds which can be used for any Federal-aid project in the State.

Next year, if not sooner, we will have to enact a multiyear reauthorization of the basic Highway, Highway Safety and Public Transportation Program. This means that during this Congress we will come back to take up major, omnibus legislation. The record of the full committee markup of H.R. 1251 yesterday reflects a commitment of the leadership of both sides of the aisle to move a major bill along the lines of H.R. 5504. Therefore the provisions in that bill will be given due consideration.

I want to provide specific assurance in the regard with respect to the provisions of H.R. 5504 dealing with Route 71 in Arkansas and Missouri, which were incorporated in the bill at the request of the gentleman from Arkansas, our committee colleague [Mr. HAMMERSCHMIDT] and the gentleman from Missouri [Mr. TAYLOR], a former member of the committee. It should be pointed out that both Members support this ICE provision, including its expansion from 12 to 18 months. In practical terms, this means that Arkansas and Missouri will receive $13 million and $37 million, respectively, in 85-percent minimum allocation funds. The minimum allocation figure would have been $1.6 million for Arkansas and $5.7 million for Missouri under a 12-month ICE. I should think it reasonable to expect, a considerable amount of such 85-percent funds to be used on Highway 71 in both States. Such action by the States would serve to strengthen the case for further provisions affecting the projects in our next big bill.

Before closing, there is one key point which I would like to clarify for the record with respect to the House position assuming that we are successful in passing this bill today. The point is that it should be absolutely clear to everyone that in our negotiations with the Senate we will make every effort to enact a clean, 18-month ICE with no extraneous provisions.

We would only delay the ICE or jeopardize its enactment if we tried to go to conference on the bill the Senate passed last Saturday, S. 391, and tried to pick and choose from among the 38 provisions in the Senate bill. One pro-

vision alone in that bill, which could increase the cost of the highway program by something like $2 to $3 billion over the next 10 years, is a guaranteed stumbling block.

I also want to make it clear that I have received a commitment from the chairman of our committee, the distinguished gentleman from New Jersey [Mr. HOWARD], that we have no intention of going to conference with the Senate on S. 391. We don't take this position out of any particular opposition to the provisions of the bill; we were prepared to take a number of them in conference last fall when they appeared in predecessor legislation.

Our problem is that we simply do not have time to go into the negotiating process which a conference would entail. Inevitably, fairness would dictate that we somehow get H.R. 5504 from the last Congress onto the table, in turn raising questions of fairness as to which provisions to include and which to exclude. They would put us squarely back in the position we were in when the Conference died at the end of the last session.

Mr. Speaker, with these assurances as to the need for the ICE. I would say that Members are fully justified in joining the committee and supporting enactment of this worthwhile legislation. Let us get the urgent ICE situation behind us and then proceed to legislate with greater deliberation for the long term.

I urge adoption of the legislation.

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Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding me this time.

Mr. Speaker, I, too, rise in support of H.R. 1251. It is vitally important that the House act favorably on this legislation today, and that we pass a clean interstate cost estimate bill.

Mr. Speaker, I rise in support of H.R. 1251. It is vitally important that the House act favorably on this legislation today and that we pass a clean interstate cost estimate [ICE] bill.

Few members in this body are not affected by the $7 billion funding backlog that is paralyzing many State highway construction programs. It is, therefore, imperative that we avoid the problems that occurred in the last Congress when we combined ICE approval with project authorizations and other matters.

Even though any projects proposed might be thoroughly meritorious, adding them to the bill before us could severely jeopardize its prospects for enactment, and that we simply cannot afford to do. Delays in approving the ICE have already brought interstate highway work to a standstill in some 40 States.

Not only is it essential nationally to get the program back on track, it is very important to my own State of Arkansas, especially since the bill before us has been amended from a 12-month ICE to an 18-month ICE, which I strongly supported.

As a result of the change from 12 months to 18 months, interstate construction funding for Arkansas would rise from $18.2 million to $26.4 million, for an increase of $8.2 million.

Approval of an 18-month ICE also means that Arkansas' share of the minimum allocation fund would increase from $1.6 million to $13 million—an $11.4 million increase.

The $13 million in minimum allocation funds are available at the discretion of the State to be used in any Federal-aid highway project, and I expect the State to give a high priority to Highway 71, because that is precisely the kind of important transportation project Congress had in mind for 85 percent minimum allocation funding.

The Highway 71 corridor in western Arkansas is a major arterial that serves traffic traveling to and from Louisiana, Texas, Oklahoma, Arkansas, Missouri, Kansas, and other areas and is in need of improvement to be a safe, modern transportation facility.

I have been—and continue to be—a strong supporter of efforts to improve Highway 71. This route is extremely important to northwestern Arkansas, both in terms of moving people and goods and in terms of fostering the economic development of the area.

Over the years I have worked to secure special funding and special treatment for Highway 71 in Federal highway legislation in order to expedite its improvement.

For example, at my request, Highway 71 was 1 of the 15 or so routes selected nationwide by the Secretary of Transportation for funding during fiscal years 1979–83 under the priority primary program, a program which was terminated in the Surface Transportation Assistance Act of 1982. During this period Arkansas received for Highway 71 a total of $51.8 million over and above its normal apportionments.

The Surface Transportation Assistance Act of 1982 contained two provisions which directly affected Highway 71. First, it contained a provision which required the State of Arkansas to give priority consideration to Highway 71 in the use of the increased primary system funding provided by the act.

And second, the 1982 act established a special matching ratio for Highway 71. Instead of the normal 75/25 match, the Federal/State matching ratio was set at 95/5, a ratio even more favorable than the 90/10 matching ratio on the Interstate System.

Another example of special treatment accorded Highway 71 can be found in the 6-month ICE bill that was enacted into law early in 1984. This bill contained a provision which authorized the State of Arkansas to use interstate 4R funds to upgrade Highway 71. This provision is particularly important because of the fact that funding for this program has been increased substantially in recent years.

In addition, I might note that during the last Congress, I authorized two provisions in H.R. 5504, our Comprehensive Highway/Mass Transit bill, to encourage and expedite the upgrading of Highway 71.

Section 112(i)(3) of H.R. 5504 authorized the Secretary of Transportation to carry out a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between its junction with I-40 and I-540 in the vicinity of Fort Smith and the boundary between the States of Arkansas and Missouri as a four-lane facility. A total of $25 million in contract authority from the highway trust fund would have been provided for preliminary engineering, design, right-of-way acquisition and relocation activities in connection with the project. These funds were over and above Arkansas' normal highway apportionments.

The second provision in H.R. 5504 was section 115, which authorized the State of Arkansas to use interstate construction funds for the planning, design and construction of Highway 71. Since Arkansas has completed its interstate system, it receives one-half of 1 percent of interstate construction funding; these funds must normally be used for interstate 4R work.

The effect of the provisions in H.R. 5504 was to place the Highway 71 project on an equal footing with interstate 4R work in the use of the State's apportionment.

In addition to these provisions affecing Highway 71, I also authored a provision in H.R. 5504 which authorized an $8.5 million demonstration project in Fort Smith, AR. The purpose of this project was to demonstrate the economic growth and development benefits of widening and improving traffic signalization of a segment of the Federal-aid urban system connecting Westark Community College and the new central mall. At the present time, this 2.03-mile segment is a 30-year-old, narrow, two-lane road which is inadequate to handle the 45,000 vehicles that travel it daily.

Unfortunately, the Senate bill did not contain comparable provisions dealing with Highway 71 or the Fort Smith project. Ultimately, when House and Senate conferees failed to reach agreement in the waning hours

of the 98th Congresss, the entire bill died with that Congress.

I intend to pursue these provisons for Highway 71 and Fort Smith in the House during this Congress, and I am hopeful that this time, the Senate will pursue similar provisions. However, this is not the time to do it. The Public Works and Transportation Committee will be reporting a major highway and transit bill later in this Congress, and that will be the appropriate time and the appropriate vehicle for the Congress to consider these projects.

As I indicated earlier, I believe that the clean 18-month ICE bill before us today should be passed as is. The approval of an 18-month ICE is very important to Arkansas' highway construction program, as it is to the highway and transit programs of other States.

Accordingly, I urge the House to approve this bill, and I urge the Senate to also act favorably and expeditiously. Moreover, since this bill is very similar to the administration's proposal, I am hopeful that President Reagan will sign the bill. It is critically important that this legislation receive enactment without further delay.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. TAYLOR].

Mr. TAYLOR. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 1251, a bill to approve the interstate cost estimate and the interstate substitute cost estimate. By approving these estimates, Congress will be releasing over $7 billion in highway construction funds. These funds represent a backlog of funds from the second half of fiscal year 1984 and all of fiscal year 1985.

H.R. 1251 is a "clean" ICE bill. It is not encumbered with other provisions that might either delay the ICE approval or jeopardize its prospects for enactment.

I support the "clean" ICE approach because of the critical need for the States to move projects forward and to take the maximum possible advantage of this construction season. At least 40 States are virtually without funds to proceed.

If we start adding other provisions to the bill, as meritorious as they might be, we will merely overload the process and perhaps jeopardize it entirely. Other provisions can be considered when the House takes up comprehensive highway/mass transit legislation later in the 99th Congress.

I might note that I also strongly support the decision of the Committee on Public Works and Transportation to report an 18-month ICE rather than a 12-month ICE. This decision is very important to the State of Missouri.

Under an 18-month ICE, Missouri will receive $26.4 million in interstate construction funds and $37.4 million in 85-percent minimum allocation funds. This represents a substantial increase over what the State would have received under a 12-month ICE.

Under the 12-month ICE, Missouri would have received $18.2 million in interstate construction funds, or about $8.2 million less than it will receive under H.R. 1251. And under the 12-month ICE, Missouri would have received about $5.7 million in 85-percent minimum allocation funds, or about $31.7 million less than it will receive under H.R. 1251.

The 85-percent minimum allocation funds can be used at the discretion of the State for any Federal-aid highway project, including the project to upgrade and improve Highway 71 in southwestern Missouri. In fact, the Highway 71 project is just the type of project that Congress had in mind when the minimum allocation program was enacted, and thus I would urge the State to carefully consider this important project.

In closing, Mr. Speaker, I strongly urge my colleagues to support H.R. 1251.

Mr. SHUSTER. Mr. Speaker, I yield a minute and a half to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this legislation. Finally, this House appears ready to approve the long overdue legislation to fund vital highway construction. This bill means $80 million for Wisconsin; it means necessary highway construction already paid for through gasoline taxes, and it means highway construction jobs—perhaps 2,000 for my State of Wisconsin.

So let us get on with it and finally pass this needed legislation.

Mr. Speaker, this bill provides necessary funding for America's highways. This legislation will mean $80 million for Wisconsin, and I'd like to point out that 53 million of those dollars are the result of legislation I helped push through over 2 years ago which guarantees that each State will get back in highway funding at least 85 percent of the gasoline tax money sent by that State to the Federal highway trust fund.

Finally this House appears ready to approve long overdue legislation to fund vital highway construction. My constituents have already paid for highway construction through their gasoline taxes, and I'm extremely pleased that we're finally going to get our money back, even though we're getting it 1 year later than we should have.

The delay, of course, was caused by squabbling over certain pork barrel provisions in previous versions of this legislation. Mr. Speaker, we have a serious budget deficit to deal with, and we can't afford to load down necessary funding legislation with unnecessary projects. Finally, we've gotten rid of those pork barrel items, and we can now move on with necessary construction projects.

This bill means $80 million for Wisconsin. It means necessary highway construction, already paid for through gasoline taxes. And it means highway construction jobs—perhaps 2,000 jobs for Wisconsin. So let's get on with it and finally pass this bill!

Mr. SHUSTER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida [Mr. SHAW].

Mr. SHAW. I thank the gentleman for yielding me this time.

Mr. Speaker, I want to also compliment the leadership on both sides of the aisle for making this the priority item and bringing it to us so quickly. One of the things that I think is most refreshing about it is that it puts this issue right where it ought to be, and that is just talking interstate construction. Everything else has been peeled back. This is so tremendously important to the State of Florida and other Sun Belt States that have fallen so far behind in the construction of its interstate projects.

Not only will it solve the transportation needs which need solving so desperately in my own district as well as the rest of the State of Florida, but it also is going to produce the jobs which will pump up the economy and do so much good all across the country.

Mr. SHUSTER. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 1251 the Interstate Highway Funding Act of 1985.

With the construction season approaching and the lead time required to get work going, we need immediate action on an interstate cost estimate.

The continued economic recovery of road construction in Michigan is threatened because of the serious lack of interstate highway funds.

The year 1984 was considered by most roadbuilding contractors in Michigan to be a turnaround year, the best in the past 5. It was also the first time in the last 10 years that we repaired roads and bridges at a faster rate than they were deteriorating.

If ICE is not passed now, the Michigan Department of Transportation bid letting will be canceled for a month, and for each additional month Congress fails to act.

Since the roadbuilding industry in our State is limited to the months of May through November, a delay in our bidding process of 1 month means the loss of one-seventh of our production year.

I urge the passage of this bill.

Mr. HOWARD. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding me this time.

Mr. Speaker, the Public Works and Transportation Committee is to be commended for its expeditious consideration this week of legislation to approve the interstate cost estimate. The health of our economy is dependent on the maintenance of our transportation infrastructure. Ultimately, neglected roads and bridges cost the country many times more than it would to repair, rehabilitate, or replace those vital structures and facilities. Passage of H.R. 1251 will release more than $7 billion to the State departments of transportation. This money will permit orderly planning for the 1985 construction season, providing jobs and tending to our Nation's infrastructure needs.

My own State of Ohio will receive an estimated $230 million. Once again, I must point out that this amount does not equal the contributions of Ohio motorists to the highway trust fund. Since the creation of the trust fund, Ohio and other Great Lakes States have contributed billions of dollars more to the National Highway Program than they received. These inequitable distribution formulas which were appropriate during the construction of our Interstate Highway System, are no longer appropriate. The most heavily traveled roads and bridges are those that need the most maintenance and repair. In some cases, bridges need to be replaced altogether. It is no longer in the national interest for States with the greatest needs to lose highway funds to the national program. The allocation formulas which have taking a net sum of money from States like Ohio must be adjusted to reflect new realities.

I would commend my colleagues' attention to the February 1984 joint economic study, "Hard Choices," which identifies Ohio as the State with the greatest gap between its total infrastructure needs and available capital to fund those needs. I would also commend my colleagues' attention to the December 1983 Department of Transportation section 137 study which confirms that the correlation of estimated highway trust fund contributions to needs is the greatest of all the alternative factors that were considered.

I intend to vote for H.R. 1251 and I urge my colleagues to do so, as well. This bill is important to Ohio and to the Nation. In its consideration of future highway legislation, however, I hope the Public Works Committee will take careful account of the needs of minimum allocation States like Ohio.

Mr. Speaker, I want to commend the chairman and the minority leader of the committee. I think this is very, very important. I do want to point out that the amount does not equal the contributions of Ohio motorists to the highway trust fund. We are one of those donor states. I want to commend my colleagues' attention to the February 1984 joint economic study, "Hard Choices," which identifies Ohio as the State with the greatest gap between its total infrastructure needs and available capital to fund those needs.

I know that the chairman understands the problem, and therefore, I really want to ask my colleagues to vote unanimously for this bill. It is important. But I hope in the future we can take a look at the formulas.

Mr. HOWARD. I would say that I am very familiar with "Hard Choices," that report, and we have legislation we are working on hoping to solve that large problem.

Ms. OAKAR. I really appreciate that, Mr. Chairman.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in very strong support of this legislation. I want to commend the chairman and the committee for acting in such an expeditious way. I know this bill has had bipartisan support; it is vitally important to the people of the State of Washington. There are numerous projects that would be affected adversely, without the quick approval of this measure.

I just want to commend the committee for acting promptly to clear up this legislative matter and to move this legislation. I urge its support.

Mr. HOWARD. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. I thank the gentleman for yielding time to me.

Mr. Speaker, I want to thank the Committee on Public Works and Transportation and Chairman HOWARD for expeditious action in taking care of the State of Connecticut and 45 other States.

Mr. Speaker, I am very glad to have the opportunity to speak on behalf of H.R. 1251. This bill approves the interstate cost estimate and interstate substitute cost estimate which are necessary for the release of Federal highway funds. There is no time to spare in enacting H.R. 1251; over $7 billion in Federal highway aid is at stake; 46 States have already run out of Federal highway funds. Without immediate action, many States may lose this entire upcoming construction season.

H.R. 1251 is extremely important to the State of Connecticut. Without approval of the ICE and ISCE, the State would not receive $240 million of Federal highway funds. These funds are vitally necessary for the States highway construction and repair program. If the Federal funding component is missing, there will be a domino effect of delays in Connecticut's 10-year comprehensive highway improvement plan affecting many State and local transportation projects as well as Federal highway work.

H.R. 1251 is the best approach to getting Federal funds released quickly. H.R. 1251 is an absolutely spanky clean ICE. It includes no special projects, no allocations formula changes, no revision of the obligation ceiling. Projects, formula changes, revisions, these kinds of measures would bog down a bill, and our top priority must be getting an ICE approval now. Extraneous measures should be put aside at this time and addressed in later legislation. This was the approach I advocated in H.R. 509, an 18-month clean ICE bill essentially identical to H.R. 1251. I want to express my gratitude to the Public Works Committee, and especially its chairman, JIM HOWARD, for adopting this clean ICE strategy with H.R. 1251 and I urge my colleagues to vote in favor of the bill.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. I thank the gentleman for yielding to me.

Mr. Speaker, I too, rise to urge passage and commend the committee.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. CARR].

Mr. CARR. I thank the gentleman for yielding to me.

Mr. Speaker, I rise in strong support of this legislation.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to a former member of the committee, the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of H.R. 1251, and urge its swift enactment. The chairman of the House Public Works and Transportation Committee, JIM HOWARD, and the ranking minority leadership of the committee, GENE SNYDER and BUD SHUSTER, are to be commended for bringing this urgent legislation to the House floor so early in the session. This bill will release 18 months of interstate highway construction funds to the States, many of which have had to halt highway projects due to the delay in the release of these funds.

I have had the honor of serving on the Public Works and Transportation Committee for the past 6 years, and have had the pleasure of working closely with the leadership and members of the committee on both sides of

the aisle on many important initiatives. Last year, the committee brought a comprehensive highway bill to the floor on June 7. That bill contained many worthwhile provisions. One provision in that bill sought to end the apparent confusion at the Federal Highway Administration over Congress' longstanding intent that two projects in Boston, MA, are eligible for funding as part of the Interstate System. Those related projects, the depression and widening of the central artery, and the construction of a four-lane third harbor tunnel between downtown Boston and Logan Airport, are essential to resolving a critical transportation bottleneck in the Boston Metropolitan Area that also impacts the adjoining New England States. Unfortunately, while the House acted expeditiously in passing its version of the highway bill last year, the Senate did not take similar action until the very last closing days of the session. There simply was not enough time to convene a conference and work out the provisions in disagreement.

Even with enactment of this legislation, which releases $7.22 billion in Federal interstate highway funds, Congress still must enact comprehensive legislation to reauthorize the Federal Highway and Mass Transit Programs within the near future. It is indeed a demonstration of the responsible and statesmanlike nature of this body that we are able to act quickly and decisively on streamlined legislation like H.R. 1251, which provides tremendous relief to the States. There are many substantive issues that remain to be dealt with in the weeks ahead, including enacting legislation that provides clearcut eligibility for the central artery and third harbor tunnel projects in Boston, MA.

Again, let me commend the leadership and members of the committee for their skilled stewardship of the legislation before the House today. I look forward to working closely with my friends and colleagues in the coming months to enact comprehensive legislation that will address the many issues which today's bill could not accommodate.

The central artery (I-93) is the most congested interstate highway in America. If nothing is done, the region will have 14 hours a day of rush-hour congestion.

The central artery is not a true interstate highway. It was designed by the Commonwealth before the beginning of the Interstate Program. It does not meet interstate standards.

Massachusetts proposed to upgrade the central artery in 1975. Costs of the depression of the central artery were first put in the ICE by FHWA in 1976. These costs have been included in every ICE passed by Congress since 1976, including the 1981 ICE and the ICE passed in March 1984. The ICE being debated today (99-2) once again includes the same costs—adjusted for inflation—for the depression of the central artery that were included in the 1981 ICE.

Massachusetts urged FHWA to allow it to proceed to upgrade the central artery but FHWA, despite the clear ICE history, has maintained that costs for the depression were not included in the 1981 ICE. Massachusetts therefore at FHWA's urging sought congressional clarification of the project's eligibility. It is not necessary to legally clarify the eligibility of the project, but if FHWA continues to deny that the project was included in the 1981 ICE, we will clarify the eligibility in the next major highway bill.

The project will eliminate the present untenable congestion of the central artery. It will eliminate 12 hours of traffic congestion. It will double the capacity of the central artery.

According to the AASHTO calculations of cost-benefit, the traffic benefits, alone, of the project will save $184.2 million per year. The annual rate of return on the project will be 7.4 percent. It will save 20.9 million hours of travel time per year, almost three times as high as any of the recently approved large urban interstate projects—I-105 in Los Angeles, I-478 in New York, I-90 in Seattle, I-10 in Phoenix, and I-95 in Baltimore.

The project will employ 75,000 construction workers for the life of the project—7,500 full time jobs per year for the 10 years of construction.

Mr. DAUB. Mr. Speaker, it is with pleasure that I take this opportunity to commend the members of the Public Works and Transportation Committee on their expeditious discharge of H.R. 1251, the interstate cost estimate and interstate substitute cost estimate bill, to the House for complete consideration.

Certainly, the release of over $30 million to the State of Nebraska is critical in enabling completion of our Federal highway construction projects.

As a former member of the Surface Subcommittee, I worked diligently with several colleagues to secure the release of these funds to our States.

We are fortunate, today, to finally get action which so appropriately addresses this longstanding impasse. I hope that my colleagues will share my strong support for this measure.

● Mr. PICKLE. Mr. Speaker, today I rise in support of the bill, H.R. 1251, sponsored by the Honorable JAMES J. HOWARD. This bill is essential to correct a grave situation faced by our States. The passage of the interstate cost estimate will provide the funds, which have already been set aside, to the States, so that necessary highway construction can be resumed.

My own State, Texas, is desperately in need of these already designated funds to meet the increasing demand for highway construction and repair. The city of Austin, in my district, is one of the fastest growing in the Nation. It is in desperate need of highway expansion. The passage of this bill will do much to aid in meeting the growth needs of Austin.

I want to congratulate Mr. HOWARD for his fine leadership on this bill. He, and his entire committee, are to be commended for their quick action on this very important issue.●

● Mr. McEWEN. Mr. Speaker, I rise today to express my strong support for legislation to release more than $7 billion in Federal highway construction funds to the States. My own great State of Ohio is due to receive nearly $250 million in long overdue highway funds if Congress approves this measure. This is an 18-month interstate cost estimate and interstate substitute cost estimate which will allow the States to get on with the business of highway construction.

As a member of the Public Works and Transportation Committee, I am pleased to report that yesterday the full committee acted swiftly to approve this bill, thereby enabling it to be brought to the floor of the House today. I'd like to thank the committee chairman, Mr. HOWARD, and the ranking member, Mr. SNYDER, for their efforts to get this crucial legislation before the full House of Representatives.

Mr. Speaker, we have reached a crisis point. According to a recent survey by the American Association of State Highway and Transportation Officials, work and planning on more than 200 highway construction projects will soon come to a complete halt unless Congress takes immediate action on the interstate cost estimate. The list of delayed projects and the length of the highway construction worker unemployment line will grow each day that we wait.

Mr. Speaker, virtually every State is out of highway money for the spring construction season. Congress can no longer delay because literally hundreds of thousands of jobs are at stake nationwide. Forty-three of the 50 States now have insufficient funds to construct even 1 mile of interstate highway. This means that more than 400,000 workers who receive paychecks building and repairing our Nation's highways are left hanging on the line because of Congress' failure to release these vital funds. Unemployment in the highway construction industry is already at 13.7 percent and the longer we delay, the more men and women we throw out of work.

The time to act is now, Mr. Speaker. This is a clean interstate cost estimate which simply extends previous fund-

ing formulas. I urge my colleagues to effect the immediate release of these highway funds to the States and get men and women working.●

● Mr. GALLO. Mr. Speaker, I would like to take this opportunity to state how proud I am to have been appointed to the House Committee on Public Works and Transportation. In fact, I am doubly proud—Public Works is a committee of great import and reputation and yesterday I had the opportunity to cast my vote in approval of the interstate cost estimate legislation [ICE] thereby assisting in the release of $7.2 billion in interstate highway construction and substitution funds.

I believe that people who have paid their taxes into a dedicated trust fund in order to ensure adequate funding for national transportation have every right to expect the funds to be used for that purpose.

You may be aware that under Gov. Thomas Kean, New Jersey has made clear its determination to complete one of the most ambitious highway programs in the country. Under the legislation proposed by the committee today, New Jersey will receive $158,969,000 which is sorely needed.

New Jersey will now be able to move off dead center on a number of projects. Among the highways which will benefit are routes 287, 78, and 24. In particular, release of these moneys will enable New Jersey to stop juggling funds and proceed with the scheduled construction of route 24 in the fall.

I've worked with Governor Kean to see that his transportation trust fund becomes a reality. By casting my vote yesterday, I took advantage of yet one more opportunity to complete the roads that are of such importance to my district. Completing these roads will create countless thousands of jobs, will enhance our quality of life and will help to keep New Jersey in the lead and on the move.

With the other committee members, I fervently hope that the Senate will agree with our approach to pass a bill without delay. Later in the session, we may need to address program changes in surface transportation, but now is the time to get the already collected funds into the hands of the States so that they can proceed without delay.●

● Mr. EDGAR. Mr. Speaker, I am pleased to join my colleagues on the Public Works and Transportation Committee today in bringing interstate cost estimate [ICE] bill to the floor. As ranking majority member on the Surface Transportation Subcommittee and as a cosponsor of this legislation, H.R. 1251, I believe that it is imperative that we release highway construction funds tied up for months in the ICE controversy.

The House and Senate must both approve an ICE before highway construction and repair money can be apportioned to the States. Last year the two Houses were unable to agree on an ICE formula, and the highway money was not spent. Prompt passage of an ICE is vital if we are to get moving on this year's construction season. In my own State of Pennsylvania, the unobligated balance of interstate construction funds is only $1 million. Meanwhile, failure to pass an ICE has held up $7.2 billion in interstate funds, delaying as much as $1.2 billion in interstate projects nationwide. If we do not pass H.R. 1251 and quickly reach an agreement with the Senate, my State will experience construction delays worth $12 million by next month and $92 million by June.

Mr. Speaker, the legislation we bring to the floor today provides for an 18-month ICE based on the 1983 ICE apportionment. It is a clean ICE; there are no demonstration projects or other add-ons included in this bill. The bill will release approximately $362 million for Pennsylvania highways, including funding for the Blue Route in Delaware County, I-279 in Pittsburgh, utility relocation for the Vine Street Expressway in Philadelphia, and money for 4-R around the Commonwealth.

I commend Chairman JIM HOWARD and Surface Transportation Subcommittee Chairman GLENN ANDERSON for bringing this legislation out so promptly. It helps my State, it helps their States, and it is good legislation for the entire country. I hope that we will move quickly to conference on this bill so that the construction season can get underway around the Nation. It's time for the ICE to be defrosted; I urge my colleagues to vote for passage of H.R. 1251.●

● Mr. LOWERY of California. Mr. Speaker, I rise in support of passage of H.R. 1251, approving the interstate cost estimate and interstate substitute cost estimate and I commend the chairman and ranking member of the Public Works and Transportation Committee for bringing this urgent legislation to the floor.

However, I believe there is an urgent need not only for immediate approval of the interstate cost estimate but also for reforms to ensure that the logjams we have seen the last 2 years are not repeated. Therefore, on February 7 I introduced legislation—H.R. 1059—which reforms the congressional interstate cost estimate-interstate substitute cost estimate approval process.

Mr. Speaker, H.R. 1059 is designed to prevent these congressional logjams from recurring. It allows the Congress from January to October 1 of each year to review and revise the ICE-ISCE submitted by the Department of Transportation. However, if the Congress has not acted to release the funds by October 1, the bill authorizes the Secretary of Transportation to release the moneys administratively. This legislation will go a long way toward preventing interruptions in highway construction funding.

Again, H.R. 1059 does not deny the Congress the right to review and revise the ICE-ISCE, it only releases the funds if the Congress has not acted by October 1 of each year. I encourage my colleagues to join me in supporting this urgently needed measure.●

Mr. HOWARD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. Without objection, the committee amendment in the nature of a substitute is agreed to.

There was no objection.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 392, nays 4, not voting 36, as follows:

[Roll No. 22]

YEAS—392

Akaka	Broyhill	Derrick
Alexander	Bruce	DeWine
Anderson	Bryant	Dickinson
Annunzio	Burton (CA)	Dicks
Anthony	Burton (IN)	Dingell
Applegate	Byron	Dixon
Archer	Callahan	Donnelly
Armey	Campbell	Dorgan (ND)
Aspin	Carney	Dornan (CA)
Atkins	Carper	Dowdy
AuCoin	Carr	Downey
Barnard	Chandler	Dreier
Barnes	Chappell	Duncan
Bartlett	Chappie	Durbin
Barton	Cheney	Dwyer
Bateman	Clay	Dymally
Bates	Clinger	Dyson
Bedell	Coats	Early
Beilenson	Cobey	Eckart (OH)
Bennett	Coble	Eckert (NY)
Bentley	Coelho	Edgar
Bereuter	Coleman (TX)	Edwards (CA)
Berman	Collins	Edwards (OK)
Bevill	Combest	Emerson
Bilirakis	Conte	English
Billey	Conyers	Erdreich
Boehlert	Cooper	Evans (IA)
Boggs	Coughlin	Evans (IL)
Boland	Coyne	Fawell
Boner (TN)	Craig	Fazio
Bonior (MI)	Crane	Feighan
Bonker	Crockett	Fiedler
Borski	Daniel	Fields
Bosco	Dannemeyer	Fish
Boucher	Darden	Florio
Boulter	Daschle	Foley
Boxer	Daub	Ford (MI)
Brooks	Davis	Ford (TN)
Brown (CA)	DeLay	Fowler
Brown (CO)	Dellums	Frank

Franklin	Luken	Sabo
Frenzel	Lundine	Savage
Frost	Lungren	Saxton
Fuqua	Mack	Schaefer
Gallo	MacKay	Scheuer
Garcia	Manton	Schneider
Gaydos	Markey	Schroeder
Gejdenson	Marlenee	Schuette
Gekas	Martin (IL)	Schulze
Gephardt	Martin (NY)	Schumer
Gibbons	Martinez	Seiberling
Gilman	Matsui	Sensenbrenner
Glickman	Mavroules	Sharp
Gonzalez	Mazzoli	Shaw
Goodling	McCain	Shelby
Gordon	McCandless	Shumway
Gradison	McCollum	Shuster
Gray (IL)	McCurdy	Sikorski
Gray (PA)	McGrath	Sisisky
Green	McHugh	Skeen
Gregg	McKernan	Skelton
Grotberg	McKinney	Slattery
Guarini	McMillan	Slaughter
Gunderson	Meyers	Smith (FL)
Hall (OH)	Mica	Smith (IA)
Hall, Ralph	Mikulski	Smith (NE)
Hall, Sam	Miller (CA)	Smith (NH)
Hamilton	Miller (OH)	Smith (NJ)
Hammerschmidt	Miller (WA)	Smith, Denny
Hansen	Mineta	Smith, Robert
Hartnett	Mitchell	Snowe
Hawkins	Moakley	Snyder
Hayes	Molinari	Solarz
Hefner	Mollohan	Spence
Heftel	Monson	Spratt
Hendon	Montgomery	Staggers
Henry	Moody	Stallings
Hertel	Moore	Stangeland
Hiler	Moorhead	Stenholm
Hillis	Morrison (CT)	Stokes
Holt	Morrison (WA)	Strang
Hopkins	Murphy	Stratton
Horton	Murtha	Studds
Howard	Myers	Stump
Hoyer	Natcher	Sundquist
Hubbard	Neal	Sweeney
Huckaby	Nelson	Swift
Hughes	Nielson	Swindall
Hunter	Nowak	Synar
Hutto	Oakar	Tallon
Ireland	Oberstar	Tauke
Jacobs	Obey	Tauzin
Jeffords	Olin	Taylor
Jenkins	Owens	Thomas (GA)
Johnson	Oxley	Torres
Jones (OK)	Packard	Torricelli
Jones (TN)	Panetta	Traficant
Kanjorski	Parris	Traxler
Kaptur	Pashayan	Udall
Kasich	Pease	Valentine
Kastenmeier	Penny	Vento
Kennelly	Pepper	Visclosky
Kildee	Perkins	Volkmer
Kleczka	Petri	Vucanovich
Kolbe	Pickle	Walgren
Kolter	Porter	Watkins
Kostmayer	Price	Waxman
Kramer	Pursell	Weaver
LaFalce	Rahall	Weber
Lagomarsino	Ray	Weiss
Lantos	Regula	Wheat
Latta	Reid	Whitehurst
Leach (IA)	Richardson	Whittaker
Leath (TX)	Ridge	Whitten
Lehman (CA)	Rinaldo	Williams
Lehman (FL)	Ritter	Wilson
Leland	Roberts	Wirth
Lent	Robinson	Wise
Levin (MI)	Rodino	Wolf
Levine (CA)	Roe	Wolpe
Lewis (CA)	Roemer	Wortley
Lewis (FL)	Rogers	Wright
Lightfoot	Rose	Wyden
Lipinski	Rostenkowski	Wylie
Livingston	Roth	Yates
Lloyd	Roukema	Yatron
Loeffler	Rowland (CT)	Young (AK)
Lott	Rowland (GA)	Young (FL)
Lowery (CA)	Roybal	Young (MO)
Lowry (WA)	Rudd	Zschau
Lujan	Russo	

NAYS—4

Broomfield	Solomon
Kindness	Walker

NOT VOTING—36

Ackerman	Flippo	Nichols
Addabbo	Foglietta	O'Brien
Andrews	Gingrich	Ortiz
Badham	Hatcher	Quillen
Biaggi	Hyde	Rangel
Breaux	Jones (NC)	Siljander
Bustamante	Kemp	St Germain
Coleman (MO)	Madigan	Stark
Courter	McDade	Thomas (CA)
de la Garza	McEwen	Towns
DioGuardi	Michel	Vander Jagt
Fascell	Mrazek	Whitley

□ 1640

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to apportion funds for construction of the National System of Interstate and Defense Highways for fiscal years 1985 and 1986 and substitute highway and transit projects for fiscal years 1984 and 1985."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

WOMEN'S HISTORY WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 50) designating the week beginning March 3, 1985, as "Women's History Week," and ask for its immediate consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. MYERS of Indiana. Mr. Speaker, reserving the right to object, and I do not intend to object, but merely to say that the minority does support this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 50

Whereas American women of every race, class, and ethnic background have made historical contributions to the growth and stength of the Nation in countless recorded and unrecorded ways:

Whereas American women have played and continue to play a critical, economic, cultural, and social role in every sphere of our Nation's life by constituting a signficant portion of the labor force working in and outside of the home;

Whereas American women have played a unique role throughout our history by providing the majority of the Nation's volunteer labor force and have been particularly important in the establishment of early charitable philanthropic and cultural institutions in this country;

Whereas American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement, not only to secure their own right of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, the civil rights movement, and other movements to create a more fair and just society for all; and

Whereas, despite these contributions, the role of American women in history has been consistently overlooked and undervalued in the body of American history: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning March 3, 1985, is designated as "Women's History Week", and the President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

● Ms. SNOWE. Mr. Speaker, I want to offer my strong support to House Joint Resolution 50, designating the week of March 3 to 9 as Women's History Week. Since 1982, Congress has voted to set aside this time to recognize the importance of women's contributions to history.

I want to offer a special thanks to my colleague, the gentlelady from California, for her energetic support and hard work on behalf of Women's History Week. It is no easy task to line up the necessary cosponsorship so early in a new Congress, and I congratulate her for her success. As the primary cosponsor of this bill, I join her in urging my colleagues' support for this special tribute to American women and their lives—yesterday, today, and tomorrow.

I look forward to having the opportunity to share some of the special contributions from the women of my State at a later date. Today, I would like to take just a moment to highlight for my colleagues what I see as the special significance of this commemorative resolution.

This past decade has seen a flourish of interest and academic pursuit in the area of women's history. Largely through Women's History Week, this renaissance has spread from academia to elementary and high schools, public libraries, and private organizations across the country. American history is replete with the stories of women creating meaning, purpose, and dignity in their lives despite legal, social, and economic limitations. It is these women and their stories that serve as an abundant source of hope and inspiration to each of us, and it is through

Women's History Week that this message reaches those women and girls who might otherwise never know.●

● Mrs. HOLT. Mr. Speaker, this year, as part of the National Women's History Week early in March, Maryland is focusing on women in the arts. Officially commemorated since 1981, Maryland, in the past 4 years, has called attention to notable Maryland women, women who helped build our Nation, Maryland women of diverse cultures, and women's choices, changes, and challenges. In Maryland we are creating an awareness of the important roles women have played in every sphere of our Nation's life and history. This year we are exploring the past and present contributions of some of the women in Maryland who have enriched our lives. We are looking at women from all backgrounds and religions, all races and ages, who have one thing in common—that inner drive to create and explore some form of self expression. We share a mutual belief in the value and importance of the arts in helping us to grow and in enriching our society. The arts are our highest form of communication and Maryland women have always contributed to our State's cultural institutions through their active participation in the arts. I am proud of their many inspiring accomplishments.●

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CARL D. PERKINS FEDERAL BUILDING AND U.S. COURTHOUSE

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 14) to designate the Federal building and U.S. courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. SNYDER. Reserving the right to object, Mr. Speaker, and of course, it is not my intention to object, I rise in support of H.R. 14, a bill which would designate the Federal building in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse."

Carl Perkins was a dear and close friend of mine and I am pleased we are able to pay tribute to our former colleague in this simple but fitting way.

A bill identical to H.R. 14 passed the House last year shortly after his untimely death, but unfortunately the bill was not considered in the other body before adjournment. I would like the Members to note, though, that a companion bill to H.R 14 has been introduced in the other body and I am hopeful that the other body will act quickly on this legislation.

I had the privilege of serving with Carl as a member of the Kentucky delegation for 20 of Carl's 36 years here in the House.

During those years, I learned a great deal from Carl about Congress and how it works and a great deal about Kentucky's seventh district. In his 36 years of service, he had seen a lot and I can assure you there wasn't anything that he forgot.

Carl cared deeply about people as was evident by his accomplishments here in Congress. He was a firm believer in the ability of Federal Government to solve the problems of people. Because of his determination and persistence he made numerous improvements in education, agriculture, health and safety, and countless other programs which have benefited millions of Americans.

More than anything else, I think, he believed in getting the job done. And that he did.

There is much more I could say, Mr. Speaker, if time permitted, but let me conclude by saying Carl was a man of wisdom, skill, and compassion. With his death this Congress and the Nation lost a great legislator, statesman, and a truly dedicated public servant.

Naming the building in Ashland, KY, is a fitting tribute to a great man and I urge your support of this legislation.

Mr. NATCHER. Will the gentleman yield to me under his reservation?

Mr. SNYDER. I would be glad to yield to my friend.

Mr. NATCHER. Mr. Speaker, one of the nicest things that happened to me during my lifetime is the opportunity that I had to serve in the Congress with my friend, Carl Perkins.

I want the distinguished gentleman from Missouri [Mr. YOUNG] and my good friend, the distinguished gentleman from Kentucky [Mr. SNYDER] to know that in the Kentucky delegation we appreciate the action of the committee.

This bill, Mr. Speaker, is cosponsored and introduced by the entire delegation of the Commonwealth of Kentucky, and we appreciate it.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield to me on his reservation?

Mr. SNYDER. I am pleased to yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Speaker, I thank my distinguished colleague from the Commonwealth of Kentucky for yielding to me. I would like to thank him and to thank the chairman of the committee, the gentleman from Missouri, for recognizing our distinguished late colleague, Carl Perkins.

We had a very important special order not too many weeks ago to honor the gentleman from Kentucky in which all of his many attributes were cited and put in the record, so we will not go over that; but let me just tell my friend from Kentucky, just as it was an important part of his experience in life, and my friend, the gentleman from Kentucky, Mr. NATCHER's experience, it was for me, too, to learn and to work with Carl Perkins.

I want to thank you all for putting this piece of legislation on the floor this quickly.

Mr. HAWKINS. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I would be glad to yield to my friend, the gentleman from California.

Mr. HAWKINS. Mr. Speaker, may I say as a close friend and coworker of Carl Perkins that nothing that we can do would be more fitting, I think, than this resolution and I would hope that eventually we will be able to name the hearing room in Education and Labor after our very distinguished colleague, but I wanted to say that I had the privilege of going on hearings with Carl Perkins in the hills of Kentucky several times. I recall that the day was always from 5 o'clock until 6 or 7 in the evening.

□ 1650

The typical day consisted of listening to at least 50 or 60 witnesses and at the end of the day, when I was quite weary and thinking that we are about ready to adjourn, Carl Perkins would look out and see someone else and say, "Come on up here and testify. Don't you want to testify?"

His complete philosophy was not to exclude anybody. And I think that typifies his philosophy, that he thought that the benefits of this great country of ours belonged to everybody, and he did not want to exclude anyone.

I think that we should remember that philosophy ourselves sometimes and benefit from it. I am very pleased to join in support of this bill.

Mr. SNYDER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

H.R. 14

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building and United States Courthouse located at Fourteenth Street and Greenup Avenue, Ashland, Kentucky, shall hereafter be known and designated as the "Carl D. Perkins Federal Building and United States Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be deemed to be a reference to the "Carl D. Perkins Federal Building and United States Courthouse".

Mr. YOUNG of Missouri. Mr. Speaker, I consider it an honor to be able to bring this bill to the Committee and I urge enactment of H.R. 14.

Mr. Speaker, it is an honor to bring to the floor H.R. 14, a bill to designate the Federal Building and U.S. Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse." I can think of no one I would rather participate in honoring then the late dean of the Kentucky delegation, a man who was a leader in developing education and labor programs in this body. Among his achievements were the Vocational Education Act of 1963, the Elementary and Secondary Education Act of 1965, and the black lung benefits in the Coal Mine Health and Safety Act of 1969.

Chairman Perkins was as well known for his compassion as for his effectiveness as a legislator. During his 36 years in the House of Representatives, he never failed to speak for the needs of children. Through his efforts, the School Lunch Program and Child Nutrition Programs were expanded to serve the needs of those who otherwise might have lacked nutritional meals. Legislation enacted into law under the direction of Congressman Perkins will improve the lives of millions of Americans for many years to come. It was a privilege to serve with Carl Perkins during 8 years in Congress, and I urge enactment of H.R. 14.

● Mr. HOWARD. Mr. Speaker, I rise in strong support of H.R. 14, a bill honoring our former colleague and dean of the Kentucky delegation, the Honorable Carl Dewey Perkins who served with distinction in the U.S. House of Representatives for 36 years until his untimely death on August 3, 1984. The Congress and this Nation lost a great legislator, stateman, and truly dedicated public servant. Carl Perkins was a man of wisdom, skill, and compassion. His contributions to America are legendary and it was my privilege to have served in the House with Carl for 20 years.

Mr. Speaker, I urge enactment of H.R. 14 and at this time I would like to share with my colleagues the text of the Committee Report 99-10:

The purpose of this legislation is to honor Carl D. Perkins, a former Member of the U.S. House of Representatives by naming the Federal building and U.S. courthouse in Ashland, KY, the "Carl D. Perkins Federal Building and U.S. Courthouse."

Carl Dewey Perkins was born in Hindman, KY, October 15, 1912, where he resided until his untimely death on August 3, 1984. He attended grade school and high school in Hindman, and went on to attend the Alice Lloyd College in Pippa Passes, KY, Lees College in Jackson, KY, the University of Louisville School of Law, Louisville, KY. He began his practice of law in 1955; served as Commonwealth attorney in 1939; was a member of the Kentucky General Assembly in 1940; and then elected Knott attorney in 1941 and reelected in 1945. He served in World War II and saw service in the Central European theater.

On November 2, 1948, Carl Perkins was elected to the 81st Congress and was reelected for 18 succeeding terms.

Congressman Perkins represented Kentucky's Seventh District for 36 years and under 8 Presidents. He knew every nook and cranny of his district, traveling it countless times in his old "Galaxie," as he called it.

He knew the people. He knew their names, where they lived, what they did, and their sons and daughters. And, he loved to talk about each and every one of them.

Mr. Perkins talked about them because he cared about them. Political labels and philosophical ideologies meant very little to him. His was not a philosophy hammered out of the stone of political dogma—his was a philosophy of the heart.

Carl Perkins cared about people and about getting the job done. He had a great faith in the ability of the Federal Government to solve the problems of those people. As a result of his dogged persistence, millions of Americans have benefited. He made improvements in education, agriculture, health and safety, and countless other programs.

The Congress and this Nation lost a great legislator, statesman, and truly dedicated public servant. Carl Perkins was a man of wisdom, skill and compassion. In view of his constant dedication and contributions to the betterment of Kentucky's Seventh District, and the Nation as a whole, it is fitting that the building located in Ashland, KY, be known as the "Carl D. Perkins Federal Building and U.S. Courthouse."●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I ask for this time for the purpose of receiving the schedule for the balance of the week and for the next week.

Mr. FOLEY. Will the gentleman yield?

Mr. LOTT. I will be happy to yield to the distinguished majority whip for that purpose.

Mr. FOLEY. I thank the Republican whip for yielding.

Mr. Speaker, the House will meet in pro forma session on Monday.

Mr. LOTT. If the gentleman will yield back at that point, does the gentleman anticipate any more business today or for the balance of this week?

Mr. FOLEY. We do not expect any more legislative business for today or the balance of the week. The gentleman is correct.

The House will meet in pro forma session on Monday at noon.

The House will meet at noon on Tuesday, with two suspensions. The first will be H.R. 47, the Commemorative Coin Program for the Statute of Liberty. The second is H.R. 1093, to implement the United States-Canadian Treaty regarding salmon interception.

On Wednesday, March 6, the House will meet at 10 a.m. and recess to receive the Prime Minister of the Republic of Italy who will address a joint session of the Congress.

On Thursday, March 7, the House will meet at 11 a.m. to consider House Resolution 20, to establish the Select Committee on Hunger;

House Resolution 22, to establish Select Committee on Narcotics Abuse and Control; and

House Resolution 25, to establish the Select Committee on Children, Youth, and Families.

We do not anticipate the House being in session on Friday.

Mr. LOTT. If the gentleman would allow me just a couple of questions, on Wednesday I note that we do receive the Prime Minister of Italy and there is no legislative business beyond that indicated on that day. We will not have any bills at all on Wednesday?

Mr. FOLEY. This announcement is always made subject to the usual caveat that we may have a later announcement, and it is possible that some legislative business might be scheduled on Wednesday. None is scheduled at the moment.

Mr. LOTT. Is it possible that one or more of these select committees might be brought up on Wednesday with subsequent recorded votes?

The reason I am asking is so that Members will know whether or not there is a chance there would be recorded votes on Wednesday or not.

Mr. FOLEY. I want to advise the gentleman as well as I can. At the moment there is no scheduled business for Wednesday, but there is a concern about the possibility of scheduling business on Wednesday which could

result in votes. So Members should not assume that Wednesday will not have scheduled business.

Mr. LOTT. I notice also that on Tuesday there is no indication that the rule that was reported by the Rules Committee this afternoon, which would provide for consideration immediately of the farm credit authorization bill that was passed yesterday, and the famine relief legislation that was passed in the House earlier this week, and then combined in the other body, the rule would allow for that bill to be considered. Could we expect that to be considered on Tuesday?

Mr. FOLEY. Yes; I thank the gentleman. It is our intention to call up that rule on Tuesday, and subsequent to the rule being adopted to call up the motion to take from the Speaker's table the House-passed bill, H.R. 1096, and agree to the Senate amendment thereto.

Mr. LOTT. So the Members should be on notice that there could be votes on Monday and on Wednesday, although none are anticipated, as far as legislative business at this time?

Mr. FOLEY. Members should assume votes on Tuesday and Wednesday and Thursday, but there would be no recorded votes on Monday or Friday.

Mr. LOTT. I thank the gentleman.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, MARCH 6, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, March 5, 1985, it adjourn to meet at 10 a.m. on Wednesday, March 6, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADJOURNMENT TO MONDAY, MARCH 4, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1984

(Mr. MOORE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOORE. Mr. Speaker, today I am introducing the Medicare and Medicaid Patient and Program Protection Act, which is designed to protect patients from unqualified physicians. Additionally, I am being joined in this effort by the gentleman from California, [Mr. STARK].

GENERAL LEAVE

Mr. MOORE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MOORE. Mr. Speaker, I am pleased to be joined by my House colleagues, Messrs. WAXMAN, RANGEL, STARK, GRADISON, PEPPER, GEPHARDT, and WYDEN in introducing the Medicare and Medicaid Patient and Program Protection Act of 1985.

Last year I, along with several of my colleagues, introduced a similar bill, H.R. 5989, which was reported favorably by the Ways and Means Committee shortly before the end of the session. Unfortunately, the clock ran out on the 98th Congress before the Subcommittee on Health of the Energy and Commerce Committee, which shares jurisdiction in this area, could act on the measure.

I am particularly pleased that the chairman of the subcommittee, Mr. WAXMAN, is joining this year, as he did last year, in cosponsoring the bill. I am equally pleased that the new chairman of the Subcommittee on Health of the Committee on Ways and Means, Mr. STARK, and the new ranking minority member, Mr. GRADISON, have joined as cosponsors.

The bill being introduced today reflects the improvements made by the Ways and Means Committee and minor modifications recommended by the inspector general of the Department of Health and Human Services.

One section of last year's bill that would amend the Controlled Substance Act is being introduced this year as a separate companion bill. This is being done in order to avoid a potential conflict of jurisdiction with the Committee on Judiciary. It is my hope, however, that this companion bill will move in concert with the basic legislative package.

Mr. Speaker, since the Medicare and Medicaid Programs were established in 1965, Federal and State spending for direct health care services has grown from $5 billion to $112 billion. An unfortunate byproduct of this growth has been an increase in problems relating to fraud and abuse.

The inspector general of the Department of Health and Human Services [HHS] is currently in the midst of an all-out effort to crack down on fraudulent and abusive activities of health care providers and practitioners. The Congress has provided the Department with two chief means by which to accomplish this task.

The first of these is the authority granted to the Secretary of HHS—then HEW—in 1972, to exclude from participation in the Medicare Program, individuals who submit false claims, who charge Medicare substantially more than their customary charge, or who provide services substantially in excess of patients' needs or of a quality which fails to meet professionally recognized standards of health care. Subsequent authority included in the 1977 Medicare-Medicaid Antifraud and Abuse Amendments provided for mandatory suspension, from participation in both Medicare and Medicaid, of individuals who have been convicted of criminal offenses related to their program participation. Since the delegation of the Secretary's authority under these statutes to the inspector general of HHS in the last quarter of fiscal year 1983, some 647 sanctions have been imposed, an amount more than 2 times the total imposed in the previous 11 years.

The second of these weapons is the civil monetary penalty [CMP] statute enacted by Congress in 1981, which provides an administrative mechanism for the imposition of stiff money penalties and assessments upon health care practitioners or other individuals who file false or otherwise improper claims for reimbursement under the Medicare and Medicaid Programs. Since 1983, approximately $9 million has been recovered by the HHS inspector general's office from individuals and entities filing false or otherwise improper claims.

This increased activity to protect patients as well as the integrity of the Medicare and Medicaid Programs is indeed heartening. However, with this increased activity has come an awareness that serious loopholes exist in these sanction statutes. An important example of such a loophole is found in the May 1, 1984, report of the Government Accounting Office entitled, "Expanded Federal Authority Needed To Protect Medicare and Medicaid Patients From Practitioners Who Lose Their Licenses," which pointed out that the Department of HHS is currently powerless to bar certain practitioners from program participation based upon disciplinary actions imposed on them by State licensing boards. The General Accounting Office found that as a result of this gap in authority, incompetent or un-

scrupulous practitioners who lost their licenses to practice in one State simply moved to another, where they continued to treat Medicare and Medicaid patients. Over 100 of the 328 practitioners identified by GAO escaped through this loophole in the law.

Loopholes such as this endanger both the health and safety of Medicare and Medicaid patients and the fiscal integrity of these programs. These serious gaps must not be tolerated. The proposed legislation, which incorporated the recommendations made by the inspector general of HHS and the General Accounting Office, goes far in closing these loopholes and strengthens the Department's antifraud and abuse authority.

Specifically, the bill would require that individuals or entities convicted of crimes related to their participation in the Medicare or Medicaid Programs be suspended from those programs for a period of time of not less than 5 years. Further, the bill would provide the Secretary with authority to:

Exclude from Medicare and Medicaid individuals or entities who have been convicted of fraud, financial abuse, neglect, or abuse of patients, or obstruction of an investigation either in connection with the delivery of health care services or in a Federal, State, or local government program, or unlawful manufacture, distribution, or dispensing of controlled substances;

Exclude from Medicaid participation those individuals or entities who have been sanctioned for defrauding or abusing the Medicare Program, and conversely, exclude from participation in the Medicare Program those excluded from Medicaid;

Exclude an entity from Medicare and Medicaid where an owner, manager, or director of that entity has been convicted of Medicare and Medicaid or other related crimes;

Exclude from Medicare and Medicaid an entity which fails to make required disclosures that it is owned or controlled by a convicted individual;

Exclude from Medicare and Medicaid individuals or entities who engage in conduct which violates the antikickback provision of the Social Security Act;

Exclude from Medicare and Medicaid, on a time-limited bases, any individual or entity that fails to grant immediate access to necessary payment information, upon reasonable request, to the Secretary, inspector general, or State Medicaid fraud control units for the purpose of carrying out their respective statutory functions.

Exclude practitioners and providers from participation in Medicare and Medicaid based upon a determination that care rendered fails to meet professionally recognized standards.

Exclude practitioners and other individuals from participation in the Medicare and Medicaid Programs who have lost their licenses to practice based upon the disciplinary actions of State licensing boards;

Require, as a condition of participation in the Medicaid Program, that State licensing boards inform the Secretary of all sanctions imposed upon health care practitioners under their jurisdiction and of all surrenders of licenses to that board.

In addition to providing the Secretary of HHS with increased authority to impose program sanctions and protect Medicare and Medicaid patients from unfit providers and practitioners, the bill makes a number of improvements in the Secretary's civil monetary penalties authority. Under current law, the Secretary is empowered to impose a civil money penalty of up to $2,000 for fraudulent claims under Medicare, to impose an assessment of twice the amount of the fraudulent claim, and to bar from participation persons determined to have filed a fraudulent claim.

This bill would correct or clarify some apparent oversights in drafting the original statute. It would provide for:

Unified judicial review of the imposition of monetary penalties, and Medicare and Medicaid suspensions imposed under the CMP statute;

Subpoena authority in all CMP hearings;

Increased State share of CMP recoveries to encourage State investigations and referral of Medicaid fraud cases;

Clarification that the scope of the CMP statute includes double billing and false medical credentials;

A 6-year statute of limitation for CMP actions; and

Authority to seek an injunction in U.S. district court to preserve the assets of a CMP respondent, where that respondent may dissipate or conceal those assets.

Finally, the bill would consolidate into one title of the Social Security Act—title XI—all of the penalty provisions currently contained in titles XVIII and XIX of the act.

A detailed summary of the bill follows the introductory remarks of my distinguished subcommittee chairman, Mr. STARK.

In conclusion, Mr. Speaker, let me say that the provisions in this bill have the support of the inspector general, General Accounting Office, State Medicaid fraud control units, and the American Association of Retired Persons. I would hope that we could move swiftly on this legislation in order to provide the additional authority needed to further curtail fraud and abuse in our governmental health programs and assure quality services to our Nation's elderly and poor.

● Mr. STARK. Mr. Speaker, today I join several of my colleagues in introducing an important piece of legislation designed to provide additional protection for millions of Americans whose health care bill is at least partially paid by the Government. Our bill is the Medicare and Medicaid Patient and Program Protection Act of 1985.

This bill is overdue. For years we've been hearing horror stories about a physician who was disciplined in one State and quickly popped up in another, continuing to earn fat fees while he practiced medicine on his unsuspecting patients.

Our bill would permit the Secretary of Health and Human Services to bar from the Medicare and Medicaid Programs, on a national basis, anyone who lost his license to practice in any State. The States would be required to report such disciplinary activity to Federal authorities so the law could be enforced.

The bill closes a loophole that we've allowed to exist for too long. The patients deserve protection. They demand protection. This bill will provide it.

The bill we are introducing is similar to the bill which passed the Committee on Ways and Means in the last Congress. A summary of the bill follows:

MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1985

SHORT SUMMARY

The bill would require the Secretary to exclude from medicare and the States to exclude from medicaid, the maternal and child health program under title V, and the title XX social services program any individual or entity convicted of a criminal offense related to these programs for a minimum of five years. The Secretary would be permitted to exclude from medicare, and upon such exclusion the States would be required to exclude from the above State health care programs an individual or entity convicted of certain offenses such as fraud, financial abuse, and neglect or abuse of patients.

The Secretary would be permitted to exclude from medicare, and upon such exclusion, the States would be required to exclude from the the above State health programs any individual whose license to provide health care has been revoked or suspended or who has otherwise lost or surrendered such a license or been sanctioned under any Federal program involving the provision of health care.

Each State would be required to have a system of reporting the following information with respect to formal proceedings concluded against a health care practitioner by any State authority responsible for health care licensure: (1) any adverse action taken by such licensing authority; (2) any dismissal or closure of the proceeding by reason of the practitioner or entity surrendering the license or leaving the State; or (3) any other loss of license. The above information would be provided to the Secretary, or under suitable arrangement to another entity, in order to provide to the Secretary, and the States information to determine the fitness of individuals to provide health care services, to protect the health and safety of beneficiaries and to protect the fiscal integrity of such plans.

SUMMARY OF MAJOR PROVISIONS

Exclusion of Certain Individuals and Entities From Health Care Programs

Mandatory Exclusion

The Secretary would be required to exclude from participation in medicare and to direct the State agencies to exclude from participation in medicaid, the maternal and child health program under title V, and the title XX social services, any individual or entity convicted of a criminal offense related to their participation under those programs. [Hereafter, medicaid, the maternal and child health program under title V, and title XX social services program will be referred to as the State health care programs.] The exclusion would be for a period not less than five years.

Permissive Exclusions

The Secretary would be permitted to exclude from participation in medicare and could direct the State to exclude from participation in a State health care program, any individual or entity convicted of:

1. fraud, theft, embezzlement, breach of fiduciary responsibility or any other offense related to financial abuse or neglect or abuse of patients;

2. inteference or obstruction of any investigation into any criminal offense for which mandatory exclusion could be imposed or which is described in paragraph (1); or

3. unlawful manufacture, distribution, or dispensing of a controlled substance.

The Secretary would be permitted to exclude from participation in medicare and could direct the State to exclude from participation in a State health care program any individual or entity:

1. whose license to provide health care has been revoked, suspended by a State licensing authority or otherwise lost such a license for reasons bearing on professional competence, conduct or financial integrity;

2. who has surrendered such license while a formal disciplinary hearing was pending on the individual's or entity's professional competence, conduct or financial integrity; or

3. who has been barred or suspended from participation or otherwise sanctioned under any Federal program involving the provision of health care.

The Secretary would be permitted to exclude from participation in medicare and could direct the State to exclude from participation in a State health care program any individual or entity determined by the Secretary to have:

1. knowingly or willfully made any false statement or representation for use in the application for payment under the above programs;

2. submitted requests for payment which contain charges substantial in excess of their customary charges;

3. furnished items or services substantially in excess of the patient's need or of a quality that fails to meet professionally recognized standards for health care; or

4. is a health maintenance organization, approved under medicare or medicaid, which has failed in a substantial number of cases to provide medically necessary items or services as required by law or contract.

The Secretary would be permitted to exclude any entity that has a person with an ownership or controlling interest, or who has an officer, director, agent or managing employee who has been convicted of certain program-related offenses, or against whom a civil monetary penalty has been assessed, or who has been excluded from participation in medicare or a State health care program.

The Secretary would be permitted to exclude any individual or entity which fails fully and accurately to make any disclosure required, or fails to supply to the Secretary as requested any information of any significant business transactions. In addition, the Secretary would be permitted to exclude any individual or entity that fails to provide information that the Secretary determines is necessary to determine amounts payable or refuses to permit examination of its fiscal or other records as may be necessary to verify such information.

The Secretary would be permitted to exclude an individual or entity which fails to grant immediate access to the Secretary, State agent, Inspector General or a State medicaid fraud control unit for the purpose of performing their statutory functions. The period of exclusion would be the period in which access was denied and an additional period not to exceed 90 days as set by the Secretary

Procedure for Exclusion

The exclusion would be effective at such time and upon reasonable notice to the public and to the individual or entity as may be specified in regulations. Such exclusion would be effective on or after the effective date of the notice of such exclusion except that payment would be permitted under medicare or medicaid for up to 30 days for inpatient institutional services furnished to an individual admitted prior to the exclusion and for home health services or hospice care furnished pursuant to a plan established before the date of exclusion.

The notice of exclusion would be required to state the earliest date on which the individual or entity could apply to the Secretary to be reinstated. The individual or entity excluded would be entitled to reasonable notice, an opportunity for a hearing, and judicial review of the Secretary's final decision.

The Secretary would be required to notify the appropriate State agency of the exclusion and require that they also exclude the individual or entity. The Secretary would be permitted to waive the exclusion from participation in a State health care program if the State agency so requests.

The Secretary would be required to grant an application for reinstatement if it is determined that no basis exists for continued exclusion and there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not and will not recur.

Civil Monetary Penalties (CMP's)

The Secretary would be permitted to subject a person to civil monetary penalties for any claim which the person knows is false or fraudulent, including instances of double billing and submission of claims by doctors who had falsified medical credentials. In addition, the Secretary would be permitted to exclude such person from participation in medicare or in a State health care program. The Secretary would be permitted to use a single administrative and unified judicial review procedure for both the civil monetary penalty and the exclusion based on such penalty.

The Secretary would not be permitted to initiate an action under this section with respect to a claim later than six years after the claim was presented.

The Secretary would be permitted to issue and enforce subpoenas with respect to CMPs to the same extent the Secretary has such authority in other areas of medicare.

If it appears to the Secretary that any person has engaged, is engaging or is about to engage in any activity which would constitute a violation subject to civil monetary penalties, the Secretary would be permitted to enjoin such person from concealing or removing assets that could be required in order to pay a civil monetary penalty.

The State's share of funds collected under the CMP would be increased. The State would receive a portion of the total amount collected under the CMP in proportion to the State's particpation in the original claim.

Information Concerning Sanctions Taken by State Licensing Authorities Against Health Care Practitioners

As a condition of approval of a medicaid plan, each State would be required to have a system of reporting information with respect to formal proceedings concluded against a health care practitioner or entity by any State authority responsible for health care licensure.

The State would be required to report the following information to the Secretary (or under suitable arrangements made by the Secretary, to another entity):

1. any adverse action taken by such licensing authority as a result of the proceeding, including any revocation or suspension of a license, reprimand, censure or probation;

2. any dismissal or closure of the proceedings by reason of the practitioner or entity surrendering the license or leaving the State; or

3. any other loss of the license, whether by operation of law, voluntary surrender or otherwise.

The State would be required to provide the Secretary, or her designee, access to such documents as may be necessary to determine the underlying facts and circumstances of such actions and determinations.

The Secretary, or her designee, would be permitted to provide such information to licensing authorities and agencies administering State health care programs, utilization and quality control peer review organizations and State medicaid fraud control units in order for such authorities to determine the fitness of individuals to provide health care services, to protect the health and safety of beneficiaries and to protect the fiscal integrity of such programs.

The Secretary would be required to provide suitable safeguards in order to ensure the confidentiality of such information as is not otherwise available to the public.

CONFORMING AMENDMENTS

Medicaid Amendments—Authority To Exclude Providers

The State would be permitted to exclude any individual or entity from participation in a State medicaid plan for any reason which the Secretary could have excluded an individual from participation from medicare.

The State would be required, in order to receive payments for medicaid with respect to an entity furnishing services under a waiver (e.g., a health maintenance organization), to provide that it is willing to exclude any entity which could be excluded because of the provision relating to owners and managing employees who have been convicted of certain crimes or received other sanctions.

Termination of Provider Agreements Under Medicare

A provider of services would be permitted to terminate an agreement with the Secretary at such time and upon notice to the Secretary and the public.

The Secretary would be permitted to refuse to enter into an agreement, upon reasonable notice, or may refuse to renew or may terminate such an agreement after the Secretary:

(1) determines that the provider fails to comply substantially with the provisions of the agreement or this title;

(2) has been excluded from participation for certain offenses under this title; or

(3) the provider has failed to take action to correct admissions patterns.

The termination or refusal to renew an agreement would be effective on the same date as an exclusion from participation.

Effective Dates

In general, the amendments would be effective at the end of the 14 day period beginning on the date of enactment.

The provision which would require a minimum exclusion of five years would not apply to exclusions based on convictions occurring before the date of the enactment of this Act.

The effective date for changes in the medicaid law would be effective for calendar quarters beginning more than 30 days after enactment. In the case of a State plan which the Secretary determines would require State legislation in order to meet the additional requirements herein imposed, the State plan would not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act.

The subpoena and injunctive provision would be effective on the date of enactment.●

CONGRESS, THE ADMINISTRATION, PRIVATE GROUPS UNITE IN DELIVERY OF FOOD TO ETHIOPIA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, I would like to bring the attached letter to Ethiopian President Mengistu to my colleagues' attention.

I recently returned from a trip to Ethiopia sponsored by World Vision which included two nights at a feeding camp at Alamata. The memories of the thousands of starving people, the squalid conditions of the feeding camps and the faces of the individual Ethiopians who begged me for help, are unforgettable. These memories, as well as discussions I had with private voluntary organization workers and Ethiopians there, and people from within the administration and private voluntary groups after my return have contributed to my concern about delivery of food to the northern region of Ethiopia, which is expressed in the following letter.

Progress has been made in supplying the Ethiopian people with food and I especially commend the generosity of the American people who have helped finance the work of our private voluntary organizations in this effort. However, supplies of adequate food are only part of the problem. We must engage in every possible effort to persuade the Ethiopian Government to expand the avenues for assistance, particularly in the northern region.

I am pleased that so many of my colleagues have joined Congressman TONY HALL and me in signing this letter to President Mengistu urging him to consider all available means of expediting donations to the people of Eritrea and Tigre and development of a safe passage policy to ensure that famine relief efforts reach all areas to Ethiopia.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR PRESIDENT MENGISTU: We wish to share with you our grave concerns about the thousands of starving people in Ethiopia. Some of us have had the opportunity to visit your country recently; all of us have read press reports or heard accounts from volunteer relief workers who have returned from Ethiopia concerning the desperate situation confronting your people.

We are especially troubled about the plight of those in the northern region where relief agencies have been unable to reach those in dire need of food and relief supplies. While progress is being made to respond to the overall crisis, we would respectfully urge you to take all possible measures to provide food and relief supplies to the starving people in portions of Eritrea and Tigre.

We commend to your attention the current efforts by the United States and international assistance organizations to provide relief, and we encourage you to accept all offers of assistance by international groups. In addition, we would encourage your government to consider all available means of expediting donations to the people of Eritrea and Tigre, including transportation across international borders and development of a safe passage policy to ensure that famine relief efforts reach all areas of Ethiopia.

In light of the many starving people in Eritrea and Tigre, it is our hope that famine aid can be delivered to these areas notwithstanding political considerations. Your attention to our observations and concerns is appreciated. We hope that our nations can increase their mutual cooperation in this humanitarian undertaking.

Frank R. Wolf, Tony P. Hall, Mervyn Dymally, Dan Burton, Sala Burton, William Whitehurst, Norman Lent, Thomas Billey, Barbara Boxer, Timothy Penny, Gary Ackerman, Marcy Kaptur, Carroll Campbell, Sherwood Boehlert, William Carney.

Jack Kemp, Dan Coats, Mel Levine, Chris Smith, Herbert Bateman, Robert Michel, Dan Lungren, Martin Frost, Carlos Moorehead, Dan Glickman, James Scheuer, Larry Craig, Hamilton Fish, Bill Emerson, Doug Bereuter.

Bill Clinger, George Wortley, Joseph Addabbo, Vin Weber, Stan Lundine, Thomas Ridge, Bill Lowery, Lynn Martin, Guy Molinari, Dave McCurdy, Jim Leach, Michael Strang, Mark Siljander, Ray McGrath, Robert Walker.

Tom Lantos, Edolphus Towns, Morris K. Udall, Edward P. Boland, Albert Bustamante, Douglas Applegate, Mary Rose Oakar, Cardiss Collins, George E. Brown, Jr., Parren J. Mitchell, Louis Stokes, Fred Eckert, Bill Green, Claude Pepper.

Anthony C. Beilenson, Barney Frank, Don Edwards, Robert J. Mrazek, Charles E. Schumer, Bill Richardson, Dean A. Gallo, Michael DeWine, Ike Skelton, Olympia J. Snowe, Bruce F. Vento, John Bryant, Les AuCoin, Charles Rangel, Stephen Neal.

David Bonior, Gerald D. Kleczka, Tommy Robinson, Bruce Morrison, Sam Gejdenson, William Grey III, Bill Nelson, Mike Lowry, Robert T. Matsui, Major R. Owens, John Seiberling, Matthew G. Martinez, John R. Kasich, Stephen J. Solarz, Benjamin A. Gilman.

BLACK HISTORY MONTH

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. PEPPER. Mr. Speaker, we are aware that this is Black History Month, during which time we commemorate the contribution of people of the black race to the progress of man and the perfection of civilization. On Friday of last week, there appeared in the newspaper USA Today a list of heroic achievements by black people.

I include the list appearing in the 25th issue of the newspaper USA Today in the RECORD today for the edification of our Members following my remarks:

THE ROLE OF BLACKS IN HISTORY

In 1492, Pedro Alonzo Nino navigated the Nina, one of Christopher Columbus' ships on his first voyage to discover the New World.

About 5,000 blacks served in the Continental Army during the American Revolution.

Chicago's first settler was Jean Baptiste Point du Sable, a pioneer trader who arrived there in 1779.

The third-rail system now used in subways, an automatic air brake, and an incubator are among the more than 50 inventions patented by Granville T. Woods in the 1800's.

In 1872, P.B.S. Pinchback served as Louisiana's governor after the incumbent was impeached.

Chicago's Dr. Daniel Hale Williams performed the first succesful open-heart surgery in 1893.

Harriet Ross Tubman led more than 300 slaves to freedom via the Underground Railroad of the 19th century.

Maggie Lena Walker was the first American woman to become a bank president in 1903.

Singer Marian Anderson, a world-reknown contralto, sang on the steps of the Lincoln Memorial on Easter Sunday, 1939, after being barred from making an appearance by the Daughters of the American Revolution.

Blood plasma was discovered and first utilized by Dr. Charles Drew in 1940.

In 1940, Hattie McDaniel was the first black to win an Oscar for her performance in Gone With the Wind.

Dr. Ralph Bunche, former United Nations undersecretary, was first black to win Nobel Peace Prize in 1950.

At 35, Dr. Martin Luther King, Jr., was the youngest American to receive the Nobel Peace Prize in 1964.

CONFUSING REPORTS ON WAR IN CENTRAL AMERICA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. ALEXANDER. Mr. Speaker, the reports from both the U.S. Government and from the Nicaraguan Government concerning the war in Central America are very confusing. Last year the administration reported that the reason for spending millions of dollars in a U.S. military effort in Central America was for the purpose of intercepting arms that were supposedly transshipped through Nicaragua to El Salvador from Cuba.

□ 1200

Now, there has been no evidence of these shipments of arms. More recently the President himself has said that our policy may be for the purpose of overthrowing the Nicaraguan Government, although he falls short of actually saying that.

Today in the newspapers the report is that the Nicaraguans and Sandinistas are sending back some of the Cuban advisers who have been there. All of these reports are confusing, but one fact is not confusing. That is that the American people by a ratio of 4 to 1 do not want a war to be expanded in Central America.

Mr. Speaker, today I am including in the RECORD a summary of a plan which is an alternative to war in Central America and I would urge my colleagues to give consideration to this proposal.

I. General Statement of the Conditions in Central America

Central America includes a series of nations undergoing an inevitable process of transition. In several countries the old order has failed and a new order is in the process of taking its place.

In Central America the symbol of this process of transition is Nicaragua. Somoza and his loyalists stayed well beyond their time, lost touch with the public, undercut the moderate opposition, allowed the center to be destroyed, and created conditions that permitted revolution by extremists to dominate the opposition. When Somoza ultimately fled, there was no popular-based moderate force to fill the void.

Other nations in Central America are undergoing a similar process of change. The traditional alliances between the landed oligarchy, political elites and military commanders are encountering greater and greater difficulty in controlling events.

The questions are what new alliances and systems will take over, whether they will be consistent with the interests and values of the United States, and what policies will best serve those interests and values under these conditions of change.

Basically, the nations of Central America are members of the Western rather than Eastern world, and should be more open to Western than Eastern models. There is no reason that the United States cannot successfully help these nations along this course.

The challenge faced by the United States is to develop policies which carefully define and effectively protect U.S. national interests in the long term, and work comprehensively to support pluralistic and stable new structures in Central America.

II. U.S. interests in Central America

Given the strategic and psychological importance of Central America to the United States, we must clearly define our goals and objectives.

Our basic interest is to help build stable societies which are developing internally, and which enjoy good relations with one another and with the United States.

The essential institutional requirements will differ somewhat from one nation to another, but will include:

1. Development of respect for the rule of law and human rights.
2. Creation of political institutions that allow and encourage citizen participation.
3. Emphasis on building up human resources through education, training, and other means.
4. Development of region-wide cooperation.

The most practical way to achieve U.S. objectives is to help Central American nations deal with one another, and to help them solve internal problems through negotiations rather than militarism and violence. We should support change through democratization and peace through diplomacy, seeking a region-wide system of economic cooperation and open trading markets.

For any long term U.S. Policy to succeed, certain preconditions must be met:

1. There must be bipartisan support at home. Only with bipartisan support can the U.S. develop a policy that is coherent, and equally important, only through bipartisanship can we demonstrate the consistency of purpose, and the continuity between parties and administration, that is essential to success.
2. The U.S. should work closely with democratic friends and allies in Latin America and Europe, coordinating actions in pursuit of common objectives, thereby maximizing our diplomatic, economic, and polical leverage. It is in our interest to encourage local democratic forces to take the lead, and to provide them with strong support.

The U.S. should emphasize the non-military weapons in our arsenal. Our interest in Central America is so great that the selective use of military force should remain an option. However, a resort to force should be avoided if at all possible, a last resort use only to counter a clear case of imminent Soviet or Cuban dominance throughout the region.

It is usually against the U.S. interest to impose direct military action or to support the covert use of force. The excessive use of military power reinforces negative sterotypes of traditional U.S. policy in the region, creates negative side effects throughout Latin America, divides our public at home, and alienates our allies in Europe.

Conversely, the United States, particularly when working in concert with Latin American and European democracies, has powerful non-military weapons. The power of our ideal of freedom, the enormous strength of our economy, our ability (as opposed to communist inability) to deal with indigenous factors such as nationalism and the Church, and the leverage of creative diplomacy should be leading components of U.S. policy.

III. Long term U.S. policy for Central America

1. The full force and power of the United States should be placed in support of the Contadora negotiations. There should remain no doubt in the minds of the leaders of the Contadora nations, and others throughout Latin America, that the United States is taking every possible step and using all possible leverage in support of an end to the bloodshed through the use of diplomacy.

The example of President Belisario Betancur of Colombia is important. Through diplomatic leadership, personal courage and good faith, President Betancur has begun to bring peace to Colombia by negotiating with his opponents. The United States should fully support his efforts, and other similar efforts, to negotiate an end to the region-wide violence.

2. The Administration should work with Congress in a bipartisan effort to devise a significant foreign assistance program, directed towards the following objectives:

a. To support the creation or improvement of institutions designed to strengthen the administration of justice and the democratic process. The rule of law cannot prevail without impartial courts to support it.

b. To improve education and training programs, including projects within Central American nations, and student exchange programs between those nations and the United States.

c. To improve local infrastructure (e.g. transportation) as an aid to economic development.

d. To improve local health care.

e. To support economic cooperation projects, movements towards Inter-American economic integration, and a more open regional trading system.

f. To support local agricultural projects, and to promote exports of American agricultural products.

g. To improve training of armed forces, respect for human rights by military personnel, and defensive military capabilities.

3. The administration might approach friends and allies in Latin America and Europe to propose that the above programs involve joint funding as part of an international "democratic initiative".

IV. Process for implementing comprehensive policy in Central America

The policy stated above could be implemented by taking the following steps:

1. The United States should put its full force and power behind the Contadora initiative undertaken by Mexico, Panama, Colombia and Venezuela. The United States commitment to actively and effectively support Contadora should be emphasized by direct involvement at the head of state level. President Reagan should extend an offer to the Contadora heads of state to be available for presidential-level consultation to assess specific actions the United States might take to promote a negotiated end to the bloodshed in Central America.

2. The United States should offer to support, promote or organize a general hemispheric peace conference, which would focus on the major disputed questions of

the Americas, should the Contadora heads of state conclude that such a conference would contribute to the search for peace.

3. The United States should express a willingness to work with any nation, through Contadora, a hemispheric peace conference, or any other appropriate forum, that professes an interest in pursuing non-violent solutions to the crises in Central America. The United States, working with and through the Contadora nations, should test the sincerity of claims by Cuban President Fidel Castro that he will take strong action in support of the Contadora process. U.S. policy towards Cuba should avoid the mistaken extremes of naive optimism or blind paranoia, and instead, should offer a willingness to pursue careful, realistic and tough-minded diplomacy in search of gradual lessening of U.S.-Cuban tensions. As the Linowitz Commission concluded, it is necessary to keep the diplomatic door open while we act to combat Cuban efforts to extend their influence in the hemisphere. As numerous Presidents of both parties and different ideologies have shown, there are times when mutual interests, including the American interest, can be served by creative diplomacy between the United States and communist adversaries such as the Soviet Union and the People's Republic of China.

INTRODUCTION OF SOUTH AFRICA SANCTIONS BILL

The SPEAKER pro tempore (Mr. BRYANT). Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, I have often addressed this august assembly to register my deep concern over the Republic of South Africa's repeated acts of aggression and denial of rights which Americans regard as basic to human dignity to that nation's black majority. I have noted time and again that our country is becoming increasingly isolated among the nations of the world because of the Reagan administration's hypocritical posture of condemning injustice in nations which don't follow our system of government while ignoring the plight of the 24 million blacks who make up 85 percent of South Africa's population.

Despite my protests, those of many of my distinguished congressional colleagues on both sides of the aisle, and of the majority of the nations of the world, this administration has ignored the rising tide of violent repression in South Africa, and has remained steadfast in its allegiance to the most brutal and morally corrupt regime since the Third Reich of Adolph Hitler.

In recent years the South African Government has stepped up its efforts to silence its critics at home through murder and indefinite imprisonment without charge or trial. At the same time it has escalated its attempts to dominate southern Africa through military aggression and political and economic destabilization of neighboring countries.

Instead of joining freedom loving people throughout the world in issuing a resounding denunciation of this tyranny, and calling for sanctions, the Reagan administration has pursued a policy of "constructive engagement" which encourages investment and technological exchange between South Africa and U.S.-based corporations, Government bodies, organizations, and individuals.

Although hundreds of thousands of factory workers in this country are losing their jobs, the administration has continued to allow corporations to close their U.S. plants in order to relocate to South Africa where they can increase profits by exploiting the low pay and poor working conditions for black workers.

The fallacy of "constructive engagement" has never been shown more clearly than it was on February 21 of this year. On that date, in response to South African police raids in which 18 blacks were killed and over 260 injured, and trade union leaders were arrested and charged with treason for their organizing efforts, our Ambassador to South Africa disgraced our great country by assuring Prime Minister Botha and his associates that the United States would use all means at its disposal to fight against divestment of U.S. holdings and other sanctions in South Africa.

As a Congressman and an American citizen I was appalled by this action on the part of our Government. I had hoped that the arrests of thousands of Americans in protests at the South African Embassy, and at consulates throughout the country would have shown this administration the depth of discontent with constructive engagement among people of these United States. I had hoped that the appeals of Bishop Desmond Tutu and religious leaders throughout the world would have stirred its conscience. I had hoped that recent media attention would have opened the President's eyes to the depths of suffering, frustration, and anger among South Africa's blacks, and to the increasing potential for a major war in southern Africa.

Because the administration has consistently demonstrated its insensitivity to this issue, we in Congress must bear the responsibility for protecting the interests of our fellow Americans. That is why I have introduced two bills calling for economic and diplomatic sanctions to be applied to South Africa. They are the prohibitions on use of employee plans for investment in South Africa Act, and the South African Political Sanctions Act of 1985.

The prohibitions on use of employee plans for investment in South Africa Act would prohibit funds contributed by employees to stock bonus, pension, or profit sharing plans of their employers, from being used for investments in South Africa.

The South African Political Sanctions Act of 1985 would require that diplomatic relations between the United States and the Republic of South Africa be severed within 2 years if South Africa does not abolish the apartheid system and other barriers which prevent blacks from enjoying full citizenship rights and participation in Government.

It is my intention in introducing this legislation that we in Congress will take the initiative in redeeming the prestige of our Nation in the eyes of the world community, and in reaffirming America's commitment to human rights, dignity, and justice for all of God's people throughout the world.

THIS ADMINISTRATION'S VIEW OF THE ARTS IS STRICTLY DEJA VU

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS. Mr. Speaker, repeating a negative cycle, the Office of Management and Budget has once again called for the elimination of the Institute of Museum Services, the only Federal agency that provides operating support for 5,500 U.S. museums on a competitive basis. In 1982, an estimated 36.4 million adults visited this country's museums plus millions of young people ranging in age from preschoolers to college students.

This tiny agency's budget represents the cost of approximately one-tenth of only one B-1 bomber, yet our citizens reap rich rewards from exposure to the cultural treasures, works of art, historic and scientific discoveries preserved within our museums. Indeed, museums serve to fill the constitutional mandate which requires the Government to "promote the general welfare" and to "insure the domestic tranquility." What better way to do this than by providing for an informed citizenry that is exposed to a wide variety of learning experiences on all levels?

In addition to the IMS, the President and the OMB have targeted the National Endowment for the Arts with severe cuts in music, dance, and opera. NEA museum programs would be slashed by $9.9 million, theater assistance by $9.3 million and media arts, where the public benefits from quality films and radio and TV projects, would be cut by $9.4 million.

At the National Endowment for the Humanities, grants to local humanities councils in each of our home States would be radically reduced, from $21 million to $16 million. OMB similarly proposes 50-percent cuts in NEH's humanities programs for elementary and secondary schools and its grants to libraries. How do we plan to upgrade

our schools if such far-reaching cuts are approved?

Under the direction of OMB, the budget also calls for the elimination of $4.9 million in cultural funding for the District of Columbia; a $14 million cut in funding for the Corporation for Public Broadcasting and no increase in the Arts in Education Program, which now has a minimal appropriation of $2 million for the Nation's 60 million school-age population.

All these cuts in the arts and humanities, which appeal to what is best in the human spirit and are geared to any individual are explained as necessary so that we can increase our military hardware by $30 billion.

Isn't the best defense for any country well-informed, happy people who perceive that their country is concered about their total welfare, not merely pleasing the military-industrial complex?

Ironically, in spite of the major cuts in Federal funding for the arts and the humanities, the Smithsonian Institution, which adamantly protests that it is not a Federal agency but a private trust, manages to escape unscathed. This elite institution has been elevated to a 6.5-percent increase in its budget to $200 million in Federal funds, yet the agency conveniently bypasses any of the other conventions such as the Freedom of Information Act or the Sunshine laws which regulate conduct for all other agencies benefitting from Federal revenues.

No Federal funds are being sought by OMB for the Historic Preservation Fund, with obvious administration discain for preserving the worthy elements of our architectural past.

Only 20 years ago, the Congress and the President agreed to form the National Endowments in order to emphasize that the arts and humanities were an ongoing priority, not only in national budgets but in our daily lives. The enabling legislation for the NEA clearly states what the role of the Federal government is in promulgating a national policy on the arts:

> To insure that all Americans have a true opportunity to make an informed, an educated choice, to have the arts of high quality touch their lives so that no person is deprived of access to the arts by reason of geography, inadequate income, inadequate education, physical or mental handicaps, or social or cultural patterns unresponsive to diverse ethnic group needs.

Is our institutional memory so short that we can't remember back only two decades? Even in the midst of financial constraints of the then raging Vietnam war, our country recognized the inherent need for cultural pursuits for all our people. We have no less need for the arts in peacetime than we did in wartime.

Roy Shaw, Secretary General of the Arts Council of Great Britain, best stated the issue:

> Public subsidy of the arts, it cannot too often be recalled, began in the darkest days of the Second War and it was introduced mainly because the arts made an indispensable contribution to the spirit of the nation in fighting the Nazi. They (the arts) can contribute even more to the economic struggles, since here the problems are only in part external and our own attitudes even more influential . . . to be obsessed with economic problems to the exclusion of the arts is to forget that life is more than livelihood, an economic security is a condition, but not in itself a sufficient cause of the good life.

Let us balance the budget—but creating a more realistic view of the military expenditures as one aspect of our national goals, not as our sole reason for existence. But let us not purge the arts as a national priority because of the misguided logic of a few who equate war games with the purpose of life.

□ 1510

POINT OF ORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes.

Mr. WOLF. Mr. Speaker, I ask unanimous consent that the special order of the gentleman from Maryland [Mr. HOYER] precede mine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. WEAVER. Reserving the right to object, Mr. Speaker, are both gentlemen going to take an hour?

Mr. HOYER. If the gentleman will yield to me, we are both down for an hour.

Mr. WEAVER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. WOLF]?

There was no objection.

THE FEDERAL WORK FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, I thank the gentleman from Virginia again and I thank the gentleman from Oregon [Mr. WEAVER] for not objecting vociferously.

Mr. Speaker, 2 years ago I requested a special order to discuss the state of the Federal Government's civil service and the issues affecting Federal employees.

During that special order I discussed how Federal employees' pay lagged more than 18 percent behind the private sector. I discussed how Federal workers were for the first time required to pay an escalating medicare tax of 1.3 percent. I discussed the serious moral problems that plagued the Federal work force due to inadequate compensation, a tax on their retirement, and an insecurity about the future of a worker's career with the Federal Government.

Today, Mr. Speaker, I will be joined by many of my colleagues on both sides of the aisle to discuss these same issues.

Mr. Speaker, at this time I yield to my colleague from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman.

First of all, I would like to commend the gentleman from Maryland [Mr. HOYER] for his continuing leadership on issues relating to Federal workers. I do not think there is a Member in the body who is as concerned as is the gentleman. His membership on a variety of committees over the years he has been a Member of the House is indicative of the fact that he puts his personal career where his district and personal interests are by seeing to it that he is in a position to be as helpful as possible. Today, by getting all of us who care about the future of the Federal work force together in this special order, he rendered even additional service to people all across the country, not just here inside the beltway, but people working in Federal military installations and regional offices in major cities spread all across the United States.

I simply want to once again commend the gentleman for that sort of leadership.

I think my greatest concern at the present time is the draconian proposal coming forth from this administration to cut Federal pay by 5 percent in a period when we can anticipate inflation of almost that amount likely to occur in the period facing us in 1985 and 1986.

There is no question in my mind this is a very shortsighted approach that will have a tremendously negative impact on the people who serve us, on their morale, and on their willingness to put up with some of the more difficult elements of service.

I look at IBM, for example, one of the better firms operating in the private sector. They make a practice of having continuity of employment, of developing and retaining high morale. They do it by keeping productive people on board and compensating them fairly yearly.

I think we have got to adopt a similar approach to Federal workers. We, over the last 15 years, have clearly underpaid them by any standard. For example, if we took the average amount of pay given to people in the private sector, we can conclude that we have underpaid our Federal workers for 8 straight years.

Let me put these numbers in another context. During the last 15 years

consumer prices rose by almost 310 percent, but Federal pay increased almost 220 percent. A significant reduction of perhaps one-third in their purchasing power.

Those private sectors workers, however, by contrast, were almost able to tread water. There was a decline in their income vis-a-vis CPI, but it was almost the same. They received a 290-percent-plus increase in the private sector during that same timeframe.

So, regardless of whether we look at comparability, which is an effort we make here in the Federal Government each year and then somehow suddenly reject, comparability studies to try to determine what would be an appropriate amount for a variety of elements in our Federal work force, or whether we look at average pay in the private sector we can quickly conclude that by any standard or any measure we are underpaying the people who work for us in so many important roles.

I think it is also important for the average American concerned about the deficit to understand that it is not the Federal workers' share of our total budget that it is our problem.

Since 1970 payroll, as a share of Federal outlays, the total Federal budget has shrunk from 13.3 percent to 8.8 percent. In other words, the big government we hear a lot about is getting smaller in proportion to our total economy and the Federal employee's pay as a share of that total budget is going down as well.

Federal workers once made up 3.4 percent of the civilian labor force some 15 years ago. Today they make up 2.5 percent, a decline of some 25 percent.

Civil Service has dropped during the same period from 2.6 million to 1.7 million employees, particularly accelerated by a trend to contracting out.

In fact, therefore, we have asked our employees to do more, in fact, to do more with less and they have done it for us and what we have given them in compensation, I think, is vastly inadequate to the role that the Federal paymaster should be playing.

For employees who retire in 1986 we have made it an even more difficult future for them. We have, in fact, reduced their retirement income, if we complete some proposals that have been made in this administration this year, by almost 25 percent over the next 6 years. It has been a very, very difficult thing for many Federal workers to put up with inadequate pay through the years, but it is even more difficult when the ultimate compensation in retirement that many of them looked to as some compensation for a slow, or in this year declining rate of pay, is also deprived from them.

For example, there is a triple whammy included in the administration's proposals made this year. There is a high-five rather than high-three year salary base used to compete retirement. There is a COLA limitation, a freeze, potentially. Certainly asked for by the administration at this point. And there is also on top of it the GS pay decrease at 5 percent.

When you roll those together, those three proposals, by 1990 Federal workers retiring this year would have lost 11 percent of their expected pension per year and a total of some $10,000 by that date.

I think it is time that we reverse these trends and reassure people that they will be kept faith with. The things that were promised to them when they entered Federal service years ago are provided essentially in the form in which they were initially agreed to.

It seems to me that another argument we are hearing a great deal about in regard to the justification for a pay cut to help solve our deficit delemma relates to the give-backs that we have seen in the private sector. One of the things that I think is so unfair is this very analogy. If one studies what has been given back by major industrial unions in the Midwest, for example, in the last several years or by the airline unions at Republic or Eastern, you find a very different situation.

First of all, the Federal employee never got to give back during the period of the sixties and early seventies when these larger than CPI increases were granted to these employees.

The Federal worker was not making that kind of advance in pay at that time.

In addition, when these give-backs have been engaged in, there has been a major concession made by the employer. For example, members of the employee groups have been placed on boards of directors. There has been a stock ownership profit-sharing arrangement. There have been other community contributions to help the people in the area directly impacted through the job losses that have often accompanied those give-backs. There has been greater job security and protection from technological change.

That is not the case as it relates to Federal workers. In fact, we have had RIF's and less job security at the very time people are being now asked to give back money as I indicated they never received.

So, it seems to me that we have a long way to go to reassure our Federal workers and Federal work force and maybe more importantly those that we hope to recruit to enter Federal service in the future that we do value their contributions, we do care about them and their families and that we will keep faith with them by at least treating them as equals. Not by mistreating them in the context of other people in our society in the private sector. And certainly not by asking them to bear an even larger share of the burder of solving our Federal deficit problem.

□ 1720

There are many other things that many of us will talk about today. I am sure I can, in anticipation, associate myself with the remarks of many of those colleagues who come to the microphone. I simply thank the gentleman for giving me this opportunity to express my frustration on only one aspect of the impact of the budget submission this year on the lives of Federal employees and their families.

Mr. HOYER. I thank the gentleman from California [Mr. FAZIO]. Although he honors me, I might say that Mr. FAZIO has been certainly one of the four or five most active Members in this body in bringing to the attention of this body and the American public the status of Federal employee pay and benefits. I want to thank him for his generous remarks, thank him for the remarks as to the substance, and thank him for his continuing efforts on behalf of Federal employees.

I now yield to my good friend and colleague, the gentleman from Virginia [Mr. WOLF] who, as well, spends much of his time working on the pay and benefits status of Federal employees and who has demonstrated over the years a real commitment to the welfare of Federal employees.

Mr. WOLF. Mr. Speaker, I want to thank my colleague, the gentleman from Maryland, for scheduling and initiating and putting together this special order. I think it is very important that we talk to the American people out there about this very, very important issue.

As the U.S. Representative for the 10th Congressional District of Virginia, I am proud that more than 40 percent of the citizens of my district are current or former Federal employees. I am proud to represent them and even more proud of the contributions these people have made in the past and continue to make on a daily basis to the quality and security of life in this country.

I believe that Government's role in our country should be a limited one. The Government does not have the answers or the resources to solve all the problems we face. And most of my constituents agree with that.

At the same time, Government does fulfill important roles in maintaining national security, insuring the purity of our air, water, food and drugs, administering our Social Security System, caring for our parklands, guiding commerical airliners and many others. How well these important functions are performed depends on people. Government is not policies, regulations or dollars. Government, in

its essence, is people, and the ability of Government to perform efficiently and effectively is dependent on the quality of people that compose it.

As much as members of the administration and Congress like to take credit for laws that we enact, in truth, how well these laws are defined and implemented is dependent to a large degree on the ability of men and women in civil service. After all, it was a Federal worker who developed the CAT scan used to detect cancer and other diseases, a Federal worker who developed lasers, a Federal worker who developed teflon, plastic wrap, wash and wear fabrics and many other products that have improved the quality of life for every American.

In today's complex, computerized society, the need for such talented Federal workers is greater than ever before. For example, Federal employees provide for the timely payment of over 36 million Social Security checks each month, search for a cure for cancer and develop fiber optics to improve response times for security forces in times of crises.

At a time when the need for this type of talent is greatest, we are losing the best and brightest Federal employees who are disillusioned because they are the first Americans called upon to make sacrifices in times of fiscal restraint.

In the State of Washington, for example, there has been a 29-percent 1-year increase in the number of scientists and engineers leaving the Naval Undersea Warfare System, a vital defense component, because Federal pay and compensation are not competitive. The Department of Agriculture in Massachusetts is experiencing a 25-percent turnover rate and is unable to replace its personnel.

In view of this talent drain and the need for experienced people in Government, the last thing we need are civil service policies whose only real effect will be to encourage people to leave public service as well as to discourage the best and brightest from choosing Government. Yet, this is exactly what we have in proposals that will cut salaries by 5 percent, change the retirement age and alter other benefits such as sick leave, annuity computations, and adjustments.

These proposals have no real chance of passage and do little to meet the desired goal of reducing the deficit. For example, the most disruptive proposal now being suggested by the administration and the proposal causing the most anxiety among more senior personnel are proposals designed to alter the retirement age. Ironically, of all proposals pending, this item saves the least money and yet is prompting valued and talented senior employees to leave. The $18 million this is designed to save in fiscal year 1986 and the length of time it will take before any real savings are incurred cannot accommodate the years it will take to overcome this reversal in personnel policy.

We talk about improving Government efficiency and giving more for the dollar but these types of proposals will not accomplish that objective. In fact, proposals such as this will only contribute to our losing the war this administration and Congress have waged against mismanagement and abuses in the past. Civil service is the backbone of the Federal Government. The more we tamper irresponsibly with personnel policies and the more we demoralize the Federal work force by constant attacks, the more inefficient our American Government will become. That's exactly what we can expect if the current "talent drain" from Government employment continues. The expertise and talent needed to accomplish the goals we, as Americans expect from our Government, won't be found in the civil service.

Who will be watching Soviet satellites in 1995? Will the drug enforcement agent be qualified to successfully keep drugs out of schools when your toddler reaches high school?

Congress is the employer. We hold the keys in our hands to use the tools and resources available to us in the Federal work force to direct the course of our country in the years to come. I urge the Congress to reject these ill-conceived proposals which would weaken the Federal work force and contribute to an inefficient and ineffective Government.

Mr. Speaker, there is much more that I want to say, but let me just ask the citizens around this country one question: When we think in terms of a 5-percent pay cut, how can we ask the drug enforcement agents who are working to keep drugs out of our schools and are faced with problems down in Central America and Mexico. Who are being kidnaped and some killed. How can we ask them to take a 5-percent pay cut? We should remember that the FBI agent, who all of us would call on if their loved one were kidnaped, is a Federal employee working 10 to 10½ hours a day. The cancer researcher out at NIH, who is working on a cancer cure, is a Federal employee who probably could go with Eli Lilly and make many, many more dollars than he or she is currently making. There are so many of these situations. The Secret Service agent who stopped the bullet that would have killed the President of the United States is a Federal employee. I think it is unfair at this time to ask the Federal employee to take a 5-percent pay cut.

Mr. Speaker, if I may at this time, I just want to read one or two segments of letters I have received from Federal employees on issues like this. This is from a resident in Sterling Park, VA:

> I have been observing an increasing migration of my fellow engineers from government to private industry for rises in salary well above 20 percent. Most of these private industry positions include free medical and dental insurance plans—

And that is not the case in the Federal Government—

> and retirement plans with all contributions paid entirely by the company. . . . The OPM proposals to cut our retirement system will end up costing more money than they save because most of the engineers leaving government are hired by government contractors to do the same.

An Arlington civil servant, with 34 years of civil service, wrote:

> Again, when I came to work for the government in 1951, I signed a contract, and now it is about to be broken. I do not think that is fair.

A Fairfax County resident said:

> When I entered Federal civil service more than 26 years ago it was clear that with good and faithful service I would be eligible for retirement with a specified formula to determine retirement benefits at age 55 with 30 years service. I have kept my part of that contract and feel that Congress and the Administration should do the same.

Mr. Speaker, I have received many letters like this. I would urge that citizens of the United States who are listening today to think in terms of the important and very valuable service that Federal employees perform. And when we think of these cuts, think of how we can reduce the size of Government in such a way that we do not reduce the morale and make it very, very difficult for the Federal employees. If we drive the good people out of Government, who will read the spy satellite printouts in 1995? Who will be working in the Food and Drug Administration if there is another Tylenol situation? Who will be working in the Foreign Service embassies around the world in places of danger, with bombing in Beirut and places like this? We want to continue to have the best and the brightest, and the way to do that is to treat your Federal employee very fairly.

I thank the gentleman again for this opportunity, and I want to commend him again for taking this time to bring these important issues to the attention of the American people.

Mr. HOYER. I thank the gentleman for his comments. This is clearly a bipartisan issue, supported on both sides of the aisle. The gentleman has pointed out, the importance of having highly trained, highly motivated, high-morale individuals working for the Federal Government and in fact working for all Americans. I thank the gentleman for his remarks.

I yield to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding and I want to add my voice to those who have praised him for taking this special order tonight,

because this issue is one that I really think the American people do not quite understand. They hear about Federal employees and they do not envision that what we are really talking about are people, sometimes single mothers with a couple of children, people who are making $15,000 a year. The average Federal employee, after all, makes about $25,000 a year. So we are not talking about people who have been overpaid. We are not talking about people who can afford to take this type of pay cut. I would tell the gentleman that I do not know how many of my constituents are Federal employees. I do not even have the number. Even if I did not have one Federal employee in my district, I would be joining with him and I would be joining with the gentleman from Virginia [Mr. WOLF], because I think it is a question of fairness. I do serve on the Budget Committee and, as we look at this budget, we have to think about fairness.

□ 1730

The other day—I want to share this story with the gentleman—we had Mr. Stockman before the Budget Committee. In his presentation, Mr. Stockman, one of President Reagan's chief economic advisers, said that America is back; we are doing marvelously. We are rebounding; we are recovering; we are basically the envy of the free world with this economic recovery.

I said to Mr. Stockman, in light of his upbeat feeling: Why should he at the same time do something to the Federal employees that has not been done since the Great Depression and slash their salaries at a time when America is on the top again?

Mr. Stockman did not give, in my mind, a good answer. He said, "Well, we have a deficit and we have to do something about it." I asked Mr. Stockman if he was familiar with how much profit an average defense contractor makes on a defense contract. Mr. Stockman was unable to put that number forward. He said he really had not analyzed it. I told him that I felt it was very important that he look at this as just one of the things that we have to look at when we are talking about fairness. I have looked at it and I have seen numbers such as 25 percent, 30 percent. It seems to me that before we ask our Federal employees, some of whom do not earn a lot of money, to take this kind of cut, we ought to make darn sure that everyone is making an equal sacrifice. It has been pointed out, the important contributions that these employees to our lives, whether it is in health or protecting consumers or protecting the life of the President and on and on and on.

We have heard about the $7,000 coffee pots and the $600 toilet seats and on and on and on. I think we cannot avoid looking at those issues again when we ask these people to take this cut. I hope that the gentleman will bring this out further in his talk with us, and that is that the Federal employee has simply not kept pace with the private sector. They have really fallen behind.

I am not going to go into great detail for the rest of my time that I am going to take, but I would like to put into the RECORD the impact of a 5-percent paycut on a single mother in my district, the Sixth Congressional District in California. We analyzed the expenses incurred by a single mother living in the San Francisco area. These expenses include the rental on a modest one bedroom apartment, normal utility costs for such an apartment, $110 per week for groceries, $40 per week for transportation—assuming that the mother could not afford a car—and that the mother maintained basic Federal health and life insurance for her child's protection. In addition, we assumed annual day care expenses in our area would run $1,700—probably a very conservative figure.

We allocated $60 per month for miscellaneous expenses. That's all. No rental insurance, no entertainment allowance, no dental or orthodontic work for the mother or the child, and no clothing allowance.

The figures include nothing but the basic necessities of life.

These expenses total $21,655 in 1985. We compared these expenses to the salary of the typical single mother who works for the Federal Government. This person, more than likely, would be a GS-7 secretary. Her salary would be $19,606 in 1985.

Her net salary in 1985, after taxes, is $15,044. If she wants to purchase the basic necessities in my area, she must run a deficit of $5,916 for the year. If she wants to break even, she has to cut back.

Let's look for a moment at where we can reduce her expenses.

She can use her phone sparingly, let's say we can reduce her phone bill by 40 percent—saving of $144.

She can move into an efficiency apartment—savings $1,400.

She can cut back on groceries by 15 percent—$858.

She can eliminate all incidental expenses—savings $720.

There's no give on transportation. She has to go to work.

There's no give on life and health insurance, she has to protect her child.

There's no give on day care—she wouldn't be able to work if she couldn't place her child.

Maybe she can squeeze another 10 percent out of utilities if she lowers the heat in her apartment to 58° or so—a savings of $240.

So we have saved $2,504 by cutting back as far as she can reasonable go. That still leaves a deficit of $3,412.

A 5-percent cut reduces the single mother's gross salary to $18,625 per year.

Her net salary drops to $15,044. Assuming that her expenses remain the same, her deficit increases to $6,611.

If we put her through the same belt-tightening exercise as before, she still saves only $2,504 for the year, and her deficit increases to $4,107.

That's a 20-percent increase in the debt she's carrying as a result of the 5-percent pay cut.

In the real world, of course, our single mother is going to have to live with price increases. The Congressional Budget Office projects that prices for urban consumers will rise by 4.5 percent in 1986.

In the real world, then, our mother's expenses will increase to $22,628 for 1986.

These additional expenses drive her normal deficit up to $7,585 for the year.

Let's assume that she really tightens her belt this year and saves $500 more for a total cutback of $3,000. Her deficit in the real world is still $4,585 for 1986.

She is now $1,574 dollars further behind in 1986 than she was in 1985.

Her debt has increased by 52.2 percent.

I challenge any Member or any American to look at these figures and then tell a single mother working for the Government that it is fair for her to take a 5-percent pay cut at this time.

Mr. Speaker, I would like to say that I have not played with these numbers; I really have been honest in these numbers. That is what it costs to live in the Bay Area. So now what has the President proposed? That on top of this problem, she take a 5-percent pay cut. I will not go through the misery that that brings her, but it doubles her debt. Even if she is very, very careful, it doubles her debt; she cannot really do it.

I would challenge any member of this administration, any Member of this House to stand up and in good faith make the case as to how we can look a single mother in the eye, who is raising these children, who is already living in a deficit situation, not because of her own problems but because in this case, she lives in a very expensive city, namely San Francisco, how we can ask her to make that sacrifice.

I would conclude by again thanking the gentleman. The purpose of my remarks is basically to try and get the message across and put it in the RECORD that we are not talking about some numbers here when we are talking about cutting pay. We are talking about human beings who are trying to live in very tough times.

Mr. HOYER. I thank the gentlewoman from California [Mrs. BOXER]

who has just been added to the very prestigious Budget Committee. She is bringing her own personal perspective on behalf of all of her constituents. Her statement today personalizes these issues which sometimes can be very abstract. She has brought down to the specific how the proposed pay cut could adversely affect an individual who is already behind her neighbor who may be working in the private sector.

I thank the gentlewoman for her very cogent comments.

I yield to the distinguished gentleman from Missouri [Mr. WHEAT].

Mr. WHEAT. Mr. Speaker, I am concerned that recent reports proposing the elimination, or down-grading, of the Federal regional centers in Kansas City, Boston, and Seattle once again threaten the level of Federal services Americans have a right to expect from their Government.

The business of government is the effective delivery of services. The cost-effectiveness of centralizing those services is illusory if those services are not delivered as efficiently as they would have been through a more decentralized approach and reducing the number of regional centers or centralizing their activities is a step backwards in effectively delivering those services to the intended recipients.

The current regional structure of 10 mini-Washingtons was created by Executive order in 1969 when it was realized that there was no reasonable, rational system which provided taxpaying Americans with access to the services for which their tax dollars paid. Since that time, the 10 regional centers have provided millions of people around this Nation access to Federal agencies they would not have otherwise. Regional Federal agencies have the authority to make expenditures to respond to emergency and localized problems and the familiarity with the region necessary to make knowledgeable decisions based on the needs of the area. The decentralization of our Government has also provided central agency officials with valuable insight and knowledge of those beyond the beltway, something lacking in our Nation's Capital.

Experience has shown that for a number of Federal programs it is not only necessary, it is vital to locate government service centers in major population areas. Thus, we find concentrations of Federal agency offices in such cities as Boston, the regional capital for the New England States; New York, this Nation's largest city; Philadelphia, serving the Mid-Atlantic States; Atlanta, long the focus point of most Southern States; Chicago, serving the industrial complex of the Great Lake States; Dallas-Fort Worth, serving the Southwest; Denver, the hub for Mountain States; San Francisco and Seattle serving the Western coast and Kansas City, serving the Midwest.

Historically the true center of the Midwest, Kansas City currently services a four-State region consisting of Missouri, Kansas, Iowa, and Nebraska and has since 1969. Kansas City was chosen based on a number of factors: the facilities available, the quality of the workforce living in the region, and the geographic placement of the four State region's major population centers. The State capitals of the four States are all within a short drive of Kansas City. The major population centers are easily within a day's travel. The central location of Kansas City allows its regional Federal agencies to provide effective, knowledgeable service throughout the region due, in part, to ease of travel within the region.

In the short time I have been in Congress, this is the second time the proposal to consolidate the regional centers has surfaced. Last year there were rumors that the regional structure would be dismantled; when pressed, administration officials left the structure as it now exists. During the last flurry of rumors I had an opportunity to correspond with various agency directors and the Secretaries of several departments. Let me share with you some of the responses I received, just 1 short year ago.

From David Stockman at the Office of Management and Budget, I received this comforting reply to my inquiry: "In none of our planning has the issue of across-the-board, government-wide removal of a Federal presence from a given city or area been raised * * *" Malcolm Baldrige, in discussing the Department of Commerce's current plans, stated: "The Department of Commerce recently established four Regional Administration Support Centers * * * one of these centers opened this past July in Kansas City providing 100 new jobs to the Kansas City area." The Acting Administrator of the General Services Administration, Mr. Ray Kline, stated: "No such plans were recommended by our panel." William Ruckelshaus, Administrator of the Environmental Protection Agency, assured me that, "No effort by our regional officials to influence * * * the process" had occurred. Ms. Martha O. Hesse, Assistant Secretary of the Department of Energy, responded by stating, "We are not at this point aware of any specific proposals which have been or may be advanced for changes to the Federal regional structure."

And yet, with agency after agency assuring me and the 28,000 civilian employees of my region that they know of no plans to realign the Federal regional structure, once again we are trying to save the 10-region structure from extinction. The administration tactics this year include asking various Federal employees to relocate voluntarily, casually mentioning that if they don't take new assignments, it is likely that their current job might not exist in the future. In the Department of Labor office in Kansas City, I know that employees are being told to put their homes on the market or to begin looking for new jobs.

I searched the new administration budget looking for proposed changes in the staffing levels. It was well hidden. The only reference I could locate was a vague discussion of reassessing levels of staffing and some discussion of administrative streamlining.

It was only last week that I received, in writing, an explanation of administration plans to eliminate the Federal regional structure that has brought the Federal Government closer to more people. In the booklet entitled, "Management of the United States Government FY 86," the Office of Management and Budget informs us that, due to advances in communications and the administration's federalism policy—which greatly reduced the number of Federal assistance grant programs, there is significantly less need for the Federal field structure. The structural change provides some savings, as does the loss of 1,663 full-time jobs. This savings is estimated for fiscal year 1986 at $40 million, less than one-tenth of 1 percent of the total deficit. Estimates are that the loss of these 1,600 jobs will cost the metropolitan areas approximately $192 million, almost five times the expected savings.

It is time for us to decide what purpose our Federal Government will serve. It is time for us to ensure that all of our citizens have equivalent access to the programs created by the Federal Government and to guarantee accessibility to those who are entitled to the services provided by their tax dollars.

The disruption of the regional center structure or any loss or downgrading of the Federal Government's presence in Kansas City would seriously affect the economy and future economic development in the city. The Federal Government is by far the largest employer in the Kansas City area, providing employment to over 28,000 residents of the metroplitan area. Estimated income earned in Federal employment is $700 million in 1985.

Studies have shown downgrading Kansas City's regional status would move some 10,000 jobs from our area to another Federal regional center. The loss of 10,000 Federal jobs, in addition to other administrative and custodial jobs in the private sector, would be devastating to the Kansas City metroplitan area. In addition to the loss of income to the region, it is estimated that over $320 million in other revenue would be lost as well. There would be a significant loss of State and local

revenue in Missouri and Kansas if the Federal Government's presence was removed from Kansas City. The Federal work force is a stable sector of the local economy, and its removal or disruption would have a disastrous financial impact on the entire community.

I am well aware of our need, as responsible legislators, to find ways to reduce the deficit of our Federal budget. There is no evidence, however, that enough money will be saved to justify reducing the effectiveness of our Government by closing regional centers. In fact, it would cost a considerable amount of both money and good will if our Government were to take action to further remove the ability of our citizens to utilize Federal services. Those of us in the Congress must be ready to take legislative action to remedy the insensitivity of those who would prey on the Federal regional center structure in a misguided attempt to cut the budget.

□ 1740

Mr. HOYER. I thank the gentleman for his remarks. He, of course, has spoken to a particular way in which service is delivered by the Federal Government but ultimately, of course, irrespective of what particular service is being performed, it is being performed by a Federal Government worker.

Mr. Speaker, I said at the outset of this special order that I would be joined by a number of my colleagues, which I have been. I might also say there are a number of my colleagues who, for reasons of scheduling, could not be here on the floor but who have submitted a number of statements to me. I also said that I wish this special order was not necessary, but not only have things not improved since I last stood on this floor 2 years ago to talk about the status of Federal employees and their pay and benefits, they have worsened.

The pay gap has widened. The retirement system is under greater attack. Health benefits are worth less and morale, as my colleague from Virginia has observed, has reached a new low.

Instead of being embraced as partners in our national commitment to reducing government spending, streamlining the bureaucracy and providing the strongest and most efficient defense system in the world, Federal employees are increasingly subject to rhetorical attacks on their value to this country. Neither the media, the administration nor the Congress have been honest with the American people about the contributions which have been made by Federal workers and the cost of maintaining a talented work force to serve the public.

The Federal Government, as is all government essentially, is a people-intensive business. It is basically people serving people, the gentleman who helps senior citizens with their tax returns, the woman who helps facilitate the VA loan, the astronaut who pilots the space shuttle, the FBI agent who risks his life in the fight against crime, as Congressman WOLF has observed. All are Federal employees. Most of these men and women love their jobs and feel a sense of pride in being able to serve their country, but like all of us, one's enthusiasm for one's job, one's commitment and dedication to the task at hand, is directly related to the sense of worth that you feel and the benefits accrued through such work.

Some of the rhetoric on Federal employees, postal employees and retirees would lead you to believe that civil servants are overcompensated, underworked, have a job for life, cannot be fired, do not perform, and retire at age 50 on a fat-cat pension. Mr. Speaker, that rhetoric is simply false.

Before I proceed further, I would like to take this opportunity to yield to my good friend from the State of Washington, my colleague on the Committee on Appropriations, Congressman NORMAN DICKS, who himself has been a great leader and very cognizant of the interests of Federal employees and their importance to the workings of our Federal service. He has been, indeed, a leader on Federal employee issues.

I am happy to yield to my colleague, the gentleman from Washington.

Mr. DICKS. Mr. Speaker, Members concerned about Federal pay and benefits—in light of the President's proposal to cut pay by 5 percent—should also be aware that our Federal personnel systems would be equally damaged by the Office of Personnel Management's Pay for Performance, Overtime, and RIF regulations that would take effect on July 1 of this year.

Congress has blocked OPM pay for performance, RIF and overtime regulations since mid-1983 for a number of excellent reasons that remain valid today:

Before I go into those reasons, let me briefly summarize what these regulations purport to do for Members who may not be familiar with them:

Pay for performance regulations would extend merit pay systems that currently apply to Federal managers (GS 13 through 15) to the entire general schedule. This would eliminate within-grade pay for employees and limit their eligibility for promotions;

RIF regulations job retention would be based heavily on job performance and far less, as under current regulations, upon seniority. Bumping and retreat rights would also be strictly limited, competitive areas reduced in size, and appellate rights curtailed. The result would enhance management's control—and discretion—over who stays and who goes during a RIF.

Reduction of overtime makes GS-7 the cutoff for overtime eligibility. ($318 per week, $16,536 per year). It eliminates overtime eligibility for grades 8 through 10. (Current cutoff is $429 per week.)

The OPM proposals sound wonderful on paper, but disguise an attempt to convert Federal service into a political fulcrum from which to leverage policy.

Publicly, OPM states that these regulations would reward Government's best performers, minimize the impact of RIF's on minorities and women, and limit the disruption that occurs within agencies during a reduction-in-force.

These regulations, in my view, would clearly enable agencies to undercut congressional jurisdiction with respect to policy by shifting control from career civil servants to political appointees. This game plan has been rather badly stated in the Heritage Foundation's highly publicized report, "Mandate for Leadership II."

The regulations extend political control through the performance appraisal process.

The employee's performance appraisal, under the proposed regulations, becomes the basis for pay increases, promotion, and job retention. The General Accounting Office in a report that I would like to have reprinted in the RECORD continues to warn us that performance appraisals lack even basic credibility among Federal employees.

Last year, we enacted legislation to reform the Merit Pay Program for managers that had been a failure since its enactment in 1977. We deliberately limited the authorization for the program to enable agencies to test the refinements the act makes in the performance appraisal systems because we believed that these reforms required thorough testing before they could be applied elsewhere in government.

These facts alone would encourage us to continue to prohibit the Office of Personnel Management from going ahead with these regs in July.

But let me now alert Members to what the Heritage Foundation—whose gameplan the administration closely followed in its first term has to say on the subject of performance appraisals:

> If the political executive ensures that his political priorities are embodied in the performance evaluation elements of his subordinates and then consistently rewards performance which matches those priorities and punishes performance which does not, he will have an effective instrument for controlling personnel as well as generating policy change. (Page 525, Mandate for Leadership II).

To give Members the full flavor of the context of these remarks, I call their attention to Heritage's characterization of career civil servants:

One useful way of analyzing bureaucrats is to study the degree to which they exhibit to change in leadership. Four patterns emerge allowing bureaucrats to be classified as: opponents; reluctants; critics; and autistics.

Opponents are unalterably opposed to the policies of the political executive, reluctants are opposed but not immune to persuasion; critics will support the political executive as long as they feel their views are being considered; autistics do not support the political executive because they consistently cannot hear or they hear incorrectly what the political executive wants * * *

For example, once identified, the political executive can transfer opponents to routine jobs where they will have little influence over policy.

So much for objective performance appraisal protecting the interests of minorities and women or rewarding those who perform best in any objective sense.

Any reform as far reaching as those proposed by the Office of Personnel Management in these regulations would require thorough testing and a willingness to work closely with Federal employees to establish the good faith and confidence it would take to make these systems work as OPM says they should.

But, whether OPM can provide us with an objective analysis of agency tests is suspect. They have already taken steps to derail the Merit Pay reform enacted last year in a number of agencies by advising the agencies that they did not have to pay further merit increases until new performance appraisal systems were in place. Therefore, employees who worked hard last year for high ratings in order to take advantage of Merit Pay incentives have been, in many instances cruelly denied their due.

OPM has shown no facility for solving our equally complicated morass in other Federal pay systems. Their latest document on reforming Federal pay is a fiasco based on a methodologically unsupportable theory that Federal employees quit their jobs less frequently than employees in the private sector. The distinguished Chair of the Compensation and Employee Benefits Subcommittee exposed the short-comings of this analysis during hearings on Tuesday.

Given OPM's unwillingness to deal with Federal workers and their pay and benefits in good faith, it seems clear that we do not want to hand over to them such sweeping additional authority with which to batter Federal employees.

Members understand that we have a great stake in whether we can maintain high quality in Federal service. I want to join with my colleagues here today who suggest that the future of Federal service in our country depends in large measure upon our ability to resist what the administration has proposed in its fiscal 1986 package and to continue to block similarly misguided administrative actions that threaten to politicize Federal service.

Administrations have both the right and the obligation to chart new policy directions for the Federal Government. They can also tailor these efforts to their political beliefs. No one questions that. But if, in achieving these ends, the means are coercive, if they disrupt merit systems established by the Civil Service Reform Act designed to maintain the integrity of the career workforce, such means must be blocked.

I would like to congratulate my good friend from Maryland [Mr. HOYER] on the work he has done as a member of our Appropriations Committee on this critically important issue. I also salute his work here today. He has performed genuine service for all Americans by focusing our attention on the realities of Federal service today.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his pointed remarks and his comments about my participation and tell the gentleman how pleased I am to work in league with him.

Mr. DICKS. We have a lot more work to do, unfortunately, this year.

Mr. HOYER. The gentleman is correct.

I am glad to yield to my friend, the gentleman from Tennessee [Mr. FORD].

Mr. FORD of Tennessee. Mr. Speaker, I thank my colleague for yielding.

I, too, would like to join with my colleague, the gentleman from Washington [Mr. DICKS] to say that we all in the Congress look to the leadership of the gentleman from Maryland in this area as it relates to Government employees. The gentleman has been that true leader in the Congress.

Mr. Speaker, the gentleman from Ohio [Mr. STOKES] was called out to Howard University tonight. He had reserved also an hour's time tonight on Black History Month. Tonight is their banquet leading up to the closing of Black History Month. He is speaking at one of the largest black institutions in this Nation, an academic institution, that is.

GENERAL LEAVE

Mr. FORD of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order today by the gentleman from Ohio [Mr. STOKES] on Black History Month.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. FORD of Tennessee. Mr. Speaker, I would like to just take 30 seconds, if the gentleman from Maryland does not mind, just to share one line with the gentleman that the gentleman from Ohio [Mr. STOKES] clearly indicated, that February is Black History Month, and I think we all recognize in the proclamations that have been issued by the White House and also in all other legislative bodies that this month we are celebrating the important contributions of black Americans to the development of this Nation in the arts, education and sciences, health care, technology, politics, as well as other areas.

Black Americans have a rich history. We just would like to pause in the Congress at this time with these special orders to say that we join with black Americans and nonblack Americans to say that we are very proud of our contributions and the contributions of black Americans in this Nation.

Again I thank my colleague for yielding to me.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his remarks.

I thank him also for his alliance with those of us who believe that those issues dealing with Federal employees are so important and join with the gentleman in his remarks regarding Black History Month. It is important that we recognize the substantial contributions made by the black citizens of our Nation. Those contributions have made this country a strong and free Nation. The gentleman's remarks and those of the gentleman from Ohio [Mr. STOKES] are appropriate and I was pleased to have the opportunity to yield to him.

Mr. FORD of Tennessee. Mr. Speaker, I thank the gentleman very much.

□ 1800

Mr. HOYER. Mr. Speaker, continuing with my remarks, I want to say that my colleagues have addressed certain specific issues during this special order. I would like now to take a few more minutes and broadly address the total compensation package of Federal employees. That is what this special order is about, that is to bring to the attention of the Congress and the American public the status of Federal employees.

There is much demagoguery about what Federal employees are doing and receiving. The President's fiscal year 1986 budget submission calls for a 5-percent reduction in pay for Federal employees. The pay cut has been rationalized by OMB as reasonable in light of the givebacks that employees in the private sector have surrendered to their employers.

The OMB, rhetoric however, ignores the fact that the President's Advisory Committee on Federal Pay reports that givebacks or not, Federal pay lags on the average of 18.28 percent behind the private sector.

Let me repeat that. The President's Advisory Committee has reported to this administration that Federal em-

ployees are currently 18.25 percent behind those persons who do similar jobs in the private sector.

A more conservative analysis done by the Hay-Huggins Co., a well-respected private sector compensation consultant, indicates that Federal pay averages 10.3 percent less than the private sector. So the President's Advisory Committee says Federal employees' pay is 18.25 percent behind. Whereas a more conservative study done by a private institution reports that it is 10 percent behind.

Hay-Huggins also reports that in some senior level jobs the pay discripancy of Federal employees runs as high as 158 percent behind their neighbors working in the private sector in similar jobs.

Mr. Speaker, I am bringing forward now a chart which was prepared by Hay-Huggins. It shows an analysis of the pay gap from grades 3 through 15. This chart, which is a reproduction of the Hay-Huggins study, does not show the much larger pay discrepancies between senior executives, the 16's, 17's, and 18's, and their counterparts in the private sector.

The law says that Federal pay will not be set politically but through an objective formula. However for the last 8 years under two administrations of different parties that has not been the case.

The Federal Pay Comparability Act provides that, armed with data supplied by the Bureau of Labor Statistics, the President, acting with the advice of the Federal Pay Advisory Committee, would recommend a pay increase to keep civil servants on par with their neighbors who work for General Motors, IBM, or Xerox. The annual raise, Mr. Speaker, is not a cost-of-living adjustment.

It is a comparability adjustment to keep Federal workers, nonpolitically, after analysis by the President's Pay Advisory Committee, even with their neighbors who work in the private sector. It has nothing to do with inflation and it is tied in no way to the cost-of-living adjustments afforded retirees.

The Office of Personnel Management argues that pay alone cannot be considered for the purposes of determining that Federal compensation is equivalent to private sector compensation. While pay, of course, is the paramount concern, I agree with OPM that total compensation is important to review.

But what does the Hay-Huggins study say about total compensation? The next graph refers to a number of elements with respect to compensation. The graph indicates that the only area where Federal compensation exceeds the private sector is in the pension area. The study shows that Federal pensions are 6.4 percent more generous, generally speaking, than the private sector.

Now, we who represent large numbers of Federal employees want to honestly reflect the fact that their retirement system is a good one. We heard the gentleman from Washington say that his grandfather and his uncle went to work for the Federal Government, notwithstanding the fact they could have received higher pay in another job in the private sector because they were concerned about their retirement benefits. They went to work for the Federal Government which in turn made a commitment to them that it would pay them certain benefits upon their retirement.

But the pensions afforded Federal employees come nowhere near making up for the other shortfalls.

The Civil Service Retirement System has been described in exaggerated terms and with the use of self-serving statistics to reach conclusions that the system is unstable and overly generous. Mr. Speaker, that system is neither.

The Civil Service Retirement System currently has five times the reserves needed to pay Federal annuities as they become due. Unfortunately, OPM is about the task of convincing the American people that the unfunded liability of the system impacts on the deficit. In point of fact, unfunded liability is only a guess about what could happen if all present and future obligations had to be paid at once.

Edwin Hustead of Hay Associates indicated in testimony before the House Post Office and Civil Service Committee that "Unfunded liability has nothing to do with the solvency of the current system. It cannot," he said, "be equated with present or future debt."

But as I have said, the Civil Service Retirement System is a good one, but it is not one which is overly generous.

Ask over half of the Federal annuitants who receive less than $1,000 per month or ask half of the current Federal employees who will never receive an annuity.

The average civil service annuity is a lot less than some of the sensational stories prompted by the Grace Commission and others would have you believe.

Mr. Speaker, we ought to remember that civil service retirement is not, as I have said, a welfare program. It is part of a compensation package for services performed.

While the Supreme Court has not interpreted Federal pension benefits to be a contractual right under law, the political branches of Government ought to take heed of Justice Black's words, and I quote: "Great nations, like great men, should keep their word."

We have made a pledge to the Congressman's uncle and to thousands and thousands of Federal employees that if they come to work for us, if they stay working for us, then when they are ready to retire they will receive certain benefits. And in reliance on the promise they have remained steadfast in service to all of us who live in this Nation.

We ought, as Hugo Black said, like great nations, keep our word.

Any reduction in the retirement program, whether you consider it fair, inadequate or extravagant, will have an adverse affect on the growing total compensation gap with the private sector, that 18.25-percent gap that the Pay Advisory Committee has found exists between Federal employees and their neighbors who work in the private sector.

The administration is also proposing changes in the Federal employee health benefit program that will effectively reduce the benefits or increase the insurance premiums for all employees, with perhaps the exceptions of the youngest, healthiest, unmarried employees.

Mr. Speaker, I do not carry the Government's health insurance. I do not carry it because my wife's health insurance through the Prince Georges County School System is better. And therefore I would be wasting money to buy the Federal employee health benefit program which under this administration has been reduced in value.

A 1983 study by the Mercer Co. for the House Post Office and Civil Service Committee indicated that health benefits provided to Federal employees fell 21.50 percent behind those offered in the private sector.

Ladies and gentlemen, for those who work in the private sector, for those of you who believe that the Federal employee health benefit program is far more generous than the private sector, let me repeat that statistic. The Mercer Co. found that the Federal employee health benefit program fell 21.50 percent behind those offered in the private sector.

In addition to that, and this was a startling figure to me but reflective of the fact that I take my insurance through the Prince Georges County Board of Education with my wife, the Mercer Co. found that not only are we behind the private sector, but that we are 18.50 percent behind State and municipal plans.

□ 1810

States and municipalities provide their employees with better health benefit programs than does the Federal Government.

Congresswoman MARY ROSE OAKAR is submitting a statement. That statement spoke to the Federal employee health benefits. I know she touched on her excellent legislation making much-needed improvements in the program.

My colleagues have also addressed other aspects of Federal employment this afternoon. Each of them has a vast amount of expertise in the area in which he or she has spoken.

In closing, Mr. Speaker, I would again like to point to this chart showing the health benefits adjudged by private sector analysis to be below the private sector. Executive perks have been adjudged to be below the private sector. And pay, using the conservative figure, has been adjudged to be 10.3 percent behind the private sector. Death and disability benefits have been adjudged by that same study to be a percentage point behind the private sector.

My friends, it is important for us to remember, when dealing as employers, as the Members of Congress are in dealing with Federal employees, contrary to some of the rhetoric not only of this administration but of previous administrations, Federal employees are not receiving too generous compensation and too generous benefits.

These facts show starkly that that is not the case.

FEDERAL WORK FORCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes.

Mr. WOLF. Mr. Speaker, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman for yielding.

Mr. Speaker, if we reduce pay further, contrary to the recommendation of the pay advisory committee which said that we ought not to reduce any benefits that the Federal employee now has, then we will be in grave risk of losing some of the best employees we have. In the competitive free market system that this administration speaks to and which is so vital to the welfare of this Nation, we will be unable to compete to fill those jobs, to recruit young people into public service, to insure the fact that the Federal service continues to be, as it is now, the best in the world.

Mr. Speaker, I am very proud to represent as does my colleague from Virginia, large numbers of Federal employees. They perform vital services on a daily basis for all Americans.

I say in many of my speeches that I had the great privilege of serving in the Maryland State Senate for 12 years, the last 4 of which I was president of that body. During the period of time that I served in the Maryland Senate I had approximately 1 percent State employees living in my district. I was as committed to protecting the pay and benefits of State employees then as I am now to the pay and benefits of Federal employees.

I am so committed because I believe it is in the national interest to have public employees who perform some of the most important functions in this Nation, that are highly motivated and feel that their employer recognizes and appreciates their worth and commitment to the greatness of this Nation.

I thank the gentleman for yielding. I thank the gentleman for participating in this special order. I look forward to closely working with the gentleman and other colleagues who have spoken.

Mr. WOLF. Mr. Speaker, I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I just want to compliment both gentlemen for the work that they have done on this issue. I want to say that I think this presentation really brings out the truth from the Hayes Report about employee benefits. It is probably the most lucid presentation that I have ever seen and really gets rid of all those myths which have been created by people who are trying to do damage to a great civil service system. So both of you are to be commended for this.

I appreciate my good friend from Virginia yielding. I think this gives us the real facts, the real truth, and what we have to do is get that out to the rest of the Members and to the American people.

Mr. WOLF. Mr. Speaker, I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman.

The purpose of this special order is of course to try to project to the Members of this House and to the American public what the facts are. I agree wholeheartedly with the gentleman from Washington. If the American public knows the facts, that is, if the American public realizes the disparity between present pay and benefits of Federal employees and neighbors and friends who work in the private sector then I think those Americans are going to respond to this Congress that they do not want to see Federal employees treated unfairly and they do not want to see pay cut.

They are going to respond to this Congress that they do not want retirement benefits cut when such benefits are part of a pledge made by the American Government to its employees. They do not want health and retirement benefits reduced below what is a fair level. We must be able to compete effectively in the marketplace for employees who are highly motivated and capable individuals.

I thank the gentleman from Virginia for yielding.

Mr. WOLF. I want to thank the gentleman from Maryland for his presentation. I think it is very, very persuasive and I appreciate it very much.

● Mr. DYMALLY. Mr. Speaker, I am pleased to join my colleagues today in this much-needed discussion on issues which affect Federal employees and retirees. There are well over 2 million employees in the civil service—conscientious and hard-working people who have chosen public service as a career. Not so long ago, those who chose to work for the Federal Government were much admired by their fellow citizens. Bright young men and women from schools across the country prepared to serve their country in their respective career fields, by working for the spectrum of Federal agencies which provide services to all sectors of our society.

Today, however, I fear that our Federal employees are misunderstood and resented by too many Americans. And the unfortunate basis for this situation is that the current administration has consistently attacked Federal employees as overpaid, overcompensated, and unproductive.

As a member of the Committee on Post Office and Civil Service, I can vouch for the fact that this characterization of the Federal work force is far from the truth. Today, I challenge the American public to listen carefully to the true facts regarding pay, compensation, and working conditions for Federal employees and retirees. I ask the American public to think carefully about the many vital services our Federal employees provide. From small businessmen to small farmers; from the elderly Social Security recipient to the young college student; from the business men and women involved in trade around the world to the housewife and mother mailing a letter to her family across the country—all Americans rely on services provided by the Federal Government. And these services do not just happen on their own. They are the product of our hard-working and proud Federal employees, and we should never take them for granted.

I would like to commend my colleague, Congressman HOYER, for organizing this effort to educate the American people about issues affecting Federal employees and retirees. Many of my colleagues will discuss the real story behind pay for Federal workers, which—far from being excessive—lags behind pay for private-sector workers by an average of 10 percent. Many will talk about benefits for civil service retirees, which the administration has attempted to portray as overly generous and undeserved. I urge the public to carefully consider these facts and figures—for they will show that Federal employees and retirees are not an undue drain on the Federal budget as the administration claims. Rather, they are receiving the pay and benefits they have worked hard for and deserve.

I would like to focus the remainder of my remarks on an issue which affects up to one-quarter of the Federal civilian work force—due-process rights for employees in the excepted service, who are faced with adverse personnel

actions. The "excepted service" is a term given to a wide variety of civil service positions which are not subject to the competitive hiring process. Currently, there are over 500,000 excepted service employees in executive agencies.

Employees hired through the excepted service include attorneys, scientists, physicians, chaplains, handicapped workers, and certain midlevel administrative positions. These positions are excepted from the competitive process because qualifications are measured in another way—such as the bar exam for attorneys—or it is impractical to have an examination.

In recent months, I have become very concerned about the lack of due process rights for excepted service employees when adverse personnel actions are taken against them. Unlike competitively hired employees, employees under excepted service appointments, who are not veterans, may be suspended for long periods, reduced in grade or pay, and even terminated from their positions, without any notice or cause for the action—in short, without any due process. I submit that this situation is completely at odds with our system of justice, and I believe it is time that Congress enact a remedy.

Recently, I introduced H.R. 917, a bill to give excepted service employees the same procedural rights enjoyed by other civil service employees in adverse action situations. These rights include giving 30 days advance notice of an adverse action; the right to respond in writing; and, most importantly, the right to appeal to the Merit Systems Protection Board, which is an independent agency. I am hopeful that the Post Office and Civil Service Committee will consider this much-needed legislation in the near future.

As chairman of the Subcommittee on Postal Personnel and Modernization, I am also working with Postal Service employees who feel they do not have access to an independent and objective appeal in adverse action situations.

Again, I commend my colleagues for participating in this forum. I intend to work actively to ensure that the administration's proposals, to severely reduce pay and benefits for Federal and Postal workers and retirees, are not enacted by this Congress.●

● Mr. DYSON. Mr. Speaker, I want first to thank the Speaker for dedicating this special order to a discussion of the problems faced by Government workers today. The problems are severe. We must bring these to the attention of the Congress and the voter. But more importantly, we must bring relief and support to the civil servants who shoulder the burden of converting our laws and policies into results.

Without the dedication and commitment of Government workers, the laws we enact in this Chamber would be completely meaningless. If it were not for the corps of trained civil servants that are needed to make these programs work there would be no environmental protection projects, no strong national defense, no excellence in public education nor any Social Security Program. They are the managers and workers that perform the Government's business. They are the people who have day to day responsibility for seeing that the public's needs are met in the most effective and efficient manner.

So it seems to me that it is absurd to set national goals and then declare war on the workers who are responsible for achieving these goals. Yet that is exactly, as we all know, what this administration has done. The President omitted any mention of this in his recent State of the Union Address, but for the Government workers, that speech did not herald any "Second American Revolution." Instead it announced the second assault in a long and bitter war against the jobs, pay, pensions, benefits and morale of the civil service.

This much was made clear recently by the administration's brute ultimatum that either civil servants accept a 5 percent pay cut or cut their work force by 35,000 jobs.

The Defense Department, as the largest civil service employer, has had an active role in the administration's guerrilla war against Federal employees. Since 1981, it has been contracting out to private sector contractors every conceivable function entrusted to civil servants. Most likely, therefore, the Defense Department would lead the way in any civil service cutbacks by stepping up its contracting out program.

I am a member of the Armed Services Committee and represent a congressional district with five military installations, so I am keenly aware of the problems associated with contracting out Defense Department functions.

The administration uses the rhetoric of "cost saving reforms" to cloak most of its efforts to reduce civil service compensation. Contracting out is similarly put forward as a means for reducing the costs of operating the Government.

Before the Pentagon converts an activity from civil service to private contractors, it must be demonstrated that the private sector can perform the same tasks now assigned to Government workers for at least 10-percent less than the current costs of the activity; 10 percent is no small savings, and since the Pentagon converted 15,000 civil service jobs to private contracts between 1981 and 1983, I would anticipate that they can document considerable cost savings for the taxpayers.

As you probably already know, the Pentagon does have figures that purport to show some cost savings. Unfortunately, the figures are entirely unbelievable. Frequently when calculating the savings from any single activity the costs of conducting the "cost comparison survey" is omitted. So are the costs of severance pay and retirement benefits that must be paid to employees that leave the service. Nor is there a strict accounting kept of cost overruns or billing fraud arising from A-76 contracts—as contracting out is officially known.

Some 150,000 workers are employed at civil service activities that could conceivably be contracted out. So I was understandably shocked at the Pentagon's inability to justify its policy. Therefore, when the Armed Services Committee was considering the fiscal year 1984 Defense Authorization Act, I introduced a provision that would require yearly reports to Congress on the actual savings being realized through A-76.

The Committee shared my skepticism about the wisdom of contracting out and accepted by amendment. The Pentagon's first report has recently been submitted. It is now under review by the Armed Services Committee. Though several issues are left unresolved by the report, I believe there is ample evidence to conclude that this policy is pennywise and pound foolish.

In my opinion, most of the Pentagon's A-76 contracts have not saved the taxpayers any money. As often as not, it results in lower quality work being done at greater expense. Nor does it always increase the managerial flexibility of local Commanding Officers. It can instead restrict their options by binding Commanding Officers in a tightly worded legal contract.

But these are just short-term costs. The long-term effects of the policy is to drive from the ranks of the civil service the dedicated career professionals without whom the Government simply cannot function. And as much as any other reason, this is why I adamantly oppose the policy.

Civil servants are paid 20-percent less than their private sector counterparts, and that differential gets wider every year. They must contribute 7 percent of their gross pay to the retirement fund. Health benefits are reduced on one side by the skyrocketing increase in health care costs and on the other side the parsimonious refusal of the administration to increase its premium contribution. The administration's program of reductions in force, in effect, put all workers on perpetual notice. If their agency isn't eliminated, its work force may be. And the contracting out policy threatens to eliminate their jobs altogether.

These assaults on Federal workers do a disservice to the public and an in-

justice to the civil service. In the coming 2 years, we here in the Congress must be ready and willing to do whatever is necessary to rebuild the confidence of the Federal work force. We must defend the civil service retirement system. We must work for pay comparability. We must protect the Federal employee health benefit plan. And we must see to it that the foolhardiness of contracting out does not drive from public service skilled workers who have dedicated their careers to the Government.●

● Mr. PARRIS. Mr. Speaker, in the fiscal year 1986 budget proposals, we once more are faced with the unpleasant and, so far, seemingly impossible task of reducing our Federal deficit.

And, once more, the proposals suggest that we accomplish this, in part, by penalizing the very people who keep this Government operating—the 1.7 million Federal civil service employees.

I recognize the need for budget restraint, and I stand ready to support logical, reasonable budget-reduction proposals. But it is unconscionable to lay this heavy burden on the backs of the loyal Federal employees, whose pay already lags alarmingly behind comparable pay in the private sector.

Let us remember—a Federal employee is also a Federal taxpayer, and a father or a mother, or someone just getting started. A Federal employee has to buy groceries, make the monthly mortgage or rent payments. And the cumulative effect of limited and delayed pay increases in recent years is making it harder and harder to meet those financial obligations.

Compelling these employees to take a 5-percent pay cut is unfeeling and, to me, unthinkable. The last time such proposal was made seriously was during the Great Depression.

A recent study of comparability of pay in the public sector and pay in the private sector showed that our Federal workers are making about 18-percent less than their counterparts. In other words, they already are doing more than their fair share of helping keep the deficit down. To ask them to do even more simply is not equitable.

One argument used to rebutt this comparability gap is that Federal employees traditionally have had such superior health and retirement benefits that such fringes more than balanced the pay differential. That argument has not been valid for a number of years, as the private sector has caught up with the Federal Government in the benefits packages offered to employees.

Another argument that has come into vogue just in the last year or so is that during the recent lean years of the recession millions upon millions of American workers, particularly those in unions, had to agree to give-back in cuts of pay and benefits, so the companies for which they worked could stay healthy. This argument also is flawed. If any of us thinks that these unions did not exact a quid pro quo for the concessions, then you are misinformed. The unions left the bargaining tables with packages that included increased job protection. In 1984, three out of every four collective-bargaining agreements included provisions to protect workers during technological change, work transfer or plant closings. Some of the agreements resulted in stock ownership plans for the employees.

It has been reported that in 1986 private salary increases are expected to average about 6.9 percent, as the economic recovery continues and private sector workers begin to reap more of the rewards.

It is time to let our Federal employees reap rewards as well, and they would be ill-served if they are denied them. Federal employees have been denied far too long. They have seen scheduled pay increases delayed, and cost-of-living adjustments eliminated or deferred.

Let me share an alarming statistic with you. Since 1970, consumer prices have climbed 309 percent. Private sector workers, during those 15 years, have seen their pay increase by 291 percent—almost a break-even point. But during that 15-year period, Federal pay climbed only 222 percent—a loss of about one-third in purchasing power.

It is truly amazing that we still have loyal, hard-working Federal employees. This Nation is blessed with dedicated Federal workers, but Congress is straining their patience by using the Federal deficit, year after year, as an excuse to give them marginal pay increases.

I have stood on the floor of the House in past years and predicted that such shabby treatment of our Federal employees would result in an exodus of capable, highly skilled workers from the Federal work force into the private sector. This is no longer a prediction, it is a fact. Civil servants are leaving Government service in large numbers. Top college graduates are being discouraged from making civil service a career.

We cannot seriously consider a 5-percent pay cut on top of everything else the Federal employees have had to shoulder.

I hope the Congress will reject the pay cut proposal overwhelmingly and at an early time in the budget process.●

● Mr. GARCIA. Mr. Speaker, I joined the Post Office and Civil Service Committee in 1978 when I first came to Congress. During that time I have become increasingly aware of what a tough job civil servants have, and also what a good job they do.

In many ways, I consider myself old-fashioned. My values are those of another era. I believe in the family, hard work, and in treating fellow human beings with dignity and respect. I also believe that we are fundamentally a good country, and that we have a good Government. When I was growing up, public employees were considered civil servants. I still view them that way.

Public employees do serve the public. I don't think they work any less hard than their counterparts in the private sector. I think that much of the criticism that has been leveled against Government employees recently has been unfair and unjustified. It is the overreaction of individuals who view public service as merely a temporary assignment and as a way to enhance themselves personally.

Cutbacks to well deserved retirement programs. COLA's, and hard earned salaries are not the way to insure that our Government operates efficiently. It is bad policy, and it is bad for morale of the many dedicated public servants who make certain that this country keeps on running—to borrow a phrase from the Postal Service—through rain, sleet, or snow.

Government employees are an easy mark for this administration. Like the poor and minorities, they don't have the clout of other interest groups, but I know that I and my colleagues on the Post Office and Civil Service Committee, as well as many other Members of this body realize just how important and how good a job Government workers do. We all depend on them daily. Let's appreciate them, instead of threatening them with unfair and unrealistic budget cuts.●

● Mr. DWYER of New Jersey. Mr. Speaker, I wish to thank my colleague, Congressman STENY HOYER, for bringing this special order to my attention. I, too, am concerned about the administration proposals as they affect the Federal work force and appreciate the opportunity to speak out on their behalf.

As you are aware Mr. Speaker, Federal workers play a critical role in the strength of our country. They are the highly skilled and competent men and women at the National Institutes of Health who are performing invaluable research; the people who make certain that Social Security checks are paid on time to our senior citizens, and the dependable letter carriers. Like most Americans, the Federal employee works hard and tries to make ends meet.

The Reagan administration has once again proposed a number of changes to the civil service retirement system. Among them are delaying the retirement age, imposing severe penalties for early retirement and changing the method for calculating annuities. Private sector employers have recognized

the importance of having a sound retirement system in recruiting and keeping top talent. Reductions in civil service benefits will continue to discourage qualified and experienced individuals from joining and remaining in the Federal Government.

The security of the civil service retirement system and the need for an equitable pay scale must be a major concern among the Members of Congress. I, for one, am deeply concerned by the misinformation about the Civil Service Retirement Program which exists in so many quarters today. It is up to us to correct the mistakes and clearly present the facts about the system. Proposals to impose further reductions on Federal retirees and employees would make it impossible for them to maintain their current standard of living.●

● Mr. LEHMAN of California. Mr. Speaker, during the last Presidential campaign, one of the fundamental topics of debate was the issue of "fairness." The President claimed to be personally hurt by charges that his policies were unfair to certain groups, or that they favored one group over another. Since his reelection, the President has gone right on claiming that his policies are fair, while in practice and effect, it is very clear that they are not. Nowhere is this more evident than in his treatment of this Nation's public servants.

The administration is quick to point out that this Nation is experiencing the strongest economic growth since the 1950's. President Reagan has claimed on numerous occasions that "America is back," and that we are "poised for greatness." Yet one particular group has paid a severe price for this renewed prosperity, and are again being told that they may have to pay an even higher price if this prosperity is to continue.

President Reagan has proposed a fiscal year 1986 budget that would have the severest effect on the Federal work force in the history of the civil service. It again proposes significant changes in the retirement system and the Health Benefits Program, two areas that have already been adversely affected by the Reagan years.

As if this were not enough, the President has proposed that civilian Federal employees take a 5 percent cut in pay, an unprecedented suggestion in a time of economic recovery. The last time Federal workers took a pay cut was in 1933, at the height of the Great Depression.

At the same time he has proposed a pay cut for Federal employees, he is proposing that military personnel receive a 3 percent pay increase, effective in July.

I am the first person to state that I believe our noncommissioned military people deserve a pay increase. Our soldiers should not have to resort to using food stamps to make ends meet. Yet, it is unfair to suggest by the President's actions that our civilian Federal employees do not play a strong role in the defense of this Nation, and that their contributions do not matter.

It is unfair to paint a picture that claims civil servants are the major cause of this Nation's fiscal problems.

It is unfair to single our civil service out for special abuse while the Pentagon continues to receive special privileges.

The President's budget also indicates that he plans to eliminate 35,000 civil service jobs over the next 2 years. Some of these reductions would come in agencies that need all the hands they can get. Ten thousand jobs would be eliminated at the Agriculture Department alone. In the middle of the most severe farm crisis in years, the administration seeks to eliminate 10,000 jobs from the agency our farmers rely on most.

With ever growing rolls of elderly people in our country, and a growing problem with Medicare, the administration plans to eliminate nearly 4,000 jobs from the Health and Human Services Department. With nearly 20 million Americans at or near the poverty line, the administration seeks to eliminate 4,000 jobs from the agency that could help them the most.

It is unfair for the President to promise people fairness, and then turn around and fire the one person that many people must rely on to see that they are treaty fairly.

It is unfair of the President to plan to eliminate 35,000 public service jobs, and then turn around and add 19,000 civilian-military positions to an already bloated Pentagon.

It is unfair of the President to talk of economic growth and leave our public servants out of the picture.

Indeed, it seems clear that when President Reagan speaks of economic prosperity, he forgets that public servants exist. He does not thank them for their service to their Nation. He does not praise them for their dedication, he damns them with the blame for deficits that he created. He does not reward them for their years of contributions to Government and their country, he takes money from their pockets, and bread from their tables. In the President's "shining city on a hill," civil servants are relegated to living on the wrong side of the tracks.

I am saddened that the President has proposed such things. No one group is responsible for our Nation's budget problems, and it is unfair to suggest such a thing. It is my hope that the President will forget these ill-conceived ideas and realize that the key to solving our budget difficulties is cooperation on all levels, public and private. There is no need to find a scapegoat. There is a need to find solutions that include us all.●

● Mrs. SCHROEDER. Mr. Speaker, I'm delighted to participate in this special order on Federal employee and retiree issues. While the administration's proposals to cut the pay and retirement benefits of Federal employees are getting a lot of attention, I want to focus on a larger problem—the damage to Government productivity caused by the Reagan administration's unrelenting attacks on the Federal work force.

The way the Reagan administration has dealt with the career Civil Service will have a long-lasting effect. This is not because the administration has cut health benefits, eliminated the twice a year retiree COLA, or reduced the number of Federal workers in nondefense agencies. All of these actions can be remedied by a new administration. Rather, it is because this administration has exhibited such contempt for the independence of the career public service that individuals within the Civil Service will find it difficult to reassume the role they used to play in our Government.

The career public service is a fragile institution. It consists of 2 million highly skilled individuals who are expected to administer, in a neutral and nonpartisan way, some of the most politically sensitive programs imaginable. Career public servants are expected to work for politically appointed bosses, many of whom have had no managerial experience and little knowledge of the program, while all the while being completely removed from politics themselves. Objectively, you might say that the whole thing is unworkable, except that it has worked for the past century. The key requirement of our public service is neutral administration of emotionally charged programs. For this to work political bosses, both in the White House and in Congress, must respect the independence of the civil service. And the public servants themselves must be granted protection from arbitrary removal and must be encouraged to develop loyalty to their programs and to the Government. The retirement system is part and parcel of this encouragement.

But the Reagan administration doesn't want Federal employees to be encouraged or independent or loyal to their programs. It wants loyalty to political bosses. Indeed, the administration has made considerable progress in converting the career public service into political staff support.

Let me suggest that this has been done in two ways. First, administration officials have demonstrated scorn for the institutions of Government, both agencies and career staff. This scorn has undermined the vitality of these institutions and the independence of the public service.

The second tool used to convert the career public service has been insecurity. Insecurity has meant RIF's, furloughs, shutdowns, reorganizations, contracting out, classification audits, and personnel ceilings. Insecurity has also meant proposals to cut pay, cut health benefits, cut retirement, eliminate fairly automatic step increases, reduce leave, and reduce seniority protections in a RIF. This insecurity, in unison with the bad employment market we have been in, makes workers considerably more compliant to the commands of the administration.

I believe the American people lose something important when the public service becomes less independent. Although many politicians love to tell people how wasteful and inefficient the Government is, in truth the Federal Government does a fine job considering the political constraints under which it operates. The effectiveness of the Government is due in no small measure to the independence and dedication of the public service. I believe that reducing independence will reduce efficiency. This, I contend, is the real damage done by the Reagan administration.

The good news is that the administration has been rather unsuccessful at achieving many of its proposals to reduce the rights and benefits of Federal workers. Let me just tick off a few:

Work force size.—There has been no significant decline in the number of Federal employees. Rather, there has been a 75,000 increase in the Defense Department and an equivalent decrease in domestic agencies. In fact, there are more Federal workers in Washington than there were 4 years ago.

March 30 regulations.—Congress blocked OPM's efforts to load RIF decisions, step increase decisions, and a variety of other personnel decisions on our fragile and immature performance appraisal systems.

Retirement.—The twice a year COLA was reduced to once a year, some COLA's have been delayed and a few provisions aimed at specific groups of retirees have become law. However, there has been no change in early retirement, no change in the computation formula, and no increase in contribution rates. There will be a tough fight on retirement again this year.

Yet, a basic distrust lingers on. The Director of the Office of Personnel Management continues to ridicule the Federal work force at every opportunity. The recommendations of the Grace Commission seem designed less to save money and more to strip away the attractive features of Federal employment.

In response, civil servants are necessarily less confident, creative, or secure. They spend more time watching behind their backs. I think it is a shame.

The legacy of the Reagan administration in the area of civil service will not come in the area of pay and benefits. These changes are small and reversible. Rather, the real damage has come in the minds of civil servants. A strong, confident, and competent Federal civil service may be a thing of the past. It will take a long time to rebuild the type of work force which existed 5 or 10 years ago. And, much of the rebuilding will have to come from Presidential support in the future. It will be a long process, but a necessary one if the Government will ever again deserve the public trust.●

● Mr. EDGAR. Mr. Speaker, I would first of all like to thank Congressman STENY HOYER for his leadership in calling and organizing this special order today. Perhaps at no other time in the history of the United States has the Federal Government and its employees come under such attack. Decisions we make now will for the next 30 years determine whether the Federal Government will continue to be a strong and compassionate partner with the private sector or instead a skeleton administration that attempts to provide for the national defense, but little more. The question before us is: What should be the role of the Government in our national and daily lives?

On the surface, the central feature of the new Reagan budget is a direct transfer of roughly $32 billion from domestic programs to finance a military spending increase next year. In short, all of the drastic spending cuts in the new Reagan budget do not accomplish the highly-touted goal of reducing Federal spending. Overtly, the budget proposes to eliminate a large number of Federal programs including general revenue sharing, Federal support for Amtrak, the Job Corps, Small Business Administration loans, Urban Development Action Grants, Community Services Block Grants, and the Legal Services Corporation.

But on another level, the budget also proposes a more subtle dismantling of the Federal Government. Indeed, this less overt, yet potentially more lethal attack threatens to undermine Government service and the pride of the many citizens who choose to serve their country as Federal employees. Between the Grace Commission and the 1981 Reagan budget, the last 4 years have already seen an unparalleled attack upon the employees and retirees of the Federal Government. The cuts proposed this year serve only to further erode worker morale and spirit.

It is our duty to present the truth about the effects of these cuts and to dispell the falsehoods spread about Federal workers. The publication of the Congressional Federal Government Service Task Force of "Ten Myths About Civil Service Retirement," went a long way toward setting the record straight. But now another task is before us. On such issues as the 5-percent cut in pay, the retiree COLA freeze, the temporary workers scheme, and changes in retirement age contributions, we must now represent the very adverse consequences that would result if the attacks on Federal service proposed in the budget were enacted.

As chairman of the Subcommittee on Hospitals and Health Care of the House Committee on Veterans' Affairs, I have direct oversight over the largest Federal medical program in the United States, with over 192,000 health care employees. In this capacity, I would like to focus in on the effects of the proposed changes on the Veterans' Administration medical system. Over the next decade, the VA must be prepared to meet the increased demands of a rapidly aging veterans population. Despite this increasing demand and the VA's own projection of the need for increased services, OMB has announced its intention in planning for 1986 and beyond to shrink the size of the VA system.

White House documents released during my own subcommittee's hearings on the 1986 budget indicated that the administration intends to actually cut VA Hospital operating and construction costs by more than $7.5 billion over the next 5 years. Both our commitment to the veteran and our commitment to one of the Nation's health resources would be in dire jeopardy if this proposal were to proceed.

The VA cannot be prepared to meet the increasing demand without ensuring the morale, the quality, and the quantity of its health care employees, who are the backbone of the entire system. The assault planned on the VA is being launched on many fronts. Over years past, my committee has strongly endorsed pay equity proposals which would help the VA recruit and retain personnel on a competative basis with the private sector. Special pay legislation for physicians and nurses has gone a long way in assisting the agency to attain this goal.

If the Congress were to approve an across-the-board 5 percent pay cut for all employees of the VA's Department of Medicine and Surgery, we would certainly erode any benefit that we had been able to initiate previously. The effect on morale, retention, and subsequently the quality of care provided to our Nation's veterans would suffer severely.

Our interest over the years in the VA employee has been marked by special attention on the part of the Veterans' Affairs Committee. Since 1980 the Congress accepted the recommendation of our committee to place a ban on contracting out of health care-re-

lated employees within the Department of Medicine and Surgery. Sensing the increasing needs within the system as well, the committee also placed the requirement in law mandating specific personel ceilings for health care in the VA and requiring the agency to expend all appropriated funds for personnel for that purpose only.

Regardless of these facts, the President's fiscal year 1986 budget fall far short of those goals. In fiscal year 1985, the Congress notified OMB that it was appropriating funds for a total of 199,426 employees in the VA's Department of Medicine and Surgery. However, the VA and OMB decided to cut the 1985 employment levels in medical care by 2,092 employees. In other words, projected 1986 employment levels are basically frozen at the reduced 1985 levels. In addition, the VA is scheduled to activate a number of health care facilities during 1986 including new nursing home care units, outpatient clinic additions, and renovated hospital wings which will require the VA to hire over 2,000 new employees. The proposed budget acknowledges these increased staffing requirements, but makes no allowance for increased staffing over the reduced 1985 level. Our committee, working with the Appropriations Committee, will seek steps to correct this severe deficiency.

If we have accepted a commitment to providing health care for those who have served in defense of this country, then we must ensure that both the quality and quanity of that care can be maintained. An assault on the dedicated men and women who provide that care in a day-to-day basis within the VA is unwise, unfair, and unjustified. Mr. Speaker, I have traveled with my subcommittee to review the present status of the VA health care system to study its present and future needs. I can attest to the high motivation and dedication of the VA employee. The commitment that they show to our veterans we must also keep for them.

As a subcommittee chairman, I am sure that I am not alone in my experiences. We must band together as the body that oversees the operations of the Federal Government to resist the assault being waged against Government service. We can improve efficiency in the Federal Government, and we have, but we should not do so on the backs of those whose dedication and determination keeps the flow of services moving steadily for all of us on a day-to-day basis.●

● Mr. LELAND. Mr. Speaker, I rise today to decry the vicious and unfair attack that the Reagan administration continues to wage against postal and Federal employees and retirees. My colleagues, we will hear a lot today about what the Reagan administration has planned for this group of Americans under the guise of cutting the deficit, and I am here to add my voice to the hue and cry raised in opposition to these proposals.

The Reagan administration proposes terminations and cuts that will affect the poor, the handicapped, minorities, infirmed, and all other groups within our society that can least afford any further diminution in the assistance and services that they now receive. But we were somewhat prepared to expect this from an administration that has shown itself heartless and ignorant of many of the harsh realities of life in America today. But this administration has also lowered the guillotine blade toward the necks of the very people that it swore in the most recent campaign to protect: those of moderate and middle income. Among that group of middle-income Americans are some 3.6 million Federal and postal employees and 1.5 million Federal and postal retirees.

The despicable Reagan budget document includes proposals to cut, or at the very least freeze, Federal pay, eliminate 35,000 Federal jobs, and reduce expenditures for employee health benefits, perhaps even imposing the voucher system that has been proposed and soundly defeated before. And as for those persons who dedicated their working lives to the service of the Federal Government, our Federal retirees, the administration has proposed eliminating the January 1986 COLA, limiting future COLA amounts, and limiting COLA amounts for annuitants receiving over $10,000. For persons presently employed by the Federal Government, our future retirees, the administration proposes to raise the retirement age for full benefits to 65, change the formula for calculating retirement benefits so as to reduce the amount of those benefits, and phase out retirement credit for unused sick leave.

As chairman of the Subcommittee on Postal Operations and Services, I am especially concerned about the administration's proposal to totally eliminate the appropriation to the Postal Service for revenue foregone. Revenue foregone is the funding the Postal Service receives to subsidize the reduced postage rates for charitable and nonprofit organizations. While the President is suggesting that those among us in need of assistance rely more and more on the private sector to provide for those needs—to compensate for every-diminishing Federal assistance—he is simultaneously attempting to sever the lifeline between these charitable groups and their contributors who make these groups' existence possible. How else are such diverse groups as the National Federation of the Blind, the March of Dimes, United Negro College Fund, UNICEF and others, to launch appeals for help if not through mass mailings at reduced rates? It is a part of our national heritage to assist those groups that exist only to help those who cannot help themselves.

There is another highly questionable item in the administration's budget proposals for the Postal Service. The administration is proposing that the Postal Service increase its contribution to the Civil Service Retirement Fund. This proposal is expected to cost the Postal Service some $213 million in fiscal year 1986. Where are these funds to come from? Which services are to be cut? Whose rates should go up? Which post offices should be closed? Which postal subsidies should be eliminated? The answers to these difficult questions are not forthcoming from the administration.

Finally, I implore you, my colleagues, to resist the unfair and meanhearted attacks on our postal and Federal work force and on those among us least able to defend themselves.●

● Mr. CLAY. Mr. Speaker, I appreciate these special orders which afford me this opportunity to express a sense of urgency for restoring to Federal and postal employees the opportunity for greater participation in the political processes of our Nation.

It is for this reason that I recently introduced two bills—H.R. 68 and H.R. 283—which extend to Federal civilian and postal employees the right to participate voluntarily in political activities so long as those activities do not even appear to compromise the merit principles of the Government or the U.S. Postal Service.

Each bill updates and modifies the Hatch Act—an antiquated piece of legislation which elevated 3,000 obscure and complex administrative determinations into Federal law. As a result this harsh and overly broad statute, Federal postal and civilian employees are uncertain about the nature of permissible and prohibited political activities, many employees, who wish to do so, are fearful about participating in otherwise proper political activities, and violators of the statute are subject to harsh penalties.

I introduced two separate bills because, notwithstanding the different status of postal and Federal employees, they are sometimes perceived and treated as one and the same. The introduction of two separate bills recognizes that these two groups are separate and distinct and that the issue of full political participation for each group should not be confused.

H.R. 68 and H.R. 283 are similar to legislation which passed the House overwhelmingly in previous Congresses. They differentiate between voluntary and involuntary political activities. They protect the public interest while providing postal and Federal em-

ployees with greater freedom to participate in the political process. In addition, they continue and strengthen certain prohibitions on political activities such as:

Prohibiting political activity while on the job or in uniform; prohibiting solicitation of contributions by supervisory officials and making or soliciting political contributions in Government buildings;

Prohibiting the use of official authority, influence, or coercion with respect to the right to vote, not to vote, or to otherwise engage in political activity; and

Requiring that employees who seek elective office do so on their own time and be granted a leave of absence to pursue such elective office upon written request.

Recently, the Office of Special Counsel of the Merit Systems Protection Board—an agency which richly deserves its reputation for neglecting the interests of Federal and postal employees—charged the Presidents of three of the principal postal and Federal employee unions with violating the Hatch Act. These leaders have been on leave without pay status for as much as 27 years.

Mr. Speaker, if the situation were not so serious, we might dismiss this ill-advised action as a joke. But, the administration and its special counsel are serious about intimidating and punishing Federal and postal employees—even those on inactive duty status—for expressing their fundamental rights of liberty and the freedom of speech.

Hopefully, these recent events will encourage my colleagues to support prompt enactment of these Hatch Act reform bills.●

● Ms. MIKULSKI. Mr. Speaker, I am proud to rise today in support of Federal employees. This Nation would be in terrible trouble if not for the hard and loyal work of Federal employees. Sure, times are tough, but we're not going to solve the country's economic problems at the expense of Government workers.

When we look at the budget and deficit problems there are certain fundamental principles which cannot be curtailed. High on the list is the principle that those who gave already don't have to give again. Last year Federal employees withstood a 3-month delay in their promised pay raise. And retired Federal employees took a 6-month delay in their cost-of-living adjustment.

Now President Reagan wants to do it again. He's proposing challenges to Federal employees' pay and retirement security. We talk a lot about the importance of Government efficiency and the value of employee loyalty. Yet these proposals provide a disincentive to Government work. Federal employees' salaries already lag 18.5 percent behind comparable private sector employee pay. This is not the way to encourage efficient, effective workers to stay in Government service. Federal employees have suffered enough.

That's why the administration's proposals are so outrageous. For instance, Reagan is proposing a 5-percent pay cut for Federal employees. In Maryland alone this will amount to a loss of $183,445,900 in income. That's quite a drastic blow, both to pocketbooks and to morale. I'm not going to stand by and let that happen.

Another aspect of the Reagan plan is a drastic cut in retirement benefits. We have made a commitment to Federal employees and I consider that commitment binding. Now the President wants to change the rules in the middle of the game. This is dishonest and indefensible.

Yes another of President Reagan's untenable proposals is the plan to cut more than 14,000 staff positions from the Social Security Administration. The elimination of these dedicated employees, many of whom have spent their entire careers at the Social Security Administration, is a purely political step which will result in less effective service to Social Security recipients. I have 5,000 constituents who would lose their jobs under this plan, and I'm not going to let that happen.

When sacrifice is shared by all, it can be something which inspires and brings people together. But the Reagan budget proposals clearly single out Federal employees for disparate treatment. Just who are the Federal employees that some people are trying to make scapegoats? It is a Federal employee who processes our senior citizens' Social Security check. It is a Federal employee who delivers our mail. The brave people who patrol our coastlines, and the health care workers in our veterans hospitals are all Federal employees. These people, and their fellow Government workers, work long and hard to protect and serve American citizens. It's time we started showing our thanks by treating our Federal employees well.●

● Ms. OAKAR. Mr. Speaker, on Tuesday, I chaired a briefing of my Subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee, in order to explore the President's fiscal year 1986 proposals affecting Federal pay, the Civil Service Retirement System, and the Federal Employees Health Benefits Program.

More than 500 angry and frustrated Federal workers and retirees sat in the audience, listening to witness after witness denouncing the President's proposals.

Mr. Speaker, all of us—Federal workers, retirees, and Members of Congress—are well aware of our Nation's huge budget deficits and the urgent need to reduce them; but I am deeply concerned with the impact of these proposals on the morale of Federal employees and the vital services that they perform for the citizens of our country. Not since the great depression have Federal employees and annuitants been asked to make such overwhelming sacrifices.

Mr. Speaker, let's consider for a moment, that, when we say "Federal employee," we are talking about people like our astronaut, Sally Ride, and drug enforcement agents, such as Enrique Salazar, who risk their lives to stem the flow of illegal substances that are flooding our Nation. We are talking about our letter carriers; the people who inspect meat and poultry to protect our citizens from disease; the men and women at the National Institutes of Health who are performing invaluable cancer research; and the dedicated employees who are responsible for administering programs assisting the farmers of our great Nation.

When we say, "Federal employee," we are not simply referring to a faceless bureaucracy. We are describing many of our sons and daughters, our neighbors, and our friends. We are referring to people who make certain that Social Security checks are delivered on time to our senior citizens and to those who administer vital medicare benefits. We are talking about the "retirees" who, when working for the Federal Government, placed American astronauts on the Moon, developed programs to protect our children from unsafe toys, and preserved our country's heritage through the establishment and administration of such fine institutions and museums as the Smithsonian.

We are describing people who are working hard, raising families, and trying to make ends meet. We are referring to grandparents and other seniors who dedicated their lives to public service. These are the men and women who have been much maligned and abused by this administration—who are now facing extraordinary reductions in their pay, retirement benefits, and health insurance. These are among the victims of the fiscal year 1986 budget who are being singled-out for extraordinary sacrifices. I cannot agree that these measures are necessary, fair, or in the public interest.

Mr. Speaker, I am particularly disturbed by the President's proposal to reduce Federal pay. First of all, it is singularly unfair to target Federal workers for a substantial pay reduction, while military personnel would receive a 3-percent pay raise in July.

Furthermore, in reviewing the history of wage increases in the Federal Government for the past 15 years, I am struck by the fact that Federal white collar wages have fallen substantially behind private sector and

military pay, despite the clear intention of the Federal Wage Comparability Act of 1970 that general schedule pay remain comparable to wages in the private sector. Since 1970, Federal white collar workers also have seen their standard of living steadily decline, despite the reduction in the rate of inflation for the past few years.

In considering the pay cut proposal, we must also keep in mind the recent report of Hay Associates on total compensation in the Federal, State, and private sectors prepared for the Committee on Post Office and Civil Service. In this report, Hay Associates concluded that Federal pay lags behind the private sector by 10.3 percent, increasing to 58.4 percent for senior executive salaries. On a total compensation basis, Federal pay and fringe benefits trail the private sector by 7.2 percent. And the most recent report of the pay agent found that, under current procedures, Federal pay is 18.3 percent behind the private sector.

Given this data, I was baffled by the conclusions reached by the Office of Personnel Management in its report entitled "Reforming Federal Pay: An Examination of More Realistic Pay Alternatives." This report apparently is the only document justifying the administration's proposal to reduce Federal pay by 5 percent.

In questioning the Director of the Office of Personnel Management on the quality of his report Tuesday, I found the reliability of the data and the validity of the conclusions sadly lacking. Certainly, based on his attempted defense of this hastily prepared and ill-conceived report, this document cannot serve as a rational basis for reducing Federal pay. In my opinion, rather than a cut, Federal workers deserve a pay raise.

Mr. Speaker, with regard to the remainder of the administration's proposals, we have seen most of them in prior budget submissions of the President. Certainly, the proposal to create a voucher plan as a substitute for the current Federal Employees Health Benefits Program is not new. I, for one, have consistently opposed a voucher plan as no more than a means of drastically reducing health insurance coverage for Federal workers and retirees.

If there was ever any question about the administration's intention in seeking a voucher plan, we need only look at the budget documents themselves. The administration projects a reduction in budget authority for the FEHBP for fiscal year 1987, when the voucher plan would first become effective, of $56 million and, in 1988, of $171 million, coupled with a $53 million reduction in outlays. In effect, one year after its implementation, the voucher plan would slash $53 million in health insurance benefits for Federal workers and annuitants.

Mr. Speaker, I am equally distressed by the unrelenting attempt of the administration to reduce benefits under the Civil Service Retirement System. It is a great travesty that this administration continues to take aim at senior citizens, while throwing away money on overpriced and useless equipment at the Department of Defense. Over the past 3 years, from February 1981 to May 1984, a retiree whose total annuity for this period should have been $63,506 has seen her benefits reduced to $57,581—a cut of more than 10 percent.

I, for one, am deeply offended by the misinformation and misrepresentation of the Civil Service Retirement Program by the Grace Commission and the administration. Simply put, in my opinion, there is no justification for any futher attempt to reduce benefits under the Civil Service Retirement Program.

Mr. Speaker, in closing, I would like to say that Tuesday's subcommittee briefing showed a bipartisan congressional concern with the continuing erosion of Federal pay, the constant attacks on the Civil Service Retirement System, and the need for improvements in the Federal Employees Health Benefits Program. If we are to provide the citizens of our great Nation with the Government services that they deserve, then we must have a dedicated and experienced Federal workforce that is treated fairly. The testimony presented to the subcommittee Tuesday reaffirmed my belief that such severe and unwarranted reductions in compensation and benefits as contained in the President's budget should not be implemented. I ask all my colleagues to join me in opposing these Draconian proposals.●

● Mr. KOSTMAYER. Mr. Speaker, the real issue for all Federal employees and retirees is simple fairness. The budget deficit is a very serious problem. All Americans will need to make some sacrifices to bring the Federal budget deficits under control. Most Federal employees and retirees and their families tell me they agree with this. However, these cuts must be made fairly and equitably. I do not believe we can increase military spending by $32 billion and then ask Federal workers to take a 5-percent pay cut and eliminate the January 1986 cost-of-living adjustment for Federal retirees. This is not fair or equitable.

Federal employees and retirees have become this administration's scapegoat for anything that is "wasteful" or "inefficient" in our Government. Federal employees should not be penalized for devoting their careers to public service. Cutting wages does not attack the fat and waste in the Government. On the contrary, the consistent attacks by this administration against Federal workers and retirees are having the effect of demoralizing our Federal work force. It will become nearly impossible to attract good, capable people to enter the Federal Government in the future if these attacks continue.

Mr. Chairman, Federal employees are loyal, dedicated public servants who are not receiving the abnormally large or unreasonable salaries and pension benefits that the administration is leading the American public to believe. Since the beginning of the year when the administration's budget plans affecting Federal employees and retirees were made public, I have been receiving hundreds of letters from my constituents. I would like to share with my colleagues what one Federal retiree wrote:

"As a retired Federal civil service employee, I feel very angry, frightened, and sad. I feel angry because the present administration, since it came into power in 1981, has attacked my pension rights every year. I feel frightened because if this continues, in the future, my pension may become worthless. I feel sad because I find that my Government lacks the integrity to honor its commitment to me."

The wife of a Federal employee wrote, "Because of our commitment to our children's education and all of our bills rising much faster than our income, we now live a frugal life. We long ago gave up vacations, outside entertainment, restaurant meals (except for occasional fast food), new clothes for ourselves, new household furnishings, and other luxuries. We have no more to give up. Each raise we do get is gone before we receive it. The utility bills, taxes, insurance, tuition, and other bills go up faster and more than the amount of any raise."

These two stories and the many like them are unfortunately not the ones being told by the administration to the American public. I am hopeful that through the work of the Federal Government Service Task Force, of which I am a member, we will be able to start to set the record straight about Federal employees and retirees. Federal employees are the only group of employees in the U.S. labor force whose real earnings have not increased since 1982. All other groups have rebounded from the last recession and have shared in the gains of the current recovery.

Misstatements about the Federal retirement system and the Federal work force, most prompted by efforts to control Federal spending, have appeared with increasing frequency in the press throughout the United States. However, most of these charges have no basis in fact. Fabrication and distortion will not reduce deficits. Let us set the record straight and treat Federal employees and retirees with the fairness they deserve as Americans.●

● Mrs. BURTON of California. Mr. Speaker, I want to thank the gentleman from Maryland [Mr. HOYER] for taking this time so that we can discuss Federal employees and retiree issues.

As we attempt to pass legislation to reduce the deficit, it is clear that many people are using the Grace Commission report as a focal point. I strongly disagree with many of the conclusions of that report and want to focus my comments today on the commission's proposals for the Federal civil service retirement system.

As many of you know, the Grace Commission report concluded that Federal retirement benefits are overly generous as compared with private sector pensions and recommended drastic reductions in those benefits. I sharply disagree with those conclusions. Recently the General Accounting Office released an analysis of these proposals and found that the Grace Commission overlooked many generous features of private sector pension plans and exaggerated many of the savings estimates. In fact, many companies, including the W.J. Grace Co., provide far more generous pensions than the Federal Government. I would like to include in the RECORD an article from the Federal Times which summarizes the report.

Mr. Speaker, the people who work for the Federal Government have dedicated their lives to public service and should not serve as scapegoats for those who mistakenly think that cutting the Federal retirement system will solve our Nation's financial ills.

[From the Federal Times, Feb. 25, 1985]

GAO REBUKES GRACE PANEL CLAIMS ON FED PENSIONS

(By James Crawford)

The Grace Commission often overlooked the generous features of private sector pension plans when comparing them to the Civil Service Retirement System, the General Accounting Office has found.

Thus the commission's recommendations would put federal employees behind their private sector counterparts, according to GAO's report.

Also, many of the Grace savings estimates are exaggerated the auditors said.

These findings are part of a yet-to-be released analysis of federal pay and benefit proposals by the Grace Commission, formally known as the President's Private Sector Survey on Cost Control.

An advance copy of GAO's study of the retirement recommendations was obtained by *Federal Times.*

GAO challenged the Grace comparisons of federal and private pension plans involving retirement before age 62, cost-of-living adjustments, involuntary early retirement and long-term disability benefits.

In each area, the group underestimated the value of non-federal plans, GAO concluded. The Grace Commission has charged that "CSRS benefit levels are about three times as great as the best private sector plans."

GAO also disputed its claims about the number and cost of "double dippers"—federal retirees who simultaneously collect Social Security or military pensions.

And the report criticized the idea of cutting retirement benefits for employees under 45 proposed the 1986 Reagan budget as well as by the Grace Commission.

In effect, this would break a contract with "employees who have worked many years under the current provisions," GAO said.

"If such changes were attempted in the private sector, they would violate the statutory prohibition against reductions in accrued benefits . . . contained in the [1974] Empoloyee Retirement Income Security Act."

On the other hand, GAO endorsed some of the commission's recommendations to reduce benefit formulas if applied solely to federal workers now covered by Social Security.

And it supported a proposal to eliminate federal survivor benefits for college students. GAO noted that this provision was adopted to parallel a Social Security provision that was repealed in 1983.

Generally, the tone of the report was subdued by comparison with a joint GAO-Congressional Budget Office review of the commission's recommendations in early 1984. That study concluded the Grace savings estimates were exaggerated by more than 300 percent.

The Grace Commission has claimed its 2478 recommendations would save $424.4 billion over three years, including $30 billion in CSRS cuts.

Former officials of the commission—including chairman J. Peter Grace and J.P. Bolduc, head of Citizens Against Waste—have unconditionally defended these estimates.

In the latest study, GAO "questioned" the basis for savings claims, including $18.4 billion for bringing CSRS benefit rates in line with the private industry average. Grace "did not consider the added cost of Social Security," according to the report.

GAO agreed with the commission that the typical private sector plan penalizes retirement before age 62.

But it said that Grace ignored "a more liberal benefit" not found in the CSRS—"capital accumulation" options such as "thrift plans," or employer-subsidized savings accounts.

Thus in the private sector, GAO said, "employees may have enough assets accumulated in the thrift plan to provide a reasonable level of retirement income in conjunction with their reduced pension plan benefits."

By not including this feature, Grace's call for penalizing retirees before age 62 would cut benefits below those available in the private sector, GAO concluded.

Also, the report cited a Bureau of Labor Statistics finding that 13 percent of private plans provide full pensions after 30 years of service, regardless of age.

Unreduced civil service annuities are available at 55 with 30 years of service, at 60 with 20 years of service, and 62 with five years.

The average federal retiree leaves the government at 60.9 years, GAO said, while 34 percent leave between 55 and 60 and 47 percent leave at 62 or above.

GAO "generally agreed" with the commission that the CSRS provides more generous COLAs than private plans, despite the full indexing of Social Security benefits.

But it said the Grace estimate of 33 percent indexing for the average private pension is too low. Again citing BLS, the report said that industry COLAs averaged 38 percent annually from 1973 to 1979—57 percent for plans with more than 10,000 participants.

The Reagan budget proposes a COLA freeze for 1986 and a cap on adjustments in future years. Full COLAs would be paid on the first $10,000 and 55 percent thereafter—roughly comparable to indexing for non-federal retirees.

GAO disagreed with the Grace Commission's proposal to cut CSRS annuities for "early-out" involuntary retirement. Currently, benefits are reduced by two percent a year below age 55 and are available to employees caught in RIFs and agency reorganizations.

Grace did not consider that some private employers "give added retirement benefits to encourage employees to retire early when the work force is being reduced," GAO said.

Also, it disputed the commission's three-year savings estimate of $3.6 billion for this proposal. "The annual annuities for 1983 early retirees totaled less than $50 million," according to the report.

Grace called for adopting a private sector model for long-term disability benefits, claiming $501 million in savings over three years. But it did not explain how the figure was calculated.

GAO was skeptical: "Civil service disability benefits are generally less than the 60 percent of pay provided in private sector insurance plans."

Eliminating retirement credit for unused sick leave—also proposed by the administration—is a "questionable" economy. GAO said. "The sick leave credit was added to the retirement system in 1969 as an incentive for employees to use their sick leave judiciously."

The auditors agreed that various recommendations to bring the CSRS in line with private plans would be appropriate in designing a supplemental retirement plan for workers under Social Security.

These include a "high-five" salary base rather than the current "high-three," vesting in 10 years rather than five and a lower benefit accrual rate.

But GAO stopped short of endorsing such changes for employees already vested in the CSRS, who were promised more generous benefits.

As for "double dippers," the report said the overlap between retirement systems is minimal.

"The Social Security law was changed in 1983 to remove the so-called 'windfall' benefits that some federal retirees received from working a relatively short time . . . outside the government," GAO said.

"Similarly, military service (other than active duty periods for reservists) is not creditable under both the military and civil service retirement systems [except in] different periods of federal service."

A 1979 study concluded that two-thirds of federal retirees over 62 were also eligible for Social Security, but that their benefits under each program were below average.

The Grace proposal to "offset" CSRS annuities for other retirement benefits would cost the average retiree $1890 a year, according to the commission's estimate.

"If enacted," GAO said, "such retroactive benefit reductions could be questioned in the courts."●

● Mr. FORD of Michigan. Mr. Speaker, once again the White House is asking Federal employees and retirees to shoulder a disproportionate share of budget cuts to reduce the largest budget deficits in our Nation's history.

As difficult as it is to believe, the budget submitted to Congress by the administration this month is the worst one yet for those in the Federal service and those retired from it.

The bitter irony of it is that this administration by design—through the biggest tax cuts in history to benefit the rich—created these intolerable deficits and now is seeking to shift a major part of the burden for that monumental error to Federal workers.

The dedicated men and women who comprise our Federal workforce didn't create the $200 billion in red ink. This administration did that through reckless economic policies.

Federal workers did not double the national debt in 4 years. This administration—which paradoxically rode to office on a promise to balance the budget—did that.

Now it is attempting to persuade the American people that the dilemma is somehow the fault of Federal workers and retirees.

This is a specious argument. It seems clear to me that the same people who gave us all this red ink are now trying to create a false villain in the public mind.

The cuts proposed in the administration's budget affecting Federal employees and those who are retired are far deeper and more permanent than in previous years. They are designed to bring about lasting changes that would adversely affect the quality of the Federal workforce and the essential services it provides for the American people.

If these cuts were to become law—God help us—it would be impossible to recruit and keep the kind of people we want and desperately need in the Federal Government.

We would get only the leftovers of the Nation's workforce to guarantee the safety of our foods and drugs, cure and prevent diseases, protect our citizens and perform all those other services indispensible to the Nation's welfare and progress.

Here is what the President's budget proposes:

First, Cut pay by 5 percent—for the time since the Great Depression.

Second, Raise retirement to age 65 for unreduced annuities.

Third, Reduce annuities 5 percent a year for those under 65.

Fourth, Eliminate the 1986 COLA.

Fifth, Limit future COLA's to the general schedule pay increases or the CPI—whichever is lower—and limit annuities in excess of $10,000 to 55 percent of annual change.

This is a blueprint for a second-rate work force. It is a guarantee that the Federal Government will have to settle for less than the best.

Since this administration took office, the Federal work force has been under constant assault. This administration has:

Eliminated twice-a-year COLA's.

Initiated COLA delays and freezes.

Increased health care premiums and reduced benefits.

Clamped on pay caps.

Ordered wholesale RIF's.

During the past 4 years, $25 billion has been cut from pay and retirement benefits.

Quite enough damage has been done already. Let us not, for the sake of false economy, continue to do harm to workers on whom our entire Nation relies so heavily.●

Mr. WOLF. Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. HOYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the requests of the gentleman from Maryland?

There was no objection.

THE PRESIDENT'S SUPERFUND PROPOSAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 15 minutes.

● Mr. BROYHILL. Mr. Speaker, today I am introducing, by request, the President's proposal to extend the Nation's Superfund Program for 5 more years. I am delighted that the administration has come forward with a comprehensive, aggressive plan to clean up our Nation's worst hazardous waste dump sites. I am happy to join my friend and colleague, Senator ROBERT STAFFORD, chairman of the Committee on Environment and Public Works, in introducing this measure.

In reauthorizing this law it is crucial that Congress take advantage of the expertise of EPA and other Federal agencies encompassed in this bill. I want to commend the Senate Environment and Public Works Committee for adopting large portions of this proposal in its markup session today. I am confident that with the help of the administration's recommendations, Congress will adopt a sound and responsible reauthorization bill this year.

There are several provisions in this legislation which I believe have merit and deserve our attention. First, this legislation provides for a $5.3 billion fund over 5 years. This is an amount that accurately reflects what the administration believes it can spend in a meaningful way to clean up hazardous waste sites. Second, the bill has several important provisions that give the administration flexibility in its cleanup efforts. In addition, the proposal adopts a sensible approach in focusing the scope of Superfund on the cleanup of abandoned and uncontrolled hazardous waste dump sites. Congress originally created Superfund for this purpose, and we must direct its resources toward those facilities which clearly pose the greatest risk to public health and the environment.

The administration has spent the last 5 years studying the problem of hazardous waste sites and I believe it has come up with some excellent ideas that merit your attention.

A section-by-section analysis of this bill is attached with this statement.

ADMINISTRATION SUPERFUND PROPOSAL—SUMMARY OF MAJOR PROVISIONS

THE FUND

Size: $5.3 billion over 5 years (Title 3).

Makeup: $1.5 billion—at current levels for petroleum and chemical feedstocks; $3.0 billion—waste end tax; and $0.8 billion—interest and penalties.

Uses: Fund not available for damage to natural resources claims or cleanup of Federal facilities.

THE PROGRAM

Focuses on cleanup of hazardous waste facilities (Section 3).

Amends definition of hazardous substances to include substances that meet RCRA criteria (Section 4).

Deletes pollutants and contaminants (Section 101(a)).

EPA cannot respond to releases from the following (Section 101(b))—(1) mining activities covered under SMCRA, (2) lawful application of pesticides (pineapple fields), (3) buildings unless the release is caused by a hazardous substance (asbestos in schools, etc.), (4) naturally occurring sources (beaver droppings), and (5) federally permitted releases, unless the release constitutes a "major public health or environmental emergency and no other person has the authority or capability to respond."

PROVISIONS AFFECTING STATES

Increases State contribution to response actions from 10% to 20% (Section 117).

In the case of State operated facilities, State share raised to 75%. (Current law requires 50% share if State owns facility.) (Section 107).

Taxing preemption of CERCLA repealed allowing States to develop their own Superfunds (Section 116).

Use of Fund money for response actions prohibited in States that do not assure sufficient hazardous waste disposal capacity within two years of enactment. (Fund money available for alternate drinking water supply and relocation if emergency exists—State must pay 40% of costs.) (Section 108).

CLEANUP STANDARDS

Strict compliance with other statutory provisions not required. Gives President flexibility to determine what applicable or relevant standards and criteria should be met. Provides factors for consideration. (Section 111).

HEALTH AUTHORITIES

Requires ATSDR to establish a disease and illness registry related to hazardous substances. (Section 110).

Defines roles of ATSDR and EPA. ATSDR to determine health effects of exposure to hazardous substance; EPA to con-

duct exposure and risk assessments at sites where releases have occurred. (Section 110).

PROVISIONS AFFECTING POTENTIALLY RESPONSIBLE PARTIES (PRPS)

Prohibits PRPs who are named as defendants by EPA from bringing other PRPs into the enforcement or recovery litigation. (Section 202).

Authorizes liable parties following litigation to seek contributions from other PRPs. (Section 202).

Establishes judicially approved settlement as defense to contribution action. (Section 202).

PRPs now liable for response costs incurred between enactment of RCRA (1976) and CERCLA (1980) if costs otherwise recoverable under CERCLA. (Section 205).●

THE REGULATORY OVERSIGHT AND CONTROL ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. LOTT] is recognized for 30 minutes.

● Mr. LOTT. Mr. Speaker, today I have introduced H.R. 1339, the Regulatory Oversight and Control Act of 1985, with 47 House cosponsors. This is identical to H.R. 3939 which I introduced in the 98th Congress in response both to the need for comprehensive regulatory reform and to the Supreme Court's decision in INS versus Chadha holding the so-called legislative veto unconstitutional.

Title I of the bill amends the Administrative Procedure Act to require agencies to perform regulatory analyses for major regulations and their alternatives, those having an annual impact on the economy of $100 million, and to choose the most cost effective alternative unless another is mandated by law. This would apply to regulations of executive and independent agencies. The President's current Executive order is only binding on executive branch agencies.

Title I also contains other features common to the President's Executive order and previous House and Senate regulatory reform bills. These include the biennial publication in the Federal Register of all regulations which agencies plan to propose, modify, or repeal in the next 12 months; the publication by agencies of a schedule for reviewing all existing major rules over a 10-year period; and a requirement, unique to my bill, that such major rules shall expire on their final sunset review date unless specifically repromulgated.

The bill also makes certain noncontroversial improvements in the Administrative Procedure Act to make it more open and accountable, and contains a modified Bumpers amendment relating to court review of regulations, and a so-called race-to-the-courthouse provision. I might point out that most of title I is identical to a regulatory reform compromise developed in the 97th Congress between the Speaker, the administration, the House Judiciary Committee, and business and public interest group representatives.

Title II of the bill provides for congressional review of regulations and an alternative to the old one- and two-House legislative vetoes held unconstitutional by the Supreme Court. Both major and nonmajor rules would be submitted to Congress for a 90-day review period. Major rules would have to be approved by the enactment of a joint resolution, while nonmajor rules would be subject to disapproval by the same means. Approximately 60 major rules are promulgated each year, all of which would be brought to the floor under expedited procedures, even if a committee does not report the appropriate resolution of approval.

Finally, the bill amends House rules to provide for a regulatory calendar under which resolutions of approval and disapproval could be considered on four specified days per month. Another amendment to House rules would permit special consideration of amendments to appropriations bills to enforce disapproval resolutions adopted by the House which have not been enacted, due either to adverse action by the Senate or President. And House oversight rules would be strengthened to require formal committee adoption of oversight agendas at the beginning of each Congress, and empower the Speaker to appoint ad hoc oversight committees for specified purposes.

Mr. Speaker, in the last Congress the full Rules Committee, under the leadership of Chairman PEPPER, conducted an extensive review of the post-Chadha House to determine how the Supreme Court decision has affected our various committees with jurisdiction over laws having unconstitutional legislative veto provisions, and what, if anything, should be done to correct the situation. We came to no conclusions.

Although there are some 300 legislative veto provisions contained in approximately 200 laws, only about 56 legislative veto statutes are currently operable, and only about 15 of those relate to regulations. The bill which I am introducing today would correct the constitutional defect in those 15 statutes through the use of the joint resolution device, and apply this constitutional mechanism across the board to all regulations subject to the Administrative Procedure Act. It is my hope the Rules Committee will act this year to report such a uniform system for congressional review and control over the regulatory process. Rulemaking is a legislative power we have delegated to the regulatory agencies, and final regulations have the force and effect of law. The Congress must retain ultimate authority over this lawmaking activity if it is to live up to its constitutional responsibility for making all laws and for representing and protecting the interests of the people. At this point in the RECORD I include a list of cosponsors and a summary of the bill:

COSPONSORS OF LOTT "REGULATORY OVERSIGHT AND CONTROL ACT OF 1985"

(Introduced on Thursday, February 28, 1985)

Mr. Badham, Mr. Bliley, Mr. Breaux, Mr. Broomfield, Mr. Broyhill, Mr. Campbell, Mr. Coughlin, Mr. Crane, Mr. Dannemeyer, Mr. Daub, Mr. Dreier, Mr. Duncan, Mr. Emerson, Mr. Evans of Iowa, Mr. Fish, Mr. Gingrich, Mr. Hartnett, Mr. Hiler, Mrs. Holt, Mr. Hyde, Mr. Kemp, Mr. Kindness, Mr. Lagomarsino, Mr. Latta, Mr. Lewis of California, Mr. Livingston, Mrs. Lloyd, Mr. Loeffler, Mr. Lujan, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. Montgomery, Mr. Moore, Mr. Moorhead, Mr. Oxley, Mr. Parris, Mr. Quillen, Mr. Rudd, Mr. Denny Smith, Mr. Stangeland, Mr. Stump, Mr. Taylor, Mr. Thomas of California, Mr. Vander Jagt, Mr. Whitehurst, Mr. Wolf, and Mr. Wylie.

BRIEF SUMMARY OF LOTT "REGULATORY OVERSIGHT AND CONTROL ACT OF 1985"

(H.R. 1339, Introduced February 28, 1985)

TITLE I—AGENCY RULEMAKING IMPROVEMENTS

(Amendments to the Administrative Procedure Act)

Regulatory Analysis of Major Rules.—Agencies would be required to perform regulatory analyses of major rules and alternatives. Major rules are those which the agency or President determine would have an annual impact on the economy of $100 million or more or would otherwise have a substantial impact. The agency would be required to choose the most cost-effective alternative unless another alternative is mandated by the underlying statute. The President (or the Vice President or other Executive Officer confirmed by the Senate) would establish guidelines for compliance and would review and monitor compliance. The Comptroller General may also monitor compliance.

Regulatory Agenda.—Each agency shall publish in the Federal Register in April and October of each year a regulatory agenda listing all rules the agency tends to propose, promulgate, modify, repeal or otherwise consider in the next 12-months. Certain information is required to be included with each rule listed on the agenda.

Agency Review of Existing Rules.—Not later than nine months after the effective date, each agency shall publish in the Federal Register a schedule for the review of existing major rules over the next ten years. A final schedule would be published not later than six months later, after public comment. The President could add rules to this review schedule. The reviews would be subject to the same comment and analysis requirements as new major rules.

Sunset for Major Rules.—All newly proposed and existing major rules scheduled for review shall include a date on which they shall cease to be effective, not later than 10 years after they are initially effective, in the case of new rules, and according to their sunset review schedule for existing rules.

Informal Rulemaking Process.—The informal rulemaking process is amended to provide greater notice, information, and opportunity for oral and written public comment.

Judicial Review (modified "Bumpers Amendment").—When agency actions are

challenged in the courts, the courts shall independently decide all relevant questions without according any presumption in favor or against the actions.

Appeals of Agency Orders ("race to courthouse" problem).—When agency actions are challenged in two or more courts of appeals within ten days of their issuance, the Administrative Office of the U.S. Courts shall, by random selection, designate one court in which the record shall be filed.

Intervenor Funding.—Federal funds could not be used for public participation in agency rulemaking proceedings unless specifically authorized by law.

TITLE II—CONGRESSIONAL REVIEW OF AGENCY RULES

(Amendments to Administrative Procedure Act)

Submission and Review of Agency Rules.—Agencies would be required to submit most rules of general applicability to Congress for a 90-day review period. The rules would be referred to one committee of primary jurisdiction in each House or to an ad hoc committee if more than one committee has primary jurisdiction.

Congressional Action on Rules.—Major rules could not take effect unless a joint resolution of approval is enacted within 90-days of continuous session of Congress; other rules could take effect unless a joint resolution of disapproval is enacted within the 90-day period, and could take effect sooner if neither House has acted on a resolution within 60-days or if either House has rejected a resolution.

Committee Consideration of Resolutions.—In the case of major rules, resolutions of approval must be introduced by the chairman (or his designee) of the committee to which the rule is referred within one day after the rule is received, and the committee would be required to report the resolution not later than 45-days after receipt of the rule, or would thereafter be discharged of the resolution. Other rules would be subject to joint resolutions of disapproval which the committee could report at its own discretion or would be required to report if a "motion for consideration" is filed within 25-days after the rule is received and is signed by one-fourth of the membership of the House involved not later than 30-days after the rule is received. If the committee has not reported such a resolution within 45-days after receipt of the rule, the resolution would be discharged.

Floor Consideration of Resolutions.—Resolutions reported or discharged would be referred to the appropriate calendar of the House involved, a motion to proceed to their consideration would be privileged and, if adopted, debate on major rules resolutions would be for two-hours, and for other rules resolutions, one-hour. If one House receives a resolution from the other House and has not reported or been discharged of its own resolution within 75-days after the rule is received, the resolution of the other House would be placed on the appropriate calendar.

TITLE III—REGULATORY OVERSIGHT AND CONTROL AMENDMENTS TO HOUSE RULES

(Amendments to the Rules of the House)

House Regulatory Review Calendar.—A Regulatory Review Calendar would be established in the House to which all joint resolutions of approval and disapproval would be referred once reported or discharged from committee. The Calendar would be called on the first and third Monday and second and fourth Tuesday of each month after the approval of the Journal. Priority consideration would be given to resolution for rules whose review period would expire before the next calling of the Calendar. Motions to proceed to the consideration of a resolution would be nondebatable except for resolutions discharged pursuant to a "motion for consideration" signed by one-fourth of the membership, in which case the motion would be debated for twenty minutes.

Regulatory Appropriations Riders.—The present House rule restricting the offering of limitation amendments to appropriations bills would be amended. At present such limitation amendments can only be offered after other amendments are disposed of and only if the House votes down a motion that the Committee of the Whole rise. Under the proposed rule change, limitation amendments could be considered during the initial amendment process with respect to regulations for which a resolution of disapproval has not been considered by the House, or has been passed but not enacted, during the specified review period.

Oversight Improvements.—Committee would be required to formally adopt oversight plans at the beginning of a Congress and their funding resolutions could not be considered until the plans have been submitted to the Government Operations Committee. Committees would also be required in their final oversight reports to relate their actual oversight activities and accomplishments to their original plans. The Speaker could create special ad hoc oversight committees, subject to House approval.●

THE TOWN THAT WAS POISONED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 60 minutes.

Mr. WEAVER. Mr. Speaker, I have a strange and terrifying tale to tell the House. It is about a town that was poisoned. This town has a population of 10,000. When the poison struck, over 700 were taken violently ill. There were, in fact, 715 confirmed cases of poisoning. Another 117 had severe symptoms. Over 45 hospitalized. A pregnant woman and her husband were poisoned; her baby born soon after had the effects of the poison. Fortunately, no one died.

The poisoning was investigated thoroughly by county, State and Federal health authorities. The investigation pointed directly to the food from salad bars in eight restaurants in the town. Another two restaurants without salad bars were implicated, although fewer cases from these two restaurants were reported. The poisoning occurred in two waves in September of 1984, with an astronomical 450 cases reported on the weekend of September 23.

The poison was salmonella typhimurium. The town was The Dalles, OR. To dramatize for you how unusual this outbreak of poisoning was, let me cite some figures:

The Dalles has not had a single case of reported Salmonella poisoning since 1978. Before 1978, only one or two cases a year were reported.

The entire State of Oregon has reported salmonella cases ranging from 250 to 400 a year. The Dalles outbreak had 715.

Figures from the Federal Center for Disease Control in Alanta, GA, for the entire country for the years 1979, 1980 and 1981 show only one outbreak of Salmonella larger than that in The Dalles, and that of 1,200 cases stemming from pork eaten at a festival in Georgia. The CDC figures include only those outbreaks investigated by the CDC. Most of the outbreaks listed by the CDC run about 20, with the range between 10 and 200. There are an average of 40,000 cases of reported salmonella in the United States each year. The small town of The Dalles had about 2 percent of such cases in 1 year.

Most significant of all—highly significant—The Dalles outbreak did not come from one food source from one site nor did it occur at one time. The sources of The Dalles outbreak were eight salad bars. And the outbreak came in waves.

Salmonella is not easy to catch, like the common cold or flu. It is difficult to pass from one person to another in ordinary encounters. It almost always occurs from eating food that has been contaminated, improperly cooked, or left out of the refrigerator too long. Salmonella feeds on protein and usually occurs in meat, poultry, eggs, fish, milk or cheese. Not green lettuce salad.

Salmonella typhimurium is one of the most common types of salmonella. It can cause typhoid fever in mice. In humans, it is extremely discomforting and can be dangerous (it can kill, but most often does not). Salmonella does not like the acid in our stomachs but it thrives in our intestines where it erupts and causes diarrhea, fever, chills, headache, nausea, vomiting, fainting, hematochezia and abdominal cramps. It is a bacteria that can grow at room temperature but reproduces at a most rapid rate at body temperature.

Let me now relate to you the horror-ridden story of the town that was poisoned. The Dalles is the county seat of Wasco County, OR. It is situated on the Columbia River about 60 miles east of Portland. It is a farm town, surrounded by orchards, with wheat and cattle ranches in the dry southern reaches of the county. The big aluminum smelter in The Dalles was recently closed. Directly across the river is the State of Washington. It is a quiet, conservative town.

On September 17, the Wasco County Health Department received a call from a person who complained of gastroenteritis after eating in a popular restaurant in The Dalles. In the next 4

days the local health authorities received at least 20 more complaints involving two restaurants. On September 21, salmonella typhimurium was isolated from a stool sample of one of these restaurant patrons. The resultant publicity in the local news media caused hundreds of others to report their illness. State health investigators were called in and the Federal Center for Disease Control was contacted and asked to participate. A full-scale investigation was on.

The health authorities interviewed and checked the hundreds of people who complained of salmonella symptoms; and they interviewed and checked hundreds who did not. The statistics began to show that those who had eaten at salad bars in eight restaurants were far more likely to have become infected; in fact, the salad bars seemed the only common denominator. Few of those who had not eaten at the salad bars suffered from the illness. With that lead, the Food and Drug Administration investigators and other officials began checking the sources of supply for the salad bars.

They found no common source for any of the food articles on the various salad bars. The lettuce came from different suppliers, as did the other vegetables. The salad dressings were from different wholesalers. Each item was traced back, some even to the growers. The puzzled investigators even checked the kale that was used decoratively on one salad bar. A shipment of canteloupe from a farm across the river in Washington State was suspected but nothing was discovered.

There were no other similar outbreaks of salmonella in other communities either in the vicinity of The Dalles or, for that matter, in all of Oregon or Washington. I think that bears repeating. This huge outbreak of salmonella was isolated in one town, and it had no common food source. Indeed, the outbreak had no common site. It sprang up and then erupted simultaneously from eight different restaurants and from the salad bars of those restaurants.

Even so, both water systems serving The Dalles were thoroughly checked and no evidence of salmonella was found.

The food handlers were suspected. Most of the perplexed health authorities involved in the investigaton continue to believe that in some way, somehow—no one knows how—the food handlers were the cause. Almost all of the 325 food handlers employed in the 10 restaurants were interviewed and later interviewed again. About 100 had been infected. The 26 food handlers who showed positive salmonella culture in their stools denied having been ill. I can understand the health officials turning to the food handlers as the source; there is no other place to look. Everything else has been investigated and nothing found.

But the food handlers came down with salmonella poisoning at the same times the patrons of the restaurants did. One or two handlers came down a day or two before patrons became ill in one or two restaurants, but the figures are imprecise. And at one restaurant the patrons became ill before the food handlers.

And no one has been able to discover how all the food handlers got salmonella in the first place. There were food handlers in almost all the restaurants who became ill about the same time. How did all of them happen to get salmonella? They were the victims of the poisoning just like the patrons. They ate at their restaurants, and they were poisoned too.

And why was it only the salad bars which were almost the entire sources of the poisoning?

As an incubator, raw vegetables are not ideal for salmonella. Salmonella feeds on protein. Health authorities can remember only one instance of an epidemic arising from a vegetable, some sewage contaminated celery back in 1974. But records list few other instances not occurring in protein sources. So salad, lettuce salad, would be a most unlikely source for any Salmonella development, certainly not one that poisoned 715 people. Yet no statistical evidence could be found to implicate other foods more commonly associated with salmonella. In one restaurant involved in the first wave 49 patrons of the period September 11 to 15 were interviewed. Seven reported becoming ill within 1 week after they had eaten there. All seven had partaken of the salar bar; but only 17 of the 42 who denied being ill had eaten salad. And two heads of lettuce from that restaurant were analyzed and no salmonella was found.

Actually there were a number of suggested sources of the salmonella. In one restaurant, people who ate the lettuce were unaffected but the macaroni and potato salads at the salad bar apparently were contaminated. In another restaurant, salmonella was found in the blue cheese dressing, but none in the mix used to make the dressing, pointing to contamination in the restaurant during preparation; or after preparation. The fruit garnish in one restaurant was associated with the poisoning. And two restaurants which had no salad bars were implicated, though with few confirmed cases.

The first wave of the outbreak occurred on September 10 and 15 percent of the cases emanated from a 3-day period; it was the second wave that was explosive and just like an explosion, it hit hard and was quickly over; but about 600 confirmed cases of salmonella poisoning occurred in that terrifying second wave which began September 21 and ended a few days later.

The epidemic in The Dalles is one of the largest outbreaks of salmonella poisoning in our history for the size of the population in which it occurred. A proportional outbreak in Los Angeles would have 350,000 people ill! If there had been one source, hot dogs at a high school football game, chicken at a big country barbecue, then it would have been explainable though most unusual. But there was not a single source. All evidence pointed to contamination on the premises of the eight restaurants.

But the natural place to find salmonella—poultry, eggs, milk, meat, fish—were never implicated. The interviews of affected persons never traced back to such foods; if food handlers had infected salad bars, why had they not infected the more likely foods? Of course food handlers came down with salmonella in larger numbers than the rest of the population: almost all of them ate in the restaurants they worked in. And they were investigated far more intensely than the general population.

But one startling fact sends all this conjecture spinning.

One restaurant, the Portage Inn (which was one of the first two restaurants implicated) had banquet facilities and frequent large private banquets were given there. These banquets had salad bars all of their own in their private banquet room; the same foods and dressings were provided the banquets as the regular salad bar in the main restaurant. The same food handlers prepared and served the food, including salad bars, for the banquets as for the main restaurant.

But no person who ate at the restaurant only as a banquet patron came down with salmonella.

Let me repeat that. Banquet guests in the private banquet room, eating from a salad bar prepared by the same food handlers who prepared the salad bar in the main restaurant, and serving the same food as the main restaurant salad bar, did not come down with salmonella while patrons of the main restaurant at the same time did come down with salmonella. In large numbers.

If, during the periods of the outbreaks, you had turkey or a ham sandwich, you did not get salmonella. Hundreds of people who ate at the salad bars did. If you had a pizza from Shakey's or Pietros, you did not get salmonella. But if you ate at their salad bars you had a good chance—dozens did—of coming down with salmonella. If you ate salad at a banquet at the Portage Inn you did not get salmonella poisoning. But if you ate at the salad bar in the main restaurant you had a very good chance of severe illness. If you were an employee of one

of the implicated restaurants you had a very good chance of getting salmonella infection. But even the health authorities who assumed that the food handlers were the cause could find no evidence of any kind to determine how the food handlers got salmonella in the first place. Except by eating at the salad bars.

Consider the outbreak. Eight salad bars in one small town within a 2-week period were the primary source of 715 confirmed cases of salmonella. Indeed, in the second wave when, within a few days, about 600 people were poisoned. The salad bars accounted—according to the best statistical evidence—for most of the infections. Then consider that there are about 50,000 salad bars in restaurants in the United States according to the National Restaurant Association and none of them have been pinpointed as the cause of any salmonella outbreaks. They all have food handlers just as likely or unlikely to contract and pass on salmonella as the food handlers in The Dalles. But only eight salad bars in the United States—out of those 50,000—caused one of the largest eruptions of salmonella in our history. All in one small town within a 2-week period.

The Dalles is not in my congressional district but it is a town I particularly like. When I first read of the salmonella outbreak and the investigation it appeared so strange I became most interested. I talked with the health authorities involved in the investigation almost daily. I poured over the statistics as I received them. I analyzed them thoroughly. I rechecked my facts with the authorities. I talked with other people in The Dalles, including several of the restaurant managers. I came to the conclusion that the town had been poisoned.

I have nothing but the highest commendations for the health authorities involved. They were courteous and patient. They were extremely careful and thorough. They never violated confidences and I was given, by them, only statistical data and no names.

Their feeling—that the food handlers are the cause—is understandable. I believe they can point to nothing else. For there is no direct, concrete evidence that the salad bars were deliberately contaminated. It is not job of the health authorities to postulate answers from circumstantial evidence. Because I believe the crime is so horrendous, and the dangers so great, I believe it is my job to do so.

Let me repeat. There is no direct, concrete evidence of deliberate sabotage of the food in The Dalles. But the circumstances are so overwhelming in pointing to such deliberate contamination that—though I have agonized over the decision—I can only conclude, and very positively conclude, that sabotage did take place.

Is it possible to use salmonella for mass poisoning? It certainly is. Salmonella is quite easy to culture. Under the right conditions it grows quite rapidly. It can be transported easily in liquid. However, culturing salmonella and storing it and determining the proper mix for transporting it would best be done by a medical laboratory with trained lab technicians.

If one wanted to undertake a mass poisoning with salmonella, where would one go? The obvious places, where a customer of a restaurant comes in contact naturally and without suspicion with the food many of the other patrons will eat: the salad bars. A small vial of salmonella culture could be used to sprinkle the liquid in the salad dressings or salad mixes or on the lettuce or other foods on the salad bar as one helped themselves.

Who would do such a terrifying thing? Who would poison a whole town; or at least 715 of its citizens? Whoever did could not have known how many people they would poison, or whether someone might die from the poisoning. But the massive assault on the people of The Dalles was that: a massive assault, almost a war on the town. Who would want to do it? And who would have the capability to do it?

Is there a madman lurking in The Dalles? The poisoning was an insane act, an act of violent hatred, carried on with subtle means. There must be such a person or persons with the motive and ability to assault this town, for it actually happened.

RAJNEESHPURAM

A group of people arrived in Wasco County in 1981. They are the followers of a native of India who calls himself the Bhagwan Shree Rajneesh. This man has attracted a worldwide following. They bought a 70,000-acre ranch in the southern end of the county, built a town called Rajneeshpuram, and began developing the property. There are now about 2,000 adherents living in the town. They call themselves Rajneeshees.

The relations between the Rajneeshees and the adjoining ranchers has not been very good. There have also been conflicts between the Rajneeshees and the Wasco County authorities over such things as building permits and sanitation facilities. These and other conflicts have caused the establishment of the Rajneeshees to become a statewide issue.

Beginning in early September 1984 the Rajneeshees began recruiting from throughout the United States down and outers who lived on the skid roads of major cities. These street people began showing up, transported in buses by the Rajneeshees, around September 5. On the next day Rajneesh officials announced details of their program to bring 1,000 homeless to Rajneeshpuram. As the street people poured in, other residents of Wasco County became aroused. Among other thngs, they feared that the Rajneeshees would attempt to register and vote the street people in the coming election; possibly even elect county commissioners favorable to the Rajneeshees. Large protest meetings were held in The Dalles and other places. The issue became very hot and heavy, with both Rajneeshees and other Oregon citizens saying some very harsh things about each other.

The person who spoke for the Rajneeshees most frequently was a woman called Ma Anand Sheela, the personal secretary of the Bhagwan. On September 18 press reports quoted Ma Anand Sheela saying to a rally:

> You tell your Governor, your attorney general and all the bigoted pigs outside that if one person on Rancho Rajneesh is harmed I will have 15 of their heads, and I mean it. You have given me no choice. Even though I am a nonviolent person I will do that.

Ma Anand Sheela has been photographed wearing a holster with a revolver in it.

On the next day, September 19, Ma Anand Sheela was again quoted in newspapers: "Wasco County is so bigoted it deserves to be taken over."

There were a number of reports of people who threatened to come to Rajneeshpuram with shotguns. But there were no reports of people who actually did. Nor were there reports of any Rajneeshees who were harmed by outsiders. Nor were there any reports of Rajneeshees harming anyone else.

One of the things that first aroused my concern about the Rajneeshees was a statement I saw the Mayor of Rajneeshpuram make on a TV program. He said: "If we are forced to we will take over Oregon. If we are forced to." Recently the same man, Swami Krishna Deva, was quoted by the Associated Press as saying: "If we need to take arms to battle bigotry, we will."

The Rajneesh Medical Corporation has a well equipped medical laboratory at Rajneeshpuram.

A final story. This story was told to the Subcommittee on Mining, Forest Management and BPA which I chair at a hearing I conducted in Portland, OR in December 1984. It is related by County Judge William Hulse of Wasco County.

On August 29, a few weeks before the salmonella outbreak, the three county commissioners of Wasco County drove down to Rajneeshpuram to make an inspection. They drove into Rajneeshpuram where they were stopped and asked to continue their inspection in a Rajneesh vehicle. As they got in, Ma Anand Sheela came to the van and said to them: "Snakes should sit in the back seats."

Judge Hulse continued: When we returned to our car, a tire was flat. The Rajneeshees agreed to fix the tire and

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as we waited by the car, someone from the Rajneesh medical laboratory brought us out a pitcher of water and three cups. We thanked her and drank the water. The tire was fixed and we drove back to The Dalles. Within about 8 hours I became violently ill, with some sort of stomach and bowel upset. Later I went to the hospital. I was in the hospital 2 days. The doctor said I might have died. Another county commissioner came down with what appeared to be the same thing, though he was not hospitalized. The third commissioner was considered by us to be sympathetic to the Rajneeshees. He did not get sick."

Mr. Speaker, I conclude my story by calling for an intensive police investigation of the salmonella outbreak in The Dalles.

□ 1840

Mr. Speaker, I have a letter which is the preliminary report of the health authorities investigating the Salmonella outbreak in The Dalles, to Dr. John A. Googins, M.D., State epidemiologist, Department of Human Resources, Oregon State Health Division, Portland, OR.

It begins: "Dear Dr. Googins, thank you for inviting the Centers for Disease Control to participate in investigating the September 1984, outbreak of Salmonella typhimurium in The Dalles."

Mr. Speaker, I would like the balance of this letter included in the RECORD at this point, and I ask unanimous consent to do that.

The SPEAKER pro tempore. Without objection.

CENTERS FOR DISEASE CONTROL,
Atlanta, GA, January 18, 1985.

JOHN A. GOOGINS, M.D.,
State Epidemiologist, Department of Human Resources, Oregon State Health Division Portland, OR.

DEAR DR. GOOGINS: Thank you for inviting the Centers for Disease Control (CDC) to participate in investigating the September 1984 outbreak of *Salmonella typhimurium* in The Dalles. It was a pleasure to work with the highly motivated members of your division and of the Wasco-Sherman Public Health Department. This letter is to summarize the preliminary findings of our investigation. A complete report will follow.

INTRODUCTION

On September 17, 1984, the Wasco-Sherman Public Health Department received a call from a person who complained of gastroenteritis after eating at a popular restaurant in The Dalles. In the Next 4 days they received at least 20 additional complaints involving two restaurants. On September 21, Salmonella typhimurium was isolated at the Oregon Public Health Laboratory from a stool sample of one of these patrons. There were anecdotal reports of widespread illness among employees in both establishments, as well. CDC was contacted on September 25 and was asked to participate in the investigation of this outbreak. Following subsequent publicity, hundreds of affected patrons telephoned to report illness. Illness was not limited to patrons of the two initially reported restaurants, but involved employees and patrons from 10 independent establishments. A total of 715 persons met a clinical case definition (below) or had a positive stool culture for *Salmonella typhimurium*. The dates of onset of clinical illness were between August 28, 1984, and October 26, 1984. Almost all gave a history of having eaten at a restaurant in The Dalles within 72 hours prior to illness. Of those cultured, 342 were found to have Salmonella; all but 3 of 275 were identified as Salmonella typhimurium on further testing. The other 67 isolates were not serotyped. The remaining 373 persons met the clinical case definition of diarrhea and at least three of the following seven symptoms: fever, chills, headache, nausea, vomiting, hematochezia, and abdominal cramps. An additional 117 people reported an acute gastrointestinal illness but did not meet the clinical case definition. At least 45 persons were hospitalized. No fatalities were reported.

The epidemic curve was biphasic. The first wave, accounting for approximately 15 percent of the total cases, began on September 10 and peaked on September 15 with 17 culture-confirmed cases. The second wave began abruptly on September 22 and peaked on September 24 with 71 culture-confirmed cases. This curve rapidly falls off with fewer than 2 percent of culture-confirmed cases reported after September 28. Eight of the 10 implicated restaurants were associated with culture-confirmed cases in the second wave only; the other two restaurants were associated with confirmed cases in both waves.

An initial investigation by local health officials suggested that having eaten at a salad bar was associated with illness. This observation led to the recommendation on September 25 that the restaurants in The Dalles voluntarily discontinue salad bar service. This action was associated with the subsequent abrupt decline in new cases.

METHODS AND RESULTS

1. Investigation of Patron Illness:

Information on illness in restaurant patrons was obtained primarily through a passive surveillance system. Initial reports came from unsolicited phone calls from ill patrons. Press releases encouraged reporting. Additional cases were reported from local and regional laboratories. Ill patrons were interviewed by telephone or in person regarding demographic data, nature of illness, risk factors for gastrointestinal infection, and foods eaten at any restaurants in the 3 days prior to onset of symptoms. We attempted to obtain similar information for well members of dining parties, to provide a comparative basis for estimating relative risks. Standardized questionnaires with comprehensive lists of foods available at each restaurant were administered when possible.

No other common exposure was identified among these ill patrons of restaurants. Local residents who became ill were geographically scattered by residence and appeared to be equally likely to live in either region served by the two water sources for The Dalles. Thus, the subsequent investigations focused on food consumption in restaurants.

There were 10 restaurants where at least one case of patron illness was confirmed by stool culture. Eight of these restaurants had salad bars. Food-specific attack rates were analyzed for four restaurants where we had enough complete food histories from both ill persons and controls. These four restaurants accounted for 274 patron cases (38 percent of the total number of cases). Attack rates were highest for salad items in all four restaurants; lettuce was the only item whose consumption was consistently associated with illness. In one restaurant, potato salad, bean salad, and macaroni salad were associated with illness even in patrons who had not reported having consumed lettuce.

2. Investigation of Restaurant Employees:

Employees of implicated restaurants were interviewed during the outbreak and then again afterward. The initial interviews resembled the patron interviews; the second set of interviews was part of a systematic survey that included controls from six unaffected restaurants. More specific information collected included work duties, restaurant patronage, and recent diarrheal illness.

All employees from implicated restaurants were required to submit a stool sample for culture. Those with a positive culture or a history of recent gastrointestinal illness were excluded from work until two consecutive stools were negative.

There were 325 employees working in the 10 implicated restaurants during September. Of these, 307 (94 percent) were interviewed in depth. Seventy-four (23 percent) reported a diarrheal illness. Sixty-six (20 percent) were culture-positive for Salmonella typhimurium; this group includes 26 employees who denied any illness. Of the eight restaurants where culture-positive patrons were documented from the second wave only, seven had at least one employee with early onset of disease (on or before September 20). In one restaurant, the work history of a salad maker with culture-proven, early onset illness coincided with patron exposure. In another establishment, multiple salad makers became ill early on; no single employee's schedule coincided with the epidemic curve, but the combination of the ill employees' schedules did.

Detailed information was available on 47 ill employees. Only one of 16 early cases reported eating at one of the two restaurants associated with the first wave. Comparing the 16 early to 31 late cases of diarrhea among employees, there were no differences with respect to age, sex, consumption of raw eggs or milk, number of restaurants patronized, or in number of meals eaten at other restaurants. Thus, although the early onset of illness in employees in most of these restaurants suggests that they introduced Salmonella typhimurium, the sources of their infections remain obscure.

3. Restaurant Inspections:

All implicated restaurants were inspected by sanitarians. There were no significant time-temperature violations for holding food. Sanitary inspections revealed minor violations of hygienic food-handling practices in some restaurants, but none of these violations could plausibly have caused this large outbreak in multiple restaurants.

4. Food Sources:

Local health department sanitarians and a Food and Drug Administration representative sought out the distributors and original suppliers of foods used in all implicated restaurants. There was no single food item or supplier common to all 10 restaurants or even to the first two establishments implicated. Many of these distributors served large geographic regions in the West, yet only one additional outbreak was recognized in this time interval, and did not appear to be related.

To explain the appearance of Salmonella typhimurium in the first restaurant, several leads were pursued:

a. Five employees of this restaurant, three who were ill with culture confirmed Salmonella typhimurium gastroenteritis, reported drinking raw milk or consuming raw milk products from an uncertified dairy in Washington. An on-site inspection of the dairy by Paul Williams, D.V.M., Oregon State Health Division, revealed unsanitary practices, including washing milk pails in untreated pond water. However, cultures of raw milk, cow feces, and pond water were negative for any Salmonella species.

b. This restaurant used local produce occasionally. One farm providing cucumbers and tomatoes on September 9 and 20 was inspected by an epidemiologist and a sanitarian. They discovered that a nearby trailer court had a history of septic tank malfunctions in early September, but found no gross signs of contamination of the adjacent vegetable patch at the time of their inspection. Samples of soil and tomatoes were submitted to the Oregon State Laboratory; cultures were negative for Salmonella species. A second farm provided cantaloupes to the restaurant on September 20, but complete harvesting precluded meaningful findings from this inspection.

Samples of two lots of lettuce from each of two restaurants involved in the second wave of illness were submitted to the Oregon Department of Agriculture. They showed no evidence of contamination by any Salmonella species. Cultures of several food items from another restaurant were obtained. Salmonella typhimurium was cultured from a sample of blue cheese dressing only, but not from the dry mix used to prepare it. Given that the sample was obtained well into the epidemic, it is likely that the dressing was contaminated during or after its preparation.

5. Water Supply Investigation:

There was no epidemiologic evidence to indicate water contamination as the source for this outbreak. Records of routine surveillance by the local water company showed no increase in coliform counts during September. Supplemental samples were collected from five of the implicated restaurants, and no Salmonella was cultured from any of these sources.

6. Special Studies:

a. The restaurant accounting for the largest number of cases also had a busy home delivery service. All items on the menu were routinely delivered except salad. Telephone interviews of over 120 people consuming delivery orders disclosed no illness except where there were other potential exposures at an implicated restaurant. This study provided further evidence supporting salad as the vehicle of the outbreak.

b. Several restaurants had banquet facilities. Although a number of groups had been served during the outbreak, illness was not reported from any of them. These banquets had salad bars prepared by each restaurant's usual personnel and from the usual ingredients, but the salad bars had fewer items, and perhaps more importantly, were taken down within a short period of time. In contrast, most of the other salad bars remained open as long as the restaurant was open.

c. The first wave of illness at the first affected restaurant was investigated using the original waitress food order slip and records available for patrons who had charged their meals to their rooms. A total of 49 such patrons who had eaten from September 11 to 15 were contacted and their clinical status ascertained. Seven (14 percent) reported a diarrheal illness in the week after their meal. All seven, versus 17 of the 42 who remained well, had eaten food from the salad bar (p=0.004, FET, 2-tailed). For statistical analyses, we pooled food histories from this group with those from other patrons of the restaurant and found that lettuce and salad dressings were not associated with illness. Consumption of sliced fruit was of borderline significance. Consumption of any mixed salads, e.g., macaroni, was highly significant (11/15 ill vs. 11/43 well, p=0.002, FET, 2-tailed).

SUMMARY

1. A large outbreak of diarrhea due to Salmonella typhimurium occurred in The Dalles in late September 1984.

2. During this time, only one outbreak was recognized in the Northwest outside of The Dalles.

3. Amplification and transmission appears to have occurred at 10 restaurants via contamination of one or more salad items.

4. No single source for food items or single distributor common to all or most of the implicated restaurants was identified.

5. At most restaurants implicated, food handlers were identified with gastroenteritis and onset of illness prior to exposure of patrons, suggesting that the food handlers may have contaminated the salad bars.

6. The food items implicated were uncooked and likely to be handled during their preparation without rewashing prior to serving.

7. There was no epidemiologic evidence to suggest deliberate contamination of foods.

8. Sanitary practices in implicated restaurants were not found to be grossly deficient.

9. The public health actions of the Wasco-Sherman Health Department appear to have been very effective in terminating the outbreak.

FURTHER INVESTIGATIONS

1. Plasmid profile studies of Salmonella typhimurium isolates are being performed to test the hypothesis that a single isolate was responsible for disease acquired at multiple restaurants. These studies will also allow comparsion with strains collected elsewhere and may shed light on how Salmonella typhimurium was introduced into the community.

2. The Oregon State Health Division will conduct studies of temperature changes in foods held on salad bars.

3. Complete data analysis in cooperation with Centers for Disease Control is in progress.

RECOMMENDATIONS

1. Continued exclusion from work of culture-positive food handlers until they have had at least two consecutive negative stool cultures.

2. Continued surveillance for new cases of salmonellosis.

3. Further emphasis on hygienic practices in public food-handling establishments.

Sincerely yours,

Thomas J. Torok, M.D., EIS Officer, New Mexico Division of Field Services, Epidemiology Program Office.

Robert Tauxe, M.D., M.P.H., EIS Officer, Enteric Diseases Branch, Division of Bacterial Diseases, Center for Infectious Diseases.

Paul A. Blake, M.D., M.P.H., Chief, Enteric Diseases Branch, Division of Bacterial Diseases, Center for Infectious Diseases.

Robert P. Wise, M.D., M.P.H., EIS Officer, Division of Surveillance and Epidemiologic Studies, Epidemiology Program Office.

John M. Horan, M.D., Assistant Director, Division of Field Services, Epidemiology Program Office.

SETTING THE RECORD STRAIGHT ON THE FINANCIAL STATUS OF THE GREAT PLAINS COAL GASIFICATION PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. McKINNEY] is recognized for 30 minutes.

●Mr. McKINNEY. Mr. Speaker, recently the chairman of the Government Operations Committee on Environment, Energy and Natural Resources, Mr. SYNAR, asked GAO to review certain aspects of the financial viability of the Great Plains coal gasification project. We have heard statements today that the Great Plains project is being overfunded by the Synthetic Fuels Corporation and that the Federal Government is giving a windfall to the owners of Great Plains.

To rebut those contentions I would like to quote a paragraph from the cover page of the GAO report:

According to GAO's assessment of SFC's proposed assistance, a lower amount of assistance could achieve the same results if Great Plains' partners could fully use certain tax credits and if energy prices and other assumptions remained the same as those SFC used in April 1984. Since April 1984, however, several changes have occurred, such as a continued decline in energy prices. An August 1984 SFC analysis indicates that the decline in energy prices offset the effect of the increased tax credits. Other changes have also occurred, but SFC analyses subsequent to August 1984 showing the impact of these changes were not available to GAO. If all changes since April 1984 were incorporated into GAO's analyses, the results could be different.

Mr. Speaker, the implication that the owners of Great Plains will, as a result of the prospective SFC financial assistance agreement, earn a 54.5-percent rate of return is so outrageous as to be ludicrous on its face. This is particularly so when the GAO report itself, from which the statement is taken, indicates that, with respect to Great Plains, such a computation is misleading, has little value, and is not the way the project should be measured. GAO says:

We believe that Great Plains should not be measured using the incremental rate of return because that return excludes most construction costs and attributes all future profits to the latest incremental investment made.

A light-hearted analogy might be to picture three men straining to pick up a car but they can't lift it. A fourth man comes along, grabs a bumper, and the car is lifted. Do we say how strong that fourth man is because he lifted the car? Of course not; obviously, he

didn't do it alone, and the contribution of the other three cannot be ignored. However, based on the incremental return concept, that fourth man lifted the car all by himself and the first three did nothing.

A similar illogical conclusion can result from the inappropriate application of the incremental rate of return to a project such as Great Plains. As SFC Chairman Edward Noble wrote to Comptroller General Bowsher on February 21:

> This measure of financial performance attributes the total return to the sponsors from the project against only a small fraction of the total equity they have contributed. For a project like Great Plains that is substantially complete at the time of the analysis, the incremental rate-or-return drastically overstates the project's financial performance and such use is totally inappropriate; to imply otherwise is, in our opinion, nonsense.

Allow me to provide an example that should graphically illustrate the misleading nature of viewing the performance of Great Plains from an incremental rate of return rather than the all-in rate. For purpose of this example, let's use a financial summary of a hypothetical tire dealer.

Like Great Plains at the time examined by the GAO report, we are looking at a situation where the business is nearly constructed but hasn't started operating, and a relatively small portion of the assets required for the business to go into operation still have to be bought. Thus, our tire dealer has bought the land and erected the building, but still has to buy counters, lift racks, tire changers, and chairs. Of the total of $1 million he expects to invest, $810,000 has been expended, and $190,000 remains to be spent.

The owner expects to earn an annual operating income of $100,000 a year, and to be in the business for 20 years. If we look at his rate of return based on the total amount of money that he will have invested to make the business operational, $1 million, he will be earning slightly less than 8 percent, certainly not a remarkable or even attractive return. However, if we look at his return, the entire $100,000 per year for 20 years, based only on the amount he has not yet invested, $190,000, we come up with an incremental rate of return of nearly 53 percent, which is obviously a distorted analysis of the business. To complete the picture and show the grossness of the distortion, use of the incremental return in this manner implies that the $180,000 he has already invested earns nothing, a zero rate of return.

The graph I have in front of me shows how using the incremental rate of return for this kind of investment distorts the results. As equity is invested, assuming nothing changes the outlook for the business, the all-in return is constant, as one would expect; the fact that an owner starts to build a business based on an expected return doesn't, in and of itself, change that expected return. However, the incremental return, since it only considers the amount of money remaining to be invested, increases rapidly as the project approaches completion, and the amount remaining to be invested becomes smaller and smaller.

Similarly for Great Plains. At the time of the analysis that resulted in computing an incremental rate of return of more than 50 percent, the project was so nearly complete that the result had to be high and present a distorted picture of the project. It also carries with it the presumption that the hundreds of millions of dollars invested by the owners up to the date of the analysis will earn nothing. Obviously, this is a nonsensical position.

INCREMENTAL VERSUS ALL-IN RATE OF RETURN—ILLUSTRATIVE EXAMPLE

Project: Medium size tire dealership.

Time of evaluation: Land has been purchased, and building has been erected at a total cost of $810,000. Lift racks, changing machinery, and counter remain to be purchased at a cost of $190,000.

Total capital cost	$1,000,000
Annual gross sales	250,000
Annual operating expenses	150,000
Annual operating income	100,000

Assuming a 20 year life, all-in return on investment (on total capital invested of $1,000,000): 7.8 percent .

Incremental return on investment (on incremental capital to be invested of $190,000): 52.6 percent

I would like to include at this point in my remarks a copy of Mr. Noble's letter to the Comptroller General regarding the "incremental rate of return" issue. It states clearly the difference between the proper measure of rate of return and the misapplication of an improper rate-of-return is the difference between reality and distortion.

U.S. SYNTHETIC FUELS CORPORATION,
Washington, DC, February 21, 1985.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, U.S. General Accounting Office, Washington, DC

DEAR MR. BOWSHER: Over recent weeks our staffs have been in contact with respect to the draft GAO report on the Great Plains project and its letter of intent with the Corporation. This report was requested last August by the Chairman of the Environment, Energy and Natural Resources Subcommittee on the House Government Operations Committee. It is our understanding that the report will be released to Congressman Synar shortly.

As I have indicated to Mr. Socolar, the Corporation views the report as generally constructive and well balanced. We particularly appreciated the opportunity to review the draft report and feel that the GAO staff is to be commended for its handling of a highly complex subject in a thoroughly professional and comprehensive manner.

There is, however, one residual issue of serious concern to us which Vice Chairman Corcoran and I discussed with Mr. Socolar. We understand that the current version of the report contains a reference to the "incremental rate-of-return" to the sponsors. This measure of financial performance attributes the total return to the sponsors from the project against only a small fraction of the total equity they have contributed. For a project like Great Plains that is substantially complete at the time of analysis, the incremental rate-of-return drastically overstates the project's financial performance and such use is totally inappropriate; to imply otherwise is, in our opinion, nonsense. Any use of the incremental rate-of-return should be so qualified, and placed in specific context of the all-in rate-of-return which is the only applicable measure in this instance. Accordingly, the proper measure of Great Plain's rate-of-return is the all-in rate of 14.4%, not the incremental rate of 54.5%. You should also note that the rate-of-return is only one of many financial measures which the Corporation examines in evaluating projects. Others of equal or greater importance include net income, after-tax cash flow, book income, total cash exposure, and cost of abandonment.

Based on the above, we again request that all references to the "incremental rate-of-return" be deleted. To do otherwise would subject the report to misleading interpretations and will lead to unwarranted distortions. It is in our collective interests that this situation be avoided.

Again, let me express our appreciation for the fine professional efforts of your staff in dealing with this highly complex subject. I am confident our staffs will continue to work together in a spirit of cooperation and commitment to the public interest.

Sincerely,

EDWARD E. NOBLE,
Chairman of the Board.

To quote again from GAO's report (p. 30):

> SFC officials, however, believe that to use the incremental return for Great Plains is misleading since it ignores approximately $1.4 billion in construction costs already invested in this project and believe it has little value when applied to projects that are almost complete. We agree. Also, SFC officials are concerned that the incremental return would be misunderstood and detrimental to the project. As discussed on page 8, we believe that Great Plains should not be measured using the incremental internal rate of return.

There are some other points made by critics of the Synfuels Corporation and the Great Plains project which I would like to address. It has been asserted that, according to the GAO report, both the Government and the project owners would fare better at levels of SFC financial assistance below the $790 million contemplated by the current letter of intent.

What wasn't pointed out, but is made clear by the GAO, is that this conclusion is premised solely on the increased availability of production tax credit to the sponsors, from 77 percent to 100 percent, as a result of the IRS ruling of July 1984. I note, parenthetically, that the IRS ruling clarifying the extent of PTC availability came 3 months after the term sheet date. What is ignored by my colleague,

although it was reported by GAO, is that its conclusion assumes that everything else related to the economics of the project has not changed.

As we all know, this simply is not the case.

While many factors directly affecting the economics of Great Plains have changed, the most significant and widely known is that energy prices have come down subtantially and are expected to remain well below levels expected not very long ago for a considerable period of time. I find it hard to believe that any Member of this body, particularly one from Oklahoma, would find it so easy to overlook this point.

For example, I am looking at the crude oil forward prices posted in the Wall Street Journal on April 26, 1984, the day the letter of intent was executed, and a corresponding table from the same paper dated January 28, 1985, about the time the GAO analytical effort was complete. The forward price for oil to be delivered in April 1985, in April 1984, was $30.18 per barrel. April 1985 oil in January of 1985 was posted at $25.08 per barrel. This $5.10 per barrel decrease represents a 17 percent reduction over a period of 9 months. When you are making the equivalent of 23,000 barrels per day of this stuff, as Great Plains will and as we in Congress want them to, a $5 reduction in price per barrel turns into a big number pretty quickly.

So again, I think it does everybody a disservice to take a properly documented statement and its supporting assumptions, disregard the caveats and make a statement which is a distortion of reality and counterproductive to what we are trying to accomplish.

Mr. Speaker, among the numbers bandied about have been some multibillion dollar figures such as the cumulative net cash-flow of the Great Plains project accruing to the sponsors of some $3 billion. He fails to point out that this figure is so large because of the effect of inflation compounded yearly for 25 years. The GAO report actually states that it prefers to analyze long-term projects on a time value of money basis but included the inflated numbers at the request of Mr. SYNAR.

To put this inflation impact in perspective, a salary of, say $72,000 today which is what we're all making, received each year over the same time period will amount to $3.7 million assuming it were increased solely to compensate for inflation.

In concentrating on what is a cumulative total of cash-flow over a period of 25 years from now, my colleague also conveniently omits to point out what would occur in the interim:

By the time the plant is completed and started up the sponsors will have invested some $540 million of their own money.

Including the additional equity required under the SFC assistance package to be reinvested by the sponsors to pay down DOE guaranteed debt earlier than scheduled, the sponsors' maximum equity contribution is expected to reach $1.2 billion in 1987.

The cumulative cash-flow is negative until 1996. That is to say, the sponsors don't break even—much less begin to have any return on their investment—until 15 years after they started construction.

As long as we are using the box-car size figures which inflation causes, let us examine some of the other attributes of the project shown by the same analysis.

Over the next 25 years the project will produce synthetic natural gas and byproducts with a total market value of over $20 billion.

It will provide $4 billion in salaries and wages to its employees.

The project will provide some $2 billion of construction expenditures and related jobs.

It will pay $2.5 billion of interest and principal on the DOE-guaranteed debt.

Profit sharing payments to the SFC under the same assumptions are estimated to total $3.3 billion.

The project will pay State and Federal taxes of some $2.9 billion over its operating life.

In short, Mr. Speaker, it is easy to distort statistics, especially big numbers such as we have seen thrown about this chamber today. It helps to put such figures into the proper perspective for which they were intended.

Mr. Speaker, a project as important to our energy future as this one, I want to be sure that the proper basis is used to evaluate its long-term profitability. My distinguished colleague from Oklahoma has implied that this project's return on investment is out of line with returns of the domestic oil industry generally. I disagree.

What the GAO has done is to compare its estimate of Great Plains' 25-year return on equity to oil industry returns for a few selected years, including several years of unusually poor performance. Any knowledgeable security analyst, of course, would compare this return with industry returns over an extended period of time. He might even adjust for unusual economic or other conditions. This avoids distorting the comparison for year-to-year swings in the economic climate as well as company activities. I note that, using the same source document, the 10-year return for domestic integrated oil companies for the 1974–83 period averaged 18.4 percent per year. That's more than the indicated Great Plains return. But I don't think that's sufficient comment.

Just what is that oil industry return based on? It is a return on the cash invested by stockholders in oil and gas wells, their refineries, their corner gas stations and the tankers and pipelines they use to move their oil from one place to another. Many of these investments are in known and well-proven assets, with low risk, while others—like exploration—are higher risk.

Great Plains, on the other hand, represents a major investment by risk-taking companies in a combination of technologies that has never before been demonstrated on this scale and in this configuration. That's hardly a low-risk investment, and the indicated returns, even in the better energy price climate of last April, are not excessive. I say let's give the SFC time to cut the best, most appropriate deal that it can with the sponsors, which will take into account all of those risks while at the same time protecting the taxpayer interests.

Mr. Speaker, I want to reiterate my fundamental rationale for supporting synthetic fuel development. I rise in support of the U.S. Synthetic Fuels Corporation's efforts to negotiate a price guarantee for the Great Plains coal gasification project to ensure that this major pioneer plant proceeds and provides the Nation with vital learning benefits. The Great Plains coal gasification project, located near Beulah, ND, is the largest synthetic fuels plant currently under construction in the United States. It is sponsored by five large gas pipeline companies and is designed to produce some 45 billion cubic feet per year of synthetic natural gas using North Dakota lignite as its feedstock.

At full capacity, the project will produce approximately 137 million cubic feet per stream day of high-Btu synthetic gas from 14,000 tons per day of lignite using the Lurgi coal gasification process. Mr. Speaker, this is the equivalent of 23,000 barrels of oil each and every day. The project was built on time and under budget; start-up operations, which began in July, have been relatively smooth, and problems which have arisen are being corrected.

Mr. Speaker, it is important to the Nation's long-term energy future that this body do nothing to interfere with the negotiations currently underway between the Great Plains' sponsors and the U.S. Synthetic Fuels Corporation. Because of the decline in energy prices since 1982 and the consequent increased probability of project abandonment, Great Plains has requested price guarantee assistance from the Corporation over and above the loan guarantee it received from the U.S. Department of Energy. This request is now the basis for intensive negotiations between the project and the Corporation, and I feel it is imperative

that this project not be jeopardized by the inclination of certain of our colleagues to join the negotiations as uninvited third parties.

The Federal Government to date has made a considerable investment in the Great Plains project—an investment which I think is fully justified and will pay handsome dividends toward the country's future energy security. It is further justified for the following reasons:

First. The project can make the largest, earliest, and most cost-effective contribution to the energy goals of the Energy Security Act of any domestic synthetic fuels project.

Second. The project will, for many years provide definitive information on the technical, environmental and socioeconomic aspects of a commercial, coal-based synthetic fuels project.

Third. The project has been built under budget and on schedule, and the facility is now coming on line without undue problems.

Fourth. However, based on current oil price projections, the project sponsors face the unacceptable prospect of substantial after-tax losses and negative after-tax cash flows during at least the first decade of the plant's operations.

Fifth. The SFC alone has the responsibility, the authority and the funds under the ESA to provide price guarantees as needed by the project.

Sixth. The project sponsors are not seeking restoration of their original income and cash flow expectations, Mr. Speaker. They seek only a restructuring of the present Government support commitment to include price guarantees which will enable them to complete and operate the project. The interests of the public will be protected through a proposed profit-sharing arrangement.

Seventh. Last April SFC executed a nonbinding letter of intent with the project. Under terms of the letter of intent Great Plains sponsors must invest another $100 million in the project and must accelerate the payback of the DOE loan guarantee. These economic adjustments to the DOE contract would significantly reduce the chances that the sponsors would default on the federally guaranteed loan, Mr. Speaker. Additionally, in return for up to $790 million in price guarantees, the project will pay back to the Federal Government 70 percent of all net receipts of the project after the DOE loan has been paid off for as long as the project operates or until $1.5 billion in 1984 dollars is paid back.

As a further condition to receiving the SFC price guarantee under the letter of intent, Mr. Speaker, the sponsors will reinvest all tax benefits and profits from the project for 3½ years after the execution of a final contract.

In short, Mr. Speaker, this project is critical to the future long-term energy security of this country. It is one of the largest industrial projects ever undertaken—and was built on time and on budget. It will demonstrate to others that this Nation is serious about developing its solid fossil fuel reserves which comprise some 85 percent of our domestic energy supplies. Mr. Speaker, this project is the crown jewel of our synthetic fuels collection and should be supported by all of us to ensure substantial future energy supplies for future generations of Americans.

Continuing with my rebuttal of some of the points which were raised by the opponents of the Synthetic Fuels Corporation today, I would like to include as part of my remarks a brief description of the salary and benefit package offered to SFC employees. I hope it will help my colleagues to understand the accurate situation at the corporation as opposed to the many distortions which keep being promoted.

Frankly, I have not been surprised by the turnover of professional employees at the SFC. The continual attacks on the Corporation's efforts to meet the mandate of Congress would discourage even the strongest souls. We should congratulate the efforts of Ed Noble and his staff for their perseverance and dedication in the face of such specious charges.

THE SALARY AND BENEFIT PACKAGE AT THE U.S. SYNTHETIC FUELS CORPORATION

SUMMARY

The pay and benefits at the U.S. Synthetic Fuels Corporation is deserving of praise rather than chastisement. Despite the charges raised against the Corporation from these very halls, the program in effect at the U.S. Synthetic Fuels Corporation should be lauded due to its: (1) low cost, (2) comparability to private industry and superiority to the Federal Government's own plan and (3) its effective design that meets the recruiting needs of the Corporation while also maintaining a superior workforce. As I will briefly review for you, the Corporation's staff and management has an outstanding record of fine tuning their pay and benefit package so as to receive the biggest bang for the buck. This fine tuning has generally meant a reduction in overall benefit costs to the Corporation!

BRIEF HISTORY

Since the Energy Security Act of 1980 made it clear the employees of the U.S. Synthetic Fuels Corporation were to receive none of the benefits or entitlements of Federal employment, when the Corporation began operation in October 1981 an entire system of pay and benefits was needed. Under Chairman John Sawhill, the Corporation contracted for professional assistance in establishing pay and benefit plans. The recommended programs were implemented during late 1980 and early 1981. Congress took exception to some of the pay and benefit programs established at the Corporation and when Edward Noble was confirmed as Chairman of the Board in May 1981, things began to change.

In the fall of 1981, the Corporation contracted with the internationally known and well respected, Hay Group, to perform "A Review of the Compensation Plan, Classification Structure and Relocation Reimbursement Policy of the U.S. Synthetic Fuels Corporation". In the review Hay took particular note that:

Congress intended that the Corporation take into consideration the Federal rates of compensation under the executive schedule and the general schedule pay scales.

The Corporation needs to attract and retain talented professionals with special skills and experiences.

Employment at the Corporation will be of relatively short duration and will mean an interrupted career for many professionals.

The Corporation is a unique organization:

It has a statutorily defined mission; it operates in a new undeveloped industry in the United States—synthetic fuels; it has an unusual mix of high level financial and industrial responsibilities and functions; oversight may come from Congress and the Executive Branch; there is a large ratio of dollar responsibility to personnel staffing; and the Corporation has a limited life.

Having reviewed the Corporation's mission and congressional directives, Hay Associates personnel considered pay programs in effect in the Federal Government, private industry, financial institutions, and public corporations. They reached the following conclusion:

The nature and criticality of the Corporaton's mission means most personnel should be recruited from industry where the best people will already be employed by competitive corporations. Attracting emplyees to a short-lived institution that does not offer the career future of other organizations usually requires a substantial salary as an incentive.

Summing up the pay issue, the Corporation's efforts and attitude towards pay are best viewed in light of the following facts:

1. The salary program at the Corporation under Mr. Noble is significantly more reasonable than it was prior to his appointment. Particularly at the officer level, the Corporation has shown commendable restraint. Individuals who interrupt their careers for temporary service in such positions, forego a significant amount of income compared to what they could receive from private employers. Further, at its February 1985 board meeting the Corporation indicated it intended to hold the line for the time being on officer salaries.

2. During Fiscal year 1984 average pay at the Corporation went up less than 1 percent.

3. Pay increases at the Corporation are based on an annual merit/performance review. The Corporation provides neither automatic cost of living increases nor nonperformance related step increases. The merit pay budget for the Corporation in fiscal 1985 is a modest 6 percent and last year it was just 5.5 percent.

BENEFITS

Knowing the short nature of their organization, the U.S. Synthetic Fuels Corporation designed and implemented what is known as a defined contribution retirement plan, where there is no unfunded liability nor any future obligation incurred by the Federal Government: necessary funds are paid on an ongoing basis. The Corporation also provided a savings plan similar to that now being proposed for Federal employees. The combined cost of these two plans as a

percent of pay, is under 9 percent per year: a figure comparable to that in private industry. The Federal Government on the other hand, incurs an actual cost of 33.6 percent of pay in any particular year, and has an additional liability of 50 percent of its payroll, that it also must face in the future.

Although retirement plan costs are perhaps the most visible and well-known benefit item in any organization, other items such as employee health and life insurance, social security, workers compensation and unemployment compensation should also be considered. For the U.S. Synthetic Fuels Corporation, these items plus the retirement/savings plan amount to about 23 percent of payroll, a figure comparable to that reported by the U.S. Chamber of Commerce as the average for all industry. The Federal Government's actual annual costs are approximately twice this figure. I also find it revealing to note that excluding the Corporation's modest retirement plan, the largest benefit expenditure is the Corporation's mandatory share of Social Security taxes.

I would also like to note that through the Corporation's staff recommendations for modification of its health insurance program, the Corporation was able to reduce its annual expenditure for health protection while not significantly reducing the value and level of protection available to employees. Similarly, adjustments in life insurance coverage provided a savings of several thousand dollars per year, with generally no loss in protection to employees.

CONCLUSION

While we may take exception to those unanticipated events that have resulted in the signing of only two project awards to date, we do an extreme disservice to criticize a pay and benefit program that has done its job well—at a minimal cost to the taxpayer. The Corporation is justifiably proud of its continued operation at 20.4 percent of its administrative budget authorized by Congress. If all agencies acted so fiscally responsible, much of the deficit would disappear.

Mr. Speaker, I hope this body will continue to see the need for a source of independent energy. The Synthetic Fuels Corporation offers us that option if we choose to use it. I ask my colleagues what they propose to do as an alternative. We examined the alternatives before creating this program in 1980: I invite them to review our findings before they sell out our energy future.●

THE SYNTHETIC FUELS CORPORATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. SYNAR] is recognized for 60 minutes.

Mr. SYNAR. Mr. Speaker, I come before you today to condemn the most outrageous, unjustified, and inequitable use of taxpayers' money in the Federal Government today. I am talking, of course, about the Synthetic Fuels Corporation and the $7.9 billion of taxpayers' hard-earned money that the Corporation plans to hand out to some of the wealthiest companies in this country.

The most important task before Congress today is that of reducing Federal deficits. The simple fact is we must cut Federal spending. In doing so, we face many tough choices. Let's start with an easy one—the Synthetic Fuels Corporation. Along with my colleague from Michigan [Mr. WOLPE], I have introduced legislation to abolish the Synfuels Corporation and save the taxpayers $7.9 billion. I urge all of my colleagues to join us in cutting Federal deficits by eliminating these wasteful and unproductive synfuels subsidies.

As chairman of the Government Operations Subcommittee with responsibility for overseeing the activities of the Synfuels Corporation, I believe that I have followed as closely as any Member of Congress the trials and tribulations of this program. I have looked long and hard at the operations of the Corporation and the proposals negotiated by the SFC with companies asking for taxpayer subsidies. As with any Federal program, there are two questions we must ask ourselves.

First, what is the purpose of the program and can its goals be accomplished? And, second, how much will it cost the taxpayer and who will benefit?

I urge my colleagues to look at the Synfuels Corporation, to look at where these billions of taxpayers' dollars are going and what they are buying. If you take the time to examine the Corporation's subsidy proposals and ask these questions, you will undoubtedly conclude, as I have, that this program will do little more than waste billions of taxpayer dollars on the premature commercialization of uneconomic technologies.

Much has changed since the Synfuels Corporation was created in 1980. Oil prices continue to decline. The cost of producing synfuels continues to rise. What Congress at one time intended to accomplish can no longer be achieved. It is evident that current synfuels technologies cannot compete with conventional energy supplies for the foreseeable future.

Most companies with a historical experience in synfuels understand this. That is why they have canceled, postponed, or redirected their development plans. Exxon, Conoco, Ashland, Sohio, Chevron, Amoco, Westinghouse, Mobil, Gulf, and many others have walked away from commercializing synfuels despite the prospects of billions of dollars in Federal subsidies. Yet the Synfuels Corporation intends to commit 96 percent of its $7.9 billion budget to commercial synfuels ventures over the next 2 fiscal years.

What is the Synfuels Corporation investing billions of taxpayer dollars in? Today, my subcommittee released a General Accounting Office report analyzing the Synfuels Corporation's proposed commitment of $790 million to the Great Plains coal gasification project in North Dakota.

In July of last year, the Great Plains project began converting coal into synthetic natural gas. The project's sponsors have borrowed over $1.3 billion in taxpayer money to build this plant. The sponsors also benefit from a federally approved above-market sales price that allows them to sell their gas for about $6 per million Btu's. Meanwhile, gas producers in my home State of Oklahoma are struggling to find markets for their gas at half, or less than half, that price.

But apparently $6 gas is not enough for Great Plains. The sponsors have threatened to abandon the project unless the Government provides them even more in taxpayer subsidies. The Synfuels Corporation has responded by offering guaranteed gas prices of $10 per million Btu's.

The GAO report explains that these higher subsidies will cost the taxpayers $790 million between 1985 and 1990. Now, why do the sponsors want these higher subsidies? Without any additional subsidies at all, the Synfuels Corporation expects Great Plains to realize a 19-percent rate of return. But that's not enough for Great Plains. The sponsors want $790 million more in taxpayer money to protect their companies' short-term book values and stock earnings. The GAO report shows that these companies are more concerned about their immediate Wall Street images than the project's long-term profitability. Protecting these companies' stock values will cost the taxpayers $790 million over the next 6 years.

Who are these companies? They are Tenneco, American Natural Resources, Pacific Lighting, Transco, and MidCon. They are among the wealthiest and most profitable energy companies in the country. Between 1981 and 1983, Tenneco, American Natural Resources, and Pacific Lighting reported combined profits of more than $4 billion. And what kind of taxpayers were these three companies over that 3-year period? According to an October, 1984 report by Citizens for Tax Justice, the Federal Government received no net income taxes from these three companies between 1981 and 1983.

The only thing more outrageous is that the Synfuels Corporation now wants hard-working Americans, who have been paying their fair share of taxes, to reward these companies by propping up their stock values and subsidizing their profit margins with more than three quarters of a billion dollars.

It is clear that the Synfuels Corporation is no longer merely providing incentives to foster private sector investment in synfuels. The Synfuels Corporation is guaranteeing corporate profits, Wall Street stability and boardroom tenure for the managers of companies that refuse to accept the finan-

cial risks of synfuels investments. Mr. Speaker, there is no reason for the taxpayer to bear the burden for what industry simply refuses to do.

Yesterday, the House passed legislation to provide desperately needed loan credit for the farmers of this Nation. The future of the family farm, and rural America as we know it today, is in jeopardy—on the brink of financial ruin. Yet, the administration has made it clear that they will not support the farm-aid package which the House determined is needed.

David Stockman has said that the taxpayer has no obligation to bail out the family farmer. He said that farmers were consenting adults making rational decisions for which they must now pay the consequences. Jaded with such callousness and disregard for the welfare of small farmers across this Nation, the administration has said that they will extend no more than $650 million in farm loan credit. They say the taxpayer can't afford more.

And yet the unbelievable hypocrisy is that this very same administration, which has said that the American farmer is only worth $650 million in emergency relief, has decided that the well-healed multimillion-dollar companies involved in the Great Plains project are worthy of $790 million more of taxpayers' money on top of what they've already received. This administration has decided to starve the farmer so we can keep feeding these companies with taxpayer dollars. It's all too clear where this administration's priorities are, and it's time we set them straight.

Great Plains is but one of many projects trying to stick its fists into the taxpayers' pockets for money. All of these projects will be tremendously costly; they will add billions of dollars to Federal deficits. And once the projects are constructed, their sponsors will continue to return to the taxpayers, as Great Plains has, for more and more subsidies. The taxpayer simply cannot afford this corporate welfare program.

But welfare handouts at the Synfuels Corporation are not limited solely to the companies with projects asking for assistance. The Synfuels Corporation's penchant for lavishing subsidies on wealthy companies is matched only by the SFC's addiction to excessive salaries and benefits for its own employees. The program's administrative expenses have already cost the taxpayer over $45 million. And, despite President Reagan's proposal to cut Federal employees' salaries by 5 percent in fiscal year 1986, and other proposals to freeze Federal employee salaries, the SFC has continued to provide its officers and employees with healthy salaries. Over 52 percent of SFC employees earn between $30,000 and $108,000—an average of $56,700 per year. The SFC Vice-Chairman makes $86,200 per year in addition to an annual Director's fee of $10,000. The average salary for the Corporation's seven Vice-Presidents is $81,700 per year. The Board is continuing its search for a Corporation President—a position salaried at $135,000 per year.

Despite the President's proposed cut, at a January 1985 Board meeting, the Directors decided to increase salary ranges for prospective employees upward by 6 to 8 percent, maintain a promotional increase guideline of 9 percent, and establish a budget of 6 percent of the Corporation's payroll for merit increases.

The SFC has also implemented an unusually attractive employee benefit program which allows for full vesting after only 1 year of service, and 50-percent vesting after only 6 months. The SFC contributes 100 percent to an employee's retirement fund. Retirement funds are paid to employees—not upon retirement—but when they leave the Corporation. As a result, over the past 2 years, the SFC has paid almost $1 million in retirement benefits to former employees.

The SFC also instituted a savings plan which allows employees to place up to 10 percent of their gross salary into a tax deferred account. The Corporation then matches 50 percent of an employee's savings contribution, for up to 6 percent of their gross salary. This savings plan has cost the taxpayer more than $473,000 over the past 2 years.

Between January 1, 1984 and November 1, 1984, the SFC lost approximately 45 percent of its professional staff. Not surprisingly, these employees averaged less than 2 years of service at the Corporation. Nonetheless, the accrued benefits for these 42 employees cost the taxpayer over $713,000, or almost $17,000 per employee.

Despite the SFC's inability to function for 5 months of fiscal year 1984 due to the lack of an operating quorum, the SFC tallied over $566,000 in travel and relocation expenses. For the period between April 26, 1984 and November 1, 1984, during which the Corporation could not legally conduct business, SFC staff travel cost the taxpayers more than $144,000.

The Corporation's lucrative officer relocation policies allow for coverage of costs for moving expenses, travel expenses, temporary living expenses, automobile shipping costs, return relocation expenses, and any additional income tax liabilities associated with SFC relocation reimbursements. In addition, recent discussions between the SFC and one officer candidate even included a $2,000 per month rental allowance.

Yet, despite these generous salaries and benefits, the Corporation spent over $100,000 during the last fiscal year on employee recruitment.

The question before us with respect to the Synfuels Corporation is a question of equity and priorities. As we proceed to make critical decisions over the next several months about the budget cuts necessary to bring our Federal deficit back under control, we must examine every aspect of Government spending and determine which programs are efficient, effective, and deserving of taxpayer support.

Mr. Speaker, the Synfuels Corporation cannot meet any of these standards. It is time to cut our losses; it is time to put the Synfuels Corporation to bed and save the taxpayers $7.9 billion.

□ 1900

Mr. Speaker, I now want to recognize my colleague who has joined with me in this effort and I yield to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I would like to begin by commending the gentleman from Oklahoma [Mr. SYNAR] for scheduling this special order today to draw attention of our colleagues to the incredible waste that is known as the Synthetic Fuels Corporation.

I also want to pay tribute to the gentleman from Oklahoma for the critical hearings that were held under his chairmanship of the subcommittee of the Oversight Committee last year which really laid out in full public view the scandal that has been taking place now for several years at the Synthetic Fuels Corporation.

Mr. Speaker, as a member of the Budget Committee, I have been participating in numerous briefings and hearings that have revealed the frightening dimensions of the deficit crisis that faces our Nation. It is absolutely imperative that we mount a substantial deficit reduction effort in the near future if we are to even begin to hold the line against this ever rising tide of deficit spending.

I am convinced that there will be widespread bipartisan support for a deficit reduction package if two vital criteria are met.

First, such a package must result in significant deficit reduction.

And second, such an effort must be fair. Unless the belt-tightening required by spending cuts is perceived as fair, it simply will not receive the broad-based public support necessary to push a deficit reduction package through the Congress.

I have in my hand a list of the major program eliminations that are included in the President's fiscal year 1986 budget proposal. This list includes the proposed elimination of the Small Business Administration, Urban Development Action grants, the Agriculture Stabilization and Conservation Serv-

ice, Amtrak, General Revenue Sharing, and the Economic Development Administration. It goes on and on. I must emphasize that this list makes no mention whatsoever of the Synthetic Fuels Corporation.

In testimony before the Budget Committee yesterday, David Stockman said that the program I listed should be eliminated because, and I quote: "The time has come to curtail unjustified business, commercial, or regional subsidies."

When it was my turn to question Mr. Stockman, I asked him how he could advocate the elimination of all those programs because he considered them "unjustified subsidies," while at the same time leaving the $8 billion at the indefensible Synfuels Corporation untouched.

Looking rather pained, Mr. Stockman replied that the Synfuels Corporation was protected from any budget reductions whatsoever by a deal that he had cut with a few Senators last year.

I responded by asking how we, as Members of Congress, could go back to our districts to ask our constituents to accept the elimination of popular Federal programs, many of them critical to their own welfare, ask them to accept that elimination in the name of fiscal austerity, if one of the most outrageous examples of waste in the entire Federal budget was to be totally exempt from cuts because of a deal that he had made with a couple Members of the other body.

Mr. Stockman was troubled by that question, but agreed in the end that the Synthetic Fuels Corporation was in fact a "waste," but he indicated that he simply felt bound by this word that he had given in the last term.

I would like to include at the conclusion of my remarks the two articles that recently appeared, one in the New York Times, "Fuels Program is 'a Waste,' Stockman Tells Budget Panel," and the other in The Wall Street Journal, "Stockman Calls $8 Billion Synfuels Fund 'Waste' at House Budget Panel Hearing," which lays out in more detail the substance of Mr. Stockman's remarks.

While I was not at all satisfied with Mr. Stockman's response to my question, I must agree with Mr. Stockman on one point. The Synfuels Corporation is a waste. That point was made very eloquently by Dave Stockman himself in a 1979 Washington Post Viewpoint piece. I would like to quote just a few of Mr. Stockman's prescient observations in 1979 that illustrate why, in 1985, it still makes no sense to allow the Synfuels Corporation to squander $8 billion on the premature commercialization of Synfuels technologies.

Mr. Stockman observed, and I quote:

A crash program of this kind would have virtually no impact on the OPEC oil cartel's power in the 1980's and little impact in the 1990's. It would not significantly enhance our national security or energy independence. It would not lower the current high world oil price or appreciably slow future price increases. Most important, it would not reduce our vulnerability to Iranian-type oil supply disruptions resulting from political instability * * *.

□ 1910

Mr. Speaker, Dave Stockman's 1979 analysis of the Synfuels Corporation is right on target. Allowing this Federal agency to waste $8 billion will not contribute to our Nation's energy security. It will only heighten our fiscal insecurity while filling the coffers of a few large energy corporations.

Again I must emphasize that I think that any deficit reduction that is not perceived as fair will be doomed to failure.

Mr. Speaker, I would hope that my colleagues would agree that any budget package that on the one hand seeks to eliminate $600 million from a program such as the Job Corps, designed to assist disadvantaged youth, while allowing $8 billion in corporate welfare to remain in the Synfuels Corporation is completely unfair. I think that Americans understand very clearly the dimensions of the deficit and economic crisis that is facing this country.

I know from my conversations with colleagues on both sides of the aisle that people in this Chamber certainly understand the dimensions of this crisis and the very difficult, very difficult decisions that remain to be made.

But, Mr. Speaker, let us not complicate that effort at addressing this profoundly difficult economic crisis by inserting something that is so patently unfair.

I hope my colleagues will join in the effort that the gentleman from Oklahoma [Mr. SYNAR] and I are making this year to once and for all put an end to this absolutely outrageous wasteful expense.

The taxpayers of America, our constituents, deserve better.

I thank the gentleman for yielding his time.

The material referred follows:

[From the Wall Street Journal, Feb. 28, 1985]

STOCKMAN CALLS $8 BILLION SYNFUELS FUND "WASTE" AT HOUSE BUDGET PANEL HEARING

(By Laurie McGinley)

WASHINGTON.—White House Budget Director David Stockman called the $8 billion program for synthetic fuels production a "waste," suggesting he'd welcome congressional efforts to end it.

Mr. Stockman, in an appearance before the House Budget Committee, agreed with assertions by Rep. Howard Wolpe (D., Mich.), that the synfuels program represented "corporate welfare." Rep. Wolpe, who wants to abolish the program, criticized the administration for proposing sharp domestic-spending cuts for fiscal 1986 when it hadn't asked Congress to rescind the $8 billion already appropriated for synfuels subsidies.

Mr. Stockman, a longtime opponent of the synfuels program, said the administration couldn't ask Congress to prune the program because of an agreement reached last September between the White House and congressional supporters of synfuel subsidies. At that time, congressional synfuels proponents agreed to reduce the size of the Synthetic Fuels Corp. fund by $5 billion, to about $8 billion. The administration, in return, promised to consider the matter closed and refrain from seeking further reductions in the program.

The budget director's remarks were part of a four-hour hearing characterized by repeated, and often heated exchanges between Mr. Stockman and committee members over President Reagan's fiscal 1986 budget proposals. Members of both parties criticized the administration on a wide variety of issues, from the massive defense buildup to proposed cuts in nutrition programs and plans to hire more Internal Revenue Service agents.

STOCKMAN'S FUTURE

Early in the hearing, Rep. Thomas Downey (D., N.Y.), asked Mr. Stockman about a news report that White House officials, upset by the budget director's outspokenness, would welcome his resignation. "Will you still be here April 15?" asked Rep. Downey. "I plan to be here," Mr. Stockman replied. "I have something to contribute, and I think that's recognized downtown." The budget committee is scheduled to complete work on the first House budget resolution by April 15.

Mr. Stockman created an uproar recently when he called the nation's military retirement program bloated and showed little sympathy for the plight of debt-ridden farmers. But White House spokesman Marlin Fitzwater said yesterday that, although chief of staff Donald Regan talked to Mr. Stockman about his remarks, he didn't request Mr. Stockman's resignation. And Mr. Fitzwater added that Mr. Stockman's comments about synfuels spending weren't likely to roil anyone in the White House since the administration has long questioned the need for spending large amounts of money on synfuel production.

'SLUSH FUND'

Several committee members attacked the administration for proposing drastic domestic-spending cuts for fiscal 1986 while increasing defense-spending authority to $313 billion. One of the sharpest exchanges occurred when Rep. George Miller (D., Calif.) claimed that reductions in child-nutrition programs and other programs for the needy have increased hunger and infant mortality. "That's not correct," shouted Mr. Stockman, contending that infant mortality was still declining, although at a slower pace.

Rep. Chet Atkins (D., Mass.) took issue with the administration's practice of using higher inflation projections for the Pentagon than for other government departments, saying it created a $2 billion "slush fund" for the military. Rep. Connie Mack (R., Fla.), who treated Mr. Stockman more gently than most of the other committee members, began his remarks by saying, "I don't think it's likely that Congress is going to support this administration's request on defense spending."

Neither Republicans nor Democrats will support it. Rep. Mack said.

IRS AGENTS

On another issue. Rep. William Goodling (R., Pa.) wanted to know why, given current budget constraints, the administration wanted to hire 5,000 more IRS agents. He said he was already getting complaints that agents was "harassing my constitutents." Mr. Stockman replied that the agents would be in the "collection, not harassment business," and that the increase revenue would more than pay for their salaries.

Separately, the nonpartisan Congressional Budget Office said that President Reagan underestimated the deficits contained in his recently released budget proposal.

If all of the President's proposals are adopted, the office estimated that the federal budget deficit in fiscal 1986 will reach $186 billion and will stay at or near that level for the rest of the decade. The president projected a deficit of $180 billion in fiscal 1986 declining to $165 billion in 1987, $144 billion in 1988 and $82 billion by fiscal 1990.

The differences occur mostly because the CBO's forecasts of economic performance are more pessimistic than the president's.

[From the New York Times, Feb. 28, 1985]

FUELS PROGRAM IS "A WASTE," STOCKMAN TELLS BUDGET PANEL

(By Jonathan Fuerbringer)

WASHINGTON, Feb. 27.—David A. Stockman, the Federal budget director, said today that the synthetic fuels program was a "waste" but that the Reagan Administration was not proposing to eliminate it because of a compromise last year in the Senate.

Mr. Stockman's testimony, before the House Budget Committee, illustrated the difficulty of cutting the Federal budget and the deals that powerful Democrats and Republicans can make with the Administration.

Meanwhile, Rudolph G. Penner, director of the Congressional Budget Office, told the Senate Appropriations Committee that there would be no decline in projected budget deficits in the rest of the decade even if all the President's spending reductions were passed by Congress.

CRITICISM OF PROGRAM

The Federal Government established the Synthetic Fuels Corporation in 1980 to encourage and help finance development of fuels from such resources as oil shale and coal. In recent years the corporation has had trouble finding commercially viable projects to underwrite and has been accused of mismanagement.

Mr. Stockman told the Budget Committee today that as recently as Feb. 6 he was called into the office of the Senate minority leader, Robert C. Byrd, Democrat of West Virginia, to reaffirm the Administration's commitment to a compromise on the program with its supporters in Congress. Under the compromise, Mr. Stockman said, the budget for the corporation was cut by just over $5 billion, leaving it with $8 billion that the Administration agreed not to try to cut.

The meeting with Mr. Byrd occurred the day that the new Secretary of Energy, John S. Herrington, was up for confirmation in the Senate, "so I though he was serious" about the compromise, Mr. Stockman said.

"My personal opinion is that even the $8 billion is a waste," Mr. Stockman said. Representative Howard Wolpe, Democrat of Michigan, agreed. He called the program "patently the most unjustified economic program in the entire Government" and said not cutting it made it hard to convince voters that the budget-cutting process was fair.

"You are wishing for something that won't happen," Mr. Stockman said. "There is still a bipartisan majority in the Senate that thinks this is the greatest thing since sliced bread." And he added, referring to the compromise, "I have to keep that deal, frankly."

Referring to Mr. Byrd and the House majority leader, Jim Wright of Texas, Mr. Stockman said: "If you can get Majority Leader Wright and Minority Leader Byrd to share our philosophical view on that, maybe something can be done."

STOCKMAN VOWS TO STAY ON

Mr. Stockman also told the committee that he intended to stay on the job despite reports that his sharp attacks on other budget items, such as military pensions, had caused some dissatisfaction in the White House. "I thought that we had had a change at the White House and all those people who used to live in the woodwork and make those kinds of quotes left," he said, apparently referring to critics of his performance. "Apparently one of them is still there."

But he added that "I plan to be here—I think I have something to contribute and I believe that is recognized" at the White House.

Asked about comments by Administration officials in recent days that Mr. Stockman had indicated a desire to leave, Larry Speakes, the White House spokesman, said: "We value David's hand in our Administration and highly value it. And I think virtually every member of Congress recognizes his ability, knowledge. And I don't know what his plans are for the moment."

IMPACT OF BUDGET ANALYSIS

The Congressional Budget Office's analysis of President Reagan's budget concludes that, even assuming relatively optimistic economic growth over the next several years, projected deficits will not decline even if Congress passes the President's package of budget cuts. This analysis could make the political votes tougher.

The President projects declining deficits because he assumes slightly stronger economic growth and a much sharper decline in interest rates than does the Congressional Budget Office.

Mr. SYNAR. I thank the gentleman from Michigan, my colleague, and also my classmate here in the House. It has been through his leadership over the last 2 years, and particularly in the last couple of weeks on the Budget Committee, that have renewed our efforts to once and for all rid the taxpayers from a $7.9 billion bill.

Today, along with the gentleman from Michigan [Mr. WOLPE] the gentleman from Missouri [Mr. GEPHARDT], and the gentleman from Pennsylvania [Mr. GRAY] we have cosigned a "Dear Colleague" letter asking for the abolishment of the Synfuels Corporation. I want to thank them for their efforts.

At a time, ladies and gentlemen, in this country when there can be no question that we will make tough choices, both politically and economically, for our farmers, for our children and for our elderly, we cannot overlook the opportunity to rid ourselves of the fraud and abuse and waste which exists in this Corporation.

Never have so few been given so much for so little. It is now time to give the taxpayers their due, which is the avoidance of spending an additional $7.9 billion on wasted projects.

I want to thank my colleague from Michigan [Mr. WOLPE] and all of those others tonight for the opportunity to address the American public on an opportunity to cut spending in a real way in future years.

ECONOMIC IMPACT OF ADMINISTRATION'S PROPOSED FEDERAL PAY CUT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MATSUI] is recognized for 10 minutes.

● Mr. MATSUI. Mr. Speaker, as an executive board member of the Federal Government Service Task Force, I appreciate this opportunity to present to my colleagues the national economic impact of the administration's proposal to cut Federal pay.

The task force has presented its analysis of how pay cuts have affected Federal employees for a decade. It has also shown how these effects continue and snowball during retirement. The losses to employees and retirees have been greater, I think, than most of us had imagined.

It seems clear that the effects of a 5-percent pay cut would have disastrous consequences for the quality of Federal service, since it would accelerate the downward spiral of pay that has robbed Federal employees of one-third of their purchasing power since 1969.

I hope that I can help put the nail in the coffin of this proposal by providing the House with an analysis of how serious the impact of a pay cut would be on our State and local economies. Therefore, I would like to briefly summarize the results of a table that I have prepared that provides just that analysis.

The total loss to all area economies is $1.8 billion. My home State of California would lose $226 million. Right here in the District, losses would come to $143 million. States that include regional centers such as Georgia would lose $60 million.

Local economies would also be hard hit. In my area, Sacramento, the loss would come to $18.7 million. At a time when a number of business economists have begun to warn us about a slow down in our economic recovery, the sums I am discussing have added significance.

I have provided copies of this analysis in this report.

I would also like to apply the point made by MIKE BARNES in his report to the House Subcommittee on Compensation and Employee Benefits on Feb-

ruary 26, 1985, about lowering the salary base—how these reductions continue to impact on employees year after year and apply my analysis of economic impact. If we were to cut the Federal salary by 5 percent, the impact of that single action would drain resources from our area economies for years to come.

Since such losses continue into retirement years, a precipitous pay cut would also heavily impact upon Federal retirees who live and participate in our area economies.

Therefore, Mr. Speaker, a pay cut would not only level a terrible blow on Federal employees and retirees, it would damage our area economies as well.

I would also like to take this opportunity to go on record against the proposed changes in our Federal retirement program for all of the reasons that have been presented.

In the past we have criticized the administration's proposal to switch our Federal Employees' Health Benefits Program to a voucher plan. I have found no reason to alter my position on that either. It is a plan that would penalize employees by reducing their ability to purchase health insurance over time. It would also ensure that they could purchase only reduced benefits.

Once again, Mr. Speaker, thank you for this opportunity to address my colleagues.

REGIONAL IMPACT OF 5 PERCENT PAY CUT

State and area	Loss to area
Alabama:	
Statewide	$43,953,500
Birmingham	5,824,350
Alaska: Statewide	11,987,300
Arizona: Statewide	26,954,600
Arkansas: Statewide	13,883,600
California:	
Statewide	226,676,000
Anaheim	8,601,080
Bakersfield	6,840,230
Fresno	4,943,300
L.A.-Long Beach	47,881,600
Modesto	474,075
Oxnard-V.E.	6,704,780
Riverside	11,987,300
Sacremento	18,692,100
Salinas	5,553,450
San Diego	29,324,900
San Francisco	45,714,400
San Jose	7,652,930
Santa Barbara	2,709,000
Santa Rosa	812,700
Stockton	3,521,700
Vallejo	10,294,200
Colorado:	
Statewide	34,810,700
Denver-Boulder	22,146,100
Connecticut: Statewide	14,831,800
Delaware:	
Statewide	3,589,430
Wilmington	2,979,900
District of Columbia:	
Statewide	143,103,000
SMSA	240,221,000
Florida:	
Statewide	65,625,500
Daytona Beach	541,800
Ft. Lauderdale	2,438,100
Ft. Myers	609,525,000
Gainsville	1,760,850
Jacksonville	10,158,800
Melbourne	3,792,600
Miami	10,497,400
Orlando	4,876,200
Pensacola	7,043,400
Tallahassee	812,700
Tampa-St. Petersburg	9,616,950
West Palm Beach	1,760,850
Georgia:	
Statewide	59,598,000
Albany	1,964,030
Athens	1,422,230
Atlanta	23,297,400
Augusta	5,688,900
Columbus	4,537,580
Macon	11,851,900
Savannah	1,896,300
Hawaii:	
Statewide	21,807,500
Honolulu	21,062,500
Idaho:	
Statewide	8,262,450
Boise City	2,505,830
Illinois:	
Statewide	71,517,600
Bloomington	0
Champaign	0
Chicago	44,766,200
Davenport	0
Decatur	0
Kankakee	0
Peoria	1,219,050
Rockford	0
Springfield	0
Iowa:	
Statewide	13,409,600
Cedar Rapids	677,250
Des Moines	3,589,430
Dubuque	203,175
Sioux City	677,250
Waterloo	338,625
Kansas: Statewide	17,879,400
Kentucky:	
Statewide	27,564,100
Owensboro	203,175
Louisiana:	
Statewide	23,365,100
Alexandria	1,896,300
New Orleans	9,955,580
Maine:	
Statewide	12,258,200
Lewiston	135,450
Portland	948,150
Maryland:	
Statewide	88,042,500
Baltimore County	36,097,400
Baltimore City	9,346,050
Massachusetts:	
Statewide	37,248,800
Boston	22,755,600
Brockton	1,760,850
Springfield	3,724,880
Michigan:	
Statewide	38,196,900
Ann Arbor	1,760,850
Battle Creek	2,912,180
Bay City	0
Benton Harbor	270,900
Detroit	20,927,000
Flint	1,015,880
Grand Rapids	1,354,500
Jackson	338,625
Kalamazoo	677,250
Lansing	1,964,030
Muskegon	270,900
Saginaw	880,425
Minnesota:	
Statewide	21,197,900
Duluth-Superior	880,425
Minneapolis-St. Paul	12,190,500
Rochester	270,900
St. Cloud	1,015,880
Mississippi:	
Statewide	18,556,700
Jackson	3,318,530
Missouri:	
Statewide	47,068,900
Kansas City	15,983,100
St. Joseph	406,350
St. Louis	25,667,800
Springfield	1,083,600
Montana:	
Statewide	8,465,630
Billings	0
Great Falls	0
Nebraska:	
Statewide	11,581,000
Lincoln	1,354,500
Omaha	5,824,350
Nevada:	
Statewide	6,907,950
Las Vegas	3,521,700
Reno	1,964,030
New Hampshire:	
Statewide	5,079,380
Manchester	1,422,230
Nashua	474,075
New Jersey:	
Statewide	49,845,600
Hackensack	2,234,930
Long Branch	7,788,380
New Brunswick	1,354,500
Newark	15,238,100
Patterson	1,354,500
New Mexico:	
Statewide	19,978,900
Albuquerque	8,533,350
Las Cruces	3,047,630
New York:	
Statewide	103,484,000
Albany	5,824,350
Binghampton	677,250
Buffalo	6,433,880
Elmira	338,625
Monroe	1,964,030
Nassau	12,529,100
N.Y.-NE. N.J.	96,169,500
NY-Nassau	68,266,800
N.Y. SMSA	55,737,700
New York City	51,064,700
5660	3,047,630
Rochester	3,318,530
Syracuse	2,844,450
Westchester	3,995,780
North Carolina:	
Statewide	34,065,700
Greensboro	2,709,000
Raleigh-D.	4,876,200
North Dakota:	
Statewide	6,501,600
Fargo-Moo	1,489,950
Ohio:	
Statewide	61,358,900
Cincinnati	9,075,150
Cleveland	13,138,700
Columbus	8,127,000
Dayton	17,947,100
Oklahoma:	
Statewide	33,456,200
Oklahoma City	19,233,900
Oregon:	
Statewide	20,114,300
Eugene	1,557,680
Portland	10,768,300
Salem	1,015,880
Pennsylvania	
Statewide	90,751,500
Allentown	1,354,500
Altoona	541,800
Delaware Valley	43,411,700
Erie	880,425
Harrisburg	7,314,300
Johnstown	744,975
Lancaster	880,425
N.E. Pennsylvania	6,230,700
Philadelphia County	49,913,300
Philadelphia City	35,691,100
Pittsburgh	11,716,400
Reading	744,975
Sharon	270,900
State College	270,900
Williamsport	270,900
York	3,724,880
Rhode Island:	
Statewide	6,230,700
Providence	4,063,500
South Carolina:	
Statewide	25,329,200
Charleston	13,138,700
Columbia	5,418,000
Greenville	1,219,050
South Dakota: Statewide	7,043,400
Tennessee:	
Statewide	43,750,400
Chattanooga	6,027,530
3660	3,183,080
Knoxville	5,756,630
Memphis	10,361,900
Nashville	6,230,700
Texas:	
Statewide	123,869,000
Abilene	948,150
Dallas-Fort Worth	23,500,600
Houston	15,305,900
San Angelo	609,525
San Antonio	25,523,300
Sherman-D.	203,175
Utah: Statewide	25,126,000
Vermont: Statewide	3,047,630
Virginia:	
Statewide	109,647,000
Bristol	338,625
Charlottesville	744,975
Danville	203,175
Lynchburg	406,350
Newport	11,648,700
Norfolk	25,871,000
Northern Virginia	47,746,100
Petersburg	3,115,350
Richmond	6,704,780
Roanoke	2,167,200
West Virginia:	
Statewide	10,294,200
Charleston	1,015,880
Huntington	1,693,130
Parkersburg	1,151,330
Wheeling	406,350
Wisconsin: Statewide	0
Wyoming: Statewide	0

REGIONAL IMPACT OF 5 PERCENT PAY CUT—Continued

State and area	Loss to area
Washington: Statewide	3,584,750
Total loss	1,792,380,000●

U.S. SCHOLARSHIP PROGRAM FOR DEVELOPING NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. WRIGHT] is recognized for 30 minutes.

● Mr. WRIGHT. Mr. Speaker, today, together with colleagues JIM COURTER, OLYMPIA SNOWE, DAN MICA, RALPH REGULA, DANTE FASCELL, ROBERT LAGOMARSINO, and MIKE BARNES, I am reintroducing legislation I sponsored last year. The U.S. Scholarship Program for Developing Countries Act (H.R. 1340) has far-reaching implications for our Nation's security and our people's future. Identical legislation is being introduced today in the other body by Senator CHARLES MATHIAS and a bipartisan group of cosponsors; including Majority Leader BOB DOLE.

The bill provides legislative flesh and blood to a key recommendation of the Kissinger Commission on Central America that the United States should provide scholarships to deserving students from that region. Having served as an adviser to the Commission, I am familiar with the thinking that went into that particular recommendation. The fundamental reasoning that supports providing scholarships to Central Americans also supports the concept, embodied in the bill we are introducing today, that the United States should provide financial assistance to deserving and promising students in other areas of the developing world.

This is not a controversial proposal. It has garnered bipartisan support. The bill was almost passed last year as part of the continuing resolution. Earlier, the Senate in fact did approve the bill as part of a supplemental appropriation measure. The Reagan administration has expressed its support for a scholarship program along the lines we propose. In fact, $14 million has been requested by the administration in fiscal year 1986 to support deserving students from Central America who want to study in the United States.

Our legislation does not require funding beyond that level already sought by the administration for developing country scholarships. We merely provide through this legislation specific legislative authority and program guidelines for Government-sponsored Central American scholarships and for students from other countries and regions. In effect, the Central American scholarships will give the administration the opportunity to implement the program in accordance with the guidelines and authorities we propose. Then, given support within the administration and in the Congress, we might be able to expand the scholarship program to other regions of the developing world.

A bipartisan consensus exists that vital United States interests are at stake in Central America. But where on earth are our interests not at stake? If there's political unrest in South America, we are affected. If there's economic distress in Africa, we are affected. If there's a crisis in Asia, we are affected. We cannot afford to ignore what's happening in any world region.

We live in a world that is constantly buffeted by an unending variety of crises and problems. Some difficulties demand immediate, short-term responses. Sometimes we must send emergency food assistance and medical supplies to help people caught in the terrible grip of famine. But what about the long term? That's what this scholarship bill addresses. It will help us bridge those cultural gaps that divide Americans from other people in the world. It will help to knock down walls of ignorance and misunderstanding that separate the peoples of the world.

By targeting low-income students in developing countries, the program we propose will send the world a clear message—America is a friend, not just of the economically well-off, but of those who come from poor families. This scholarship program is not needed because there are too few foreign students in America. That's not the issue. The question boils down to equity. Are there sufficient opportunities currently for less affluent students from developing countries to study in the United States? The answer, quite clearly, is "no." Those opportunities do not now exist. Foreign students in the United States tend to come from the wealthier families. They represent the economic elites of their home countries. And that fact, that skewing in favor of upperclass elites, hurts the United States over the long run. Here's the pattern in a nutshell: Rich students come to the United States; poor students go to Soviet-bloc countries on full scholarship. In 1982, for instance, some 37,000 Africans received an education in the Soviet Union and Eastern Europe completely at government expense. That same year, fewer than 3,000 Africans came to study in the United States under our Government's sponsorship.

In short, our scholarship bill does three things: First, it brings low-income students to the United States, thereby broadening the base of popular support the United States could have in developing countries; second, it counters to some extent the aggressive Soviet-bloc campaign to bring lower income students to study in their countries; third, it can help spur economic development and greater stability in developing countries. The United States has the best educational system in the world. We should do more to educate developing country students in subjects that are vital to development.

For the convenience of my colleagues, I am reprinting below the full text of the legislation.

H.R. 1340

A bill to provide for the education at United States institutions of higher education of certain students of limited financial means from developing countries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Scholarship Program for Developing Countries Act".

SEC. 2. STATEMENT OF PURPOSE.

The purpose of this Act is to establish an undergraduate scholarship program designed to bring students of limited financial means from developing countries to the United States for study at United States institutions of higher education.

SEC. 3. FINDINGS AND DECLARATIONS OF POLICY.

The Congress finds and declares that—

(1) it is in the national interest for the United States Government to provide a stable source of financial support to give students in developing countries the opportunity to study in the United States, in order to improve the range and quality of educational alternatives, increase mutual understanding, and build lasting links between those countries and the United States;

(2) providing scholarships to foreign students to study in the United States has proven over time to be an effective means of creating strong bonds between the United States and the future leadership of developing countries and, at the same time, assists countries substantially in their development efforts;

(3) study in United States institutions by foreign students enhances trade and economic relationships by providing strong English language skills and establishing professional and business contacts;

(4) students from families of limited financial means have, in the past, largely not had the opportunity to study in the United States, and scholarship programs sponsored by the United States have made no provision for identifying, preparing, or supporting such students for study in the United States;

(5) it is essential that the United States citizenry develop its knowledge and understanding of the developing countries and their languages, cultures, and socio-economic composition as these areas assume an even larger role in the world community;

(6) the number of United States Government-sponsored scholarships for students in developing countries has been exceeded as much as twelve times in a given year by the number of scholarships offered by Soviet-bloc governments to students in developing countries, and this disparity entails the serious long-run cost of having so many of the potential future leaders of the developing world educated in Soviet-bloc countries;

(7) an undergraduate scholarship program for students of limited financial means from developing countries to study in the United

States would complement current assistance efforts in the areas of advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities; and

(8) the National Bipartisan Commission on Central America has recommended a program of 10,000 United States Government-sponsored scholarships to bring Central American students to the United States, which program would involve careful targeting to encourage participation by young people from all social and economic classes, would maintain existing admission standards by providing intensive English and other training, and would encourage graduates to return to their home countries after completing their education.

SEC. 4. SCHOLARSHIP PROGRAM AUTHORITY.

(a) IN GENERAL.—The President, acting through the United States Information Agency, shall provide scholarships including partial assistance, for undergraduate study at United States institutions of higher education by citizens and nationals of developing countries who have completed their secondary education and who would not otherwise have an opportunity to study in the United States due to financial limitations.

(b) FORM OF SCHOLARSHIP; FORGIVENESS OF LOAN REPAYMENT.—Scholarships pursuant to this section shall be in the form of grants and loans. To encourage students to use their training in their countries of origin, half of each payment to a student shall be in the form of a loan with repayment to be forgiven upon the student's prompt return to his or her country of origin for a period of no less than the equivalent of the years spent studying in the United States plus one.

(c) CONSULTATION.—Before allocating any of the funds made available to carry out this Act, the President shall consult with United States institutions of higher education, educational exchange organizations, United States missions in developing countries, and the governments of participating countries on how to implement the guidelines specified in section 5.

(d) DEFINITION.—For purposes of this Act, the term "institution of higher education" has the same meaning as given to such term by section 1201(a) of the Higher Education Act of 1965.

SEC. 5 GUIDELINES.

The scholarship program under section 4 shall be carried out in accordance with the following guidelines:

(1) Consistent with section 112(b) of the Mutual Educational and Cultural Exchange Act of 1961, all programs created pursuant to this Act shall be nonpolitical and balanced, and shall be administered in keeping with the highest standards of academic integrity.

(2) United States missions shall design ways to identify promising students who are in secondary educational institutions, or who have completed their secondary education, for study in the United States. In carrying out this paragraph, the United States mission in a country shall consult with Peace Corps volunteers and staff assigned to that country and with private and voluntary organizations with a proven record of providing development assistance to developing countries.

(3) United States missions shall develop and strictly implement specific economic need criteria. Scholarships under this Act may only be provided to students who meet the economic need criteria.

(4) The program shall utilize educational institutions in the United States and in developing countries to help participants in the programs acquire necessary skills in English and other appropriate education training.

(5) Each participant from a developing country shall be selected on the basis of academic and leadership potential and the economic, political, and social development needs of such country. Such needs shall be determined by each United States mission in consultation with the government of the respective country. Scholarship opportunities shall emphasize fields that are critical to the development of the participant's country, including agriculture, civil engineering, communications, social science, education, public and business administration, health, nutrition, environmental studies, population and family planning, and energy.

(6) The program shall be flexible in order to take advantage of different training and educational opportunities offered by universities, postsecondary vocational training schools, and community colleges in the United States.

(7) The program shall be flexible with respect to the number of years of undergraduate education financed but in no case shall students be brought to the United States for a period less than one year.

(8) Adequate allowance shall be made in the scholarship for the purchase of books and related educational material relevant to the program of study.

(9) Further allowance shall be made to provide adequate opportunities for professional, academic, and cultural enrichment for scholarship recipients.

(10) The program shall, to the maximum extent practicable, offer equal opportunities for both male and female students to study in the United States.

SEC. 6. AUTHORITY TO ENTER INTO AGREEMENTS.

The President may enter into agreements with foreign governments in furtherance of the purposes of this Act. Such agreements may provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purposes of administering programs under this Act.

SEC. 7. POLICY REGARDING OTHER INTERNATIONAL EDUCATIONAL PROGRAMS.

(a) AID-FUNDED PROGRAMS.—The Congress urges the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961, in implementing programs authorized under that part, to increase assistance for undergraduate scholarships for students of limited financial means from developing countries to study in the United States at United States institutions of higher education. To the maximum extent practicable, such scholarship assistance shall be furnished in accordance with the guidelines contained in section 5 of this Act.

(b) USIA-FUNDED POSTGRADUATE STUDY IN THE UNITED STATES.—The Congress urges the Director of the United States Information Agency to expand opportunities for students of limited financial means from developing countries to receive financial assistance for postgraduate study at United States institutions of higher education.

(c) STUDY BY AMERICANS IN DEVELOPING COUNTRIES.—The Congress urges the President to take such steps as are necessary to expand the opportunities for Americans from all economic classes to study in developing countries.

SEC. 8. ESTABLISHMENT AND MAINTENANCE OF COUNSELING SERVICES.

(a) COUNSELING SERVICES ABROAD.—For the purpose of assisting foreign students in choosing fields of study, selecting appropriate institutions of higher education, and preparing for their stay in the United States, the President may make suitable arrangements for counseling and orientation services abroad.

(b) COUNSELING SERVICES IN THE UNITED STATES.—For the purposes of assisting foreign students in making the best use of their opportunities while attending United States institutions of higher education, and assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements (by contract or otherwise) for the establishment and maintenance of adequate counseling services at United States institutions of higher education which are attended by foreign students.

SEC. 9. BOARD OF FOREIGN SCHOLARSHIPS.

The Board of Foreign Scholarships shall advise and assist the President in the discharge of the scholarship program carried out pursuant to this Act, in accordance with the guidelines set forth in section 5. The President may provide for such additional secretarial and staff assistance for the Board as may be required to carry out this Act.

SEC. 10. GENERAL AUTHORITIES.

(a) PUBLIC AND PRIVATE SECTOR CONTRIBUTIONS.—The public and private sectors in the United States and in the developing countries shall be encouraged to contribute to the costs of the scholarship program financed under this Act.

(b) UTILIZATION OF RETURNING PROGRAM PARTICIPANTS.—The President shall seek to engage the public and private sectors of developing countries in programs to maximize the utilization of recipients of scholarships under this Act upon their return to their own countries.

(c) PROMOTION ABROAD OF SCHOLARSHIP PROGRAM.—The President may provide for publicity and promotion abroad of the scholarship program provided for in this Act.

(d) INCREASING UNITED STATES UNDERSTANDING OF DEVELOPING COUNTRIES.—The President shall encourage United States institutions of higher education, which are attended by students from developing countries who receive scholarships under this Act, to provide opportunities for United States citizens attending those institutions to develop their knowledge and understanding of the developing countries, and their languages and cultures, represented by those foreign students.

SEC. 11. ENGLISH TEACHING, TEXTBOOKS, AND OTHER TEACHING MATERIALS.

Whenever adequate facilities or materials are not available to carry out the purposes of paragraph (4) of section 5 in the participant's country and the President determines that the purposes of this Act are best served by providing the preliminary training in the participant's country, the President may (by purchase, contract, or other appropriate means) provide the necessary materials and instructors to achieve such purpose.

SEC. 12. REPORTING REQUIREMENT.

Not later than one year after the date of enactment of this Act, and at intervals of one year thereafter, the President shall submit to the Congress a report on activities

carried on and expenditures made pursuant to this Act.

SEC. 13. FUNDING OF SCHOLARSHIPS DURING FISCAL YEARS 1986 AND 1987.

(a) CENTRAL AMERICAN UNDERGRADUATE SCHOLARSHIP PROGRAM.—The undergraduate scholarship program financed by the United States Information Agency for students from Central America for fiscal year 1986 and fiscal year 1987 shall be conducted in accordance with this Act.

(b) SCHOLARSHIPS FOR STUDENTS FROM OTHER DEVELOPING COUNTRIES.—Any funds appropriated to the United States Information Agency for fiscal year 1986 or fiscal year 1987 for any purpose (other than funds appropriated for educational exchange programs under section 102(a)(1) of the Mutual Educational and Cultural Exchange Act of 1961) may be used to carry out this Act with respect to students from developing countries outside Central America.

SEC. 14. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT.

Any authority provided by this Act to enter into contracts shall be effective only—

(1) to the extent that the budget authority for the obligation to make outlays, which is created by the contract, has been provided in advance by an appropriation Act; or

(2) to the extent or in such amounts as are provided in advance in appropriation Acts.●

BLACK HISTORY MONTH

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Tennessee [Mr. FORD] is recognized for 60 minutes.

Mr. FORD of Tennessee. Mr. Speaker, this month has been set-aside in commemoration of the celebration of Black History Month—a celebration of the outstanding achievements and contributions made by black Americans. We celebrate Black History Month to afford all Americans the opportunity to learn, appreciate, and most importantly to respect the role of the black American in the shaping of our Nation.

Black Americans have played a vital part in the building of our Nation. The story of black America is one of valor in the face of hardships, courage in the storm of injustice, and faith in the wake of defeat. The first blacks were brought to this country against their will—castigated, ostracized, and even brutalized, yet were able to remain a strong people. Until only a few decades ago black Americans lived their lives separate and unequal. Blacks were barred from most public facilities and even made to drink at separate water fountains. In a Nation that proclaimed liberty and justice for all, black Americans were living with neither.

These events are significant in our lives and should foster a sense of pride among us—a sense of pride that enables us not to lament on what has been done to us but rather to take pride in our many accomplishments.

Initiated in 1926 by the great historian Carter G. Woodson, the celebration and commemoration of black history was observed for 1 week. One week was not sufficient to acknowledge the contributions of so many talented Americans and the week was extended to 1 month. However, to tell the whole story would take an entire lifetime. This is why black history should be acknowledged 365 days a year.

This month we remember great leaders like Dr. Martin L. King and Malcolm X, great barristers like Charles Hamilton Houston and William Hastie, great physicians like Daniel Williams and Charles Drew. We also honor black musicians who combined elements of African and Western music to produce what has come to be known as jazz. We honor those who have given their lives in the protection of their countries security—from Crispus Attucks to "Chappie James," the first four-star general in the Air Force.

It would be impossible for me to name all the great black Americans who have contributed in the areas of art, education, religion, medicine, politics, and a host of other areas. However, it is important that we learn more of our past and move forward into an era where the contributions of all our people are recognized as a part of the American heritage.

As Black History Month comes to a close, let us reflect on the achievements and contributions that black Americans have made to this country. As we look to our past and learn from those events, let us also look to our future and to our continued progress.

Mr. Speaker, let me share with the Members the following remarks of my good friend and colleague, the gentleman from Ohio [Mr. STOKES]:

REMARKS OF CONGRESSMAN LOUIS STOKES OF OHIO ON BLACK HISTORY MONTH

Mr. STOKES. Mr. Speaker, February is Black History Month. This month, we are celebrating the important contributions of black Americans to the development of this Nation. In the arts, education, the sciences, health care, technology, politics, and other areas, the contributions are limitless.

Black Americans have a rich history. That history is inextricably woven into the history of America. Until recently, historians either left black Americans out of the history books or grossly diminished their importance. But, black Americans can never be left out of America's history. Black people are America's history.

The late Dr. Carter G. Woodson, founder of the Association for the Study of Negro Life and History knew that.

Dr. Woodson said, "The achievements of the negro properly set forth will crown him as a factor in human progress and a maker of human civilization."

In 1926, Dr. Woodson proposed the idea of commemorating the achievements of black Americans each year. First observed as Negro History Week, the observance was changed and expanded in 1976 to Black History Month.

There is no single area in the history of America that is void of contributions by black Americans.

When we stop to think about American military heroes, surely we must think of black Americans.

Five thousand blacks fought in the American Revolutionary War. Crispus Attucks, a black man, was one of the first soldiers killed in that war.

Dorey Miller, a mess steward in the segregated U.S. Navy, saved his fellow crew members from certain death on the battleship U.S.S. *West Virginia* docked at Pearl Harbor. When the Japanese began their surprise attack on Pearl Harbor, Dorey Miller came up from the mess hall, manned artillery and singlehandedly shot down two Japanese airplanes.

Today, the branches of the military are no longer segregated. Black Americans can point, with pride, to such distinguished black military leaders as four-star Gen. Roscoe Robinson, Jr., and Lt. Col. Guy Bluford, the first black astronaut to fly in space abroad the space shuttle, *Challenger.*

Black Americans have been champions of freedom both on and off of the battlefield. When we think about the struggle for the conscience of America, surely we have to think of people like Sojourner Truth, Nat Turner, Harriet Tubman, Frederick Douglass, and Dr. Martin Luther King, Jr.

Sojourner Truth and Nat Turner worked to free their black brothers and sisters in slavery. Harriet Tubman helped to free over 300 slaves via the underground railroad. Tubman often told slaves—you will be free or you will die. Frederick Douglass, former slave, orator, writer, and abolitionist, said, "Without struggle, there is no progress—and power concedes nothing without demand—it never did and it never will."

Dr. Martin Luther King, Jr., the premiere advocate for black people in America, said, "Once an oppressed people rise up, there is no stopping short of full freedom." Dr. King was the champion of the civil rights movement in the 1950's and 1960's and the conscience of America. Armed only with his principle of nonviolence, Dr. King liberated America from bigotry and racism.

As we talk about the greatness of America in the arts, we cannot overlook black Americans.

Phyllis Wheatly, a black woman born in the 18th century, was among the first black poets. During the exciting period known as the Harlem renaissance, the names Countee Cullen, Langston Hughes, Arna Bontemps, and Ralph Ellison became synonymous with literary genius. Today,

James Baldwin, Maya Angelou, Toni Morrison, and Alex Haley are a few of America's celebrated writers.

In the visual arts, great black painters such as Hale Woodruff, Romare Bearden, and Jacob Lawrence contributed to the artistic greatness of America. Photographer James van der Zee has been acclaimed aroung the globe as one of the greatest photographers ever to have lived.

In the world of entertainment, black musicians, singers, dancers, and actors pushed America to an unequal pinnacle of excellence.

W.C. Handy, Cab Calloway, and Louis Armstrong helped cultivate jazz as a true American musical form. The great tap dancer, Bill "Bojangles" Robinson, taught young Shirley Temple how to dance. She was a star but Bill Robinson made her one. The Alvin Ailey Dance Troupe, the Dance Theater of Harlem, and even Michael Jackson continue in Bill Robinson's tradition with their show-stopping performances.

Marian Anderson, Paul Robeson, Leontyne Price, Nat King Cole, Nancy Wilson, Billy Eckstine, Lena Horne, and many many others, have been and still are the foundation of the entertainment segment of America. If there were no black entertainers, there probably would be no American entertainment at all.

Mr. Speaker, the sports world is the same way. From Jackie Robinson to Walter Payton, to Arthur Ashe to Muhammad Ali to Althea Gibson to Edwin Moses, black Americans have excelled in all sports.

The excellence and creativity of black Americans also extends to inventions, scientific technology, and medicine.

The expression, "the real McCoy" came from Elijah McCoy, a black inventor. Benjamin Banneker was a scientist, producer of the first almanac and surveyor of the street plans for our Nation's capital. Norbert Rillieus revolutionized the refining of raw sugar in the 1840's and some 40 years later, Granville T. Woods patented many electrical and railroad devices.

Matthew Henson, a black man, was a member of the Admiral Peary expedition to the North Pole. Henson was the first man to stand, literally, on top of the world. Henson did the work. Until recently, Peary was given all the credit.

The world owes a great debt to Dr. Daniel Hale Williams, a black physician, who performed the first open heart surgery. Dr. Charles Drew developed the first blood plasma bank which saved numerous lives and enabled hospitals to store blood for longer periods of time. Ironically, Charles Drew died because, as a black man, he was not allowed in the nearest hospital because they did not treat blacks.

And finally, Mr. Speaker, when you talk about the strength of the American Government, none of us in this Chamber has to look very far to note the contributions of black Americans.

In 1870, Hiram Revels and Joseph Rainey became the first black men elected to the Congress. Revels was elected to the Senate from the State of Mississippi and Rainey was elected to the House of Representatives from South Carolina. Prior to 1900, 22 black men sat in the Congress of the United States. Before the turn of the century, all of the black legislators came from below the Mason-Dixon line.

Only a total of three blacks have served in the U.S. Senate. The only one to serve during the 20th century was former Massachusetts Senator Edward Brooke.

Today, there are 20 black Members in the House of Representatives.

I could go on and on all afternoon talking about other great black Americans such as Mary McLeod Bethune—distinguished educator, Maggie Lena Walker—bank organizer, and A. Philip Randolph, founder of the Brotherhood of Sleeping Car Porters. Countless black Americans have helped make America great.

I am thankful this afternoon, that the late Dr. Carter G. Woodson initiated the annual observance in honor of the history of black Americans. I will be even more pleased when we acknowledge the monumental contributions of black Americans to the history of this Nation not only during the 28 days of February but every day.

Mr. Speaker, I ask that all Members be granted 5 legislative days to revise and extend their remarks on this special order.

● Mr. LELAND. Mr. Speaker, as chairman of the Congressional Black Caucus, it is a particular honor for me to join my colleagues here today in commemorating the numerous and diverse accomplishments of black Americans.

Whether in the field of politics, the arts, medicine, science, academia, journalism or athletics, black Americans have continually excelled.

Since 1926 when Carter G. Woodson proposed the idea for a national commemoration of black achievements, the world has come to marvel and appreciate the great accomplishments of black Americans. Included in the almost endless list of black American contributors to the well-being of society are the following: In politics and social growth, Dr. Martin Luther King, Jr. and James Farmer; the writings of Lorraine Hansberry, Richard Wright, and James Baldwin; the music of Marian Anderson, Nat King Cole, and Ella Fitzgerald; the athletic accomplishments of Jesse Owens, Joe Lewis, and Arthur Ashe; and in the field of medicine, the life-saving work of Dr. Daniel Hale Williams, who completed the first successful heart surgery.

I am particularly proud of the many accomplishments by my fellow Texans such as Congresswoman Barbara Jordan, the artistry of Dr. John Biggers, the work of Ms. Beneva Williams who was the first person to file a lawsuit to integrate schools in Texas, Ms. Volly Bastine, the first black woman to serve on the Texas State Board of Education, and, of course, the anonymous black author of the song, "The Yellow Rose of Texas."

This past year, particularly, has demonstrated to the world the many talents and accomplishments of modern-day black history makers: From astronaut Guy Buford's space shuttle flight to the Reverend Jesse Jackson's trailblazing bid for the Democratic Presidential nomination to Carl Lewis' Olympic Gold Medal strike to the unparalleled dedication shown by Mary Futrell toward the improvement of American education.

Black History Month commemorates the vast accomplishments by black Americans once a year. However, black Americans achieve every day of the year. We have accomplished so much—and I am proud to say that we have just begun to tap the surface of talent in black America. Thank you.●

● Mr. CLAY. Mr. Speaker, February is Black History Month. It is too often a most difficult task to satisfactorily explain why it is necessary to set aside a day, a week, or a month to reflect and celebrate the importance of specific events in the history of black people.

Dr. Carter Woodson, a renowned historian, originally argued for a Black History Week to be celebrated from Lincoln's birthday through Frederick Douglas' birthday in February. Later it was expanded to include the entire month. Today, the purpose of Black History Month is to familiarize all people with the important contributions black Americans have made to our Nation's growth and prosperity.

It has only been within the last 20 years that any semblance of factuality has begun to replace mythology. Still there's a millennium to go before we purge our history books of the gross inaccurate descriptions purported to be chronicles of time, places, and events. Glaring commissions and conspicuous distortions render the average person incapable of discerning the worthwhile contributions of black Americans.

With that as the backdrop, let's take a birdseye view of blacks in the history of this country. The American economy is competitive in the world markets because of many inventions by blacks. We became the most successful whalers on the face of the Earth because Louis Temple, a black man, invented the whaling harpoon. The shoe last, invented by another black Ameri-

can, made it possible to make shoes by machine instead of by hand, and thus enabled the New England States to become the shoe capital of the world.

The first successful open-heart surgery was performed by Daniel Hale Williams, a black doctor at Cook County Hospital in 1893. Blood plasma, which saved millions of lives during World War II, was developed by Charles Drew, a black man from Washington, DC. A black was responsible for the subway train systems. Augustus Jackson of Philadelphia, a black, invented ice cream. Blacks are also responsible for the paper bag, the gas mask, the electric light signal, instant coffee, and the phrase "it's the real McCoy" refers to a black man, the great Elijah McCoy who has too many inventions to start naming.

The first person to set foot on the North Pole was not Robert Peary as most think, but a black man, Matthew Henson. Most think the first blacks to arrive in this country came on slave ships. The truth is that blacks landed in South Carolina in 1526 with Spanish explorers. Even before then, they arrived with Columbus in 1492. Three ships, the Nina, Pinta, and Santa Maria were in that mission. The captain of the Nina was a black man.

I am sure that most of us know that Dr. Martin Luther King was the youngest person ever to win the Nobel Peace Prize. But how many of us know that another black man, Ralph Bunche, won it in 1950. We know that Benjamin Banneker, a black man, preserved and implemented the plans for the District of Columbia. All of us are familiar with the works of George Washington Carver. But do we know enough about black people to really evaluate and appreciate what we have done for this country?

Totally erasing blacks from our history books seems like an incredible, impossible feat, but it has happened. There's no mention of our dying at the Alamo with Jim Bowie and Colonel Travis; never acknowledged are the many black minutemen who defended Concord; a black was the first settler in the city of Chicago; two blacks were with George Washington when he crossed the Delaware; blacks were with Teddy Roosevelt in Cuba, Patton in Europe, and McArthur in the Pacific. We have fought for this country on the battlefields and now must fight to reflect our accomplishments on the printed pages.

The long fight to have Martin Luther King, Jr.'s birthday declared a national holiday highlights the need for a Black History Month. Those opposed to this holiday saw no contradiction in celebrating Columbus Day or George Washington's birthday, but to set-aside a day in honor of a Nobel Peace Prize winner, perhaps the greatest champion for social justice in American history, somehow seemed a compromise of the intrinsic values of our democratic system. Black History Month was conceived precisely because that attitude is all too pervasive in our society.●

● Mr. MITCHELL. Mr. Speaker, I am proud to join my colleagues as we commemorate Black History Month. This is a time to reflect upon the past accomplishments of blacks and look forward toward new challenges. It is also a time to remember Dr. Carter G. Woodson and his efforts to establish a period of observance for our history. Dr. Woodson articulated the fact that blacks have made significant contributions in the development of this country and should be recognized for it. He feared that without a specific period of observance, our contributions would be obscured, belittled, or forgotten.

During the past month we have honored those persons who have made significant contributions to our history, such as Charles Drew who pioneered research in blood transfusions and Percy Lavon Julian who was the first to synthesize synthetic cortisone. We honored the courageous efforts of Harriet Tubman and Sojouner Truth to transport slaves North where they could be free. We honored the musical achievements of Duke Ellington and Leontyne Price. These are but a few examples of the thousands that document the achievements of black history makers of the past.

We also paid tribute to our most recent historical achievements. After years of trying, through perservance, a public law was passed which designates January 20, 1986 as the first observance of the Federal legal holiday honoring Dr. Martin Luther King, Jr.; Col. Guy Buford became the first black astronaut to travel in space; blacks dominated the Olympic games, highlighted by Carl Lewis tying Jesse Owen's record of winning four gold medals; and Jesse Jackson became a credible black Presidential candidate and a major force in the effort to involve blacks and other minorities in the political process, amassing support from a "rainbow coalition."

We have a lot to be proud of, however, there is much left undone. We have not yet reached social or economic parity. Last year, 9.9 million black Americans—nearly 36 percent of the black population fell below the poverty level. Black unemployment rose as high as 16 percent, two to three times that of white unemployment levels. Black higher educational institutions are continually struggling for financial security while bombarded with severe budget cuts. The Supreme Court's unprecedented interpretation of title IX of the 1972 Education Act Amendments in Grove City College versus Bell, which undermines Congress' original intention to prohibit discrimination in federally funded educational institutions has yet to be overturned.

So as we complete our observance of Black History Month, we should renew our pledge to meet the challenge of fighting racial injustice. We should also pledge to continue in our history making quests and avail America of our knowledge and skills. Ours is not an easy road but it can be traveled. The wall placed before us is high, but it can be climbed. Although discrimination is still existent today, even in the highest echelons of our society we will take heart in knowing that we will strive for social and economic parity until the battle is won.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join my colleagues in commemorating Black History Month. This is a time for all Americans to recognize the countless contributions that blacks have made to this country.

Blacks have contributed to every phase of American society. Dr. Daniel Hale Williams performed the first successful open heart surgery. Dr. Charles Richard Drew developed techniques for separating and preserving blood and blood plasma. These techniques were responsible for saving hundreds of thousands of lives during World War II. Crispus Attucks was the first patriot to die for freedom in the Boston Massacre, which sparked the American Revolutionary War. Garrett A. Morgan invented the gas mask and the traffic light. George Washington Carver developed more than 300 products from the peanut and 100 products from the sweet potato.

The accomplishments of blacks in my district range from Joseph Cinque's in the 1800's to Florence Sinclair Virtue's in the 1900's. Under the leadership of Cinque, a successful mutiny occurred aboard the Spanish slave ship *L'Amistad* in New Haven's harbor. To blacks in my community, this mutiny symbolizes the centuries-long struggle for freedom of blacks in America. The late Mrs. Virtue, whose granddaughter Sandra Elaine Dixon works in my Washington office, was a dedicated community worker and an outstanding human being. Mrs. Virtue came to New Haven in 1917 and worked tirelessly in the community until her death last year. Her most noted work was with the United Church of Christ of which she was a longstanding member. In 1965 when the church built a housing project it named it after her in honor of her dedication and outstanding work in the community.

My district observed Black History Month through a wide variety of activities. The 165th anniversary of the United Church of Christ was observed by a special presentation titled the "Historical Perspective of Dixwell Church" at the New Haven Colony Historical Society. It included videotapes, music, and readings. The New

Haven chapter of the Coalition of Concerned Citizens held its Fifth Annual Black Achievement Awards Ceremony. The program paid tribute to Dr. Martin Luther King, the dream and the dreamer. The Connecticut Afro-American Historical Society featured outstanding jazz musicians within the greater New Haven area with "An Evening of Jazz" at the Southern Connecticut State University. The Chi Omichron chapter of the Omega Psi Phi Fraternity held an achievement breakfast. The Omega Man of the Year Award went to Lorenzo Evans. Mr. Evans is a photographer with the New Haven Register. The Citizens of Year Award went to Eleanor Boyd and Reginald Mayo. Ms. Boyd is the principal of Lincoln-Bassett Grammar School, and Mr. Boyd is the director of middle schools for the board of education.

I had the honor of personally attending the Afro-American Art Exhibit at the Governor's residence. The exhibit featured "Selections from the Randolph Lansley Simpson Collection of Afro-Americana." I also had the honor of speaking at the 165th anniversary of the United Church of Christ.

As Black History Month ends this year, I am pleased to be able to reflect on the contributions black Americans have made to this country. Black History Month is not only a celebration of the past but an inspiration for the future.●

● Mr. DELLUMS. Mr. Speaker, Black History Month is the time of year when blacks in America take time out to reflect upon their accomplishments through the years. Indeed, more than just a time for reflection, it is a time for recommital. It is a time when we become aware of the tremendous tasks which lie ahead. It is a time which calls for the rededication of one's self to carry the struggle forward. Frederick Douglass himself said, "there must be a struggle * * * no struggle, no progress."

In 1984 it was a year of struggle as much as it was a year of progress. It was a year in which we not only witnessed but participated in the gallant Presidential campaign of the Reverend Jesse Jackson. His bid for the highest office in the land and his conduct in that regard cannot help but stimulate pride in every black man, woman, boy, and girl in America, and indeed, throughout the world. The Jackson effort represents the affirmation of a people's commitment to transcend the barriers of race, consciousness and class.

Reverend Jackson distinguished himself from the many contenders for that office. He proved that a black American Presidential candidate is capable of addressing the persistent crises of American society. He did so by proving himself to be representative of today's American reality. Only when we are prepared to face reality can we offer a realistic program for the future.

He offered a vision of what American society could become. A society of conscience; of compassion, hope, and vision; a society that strives for peace; one that is neither interventionist nor militaristic; a society that shares its abundance with the world's poor and needy as opposed to the few and greedy. This vision of American society is fundamentally distinct from those espoused by the administration, and is uniquely compatible with the constitutional tradition of our Nation. This vision of America can only be attained if we as Members of the Congress possess the courage to face the realities of our society.

Simultaneously, however, Mr. Speaker, while we rejoice in those accomplishments and projects; our dreams and aspirations, we are stunned by that which surrounds us: Apartheid in the Republic of South Africa continues to be a source of international disgrace.

Perhaps even more disgraceful are those in this society who would act to bolster constitutionally enshrined racism which is what apartheid is. I salute the efforts of those, black and white, who in recent months have taken action to signal the authorities of apartheid South Africa that the people of the world will not rest until those policies are obliterated from the land.

While apartheid continues to present a challenge, even more challenging is the hunger crisis which runs rampant in Africa south of the Sahara. I am particularly proud of fellow Americans, acting both privately and publicly, to help to alleviate this disaster of epidemic proportions. A tremendous challenge lies ahead and will demand even greater contributions on our part. Additionally, while we act to bring relief in Africa, we should be careful not to overlook hunger here in America. Frankly, if the hunger crisis in Africa is an affront to humanity, the pervasiveness of hunger in American society is a moral approbation and demands our immediate action as well.

Mr. Speaker, an October 1984 report compiled by the Center on Budget and Policy Priorities, brings to light some of the most startling effects of the Reagan administration's first term of office. Through this report we have come to learn that 4 years of Reaganism left black Americans with less disposable income than any proceeding period since the time of the Great Depression. That between 1980-83, "the income of the typical black family fell by 5.3 percent." That in 1983 "one out of every three black Americans—35.7 percent, lived in poverty." That a whopping "46.7 percent of all black children" exist in a state of persistent poverty.

"From 1980 to 1983, the white poverty rate rose from 10.2 percent to 12.1 percent * * * [that], [f]or blacks, * * * the poverty rate rose from 32.5 percent to 35.7 percent." By implication, the report shows that there is an appalling disparity in the incidence of poverty among blacks. More importantly however, this report shows an overall increase in the rate of poverty, for blacks as well as whites, to a disturbingly high rate of approximately 5.1 percent. I could go on and on citing the devastating impact that 4 years of Reaganism have had upon black America. I am of the opinion that the revelation of this statistical data provides a basis for widespread concern. However, of even greater concern is the possible impact of "4 more years" of Reaganism.

I challenge you, all of you my colleagues, to join me and rededicate your commitment to the love and service of humanity. If there were ever a time in the recent history of this Nation that elected officials, men and women, Democrats and Republicans, conservatives and liberals, were called upon to rededicate themselves to the service of humanity, such a time is now. We must resist the development of the national security state and the irrationality of militarism. We must commit ourselves to seek solutions which are firmly grounded in realism and sanity.

The world's pressing social and economic problems cannot be solved through the further development of weapons of destruction. The problems of blacks, as well as those of poor whites, cannot be solved by complacency and indifference. Peace will not be attained and further maintained through militarism. If we are to be true to the concept advanced by Carter G. Woodson, when he laid the foundation for what is now celebrated as Black History Month, we will come to understand that we must first commit ourselves to ensuring that society's finite resources are expended in such ways that human beings are allowed to develop to the fullest of their potential. Without such commitments on our part, the celebration of Black History Month can hardly be viewed as anything but an empty gesture.

In my statement to this body last year, I presented a picture of an American society, a picture which is very real for the great majority of Americans. Then I stated:

> The black experience in the United States offers the best telescopic view of a democracy that has failed to practice what it preaches.

When I made that statement, I was making specific reference to the plight of blacks in American society. Yet, it is very clear that such a reality is not

unique to blacks. Instead, it speaks to all of America's poor, black and white. Today, I would love to come to you and say that my observations were incorrect. Indeed, I would even have preferred that the situation had shown some improvement. The sad reality, however, is that I an unable to do so.●

● Mr. DE LUGO. Mr. Speaker, in February of each year we pause to note the role of blacks in the history of this country. In anticipation of the day when the contributions made by blacks will be fully recognized in the collective history of the United States, I join in today's special order to bring to the attention of my colleagues a few of the contributions made by blacks in the U.S. Virgin Islands.

I first call to mind Edward Wilmoth Blyden, who left the Virgin Islands to go to school on the mainland. Disillusioned with the racism he found there, Blyden went on to Liberia where he served as professor and later as president of Liberia College. Mr. Blyden became Liberia's Secretary of State and its Minister of the Interior. He also served as that country's Ambassador to the Court of St. James, a post he held in 1877.

Another Virgin Islander, Alton Adams, Sr., was the first black Navy bandmaster in the United States. He served during World War I as part of the first black unit allowed to serve in this country's Navy.

Terence Todman is U.S. Ambassador to Denmark. Prior to his current post, this Virgin Islander served as the U.S. Ambassador to Spain. In that position, Ambassador Todman negotiated the first post Franco treaty between this country and Spain. He is the top ranking black diplomat at the Department of State, recently referred to by the Deputy Undersecretary as "the very best we have to offer in the foreign service of the United States." In 1969, when Ambassador Todman was appointed U.S. Ambassador to Chad, he was the youngest ambassador ever appointed up to that point in our history.

Enid Baa is responsible for the development of the Virgin Islands library service, including the effort made to preserve Virgin Islands history and culture. This contribution is particularly significant given the purpose of black history week. In addition to her post as librarian to the Virgin Islands, Ms. Baa has served as librarian at the United Nations, the Caribbean Organization and the New York Public Library.

Other Virgin Islanders have made significant contributions to this country's history. We can also take pride in the service which Virgin Islanders have given to other nations.

It will be to our credit when this Nation fully embraces the efforts of these and all Americans.●

● Mr. CHAPPELL. Mr. Speaker, I am pleased to join my colleague, Mr. STOKES, in this special order commemorating Black History Month. Today, I honor Mary McLeod Bethune, who through her contributions improved the future of all youth in America.

Mary McLeod Bethune, was a renowned educator and compassionate political leader. Her many accomplishments include the founding in my district, of Bethune-Cookman College, at Daytona Beach; and her appointment as director of the Division of Negro Affairs of the National Youth Administration, by President Franklin D. Roosevelt.

Ms. Bethune's life and philosophy are best summerized by a "Will" she wrote in the twilight of her life, I will let it speak for her:

I leave you love . . . I leave you hope . . . I leave you the challenge of developing confidence in one another . . . I leave you a thirst for education . . . I leave you a respect for the uses of power . . . I leave you faith . . . I leave you racial dignity . . . I leave you a desire to live harmoniously with your fellow man . . . I leave you finally a responsibility to our young people . . ."

With these words she wrote of her life, her struggles and her victories.

The Postal Service is now in the process of issuing a series of commemorative stamps honoring the accomplishments of many great black Americans, among them Mary McLeod Bethune. This is a fitting and proper tribute to this outstanding woman. To mediate upon the attributes of this great woman is to brighten the face of America. We honor ourselves as we honor her, here today.●

● Mr. McGRATH. Mr. Speaker, as February draws to a close so does the official commemoration of Black History Month. Throughout this period around our Nation, Americans of every racial and ethnic background have been enlightened by the celebrations and memorials taking place in their midst.

The history of blacks in our Nation can be summed up in one word; survival. Most came to this Nation in chains and shackles; in conditions unfit for human beings. It is quite a tribute to the spirit of American blacks that they have risen from the subjugated of society to a people rich in a proud heritage and achievement in every professional, technical, and cultural field. Despite innumerable obstacles, American blacks such as Booker T. Washington, Martin Luther King, Pearl Bailey, and Alex Haley have imparted their special gifts to the benefit of our entire Nation.

Perhaps the greatest source of pride for every American comes from knowledge and of the past. The struggles of our ancestors who have overcome considerable barriers to succeed in America is a common heritage. Black history month which serves as an official vehicle of research and education for all people across the country ends today but the goals of the month should continue throughout the year.●

● Mrs. JOHNSON. Mr. Speaker, earlier this month, along with my colleague, the distinguished gentleman from New York, Representative CHARLES B. RANGEL, I introduced a resolution (H.J. Res. 142) to authorize the construction of a memorial in Washington to Revolutionary-era black soldiers and freedom seekers. Last year the groundwork for this deserving tribute was laid when Congress unanimously passed House Joint Resolution 454. Backed by more than 230 cosponsors, that legislation, now Public Law 98-245, called on the Nation to honor the memory of the more than 5,000 blacks who served in the Continental Army and various State militias and the many more men and women who sought freedom buy filing petitions and escaping from slavery.

In a city of countless memorials and endless lines of tourists searching for reminders of the contributions to America's past by a diverse population, there is but one memorial in the Nation's capital to a black person. Mary McCloud Bethune. There are several memorials to other American and foreign individuals, many of which honor contributions to the Revolution. It is appropriate that on the eve of the Bicentennial of the Constitution we give the same kind of recognition to these black heroes as we have given to the many other deserving patriots who helped win our independence.

Before America declared independence and before the fire of freedom began to rage across the land, there were blacks in the Continental Army. When the army that would set America free was organized, free black soldiers of Boston protested successfully General Washington's decision to exclude them from service. Two years after this event, it became official policy of the Government to not only accept free black applicants, but to actively solicit black slaves as the war effort sagged.

Slaves exchanged military service for their freedom, and free blacks served in the hopes of winning political liberty, like that enjoyed by whites. They served in all the major battles, including Lexington and Concord, Ticonderoga, Monmouth, Savannah, and Yorktown. They were encamped at Valley Forge and two blacks, Prince Whipple and Oliver Cromwell, were in the same boat with Washington when he crossed the Delaware. A Hessian officer remarked that "no regiment is to be seen in which there are not Negroes in abundance; and among them are able-bodied, strong, and brave fellows."

Many blacks distinguished themselves in battle; after the war some were rewarded for their heroism. Austin Dabney of Georgia was awarded 112 acres in recognition for "bravery and fortitude in several engagements." Edward Hector was given $50 by the Pennsylvania legislature 50 years after the war for protecting an ammunition wagon while other Americans retreated. Salem Poor was officially commended for his services at Bunker Hill.

Saying that Revolutionary-era blacks were infected with hopes of freedom, the distinguished historian, Dr. Benjamin Quarles, contends that the Revolution was the equivalent of a black Declaration of Independence. Black efforts to win freedom took many forms from service in the war on the American or British sides to the filing of freedom petitions by men and women before courts and legislatures. Tens of thousands of slaves fled from their masters during the Revolution.

All of this activity took its toll on the institution of slavery. Estimates of the day show that Virginia could have lost more than 30,000 slaves, South Carolina at least 25,000 and Georgia 25 percent. During the 50 years following the Revolution, the free population of Boston, New York, and Philadelphia went from 4,000 to more than 22,000 due to black agitation for freedom and migration from the South. These black patriots established family units and institutions that would help end slavery in several States and sow the seeds of the contemporary civil rights movement.

On the eve of the Bicentennial of the Constitution, we ought to examine our national roots more closely than ever before so that we can live realistically in America's third century. America's greatest gift to the world is her success at bringing diverse races and nationalities together to share equally in the benefits of society. It is an accomplishment largely shaped by the unrelenting struggle of black Americans to attain the promise of the Declaration of Independence and the Constitution. There is much we need to do before we approach perfection but the example is a sterling one that should not be lost in those parts of the world where blacks and whites are struggling to live together in equality and harmony.

This memorial will freeze in time a message that I believe the Nation's black forefathers would have wanted to leave to their black and white countrymen of future generations: "Freedom and independence are worth fighting and dying for. We served so that you would someday be able to live together in harmony. America is your legacy. Love her."

I hope my colleagues will join us in cosponsoring this important legislation.●

● Mr. FORD of Tennessee. This month has been set aside in commemoration of the celebration of Black History Month. A celebration of the outstanding achievements and contributions made by black Americans. We celebrate Black History Month to afford all Americans the opportunity to learn, appreciate, and most importantly to respect the role of the black American in the shaping of our Nation.

Black Americans have played a vital part in the building of our Nation. The story of black America is one of valor in the face of hardships, courage in the storm of injustice and faith in the wake of defeat. The first blacks were brought to this country against their will—castigated, ostracized and even criticized, yet were able to remain a strong people. Until only a few decades ago black Americans lived their lives separate and unequal. Blacks were barred from most public facilities and even made to drink at separate water fountains. In a Nation that proclaimed liberty and justice for all, black Americans were living with neither.

These events are significant in our lives and should foster a sense of pride among us—a sense of pride that enables us not to lament on what has been done to us but rather what we have been able to accomplish in the face of adversity.

Initiated in 1926 by the great historian Carter G. Woodson, the celebration and commemoration of black history was observed for 1 week. One week was not sufficient to acknowledge the contributions of so many talented Americans and the week was extended to 1 month. However, to tell the true story would take an entire lifetime. This is why black history should be acknowledged 365 days a year.

This month we remember great leaders like Dr. Martin L. King and Malcom X; great barristers like Charles Hamilton Houston and William Hastie; great physicians like Daniel Williams and Charles Drew. This month we honor black musicians who combined elements of African and Western music to produce what has come to be known as jazz. We honor those who have given their lives in the protection of their country's security—from Crispus Attucks to "Chappie" James, the first four-star general in the Air Force.

It would be impossible for me to name all the great black Americans who have contributed in the areas of art, education, religion, medicine, politics, and a host of other areas. However, it is important that we learn more of our past and move forward into an era where the contributions of all our people are recognized as a part of the American heritage.

As Black History Month comes to a close let us reflect on the achievements and contributions that black Americans have made to this country. As we look to our past and learn from those events, let us also look to our future and our continued progress.●

● Mr. TALLON. Mr. Speaker, I count it a great opportunity today to join my colleagues in recognizing the countless contributions and accomplishments of black Americans. The theme of this year's observance is "The Afro-American Family: Historical Strength for the New Century." I have over the years come to understand that so often a strong and supportive family is at the core of the success stories of many black Americans. I speak to you today with a very special sense of pride. While I understand the importance of recognizing the rich legacy of those great giants who lived in years past, I also know that we are walking today among giants; men and women whose achievements and contributions will be recorded in history books yet to be written.

I am sure that each of you have some special people in your home districts and States who have captured the respect and appreciation of many. I would like to take a few moments to call your attention to three outstanding individuals from South Carolina.

This country will not soon forget the legacy of Dr. Benjamin Elijah Mays, scholar, minister, educator, and humanitarian. Dr. Mays will live on forever in the deeds and achievements of Morehouse College men. He served as president of that great institution of higher learning for almost 30 years. Morehouse College is known the world over for its fine tradition of molding men of high character and great intelligence. Dr. Mays helped to build that reputation. One of our colleagues, the Honorable Major Owens is a Morehouse man. After retiring as president of Morehouse, Dr. Mays went on to give years of valued service as a members and president of the Atlanta Board of Education. He was inducted into the South Carolina Hall of Fame in February 1983, shortly before his death.

Dr. Mays was born in Epworth, SC, the son of former slaves. His many lessons in dignity, character, and courage will be lasting memories for many of us.

She is affectionately known as "Miss Maude." A spry, young 85, Miss Maude retired from the Berkeley County Health Department in 1971 where she worked tirelessly for almost 50 years, teaching midwifery, nutrition, birth control, and health care. Miss Maude is still working, not delivering babies any more, but rather, she is delivering meals to homebound seniro citizens. Miss Maude is manager of a senior citizen nutrition center. She still drives her car to work every day and she just

can't understand why everyone makes such a fuss over her.

Miss Maude's first national exposure came from a 1951 Life magazine story. She was recognized in 1981 as South Carolina's "Outstanding Older Citizen." She has been featured on the "CBS Evening News" and in 1984, Clemson University awarded her an honorary doctorate degree. Miss Maude was the recipient of United Way's prestigious Alexis de Tocqueville Award and she received the 1984 Jefferson Award in a ceremony at the White House.

As recently as December of last year, Miss Maude was featured in "USA Today" as one of the Nation's top achievers. The article announcing the "Achievers of 1984" read, "The nation's top achievers of 1984, the people who left indelible impressions on our lives whether through patriotism, entrepreneurism, spirit or drive * * * ." Others selected were Apple Computer President, Steve Jobs, president of the 1984 Summer Olympics, Peter Uberroth, and Barnard College president, Ellen Futter. Mrs. Maude Callen's life of dedicated service is an inspiration and model for anyone who loves humanity.

When Ron McNair watched the early manned space flights as a child in his native Lake City, SC, he must have been frustrated; there were no role models for a young black man. He determined though that it would not be an impossible dream for him; he could and would travel in space. Last year, Dr. Ron McNair reached heights few of us ever will, but just as importantly, he demonstrated to a host of boys and girls, black and white, how much you can accomplish with determination.

Dr. McNair began his education in a segregated school system in South Carolina, he went on to graduate with honors from North Carolina's A&T State University and to receive a doctorate in Physics from the Massachusetts Institute of Technology. Dr. McNair is not only a scholar, he is an accomplished jazz musician, great athlete, and he holds the black belt in karate as well. Ron McNair embodies those characteristics we hold dear as Americans; he is adventurous, well-prepared for his chosen task and he is courageous enough to reach for his dreams. As he prepares for another mission later this year, he continues to write his name in space and on the pages of history.

As we culminate this Black History Month celebration, I can only hope that all Americans, young and old, have taken the time to learn something new about the black experience in America.

We say it every year, but it really isn't enough to focus on the achievements and contributions of Black Americans for 1 month. History is ongoing; it is being written everyday. I hope that we will dedicate ourselves to making sure that the achievements of those giants who live among us now do not go unrecorded.

We have an obligation to do more than memorize a few names, dates, and contributions of men and women of previous generations; we must do all in our power to make sure that when the history of our time here on Earth is written, it will give a true and accurate account of all who labored and struggled to make America great.●

● Mr. ADDABBO. Mr. Speaker, today we take formal recognition of Black History Month. The month of February has been dedicated to acknowledging the achievements of black Americans. Evolving from a Negro History Week celebration which began in 1926. Black History Month gives us all an opportunity to reflect upon the greatness of a people who, despite slavery, injustice, and discrimination, have made significant contributions to our country's history and culture.

The contributions of black Americans cover a wide span from science, education, industry, politics, to sports, music, dance, theater, and all the arts. Let us not forget too, the many blacks who risked their lives in defense of their country. From the War for Independence to the conflict in Vietnam these men and women fought and died for a country that did not always confer upon them the full "rights of the land." I find this a tremendous mark of courage and dignity. Though we have heard much about great black figures from our history, we do not often stop to think about these ordinary black citizens who played such a big part in the history of our Nation and in securing the very survival of our democratic way of life.

I cannot ramble on at length about these individuals since we do not know all their names. Yet each has his or her own very vital place not only in black history, but in our history. As we reflect back, then, I would hope that each of us would take a few moments to take special note of all black Americans who served in our Armed Forces in times of peace and in times of our great need. To those who remain with us today I tip my hat in salute. To those who died in service to our Nation, I bow my head in reverence.●

● Mr. KILDEE. Mr. Speaker, it is a great privilege for me to join once again in the annual observance of Black History Month. I am especially proud of the celebrations that are taking place in Michigan and in the Seventh Congressional District this month to pay tribute to the many contributions that blacks have made to the culture and history of America.

Many Americans are aware of the contributions of such blacks as Crispus Attucks, the first casualty of the American War for Independence; Matthew A. Henson, a black explorer who was the first American to place the U.S. flag at the North Pole; Harriet Tubman, the black nurse who founded the underground railroad and who did so much to raise money for the Union cause during the Civil War; and the Reverend Martin Luther King, Jr., who helped lead our Nation out of the darkness of legally sanctioned racial discrimination.

Many others in the seventh district are also aware of the enormous contributions of present day black Americans from the Flint, MI area. They include leaders such as Floyd McCree, the first black mayor of Flint, and James A. Sharp, Jr., Flint's first elected black mayor and the present holder of that office.

But the true purpose of Black History Month should be to honor and call to the attention of all Americans the crucial and vital role played by millions of unheralded black Americans who have helped found, build, and defend the character of our Nation.

Mr. Melvin E. Banner, a noted black educator and historian from Flint, MI, has compiled a compelling work titled, "The Black Pioneer in Michigan." This work chronicles the struggles, tribulations, and triumphs of black pioneers of Michigan in evolving a better way of life for themselves and for those who would come after them. Volume 1 of Mr. Banner's work concentrates on the black pioneers of Flint and Genesee County, a major portion of Michigan's Seventh Congressional District.

First introduced in 1964, the Banner work used bits and pieces from family Bibles, interviews with old people, and census records that were still

THE BLACK PIONEER IN MICHIGAN

VOLUME I.—FLINT AND GENESEE COUNTY

(By Melvin E. Banner)

Early Residents of the Saginaw Valley

The years between 1700 and 1800 saw little immigration or construction of permanent homes in the Saginaw Valley. Flint, or as the Indians knew it, Muscatawingh, was indeed a forest region during the years of the eighteenth and ninteenth centuries.

In spite of the rough terrain and the slave hunters, Blacks began to enter Genesee County and spread over the Saginaw Valley. If they went by land, the dense forests provided them with protection. If they went by canoe, they had 870 miles of rivers at their disposal for added protection. Indian villages along the waterways would enable them to become members of a tribe. Eventually they might emerge as "Black Indians" and their disappearance would be complete. Many Blacks did exactly this. They disappeared from the white world time after time by melting into the forests. They had nothing to lose but their chains of slavery and everything to lose if they ware caught and forced back into slavery or forced labor.

Other Black men and women accompanied their masters up and down the Great Lakes throughout what was then known as the "Ottowa Territory." These Blacks were sometimes captured and then freed by war-

ring tribes of Indians who raided villages in the Saginaw Valley en route to Detroit. Many of the freed Black slaves were adopted by the Indians who freed them. These Black Indians ranged the land far and wide. One of the most famous of these Black Indians was Concoochie, who became chief of a tribe and ruled with wisdom and justice.

The beginnings of the larger migrations by Black people to the Flint area came during the revolutionary war, when many Black slaves left the plantations, the fields, the farms, and the cities and made their way to freedom in Canada and in the Northwest Territory. Any slave had little to lose and everything to gain by simply vanishing into the dark dense forest regions of the Saginaw Valley.

The Michigan pioneers of the 1800's did not like slavery and did not like slave hunters. They opposed the Fugitive Slave Law of 1850 which stated that slaves were to be returned to their masters by U.S. Marshals. Slaves could not testify in their own behalf and no trial by jury was provided. Many free Blacks had been unjustly returned to slavery in this manner.

Before the start of the Civil War, very few Blacks volunteered their true identity on any census form unless they were sure the information would not be used by slave hunters. Under the Fugitive Slave Law, punishment was very stiff if anyone protected or aided runaway slaves. Saginaw Valley residents very often ignored this law which quite a few of them considered an abomination.

The Civil War and Black Flint

The Civil War came and the Civil War went! Like all wars, it began in the minds of men. To the Black Pioneer, the most important issue was slavery, or freedom from slavery for Black people.

Most of the people in Flint had no use for slavery or slave hunters, believing quite strongly that it was wrong. The slave hunter who came through Flint looking for a runaway slave met with so much opposition that he caught the first thing going out of Flint. The headquarters for the underground railroad in Flint was the old Cummings home at the Southwest corner of Beach and Court streets.

Flint had five Black volunteers for action in the Civil War. They were James B. F. Curtis, James H. Green, Jasper Moffett, James Smith and George Vessey.

Most of the young Black men went to Pontiac or Detroit to enlist in the Union army. There weren't too many young Blacks in Flint at this time. Flint was still in a wild state of muddy muck and mire.

When the Civil War ended there was much rejoicing among Black people. Michigan people rejoiced also and began to direct their thoughts toward things that made for a better life.

At this point, Mr. Speaker, Mr. Banner's work turns its attention to the many post-Civil War blacks who helped build Flint into what it is today. No examination of this would be complete without addressing the enormous contribution the black church has made to life in Flint. Mr. Banner does this in his narrative on the founding of one of the oldest black religious institutions in Michigan, the Quinn Chapel African Methodist Episcopal Church.

QUINN CHAPEL

Quinn Chapel African Methodist Episcopal Church, the oldest Black church in the Flint area, was organized in 1875 at the home of Mrs. Nancy West on Mill Street. The first Quinn Chapel was a wooden structure located at 121 East Seventh Street. Property for it had been donated by Mrs. Summer Howard. In 1912, a brick structure was built for Quinn Chapel. It was located on the corner of Saginaw and 10th streets, on the site where Flint's city hall now stands.

The Quinn Chapel, with its large membership, had to relocate in 1955 because its ground was needed for relocation of the new City Hall and Civic Center. On March 20, 1955, the last service was held in the old church. It was a cheerful moment for many of the old pioneers as they watched the iron ball of progress batter the red bricks into oblivion. It was here that they had burried their dead. They were the pioneers.

While the members were waiting for the new Quinn Chapel to be built, worship services were held in the Old Mount Olive Baptist Church.

Land was purchased on Lippincott Boulevard for the new Quinn Chapel. On March 3, 1957 the members marched triumphantly into a brand new, but unfinished edifice. Thousands of hours had been donated by members in every phase of construction of the new church. At any time of day and at almost any hour, the Reverend Mitchum could be seen scurrying here and there to aid in furthering construction. Final costs of building were well in excess of $100,000, but the countless hours put in by the devoted members of the church can never be measured in dollars and cents. Thus was the fulfillment of a dream held fast and dear in the hearts of the Black pioneers.

Mr. Speaker, the Banner work continues from this point to detail how early Flint black families helped build the modern Flint and contribute to the sustenance of our Nation.

I would like to close by quoting from the epilog of Mr. Banner's book, written in 1973:

In the work-a-day world of Flint, the Black man has proven his capability. This has been done in context of the many opportunities that have been presented to him by forward-thinking people, both Black and White. Thousands of Black people have become involved in thousands of different kinds of work here in the city.

Much credit must be given to General Motors for paving the way, through its industrial relations, for the advancement of its Black workers towards decision making and policy making positions in Flint and throughout the nation. Walter Scott, retired GM public relations man stated many times, "* * * Let's all work together to make Flint a better place to work and live in. Let's do it together!" And little by little, slowly but surely, Black people and White people did begin working together to make Flint and Genesee County a better place to work in and to live in.

More than 140 years have elapsed since the first Black man and his family were officially recorded in the United States Census of Flint. Today, metropolitan Flint can proudly boast of having more than forty thousand Black men, women and children within the confirms of its townships. It can proudly boast of it Blacks professionals—doctors, lawyers, teachers, accountants, educators and many others. It can proudly boast of its skilled Blacks who have been taking advantage of all the opportunities made available to them in this area. The benevolent paternalism of the nineteenth century has given away to the democratic cooperation of the twentieth century."

Mr. Speaker, in Michigan, we are proud of our black heroes and heroines—the unheralded as well as the famous. Each February, we are especially proud to thank all black Americans. With this thanks, we must also pledge further progress toward the goal of equality, justice, and opportunity which is the promise of America.●

● Mr. SEIBERLING. Mr. Speaker, I am pleased to join my colleagues in commemorating Black History Month.

If we are ever to fully appreciate the American historical experience, we must fully understand the history of black America, not only as a chronicle of significant civil rights events that have affected the world, but also as a reminder of the contributions black Americans have made to this country.

Carter Woodson was the first black scholar to attempt an extensive compilation of black history. Woodson, the son of former slaves, worked his way through college and received a Ph.D. from Harvard in 1912. His concern for black history grew out of his understanding that a belief in the inferiority of any people would naturally develop if those people were viewed as lacking any contributions to the history and progress of humanity. Woodson initiated the observance of Black History Month because he believed such an observance would afford all Americans the opportunity to learn and appreciate the role of black Americans to the development and advancement of our Nation.

Today, we tend to think of black history mainly in terms of the struggle for civil rights in this country. We remember the assassination of Malcolm X in 1965 and Dr. Martin Luther King, Jr., in 1968. We remember Rosa Parks, the black woman who sparked the Montgomery bus boycott of 1965, and the first civil rights sit-ins in Greensboro in 1960.

Many are still unaware that our country's independence was secured with the assistance of many black patriots who fought side-by-side with George Washington, Paul Revere, and Ethan Allen. Black men participated in the earliest battles of the American Revolution, and in fact, the first shots of the Revolutionary War were fired into a crowd of protesters in Boston whose leader was a runaway slave named Crispus Attucks. Attucks was the first of five patriots to die for freedom in what is now remembered as the Boston massacre.

Black History Month is also significant because it occurs in the same month as Frederick Douglass, the black abolitionist, was born. Douglass expressed the heart and soul of the

black slave experience, translating his writing into an experience that touched all people. Douglass wrote: "I didn't know I was a slave until I found out I couldn't do the things I wanted."

Continued support is important in the ongoing struggle for equal rights and equality of status in all its aspects. Courageous individuals like Martin Luther King, Jr., struggled a lifetime for racial equality. Dr. King devoted his life to bringing about peaceful change to help heal the wounds caused by decades of racial discrimination, and helped accomplish more in his lifetime to achieve the goal of racial equality than occurred in the first 80 years of the enforcement of the 14th amendment. I think all Americans who cherish our way of life and the principles set forth in the Declaration of Independence and the Constitution cannot fail to acknowledge a debt to Dr. King, who helped bring those commitments into reality for millions of Americans. I am proud that last year we overwhelmingly approved legislation to designate a national day in honor of Dr. King. Even so, it is important that we continue to voice our outrage whenever human rights and liberty are violated or threatened.

As we look to our past and learn from events, we must also look to our future and continued change. We must thwart efforts to nullify the Civil Rights Act, the Fair Housing Act, and other educational and social programs that seek to rectify inequities in the system.

We must address such current problems as the disparity in the equality of health care available to blacks. In the HHS annual report on Americans' health, HHS Secretary Margaret Heckler stated that: "while some racial disparities exist," the outlook for blacks, as for all Americans, has vastly improved. Her formation of a task force on black minority health is welcome, but must not be used as a camouflage of the administration's dismal record in this area. Contrary to Secretary Heckler's dismissal of some racial disparities, there are serious and growing discrepancies in the quality of health of black and white Americans.

The Reagan administration has displayed remarkable insensitivity to these particular black health concerns, and a lack of concern about public health care in general. There are too few doctors working in poor communities this results in reduced access to health care for all residents of those communities, which often hold disproportionate numbers of blacks and other minorities. Yet the Reagan administration has led the battle to abolish the National Health Service Corps, a Federal program that administers scholarships to medical students, many of whom are minority students, in exchange for a commitment to practice in medically underserved areas on completion of their training.

There is still progress to be made. But despite slavery, injustice, and discrimination, blacks have made great contributions to America which must become part of not only our books and records, but also a part of our national conscience and memory. In the words of Thomas Wolfe:

To every man his chance,
To every man, regardless of his birth,
His shining golden opportunity;
To every man the right to live,
To work, to be himself;
To become whatever his manhood and
His vision can combine to make him,
This, seeker, is the promise of America.

By telling us who we are, history tells us what we can do. By telling us where we have been, history tells us where we can go. It is impossible to go forward without an understanding of the black experience.●

● Ms. OAKAR. Mr Speaker, February is Black History Month, when we commemorate the achievements of black Americans and study the role of blacks in American history. The history of black America has been one of struggle and achievement. Originally brought to America as slaves, blacks now hold some of the highest positions in the land, including leadership positions in this body. Blacks serve with distinction in the Armed Forces, represent our country in international events, contribute to our Nation's culture and share in the development of our national destiny. All of this could not have happened without the courageous efforts on the part of many Americans, of all races.

Before emancipation, Frederick Douglass worked tirelessly to awaken the conscience of America, to have people see and acknowledge the evil of slavery. The legendary Harriet Tubman was one of the key organizers of the underground railroad. Only a handful of slaves were freed by that method, however. A bloody civil war had to be fought before all black Americans could enjoy freedom. Even then, it was freedom without equality. Two Americas were established—one black and downtrodden, another white with opportunity for advancement. Visionary educators like Booker T. Washington understood that education was essential if blacks were to better their economic circumstances. Political leaders like W.E.B. DuBois also understood that education is not enough—political rights had to be achieved before black America could achieve equality.

America had to wait 100 years after the Civil War for another civil struggle—the civil rights movement—before the principle of equality for all citizens, regardless of race, was finally written into the law. Martin Luther King was able to mobilize millions of Americans of all racial and national backgrounds to march in the streets and integrate buses, lunchcounters and schools. His memory is now commemorated with a national holiday.

Our society is by no means perfect. We struggle with national problems on a daily basis. We can say with confidence, though, that our society is better than it was because that daily struggle with our problems, has the active involvement of our black citizens. Just as black history has enriched American history, racial equality enriches American society.●

● Mr. ROBINSON. Mr. Speaker, I rise today to join in the celebration of Black History Month, a time when we call the Nation's attention to the important contribution of blacks to our history.

During the month of February, we have been able to reflect upon the past and the black men and women who have helped shape the character of our Nation. Black History Month brings to mind the heritage of a people who came to these shores hundreds of years ago and since those times have suffered slavery and servitude, poverty, and oppression. Despite this legacy, the contributions of blacks to our society and history has been great. Blacks have been leaders in medicine, business, the arts, politics, in fact, there is no area of our history or Nation in which blacks have not played a positive and constructive role.

The celebration of Black History Month has allowed schoolchildren across our land to focus on the heroes and heroines of black history. People like George Washington Carver, Sojourner Truth, Jesse Owens, Dr. Martin Luther King, Barbara Jordan, and other black pioneers and leaders have been studied and discussed. This is as it should be and I hope that black pacesetters such as these are discussed year round, not just 1 month a year.

While Black History Month reminds us of the progress which we have made, this is not a time to rest on our laurels. The fight for racial justice did not end with the enactment of such legislative victories as the Voting Rights Act or the Civil Rights Act. The sober fact is that we still have far to go in building a society free from discrimination and based on justice and racial equality. Black youth unemployment remains at an unacceptable level. Black family incomes lag behind income for white families. Many good programs are now under attack and we will be hard pressed in the coming months to preserve the gains that have been made.

The struggle for racial justice does not end at our borders. Black leaders, some of whom are Members of this body, have in recent months helped the entire Nation become more aware of the apartheid system of racial segregation in South Africa. The continuing protests in cities across our land

against apartheid are evidence to the world of our commitment to promoting full civil and voting rights for the blacks of South Africa.

Black History Month has allowed us to pay tribute to black contributions to our history and yet realize that the dream of Dr. King has yet to be realized. The struggle for justice continues in our land and the words of Dr. King fit today—"We've got some difficult days ahead." But as Dr. King went on to note, "But it doesn't matter with me now, because I've been to the mountaintop * * * I've seen the promised land. I may not get there with you. But I want you to know tonight that we as a people will get to the promised land." Dr. King is not with us today, but despite his death, his dream is still vibrant. Black History Month acknowledges Dr. King and all blacks who have helped make our Nation what it is today.●

● Mr. MOODY. Mr. Speaker, as Black History Month 1985 draws to a close, I would like to take this opportunity to commemorate the millions of black Americans who have collectively and individually enriched our society.

Last year at this time, I made specific reference to several famous black Americans whose accomplishments in science, military service, education, industry, politics, sports, and the arts have served to strengthen and enlighten our Nation. These Americans—people such as Sojourner Truth, James Weldon Johnson, Roy Wilkins, Malcolm X, Alice Walker and Marion Anderson—rose above discrimination and injustice and contributed to the cultural, social and economic growth of this country. The people we pay tribute to each February are role models for all American children.

Unfortunately, it is often the case that our society appreciates the contributions of black artists and sports figures while ignoring the accomplishments black Americans have made in other fields. Our children's history books rarely mention men and women like A. Phillip Randolph, a pioneer in the labor movement, Mary McLeod Bethune, a member of the Franklin D. Roosevelt administration, or William H. Hastie, the first black Federal judge in the United States. To exacerbate the problem, Madison Avenue and multimedia executives deliberately exclude positive black role models in commercials, television programs and movies.

I commend to my colleagues' attention a Washington Post article by Ronald D. White which clearly identifies the problems around single-color role model "packaging." As the article indicates, although this Nation has come a long way toward a more democratic and just society, certain discriminatory factors continue to prevent us from completely achieving racial understanding.

[From the Washington Post, Feb. 26, 1985]

WHO ARE THE BLACK ROLE MODELS?—"IT IS MAINSTREAM AMERICA THAT PACKAGES ROLE MODELS . . . ALMOST ALWAYS, THESE PACKAGES ARE WHITE."

(By Ronald D. White)

I remember a winter morning in Williamstown 10 years ago when some friends and I visited a black writer named Larry Neal. He served as a writer-in-residence at Williams College for two years and many times we would sit enthralled for hours interminable "rap sessions." Mainly, we just listened. What we heard were things we had never heard before.

He passed out a copy of a book excerpt and asked us to guess when it was written and by whom. The writing was so confident and forceful that we guessed it was written in the '60s and that such a piece could not have been written earlier than that.

But the writer was Alain Locke. The book he wrote was called "The New Negro" and it was published in 1925. Neal, who subsequently died at the untimely age of 43, taught us about Locke and other black writers of the Harlem Renaissance, pointing out books we had never heard of, such as Zora Neale Hurston's "Their Eyes Were Watching God," Jean Toomer's "Cane" and, eventually, Henry Dumas' "Ark of Bones."

I met and heard black writers such as Alice Walker, Tom Morrison and Ntozake Shange in those days. Each of them talked about a term I had not heard before: role models. A role model is someone we could relate to, "one of us." someone who demonstrated, either through writing or through his or her life, the possibility of greatness.

Neal and the others I have mentioned were role models for us. They were keys to doors we had never thought of opening because we did not know what was beyond them. Why, then and now, are positive black role models hard to find? It certainly is not because they do not exist. It is mainstream America that packages role models for our consumption. Almost always, those packages are white.

From kindergarten through high school, I was assigned to read the works of a grand total of two black novelists. I can remember sitting uncomfortably as the only black student in a class when we read Richard Wright's "Native Son," wondering why we had to study a book that portrayed a black murderer and rapist. In Ralph Ellison's "Invisible Man," the main character cannot cope with the world around him and goes into hiding. Neither, in my opinion, provided positive role models. Black writers such as Henry Dumas, who was accidentally killed before he could complete a novel called "Visible Man"—a challenge to Ellison's book—were not selected. Dumas wrote in an often mystical style, like that of Gabriel Garcia Marquez, in which black characters possessed special powers or skills.

My high school required two years of American civilization and two years of Western civilization. African civilization was offered as a six-week mini-course, but it was not required. There were eight required courses for my nine-course college English degree. Few involved the in-depth study of black writers.

There is a similar paucity in the number of black achievers who reap public benefit from their successes. The examples are distressing, from the selling of Olympic athletes to the strides we have made in less visible professional positions. Who are the faces we most often see? Black children see a picture of an excellent gymnast named Mary Lou Retton, who won one gold medal, on their box of Wheaties, not Carl Lewis, who won four gold medals. We hear that Lewis is too self-centered to sell products. But the childish temper tantrums of John McEnroe and Jimmy Connors do not stop them from appearing in commercials for disposable razors or investment firms. Runner Mary Decker won no medals, but article after article is written about her. At the same time, triple gold medal winner Valerie Brisco-Hooks exists in relative obscurity.

The pattern continues on the big screens. In Stephen King's book, "The Shining," an old black man is a hero who plays an important role. When they made the movie, the character was quickly written out of the script: he is murdered with an axe before he can do anything.

On television shows, black children may be excited by Gary Coleman and Emmanuel Lewis, two very talented black child stars. Unfortunately, both are seen on television shows in which they are raised by white adults, shows that include no regular black adults. Black children must wonder about that. Do they assume black adults are inferior or that black parents are unreliable?

Unfortunately, these examples show that little has changed in the way our heroes and heroines, idols and heartthrobs are chosen and presented. There is still an appalling double standard that suggests it is still up to us to remember and discover those blacks who have inspired others to succeed.●

● Mr. BONER of Tennessee. Mr. Speaker, as we wrap up Black History Month, it is a time to be proud of our history. This Nation's black heritage is rich in tradition, much richer than most realize.

For example:

When Christopher Columbus discovered the New World, a black man, Alonzo Nino was with him.

Crispus Attucks was killed in the Boston massacre while defying British soldiers, one of the first blacks to die for the young democracy.

James Armistead risked his life behind enemy lines, provide Marquis de Lafayette with valuable information, enabling the French to check the troop advancement of British General Cornwallis.

Of the original 44 settlers of the city of Los Angeles, half were black.

Frederick Douglass, an ex-slave and black abolitionist, delivered powerful speeches persuading many Northerners that slavery was wrong!

Harriet Tubman, the famous conductor of the Underground Railroad, Booker T. Washington, educator at Tuskeege Institute, are others.

Phyliss Wheatley was one of the first black poets in the United States.

Matthew A. Henson, a black explorer accompanied Lt. Robert Peary on the historic fist expedition to the North Pole in 1909 and placed the American flag there on behalf of the United States.

Martin Luther King, Jr., Rosa Parks, Jesse Owens, and a host of others, have played an important part in the history of our country.

Black History Month gives us a chance to look back on what we have accomplished: the gains we have made to ensure equal status in this country. But it is also a time to focus on what has to be done in the future. The freedoms we have now are not as full or as rich or as complete as we would like them to be. We must work within the political and social systems to keep that fight going.

I understand those problems, and I plege to see that the fight for equality continues. I sponsored House Joint Resolution 454 last year which honored the contribution of blacks who fought for American Independence. I supported other legislation such as "Black History Month."

"Black History Month" holds special meaning for all of us and all as citizens of this great country should feel a sense of pride.●

● Mr. COYNE. Mr. Speaker, I would like to commend my good friend and colleague LOUIS STOKES for taking out this special order on Black History Month.

As we pause to reflect on the contributions of black Americans to our history, contributions too long ignored in most history books, it is worth remembering that we do so as the result of the efforts of a farsighted American, Carter Woodson.

Mr. Woodson, the son of slaves, was the inspiration behind what began as Negro History Week in 1926. His founding of the Association for the Study of Negro Life and History in 1915, and the Journal of Negro History in 1916, laid the groundwork for a new consciousness of black American history and culture. He went on to found the popular journal Negro History Bulletin in 1937, carrying on in his effort to make known the contribution of black Americans to our history.

It is fitting that we celebrate Black History Month in February, a month which includes the anniversary of the birth of the gifted orator and agitator for black freedom, Frederick Douglass. It is also the month that marks the founding, in 1909, of the National Association for the Advancement of Colored People, an organization that has been key to the civil rights struggle for three quarters of a century.

Black History Month enables Americans of all races to learn more about the contribution of black Americans to our history. I am pleased to take part in recognizing that contribution.●

● Mr. LANTOS. Mr. Speaker, throughout our Nation, the month of February has been commemorated as Black History Month. Events have been held in cities across our Nation to help all Americans remember our debt to the many black Americans who have played such an important part in our history. Schoolchildren everywhere have taken time to remember and learn from the black leaders who have played such a vital part in the development and growth of our Nation.

Mr. Speaker, I wish to pay tribute to the black women and men of America for the contributions they have made—and are continuing to make—to our country. It is highly significant that Black History Month takes in February—a month when we celebrate the birth dates of two of our greatest Presidents: Washington and Lincoln. From the first, we learned the principles of freedom and democracy, and from the latter all Americans—black as well as white—received their freedom.

Unfortunately, the history of black Americans is one of struggle against discrimination and injustice, of struggle against overwhelming odds. They have achieved much, and despite continuing obstacles, they are continuing to make progress.

Past successes, however, must not be permitted to make us complacent. We must not see these triumphs as proof that our society is free from the evil of discrimination. We must be watchful of our liberties—be it in our laws, in the rulings of our courts, or in the prejudices of individuals.

We must be aware, too, of the actions of other countries. It is appropriate to note, as we celebrate Black History Month, that awareness is growing of the intolerance and suffering which blacks still endure in other countries. I particularly have in mind the growing demonstrations against the vicious discrimination practiced by the Government of South Africa. I would like to take this opportunity to offer my wholehearted support for the demonstrators outside the South African Embassy here in Washington, DC, and South African consulates in other cities in the United States who are suffering personal humiliation and hardship in the name of justice. We all look forward to the day when the term "apartheid" is purely a historical couriosity.

But we will not achieve that day, Mr. Speaker, either in South Africa or here in the United States, without continuing the struggle for equality. I salute the many black Americans who have achieved fame in government, the sciences, sports, the arts, and in many other fields. There is still much to be done before our goals are accomplished. Let us pledge to continue.●

● Mr. FASCELL. Mr. Speaker, I am very pleased to join with our colleagues today in commemorating Black History Month. During the month of February, we have celebrated the achievements and aspirations of the many black Americans who have made such strong contributions to the development and growth of this great Nation but who have not received the honor due them.

The accomplishments of heroic and hardworking black men and women have long been neglected in the textbooks which recount the history of our Nation. But through the commemoration of Black History Month, our children can learn about the visionary Sojourner Truth, the outspoken feminist of the late 1800's who toiled unceasingly for true equality for all men and women, regardless of race or economic station; and about four star Gen. Daniel "Chappie" James, who because of his talent and persistent pursuit of exellence became the highest ranking black American in the U.S. military. All Americans benefit from the efforts of these American heroes.

Black History Month is a time to focus attention and pride on the struggles and achievements of black men and women from the beginning of our history to the present day. As February comes to an end, let us build upon the momentum provided by Black History Month to ensure that all Americans continue to have the opportunity to learn about the rich and diverse history of our Nation.●

● Mr. DWYER of New Jersey. Mr. Speaker, it is my privilege to join my colleagues and fellow Americans in observing Black History Month.

As you know, in 1926, the late Dr. Carter G. Woodson, founder of the Association for the Study of Negro Life and History, proposed the idea of commemorating the achievements of black Americans each year. First observed as Negro History Week, the observance was changed and expanded in 1976 to Black History Month. We are grateful to the late Dr. Woodson, among others in giving us the opportunity to speak today.

From the historic 1915 voting rights case of Guinn against the United States, to the passage of the 1968 Civil Rights Act, the NAACP has fought relentlessly for the fundamental rights of black Americans. Civil Rights is more then a question of securing equality among black and white Americans, rather it is equality for all. Together we must insure that the legislative process never falters.

Today, millions of black Americans have the chance to live richer, more fulfilling lives. Men like the late Dr. Martin Luther King, Jr., struggled a lifetime for racial equality. Next year, when we celebrate the first national holiday to pay tribute to a black American, we will be affirming our commitment to his dream and ideals set forth in 1963 on the steps of the Lincoln Memorial.

As representatives in a freedom loving society, we must continue to commemorate him and the other black Americans who have made and continue to make major contributions to our Nation.●

● Mr. HEFNER. Mr. Speaker, in regard to Black History Month, I

would like to recognize two institutions from my district which I believe represent the finest traditions of education and learning in America: Barber-Scotia College from my hometown of Concord, NC, and Livingstone College of Salisbury, NC.

Barber-Scotia was founded in 1867 by the Reverend Luke Dorland. Reverend Dorland was sent south after the Civil War by the Presbyterian Church of U.S.A. to start a college for daughters of recently freed slaves. One of Barber-Scotia's most well-known graduates was Mary McLeod Bethune, who was an adviser to four presidents, most notably Franklin Delano Roosevelt. Ms. Bethune later went on to found Bethune-Cookman College in Florida.

Livingstone was founded in 1897 by Joseph Charles Price. Livingstone is affiliated with the AME Zion Church, and the college draws its name from the famous British missionary, David Livingstone. In fact, Mr. Price's home still stands in Salisbury today.

These colleges promote intellectual courage and growth, they demand discipline of thought, and a respect for ideas. They are a credit to the black community, and the State of North Carolina. And I am proud that they are in the Eighth Congressional District.

Mary McLeod Bethune said that black Americans want "only what all other Americans want . . . opportunity . . ." Barber-Scotia and Livingstone Colleges have provided one of the most precious of all opportunities to young black Americans—the opportunity to learn.●

THE 33D ANNUAL NATIONAL PRAYER BREAKFAST

(Mr. REGULA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. REGULA. Mr. Speaker, I was privileged to chair the annual National Prayer Breakfast on January 31, 1985, at the Washington Hilton. Over 3,000 people gathered from all parts of the world to worship and fellowship in a spirit of unity and good will.

The success of this event was a tribute to the committee members from both the House and Senate along with the efforts of countless volunteers.

NATIONAL PRAYER BREAKFAST PROGRAM, JANUARY 31, 1985

Grace: The Hon. Albert Quie.

Opening Song: Mount Union College Concert Choir, Alliance, Ohio.

Presiding: The Honorable Ralph Regula, U.S. Representative, Ohio.

Opening Prayer: The Honorable George Shultz, Secretary of State.

Breakfast.

Welcome: The Honorable Ralph Regula.

Message from the U.S. House Prayer Breakfast Group: The Honorable Wes Watkins, U.S. Representative, Oklahoma.

Old Testament Reading: The Vice President.

Solo: Nancy Olson.

Statement of Purpose from U.S. Senate: The Honorable Lawton Chiles, U.S. Senate, Florida.

New Testament Reading: The Honorable Sandra Day O'Connor, Associate Justice of the U.S. Supreme Court.

Prayer for National Leaders: The Honorable W. Wilson Goode, Mayor of Philadelphia.

Message: The Honorable George Deukmejian, Governor of California.

The President of the United States.

Closing Song "Amazing Grace": Audience and the Honorable Charles Whitley, U.S. Representative, North Carolina.

Closing Prayer: General John A. Wickham, Jr., Chief of Staff, U.S. Army.

TRANSCRIPT OF PROGRAM

Grace: The Honorable Albert Quie, Member of Congress, 1958-1978 and Governor of Minnesota, 1979-1982.

Let us turn our hearts and our minds to the Lord. Oh Lord God, creator of all that is, we come to you with hearts that are in awe of your majesty. Oh Lord, these moments as we await the excitement of the presence of the President of the United States, help us to remember the presence of your son, Jesus Christ. As we listen to the speaker this morning, help us that we might hear your holy spirit. Oh Lord, we ask that you bless this food, but also that we remember the hungry and starving. We ask, Lord, that you bless our fellowship, but help us to remember to reach out to the lonely. Oh Lord, you are good. Help us that we may follow in your way in Jesus' name. Amen.

We will now permit you to hear a choir, the Mt. Union College Concert Choir from Alliance, Ohio. (Applause)

Presiding: Hon. RALPH REGULA. Ladies and gentleman, the President of the United States and Mrs. Reagan. (Applause) Ladies and gentleman, please remain standing. We'll have the opening number by the choir from Mt. Union College, and then the Secretary of State will lead us in the opening prayer. (Choir sings)

Mr. REGULA. Mr. Secretary——

Hon. GEORGE SHULTZ. I've heard the President tell a story once or twice about a man stranded on his rooftop by rising flood waters. A friend came by with a rowboat and offered to take him off, but the man said. no. I will stay and place my faith in the Lord. Before long as the waters continued to rise, a motorboat arrived. But our man gave the same response. With the waters rising still further, a helicopter hovered overhead dangling a rescue basket. But once again, our man declined. I'll place my faith in the Lord. Soon he was swept away and drowned. As he arrived in heaven, he implored, "Lord, I placed my faith in you. Why did you abandon me?" Whereupon a deep voice rolled down and said, "I sent two boats and a helicopter." The President tells it better.

That story imparts an important lesson. The Lord provides us with many opportunities to make our world a safer and freer place, but it is up to us to seize these opportunities and make something of them. So what can those of us who seek these goals in the world do to help make our dreams a reality? We must confront the evils and injustices of the modern world. We cannot wish them away or pretend they don't exist. We must take the counsel of Ecclesiastes. Truly the light is sweet and a pleasant thing it is for the eyes to behold the sun. But if a man lives many years and rejoice in them all, yet let him remember the days of darkness for they shall be many. Let us pray. Oh Lord, give us the strength to meet the great challenges that confront us to defend our principles and preserve our freedom. We know that it is not enough to say that war must be abolished as if by saying so it will be done. You have shown us that we must seek to prevent and deter war even while recognizing that this means maintaining the capability to defend ourselves. We know that we must seek peace, for how beautiful upon the mountains are the feet of him that bringth good tidings, that publish peace. Yet you have shown us that we must be wary of the workers of iniquity which speak peace to their neighbors but mischief is in their hearts. Oh Lord, we look to you for our strength and our direction for it is God that girdeth me with strength and maketh my way perfect. Thou has given me the shield of thy salvation and Thy right hand holden me up and Thy gentleness hath made me great. As we look to the future, oh Lord, may we be guided by your wisdom and understanding. We will seek a freer, more peaceful world, but we will remember that the challenges, the days of darkness, will be many. Grant us the strength to increase our wisdom and our understanding of the ways of the world. For only then can we achieve what you have made possible. Only then can we make the most of the opportunities you have provided. Only then can we chose our course with courage and conviction, consistent with our values and principles. As the proverbs say, happy is the man that findeth wisdom and the man that geteth understanding. So, too, may it be for a nation. Amen.

Mr. REGULA. Thank you, Mr. Secretary. Please be seated and enjoy your breakfast. I am Ralph Regula, Chairman of this morning's activities, and, as you probably have guessed if you've been outside, I also arranged the weather. We have Ohio weather. However, it does make the city look beautiful. You'll have to agree with that. I welcome you to the 33rd Annual National Prayer Breakfast. We also welcome the members of our armed forces worldwide. They are sharing this meaningful fellowship through the marvels of electronic communications.

We gather today as children of God from many states and many nations. Over a hundred nations are represented today and all fifty states. We're here from all branches and responsibilities of government. We gather here to share, to communicate, to witness, and most importantly, to pray to our God. As we face the awesome challenges of today's world, we find that the answer is truly the greatest power this side of heaven. The answer is prayer. A force as real as terrestrial gravity. Only in prayer do we achieve a complete and harmonious assembly of body, and mind and spirit. When we pray, we link ourselves with the power that spins the universe. When we pray, we learn, we change. "No man ever prays," said Emerson, "without learning something." Before Paul directed the Thessalonians to give thanks in all circumstances, he stated that they were to pray continually. He wrote to the Philippians, do not be anxious about anything but in everything by prayer and petition with thanksgiving present your request to God. The Bible is filled with references to the power of prayer. Someone once said we do not pray because we believe. We believe because we pray. Christ commanded his followers to pray, both in his teaching and by his example. Scripture tells us that Christ spent much time in prayer. If Christ

needed to pray, how much more do we sinners need prayer? The Scriptures tell us to pray without ceasing

I saw a bumper sticker the other day that said, "You are a child of God, call home." Group prayer is of equal importance it says in Chapter 18 of St. Matthew. He tells us the words of the Lord. "Where two or three are gathered together in My name, there am I in the midst of them." What a great promise that is to us as we gather here today. Let us unite in these few minutes this morning in sharing and praying. As the Psalmists said, "Let us kneel before the Lord, our maker. For He is our God and we are the people of His pasture and the sheep of His hand."

At this time, I would like to present to you the guests that will not be speaking. It's a great joy to me to first present our much admired First Lady whose living prayer is a message of hope for thousands of young people. Nancy Reagan. (Applause) May I next present one whose compassion is an inspiration to all of us. Barbara Bush. (Applause) The burdens of leadership in office, and I know we have many people here from the government, are made easier by supporting partners. I would like to introduce several individuals who get high marks in this role. First, John O'Connor, Ann Wickham, Rhea Chiles, Lou Watkins, and my own special prayer partner, Mary Regula. (Applause)

Today we'll be blessed with a message from the House Prayer Breakfast. It will be brought to you by my colleague and the Vice Chairman of the House Prayer Group, the Honorable Wes Watkins of Oklahoma. (Applause)

Representative WES WATKINS. Mr. President, Mrs. Reagan, Mr. Vice President, Mrs. Bush, members of the head table and guests, in the spirit of God's love, I come before you to bring greetings from the members of the House Prayer Breakfast. When the Congress is in session, the House Prayer Breakfast meets each Thursday at 8 a.m. in the U.S. Capitol Building. House Members attend from the East and from the West, the North and the South, from the liberal and conservative persuasion and from both the Republican and Democrat affiliations. But they come together with one common thread, a belief in the love of God. The requirement to attend a House Prayer Breakfast is to be a Member or a former Member. No constitutent or press attend. It is a time of fellowship and worship without publicity or fanfare. During the hour assembly for the weekly House Prayer Breakfast, we have an opening prayer, the reading of the Scripture, the singing of a hymn, a chaplain's report on any member injured or of ill health, and a talk by a different member each week concerning some spiritual aspect of his or her life, and we conclude with a closing prayer. Many times there is a new understanding and a new spiritual relationship developed among the members. You discover others just like yourself struggling to make the right decision. In fact, you might like to know just as surveys show that attendance of the public increases in our churches and synagogues at the time of national and international crises, also attendance by members at the House Prayer Breakfast increases. A sign that members through prayer search their conscience in an effort to find and provide justice, a sign that they have faith in the strength of God's abundant and constant love, and by their attendance acknowledge a power much greater than their own as they walk humbly with God. It is with that spirit of God's love, mercy, and grace that I bring this greeting from the House Prayer Breakfast. (Applause)

Mr. REGULA. Thank you, Wes. Next I'm deeply honored to introduce the Vice President of this great nation who will bring us a reading from the Old Testament. Mr. Vice President—

The VICE PRESIDENT. The Old Testament reading is from the book of Psalms, the first Psalm, verses 1 and 2. Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful, but his delight is in the law of the lord and in His law doth he meditate day and night, here endeth the lesson.

Mr. REGULA. A great thought to meditate on. Thank you, Mr. Vice President. Next we will be honored by a solo by Nancy Olson. Nancy is from Oregon, and Senator Hatfield tells me she has a beautiful voice and a beautiful spirit. Miss Olson—

(Miss Olson sings.)

Mr. REGULA. Thank you, Nancy. The Senator was even modest in his description. At this time, we're very pleased to have with us Justice Sandra Day O'Connor who will share with us a reading from the New Testament. Justice O'Connor—

Justice SANDRA DAY O'CONNOR. These verses are from St. Paul's letter to the Romans in which he discusses basic christian doctrines and how they should be applied in daily life. A reading from Chapter 12, book of Romans. For through the grace given to me I say to every man among you not to think more highly of himself than he ought to think, but to think so as to have sound judgment as God has allotted to each a measure of faith. For just as we have many members in one body and all the members do not have the same function, so we who are many are one body in Christ and individually members one of another. And since we have gifts that differ according to the grace given to us, let each exercise them accordingly. If prophesy, according to the portion of his faith; if service, in his serving; or he who teaches in his teaching; or he who exhorts in his exhortation; he who gives with liberality; he who leads with diligence; he who shows mercy with cheerfulness. Let love be without hypocrisy. Abhor what is evil. Cling to what is good. Be devoted to one another in brotherly love. Give preference to one another in honor. If possible, so far as it depends on you be at peace with all men. Do not be overcome by evil, but overcome evil with good. The word of the Lord.

Mr. REGULA. Thank you, Justice O'Connor. An individual who daily must meet the leadership challenges with compassion will bring us a prayer for national leaders. The Honorable Wilson Goode the Mayor of Philadelphia. Please remain seated. (Applause)

Mayor GOODE. Let us pray. Oh God, our creator, and our sustainer, as we pray for our national leaders we commend them and this great nation to your care to be guided by You and to be secure in peace. Grant to the President, to his Cabinet, to members of Congress, to governors of our states, to the mayors of our cities, to lawmakers of our states, cities and towns, and to all those with appointed authority in all levels of government, grant to us, oh Lord, the wisdom and courage to know and perform thy will. Grant to us the wisdom and integrity to serve with fairness and with compassion. Fill us, oh Lord, with love, with truth and righteousness. Make us ever mindful of our calling and responsibility to serve the people, to help those who are hungry, to help those who are homeless, to help those who, oh Lord, are unemployed, and to help those who need a compassionate government. Help us, oh Lord, to do these things with patience, with charity, and with foresight. Guided by your spirit, Lord, we will govern with honesty, with compassion, and with vision. Amen.

Mr. REGULA. Thank you Mayor Goode, for a thoughtful prayer and one that challenges all of us. The most powerful testimony to faith is to live it in our daily lives, especially when one is challenged with the difficult choices that confront those with leadership responsibilities. We are fortunate today to have with us to bring a message of inspiration with words as well as service the son of Armenian immigrants, a native of upstate New York and now the Governor of the great state of California. Please join me in welcoming the Honorable George Deukmejian. (Applause)

Governor DEUKMEJIAN. Thank you. Mr. President, Mrs. Reagan, Mr. Vice President, Mrs. Bush, distinguished guests, it's certainly a genuine honor for me to participate in this significant national tradition which has provided spiritual sustenance to America's leaders now for over three decades. We have a similar tradition in California, a Governor's Prayer Breakfast every year. And I know, Mr. President, that you remember those very well. It's the third of three noteworthy events that take place at the start of each new year.

First, the legislature returns to Sacramento, then the Governor submits his new budget, and after that, everyone starts praying for him. In fact, they gave me my first prayer breakfast just 17 days after I was inaugurated. Someone apparently thought that I needed a lot of help right away. Well, we haven't yet discovered a way to export California's warmth and sunshine east during these cold winter months, but we were successful in sending America a leader who I believe has already been one of our best presidents. And I have it on pretty good authority that we ain't seen nothin' yet.

As leaders and public servants, I think we would do well to recall the time that the great abolishionist leader of the nineteenth century, Senator Charles Sumner was asked to come to the aid of a certain constituent. But as he explained to his friend, Julia Ward Howell, "Julia, I've become so busy that I can no longer concern myself with individuals." And she replied, "That's quite remarkable, Charles. Even God hasn't reached that stage yet." Unfortunately, history tells us that many rulers and governments have neglected the rights and aspirations of the individuals. Even in America, we sometimes forget why our country was founded in the first place. To be the world's garden of opportunity where individuals could grow and prosper, a land where dreams both humble and grand can come true. Yet despite all the blessings of our modern society, sometimes this ceaseless spiral of progress and change, we just do not allow those individual dreams to succeed and oftentimes they get lost. Every person has value. Every individual is unique. Every child has dreams. God recognizes that. America was founded on that belief and we should never forget it. What after all explains why America has become a beacon of hope, freedom and prosperity for all of mankind. Some say it is our treasure chest of our natural resources. Others point to

our productive economic system that rewards initiative, hard work and creativity. And still others say that it's the skillful blend of freedom and opportunity immortalized so eloquently in our Declaration of Independence and our Constitution.

All of these are precious blessings, but I believe that the real secret of our success is something else. America has always had faith in the individual and American individuals have always had faith in God. President Eisenhower, who was responsible for making this Prayer Breakfast a cherished tradition, put it best when he said, "Without God, there could be no American way of life. Recognition of the supreme being is first, the most basic expression of Americanism."

Indeed, throughout our history, not only in churches, synagogues, and meeting halls, but also on the wagon trains heading west, in the waiting lines at Ellis Island, in prisoner-of-war camps, Americans have called upon God and asked for his blessing. We have sought his strong, sure hand on our shoulders. Mr. President, you expressed this very well at your first prayer breakfast as governor of California way back in 1967. You said, "I don't believe anyone of us could conceive of carrying on with the problems we must face without the help of God." Today, those of us who are in positions of responsibility have gathered to reaffirm this sacred American compact with God, to give our thanks, to ask for his blessing, to seek his strength and to do his will. We have no lengthy petition to present, although sometimes I'm sure it's tempting to pray for a surplus rather than a deficit. No, we ask only that God grant us those gifts that are so important to leadership, the courage to make difficult decisions, the conviction to do what we believe is right, the confidence that we can create a better future for every single one of God's children. They tell the story about one of those children. A little girl who was given the assignment of memorizing and reciting the 23rd Psalm. She didn't do a very good job with her task, but in her own way she spoke from the heart. She said, "The Lord is my shepherd and that's all I want." Well, I'm sure that God answered her prayer just as He answers the prayers of both the mightiest and the weakest among us.

There's a verse in the book of Acts that has universal application. It says, "In truth I have come to understand that God has no favorites, but in every nation he who loves God and acts with God's likeness is acceptable to God." America's leaders have always called on God and we thank God for that, but so have the most humble. Those new arrivals who for four hundred years have come to this continent with nothing but hope and faith. Some public officials speak of the sacrifices and the burdens of leadership. They are small compared to the pioneers who built this country for us to enjoy. Fleeing their homeland was not an easy answer. It was a hard choice. For many, that choice meant sickness, death, and physical hardships worse than they had ever imagined. And yet they found the courage to make that choice. They had the conviction to stand up for human dignity. They refused to accept lives of mediocrity. They refused to submit to the horrible abuses that were heaped upon them. Where did they find that strength to leave their old world, cross a treacherous ocean, and carve a bold, new world out of a continent of wilderness? I will always remember my parents telling me the story about the unspeakable conditions under which the Armenian people were uprooted and driven from their homes. They were allowed to take only what they could carry, nothing more. Without funds, often without food, but with the comfort of God and the strength of family, they journeyed to a new land to face the unknown just like millions before them and millions since. God filled them with faith, virtue, integrity, perseverance, patience, and Godliness. And here they discovered a simple truth that shines as brightly whether you are a president or a pauper, man or woman, Black or White, Asian or Hispanic, or whether your family has been in America ten days or ten generations. If you have faith in God and the freedom that is America, there's just no limit to what you can accomplish for your family and fellow man. Faith in God and the freedom of the American dream, what a powerful combination that is. The first, an ancient, enduring covenant with our maker. The second, a bold, brash celebration of the human spirit. One that is growing, changing, and climbing new peaks every day. And as we begin this challenging new chapter in America, let us make God's respect for the individual our own. Let's make equal opportunity more than a slogan or a dream or a quota, but make it a bold American reality. And as leaders, let us always remember that in order to be good public servants, we must be God's servants as well. If we adhere to his laws, if we give thanks daily for his blessings, if we seek to know and to do God's will, then we can't go wrong because His strength will be our strength and His love for us will be reflected in our love and respect for each other.

Thank you and God bless you.

Mr. REGULA. Governor, your message was a beautiful reaffirmation of the foundation our cherished freedom has in our faith.

We in the House sometimes have a mental block when it comes to the Senate. I note that I overlooked the Senate message in this morning's program, however, the Vice President, as the leader of the Senate, was not about to let me get away with that. To bring us a welcome and a message from the Senate Prayer Breakfast Group, Senator Lawton Chiles from Florida. [Applause]

Senator CHILES. Thank you, Ralph. I bring you greetings from the Senate Prayer Breakfast. Whenever we met Wednesday mornings, approximately or up to 25 members of the Senate meet, we've been meeting continuously now since 1952. In the old days, we know that there were sometimes some meetings in the West where men checked their guns before they went into the meeting. At the Senate Prayer Breakfast, we check our party affiliations outside. We check our political philosophies and we come to that breakfast not as Democrats or Republicans or Liberals or Conservatives or from any direction of the country. We come as seekers and searchers. We come to enjoy a fellowship and a comradery together. We find that it's hard to get to know people in the Senate. We scatter on weekends. We never seem to get a chance to be together. And the Senate Prayer Breakfast, through the innovation of some of our younger members who started sort of sharing something about themselves, we find is a way that we really get a chance to know each other. It's a place where we can constantly remind ourselves of the strain and hardship that our role as senators impose on our responsibility as being a father and being a husband. And that certainly is very helpful to us. It's a place where we can, where learning to share our hurts and our frustrations, our family burdens. We find that we can't do that with our staff. We're supposed to be up all the time, but the Prayer Breakfast gives us that opportunity. Most of us look forward to Wednesday morning. We don't want to miss it because we receive strength and comfort. We receive that because we meet in the name of Christ, the comforter, the shepherd. And His grace is more than sufficient because His strength is made perfect as we acknowledge our weaknesses. There is no political deals made there and yet we find tremendous friendships that cross the aisle, that cross all these philosophies, come from this fellowship together and we find that that bears fruit as we enter into our Senate deliberations. We sense and feel the prayers that you and people all across this country offer for the institution of the Senate and Congress and for us as individuals. That's very biblical. We hope you'll keep it up. Thank you. [Applause]

Mr. REGULA. Thank you, Senator, for giving us an inspirational thought and message. The other day as I was leaving church one of my constituents came up and said to me, "Ralph, what is the President really like?" And I reflected on that for a moment and I said, "I think the best way I could describe him is that he lives the second great commandment of loving his neighbor as himself. Ladies and gentlemen, the President of the United States. [Applause]

President REAGAN. Thank you. Thank you very much. Thank you, ladies and gentlemen. It's very good to be here again. I look forward to this meeting every year more than any other. And I want to personally welcome our guests from other countries to Washington, our capital. We're happy to have you here with us. I would like to say something more about this National Prayer Breakfast and how it came about. We've already heard some of the history from representatives of the two Houses, but I think some of the story may be unknown even to a few of our hosts from the Congress here today.

Back in 1942 at the heighth of World War Two, a handful of senators and congressmen discussed how they might be of personal and spiritual support to one another if they gathered now and then to pray together, they might discover an added resource which would be of sustaining value. And so very informally, they began to meet. In time in both the House and Senate groups, some informal rules evolved. The members would meet in the spirit of peace and in the spirit of Christ, but they need not be Christians. All members would be welcome regardless of their political or religious affiliation. Sincere seekers as well as the deeply devoted, all on a common journey to understand the place of faith in their lives and to discover how to love God and one's fellow man. They wouldn't publicize the meetings, nor would they use them for any kind of political gain. The meetings would be off the record. No one would repeat what was said. And above all, the members would talk about any personal problem in which they needed guidance or any sadness for which they needed prayers. Well, the two groups met quietly and with no fanfare for ten years. And then President Eisenhower, as we've been told, came into the story.

In 1952, when he was running for president, one of his most important strategists was a fine man, a Senator named Frank Carlson. I guess he was kind of Ike's Paul Laxalt. One night out on the campaign trail, Eisenhower confided to Senator Carlson

that during the war when he was commanding the Allied Forces in Europe, he had had a spiritual experience. He had felt the hand of God guiding him and felt the presence of God. And he spoke of how his friends had provided real spiritual strength in the days before D-Day. Senator Carlson said he understood, that he himself was getting spiritual strength from members of a little prayer group in the Senate. A few months later, just a few days after he was sworn in as President, Eisenhower invited Frank Carlson over to the White House. He said, "Frank, this is the loneliest house I've ever been in. What can I do?" And Carlson said, "I think this may be a good time for you to come with our prayer group." And Eisenhower did. In 1953, he attended the first combined prayer breakfast. And Presidents have been coming here for help ever since. And here I am. The prayer meetings in the House and Senate are not widely known by the public. Members of the media know, but they have with great understanding and dignity generally kept it quiet, I've had my moments with the press, but I commend them this day for the way they've worked to maintain the integrity of this movement. Some wonderful things have come out of this fellowship.

A number of public figures have changed as human beings, changed in ways I'd like to talk about, but it might reveal too much about the membership. Fellowships have begun to spring up throughout the capital. They exist now in all three branches of the government and they have spread throughout the capitals of the world to parliaments and congresses far away. Since we met last year, members of the fellowship throughout the world have begun meeting with each other. Members of our Congress have met with leaders and officials from other countries, approaching them and speaking to them not on a political level, but a spiritual level. I wish I could say more about it, but it's working precisely because it is private. In some of the most troubled parts of the world, political figures who are old enemies are meeting with each other in a spirit of peace and brotherhood. And some who've been involved in such meetings are here today. There are many wars in the world and much strife, but these meetings build relationships which build trust. And trust brings hope and courage.

I think we often forget in the daily rush of events the importance in all human dealings of the spiritual dimension, there are such diversities in the world, such terrible and passionate divisions between men, but prayer and fellowship among the great universe of God's believers are the beginning of understanding and reconciliation. They remind us of the great overreaching things that really unite us. In this job of mine, you meet with so many people and deal with so many of the problems of man, you can't help being moved by the quiet unknown heroism of all kinds of people. The prime minister of another country who makes the bravest of brave decisions which are right, but may not be too popular with his constituency, or the fellow from Indiana who writes to me about some problems he's been having and what he did to solve them. You see the heroism and goodness of men and know in a special way that we are all God's children. The clerk and the king and the communist were made in His image. We all have souls and we all have the same problems. I'm convinced more than ever that man finds liberation only when he binds himself to God and commits himself to his fellow man. Will you forgive me if I repeat the story that I told here last year. It's a story that goes back to the fourth century.

There was an Asian monk living in a little remote village, tending his garden, spending much of his time in prayer. And then one day he thought he heard the voice of God telling him to do to Rome. So he obeyed the Lord's command and he set out on foot and many weary weeks later he arrived in the capital city of the Roman Empire at the time of a great festival that was going on in Rome. The little monk followed the crowd that was surging down the streets into the coliseum. He saw the gladiators come forth, stand before the Emperor, and say, "We who are about to die salute you." And then he realized these men were going to fight to the death for the entertainment of the crowd and he cried out, "In the name of Christ, stop." And as the games began, he fought his way down through the crowd, climbed over the wall and dropped to the floor of the arena. When the crowd saw this tiny figure making his way out to the gladiators saying, "In the name of Christ stop," they thought it was part of the entertainment and began laughing.

But when they realized it wasn't, then their laughter turned to anger. And as he was pleading with the gladiators to stop, one of them plunged a sword into his body. He fell to the sand in the arena. And as he was dying, his last words were, "In the name of Christ, stop." Then a strange thing began to happen. The gladiators stood looking at the tiny figure lying there in the sand. A hush fell over the coliseum. Way up in the upper tiers, a man stood and made his way to the exit. Others began to follow. In dead silence, everyone left the coliseum and that was the last battle to the death between gladiators in the Roman Coliseum. Never again in the great stadium did men kill each other for the entertainment of the crowd and all because of one tiny voice that could hardly be heard above the tumult. One voice that spoke the truth in God's name.

I believe we witness here this morning that that voice is alive today and may it continue to rise above the tumult and be heard.

Thank you so much. God bless you. [Applause]

Mr. REGULA. Please remain standing if you will. I think in the spirit of the President's message and thinking of the power of prayer that it would be a wonderful thing this morning if, for just a moment, we all pause and, each in his or her own way, give a silent prayer for peace in 1985 and the years to follow. And now, we will be lead in our singing of our closing hymn by the Honorable Charles Whitley, and then we will have a closing prayer. Congressman Whitley—

Mr. WHITLEY. We shall sing the first and last verses of this great hymn which has long been a favorite of Dr. Billy Graham, who has been a frequent visitor to our prayer breakfasts. He's been one of its leading spirits over the years. Let me say that it is a moving experience for all of us to sit and hear a highly talented and trained voice like that of Nancy Olson render a great hymn as she has this morning. It is equally inspiring for those of us who lack great talent and a trained voice to join our hearts in song. Let us sing to the glory of God the first and last verses of that great hymn, Amazing Grace. [Singing of the hymn.]

Mr. REGULA. Thank you, Charlie. He's the song leader for our House Prayer Breakfast. He does a wonderful job. We'll close this hour of fellowship and faith with a prayer by General John Wickham, Chief of Staff of the United States Army and then, if you will, please be seated until the President and Mrs. Reagan and the Vice President and Mrs. Bush have had an opportunity to leave. General Wickham—

General WICKHAM. Let us pray. Father, thank you for the fellowship that we have shared today, a fellowship we enjoy in this great country during a time of peace. This peace has been maintained not only by the service of Americans and their friends, but most importantly by your divine protection. All of us, military and civilian alike, are blessed to be Americans. Our lives are enriched by your gift of freedom. A gift protected by those who were before us. And yet we are reminded almost daily that freedom is never really free. It is the costliest thing in the world and freedom is never paid for in a lump sum. New installments come due in each generation. All any nation can give to each new generation is the possibility of freedom. We cannot long enjoy the fruits of freedom if we do not nurture an abiding faith in you, Father, and continue to make the sacrifices necessary to protect our liberty and our cherished values while protecting freedom. A soldier in one of our earlier wars carried with him the following prayer. I asked God for strength that I might achieve. I was made weak that I might learn humbly to obey. I asked for health that I might do greater things. I was given infirmity that I might do better things. I asked for power that I might have the praise of men. I was given weakness that I might feel the need of God. I asked for all things that I might enjoy life. I was given life that I might enjoy all things. I got nothing that I asked for, but everything that I hoped for. Almost despite myself, my unspoken prayers were answered. And so I, among all people, am most richly blessed.

And so as all of us depart from here today, dear Lord, help us to count our blessings, seen and unseen. Let our hearts be touched by the friendship we've made. Let our spirits be uplifted by the words and song of this prayer breakfast and, of course, let our footsteps be certain in the snow outside. And let us redouble our efforts to protect freedom for the sake of our children. Amen.

Mr. REGULA. Thank you, General. Please be seated. Thank you, Mr. President and Mrs. Reagan for being with us. And thank you, Mr. Vice President and Barbara. [Applause] Thank you all for coming. A great morning of fellowship and Godspeed to all.

MONEY LAUNDERING ACT OF 1985

(Mr. McCULLOM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. McCULLOM. Mr. Speaker, today the Committee on the Judiciary officially approved it's subcommittee and I am honored to serve as the ranking Republican of the Subcommittee on Crime. I am looking forward to working with the distinguished chairman of the subcommittee, Mr. BILL HUGHES. Mr. HUGHES has the reputation of a hard-working Representative dedicated to the protection of all Americans through the constant im-

provement of the criminal justice system. It will be a privilege to serve on the Subcommittee on Crime with jurisdiction over drug enforcement legislation and many other issues of importance to my State of Florida, and, indeed, to every community in this country.

One very important issue of concern to the Subcommittee on Crime as well as the Committee on Banking, Finance and Urban Affairs, on which I also serve, is money laundering. Recently it has received great attention in the media due to the unfortunate experiences of the Bank of Boston. Money laundering is the lynchpin of organized drug trafficking schemes and hundreds of American financial institutions are wittingly and unwittingly feeding the lifeblood of drug trafficking by assisting in the laundering of billions of U.S. dollars. Congress must take a good look at this practice and develop a thorough and timely response, and I hope that the money laundering issue will be a priority for the Subcommittee on Crime.

Today I am introducing the Money Laundering Act of 1985. Under this bill for the first time the use of financial institutions by money launderers would become a criminal offense.

The bill would add a new section to title 18 of the United States Code to explicitly prohibit conduct of transactions involving monetary instruments when the person conducting the transaction, or causing it to be conducted, intends to promote, manage, or otherwise further unlawful activities that typically are conducted by organized criminal groups, or knows that the monetary instruments represent income or proceeds from such activities.

The bill would also amend the Bank Secrecy Act to give new subpoena powers to the Secretary of the Treasury to take testimony and examine records pertaining to record keeping and reporting requirements of the act; would amend wiretap laws to cover the new money laundering crime, and would amend the Right to Financial Privacy Act to permit financial institutions to cooperate more actively and regularly with Federal law enforcement agencies in providing information concerning ongoing money laundering schemes and insure that financial institutions won't inadvertently render themselves subject to private damage actions for disclosing such information to law enforcement agencies.

The penalties for conviction of a money laundering offense are severe. For the first offense the maximum punishment is a fine of not more than $250,000 or twice the value of the monetary instruments involved, whichever is greater, or imprisonment for up to 5 years, or both. The second offense brings a maximum fine of the greater of $1 million or five times the value of the money and a 10-year prison term.

The image of a dirty, sleazy drug pusher on an inner-city street or the sounds of a muffled engine on a heavily laden boat just off the Florida coast are images that come to mind at the mention of drug trafficking. One does not automatically conjure up the image of a distinguished well-dressed professional investor or community business leader. Yet drugs and money go hand in hand. Sophisticated banking and investment expertise are essential elements in both financing and profiting from the drug trade. For example, in the Pizza Connection case, La Cosa Nostra members distributed heroin imported from Southeast Asia's Golden Triangle through pizza parlors in the United States, and then transferred the cash generated through accounts in two large New York brokerage firms to Switzerland and finally to Sicily, where it was used to buy more heroin. Authorities estimate that at least $25 million was laundered between October 1980 and September 1982. This is a typical case where cash from "street-level" sales of drugs are converted into an ostensibly legitimate form, such as business profits or loans, before using those funds for personal benefit or reinvesting in more drugs.

Federal law enforcement officials estimate that $50 to $75 billion in illegal drug money is earned in the United States each year and some $5 to $15 billion of it probably moves into international financial channels.

At the present time the Bank Secrecy Act is the principal tool in the fight to stop money laundering, but it has been limited in its effectiveness for a number of reasons. The Bank Secrecy Act requires the filing of a currency transaction report (CTR) by banks whenever a currency transaction involves more than $10,000. Whenever currency or monetary instruments valued at over $10,000 are removed from the United States, a currency or monetary instrument report [CMIR] must be filed. Finally, persons with foreign bank accounts exceeding $5,000 must file a foreign bank account report [FBAR].

The money launderer who complies with the record keeping and reporting requirements of the act and the regulations by completing the forms, as money launderers have done in the past, can operate with impunity, unless and until it can be proved that the launderer has violated another Federal statute. The Bank Secrecy Act must be bolstered by better enforcement and new alternative law enforcement tools.

The President's Commission on Organized Crime has prepared an excellent report on money laundering. In its interim report, "The Cash Connection: Organized Crime, Financial Institutions, and Money Laundering," issued in October 1984, the Commission makes important finding which highlight the problem, and recommends several changes in law and practice. Many of these changes must come from the banking community itself. Willful blindness will not be tolerated by our communities, and banks must train employees and initiate new detection methods to avoid becoming conduits of illegal activity. The Commission also recommended ways that the Department of Treasury can streamline its procedures to help banks comply and to improve enforcement capabilities.

The Commission found in its interim report:

> Money laundering invariably has a deleterious effect upon the financial community. By corrupting officials and employees of financial institutions in furtherance of laundering schemes, money launderers undermine the integrity of those institutions and, if discovered by law enforcement agencies, can vitiate the reputations of those institutions for soundness and prudent judgment. Even if a financial institution is unwittingly made a conduit for laundering, the mere fact that money launderers saw fit to use that institution may seriously affect the public's perception of the institution.

One must wonder whether the Commission saw the Bank of Boston in its crystal ball when it wrote this prophetic statement.

The Commission also created a legislative proposal based on its findings. This is the basis for the "Money Laundering Act" that I am introducing today. Subsequent to the Commission's drafting of its proposal, the President signed into law the Comprehensive Crime Control Act of 1984—Title II, Public Law 98-473—which enacted some of the Commission's proposals. My bill sets forth the remainder of these proposals with the key one being the making of money laundering itself a crime.

I would be remiss not to note the contributions of the distinguished chairman of the Senate Subcommittee on Securities of that body's Banking Committee, the gentleman from New York, Mr. D'AMATO. He is to be commended for his efforts in the 98th Congress to broaden the authority of the Secretary of the Treasury to obtain information for the purpose of ensuring compliance with the Currency and Foreign Transactions Reporting Act—Title II, Public Law 91-508. Such broadened powers are included in my bill and I look forward to working with him on the money laundering issue in this Congress.

The bill I am introducing today has four parts which are broken into titles. The President's Commission on Organized Crime prepared an explanation of their proposal and the relevant portions are repeated here:

EXPLANATION

TITLE I

Section 101 would amend title 18 by adding a new substantive offense to the provisions of chapter 95 of title 18. Subsection (a) of the proposed section 1956 would make punishable the conduct of a transaction involving one or more monetary instruments in, through, or by a financial institution, if the person conducting the transaction intends, broadly speaking, to advance the interests of any person engaging in certain specified types of unlawful activity, or knows or has reason to know that the monetary instruments represent income or proceeds of various criminal offenses characteristic of organized criminal groups. The principal elements that would have to be established to prove a violation of the proposed section 1956 are set forth below:

1. *Conducts.* Money laundering frequently involves more than one deposit, withdrawal, exchange of funds, or other transaction in the effort to disguise or conceal the sources of those funds from the scrutiny of law enforcement agencies. For this reason, the term "conducts" is intended to encompass all acts—even those highly ministerial in nature—that introduce such funds into the financial system, direct them through the system, and ultimately withdraw them from the system either for investment in legitimate enterprises or reinvestment in illegal activities. In addition, the term "causes to be conducted" is intended to include not only those acts involving the supervision and direction of the operations of money laundering schemes, but also the acts of criminals to enlist the aid of such persons to launder the income and proceeds of their illegal activities.

2. *Transaction.* This term is intended to include all means by which monetary instruments or electronically transferred funds may be moved throughout the financial system, whether the transaction is effected within or outside the physical confines of a financial institution. Such means would encompass face-to-face transactions; credit card or automatic teller machines owned or operated for the benefit of a financial institution; mail, common carriers, messengers, or bailees; telephone, telegraph, wire, radio, or television communications or any other form of electronic funds transfer; and any method by which a customer may have debits or credits charged or assigned to an account on his behalf by a financial institution.

3. *Monetary instruments.* This term is intended to include all items that come within the definitions of the term "monetary instruments" that are set forth in the Currency and Foreign Transactions Reporting Act ("CFTRA") (31 U.S.C. § 5312(a)(3)) and the Treasury Department regulations promulgated thereunder (31 C.F.R. § 103.11).

4. *Financial institution.* This term is intended to encompass all agencies, branches, or offices within the United States doing business in one or more of the capacities listed in the definition of the term "financial institution" set forth in the CFTRA (31 U.S.C. § 5312(a)(2)) and the Treasury Department regulations promulgated thereunder ((31 C.F.R. § 103.11). Because of the frequency with which they have been used to launder funds from drug trafficking and other illegal activities, casinos are intended to be included in this definition, as the Treasury Department has recently proposed for purposes of the reporting and record-keeping requirements of the CFTRA. *See* 49 Fed. Reg. 32,861 (Aug. 17, 1984).

5. *Engaging in or affecting commerce.* This term is intended to extend the reach of section 1956 to the maximum extent consistent with Congress's power to regulate under the Commerce Clause.

6. *Scienter.* Section 1956 is not intended to proscribe mere inadvertent conduct by any person, whether an officer or employee of a financial institution or other person. It requires proof of either of two formulations of *scienter;* (1) that the person had the intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of an unlawful activity; or (2) that the person had knowledge or reason to know that the monetary instruments represent income derived, directly or indirectly, from any unlawful activity, or the proceeds thereof.

The first formulation's use of the words "promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on" is intended to permit the courts to draw on the body of judicial interpretations of identical language in subsection (a)(3) of the Travel Act (18 U.S.C. § 1952(a)(3)). Its use of the term "unlawful activity," however, is intended solely to refer to the definition of that term in subsection (b) of this title, and not to the definition of an identical term in the Travel Act. As a general matter, this formulation is more likely to apply to the mental state of a person who oversees or supervise the activities of a group of persons who were collectively engaged in money laundering.

The second formulation is expressly intended to include the concepts of "conscious avoidance of knowledge," "deliberate ignorance," and "willful blindness" in the terms "knowledge or reason to know." *See generally, e.g., United States* v. *Jewell,* 532 F.2d 697 (9th Cir.), *cert. denied,* 426 U.S. 951 (1976). This formulation is intended to make clear that either a subjective or an objective standard of intent may be chosen for proof: that the person either knew in his own mind, or ought to have known (*i.e.,* that a reasonable man in that person's position would have known), that the monetary instruments were income or proceeds of unlawful activity. *See generally* W. LaFave & A. Scott, *Criminal Law* § 127, at 193 (1972). This alternative set of standards is used with some frequency in title 18 offenses. *See, e.g.,* 18 U.S.C. §§ 2511 (concerning interception and disclosure of wire or oral communications), 2512 (concerning manufacture, distribution, possession, and advertising of wire or oral communication intercepting devices). As a general matter, this formulation is more likely to apply to lower-level participants who are more immediately and directly involved with effecting the transactions, even if they have had no personal contact with the criminals who procured the services of the money laundering group.

Under either of these formulations, the language should in no way be construed to require proof beyond a reasonable doubt of each element of an offense before that offense may be considered an "unlawful activity" within the meaning of this section.

Subsection (c) of the proposed section 1956 is intended to encourage courts to construe the provisions of this section as liberally as possible consistent with the rule of lenity.

Subsection (d) of the proposed section 1956 is intended to permit the independent application of any other provisions of Federal, state, or other law concerning criminal penalties or civil remedies. This provision would, for example, permit the forfeiture of monetary instruments to the extent that forfeiture has been, or may hereafter be, authorized under Federal law.

Subsection (e) is intended to make possible both joint and separate investigations by any and all of the Federal law enforcement agencies that are most likely to take an active interest in detecting and investigating money laundering schemes.

Subsection (f) is intended to make full use of Congress's power under the Constitution to proscribe certain conduct that occurs beyond the borders of the United States.

Section 201 would amend section 5318 of the CFTRA to broaden the authority of the Secretary of the Treasury to obtain information for the purpose of ensuring compliance with the CFTRA and regulations thereunder. A new paragraph (3) of subsection (a) would authorize the Secretary to examine books, papers, records, or other data of domestic financial institutions, issue summonses to officers and employees of financial institutions and persons possessing records or reports required under the CFTRA, and to take testimony from those summoned. Subsection (b) would permit the Secretary to take any of the above actions for purposes that include investigating offenses connected with enforcement of the CFTRA, section 21 of the Federal Deposit Insurance Act, section 411 of the National Housing Act, or chapter 2 of the Bank Secrecy Act. Subsection (c) would limit the authority of the Secretary to delegate the powers conferred by subsection (a)(3). These provisions are based on the provisions of section 1 of S. 2579, introduced by Senator Alphonse D'Amato on April 12, 1984.

Section 202 would amend section 5319 of the CFTRA to permit the Secretary of the Treasury to make information in reports filed under section 5313, 5314, or 5316 of the CFTRA (currently, CTRs, CMIRs, and FBARs) to another Federal agency when the Secretary has reason to believe that making such information available to the agency would further or facilitate the exercise of the Secretary's supervisory or regulatory powers under the CFTRA. At present, under section 5319 and the regulations thereunder the Secretary may make such information available to another agency only if the head of the agency makes a written request that states "the particular information desired, the criminal, tax or regulatory investigation or proceeding in connection with which the information is sought and the official need therefor." 31 C.F.R. § 103.43. Unlike the financial records of a financial institution or its customers, the reports required under sections 5313, 5314, and 5316 of the CFTRA are submitted to, and are the property of, the Treasury Department. Accordingly, the Treasury Department should have the discretion to provide information in its CFTRA reports to other Federal agencies when it has reason to believe that those agencies can assist it in fulfilling the Department's statutory responsibilities under the CFTRA (*e.g.,* by investigating criminal violations of the CFTRA).

TITLE III

Section 301 would amend section 2516 of title 18 to permit the proposed section 1956 of title 18 and section 5322 of title 31 to serve as predicate offenses for the issuance of judicial orders authorizing or approving interceptions of wire or oral communications in conformity with the provisions of

Title III of the Omnibus Crime Control and Safe Streets Act of 1968.

TITLE IV

Subsection (a) of section 401 would amend subsection (c) of section 1103 of the Right to Financial Privacy Act ("RFPA") to permit financial institutions, as well as their officers, employees, or agents, to disclose to a Government authority only such information as they believe may be relevant to a possible violation of any statute or regulation. At present, section 1103 permits financial institutions to notify a Government authority only that they have information which may be relevant to a possible violation of a statute or regulation. Because a law enforcement agency can rarely, if ever, justify opening a formal investigation, and thereafter complying with the elaborate procedures required by the RFPA, on the basis of an unsupported assertion by a financial institution, section 1103 discourages both the agency from pursuing potential leads in money laundering cases and the financial institutions from contacting the agency. This state of affairs serves neither the interests of the legitimate financial community in discouraging the use of financial institutions by money launderers, nor the interests of law enforcement in ensuring compliance with the Bank Secrecy Act and other Federal statutes and regulations.

Subsection (a) also would add a provision that would preempt all state constitutions, statutes, regulations, or judicial decisions that appear to establish a more restrictive standard than the amended section 1103 of the RFPA for disclosures of information by financial institutions to a Government authority. Any state provision that established an equally or less restrictive standard would be unaffected by subsection (a).

Section (b) of section 401 would amend subsection (c) of section 1117 of the RFPA to permit a financial institution, or officer, employee, or agent thereof, against which a customer had brought a civil action under the RFPA because of its disclosure of records or information to a Government authority, or because of its failure to notify the customer of such disclosure, to assert as an absolute defense that it had made the disclosure in good-faith belief that the records or information may be relevant to a possible violation of a statute or regulation. This amendment is necessary to give full effect to the provisions of the proposed section 401(a), by ensuring that financial institutions which seek to assist law enforcement agencies in detecting and investigating criminal activities will not thereby inadvertently expose themselves to potentially substantial liability under the RFPA.

The Money Laundering Act of 1985 contains several importnat initiatives which deserve further study, refinement, and timely enactment. I urge my colleagues, particularly those on the Committee on the Judiciary and the Committee on Banking, Finance and Urban Affairs, to share with me their thoughts on this initiative. Members of the banking industry have special expertise which is essential to the development of good legislation and I urge them to express their opinions. The legislation will also be immediately forwarded to the Departments of Justice and Treasury for comment.

If we are ever going to take the profit out of crime we must attack those profits directly. Money laundering schemes are harming legitimate institutions while they finance the destruction of thousands of American lives through drug trafficking. To end this twisted practice of money laundering is the purpose of the Money Laundering Act of 1985.

The text reads as follows:

H.R. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Money Laundering Act of 1985."

TITLE I—MONEY LAUNDERING OFFENSE

SEC. 101. (a) Chapter 95 of title 18, United States Code, is amended by adding the following new section:

"§ 1956. Laundering of monetary instruments

"(a) Whoever conducts or causes to be conducted a transaction or series of transactions involving one or more monetary instruments in, through, or by a financial institution which is engaged in, or the activities of which affect, interstate commerce, or attempts so to do,—

"(1) with intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity; or

"(2) with knowledge or reason to know that such monetary instruments represent income derived, directly or indirectly, from any unlawful activity, or the proceeds of such income,

"shall be fined not more than $250,000 or twice the value of the monetary instruments, whichever is greater, or imprisoned not more than five years, or both, for the first such offense, and shall be fined not more than $1,000,000 or five times the value of the monetary instruments, whichever is greater, or imprisoned not more than ten years, or both, for each such offense thereafter.

"(b) As used in this section—

"(1) the term 'conducts' includes, but is not limited to, initiating, concluding, or participating in conducting, initiating, or concluding a transaction;

"(2) the term 'transaction' includes, but is not limited to, a deposit, withdrawal, transfer between accounts, exchange of currency, loan, extension of credit, purchase or sale of any stock, bond, certificate of deposit, or other monetary instrument, or any other payment, transfer, or delivery by, through, or to a financial institution, by whatever means effected;

"(3) the term 'monetary instruments' means monetary instruments as defined in section 203(1) of the Currency and Foreign Transactions Reporting Act, as revised (31 U.S.C. § 5312(a)(3));

"(4) the term 'financial institution' means financial institution as defined in section 203(e) of the Currency and Foreign Transactions Reporting Act, as revised (31 U.S.C. § 5312(a)(2)); and

"(5) The term 'unlawful activity' means any act or acts constituting—

"(A) a pattern of racketeering activity or collection of unlawful debt, as those terms are defined in section 901(a) of the Organized Crime Control Act of 1970 (918 U.S.C. §§ 1961-1968);

"(B) a continuing criminal enterprise, as that term is defined in section 408 of the Controlled Substances Act (21 U.S.C. § 848);

"(C) an offense under any of the following provisions of title 18, United States Code: section 201 (relating to bribery), section 224 (relating to bribery in sporting contests), sections 471-473 (relating to counterfeiting), section 659 (relating to theft from interstate shipment) if the offense is felonious, section 664 (relating to embezzlement from pension and welfare funds), sections 891-894 (relating to extortionate credit transactions), section 1084 (relating to the transmission of gambling information), section 1341 (relating to mail fraud), section 1343 (relating to wire fraud), sections 1461-1465 (relating to obscene matter), section 1503 (relating to obstruction of justice), section 1510 (relating to obstruction of criminal investigations), section 1511 (relating to obstruction of State or local law enforcement), section 1951 (relating to interference with commerce by threats or violence), section 1952 (relating to racketeering enterprises), section 1953 (relating to interstate transportation of wagering paraphernalia), section 1954 (relating to unfair welfare fund payments), section 1955 (relating to prohibition of illegal gambling businesses), sections 2314 and 2315 (relating to interstate transportation of stolen property), sections 2341-2346 (relating to trafficking in contraband cigarettes), or sections 2421-2424 (relating to white slave traffic);

"(D) an offense under title 29, United States Code, section 186 (relating to restrictions on payments and loans to labor organizations) or section 501(c) (relating to embezzlement from union funds); or

"(E) an offense involving the felonious manufacture, importation, receiving, concealment, buying, selling, or otherwise dealing in narcotic or other dangerous drugs, punishable under any law of the United States.

"(c) The provisions of this section shall be liberally construed to effectuate its remedial purpose.

"(d) Nothing in this section shall supersede any provision of Federal, State or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section.

"(e) Violations of this section shall be investigated by the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Internal Revenue Service, as appropriate.

"(f) There is extraterritorial jurisdiction over the conduct prohibited by this section.".

(b) The table of sections at the beginning of chapter 95 of title 18 is amended by adding at the end the following new item: "1956. Laundering of monetary instruments".

TITLE II—CURRENCY AND FOREIGN TRANSACTIONS REPORTING ACT AMENDMENTS

SEC. 201. Section 5318 of title 31, United States Code, is amended—

(1) by inserting "(a)" after "Sec. 5318.";

(2) by inserting ", except as provided in subsection (c)" before the semicolon at the end of paragraph (1);

(3) by striking out "and" at the end of paragraph (2);

(4) by redesignating paragraph (3) as paragraph (4);

(5) by inserting after paragraph (2) the following:

"(3)(A) examine any books, papers, records, or other data of domestic financial institutions pursuant to the recordkeeping

and reporting requirements under this subchapter;

"(B) summon an officer or employee of a financial institution, or any person having possession, custody, or care of the reports or records required under the subchapter, to appear before the Secretary of the Treasury or his delegate at a time and place named in the summons and to produce such books, papers, records, or other data, and to give testimony, under oath, as may be relevant or material to such inquiry; and

"(C) take such testimony of the officer, employee, or person having possession of the relevant reports or records, under oath, as may be relevant or material to such inquiry; and"; and

(6) by adding at the end thereof the following:

"(b) The purposes for which the Secretary of the Treasury may take any action described in paragraph (3) of subsection (a) include the purpose of investigating any offense connected with the administration or enforcement of this subchapter, section 21 of the Federal Deposit Insurance Act, section 411 of the National Housing Act, or chapter 2 of Public Law 91-508.

"(c)(1) The Secretary of the Treasury may not delegate the powers conferred by subsection (a)(3) to an appropriate supervising agency.

"(2) A summons may be issued under subsection (a)(3)(B) only by, or with the approval of, the Secretary of the Treasury or a supervisory level delegate of the Secretary of the Treasury.".

Sec. 202. Section 5319 of title 31, United States Code, is amended by inserting before the period at the end of the first sentence the following: ", or when the Secretary has reason to believe that making such information available to the agency would further or facilitate the exercise of the Secretary's supervisory or regulatory functions under this subchapter".

Sec. 204. Section 5312(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) 'United States' means the States of the United States, the District of Columbia, and, when the Secretary prescribes by regulation, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Marianas, American Samoa, the Trust Territory, any other territory or possession of the United States, or a military or diplomatic establishment.".

TITLE III—WIRETAP AMENDMENTS

Sec. 301. Section 2516 of title 18, United States Code, is amended—

(1) by inserting "section 1956 (laundering of monetary instruments)," after "section 1955 (prohibition of business enterprises of gambling)," in subsection (c);

(2) by striking out "or" at the end of subsection (g);

(3) by redesignating subsection (h) as subsection (i); and

(4) by inserting the following new subsection after subsection (g):

"(h) a violation of section 5322 of title 31, United States Code (dealing with the reporting of currency transactions); or".

TITLE IV—RIGHT TO FINANCIAL PRIVACY ACT AMENDMENTS

Sec. 401. (a) Subsection (c) of section 1103 of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3403(c)) is amended to read as follows:

"NOTIFICATION OF EXISTENCE, AND DISCLOSURE, OF RELEVANT INFORMATION IN RECORDS; FEDERAL PREEMPTION

"(c) Nothing in this chapter shall preclude any financial institution, or any officer, employee, or agent of a financial institution, from notifying a Government authority that such institution, or officer, employee, or agent has information which it believes may be relevant to a possible violation of any statute or regulation, and thereafter disclosing such information to that Government authority, regardless of whether a subpoena, summons, search warrant, or formal written request has been issued under the provisions of this chapter. The provisions of this subsection and any regulations promulgated thereunder shall preempt any provision of any constitution, law, or regulation of any State or political subdivision thereof, as well as any administrative or judicial interpretation of such provision, that is not identical to the provisions of this subsection and regulations thereunder, and that is more restrictive of disclosure to a Government authority concerning a possible violation of any statute or regulation than the provisions of this subsection and regulations promulgated thereunder.".

(b) Subsection (c) of section 1117 of the Right to Financial Privacy Act of 1978 (12 U.S.C. § 3417(c)) is amended to read as follows:

"GOOD-FAITH DEFENSE

"(c) Any financial institution, or officer, employee, or agent thereof, making a disclosure of the financial records of a customer, or information contained in such records, pursuant to this chapter in good-faith upon a certificate by any Government authority, or in good-faith belief that such records or information may be relevant to a possible violation of any statute or regulation, shall not be liable to the customer for such disclosure or for any failure to notify the customer of such disclosure.".●

RULES OF THE SELECT COMMITTEE ON AGING FOR THE 99TH CONGRESS

(Mr. ROYBAL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. ROYBAL. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, attached is a signed copy of the rules adopted by the House Select Committee on Aging for publication in the CONGRESSIONAL RECORD:

RULES OF PROCEDURE—SELECT COMMITTEE ON AGING, AS ADOPTED, FEBRUARY 1985, 99TH CONGRESS, 1ST SESSION

INTRODUCTION

The permanent Select Committee on Aging was established on October 2, 1974 when the amendment to H. Res. 988, the Committee Reform Amendments of 1974, was adopted by the House. The amendment was subsequently incorporated in the Rules of the House of Representatives as Rule X. 6(g), which reads as follows:

(g) There shall be in the House the permanent Select Committee on Aging, which shall not have legislative jurisdiction but which shall have jurisdiction.

(1) to conduct a continuing comprehensive study and review of the problems of the older American, including but not limited to income mainteneance, housing, health (including medical research), welfare, employment, education, recreation, and participation in family and community life as self-respecting citizens;

(2) to study the use of all practicable means and methods of encouraging the development of public and private programs and policies which will assist the older American in taking a full part in national life and which will encourage the utilization of the knowledge, skills, special aptitudes, and abilities of older Americans to contribute to a better quality of life for all Americans;

(3) to develop policies that would encourage the coordination of both governmental and private programs designed to deal with problems of aging; and

(4) to review any recommendations made by the President or by the White House Conference on Aging relating to programs or policies affecting older Americans.

The Honorable William J. Randall of Missouri was appointed the first Chairman of the new Select Committee on Aging by Speaker Carl Albert on February 6, 1975.

The Honorable Claude Pepper succeeded as Chairman on January 17, 1977, having been appointed by Speaker Thomas P. O'Neill, Jr.

The Honorable Edward R. Roybal succeeded Congressman Pepper as Chairman on January 1983, also having been appointed by Speaker Thomas P. O'Neill, Jr.

In keeping with House rules that committees with membership of 20 or more members have at least 4 subcommittees, the following subcommittees have been established:

Subcommittee No. 1—Retirement Income and Employment, Mr. Roybal, Chairman, Mr. Tauke, Ranking Minority Member.

Subcommittee No. 2.—Health and Long-Term Care, Mr. Pepper, Chairman, Mr. Regula, Ranking Minority Member.

Subcommittee No. 3—Housing and Consumer Interests, Mr. Bonker, Chairman, Mr. Hammerschmidt, Ranking Minority Member.

Subcommittee No. 4—Human Services, Mr. Biaggi, Chairman, Ms. Snowe, Ranking Minority Member.

RULE NO. 1. GENERAL PROVISIONS

(a) *Rules of the House*—The Rules of the House are the rules of the Permanent Select Committee on Aging and its subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committee and subcommittee.

(b) *Authority to sit and act*—For the purpose of carrying out any of its functions and duties under House Rules X and XI, the committee is authorized to—

(1) sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) require, subject to Committee Rule 6, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. The Chairman of the committee, or any member designated by such chairman, may administer oaths to any witness.

(c) *Investigations*—The committee is authorized at any time to consider such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X, and (subject to the adoption of an expense resolution) to

incur expenses (including travel expenses) in connection therewith.

(d) *Application*—Each subcommittee of the committee is a part of the committee and is subject to the authority and direction of the committee and to its rules so far as applicable. Except where the terms "full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Select Committee on Aging and its subcommittees as well as to the respective chairmen.

RULE NO. 2. REGULAR AND SPECIAL MEETINGS

(a) *Regular Meeting Days*—The Permanent Select Committee on Aging shall meet on the First Thursday of each month at 2:00 p.m. except when the House of Representatives has adjourned or recessed, except that regular meetings shall be cancelled when they conflict with meetings of either party's caucus or conference. The chairman is authorized to dispense with a regular meeting or to change the date thereof.

(b) *Special Meetings*—The Chairman may call additional meetings when circumstances warrant. A special meeting of the committee may be requested in accordance with the provisions of House Rule XI 2(c). Subcommittees shall meet at the call of the subcommittee chairmen.

RULE NO. 3. PROCEDURE FOR HEARINGS AND MEETINGS

(a) *Open meetings and hearings*—All meetings and hearings shall be open to the public except when the committee, in open session and with a majority present, determines by a rollcall vote that all or part of the remainder of the meeting or hearing on that day shall be closed to the public. All meetings and hearings of the Committee shall also be conducted in accordance with the provisions of House Rule XI (2)(g) (1) and (2).

(b) *Agenda*—Every member of the Committee, unless prevented by unusual circumstances, shall be provided an agenda at least 3 calendar days (excluding Saturdays, Sundays and legal holidays) prior to each meeting or hearing explaining—

(1) the purpose of the meeting or hearing; and

(2) the names, titles, background and reasons for the appearances of any witness. The minority staff may be responsible for providing the same information on witnesses whom the minority may request.

The Chairman, with the consent of the ranking Minority Member, may waive the 3 calendar day requirement.

(c) *Ranking Majority Member to Preside*—If the chairman is not present at any meeting of the committee, the ranking member of the majority on the committee who is present shall preside at that meeting.

(d) *Coordination*—In order that the chairman of the full committee may coordinate committee facilities and hearing plans, each subcommittee chairman shall notify him of any hearing plans at least two weeks in advance of the date of commencement of hearings, including the date, place, subject matter, and the names of witnesses, willing and unwilling, who would be called to testify, including, to the extent he is advised thereof, witnesses whom the majority members may request. The minority members shall supply the names of witnesses they intend to call to the chairman of the full committee or subcommittee at the earliest possible date.

(e) *Public notice*—The chairman of the committee shall make public announcement of the date, place, and subject matter of any hearing at least one week before the commencement of the hearing. If the chairman determines that there is good cause to begin the hearing sooner, he shall make the announcement at the earliest possible date.

(f) *Subcommittee hearings*—A subcommittee holding hearings in the field may hold a hearing on any matter that is within the committee's jurisdiction, whether or not the matter falls within the jurisdiction fixed for that subcommittee.

(g) *Investigative hearings*—Investigative hearings held by the committee shall be conducted in accordance with House Rule XI 2(k).

(h) *Broadcast of hearings*—When approved by a majority vote of the committee, an open meeting or hearing of the committee may be covered, in whole or in part, by television broadcasts, radio broadcasts, and still photography, or by any such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of this paragraph, or to maintain an acceptable standard of dignity, propriety and decorum, the committee may order such alteration, curtailment, or discontinuance of coverage as it determines necessary.

(i) *Public record*—A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE NO. 4. SCHEDULING OF WITNESSES; INTERROGATION

(a) *Procedure*—A committee member may question a witness only when recognized by the chairman for that purpose. In accordance with House Rule XI 2(j)(2), each committee member may request up to 5 minutes to question a witness in any hearing until each member who so desires has had such opportunity. Until all such requests have been satisfied, the chairman shall, insofar as practicable, recognized alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the discretion of the chairman.

(b) *Statements*—Witnesses appearing before the committee shall, as far as practicable, submit written statements at least twenty-four hours in advance of their appearance.

(c) *Scheduling of witnesses*—Whenever any hearing is conducted by the committee upon any measure or matter, every effort shall be made to insure broad representation from interested groups and individuals in order to insure a balanced hearing record faithfully representative of all views, both pro and con, on such measure or matter.

(d) *Minority witnesses*—The minority party members of the committee shall be entitled, upon request to the chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

RULE NO. 5. PROXIES

(a) *In general*—A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto.

(b) *Limitations*—A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present, and shall be limited to the date and the specific measure or matter to which it applies; and, unless it states otherwise, it shall apply to any amendments or motions pertaining to the measure or matter.

RULE NO. 6. SUBPOENA POWER

(a) *Authority to issue subpoenas*—A subpoena may be authorized and issued by the committee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or any member designated by the committee. The provisions of House Rule XI (2)(m) shall apply to the operation of this Rule.

(b) *Enforcement of subpoenas*—Compliance with any subpoenas issued by the committee may be enforced only as authorized by the House.

RULE NO. 7. COMMITTEE PUBLICATIONS

(a) *Reports*—No report, staff study or other document which contains findings, conclusions, policy recommendations or suggestions or which purports to express publicly the findings or recommendations of the committee may be released to the public or filed with the Clerk of the House unless approved by a majority of the committee at a meeting, a quorum being present.

(b) *Additional views*—If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report approved by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views are included as part of the report.

(c) *Other reports*—Any report, staff study or other document printed by the committee for release to the public and not approved by the committee shall bear on its cover the following disclaimer: "This document has been printed for informational purposes only. It does not represent either findings or recommendations adopted by this Committee."

RULE NO. 8. QUORUMS

(a) *In general*—One-third of the members of the committee shall constitute a quorum of the committee for the purpose of convening meetings and conducting business (other than for the consideration of any report, measure or recommendation, and voting on the authorization of subpoenas and on the closing of hearings and business meetings to the public). The provisions of House Rule XI (2)(f) shall also apply to the operation of this rule.

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(b) *Quorum for taking testimony*—Two members shall constitute a quorum for taking testimony and receiving evidence.

(c) *Points of order*—Any committee member present at a committee meeting may make a point of order that a quorum is not present under the conditions set forth in this rule, but a quorum shall be deemed present unless a member objects to the transaction of business because of the lack of a quorum.

RULE NO. 9. ROLLCALLS

A rollcall of the members may be had upon the request of any member.

RULE NO. 10. COMMITTEE RECORDS

Generally—(a) The committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting. (b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member and shall be available for public inspection at the discretion of the Chairman in consultation with the Ranking Minority Member.

RULE NO. 11. COMMITTEE BUDGET

(a) *Preparation*—The chairman of the full committee shall prepare, after consultation with the subcommittee chairmen and ranking minority member, a budget for the committee which shall include an adequate budget for the subcommittees to discharge their responsibilities.

(b) *Approval*—After the budget has been approved by the majority caucus, the chairman shall submit it to the full committee for consideration at a meeting, a quorum being present.

RULE NO. 12. TRAVEL

(a) *In general*—Any member of the committee may initiate travel requests to include travel requests for staff personnel.

(b) *Limitations*—Travel requests originating in a subcommittee must be approved by the chairman of the subcommittee. Requests for travel by minority members or minority staff are subject to the approval of the ranking minority member of the committee. All travel entailing the use of committee funds is subject to the final approval of the chairman.

RULE NO. 13. STAFF

(a) *In general*—except as otherwise provided by House Rule XI, clauses 5 and 6, the staff of the committee shall be subject to the direction of the chairman of the full committee and shall perform such duties as he may assign.

(b) *Authority*—The chairman of the full committee shall have authority to hire and discharge employees of the professional and clerical staff of the full committee and of subcommittees subject to appropriate approval.

(c) *New positions*—No authorization for the creation of new positions shall be approved unless first approved by the majority caucus and subsequently by a majority vote of the committee, a quorum being present.

RULE NO. 14. AMENDMENTS OF RULES

(a) *In general*—The rules of the committee may be modified, amended, or repealed by a majority vote of the members voting at a meeting at which a quorum is present.

(b) *Limitations*—Written notice of any proposed change shall be provided to each member of the committee not less than 3 calendar days (excluding Saturdays, Sundays and legal public holidays) before the meeting date on which such change is to be considered.

RULE NO. 15. SUBCOMMITTEES

(a) *Establishment*—There shall be four (4) subcommittees with which shall have assigned or fixed jurisdictions.

(b) *Sizes and ratios*—The chairman of the full committee shall consult with the ranking minority member with respect to the size of each subcommittee, with due regard for the preference of members for subcommittee assignments, except that party representation on each subcommittee shall be no less favorable to the majority party than the ratio for the full committee.

(c) *Ex officio members*—The chairman and ranking minority member of the full committee shall be ex officio members of all subcommittees. They are authorized to vote on subcommittee matters; but, unless they are regular members of the subcommittee, they shall not be counted in determining a subcommittee quorum other than a quorum for the purpose of taking testimony.

(d) *Non-member participation*—Any member of the committee shall have the privilege of sitting with any subcommittee during its hearings or deliberations and participate therein, but shall not have authority to vote on any matter, nor be counted present for the purpose of quorum for any subcommittee action, nor, except as the subcommittee chairman or a majority of the subcommittee may permit, participate in questioning witnesses under the five minute rule, nor raise points of order unless such member is a member of such subcommittee.

(e) *Task Forces*—The chairman of the full committee may appoint task forces as he deems appropriate and necessary. The party representation of such task forces shall be determined in the same manner as party representation on subcommittees.●

RULES OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION FOR THE 99TH CONGRESS

(Mr. HOWARD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. HOWARD. Mr. Speaker, in compliance with clause 2(a) of rule XI of the Rules of the House of Representatives, I hereby submit, for publishing in the CONGRESSIONAL RECORD, the rules of the Committee on Public Works and Transportation for the 99th Congress. These rules were adopted by the committee on February 27, 1985.

RULES OF THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION FOR THE 99TH CONGRESS

(Adopted February 27, 1985)

RULE NO. I.—GENERAL PROVISIONS

(a) The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committees and subcommittees.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X of House Rules and (subject to the adoption of expense resolutions as required by Rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under Rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO II.—REGULAR AND SPECIAL MEETINGS; OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first Tuesday of every month to transact its business unless such day is a holiday, or Congress is in recess or is adjourned, in which case the Chairman shall determine the regular meeting day of the committee for that month. The Chairman shall give each member of the committee, as far in advance of the day of the regular meeting as the circumstances make practicable, a written notice of such meeting. If the Chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, the meeting may be cancelled, delayed or deferred until such time as, in the judgment of the Chairman, there may be such matters which require the committee's consideration. This paragraph shall not apply to meetings of any subcommittee.

(b) The Chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the Chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the Chairman, those members may file in the offices of the committee their written request to the Chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the Chairman of the filing of the request. If, within three calendar days after the filing of the request, the Chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The

committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the Chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

(f)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: Provided, however, that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a)(1) of House Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives.

Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony,

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate clause (g)(5) of Rule VII, or

(B) may vote to close the hearing, as provided in clause (g)(5) of Rule VII.

No member of the House of Representatives may be excluded from nonparticipatory attendance at any hearing of the committee or any subcommittee, unless the House of Representatives shall by majority vote authorize the committee or a particular subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to members by the same procedure designated in this subparagraph for closing hearings to the public; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearings.

RULE NO. III.—RECORDS AND ROLL CALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as Chairman of the committee; and such records shall be the property of the House and all members of the House shall have access thereto.

RULE NO. IV.—PROXIES

(a) A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

(b) Proxies shall be in the following form:

Hon.————
House of Representatives,
Washington, D.C.

Dear————: Anticipating that I will be absent on official business or otherwise unable to be present, I hereby authorize you to vote in my place and stead in the consideration ———— and any amendments or motions pertaining thereto.

————
Member of Congress.

Executed this the —— day of ———— , 19——, at the time of ———— p.m./a.m.

RULE NO. V.—POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b)(1) of this paragraph)—

(1) to sit and act at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents

as it deems necessary. The Chairman of the committee, or any member designated by the Chairman, may administer oaths to any witness.

(b)(1) A subpoena may be issued by the committee or subcommittee under subparagraph (a)(2) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. Such authorized subpoenas shall be signed by the Chairman of the committee or by any member designated by the committee. If a specific request for a subpoena has not been previously rejected by either the committee or a subcommittee, the Chairman of the committee, after consultation with the ranking minority member, may authorize and issue a subpoena under subparagraph (a)(2) in the conduct of any investigation or activity or series of investigations or activities, and such subpoena shall for all purposes be deemed a subpoena issued by the committee. Whenever a subpoena is issued under this subparagraph, as soon as practicable thereafter, the Chairman shall notify all members of the committee of such action.

(2) Compliance with any subpoena issued by the committee or subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpoenaed, upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. If hearings are held in cities other than Washington, D.C. the witness may contact the counsel of the committee, or his representative, prior to leaving the hearing room.

RULE NO. VI.—QUORUMS

(a) One-third of the members of the committee or a subcommittee shall constitute a quorum for taking any action other than the closing of a meeting pursuant to subparagraph (f) or committee Rule II, the authorizing of a subpoena pursuant to subparagraph (b) of committee Rule V, the reporting of a measure or recommendation pursuant to subparagraph (b)(1) of committee Rule VIII, and the actions described in subparagraph (b), (c) and (d) of this Rule.

(b) A majority of the members of the committee or a subcommittee shall constitute a quorum for the reporting of a measure or recommendation.

(c) A majority of the members of the committee or a subcommittee shall constitute a quorum for approval of any of the following actions;

(1) Construction, alteration, purchase or acquisition of a public building involving an expenditure in excess of $500,000 and lease of space at an average annual rental in excess of $500,000 (section 2 of P.L. 92-313, 40 U.S.C. 606).

(2) Survey investigation of a proposed project for navigation, flood control, and other purposes by the Corps of Engineers (section 4 of the Rivers and Harbors Act of March 4, 1913, 33 U.S.C. 542).

(3) Construction of a water resources development project by the Corps of Engineers with an estimated Federal cost not exceeding $15,000,000 (section 201 of the Flood Control Act of 1965, as amended).

(4) Continuation of the authorization of a water resources development project to be constructed by the Corps of Engineers where such project has been recommended for deauthorization pursuant to the provisions of section 12 of the Water Resources Development Act of 1974.

(5) Deletion of water quality storage in a Federal reservoir project where the benefits attributable to water quality are 15 percent or more but not greater than 25 percent of the total project benefits (section 65 of the Water Resources Development Act of 1974).

(6) Authorization of a Soil Conservation Service watershed project involving any single structure of more than 4,000 acre feet

of total capacity (section 2 of P.L. 566, 83rd Congress, as amended).

(d) Two members of the committee or subcommittee shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. VII.—HEARING PROCEDURES

(a) The Chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record and shall promptly enter the appropriate information into the committee scheduling service of the House Information Systems as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 2 working days before the day of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, to the extent practicable the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other material) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the Chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) all other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witness in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority nor the members of the minority. The chairman may accomplish this by recognizing two majority members for each minority member recognized.

(g) The following additional rules shall apply to investigative hearings:

(1) The Chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person,

(A) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of clause (f)(2) of Rule No. II, if by a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony, the committee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person; and

(B) the committee shall proceed to receive such testimony in open session only if a majority of the members of the committee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person.

In either case the committee shall afford such person an opportunity to voluntarily appear as a witness; and receive and dispose of requests from such person to subpoena additional witnesses.

(C) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

(10) No major investigation by a subcommittee shall be initiated without approval of a majority of such subcommittee.

RULE NO. VIII.—PROCEDURES FOR REPORTING BILLS AND RESOLUTION

(a)(1) It shall be the duty of the Chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the Chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each roll call vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include

(1) the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X of the House separately set out and clearly identified;

(2) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 4(c)(2) of Rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report.

This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f)(1) All committee and subcommittee prints, reports, documents, or other materials, not otherwise provided for under Rule VIII, that purport to express publicly views of the committee or any of its subcommittees or members of the committee or its subcommittees shall be approved by the committee or the subcommittee prior to printing and distribution and any member shall be given an opportunity to have views included as part of such material prior to printing, release and distribution in accordance with subparagraph (e) of this rule.

(2) No committee or subcommittee document containing views other than those of members of the committee or subcommittee shall be published without approval of the committee or subcommittee.

RULE NO. IX.—OVERSIGHT

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be in conformity with Rule XV a Subcommittee on Investigations and Oversight.

(b) The Subcommittee on Investigations and Oversight and the appropriate subcommittee with legislative authority shall cooperatively review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Subcommittee on Investigations and Oversight and the appropriate subcommittee with legislative authority shall cooperatively review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the committee. The Subcommittee on Investigations and Oversight shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Subcommittee on Investigations and Oversight and the appropriate subcommittee with legislative authority shall cooperatively review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. X.—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII of House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

RULE NO. XI.—BROADCASTING OF COMMITTEE HEARINGS

(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings, or committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personal, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with the observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearings or other meeting or the activities of committee members in connection with that hearing or meeting or in connection with the general work of the committee or of the House; or

(2) cast discredit or dishonor on the House, the committee, or any member or bring the House, the committee, or any member into disrepute.

(d) The coverage of committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirement of this clause.

(e) Whenever any hearing or meeting conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause: *Provided, however,* Each committee or subcommittee chairman shall determine, in his or her discretion, the number of television and still cameras permitted in a hearing or meeting room.

(f)(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be

covered and all microphones used for coverage turned off. This subparagraph is supplementary to subparagraph (g)(5) or Rule VII, relating to the protection of the rights of witnesses.

(3) The allocation among the television media of the positions of the number of television cameras permitted by a committee or subcommittee chairman in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessary the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level necessary to provide adequate television coverage of the hearing or the meeting at the then current state of the art of television coverage.

(8) In the allocation of the number of still photographers permitted by a committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by a committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE NO. XII.—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The Chairman, in consultation with the chairman of each subcommittee, the majority members of the committee and the minority membership of the committee, shall, for each session of the Congress, prepare a consolidated committee budget. Such budget shall include necessary amounts for staff personnel, for necessary travel, investigation, and other expenses of the full committee and its subcommittees.

(b) Authorization for the payment of additional or unforeseen committee and subcommittees' expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(c) The Chairman or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule XIV within the limits of the consolidated budget as approved by the House and the Chairman may execute necessary vouchers thereof.

(d) Once monthly, the Chairman shall submit to the Committee on House Administration, in writing, a full and detailed accounting of all expenditures made during the period since the last such accounting from the amount budgeted to the full committee. Such report shall show the amount and purpose of such expenditure and the budget to which such expenditure is attributed. A copy of such monthly report shall be available in the committee office for review by members of the committee.

RULE NO. XIII.—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes; Provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed and may be removed, and their remuneration determined by the Chairman.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the ranking minority party member of the full committee who may delegate such authority as he determines appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff shall be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of clause 6 of House Rule XI; Provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1), (2), and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of the chairman.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. XIV.—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee of any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4) of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been a compliance where applicable with Rule VII of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the Chairman, or, in the case of a subcommittee from the subcommittee chairman and the

Chairman. Before such authorization is given, there shall be submitted to the Chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the Chairman or the chairman of a subcommittee (except that individuals may submit a request to the Chairman for the purpose of attending a conference or meeting) and shall be limited to members and permanent employees of the committee.

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the Chairman covering the activities and other pertinent observations or information gained as a result of such travel, when requested by the Chairman.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. XV.—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be 6 standing subcommittees. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively:

(1) Subcommittee on Aviation

(2) Subcommittee on Economic Development

(3) Subcommittee on Investigations and Oversight

(4) Subcommittee on Public Buildings and Grounds

(5) Subcommittee on Surface Transportation

(6) Subcommittee on Water Resources

(b) The committee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the committee.

RULE NO. XVI.—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate, shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed upon the agenda of the committee as of the time they are reported and where practicable shall be considered by the full committee in the order in which they were reported unless the committee shall by majority vote otherwise direct. No bill reported by a subcommittee shall be considered by the full committee unless it has been delivered to the offices of all members at least 48 hours prior to the meeting, unless the chairman determines that such bill is of such urgency that it should be given early consideration. Where practicable, such bills, resolutions, or other matters shall be accompanied by a comparison with present law and a section-by-section analysis of the proposed change.

RULE NO. XVII.—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule XV referred to or initiated by the full committee shall be referred by the Chairman to all subcommittees of appropriate jurisdiction within two weeks, unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until three days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the Chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittee of proper jurisdiction without regard to whether the author is or is not a member of the subcommittee. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) In carrying out Rule XVII with respect to any matter, the Chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule XV, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter to a special ad hoc subcommittee appointed by the Chairman (from the members of the subcommittee having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. XVIII.—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments; Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the Chairman and the subcommittee chairman in order to equalize committee workloads.

(b) On each subcommittee there shall be a ratio of majority party members to minority party members which shall be no less favorable to the majority party than the ratio for the full committee. In calculating the ratio of majority party members to minority party members, there shall be included all *ex officio* voting members of the subcommittees.

(c) Following shall be the sizes and majority/minority ratios for subcommittees:

(1) Subcommittee on Aviation: (22 members) (13 majority; 9 minority);

(2) Subcommittee on Economic Development: (18 members) (11 majority; 7 minority);

(3) Subcommittee on Investigations and Oversight: (20 members) (12 majority; 8 minority);

(4) Subcommittee on Public Buildings and Grounds: (13 members) (8 majority; 5 minority);

(5) Subcommittee on Surface Transportation: (29 members) (17 majority; 12 minority);

(6) Subcommittee on Water Resources: (29 members) (17 majority; 12 minority).

(d) The full committee Chairman shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority. Provided, however, that recommendations of conferees to the Speaker shall provide a ratio of majority party members to minority party members which shall be no less favorable to the ma-

jority party than the ratio for the full committee.●

RULES OF THE COMMITTEE ON THE JUDICIARY FOR THE 99TH CONGRESS

(Mr. RODINO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. RODINO. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the Rules of the Committee on the Judiciary which were adopted by the committee in open session on Tuesday, February 5, 1985:

COMMITTEE ON THE JUDICIARY, PROPOSED RULES OF PROCEDURE, 99TH CONGRESS

RULE I.

The Rules of the House of Representatives are the rules of the Committee on the Judiciary and its subcommittees with the following specific additions thereto.

RULE II. COMMITTEE MEETINGS

(a) The regular meeting day of the Committee on the Judiciary for the conduct of its business shall be on Tuesday of each week while the Congress is in session.

(b) Additional meetings may be called by the Chairman and a regular meeting of the Committee may be dispensed with when, in the judgment of the Chairman, there is no need therefor.

(c) At least 24 hours (excluding Saturdays, Sundays, and legal holidays) before each scheduled Committee or subcommittee meeting, each Member of the Committee or subcommittee shall be furnished a list of the bill(s) and subject(s) to be considered and/or acted upon at the meeting. Bills or subjects not listed shall be subject to a point of order unless their consideration is agreed to by a two-thirds vote of the Committee or subcommittee.

(d) The Chairman, with such notice to the ranking Minority Member as is practicable, may call and convene, as he considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other Committee business. The Committee shall meet for such purpose pursuant to that call of the Chairman.

(e) Committee and subcommittee meetings for the transaction of business, i.e., meetings other than those held for the purpose of taking testimony, shall be open to the public except when the Committee or subcommittee, by majority vote, determines otherwise.

(f) Every motion made to the Committee and entertained by the Chairman shall be reduced to writing upon the demand of any Member, and a copy made available to each Member present.

(g) In all subcommittee proceedings where a vote on a motion to report a bill to the full Committee results in a tie, such bill shall be reported to the full Committee without recommendation.

(h) For purposes of taking any action at a meeting of the full Committee or any subcommittee thereof, a quorum shall be constituted by the presence of not less than one-third of the Members of the Committee or subcommittee, except that a full majority of the Members of the Committee or subcommittee shall constitute a quorum for purposes of reporting a measure or recommendation from the Committee or subcommittee, closing a meeting to the public, or authorizing the issuance of a subpoena.

(i) A complete transcript shall be made of any full Committee meeting, or any portion thereof, upon the request of any Member of the Committee made before the close of business of the preceding day, excluding Saturdays, Sundays, and legal holidays.

RULE III. HEARINGS

(a) The Committee or any subcommittee shall make public announcement of the date, place, and subject matter of any hearing to be conducted by it on any measure or matter at least one week before the commencement of that hearing, unless the Committee or the subcommittee before which such hearing is scheduled, determines that there is good cause to begin such hearing at an earlier date, in which event it shall make public announcement at the earliest possible date.

(b) Committee and subcommittee hearings shall be open to the public except when the Committee or subcommittee, by majority vote, determines otherwise.

(c) For purposes of taking testimony and receiving evidence before any subcommittee, a quorum shall be constituted by the presence of two Members. For purposes of taking testimony and receiving evidence before the full Committee, a quorum shall be constituted by the presence of 10 Members.

(d) In the course of any hearing each Member shall be allowed five minutes for the interrogation of a witness until such time as each Member who so desires has had an opportunity to question the witness.

RULE IV. PROXY VOTING

A vote by any Member of the Committee, with respect to any measure or matter being considered in the Committee or in subcommittee, may be cast by proxy if the proxy authorization is in writing, asserts that the Member is absent on official business or is otherwise unable to be present at the meeting of the Committee, designates the person who is to execute the proxy authorization, and is limited to a specific measure or matter and any amendments or motion pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time that the proxy is signed. Proxies may not be counted for a quorum.

RULE V. BROADCASTING

(a) Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee, as the case may be, may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee or subcommittee, as the case may be, shall be required against his will to be photographed at any hearing or meeting or to give evidence or testimony while the broadcasting of that hearing or meeting, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or subcommittee, as the case may be, or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the Committee or subcommittee, as the case may be, is in session.

(7) Floodlights, spotlights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(10) Personnel providing coverage by the television and radio media shall be then currently accredited to the Press Photographers' Gallery.

(11) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(12) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

(b) Subcommittees may authorize the broadcasting or photographing of any of their public hearings or meetings without the specific permission of the Committee.

RULE VI. STANDING SUBCOMMITTEES

(a) There shall be the following seven standing subcommittees of the Committee on the Judiciary as follows:

(1) Subcommittee on Immigration, Refugees, and International Law: Immigration and Naturalization, Citizenship, Admission of Refugees, Treaties and International Agreements, Passports, Admiralty, other ap-

propriate matters as referred by the Chairman, and relevant oversight.

(2) Subcommittee on Administrative Law and Governmental Relations: Administrative Law, Claims against the United States, other appropriate matters as referred by the Chairman, and relevant oversight.

(3) Subcommittee on Courts, Civil Liberties and the Administration of Justice: U.S. Attorneys and U.S. Marshals, Courts, Judicial Ethics, Prisons, Paroles, Patents, Trademarks, Copyrights, other appropriate matters as referred by the Chairman, and relevant oversight.

(4) Subcommittee on Civil and Constitutional Rights: Civil Rights and Liberties, other appropriate matters as referred by the Chairman, and relevant oversight.

(5) Subcommittee on Monopolies and Commercial Law: Antitrust, Judgeships, Bankruptcy, Economic Regulation generally, other appropriate matters as referred by the Chairman, and relevant oversight.

(6) Subcommittee on Crime: Prevention of Crime, Drug Enforcement, Problems of Criminal Offenders, other appropriate matters as referred by the Chairman, and relevant oversight.

(7) Subcommittee on Criminal Justice: Federal Criminal Code, Rules of Criminal Procedure, Rules of Civil Procedure, other appropriate matters as referred by the Chairman, and relevant oversight.

(B) The Chairman of the Committee and the ranking Minority Member thereof shall be ex officio Members, but not voting members, of each subcommittee to which such Chairman or ranking Minority Member has not been assigned by resolution of the Committee. Ex officio Members shall not be counted as present for purposes of constituting a quorum at any hearing or meeting of such subcommittee.

RULE VII. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full Committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full Committee and subcommittee meetings or hearings whenever possible.

RULE VIII. NONLEGISLATIVE REPORTS

No report of the Committee or a subcommittee which does not accompany a measure or matter for consideration by the House shall be published unless all Members of the Committee or subcommittee issuing the report shall have been apprised of such report and been given the opportunity to give notice of intention to file supplemental, additional, or dissenting views as part of the report. In no case shall the time in which to file such views be less than three calendar days (excluding Saturdays, Sundays, and legal holidays).●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

[The following Members (at the request of Mrs. JOHNSON to revise and extend their remarks and include extraneous material:]

Mr. CRAIG, for 60 minutes, March 6.

Mr. BROYHILL, for 15 minutes, today.

Mr. LOTT, for 30 minutes, today.

Mr. MCKINNEY, for 30 minutes, today.

Mr. LIVINGSTON, for 5 minutes, today.

[The following Members (at the request of Mr. WEAVER) to revise and extend their remarks and include extraneous material:]

Mrs. COLLINS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MATSUI, for 10 minutes, today.

Mr. WRIGHT, for 30 minutes, today.

Mr. FORD of Tennessee, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GAYDOS, for 30 minutes, March 5.

Mr. GAYDOS, for 30 minutes, March 6.

Mr. STRATTON, for 60 minutes, March 5.

Mr. SCHEUER, for 60 minutes, March 7.

Mr. HAYES, for 60 minutes, March 5.

Mr. GEPHARDT, for 60 minutes, March 12.

[The following Member (at the request of Mr. WOLPE) to revise and extend his remarks and include extraneous material:]

Mr. STRATTON, for 60 minutes, March 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. REGULA, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,802.

Mr. DAUB, immediately prior to vote on H.R. 1251.

Mr. MCCOLLUM, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,802.

[The following Members (at the request of Mrs. JOHNSON) and to include extraneous matter:]

Mr. MCCOLLUM.

Mr. YOUNG of Florida.

Mr. KINDNESS.

Mr. FIELDS.

Mr. GEKAS in three instances.

Mr. WOLF.

Mr. WHITEHURST.

Mr. COURTER.

Mr. GROTBERG.

Mr. HYDE.

Mr. RINALDO.

Mrs. SCHNEIDER.

Mr. PARRIS.

Mr. CRANE in two instances.

(The following Members (at the request of Mr. WEAVER) and to include extraneous matter:)

Mr. WOLPE.

Mr. FLORIO in two instances.

Mr. DINGELL.

Mr. STARK in five instances.

Mr. MANTON.

Mr. DYMALLY.

Mr. BOLAND.

Mr. FASCELL.

Mr. KASTENMEIER.

Mr. TALLON.

Mr. HALL of Ohio.

Mr. COELHO.

Mr. NOWAK.

Mr. WISE.

Mr. LANTOS.

Mr. KOLTER.

Mr. BIAGGI in two instances.

Mr. HERTEL of Michigan in two instances.

Mr. WYDEN.

Mr. UDALL.

Mr. ROBINSON.

Mr. MOODY.

Mr. MATSUI.

Mr. HEFTEL of Hawaii.

Mrs. LLOYD.

Mr. FEIGHAN in two instances.

Mr. AUCOIN.

Mr. WEAVER.

Mr. KILDEE.

Mr. LUNDINE.

Mr. BEILENSON.

Mr. FORD of Michigan.

Mr. LEHMAN of Florida.

Mr. DELLUMS.

Mr. CONYERS.

ADJOURNMENT

Mr. WOLPE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until Monday, March 4, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

635. A letter from the Director, Defense Security Assistance Agency, transmitting the required information concerning the Department of the Navy's proposed letter of offer to France for defense articles estimated to cost in excess of $50 million (Transmittal No. 85-11), pursuant to 10 U.S.C. 133b. (96 Stat. 1288); to the Committee on Armed Services.

636. A letter from the Director, Defense Security Assistance Agency, transmitting the required information concerning the American Institute in Taiwan's proposed letter of offer to the Coordination Council for North American Affairs for defense articles estimated to cost in excess of $50 million (Transmittal No. 18), pursuant to 10 U.S.C. 133b. (96 Stat. 1288); to the Committee on Armed Services.

637. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter of offer to France for defense articles and services estimated to cost $58 million (Transmittal No. 85-11), pursuant to 22

U.S.C. 2776(b); to the Committee on Foreign Affairs.

638. A letter from the Director, Defense Security Assitance Agency, transmitting the American Institute in Taiwan's proposed letter of offer to the Coordination Council for North American Affairs for defense articles and services in excess of $50 million (Transmittal No. 85-18), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALL of Ohio: Committee on Rules. House Resolution 20. Resolution to establish the Select Committee on Hunger (Rept. No. 99-12). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 22. Resolution to establish the Select Committee on Narcotics Abuse and Control (Rept. No. 99-13). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 25. Resolution to establish the Select Committee on Children, Youth and Families (Rept. No. 99-14). Referred to the House Calendar.

Mr. FROST: Committee on Rules. House Resolution 92. Resolution providing for agreeing to the Senate amendment to H.R. 1096, a bill to authorize appropriations for famine relief and recovery in Africa (Rept. No. 99-15). Referred to the House Calendar.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. House Resolution 1093. A bill to give effect to the Treaty Between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, signed at Ottawa, January 28, 1985; with amendments (Rept. No. 99-16). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LUJAN:

H.R. 1334. A bill to permit American prisoners of war held by the Japanese after the Bataan death march to sue in the U.S. Claims Court; to the Committee on the Judiciary.

By Mr. PANETTA:

H.R. 1335. A bill to provide for direct consultations between the United States and the participants in the Contadora process in order to develop a common policy for promoting peace in Central America, for a resumption of bilateral negotiations between the United States and Nicaragua, and for a temporary suspension of U.S. support for or participation in military and paramilitary activities in Central America in order to provide a favorable climate for the Contadora process; jointly, to the Committees on Foreign Affairs, Armed Services, and the Permanent Select Committee on Intelligence.

By Mr. BILIRAKIS:

H.R. 1336. A bill to repeal the recently enacted Social Security coverage of Federal employees; to the Committee on Ways and Means.

By Mr. BOLAND (for himself, Mr. MINETA, and Mr. CONTE):

H.R. 1337. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said act; to the Committee on House Administration.

By Mr. BOUCHER:

H.R. 1338. A bill to amend title 28, United States Code, to allow suits against the United States for acts or omissions of contractors in carrying out the atomic weapons testing program, and to substitute the United States as the party defendant in suits brought against such contractors; to the Committee on the Judiciary.

By Mr. LOTT (for himself, Mr. BADHAM, Mr. BLILEY, Mr. BREAUX, Mr. BROOMFIELD, Mr. BROYHILL, Mr. CAMPBELL, Mr. COUGHLIN, Mr. CRANE, Mr. DANNEMEYER, Mr. DAUB, Mr. DREIER of California, Mr. DUNCAN, Mr. EMERSON, Mr. EVANS of Iowa, Mr. FISH, Mr. GINGRICH, Mr. HARTNETT, Mr. HILER, Mrs. HOLT, Mr. HYDE, Mr. KEMP, Mr. KINDNESS, Mr. LAGOMARSINO, Mr. LATTA, Mr. LEWIS of California, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LOEFFLER, Mr. LUJAN, Mr. MARTIN, of New York, Mrs. MARTIN of Illinois, Mr. MONTGOMERY, Mr. MOORE, Mr. MOORHEAD, Mr. OXLEY, Mr. PARRIS, Mr. QUILLEN, Mr. RUDD, Mr. DENNY SMITH, Mr. STANGELAND, Mr. STUMP, Mr. TAYLOR, Mr. THOMAS of California, Mr. VANDER JAGT, Mr. WHITEHURST, Mr. WOLF, AND Mr. WYLIE):

H.R. 1339. A bill to amend title 5, United States Code, and the Rules of the House of Representatives and the Senate to make regulations more cost effective, to ensure review of rules, to improve regulatory planning and management, to provide for periodic review of regulations, and to enhance public participation in and congressional oversight and control of the regulatory process, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. WRIGHT (for himself, Mr. LAGOMARSINO, Mr. FASCELL, Mr. REGULA, Mr. BARNES, Mr. COURTER Mr. MICA, and Ms. SNOWE):

H.R. 1340. A bill to provide for the education at U.S. institutions of higher education of certain students of limited financial means from developing countries; to the Committee on Foreign Affairs.

By Mr. BOULTER:

H.R. 1341. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct a project for flood protection for Lake Wichita, Holliday Creek, TX; to the Committee on Public Works and Transportation.

By Mr. BROYHILL (by request):

H.R. 1342. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to assure adequate funding for the cleanup of abandoned hazardous waste sites, and for other purposes; jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means.

By Mrs. BURTON of California:

H.R. 1343. A bill to authorize the use of funds from rental of floating drydock and other marine equipment to support the National Maritime Museum in San Francisco, CA; to the Committee on Interior and Insular Affairs.

By Mr. COLEMAN of Texas (for himself and Mr. WILSON):

H.R. 1344. A bill to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CRANE:

H.R. 1345. A bill to require the President to report quarterly to the Congress on all loans, guarantees, credits, and grants to Communist countries by the United States and by multilateral organizations of which the United States is a member; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Mr. DINGELL:

H.R. 1346. A bill to make certain conforming amendments to the Securities Investor Protection Act of 1970 required by the enactment of the Bankruptcy Amendments and Federal Judgeship Act of 1984; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. DORNAN of California (for himself, Mr. SILJANDER, Mr. DAUB, Mr. WEBER, and Mr. BLAZ):

H.R. 1347. A bill to prohibit the importation into the United States of articles of foreign businesses that export certain goods and technology to Communist regimes, and for other purposes; jointly, to the Committee on Foreign Affairs and Ways and Means.

By Mr. DURBIN (for himself and Mr. BARNES):

H.R. 1348. A bill to prohibit U.S. Government involvement in assassinations; to the Committee on the Judiciary.

By Mr. ENGLISH (for himself, Mr. KINDNESS, Mr. NEAL, Mr. WISE, Mr. TOWNS, Mr. SPRATT, Mr. MILLER of Washington, Mr. MACKAY, Mr. BURTON of Indiana, Mr. REID, Mr. RINALDO, Mr. BILIRAKIS, and Mr. DIOGUARDI):

H.R. 1349. A bill to reduce the costs of operating Presidential libraries, and for other purposes; to the Committee on Government Operations.

By Mr. HERTEL of Michigan:

H.R. 1350. A bill to establish domestic content requirements for motor vehicles sold or distributed in interstate commerce in the United States; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. ERDREICH:

H.R. 1351. A bill to amend title 5, United States Code, to require Federal agencies to analyze the effects of rules to improve their effectiveness and to decrease their compliance costs, to provide for a periodic review of regulations, and for other purposes; jointly, to the Committees on the Judiciary and Rules.

By Mr. FORD of Michigan:

H.R. 1352. A bill to establish a program to provide assistance to professional development resource centers for teachers, and for other purposes; to the Committee on Education and Labor.

By Mr. FORD of Tennessee:

H.R. 1353. A bill to amend title 38, United States Code, to extend the period of eligibility for GI bill educational benefits for certain veterans of the Vietnam era; to the Committee on Veterans' Affairs.

By Mr. FORD of Tennessee (for himself and Mr. DUNCAN):

H.R. 1354. A bill to amend the Internal Revenue Code of 1954 to make certain sales

of fuel for use in a taxicab exempt from tax, to make permanent the provision for refund of taxes on the sale of fuel for use in a taxicab, and for other purposes; to the Committee on Ways and Means.

By Mr. GIBBONS (for himself and Mr. DYMALLY):

H.R. 1355. A bill to amend the Internal Revenue Code of 1954 to encourage contributions of equipment to postsecondary vocational education programs and to allow a credit to employers for vocational education courses taught by an employee without compensation and for temporary employment of full-time vocational educational instructors; to the Committee on Ways and Means.

By Mr. GUARINI (for himself, Mr. VANDER JAGT, Mr. CONTE, Mr. FRENZEL, Mr. MATSUI, and Mr. HAWKINS):

H.R. 1356. A bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes; to the Committee on Ways and Means.

By Mr. HAYES:

H.R. 1357. A bill to prohibit funds contributed by employees to stock bonus, pension, or profit-sharing plans of their employers from being used for investments in South Africa; to the Committee on Education and Labor.

H.R. 1358. A bill to require diplomatic relations to be severed with the Republic of South Africa if that country does not abolish the system of apartheid within 2 years; jointly, to the Committees on Foreign Affairs and Rules.

By Mr. HEFTEL of Hawaii (for himself, Mr. ANTHONY, Mr. MATSUI, Mr. FRENZEL, Mr. ARCHER, Mr. SCHULZE, Mr. CAMPBELL, Mr. CRANE, Mr. GRADISON, Mr. GEPHARDT, Mr. PICKLE, Mr. FLIPPO, Mr. GIBBONS, Mr. JACOBS, Mr. JENKINS, Mr. THOMAS of California, Mr. VANDER JAGT, Mr. GREGG, Mr. MOORE, Mrs. KENNELLY, Mr. FOWLER, Mr. DUNCAN, Mr. COYNE, and Mr. DAUB):

H.R. 1359. A bill to make permanent the allocation under section 861 of the Internal Revenue Code of 1954 of research and experimental expenditures; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.R. 1360. A bill to require depository institutions to pay promptly all State and local property tax bills for which they are holding funds in escrow; to the Committee on Banking, Finance and Urban Affairs.

By Mr. HILLIS (for himself and Mr. VISCLOSKY):

H.R. 1361. A bill to designate the Veterans' Administration outpatient clinic to be located in Crown Point, IN, as the "Adam Benjamin, Jr., Veterans' Administration Outpatient Clinic"; to the Committee on Veterans' Affairs.

By Mr. JONES of North Carolina (for himself, Mr. BIAGGI, Mr. STUDDS, Mr. LENT, and Mr. DAVIS):

H.R. 1362. A bill to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, United States Code; to the Committee on Merchant Marine and Fisheries.

By Mr. KOLTER:

H.R. 1363. A bill to amend title II of the Social Security Act to provide that a divorced spouse or surviving divorced spouse may qualify for benefits based on an insured individual's wage record in any case where they had been married for at least a year (rather than only if they had been married for 10 years as required under existing law), with the monthly amount of such benefits being proportionately reduced if the marriage lasted for less than 10 years; to the Committee on Ways and Means.

By Mr. LEACH of Iowa (for himself and Mr. KOSTMAYER):

H.R. 1364. A bill to authorize an additional $10,000,000 to be appropriated for Peace Corps programs in Africa; to the Committee on Foreign Affairs.

By Mr. LUJAN:

H.R. 1365. A bill to amend title 10, United States Code, to allow members of the Armed Forces to elect whether they will retire for physical disability or will retire for length of service, if they are eligible for both types of retirement; to the Committee on Armed Services.

H.R. 1366. A bill to amend title 38, United States Code, to allow persons receiving military retired pay (other than disability retired pay) to receive concurrently pension or compensation under the laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. McCOLLUM:

H.R. 1367. A bill to amend chapter 35 of title 12, chapters 95 and 119 of title 18, chapter 53 of title 31 of the United States Code relating to money laundering; jointly, to the Committees on the Judiciary and Banking, Finance and Urban Affairs.

By Mr. MILLER of Ohio (for himself, Mr. MCEWEN, Mr. STOKES, Mr. DEWINE, Mr. MURTHA, Mr. MOLLOHAN, and Mr. LUKEN):

H.R. 1368. A bill to authorize improvements to the Gallipolis locks and dam, Ohio River, OH and WV, and to ensure that navigational improvements are completed expeditiously; to the Committee on Public Works and Transportation.

By Mr. MOORE (for himself, Mr. WAXMAN, Mr. STARK, Mr. GRADISON, Mr. RANGEL, Mr. PEPPER, Mr. GEPHARDT, and Mr. WYDEN):

H.R. 1369. A bill to amend the Controlled Substances Act and title XI of the Social Security Act to deny, revoke, or suspend the registration to manufacture, distribute, or dispense a controlled substance for entities excluded from the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

H.R. 1370. A bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions of that act; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PANETTA:

H.R. 1371. A bill to expand and improve benefits for active duty military personnel and their dependents; to the Committee on Armed Services.

By Mrs. SCHROEDER:

H.R. 1372. A bill to amend title 5, United States Code, to ensure reasonable access for Federal employees to the offices of Government agencies having jurisdiction over Federal personnel matters; to the Committee on Post Office and Civil Service.

By Mr. SEIBERLING (for himself, Mr. ANDERSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. BARNES, Mr. BATES, Mr. BEDELL, Mr. BEILENSON, Mr. BEREUTER, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mrs. BOGGS, Mr. BOSCO, Mrs. BOXER, Mr. BROOKS, Mr. BROWN of California, Mrs. BURTON of California, Mr. BUSTAMANTE, Mr. CARR, Mr. CHAPPIE, Mr. CLAY, Mr. COELHO, Mrs. COLLINS, Mr. COYNE, Mr. CROCKETT, Mr. DARDEN, Mr. DELLUMS, Mr. DE LUGO, Mr. DIXON, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. FUQUA, Mr. FUSTER, Mr. GRAY of Pennsylvania, Mr. HAWKINS, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr. HOYER, Mr. JEFFORDS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KILDEE, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LEWIS of California, Mr. LOWERY of California, Mr. LOWRY of Washington, Mr. MANTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOODY, Mr. MURPHY, Mr. NEAL, Ms. OAKAR, Mr. OBERSTAR, Mr. OLIN, Mr. OWENS, Mr. PANETTA, Mr. PASHAYAN, Mr. PEASE, Mr. RAHALL, Mr. ROE, Mr. ROSE, Mr. ROYBAL, Mr. SABO, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SLATTERY, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STARK, Mr. STOKES, Mr. STUDDS, Mr. SUNIA, Mr. SWIFT, Mr. THOMAS of California, Mr. TORRES, Mr. TOWNS, Mr. TRAFICANT, Mr. UDALL, Mr. VENTO, Mr. WAXMAN, Mr. WEAVER, Mr. WHEAT, Mr. WILSON, Mr. WIRTH, Mr. WOLPE, and Mr. YOUNG of Alaska):

H.R. 1373. A bill to designate the wilderness in the Point Reyes National Seashore in California as the "Phillip Burton Wilderness"; to the Committee on Interior and Insular Affairs.

By Mr. SOLARZ:

H.R. 1374. A bill to direct the Secretary of the Army to construct a shoreline protection project for the Atlantic coast of New York City from Rockaway Inlet to Norton Point, NY; to the Committee on Public Works and Transportation.

By Mr. STARK:

H.R. 1375. A bill to amend the provisions of the Employee Retirement Income Security Act of 1974 so as to permit options in the provision of certain health benefits; to the Committee on Education and Labor.

H.R. 1376. A bill to accelerate the removal of the Social Security trust funds from the unified budget of the U.S. Government; to the Committee on Ways and Means.

H.R. 1377. A bill to amend the Internal Revenue Code of 1954 to provide for temporary across-the-board reductions in tax expenditures; to the Committee on Ways and Means.

By Mr. SUNDQUIST:

H.R. 1378. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for the recycling of hazardous wastes; to the Committee on Ways and Means.

By Mr. TALLON:

H.R. 1379. A bill to amend title 23, United States Code, and the Surface Transportation Assistance Act of 1982 to eliminate obligation limitations on highway expenditures, to provide States with greater flexibility in the use of Federal highway funds, and to allow the construction of new toll highways with Federal funds; to the Committee on Public Works and Transportation.

By Mr. UDALL (for himself, Mr. FRENZEL, Mr. CONTE, and Mr. SWIFT):

H.R. 1380. A bill to require that Presidential primaries or caucuses be held only during the period beginning on the second Tuesday in March and ending on the second Tuesday in June of the Presidential election; to the Committee on House Administration.

By Mr. WAXMAN:

H.R. 1381. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for warnings concerning the use by children of drugs containing aspirin, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself and Mr. HYDE):

H.R. 1382. A bill to amend title XIX of the Social Security Act to reduce infant mortality; to the Committee on Energy and Commerce.

By Mr. WEAVER (for himself, Mr. KOSTMAYER, Mr. SWIFT, Mr. SABO, Mr. LOWRY of Washington, Mr. DELLUMS, Mr. JEFFORDS, Mr. ROSE, Mr. KASTENMEIER, Mr. FRANK, Mr. HOWARD, Mr. SEIBERLING, Mrs. SCHROEDER, Mr. WILLIAMS, Mr. BEDELL, Mr. ECKART of Ohio, Mr. LUNDINE, Mr. FAUNTROY, Mr. VENTO, Mr. BEILENSON, Mr. WIRTH, Mr. GEJDENSON, Mr. SUNIA, Mr. THOMAS of Georgia, Mr. WEISS, Mr. BONIOR of Michigan, Mr. DURBIN, Mr. FOLEY, Ms. MIKULSKI, Mrs. BOXER, Mr. RICHARDSON, Mr. BOUCHER, Mr. EVANS of Illinois, Mr. BRUCE, Mr. KOLTER, Mr. SCHEUER, Mr. JONES of North Carolina, Mr. DASCHLE, Mr. BROWN of California, Mr. OWENS, and Mr. BOSCO):

H.R. 1383. A bill to direct the Secretary of Agriculture to take certain actions to improve the productivity of American farmers, and for other purposes; to the Committee on Agriculture.

By Mr. WILSON:

H.R. 1384. A bill to modify the project for navigation, Sabine-Neches Waterway, TX, to authorize an extension of the Sabine River Channel; to the Committee on Public Works and Transportation.

By Mr. YOUNG of Florida:

H.R. 1385. A bill to amend the Social Security Amendments of 1983 to accelerate application of off-budget treatment to the Social Security trust funds from fiscal year 1993 to fiscal year 1987; to the Committee on Ways and Means.

H.R. 1386. A bill to amend title II of the Social Security Act to guarantee cost-of-living increases in benefits under the Old-Age, Survivors, and Disability Insurance Program; to the Committee on Ways and Means.

By Mr. ZSCHAU:

H.R. 1387. A bill to amend title 39, United States Code, to eliminate certain provisions relating to private carriage of letters, thereby allowing private companies to compete with the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan:

H.J. Res. 175. Joint resolution to designate the week beginning September 8, 1985, as "National Osteopathic Medicine Week"; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.J. Res. 176. Joint resolution to designate May 17, 1985, as "Junior Reserve Officer Training Corps Recognition Day"; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN (for himself and Mr. WYDEN):

H.J. Res. 177. Joint resolution designating the week of August 25, 1985, through August 31, 1985, as "National CPR Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. WYDEN:

H.J. Res. 178. Joint resolution designating the week beginning on October 6, 1985, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. WYDEN (for himself and Mr. MCCAIN):

H. Con. Res. 72. Concurrent resolution urging Egypt to return its Ambassador to Israel and take other steps to honor the Camp David accords; to the Committee on Foreign Affairs.

By Mr. YOUNG of Florida:

H. Con. Res. 73. Concurrent resolution expressing the sense of the Congress that the House of Representatives and the Senate refrain from any consideration of legislation eliminating, reducing, or postponing cost-of-living adjustments for beneficiaries under the Social Security Act; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota:

H. Res. 93. Resolution calling upon the President to declare an economic emergency in rural America; jointly, to the Committees on Agriculture; Small Business; and Banking, Finance and Urban Affairs.

By Mr. FEIGHAN:

H. Res. 94. Resolution expressing the sense of the House of Representatives that the Secretary of Health and Human Services is required by law to terminate the provisional listing of certain color dyes; to the Committee on Energy and Commerce.

By Mr. FUQUA:

H. Res. 95. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Science and Technology in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. ROYBAL (for himself and Mr. RINALDO):

H. Res. 96. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Select Committee on Aging in the 1st session of the 99th Congress; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ROWLAND of Connecticut:

H.R. 1388. A bill for the relief of Mary Lou Golightly; to the Committee on the Judiciary.

By Mr. SLAUGHTER (by request):

H.R. 1389. A bill for the relief of Beulah C. Shifflett; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. BORSKI.

H.R. 26: Mr. FISH, Mr. RAHALL, Mr. HENRY Mr. ECKART of Ohio, Mr. ROSE, Mr. LEVINE of California, and Mr. TRAXLER.

H.R. 27: Mr. MOODY, Mr. HOYER, Mrs. BURTON of California, Mr. UDALL, Mr. KASTENMEIER, Mr. FEIGHAN, Mr. OBERSTAR, Mr. GEJDENSON, Mr. FRANK, Mr. SAVAGE, Mr. BONER of Tennessee, Mr. LELAND, Mr. FUSTER, Mr. ROYBAL, Mr. BARNES, Mr. SIKORSKI, Mr. MITCHEL, Mr. HEFTEL of Hawaii, Mr. MRAZEK, Mrs. SCHNEIDER, Mr. STOKES, Mr. OWENS, Mrs. COLLINS, Mr. WOLPE, Mr. EDWARDS of California, Ms. KAPTUR, Mr. TORRES, Mr. STARK, Mr. BERMAN, Ms. MIKULSKI, Mr. FAZIO, Mr. MARTINEZ, Mr. RAHALL, Mr. SABO, Mr. SMITH of Florida, Mr. VENTO, Mr. WEAVER, Mrs. BOXER, Mr. KILDEE, Mrs. BOGGS, Mr. SEIBERLING, Mr. MATSUI, Mr. DURBIN, and Mr. NEAL.

H.R. 36: Mr. WIRTH, Mr. LELAND, Mr. FAUNTROY, Mr. MINETA, Mr. LUNDINE, Mr. SAVAGE, Mr. FRANK, Ms. KAPTUR, Mr. DOWNEY of New York, Mr. BERMAN, Mr. OBERSTAR, Mr. BONIOR of Michigan, Mr. EDWARDS of California, Mr. SABO, Mr. DELLUMS, Mr. GARCIA, Mr. OWENS, Mr. LEVINE of California, Mr. DORGAN of North Dakota, Mr. LEHMAN of Florida, Mr. PENNY, Mr. SEIBERLING, Mr. RANGEL, Mr. PEASE, Mr. MITCHELL, Mr. STOKES, Mr. TORRES, Mr. ROE, Mr. RICHARDSON, Mrs. BOXER, Mr. ACKERMAN, Mr. MRAZEK, Mr. MCGRATH, Mr. WEAVER, Mr. MOODY, Mr. NOWAK, Mr. RAHALL, Mr. DURBIN, Mr. ECKART of Ohio, Mr. FORD of Michigan, Mr. BARNES, Ms. MIKULSKI, Mr. STUDDS, and Mr. CROCKETT.

H.R. 43: Mr. ROSE, Mr. MATSUI, Mrs. BURTON of California, Mr. LELAND, and Mr. REID.

H.R. 44: Mr. HAYES.

H.R. 65: Mr. HAWKINS, Mr. BEVILL, Mr. DWYER of New Jersey, Mr. ROE, Mr. RAHALL, Mr. NICHOLS, Mr. GEKAS, Mr. BEDELL, Mr. GRAY of Illinois, and Mr. TRAFICANT.

H.R. 66: Mr. TORRES, Mr. COATS, Mr. WYLIE, Mr. BEDELL, Mr. FISH, Mr. CONTE, Mr. LEVIN of Michigan, Mr. KOLTER, Mr. HYDE, Mr. GALLO, Mr. SMITH of New Jersey, Mr. LAFALCE, Mr. YOUNG of Florida, Mr. FROST, Mr. MARTINEZ, Mr. HEFTEL of Hawaii, Mr. DAVIS, Mr. FAZIO, and Mr. YATRON.

H.R. 67: Mr. TORRES, Mr. COATS, Mr. WYLIE, Mr. BEDELL, Mr. FISH, Mr. CONTE, Mr. LEVIN of Michigan, Mr. LOWERY of California, Mr. KOLTER, Mr. HYDE, Mr. GALLO, Mr. SMITH of New Jersey, Ms. SNOWE, Mr. LAFALCE, Mr. YOUNG of Florida, Mr. FROST, Mr. MARTINEZ, Mr. HEFTEL of Hawaii, Mr. DAVIS, Mr. FAZIO, and Mr. YATRON.

H.R. 85: Mr. LOTT and Mr. MURPHY.

H.R. 151: Mrs. BOXER, Mrs. BURTON of California, Mr. EVANS of Illinois, Mr. MOLLOHAN, Mr. VENTO, Mr. WISE, and Mr. MATSUI.

H.R. 156: Ms. KAPTUR, Mr. OWENS, Mrs. BOXER, Ms. MIKULSKI, Mr. ST GERMAIN, Mr. RAHALL, and Mr. LEHMAN of Florida.

H.R. 333: Mr. REID.

H.R. 351: Mr. GLICKMAN, Mr. SHUMWAY, Mr. MILLER of Washington, Mr. WORTLEY, Mr. YOUNG of Florida, and Mr. MCCOLLUM.

H.R. 374: Mr. CALLAHAN.

H.R. 375: Mr. MOODY, Mr. HOYER, Mrs. BURTON of California, Mr. UDALL, Mr. KASTENMEIER, Mr. FEIGHAN, Mr. OBERSTAR, Mr. GEJDENSON, Mr. FRANK, Mr. SAVAGE, Mr. BONER of Tennessee, Mr. LELAND, Mr. FUSTER, Mr. MITCHELL, Mr. HEFTEL of Hawaii, Mr. MRAZEK, Mrs. SCHNEIDER, Mr. STOKES, Mr. OWENS, Mrs. COLLINS, Mr. WOLPE, Mr. EDWARDS of California, Ms. KAPTUR, Mr. TORRES, Mr. STARK, Mr. BERMAN, Ms. MIKULSKI, Mr. FAZIO, Mr. MARTINEZ, Mr. RAHALL, Mr. SABO, Mr. SMITH of Florida, Mr. VENTO, Mr. WEAVER, Mr. KILDEE, Mr. SEIBERLING, Mr. MATSUI, and Mr. DURBIN.

H.R. 379: Mr. SCHUMER.

H.R. 479: Mr. KOLTER.

H.R. 554: Mr. HARTNETT.

H.R. 567: Mr. PARRIS.

H.R. 588: Mr. PORTER, Mr. MARTINEZ, Mr. MRAZEK, Mr. HEFTEL, of Hawaii, Mr. STOKES, Mr. NEAL, Mr. FAZIO, Mr. FRANK, and Mr. CROCKETT.

H.R. 622: Mr. HUTTO, Mr. BRYANT, Mr. FRANK, Mr. FAZIO, Mr. MATSUI, Mr. DORGAN of North Dakota, Mr. DASCHLE, Mr. FROST, Mr. MARTINEZ, Mr. CHANDLER, Mr. MORRISON of Washington, Mr. DONNELLY, Mr. SYNAR, Mr. ECKART of Ohio, Mr. BATES, Mr. TAUZIN, Mr. LELAND, Mr. FEIGHAN, Mr. COLEMAN of Texas, Mr. MILLER of Washington, Mr. WRIGHT, Mr. ALEXANDER, Mr. RICHARDSON, Mr. BREAUX, Mr. TORRES, Mr. DENNY SMITH, Mr. WEAVER, Mr. ROBERT F. SMITH, Mr. MACKAY, Mr. WATKINS, Mr. CRAIG, Mr. MARLENEE, Mr. WILLIAMS, Mr. HUNTER, Mr. STALLINGS, Mr. SIKORSKI, Mr. ENGLISH, Mr. VENTO, Mr. YOUNG of Missouri, Mr. LEVINE of California, Mr. DOWDY of Mississippi, Mr. BUSTAMANTE, Mr. LUNDINE, Mr. LOWRY of Washington, Mr. GONZALEZ, Mr. ROEMER, Mr. BERMAN, Mr. JONES of Oklahoma, Mr. MCCURDY, Mr. BOSCO, Mr. HUCKABY, Mr. ANDERSON, Mr. EVANS of Illinois, Mr. LEHMAN of California, Mr. ORTIZ, Mrs. SCHROEDER, Mr. DELLUMS, Mr. SKELTON, Mr. BROWN of California, Mr. REID, Mr. LEVIN of Michigan, Mr. ANDREWS, Ms. OAKAR, Mr. DYMALLY, Mr. WHEAT, Mrs. BURTON of California, Mr. DICKS, Mr. DREIER of California, Mr. CHAPPIE, Mr. MINETA, Mr. KOLTER, Mr. CROCKETT, Mrs. BOGGS, Mr. ROYBAL, Mr. MCCAIN, and Mr. PANETTA.

H.R. 633: Mrs. BENTLEY and Mr. WORTLEY.

H.R. 691: Mr. GINGRICH, Mr. LUNDINE, Mr. PORTER, and Mr. CROCKETT.

H.R. 796: Mr. BEREUTER, Mr. BOEHLERT, Mr. FRANK, Mr. HENDON, Mr. MADIGAN, Mr. OXLEY, Mr. RAHALL, Mr. SHELBY, Mr. TOWNS, Mrs. VUCANOVICH, Mr. WISE, Mr. WORTLEY, Mr. MARTIN of New York, Mr. OBERSTAR, and Mr. YATRON.

H.R. 814: Mr. KOLTER.

H.R. 880: Mr. NEAL and Mrs. BOXER.

H.R. 887: Mrs. BURTON of California and Mr. MRAZEK.

H.R. 930: Mr. LELAND.

H.R. 932: Mr. STAGGERS.

H.R. 935: Mr. GRAY of Pennsylvania, Mr. GEPHARDT, Mr. MACKAY, Mr. LOWRY of Washington, and Mrs. BOXER.

H.R. 948: Mrs. BURTON of California.

H.R. 980: Mr. SUNIA and Mr. COURTER.

H.R. 988: Mr. BRYANT, Mr. DORGAN of North Dakota, Mr. BEILENSON, Mr. FRANK, Mr. COATS, Mr. WOLPE, Mr. FROST, Mr. LUJAN, Mr. HENDON, Mr. SCHAEFER, Mr. STENHOLM, Mr. LIGHTFOOT, and Mr. FRENZEL.

H.R. 1038: Mr. MOORE.

H.R. 1050: Mr. WEAVER, Mr. MURTHA, Mr. MRAZEK, Mr. BIAGGI, Mr. TORRES, Mr. YOUNG of Missouri, Mr. EVANS of Illinois, Mr. JACOBS, Mr. LIPINSKI, Mr. TRAFICANT, Mr. STOKES, Mr. OWENS, Mr. SAVAGE, and Mr. MITCHELL.

H.R. 1059: Mr. ECKART of Ohio.

H.R. 1068: Mrs. BOXER and Mr. KOLTER.

H.R. 1082: Mr. RUDD.

H.R. 1099: Mrs. BURTON of California.

H.R. 1123: Mr. BARNES, Mr. BROWN of Colorado, Mr. CHAPPIE, Mr. CHENEY, Mr. CLINGER, Mr. COLEMAN of Missouri, Mr. CRAIG, Mr. EDWARDS of California, Mr. FAZIO, Mr. GINGRICH, Mr. HENDON, Mr. HYDE, Mr. LEVINE of California, Mr. LEWIS of Florida, Mr. MRAZEK, Mr. OWENS, Mr. PURSELL, Mr. RANGEL, Mr. RICHARDSON, Mr. THOMAS of California, Mr. WISE, Mr. WYDEN, Mr. DURBIN, Mr. BOSCO, Mr. LEHMAN of California, Mr. WORTLEY, and Mrs. VUCANOVICH.

H.R. 1132: Mr. FISH.

H.R. 1164: Mr. STUMP and Mr. MCGRATH.

H.R. 1272: Mr. GREEN, Mr. DE LUGO, Mr. BROWN of Colorado, and Mr. STRANG.

H.R. 1297: Mr. MURPHY.

H.J. Res. 20: Mr. SMITH of Florida, Mr. FLORIO, Mr. THOMAS of California, Mr. KOLBE, Mr. SOLARZ, Mr. LEVIN of Michigan, Mr. RICHARDSON, Mr. FISH, Mr. WOLF, Mr. CONTE, Mr. MARTINEZ, Mr. JACOBS, Mr. LEWIS of Florida, Mr. LUNGREN, Mr. MCGRATH, Mr. SCHEUER, Mr. MINETA, Mr. GUARINI, Mr. FAZIO, Mr. YATRON, Mr. CHANDLER, Mr. NEAL, Mr. GONZALEZ, Mr. EVANS of Illinois, Mr. WAXMAN, Mr. HUGHES, Mr. BADHAM, Mr. DWYER of New Jersey, Ms. SNOWE, Mrs. KENNELLY, Mr. GEKAS, Mr. DEWINE, Mr. RINALDO, Mr. WORTLEY, and Mr. DASCHLE.

H.J. Res. 24: Mr. SWINDALL.

H.J. Res. 33: Mr. HUGHES, Mr. REID, Mr. GEKAS, Mr. FAZIO, Mr. TAUZIN, Mr. BROWN of California, Mr. ANDREWS, Mr. EDWARDS of Oklahoma, Mr. LUNGREN, Mr. SCHAEFER, Mr. WYDEN, Mrs. BURTON of California, Mr. SMITH of Florida, and Mr. SYNAR.

H.J. Res. 57: Mr. PARRIS.

H.J. Res. 74: Mr. RANGEL, Mr. SHAW, Mr. MICA, Ms. SCHNEIDER, Mr. MAZZOLI, Mr. ADDABBO, Ms. SNOWE, Mr. JACOBS, Mr. SCHAEFER, Mr. MOORE, Mr. WILSON, Mr. SPENCE, Mr. MILLER of California, Mr. KINDNESS, and Mr. TAUKE.

H.J. Res. 79: Mr. FEIGHAN, Mr. GINGRICH, Ms. OAKAR, Mr. FROST, Mr. PORTER, Mr. KOLTER, and Mr. KOLBE.

H.J. Res. 85: Mr. ROGERS and Mr. MURPHY.

H.J. Res. 121: Mr. HYDE, Mr. CONYERS, Mr. HALL of Ohio, Mr. MOORHEAD, Mr. RITTER, Mr. DORGAN of North Dakota, Mr. WOLPE, Mr. HARTNETT, Mr. GEKAS, Mr. STARK, Mr. KOLBE, Mr. STENHOLM, Mr. NEAL, Mr. EVANS of Illinois, Mr. SAXTON, Mr. CHAPPIE, Mr. EDWARDS of Oklahoma, Mr. HUNTER, Mr. FLIPPO, Mr. COYNE, Mr. LOWRY of Washington, Mr. OBERSTAR, Mr. COELHO, Mr. DURBIN, Mr. MORRISON of Connecticut, Mr. BEREUTER, Mr. MCEWEN, Mr. GRAY of Pennsylvania, Mr. SPRATT, Mr. HENRY, Mr. STANGELAND, Mr. JENKINS, Mr. LOEFFLER, Mr. RINALDO, Mr. MURTHA, Mr. MOLINARI, Mr. NIELSON of Utah, Mr. ORTIZ, Mr. TAUKE, Mr. SNYDER, Mr. CARPER, Mr. ACKERMAN Mr. BATEMAN,, Mr. CAMPBELL, Mr. BROWN of California, Mr. SISISKY, Mr. BILIRAKIS, Mr. LATTA, Mr. DOWDY of Mississippi, Mr. DIOGUARDI, Mr. O'BRIEN, Ms. SNOWE, Mr. YATRON, Mr. QUILLEN, Mr. AUCOIN, Mr. BLAZ, Mr. LEACH of Iowa, Mr. LOWERY of California, Mr. SKEEN, Mr. GREGG, Mr. HENDON, Mr. SHAW, Mr. FRANKLIN, Mr. MORRISON of Washington, Mr. LOTT, Mr. COBLE, Mr. BOEHLERT, Mrs. BOGGS, Mr. COURTER, Mr. BONIOR of Michigan, Mr. SWINDALL, Mr. SHUMWAY, Mr. BARTLETT, Mr. CHANDLER, Mr. LUNDINE, and Mrs. SCHNEIDER.

H.J. Res. 123: Mr. MURPHY, Mr. QUILLEN, Mr. VOLKMER, Mr. ROWLAND of Georgia, Mr. SMITH of Florida, Mr. COOPER, Mr. VANDER JAGT, Mr. FRANKLIN, Mr. NEAL, Mr. MURTHA, Mr. SPRATT, Mr. KOLTER, and Mr. CROCKETT.

H.J. Res. 151: Mr. LANTOS, Mr. WEISS, Mr. MARTINEZ, Mr. RALPH M. HALL, Mr. CHANDLER, Mr. HOYER, Mr. DYSON, Mr. TOWNS, Mr. DEWINE, Ms. KAPTUR, Mr. QUILLEN, Mr. FAUNTROY, Mr. LEHMAN of California, Mr. RICHARDSON, Mr. WORTLEY, Mr. CROCKETT, Mr. SABO, Mr. KOLTER, Mr. ADDABBO, Mr. WYDEN, Mr. SPRATT, Mr. FEIGHAN, Mr. BIAGGI, and Mr. FISH.

H. Con. Res. 18: Ms. SNOWE.

H. Con. Res. 34: Mr. BEDELL, Mr. BEVILL, Mr. BUSTAMANTE, Mr. COBEY, Mr. CLINGER, Mr. COMBEST, Mr. COUGHLIN, Mr. DELAY, Mr. DEWINE, Mr. DICKINSON, Mr. DURBIN, Mr. DYMALLY, Mr. GALLO, Mr. GINGRICH, Mr. HALL of Ohio, Mr. KANJORKSI, Mr. LEATH of Texas, Mr. LEWIS of Florida, Mr. MCGRATH, Mr. MANTON, Mr. MARTIN of New York, Mr. MOODY, Mr. PARRIS, Mr. REGULA, Mr. RICHARDSON, Mr. RIDGE, Mr. SMITH of New Jersey, Mr. STRANG, Mr. TRAXLER, and Mr. WYLIE.

H. Con. Res. 39: Mr. JEFFORDS, Mr. DIXON, Mr. YOUNG of Missouri, Mr. FAZIO, Mr. CLAY, Mr. MAVROULES, Mr. ADDABBO, Mr. KASTENMEIER, Mr. DELLUMS, Mr. HAYES, Mr. SKELTON, Mr. ACKERMAN, Mr. EVANS of Illinois, Mr. CROCKETT, Mr. GRAY of Illinois, Mr. KILDEE, Mr. VENTO, Mr. HERTEL of Michigan, Mr. CONYERS, Mrs. SCHROEDER, Mr. FORD of Tennessee, Mr. REID, Mr. COLEMAN of Texas, Mr. WOLPE, Mr. BORSKI, Mr. COELHO, Mr. BONIOR of Michigan, Mr. BARNES, and Mr. MICA.

H. Con. Res. 43; Mr. LEWIS of California, Mr. SMITH of New Hampshire, Mr. CHANDLER, Mr. THOMAS of California, Mr. MCCANDLESS, Mr. LAGOMARSINO, and Mrs. ROUKEMA.

H. Con. Res. 52: Mr. ADDABBO, Mr. PANETTA, Mr. CONTE, Mr. LUNDINE, Mr. KOLTER, Mr. TORRES, Mr. BEDELL, Mr. STARK, Mr. WHEAT, Mr. MINETA, Mr. FAZIO, Mr. MRAZEK, Mr. ATKINS, and Mr. BRYANT.

H. Res. 21: Mrs. COLLINS, Mr. MOODY, Mr. EVANS of Illinois, Mr. MOAKLEY, Mrs. BURTON of California, Mr. FAUNTROY, Mr. MAZZOLI, Mr. FUSTER, Mr. ROYBAL, Mr. KOSTMAYER, Mr. HEFTEL of Hawaii, Mr. LEHMAN of Florida, Mr. EDWARDS of California, Mr. AKAKA, Mr. FLIPPO, Mr. GREEN, Mrs. KENNELLY, Mr. DWYER of New Jersey, Mr. BLAZ, Mr. FORD of Michigan, Mr. WHITEHURST, Mr. TOWNS, Mr. FAZIO, and Mr. BEILENSON.

H. Res. 31: Mr. FORD of Tennessee, Mr. YATES, Mr. TRAFICANT, Mr. WILSON, and Mr. FLORIO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 236: Mr. RICHARDSON.

EXTENSIONS OF REMARKS

NEWTON N. MINOW'S SPEECH TO THE ASSOCIATION OF AMERICAN LAW SCHOOLS

HON. SIDNEY R. YATES
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. YATES. Mr. Speaker, my good friend, the wise and constructive lawyer Newton Minow, recently made a speech to the Association of American Law Schools which raises and discusses most perceptively a number of important issues of interest to every Member of Congress. I have attached it to my remarks and I urge my colleagues to read it:

Your meeting is a most appropriate time and place to announce the completion of a major work of legal scholarship. After thirty-five years, I have finished a comprehensive study of European Comparative Law. Your invitation enables me to share my exhaustive research with our nation's law professors.

After careful study of four legal systems in Germany, France, the Soviet Union and Italy, here are my conclusions:

In Germany, under the law, everything is prohibited except that which is permitted.

In France, under the law, everything is permitted, except that which is prohibited.

In the Soviet Union, under the law, everything is prohibited, including that which is permitted.

And in Italy, under the law, everything is permitted, especially that which is prohibited.

Now, there may be some of you who are not interested in these finer points of European comparative law, and may ask, so what? What about the United States? I suggest that is why there are American law schools and law professors. For it is your task to analyze and debate what is prohibited and what is permitted in the United States. We have a never ending search for the answers, especially because we ask American law professors for even more: we ask that you teach us not only what is prohibited and what is permitted, but also why—and we also ask you to reflect on what should be prohibited and what should be permitted.

It is a high privilege for a practicing lawyer to speak at your annual meeting. The three cornerstones of our profession—the judges, the teachers, and the practitioners—have much to say to each other, and I am honored to bring my perspective to this indispensable dialogue.

As a partner in a large law firm which searches in your schools for talented young men and women to join our practice, my partners and I thank you for giving us splendid lawyers who are well trained and even, in recent years, well mannered.

Yet, while law firms are in your debt for producing practicing lawyers, my thesis today is that our country's citizens are too often being shortchanged by our law schools and the gifted men and women who teach in them.

I take as my text an article which my partner, Ben Heineman, Jr., wrote last year:

"Put simply, the law schools—especially the top 25 that believe they are in the top 10—should be a major source of vision about the kind of society America ought to be, in its third century . . ."

"Yet few outside observers, and few candid insiders, would say that the nation's law schools and law professors are possessed by a breadth of vision or are taking a comprehensive view of the major problems that this society must address in the decades ahead, either in the public or private sector."

While I agree with Ben, I am reassured by the theme of your 1985 Annual Meeting: "The Law Teacher and the Public Interest: Professor Deeds Goes to Washington." One question we will be discussing this afternoon is: Do law teachers have a special obligation to illuminate politics and public life?

To me the answer is clear. Your analytical skills are needed, not only to study but also to safeguard principles of law, especially in this confusing time of rapid technological revolution. Your vision is needed if we are to avoid narrow approaches to legal questions—such as what is permitted and what is prohibited in terms of rigid, either or choices. Last month, Judge Bork reminded us in an important opinion: "The temptation to adhere to sharply-defined categories is understandable. Judges generalize, they articulate concepts, they enunciate such things as four-factor frameworks, three-pronged tests, and two-tiered analyses in an effort, laudable by and large, to bring order to a universe of unruly happenings and to give guidance for the future to themselves and others. But it is certain that life will bring up cases whose facts simply cannot be handled by purely verbal formulas, or at least not handled with any sophistication and feeling for the underlying values at stake. When such a case appears and a court attempts nevertheless to force the old construct upon the new situation, the result is mechanical jurisprudence."

Judge Bork is right. As technology rushes forward in the remaining 15 years of this century, traditional definitions of life itself fail to offer useful answers to new questions. Life support machines extend breathing; do they extend life? As technology rushes forward, do traditional perspectives of the Constitutional war power extend to pushing a button which may blow up the world?

Civilization, said H. G. Wells, is a race between education and catastrophe. I believe it is also a race between law and technological and social change in modern life. Your unique ability to study and apply principles of law to the issues posed by onrushing technological and social change is needed to provide the light of reason.

Here are a few issues of modern life where the law, it seems to me, has thus far been of little help in even asking the right questions, much less in reaching useful answers.

First, the relationship between politics, public office and the public interest. Running for office in our country is a hard, miserable, frustrating and intimidating experience. A candidate must be up and at the voters at 6:00 a.m. shaking hands at the factory gate or the commuter station. A candidate must raise enormous sums of money. A candidate must submit to the most intense scrutiny by the media, and serve up his or her entire family for public examination. A candidate must abandon any notion of privacy, disclose all sorts of personal information, financial data, and expect and accept abuse and constant criticism.

As a result, some people have found it much easier to take a short cut and avoid the political process. All you have to do is simply announce one day that you have been appointed as a representative of the "public interest." If you appoint yourself, you don't have to subject yourself or your family to all the rigors of a campaign. Yet, in the past 10 or 15 years, self-appointed representatives of the public have come to be regarded and treated, especially by the media, as somehow being more legitimate and authentic representatives of the public than the men and women who were elected according to the law.

Why? Traditional legal analysis would tell only a small part of the story—that certain elective offices are created for which persons standing for election must have certain qualifications. But in the real world, forces outside the law—especilaly post-Vietnam, post-Watergate cvnicism about public officials—have changed modern life to the point there where self-appointed citizens are often perceived as more representative than our elected officials.

Second, last year I served as Chairman of the Search Committee for the next President of Northwestern University. Our Committee reflected various parts of the institution: trustees, faculty, alumni, and students. We conducted a nationwide search for eight months; simultaneously, our nation searched for nominees for the next President of the United States. Having been a delegate for years to the Democratic National Conventions, it quickly became apparent to me that the way we search for university presidents offered significant lessons compared to the way we nominate our Presidential candidates. When our country began, President George Washington was chosen through the Electoral College which was designed much more like a university search committee than the 1984 primaries and caucuses.

Again, a traditional legal view, based on the literal requirements of the Constitution, would tell us that the Electoral College remains inviolate in the Constitution. But the real world tells us that this part of the Constitution has little to do with modern life.

A third issue concerns changing economic conceptions and the law. In our firm's practice, we counsel different industries and professions trying to adjust to the new world of deregulation. We see pluses and minuses in adapting to deregulation of communications, transportation, banking and medical care. It is currently fashionable for some economists to argue that the all-knowing marketplace is the solution to all problems and, as a result, we see many young lawyers who know the price of everything—and the value of nothing. (Do you remember what one economist said to the other economist? "It may work in practice, but it doesn't work

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

in theory.") But just as many regulators of the seventies were too narrow and rigid, so many deregulators of the eighties are too narrow and rigid. The pendulum is now swinging from everything is prohibited to everything is permitted, from the overregulation of the seventies to what could become the anarchy of the nineties.

What is needed—and has begun at some of your schools—is a new and more subtle form of legal analysis to assess how varying amounts of intervention in markets really work in modern life.

Each of these questions is an example where law, which is the indispensable instrument for orderly change in our governance, has almost became a bystander, an observer, a non-participant. While all of us have been looking for what is permitted and what is prohibited in our law libraries, we failed to look out the window where other things were happening.

When we look in the books to read the Constitution, we learn that the Constitution is subject to amendment only through specific, prescribed procedures. I suggest to you that sometimes the law and the Constitution are amended without any of us realizing it. Sometimes, as in the case of the Electoral College, this happens through the evolution of political practices, and sometimes, this happens when the Constitution is amended by technology. Then it happens silently and instantly.

For example, consider the relevance of political jurisdictions. When the technology of television developed, the television and advertising industries quickly saw that television signals did not correspond with political boundaries. A television signal spreads through the air in a circle with a radius of about sixty miles. Viewers of a signal broadcast from my hometown of Chicago live in the City of Chicago, the Cook County suburbs, the other five county metropolitan area of Chicago, and in other parts of Illinois, Wisconsin, Indiana and Michigan. The same situation exists throughout the United States, and across our national boundaries into Canada and Mexico. When this became apparent, the broadcasting and television industries quickly acted. They drew their own map, ignoring city, county, state and national boundary lines, and divided the country into 211 ADI's—Areas of Dominant Influence. They didn't call for a Constitutional convention or persuade Congress to change any laws. They simply threw away the official governmental maps and boundaries and adapted to the new technology, by defining their business in terms of ADI's, instead of cities, counties, states, and the nation.

In government, however, we haven't acted—or reacted to the new technology.

For example, government failed to act and react while television fundamentally altered the balance between our three branches of government. Only one branch, the Executive, has access to television on its own terms, essentially at the discretion of the President. Congress now knows that television fundamentally altered legislative debates. The other day, Senator Howard Baker observed that Senators do not need to participate much in Senate debates these days because "if no one listens, the Senators don't care because they go outside the Senate floor and someone will listen to them with a television camera."

While Presidents and Senators learned about television, most academics have been slow learners, and closed their eyes to the impact of television.

Suppose I gave you a test with this multiple choice question: Which of the following is the most influential educational institution in America? (a) Harvard (b) Yale (c) the University of California (d) Northwestern University (e) Notre Dame University (f) Your own University (g) None of the above.

The correct answer is (g) None of the above: the correct answer is television.

Watching television is how most Americans spend most of their time—close to eight hours a day in the average home. Most Americans now receive most of their information through broadcasting. As Professor Benjamin Barber observes:

"The community of citizens governing themselves face-to-face has given way to the mass society, and live talk has been replaced by telecommunications. Once a nation of talkers, we have turned into a nation of watchers—once doers, we have become viewers—and the effect on our democracy has been profound."

Yes, the effect on political processes has been more profound than any other technological change since the printing press. And its effect on the democratic process, its effect on law, its effect on government, and its effect on politics all are a set of questions which call for more attention from the best legal minds in America.

Television does enlighten citizens and does advance the democratic process in ways far beyond the capacity of any other medium. Television's coverage of the Watergate hearings and the impeachment hearings gave the American people more than a civics lesson; it also gave them front row seats in the hearing room and a sense of unparalleled participation. The Presidential debates, with all their faults, do bring the candidates into millions of homes and offer citizens a first-hand chance to evaluate the candidates.

But, with all the advances through this powerful medium, there are also setbacks to the democratic process. Theodore White, the best historian-journalist in our time, said it best when he wrote last year that the flood of money that gushes into politics to buy television time is the pollution of democracy.

I propose that you law professors address, analyze, and reflect on this question: What is the best way to harness this great gift of television to improve and advance the electoral process? You have the expertise, analytical skills, and vision to find ways—constitutional ways consistent with First Amendment freedoms—to achieve four goals:

First: To promote rational political discussion in Presidential campaigns.

Second: To reduce the amount of money required to run for political office, especially to buy television time.

Third: To shorten campaigns.

Fourth: To assure basic access to television for all significant candidates for President and Vice President.

Let us examine each goal.

First, to promote rational political discussion in Presidential campaigns. Sophisticated campaign strategists and political consultants now create commercials and spots which dominate the airwaves at a cost of many millions of dollars. In my own State of Illinois in the recent Senate election, our major candidates, Paul Simon and Chuck Percy, found our Illinois situation even worse than usual. A California businessman—unathorized by Simon—spent more than 1.1 million dollars of his own money to "help" Simon by buying radio and television commercials that attacked Percy. Although Simon disavowed the ads, he could not stop them. A law, which I think could be drafted to satisfy Constitutional tests, is needed to stop not only this form of assault on the democratic process, but to stop all political commercials. John O'Toole, Chairman of one of the nation's leading advertising agencies, Foote, Cone and Belding, put the issue in plain English: "The time has come to stop trivializing the electoral process by equating a candidate and a public office with an antiperspirant and an armpit. It is time to stop selling television spots to political candidates."

Second, to reduce the amount of money required to run for political office, especially to buy television time. Once the major Presidential candidates are nominated, they now receive more than $40 million in public funds for the campaign. In 1984, most of that money went to purchase television time, almost all of it to purchase commercials of thirty or sixty seconds. In the primaries, approximately $85 million was raised and spent by the candidates, mostly for commercials.

Presidents of the television age, starting with Presidents Eisenhower and Kennedy, saw the problem coming and urged reform. Now, more than twenty years later, the problem is more than twenty times worse. Why on earth should the American people spend millions out of the public treasury so that the Republican and Democratic candidates can flood the air with thirty second television commercials contributing nothing to political enlightenment? If this money is to be spent, at least let us insist that the candidates appear live to deal with issues. I ask you to search for ways, constitutional ways, to eliminate this pollution of democracy, and use this great medium to inform and enlighten us.

If you are not indignant at the current situation, I remind you of what Kipling did not say: "If you can keep your head while all others about you are losing theirs, maybe you don't understand the seriousness of the situation."

Third, to shorten campaigns. If you've ever been in Great Britain during a political campaign, you saw campaign periods strictly limited to a three-week period during which no candidate can buy television time. Instead, the parties are allocated an amount of political time on the air to use as they wish—with the parties sharing the time and taking their own cases to the voters. No commercials. No payments for time. And Western civilization was not impaired—and has survived.

Fourth, to assure basic access to television for all significant candidates for President and Vice President. As you know, our Federal Communications Act requires that all candidates for the same office be treated equally by broadcasters. This means that if a broadcaster gives or sells time to one candidate, time must be made available on the same terms to his or her opponent. There are certain exceptions for news programs and interviews. The Presidential Debates, with which I was deeply involved in 1976 and 1980, were conducted under regulatory and judicial interpretations of these exceptions—an interesting legal story, but too long to go into here. I believe that not *all* candidates need to be treated equally; there were 229 candidates for President in 1984; not all of them were serious. How can we distinguish between serious, significant candidates—and the others? How do we do this

under the law, under the Constitution, under our sense of fundamental fairness?

While the courts have dealt with some of these issues, the law remains murky.

These four goals are worthy of the serious analysis, research, and thought which legal scholars give to other questions every year. While I do not read widely in the law reviews these days, I do skim the tables of contents, and I find bountiful articles on the finer, esoteric points of law such as: (1) Can a policeman look under a blanket in the automobile trunk when he stops a suspicious driver who may be carrying drugs? (2) Protected "puffery" in commercial speech. (3) The application of the Due Process Clause to an unending stream of actions. (4) Liability of construction lenders to contractors, subcontractors and materialmen. While these issues are worthy of your skills, I suggest that basic issues involving the effect of the electronic media on politics and governance deserve equal time.

Why do I suggest that this issue of television and politics be examined in the law schools? Because law schools are unique institutions in our society, unlike any other part of the academic world. As one privileged to serve as a trustee of several major American universities, I see excellent graduate schools whose function is to train teachers to impart knowledge of English Literature. I see excellent schools where engineers and scientists are trained to create new technological progress. I see business and management experts trained through MBA programs to run complex business and public organizations. I see excellent medical schools train physicians and surgeons to help keep our good health and preserve and prolong life. These are essential, vital and valuable contributions to our society.

But law schools are unique. A law school is the only place where the life of the mind is joined with the practical, real world search for justice, for ethical values, for fairness, for the protection of individual rights and responsibilities, and for the preservation of principles of a free society. As the world of technology becomes more and more complex, your unique competence as professors of law is called upon to reconcile these precious values with the technological revolution and the Information Age.

In only two years we approach the bicentennial of our Constitution to celebrate what the Jeffersons, Franklins, and Madisons gave us in 1787. Where are the 1987 Jeffersons, Franklins and Madisons? I hope some of you are in this room today.

I was lucky in law school to have some wise teachers who passed on enduring lessons to me. Some may say that these lessons have little to do with the law—and others may say they have everything to do with the law. My law professors, some of whom are here today, taught me the value of civility in dealing with contentious matters, the need for respect for opposing views, and the necessity of continuing lifetime learning after law school. Some statements still ring through my memory, such as: "Civilization advances when what had been perceived as a misfortune comes to be perceived as an injustice . . ." and "the challenge is to become one in spirit—if not necessarily in opinion."

More than thirty years ago, I accompanied my boss Adlai E. Stevenson when he addressed the Association of American Law Schools on December 28, 1953. He spoke of the need for justness . . . and the need for a compassionate eye and a strong arm to see that each individual, no matter how weak or unappealing, is dealt with fairly and justly. And he reminded law professors of the university's essential mission: to search for truth and to communicate that truth to succeeding generations.

Today, more than thirty years later, two of my daughters and my son-in-law—all lawyers—are here as part of a succeeding generation. To them—and to you—I leave the words of a great teacher, Professor John Fairbank, about the student-teacher relationship and the debts a student owes a teacher: "For all students who feel indebted to their teachers, the rule is 'Don't feel you should try to pay it back. Instead, pass it on.' "●

SOME GOOD ARGUMENTS AGAINST ENTERPRISE ZONES

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. STARK. Mr. Speaker, at a time of massive deficits and overwhelming public support for tax simplification, almost no administration proposal makes less sense than its ideas on enterprise zones.

Some of the very good arguments against this proposal are described in the following TRB column from the New Republic of March 11:

STARSHIP ENTERPRISE

"Enterprise zones"—the notion of giving special breaks from taxes and regulation to businesses in economically depressed areas—have all the makings of that politicians' delight, a "new idea." They appeal to conservatives as a way of getting the government off the backs of the people. They appeal to liberals as a way of helping the desperate inner city. They have just the gimmicky "high-tech" flavor preferred by both Opportunity Republicans and Atari Democrats. These "new generation" wings of the two parties like approaches to social problems that work through the private sector instead of through government agencies.

President Reagan has made enterprise zones his only domestic policy initiative apart from budget cuts. They are a cornerstone of Representative Jack Kemp's incipient presidential campaign. But even Walter Mondale casually endorsed the idea in one of the presidential debates. It pops up in seminar rooms around the world where Democrats have retired to "rethink." An enterprise zones bill has passed the Senate two years in a row, only to die in the House, primarily because of strong opposition from the unions. For once the unions are right.

The bill endorsed by Reagan would authorize the secretary of housing and urban development to anoint 75 areas of high unemployment, poverty, and population loss as "enterprise zones." Businesses that open or expand in an enterprise zone would get: a 100 percent tax exemption on any profit when they sell the business; a special tax credit of up to ten percent of the cost of their investment; a credit of up to ten percent of their additional wage bill; another credit of up to 50 percent of the wages of employees who live in the zone; a five percent earned income credit for those employees; the right to raise unlimited funds through tax-free "industrial revenue bonds"; freedom from sundry regulations, and—last but not least—an all-expense-paid dream vacation for two at the beautiful MGM Grand Hotel in fabulous Las Vegas, Nevada!!! Only kidding about the vacation. But the rest is for real.

Consider, to start with, the question of regulation. The bill guarantees that major federal regulations protecting equal employment opportunity, worker health and safety, the environment, and the minimum wage will remain in force. These, presumably, are too important to tamper with. But all regulations are either wise or foolish. Kemp says enterprise zone businesses should get a "streamline[d] business permit system." If the system can be streamlined, why limit it to a "zone"? On the other hand, as an Urban Institute study put it. "The first life-taking collapse of a below-standard building within a zone, or the first case of food poisoning in an uninspected restaurant . . . and deregulation will prove impossible to pursue very far."

People have many reasons for not opening shop in the South Bronx, but this bill will only affect their economic calculation. Who is going to be most easily tempted? Clearly the most likely candidates will be drawn away from nearby areas that are almost or equally as squalid and depressed, but lack the "enterprise zone" certification. Next most likely are businesses that are now operating or would otherwise open in some safer or more prosperous area. Genuinely new businesses or business expansions—that is, projects that currently aren't economically appealing at any location—are the least likely to suddenly sprout up in the South Bronx because of tax incentives.

Every study of the decades-old investment tax credit has shown that the government loses more revenue with this "incentive" than the value of all the new investment it generates. This is because most of the investment that gets the credit would have occurred anyway. I predict that a study of "enterprise zones" after a few years will show the same thing. Even as it stands, the proposal is a bad bargain.

But the "enterprise zones" system, once enacted, will never remain as it stands. Any attempt to draw a bright line through society and offer some enormous benefit to people on one side is inherently politically unstable. And rightly so, because it is inherently unfair. Are we really going to give these huge breaks to a dry cleaner that opens in the South Bronx and deny them to a competing dry cleaner that has been there all along? Are we really going to make the guy who was hired the day before his neighborhood became a "zone" pay more taxes year after year than the guy who was hired the day after?

There is no way this experiment can be limited to the country's 75 most depressed neighborhoods. The current legislation specifies that a third of the "enterprize zones" must be in rural areas, and you can be assured there will be at least one in every state. When a neighborhood becomes an "enterprise zone" and another one nearby doesn't, the definition of a "zone" will be expanded or new zones will be added. There is already talk on Capitol Hill of starting with more than 75 zones, in order to help get the bill passed. This is just what happened with LBJ's Model Cities program, which began as a focused experiment in urban renewal and ended up as a revenue-sharing free-for-all.

When lawyers and bankers get through, the "enterprize zone" cornucopia will be disgorging goodies Congress never dreamed of. The established business that wasn't sup-

posed to qualify for breaks will close and reincorporate. Presto. Corporations will figure out ways to funnel assets through "enterprise zones" for the tax advantages without doing the locals any good. "Enterprise zone" benefits will become part of the standard "incentive" package all cities must offer all businesses, just like the ludicrous tax-exempt "industrial revenue bonds" we have now.

The conservatives who usually can be depended upon to point out the slippery-slope nature of government programs are among the biggest cheerleaders for "enterprise zones." The suspicion has to be that this is one slippery slope they don't mind being on. Principled conservatives see "enterprise zones" as the opening wedge of the minimal state. Unprincipled ones just want corporations unchained, and don't care why or how. "Enterprise zones" are not a new idea at all. It's the same old one.●

MEDICAID INFANT MORTALITY REDUCTION AMENDMENTS OF 1985

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WAXMAN. Mr. Speaker, I am pleased to introduce, on behalf of myself and my distinguished colleague from Illinois, Mr. HYDE, the Medicaid Infant Mortality Reduction Amendments of 1985, H.R. 1382. This legislation would expand Medicaid coverage for prenatal care to poor pregnant women in two-parent families, and would give States the option to enrich their pregnancy benefits for all poor women eligible for Medicaid. This legislation will save lives, prevent permanent disabilities, and save both the States and the Federal Government money.

Last March, at an oversight hearing before the Subcommittees on Health and Environment and Oversight and Investigation, Dr. Edward Brandt, then the Assistant Secretary for Health, testified that the projected infant mortality rate for the Nation as a whole "will fall well within" the Surgeon General's target of 9 infant deaths per 1,000 live births. This past Sunday, the New York Times reported that Dr. Brandt, now the chancellor at the University of Maryland in Baltimore, acknowledged that "my prediction was wrong, flat wrong."

New data from the Public Health Service indicate that the rate of decline in the Nation's infant mortality rate has slowed. From 1965 to 1982, the Nation's infant mortality rate has declined at an average of 4.6 percent per year. Between 1982 and 1983, however, the provisional infant mortality rate dropped by only 2.7 percent, from 11.2 to 10.9. During the first 9 months of 1984, the provisional rate dropped by less than 2 percent, compared with the same period in 1983.

We as a Nation may have reached a plateau at just below 11 deaths per thousand live births. The mortality rate for black infants remains about twice that for white infants. While infant mortality affects all groups in our society, it is most frequent among the poor and disadvantaged.

I do not believe we will make further significant progress in our fight against infant mortality until we increase the availability of prenatal care to low-income pregnant women. To do this, we have to improve Medicaid eligibility policy.

Under current Medicaid law, States have long been required to provide coverage to poor women who are receiving cash assistance under the Aid to Families With Dependent Children [AFDC] Program. These are generally women in one-parent families with one or more dependent children.

As a result of the so-called CHAP—Child Health Assurance Program—provisions in last year's Deficit Reduction Act [Defra], Public Law 98-369, the States are also required to cover: One, women who are pregnant for the first time and would qualify for AFDC if their child were born, and two, pregnant women in two-parent families with dependent children where the principal earner is unemployed. In both cases, the woman must meet State AFDC income and resource standards in order to qualify for services during her pregnancy.

There is one last category of pregnant women: those in two-parent working families where the principal earner is not unemployed but the family's income and resources are nonetheless below State income and resource standards. Federal Medicaid law now allows the States to extend coverage to this group, and about 22 States and the District of Columbia have chosen to do so: Alaska, California, Connecticut, Hawaii, Illinois, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, and Wisconsin. In addition, Florida, Georgia, and Mississippi are planning to initiate such coverage by July 1 of this year.

In view of the overwhelming scientific evidence on the effectiveness of prenatal care in reducing infant mortality and preventing long-term disabilities, it makes absolutely no sense to let poor pregnant women go without prenatal care simply because their family is still intact. Yet that is precisely the contradiction in which Federal policy is not entangled. If you are single and poor, or if you are living with your husband and the principal earner in the family is unemployed, then you will receive Medicaid coverage during your pregnancy. But is you are living with your husband the principal earner has a low-paying job, Medicaid in many States will not cover you during pregnancy, even though you are poor enough to qualify.

This situation becomes even more irrational when one realizes that all of the States, even those that do not know cover pregnant women in two-parent working poor families, must provide Medicaid coverage to the children of those families up to age 5. This requirement was imposed by last year's Deficit Reduction Act, also as part of the CHAP provisions. Thus, the one service that has perhaps the most impact on a young child's health—prenatal care—is not available to that child's mother, even though she is poor. Why? Because she is living with her husband and the principal earner in the family is working.

Earlier this week, the Energy and Commerce Committee held a hearing to receive the findings of the Committee to Prevent Low Birthweight of the prestigious Institute of Medicine [IOM] of the National Academy of Sciences. The IOM committee's 284-page, single spaced report, "Preventing Low Birthweight," is an exhaustively documented study of the causes of low birthweight and the ways in which it can be prevented.

According to the IOM committee, low birthweight—that is, birth at a weight of less than about 5½ pounds—is the single most important cause of infant mortality. Preventing low birthweight will prevent infant mortality. And providing quality prenatal care, the IOM committee found, will prevent low birthweight.

Preventing low birthweight will also prevent the occurrence of lifelong disabilities, such as cerebral palsy, mental retardation, and epilepsy. The children and their families will obviously bear enormous burdens. And the Federal and State governments will pay for these disabilities, through expensive medical treatment for these Medicaid-eligible children. The tragedy is that if we were willing to put the money into prenatal care, many of the hospitalization and medical costs for surviving low birthweight babies could be avoided.

The IOM committee did an analysis of the costs of making prenatal care available to high-risk women. The committee's analysis shows that, for every dollar spent on prenatal care for poor women, as much as $3.38 could be saved on specialized care for low birthweight infants. This estimate substantially understates the potential savings, since it includes only those savings through the first year of life. The savings resulting from the avoidance of hospitalizations or medical treatment later in life are not included in this figure.

Based on the available data, the IOM committee concluded:

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Medicaid increases participation in prenatal care by lowering financial barriers to such services. And because participation in prenatal care is associated with improved birthweight, efforts to expand and strengthen the Medicaid program should be part of a comprehensive program to reduce the nation's incidence of low birthweight.

This bill would require all States to provide services to pregnant women in two-parent families who meet the AFDC income and resource standards in their particular States. The coverage would begin with medical verification of pregnancy and extend through the postpartum period. The woman would not be eligible for cash assistance. The requirement would be effective October 1, 1985, except in those States which require action by the legislature to amend their State plans.

The other provision in this bill would allow States to extend extra pregnancy-related services to pregnant women who are eligible for Medicaid coverage. Under current Medicaid law, benefits must be comparable among groups; that is the States must, for example, offer the same benefits to recipients of aid to families with dependent children as they offer to recipients of supplemental security income. This long-standing nondiscrimination policy is eminently fair, but it does have the unintended effect of prohibiting States from offering additional benefits that are of special importance to the success of prenatal care, such as prenatal vitamins and health education.

In my own State of California, a special demonstration project recently tested the effectiveness of an enriched prenatal benefits package for Medicaid-eligible women. Patients in the obstetrical access pilot project [OB Access] received eight or more prenatal visits; nutritional and psychosocial assessments; counseling for high risk women; childbirth education classes; prenatal vitamins; and a range of diagnostic tests. Women participating in the regular Medicaid Program were covered for nutritional, educational, or psychosocial services, or for prenatal vitamins. An independent evaluation of OB Access showed that the incidence of low birthweight births to women in the demonstration was significantly lower than that for women in the regular Medicaid Program.

The bill would allow States, at their option, to provide enriched benefits to Medicaid-eligible pregnant women, without providing those same benefits to other groups of Medicaid beneficiaries. They would not have to seek Federal approval for a special waiver. If a State believes that it can reduce low birthweight, and hence infant mortality, by expanding benefits to pregnant women, I can see no reason to maintain a Federal comparability policy that prevents it from doing so. The provision would be effective on October 1, 1985.

In summary, this bill is good for the unborn, good for the newborn, good for families, and good for the taxpayer. I urge my colleagues to support this legislation.

The text of the bill follows:

H.R. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicaid Infant Mortality Reduction Amendments of 1985".

SEC. 2. EXPANDING COVERAGE OF QUALIFIED PREGNANT WOMEN UNDER MEDICAID PLANS.

(a) EXPANSION OF COVERAGE.—Section 1905(n)(1) of the Social Security Act (42 U.S.C. 1396d(n)(1)), relating to definition of qualified pregnant woman, is amended—

(1) by striking out "; or" at the end of subparagraph (A) and inserting in lieu thereof a comma,

(2) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof ", or", and

(3) by adding after subparagraph (B) the following new subparagraph:

"(C) otherwise meets the income and resources requirements of a State plan under part A of title IV; and".

(b) EFFECTIVE DATE.—(1) The amendments made by subsecton (a) apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for calendar quarters beginning on or after October 1, 1985, without regard to whether or not final regulations to carry out the amendments have been promulgated by that date.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendments made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calender quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

SEC. 3. OPTIONAL EXPANSION OF PREGNANCY-RELATED SERVICES.

(a) EXCEPTION TO PRESENT COMPARABILITY REQUIREMENT.—Section 1902(a)(10) of the Social Security Act (42 U.S.C. 1396a(a)(10)), relating to required services under medicaid plans, is amended, in the matter after subparagraph (D) thereof—

(1) by striking out "and" before "(IV)" and inserting in lieu thereof a comma, and

(2) by inserting before the semicolon the following: ", and (V) the making available to all pregnant women covered under the plan of services relating to pregnancy (including pre-natal, delivery, and post-partum services) or to any other condition which may complicate pregnancy shall not, by reason of subparagraph (B), require the making available of these services, or the making available of such services of the same amount, duration, and scope, to any other individuals".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.●

AMERICAN HEART MONTH

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. KINDNESS. Mr. Speaker, although today marks the end of our observance of American Heart Month, it's important that we do not allow ourselves to forget the enormous impact of cardiovascular illness on American lives nor the importance of public awareness in preventing such illness.

By taking a course in cardio-pulmonary resuscitation or CPR here on Capitol Hill last year, I increased my personal awareness of cardiovascular illness and prevention measures. I would encourage my colleagues to take advantage of such courses which are available through Dr. Freeman Cary's office in the Capitol. You may call Dr. Cary for more information or to sign up for a course.

To help serve as a reminder and inspiration throughout the year, I am pleased to submit the Presidential Proclamation of American Heart Month, 1985. The text of the proclamation follows:

PROCLAMATION 5295—AMERICAN HEART MONTH, 1985

(By the President of the United States of America)

Despite progress in many areas, cardiovascular disease remains this Nation's number one cause of death. The sad fact is that more than 40 million Americans have one or more forms of heart or blood vessel disease. Strokes afflict almost two million people annually. As many as 1.5 million persons will have a heart attack this year, and approximately 550,000 of them will die. In all, diseases of the heart and blood vessels will take the lives of almost one million of fellow citizens—some of whom may be our family members, our friends and our co-workers.

Almost as many people will die from cardiovascular disease during 1985 as from cancer, accidents, and all other causes combined. Economic losses will also run high. This Nation will spend an estimated $72 billion in 1985 for medical treatment, lost salaries, rehiring and training, and insurance and disability claims resulting from heart and blood vessel disease.

The American Heart Association, a not-for-profit volunteer health agency, and the Federal government, primarily through the National Heart, Lung and Blood Institute, are providing hope. In 1948, those two organizations joined forces to seek ways to reduce early death and disability from heart disease, stroke, and related disorders. Since then, much has been accomplished through research, professional and public education, and community service programs.

We have learned, for example, that maintaining proper nutrition, not smoking, and controlling high blood pressure can make a significant difference in the rate of incidence of these diseases. As a result, the death rates for heart attacks and strokes are much lower today than they were in 1948.

Even more progress should result from efforts by the Federal government and the American Heart Association to make everyone more aware of the dangers of smoking. Tougher labeling laws for cigarette packaging and advertising enacted last year by Congress will help. Research projects, such as the Coronary Primary Prevention Trials concluded in 1984, have given new impetus to the American Heart Association's longstanding finding that control of blood cholesterol decreases risk for heart attacks and strokes. The American Heart Association has taken major steps to inform the public about the significance of those test results, to influence Americans to adopt a prudent diet, and to encourage the efforts of scientists who are unlocking the mysteries of heart and blood vessel diseases.

Recognizing the need for all Americans to help in the continuing battle against cardiovascular disease, the Congress, by joint resolution approved December 30, 1963 (77 Stat. 843; 36 U.S.C. 169b), has requested the President to issue annually a proclamation designating February as American Heart Month.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of February 1985 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, the officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to the resolution of the nationwide problem of cardiovascular disease.●

IMPLEMENTATION OF NEW LOAD LINE AND TONNAGE MEASUREMENT SYSTEMS FOR VESSELS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. JONES of North Carolina. Mr. Speaker, today I am introducing H.R. 1362, a bill to revise, consolidate, and enact certain laws related to load lines and measurement of vessels as parts C and J of subtitle II of title 46, United States Code.

The first portion of this legislation deals with load lines, the maximum depth to which a vessel may be loaded without endangering its stability. The 1966 Load Line Convention, to which the United States is a signatory, established uniform rules with respect to the limits to which vessels on international voyages may be loaded. Its intent was to bring international load line regulations into accord with modern developments and techniques in vessel construction which have been used since the 1930 Load Line Convention was enacted. The United States imposed these provisions on U.S. vessels engaged on international voyages and on foreign vessels within the jurisdiction of the United States with enactment of the International Voyage Load Line Act of 1973. Load Line requirements for U.S. vessels engaged in the coastwise trade are derived from the act of August 27, 1935.

This legislation combines the requirements of both statutes in order to provide similar application of load line requirements to vessels on international voyages and domestic ocean voyages. However, it authorizes the Secretary to consider geographic areas of operation and local sea and weather conditions in making load line determinations. This will be used to permit vessels on limited domestic voyages to meet lesser standards if an equivalent level of safety can be maintained due to the limitation on the voyage. The Secretary will also have the authority to issue exemptions for vessels on international and domestic voyages under conditions of equivalent safety.

The second portion of this legislation is basically H.R. 5774 of the 98th Congress, the Tonnage Measurement of Vessels Act, which I introduced last year at the request of the administration. This portion implements the International Convention on Tonnage Measurement of Ships, 1969, that was ratified by the President, with the advice and consent of the Senate, on October 28, 1982. This Convention came into effect in the United States on February 10, 1983.

The measurement of a vessel's gross and net registered tons is required before it is documented under chapter 121 of title 46, United States Code. These measurements are used as a reference for the collection of tonnage taxes, for establishing drydocking and towing fees, and for determining a number of other charges against the vessel. In fact, there are over 100 domestic and international regulations that employ either gross or net tonnage as a regulatory parameter. However, the current system has been interpreted differently in various countries, resulting in similar vessels having different tonnages depending on where they were measured. This Convention establishes a uniform international standard for all vessels to be measured.

The tonnage portion of this legislation also recodifies the existing law relating to vessels on domestic voyages. The existing law, section 4153 of the revised statutes (46 App. U.S.C. 77), was written in 1882 and is based on an 1864 statute. This law specifically details how a vessel is to be measured. However, many of the details specified in the statute no longer exist on vessels since we have advanced beyond wooden sailing vessels. Therefore, this legislation gives the Secretary of the Department in which the Coast Guard is operating general regulatory authority to prescribe the tonnage measurement standards—but continues the current regulations to help ensure that that fall under the domestic regulatory system will continue to be measured in the same way. This is similar to what was done last year when Congress eliminated many specific vessel inspection standards in the law and replaced them with general regulatory authority for the Secretary.

One feature of this legislation that I am continuing to include at the request of the administration allows the Secretary to charge user fees for load line and tonnage measurements that are based on the costs of the services provided. These fees are currently prohibited by section 2110 of title 46, United States Code. I plan on closely examining these provisions to determine their impact on our merchant marine.

I look forward to working with the administration and the maritime industry to implement these two systems.●

BASE BROADENING TAX ACT OF 1985

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. STARK. Mr. Speaker, I am today reintroducing the Base Broadening Tax Act, a temporary across-the-board reduction in all existing tax expenditures. Over the next 5 fiscal years, the measure would raise $178 billion. This legislation is not intended to be a comprehensive tax reform measure but rather a method, along with spending cuts, to raise revenue fairly to wind down our massive Federal deficits. Senator JOHN CHAFEE of Rhode Island is introducing similar legislation in the Senate.

Since the Base Broadening Act was first introduced in September 1984, Treasury has released a comprehensive proposal for simplifying the Internal Revenue Code. I have been very impressed by the breadth of Treasury's reform proposal which responds to most of the criticisms of our current system of taxation. The Treasury proposal produces a simpler, lower-rate system that distributes the tax burden more evenly.

The question with which I grapple is not whether we should implement the Treasury proposal—I think we should—but rather how quickly we can bring about such a dramatic change and what we should do in the interim about enormous Federal deficits.

The Base Broadening Tax Act is not an attempt to supplant or divert tax reform. It is, indeed, an attempt to raise revenue and start us on the gradual process which is fundamental to tax reform, the process of reducing the value of the innumerable, often contradictory, tax incentive and subsidies. We cannot abruptly rearrange long-established economic relation-

ships. The Tax Code is now an enormous cat's cradle of incentives. The economy is honeycombed with industries and decisions directed or heavily influenced by the Tax Code. This situation has long been in the making and cannot be changed overnight without creating bankruptcies and losses affecting millions of people.

My bill proposes a temporary across-the-board reduction in tax expenditures. Individual itemized deductions would be reduced by 10 percent and all other tax preferences would be reduced by 20 percent. The legislation attempts to be as broad as possible. It reduces the investment tax credit by 20 percent, reduces excess depreciation by 20 percent, and carries these reductions through to all of the other provisions that clutter the Code, such as incentive stock options, FSC benefits, deferral of tax on income of controlled foreign corporations, disallowance of certain shipping income, IDB's and mortgage subsidy bonds, intangible drilling costs, R&D expenses and circulation expenses, special life insurance company deductions, possessions tax credits, and the exclusion of income of citizens living abroad, just to name a few.

The legislation is intended to be temporary and would be in effect for what I call the "revenue enhancement years" of 1986 through 1990. The proposal would have almost no impact on the 60 percent of the American people who do not itemize their deductions because the legislation would not reduce personal exemptions or the zero bracket amount.

The proposal generates its revenue in the following manner:

FISCAL YEARS 1986–90

[In billions of dollars]

Item	1986	1987	1988	1989	1990
Basic preference cutback proposal:					
Individual	3	22	25	27	30
Corporate	5	11	15	18	22
Total	8	33	40	45	52

Tax burden is distributed by this proposal in a highly progressive manner. For example, individuals with incomes of $30,000 to $40,000 would have an average increased tax liability of $285 or a net tax liability change of 4.2 percent. Individuals in the $50,000 to $75,000 range would have an average tax liability increase of $523 or a tax liability change of 5.4 percent. Individuals from $75,000 to $100,000 would pay $1,053 in additional taxes or a tax liability change of 6.3 percent. In the $100,000 to $200,000 class, the additional tax would be $2,346 or a tax liability change of 7.6 percent. For individuals earning over $200,000, the average tax increase would be $19,448 or a tax liability change of 13.1 percent.

The bill is less than 25 pages long, a far cry from the 1,000+ pages that we inserted in the Code during each of our two most recent tax bills. While the concept of the bill is relatively simple, the mathematics of it are not as simple. Given the inequities of our current Code, a taxpayer with a large number of tax preferred investments would pay considerably more in taxes under my proposal. We will attempt to devise some integration rules to prevent too harsh a result for taxpayers who have maximized the use of tax preferences and incentives but, given the nature of the current tax system, this effect cannot be completely alleviated.

This legislation is clearly not a solution to the complexity of the Code, but it does raise revenue in an equitable, simple and broad-based manner. Once we start the process of reducing the Federal deficits, we can devote our attention to lowering the rates, and streamlining and simplifying the Code.●

A VISITATION MINISTRY TO NURSING HOME RESIDENTS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. PARRIS. Mr. Speaker, I would like to submit the following paper written by my constitutent, Walter L. Piotrowski dealing with his experiences visiting nursing homes, in the RECORD:

A VISITATION MINISTRY TO NURSING HOME RESIDENTS

(Walter L. Piotrowski)

PROFILES

Mr. A is an 88-year-old former railroad fireman who retired almost 25 years ago. His wife died two years ago and he resided with a daughter for about a year. He then resided with his son for a few months but his son and daughter-in-law could not care for him. He doesn't see very well, has just about lost his hearing, and has difficulty walking and requires assistance. He requires care, someone to see that he gets the proper medication, someone to help him with the daily personal tasks he can no longer do for himself. His loneliness leads him to constantly call the nurse for some insignificant task; he is actually calling for her company. All he really wants is to go home.

Mrs. B is 76 years old and was hospitalized with a serious illness. After a short hospitalization, she no longer needed intensive hospital treatment but she did need intensive nursing care. She no longer needs any nursing care nor anyone to help her with daily personal tasks. This gracious lady sits on a bench outside with her sewing waiting for a relative to visit. She was badly shaken by her illness and by the prospect of never returning to a full and useful life. She still grieves for her husband who died almost three years ago. She believes she will go home or perhaps to a senior citizens home.

Mr. C was hospitalized after suffering a stroke 3 years ago. He doesn't require any significant help with daily personal tasks but his stroke caused a loss of memory. After saying that he has a memory loss, he relates stories and incidents from his past. He thrives on meaningful conversational exchange. Religion is an important part of his life, he feels cut adrift from the mainstream of life, and feels powerless in his environment. He feels rejected by his family and he wants to grieve over the death of his wife but he needs to be assisted in this.

Mrs. D is frustrated by her restrictive environment and being cut off from her former active life, her family, and friends. She has written three books about the American West and says she is working on another book about Americana. Although all her health needs are met, she has emotional problems and social needs which cry out for help. She tries to understand her life by reviewing what she has done; her recollections of that are very good but she is sometimes confused about recent events in her life. She is a charming woman who discusses current events, particularly politics, with confidence and assurance.

These are four individuals who are residents of the E Nursing Home. A visitation ministry to the residents of this home has provided me an additional opportunity to put my faith into practice in a more visible, tangible, immediate, and personal way.

ORIGINS OF MINISTRY

This visitation ministry to residents of the E Nursing Home began two years ago when I accompanied a friend on a visit to her 92-year-old aunt who had recently become a resident of the home after hospitalization for a serious illness. She was confined to her bed and required intensive nursing care and assistance with the daily tasks of life. She had suddenly given up much of what had always been important to her, particularly her independence, and stood in real danger of losing her own sense of dignity and self worth. She had become demanding in a demeaning way.

My friend continued her visit with her aunt and I experienced for the first time the sights, sounds, and smells that typify far too many of these institutions. Residents were sitting around the nurse's station staring absently and others were watching television. I knew that I had to reach out to these persons in need and that this required abandonment of the ususal approach of expressing concern verbally; something radically different had to be done.

I felt that I had to express caring regardless of what the response to it would be and that I would begin caring relationships one at a time through the physical act of going, uninvited, to the residents. The nursing home was probably an ideal setting; the visits were with people who were reasonably easy to visit and greatly appreciative. These visits were initially occasional and over time became monthly. At some point I realized that caring is a process and not a scattered array of unrelated events. A social visitation was validated and became a ministry.

The ministry to the lonely and forgotten aged is tragically overlooked; their suffering is a problem of staggering proportions. The church has a responsibility to reach out to elderly shut-ins and nursing home residents all year long, not only at Christmas. The knowledge that one has already been part of a pastoral care enterprise was especially helpful in quieting anxieties about one's capabilities for ministry; nevertheless, much anxiety remained. This ministry has evolved with the creative, spontaneous, and redemptive power of the Holy Spirit, as one human

being reached out to another within the context of the caring community of the church.

Occasional visits weren't enough. The nursing home social director was contacted because she was familiar with the home's residents and she helped select individuals who would welcome and profit by regular visits. She suggested weekly visits because the casual promise to come back next week becomes something concrete for the person to depend upon.

Motivations for this ministry were not apparent in the beginning. In retrospect they appear to be pastoral concern, satisfaction, facilitation, and duty. Pastoral concern because the intent is to express God's love in a person to person way, to reach out to another person because God's love is present and to express God's love by reaching out. Satisfaction because of gratification received from residents visited, the feeling of reward and pleasure from someone who appreciates reaching out to him. Facilitation because I wanted to establish a bond in a friendly way with the residents, to establish rapport with other persons and whatever came next remained to be seen. Duty because I felt a duty to reach out.

AGING/ELDERLY PERSONS

Aging is a normal part of the life cycle of birth, growth, and death. The rate of this process varies greatly among individuals. An understanding of this phase of life was necessary if effective pastoral care was to be offered. It is unfair and incorrect to speak of all older people as a single, all-inclusive group but some generalizations are possible. Understanding of what aging means is basic to adequate physical and emotional health care.

Reviewing one's life is an experience common to almost everyone but it seems to intensify among the aged. Too often people regard the reminiscing of the aged as a symptom of "senility". Of course the elderly do suffer from mental illness but they are much the same as those of the younger population. Mentally healthy older persons are often treated as senile because of health problems or normal characteristics of aging.

For the elderly, organized religion may have been important in daily life and for some, it may be the most important part. Some desire no religious support.

The practical alternatives for an aged person in need of limited care are: hospitalization, institutionalization in a nursing home, or life with younger, more capable relatives. Many do not need a nursing home, but it may be the only alternative. In the majority of cases the decision to seek nursing home placement is precipitated by some personal emergency or catastrophe.

NURSING HOMES

A nursing home is a facility that is caring for many ill and infirm people. It provides some degree of nursing care in as home-like a setting as possible. It is also used as a dumping grounds for the unwanted or forgotten in our society. A nurse summed it up, "A lot of sons and daughters bring their parents to us and then never come to see them again."

Visitors are encouraged, but only 60 percent of the residents receive regular visits (once a week); the other 40 percent have visits once a month or less. Social directors may arrange for volunteers to visit a resident without a family. The problem for the pastoral carer is to make life worth living to the older person, infirm, often ill, perhaps cut off from his former active life, his family, and friends.

All the residents in the profile (except Mr. C) have said that the nursing home is good for those persons who can't look after themselves, "But I don't belong here." The caregiver doesn't need to make a survey to find persons in need; many of them are here.

VISITATION MINISTRY

The intents of this visitation ministry are to restore nursing home residents to the greatest degree of wholeness that is possible under the circumstances; wholeness reflects the image of God. All functions of ministry are God's ways of using our individual gifts to his glory and for his purposes. The functions of healing, sustaining, guiding, and reconciling are all applicable to troubled residents of nursing homes.

Healing ministry restores to wholeness, the loss is recoverable and the ministry functions to restore that person to his former condition. Residents of nursing homes are more susceptible because of their age to illness than the community at large. The pastoral carer assures that they are aware that healing is related to human finiteness and to God as the ultimate source of healing power.

Sustaining ministry attempts to maintain the persons wholeness at the highest possible level. Many residents grieve over deaths of loved ones and friends. The goal here is not just help them live through it but help them gain some measure of transcendence, to discover how God can work in this painful time to redeem.

Guiding ministry functions as active listening, client-centered counseling. Depression and fear underlie many residents' reactions. Many are naturally concerned with facing death; they see the nursing home as the last stop on a one-way death trip and give up. The pastoral carer must deal with these anxieties and fulfill the resident's needs in response to his fears. This ministry helps the resident to consider freedom to exercise his options and to help him see that freedom to enable him to exercise conscious self determination.

Reconciling ministry helps alienated residents and their families to establish or renew proper and fruitful relationships with God, with each other, and neighbors. Placement of a family member in a nursing home is a major crisis and often begins a process of grieving for the family. It may also alienate the new resident. It is important to realize that these emotional responses are expected. The pastoral carer must deal with this grieving and alienation which might be communicated as hostility. Forgiveness may follow discussion, repentence, and confession; discipline is not applicable in these circumstances.

PERSONAL GROWTH

Visitation is a difficult ministry and at times very anxiety producing. But inherent in the call to service is the remainder that this service is a humble submission to God's will and consciousness of the needs of others. The focus is on the residents who are the receivers.

The opportunity to experience the responsibility, challenge, pain, and enriching rewards of living the gospel in a caring community far outweighs the cost of a tiring, emotionally draining, and time consuming task. These rewards provide the encouragement and support to insure against discouragement and drop-out.

An example occurred within the past month when I met Mr. A's daughter-in-law and grand-daughter. She said that during family visits he always asked to be taken home. She asked for any information that could give a realistic picture of how he has been managing in the nursing home.

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REFUGEES AND SANCTUARY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. RICHARDSON. Mr. Speaker, the plight of Salvadoran refugees fleeing the civil war in their homeland for the supposed safe haven in the United States is of deep concern to millions of Americans. The generalized condition of violence has taken over 40,000 civilian lives during the last 4 years. We must get beyond abstraction when examining such statistics and realize the enormous human loss and suffering involved. At this time more than a million Salvadorans, 20 percent of the population, have fled their homes. Displaced persons inside El Salvador live in fear of abduction by the Army, even in Church-supervised displacement camps.

Those Salvadoran refugees who have come to seek refuge in the United States have not found even a temporary haven from persecution. More than 13,000 have been deported since 1979 and less than 3 percent of asylum applications are granted. In response to this injustice a conspiracy of conscience—the Sanctuary Movement—provides humanitarian aid to Salvadorans in the United States.

Despite the general condition of violence and the rising death toll in El Salvador, the administration continues to refuse extended voluntary departure status for Salvadoran refugees. I think it is time we applied this discretionary measure in a fair and equitable manner. It is also time we provide Salvadoran refugees with the protections they are due under humanitarian principles of international law.

Many people in my district and in the State of New Mexico have joined in the call for extended voluntary departure for Salvadoran refugees. There is also growing support for H.R. 822, a bill to temporarily suspend the deportation of Salvadorans.

The New Mexico State Legislature has represented this deep concern in a resolution passed on February 4, 1985: A memorial requesting consideration for the refugees from El Salvador, which I would like to share with my colleagues. The entire text is as follows:

HOUSE MEMORIAL 5—A Memorial Requesting Consideration for the Refugees From El Salvador

Whereas, several years of civil war and political turmoil in El Salvador have resulted in the death of approximately 53,000 persons, according to the archdiocese of El Salvador, and have caused massive dislocation of persons and driven hundreds of thousands of Salvadorans to flee their native land in search of refuge; and

Whereas, at least 450,000 of these refugees have entered the United States since 1980; and

Whereas, many persons deported to El Salvador by the United States Government have faced imprisonment, persecution, torture and death; and

Whereas, since 1968 the United States has been a full contracting party to the United Nations convention relating to the status of refugees which provides:

"No contracting party shall expel or forcibly return a refugee in any manner whatsoever to the frontiers of territories where his life or freedom would be threatened on account of his race, religion, nationality, membership of a particular social group, or political opinion."; and

Whereas, the United States Refugee Act of 1980, Public Law 96-212, amended United States immigration law to conform to its commitment under the United Nations convention; and

Whereas, present United States practice in dealing with Salvadoran refugees is to regard most of them as economic rather than political refugees and therefore not entitled to the asylum guaranteed by the United Nations convention and the Refugee Act of 1980; and

Whereas, the United States administration has rejected a recommendation of congress and pleas from many civil rights and religious groups and concerned citizens that refugees from El Salvador be granted extended voluntary departure status—which has been granted to Poles, Ethiopians, Afghans, Uganduans and others who have fled to this country from extreme civil strife and human rights violations—under which refugees are permitted to stay in the United States and to take employment for the duration of the turnoil in their native lands;

Now, therefore, be it resolved by the House of Representatives of the State of New Mexico that it calls upon:

A. the United States department of state to reconsider its present policy and recognize that many persons fleeing El Salvador have well-founded fear of persecution, imprisonment and possible death, and therefore to recommend to the Justice Department that extended voluntary departure status be extended to these refugees;

B. the attorney general of the United States to grant extended voluntary departure status to these Salvadoran refugees who reach the United States; and

C. the United States congress to pass, early in 1985, and the president to sign, the Moakley/DeConcini Bill (H.R. 822 and S 377) which would mandate extended voluntary departure status to these refugees from El Salvador until they can receive better guarantee for their safety upon their return; and

Be it further resolved that copies of this memorial be forwarded to the president of the United States, the United States secretary of state, the attorney general of the United States, the commissioner of the immigration and naturalization services and the New Mexico congressional delegation.●

IT'S TIME TO TAKE THE TRUST FUNDS OUT OF THE UNIFIED BUDGET

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. STARK. Mr. Speaker, it is time to end the raid on the Social Security trust funds to accomplish short-range deficit reductions. To achieve this goal, I am today introducing legislation to accelerate the removal of the Social Security and Medicare trust funds from the unified budget.

The Old Age Survivors [OASI], Disability [DI], and Hospital [HI] trust funds were made a part of the unified budget by Executive order beginning in fiscal year 1969. This was done by President Johnson as a means of hiding the growing deficits from the Vietnam War. In the 1970's and early 1980's the various administrations and Congress again turned to the Social Security trust funds to relieve budgetary pressures.

Because of concern over the long-term reduction and even elimination of varius types of Social Security benefits, the bipartisan Commission on Social Security Reform recommended removing the Social Security trust funds from the unified budget.

The Commission rightly argued that changes in the Social Security and Medicare programs should be made exclusively on the basis of the objectives and financial constraints of these programs. The Ways and Means Committee and the Congress agreed with this assessment and enacted the Social Security amendments which contained the provision to remove the trust funds beginning in fiscal year 1993.

In short, it was Congress' intent that Social Security and Medicare program decisions should not be made to meet other economic policy goals or budgetary constraints of the Government as a whole.

Mr. Speaker, it is unfortunate that this administration is again seeking to cut Medicare in order to reduce our unacceptably high deficits. We cannot allow this slight-of-hand bookkeeping process to determine Medicare policies. The Congress went through the painful process of solving the financial problems of Social Security and we will do the same for Medicare. If we are serious about deficit reduction—and we cannot afford to be otherwise—then we should look at those areas of the budget which are actually driving up the deficits.

This legislation seeks to remove the OASI, DI, and HI trust funds from the unified budget beginning in fiscal year 1986.

I hope my colleagues will join me in once again affirming their commitment to making changes in the Social Security and Medicare programs based on sound policy decisions rather than on short-term budgetary considerations.●

THE ROMAN CATHOLIC BISHOPS' LETTER

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. OWENS. Mr. Speaker, the draft of the Roman Catholic bishops' letter on the U.S. economy, released on November 11, is a call to all Americans to reconsider the use and distribution of our Nation's great wealth. The bishops challenge us to look at the reality of life for many or our people. They deplore social and institutional factors, such as racial discrimination and the feminization of poverty, which are crucial in determining who will be poor.

The time ahead is one of economic uncertainty. Technological change and the export of jobs in labor intensive industries have created new challenges which may not respond to old solutions. But amidst the changes, basic human needs remain constant. People need to work for the dignity that work confers as well as for the wages which meet material needs. As long as we, as a nation, can agree that the economy must meet the basic need for jobs which can support people, we can pursue various options without losing sight of the standard by which to measure success or failure.

In February 1985, unemployment is still much too high. Although there may be disagreement about the accuracy of Government unemployment figures, there should be no disagreement that the stated rate of over 7 percent is unacceptable. While the Nation loses the productive capabilities of millions of workers, the workers lose their livelihood and self-respect.

The situation for minority workers is even more grim. While white workers are experiencing a 6.1 percent unemployment rate, blacks are experiencing a rate of 15 percent. Black youth unemployment is currently 40.8 percent while the white youth rate is 14.9 percent. The ever widening difference between white and minority rates is but one indicator of the inequality of economic opportunity which is pervasive in this country. The young people who

seek jobs without success are being told that their efforts are to no avail. They are being told that there is no opportunity for them.

I have introduced a constitutional amendment which would guarantee every person an employment opportunity. In short, it would give people the opportunity to enter the work force and use their abilities to increase the productivity of our Nation. It would give people hope that there is a place for them in the economic life of the Nation.

Why do we need such a national commitment? The poverty rate is the highest it has been since 1965. One in five American children lives in poverty. One in two black American children lives in poverty. The way to correct this appalling situation is through the creation of jobs which provide a decent living for workers and their families.

The bishops considered the human dimensions of our economy when they wrote their letter. They recognized the stress which poverty and unemployment place on family life. They did not indulge in sentimental rhetoric about family values, but went straight to the heart of the matter. Poverty and unemployment are tearing our families apart. People need action not words. They need jobs which will make each family a viable economic unit. As we begin to focus more intensely on the 1986 national budget, let us not forget the bold and compassionate statement of the Roman Catholic bishops' letter on the economy.

It is easy to overlook an evil when one is neither the victim nor the perpetrator. Most Americans have not participated in causing our current problems. However, that is no excuse for acquiescing to a situation which is leaving more and more people in a state of poverty, degradation and despair.

Our country has faced many challenges. It has been easier for us to unite against our enemies on the outside than it has been to face the problems within. We must unite against greed, discrimination and a punitive attitude toward those who have less than we do. As we use resources to end poverty, hunger and homelessness some may have less material wealth but all will share in the benefits of a society where individuals no longer fear being reduced to object poverty by an economic or personal crisis. In caring for others we will make our Nation stronger and begin to build security for all.●

ENSURING THE UNINTERRUPTED PAYMENT OF SOCIAL SECURITY COLA'S

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. YOUNG of Florida. Mr. Speaker, this year marks the 50th anniversary of the establishment of the social security system which today provides retirement and disability benefits to more than 36 million Americans.

The original Social Security Act of 1935 has been modified many times since its enactment, but the basic concept of the program remains unchanged. American workers and their employers pay taxes to the social security trust funds throughout their working lives, and upon retirement receive monthly benefits from those trust funds based on the amount they contributed. Congress has been careful throughout the years to ensure that the social security trust funds remain separate from the General Federal Treasury accounts. In this way, it was thought that social security benefits would be insulated from periodic political and budgetary pressures. Unfortunately, despite these efforts, our Nation's social security recipients have all too often been held hostage by Congress.

Once again this year, there are some in Congress who continue to suggest that to reduce the Federal deficit, the scheduled January 1986 Social Security cost-of-living increase should be eliminated. A resolution I am introducing today expresses the sense of the Congress that Members of the House and Senate refrain from any consideration of legislation to eliminate, postpone, or reduce Social Security cost-of-living adjustments. As the resolution states, many Social Security recipients rely on these benefits as their only source of income and the cost-of-living adjustments as their only means to offset increased prices for goods and services including food and medical care. The resolution also reaffirms the fact that the Social Security trust funds should not only continue to operate independent of the General Treasury accounts, but should also be considered separate for accounting purposes.

Congress created in 1939 a separate trust fund for the Social Security Program, which was not included with the Federal budget submitted by the President and considered by Congress. The Federal budget at the time only showed receipt and expenditures paid into and out of the General Treasury fund.

For the most part, the Social Security trust fund has operated throughout the program's history with a surplus of funds. In an effort to capitalize on these surpluses, President Johnson began in 1969 to incorporate the Social Security trust fund into a unified Federal budget. Social security surpluses were used in this way to offset increasing Federal deficits.

Social Security was intended to be an autonomous, self-supporting system, funded through employee and employer contributions. For this reason, I have steadfastly opposed any changes to the Social Security Program that were proposed not to provide for long-term stability of this program, but to achieve short-term budgetary goals.

In an effort to eliminate the incentive of those who falsely attempt to reduce the Federal deficit through reductions in Social Security benefits, Congress directed in the Social Security Amendments of 1983 that the Social Security trust funds once again be treated as a totally separate account of the Federal Government. Thus, Congress reaffirmed its belief that the Social Security trust funds should not be included with receipts, expenditures, and the deficit or surplus of the General Treasury fund. Because Congress delayed enactment of this accounting change until 1993, I'm introducting legislation today to accelerate the process so this accounting change becomes effective next year.

Through the years, in addition to effecting budgetary savings at the expense of Social Security recipients, Congress also has sought political gains from the Social Security system. Prior to 1975, Social Security recipients were left to the whims of Congress for their annual cost-of-living increases. In those years when it was advantageous for the Congress, large cost-of-living increases were approved. In other years, there were no increases.

One of the first bills I introduced as a newly elected Member of the 92d Congress was legislation to establish automatic annual Social Security cost-of-living adjustments based on the rise in the Consumer Price Index. Five months later, Congress approved this legislation and in 1975, the Social Security Administration began the annual payment of cost-of-living increases every year in which the Consumer Price Index rose more than 3 percent.

The 3-percent level was established because the Social Security Administration advised Congress in 1972 that at the time, it was prohibitively expensive to calculate and administer benefit increases less than 3 percent. Since that time, however, I know, as a member of the Appropriations Subcommittee which funds the Social Security Administration, that improvements in the agency's computer system have substantially reduced the

administrative cost associated with the payment of cost-of-living increases under 3 percent.

Although the Social Security Administration has never encountered a time since 1975 when the Consumer Price Index fell below 3 percent, there was speculation last year that inflation would remain below this mark. Congress acted quickly last fall when this possibility became apparent to approve a one-time waiver of the 3-percent limit of the Consumer Price Index. At the time, I cosponsored similar legislation that would have made such a waiver permanent by amending the Social Security Act to eliminate any prohibitions against paying cost-of-living increases in times of reduced inflation. As I said last September in testimony before the Ways and Means Committee, Social Security recipients should not be penalized for our Nation's success in reducing inflation.

A third bill I am introducing today would permanently eliminate the possibility that automatic cost-of-living increases would not be paid because of low inflationary periods. Congress was quick to act on this proposal last year, and with economic estimates showing continued success at keeping control over inflation, it is important, I believe, to repeal this out-of-date section of the Social Security Act.

By introducing legislation to reaffirm congressional support for Social Security cost-of-living increases and the concept of the Social Security System as a federal obligation separate from the General Treasury fund, I hope to reassure our Nation's current and future Social Security recipients, that we are committed to ensuring that the benefits they have earned will not be tampered with by this Congress or those that will follow. Our Nation's senior citizens deserve reassurance from each of us that their benefits are safe and that we will continue to act in good faith as overseers of the Social Security System.

Mr. Speaker, I urge your support and the support of my colleagues for the legislation I introduce today and hope these issues will be considered as expeditiously as possible.●

AGRICULTURAL PRODUCTIVITY ACT OF 1985

HON. JAMES WEAVER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WEAVER. Mr. Speaker, today I am introducing the Agricultural Productivity Act of 1985 to establish at the U.S. Department of Agriculture [USDA] a research and extension program that I believe is essential for the future profitability and sustainability of American farms.

I am pleased to announce that I am being joined in this effort by a strong coalition of 40 original cosponsors including 11 members of the House Committee on Agriculture.

Last year the Agricultural Productivity Act of 1983, endorsed by 70 Members of Congress, 28 Senators, and a broad coalition of farmer, conservation, and consumer organizations, passed overwhelmingly in the House of Representatives.

The distinguished chairman of the House Agricultural Committee, Mr. DE LA GARZA, said during the debate last year that the Agricultural Productivity Act of 1983 may well be the most important piece of farm legislation that we considered.

I commend those who had the courage and the foresight to pass this very important measure. My only regret is that the Senate did not bring the measure to a vote. I ask my colleagues to again take the initiative to insure the survival of American agriculture in the years to come.

Mr. Speaker, I am introducing the Agricultural Productivity Act of 1985 at a time of crisis for American farmers. One-third of the American farms are facing imminent bankruptcy. Another third may not last through the coming year.

The depression that exists in rural America is having a dramatic ripple effect throughout the entire economy. Since January 1981, 280,000 farmers have gone out of business. Today, we are losing farms at a rate of nearly 1,600 a week. Since 1977, 260,000 jobs have been lost in the equipment, machinery, and manufacturing fields as a result of the drastic decline in the agricultural sector. This translates into a loss of $5.1 billion in personal income.

American farmers are now caught in a terrible squeeze between rising production costs and low commodity values. Production costs have skyrocketed while commodity prices have plummeted. Seventeen percent of the total U.S. energy budget goes for food production and distribution. An estimated $40 billion was spent in 1984 for pesticides, fertilizer, energy, and farm equipment. Our agricultural policies encouraged overproduction. Fencepost to fencepost farming practices, forced upon the American farmers to offset low commodity prices have brought about a dramatic increase in the loss of precious topsoil. Today, more than a quarter of all U.S. cropland, much of it highly productive, is eroding at rates exceeding the soil's regenerative capacity. Land values have declined as much as 40 percent since 1981. Foreign investors, taking advantage of low land prices, are buying American farmland at an alarming rate.

The administration's high deficit policies are destroying the export markets of the American farmer. One acre out of three farmed in the United States is dependent on the export market. While other nations put up unfair trade barriers, subsidize their exports, and sell their goods below the cost of production, the Reagan administration tells our farmers we must move to a market system.

Mr. Speaker, we must act now to save the American farmer. We must provide workable solutions that will return profitability and sustainability to our farmers. As we begin to address the 1985 farm bill I ask my distinguished colleagues to consider the Agricultural Productivity Act of 1985 as an integral part of the overall solution to the farm crisis we face in America today.

Farmers must be provided the technical knowledge about farming systems that will help them cut production costs, conserve water and energy, raise food prices, increase land values, and control soil erosion. Mr. Speaker, that is exactly what this bill will do.

The Agricultural Productivity Act would establish 48 on farm pilot research projects, half of which would collect and analyze data about the effects of a transition from energy intensive farming practices to systems that are both profitable and sustainable. Each project would span a 5-year period.

The remaining 24 studies would analyze similar data on farms which had been using the low energy systems for at least 5 years in order to examine the efficiency of their operations.

The bill also establishes a program to assist farmers who utilize intercropping systems to establish a vegetative cover that improves nitrogen fixation and controls soil erosion. Intercropping is the practice of planting legumes, grasses, or other soil conserving crops between rows of crops such as corn, wheat, and soybeans.

Finally, the bill directs the Department of Agriculture to inventory and assess existing research and extension materials, and to recommend new research that will help farmers achieve a better understanding of innovative farming practices. The bill would guarantee that the Department's Survey is adequately funded and properly conducted.

The bill would authorize USDA to spend $4.2 million annually for 5 years to implement these programs. That figure represents less than one-half of 1 percent of the total research and education budget of the USDA for fiscal year 1985, and would not divert any funds from existing programs.

While the costs of this bill are minimal, the benefits to the American farmer are substantial. Mr. Speaker, passage of the Agricultural Productivity Act will guarantee that our farmers, who truly are the backbone of our Nation, will continue to have the land, water, energy, and technology they

need to maintain their preeminent role in food and fiber production beyond the current crisis and into the 21st century.●

WOMEN'S EQUITY

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. KOLTER. Mr. Speaker, as most of us are well aware, the problems of aging often fall with particular severity on women. Typically, older women are single, live alone, have limited resources, and depend on a small Social Security benefit as their primary source of income.

Over the course of the past decade or so, we have begun to recognize the need to address issues concerning women's equity. We have also concerned ourselves with questions of equity for all beneficiaries in the program, knowing that only a fair and just payment system will generate the trust and confidence of the American people.

In 1965, the Congress provided benefits for aged divorced wives and surviving divorced wives of retired, disabled, or deceased insured workers, subject to a 20-year duration of marriage requirement. In 1977, a 10-year duration of marriage requirement was adopted because of concern that an older divorced person married less than 20 years would nevertheless reach old age without or with little Social Security protection.

These bills were adopted with the goal in mind of ensuring equitable and fair treatment for those spouses who were financially dependent for a significant portion of their adult life. However, the intended goal was not completely realized, significant gaps still exist in the earnings records of many spouses.

A few circumstances demonstrate the inequity that remains in a law that does not recognize these gaps. For example, while their marriages may have lasted less than 10 years, some divorced spouses may have been financially dependent upon their former spouses for many years after their marriage, through child support to cite one instance. This longer period of dependency would not be recognized by the Social Security program when the divorced spouse reaches advanced age. Some divorced spouses may have been married a number of times, where none of the marriages lasted 10 years. They may have been totally dependent on their former spouses during the periods of marriage. As a result, they would not be entitled to any spousal benefits, and because of their own sporadic work record, they may be entitled to little or no benefits on their own account. In some instances, a divorced spouse whose marriage to an insured worker lasted for perhaps 8 or 9 years may be entitled to no spousal benefits, yet a current spouse of the insured worker may receive spousal benefits after only 1 year of marriage.

Today, I am introducing a bill that would amend title II of the Social Security Act to provide that a divorced spouse or surviving divorced spouse may qualify for benefits based on an insured individual's wage record in any case where they had been married for at least a year, with the monthly amount of such benefits being proportionally reduced if the marriage lasted for less than 10 years. The amount of payment would be, as a percentage of what the spouse would have received had the marriage lasted for at least 10 years, 10 percent multiplied by the number of years of the marriage, disregarding any fractional part of a year.

At a time when we are justifiably concerned about increasing outlays of Federal programs, I should point out that this bill, while effecting some 25,000 divorced persons beginning in calendar year 1986, would require an increase of outlays that are an infinitesimal fraction of the Social Security Program.

Logic and fairness dictate to us that we acknowledge the inequity that remains and that we adopt this bill. This is one more way that we can reassure Americans of the integrity and soundness of the Social Security Program.

Thank you, Mr. Speaker.●

U.S. POLICY TOWARD NICARAGUA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FEIGHAN. Mr. Speaker, recently, a group of my constituents returned from a 10-day visit to Nicaragua, where they saw firsthand the realities of that divided land. Two of them, W. Dean Hopkins, a Cleveland area attorney, and Kent M. Organ, the executive of the Presbytery of the Western Reserve, have written an account of their observations in an article published by the Cleveland Plain Dealer. Clearly, there are sharp disagreements in Nicaragua on American policy toward that country, and as the turbulence in the area increases, more and more Americans have expressed concern as well. I believe that Congress has a critical responsibility to ensure that American policy toward Nicaragua and other nations in Central America is consistent with American and international law. I believe other Members will be interested in Mr. Hopkins and Mr. Organ's article, and I request that it be inserted in the RECORD.

AMERICA IS EXPORTING CYNICISM

(By W. Dean Hopkins and Kent M. Organ)

William Safire recommends, on the Feb. 16 Forum page, that the United States wage a "private war publicly" against Nicaragua. We who have just returned from 10 days of intensive learning in Nicaragua find his proposal to be coldly cynical. He ignores the people of that impoverished land, their sufferings, their will, and their right to self-determination. He ignores the fact that Nicaragua is a small country with barely twice as many people as Cuyahoga County, half of them under age 15, and that it was the second poorest country in the hemisphere until 1979.

Safire, who is usually careful in his use of language, calls the contras "freedom fighters." They are in a fact former Somoza National Guardsmen, mercenaries and others, and have been financed by the CIA and private sources in the United States. We talked with widows in a village within 40 miles of the northern border. We learned that the contras' targets are not military but civilian.

Children, as well as women and men, are murdered. Teachers and health workers are tortured and killed. Homes, clinics, crops and food storage bins are burned.

We do not believe the government of Nicaragua is free from mistakes. We are aware, however, that it was preceded by 40 years of Somoza regimes supported by the United States, the last of which was overthrown by the revolution of 1979. We talked with numerous Nicaraguans now harshly critical of their government, but all of them favored the overthrow of Somoza.

It is undisputed that the following have occurred since 1979: The 1980 literacy campaign, using thousands of volunteers, reduced Nicaragua's illiteracy rate from 50% to 13%.

Polio has been eliminated, infant mortality greatly reduced, and 83% of the population inoculated against malaria. The government has distributed to previously landless peasants about 20% of the arable land, most of this from the private holdings of Somoza and his friends who fled the country taking with them most of the money from the nation's treasury. We found many Nicaraguans proud of their accomplishments and supportive of the government.

Safire says the United States should restore free elections. Three Ohio University professors who observed the November elections as part of an international monitoring team state that it was "as fair as humanly possible." Evidence indicates that candidates of the three parties that withdrew from the election were manipulated by the U.S. so that the election could be labeled a farce.

The Sandinist party received about 60% of the votes, and about one-third of the seats in the National Assembly are held by members of six other parties. The Communist Party received about 1% of the vote and the Marxist-Leninist Party received about 1%.

We interviewed the editor of La Prensa, the newspaper which opposes the current government. He stated his belief that Nicaragua is not a military threat to any other nation, and that he does not believe the United States is interested in democracy in Nicaragua.

We were among 100 North Americans in Managua on Feb. 13 who listened to Foreign

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Minister Miguel D'Escoto answer our questions for almost two hours. He stated with sincerity that we found it impossible to doubt that he and his government are eager to negotiate with the United States, and are willing to enter agreements that will bind every nation not to interfere with any other. He said Nicaragua would accept on-site inspection under such agreements.

Safire observers that the Reagan policy has been "to stop Nicaragua from trying to export revolution to their neighbors." But the consul general of the U.S. embassy acknowleged to us that the contras have failed to intercept arms to El Salvador. Now, notes Safire, "It appears we are actively encouraging the overthrow of the regime in Managua." Our administration's undeclared "covert" war has shifted its rationale so subtly that little public outcry has been aroused.

Our diverse group of 18 persons, after 10 days of observing and listening, concluded unanimously with reference to U.S. policy: It is illegal, violating both U.S. and international law. It is misguided, because it regards Central America merely as a pawn in an east-west chess game, ignoring the realities of the region's history and aspirations. It is self-defeating, because its pressures can only force Nicaragua away from the United States and toward Eastern Bloc relationships—as the governor of wartorn Region VI told us, "It is a human reaction to feel closer to people who are helping you than to those who are beating you up."

It is unjust, because U.S.-supported forces are kidnapping, torturing and killing innocent rural Nicaraguans, and wreaking havoc on the countryside.

A new policy must be formulated, but not as William Safire suggests. We ask concerned citizens to urge the president and members of Congress to end all support for the contra forces, and to seek through negotiation to further the interests of both the United States and Nicaragua.●

LEGISLATION TO PROVIDE FREEDOM OF CHOICE IN EMPLOYEE WELFARE BENEFIT PLANS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. STARK. Mr. Speaker, I am today introducing legislation to amend the ERISA laws so as to ensure enrollees in company health benefit plans more freedom of choice in selecting health practitioners to serve them.

Over the years, most States have enacted freedom of choice laws which protect the rights of a person in a health plan to select whomever he or she wants for a particular health service, as long, of course, as the person is a licensed health practitioner. For example, a person could select a dentist to work on certain jaw problems or a podiatrist to work on problems of the foot, and the health benefits plan could not deny the reimbursement right to the plan enrollee.

When ERISA was enacted in 1974, it contained a section preempting or overriding State laws that might interfere with the establishment and operation of fairly uniform pension and benefit plans. Clearly, the setting of national pension standards and protections required a Federal authority to override conflicting State laws.

But a problem has developed of a conflict between the very sensible freedom of choice provisions of State law and the very logical preemption clause of ERISA. There have been a fair number of instances where ERISA plans have claimed the preemption right to override State freedom of choice laws and have limited reimbursement for health benefits to only doctors of medicine or certain other selected health care practitioners.

Mr. Speaker, I just don't think this was the purpose of the preemption clause 11 years ago. Applying the preemption clause to restrict a person's ability to select the health practitioner of his or her choice is a classic case of the Federal Government climbing on people's backs. It is a regulation that serves no purpose other than to irritate.

Therefore, I am today introducing legislation to protect the employees' right to receive health care under an employee welfare benefit plan from the practitioner of his or her choice. The bill will also prevent discrimination against legally qualified health care practitioners, and assure both consumers and providers of these plans of their solvency by allowing the States to require surety bonds.

I hope my colleagues will join me in supporting this change, which does nothing to impair the strengths or purposes of ERISA, but which does eliminate an unnecessary interference with individual choice and the rights of the States.●

REVEREND NANCY E. FORSBERG HUMANITARIAN AWARD RECIPIENT

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. RINALDO. Mr. Speaker, the Phil Portnoy Humanitarian Association will bestow its Humanitarian Award on the Rev. Nancy E. Forsberg, pastor of the First Congregational Church of Union, NJ, at its 13th annual awards dinner, March 9, 1985.

A person of conscience, compassion, and outstanding qualities of leadership, "Reverend Nancy", as she is affectionately known, is a spiritual leader who practices what she preaches and is most deserving of this recognition. During her many years of unstinting service to her church and community, she has sought to provide justice for the oppressed, comfort for the lonely, aid for the destitute, and to instill the demoralized with hope.

She has inspired members of her congregation and other residents of Union to join together in civic and charitable endeavors to serve the common good.

Reverend Nancy has established a reputation as an individual firmly and unswervingly devoted to helping the less fortunate. Victims of disasters here in the United States as well as in other parts of the world have benefited from her efforts. For example, her church was a collection center for supplies shipped to Peru at the time of the earthquake, and to Wyoming Valley, PA, when that community was devastated by a flood. There is no end to her many good deeds. She has been a participant in the World Hunger Organization walks, and was the moving force behind the idea of a community interfaith Thanksgiving eve service to foster better interdenominational and interracial relationships in Union Township.

In seeking to share her interest in learning, she introduced a bus ministry called "Trips-With-A-Spiritual-Emphasis." Now in its 11th year, it has served approximately 3,000 men and women from throughout the State of New Jersey. In this and other creative and innovative ways she has promoted love, understanding, caring and sharing between people of all faiths, races and nationalities. She has spoken out time and time again on behalf of the disadvantaged and persecuted people of the world, and has shown through example that the differences that sometimes divide us can be bridged through our faith in God.

Reverend Nancy's congregation and the people of Union Township are proud of her. We are grateful that she is part of our community and enthusiastically applaud her selection as the recipient of the Humanitarian Award.

In conclusion, Mr. Speaker, I wish to point out that the funds raised at the Phil Portnoy Humanitarian Association's annual dinner honoring Reverend Nancy will be used to benefit Mrs. Anna Squartino, a Union resident, whose life depends on a liver transplant. This is but one of the many good causes the association has backed over the years, and I commend all those who support it by their attendance at the Phil Portnoy Humanitarian Association's 13th Annual Dinner.●

NAVY DEPARTMENT ORDER LOWERING EMPLOYMENT AT NAVY SHIPYARDS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FLORIO. Mr. Speaker, I thank you for this opportunity to express the views of the many thousands of

my constituents from New Jersey's First Congressional District who will be adversely affected by the Navy Department order lowering authorized employment levels at Navy shipyards. The proposed order will gravely affect the ability of the Philadelphia Naval Shipyard to maintain the high tradition of workmanship so often lauded by the very same Department issuing this current order.

It is my concern that in the rush to reduce and cut various programs the Navy Department may cause the American taxpayer far greater economic cost than is realized. The historic success of the Service Life Extension Program [SLEP] has made the Philadelphia Navy Yard the envy of navies worldwide. The successful restoration of the U.S.S. *Forrestal*, U.S.S. *Saratoga*, and U.S.S. *Guam*—as well as the projected finishing of the U.S.S. *Independence* will offer the U.S. taxpayer nearly incalculable savings.

I fear that an across-the-board reduction in employees at naval shipyards will produce a result which is exactly the opposite of that sought by the Navy. The general reduction, completed in a nonarbitrary manner, will allow certain programs to survive without being subjected to the scrutiny which they deserve. Other programs, including the SLEP program at Philadelphia, will be unfairly hurt by the reduction—and these may be programs which have already been lauded by the Secretary of the Navy right on down through the ranks.

What is needed is a systematic review of naval shipyard programs. One by one, each program should be subjected to the same cold, clear analysis which has continually brought new ships into Philadelphia for overhaul, maintenance, and modernization. I am confident that the Philadelphia Shipyard can match up and more than hold its own under such an analysis. In fact I am confident that the Navy will discover other programs more in the interest of the U.S. taxpayer to eliminate or reduce.

The action proposed by the Navy will let bad programs continue, albeit at reduced manpower, while possibly crippling excellent programs by reducing such manpower. I urge the Navy to recognize the drastic and apparently reverse effects which their action could have on their own shipyard system. Not only is it unfair to the Navy itself, or the thousands of deserving employees who may lose their jobs—but the ultimate inequity will be done to the American taxpayer. He will be deprived of the tremendous effectivity, in its totality, that the Philadelphia SLEP program has become.●

REDUCING THE DEFICIT BY $50 BILLION

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WHITEHURST. Mr. Speaker, dealing with the deficit around here reminds me of dealing with the weather: Everybody talks about it, but nobody does anything about it.

Unlike the weather, however, the deficit is something we can do something about. The March 11 issue of Forbes magazine contains a brief but cogent editorial outlining a solution to the deficit problem. I am pleased to submit for the benefit of my colleagues the suggestion put forth by the editor in chief of Forbes, Malcolm S. Forbes.

What particularly appeals to me is the fact that this is a tax on consumption and not income. It also gives some protection to the domestic oil industry, and the increase in oil costs would be affordable, since the prices that would result would still be less than those we have paid in the past.

I hope that this suggestion will be given strong consideration in the coming months.

Thank you, Mr. Speaker.

The editorial follows:

The odds on Reagan's getting the $50 billion cut in federal spending that he asks range from nil to aught. The odds of coming remotely close range from zero to zip. The odds of getting even half of the $50 billion are at best fifty-fifty.

So what do we do to keep the new super-record deficit closer to $100 billion than the $200 billion that is giving everybody (but a few of us) nightmares?

Would you believe that, for once, there's an easy answer? An answer that doesn't involve merely running the printing presses that print money faster and faster? An answer that could raise abut $50 billion and do some good in the process?

Put a $10-a-barrel duty on imported oil. Yield: $20 billion. Add a 10-cent-per-gallon tax on gasoline, the price of which has declined by 20 cents a gallon in the past 48 months and is still headed down. Yield: $10 billion. There'd be a $20-billion-to-$25-billion additional yield in higher income and windfall taxes on domestic oil.

The foreign-crude-oil glut is barreling down. Without an import tax OPECers could fiscally destroy our indispensable domestic oil industry. Further sharp oil-price declines would once again pump up our profligate waste of this still-finite resource.

Gas would still be far cheaper, even with the 10-cent-a-gallon tax, than it was not so long ago.

So, *voilà*!

We're left with "only" a $100 billion deficit.

C'est le déficit.●

GRANDPARENT VISITATION PRIVILEGES NEED TO BE UNIFORM IN ALL 50 STATES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. BIAGGI. Mr. Speaker, in a further attempt to discuss the rationale for my legislation, House Concurrent Resolution 67, calling on all 50 States to adopt a Uniform Grandparent Visitation Act, I wish to place into the RECORD an analysis of the existing State laws. The analysis was prepared by Rita Ann Reimer, legislative attorney at the American Law Division of the Library of Congress.

At the present time 49 out of 50 States do have laws allowing grandparents the right to petition a court when seeking visitation following the dissolution of marriage between their grandchild's parents. At issue is the fact that the laws are different in many respects and there lacks any interstate recognition of visitation orders.

My resolution attempts to deal with this by calling on all 50 States to develop and adopt a uniform Grandparent Visitation Act. I believe this analysis illustrates the distinctions between the existing laws and the need for uniformity.

Alabama: Visitation rights for grandparents of minor grandchildren may be granted in divorce proceedings and situations concerning the death of a parent related by blood to the grandparents (Ala. Code § 30-3-4).

Alaska: In an action for divorce or for legal separation or for placement of children when one or both parents have died, the court may make, modify, or vacate any order for visitation with the minor child that seems necessary or proper, including an order that provides for visitation by a grandparent (Alaska Stat. § 25.24.150(a)).

Arizona: The superior court may grant the grandparents of the minor child reasonable visitation rights to the child during his minority if (1) the marriage of the parents of the child has been dissolved for at least three months, and the grandparents are the parents of the noncustodial parent of the child; or (2) a parent of the child has been deceased for at least three months, and the grandparents were the parents of the deceased parent of the child (Ariz. Rev. Stat. § 25-337.01A). Comparable rights are extended to greatgrandparents under § 25-337.01B.

Arkansas: In any divorce or custody proceedings, the court may, upon petition of a grandparent, grant reasonable visitation rights to either the maternal or paternal grandparents of the child(ren) (Ark. Stat. § 34-1211.1).

In any case where a parent, either natural or adoptive, is deceased, the chancery court may, upon petition of either parent of the deceased parent, grant the petitioner reasonable rights to visit the children of the parent (§ 51-135).

California: In any marriage dissolution case, reasonable visitation may be granted

to any person having an interest in the welfare of the child (Cal. Civ. Code § 4601).

If either the father or the mother of an unmarried minor child is deceased, the parents and the grandparents of such deceased person may be granted reasonable visitation rights to the minor child during its minority (§ 197.5).

Colorado: Any grandparent of a child may seek a court order granting reasonable grandchild visitation rights when there is or has been a child custody case. For purposes of this statute, "child custody case" is defined to include instances where (1) the marriage of the child's parents has been declared invalid or has been dissolved by divorce or legal separation; (2) legal custody of the child has been given to a party other than the child's parent or the child has been placed outside of and does not reside in the home of the parent, excluding adoptive placements; and (3) the child's parent, who is the child of the grandparent, has died (Colo. Rev. Stat. § 19-1-116(1)).

Connecticut: In actions for dissolution of marriage, legal separation, and annulment, the superior court may grant the right of visitation with respect to any minor child or children to any person (Conn. Gen. Stat. § 46b-59).

Delaware: In any civil action within the jurisdiction of the family court, the court may grant grandparents such reasonable visitation rights as the court shall determine with respect to the grandchild, regardless of the marital status of the parents of the child or the relationship of the grandparents to the person having custody of the child (Del. Code tit. 10, § 950(7)).

Florida: In marriage dissolution cases, the court may award grandparents visitation rights with a minor child (Fla. Stat. § 61.13(c)).

The court may award grandparents of a minor child or children's visitation rights upon the death of or desertion by one of the minor child's parents (§ 68.08).

Georgia: Whenever any court has before it any question concerning the guardianship of any minor child; or whenever one parent dies; or whenever one parent dies and the survivor remarries, regardless of whether the minor child is adopted by its stepparent; or whenever any court has terminated the parental rights of one of the natural parents of the minor child, the court may grant reasonable visitation rights to the maternal and paternal grandparents of the child (Ga. Code § 74-112(a)).

Hawaii: In proceedings for divorce, separation, annulment, separate maintenance, or any other proceeding where there is at issue a question as to the custody of a minor child, the court has discretion to award reasonable visitation rights to any person interested in the welfare of the child (Hawaii Rev. Stat. § 571-46(7)).

Idaho: After the separation of the grandchild's parents, when a grandparent or grandparents have established a substantial relationship with a minor child, the district court may grant reasonable visitation with said grandparent(s) (Idaho Code § 32-1008).

Illinois: Whenever both natural or adoptive parents of a minor are deceased and the minor has not been subsequently adopted, visitation rights shall be granted to the grandparents of the minor who are parents of the minor's legal parents (Ill. Rev. Stats. ch. 110.5, § 11-7.1).

Indiana: A grandparent may seek visitation with a grandchild if the grandparent's child is the deceased or non-custodial parent of the grandchild (Ind. Code § 31-1-11.7-1).

Iowa: Grandparents may petition the district court for visitation with a grandchild when (1) the parents of the child are divorced; (2) a petition for marriage dissolution has been filed by one of the parents; (3) the parent of the child, who is the child of the grandparents, has died; or (4) the child has been placed in a foster home (Iowa Code § 598.35).

Kansas: If either the father or mother of an unmarried minor child is deceased, the parents of such deceased person may be granted reasonable visitation rights to the minor child during its minority (Kan. Stat. § 38-129(a)).

Kentucky: The court may grant reasonable visitation rights to either the paternal or the maternal grandparents of a child whose parent is deceased (Ky. Rev. Stat. § 405.021(a)).

Louisiana: If subsequent to the granting of divorce or separation, one of the parties to the marriage dies and is survived by a minor child or children of the marriage, the parents of such deceased party may have reasonable visitation rights to the child(ren) of the marriage during their minority (La. Civ. Code art. 157(B)).

If the parties to a marriage die, divorce, or obtain a legal separation, parents of the partner without custody may have reasonable visitation rights to the child(ren) of the marriage during their minority (La. Rev. Stat. § 9:572(A)).

If parents of a minor child or children live in concubinage and one of the parents dies, the parents of the deceased party may have reasonable visitation rights to the child(ren) during their minority (§ 9:572(C)).

Maine: A court making an order of nullity of marriage or divorce may award reasonable rights of contact with a minor child to any third persons (Me. Rev. Stat. tit. 19, § 572).

Similar language applies when a spouse has deserted (§ 581) or when the child's parents are living apart (§ 214).

Maryland: At any time following the termination of a marriage, the court may consider a petition for reasonable visitation filed by one or more of the grandparents of a natural or adopted child of the parties whose marriage has been terminated (Md. Fam. Law Code § 9-102(1)).

Massachusetts: If the parents of an unmarried minor child are divorced, or if either or both of the said parents are deceased, the grandparents of such minor child may be granted reasonable visitation right to the minor child during his or her minority (Mass. Gen. Laws ch. 119, § 39D).

Michigan: Any grandparent of a child may seek a court order granting reasonable grandchild visitation rights when there is or has been a child custody case. For purposes of this statute, "child custody case" is defined to include instances where (1) the marriage of the child's parents has been declared invalid or has been dissolved by divorce or legal separation; (2) legal custody of the child has been given to a party other than the child's parent or the child has been placed outside of and does not reside in the home of the parent, excluding adoptive placements; and (3) the child's parent, who is the child of the grandparent, has died (Mich. Comp. Laws §§ 722.27(b), 722.27b(1), (2)).

Minnesota: When a grandchild's parent is deceased, or the grandchild's parents are divorced, or the grandchild has resided with the grandparents or greatgrandparents for a period of twelve months or more and the parents subsequently remove the child from the home, the grandparents or greatgrandparents can seek visitation with the grandchild (Minn. Stat. § 257.022).

Mississippi: Whenever a court enters a decree or order terminating the parental rights of one of the parents of a minor child, or whenever one of the parents of a minor child dies, either parent of the child's parent whose parental rights have been terminated or who has died may seek visitation rights with such child (Miss. Code § 93-16-3).

Missouri: The court may grant reasonable visitation rights to either the maternal or the paternal grandparents in divorce or child custody proceedings (Mo. Stat. § 452.400(3)).

When one parent of a child is deceased and the surviving parent denies reasonable visitation rights to a maternal or paternal grandparent of the child, or whenever one parent of a child is deceased and the child has been subsequently adopted and reasonable visitation rights have been denied to a person who was a legal grandparent prior to the adoption of the child, the grandparent or the person who was the legal grandparent prior to the adoption of the child may petition the court for visitation rights (§ 452.402).

Montana: The district court may grant a grandparent of a child reasonable visitation rights (circumstances not specified) (Mont. Code § 40-9-102).

Nevada: If a parent of an unmarried minor child is deceased or divorced from the parent who has custody of the child, the court may grant to the grandparents and parents of the parent who is deceased or divorced from the parent who has custody of the child a reasonable right to visit the child during his minority (Nev. Rev. Stat. § 123.123).

New Hampshire: In cases where there shall be a decree of divorce or nullity, the court may grant reasonable visitation privileges to the grandparents of the children in its decree (N.H. Rev. Stat. § 458.17(VI)).

New Jersey: Where either or both of the parents of a minor child is or are deceased, divorced, or living separate and apart, regardless of a court order or agreement, a grandparent or the grandparents of such child, who is or are the parent or parents of such decreased, separated, or divorced parent or parents, may apply to the superior court for visitation rights with such child (N.J. Stat. § 9:2-7.1)

New Mexico: In rendering a judgment of dissolution of marriage or legal separation, or at any time after six months from the entry of such decree, the court may grant reasonable visitation privileges to a grandparent of a minor child (N.M. Stat. § 40-9-1).

If one or both parents of a minor child are deceased and the child is in the custody of anyone other than an adoptive parent, any grandparent may petition the court for visitation privileges with respect to the minor child (§ 40-9-2).

New York: Where either or both of the parents of a minor child is or are deceased, or where circumstances show that conditions exist in which equity would see fit to intervene, a grandparent or the grandparents of such child may apply for a writ of habeas corpus to have such child brought before the court. On the return thereof, the court may provide for visitation rights for such grandparent or grandparents in respect to such child (N.Y. Dom. Rel. Law § 72).

In any action or proceeding brought (1) to annul a marriage or to declare the nullity of a void marriage; or (2) for a separation; or (3) for a divorce; or (4) to obtain, by a writ of habeas corpus or by petition and order to show cause, the custody of or right to visitation with any child of a marriage, the court may provide for reasonable visitation rights to the maternal and/or paternal grandparents of any child of the parties (§ 240).

North Carolina: In any action in which the custody of a minor child has been determined, upon a showing of changed circumstances, the grandparents of the child are entitled to such custody or visitation rights as the court deems appropriate (N.C. Gen. Stat. § 50-13.5(j)).

North Dakota: The grandparents and greatgrandparents of an unmarried minor may be granted reasonable visitation rights to the minor during the period of minority upon a showing that visitation would be in the best interests of the minor and would not interfere with the parent-child relationship (N.D. Cent. Code § 14-09-05.1).

Ohio: If either the father or mother of an unmarried minor child is deceased, the relatives of such deceased person may be granted reasonable companionship or visitation rights to the minor child during its minority (Ohio Rev. Code § 3109.11).

Oklahoma: When one or both parents are deceased or if they are divorced, any grandparent, who is the parent of the child's deceased or divorced parent, may have reasonable visitation rights to the child (Okla. Stat. tit. 10, § 5).

Oregon: When a parent dies, leaving a minor child in the custody of the surviving parent, the grandparents of the minor child, if they are the parents of the deceased individual, may petition the court for an order providing for visitation rights (Or. Rev. Stat. § 109.121(a)).

After the commencement of a domestic relations suit, and before a final order or decree has been issued, the grandparents may petition the court for visitation rights (§ 109.121(b)). After the decree or final order has been issued, a grandparent who is not the parent of the custodial parent may petition for visitation rights; however, if such grandparent did not petition for visitation at the time of the original decree, he or she must show changed circumstances justifying the petition (§ 109.121(c)).

Pennsylvania: If a parent of an unmarried child is deceased, the parents or grandparents of the deceased parent may be granted reasonable visitation rights to the unmarried child (23 Pa. Cons. Stat. § 1012).

In all proceedings for dissolution of a marriage, subsequent to the commencement of the proceeding and continuing thereafter, the court may, upon the request of the parent or grandparent of a party, grant reasonable visitation rights to the unmarried child after the dissolution (§ 1013).

If an unmarried child has resided with his grandparents or greatgrandparents for a period of 12 months or more, and is subsequently removed from the home by his parents, the grandparents or greatgrandparents may petition the court for an order granting them reasonable visitation rights to the child (§ 1014).

Rhode Island: The court may, upon miscellaneous petition of a grandparent whose child is deceased, grant reasonable visitation rights with any grandchild or grandchildren born of the decedent, whether or not any divorce or custody proceedings were ever commenced (R.I. Gen. Laws § 15-5-24.1).

In any divorce proceeding, should the noncustodial parent fail to exercise his or her visitation rights with his or her minor children for any reason, or should the noncustodial parent have been denied visitation rights, then the family court may, upon petition of a grandparent whose child is the noncustodial parent, grant reasonable visitation rights with said grandchild(ren) (§ 15-5-24.2).

South Carolina: The family court has jurisdiction when making specified spousal or child support orders to direct that the children's grandparents be permitted to visit the children at stated periods (S.C. Code § 20-7-420(33)).

South Dakota: The court may grant grandparents reasonable rights of visitation with their grandchild, with or without petition by the grandparents, in divorce cases (S.D. Codified Laws § 25-4-52).

The grandparent of a child may petition for grandchild visitation rights if (1) the parents of the child are divorced or legally separated; (2) an action for divorce or separate maintenance has been commenced by one of the parents of the child; or (3) the parents of the child, who is the child of the grandparent, has died (§ 25-4-35).

Tennessee: If either the father or mother of an unmarried minor child is deceased, or if the child's mother and father are divorced, the parents of such deceased person or the parents of either of such divorced persons may be granted reasonable visitation rights to the child during its minority (Tenn. Code § 36-6-301).

Texas: In any suit affecting the parent-child relationship, including one brought solely to enforce any of the following provisions the court may issue and enforce orders granting to a grandparent of the child reasonable access to the child if the parent of the child is, at the time that the relief is requested, a natural parent of the child, if (1) the grandparent is a parent of a parent of the child and that parent of the child has been incarcerated for at least three months, or has been found by a court to be incompetent, or is dead; or (2) the parents of the child are divorced or have been living separate and apart for at least three months or a suit for the dissolution of the parents' marriage is pending; (3) the child has been abused or neglected by a parent of the child; or (4) the child has been adjudicated to be a child in need of supervision or a delinquent child; or (5) the grandparent seeking access to the child is the parent of a person whose parent-child relationship with the child has been terminated by court decree; or (6) the child has resided with the grandparent seeking access to the child for at least six months within the 24-month period preceding the filing of the petition (Tex. Fam. Code § 14.03(e)).

Utah: The court may grant grandparents reasonable rights of visitation to grandchildren. For purposes of this law, "grandparents" are defined as grandparents whose child, who is the parent of the grandchild, is dead; and grandparents whose child, who is the parent of the grandchild, is divorced or legally separated from the other parent of the grandchild (Utah Code §§ 30-5-1, 30-5-2).

When a decree of divorce is made, the court may make such orders as to the children as may be equitable, including visitation rights of grandparents (§ 30-3-5).

Vermont: A court which has considered or is considering the custody or visitation of a minor child may award visitation rights to a grandparent of the child (Vt. Stat. tit. 15, § 1011(a)).

If a parent of a minor child is deceased, physically or mentally incapable of making a decision or has abandoned the child, a grandparent of the child may commence an action to obtain visitation rights (§ 1012).

Virginia: Upon decreeing the dissolution of a marriage or divorce, a court may make such further orders as it deems expedient concerning visitation privileges for grandparents (Va. Code § 20-107.2).

Washington: Any person may petition the court for visitation rights at any time, including, but not limited to, custody proceedings (Wash. Rev. Code § 26.09.240).

West Virginia: When hearing petitions for divorce, annulment, or separate maintenance, the court may make such further order as it shall deem expedient concerning the grant of reasonable visitation rights to any grandparent(s) of the minor children, if the grandparent(s) are related to such minor child through a party whose whereabouts are unknown, or who did not answer or otherwise appear and defend the cause of action (W.Va. Code § 48-2-15(b)(1)).

Upon the verified petition by a parent of a deceased child seeking visitation rights with the grandchildren of the petitioner, the court may order that the grandparent shall have such reasonable and seasonable visitation rights with the said grandchildren as the court may deem proper (§ 48-2B-1).

Wisconsin: In cases of annulment, divorce, or legal separation, the court may grant reasonable visitation privileges to a grandparent or great-grandparent of any minor children upon petition to the court (Wisc. Stat. § 767.245(4)).

Wyoming: Subsequent to the death or remarriage of one or both parents or after a divorce or judicial separation, the court may, upon petition of a grandparent, grant reasonable visitation rights to the grandparent of the children (Wyo. Stat. § 20-2-113(c)).●

PROFESSIONAL DEVELOPMENT RESOURCE CENTER ACT

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FORD of Michigan. Mr. Speaker, today I am introducing the Professional Development Resource Center Act of 1985. In recent years overwhelming evidence has mounted demonstrating the need for renewed efforts to assist our Nation's elementary and secondary schools in the pursuit of educational excellence. After numerous national reports, considerable media attention, and many public opinion polls, two facts have become crystal clear. The first is that we have placed very high expectations on our public schools. At a time when schools are dealing with an ever more diverse school-age population, we are also asking them to produce a better educated and better prepared generation than at any time in our history. The second fact is that in order to accomplish this ambitious goal, our schools and the people in them require the full support, cooperation, and encouragement of all levels of government.

Mr. Speaker, this bill addresses these needs. It responds to one very central concern: continuing education for teachers in the classroom. My bill will provide those on the front line of education, the classroom teachers, with essential year-round opportunities for improvement and renewal. The bill gives the Secretary of Education the authority to make competitive grants to local school districts for the establishment of locally developed professional development resource centers. These centers will design activities to assist classroom teachers in expanding their professional capabilities. Furthermore, these centers will not offer activities for teachers but will design and conduct activities with the full involvement of teachers at every stage. It is clear that unless teachers have a stake in defining the activities that will foster their own professional growth, they will be less likely to be motivated by or benefit fully from them. Activities of the centers will include updating and expanding subject matter expertise, applying the latest educational research to the classroom, exploring new educational tools and their use in instruction, teaching new technologies and their applications, and developing curriculum materials.

Mr. Speaker, to those who are all too ready to complain about incompetent teachers in our elementary and secondary schools, I would suggest that they should accept an equal if not, in fact, greater obligation to foster the conditions that enhance teaching competence. Local school systems must also be willing to undertake this obligation. However, most school systems today are hard-pressed for the funds to meet their basic operating costs. Allocating additional resources to the professional development of teachers is too often near the end of a school district's "wish list." Federal leadership and assistance and modest financial support is crucial to the development of our Nation's teacher force. If we are to demand professionalism from our teachers we must provide them with the means to fulfill that demand.

While there has been considerable attention focused on critical shortages of math, science, and foreign language teachers, we must not fail to make provisions for the broader problem of the continuous development of our Nation's teaching force. Every day 2.8 million teachers face classrooms filled with 40 million students. The majority of teachers are now between the ages of 32 and 42.

Although new teachers will be needed as the school-age population begins a projected slow but steady climb, the bulk of our teaching force for the next two decades is already in the profession. We must invest resources to assist today's classroom teachers in expanding their knowledge and abilities. If we want people of intelligence, spirit, and capacity for growth teaching our children, we must offer such people constructive and creative mechanisms to nurture those qualities. We cannot ask teachers to instill the love of learning in their students without providing them with the means to continue learning themselves. I believe this bill is a useful step in that direction. I urge my colleagues to join me in supporting this piece of legislation.

For your information, the section-by-section analysis of this bill follows:

SECTION-BY-SECTION ANALYSIS OF PROFESSIONAL DEVELOPMENT RESOURCE CENTER ACT OF 1984

Section 1.—Section 1 establishes the title of the Act as the "Professional Development Resource Center Act of 1984". It states that the purpose of the Act is to assist teachers in continuous improvement of their professional skills and the expansion of their knowledge by establishing professional development resource centers for teachers.

Section 1 gives the following Congressional findings concerning the role of the centers in helping teachers:

(1) make effective use of educational tools, including new technologies;

(2) enhance teachers' subject matter expertise;

(3) learn new classroom management techniques;

(4) learn and apply the latest research on teaching and learning;

(5) apply creative approaches toward achieving instructional goals; and

(6) remain in the profession by providing them with collegial interaction and opportunities for professional growth;

Section 2.—Section 2 sets authorization levels at "such sums as necessary" for the fiscal years 1985, 1986, 1987, 1988 and 1989.

Section 3.—The Secretary shall ensure that sufficient funds go to applicants within each State to provide for at least one center per State.

Section 4.—Section 4 authorizes the Secretary to make grants to local educational agencies to assist them in planning, establishing, and operating professional development centers. "Professional Development Centers" means any year-round sites operated by a local educational agency, a combination of such agencies, or an educational service agency which serves teachers from public and non-public schools of a State. Section 4(a)(2) allows teachers with the assistance of consultants and experts to:

(1) conduct activities to advance the goal of professional excellence;

(2) develop and disseminate curricula designed to meet the educational needs of persons in the area being served;

(3) provide training to improve teacher skills to enable teachers to better serve the needs of students and to familiarize them with developments in curriculum, testing, and research; and

(4) provide for dissemination of information both locally and nationally.

Section 4 further requires that each center be planned and operated under the supervision of a professional development policy board comprising a majority representation of elementary and secondary education classroom teachers to be served by the center. The board will also include representatives of the local school board(s) and at least one representative of departments of education of higher education institutions in the area.

In order to receive a grant under Section 4 an applicant must submit an application to the Secretary which contains such information as may be required by law. The application must first be submitted to the State educational agency and the agency must approve it before it can be transmitted to the Secretary. If an application is rejected by the State agency, a local education agency has the right to petition the Secretary to request further consideration of the application by the State. In approving applications the Secretary shall ensure:

(1) the program offered by the Center is based on a thorough assessment of instructional and professional needs as identified by teachers to be served;

(2) the goals of the Center meet the needs of the teachers to be served;

(3) there will be a yearly evaluation of center activities;

(4) the application contains a description of the activities planned to meet the center's goals;

(5) there will be a full time center director who has had classroom experience; and

(6) teachers will be given adequate paid time away from classroom activities to participate in center activities.

Preference for applications will be given to programs which involve teachers as instructors as well as learners. Section 4 further requires that the Secretary take into consideration resources, other than Federal, which the applicant can provide for the program. An agency which has an approved application may contract with higher education institutions to carry out activities under the application. Finally, Section 4 sets aside ten percent of the funding under the Act to be used by the Secretary to make grants directly to institutions of higher education for the purposes of operating professional development centers.●

VOTING RECORD

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. UDALL. Mr. Speaker, it has become my practice from time to time to list my votes in the CONGRESSIONAL RECORD. I strongly believe that the people of the Second District of Arizona have a right to know where I stand on the issues decided by this body, and I have found that printing my record here is the best way to provide that information.

This is not an all inclusive list. I have omitted noncontroversial votes such as quorum calls, motions to resolve into the Committee of the Whole House, and motions to approve the Journal of the previous day.

The descriptions are necessarily somewhat short, and I am sure that some of my constituents will have additional questions about the issues described here. So I invite them to write me for more specifics.

The votes are described as follows:

KEY

1. Rollcall Number;
2. Number of the bill or resolution;
3. Title of the bill or resolution;
4. A description of the vote;
5. The date of the vote;
6. My vote, in the form Y=yes, N=no, and NV=not voting;
7. The vote of the entire Arizona delegation in the form (yes-no-not voting);
8. An indication of whether the motion or amendment was approved or rejected; and
9. The vote total.

2. H. Res. 393. Congressional Record Investigation. Motion to table the resolution to call for a Rules Committee investigation of instances where House documents, including the Congressional Record, have been altered, and report back to the House in 45 days with recommendations for changes necessary to ensure the accuracy of the Congressional Record. Motion agreed to 213-144: Y(2-2-1), Jan. 24, 1984.

3. H.R. 2615. Weatherization and Employment Act. Amendment to prohibit use of funds authorized under the bill in any fiscal year unless the secretary of the Treasury certified to Congress that such expenditures would not increase the national debt. Rejected 168-205: N(2-2-1), Jan. 24, 1984.

4. H.R. 2615. Weatherization and Employment Act. Amendment to authorize the president to eliminate or reduce, by executive order, any authorization or appropriation made under the bill upon a declaration, such action would aid in balancing the budget or reducing the national debt, to become effective after 60 days unless Congress voted to override the executive order. Rejected 131-245: Y(2-2-1), Jan. 24, 1984.

5. H.R. 2615. Weatherization and Employment Act. Amendment to reduce the fiscal 1985 authorization from $500 million to $200 million, authorize such as may be necessary for fiscal 1986-89 and reduce the authorization from 10 years to five years. Adopted 233-142: N(3-1-1), Jan. 24, 1984.

6. H.R. 2615. Weatherization and Employment Act. Passage of the bill to authorize $200 million in fiscal 1985 and such sums as may be necessary in fiscal 1986-89 for weatherization of the homes of low-income people. Passed 222-157: Y(2-2-1), Jan. 24, 1984.

8. H. Res. 403. Proxy Voting Investigation. Motion to table the resolution to demand an investigation of proxy voting in committees. Motion agreed to 236-155: Y(2-3-0), Jan. 26, 1984.

9. H.R. 2714. Agricultural Productivity Act. Passage of the bill to authorize $10.5 million for fiscal years 1985-89 for pilot research projects and other research and information activities on organic farming; also to authorize cost-sharing federal conservation payments for "intercropping," a planting practice that conserves and improves soil. Passed 206-184: Y(2-3-0), Jan. 26, 1984.

10. H.R. 2900. National Oceanic and Atmospheric Administration Authorization. Amendment to prohibit the agency from contracting out any services to the private sector until Congress has been notified and has had 45 legislative days to review the proposal. Adopted 257-124: Y(2-3-0), Jan. 26, 1984.

11. H.R. 2878. Library Services and Construction Act. Amendment to authorize the president to eliminate or reduce, by executive order, any authorization made under the bill if he declared that the action would help balance the budget or reduce the national debt, to become effective after 60 days unless Congress voted to override the executive order. Rejected 144-248: N(3-2-0), Jan. 31, 1984.

12. H.R. 2878. Library Services and Construction Act. Passage of the bill to authorize $156 million in fiscal 1985, rising to $186 million in 1988, for the improvement and construction of public libraries. Passed 357-39: Y(3-2-0), Jan. 31, 1984. A "nay" was a vote supporting the President's position.

13. H.R. 1904. Child Abuse Amendments. Substitute to the amendment to strike language requiring states that receive federal child-protection grants to ensure that severely handicapped infants receive adequate medical treatment and nutrition, and instead to establish a study commission and require the Department of Health and Human Services to issue guidelines for hospitals that want to establish advisory panels on the treatment of the handicapped infants. Rejected 182-231: Y(1-4-0), Feb. 2, 1984.

14. H.R. 1904. Child Abuse Amendments. Amendment to authorize $65 million for fiscal 1984-86 for programs to prevent family violence and to provide shelter to victims of family violence. Adopted 367-31 Y(3-1-1), Feb. 2, 1984.

15. H.R. 1904. Child Abuse Amendments. Passage of the bill to authorize $196 million over four years for child-protection programs, adoption assistance, and projects to prevent family violence, and to require states receiving funds under the bill to ensure that severely handicapped infants receive adequate medical treatment and nutrition. Passed 396-4: Y(4-0-1), Feb. 2, 1984.

17. H. Con. Res. 255. Congressional Recess. Adoption of the concurrent resolution to adjourn the House Feb. 9 to Feb. 21, and the Senate from Feb. 9 or 10 to Feb. 20 for the Lincoln's Birthday recess. Adopted 268-137: Y(3-1-1), Feb. 8, 1984.

18. H.R. 555. Construction Work in Progress. Substitute to codify a ruling of the Federal Energy Regulatory Commission that permits public utilities to include in their rate base up to 50 percent of the interest costs incurred during the construction of a power plant. Rejected 135-266: N(2-2-1), Feb. 8, 1984.

19. H.R. 555. Construction Work in Progress. Passage of the bill to allow public utilities subject to FERC jurisdiction to recover the interest costs of construction work in progress through rate increases only upon showing financial need and demonstrating the need for the new construction. Passed 288-113: Y(2-2-1), Feb. 8, 1984. A "nay" was a vote supporting the President's position.

20. H. Res. 436. Committee Elections. Motion to recommit to the Committee on Rules the resolution making committee appointments, with instructions to constitute committees in actual proportion to the House's political party memberships. Motion rejected 153-237: N(3-2-0), Feb. 9, 1984.

21. S. 1340. Rehabilitation Act Amendments. Adoption of the conference report on the bill to reauthorize the Rehabilitation Act of 1973 through fiscal 1986, including $1.038 billion in 1984 and additional sums in subsequent years for state grants for vocational rehabilitation of the handicapped. Adopted 384-3: Y(5-0-0), Feb. 9, 1984.

22. H.R. 2899. Environmental Research. Adoption of the rule (H. Res. 429) providing for House floor consideration of the bill to authorize $283,510,000 in fiscal 1984 and $297,686,000 in fiscal 1985 for Environmental Protection Agency research and development programs. Adopted 378-0: Y(5-0-0), Feb. 9, 1984.

23. H.R. 2899. Environmental Research. Passage of the bill to authorize $283,510,000 in fiscal 1984 and $297,686,000 in fiscal 1985 for Environmental Protection Agency research and development programs. Passed 362-9: Y(4-1-0), Feb. 9, 1984.

24. H. Res. 15. Select Committee on Hunger. Motion to order the previous question (thus ending debate and the possibility of amendment) on the Rules Committee substitute to establish a Select Committee on Hunger. Motion agreed to 263-122: Y(2-1-2), Feb. 22, 1984.

25. H. Res. 15. Select Committee on Hunger. Adoption of the resolution to establish a Select Committee on Hunger. Adopted 309-78: Y(3-0-2), Feb. 22, 1984.

26. H.R. 2708. Foreign Language Assistance. Amendment to prohibit appropriation of funds to carry out the bill unless the money were provided in a measure containing no other appropriations. Rejected 145-243: N(3-2-0), Feb. 23. 1984.

27. H.R. 2708. Foreign Language Assistance. Passage of the bill to authorize a total of $150 million in fiscal 1984-86 for aid to schools and colleges to improve instruction in foreign languages. Passed 265-120: Y(2-3-0), Feb. 23, 1984.

28. H. Res. 446. Committee Funds. Adoption of the resolution to authorize House committees to spend a total of $45.4 million in 1984. Adopted 252-141: Y(3-2-0), March 1, 1984.

29. H.R. 3050. Rural Electrification Administration Financing. Substitute to raise interest rates to REA borrowers by a variable rate formula that differed from that contained in H.R. 3050, require REA repayment of outstanding notes to the U.S. Treasury and make other revisions in terms of REA loans. Rejected 107-289: N(1-4-0), March 1, 1984.

30. H.R. 3050. REA Financing. Motion to recommit the bill to the Agriculture Committee with instructions to consider amendments to assure the financial integrity of the REA revolving loan fund without restricting the availability of credit or increasing cost of credit to borrowers other than those using REA. Motion rejected 127-268: N(2-3-0), March 1, 1984.

31. H.R. 3050. REA Financing. Passage of the bill to raise interest rates to REA borrowers by a variable rate formula, to relieve REA of required repayment of long-term notes to the U.S. Treasury and make other revisions in terms of REA loans. Passed 283-111: Y(4-1-0), March 1, 1984. A "nay" was a vote supporting the president's position.

32. H.J. Res. 492. Urgent Supplemental Appropriation for African Food Aid. Passage of the joint resolution to appropriate $150 million in fiscal 1984 for emergency food aid to 18 African nations and to authorize the sale of up to $90 million in Commodity Credit Corporation stocks to those nations or to countries helping them meet their emergency food needs. Passed 374-29: Y(2-2-1), March 6, 1984.

33. H.R. 3648. Amtrak Improvement Act. Amendment to permit the Department of Transportation to sell Conrail unless Congress passes a law disapproving the sale. The bill would require Congress to approve any sale for it to take effect. Rejected 147-254: N(2-2-1), March 6, 1984.

35. H.R. 4164. Vocational Technical Education Amendments. Amendment to prohibit the use of funds under the bill to buy equipment, if the purchase results in financial benefit to an organization representing the interests of the purchaser or its employ-

ees. Adopted 205-173: NV(3-0-2), March 8, 1984.

36. H.R. 4164. Vocational Technical Education Amendments. Amendment to prohibit the use of funds under the bill for maintaining existing vocational education programs and to provide aid, in general, only for the improvement and expansion of training programs. Rejected 60-313: N(2-2-1), March 8, 1984.

37. H.R. 4164. Vocational Technical Education Amendments. Passage of the bill to extend aid to vocational education through fiscal 1989, authorizing "such sums" as Congress considers necessary. Passed 373-4: Y(4-0-1), March 8, 1984.

38. H.R. 3020. Small Business Authorization. Amendment to eliminate Small Business Administration direct loans, except loans to the handicapped and to minority businesses. Rejected 72-331: N(2-3-0), March 14, 1984.

39. H.R. 3020. Small Business Authorization. Passage of the bill to authorize $986 million in fiscal 1984, $1.08 billion in fiscal 1985 and $1.12 billion in fiscal 1986 for Small Business Administration program. Passed 386-11: Y(5-0-0), March 15, 1984.

41. H.R. 1652. Reclamation Dam Safety. Amendment to strike the word "substantially." Both the first and second-degree amendments required reimbursement by local users and p reimbursement by local users and beneficiaries of projects in the bill, which authorized an additional $830 million for safety-related repair of dams administered by the Interior Department's Bureau of Reclamation. Adopted 382-0: Y(5-0-0), March 20, 1984.

42. H.R. 1652. Reclamation Dam Safety. Substitute amendment to require reimbursement only for new project benefits by local users and beneficiaries of projects in the bill, which authorized an additional $650 million for p repair of dams administered by the Bureau of Reclamation. Adopted 194-192: Y(5-0-0), March 20, 1984. A "yea" was a vote supporting the president's position.

43. H.R. 5174. Bankruptcy Court Act. Adoption of the rule (H Res 485) providing for House floor consideration of the bill to provide lifetime appointments for bankruptcy court judges, tighten standards for consumer bankruptcy, make changes effecting grain elevator bankruptcies and limit the circumstances under which union contracts can be rejected by companies that file for bankruptcy. The rule allowed only the Kastenmeier amendment (see below) to be offered. Adopted 242-166: Y(2-3-0), March 21, 1984.

44. H.R. 5174. Bankruptcy Court Act. Amendment to provide for the appointment of bankruptcy judges as adjuncts to federal district courts, striking the bill's language providing for the appointment of life-tenured bankruptcy judges. Adopted 250-161: Y(4-1-0), March 21, 1984.

45. S. 684. Water Research Veto. Passage over President Reagan's Feb. 21 vote of the bill to authorize $36 million annually for fiscal years 1985 through 1989 for water resources research programs to be administered by the Interior Department, including matching grants for state water research institutes. Passed (thus enacted into law) 309-81: Y(3-1-1), March 22, 1984.

46. H.R. 3755. Social Security Disability Reform Act. Adoption of the rule providing for House floor consideration of the bill to revamp the Social Security disability review process and to provide payment of benefits to individuals whose cases are under appeal. Adopted 340-40: Y(2-2-1), March 22, 1984.

47. H.R. 3744. Social Security Disability Reform Act. Passage of the bill to revamp the Social Security disability review process and to provide payment of b benefits to individuals whose cases were under appeal. Passed 410-1: Y(5-0-0), March 27, 1984. A "nay" was a vote supporting the president's position.

49. H.R. 5154. NASA Authorization. Passage of the bill to authorize $7.5 billion in fiscal 1985 for programs of NASA and to establish a National Commission on Space. Passed 389-11. Y(5-0-0), March 28, 1984.

50. H.J. Res. 517. Department of Housing and Urban Development, Fiscal 1984 Urgent Supplemental Appropriations. Passage of the joint resolution to allocate $2.5 billion of reserved and unused budget authority to subsidized housing. Passed 340-55: Y(3-1-1), March 29, 1984.●

ROSWELL PARK MEMORIAL INSTITUTE WORLD RENOWNED CANCER CENTER

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. NOWAK. Mr. Speaker, one of Buffalo, NY's most renowned institutions is Roswell Park Memorial Institute, the oldest and one of the largest cancer research, treatment, and educational facilities in the world.

Since its founding in 1897, the institute has grown into one of the Nation's most prestigious cancer research centers, acclaimed both nationally and internationally. In addition to advances in scientific and medical knowledge, the institute has become a leading model in cancer preservation.

In 1971, following the adoption of the National Cancer Act, the institute was designed as one of three comprehensive cancer centers by the National Cancer Institute. Since then, it has added such research programs as the Grace Cancer Drug Center, the Cancer Cell Center, the Recombinant D.N.A. Facility, the region's only Bone Marrow Transplant Unit, and a biohazards control program.

For the past 15 years, under the dynamic leadership of its director, Dr. Gerald Murphy, the institute has enhanced its reputation as a world leader among cancer research centers.

Recently, "Business First of Buffalo" in its January 28, 1985, edition, published an extensive profile of Dr. Murphy and Roswell Park Memorial Institute. Mr. Speaker, I would like to share that article with my colleagues.

GERALD MURPHY: ROSWELL MISSION DIRECTOR

(By Nancy Tracewell)

Near the doorway to Dr. Gerald Murphy's office at Roswell Park Memorial Institute, there's an ordinary-looking bulletin board, typically cluttered with scraps, notes, clippings and fragments of paper. But holding a prominent position on the board is a proclamation of Murphy's Law: If anything can go wrong, it will.

Oh yes, it's true, Murphy said briskly, efficiently, a trace of a smile quickly crossing his face before he relates Corrigan's Codicil: Murphy was an optimist.

Murphy said the codicil is true also, and promptly pronounces himself an optimist of the uncured variety. But then, he adds, dispensing words economically, in his field, one has to be.

His field—cancer research—has evolved from a skeptical, unlikely field 25 years ago to today's medical, biotechnological breaking ground where one of the world leaders is Roswell Park, for the last 15 years under Murphy's guidance as institute director.

With Murphy's leadership, the cancer institute, founded in 1897, has grown into one of the nation's most highly respected cancer research centers. In 1971, the center was designated as one of three comprehensive cancer centers by the National Cancer Institute.

Since then, Roswell Park has added extensive research programs, like the Grace Cancer Drug Center, the Cancer Cell Center, the Recombinant DNA Facility, the Animal Bio-Containment Facility, the nation's first Adolescent Unit, the region's only Bone Marrow Transplant Unit and a biohazards control program, to list only a few.

Roswell Park is noted nationally and internationally for its advances in treatment of prostate, testes and colon-rectal cancers. The institute has been. instrumental in developing tests for leukemia, and has presented significant advances in knowledge of the basic cancer cell, why it transforms into an abnormal cell.

In addition to its advances in scientific and medical knowledge, the institute has become a model cancer prevention center. It coordinates for the nation all surveys on cancer conducted by the American College of Surgeons, a task which holds the institute at the forefront of national cancer research and gives Roswell epidemiologists clear insights into trends and risk factors.

"Western New Yorkers many times don't realize that some of the treatments come first here to Buffalo, and then go on to such famous places afterwards as the Mayo Clinic, Massachusetts General or Johns Hopkins," Murphy said.

But Murphy is far from content with Roswell's advances. He continues to plan for the growth of the institute and development of Western New York as a biotechnological center.

Convinced that Buffalo can become a biotechnological capital, Murphy sees Roswell Park as a crucial instigator, a sparkplug to ignite opportunities.

"We've taken this on as a public mission," Murphy said. "Not to make profit, but we see that we need a future for this community."

"It saddens me to see all the young people leaving," he said. "Many times I think they leave because they don't see the opportunity."

To this end, Roswell Park and Murphy in particular are closely aligned with the Western New York Technology Development Center, and the Calspan-University at Buffalo Research Center. And with a progressive patent policy encouraging independent commercialization, the institute is a parent to several spin-off industries started by Roswell Park researchers, like Grand Island Biological Co., Cellular Products Inc. and most recently, Photofrin Inc.

"We've been doing it for a long time. We're a good model for the other people

who haven't gotten off the ground yet," Murphy said. "Our technologists, our people have good ideas and they've already demonstrated that they can go into the corporate world, if the banks don't get too conservative.

"We hope there'll be more of that here, particularly jobs and opportunities for the men and women graduating from tech schools and universities," he said.

Murphy declines to specify further how Roswell Park will trigger more opportunities for Western New York, but he grins like a Chesire Cat as he intimates that there will be "some very exciting prospects."

"I don't want to sound like Roger Smith at General Motors, but we've got some biggies that are coming along and will be announced, if we're successful," he said.

Murphy speaks with scalpel-like sharpness, his pointed words bleeding efficiency. In the manner of a scientist, he punctuates his comments and opinions with documentation, statistics, figures, numbers. In the manner of a visionary, he keeps his sights set on the future, yet his feet are firmly planted on the ground.

He refuses to shift the focus of his plans for Roswell Park, and remains embroiled in a charged debate with officials at the state Department of Health who are at odds with his views.

"We want to see a new hospital, eight floors, built on Carlton Street, not blocking it. That'll cost $70 million. It's been presented to the department, and rejected, but also requested by the Legislature. So we'll see," he said, undaunted by his opposition.

Yet he bristles at the Department of Health proposal to move Roswell Park patient beds to the new facility at Buffalo General Hospital.

"I'm frustrated by studies and committees," he said, bluntly referring to a proposed study to begin in February and talk of another study suggested beyond that. "It's just ridiculous."

Roswell Park is designed with patient care at the center of the institute's geographic campus, closely linked to research and providing easy access for collaboration between researchers and physicians, he explains.

"To move the patients out of there just breaks all that wonderful collaboration, which other centers wish they had and are trying to design themselves," he said.

"I don't know what the health department is up to, they are extremely disorganized and seem to be, for reasons we don't know, in an unnecessary adversarial way," he said.

"In terms of programs, programs determine space—space does not drive programs," he said vehemently. "Saying I've got three floors empty at Buffalo General, move all the patients and programs over there—it's just the reverse of any well-known common planning policy."

When not challenging opponents on the future of the institute and its role in Western New York, Murphy holds the administrative reins of Roswell Park. He's proud of the institute's record in obtaining funds for cancer research, which last year reached about $24 million in grants and provided jobs for 800.

"We are in the top 2 percent of people who compete successfully for cancer funds in this country," he said, adding he expects to break the $30-million mark in 1985.

"That's happening at a time when research funds are becoming more competitive, funds are harder to get, and yet our people are doing the job," he said.

"Now, our job is not money. Our job is to cure the problem," Murphy said. "To cure the problem, one has to go and get resources. To do that, you have to compete effectively, and if you're not good, you won't get it.

"That's another way of saying our people must be pretty good, or they wouldn't be doing that well," he said.

And Murphy still has yet another role at the institute, that of a physician, researcher and scientist. It is in that sphere that he finds satisfaction, that he can feel pride for meaningful accomplishments counted in the numbers of lives saved.

"About 40 percent of the cancer patients were cured in 1968, it's more than 50 percent now," he said. "That translates into young people, parents.

"I'm a team player," Murphy said. "To the extent the team is satisfied, we're certainly satisfied with our progress."

Experts predict that by the year 2000, cancer should be controlled. Physicians will understand who's at risk and how to prevent cancer, and with early detection and cancer cures, only lifestyle choices—like smoking—will remain cancer threats.

"It's 15 years to the millennium," he said. "Lots of things need satisfaction. I'd like to retire on that note."●

A TRIBUTE TO FRANCIS M. MULLEN, JR.

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WOLF. Mr. Speaker, today, February 28, 1985, Francis M. "Bud" Mullen, Jr. will leave the Drug Enforcement Administration where for the last 4 years he has served with distinction in the capacity of Administrator.

I know that other Members will join me in expressing appreciation to Bud for a job well done. Following is a list of accomplishments achieved by the DEA while under the leadership of Bud Mullen, which I commend to all Members for reading.

My best wishes go to Bud, his wife Nancy, and their three children in all their future endeavors.

LIST OF ACCOMPLISHMENTS

Centralization of DEA management at Headquarters.

Establishment of drug specific investigative desks to oversee investigations.

Restructuring of Intelligence functions to emphasize operational assistance to investigations.

Established a sensitive investigative techniques review process at Headquarters to coordinate and control key investigative endeavors.

Intensified investigations of illegal diversion of drugs from legitimate channels.

Developed and assisted states with model legislation; initiated and followed through to passage amendments to the Controlled Substances Act.

Developed Drug Awareness Program and supported overall governmental efforts to reduce demand—Sports Drug Awareness Program, Pharmacists Against Drug Abuse, Boy Scouts Explorer Program.

Developed Memoranda of Understanding to increase intelligence exchange, particularly in the areas of financial and special intelligence.

Established a new travel advance policy significantly reducing the amount of funds outstanding.

Implemented a financial systems improvement plan greatly reducing the lag time in voucher payments and improving accuracy.

Developed a computerized asset program to streamline and improve handling of assets seized for forfeiture.

Developed improved system for control of seized monies and other assets.

Improved accountability procedures for the handling of all funds.

Upgraded ADP equipment and obtained new word processing equipment for all offices; increased security of telecommunications; and developed a data base management system.

Established a formal Career Development Program for Special Agents insuring all Special Agents equitable opportunity for promotion to supervisory and management ranks; formalized procedures for Special Agents seeking promotion to GS-13 senior field agent positions.

Sought and obtained supergrade allotments increasing the number of supergrades in DEA from 35 to 56.

Developed and proposed legislation to place DEA in the Excepted Service.

Expanded EPIC agreements to all 50 states; enhanced the operation by assignment of additional personnel; increased effectiveness of ADP at EPIC with coordination and funding from the FBI.

Improved the DEA auto fleet and initiated joint vehicle purchases and maintenance with the FBI.

Dramatically increased use of Title III investigations.

Significantly increased both arrests and convictions; arrests now total over 1,000 per month and convictions over 900 per month—over half in the Class I and II cases.

Expanded the Marijuana Eradication Program from 7 to 48 states and developed an environmental impact statement for use of paraquat on Federal lands.

Crosstrained FBI agents and developed joint training with the FBI as well as using FBI training for supervisors and managers.

Formalized coordination of DEA and FBI budget process.

Reduced FOIPA requests backlog from nearly 3,000 to less than 300.

Formalized procedures with the General Accounting Office for access to DEA records; coordinated outside audits/evaluations by General Accounting Office and Department of Justice reducing significantly the number of, and the time spent on, these matters.

Worked with FBI in development of contract for relocation expenses for sale and purchase of residences for employees transferred.●

DUBIOUS RATIONALE FOR DISMANTLING AMTRAK

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FLORIO. Mr. Speaker, the administration has proposed the elimina-

tion of Federal funding for Amtrak. The elimination of funding would mean the elimination of Amtrak. According to Amtrak, all passenger service would cease on October 1. Many areas of the country would be without adequate transportation.

I strongly oppose this proposal and will fight for the continuation of Amtrak. What follows are two articles by Tom Wicker from the New York Times of February 15 and February 19, 1985, which explain why the administration proposal is a bad idea.

The articles follow:

[From the New York Times, Feb. 15, 1985]

RAILROADING AMTRAK

(By Tom Wicker)

If every Federal program were operating today at its 1977-78 funding level, there would be little if any deficit crisis. And that's just what Amtrak, the national railroad passenger service, is doing: its Federal subsidy was $600 million in 1977, $716 million in 1978—but just $684 million in fiscal 1985.

The trend, moreover, is down. Since a congressionally mandated reorganization in 1979, Amtrak's annual subsidy has declined by 26 percent in dollars adjusted for inflation, and by nearly $200 million in current-value dollars.

Those are good reasons—among many others—that its proposal to kill Amtrak is a classic example of the Reagan Administration's meat-ax approach to deficit reduction. Neither the effectiveness of a program, nor the value of the service it provides the public, or the long-term consequences of killing it, seem to make any difference if a few dollars can be lopped off the Federal budget.

Amtrak's shrinking subsidy—which costs each tax-paying American household only 91 cents a month—has been achieved, for example, despite improved and in some cases expanded service. The Autotrain is now being run daily between Washington and Florida. And with Metroliner ridership increasing 18.5 percent in fiscal 1984, all Amtrak trains now carry 60 percent of air and rail passengers in the heavily traveled corridor from New York to Washington, including intermediate stops. Just try to imagine traffic and passenger-service conditions at La Guardia and Washington National airports if Amtrak's trains disappear.

The "political trains" that Congress used to insist be operated, despite low passenger demand and high losses, have either been eliminated or rescheduled and upgraded to meet congressionally established loss-per-passenger-mile criteria. Measured by those standards, an Amtrak official reports, "there's no train in our system that can be called a dog."

Amtrak does not, of course, pay its own way at the ticket window; neither do most transit systems. But Amtrak's passenger revenues now fund 60 percent of its total costs, a substantial increase from only 48 percent in 1980. The system provides a needed choice of inter-city transportation modes, along with air and bus lines and the private auto; without Amtrak, the U.S. would be the only developed nation in the world lacking a national rail passenger service.

From its revenues and Federal subsidy, moreover, Amtrak shells out $116 million annually to maintain the rail right-of-way, which it owns outright, from Boston to Washington. Conrail, New Jersey Transit, Metro-North, the Southeast Pennsylvania Transit Authority, the Maryland Rail Commuter service, the Massachusetts Bay Transit Authority are some of that right-of-way's users. How many of them, and under what interstate formula, will pick up that $116 million cost if the Reagan Administration kills Amtrak? And who'll maintain the passenger stations; which are not included in the $116 million? Isn't it likely that track and station maintenance—hence commuter services—will simply decline?

If Amtrak is demolished, not only will the $684 million savings (the 1985 subsidy level) be a drop in the huge bucket of a projected deficit above $200 billion; killing rail passenger service probably will cost the Government billions over the following six years. That's because labor contracts inherited by Amtrak from the private railroad companies provide that any employee who loses his job because of a route discontinuance must be paid his full salary for every year he's worked, for up to six years. If the Government now kills all Amtrak routes, the courts probably would hold it responsible for the inherited contracts; that would cost about $2.1 billion in "labor protection" pay over the six-year period—with nothing received in return.

Besides, it's a late day to lower the budget boom on Amtrak—just after a Federal capital investment totaling $5.2 billion in the system's infrastructure (its stations, maintenance facilities, computer systems and new rolling stock for most routes west of the Mississippi) and in upgrading the Boston-Washington corridor. These investments are just beginning to pay off in improved service and economy. Even grand old Union Station in Washington is being restored to its original function—just as the Reagan Administration decides to dismantle Amtrak.

So why kill Amtrak? Stay tuned, railroad buffs; the Administration's flimsy excuses will be examined in another article.

[From the New York Times, Feb. 19, 1985]

THE END OF THE LINE

(By Tom Wicker)

Why should the Reagan Administration, even with its self-created budget crisis, kill a 24,000-mile rail passenger system that carried 20 million travelers last year—including 60 percent of air-rail traffic in the New York-Washington corridor?

Rising costs? Not at all: Amtrak's Federal subsidy, reflecting its improving performance, has declined by 26 percent since 1980, in dollars adjusted for inflation. Even in current dollars, the system is receiving less from the Federal Government than it did in 1978.

Still, Administration spokesmen charge that taxpayers subsidize every Amtrak passenger by about $35 per trip. They add a $639 million Federal subsidy to the $46 million that business travelers could deduct from income taxes for rail travel in 1984, and divide by 20 million passengers.

The deceptive $35 results leaves out of account such Amtrak outlays as $116 million a year to maintain the Boston-Washington right-of-way, which it owns outright but which Conrail and numerous commuter lines use. By the same tricky arithmetic, the 221 million passengers who flew the airlines in 1984 cost the Treasury $33 each—the $7.4 billion that air business travelers deducted, divided by 221 million. And that's not counting Government spending for air traffic control and airports.

Actually, an Amtrak passenger's $12 fare is matched by an $8 Federal contribution, and other fares are matched in that proportion, because ticket revenues now account for 60 percent of Amtrak's operating costs. That's an improvement from 48 percent in 1980, reflecting tighter management, improved scheduling and hard bargaining for more favorable labor contracts. Even better performance can be expected in the future—if Amtrak has one.

The Administration also claims that the subsidy gives Amtrak unfair advantage over "unsubsidized" transportation modes. But from 1972 to 1983, Federal Aviation Administration programs—primarily air traffic control—cost taxpayers $33 billion; and user fees for buses don't cover the Federal, state and local costs of building and maintaining the streets and highways they travel. These are vital transportation services, carrying far more passengers than Amtrak; but they are "unsubsidized" only in the sense that they do not receive direct Federal payments.

But isn't Amtrak, as the Administration charges, a "subsidy for the middle class"? Well, passenger surveys and travel industry data show that more than 10 percent of travelers with incomes below $10,000 take the train, as do more than 20 percent of those earning $10,000 to $20,000. Nearly 50 percent of Amtrak passengers earn above $30,000, but so do more than 60 percent of air travelers.

Most higher-income rail passengers take short-haul trains like the New York-Washington Metroliners. But travelers with less than $20,000 annual family income account for half of all Amtrak passenger-miles—mostly on long-haul trains. They can't afford the airlines, and consider a long-distance trip more comfortable on a train than a bus.

Never mind, says the Administration; if Amtrak dies, the states or private rail companies will pick up the service. That's a joke. Amtrak came into being because the railroads wanted out of the unprofitable passenger business; they wouldn't dream of getting back into it.

Forget the states, too. The Metroliners, for instance, traverse the District of Columbia, Maryland, Delaware, Pennsylvania, New Jersey and New York; imagine them trying to work out the management, labor and financing arrangements to keep the trains running and the stations and right-of-way in shape. Since the Reagan Administration also wants to kill Federal aid to mass transit, it's even questionable that, say, New York State would be able on its own to maintain even a heavily traveled intrastate route like that between New York City and Albany.

In fact, if Ronald Reagan persuades Congress to kill Amtrak, for no better reason than to cut only $684 million from a prospective deficit of more than $200 billion, intercity train travel will come to an effective end in the United States; the lost trains will never come back; and the wealthiest people in history, once boasting the most extensive transportation network anywhere, will become the only nation in the developed world without a national rail passenger system.●

THE CASE FOR R&D INCENTIVES

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. AuCOIN. Mr. Speaker, since the current tax incentives for research and development in new technologies will expire this year, I would like to call attention to a study recently released by Data Resources, Inc. The study describes the R&D tax credits' potential for generating dynamic, explosive economic growth for America.

Under the best-case scenario, the study shows that a permanent R&D tax credit would yield $7.5 billion in annual GNP increases by 1986 and $17.7 billion by 1991. Under the worst-case scenario, the study concludes that a permanent R&D tax credit would increase the GNP by $1.2 billion a year by 1986 and $2.9 billion annually by 1991.

Last week, I joined key members of the Ways and Means Committee in introducing a bill which would expand and make permanent the existing R&D tax credit. This bill is the centerpiece of a determined bipartisan effort to help our Nation maintain its technological edge. The implications for my State of Oregon are enormous. According to the American Electronics Association, Portland, OR, has been the Nation's fastest growing area in the electronics industry over the last 4 years. A policy to foster investment in innovative products will make our high-tech community stronger and more competitive in foreign markets.

I commend the Data Resources study to my colleagues because it's really what this bill is all about. It confirms what many of us have believed for a long time. Tax incentives to spur innovation not only pay their own way, but leverage benefits throughout the economy in terms of new jobs and new technologies which can help revolutionize American industries of all types.

An executive summary of the study follows:

EXECUTIVE SUMMARY

The value of government efforts to stimulate private research and development (R&D) activities is demonstrated by considering the process of innovation in our society.[1] Benefits from commercial research quickly spread throughout the economy, improving the quality of life, worker productivity, and real Gross National Product.

Yet for individual firms, R&D activities are inherently risky and the rewards are normally impossible to capture fully. For these reasons, Congress enacted an R&D tax credit in 1981. This study analyses the efficacy of the credit but goes beyond prior analyzes in that it assesses the impact of the credit on the national economy as a whole, not just its effect on individual private R&D spending.[2] For the first time, a dollar estimate is assigned to the additional GNP that the R&D tax credit is likely to generate.

To evaluate the effect of the R&D tax credit more completely, this study presents both a very conservative and a "best-case" scenario.

Under the most conservative assumptions, a permanent R&D tax credit would generate an extra $1.2 billion a year by 1986 in real GNP and $2.9 billion in 1991.

Under the "best case" scenario, but nevertheless reasonable given past gains from technological breakthroughs, an R&D tax credit would yield $7.5 billion in annual GNP increases in constant dollars by 1986 and $17.7 billion by 1991. GNP increases of these magnitudes would produce taxable revenues that should more than offset Treasury revenue losses due to the R&D tax credit.

THE NEED FOR ACCELERATING R&D

Private R&D activities are particularly vital to our economy at this time:

Since the early 1970s (from 1973 to 1981), productivity gains dropped to an annual average rate of just 0.7 percent, compared to about 3 percent over the 1948–73 period. Also during the 1970's, the growth rate of total industrial R&D spending was sharply lower than in the previous decade. Continued and increased R&D spending is necessary to ensure a prolonged recovery in U.S. productivity performance.

High tech exports are increasingly important and accounted for almost 30 percent of U.S. merchandise exports in 1982, up from 24 percent in 1970. The U.S. trade balance in high tech products rose between 1970 and 1980 from $6.1 billion to $25.5 billion, although by 1982 it had fallen back to $17.5 billion.

There is ample evidence that the American technological lead over competitors is not as great it once was. Japan and Germany, in particular, have increased their civilian R&D efforts at a faster pace than has the United States. Japan and the European Community nations have accelerated direct funding of commercial R&D projects. Japan has had an incremental R&D tax credit since 1966, as well as other incentives to encourage investment. Comparatively, the U.S. has devoted the lowest share of GNP to civilian R&D of France, Germany, Japan, the United States and the United Kingdom.

CONCLUSION

The R&D tax credit adopted in the Economic Recovery Tax Act of 1981 has been in effect during a period of impressive increases in R&D spending. Investment in private R&D began to pick up in the late 1970's as oil prices were high and energy-related research was encouraged. Private R&D remained high into the 1980s and even climbed further despite the subsequent drop in oil prices and the deep recession of 1982. (This performance is in sharp contrast to past recessionary periods, when R&D spending levels consistently fell.)

The findings and analysis presented in this report support a continuing government role in fostering private R&D activities. The R&D tax credit enacted in 1981 increased commercial R&D investment. Without Congressional action, the credit will expire at the end 1985. Without this added incentive, as the report confirms, private companies will spend less on their R&D than is in our country's best interests. A permanent R&D tax credit should therefore be enacted.●

[1] The study summarized below was conducted by Martin Neil Baily and Robert Z. Lawrence of the Brookings Institution and Data Resources Inc. It was commissioned by the Coalition for the Advancement of Industrial Technology, a broad-based group of private corporations, universities, industry associations, and independent research laboratories. The research and analysis were performed independently of Brookings and of the Coalition, and the results and conclusions are those of the authors alone.

[2] Previous efforts to quantify the impact of the R&D credit have been limited to identifying the amount of additional R&D investment generated by the credit, as distinguished from the total benefits produced by the new investment. To reach these estimates of total benefits, the study draws on state-of-the-art academic analyses, to obtain estimates: of the social return to R&D investments; of the "average effective rate" or monetary value of the R&D credit for individual companies; and, of the "price elasticity" or percentage increase in R&D spending attributable to the credit.

TITLE IX NEEDS NEW MUSCLE

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mrs. SCHNEIDER. Mr. Speaker, today's issue of Sports Illustrated contains an article by Mr. Robert Sullivan on the threat posed to women's athletic programs by last year's Supreme Court decision in the case of Grove City College versus Bell.

I recommend this article to my colleagues. Mr. Sullivan well documents the gains made in women's athletic programs in the past decade and the retrenchment that is already occurring in the wake of Grove City. In particular, I ask my Republican friends to note the comments of Mr. Terrel Bell, the former Secretary of Education, who says of the inchoate movement away from athletic opportunities for women "you don't go through school again. It's an opportunity lost forever."

Mr. Speaker, the retrenchment currently occurring in women's athletic programs is mirrored by retrenchment occurring in admissions programs, counseling services, curriculum decision, and housing. We cannot sit still and leave our students unprotected from the capricious evils of discrimination. We must make it a priority to overturn the Grove City decision, by enacting the Civil Rights Restoration Act of 1985 into law.

A LAW THAT NEEDS NEW MUSCLE

Last summer, as Cheryl Miller was preparing to lead the U.S. Olympic women's basketball team to the gold medal in Los Angeles, she said, "Without Title IX I wouldn't be here." The reference was to the 1972 federal law that spurred the growth of women's sports by prohibiting sex discrimination in colleges and school systems receiving federal aid. But even as Miller, a star at Southern Cal when not playing for America, was heading for Olympic glory, the law that helped develop her athletic skills lay dor-

mant. It had been effectively scuttled by the U.S. Supreme Court, which ruled on Feb. 28, 1984 that Title IX should be applied more narrowly than it had been. This week promoters of women's athletics will mark the first anniversary of the court's decision with a rally in Washington in support of legislation that would put the muscle back into Title IX.

Nobody disputes Title IX's importance in the startling growth of American women's sports in recent years. There were 32,000 females participating in college athletics in 1972, the year the law was enacted; by '83 the total had increased to 150,000. In '72 only 7% of high school athletes were girls; last year that figure was 35%. From 1974 to 1981 the number of colleges granting athletic scholarships to women increased from 60 to 500, while expenditures on women's programs by NCAA schools soared from $4 million to $116 million. This greater commitment of women's athletics resulted in vastly improved performances by females not just in basketball, but also in track and field, swimming and most other sports.

The Supreme Court decision could change all that. The case involved Grove City College, a private, coeducational school in Pennsylvania that as a matter of principle refused to sign a federal form promising compliance with Title IX. The Court ruled 6-3 in favor of Grove City's position that Title IX should be regarded as "program specific"—i.e., it banned sex discrimination in a particular program receiving federal funds but not in the institution as a whole. Thus, if Old Siwash was unfair to women in athletics but afforded them equal opportunity in academic programs, federal funds could be withheld only for athletics. Because little federal funding goes directly to sports programs, schools with discriminatory athletic departments were no longer threatened with loss of aid.

The immediate effect of the Court's ruling was the shelving of 40-odd cases in which the Department of Education's Office for Civil Rights was investigating alleged Title IX violations. At Penn State, which has had a men's varsity soccer team for 74 years, a complaint about the school's refusal to confer varsity status on the women's soccer club died without a whimper. It's worrisome enough that progress has already stopped in such cases. Worse still is the possibility of gains in women's programs being reversed. Having been forced to beef up those programs by Title IX, most schools now claim to be morally committed to parity for women's athletics. But without a strong Title IX to prod them, even the best-intentioned athletic directors may be tempted to deal with future budget crunches by cutting back on women's programs.

One reason cutbacks haven't occurred already is the political uncertainty surrounding Title IX. The Nixon, Ford and Carter administrations all applied Title IX broadly, but the Reagan Administration, while claiming to be a proponent of women's sports, backed Grove City's bid for a narrower interpretation—albeit over the private objections of then Education Secretary T.H. Bell. Notwithstanding the Supreme Court's majority ruling, there's considerable evidence that Congress meant for Title IX to be broadly applied when it passed the law in 1972, and strong bipartisan support now exists in both houses for the proposed Civil Rights Restoration Act of 1985, which would clearly reassert that intention. The legislation's importance is underscored by Bell, who has left Reagan's cabinet to become a professor at the University of Utah and says he's now "free to talk out" on Title IX. Lamenting the stagnation in women's athletics caused by the weakening of that law, Bell says, "You don't go through school again. It's an opportunity lost forever."●

TONNAGE MEASUREMENT AND LOAD LINES FOR VESSELS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. BIAGGI. Mr. Speaker, today I am pleased to cosponsor legislation which, in effect, continues our efforts to revise and consolidate the laws related to vessel safety in title 46 of the United States code. This particular legislation will update those laws that relate to a vessel's tonnage measurement and load lines.

Before a vessel may be documented as a vessel of the United States, it must first be measured to determine its gross and net tonnages. They are used in the collection of tonnage taxes, drydocking, towing and canal fees, and a myriad of other charges. These tonnages are also used as regulatory yardsticks when deciding which navigational and maritime safety rules the vessels and their crews must comply with.

The major maritime nations have based their tonnage rules on the 1854 British rules of measurement, often cited as the Moorsom system. These rules for the major part have, through the years, been so extensively interpreted that tonnage uniformity never really existed. In an effort to provide international uniformity, the U.S. Coast Guard—representing the United States at many international meetings—has been a leading advocate of reform. The result was the development of the International Convention on Tonnage Measurement of Ships, 1969 at London, England. This convention was ratified by the President on October 28, 1982, with the advice and consent of the Senate. It entered into force internationally on July 18, 1982, and came into effect in the United States on February 10, 1983.

Vessels that engage in international voyages are subject to this tonnage convention and are required to present a valid tonnage convention certificate when entering ports of other contracting governments. The Coast Guard with the help of the American Bureau of Shipping has done an outstanding job of remeasuring our vessels under the provisions of the convention to facilitate their operation without any lost time.

The problem with this legislation in the past has been its applicability to the smaller, domestic vessels. They are adversely affectd by the international tonnage criteria because it materially increases their existing tonnage. This, in turn, subjects them to higher and, in most cases, unnecessary inspection and manning standards. This problem has now been resolved by providing a chapter entitled "Regulatory Tonnage" whose net effect is to continue measurement of these smaller vessels under existing laws and regulations. This, in turn, subjects them to existing vessel inspection and manning requirements. However, many of these vessels would still have to be measured under the international standards if they are operated in international trade.

This legislation will also enable the Coast Guard to apply simplified vessel measurement methods, in lieu of the formal and more extensive procedures, to self-propelled commercial vessels of less than 79 feet that engage on international voyages as well as domestic voyages. This is a broadening of the Tonnage Measurement Simplication Act that I was privileged to steer through to enactment in 1980.

This legislation will also update those laws that require load lines to be conspicuously and permanently marked on each side of the vessel to indicate how deep the vessel may safely load for the intended voyage. These markings, in the form of a load line disc and other lines used in connection with the disc, are always located amidships or at the vessel's midlength between perpendiculars. The exact location of the disc is determined by the rules of classification societies and the Coast Guard which take into consideration the details of length, breadth, depth, structural strength and design, extent of superstructure, sheer and round of beam, and other vessel characteristics to arrive at a safe minimum freeboard for various trading areas. This revision and consolidation does not make any substantial or controversial changes to existing law, regulations, or procedures.

This is legislation that the administration desires; it is legislation whose basic function is safety of life and property at sea; it is legislation that we can all support. I urge your support and cosponsorship.●

DEFENSE POLICY PANEL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. COURTER. Mr. Speaker, I would like to take this opportunity to share with my colleagues my remarks at today's session of the Defense Policy Panel of the Armed Services Committee:

Mr. Chairman, I would like to take this occasion, the first completely open session of our Panel, to express a few thoughts on our Panel's agenda in this first set of hearings on which we have embarked.

First, as a member of the Armed Services Committee, I commend you on your decision to establish the Panel. Our Committee is so heavily burdened by the line-by-line management of the defense budget that we often fail to examine the broad, underlying issues that are central to defense policy. Your decision to establish this panel is an excellent one; it is an example of the leadership you have shown as a Member of Congress, and it will fill an important void that has existed in our Committee's structure. I want to express my hope that you will be receptive to Members' suggestions for witnesses from the defense, foreign policy and academic communities who can help us come to grips with these policy issues.

I also welcome your initiative, Mr. Chairman, in convening this series of hearings on MX, the SDI and arms control. I share your view that there are many questions of policy and strategy in this area that need answers. It is especially necessary for the Administration to articulate, and for Congress to understand, the relationship between strategic defense, modernization of the offensive triad and arms control talks. These three efforts can fit together in an integrated strategy that serves our nation's long-term security interests and keeps the peace.

The President's strategic vision, revolutionary in many respects, is deserving of our careful examination. As these hearings begin, I have several suggestions for subjects that we should study.

With regard to SDI and the MX, I hope that we will examine the possibility of developing a point defense system to defend the MX missile. This would represent a near-term use of SDI technology to solve the MX vulnerability problem, and it might be done within the constraints of the ABM treaty. I know that you, Mr. Chairman, have looked with some favor on the idea of silo defense in the past, and I believe it is a strategic option that we should explore thoroughly in this panel.

We should also explore the possibility of an even wider use of point defense within the next ten to fifteen years, to defend missile silos, submarine bases, command centers and other military assets. A strong argument can be made that near-term employment of defensive systems can enhance strategic stability and deterrence. To do this, we would need to renegotiate the ABM treaty. I hope that this Panel will review the ABM treaty to examine how well it has served our security objectives, and whether it is worth preserving in its current form when both the US and the Soviet Union are moving toward defensive systems.

I would also suggest, Mr. Chairman, that this Panel devote at least one full day of hearings to the most important, and perhaps the most often neglected, aspect of arms control: the question of Soviet violations of arms control agreements, and what the United States should do about them.

The fact of Soviet noncompliance has been well established. Three reports have been issued from the Administration since last year—two from the President and one from a distinguished panel of his advisors. Both SALT agreements and the ABM treaty are among the agreements that have been violated. Some of the violations are marginal and vague, some Soviet acts are subject to legalistic interpretations, and some are quite clear and unambiguous: they are the equivalent of speeding through a 40 mile per hour zone at 80 miles per hour. The radar installation at Krasnoyarsk falls into this latter category.

What is clear is that the Soviets have engaged in a systematic and disturbing pattern of conduct which has put the future of arms control into question.

Some have tried to minimize the importance of Soviet noncompliance, saying that we don't have to trust the Soviets—we only have to trust their natural self-interest in controlling the nuclear danger through arms control agreements. But this assumption is undermined by actual Soviet behavior, which suggests that the opposite may be true: that is, that the Soviets believe that compliance with arms control agreements does not serve their national security interests.

This disturbing possibility, once established as a factual conclusion, would unravel the entire logical basis of the arms control process, and for this reason it is one of the most studiously avoided questions in today's national security debate.

Instead of examining this question, most of us avoid it. We put it out of our mind, like the long-distance runner who deliberately ignores the pain in his knee and keeps on running, even though the pain may signal an injury that threatens his entire running career. It's simply easier to avoid the problem than to face it.

If arms control is to have a meaningful future, we must face the disturbing questions raised by Soviet noncompliance. There is a growing body of scholarship and information, both official and private, which sheds light on this critical question. Mr. Chairman, if we are to be serious about arms control, I suggest that we devote at least one full day to the study of the disturbing record of Soviet violations of arms control agreements.●

THE 75TH ANNIVERSARY OF THE O. BERK CO. OF UNION, NJ

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. RINALDO. Mr. Speaker, I want to take this opportunity to commend the management and employees of the O. Berk Co. of Union, NJ, which marks it 75th anniversary this year.

Founded in Newark, NJ, in 1910, the company is a leading distributor of containers in the Eastern United States, offering a full line of glass, plastic, and aluminum containers used for the packaging of numerous products. Present management represents the third generation of the family that acquired the company in 1925, when the product line was dominated by glass jars and cork and metal closures.

Over the past 75 years, the company has experienced steady growth and an increasing influence in the container industry. In 1973, O. Berk expanded its operations with the purchase of the J.S. Wilson Glass Co., and 3 years later acquired the United Bottle Co. That same year, in a move to further broaden its market area, the firm opened a full-service branch office/warehouse in Farmingdale, NY, in the heart of the booming Long Island area. And 7 years later, in 1983, O. Berk gained a presence in the Delaware-Maryland-Northern Virginia-Washington, DC, market with the purchase of Kols Containers Inc. of Baltimore.

O. Berk was one of the first in the industry to offer aluminum containers, and, in 1984, organized O. Berk International Inc. as the exclusive distributor of the aluminum products of Tournaire S.A. (France) in the United States, Canada, and Mexico.

As the company grew, so did its need for a larger home office, and last year O. Berk moved from its long-time headquarters in Linden, to larger facilities at 3 Milltown Court, Union.

The history of the O. Berk Co. is a modern day business success story, and among those responsible for the achievements of this thriving enterprise are Norbert Gaelen, of Short Hills, president of the company; Daniel Klein, of South Orange, executive vice president; Robert Kuhn, of Florham Park, vice president/sales; and Marc Gaelen, of Livingston, general counsel.

The company and its employees also take their obligations to the community seriously and are involved in numerous charitable and public service endeavors. For example, they have contributed to the restoration of the Statue of Liberty, and have supported the programs of the Red Cross, the Jaycees, Alexian Brothers Hospital in Elizabeth and the Greater Newark and Union County Chambers of Commerce.

O. Berk is truly a company that recognizes its responsibilities to the community as well as to its employees, and I am proud that it is in my district.●

H.R. 700, THE CIVIL RIGHTS RESTORATION ACT OF 1985

HON. BRUCE A. MORRISON

OF CONNCETICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, the major civil rights laws of the 1960's—the Civil Rights Acts of 1964 and 1968 and the Voting Rights Act of 1965—have played a critical role in promoting equal opportunity in the United States. However, we still have a long way to go before reaching our goal of equal opportunity for all Americans, regardless of gender, age, race, national origin, or handicap. I am honored to join with my colleagues in cosponsoring H.R. 700, the Civil Rights Restoration Act of 1985.

H.R. 700 would ensure that Federal moneys not be used, in any manner, to subsidize discrimination. It would accomplish this by overruling the U.S. Supreme Court's 1984 decision, *Grove City* v. *Bell.* The Court ruled that antidiscrimination provisions of title IX of the Education Amendments of 1972 apply only to specific programs or activities within an institution receiving direct Federal aid, not to the entire institution. This legislation would also restore the scope of coverage intended by Congress in title VI of the 1964 Civil Rights Act, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1973.

Although civil rights laws alone cannot eradicate inequality, they are a major tool for fighting the barriers to equality. Since the civil rights movement began, the United States has made great progress toward eliminating discrimination and ensuring political, social, and economic equality for all Americans.

The House overwhelmingly passed this legislation last year. It has the strong support of over 300 organizations such as the National Council of Negro Women, the National Organization of Women, the Disability Rights Education and Defense Fund, the NAACP, the AFL-CIO, Common Cause, the American Association of State Colleges & Universities, and the American Association of University Professors. Today marks the first anniversary of the *Grove City* decision, and supporters of this very important legislation will be expressing their solidarity with flashlights on the steps of the Capitol in a ceremony entitled "An Evening of Reflection and Lights for Simple Justice."

We must maintain our commitment to equality. We must restore the dream of a just society—not just to the women, the blacks, the Hispanics, the handicapped, and the older worker—but to all Americans. The Civil Rights Restoration Act of 1985 would ensure that if an institution received any Federal financial assistance, the entire institution must comply with Federal antidiscrimination laws. It is important for Americans to know were this country stands on the issue of discrimination. This legislation would show where we stand.●

ALTERNATIVE TO THE 22-CENT STAMP

HON. ED ZSCHAU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. ZSCHAU. Mr. Speaker, in 1976 in New York, a group of Cub Scouts was threatened with a $76,500 Federal fine. Their crime: Delivering Christmas cards to their neighbors. In 1978, the Postal Service was successful in persuading a judge to issue a "cease and desist" order against the P.H. Brennan Hand Delivery Service. Mr. Brennan's crime: Providing same-day mail delivery service for 10 cents when the Postal Service was charging 15 cents and unable to guarantee overnight delivery.

Mr. Speaker, frankly I think it's a crime for the U.S. Postal Service to increase the price of a first-class stamp from 20 to 22 cents. But that's what it did on February 17, 1985. The cost to mail a postcard was increased from 13 to 14 cents, and other postal rates increased as well.

This latest in a series of postal rate increases is unwelcome news to Americans who already feel that they pay too much for too little service. The Postal Service's own records show that delivery time for a first-class letter increased by 10 percent between 1969 and 1982. And even Postmaster General William Bolger has conceded that postal delivery may have been more reliable in the 1920's.

I believe the American public can get more value for its postal dollar. However, the problem does not lie with Postal Service employees. They are dedicated and work hard. Instead the problem with the Postal Service's performance is institutional—it's a monopoly.

Like all monopolies, the Postal Service has become inefficient because it has no competitors nipping at its heels. If Americans feel the mail is too costly or too slow, they have no alternative. Except for the delivery of parcels and overnight letters, the creation of private postal companies is prohibited in 39 U.S.C. 6 and 18 U.S.C. 83.

Mr. Speaker, today I offer H.R. 1387, an alternative to the 22-cent stamp. My bill would repeal the provisions in the law that prohibit competition with the Postal Service. It would permit private companies to carry all types of mail. Our competitive, free market economic system has been the source of our Nation's growth and prosperity for over 200 years. There is no reason why the creative genius of the entrepreneur should be excluded from the carriage of mail.

As noted on a 1982 report by the Joint Economic Committee, my view is shared by Federal Trade Commission Chairman James C. Miller III and Assistant Secretary of Commerce Bernard J. Wunder, Jr.

Our own history has shown that competition can improve mail delivery service. The famed Pony Express, a 2,000 mile mail route that ran from St. Joseph, MO, to my State of California, helped narrow the communication gap between the West and the East in the mid-19th century.

In March 1860, William H. Russell and two partners founded the Central Overland California & Pike's Peak Express Co. That company set up a system of relay stations and riders between Missouri and California, and the first privately carried Pony Express route delivered mail between St. Joseph and Sacramento in 10½ days, less than half the time it took the Post Office. A year later, the Post Office admitted that the Pony Express was faster and began contracting with the private company to expedite Government mail.

More recent examples of the ability of the private sector to carry mail are the United Parcel Service and the fast-growing overnight express mail industry. Given the choice between the Postal Service and UPS, Americans choose UPS 70 percent of the time. Overnight express represents one of the most fiercely competitive industries in the United States today, providing Americans with excellent service. Private overnight express companies competing with the Postal Service have captured 76 percent of the market.

Members of Congress already know the benefits of private mail services. My own survey of House Members found that 74 percent used private overnight mail carriers and not the Postal Service, even though the Postal Service overnight mail costs about 15-percent less (until the recent rate increase). In addition, a private company—in violation of the law—has delivered mail to our congressional offices for the last 3½ years. The House and Senate Delivery Service delivers unaddressed letters to our offices for 5 cents a letter and charges 12 cents an ounce for addressed mail.

Mr. Speaker, I would like to address an argument that is often used to justify the Postal Service's monopoly. It is an argument that will no doubt be used against my bill. The argument is as follows: "If competition is permitted with the Postal Service, private companies will skim the 'cream' from profitable routes. If this happens the Postal Service would be left delivering mail to less profitable rural areas and would have to raise rates. As a result, rural consumers would get worse service but have to pay higher prices."

Evidence abounds that this problem would be not as great as most people imagine. First of all, rural deliveries account for only 4 percent of the Postal Service's budget. But even if such rural deliveries constituted a greater percentage of deliveries, they could still be done profitably. For example, UPS delivers 25 percent of its packages to rural destinations and does so at a profit. Overnight express mail services deliver to nearly every ZIP Code in the continental United States—at the same cost to every other destination. A Minnesota firm makes a profit delivering advertising

to rural homes. Finally, a 1977 Justice Department study found "little, if any evidence * * * that (Postal Service) operations demonstrate pervasive declining average costs per units of production to scale." In other words, it is not inherently cheaper to have one organization carry 110 billion pieces of mail than to have several organizations each carrying portions of those 110 billion pieces.

I believe that with private competition, first-class mail delivery could once again be provided at 15 or perhaps even 10 cents per letter. It is time for the U.S. Postal Service to enter the free market.

The text of my bill follows:

H.R. 1387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Chapter 6 of title 39, United States Code, is amended by striking out sections 601 and 602, and by redesignating sections 603 through 606 as sections 601 through 604, respectively.

(b) The table of sections for chapter 6 of title 39, United States Code, is amended to read as follows:

"Sec.
"601. Searches authorized.
"602. Seizing and detaining letters.
"603. Searching vessels for letters.
"604. Disposition of seized mail.".

SEC. 2. (a)(1) Chapter 83 of title 18, United States Code, is amended by striking out sections 1694, 1695, 1696, and 1697.

(2) The table of sections for chapter 83 of title 18, United States Code, is amended by striking out the items relating to sections 1694, 1695, 1696, and 1697.

(b)(1) Section 1698 of title 18, United States Code, is amended by inserting "(other than those carried by private express)" immediately after "cargo".

(2) Section 1699 of title 18, United States Code, is amended by inserting "(other than those carried by private express)" immediately after "nearest post office", and immediately after "under my power or control".●

BURLINGTON NORTHERN SHAREHOLDERS PRESS FOR INFORMATION ON TRANSPORTING NUCLEAR MATERIALS

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, a group of religious organizations that hold stock in Burlington Northern are seeking to include in the company's 1985 proxy statement a shareholder proposal relating to the transportation of nuclear materials.

In order to ensure that company shareholders are fully informed about this activity, the Adrian Dominicans, the Mercy Consolidated Asset Management Program, and the Order of Friars Minor, Holy Name Province, have submitted a resolution asking the Burlington Northern board of directors to provide a written report dealing with current obligations to transport nuclear materials, safety precautions designed to protect employees and the general public, and the possibility of limiting the transport of nuclear materials.

I commend these religious groups on their efforts to bring this important issue to the attention of the stockholders and the general public. A copy of this resolution follows:

BURLINGTON NORTHERN INC. SHAREHOLDER PROPOSAL

Whereas Burlington Northern transports nuclear materials, including nuclear warheads and nuclear fuels for atomic submarines, for the Department of energy;

Whereas national and international movements of opposition to nuclear weapons production and deployment are growing visibly as may be seen by the numbers of vigils and demonstrations by citizens of towns and cities along the routes of the trains transporting the nuclear warheads;

Whereas corporations which transport materials which are designed for the destruction of millions of people and much of the world have a social and ethical responsibility to explain to shareholders the policies and decision-making processes which justify such actions; and

Whereas this resolution does not ask our Company to take a political position on the U.S. defense program but rather to assess the potential health hazards both for its employees and the general public of transporting nuclear weapons;

Therefore be it resolved that the shareholders request the Board of Directors to make available to all shareholders within four months of the 1985 annual meeting a written report containing the following, provided that proprietary information may be omitted and cost may be limited to a reasonable amount:

1. a description of current obligations to transport nuclear materials;

2. the number of employees affected, together with a description of safety measures designed to protect them and the general public from the hazards of routine shipment, as well as measures to be taken should there be an accident;

3. a description of all financial arrangements, including liability, between our Company and the Department of Energy;

4. a brief explanation of the Company's efforts to limit the transportation of nuclear materials, including reference to the economic, social and ethical principles which prompted these efforts;

5. an assessment as to whether the efforts to limit the transportation of nuclear materials should be continued, and, if so, the means by which this may be accomplished.●

EMERGENCY REYE'S SYNDROME PREVENTION ACT OF 1985

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WAXMAN. Mr. Speaker, today I am pleased to introduce H.R. 1381, the Emergency Reye's Syndrome Prevention Act of 1985. Our distinguished colleague, the Honorable HOWARD M. METZENBAUM, is introducing the identical bill in the Senate. We are taking this action in the hope that it will spare families the tragedy of needlessly losing a child to the deadly disorder known as Reye's syndrome.

Reye's syndrome mainly strikes children up to 19 years of age. It is often fatal and may produce brain damage when the victim lives. It typically follows chickenpox or influenza, both of which increase during the winter months. Just when children seem to be recovering from those illnesses, they may suddenly get desperately ill and lapse into coma with Reye's syndrome.

For a number of years, a growing body of scientific evidence has suggested that children who take aspirin products when they have flu or chickenpox are at increased risk of Reye's syndrome. Nearly 3 years ago, a technical committee of the American Academy of Pediatrics reviewed the studies available at that time and concluded that "there is a high probability that the administration of aspirin contributes to the causation of Reye's syndrome."

That committee recommended that aspirin not be prescribed for children with influenza or chickenpox.

Earlier this year, the Institute of Medicine reviewed new data from a Public Health Service pilot study and once again found a strong association between Reye's syndrome and the use of aspirin. They recommended that steps be taken to protect the public health even before the full study is completed.

In response, the Department of Health and Human Services announced that it would pursue a voluntary approach. The Department asked the aspirin industry to put warning labels on aspirin products. When Secretary Heckler first announced the voluntary program, she raised high hopes that industry compliance would be rapid and effective.

Now, however, it appears that this voluntary effort is failing. Stronger steps are needed to protect the public. The Department and industry have failed on three counts:

The proposed labels are inadequate and vague. They do not mention Reye's syndrome and only suggest that parents consult a physician before using aspirin for children with chickenpox or flu;

With the possible exception of one manufacturer, these labels will not appear on aspirin bottles until after the current flu season;

Not all of the industry is even represented in the negotiations on voluntary labeling.

The Congress cannot sit by and watch as more children are exposed to this unnecessary risk. If, as the Secretary has determined, the scientific evi-

dence calls for protective action, why has the Department settled for such limited measures? If the problem is Reye's syndrome, why not say so on the label? If the problem is aspirin, why not require the warning on all aspirin products? If the problem is influenza, why ignore the current flu season?

The Emergency Reye's Syndrome Prevention Act will take the steps that should have been ordered by the Department of Health and Human Services in January, or perhaps even years ago. A clear warning will be required on all aspirin products, along with an eye-catching logo that will attract people to actually read the label. All advertisements will have to contain the same warning.

Fortunately, this terrible syndrome is rare. But that is no consolation to parents who didn't know that giving aspirin to their young child could be deadly. Nor is it any consolation to families with a teenager who died because there was no obvious warning on the aspirin bottle.

Even one unnecessary death is too many. The administration's voluntary approach is too little too late. It is time to take the kind of action that will inform the public and end this needless tragedy.

Mr. Speaker, I ask that a copy of H.R. 1381 be printed in the RECORD at this point.

H.R. 1381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Reye's Syndrome Prevention Act of 1985".

ASPIRIN WARNING

SEC. 2. Section 502 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following:

"(u) During the period beginning upon the expiration of 30 days after the date of the enactment of this paragraph and ending on the date the requirements of paragraph (v) take effect, if it is a drug which contains a salicylate unless the container in which it is sold at retail bears the statement prescribed by paragraph (v)(1)(A) and unless each retail establishment at which it is offered for sale displays prominently, where the drug is held for sale, a notice containing such statement.

"(v)(1) If it is a drug which contains a salicylate unless in accordance with paragraph (2)—

"(A) its labeling contains the following statement: 'WARNING: This product should not be given to individuals under the age of 21 years who have chicken pox, influenza, or flu symptoms. This product contains aspirin or another salicylate which has been strongly associated with the development of Reye's Syndrome, a serious and often fatal childhood disease.'; and

"(B) the manufacturer, packer, or distributor (including all retail establishments) thereof includes in all advertisements and other printed and descriptive matter issued or caused to be issued by the manufacturer, packer, or distributor with respect to any drug which contains a salicylate the statement required by clause (A).

"(2)(A) The statement required by subparagraph (1)(A) shall be in the following form: 'Warning: This product should not be given to individuals under the age of 21 years who have chicken pox, influenza, or flu symptoms. This product contains aspirin or another salicylate which has been strongly associated with the development of Reye's Syndrome, a serious and often fatal childhood disease.'

"(B) In the label required by clause (A), the arrow shall be printed in yellow and the circle shall be printed in red.

"(3) The Secretary shall promulgate such regulations as may be necessary to implement the requirements of subparagraphs (1) and (2).".

REGULATION DATE

SEC. 3. The Secretary of Health and Human Services shall promulgate the regulations required by section 502(v)(3) of the Federal Food, Drug, and Cosmetic Act not later than 180 days after the date of the enactment of this Act.●

THERE SHOULD BE NO DOUBLE STANDARD OF JUSTICE—KTVU BROADCASTS EXCELLENT EDITORIAL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. LANTOS. Mr. Speaker, the case of Vice Adm. Joseph Metcalf, who attempted to bring back to the United States AK-47 automatic rifles seized during the military operations in Grenada last year, raises a number of serious questions regarding equality of treatment among military officers and enlisted men. Ray Jacobs, editorial director of KTVU channel 2 in Oakland, CA, broadcast an excellent editorial on this matter involving Vice Admiral Metcalf. I would like to place in the RECORD, for the benefit of my colleagues, this fine editorial.

The Defense Department has been caught using a double standard of justice for its top brass and enlisted men. Five soldiers and two Marines were court martialed for bringing Soviet-made AK-47 automatic rifles into the United States following the Grenada operation two years ago.

Vice Admiral Joseph Metcalf, who commanded the operation, and members of his staff were also caught bringing in AK-47's. Some of the soldiers and Marines were jailed and dishonorably discharged. The Admiral and his staff were reprimanded. They're still in the service with clean records. The Defense Department won't comment. The Navy says the matter is closed.

That's what we expected but it's not good enough. We're going to ask our Congressman and Senators to investigate this double standard justice. We'll let you know what happens. We think the Marines and soldiers should be cleared and reinvested or the Admiral should be drummed out of the Service.●

ADVANCING PEACE IN CENTRAL AMERICA

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. PANETTA. Mr. Speaker, recent statements from the White House have at long last dispelled the confusion about U.S. aims in Central America. When pressed on the matter during a nationally televised press conference last week, President Reagan asserted that U.S. support for the war in Nicaragua would continue until that nation's Government cried "uncle."

Gone are the arguments of yesterday that covert U.S. support for anti-Government Contras would encourage the Sandinistas to negotiate with their neighbors or promote pluralism within Nicaragua itself. Gone, too, is the claim that covert U.S. involvement was aimed at the interdiction of arms flowing to rebels in El Salvador—the original rationale advanced by the White House for supporting the Contras.

The White House has spelled out its intentions once and for all: The United States will not tolerate the continued existence of the present Government of Nicaragua. Acceptance of this position leaves only the question of how much force need be applied to secure our aims.

Mr. Speaker, the American people are increasingly alarmed by our rapidly expanding military presence in Central America, and rightfully so. Beginning with the occupation of Cuba in 1822, the record of U.S. intervention in the Caribbean and Central America has shown that military force is a poor substitute for foreign policy. That American troops returned more than 60 times to restore order in the region underscores the elusive nature of stability imposed by force.

Without question the United States has an overriding security interest in promoting stability in this hemisphere. As our experience in the region demonstrates, however, it is equally clear that if the means used to achieve security are primarily military, the outcome will be decided—if only in the short term—by the balance of military strength. In such a contest the forces of moderation have little chance of making themselves heard, raising once again the specter of a direct U.S. combat role.

Having recently traveled with three of my colleagues to Central America, I am convinced that there is a better way to promote stability and democratic reform in the region. I believe this Nation's best prospect for reasserting its leadership lies in promoting a collective approach to the region's economic and security problems. The

United States should fulfill its partnership with the nations of Latin America in the common pursuit of peace by throwing full diplomatic weight behind the regional peace efforts sponsored by the Contadora nations—Mexico, Venezuela, Colombia, and Panama.

On September 7, 1984, a vital milestone was reached in the search for peace with the presentation of the Contadora Act for Peace and Cooperation in Central America. That document, as my colleagues will recall, proposes a framework for peaceful coexistence and democratic development in Central America.

The plan proposes limits on levels of military force in the region; elimination of all foreign military presence from the region; creation of improved mechanisms for resolving disputes between states; promotion of national reconciliation on the basis of open elections and respect for human rights; greater cooperation on matters of economic development and refugee assistance; and establishment of means for verifying compliance with its conditions. Efforts are now underway to resolve concerns relating to enforcement mechanisms.

In view of this hopeful breakthrough, I rise today to introduce legislation (H.R. 1335) to move the United States behind the Contadora program for peace.

The legislation I propose provides for direct U.S. consultations with and support for the Contadora group; a resumption of bilateral negotiations with Nicaragua; and a 90-day suspension of U.S. military activity in Central America.

SUPPORT FOR CONTADORA

H.R. 1335 provides for direct consultations between the United States and the participants in the Contadora process in order to develop a common policy for promoting peace in Central America, and to make available such advisory and technical services as may be requested. Under this legislation, the United States is to work actively to persuade other governments involved in the region to join in observing the conditions for peace established by Contadora.

RESUMPTION OF UNITED STATES-NICARAGUAN NEGOTIATIONS

The second component of this legislation provides for a resumption of direct negotiations between the United States and Nicaragua. As my colleagues will recall, United States and Nicaraguan officials met nine times at Manzanillo, Mexico, before the talks were suspended by the White House. Consistent with the terms of Contadora, such contacts are essential to resolving legitimate U.S. security concerns.

TEMPORARY SUSPENSION OF MILITARY ACTIVITY

Finally, H.R. 1335 provides a temporary suspension of all U.S. support for or participation in military or paramilitary activities in Central America in order to promote a favorable climate for the Contadora negotiations. Such a suspension would provide a measure of breathing space during which the peace talks could proceed free from the threat of escalating conflict.

To conform with the conditions of Contadora, a freeze on military activities would necessarily apply to: First, military assistance and construction programs in the region; second, military training exercises; third, reconnaissance flights on behalf of other nations; and fourth, support for military or paramilitary operations in Nicaragua. In addition, the number of U.S. military personnel stationed in Central America would be capped at the current level.

The success of the Contadora process cannot, of course, be brought about solely by U.S. action. No single actor, however, has a greater capacity to shape the future direction of events in Central America than the United States. Rather than attempting to overthrow governments with whom we disagree—a policy that defies American traditions and treaty commitments and inevitably leads to direct military involvement—let us strike a new course for peace by throwing our full diplomatic weight behind the Contadora peace effort.

Mr. Speaker, it is the purpose of this legislation to lead us away from the morass of military intervention in Central America by seizing the opportunity presented by the Contadora program for peace. We must act today, before the military escalation in the region precludes the option of diplomacy and makes U.S. intervention all but inevitable.

The text of the bill follows:

H.R. 1335

A bill to provide for direct consultations between the United States and the participants in the Contadora process in order to develop a common policy for promoting peace in Central America, for a resumption of bilateral negotiations between the United States and Nicaragua, and for a temporary suspension of United States support for or participation in military and paramilitary activities in Central America in order to provide a favorable climate for the Contadora process

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) ACHIEVING SECURITY IN CENTRAL AMERICA.—The achievement of security in Central America depends on the resolve and the cooperation of the people and governments of the hemisphere in working through peaceful means to resist subversion and destabilization, as exemplified by the diplomatic efforts of the Contadora nations of Colombia, Mexico, Panama, and Venezuela in working with the Central American countries.

(2) CONTADORA PROCESS.—A significant and hopeful milestone in the development of a system of regional relations was reached with the presentation by the foreign ministers of the Contadora nations on September 7, 1984, or the "Contadora Act for Peace and Cooperation in Central America", a proposed treaty that promotes peaceful coexistence and democratic development in Central America based on the principles set forth in the September 9, 1983 "Document of Objectives". These principles include—

(A) renunciation of the threat or use of force against the territorial integrity or political independence of states;

(B) the peaceful settlement of disputes;

(C) noninterference in the internal affairs of other states;

(D) cooperation of states in resolving international problems;

(E) equal rights, free determination of peoples, and respect for human rights;

(F) sovereign equality and respect for sovereign rights;

(G) refraining from discriminatory practices in economic relations between states, and respecting their systems of political, economic, and social organization; and

(H) fulfillment in good faith of the obligations assumed in accordance with international law.

(3) UNITED STATES CONTRIBUTION.—The United States can make a significant contribution to the ongoing efforts to develop mechanisms of control and verification to be used—

(A) by offering such assistance and support as may be requested, and

(B) by pursuing policies toward the countries of the region which are sensitive to the principles embraced by the participants in the Contadora process and which promote a climate of peace.

(b) PURPOSES OF ACT.—The purposes of this Act are as follows:

(1) DIRECT CONSULTATIONS BY THE UNITED STATES WITH PARTICIPANTS IN CONTADORA PROCESS.—To provide for direct consultations between the United States Government and the participants in the Contadora process in order to develop a common policy for promoting peace in Central America.

(2) RESUMPTION OF BILATERAL NEGOTIATIONS BETWEEN THE UNITED STATES AND NICARAGUA.—To provide for a resumption of bilateral negotiations between the United States Government and the Nicaraguan Government in support of the Contadora process and in order to reach agreements leading to the normalization of relations between the United States and Nicaragua.

(3) TEMPORARY SUSPENSION OF UNITED STATES SUPPORT FOR OR PARTICIPATION IN MILITARY AND PARAMILITARY ACTIVITIES IN CENTRAL AMERICA.—To provide for a temporary suspension of United States support for or participation in military and paramilitary activities in Central America in order to promote a favorable climate for the Contadora process.

SEC. 2. UNITED STATES ACTIONS IN SUPPORT OF THE CONTADORA PROCESS

(a) INITIATING A DIALOGUE WITH PARTICIPANTS IN CONTADORA PROCESS.—The United States shall initiate a dialogue with the participants in the Contadora process for the purpose of developing a common strategy for promoting regional stability.

(b) ASSISTING EFFORTS TO IMPLEMENT CONTADORA PRINCIPLES.—The United States should assist, through nonmilitary means, efforts to implement the objectives of the

"Contadora Act for Peace and Cooperation in Central America"—

(1) by offering such advisory services as may be requested in accordance with the terms of that agreement, and

(2) by exerting vigorous diplomatic efforts to persuade other governments involved in the Central American region to observe these conditions.

(c) WILLINGNESS TO PURSUE MULTINATIONAL NEGOTIATIONS.—In order to help achieve a regional peace agreement, the United States should announce its willingness to pursue multilateral negotiations with the Central American countries for the purpose of obtaining agreement on the "Contadora Act for Peace and Cooperation in Central America".

SEC. 3. RESUMPTION OF BILATERAL NEGOTIATIONS WITH NICARAGUA.

The United States shall communicate to the Nicaraguan Government its desire to resume bilateral negotiations in order to—

(1) further the aims of the "Contadora Act for Peace and Cooperation in Central America", and

(2) promote the normalization of relations between the United States and Nicaragua.

SEC. 4. TEMPORARY SUSPENSION OF SUPPORT FOR OR PARTICIPATION IN MILITARY OR PARAMILITARY ACTIVITIES.

(a) TEMPORARY SUSPENSION.—During the 90-day period beginning on the date of enactment of this Act, the United States shall suspend its support for and participation in military or paramilitary activities in Central America, as follows:

(1) MILITARY ASSISTANCE.—The United States shall suspend—

(A) all assistance under chapter 2 or chapter 5 of part II of the Foreign Assistance Act of 1961 or under the Arms Export Control Act for Central American countries, and

(B) all sales of, export licenses for, and other transfers of defense articles or defense services under the Arms Export Control Act for Central American countries,

except that this paragraph does not apply with respect to the provision of medical facilities or supplies (which may not include any equipment which will be armed or otherwise used for combat, troop support, or any other nonmedical purpose) or to the provision of medical training or services.

(2) MILITARY CONSTRUCTION ACTIVITIES.—The United States shall suspend all construction activities with respect to military facilities in Central American countries, including any construction, modification, or improvement of any existing or new military facility.

(3) TRAINING EXERCISES.—United States Armed Forces shall not participate in any training exercises in or off the shores of Central American countries, and any such participation occurring on the date of enactment of this Act shall be terminated immediately.

(4) NUMBER OF MEMBERS OF THE UNITED STATES ARMED FORCES IN CENTRAL AMERICA.—The number of members of the United States Armed Forces in any Central American country may not exceed the number in that country on the date of enactment of this Act, except that this paragraph shall not preclude the introduction of United States Armed Forces into a Central American country in order to meet a clear and present danger of hostile attack upon the United States or to meet a clear and present danger to, and to provide for the essential and immediate evacuation of, United States citizens.

(5) AIR RECONNAISSANCE FLIGHTS.—The United States shall suspend all air reconnaissance flights by aircraft operated by or on behalf of the United States Government for the purpose of providing tactical intelligence information for combat operations by the armed forces of any Central American country.

(6) FUNDING OF PARAMILITARY OPERATIONS IN NICARAGUA.—There shall be no obligation or expenditure of any funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities, for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

(b) Nothing in this section shall be construed to authorize activities, after the end of the 90-day period referred to in subsection (a), which are otherwise prohibited by law.

SEC. 5. REPORT TO THE CONGRESS.

Not later than 90 days after the date of enactment of this Act, the President shall submit to the Congress a report—

(1) describing the steps he has taken to carry out sections 2 and 3 of this Act;

(2) discussing the progress being made in bringing about a peaceful resolution of the conflict in Central America on the basis of the Contadora process;

(3) discussing the status of bilateral negotiations between the United States and Nicaragua;

(4) assessing whether, during the temporary suspension pursuant to this Act of United States support for and participation in military and paramilitary activities, the Central American countries conducted themselves in a manner consistent with the "Contadora Act for Peace and Cooperation in Central America"; and

(5) making recommendations on the actions the United States should take in the future to promote the peaceful resolution of the conflict in Central America.

SEC. 6. DEFINITION OF CENTRAL AMERICAN COUNTRIES.

As used in this Act, the term "Central American countries" means Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.●

LEGISLATION IN THE INTEREST OF THE TIGUAS AND THE COUSHATTAS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. COLEMAN of Texas. Mr. Speaker, today my esteemed colleague, Congressman CHARLES WILSON, and I are introducing legislation which we believe vital to the interests of the two tribes of native Americans which reside within our respective districts in the State of Texas—the Tiguas of El Paso and the Alabama-Coushattas of Livingston.

The Tigua tribe of El Paso—Pueblo De La Ysleta Del Sur—first settled in its present location in 1680. The right of that tribe to reside on that land was recognized by a succession of governments having jurisdiction over that acreage and included those of Spain, Mexico, the independent nation of Texas and, upon Texas becoming part of our country, the United States.

In 1967, the Texas State legislature enacted legislation which authorized the State to accept a transfer of Federal trust responsibilities to the Tigua Indian tribe. In 1968, the U.S. Congress approved the transfer of any and all Federal trust responsibility to the State of Texas.

Pursuant to these acts, the State of Texas administers the Tigua tribe's affairs. The State holds the 100-acre reservation in trust for the tribe and through the Texas Indian Commission provides a superintendent as well as administrative and economic development funding.

The Alabama-Coushatta tribe originally settled in what is now known as the Big Thicket area of east Texas during the 1700's. Because of the assistance that the Alabama-Coushattas provided to General Sam Houston during Texas' War of Independence from Mexico, the State purchased certain lands to serve as a permanent home for the tribe since 1854. The State of Texas has served in a trustee capacity since that time to the Alabama-Coushattas.

In 1928, the U.S. Government joined with the State of Texas in a cotrusteeship relationship regarding the Alabama-Coushattas. Later, in 1954, the Federal Government turned full responsibility for the tribe back over to the State with the effect being that both tribes enjoyed the same relationship.

It now appears, however, that the State of Texas may renounce its historical relationship with both the Tiguas and the Alabama-Coushattas, as well as the duties that it assured Congress it would accept in 1954, 1967, and 1968. The attorney general for the State of Texas has issued a formal opinion in which he disputes the existence of a special relationship between the State and the tribes and finds further that the maintenance of such a relationship would run counter to the intent of the equal rights amendment of the Texas Constitution.

As a consequence of that opinion, which is being relied upon by the State comptroller, both the Tigua and Alabama-Coushatta tribes now find that their lands are without the protection provided by prior law. Thus, the restricted status of their reservation as well as the continued State funding for tribal government and management are gravely jeopardized.

The legislation being introduced today seeks to reestablish and restore the Federal trust relationship with both tribes, thereby securing permanent protection for their reservation lands and ensuring the survival of their respective tribal forms of government.

While it is indeed regrettable that the actions of the Texas State attorney general have prompted the introduction of this legislation, and despite the fact that the opinion may be overturned on appeal, it would appear that the restoration of a Federal trusteeship with both tribes would be the preferred long-term solution to this issue. Since the introduction of a similar bill in the 98th session of Congress attracted widespread support from both tribes, as well as a host of native American groups and Texas officials, I would hope that this initiative is considered in a timely manner by my colleagues.●

SMOKING, HEALTH, AND THE CIGARETTE TAX

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. BEILENSON. Mr. Speaker, cardiovascular disease is the leading cause of death in the United States. Congress and the President have designated February as "American Heart Month" to focus attention on this enormous problem.

Heart and blood vessel disease afflicts 43 million Americans—nearly one person in every five. This year alone, as many as 1.5 million Americans will suffer heart attacks, and 500,000 will die from them. About 1.9 million people will suffer a stroke. And 37.9 million Americans will suffer from high blood pressure.

Heart Month is an especially appropriate time to publicize the strong causal link between cigarette smoking and cancer, lung disease, and heart disease. More than 300,000 Americans die each year from diseases related to smoking.

Of all the deaths each year related to smoking, about half—an estimated 170,000—are from heart disease. Cigarette smoking is responsible for about 30 percent of all heart disease:

Smokers, on average, are 70 percent more likely to die of heart disease than nonsmokers.

Heavy smokers are two to three times more likely to die of heart disease than nonsmokers.

Smoking signficantly increases the risk of a second heart attack in individuals who have already suffered from one.

These facts are especially tragic because cigarette smoking is an entirely preventable cause of disease, disability, and death.

Mr. Speaker, it is regrettable that, at a time when the dangers of smoking are clearly evident, the Federal excise tax on cigarettes is scheduled to drop by half. Congress increased the cigarette tax from 8 to 16 cents a pack, starting in 1983, but that increase is only temporary. On October 1 of this year, unless Congress changes the law, the cigarette tax will revert to 8 cents a pack—the original level set in 1951.

Congress should not permit the cigarette tax to decline; in fact, it ought to sharply increase this tax. Earlier this month, I introduced legislation (H.R. 951) which would set the cigarette excise tax at 40 cents a pack. Given 400 percent inflation since 1951, when the tax was first set at 8 cents, and the very harmful effects of smoking on human health, this increase is entirely justifiable.

A higher cigarette tax would raise about $7 billion a year in new revenue and help reduce substantially the enormous Federal deficit. It would return to the U.S. Treasury some of the money paid out by the Federal Government through Medicare, Medicaid, and other Federal programs to treat smoking-related illnesses and compensate the families of individuals who die from diseases caused by smoking.

The higher cigarette tax could have an equally significant public health benefit: A drop in cigarette consumption and a corresponding decline in smoking-related illness. Increasing the cigarette tax would reduce cigarette consumption by current smokers, and it would cause many individuals to avoid smoking altogether. Thus, it would prevent an immense amount of future disease, disability, and death.

A study by Dr. Kenneth Warner of the University of Michigan suggests that a tax such as the one I am proposing, which would boost the cost of cigarettes by roughly 25 percent, could reduce cigarette consumption by as much as 10 percent. Since Americans smoke about 570 billion cigarettes each year, that would translate into a drop in consumption of more than 50 billion cigarettes.

The Michigan study also determined that the deterrent effect of a higher cigarette excise tax would be even greater among teenagers, who generally have less disposable income, than among adults.

Mr. Speaker, Surg. Gen. C. Everett Koop has called cigarette smoking the No. 1 public health threat. Raising the cigarette tax is an entirely justifiable step which would raise significant revenue and help deter smoking—especially among young people.●

SITUATION IN NICARAGUA

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. COELHO. Mr. Speaker, I wanted to take this opportunity to bring to the attention of my colleagues a letter written by Mr. Leo Stutzin of Modesto, CA.

He recently visited Nicaragua and contacted me about his visit and what he saw in this troubled nation. I think it is vital to consider all of the evidence, not just what the Reagan administration releases with its predisposition against the Sandinista government. In addition, I feel that Mr. Stutzin's letter underscores the responsibility of this Congress to ensure that our great Nation maintain its commitment to opposing aggression, and reject the policy of the Reagan administration which has self-proclaimed our Government guardian angel in Latin America, despite a recent Washington Post-ABC News poll which found 70 percent of Americans oppose U.S. involvement in efforts to topple the Nicaraguan Government.

MODESTO, CA,
February 20, 1985.

Representative TONY COELHO,
403 Cannon House Office Building,
Washington, DC.

DEAR TONY. After listening to President Reagan's State of the Union Address and reading about his clear call for action against the government of Nicaragua—now a government that has been endorsed in an election of remarkable fairness by the standards of most of the world—I feel compelled to write to you to appeal for your action, and congressional action, to keep American weapons and American fighting men from compounding the difficulties of that impoverished corner of the world.

I am writing to you because of my experiences during a month in Nicaragua, and because of my faith that an informed Congress will not allow the United States to embark on an unjust war or to support a covert war that has virtually no visible support within the country where it is being waged.

I am not an ideologue. And I am not a leftist except to someone who pins that label on most of the Democratic Party. I supported the Vietnam War until 1968 or 1969. So when I went to Nicaragua last September, it was with an open mind tempered by a journalist's skepticism.

I had a month's vacation that needed to be taken or lost, a desire to brush up my Spanish, and a newsman's curiosity about life there. Through a few inquiries, I became convinced that there was no special danger in going to Nicaragua; because of the President's rhetoric and books which contradicted him. I became curious to see whether the country was a really totalitarian jungle or a magnificent democracy or something in between. So I went.

I enrolled in a language school in Managua, and for a month I lived in the small home of a seamstress there. Because the school was operated by ardent supporters of the revolution, I kept my distance from most of their activities, preferring to do my own digging into Nicaraguan life.

I wandered the streets, traveled to other cities, attended traditional Catholic services, liberation Catholic services and Baptist services, spoke to people of every political persuasion (though I could find no admitted supporters of Somoza), read three newspapers every day (I have three weeks worth of each in my home, which make for interesting comparisons), and sat in on uninhibited

political arguments in the barrio where I lived.

I am enclosing one article that I wrote, which details some of my impressions. I am also available for grilling by anyone who cares to probe my experience further. I will gladly tell you or anyone what I say, without injecting conclusions.

Right now, though, I will vigorously offer a suggestion to you and to the appropriate committees of Congress.

Nicaragua was a wide-open country when I was there in September, except for the remote combat zones. Foreigners are welcomed: foreigners were also free to travel where they chose (via a bus system that is virtually crippled by lack of spare parts). I, with mediocre but functional Spanish, routinely struck up conversations on streets, in markets, on buses, at baseball parks, in churches, at art galleries and coffee shops. I learned a lot. Visitors who are fluent in Spanish can learn much more.

I suggest that the Congress send to Nicaragua Spanish-speaking Amerians whose integrity and loyalty a consensus of its members will trust. Tell them to look, to listen and to probe, and to seek out people in every walk of life. Tell them to ask about life before the revolution, life in the first years after Somoza's overthrow, life since the escalation of the covert war.

Complaints will be easy to find. The government regularly holds public bitch sessions, at different locations every week, with national bigwigs and local officials on hand. I attended one, in Esteli, with Daniel Ortega among the participants. Complaints hit everything from the draft and food shortages to frozen pay and broken streetlights. But sympathy and support for the Sandinista programs and trust in its intentions—especially in health care, education and the well-being of the peasants—were also evident.

Pick your own people and send them, without embassy briefings or brainwashing from any source. Send them with nothing more than open minds, a basic knowledge of Nicaraguan history, and the ability to communicate in Spanish. Tell them to look at the situation from the point of view of the Nicaraguan people, not grand geo-political abstractions which reduce Central American nations to clients or enemies.

I am convinced that what you learn will provide ample reason for allowing the Nicaraguan people, who are fiercely independent, to live in peace. We do not gain by forcing them into the Soviet orbit out of self-defense.

I have deliberately not made any comparisons of conditions in other parts of Central America because I did not travel elsewhere. I believe, though, that similar inquiries throughout the region would be enlightening to all Americans.

Wishing you a fruitful and peaceful congressional session.

Sincerely,

LEO STUTZIN.●

A CONGRESSIONAL SALUTE TO CHILDREN'S WORLD

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. MATSUI. Mr. Speaker, on behalf of Sacramento, I would like to welcome Children's World to the metropolitan area.

Children's World is part of a nationwide network of child care centers committed to the needs of children. It further fills the need for quality child care by providing a program that treats children as human beings—individuals with their own ideas and feelings. Its philosophy is to develop children's positive self-images by allowing them the opportunity to function independently with confidence and skill.

There is a great need for child care in the Sacramento area. Currently, child care centers and day care homes can only serve 60 percent of the children under 10 years of age who need child care. Children's World will be filling this need for quality child care by opening seven centers in Sacramento and other outlying areas.

Mr. Speaker, Children's World deserves our gratitude and warmest thanks. I wish them much success in Sacramento.●

R&D COST ALLOCATIONS (SEC. 861)

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am once again joined by a majority of my colleagues on the House Ways and Means Committee in introducing legislation to permanently repeal a provision of the Internal Revenue Code regulations that discourages the performance of research and development in the United States. By enacting such legislation this year, we will be taking an important step toward tax simplification by stripping the code of a complex regulation that is hardly neutral in its impact on R&D investment decisions. It says do it overseas. This is inconsistent with our national economic objectives of fostering American technological innovation to restore our competitive position in the international marketplace.

In 1977, the Treasury Department promulgated a regulation, section 1.861.8, which requires U.S. companies with foreign operations to allocate a portion of their domestic R&D expenditures to their income earned abroad. While the regulation requires the use of highly complex formulae, its net effect is to deny U.S. firms the full tax benefits of performing R&D in the United States. It is hardly surprising that foreign tax authorities refuse to recognize this U.S.-imposed accounting fiction and deny any deduction for the U.S. R&D expense so allocated. This means U.S. companies must bear the burden of a higher overall tax liability, placing them at a competitive disadvantage abroad.

While the R&D allocation requirements may rest upon sound theoretical principles from a tax practitioner's perspective, I do not believe this country can afford to ignore our overriding national interest in stimulating technological innovation at home. It is an anomaly to me that at a time when our foreign competitors are adopting a host of governmental policies to foster R&D expenditures within their borders, the United States, through the operation of section 861, is penalizing domestic R&D. Hence, while other countries are attempting to pull our R&D investments abroad, we are simultaneously pushing them overseas. We are thereby encouraging the exportation of our most valuable resource, research and development, and all its concomitant benefits for no other reason than to abide by some tax principle. It is time for the principle to give way to sound national policy.

In 1981, this body recognized the disincentive created by section 861.8, and endorsed a full repeal of the regulation. In the end, however, the Economic Recovery Tax Act included ony a 2-year moratorium on the requirement for R&D allocation to give Treasury the opportunity to reexamine the issue. In early 1983, 21 members of the Ways and Means Committee joined me in introducing legislation to permanently repeal section 861.8 believing, as we do today, that it is bad R&D policy. Despite this broad base of support and confirmation of the disincentive effects of section 861.8 by the Treasury in its report, and by a private study by Arthur Andersen & Co., we were again limited to a 2-year extension of the moratorium in the Deficit Reduction Tax Act of 1984. The moratorium expires in 1985 and it is my firm belief we must act this year to resolve this issue once and for all. Another moratorium is not enough. Devotion of economic resources is a long-term investment requiring a stable economic environment and certainty. Companies will not commit the necessary resources to R&D if they believe their tax treatment will be altered once again in 1 or 2 years.

Mr. Speaker, economic noninflationary growth requires that we foster, and certainly not impede, U.S. R&D investment and the continued expansion of the American technological base. It is only in this way that we can retool our traditional industries, create new and more productive jobs in both our traditional and growing high-technology sectors, and regain our international competitiveness in markets throughout the world. When we export research and development, we not only export jobs, we also export our national productivity and further weaken our competitive standing abroad. If we are going to return this Nation to its status as a vital pro-

ducer of goods that the world needs, then research and development must lead the way.

It is time this Government and this country recognized the important steps that must be taken to restore industrial productivity and to regain our position in the industrialized world. Enacting a permanent solution to the problem created by regulation 1.861.8 is but one of the steps that we should be taking to realize these vital goals, but it is a very important step. We must move quickly to eliminate such a significant disincentive to domestic research and development activities this year.

Our legislation has strong bipartisan support in both Chambers, and it is my sincere hope that it will also have the endorsement of the administration. I wish to thank my colleagues who have cosponsored this legislation with me today and pledge to work with them toward its early enactment.●

JOBLESS RATE REMAINS UNACCEPTABLE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WOLPE. Mr. Speaker, the economic recovery has brought us a healthy increase in the gross national product and a considerable decrease in inflation. Yet, the recovery has had virtually no impact on the level of unemployment. When Mr. Reagan came into office the unemployment rate was 7.5 percent. After hitting a high point of 10.9 percent in 1982, the rate is now 7.5 percent—the same as it was 4 years ago. Moreover, Midwestern and Northeastern States such as Michigan, that were hit hardest by the recession have been lagging far behind in the recovery that the rest of the Nation has been experiencing. In the auto and steel industries alone, nearly 245,000 jobs have been permanently eliminated. Despite the economic recovery, Michigan is currently facing an unemployment rate of 12.1 percent—far above the national average.

The Washington Post story that appears below is an important reminder of the continued unacceptably high level of national unemployment, and the profound long-term social costs of this joblessness.

The article follows:

[From the Washington Post, Feb. 22, 1985]

HIGH JOBLESS RATE SAID SOCIALLY HARMFUL

(By Jane Seaberry)

In his State of the Union address, President Reagan boasted that during his administration more Americans held jobs than at any other time in history.

But at the same time, more people are now unemployed than when he took office, and the unemployment rate is not expected to decline significantly through the end of the decade.

The unemployment rate has risen in two consecutive months, from 7.1 percent in November to 7.4 percent last month. When Reagan took office, the jobless rate was 7.5 percent. Many economists expect the rate to decline to an average of only about 7 percent by the end of the decade.

The consequences of such extended high joblessness are unclear, economists say, but some studies predict social and economic damage, with more illness, higher payments for unemployment benefits, increased crime and, ultimately, lower productivity because unemployment will cause many workers to be undertrained.

The president's budget and the Council of Economic Advisers economic report issued early this month made little mention of unemployment, what should be done about it or what effect chronically high rates of unemployment will have on the economy. The administration maintained that its major economic goal was to keep inflation down.

According to administration projections, the civilian unemployment rate by 1988—the end of the president's second term—will average 6.4 percent. Projections by the Congressional Budget Office put that figure at 6.6 percent, and private economists such as Data Resources Inc. project a 7.2 percent rate in 1987, as far out as their projections go.

Moreover, last month there were 5.3 million people working parttime because they could not find full-time jobs or because work was slack, according to a new series of statistics by the Bureau of Labor Statistics.

Another Labor Department measure of unemployment that takes into account discouraged workers and those who work parttime for economic reasons shows the unemployment rate for the fourth quarter of last year would be 10.8 percent instead of the reported 7.2 percent.

In the 1960s, government officials aimed for an unemployment rate of about 4 percent, the lowest that rate could drop before inflation would accelerate. Now, that "natural" rate is considered to be about 6 percent.

Part of the reason for the rise in the natural rate is that the labor force has expanded faster than the rate at which jobs are created because of the influx of women, teenagers and minorities, economists said.

Additionally, some economists said the high unemployment rate is caused by fundamental changes such as the loss of assembly-line jobs to robots.

Roger Brinner, chief economist for Data Resources Inc., is among those who believe long-term high unemployment can spawn social problems. "People have shown that the crime rates are positively correlated with employment, health is affected because if you have a weaker economy people have less to spend on health," he said. "You certainly, from a social point of view, pay a price from higher unemployment rates."

Martin Bailey, an economist at the Brookings Institution, said that the victims of chronically high unemployment don't get the job experience and good work habits that job holders have, making it still more difficult for them to find employment. The problem is particularly acute with young people, who generally have higher than normal unemployment rates.

The lack of experience reduces productivity "and the ability to generate high employment in the future," Bailey said. This then raises the natural rate of unemployment over time.

"I wouldn't think one would observe big general effects on the economy" resulting from unemployment rates of about 6 percent, said Marvin Kosters, an economist with the American Enterprise Institute. "I would think what would be more of a concern is the implications for individuals or groups or areas affected by unemployment."

A Johns Hopkins University professor recently linked the sharp rise in unemployment during the 1973-74 recession to an increase of nearly 46,000 deaths from all causes, including a 2.8 percent rise in fatalities from heart attacks. Mental hospital admissions rose 6 percent beyond the normal trend while arrests increased 6 percent, reported assaults rose 1.1 percent and 1 percent more suicides were reported the professor said.

The 7 percent of the population who will be unemployed for the next year or so does not consist entirely of long-term unemployed; many work for several months and then collect unemployment insurance for several months before finding another job, economists said.

According to recent Labor Department statistics, managerial and professional workers have less of a tendency to be unemployed for long periods than laborers, repair people, machine operators and craft workers.

"The young, blacks, unskilled will bear the brunt of unemployment" through the end of the decade, Bailey said.

In some areas of the country, such as those with large concentrations of smokestack industries, "there probably is a sense that it's going to be difficult . . . to transform themselves quickly," Kosters said, "That notion suggests that unemployment is difficult to bring down as quickly as one might be able to if there were a completely balanced expansion. My own feeling is there has been a more significant dislocation occurring in the economy in recent years" then previously.

"There are jobs being created, and they would have a tendency to absorb these people. However, the jobs may not be created in Wheeling, W. Va., or wherever," Kosters said.

"Independent of geographic location, even if new jobs are being created it's not so much a question of transforming some individual from his more or less pedestrian accounting practices of an earlier age to a computer programmer. . . . The person whose task has become outmoded has to find himself another task. Anything on the horizon suggesting restructuring of the production horizon . . . means there will be some frictional unemployment.

"Some people will basically never get on a good job path again," Kosters said. "There will always be some who became good at a narrow job category and become too disillusioned at losing a job and never get a hold again."●

DO VOTERS COUNT?

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FIELDS. Mr. Speaker, public outcry about the way this House has handled—or, I should say mishandled—the contested election in Indi-

ana's Eighth Congressional District is increasing. I want to bring to the attention of my colleagues two articles which discuss this situation.

First, I would like to submit an article which I authored and which was recently published in the Houston Chronicle. In it, I discuss the failure of this body to seat the duly elected representative of the men and women of Indiana's Eighth District. And I also discuss the unfair and discriminatory committee and subcommittee ratios under which we will all be working during this Congress.

Mr. Speaker, also I would like to bring to the attention of my colleagues an editorial which appeared in this morning's Houston Post. Entitled, "Do Voters Count?" the editorial urges this House to put politics aside and do what is right. And that is to seat Rick McIntyre as the Congressman from Indiana's Eighth Congressional District.

[From the Houston Post, Feb. 28, 1985]

DO VOTERS COUNT?

House Republican leader Robert Michel of Illinois said Wednesday he will try again next week to see that Richard McIntyre of Indiana is allowed to assume the seat he apparently won last November. We hope it works. It would be about time.

In November Republican McIntyre won—after corrections of mistabulations—Indiana's Eighth Congressional District seat by 34 votes. A subsequent recount upped the margin of victory to more than 400 votes. Yet the House refuses to seat him.

More precisely, House Democrats, voting along party lines, have refused to seat him. Thus the Indiana district is without a representative, and may remain so until April. That is when a House task force (two Democrats and a Republican) is supposed to make its report on the election.

McIntyre has filed suit in a Washington federal district court against House Speaker Thomas P. "Tip" O'Neill, the House clerk, and the 321 Democrats who voted against seating him. It is something he should not have had to do.

No one is alleging fraud in McIntyre's election. The recount which substantially increased his margin of victory was conducted with Democratic election judges in 11 of the district's 15 counties. Still McIntyre is refused his seat, although both he and his November opponent are drawing a congressman's salary.

The recount hadn't been completed when the House convened in January, and both McIntyre and the opponent, one-term Democratic incumbent Frank McCloskey, showed up to be sworn in. Even though McIntyre was certified as winner by the Indiana secretary of state, the recount status might, barely, have been reasonable grounds for not seating him. But the recount only added to the Republican's winning margin. There is no excuse now.

The Constitution says each house "shall be the judge of the elections, returns and qualifications" of its members. It doesn't say the House can disenfranchise the people of a district because the election was close, or that the majority can use a tight election to increase its strength no matter what the voters' preference.

Half a million people in Indiana have no House representation while issues as important to them as farm policy and income tax reform are debated. McIntyre's election certificate should be enough to seat him now. The House, if it really has grounds to do so, can investigate the election at its leisure.

[From the Houston Chronicle, Feb. 13, 1985]

FAIR IS FAIR . . . AND THIS ISN'T CLOSE

(By Rep. Jack Fields)

The Democratic House leadership took great pains last year to explain to voters that the Democratic Party is the party of compassion and fairness—and that the Republican Party is unfair and insensitive to the wishes of the American people.

Obviously, the American people disagreed with those claims, re-electing President Reagan with a historic mandate, continuing Republican control of the Senate and handing Republican congressional candidates 15 additional seats in the U.S. House of Representatives.

But as the 99th Congress convened in January, the Democratic House leadership's commitment to the ideal of fairness was put to the test and failed.

Two issues tested the House leadership's commitment to fairness.

The first was the contested congressional race in the 8th district of Indiana. The second was the determination of party ratios on key House committees and subcommittees.

In the Indiana race, the House leadership decided that the people of Indiana's 8th Congressional District don't matter—that their votes don't count. Those voters gave Republican challenger Rick McIntyre a 34-vote victory on November 6. Although narrow, McIntyre's victory was just as valid as if he had won with the same 65 percent victory I enjoyed that same day. After two mistabulations were ordered corrected by a Democratic judge (over the objections and, later, outright refusal of a Democratic election judge), the Indiana secretary of state duly certified McIntyre as the winner.

But the size of McIntyre's victory didn't satisfy the House leadership who asked their Democratic colleagues to support House Resolution 1, the first legislation of the new Congress, giving the Democratic-controlled House Administration Committee, and not the men and women of Indiana's 8th Congressional District, the power to decide the winner in that race. On a straight party-line vote, the measure passed.

Since then, a recount was set in motion, with Democratic election judges presiding in 11 of the district's 15 counties. That recount increased McIntyre's lead by 381 votes, giving him an even more substantial 415-vote victory.

McIntyre holds the certificate of election in the contest. Even the defeated Democrat, Frank McCloskey, alleges no fraud or other wrongdoing. McIntyre won the election on Election Day—and won it again, by a far larger margin, in the recount.

Today, knowing all of this, the House leadership continues to refuse to seat McIntyre as the duly elected congressman from Indiana's 8th district. (McIntyre Monday filed suit against Speaker Thomas P. O'Neill, Clerk of the House Benjamin Guthrie and the 221 Democrats who voted not to seat him, arguing that their actions have violated the rights of the residents of Indiana's 8th Congressional District. His suit, filed in federal district court in Washington, asks that he be seated pending a review now in progress by the House Administration Committee.)

McIntyre remains in political purgatory—the choice of his constituents to represent them, but not allowed by the House leadership to do so. Far worse, however, three months after the November elections, the voters of Indiana's 8th Congressional District remain without a voice in Congress.

The second test of the Democratic leadership's commitment to fairness regards the party ratios on various key House committees and subcommittees.

In the November 6 congressional elections. Democratic House candidates polled 50.03 percent of the 72 million votes cast, leading Republican House candidates by just 40,000 votes nationwide. But because of partisan redistricting schemes in a number of states, they were able to win 58.16 percent of all House seats.

It's unfortunate enough that the wishes of nearly half of all voters who cast ballots for Congress last year were accorded second-class treatment by state legislators intent on gerrymandering congressional districts for partisan purposes. But just as unfortunate is the House leadership's refusal to provide equitable party ratios on key House committees and subcommittees.

Having won 50.03 percent of the congressional votes cast in 1984, and therefore having won 58.16 percent of all House seats, the Democrats decided to award members of their party far greater representation on key House committees and subcommittees than their numbers justified, representation they did not earn from the American people in November.

The House Appropriations, Budget, Rules, and Ways and Means committees, more than any others, determine what legislation will come to the House floor, where taxes will be raised, whether spending will be reduced, whether the federal budget will be balanced, etc. And it is on those committees that the Democrats have most shamelessly "stacked the deck." On the Appropriations Committee, Democrats have given themselves 61 percent of the seats; on the Budget Committee, 60 percent of the seats; on the Rules Committee, 69 percent of the seats; and on the Ways and Means Committee, 64 percent of the seats.

The House Energy and Commerce Committee, one of the committees on which I serve, is held up as an example of Democratic fairness. Indeed, the full committee's ratio pretty well represents the composition of the House as a whole 58 percent Democratic and 42 percent Republican. But looking past the full committee, to the subcommittees where most of the work actually gets done, one sees quite another picture.

The commerce, transportation and tourism subcommittee is weighted 64 percent Democratic, 36 percent Republican, as is the energy conservation and power subcommittee. Other subcommittees, too, reflect neither the partisan composition of the whole House nor the expressed preferences of the American people. Fossil and synthetic fuels is 63 percent Democratic, 37 percent Republican. Health and environment is 64 percent Democratic, 36 percent Republican. Oversight and investigation is 61 percent Democratic, 39 percent Republican. And telecommunications, consumer protection and finance is weighted 63 percent Democratic, 37 percent Republican.

Clearly, these ratios spring not from the will of the American people, but rather from partisan political considerations. And just as clearly, the underrepresentation of Republicans in the full House and on key House committees explains why the Con-

gress hasn't approved a balanced budget amendment or a voluntary school prayer amendment, and why we haven't reduced federal spending.

The Democratic House leadership's actions raise serious doubts about its commitment to fairness.●

MENTAL ILLNESS AWARENESS WEEK RESOLUTION

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WYDEN. Mr. Speaker, it gives me great pleasure to introduce again this year a joint resolution to authorize the President to issue a proclamation designating the week of October 6-12, 1985, as "Mental Illness Awareness Week."

This resolution will help bring about a better understanding of mental illness, its causes and effects, and will help focus on the many outstanding advances that have been made in treatment of this disease.

Last year's resolution was accompanied by a very successful symposium on mental illness which helped educate the public, generate a consensus in treatment among professionals in the field and foster a better understanding of the causes and effects of mental illness.

Another symposium is being planned for this year as well. And early passage of this resolution will help bring about a very productive week.

Recent research has led to a wide array of new and more effective treatments for some of the most incapacitating forms of mental illness. These treatments give mentally ill people excellent prospects for improvement and recovery.

Currently, 31 to 41 million Americans suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, school attendance, or independent living. As many as 12 million children suffer from mental illness, which impairs their development and maturation. The elderly are also particularly vulnerable to mental illness. All told, mental illness costs our Nation $87 billion annually in health care expenses and lost productivity.

The recent concern about the high incidence of suicidal teenagers also points out the importance of early diagnosis and treatment of mental illness. Almost 33,000 mental disorder-related deaths occur each year, with at least 29,000 of these deaths attributed to suicides.

To turn this around and make sure people know help is available, we must make everyone aware that there is hope for people affected by mental illness. Appropriate treatment can help restore productivity, reduce utilization of other health services and lessen social dependence. Scientific knowledge of the problem is growing, giving promise for even greater advances in treatment.

Mental health treatment can provide an effective cost-containment tool as well since treatment often results in reduced utilization of more costly hospital, medical, and surgical services. A recent study by the National Institute of Mental Health found that utilization of medical and surgical services dropped anywhere from 5 to 85 percent following psychiatric care.

In these days of skyrocketing health care costs, when even the most needed health care services are becoming less and less affordable, we can't afford to overlook a way to reduce utilization of high cost health care services.

I urge my fellow colleagues to support this resolution. Thank you.●

EQUAL JUSTICE AND THE SOUTH AFRICAN EMBASSY DEMONSTRATIONS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. CRANE. Mr. Speaker, equal justice is the ostensible goal of those who have been demonstrating lately in front of the South African Embassy. But ironically enough, these demonstrations have highlighted a lack of equal justice right here in our Nation's Capital.

For the past 10 weeks, scores of anti-South African activists have been demonstrating around, and in many instances within 500 feet, of South Africa's Embassy. When the protesters approach within 500 feet of the Embassy, they are subject to arrest under D.C. Code Section 22-1115 (a 1938 law which prohibits attempts to "bring into public odium any foreign government * * * within 500 feet" of a building occupied by that foreign government.)

A number of Members of Congress, a U.S. Senator, a number of union leaders, and many other individuals have purposefully violated this law and have been arrested. In each case, the charges against these individuals have been dropped.

On January 8, 1985, the D.C. Corporation Counsel, Inez Smith Reid, issued a news release explaining here reasons for dropping the charges involving the protesters. She stated: "It would be untenable for * * * (this office) to prosecute (those individuals) * * * who demonstrated peaceably to call attention to the gross injustices which result from the South African policy of apartheid." Reid also declared that "no significant District of Columbia interest would be served by these prosecutions."

It is interesting, however, to compare Reid's statements about the prosecution of anti-South African protesters with her statements regarding the prosecution of individuals arrested for precisely the same violation at the Soviet Embassy. When discussing the arrest of one young man who demonstrated within 500 feet of the Soviet Embassy, Reid called the state interest in applying D.C. Code 22-1115 "compelling." She went on to declare:

> There is a reasonable nexus between demonstrations designed to bring foreign governments into "public odium" or "Public disrepute" and the protection of foreign diplomats, because sentiments in opposition to the policies of a foreign government (particularly one with whom we do not frequently agree) are more likely to spark violence against the representatives and premises of that government than demonstrations in support of the foreign nation. . . . Even activities intended to be peaceful can easily result in confrontation and violence where firmly held ideals and views are being expressed. . . . The state interest underlying 22-1115 is too significant not to provide safeguards against those possibilities.

It seems very odd to me that the state's interest in prosecuting demonstrators at the Soviet Embassy is compelling, while there is non concomitant interest with regards to demonstrations at the South African Embassy. Such a glaring inconsistency is an affront to the concept of equal justice.

I don't mean to imply that the D.C. Corporation Counsel should necessarily prosecute the South African protesters, because, in my opinion, D.C. Code 22-1115 may present more fundamental first amendment free speech problems, given that it allows favorable but not negative or pejorative demonstrations within 500 feet of a foreign embassy. But if the law is going to be applied, it should be applied in an evenhanded way or not at all. To prosecute those who protest injustice at one embassy but not those whose purported goal is to protest the same thing at another embassy is simply wrong, and we cannot sit idly by while it takes place.

On March 20, the appeal of Floyd Brown and Will Faron will be heard. These young men were arrested for violating D.C. Code 22-1115 at a demonstration at the Soviet Embassy protesting the Soviet invasion of Afghanistan. These college students were thrown in jail, their full bail was maintained throughout their trials, compromises were refused, and their cases were only advanced through a costly appeal process. I believe that it is our responsibility to demand that this injustice be rectified, so that the words "equal justice" don't sound quite so hollow.●

IN CELEBRATION OF ESTONIAN INDEPENDENCE DAY

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. MANTON. Mr. Speaker, I am honored to join with many of my colleagues in commemorating the 67th anniversary of the Republic of Estonia's Declaration of Independence. On February 24, 1918, the Republic of Estonia was established as a sovereign, democratic nation. For 22 years, the people of Estonia enjoyed freedom, cultural progress, agricultural and economic development. Today, the Estonian people continue their struggle to regain the rights they have been denied.

Unfortunately, a now familiar but sad story completes the recent history of the Republic of Estonia. World War II not only brought invasion from Nazi Germany, but also from the Soviet Union. The Estonian Republic was forcibly incorporated in to the Soviet Union ending a brief, but shining era of freedom for the Estonian people.

Under Soviet occupation the people of Estonia have been subject to a campaign of persecution and Russification. As part of the Russification of Estonia, native Estonians are being relocated in other parts of the Soviet Union. At the same time, Russians are being relocated in Estonia, and the number of Russian troops stationed there are being increased. The culture and traditional values of the Estonian people are being undermined. The use of the Estonian language is being severely restricted. The Russian language, rather than the Estonian, is being used as the official language of government employment and in the schools.

The people of Estonia and their families here in America, have struggled unwaiveringly for the day when Estonia will be free again. In Estonia, this struggle often goes on in the face of unbelievable odds. Estonian dissidents and religious believers are often imprisoned for simply working to make certain that basic human rights are granted to all. Many of these dissidents have been instrumental in bringing human rights violation to the attention of the West.

Mr. Speaker, the United States refuses to recognize the Soviet state's operation in Estonia. We must maintain our vigilance and continue our support for the brave people of Estonia who serve as an inspiration to people fighting for freedom around the world. We can never forget the plight of the Estonian people and their struggle for a sovereign nation. I am pleased to join in the celebrations marking this special day and pledge my support to the people of Estonia.●

PHILADELPHIA NAVAL YARD VICTIMIZED BY ILL-CONCEIVED CUTS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FLORIO. Mr. Speaker, I would like to draw the attention of the House to a situation as it is unfolding in the Philadelphia metropolitan area. It is an urgent situation and one which could hold many ramifications for our Nation.

The Philadelphia Naval Shipyard has been responsible for saving the taxpayers of this Nation many millions of dollars over the past several years. The Service Life Extension Program [SLEP] has allowed the Navy to refurbish, completely, several large naval vessels, including aircraft carriers, at far less cost than could be incurred by the construction of new replacement vessels.

Although the Navy has commended the thousands of workers at the Philadelphia Naval Yard for their excellent and timely work on many occasions, the Navy now recommends that some 2,700 of these workers be cut from their jobs. Mr. Speaker, many of these men and women are my constituents living just across the Delaware River in the First Congressional District of New Jersey. Aside from the ethical reasons which could be raised against the Navy's harsh policy in view of the tremendous success of the SLEP Program, I would like to point out that the American taxpayer could once again bear the burden of yet another hastily made, cost-cutting decision.

Mr. Speaker, today I am privileged to offer the Subcommittee on Seapower and Strategic and Critical Materials of the House Armed Services Committee a statement outlining my views and the fears of my constituents. It describes the possible ramifications of this new naval policy and the potential cost to our citizens.●

LEGISLATION NECESSARY TO PRESERVE PROVISIONS OF THE SECURITIES INVESTOR PROTECTION ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. DINGELL. Mr. Speaker, today I am introducing legislation necessary to preserve the jurisdictional provisions of the Securities Investor Protection Act of 1970 [SIPA]. Certain provisions of the recently enacted Bankruptcy Amendments and Federal Judgeship Act of 1984, Public Law 98-353, 98 Stat. 333; have the unintended result of rendering the removal provision of SIPA, if read literally, a nullity.

To protect brokerage firm clients, Congress created the Securities Investor Protection Corporation. SIPC is an insurance fund that provides each brokerage firm customer up to $500,000 in coverage for securities held by the firm and $100,000 for cash. All registered broker-dealers are mandatory members of SIPC and pay assessments to support the fund at a level now set at $300 million. In an emergency, SIPC can also draw up to $1 billion from the U.S. Treasury through the Securities and Exchange Commission.

This legislation is urgently needed in order to preserve this important protection. I urge prompt action on the part of Congress.

Mr. Speaker, I am including in the RECORD an explanation and section-by-section analysis of the bill.

EXPLANATION/JUSTIFICATION

Section 5(b)(4) of SIPA now provides for the removal of the entire liquidation proceeding from the district court "to the court of the United States in the same judicial district having jurisdiction over cases under title 11 of the United States Code." Recently the Bankruptcy Amendments and Federal Judgeship Act of 1984, Pub. L. No. 98-353, 98 Stat. 333 ("Bankruptcy Amendments Act") took bankruptcy jurisdiction from the bankruptcy courts and gave it the district courts, thus making the removal provision under SIPA, if read literally, a nullity. The amendment of section 5(b)(4) will avoid this problem.

The withdrawal provisions of section 157(d) of title 28 of the United States Code could be interpreted to allow the piecemeal withdrawal of claims filed in a liquidation proceeding and thereby play havoc with the trustee's review of claims and frustrate the Congressional intent that the SIPA trustee cause prompt satisfaction of customer claims. Indeed, since claims under SIPA can be viewed as requiring consideration of both title 11 and title 15 of the United States Code, section 157(d) could require district court review of hundreds or thousands of claims in SIPA proceedings. This would be disastrous to the courts and the claimants. The amendment of section 5(b)(4) of SIPA would avoid this problem. The withdrawal provision would permit the withdrawal of any part of the liquidation proceeding which, under applicable law other than title 11 of the United States Code or SIPA, requires trial by jury.

Section 5(d) of SIPA needs to be amended to allow SIPC to participate in State court proceedings which will occur because newly amended sections 1334(c)(1) and (2) of title 28 of the United States Code mandate the abstention of the district courts on State law claims or causes of action related to a case under title 11 of the United States Code.

Section 10(e) of SIPA needs to be amended to take into account the jurisdictional changes caused by the newly amended section 1334(a) of title 28 of the United States Code.

The amendment of section 16 of SIPA makes a technical conforming change only.

SECTION-BY-SECTION SUMMARY

SECTION 1—REFERENCE TO BANKRUPTCY JUDGES

Section 1 of the bill amends section 5(b)(4) of SIPA to carry out Congress's clear intention that all questions arising in SIPA liquidation proceedings be handled by bankruptcy judges rather than by district judges. *See,* H.R. Rep. No. 95-746, 95th Cong., 1st Sess. 27 (1977); S. Rep. No. 95-763, 95th Cong., 2d Sess. 10 (1978). The courts, too, believe SIPA liquidation proceedings should be before bankruptcy judges. See, e.g. *Exchange National Bank of Chicago* v. *Wyatt,* 517 F.2d 453, 458 (2d Cir. 1975) ("This is the kind business [oversight of trustee's review of claims] for which bankruptcy judges have developed special expertness and administrative skills and which Congress did not intend to dump on already overburdened district courts without needed clerical and other facilities."). This amendment will remove any confusion that may exist over the jurisdictional changes effected by the Bankruptcy Amendments and Federal Judiciary Act of 1984, Pub. L. No. 98-353, 98 Stat. 333.

Section 1 of the bill also amends section 5(b)(4) of SIPA by limiting the withdrawal powers of the district courts. Notwithstanding the withdrawal provisions of section 157(d) of title 28 of the United States Code, only the entire liquidation proceeding (with one exception) can be withdrawn. This will avoid piecemeal withdrawal which could disrupt the liquidation proceeding, play havoc with the trustee's review of claims, and frustrate the Congressional intent that the SIPA trustee cause prompt satisfaction to claimants by the delivery of securities and, where necessary, funds advanced by SIPC. This section does allow for withdrawal of any part of the liquidation proceedings which, under applicable law other than title 11 of the United States Code or SIPA, requires trial by jury.

SECTION 2—SECURITIES INVESTOR PROTECTION CORPORATION PARTICIPATION

Section 2 of the bill amends section 5(d) of SIPA by providing for SIPA's participation in state court proceedings. This amendment recognizes that more matters will be heard in State courts because newly amended sections 1334(c) (1) and (2) of title 28 of the United States Court mandate the abstention of the district courts on State law claims or causes of action related to a case under title 11 of the United States Code. Such a provision would not raise any Constitutional question because "[i]n enacting SIPA, Congress drew upon the commerce power and the bankruptcy power." *Exchange National Bank of Chicago* v. *Wyatt,* 517 F.2d 453, 459 (2d Cir. 1975).

SECTION 3—JURISDICTION OF DISTRICT COURTS

Section 3 of the bill amends section 10(e) of SIPA to reflect newly amended section 1334(a) of title 28 of the United States Code.

SECTION 4—TECHNICAL AMENDMENT

This section makes a conforming change only.

SECURITIES INVESTOR PROTECTION CORPORATION,
Washington, DC, August 9, 1984.

Re: Securities Investor Protection Act of 1970.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DINGELL: The purpose of this letter is to request urgently needed conforming amendments to the Securities Investor Protection Act ("SIPA"), 15 U.S.C. § 78aaa et seq., required by the recent enactment of the Bankruptcy Amendments and Federal Judgeship Act of 1984, Pub. L. 98-353, 98 Stat. 333 ("Bankruptcy Amendments Act"). In particular, the recent amendments conflict with the jurisdictional provisions of SIPA and may render them meaningless.

Section 5(b)(4) of SIPA, 92 Stat. 2674, compiled at 15 U.S.C. § 78eee(b)(4) and entitled "Removal To Bankruptcy Court," provides that, after the United States District Court issues a protective decree that the customers of a broker-dealer are in need of protection under SIPA and appoints a trustee, the court must order the removal of the entire case to the Bankruptcy Court:

". . . [T]he court shall forthwith order the removal of the entire liquidation proceeding to the court of the United States in the same judicial district having jurisdiction over cases under title II of the United States Code. The latter court shall thereupon have all of the jurisdiction, powers, and duties conferred by this Act upon the court to which application for the issuance of the protective decree was made."

The purpose of this provision of SIPA was to carry out Congress' clear intention that all questions arising in SIPA liquidation proceedings be handled by the bankruptcy judges rather than by the district judges. See, H.R. Rep. No. 95-746, 95th Cong., 1st Sess. 27 (1977); S. Rep. No. 95-763, 95th Cong., 2d Sess. 10 (1978). The courts, too, believed SIPA liquidation proceedings should be before bankruptcy judges. See, e.g. *Exchange National Bank of Chicago* v. *Wyatt,* 517 F.2d 453, 458 (2d Cir. 1975) ("This is the kind of business [oversight of trustee's review of claims] for which bankruptcy judges have developed special expertness and administrative skills and which Congress did not intend to dump on already overburdened district courts without needed clerical and other facilities.").

Unfortunately, the Bankruptcy Amendments Act has changed bankruptcy jurisdiction in such a way as to make the removal provision under SIPA, if read literally, a nullity.[1] Section 101 of the Bankruptcy Amendments Act amends section 1334 of title 28 of the United States Code. Sections 1334 (a) and (b) now provide the district courts with original and exclusive jurisdiction over all cases under title II and original but not exclusive jurisdiction over all civil proceedings arising under title II, or arising in or related to cases under title II. Sections 1334(c) (1) and (2) address the abstention of the district court on State law claims or causes of action. The SIPA removal provision requires the district court to order removal to the court having jurisdiction over cases under title II. Thus, when read in conjunction with new section 1334, SIPA directs a district court to "remove" a SIPA proceeding to itself! Obviously, this is not what Congress intended, but will undoubtedly lead to considerable litigation.

There is another related problem caused by the Bankruptcy Amendments Act. Section 104 thereof enacts a new chapter 6 of title 28 of the United States Code. Of particular importance in that chapter are sections 157, entitled "Procedures," and 158, entitled "Appeals." Section 157(a) provides that each district court may provide that any or all cases under title 11 and any or all proceeding arising under title 11 or arising in or related to a case under title 11 shall be referred to the bankruptcy judges for the district. Section 157(b)(1) provides that the bankruptcy judge may hear and determine all cases under title 11 and all case proceedings arising under title 11, or arising in a case under title 11, referred under section 157(a) and may enter appropriate orders and judgments, subject to section 158 review. Section 157(d) provides that the district court may withdraw, in whole or in part, any referred case or proceeding on its own motion or on timely motion of a party for cause shown. That section also directs that, on a timely motion of a party, the district court shall withdraw a proceeding if the court determines that resolution of the proceeding requires consideration of both title 11 and other laws of the United States regulating organizations or activities affecting interstate commerce. Section 158(a) grants appellate jurisdiction to the district courts for final judgments, orders, and decrees, and, with leave of the court, interlocutory orders and decrees, of bankruptcy judges entered in cases and proceedings referred to the bankruptcy judges under section 157.

The withdrawal provisions of section 157(d) of title 28 could be interpreted to allow the piecemeal withdrawal of claims filed in a liquidation proceeding and thereby play havoc with the trustee's review of claims and frustrate the Congressional intent that the SIPA trustee cause prompt satisfaction to claimants by the delivery of securities and, where necessary, funds advanced by SIPC. Indeed, since claims under SIPA can be viewed as requiring consideration of both title 11 and title 15 of the United States Code, section 157(d) could require district court review of hundreds or thousands of claims in SIPA proceedings. This would be disastrous to the courts and the claimants.

The problems created by new sections 1334 and 157 of title 28 can be remedied by the following amendment to section 5(b)(4) of SIPA (existing law proposed to be omitted is enclosed in brackets, new matter is italic, and existing law in which no change is proposed is printed in roman):

"(4) [Removal] *Reference* to Bankruptcy [Court] *Judges*

Upon the issuance of a protective decree and appointment of a trustee, or a trustee and counsel, under this section, the court shall forthwith [order the removal of] *refer* the entire liquidation proceeding to the [court of the United States in the same judicial] *bankruptcy judges for the* district [having jurisdiction over cases under title 11 of the United States Code. The latter court shall thereupon have all of the jurisdiction, powers, and duties conferred by this Act upon the court to which application for the issuance of the protective decree was made]. *Section 157(d) of title 28 of the United States Code notwithstanding, the district court may withdraw the liquidation proceeding so referred, only in its entirely and not just in part, on its own motion or on timely motion of any party, for cause shown.*

The Bankruptcy Amendments Act necessitates miscellaneous other amendments to SIPA. Section 5(d) of SIPA, 92 Stat. 259, compiled at 15 U.S.C. § 78eee(d) and entitled "SIPC Participation," provides:

[1] Indeed, at least one bankruptcy judge, after comparing SIPA's removal provision with the Bankruptcy Amendments Act, has concluded that he no longer has any jurisdiction over a SIPA case removed to his court.

"SIPC shall be deemed to be a party in interest as to all matters arising in a liquidation proceeding, with the right to be heard on all such matters, and shall be deemed to have intervened with respect to all such matters with the same force and effect as if a petition for such purpose had been allowed by the court."

Since more matters will be heard in State courts, because newly amended sections 1334(c) (1) and (2) of title 28 mandate the abstention of the district courts on State law claims or causes of action related to a case under title 11, there will be a need to provide for SIPC's participation in those proceedings. Such a provision would not raise any Constitutional question because "[i]n enacting SIPA, Congress drew upon the commerce power and the bankruptcy power." *Exchange National Bank of Chicago* v. *Wyatt*, 517 F.2d 453, 459 (2d Cir. 1975). Section 5(d) would be amended to read as follows (new matter is italic and existing law in which no change is proposed is printed in roman):

"SIPC shall be deemed to be a party in interest as to all matters arising in a liquidation proceeding with the right to be heard on all such matters, and shall be deemed to have intervened with respect to all such matters with the same force and effect as if a petition for such purpose had been allowed by the court. *SIPC may, on its own motion, file notice of its appearance in any proceeding held in State court by reason of sections 1334(c) (1) or (2) of the United States Code and may thereafter participate as a party.*"

Section 10(e) of SIPA, 92 Stat. 268 and 2675, compiled at 15 U.S.C. § 78fff-4(e) and entitled "Jurisdiction of Bankruptcy Courts," provides:

"After SIPC has published notice of the institution of a direct payment procedure under this section, any person aggrieved by any determination of SIPC with respect to his claim under subsection (c) may, within six months following mailing by SIPC of its determination with respect to such claim, seek a final adjudication of such claim. The courts of the United States having jurisdiction over cases under title 11 of the United States Code shall have original and exclusive jurisdiction of any civil action for the adjudication of such claim. Any such action shall be brought in the judicial district where the head office of the debtor is located. Any determination of the rights of a customer under subsection (c) shall not prejudice any other right or remedy of the customer against the member."

Since newly amended section 1334(a) of title 28 grants original and exclusive jurisdiction to the district courts of the United States, section 10(e) and its heading need to be amended. Section 10(e) would be amended to read as follows (existing law proposed to be omited is enclosed in brackets, new matter is italic, and existing law in which no change is proposed is printed in roman):

"(e) Jurisdiction of [Bankruptcy] *District* Courts

"After SIPC has published notice of the institution of a direct payment procedure under this section, any person aggrieved by any determination of SIPC with respect to his claim under subsection (c) may, within six months following mailing by SIPC of its determination with respect to such claim, seek a final adjudication of such claim. The *district* courts of the United States [having jurisdiction over cases under title 11 of the United States Code] shall have original and exclusive jurisdiction of any civil action for the adjudication of such claim. Any such action shall be brought in the judicial district where the head office of the debtor is located. Any determination of the rights of a customer under subsection (c) shall not prejudice any other right or remedy of the customer against the member."

In addition, there are two technical amendments which need to be made to SIPA. Section 10(g), compiled at 15 U.S.C. § 78fff-4(g), makes cross-reference to section 16(5) and 16(12). In 1978, section 16, compiled at 15 U.S.C. § 78lll, was amended in part, 92 Stat. 2676, by the deletion of section 16(1) and the renumbering of subparagraphs (2) through (15) to (1) through (14). Unfortunately, the cross-reference in section 10(g) was not also changed. We request that section 10(g) be amended to refer to sections 16 (4) and (11).

Also, when section 16 was amended, 92 Stat. 2676, the term "the Bankruptcy Act" was not deleted as it had been in other sections of SIPA. We request that the term "the Bankruptcy Act" be deleted and replaced by the phrase "title 11 of the United States Code."

Because of the urgency of this matter, please feel free to call me or, in my absence, my Associate General Counsel, Michael E. Don, to provide whatever assistance your Committee counsel may request.

Respectfully,

THEODORE H. FOCHT,
President and General Counsel.

SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, November 28, 1984.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: The SEC is pleased to transmit herewith the Thirteenth Annual Report of the Securities Investor Protection Corporation ("SIPC") for the year 1983. Section 11(c)(2) of the Securities Investor Protection Act of 1970 ("SIPA") requires that SIPC submit its Annual Report to the Securities and Exchange Commission and that the Commission, in turn, transmit the report to the President and Congress with "such comment thereon as the Commission may deem appropriate."

CUSTOMER PROTECTION PROCEEDINGS

In 1983 SIPC initiated seven customer protection proceedings involving SIPC advances to date of $45.4 million. In comparison, eight cases were commenced in 1982 involving SIPC advances to date of $6.3 million and ten cases were started in 1981 involving SIPC advances to date of $56.1 million. An average of five cases per year were initiated during the period 1976 through 1980 which involve to date SIPC advances averaging $2.2 million per year. During SIPC's first five years, 1971 through 1975, an average of 23 proceedings were commenced each year.

SIPC has initiated eight customer protection proceedings in 1984 to date, which have required advances to date of $10.5 million.

One hundred sixty-eight customer protection proceedings were initiated from SIPC's inception on December 30, 1970, to December 31, 1983. As of December 31, 1983, 123 were completed, 44 involved problem claims and/or litigation, and claims in one were being processed. Moreover, at December 31, 1983, except for one small case, substantially all customer claims had been satisfied in the 15 customer protection proceedings commenced during 1982 and 1983.

During the thirteen year period ending December 31, 1983, SIPC distributed for accounts of customers cash and securities totaling approximately $497 million. Of the amount, approximately $342 million came from failed brokers' estates and $155 million from the SIPC Fund.

FINANCIAL CONDITION AND ASSESSMENTS

The SIPC Fund amounted to $174 million at December 31, 1983, an increase of $1 million from December 31, 1982. However, at October 31, 1984, the SIPC Fund totaled $235 million.

From 1981 through 1983, SIPC advanced over $100 million from the SIPC Fund for customer protection proceedings. The 1983 liquidation of Bell & Beckwith, SIPC's most costly case, has required advances of over $39.3 million to date. The advances in that case reduced the SIPC Fund below the $150 million statutory minimum on April 13, 1983. Section 4(d) of SIPA requires that SIPC access members at the rate ¼ of 1 percent per annum of gross revenues from the securities business if the balance of the Fund aggregates less than $150 million. Therefore, such gross revenue assessments were instituted effective May 1, 1983.

SIPC's assessment by-law requires that such assessments remain in effect until the SIPC Board of Directors provides otherwise. The SIPC Board of Directors has reviewed the Fund level and the question of the duration of such SIPC assessments. As stated in the SIPC Annual Report, after considering many factors, including SIPC's experience with the liquidation of 168 members over the preceding 13 years, changes in the securities industry since SIPC's formation, inflation, and the fact that the maximum SIPC advances for the protection of a customer's claim had increased tenfold since SIPC's formation, the SIPC Board of Directors decided unanimously to keep the present SIPC assessment in place until the Fund totals $300 million. Based on current industry conditions and absent another costly liquidation or a substantial increase in the number of significant liquidations, SIPC anticipates that the SIPC Fund may reach the $300 million level by late 1985 or early 1986.

In conclusion, the Commission commends Chairman Stearns, the members of the SIPC Board of Directors and SIPC's staff for their continued dedicated public service.

Sincerely,

JOHN S.R. SHAD.●

A BAN ON POLITICAL ASSASSINATIONS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. DURBIN. Mr. Speaker, I am introducing legislation today that represents a simple codification of the language of the President's Executive order banning U.S. Government involvement in political assassinations—Executive Order 12333, December 4, 1981, 46 FR59941. The reason for introducing this bill is simple. An Executive order can be altered or repealed at the President's will. Enactment of this bill would leave the responsibility for

establishing and altering this policy up to the Congress.

The importance of having a clear policy in this area came into prominence in the fall of 1984 during the dispute over the CIA's involvement in the production of a manual that seemed to advocate the kidnaping and killing of Government officials in Nicaragua by U.S.-backed guerrillas.

While investigations conducted by the House Intelligence Committee and the CIA found that the manual did not violate the President's Executive order banning CIA involvement in assassinations, the incident highlights the importance of establishing a crystal clear policy in this area. The codification of the Executive order called for in this bill would ensure that there would be no confusion over this policy. The recent controversy over the CIA manual in Nicaragua leaves no doubt in the minds of Congress or the President that the U.S. Government employees and agencies should have no involvement in assassinations—and that the policy should be incorporated into law.

The bill includes the following provisions: Section 1 specifies that no U.S. Government employee shall be involved in political assassinations. Section 2 forbids any U.S. Government agency from directing an employee to engage in assassination. The third section establishes criminal penalties for anyone in violation of either of the first two sections. Finally, section 4 calls for the appointment of an independent counsel to investigate any allegations of U.S. involvement in assassinations.

I urge my colleagues to join me in supporting and cosponsoring this important piece of legislation which will establish in law and clarify a policy that should be at the core of our Nation—that there be no U.S. Government involvement in assassinations.●

STUDENTS WANT JUSTICE AND PEACE

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. GEKAS. Mr. Speaker, recently, the students, faculty, and administration of Holy Name of Jesus School of Harrisburg, PA, celebrated Catholic Schools' Week by participating in a "World Justice and Peace March"—each representing his or her own views by means of posters, signs, and placards.

Nicole Camplese, vice president of the student council, wrote to me to say that "In our classes, we study about injustices throughout the world. In addition, our students are very concerned about nuclear technology as it relates to both peaceful and nonpeaceful purposes. This is especially true since a peaceful future for our generation is almost totally dependent upon this issue."

Mr. Speaker, it is truly refreshing to see our young people participating in activities such as this, showing their concern for and interest in the world around them.

Ms. Camplese's closing paragraph sends the U.S. Congress a meaningful message: "You and all of the Members of Congress are in our prayers. We hope that you will continue to strive to make justice and peace a greater reality in our world."●

GEORGE CUSHINGBERRY, JR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, as we celebrate Black History Month, I'd like to introduce all Americans to living black history in our great State of Michigan. My friend George Cushingberry, Jr., is the youngest person ever elected to the Michigan House of Representatives—at age 21 in 1974. George, born in the projects of Royal Oak Township and raised in Detroit, is a remarkable young man. While in high school at Cass Tech in Detroit, George was superior junior cadet, a lieutenant colonel in the Junior ROTC Program, All City as a first baseman for the baseball team, actor and producer of theatrical performances, and president of the student body during his senior year.

My first experiences with George were at Wayne State University where both of us served on the student faculty council. George also wrote a daily column entitled "Cush's Corner" for the South End, the campus newspaper. He also served in various offices for the Association of Black Students.

During his tenure as a member of the Michigan House of Representatives, he distinguished himself as a creative, hard-working, dedicated public servant. He served four terms and during the 1979-80 session he was chairman of the House Agriculture Committee. His activities were diverse in the legislature and he is credited with being a key player in most major legislation affecting the State during that time.

Defeated in a newly redrawn district in 1982, Cushingberry has embarked on a new career as a successful entrepreneur and consultant. Mr. Speaker and Members, as we continue our celebration of black Americans and their contributions to American society, George Cushingberry's historical accomplishments should be highlighted to demonstrate to all of America's young people that you can accomplish whatever you wish in our great country.

Finally, to the nay sayers and doom preachers, let us continue to point to the positive potential of our country. Let us teach brotherhood and hope for all Americans. As we conclude the celebration of Black History Month, may George Cushingberry's life be an example of America's potential for all, notwithstanding race, creed, color, or national origin and that we can work together for a greater America.●

MILTON A. MARKS, DEAN OF THE TRAVEL INDUSTRY

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. HALL of Ohio. Mr. Speaker, Milton A. Marks, CTC, a resident of my congressional district, may be considered the dean of the travel industry worldwide. Tomorrow, on March 1, 1985, he completes 50 years as a travel agent in Dayton, OH. He is president of Marks Travel Service, Inc., an agency founded by his late father I.M. Marks in 1920.

Marks, a certified travel counselor, served as president of the Mid American Chapter of the American Society of Travel Agents during the 1950's and 1960's. In 1963, he became president of the national group. In this capacity, he appointed a study committee to investigate establishing educational standards in the travel industry. The principle result of that study was the formation in 1964 of the Institute of Certified Travel Agents, a nonprofit, educational institution.

Since the inception of the ICTA, Marks has provided strong leadership, first as president and now as chairman of the board of trustees. In its 20 year history, the ICTA has certified more than 5,000 travel agents. About 9,000 candidates are currently studying toward accreditation. From its headquarters in Wellesy, MA, it has published text books, sponsored research, and conducted management seminars. It also maintains a unique travel research library as a service to the industry.

Marks has also been instrumental in placing the ICTA executive management programs on campus at George Washington University, Emory University, Metropolitan State College, Michigan State University, and other educational institutions.

In addition to his involvement in the travel industry, Marks has been active in his hometown of Dayton through civil and religious activities. He has served in many leadership positions, including as president of the Jewish

Federation of Greater Dayton, president of Temple Israel, president of Temple Israel Foundation, and chairman of the Dayton Chapter of the National Conference of Christians and Jews.

In May 1984, Marks was granted an honorary degree of doctor of business and industry from Metropolitan State College, Denver, CO.

Marks and his late wife, Miriam Siegel Marks, had three children: Rhona Marks Smulian, of Princeton, NJ; Richard A. Marks of Washington, DC; and Judith Marks Cohen, of Toronto. Richard Marks, following in the footsteps of his grandfather and father, is president of MDC Travel here in Washington.

Marks is currently married to Rita Zalk Cline-Marks. They reside in Englewood, near Dayton.●

PENNSYLVANIA PEACE LINKS' FIRST BIRTHDAY CELEBRATION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WALGREN. Mr. Speaker, I want to call the attention of the Congress to the fact that the Pennsylvania chapter of Peace Links has just turned 1 year old—and is growing.

Peace Links, Women Against Nuclear War, is a grassroots bipartisan organization representing the best hope for democracy to lessen the risk of nuclear war. Started only 3 years ago, Peace Links now has chapters in 33 States and continues to grow. Growing out of the concern of several individual Pennsylvania Peace Links, the organization now has a network of 1,700 Peace Links in the State.

Peace Links' message has reached 11,000 Pennsylvanians through educational panels, informal coffees, workshops, and special events. A highlight of their first year was the Pittsburgh presentation, "In Concert for Peace," conducted by Andre Previn with an audience of 3,000.

Peace Links appeals to such a wide range of the public because it is a vehicle for women and men alike to work against the fear and danger of annihilation of all life as we know it by nuclear war. True awareness of such a danger does not come easily—but reality can overcome denial. The fact that more and more people of conscience are trying to change the direction of the nuclear arms race should give us hope.

Peace Links has broad appeal to grassroots people because it places its greatest value on our individual responsibilities as citizens. Peace Links' mission is to help people think about the danger of nuclear war and lead their families and communities in activities to help prevent it. As a nonpartisan, nonprofit organization, it does not take sides politically but encourages its individuals to work through the democratic process to bring about change.

As Peace Links has demonstrated, each of us has an important role in preventing nuclear war. Each of us is needed.

It is my hope that more and more citizens will be active in changing the direction and priorities of our country, to enable us to turn away from weapons whose very existence threatens our own.●

KEITH MAINLAND

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 26, 1985

● Mr. ROYBAL. Mr. Speaker, I would like to take this opportunity to commend Keith Mainland for his exemplary service to the House Committee on Appropriations upon his retirement as staff director. Serving in the honored and rare capacity as only the eighth man in such a position, Keith has proven himself to be a valuable asset to the committee through his accessibility to the members and staff, his insightful advice on key and most often complex issues, and through his longstanding dedication that has kept the committee's wheels rolling.

Keith represents the top-notch professionalism that this committee can be proud of. Keith joined the Appropriations staff in 1962, and, after a decade of outstanding and knowledgeable service, was promoted to staff director. Since then, he has taken the lead in guiding us through exhaustive sessions with his expertise on the widest variety of appropriations issues.

Although we as members of the Committee on Appropriations lament giving up our distinguished counsel to retirement, I am sure his wife Sandra and children Kirk and Marlene will take advantage of the time he can spend with them that he has unselfishly given to us. Once again, Keith, our deepest appreciation to you.●

FLOUTING INTERNATIONAL LAW

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. EDWARDS of California. Mr. Speaker, a feeling of disbelief and deep concern ran through the world community of nations when President Reagan ordered the United States to walk out of the World Court's proceedings in Nicaragua's suit against our country. Could this betrayal of the principle of international law come from the nation primarily responsible for the creation of this world tribunal?

Hon. PETER W. RODINO, the distinguished chairman of the House Judiciary Committee, has commented on this dismaying action by our President in a February 26 article in the Christian Science Monitor. The article is reprinted below:

FLOUTING INTERNATIONAL LAW

(By PETER W. RODINO)

On the weekend that President Reagan vowed to uphold the Constitution for his second term in office, his administration decided to flout international law by walking out of the World Court proceedings in Nicaragua's suit against the United States government.

This action leaves the dual impression that the US dare not risk legal judgment of the mining of Nicaragua's harbors, and that our nation will pick and choose when we will play by the rules of international law.

Moreover, it represents a disconcerting insensitivity to this nation's historical commitment to the peaceful resolution of international disputes. Its legacy will be serious and longstanding damage to the United States' position as champion of the principle of law and order in international affairs.

The idea of an international court to resolve disputes among nations is as American as Theodore Roosevelt, whose secretary of state prevailed upon the Hague Peace Conference in 1907 to establish the first international judicial tribunal.

Strong support for an international tribunal continued under subsequent Presidents. "Every President since World War I has advocated the submission of international legal disputes to a judicial tribunal," said Attorney General William P. Rogers, in the Eisenhower administration.

US participation in an international tribunal took more definite shape in 1946 when President Truman, after a 60-to-2 ratification vote by the Senate, accepted the jurisdiction of the newly established World Court for specified international disputes involving the United States and any other nation that also agreed to automatic jurisdiction of the court.

The Senate Foreign Relations Committee report issued at the time noted that this step was endorsed by a bipartisan group that included Sens. Robert Taft and J. William Fulbright, the American Bar Association, and Secretary of State John Foster Dulles, who concluded, according to the report, that failure to accept the court's jurisdiction "would be interpreted as an election on our part to rely on power rather than on reason."

In the 39-year history of the World Court, only three other nations have ever walked out on a case, leaving the US in the very dubious company of Iran, Iceland, and Albania. Americans remember well the most celebrated defiance, when Iran's Ayatollah Khomeini ordered his lawyers to walk out of the suit initiated by the US during the American hostage crisis.

Today, however, the Reagan administration has turned the tables, setting an example that will vindicate the Ayatollah and anyone else wishing to spurn the rule of law.

In fact, the administration's withdrawal three days before Nicaragua filed suit violates the spirit—if not the letter—of the United States commitment to give six

months' notice before withdrawing its consent to World Court jurisdiction. According to the 1946 Senate report, the six-month requirement serves as "a renunciation of any intention to withdraw our obligation in the face of a threatened legal proceeding."

Notwithstanding our government's best arguments, in November of last year the International Court of Justice, by a 15-to-1 vote, determined that it did have jurisdiction over the dispute. The vote cannot be explained as a conspiracy of unfriendly nations. Among those who voted for the court's jurisdiction were jurists from a number of American allies.

Today 44 of 159 members of the United Nations have accepted the court's mandatory jurisdiction as a means of resolving international disputes. As one of the traditional leaders in this movement, the United States gained respect and credibility in the international community. All of that may have evaporated because of our response to the Nicaragua case.

Indeed, President Reagan's decision to mine the waters of international law may well haunt us in future years when the United States seeks the benefit of the World Court's adjudication—only to have an opposing nation walk out.

Adherence to the rule of law is a basic principle of the American system of government. We can only undermine our credibility by mocking that principle in the international arena. Whether right or wrong, our government will retain the confidence of the American people as long as it abides by the law.

Only eleven years ago we prevented the unraveling of our system by a President who tried to place himself above the law. Let us hope that history will not record our withdrawal from the World Court as the first sign of a new arrogance of power.●

SIGNIFICANT IMPROVEMENT IN PANAMA MERITS REWARDS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. HYDE. Mr. Speaker, since our recently reinaugurated President, Ronald Reagan, was first elected, the nations of Latin America have been encouraged through a variety of constructive engagements to broaden their political and economic base. Country after country has moved from military rule to more open and representative systems. One of these is the Republic of Panama.

Under newly elected President Nicolas Ardito Barletta, the Republic of Panama is striving to improve its standard of living in such areas as housing, new and refurbished infrastructure, attracting economic investment with a newly stable environment, and providing better educational opportunities.

Financial policies of previous Panamanian administrations have, as is all too common in developing countries, essentially consumed the country's seed corn. Until expansive, private investment, and free enterprise have fully returned, there is a definite crunch in many of the country's private and public institutions.

Developmental policies encouraging private solutions, reducing the role of public employment, and encouraging individual initiative is the only way. Panama, like El Salvador, has shown that open, multiparty elections can be held. This stands in stark contrast to many Latin American neighbors.

U.S. policy ought to be to assist in every prudent way, government-to-government, and investor-to-entrepreneur. In this way, by assisting through funds already authorized in the fiscal year 1985 continuing resolution and projecting for fiscal year 1986, we can truly encourage the excellent success of the Republic of Panama into the future.●

KEEPING TRACK OF HOW WE SUBSIDIZE THE COMMUNISTS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. CRANE. Mr. Speaker, I would like to call my colleague's attention to the words of Soviet defector Aleksandr Solzhenitsyn. He has stated: "I think, gentlemen, that we should at last permit this socialist economy to prove its superiority. Let's allow it to show that it is advanced, that it is omnipotent, that it has defeated you, that it has overtaken you. Let us not interfere with it. Let us stop selling to it and giving it loans." If we do this, Solzhenitsyn counsels, "* * * the Soviet economy will no longer be able to deal with everything, (and) will have to reduce its military preparations * * * to feed and clothe its own people. And the system will be forced to relax." By loaning them money and bailing them out in times of economic crisis, we "are merely helping them to rearm * * * helping the Soviet police state."

Why we here in America, but more importantly we here in Congress, failed to heed these wise words? Why do we continue to vote to give money to international organizations who in turn loan that money to the Soviet Union and other Communist countries? As Solzhenitsyn concludes, "And if this sort of unity cannot be achieved in the West, if, in the frenzied competition of one company with another they will continue to rush in loans and advanced technology, if they will present earthmoving equipment to our gravediggers, then I'm afraid that Lenin will turn out to have been right. The bourgeoisie will sell us rope, and then we shall let the bourgeoisie hang itself?" I believe that the time has come to stop spending the hard-earned money of the U.S. taxpayers to support the totalitarian states that seek to destroy us.

Today I introduced legislation that will be a first step in cutting off the flow of aid from our country to Communist countries. This bill requires quarterly reports to the Congress on all extensions of credit, credit guarantees, investment guarantees, or grants to any Communist country by any agency of the U.S. Government or by any international organization of which the United States is a member. Aid from our country winds up in Communist countries not only directly from U.S. agencies, but it is also laundered through many more international agencies. Currently it is very difficult to obtain accurate figures on how much the American taxpayers are being forced to finance communism; all we know is that is in the billions of dollars annually. These reports will begin to show Congress, and more importantly the American people, just how large the problem is. I urge my colleagues to join me in ending this suicidal and dangerous policy. To do otherwise is to finance our own destruction.●

ELECTION LAW REFORM

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. UDALL. Mr. Speaker, Arthur T. Vanderbilt once remarked that "judicial reform is not sport for the short winded." The same can be said for electoral reform. During the past several sessions of Congress, numerous proposals have been introduced by Republicans and Democrats alike to reform the way we elect our Presidents and how we finance our congressional campaigns. In fact, I have been the author of many of these legislative initiatives. Yet in nearly 8 years, no proposal has been enacted. I attribute this inaction in part to the highly charged and frequently partisan atmosphere in which Congress operates.

This week I joined Senator RUDMAN and introduced legislation to help break this logjam. Our proposal would create a bipartisan, 11 person Commission to study the existing system of congressional campaign financing and make recommendations for improvement.

The proposal calls for the Speaker of the House, the House minority leader, the Senate majority leader, and the Senate minority leader to each appoint two Members to the Commission, for a total of eight. Each of them would be required to choose one sitting member of their respective body and one person who is not holding elective office.

The Republican and Democratic national chairmen would each appoint one of the remaining three members

of the Commission. The 11th member would be chosen jointly by the Senate majority leader and the Speaker of the House.

After the bill is enacted, the Commission would have one year to study the problem of campaign financing and report back to Congress. The Commission would be authorized to spend $1 million.

In the area of Presidential primary reform, I have introduced a second bill to reform the timing of Presidential primary caucuses and conventions. This bill would limit the selection of delegates to our national nominating conventions to a period beginning the second Tuesday of March and ending the second Tuesday of June.

This bill does not overhaul the Presidential primary system. It does not violate the constitutional prerogatives of the States and parties to determine how to select Presidential nominees. It would make two small, but important changes in the way we choose our Presidential nominees. First, the primary season would be limited to a specific period of time, eliminating the disproportionate influence of a few early primary States. Second, a shorter primary season would reduce the amount of campaign spending and relieve some of the "boredom factor" experienced by many voters.

I hope my colleagues will join me in cosponsoring and actively supporting both of these pieces of legislation.●

KEEP SECTION 7 OF THE CLAYTON ACT

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. FEIGHAN. Mr. Speaker, I rise today to urge Commerce Secretary Baldrige to reconsider and retract his proposal to scrap section 7 of the Clayton Act.

Section 7—which prohibits mergers that would have anticompetitive effects—has served this Nation well. It has protected consumers from the dangers of monopolistic enterprises. It has provided a mechanism for early review of proposed mergers so that businesses could act with some certainty. And it has supported an economic system that rewards the entrepreneurial spirit.

Without section 7, there would be no restraint on mergers that could have serious anticompetitive effects. And every segment of the economy would pay the price. Taxpayers would pay the price for extensive and expensive litigation after the fact. Consumers would pay the price in higher prices and more limited market choices. Businesses would pay the price in combating other companies with unfair market advantages and excessive control of the market. And workers would pay the price in lost jobs.

Section 7 has provided, over the years, a hedge against the kind of serious economic dislocations that can occur. Corporations, in reaching a decision to merge, are necessarily and properly guided by the effect of the merger on their profitability. The Justice Department has a broader mandate in its review of mergers. It must consider the overall economic effects. That process serves us all—as consumers, shareholders, and workers.

I hope that Secretary Baldrige will rethink his proposal. It may be born of a momentary frustration with a process that can be time-consuming, and may need revision in light of changing economic realities. But it is a proposal that would undo years of successful oversight, and add nothing but new uncertainties and confusion to our economy.●

DAUPHIN COUNTY CELEBRATES BICENTENNIAL

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. GEKAS. Mr. Speaker, 1985 marks the 200th anniversary of the founding of Dauphin County, one of the six counties that form the 17th District of Pennsylvania. The citizens of Dauphin County are planning to celebrate in grand style as over 150 events have been planned for the year, beginning with the official kickoff on Sunday, March 4, 1985, at the Dauphin County Court House in Harrisburg. I would like to share with my colleagues a brief history of the County.

Prior to 1785 the area that was to become Dauphin County was part of the northern section of Lancaster County. John Harris, Sr., a trader, is believed to be the first white man to enter and settle this northern section of Lancaster County. His son, John Harris, Jr., founded a ferry along the Susquehanna River and named the area around his ferry Harrisburg, later to become the capital of the Commonwealth of Pennsylvania.

On March 4, 1785, the Pennsylvania General Assembly passed an act dividing Lancaster County north of the Conewago Creek. The northern section was named for the Dauphin of France, Louis Francois Xavier, eldest son of King Louis XVI of France and Marie Antoinette. From 1786 until 1791 Harrisburg was renamed Louisburg, but when John Harris died in 1791, it was once again named Harrisburg. In 1821 the general assembly further divided Dauphin County forming a third county, Lebanon, from the bottom right corner.

During the early days of our country, Dauphin County and the Susquehanna River stood as the gateway to the west for many of our pioneers. Young settlers from Lancaster and Reading would cross the Susquehanna at Harrisburg on their way to Pittsburgh and the West. The shores of the Susquehanna and the Harrisburg area were also the sights for a number of forts and camps to America's early soldiers. During the Civil War Harrisburg served as one of the major centers for the Union Army. Camp Curtin, located in the northern end of Harrisburg, recruited, drilled, and equipped men from Pennsylvania and other Northern States before sending them to fight with the Union Army in the East and West. The city also served as a supply depot for thousands of tons of war material. The body of assassinated President Abraham Lincoln was brought to the House of Representatives chamber in the capitol at Harrisburg on April 21, 1965, where he lay in state overnight. Dauphin County again aided the American cause in 1898 when Camp Mead in Middletown housed a large number of troops for the short-lived Spanish-American War.

By the mid-1800's industry had come to the area with the completion of the Pennsylvania Steel Co. mill in Steelton in 1867. Not only was the mill the first built solely to produce steel but it was also the first to produce steel rails in the United States. The steel mill was taken over by the Bethlehem Steel Co. in 1916 and is still in operation today. In 1905 a chocolate factory was completed in the eastern Dauphin community of Derry Church by Milton S. Hershey. Today the factory is one of the largest chocolate and cocoa producing plants in the world and Derry Church is now known to millions of Americans as Hershey, PA, or Chocolatetown, U.S.A.

All of Dauphin County—from Pillow in the north to Royalton in the south, from Millersburg and Fairfax in the west to East Hanover in the east—share in the joy of celebrating our history.

The first 200 years of Dauphin County have been rich in history. The citizens who have lived and worked here have made Dauphin County and Pennsylvania a center to the development of our Nation. I commend not only those who are organizing the celebration but those who have made those years worthy of such celebration.●

RENEWING THE SPIRIT OF CAMP DAVID

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WYDEN. Mr. Speaker, on the eve of President Mubarak's visit to the United States, the gentleman from Arizona, [Mr. MCCAIN,] and I are introducing legislation to remind Egypt of the enduring importance of the Camp David accords.

Each of us have been encouraged by the recent talks between the parties in the Middle East, and we applaud the progress being made. However, it is important that we send a strong signal about the importance of the Camp David accords. As we watch the shuttling between capitals and reports of secret meetings, we must remain consistent and clear in our support of Camp David.

This legislation expresses the sense of the Congress that Egypt should return its ambassador to Israel, take necessary steps to increase trade and tourism and Israel and take steps to curb anti-Semitic statements by Egyptian officals in the press.

Since the signing of the Camp David accords, it appears that Egypt's commitment has waned. For example, President Mubarak has not allowed his country's ambassador to return to Israel for more than 2 years. Egypt has not taken major steps to increase bilateral trade and tourism. Also, there has been an increase in the amount of anti-Semitic statements by Egyptian officials in the press.

In the subtle language of diplomatic maneuvering, the recall of an ambassador is a symbolic decision which causes participants to ask about Egypt's intention of solving the remaining problems between itself and Israel. If one of the instruments of diplomacy, namely an ambassador, is home in Cairo, how can Israel expect progress toward peace?

In spite of their close proximity, the volume of trade between the two nations remains small. There is no way to measure the progress toward peace that increased tourism can being to relations between former enemies. But I have to believe it can make a difference in this fragile part of the world.

In addition, we know that increased trade between nations serves to foster an environment of peace. Israel has made several efforts to increase trade between the two nations, but they have been met with spotty success. Not only does this infrequent trade continue to harm the poor economies of Egypt and Israel, but it hurts the forces for peace in the respective nations.

I believe this resolution will serve to tell Egypt that the United States has not wavered in its commitment to the Camp David peace process, and I ask my colleagues to join me in showing their strong support for this legislation prior to the arrival of President Mubarak in the United States.

The text of the resolution appears below:

H. CON. RES. 72

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that, in order to honor the Camp David accords, the Government of Egypt should—

(1) return its Ambassador to Israel,

(2) take necessary steps to increase trade and tourism and Israel, and

(3) take steps to curb anti-Semitic statements.●

PERSONAL EXPLANATION

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. WISE. Mr. Speaker, due to previously scheduled appointments I had arranged in my congressional district, I was unable to be present and vote on Thursday, February 21, and Monday, February 25. I missed rollcall Nos. 10, 11, and 12.

Had I been able to cast my vote, I would have voted "yea" on all three rollcalls.

I did not learn of the first two rollcall votes until I had returned home for the weekend. In checking previously with Democratic cloakroom staff, I learned there was no indication of any votes. Concerning the Monday vote, I felt it was more important to spend the morning in nitro discussing an employees stock ownership plan with representatives of a Republic Steel plant in my district that may be experiencing difficulties. Quite frankly, the votes I missed were simply procedural and addressed no substantive issue.●

THE 67TH ANNIVERSARY OF ESTONIAN INDEPENDENCE DAY

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. DWYER of New Jersey. Mr. Speaker, I wish to join my colleagues in commemorating the 67th anniversary of Estonian Independence Day.

The world cannot remain half free and half enslaved. There is no doubt in our minds that Estonians continue to struggle against the repression of their human rights. Never in the course of centuries have the Estonian people lost their ardent desire for independence.

During the brief period of political independence, Estonians enjoyed cultural progress, agricultural and economic development. In 1925, Estonia, appreciating the importance of ethnic identity, became the first country in the world to grant its minorities cultural autonomy through Government subsidized ethnic schools, theaters, and libraries.

However, this month, the 67th anniversary of the Republic of Estonia's Declaration of Independence finds its people in Soviet occupied Estonia gravely concerned about their future. Traditional Estonian values are being eroded. Many places of worship have been closed.

As a nation dedicated to the principles of independence and the protection of human rights, the people of Estonia look to us. We must provide leadership and guidance for this unyielding struggle. Let us challenge violations of human rights wherever and whenever they occur.

Our efforts today testify the courage of Estonians who share with us the hope that the claims of political and cultural bondage will some day be broken and the freedoms we cherish will be realized.●

LITHUANIAN INDEPENDENCE DAY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. RINALDO. Mr. Speaker, I am pleased once again to participate in the House's annual commemoration of Lithuanian Independence Day.

This month marks the 67th anniversary of the establishment of the independent Republic of Lithuania.

Unfortunately, the history of Lithuania is not a happy one. This Republic, along with its sister Baltic States, was barely entering its third decade of existence when it found itself a pawn in Nazi-Stalinist politics. The Nazi-Soviet Non-Aggression Act resulted in the country being turned over to the Soviets, only later to be followed by brutal Nazi occupation. The war's aftermath brought only further sorrow to the Lithuanian people. Nazi repression was replaced once again by Soviet domination. Since that time we have seen persistent attempts to eradicate Lithuanian culture which continues to this day. Besides deporting thousands of Lithuanian citizens, the Kremlin has sought to suppress religious freedom, to destroy the national culture, to eliminate the native language, and to expunge any vestige of political opposition.

Yet, the Lithuanian people's spirit of resistence remains strong and resolute after 44 years of Soviet oppression. Rich in determination, these people strive to preserve their heritage, the language and folkways so

unique to Lithuania. They look back with pride on the short 22 years of Lithuanian independence which made it the embodiment of an enlightened state. Civil liberties and home rule returned after more than a century of repression. Land reform measures brought property rights to the long disenfranchised, and culture flourished with new waves of literature, music, and art.

We in the United States have never acknowledged the illegal incorporation of Lithuania by the Soviet Union and we must continue to affirm our policy of nonrecognition. Brave individuals in that country have held on to their identity and have kept alive their hopes for their freedoms. We must continue our advocacy until their ultimate freedom is secured.●

H.R. 1035, FARM EMERGENCY CREDIT ACT OF 1985

HON. JOHN E. GROTBERG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. GROTBERG. Mr. Speaker, yesterday the House considered H.R. 1035, "Farm Emergency Credit Act of 1985." As a new Member of this body, I found this issue, and my decision on how to vote to be extremely complex and difficult. I am alarmed at the authorization levels contained in the legislation, although I am confident that the final appropriation bill will be more in line with the administration's position. I did not seek election to the Congress in order to exacerbate the already alarming Federal budget deficit situation. But more importantly, I am extremely concerned about the present financial climate throughout the farming regions of our country. In my district, the 14th District of Illinois, we are blessed with some of the finest farmland in the world. But high interest rates and a depressed export market have created desperate problems for our farmers. I've talked with many people from the farm community—farmers and their families, members of the farm bureau, bankers and businessmen who depend on farmers. They do not mind taking their share of cuts in the budget, but are dealing now with an emergency situation which requires emergency solutions.

H.R. 1035 was the only legislative vehicle available to us, though, which would allocate 50 percent of the loan program money to farmers now—in time for planning for spring planting—instead of waiting for disbursement after the fall harvest.

I voted for final passage of H.R. 1035 so that we could move a bill to conference with the Senate to deal with this difficult issue. It certainly was not perfect, but we cannot turn our backs on the farmers of not only my district, but those throughout the rest of the Nation who have given so much of themselves to sustain the prosperity of this, the greatest Nation on Earth.●

CHIEF ED DURKIN

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 1985

● Mr. KASTENMEIER. Mr. Speaker, I would like to honor one of my outstanding constituents, Ed Durkin of Madison, WI, who today is retiring as chief of the Madison Fire Department.

Ed Durkin has faithfully served the public for 35 years. A lifelong firefighter, Ed was named chief of the Madison Fire Department in 1979. Under his leadership, the Madison, WI, Fire Department is now rated by insurance companies as one of the most effective in the Nation in terms of preventing lives and property lost to fire and other disasters. Ed is particularly proud, as we all are, of this enormous accomplishment.

Ed also is noted for his determination to actively recruit qualified women to be firefighters in the Madison Fire Department. With a total force of 272 members, the Madison Fire Department now has 13 women firefighters. That is more women firefighters than have been hired by the cities of Baltimore, Boston, Cleveland, Denver, and St. Paul combined.

Chief Durkin's commitment to the principles of professional standards for firefighting and the principles of equal opportunity has transformed the Madison Fire Department into a model for all American fire departments.

Ed Durkin is also known for his willingness to speak out on a wide range of public issues well beyond the scope of his official duties. Ed is a courageous human being who has my admiration for the positions he has taken on controversial public issues.

As he retires at age 55, Ed Durkin has the gratitude of the Madison community for his dedication to the safety of that community and for his truly enlightened leadership. And being only 55, perhaps Ed will choose to find new ventures in need of that leadership. As Ed said upon becoming fire chief: "The guy ahead of me likes to put oil on the waters. I like to rock the boat."

Mr. Speaker, Ed Durkin is a truly fine gentleman, an exemplary public servant and a leading member of the Madison community. I wish my friend, Ed, his wife, Winnie, and his family happiness in the years ahead.●